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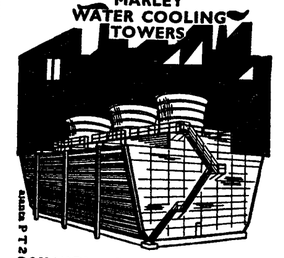
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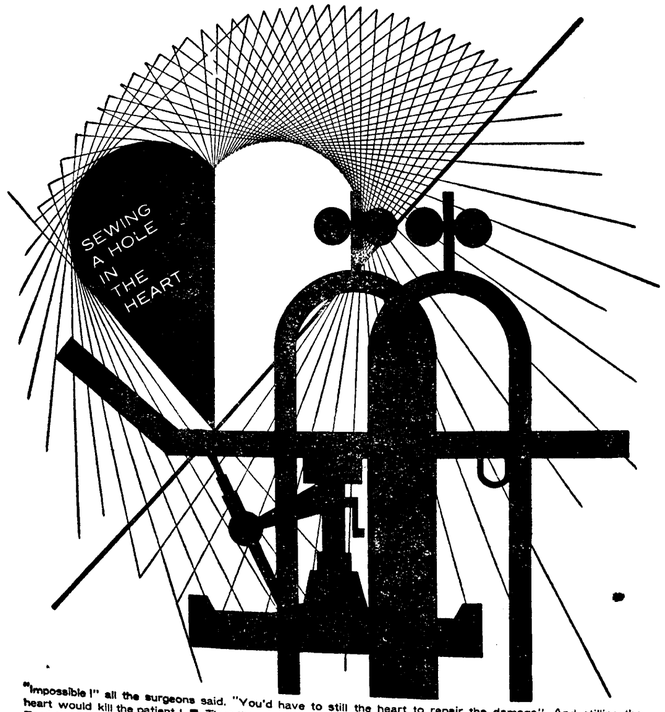
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FOOD SHORTAGE CONTINUES BUT NO FIRM POLICY YET

THAT after more than 13 years of economic planning, India's food policy continues to be determined by improvisations designed to meet particular emergencies, he who runs may read. During all these years it has been the habit of Food Ministers to talk extensively of intensive cultivation and intensively of extensive cultivation, but the promised age of abundance is still as remote as mythology's Isles of the Blest. The main reason for it is the alarming increase in population at the rate of about 2.4 percent a year—an increase which has thrown into insignificance the rise in food production from 50.02 million tons in 1950-51 to about 79 million tons in 1962-63. The result is that the country today is still largely dependent on food imports from abroad. This year the food crisis is particularly severe. The prices of food articles during the week ended 13th June, 1964, show a sharp rise of 18.7 percent when compared with the corresponding period of last year. Official wholesale prices in fact do not reflect the even bigger jump in retail prices. The severe impact of the steep price increase in a country where the vast majority of people live at subsistence levels and its likely political repercussions, if allowed to continue too long, are obvious. The pressure on food prices, particularly on cereal prices, is rather intriguing because rice production in 1963-64 is estimated at 36.4 million tonnes, against only 32 million tonnes in the previous year, and wheat production has dropped only marginally from 11.1 million tonnes to 11 million tonnes.

The Chief Ministers' conference held in New Delhi last week discussed those aspects of the price problem, which have by now become current coin in economic discussions in the country. The Chief Ministers have gone back to their States with assurances of larger assistance from the Centre, thanks to prospects of importing more rice and wheat from abroad. The U.S.A. has agreed to step up the despatch of wheat considerably so that more than 400,000 tonnes will be arriving every month. As for rice, the U.S. Government has assured supplies from its summer harvest, and Pakistan may supply 100,000 tonnes immediately and possibly another 100,000 tonnes later. Steps are also being taken to import rice from other countries like Thailand. Thus satisfied that the immediate pressure has been relieved, the conference has wound up tamely without taking any long-term measures to evolve a national food policy. The familiar appeal to strengthen the control machinery to prevent profiteering, hoarding and other malpractices has been voiced—which is rather surprising since it is a tacit admission that although controls in one form or other have been in force for over two decades, the administrative apparatus continues to be inadequate and ineffective.

The States where the food scarcity is particularly acute are Kerala, West Bengal, Maharashtra and Gujarat. The rise in prices in the deficit areas has encouraged hoarding in other States as well, and thus affected the entire economy. The difficulty in Kerala has been created partly by the compulsory procurement of rice at unattractive prices in Andhra Pradesh and Madras—a loss which the rice millers have made up by selling their remaining stocks at higher prices elsewhere. This also led to smaller arrivals of rice in Kerala. The discontinuance of procurement and levy in the surplus States of Andhra Pradesh and Madras, although belated, is a step in the right direction and may help relieve the pressure on food prices in Kerala. In West Bengal, the next important deficit State, arrivals of rice from neighbouring Orissa, which is the traditional supplier, have been inadequate mainly because producers and traders have been holding out for a higher price. As for Maharashtra and Gujarat, the movement of rice from Madhya Pradesh, which is at present arranged on Government-to-Government account under a quota system, has been very limited since the prices at which the Madhya Pradesh Government has been trying to buy rice have not been attractive. So the Central Government decided that the movement of rice from Madhya Pradesh to the two western States should be freed from restrictions and normal trade channels be restored. But this decision had to be called off soon after because the Chief Minister of Madhya Pradesh strongly opposed it on the ground that unrestricted movement of rice would push up prices in all the three States. Thus, excepting in the case of the southern States, the problems remain as they were before.

The Chief Ministers' conference has also left undecided the proposal of the Central Food and Agriculture Minister, Mr. C. Subramaniam, to set up a foodgrains trading corporation. The rôle visualised for this corporation was to buy grains, initially rice, from producers at prices announced ahead of the season and sell them to retailers at specified rates. It would thus have functioned as a price stabilisation board, and made for orderly development of farm production. Strangely enough, this proposal has been shelved. There is also silence over another suggestion by Mr. Subramaniam to establish a technical agency for determining producers' prices on an all-India basis, although the conference has agreed that a scientific study should be undertaken to fix the maximum prices of rice and wheat in various States. Mr. Subramaniam announced at the conference the Government's decision to enter the rice milling industry in a big way. Here there is a distinct dilution of the Bhubaneswar mandate to nationalise the rice processing industry in that what is sought to be done is not to take over the existing rice mills, but to set up new units in the public sector. It also signifies an abandonment of the stand against expanding milling capacity on the plea of encouraging the hand-pounding of rice. It, however, remains to be seen whether public-sector rice mills will be able to attract sufficient quantities of paddy from widely scattered places in rural areas in competition with the existing private mills.

As for increasing agricultural output, the Centre has asked the States to provide facilities for storing seeds and fertilisers at the rate of one godown for every four or five villages. The Central Finance Minister has promised a sum of Rs. 10 crores immediately for the purpose. The Chief Ministers have stressed the importance of rural credit and pointed out that its non-availability to the "weak

est" farmer is a major cause of low production. The land reforms introduced by various States, while being admirable in theory, have eliminated the landlord, who was also the farmer's financier. Having lost the source of credit, the farmer's work has been seriously hampered except in the few places where co-operative credit societies function well. Likewise, the imposition of land ceilings has made the use of tractors and other agricultural machinery difficult. The much-vaunted "package programmes", which aim at intensive cultivation by supplying the cultivators all the things they need, have not achieved much—a fact which the Prime Minister, Mr. Lal Bahadur Shastri, himself candidly admitted in his inaugural address to the Chief Ministers. Even the existing irrigation potential, created at a huge cost, has not been used fully.

Perhaps the most significant step for curbing inflationary pressures was contained in the announcement which the Central Finance Minister, Mr. T. T. Krishnamachari, made at the conference. He has promised a cut of Rs. 70 crores in the Central Government's expenditure, and has urged the States to curtail their outlay on those items which do not help economic growth. Huge Government disbursements on prodigal schemes, many of them of doubtful economic value, have pumped large sums of money into the economy. The Centre has found the wherewithal partly by resorting to reckless deficit financing. This is one of the major causes of inflation in the country. Although the saving contemplated by Mr. Krishnamachari is just a fraction of the annual civil expenditure, it should prove to be effective, particularly if the measure evokes a response from the States. The Prime Minister has, in fact, suggested to the Centre and the States to slash expenditure by 25 percent. But whether the States will take the cue from the Centre remains to be seen. Their wasteful policies have already put them in the red despite the buoyancy of their revenues. In fact, in his last Budget speech, Mr. Krishnamachari referred to the States' indebtedness with considerable concern, and indicated that the assistance given by the Centre to the States should be related to capital expenditure on projects which are economically sound. Whether the States will accept a stiffer financial discipline implicit in cutting down their expenditures is a big question mark.

UNIT TRUST: CONDITIONS FOR SUCCESS

THE commencement of the sale of units by the Unit Trust of India from 1st July, 1964, is a landmark in the development of India's capital market. In principle, the aim of the institution is unexceptionable since it seeks to mobilise the community's savings for investment in trade and industry. The funds pooled by the Trust through the sale of units in the denomination of Rs. 10 each will be invested in diverse types of securities, including Government loans, industrial debentures and shares. So the unit-holder will get an opportunity to participate in the nation's economic prosperity. Although there is a general desire to spread the ownership of shares in various industrial and commercial concerns, no concrete measure has so far been taken to implement it. The Trust is the best medium through which the share-ownership in trade and industry can be widely diffused.

The Trust has started selling units under favourable circumstances. Its initial capital of Rs. 5 crores has been contributed by the Reserve Bank of India, the Life Insurance Corporation and the State Bank and its subsidiaries, scheduled banks and other specified financial institutions. The initial capital has been used to build up a balanced portfolio of sound securities. On this basis, the units are now being issued to the investing public. The proceeds of the sales will provide the unit capital. Apart from the confidence the Trust enjoys as a public-sector enterprise, the Government has given it special tax concessions. It has been exempted from the payment of income tax, super tax, and other taxes on income. It is entitled to receive its dividend and interest income without tax deduction at source. Furthermore, an income of up to Rs. 1,000 received from the Trust by any unit-holder is exempt from income tax. Such income is also exempt from super tax in the case of a unit-holder who would not have been liable to pay super tax but for this income. The Trust will distribute its income to individuals without making any deduction of income tax at source.

The liquidity of investment in the units is being ensured by the stipulation that the units will be freely bought and sold by the Trust itself. The safety of capital is more or less guaranteed by the fact that it is a public-sector enterprise, so its management will be under the Government's control. As far as the Trust's investments are concerned some broad guide lines have been laid down. Firstly, investments in any one company will not exceed 5 percent of the total investible funds of the Trust or 10 percent of the value of the securities issued and outstanding of such a company, whichever is lower. Secondly, not more than 5 percent of the investible funds should be invested in the initial issues of securities of new industrial undertakings. The Trust aims at building up a balanced portfolio of securities yielding an overall return of more than 6 percent a year.

The Trust's success will depend on how readily the investing public will buy the units. Although New Delhi has taken a facile view of mopping up funds totalling Rs. 100 crores through the Trust's operations, the target is too ambitious to be achieved in a short time. Whether the units will attract prospective buyers is likely to be governed by three main factors. Firstly, the yield from the unit will constitute about the most decisive consideration. Unit-holders have, for the time being, been assured of a tax-free yield of at least 6 percent. This has been done on the basis that 90 percent of the income of the Trust—after deducting all expenses—will be distributed to unit-holders. A large part of the Trust's funds is likely to be invested in industrial equities which at present give a yield of up to 6½ percent to 7 percent on average. Investments in debentures and preference shares offer a return of slightly more than 9 percent on average. But these higher returns will be neutralised to some extent by the Trust's investments in Government securities which offer smaller yields. Whether the Trust will earn an average return of more than 6 percent on its investments will depend on how successful it will be in holding down its expenses. Unless the expenditure is kept down to the minimum from the very beginning, it will find it difficult to get an average yield of more than 6 percent under the present circumstances. Although the prospect of giving a tax-free return of 6 percent to the unit-holders fairly reasonable, it is by no means highly attractive in view of the Government's dearer money policy. Meanwhile, there has been some disappointment over the 6-percent return because it was indicated earlier that unit-holders would be assured of an yield of 8 percent to 10 percent.

Secondly, the attraction of the units will depend on the prospects of appreciation in their value. The appreciation will take place if the investment portfolio of the Trust itself increases in value following a rise in the prices of securities that are held. However, the rise in the value of the units, for the time being, will be checked since capital gains made by the Trust will not be passed on to unit-holders. The move has nevertheless been wise in the initial stage because it will help the Trust to build reserve funds for coping with any loss which may occur in the future. Since the Trust's initial capital of Rs. 5 crores was invested at a time when share prices were depressed, its investment portfolio should show appreciation in the near future. Thirdly, the units in the present depressed condition of the capital market look fairly attractive in comparison with industrial equities, since they enjoy many tax concessions, combined with an assured yield and liquidity. Although the Trust will buy and sell units freely, steps should be taken to ensure that these transactions are not hindered by procedural difficulties.

The stock market has greeted the sale of units by the Trust by marking up share prices all round. But in the short term, the impact may not be as bullish as has been made out. Since the units will mop up considerable savings of the community, the flow of funds into stocks and shares will diminish. But in the long run, the Trust will help stimulate activity in the capital market. Since it will invest heavily in industrial equities, debentures and preference shares, it will automatically absorb a large part of the floating stocks in the market. But this by itself may not be an unmixed blessing since al good scrip may steadily find their way into the portfolios of the Life Insurance Corporation and the Unit Trust. The Trust should, however, supplement the activities of the stock market and no supplant the market. In the long run, the successful sale of the units will depend upon healthy trading in the capital market. Unless the trend in industrial equities, debentures and preference shares remains steady, it will be difficult to attract support for the units. Whether the value of the units will appreciate in due course depends upon the buoyancy of the market.

The units are expected to appeal most to the middle and low-income groups rather than to the richer classes. People belonging to the latter are well acquainted with the intricacies of the investment market, so they can invest their funds on their own. Since only an income of up to Rs. 1,000 from the Trust has been exempted from income tax, the units may not be very attractive to people of high incomes. Even the tax concessions on the units will be neutralised if an individual makes large capital gains due to the appreciation of his investment portfolio. The low and middle-income groups are usually very shy in investing their funds, so the Trust should take vigorous steps to popularise the units among them. Although scheduled banks and stock-brokers have been engaged to stimulate the sale of the units, it is yet difficult to say whether they will lend their wholehearted support. As far as banks are concerned, they will tend to be rather cautious in selling the units, lest deposits are siphoned off from them. There is little doubt that many people will have to buy the units out of their deposits or by selling their present investments, because the scope for new savings is very limited in view of inflationary pressures. The adverse impact of the sale of the units will be felt not only by banks but also by the Government which will find it difficult to make its various small savings schemes a success. It is almost certain that the interest on small savings schemes and postal savings accounts will have to be raised if they are to attract funds from the public. Attention, meanwhile, should be given to ensuring that the units succeed in mobilising new savings. The units can attract small savers, so it will be a good idea to popularise their sale among industrial workers. Since farmers and industrial workers have enjoyed a fair share of economic prosperity in recent years, the Trust should endeavour to mop up savings from these classes.

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U.N. TRADE AND DEVELOPMENT TALKS—2

THE DEBATE ON AID AND TRADE

By Dinesh Babl

The U.N. Conference on Trade and Development in Geneva made somewhat greater progress on questions of foreign aid and financial policy than on trade problems. Some aspects of the discussions are analysed in this article, the second of a series on the Conference.

GENEVA

BEFORE a somewhat more detailed assessment is made of the achievements of the U.N. Conference on Trade and Development in Geneva, a brief recapitulation may be useful of the economic trends and the thinking which inspired it. The first important factor influencing the deliberations of the Conference is that the economic growth of the richer nations has been faster than that of the poorer ones; the disparity between the two is, therefore, increasing. The conviction is gaining ground that without a radical change in the international economic system, the increase in the disparity cannot be corrected. Deliberate and powerful intervention in the present relationship between the developed and the developing economies is necessary if the gap—often referred to as the North-South gap—is to be narrowed.

As a first step towards narrowing the gap, the members of the United Nations decided that a target should be set for the Development Decade, whereby the developing countries would be given the facilities for raising their rate of economic growth to at least 5 percent a year by 1970. Considering that the rate of growth during the 1950's was about 4.4 percent, the target seems a modest one; it is still more modest when considered in per capita terms, since the population of the developing countries is growing too and the rate of population growth, furthermore, appears to be accelerating. Even so, the 5 percent target looks like nowhere near being achieved.

The basic reason the target is not being achieved is that the developing countries lack the resources—financial, managerial and technical. The assumption is that, as things stand, they are never likely to be able to get the resources they will need. The resources, therefore, have to be diverted through radical changes in the international economic mechanism undertaken as a matter of policy. The developing countries insist that this does not mean that they are simply a bunch of beggars. On the contrary, one of the heartening features of the Conference is that rather more emphasis was placed on trade (i.e., on earning the resources) than on aid (i.e., on securing simple or disguised gifts).

The developing countries have a strong point when they say that the international trading system, as at present organised, is heavily weighted against them. For or against whom it is weighted may at first glance seem a matter of opinion. But the proof of the pudding lies in the eating, and the trends in international trade clearly demonstrate that, relatively speaking, they have been steadily losing ground. During the past ten years, their share in world trade has fallen from over one-third to less than one-fourth. Their exports have increased, but their imports have risen even faster. Furthermore, the prices of their exports have not increased, whereas the prices of their imports are appreciably higher. What was once an external trade surplus has thus become a major trade deficit, the deficit having been accentuated by the adverse movement in the terms of trade. Added to the trade deficit is a large outgo on account of "invisibles"—mainly capital servicing and shipping. The overall payments deficit of the developing countries has thus become huge, and shows every sign of becoming even bigger. Complicating the whole situation is the fact that the prices of the developing countries' exports fluctuate sharply from time to time; foreign exchange shortages thus increase suddenly and unexpectedly, and tend to thwart the efficient implementation of development plans.

The general ideas of the ways in which these problems might be attacked, as they have emerged at the Conference, are not exactly original. But the advance which has been registered consists in the fact that only a few years ago many of these ideas would have been summarily dismissed as theoretical nonsense, as the idle pipe-dreams of sundry professors, economists, administrators, politicians and garrulous eccentrics. Now they have been seriously discussed at a high-level international conference, and become the warp and woof of a continuing economic dialogue. What is perhaps more important in practical terms, they are to be seriously investigated by groups of hard-headed experts—with the consent of the developed as well as the developing countries. Many of the ideas will no doubt drop by the wayside, either because they do not make economic sense, or because they take no account of the politico-economic realities of our time. But it is perfectly on the cards that from the rest there may germinate in the coming months and years not only specific measures, but also important shifts in policy, that will be of major significance for the developing countries.

Although foreign aid and investment have received less of the Conference's attention than trade, the most important of the proposals emerging in relation to the former is that the developed countries should aim at devoting at least 1 percent of their national income—net of repayments—for the benefit of the developing countries. It is important to emphasise that this is mainly a recommendation, not a decision, as indeed it could not be. But its significance lies in the calculation that, if and as it comes to be implemented, the total flow of resources under aid and investment programmes to the developing countries could rise from the present level of about £1,900 million to £3,000 million annually. The definition of financial resources included under this item covers official cash grants and grants in kind (including grants for technical assistance); sales of commodities against local currencies; government lending for periods exceeding one year (net of repayments of principal); grants and capital subscriptions to multilateral aid agencies, and net purchases of bonds, loans and participations from those agencies. It also includes private capital on the basis of net long-term movements, originating with residents of the capital-exporting countries. They are thus net of repatriation of principal, disinvestment, and retirement of long-term loans, portfolio assets and commercial debt. They are not net of reverse flows of capital originating with residents of the less developed countries, nor of investment income. It is of some significance that, in Committee 3, where the question was discussed, so far-reaching a recommendation was accepted with 72 countries voting for, none against, and ten abstaining.

On the question of easing the debt servicing burden of the developing countries, many interesting ideas have been aired, although the progress cannot be described as positive or striking in practical terms. The developed countries have indicated that they are prepared to accept the general proposition that loans to developing countries should be for longer periods and at lower rates of interest, the initial grace periods for repayment also being extended; that there should be a shift towards "untied" loans; that the proportion of short-term and medium-term credits should be reduced; that debts should be re-scheduled or consolidated with a view to reducing the burdens of repayment and servicing; and that repayments should increasingly be used to buy the products of the developing country which has taken the loan. One of the specific recommendations made was that the repayment of loans should be spread over a period of 20 years, with a certain grace period. Another was that the interest rates on State loans and development loans should not normally exceed 3 percent a year. Although both the recommendations were pushed through with the developing countries' majority, they met with fairly stiff resistance. The main virtue of these figures relating to loan repayments and interest rates, therefore, is not that they will henceforth be binding; they will not. The main virtue is that they may in the coming years begin to constitute in some sense a target and a criterion, which the richer countries will try to reach and against which the reasonableness of their loan terms will be judged.

On the question of the richer countries increasing their imports from the developing countries, the progress has been rather nebulous. The communist countries have scored a minor propaganda hit by issuing precise projections about how they expect some of their imports from the developing countries to increase by 1970 and by 1980. But the point has been emphasised that these are only projections, not promises or commitments. If it were merely a question of issuing projections, any country could draw them up according to its private tastes and political convenience, without any of them necessarily meaning very much in the end. The developed countries of the West, however, have in contrast left the impression that they are dragging their feet badly on this question. The developing countries' plea was, in some particulars, fairly specific. For primary products, for instance, they originally said that the developed countries should abolish all tariff and non-tariff barriers by the end of 1965; internal charges and revenue duties should also be abolished. But, not surprisingly, although the suggestion was later watered down, no precise commitment at all has been made.

For the exports of manufactured and semi-manufactured products from the developing countries, the main recommendation originally was that the developed countries should not raise existing tariff or non-tariff barriers for such exports. In fact, they should eliminate some of these tariffs immediately, and cut the remainder by 50 percent straightaway, the idea being that all tariffs on such products should be abolished within five years. Non-tariff barriers, it was said, should also be eliminated immediately. Not surprisingly, again, here too it is certain that nothing so far-reaching will be done so quickly. The richer countries are afraid mainly of the socio-political consequences if their domestic industries are destroyed by such liberalisation. They also feel that the reduction of the tariff and non-tariff barriers for imports from the developing countries cannot be considered in isolation; it has to come as part of the world-wide move to liberalise trade, such as is hoped to be achieved during the Kennedy round of the G.A.T.T. negotiations.

The tangible gains are perhaps fundamentally two. The first is the growing, albeit still limited, acceptance of the principle that the developing countries should not have to reciprocate with concessions when measures for liberalisation of trade are taken by the developed countries. The second is the further corollary to this idea—that imports from the developing countries should receive special preferential treatment as compared with imports from other countries. The idea has met with strong resistance, because it would imply discarding the most-favoured-nation principle that has hitherto been at the basis of international trade; the only favoured nations under the developing countries' proposal would be the developing countries themselves. But a gradual change in thinking on these two principles may be under way, and in course of time it could yield important results.

(To be concluded)

EXPANDING POWER CAPACITY

IN power, it is none too early to consider now what needs to be done to meet the requirements in 1970-71. This is so because it takes as long as five years to build a thermal plant and twice that time to commission a hydro-electric project. The proposals now being put forward for the fourth

plan, therefore, call for close study even if some of the major assumptions underlying the demand estimates must remain open to question until the broader issues about the size and objectives of the plan are settled. The first thing to note is the magnitude of effort required if the generating capacity is to be raised from the 12.5 million kW expected to be in commission by 1965-66 to 23.8 million kW in 1970-71. This would imply adding over 2 million kW each year, against 1.4 million kW yearly during the thind plan. Investment will have to be stepped up to Rs. 2,480 crores over the five-year period, more than double the outlay during the current plan. The difficulties in accomplishing this large task will be the greater because of the lower foreign exchange component assumed—one-sixth against almost one-third of the total investment required in the present five-year period.

Neither the size of the task nor the cost should, in this case, be held against the planners. Adequacy of power supplies is crucial to the whole process of growth. Power benefits not only large industry, which indeed cannot exist without it, but also the small man both in the city and the village. The transformation of small industry from the primitive and highly uneconomic stage of cottage crafts to modern units working independently or as ancillaries to large-scale enterprise cannot be accomplished without power. Nor can productivity on the small farms improve without the assured water supply that electrically-operated tube wells can provide at a very attractive price. In short, the building of a modern, viable economy starts with power, of which there can never be too much in a developing country.

Even if investment in power is *ipso facto* worthwhile, there is no denying the need to make the most of whatever resources India can afford to allocate for this purpose. This calls for an examination of several issues of policy, the most important among them being the choice of generating methods. In areas like Gujarat, where natural gas or that arising from producing oil wells is waiting to be utilised, the choice is obvious. Much in the same way, one can unhesitatingly opt for thermal plants in the Madras area where the hydro-electric potential is approaching exhaustion. But there are regions where a decision is not so easy to make, as for instance in eastern India. There is need to harness rivers like the Kosi or the Gandak in north Bihar or the Mahanadi and its tributaries in Orissa not merely to generate power but also to control floods and provide year-round irrigation.

But eastern India also happens to be the country's principal source of coal supplies. Given the nature of coal resources, 40 percent to 50 percent of run-of-mine coal will have to be discarded to meet the quality or size specifications of industry. Unless the discarded middlings or slack coal—by-product coal—are put to some economic use, the cost of fuel to industry will become intolerably high as is already the case with clean coal from Hindustan Steel washeries supplied to steel plants. Since the by-products can be used best in large power plant boilers specially designed for the purpose, it follows that power generation in areas close to coal should as far as possible be based on this resource; for purpose of national planning, this can be assumed to have zero cost. A recent study suggests that the eastern region should depend wholly upon thermal plants to carry base loads and use hydro-electric power only to meet peak-hour requirements. In the next plan, however, the study sees no reason to add to hydro-electric capacity and suggests that the entire addition should come from thermal plants.

This is not to suggest that hydro-electricity does not offer the cheapest power in the conditions for which it is best suited. At lightly-loaded plants —for example, in areas where demand is still building up—hydro-power is incomparably superior. But this is not so in industrialised regions where demand is large and sustained enough to operate thermal plants at high load factors and where the delivered costs of coal are low. A choice has to be made not only between coal and water power but nuclear energy also would have to be taken into account in areas where the use of coal is expensive because of high transport charges and water resources are absent. Madras and Rajasthan are cases in point, and a decision has already been taken to instal nuclear plants in those States. Technological considerations make it necessary, however, that nuclear plants should be of a substantial capacity, and must operate at high load factors to bring generation costs to an economic level. This implies using nuclear plants to supply the base load and establishing inter-connections to provide a large enough demand.

These considerations regarding attractive methods of generation are no doubt being kept in mind by those on whom the responsibility rests for preparing detailed plans. But their ability to make rational choices will depend upon how effectively future requirements are mapped out through periodic surveys. No State Board can work out a plan of action in isolation from its neighbours because the balance between generating capacity and demand will otherwise be very difficult to maintain. Load surveys have begun—the first was completed only a few months ago—but its value remains uncertain unless one can be sure that both users and suppliers of electricity have been honest in their estimates. Injecting realism is not easy in a situation of shortage with generating authorities inclined to inflate local load estimates to pre-empt larger resources for expansion than they might otherwise get.

The establishment of grids is another issue on which the settled policy requires to be translated into a detailed programme. In most advanced countries, a high degree of inter-connection between different generating systems is now the rule even where this involves exchange of power across national frontiers. The advantages of doing so are that the total load can be met at the lowest cost by working the most efficient units of the inter-connected system and relying upon the less efficient to meet peak loads. Equally important is the saving in stand-by capacity. An isolated system will need in most cases to keep as a stand-by a generating set equal in size to the largest in use—a large part of the total installed capacity will thus have to be held in reserve whereas the same spread over an inter-connected grid would work out to a much smaller proportion. In West Germany, a margin of 6 percent is now considered adequate, against 15 percent to 20 percent optionally required in India.

A connected question is that of investment on transmission. As the draft report of the Energy Survey points out, a large proportion of new generating capacity will necessarily have to be based on by-product fuels. This implies building large central power plants as close to the source of fuel as possible and transferring power to users over extra-high-voltage transmission lines. A careful study of the costs of transmission of energy show that this will be more economic than transporting the fuel itself. This indicates that future plans should, as far as possible, move away from market-oriented to resource-oriented generation. This will not be easy because few areas exist with sufficient volume of unallocated demand to justify building extra-high-voltage transmission systems immediately, but a beginning must indeed be made now to achieve a more rational dispersal of capacity in the long-term.

Current News and Comment

Developing Road Transport

The need for rapid development of transport facilities can hardly be over-emphasised. Past experience has shown that transport bottlenecks have disrupted production schedules in specific industries and projects and acted as a major brake on the economy. The Planning Commission seems fully seized of this problem, and it has decided that transport facilities in the country should be developed in step with and, if possible, a little ahead of developments in the economy as a whole. A series of studies are under way to determine transport requirements in the context of growth over the next ten years and a separate division has been set up in the Commission to suggest application of scientific and technological methods in road construction to reduce the cost of road building and maintenance.

Addressing the annual general meeting of the Indian Roads and Transport Development Association in Bombay last week, the deputy chairman of the Planning Commission, Mr. Asoke Mehta, pointed out that the cause of developing backward regions would be best served by co-ordinating road development and economic activities. The Planning Commission has estimated the outlay on transport and communications in the fourth plan around Rs. 4,000 crores, of which Rs. 850 crores are being earmarked for road transport. Outlining the approach towards the transport problem, Mr. Mehta said that development programmes for different modes of transport have to be formulated with the objective of ensuring, firstly, that the total task is carried out, and, secondly, that investments and current costs are kept down to the minimum. To plead for a *laissez-faire* approach to road transport in a planned economy would be a retrograde step. It would be more logical to co-ordinate and regulate transport in such a way as to serve the interests of the economy as a whole. Suggesting a reorganisation of the road transport industry Mr. Mehta said that it was necessary to safeguard the interests and opportunities of small units and to bring them together into appropriate associations and other functional organisations.

The development could be that private carriers would form the transport arm of individual industries and the co-operative transport societies could handle products of farms, fisheries, forests and orchards. He also envisaged the possibility of an extension of the existing pattern of municipal transport services to more towns. Mr. Mehta said that a successful drawing up and implementation of a co-ordinated transport plan would depend on the enthusiasm and co-operation of the interested parties. Mr. Mehta drew attention to the slow growth of the motor-vehicle industry in the country which hampered the expansion of road transport. As against the target of 60,000 commercial vehicles set under the third plan, the production for 1965-66 is not expected to rise beyond 42,000 vehicles. There has also ben a marked lag in the industry in achieving the target for indigenous content, thereby causing a serious strain on the country's scarce foreign exchange resources. Mr. Mehta expressed the hope that manufacturers would not only cut their production costs, but also reduce their foreign exchange dependence.

In his presidential address, Dr. F. P. Antia made a fervent plea for freeing road transport from the existing restraining shackles in order to encourage its speedy development. He suggested that allocation during the fourth plan for road transport should be around Rs. 1,700 crores. Further, he wanted the road budget to be separated from general revenues. Recounting the advantages of road transport over rail, Dr. Antia remarked that about Rs. 10 lakhs would have to be spent on every one mile of rail track constructed. But it would cost only Rs. 3.5 lakhs to build a two-lane road. Apart from lowering construction costs for roads, the carrying capacity was double that of rail and in some cases even three times. As for speed also, rail transport made an average of 5 miles a day while road transport was three to six times quicker. And the yield on capital investment in the railways was only 5 percent whereas on road it was around 10 percent. Moreover, road had a greater employment potential. Operating costs a ton-mile were also lower. Dr. Antia pleaded that the tax burden on the road transport industry should be reduced, octroi abolished, and harassment at various check posts for sales tax collection removed. He also wanted the issue of permits to operators to be liberalised and distance restrictions to be done away with. In order to reduce costs and increase the volume of traffic Dr. Antia suggested that trailers should be introduced on all national highways. These trailers with payload of 13 to 25 tons could reduce costs by 40 to 70 percent.

Mustard Oil Scarcity

Despite the official measure to fix the wholesale and retail prices of mustard oil, the commodity continues to be scarce in Calcutta markets. As the oil is an essential cooking medium in this State, the scarcity has caused great inconvenience. Some of the major mills are reported to have been making direct sales to consumers. They do not, however, sell oil loose, but sell it in containers for which an extra 81 paise is charged. This way they appropriate the retailer's margin of 16 paise, and possibly, make something on the container too. (The officially fixed retail price for the oil is Rs. 3.25 a kilogram; ex-mill, it is Rs. 3.09). Nobody seems to grudge the mills their profit, some not directly affected may even admire their ingenuity in managing things in their own way, but the point is that it is not helping the distribution of the commodity in the way it ought to be done. Not all families can spare the time or men to stand in long queues before the mills' retail counters. Meanwhile, unscrupulous retailers and hawkers are selling adulterated stuff at high prices. The Government has been unable to do anything more useful than just fixing prices, and occasionally catching a few minor offenders through its enforcement staff.

The explanation offered, of course, is the usual one of supply falling short of demand. It is true that West Bengal depends on outside sources for 75 percent of its mustard requirements, and naturally, the prices in the State are governed by the rates ruling in major production centres. Moreover, the mustard crop in 1962-63 was lower than in the previous year, the index number maintained by the Economic and Statistical Adviser to the Central Ministry of Food and Agriculture showing a drop from 102.2 to 99.7. The crop is said to have declined further this year. Mustard is one of the 14 commodities, in which futures trading has been banned, but that has not led to any fall in its price. Yet these do not explain why a crisis should have developed in the local trade so suddenly. It has been alleged that the seed dealers in West Bengal are charging much more than what the ruling rates in production centres justify. This the dealers have denied; but they have agreed to sell seed at prices which the mills consider reasonable. Yet the mills are reported not to be working at full capacity, one of the grounds being that dealers are selling inferior mustard seed at prices fixed for superior varieties. Thus the situation continues to be confusing. The State Government is said to be considering measures to increase mustard oil supplies in the city and ensure adequate availability for all consumers. What these measures will be, remains to be seen. Meanwhile, the consumer suffers.

Oilseeds Prices Soar

The upward trend in oilseeds prices continues unabated. Since about the beginning of June, groundnut ready (Karad bold) has risen from Rs. 57.50 to Rs. 60.50 a 50 kilograms, linseed from Rs. 44.50 to Rs. 47 a 50 kilograms, castorseed from Rs. 34.25 to Rs. 35.50 a 50 kilograms, groundnut oil from Rs. 22.40 to Rs. 24.30 a 10 kilograms, linseed oil from Rs. 18 to Rs. 19.20 a 10 kilograms, castor oil Commercial from Rs. 13.50 to Rs. 14.60 a 10 kilograms, groundnut expeller from Rs. 465 to Rs. 505 a tonne and groundnut extraction from Rs. 405 to Rs. 426 a tonne. The current prices of groundnut, groundnut oil, groundnut expeller and linseed are all-time highs. There is no knowing yet how far the upward trend might go. Market sentiment has not yet been the least affected by the fairly satisfactory weather reports from the groundnut-producing areas. This underlines the inherent strength in the market. As futures trading in various oilseeds and oilcakes, including the highly speculative groundnut and groundnut expellers has been banned, the rising trend in oilseeds prices can no longer be attributed to speculative activity.

Basically, the rising trend in oilseeds prices reflects the chronic lack of balance between supply and demand, resulting from a virtually static production and a steadily growing demand. Output of five major oilseeds during 1963-64 is unlikely to exceed 7 million tons, which is still far short of the second plan target of 7.6 million tons. Apparently, various steps taken by the Government to step up oilseeds production have failed to yield concrete results. Judged by past performance, it would be simply wishful thinking to expect that production during the next two years could be raised to reach anywhere near the third plan target of 9.8 million tons, which can by no means be considered ambitious when viewed in the context of the country's growing domestic needs, apart from building up of export surpluses.

The rise in oilseeds prices is a part of the general price upsurge in the country. When one compares oilseeds prices with those of cereals and foodgrains, oilseeds look rather cheap. In the past, groundnut have been known to have fetched a much higher price than wheat. However, the sudden spurt in oilseeds prices over the past few weeks has been due to sustained keen demand for groundnut as well as groundnut oil from *vanaspati* manufacturers, both for their own consumption and for meeting sizable export commitments. Control over *vanaspati* prices has been given up since the beginning of June and in view of the keen demand for this commodity, manufacturers are willing to pay almost any price for the raw material. The 1963-64 groundnut crop is known to have been better than in the previous season, but the increase in groundnut production has been more or less offset by the fall in rapeseed production. The overall production of oilseeds is not expected to improve noticeably during 1963-64. Apart from the steadily growing domestic demand, there has been a marked increase in the exports of groundnut oil which are expected to rise to around 100,000 tonnes in 1964. *Vanaspati* manufacturers who are now the main exporters of groundnut oil, are reported to have sold sizable quantities of oil for deliveries as distant as November-December. Business has been made possibly by the spectacular rise in groundnut oil prices abroad. Within a month or so, the quotation for groundnut oil in the U. K. has shot up by about £22 a ton.

The recent steep rise in groundnut oil abroad is attributed to very large purchases of Nigerian oil by Burma. Sentiment has also been helped by the marked rise in the price of groundnut extractions overseas. The latest U. K. quotation of around £39 a ton is a record high for many years. India's exports of groundnut extractions are expected to set a new record of 900,000 to 1 million tons this year. Sustained overseas demand for extractions has pushed the price of groundnut expellers to an all-time high because of the keen bidding by a large number of solvent extraction plants. The supply of oilcakes has failed to keep pace with the increase in extraction manufacturing capacity. The scarcity of expeller cake is being more acutely felt by the plants located in port towns, especially in Bombay, as they are far removed from the areas of supply.

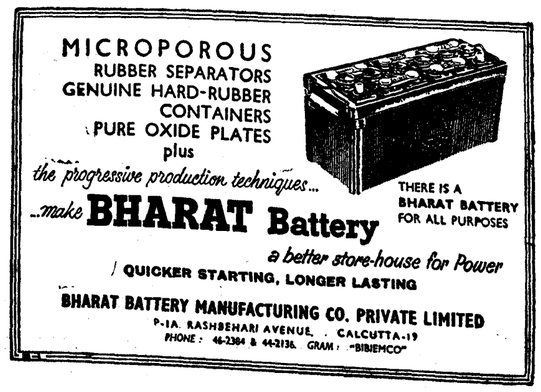
The prices of oilseeds as also of other farm products can be brought down only through a significant increase in production. To the extent to which the rise in prices is exaggerated by the hoarding of stocks by anti-social elements, it should be possible to produce an impact on the market through short-term measures which can be implemented successfully provided the administration is honest and efficient. If exports are to be encouraged at any cost and domestic production cannot be stepped up to cope with the expanding demand, the Government should make arrangements for securing substantial quantities of soyabean oil from the U.S.A. under P.L.480. This can have a significant impact on internal prices of vegetable oils and at the same time, release larger quantities of high-priced groundnut oil for export.

Shift in Petroleum Policy

India's oil policy is headed towards a new pattern of direct collaboration with the producing countries of the Middle East. It was learnt recently that the Central Minister of Petroleum and Chemicals, Professor Humayun Kabir, was delaying the award of contracts for two new refineries until "new" Asian offers—in hand or in the offing—had been weighed. With yet another delegation from Kuwait expected shortly, one may safely presume that an arrangement for the direct supply of crude is likely to be worked out. The crude may be no cheaper—the Kuwait National Oil Company is not itself a producer and there are in any case O.P.E.C. objections to discounts—but the possibility of Kuwait agreeing to accept payment partly in non-convertible rupees is attractive to India because of her perpetual balance-of-payments problem. The rupee may be used to finance the purchase of such Indian goods and services that Kuwait may be persuaded to buy, and the remainder credited to a fund to finance joint ventures, including perhaps further refineries in India.

In that case, the entire foreign exchange cost of refinery construction will have to be borne by India, but that is expected to be taken care of in one of several ways. There is perhaps a possibility that an oil producer like Kuwait with very large foreign exchange balances may provide a long-term loan to India. Alternatively, India may get refinery equipment on long-term credits from either east or west European countries. The Rumanians have let out that they have been approached for help, but that apart, there are also outstanding Italian credits waiting to be used.

Yet another move towards direct collaboration is the Indian proposal to participate in offshore exploration in the Persian Gulf. India is not herself eligible to do so since she did not take part in the



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pre-exploration seismic surveys, but she hopes to go in along with Italy's E.N.I. and the American independent, Phillips Petroleum in a tripartite venture. Their interest in associating with India lies in the fact that the country provides a ready market for any oil that may be found— a factor of considerable importance in the context of the present world surplus. Offshore drilling has its hazards even in a promising area such as the one in view, and oil in any substantial quantities may not materialise. There was, therefore, a body of opinion in New Delhi which was reluctant to commit resources —all of it in foreign exchange—to a gamble. If apprehensions on this score have now been overcome, it may be because of fading hopes of finding large oil deposits within the country. The Energy Survey of India, in the draft report now being discussed, places likely oil production at no more than 10 million tons during the 'seventies, deflating the exuberant optimism of the Oil and Natural Gas Commission.

If India does go into offshore drilling—the bid the O.N.G.C. puts in along with E.N.I. and Phillips Petroleum will be only one of many before Iran to consider—it follows that any oil found as a result would have preferential claims on the Indian market. This explains the pressure now being brought to bear upon the existing refineries to treat offshore crude accruing to the O.N.G.C. at par with indigenous supplies. Under the present refinery agreement, indigenous crude has to be used by them to the extent available in preference to imports. The oil companies are naturally not keen because their basic purpose in building refineries has been to ensure outlets for the crude their associates produce. But they also recognise India's need to save foreign exchange which prompts her to embark on the offshore venture. They may, therefore, give in after the formality of consultations with their shareholders has been completed. Once they do, the last remaining hurdle to the renewal of the refinery agreements will be out of the way.

For the new refineries still to be built, the offshore venture has even larger implications. Even if new "Asian" offers do not immediately decide the choice, it is obvious that the contract for Madras and Haldia will include in all likelihood the obligation to use crude raised under Indian aegis within the country or outside. For the two organisations, E.N.I. and Phillips Petroleum, included in the offshore trio, the stipulation will be the least difficult to accept. If so, the prize of the two new refineries may elude the majors of international oil.

Hindrances to Hire-purchase

In his speech from the chair at the annual general meeting of the Hire Purchase Association in Calcutta last week, Mr. R. P. Patodia discussed how hire-purchase could help improve the standards of living of middle class people. Such expensive consumer goods as washing machines, refrigerators, radios and household furniture are now available on hire-purchase. So people with limited purchasing power are able to buy these items. The growth of hire-purchase in India has not been rapid so far since consumers have looked upon it with suspicion. Besides, the companies doing this business in India have received little support from the Government. A few years ago, hire-purchase in India was restricted to commercial vehicles and motor-cars, but since then it has spread to other items, such as electrical and household goods. In contrast to the situation in India, the value, variety and the bulk of hire-purchase transactions are nowadays regarded as a barometer of an industrially advanced country. In Britain, the hire-purchase and credit debt exceeds £1,000 million and the figure in the U.S.A. is even higher. Although no authoritative data are available on the total investment in the hire-purchase business in India, Mr. Patodia felt that it would easily exceed Rs. 50 crores; this works out to Re. 1 *per capita*. In contrast, during the short period of nine years, 1952-61, the hire-purchase debt in the United Kingdom rose four-fold from £250 million to £1,000 million.

Discussing the difficulties of the business, Mr. Patodia says that although credit is backed by a tangible asset, the latter is always in the custody and control of the user. Cases are not rare when the hirer abuses his liberties and disappears with the security. Since the asset is mostly mobile, it can be removed from one part of the country to the other involving the seller in huge expenses to recover it. Furthermore, banks are not generally inclined to grant advances against hire-purchase documents, although a few of them have done so in recent years. But the rate of interest charged by the latter, including the cost of insurance guarantees, amounts to 10 percent, which is higher than the rates on comparable advances. So the Reserve Bank of India should enunciate a clear policy on hire-purchase advances. Litigation is another hazard for hire-purchase companies and it involves them in heavy cost and harassment. Referring to the Hire Purchase Bill, Mr. Patodia said that some drastic changes were necessary if the Bill was to be passed into law. It is a pity that no member having a thorough knowedge of the business was asked to assist the expert body which was appointed to draft it.

The Central Minister for Law and Social Security, Mr A. K. Sen, said at the meeting that people engaged in the hire-purchase business should provide useful gadgets to farmers and other villagers on a hire-purchase basis. But the Minister did not mention that the risk element in such transactions would be high and that farmers and villagers who are mostly poor, might not always be able to pay the instalments according to schedule. But it is reassuring to hear from him that if the hire-purchase companies explore this new field, the Reserve Bank and the State Bank may assist them with funds. But the Minister has rightly cautioned the companies not to follow the practices in advanced western countries since the conditions there are basically different from those in India.

Industrial Activity

Corrected for seasonal fluctuations, *Capital's* Index of Industrial Activity increased by 0.2 points during May 1963. There were rises in tea, yarn, cloth, coal, finished steel, paper, motor-cars, bicycles and electricity. Sugar, jute, cement, pig iron and tyres declined.

CHECKING ELECTRIC METERS

"THE electric meter is of little use in telling you what you consume in Calcutta; it only indicates the quantity for which you have got to pay." This is the remark said to have been made by a meter inspector not long ago to an aggrieved consumer who thought his bills were about treble the amount they ought to be. And new complaints are getting to be so loud and numerous from all quarters that it is high time those who use electric light and electric fans should combine and form a Consumers' Association for the protection of their own interests. The Government, having given a practical monopoly to the Calcutta Electric Supply Corporation Company for their business in Calcutta, ought to provide effective safeguards for the consumers against possible overcharges. It is quite true the Supply Company say to the consumer: "If you are dissatisfied with the amount of your bill and think it is too much, you can have your meter tested by paying the prescribed fee, but it must be tested by our man, and you must abide by the result of his test." This is not at all fair to the consumer. What is wanted in these circumstances is an altogether independent test, and by far the most satisfactory plan for all parties would be for the Government of Bengal to empower their Electrician for a prescribed fee to supervise the testing of meters by members of his own staff when called upon by either the Company or a consumer to do so, and the Government Electrician's certificate to be authoritative and binding on both the Company and the consumers. One gentleman whose bills for electric lighting and fans have suddenly mounted up to Rs. 100 a month—about three times what he thinks they ought to be—wished to have an independent expert to examine his meter. "Not so," says the Company, "we will test it by our own man and you must abide by his verdict". This is not at all good enough. A Consumers' Protection ought to be formed, and the Government ought to be asked to furnish a competent officer to be meter inspector. We invite communications from aggrieved consumers.

FROM

CAPITAL
7th July, 1904

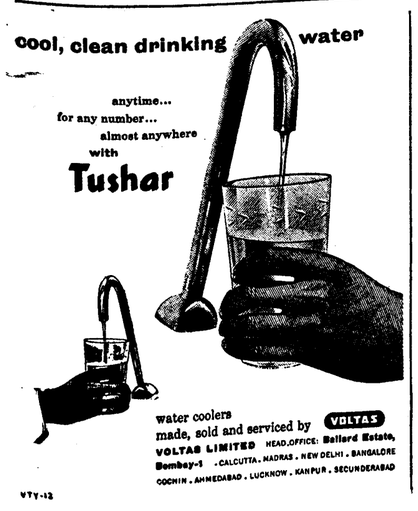
A Ditcher's Diary

THE QUESTION MUST BE ASKED: MUST THE COUNTRY kill all its Prime Ministers? There is a corollary: Must all our Prime Ministers kill themselves? Mr. Shastri's mild illness is a reminder—to himself and to the country—that men at 60 will do well to take things a bit easy. What maddens me is that roughly 70 percent of what our Ministers do need not be done at all, by themselves or anyone else. Of the remaining 30 percent, 20 can be done by moderately competent lieutenants. Only the final 10 percent requires and deserves the chief's personal attention. Between Mr. Nehru and every other Indian there was a natural, built-in, distance; the distance grew as old colleagues died one by one. Even so, he saw too many people. Mr. Shastri's doors have always been wide open to all. This folksiness or togetherness or whatever else the Americans might call it is all very well—until one becomes Prime Minister. I have often wondered whether politicians like Mr. Shastri or Mr. Nanda ever get a moment to themselves, whether they ever have time to read a book or think about something quietly. I knew a business man who had telephones in his bathroom. Could that be true of our politicians too? (Incidentally, democracies have only politicians, in office or outside; never "leaders".) Mr. Shastri's mistake is the greater because not only has he overworked himself with the problems of the Government but he has also devoted a great deal of his time and energy to the problems of the faction-ridden Congress Party. One should have thought Mr. Kamaraj could have handled the latter quite competently. Then there is the question of rest and regular holidays. If Mr. Shastri's servant is entitled to his annual leave and week-ends, so, I suggest, is Mr. Shastri himself. Whenever I see anyone working too hard I conclude that the man is a victim to what I call the doctrine of indispensability; the world, or at least the office, would stop without him. I really think India's Prime Minister deserves his Chequers. Is there no place, reasonably cool and within reasonable distance from Delhi?

SO, AFTER ALL, THE HOUSE IN TEEN MURTI MARG in New Delhi is going to be a museum. I am not such a philistine as to argue that what the country needs is houses, not museums; and I am certainly glad Mr. Shastri has not moved into that monster of a place. The more I see and think of New Delhi the less I approve of its existence. The capital was built for satisfying the vanity of a set of rulers with whom their successors have nothing whatever in common. That the Russian communists occupied the Kremlin on their seizure of power is no reason why the Congress in India should have done likewise. But the temptation was great; and I can see the Congressmen's point of view. After all, these gentlemen had spent years in gaol; when power came they were all getting on in years; and at that age a little bit of comfort, even luxury and pomp, is not altogether unwelcome. Yet it would have been an excellent gesture to turn over the various Raj Bhavans and other similar buildings to the people as hospitals or libraries. In Calcutta it was once seriously considered that Government House should become the home of the National Library instead of its going all the way to Belvedere. (To disclose the source of the successful resistance to the idea would be unfair; the gentleman concerned has always lived very simply, still does and yet was addicted to the house.) In the matter of housing, as in so much else, Mr. Nehru's case was unique. He had spent his childhood in Anand Bhawan; for him to take over the former Commander-in-Chief's house was no very novel experience. But if I moved into one of those colonial-style enormous bungalows in New Delhi from my small flat in Calcutta, I should think I would be distinctly uncomfortable. (One never knows, though.) I have no intention of taking out the sole agency for Nehruism; but I do think Mr. Nehru would not have approved of a Nehru museum. If he did agree, he would object to filling it with bric-à-brac from his mantelpiece. If a museum we must have, let us stock it with things he loved—pictures, books and other things not necessarily connected with Nehru. The man was so dynamic; and a museum sounds so dead.

FREDERICK II, KING OF PRUSSIA, HAD BY THEN HAD enough of Voltaire's nagging over the persecution of himself and his companion at Frankfurt. On 12th May, 1760, the angry king wrote: "People talk of Molière's servant, but nobody will talk of Voltaire's niece". I have better news for Mr. Pratap Singh Kairon. I think people will talk of his sons, long after Mr. Ram Kishan has settled down in his uneasy office. Nothing, apparently, can happen these days without a "consensus", which means nothing more exalted than that a vague majority in a group or party has been talked or bullied into agreeing on something or somebody; then comes the "unanimous" election of a leader or passing of a resolution. If the Congress High Command cared to take a consensus of public opinion on the whole sordid Punjab tangle, it would be left in no doubt that the affair should not end with the official view that nothing more need or can be done about Mr. Kairon and his sons. What is obvious is that some people have made money in ways held improper or illegal by the Das Commission; this money should visibly return where it belongs. It is none of my business to suggest how this is to be done; done it has to be, unless the people are to be left with the impression that the sins of the children shall be visited upon the father but the sons shall get away and live happily thereafter. In the matter of taxing incomes of a variety of assessees, the family is regarded as a unit. I suggest that the principle be extended to cases of corruption. It is simply not good enough to say that a Minister cannot be held responsible for the profitable misdeeds of his relations. It is in some ways a pity that the Kairon affair should have blown up within a few days of Mr. Shastri's succession; but this can also be an opportunity. Mr. Shastri may be bound by non-alignment and all that—basically sound policies, I still think—but he is not committed to all those personal loyalties which led Mr. Nehru into endless and inexplicable difficulties. Mr. Ram Kishan has promised a clean administration. He cannot begin to give one until an example has been made of the people, officials and politicians, arraigned by the Das Commission.

IT IS DIFFICULT TO INTERPRET PRESIDENT JOHNSON'S announcement that the U.S.A. will, if necessary, commit its fighting forces to the defence of Laos and South Vietnam, as anything but a last desperate attempt to postpone until after the Presidential elections the inevitable public acknowledgment that the war there has been lost. It is surely not intended to be taken seriously, unless the Pentagon is anxious to prove the Chinese claim that American military power is merely a "paper tiger". I cannot see that the U.S. army would enjoy any more success against the communist guerillas than the French did. And any attempt to invade North Vietnam, from where the mischief springs, would only bring the Chinese in as it did under similar circumstances in North Korea. These would no longer enjoy Russian support, but then the Americans would not have the backing of their allies through the United Nations, and justly or otherwise, would certainly stand condemned by the rest of the world. That might not be so bad if victory could be assured. But the lesson of Korea was that the United States' democratic set-up makes long wars virtually impossible; all that the adversaries have to do is to hold on, and eventually the U.S.A. must come pleading for peace, as she did in Korea. In these circumstances it would be disastrous for countries like India, who depend on U.S. power for holding up the advance of Chinese domination in south-east Asia, if the Americans get themselves involved in another serious military defeat on this continent. Better, perhaps, to be beaten in argument than in battle; and I suspect this is what President Johnson is reluctantly reconciling himself to—after the election, of course. I have suggested before that the only way to win against communist guerilla warfare is to



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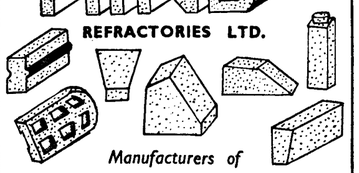
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PRESSMAN

carry it back into communist territory. If the apathy of the local inhabitants makes this impossible in south-east Asia, then I have just one other proposal to make. It is that the case be presented to the Russians that it is not in their interests that the Chinese should dominate this vital region. I think it is already accepted that their intervention, in various forms, is what has halted the Chinese attack on India. "Set a communist to catch a communist" might well become a workable principle for the second half of the 1960s.

IT CAME AS QUITE A SHOCK TO ME WHEN I READ the other day that the man who, more than any other single individual, was responsible for touching off the first World War, is still regarded in Yugoslavia as something of a national hero. That is because his assassination of the Archduke Franz Ferdinand, heir to the throne of the Austro-Hungarian empire, and his wife, the Duchess of Hohenberg, led eventually to an independent Yugoslavia. It also resulted in the death of over five million fighting men, untold misery throughout the world, and eventually, of course, to the second World War. That is quite a price to pay for any one nation's independence, and I hope the Yugoslavs will forgive me if I wonder whether it was really worth it. The man concerned—he was a boy of only 19 in fact—boasted the unremarkable name of Gavrilo Princip, and the date he chose for the deed was exactly half a century ago this week, on 28th June, 1914, to be exact. He was too young to be executed, and by the time he died in prison in 1918 he had lived long enough to appreciate some of the damage his action had caused. It is probably unfair to heap all the blame for the subsequent holocaust on those young shoulders. The European powers had been preparing for a long time; all that was necessary was a single spark to ignite the powder barrel. Yet there must have been several occasions during the past few years—the Cuban crisis was one—when much the same circumstances prevailed and the world was not plunged into war. Whether that was because there was no Princip to pull the trigger, or because the nations concerned were not as eager for a showdown as they were in 1914, must remain a matter of opinion. Anyway, there can be little doubt that the outcome of those famous shots fired 50 years ago in Sarajevo was much suffering and only a limited amount of good. To reverence the memory of Princip as a great patriot, then, is on a par with celebrating Adolf Hitler as the founder of the United Nations.

BRITAIN, I SEE, HAS BECOME ALARMED AT WHAT appears to be her counterpart of Calcutta's student rioting. There, it is earning the general title of "teenage hooliganism", and is taking the form of fighting between the picturesquely designated "mods" and "rockers". Their main distinguishing feature is that they are letting off a little youthful steam, and inevitably tangling themselves with the police in the process. And, of course, they are earning the stern disapproval of their elders, which, no doubt, is one of the chief aims inspiring their efforts. I frequently wonder why such youthful escapades always attract so much public disapprobation. Certainly they often cause damage to property and the inconvenience is sometimes distressing. But the energy of youth must have its outlets, and whether we like it or not, the complications and tight regulations of modern life, especially as it is lived in the West, do not always offer suitable opportunities for self-expression. I think many of those in Britain who are now loudest in their condemnation of teenage hooliganism can look back on a youth which, if they were lucky, was interspersed with riotous bonfire-night celebrations at Oxford, or, if they were not, with some very violent episodes in a bomber over Berlin or in a tank in the western desert. As one commentator has pointed out, the uniform leather jacket of the rocker bears a striking symbolic resemblance to the flying clothes of the Spitfire pilot. In fact, the same spirit of youthful adventure enthused both of them, and it is the task of society to ensure that it is able to find its outlet in constructive ways.

Guide for Investors

METAL BOX EXPANDS ACTIVITY

THE Metal Box Co. of India Ltd has produced satisfactory results for the year ended March 1964. The profit has improved from Rs. 1.24 crores for 1962-63 to Rs. 1.54 crores for 1963-64, after transferring Rs. 20.04 lakhs (against Rs. 16.86 lakhs) to depreciation and Rs. 7.88 lakhs (against Rs. 5.08 lakhs) to provision for gratuity. A taxable ordinary dividend of 18 percent, including an interim of 9 percent, has been declared.

Although the interim dividend was paid on the original capital, the final dividend of 9 percent has been paid on the increased share capital. It was raised in March 1964 by the issue of 1.6 million new ordinary shares of Rs. 10 each to the existing shareholders at a premium of Rs. 2.50 a share in the proportion of one new share for each one held. The yield amounts to 5.8 percent at the present price of Rs. 31.25 a share of Rs. 10 each. A dividend of 19 percent, subject to tax, was paid for 1962-63 on the old share capital. The ordinary share capital now stands at Rs. 3.22 crores, against Rs. 1.61 crores. Taxation absorbs Rs. 92.50 lakhs (against Rs. 79 lakhs), development rebate reserve Rs. 8.50 lakhs (against Rs. 2.50 lakhs) and general reserve Rs. 9 lakhs (against Rs. 39.50 lakhs). There was a profit of Rs. 50,914 (against Rs. 4,757) on the disposal of fixed assets. The carry-forward is Rs. 2,480, against Rs. 38,785 brought in.

Capital expenditure on fixed assets amounted to Rs. 83.07 lakhs of which Rs. 57.21 lakhs was spent on plant and machinery. The work in the Bombay factory No. 2 in Deonar has been completed and the machinery has been installed. The new paper group has begun carton and level production in the Bombay factory No. 1.

Calico Mills Results Impress

THE Ahmedabad Manufacturing and Calico Printing Co. Ltd, popularly known as the Calico Mills, has done exceedingly well during the year ended March 1964. Sales, profit, dividend—all are higher. The preliminary report does not mention the actual turnover during 1963-64, but it is stated to have set a new all-time record. The gross profit, after providing Rs. 52.44 lakhs (against Rs. 52.48 lakhs) for interest charges and Rs. 15.16 lakhs (against Rs. 16 lakhs) for bonus to employees, has recorded an impressive rise from Rs. 1.405 crores to Rs. 2.288 crores, which again is an all-time high. The final dividend has been raised from Rs. 18 to Rs. 21 a share, bringing the total dividend to Rs. 35 a share, against Rs. 32 a share in 1962-63. What is more, one-third of the final dividend is exempt from tax under Section 84 of the Income-tax Act, and the dividend is payable on the increased capital as raised by the one-for-34 bonus issue made in 1962-63. In spite of the marked improvement in the profit, the directors have had to withdraw Rs. 42 lakhs from the general reserve in order to meet part of the dividend liability: in 1962-63, the directors had transferred Rs. 43.50 lakhs from the general reserve for the payment of dividend.

Appropriations include depreciation Rs. 1.561 crores (against Rs. 84.38 lakhs), taxation Rs. 18.32 lakhs (nil) and statutory development rebate reserve Rs. 19.14 lakhs (against Rs. 40.43 lakhs). The proposed dividend absorbs Rs. 61.25 lakhs, against Rs. 54.40 lakhs. The equity dividend is on 175,000 shares, against 170,000 shares in the preceding year. The directors state that additions made to the Company's gross block during 1963-64 amounted to Rs. 1.369 crores, against Rs. 3.389 crores in 1962-63. The plant for making printed, embossed and laminated plastic sheets of P.V.C. for rain coats, curtains, bags, gift articles, etcetera, started production during the latter part of the year. The production of polyvinyle acetate is expected to start towards the end of the current year. The Company's textile, chemical and plastic products continued to be in good demand during the year.

Elphinstone Mills Sales Up, Profit Down

DESPITE an increase of about 15 percent in the sales from Rs. 2.98 crores to Rs. Rs. 3.43 crores, the gross profit of Elphinstone Spinning and Weaving Company for 1963 at Rs. 29.08 lakhs was nearly 21 percent lower than the previous year's figure of Rs. 35.24 lakhs. The profit margin has been squeezed because production costs have continued to rise whereas cloth prices have been pegged at the 1961 level. The chairman, Mr. N. K. Jalan, has assured the shareholders that every effort is being made to rationalise, modernise and improve the efficiency of the mills. (A fuller version of the speech appears on another page of this week's *Capital*).

The Company's working during the first five months of the current year has been satisfactory and the directors have every hope that the dividend will be maintained at 18 percent. Mr. Jalan has urged the Government suitably to revise cloth prices in order to compensate for the rise in the cost of production due to factors beyond the industry's control. In accordance with the policy of modernisation, the Company installed additional machinery of the value of Rs. 15 lakhs during 1963. The Company's equipment of automatic looms has steadily increased, thereby improving the quality of its cloth production and its capacity to export its goods. The working of the leather cloth division which was affected last year due to acute shortage of basic raw materials is expected to do well in 1964.

The Company has installed modern machines in this division and has also introduced foam P.V.C. and profile jet qualities. All these are expected to produce leather cloth of very high quality and new varieties, apart from improving the existing quality of products. The Company has been availing itself of the services of foreign technical consultants to advise it on the latest techniques in the field of leather cloth manufacture. It has been allowed to effect expansion of its spinning and weaving capacity. The Cotton Textile Loan Advisory Committee has recommended an additional loan of Rs. 37 lakhs to the Company from the N.I.D.C. for the purpose of equipping the Company's Moon Mills unit with the latest types of spinning and other machinery. It is now trying to finalise negotiations for placing orders for the second unit. Mr. Jalan has urged that the Government should allow liberal imports of certain textile machinery because of the inadequate supply from indigenous sources.

Lower Profit for Burn

THE preliminary results of Burn and Co. Ltd for the year ended April 1964, show a profit of Rs. 1.07 crores, against Rs. 1.43 crores for 1962-63. The taxable ordinary dividend of 15 percent has been declared on the share capital which has been doubled by issuing bonus shares in the proportion of one bonus share for every one held. The yield works out to 5.5 percent at the present price of Rs. 274 a share of Rs. 100 each. The Company declared a dividend of 25 percent subject to tax for 1962-63, on the old share capital.

Outlook for Orissa Cement

IN his chairman's statement at the annual general meeting of Orissa Cement Ltd in Rajgangpur, Orissa, last Monday, Mr. J. Dalmia said that the unsatisfactory results had been largely due to the decline in the demand for silica and basic refractories, combined with rising production costs, particularly of cement. (A full text is published on a later page in this issue of *Capital*.) The present price of cement fixed by the Government does not cover production costs adequately since there have been substantial increases in railway freight, coal prices and labour emoluments.

Referring to the outlook for the refractory industry, he says that not only has there been excessive capacity in this industry, but this problem is going to continue for many years. The installed capacity amounted to 828,980 tonnes at the end of 1963, and is expected to rise to 1.1 million tonnes in 1964 and to 1.3 million tonnes in 1965. These capacities have been planned in the expectation that the steel output capacity will reach 10 million tonnes by 1966. Since steel production has fallen short of the target, a substantial part of the output capacity for refractories has been rendered idle. Besides, the demand for refractories from the steel industry has tended to decline due to technological changes in the manufacture of steel. The steel industry has steadily reduced the consumption of silica refractories; its demand for basic refractories has also been reduced by the adoption of the L.-D. process. Mr. Dalmia has, therefore, made the point that the present capacity in the refractory industry will be adequate to meet all requirements up to 1971, even if the output of steel reaches the 18-million tonne level. He hopes that the Government will regulate the expansion of the refractory industry. Mr. Dalmia also points out that while the installation of any new capacity in the steel industry takes five to six years, it is possible to effect expansion in the refractory industry within a much shorter period.

The Company is now paying more attention to refractory exports. But the move has been hindered by the high freight rates which Indian exports have to bear. The Company has also taken steps to overcome the growing cut of excess refractory production by diversifying the range of products. He also mentioned the difficulties of obtaining mining leases and prospecting licences.

Amar Dye-Chem Cuts Dividend

AMAR Dye-Chem fared badly during 1933. Despite a small improvement in the sales from Rs. 1.43 crores to Rs. 1.50 crores, the gross profit fell from Rs. 36.59 lakhs to Rs. 30.38 lakhs. The dividend had to be reduced from 9 percent to 8 percent and even for the payment of the reduced dividend, the directors have had to withdraw a large sum from the reserves. Several factors contributed to the Company's poor performance last year. These included large imports of naphthols and bases against unused licences, shift in the consumption pattern, accumulation of stocks leading to slowdown in production, reduction in selling prices, cut in raw material licences necessitating purchases of export promotion licences at huge premiums and the general rise in manufacturing costs.

Prospects for the current year, however, seem to be quite promising. The chairman, Mr. A. K. Doshi, assured the shareholders at the latest annual meeting that the Company's working during the current year has considerably improved and that they could look forward to better results. Production during the first five months is placed at 362 tonnes, valued at Rs. 81.41 lakhs, against 247 tonnes valued at Rs. 53.36 lakhs in the same period last year. Due to improved sales, most of the accumulated stocks have been cleared and the financial position of the Company has become easy. It is now able to finance its expansion programme through its own resources, besides the capital of Rs. 30 lakhs raised in December last.

The installation of the T.P.M. plant has been completed and all the items

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are ready for marketing. There is a keen competition in this line of products and it will, therefore, take some time before the sales pick up. However, the sales of reactive dyes, a new range of products, are satisfactory and will contribute to the sales and profits of the Company in 1964. Little progress is reported to have been made in the installation of the intermediate plant. Only the new bon acid plant has started functioning since last March. The delay is due mainly to the Government's indecision on the subject and the Company has been compelled to buy more and more of import entitlements at a premium of 60 percent as the licence for raw material allotted to the Company is insufficient.

The Company's exports are slowly but steadily increasing. In 1963, it exported goods worth Rs. 3.45 lakhs, but the figure for the first five months of the current year is placed at Rs. 2.73 lakhs. Exports during the current year are expected to show a substantial improvement over the previous year's performance.

Less from Bengal Potteries

THE profit of Bengal Potteries Ltd has declined from Rs. 12.74 lakhs for 1962 to Rs. 11.79 lakhs for the year ended December 1963, after transferring Rs. 12.14 lakhs (against Rs. 10.51 lakhs) to depreciation and Rs. 53,024 (against Rs. 2 lakhs) to development rebate reserve. Sales rose from Rs. 2.16 crores to Rs. 2.34 crores, but the profit has been held down by the rising production costs since the Company has not raised the prices of finished products in proportion to the increased production costs. The taxable ordinary dividend has been reduced from 12 percent to 11 percent in view of the larger provision for depreciation. The yield amounts to 5.5 percent at the present price of Rs. 5 a share of Rs. 2.50 each. Taxation absorbs Rs. 5.50 lakhs (the same), and dividend reserve Rs. 6.30 lakhs. Out of the latter reserve, the proposed dividends will be paid. The carry-forward is Rs. 2,054, against Rs. 3,208 brought in.

The production of dinnerware improved by about 30 percent in comparison with that for 1962. The production of fine China has begun. High tension insulators up to 33,000 volts have been produced. Steps have been taken to increase the product of high and low tension insulators. The Company has decided to change its accounting year to July-June, so the balance-sheet and the profit and loss account for the half-year ended 1964, will be drawn up in due course.

Tata Oil Cuts Dividend, but Offers Bonus

THE Tata Oil Mills Company Ltd has fared badly during the year ended March 1964. Despite an increase of a little over 7 percent in the turnover from Rs. 12.89 crores to Rs. 13.80 crores, the pre-tax profit, after providing for managing agents' commissioon and depreciation which have not been mentioned in the preliminary report, has declined by as much as 74 percent from Rs. 50.74 lakhs to Rs. 29.12 lakhs. The profit for 1963.64 is the lowest since 1957-58, when the comparable figure was Rs. 20.6 lakhs, but that was on a much smaller turnover of Rs. 6.41 crores. In view of the sharp setback in the profit, the directors have been obliged to reduce the dividend from Rs. 5.50 to Rs. 3 a share (Rs. 25-paid). The dividend for 1963-64 is on the increased capital as the 139,920 new equity shares which had received a proportionate dividend of Rs. 1.73 a share in 1962-63 have been entitled to the full dividend of Rs. 3 a share in 1963-64. In order to mitigate the disappointment of the shareholders, the directors have recommended a one-for-three bonus issue by capitalising Rs. 35.04 lakhs out of the share premium account of Rs. 35.95 lakhs.

The provision for taxation has been reduced from Rs. 23.03 lakhs to Rs. 9.39 lakhs, but the amount set aside for development rebate reserve is higher at Rs. 5 lakhs, against Rs. 3.15 lakhs. No provision has been made for general reserve and plant modernisation and development reserve which had received Rs. 2.40 lakhs and Rs. 2.75 lakhs, respectively, in the preceding year. A sum of Rs. 75,000 (against nil) has been used to write off debenture issue expenses. After setting aside Rs. 13.98 lakhs (against Rs. 19.50 lakhs) for dividend reserve, there remains a surplus of Rs. 1,299 to be carried forard, against Rs. 1,187 brought in. The proposed equity dividend absorbing Rs. 12.61 lakhs (against Rs. 17.84 lakhs) and preference dividend of Rs. 1.34 lakhs (the same) are to be paid out of the dividend reserve. Tata Oil shares which had been sold down to Rs. 56 on expectations of poor working results and a cut in the dividend stood around Rs. 58 on the eve of the dividend announcement. These shares were marked up to Rs. 62 after the divident announcement, as the shareholders had been compensated for the dividend cut by the issue of bonus shares which, as usual, is subject to the sanction of the Controller of Capital Issues. The sharp setback in the Company's profit is quite in line with the market's general expectations.

Tezpore Tea Repeats

TEZPORE Tea Co. Ltd (an Assam garden) has repeated the taxable ordinary dividend of 12½ percent for the year ended December 1963. The yield amounts to 8.5 percent at the present price of Rs. 14.69 a share of Rs. 10 each. The profit has amounted to Rs. 8.42 lakhs, against Rs. 8.37 lakhs for 1962, after transferring Rs. 2.49 lakhs (against Rs. 1.81 lakhs) to depreciation. Taxation is allocated Rs. 4.96 lakhs (against Rs. 4.81 lakhs), general reserve Rs. 1.35 lakhs (against Rs. 50,000) and development rebate reserve Rs. 2,434 (against Rs. 72,318). The carry-forward is Rs. 4,556, against Rs. 20,902 brought in. The crop rose from 28,763 maunds to 31,516 maunds, but the average sale price dropped from Rs. 2.62 to Rs. 2.41 a lb. The 1964 crop has been estimated at 29,250 maunds at a cost of Rs. 47.56 lakhs. Capital expenditure for 1963 amounted to Rs. 6.56 lakhs and the estimate of capital expenditure for 1964 amounts to Rs. 5.69 lakhs.

Lukwah Tea Profit Falls

LUKWAH Tea Co. Ltd has declared a taxable ordinary dividend of 10 percent for the year ended December 1963 to absorb Rs. 80,000. The profit has dropped from Rs. 9.14 lakhs for 1962 to Rs. 2.44 lakhs for 1963, after providing Rs. 1.13 lakhs (against Rs. 1.03 lakhs) for depreciation. Taxation absorbs Rs. 1.15 lakhs (against Rs. 5.65 lakhs) and development rebate reserve Rs. 9,025 (against Rs. 4,580). The carry-forward is Rs. 88,155, against Rs. 78,851 brought in. The crop amounted to 549,318 kilograms, and the average sale price to Rs. 5.28 a kilogram. It is proposed to build a new factory in the garden to produce 8,000 maunds of tea. Steps have been taken to go in for large-scale re-plantation and new plantation.

Krishnabehari Tea Earnings Drop

THE profit of Krishnabehari Tea Co. Ltd has amounted to Rs. 64,622 for the year ended December 1963, against Rs. 1.14 lakhs for 1962, after transferring Rs. 64,032 (against Rs. 67,076) to depreciation. The taxable ordinary dividend of 6 percent has been declared to absorb Rs. 30,000. Taxation is allocated Rs. 30,000, leaving a carry-forward of Rs. 5,433, against Rs. 2,721 brought in. The crop for 1964 has been estimated at 180,000 kilograms, and the crop prospect is considered good.

New Samanbagh Tea Skips

THE profit of the New Samanbagh Tea Co. Ltd (a Sylhet garden) has dropped from Rs. 11.93 lakhs for 1962 to Rs. 7.47 lakhs for 1963, after reducing depreciation from Rs. 1.48 lakhs to Rs. 86,688. The usual preference dividends have been paid, but the ordinary dividend has been passed. Taxation absorbs Rs. 4.18 lakhs (against Rs. 9.84 lakhs), general reserve Rs. 5 lakhs and development rebate reserve Rs. 38,800 (against Rs. 2,200). The carry-forward is Rs. 5,570, against Rs. 2.07 lakhs brought in. The directors have been making efforts to transfer funds from Pakistan to India. The crop amounted to 14,257 maunds, against 14.351 maunds and the average sale price dropped from Rs. 3.34 to Rs. 2.74 a lb. The crop for 1964 has been estimated at 13,800 maunds at a cost of Rs. 21.66 lakhs. Capital expenditure amounted to Rs. 5.76 lakhs. The estimate for capital expenditure for 1964 is Rs. 3.39 lakhs.

Rajahbhat Tea Pays Less

RAJAHBHAT Tea Co. Ltd (a Dooars garden) has earned a profit of Rs. 1.08 lakhs for the year ended December 1963, compared with Rs. 2.15 lakhs for 1962, after providing Rs. 60,381 (against Rs. 57,116) for depreciation. The taxable ordinary dividend of 6 percent has been repeated, which works out to a yield of 5.9 percent at the present price of Rs. 10.12 a share of Rs. 10 each. Taxation is allocated Rs. 45,500 (against Rs. 75,500), general reserve Rs. 35,000 (against Rs. 45,000) and development rebate reserve Rs. 2,774. The crop dropped from 391,886 kilograms to 368,115 kilograms, but the average sale price was maintained at Rs. 4.70 a kilogram. The crop for 1964 has been estimated at 366,500 kilograms at a cost of Rs. 15.39 lakhs.

Progress of Bharat Steel Tubes

BHARAT Steel Tubes Ltd is building its factory in Ganaur, Punjab, for manufacturing pipes. Technical and financial collaboration arrangements with Abbey Etna Machine Co. of the U.S.A. have been completed. The Company has been permitted to import capital equipment for Rs. 1.41 crores and the necessary import licence has been obtained. Orders for equipment have been placed with Abbey Etna Machine Co. The first instalment of capital equipment should arrive in the near future and trial production may begin by the end of 1964. The account for the year ended December 1963, shows a loss of Rs. 1,649. The Company has arranged loans for Rs. 1.55 crores, including Rs. 93.90 lakhs in U.S. currency from the Industrial Finance Corporation of India and the U.S. Agency for International Development. The loan of Rs. 1.30 crores, including the dollar loan, obtained from the Industrial Finance Corporation is repayable in 20 half-yearly instalments commencing from 20th December, 1966. The loan of Rs. 25 lakhs from U.S. A.I.D. is repayable in five equal instalments starting from 1st January, 1966.

Chaparmukh Silghat Railway Earns Less

THE Chaparmukh Silghat Railway Co. Ltd has earned a gross profit of Rs. 3.80 lakhs for the year ended March, 1963 which is about Rs. 22,466 smaller than that for 1961-62. The net profit amounts to Rs. 75.540, after making all adjustments. Bringing in Rs. 1,480, the available distributable balance amounts to Rs. 77,020. The dividend of Rs. 2.40 a share of Rs. 100 each has been declared to absorb Rs. 74,400. The carry-forward is Rs. 2,620. Capital expenditure amounted to Rs. 35.46 lakhs.

Great Pyramid Insurance Earns Less

THE Great Pyramid Insurance Co. Ltd has declared a taxable ordinary dividend of 15 paise a share of Rs. 10 each on which a sum of only Rs. 2.50 has been paid up. The profit has amounted to Rs. 85,346, against Rs. 99,536 for 1962, after making all adjustments. Reserve funds are allocated Rs. 25,000 and dividend absorbs Rs. 60,000. The carry-forward is Rs. 6,290, against Rs. 5,942 brought in. The Company did not transact any insurance business during 1963.

S.L.M.-Maneklal Fares Well

THE preliminary report on the working of S.L.M.-Maneklal industries Ltd for the 15-month period ended March 1964, is full of promise for the future. It appears that the shareholders will not have to wait long before their investment begins to bear fruit. The Company went into production in October 1963 in Vatwa near Ahmedabad. The products manufactured by the Company, namely, rotary air compressors, vacuum pumps, exhausters, roots blowers and water vacuum pumps have been well received in the market. It has undertaken the production of diesel engines and these are expected to be placed on the market by the end of this year. The first phase of construction of the main factory has been nearly completed, and all the machines so far received have been put into operation. The administrative building will be ready by the third quarter of 1964, so that full working of all the departments in the Company's own building can begin by the end of this year.

Machine tools worth about Rs. 36 lakhs have been erected and commissioned, and the balance machine tools of the value of about Rs. 15 lakhs are expected to arrive shortly. The installation programme is expected to be over by the end of this year, and the Company will go into full production soon thereafter. To meet the increasing demand for its products, the Company has applied for an expansion licence for watering pumps from 100 to 960 units a year and for rotary air compressors from 100 to 600 units a year. The Company has received an expansion licence for roots blowers, raising the capacity from 100 to 300 units a year. Apart from the growing internal demand, there are bright chances for exporting these items and necessary steps are being taken in that direction. Besides, the Company has set up an agency department to handle the sole concessionaire rights in India for the products of Sulzer Brothers of Switzerland. The products to be handled are diesel engines of all kinds, gas and steam turbines, pumps for various applications, rotary air compressors, weaving machines. etcetera.

The Company's sales during the 15 months ended March 1964, are placed at Rs. 35.74 lakhs, compared with Rs. 6.09 lakhs for the previous period from 18th November, 1961, to 31st December, 1962. The gross profit amounts to Rs. 6.56 lakhs, against Rs. 4.05 lakhs. The directors have provided Rs. 1.53 lakhs (against Rs. 20,514) for depreciation, Rs. 1.40 lakhs (against Rs. 2,112) for development rebate, Rs. 48,912 (against Rs. 10,740) for directors' remuneration and Rs. 1.30 lakhs (against Rs. 2.30 lakhs) for taxation. After wiping out the loss of Rs. 1.76 lakhs brought forward from the previous period and making some minor adjustments, there remains a balance of Rs. 10,827 to be carried forward. In view of the negligible surplus available for disposal, the directors have not recommended any dividend for the period under report.

Bagalkot Cement Resumes Dividend

THE directors of Bagalkot Cement Co. Ltd have recommended a dividend of 7.5 percent for 1963. The Company has thus returned to the dividend list after three years. It was in 1959 that it paid a dividend of 8 percent. According to the very brief preliminary report on the Company's performance during 1963, the production of cement has risen from 178,240 tonnes to 201,000 tonnes and the gross profit has gone up from Rs. 22.52 lakhs to Rs. 24.62 lakhs. This is the first time that the Company's plant has attained the full rated capacity. The provision for depreciation is substantially lower at Rs. 10.46 lakhs, against Rs. 20.95 lakhs, and allocation to the statutory development rebate reserve is also slightly lower at Rs. 1.20 lakhs, against Rs. 1.50 lakhs. A sum of Rs. 7 lakhs has been transferred to the general reserve, out of which the proposed dividend will be paid. The Rs. 10-paid share of Bagalkot has long been quoted at a big discount. At its latest quotation of Rs. 8 50, the share offers a gross return of about 9.5 percent.

Jaipur Metals Does Well

JAIPUR Metals and Electricals Ltd has done well for 1963. Turnover rose from Rs. 2.33 crores to Rs. 2.69 crores, and the profit has improved from Rs. 23.79 lakhs to Rs. 30.24 lakhs. Taxation absorbs Rs. 5.65 lakhs (against Rs. 6.85 lakhs), depreciation Rs. 10.89 lakhs (against Rs. 7.38 lakhs) and development rebate reserve Rs. 4.92 lakhs (against Rs. 3.50 lakhs).

Addressing the annual general meeting of the Company recently held in Jaipur, Mr. R. H. Kamani, chairman, mentioned that the replacement of the super profits tax by the surtax on profits had generally benefited the corporate sector, although the levy of the dividend tax had neutralised the good effect to some extent. (A fuller version of the speech is published on a latter page in this issue of *Capital.)* Although the tax concessions given to the Company have been welcomed, he stressed the need for greater stability in fiscal policy in the interest of future planning and development of industries. A taxable ordinary dividend of 6 percent has been declared, and a sum of Rs. 3.61 lakhs has been transferred to general reserve to increase the capital base of the Company for participating in the benefit of the surtax on profits.

The production and sales of meters and metals rose substantially. The output of A.C.S.R. has begun and its demand is likely to increase since the allocation of copper for the conductor industry is being discouraged. In meter, competition has increased due to the installation of many factories. The Company has taken steps to become self-sufficient in meter components. The equipment to manufacture magnet has been installed. As soon as the technical experts from Japan arrive, the production of magnet will begin. The manufacture of enamelled copper wire, cotton, silk and paper-covered wire and strips will be undertaken in the near future.

Sri Ramnarayan Mills to Issue Rights

THE working of Sri Ramnarayan Mills Ltd for the year ended 31st December, 1963, shows a profit of Rs. 2,94,321, after providing Rs. 2,39,694 for depreciation. The previous year's profit was Rs. 3,51,245, after providing Rs. 2,68,250 for depreciation. Out of the year's profit of Rs. 2,94,321, provision for taxation amounts to Rs. 1,60,000 (against Rs. 2,08,000). Provision for unabsorbed development rebate of previous years amounted to Rs. 10.045 and income tax for 1961 to Rs. 16.776. The equity dividend at 10 percent (the same) absorbed Rs. 100,000. Provision for dividend tax on the equity dividend amounts to Rs. 7,500. The above appropriations have absorbed the year's profit.

Sales of yarn during the year amounted to Rs. 29,50,483 (against Rs. 28,21,577). During the year, the mills worked for 292 days in double shifts with an installed capacity of 12,384 spindles. The power cut, although for a short period, affected production adversely. The directors have decided to avail themselves of the opportunity given by the Government to increase the installed capacity of the mill. The installed capacity of the mill will be 25.000 spindles when the present licence is used. Consequent on the decision to take up the expansion scheme, the directors have decided to issue rights shares, subject to the provisions of Section 81 of the Companies Act, 1956. of the face value of Rs. 10 lakhs, consisting of 5,000 cumulative preference shares of Rs. 100 each and 5,000 equity shares of Rs. 100 each.

Prospects for International Computers

INTERNATIONAL Computers and Tabulators Indian Manufacturing Co. Ltd which was recently commissioned is expected to reach full production by about the middle of 1965. The installation work of the plant and machinery at the factory has reached an advanced stage and a major portion of the machinery has been commissioned. Presiding in the absence of the chairman, Mr. Murarji J. Vaidya, over the first annual general meeting, the managing director, Mr. A. M. Richford, told the shareholders that the Company would be in a position to earn enough profit in 1965 for paying dividend on equity shares. The present programme is to produce 50 tabulators, 150 sorters, 700 hand punches and 700 verifiers as also cards, spares and accessories. The percentage of imported components and used in the plant would be gradually reduced from 66⅔ percent in the first year to 33⅓ percent in the second year and 5 percent in the third year. The products currently being manufactured or rebuilt include tabulators, sorters, punches, verifiers and other ancillary machines in both the 40-column and 80-column range. The manufacture of cards for the export market to be used with data processing machines will commence in the near future. The Company's production represents only a fraction of the demand in the country. The market for its products is, therefore, assured. The Company's new factory in Poona was formally inaugurated by Mr. S. K. Wankhede, Finance Minister of Maharashtra, on 27th June. The factory has a floor area of 60,000 square feet and when in full swing, it will employ 300 persons. Out of the Company's issued capital of Rs. 50 lakhs, Rs. 30 lakhs has been taken up by International Computers and Tabulators of London and Rs. 20 lakhs has been raised in India.

Name of Isaac Holdens (India) Changed

ISAAC Holdens (India) Ltd has changed its name to Woolcombers of India Ltd, with effect from 23rd June, 1964. This change of name confirms the Company's association with Woolcombers Ltd, Bradford, U.K.

Prima Particle Board to Enter Market Soon

PRIMA Particle Board Corporation Ltd is a new Company which has been formed to undertake the manufacture of particle boards. The factory is proposed to be set up in Billimora (Gujarat). The major raw material required will be wood which can be easily had in sufficient quantity from the nearby Dang forests. The Company has secured the technical collaboration of Macdonald Associates Inc. of the U.S.A. The project is estimated to cost about Rs. 65 lakhs, which is proposed to be met by the issue of share capital of Rs. 40 lakhs and a loan of Rs. 25 lakhs from the I.C.I.C.I. The foreign exchange component is placed around Rs. 16 lakhs. The Company has applied to the I.C.I.C.I. for the necessary foreign exchange loan.

The plant which will have an annual capacity of 7,200 tons of particle board on a three shift basis is expected to go into production some time during the first quarter of 1966. The promoters hope to be able to pay preference dividend from the third year of operation, and a maiden dividend of 6 percent is likely to follow a year later. The authorised capital of the Company is Rs. 1 crore, of which Rs. 40 lakhs made up of Rs. 30 lakhs in equity shares of Rs. 10 each and 10,000 9.3 percent redeemable cumulative preference shares of Rs. 100 each is being issued to begin with. The directors and their friends will take up equity shares worth Rs. 10 lakhs. The balance of Rs. 20 lakhs of equity capital and Rs. 10 lakhs of preference capital are being offered for public subscription. The Company is likely to enter the market shortly. Arrangements are being made to get the entire public issue underwritten.

Sri Sarada Mills Earns Less

THE working of Sri Sarada Mills Ltd for the year ended December 1963 shows a profit of Rs. 1,77,195, after providing Rs. 35,896 for depreciation. This compares with the previous year's profit of Rs. 2,41,233, after providing Rs. 29,850 for depreciation. Adding to the year's profit a sum of Rs 116 being the provision for doubtful debts no longer required, the total comes to Rs. 1,77.312. Out of this, the directors have declared the preference dividend at 9.1 percent for the year ended 31st December, 1959, amounting to Rs. 10,055.50. This leaves a balance of Rs. 1,67,256. After adjusting this profit against the brought-forward loss of Rs. 6,32,197, there is a loss of Rs. 4,64,940, which is carried forward.

New Capital Issues

SIX companies have been authorised to raise fresh capital aggregating Rs. 5.15 crores. Of these, one is a Central Government undertaking and two are companies floated by the States. Four companies are issuing equities and two equities plus preference shares. Two of the companies are offering part of their capital for public subscription by prospectus. The consent of the Controller of Capital Issues is valid for 12 months for four companies. For two companies, it is valid up to 28th December, 1964, and 21st May, 1965 only.

South Indian Shipping Corporation Ltd, Madras, is to issue capital of Rs. 2 crores divided into 200,000 equity shares of Rs. 100 each to be issued for cash at par. Out of this, shares of the value of Rs. 1.5 crores will be offered for public subscription by prospectus. The capital will be used for meeting part of the cost of five bulk carriers, to be ordered by the Company.

Instrumentation Ltd, Jaipur, a Government of India undertaking, will be issuing capital of Rs. 35 lakhs divided into 3,500 equity shares of Rs. 1,000 each to be issued privately for cash at par. The money will be used for the manufacture of electronic and electromagnetic instruments, etcetera.

Assam Gas Company, a Government of Assam undertaking, is to issue further capital of Rs. 50 lakhs divided into 50,000 equity shares of Rs. 100 each to be issued privately for cash at par. The money will be used in financing the Naharkatiya Namrup Gas Pipeline and for meeting other expenditure.

The Orissa State Commercial Transport Corporation Ltd, a Government of Orissa undertaking, is to issue capital of Rs 50 lakhs dividend into 5,000 equity shares of Rs. 1,000 each to be issued privately for cash at par. The money will be used for developing an efficient system of road and water transport for facilitating construction and the development of traffic to Paradeep port.

Indo French Forges Ltd, Calcutta, was given consent in 1963 for the issue of capital of Rs. 1 crore consisting of Rs. 75 lakhs in equity and Rs. 25 lakhs in preference for setting up a forge and heavy structural plant in Panchet, Purulia. To enable the Company to meet increased capital requirements, the amount of the consent has been enhanced to Rs. 1.5 crores for cash at par consisting of Rs. 1 crore in equity shares of Rs. 10 each and Rs. 50 lakhs in 9.5 percent cumulative redeemable preference shares of Rs. 100 each. Out of these, such number of shares of each kind will be issued to the public by prospectus as would qualify each kind of scrip to be listed on the recognised stock exchanges. The consent is valid up to 28th December, 1964 only.

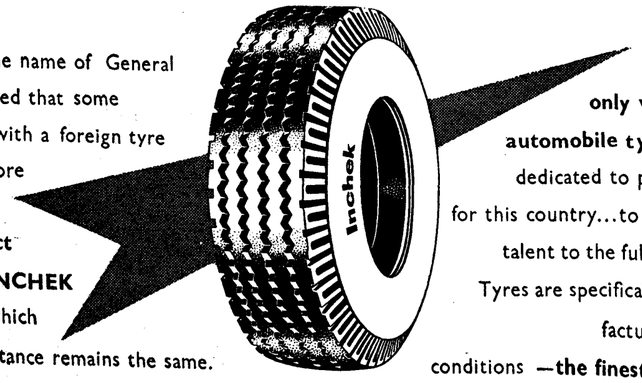
Andhra Cotton Mills Ltd, Prodatur, (Andhra Pradesh), is to issue share capital of Rs. 30 lakhs divided into 20,000 equity shares of Rs. 100 each and 10,000 cumulative redeemable preference shares of Rs. 100 each carrying a dividend of 9.3 percent free of Company's tax, but subject to tax at source at the prescribed rate. All the shares are to be issued for cash at par. This is in supersession of an earlier consent for the issue of capital of Rs. 25 lakhs. The consent is valid till 21st May, 1965 only.

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The Stock Markets

SHARES STEADY ON RELAXATION OF MARGIN SYSTEM

Wesnesday Evening.

THE Calcutta stock market has been steady during the past week, and a fair volume of business has been transacted. The support has been sustained because of a number of favourable developments, and the selling pressure has declined. The clearing on Wesnesday passed off smoothly and carry-forward charges have been moderate. The prospects of higher dividends from the steel companies for 1963-64 have influenced operators. The optimism stems from the higher output during 1963-64, combined with the impression that the tax changes in the last Central Budget have not greatly affected the steel producers.

The commencement of the sale of units by the Unit Trust of India from Wednesday is being bullishly interpreted, since it is thought that the Trust will invest substantial funds in industrial equities. The decision of the Government of India to repay the compulsory deposits collected from small-income groups has had a good effect. Originally, repayment was to take place after the lapse of five years.

Operators have been encouraged by the relaxation of the margin system. This will undoubtedly stimulate speculative activity. So precaution should be taken to ensure that unhealthy trading does not overpower the market.

The advent of the slack season, combined with a bigger flow of funds into the banking system, has been welcomed. The banking community has, in fact, been investing considerable funds in Government securities during recent weeks. The support for short-dated Government loans is strong and their prices have increased. Medium-dated loans are steady. The 3 percent Conversion loan 1986 is quoted around Rs. 63.75. The Reserve Bank of India has suspended its open market operations with a view to grooming the market for the forthcoming Government loans. It is thought that the Government may announce the new loan issue within the next few days.

Indian Iron have closed around Rs. 25.18, after touching a higher peak. Although profit-taking has taken place at every bulge, the undertone is steady. All offerings have been absorbed without much difficulty. In the engineering section, Burn have been a smart feature due to the payment of a satisfactory dividend on the increased capital. Interest has been shown in Texmaco, Guest, Keen, Williams and Jessop. Bhartia Electric Steel have been steady.

In miscellaneous shares, attention centres on clearing scrip of which Hindustan Motors, Indian Aluminium, Kesoram Industries, Indian Copper and Rohtas are prominent. Metal Box have been a steady feature on producing good results. Support has been forthcoming for Union Carbide, Indian Oxygen, British Paints and Associated Battery. Alkali and Chemical have been firm on declaring a good interim dividend. Among new shares, Hindustan Aluminium have enjoyed support due to the prospects of expansion. Among managing agency shares, Martin Burn, Jardine Henderson and Balmer Lawrie have been bought. Electric company shares have been selectively bought. U.P. Electric and Calcutta Electric have been transacted. Paper shares have improved on hopes that the price of paper will be increased in the near future. Orient, Bengal, Seshasayee and India Paper Pulp have met with support. Sugar shares are neglected and buyers are difficult to attract even by discounting the present prices.

Selected jute shares are steady. In spite of poor enquiries for jute goods from abroad, the statistical position is considered fair. Birla, Champdany, Barnagore, Kinnison, Auckland, India and Ganges have been prominent. Coal shares attract little attention. Stray business has been done in Burrakur, Bengal and Central India.

Cotton mill shares have been supported in the belief that the price of cloth will soon be raised. J. K. Rayon have recovered on short-covering. Elgin have met with replacement purchases. Bharat Commerce, Dunbar and Jay Shree Textiles have been steady. Business in tea shares is limited due to the disappointing dividends declared by many companies for 1963. Attention has largely been confined to selected Assam and Dooars gardens.

Bombay

SHARES RISE ON SHORT-COVERING

BIGGER DIVIDEND HOPES BOOST STEEL

Wednesday Evening.

BUOYANT conditions have prevailed in the Bombay stock market during the past week. Share prices have scaled new peaks on sustained support because of nervous short-covering. Although attention has been largely confined to clearing shares, the prices of selected cash scrip have also advanced considerably on replacement purchases. Dalal Street has been cheered by the hope that Mr. T. T. Krishnamachari, Central Finance Minister, will indicate the steps which he is likely to take to stimulate economic growth during his impending visit to Bombay. The relaxation of the margin system has been bullishly interpreted.

The improvement has taken place under the lead of steel shares which have met with hectic support due to hopes that steel companies will pay bigger dividends for 1963-64 in comparison with what they paid for 1962-63. Selected cotton mill shares have improved considerably as it is thought that at the forthcoming meeting of the Textiles Consultative Board due to be held shortly, a decision to increase the price of cloth will be taken. In the meantime, corporate news has been excellent. The latest reports of many companies show rising turnover and increased profits.

Tata Steel ordinary have closed at Rs. 152.75. Among engineering shares, Tata Engineering have been active on talk of a bonus issue. Premier Construction, Mukand Iron and Alcock Ashdown have been supported. Among motor-vehicle shares, Hindustan Motors have been steady on support from outside sources, while Premier Automobiles have been sluggish.

Coton mill shares have showed widespread gains. Century have recovered sharply on short-covering. Interest has been shown in Bombay Dyeing, Kohinoor and Svadeshi. Standard have improved greatly due to short-covering in view of the diversification of activity. Gokak, Morarjee, Tata Mills and India United ordinary have been steady.

Although turnover in miscellaneous shares has been restrained, the undertone has improved. In cement scrip, Digvijjay have been supported on prospects of further expansion. Associated Cement have been steady. In sugar shares, Belapur and Walchandnagar Industries have met with support. Scindia Steam have been a bright feature in steamship company shares. Great Eastern Shipping have gained in sympathy with the general trend. Be Be Petrol have been prominent in mining shares, but Shivrajpur Syndicate have reacted on profit-taking.

Chemical shares have been fully steady. Tata Chemical have been bought on hopes of a higher dividend. Polychem, Amar Dye and Indian Dyestuff have improved. In fact, the latter scrip have attracted a margin on purchases since the price has risen by more than 10 percent over that in the previous settlement. In rayon shares, National have been firm and have gained due to short-covering as well as replacement buying. Tata Oil have been steady on bonus issue prospects. Selected electric companies have been firm. Ahmedabad and Tata Power have been conspicuous. Scattered business has been transacted in bank shares. Central Bank, Bank of India and Bank of Baroda have been done.

Madras

SHARES RISE ON FIRMER BOMBAY ADVICES

BUT TURNOVER RESTRAINED ON POWER CUT FEARS

Tuesday Evening.

THE undertone in the Madras stock market has improved during the past week, mainly due to firmer advices from Dalal Street. Although turnover has been restrained, the prices of clearing and selected cash scrip have hardened due to the shortage of sellers. Sentiment has improved on the relaxation of the margin system. Although investors have been encouraged by easier money conditions, they have tended to be cautious in view of the possibility of a further cut in power supply.

Government securities have been steady and support has been forthcoming for selected State Government loans. Interest has been shown in selected preference shares. Bank shares have been steady. Canara have been transacted at Rs. 77 and Indian Overseas at Rs. 142. In electric companies, Salem-Erode have been steady at Rs. 14.37 and Vellore at Rs. 15.62. Sugar shares have been neglected. Deccan have been available at Rs. 11.20 in spite of the prospect of a bonus issue. E. I. D. have been done at Rs. 34 despite the payment of an interim taxable ordinary dividend of 7 percent. Business has passed in Madura at Rs. 9.44 and in Travancore at Rs. 7.20.

Selected planting shares have been steady, but turnover has been limi-

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12, TAMER LANE, CAL.-9.

ted. Cochin Malabar have come to hand at Rs. 6.30 on declaring a taxable ordinary dividend of 12 percent. Blue Mountain have been done at Rs. 2.38. Consolidated Coffee at Rs. 22.25, Ouchterlony at Rs. 3.60 and Periakaramalai at Rs. 3.43. Travancore have come to hand at Rs. 11.12 on declaring a taxable ordinary dividend of 12½ percent. Kailas have been bought at Rs. 6.02 and Rajagiri at Rs. 21.65. In tea shares, Devashola have been steady at Rs. 21.08 on declaring a taxable interim ordinary dividend of ¼ percent. Support has been extended to Nonsuch at Rs. 22.25, to Udayagiri at Rs. 15.50 and to Peermade at Rs. 21.25. Manar have come to hand at Rs. 1.93 on declaring a taxable ordinary dividend of 5 percent. Among coffee shares, Cowcoody have been steady at Rs. 4.66 on paying a taxable interim ordinary dividend of 7½ percent. Wartyhully have been done at Rs. 2.89 on declaring a final taxable ordinary dividend of 7 percent, making a total of 12 percent for the year. Coffee Lands have been quoted at Rs. 17.65 and Rajendra at Rs. 10.52.

In textile shares, South India Viscose have hardened to Rs. 120 and Travancore Rayon to Rs. 21.75. Lakshmi have been bought at Rs. 131 on declaring a taxable ordinary dividend of 20 percent. Madura have been done at Rs. 33.40. Cauvery Spinning have changed hands at Rs. 16.25 on paying a taxable ordinary dividend of 10 percent. Premier have been steady at Rs. 280 on declaring a taxable ordinary dividend of 20 percent. Ramakrishna have been transacted at Rs. 217.80 on paying a taxable ordinary dividend of 23 percent. Bangalore Woollen have been steady at Rs. 253 and Buckingham at Rs. 267.

In the miscellaneous section, Aluminium Industries have been bought at Rs. 20, while Ashok Leyland have been sluggish at Rs. 6.50. In cement shares, Dalmia have been quoted at Rs. 12.62 and India Cement at Rs. 5.65. Travancore Cement have been done at Rs. 7.20 on paying a taxable ordinary dividend of 6 percent. Mettur Chemical have hardened to Rs. 9.65, while F.A.C.T. have been taken up to Rs. 5.20. Seshasayee Paper have gained at Rs. 7.20 and Mysore at Rs. 12.50. Standard Motors have been available at Rs. 10.12 and Madras Rubber at Rs. 11.37. McDowell have come to hand at Rs. 22.82 on declaring a taxable ordinary dividend of 7½ percent. Spencer have been steady at Rs. 21.65 on declaring an interim taxable ordinary dividend of 6 percent. Parry's Confectionery have recovered to Rs. 2.92 and Rane (Madras) to Rs. 8.60 W. I. Plywoods have been steady at Rs. 207, but Seshasayee Wire have been freely offered down to Rs. 10.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 30/62—33/87—30/56—33/75—(28/50).

Dunlop Rubber—Rs. 34/31—34/37—34/06—34/19—(31/25).

Guest, Keen, Williams—Rs. 24/25—24/37—24/00—24/19—(32/37).

Hindustan Motor—Rs. 18/41—18/56—18/31—18/50—(15/81).

Howrah Jute—Rs. 15/62—15/62—15/50—15/50—(18/87).

Indian Aluminium—Rs. 31/25—31/44—30/87—31/25—(33/12).

Do. (New)—Rs. 20/94—21/00—20/94—21/00.

Indian Cable—Rs. 35/06—35/19—34/94—35/00—(30/87).

Indian Copper—Rs. 3/42—3/44—3/36—3/39—(4/70).

Indian Iron—25/00—25/34—24/92—25/34—(22/62).

J. K. Cotton—Rs. 11/00—11/06—10/94—10/94—(11/69).

Jaipur Udyog—Rs. 11/31—11/37—11/25—11/25—(11/69).

Kesoram Industries—Rs. 26/31—27/00—26/25—26/87—(21/37).

Orient Paper—Rs. 36/00—36/30—35/60—35/65—(34/50)

Orissa Cement—Rs. 13/00—13/25—13/00—13/00—(13/75).

Rohtas Industries—Rs. 11/69—11/75—11/56—11/59—(10/81).

Shree Gopal Paper—Rs. 25/87—26/19—25/87—26/19—(23/81).

Textile Machinery—Rs. 28/15—28/30—27/95—28/20—(23/60).

GILT-EDGED

3 % Loan (1986)—Rs. 63/85—63/85—63/85—63/85.

3 % „ (1966-68)—Rs. 98/20—98/20—98/20—98/20.

UNIT TRUST OF INDIA

(ESTABLISHED UNDER THE UNIT TRUST OF INDIA ACT, 1963)

Sale of Units Begins on 1st July 1964

Units of the face value of Rs. 10/- each, available in multiples of ten, will be sold initially at Rs. 10/- from 1st to 31st July 1964.

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* Liquidity of Investment
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Also from sharebrokers registered with Stock Exchanges at: Ahmedabad, Bangalore, Bombay, Calcutta, Delhi, Hyderabad, Indore and Madras.

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A NEW DIMENSION TO INVESTMENT

DA-64/121

3 % „ (1970-75)—Rs. 90/45—90/45—90/45—90/45.

4 % „ (1973)—Rs. 98/88—98/90—98/88—98/90.

4 % „ (1970)—Rs. 99/05—99/05—99/00—99/00.

4 % „ (1972)—Rs. 98/90—98/90—98/90—98/90.

4 % „ (1969)—Rs. 99/85—99/85—99/85—99/85.

4½ % „ (1972)—Rs. 100/10—100/10—100/10—100/10.

4½ % „ (1986)—Rs. 100/00—100/13—100/00—100/13.

4½ % „ (1989)—Rs. 100/00—100/00—100/00—100/00.

4½ % U.P. (1970)—Rs 98/15—98/15—98/15—98/15.

4½ % „ (1974)—Rs. 99/40—99/40—99/30—99/30.

4½ % „ (1972)—Rs. 98/15—98/15—98/15—98/15.

4½ % West Bengal (1974)—Rs. 99/50—99/50—99/50—99/50.

4½ % Madras (1972)—Rs. 98/20—98/20—99/20—99/20.

4½ % Orissa (1972)—Rs. 98/20—98/20—98/20—98/20.

4½ % Mysore (1974)—Rs. 99/30—99/30—99/30—99/30.

BANKS

Allahabad—Rs. 250/00—250/00—250/00—250/00—(263/00).

Hindusthan Commercial—Rs. 10/50—10/50—10/50—10/50—(12/87).

United Bank of India (Rs. 10/- paid)—Rs. 7/56—7/62—7/50—7/59—(7/40).

Do. (Conty.) (20/-) (10/-)—Rs. 6/94—6/94—69/4—6/94

United Commercial—Rs. 68/25—68/25—68/25—68/25—(66/00).

TEXTILES

Basanti—Rs. 12/00—12/06—12/00—12/06—(11/50).

Do. (Pref.)—Rs. 7/06—7/06—7/06—7/06.

Bowreah—Rs. 24/00—24/00—24/00—24/00—(22/50).

Bharat Commerce—Rs. 19/75—19/75—19/75—19/75—(19/87).

Elgin—Rs. 18/75—19/25—18/75—19/25—(17/94).

Jay Shree—Rs. 14/19—14/19—14/19—14/19—(14/31).

New Victoria—Rs. 1/41—1/41—1/41—1/41—(1/37).

RAILWAY

Dehri Rohtas—Rs. 11/50—11/50—11/50—11/50.

COALS

Bengal—Rs. 232/00—233/00—232/00—233/00—(270/00).

Central India—Rs. 8/69—8/87—8/62—8/69—(9/87).

Western Bengal—Rs. 8/75—8/75—8/62—8/69—(9/06).

JUTES

Agarpara—Rs. 8/94—9/06—8/81—8/87—(10/06).

Anglo-India (Pref.)—Rs. 99/50—99/50—99/50—99/50.

Alliance—Rs. 124/00—124/00—124/00—124/00.

Barnagore—Rs. 220/00—220/00—220/00—220/00—(198/00).

Chitavalsah—Rs. 8/00—8/00—7/75—7/75—(10/12).

Caledonian—Rs. 142/00—142/00—142/00—142/00—(200/00).

Dalhousie (Pref.)—Rs. 91/00—91/50—90/00—90/00.

Fort William—Rs. 21/25—21/37—21/25—21/37—(14/69).

Ganges—Rs 13/62—13/69—13/62—13/69—(13/62).

Gouripore—Rs. 22/50—22/50—22/50—22/50—(25/50).

Gondalpara—Rs. 14/12—14/31—14/12—14/19—(15/62).

Hastings (Pref.)—Rs. 87/00—87/50—86/75—86/75.

India—Rs. 15/12—15/12—15/12—15/12—(18/19).

Kanknarrah—Rs. 136/00—137/00—135/00—137/00—(130/00).

Megna—Rs. 12/56—12/56—12/56—12/56—(13/12).

New Central—Rs. 11/69—11/75—11/62—11/75—(12/75).

Nuddea—Rs. 10/75—10/87—10/75—10/87.

Naihati—Rs. 80/00—85/00—80/00—85/00—(81/00).

Presidency—Rs. 4/50—4/50—4/50—4/50—(4/69).

Rameshwara (Pref.)—Rs. 12/25—12/25—12/25—12/25.

Reliance—Rs. 7/25—7/37—7/25—7/37—(9/94)

Shree Ambica—Rs. 27/00—30/00—27/00—30/00—(25/00).

MININGS

Assam Sillimanite—Rs. 6/31—6/37—6/25—6/37

Bisra Stone Lime—Rs. 17/87—18/00—17/87—18/00

Metal Corporation—6/66—6/75—6/62—6/62—(7/91).

Orissa Minerals—Rs. 19/56—19/62—19/44—19/44—(26/94).

CEMENTS

Ashoka—Rs. 6/75—6/75—6/69—6/75—(7/31).

Assam Bengal—Rs. 4/87—4/87—4/87—4/87—(3/25).

Bengal Potteries—4/87—5/00—4/87—5/00—(5/50).

Dalmia (Bharat)—Rs. 12/87—12/94—12/69—12/75—(13/31).

Reliance Firebricks—(Partly Paid)—Rs. 8/50—8/50—8/50—8/50.

Sone Valley—Rs. 4/37—4/47—4/19—4/25 x.d.—(4/37).

CHEMICALS

Alkali & Chemical—Rs. 27/12—29/37—27/12—29/19—(31/87).

Chemicals & Fibres—Rs. 12/31—12/62—12/25—12/56.

PUBLIC UTILITIES

Bareilly—Rs. 12/00—12/00—12/00—12/00—(14/37).

Calcutta—Rs. 14/75—14/84—14/69—14/75—(14/31).

Upper Jumna—Rs. 22/00—22/00—22/00—22/00—(16/00).

ENGINEERINGS

Bharat Ball Bearing—Rs. 11/62—11/87—11/62—11/87.

Burn & Co.—Rs. 268/00—275/00—268/00—274/00—(558/00).

Bhartia Electric Steel—Rs. 15/50—15/56—15/50—15/56—(14/50).

Braithwaite & Co.—Rs. 32/44—32/62—32/37—32/37—(29/87).

Britannia Eng.—Rs. 9/94—10/00—9/94—10/00—(8/81).

Calcutta Steel—Rs. 13/75—13/75—13/75—13/75—(13/37).

Dalmia Iron—Rs. 11/12—11/19—11/06—11/12—(10/56).

Engel India Machine—Rs. 3/00—3/00—3/00—3/00.

Hindusthan Wires—Rs. 9/62—9/62—9/37—9/56.

Indian St. Wagon—Rs. 35/00—35/00—35/00—35/00—(30/62).

Jessop & Co.—Rs. 20/75—21/50—20/75—21/25—(24/25).

J. K. Steel—Rs. 15/87—16/00—15/81—15/81—(14/12).

Kumardhubi—Rs 5/44—5/50—5/37—5/44—(8/28)

Machinery Mfg.—Rs. 24/00—24/00—24/00—24/00

Marshalls—Rs. 3/06—3/12—3/00—3/06—(2/56).

National Iron & Steel—Rs. 6/00—6/00—5/94—5/94—(3/87).

Raymon—Rs. 4/31—4/31—4/31—4/31.

Saran Eng.—Rs. 6/87—6/87—6/87—6/87—(8/50).

OIL

Tide Water—Rs. 35/50—35/50—35/25—35/37—(25/25).

MISCELLANEOUS

Associated Battery—Rs. 23/31—23/94—23/00—23/94—(23/75).

Angelo Brothers—Rs. 23/62—23/87—23/62—23/75—(21/75).

Airways India—Rs. 4/12—4/25—4/06—4/06

Aluminium Corpn.—Rs. 11/87—11/87—11/87—11/87—(12/97).

Asiatic Oxygen—Rs. 10/19—10/19—10/19—10/19

B. I. Corpn.—Rs. 9/62—9/62—9/50—9/56—(8/50).

Bararee Coke—Rs. 19/00—20/62—19/00—20/62—(20/87).

Calcutta Tramways—Rs. 10/31—10/31—10/31—10/31—(10/87).

Dyer Meakin Breweries—Rs. 24/00—24/06—23/87—24/00—(26/00).

Eastern Investment—Rs. 101/00—101/00—101/00—101/00—(117/00).

East Anglia Plastics—Rs. 7/81—7/81—7/75—7/75.

Electric Construction—Rs. 13/31—13/44—13/25—13/44—(12/22).

English Electric—Rs. 13/62—13/62—13/37—13/37

General Tyres—Rs. 7/50—7/50—7/50—7/50

Gillanders Arbuthnot—Rs. 15/12—15/25—15/00—15/25—(13/50).

Goodyear India—Rs. 22/75—22/87—22/62—22/62

Ganges Rope—Rs. 228/00—228/00—228/00—228/00—(236/00).

Hindustan Aluminium—Rs. 12/81—13/00—12/62—12/94—(13/37).

Hindusthan Pilkington Glass—Rs. 13/81—15/50—13/75—15/00—(14/94).

Hindusthan Development—Rs. 3/94—3/94—3/87—3/94.

Indian Aluminium (Pref.)—Rs. 63/00—63/00—63/00—63/00.

Indian Wood Products—Rs. 27/00—27/00—27/00—27/00—(28/87).

Imperial Tobacco—Rs. 9/44—9/44—9/25—9/31—(10/25)

India Carbon—Rs. 13/50—14/00—13/50—14/00

Indian Tack and Nail—Rs. 9/75—10/00—9/75—10/00.

Isaac Holdens—Rs. 12/31—12/31—12/31—12/31—(14/00).

Indian Forge & Drop Stamping—Rs. 6/75—6/81—6/75—6/81.

J. K. Synthetics—Rs. 11/94—12/31—11/94—12/06—(10/00).

Jay Shree Tea Industries—Rs. 13/31—13/37—13/12—13/12—(14/44).

Jardine Henderson—Rs. 75/50—75/50—73/50—73/50—(86/00).

Martin Burn—Rs. 26/37—26/56—26/31—26/31—(25/37).

Metal Distributors—9/00—9/37—9/00—9/12 x.d.

National Rubber Mfg.—Rs. 11/25—11/25—11/12—11/25—(11/56).

National Pipes & Tubes—Rs. 25/75—25/75—25/75—25/75—(25/94).

National Insulated Cable—Rs. 22/94—23/00—22/75—22/81—(22/00).

Phillips Carbon Black—Rs. 12/00—12/62—12/00—12/62.

Philips India—Rs. 28/12—28/37—28/12—28/37—(27/00).

Rallis India—Rs. 120/00—122/00—120/00—121/50—(116/00).

Tungabhadra Industries—Rs. 9/65—9/65—9/65—9/65.

Usha Martin Black—Rs. 14/50—14/50—14/31—14/31.

Union Carbide—Rs. 30/75—30/75—30/62—30/69—(38/75)

Universal Cables—Rs. 11/00—11/00—10/75—10/94.

Universal Electrics—Rs. 7/50—7/50—7/50—7/50.

Walford Transport—Rs. 3/19—3/25—3/12—3/19—(3/56).

PAPERS

Ashok—Rs. 5/00—5/00—5/00—5/00.

Bengal—Rs. 27/31—27/44—27/06—27/25—(28/00).

Ballarpur—Rs. 17/25—17/25—17/12—17/19

India Paper Pulp—Rs. 21/37—22/37—21/25—22/37—(16/75).

Seshasayee—Rs. 7/12—7/12—7/12—7/12.

Sirpur—Rs. 11/87—12/03—11/81—12/03—(11/59).

Straw Products—Rs. 8/94—9/00—8/94—8/94

Titaghur—Rs. 13/94—14/06—13/94—14/06—(15/44)

West Coast—Rs. 155/00—155/00—155/00—155/00—(125/00).

West Coast (Pref.)—Rs. 92/00—92/00—92/00—92/00.

SHIPPINGS

India Steamship—Rs. 6/37—6/44—6/31—6/41—(6/00).

Do. (Pref.)—Rs. 62/00—62/00—62/00—62/00.

SUGARS

Bharat—Rs. 14/87—14/87—14/87—14/87—(13/00).

Belsund—Rs. 7/65—7/65—7/65—7/65—(7/81).

Darbhanga—Rs. 7/81—7/87—7/81—7/87—(8/00).

New India—Rs. 30/00—30/00—30/00—30/00.

Shree Krishna Gyanoday—Rs. 7/75—7/75—7/69—7/75—(7/06).

INSURANCE

Triton—Rs. 125/00 x.d.—125/00—125/00—125/00—(132/00).

TEAS

Baitakhal—Rs. 7/75—7/87—7/75—7/87—(8/06).

Bhatkawa—Rs. 16/12—16/12—16/00—16/06—(18/00).

Bishnauth—Rs. 13/25—13/87—13/19—13/87—(17/56).

Bloomfield—Rs. 3/00—3/31—3/00—3/06—(3/12).

Dauracherra—Rs. 14/12—14/50—14/12—14/50—(7/56).

Gille (Pref.)—Rs. 59/00—59/50—59/00—59/50.

Grob—Rs. 6/12—6/19—6/12—6/19—(7/19).

Hantapara—Rs. 101/00—101/00—101/00—101/00—(99/00)

Hoolungoorie—Rs. 169/00—169/00—169/00—169/00—(195/00).

Hasimara—Rs. 12/00—12/00 s.t.—12/00 s.t.—12/00 s.t.—(12/50).

Ledo—Rs. 10/00—10/06—9/94—9/94—(13/75).

Methoni—Rs. 12/31—12/50—12/31—12/50—(17/31).

New Dooars—Rs 158/00—158/00—157/00—157/00—(230/00).

Patrakola—Rs. 152/00—152/00—152/00—152/00—(120/00).

Pussimbing (Pref.)—Rs. 93/00—93/00—93/00—93/00

Rajabhat—Rs. 10/19 s.t.—10/19—10/19—10/19—(12/12).

Teloijan—Rs 21/50—21/87—21/50—21/87—(22/00).

DEBENTURES

5½ % Burmah-Shell—Rs. 93/50—93/50—93/50—93/50.

6½ % Bengal Coal—Rs. 99/00—99/00—99/00—99/00.

6½ % Dunlop Rubber—Rs. 99/25—99/25—99/25—99/25.

6½ % Naskarpara Jute—Rs. 100/00—100/00—100/00—100/00.

CAPITAL

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RESERVE BANK

ISSUE DEPARTMENT

(In '00's of Rupees) — Week Ended

	26-6-64	19-6-64	28-6-63
Liabilities—			
Notes a Banking Dept.	51,93,60	26,39,13	40,11,54
Notes in Circulation	24,84,12,34	25,17,27,50	22,59,49,59
Total Notes Issued	25,36,05,94	25,43,66,63	22,99,61,13
Assets—			
A. Gold Coin and Bullion			
Foreign Securities	1,17,76,10	1,17,76,10	1,17,76,10
	89,45,69	93,45,69	99,83,43
Total of A	2,07,21,79	2,11,21,79	2,17,59,53
B Rupee Coin	1,02,80,56	1,00,24,85	1,15,31,87
Rupee Securities	22,26,03,59	22,32,19,99	19,66,69,73
Total	25,36,05,94	25,43,66,63	22,99,61,13

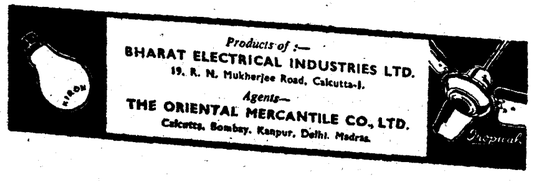
BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long Term Operations) Fund	73,00,00	73,00,00	61,00,00
National Agricultural Credit (Stabilisation) Fund	8,00,00	8,00,00	7,00,00
Deposits—			
(a) Central Govt.			
State Govts.	79,70,59	65,39,77	65,07,26
(b) Banks :—	14,04,74	14,84,43	14,49,12
(i) Scheduled Banks	97,66,72	89,20,87	94,37,88
(ii) State Co-operative Banks	4,49,59	2,43,48	6,84,45
(iii) Other Banks	1,54	1,65	36,95
(c) Others	1,62,18,00	1,60,61,24	1,56,48,62
Bills Payable	43,37,63	39,37,70	40,60,20
Other Liabilities	73,68,37	75,62,85	85,21,51
Total	6,41,16,98	6,13,51,99	6,16,45,99
Assets—			
Notes	51,93,60	26,39,13	40,11,54
Rupee Coin	4,33	4,16	1,52
Small Coin	2,64	3,21	1,62
National Agricultural Credit (Long Term Operations) Fund			
(a) Loans and Advances to :—			
(i) State Govts.	28,30,28	28,30,57	27,16,75
(ii) State Co-operative Banks	11,02,82	8,65,02	10,70,61
(iii) Central Land Mortgage Banks			
(b) Investment in Central Land Mortgage Bank Debentures	4,08,83	4,08,83	2,84,88
National Agricultural Credit (Stabilisation Fund) Loan and Advances to State Co-operative Banks			
Bills Purchased and Discounted :—			
(a) Internal			
(b) External			
(c) Govt Treasury Bills			
Balances Held abroad	40,73,64	44,20,64	54,01,21
Loans and Advances to Govt.	7,15,16	7,38,77	6,50,50
Loans and Advances to :—	53,34,28	49,69,04	30,94,00
(i) Scheduled Banks			
(ii) State Co-operative Banks	1,14,45	4,02,78	1,17,22
(iii) Others	1,34,14,52	1,21,50,90	1,28,64,51
Investments	1,78,60	2,44,20	1,13,80
Other Assets	2,73,90,16	2,84,02,09	2,72,79,99
	33,53,67	32,72,65	40,37,64
Total	6,41,16,98	6,13,51,99	6,16,45,99

SCHEDULED BANKS

(In '000's of Rupees) — Week Ended

	19-6-64	12-6-64	21-6-63
(i) Demand Liabilities :—			
(a) Demand Deposits :			
(1) From Banks	67,68,90	65,01,19	55,29,84
(2) From others	10,84,41,87	10,77,16,23	8,94,57,12
(b) Borrowing from Banks	44,18,94	49,22,13	29,06,61
(c) Other	66,04,71	64,34,22	57,28,08
(ii) Time Liabilities—			
(a) Time Deposits :			
(1) From Banks	30,31,90	25,45,49	28,71,82
(2) From others	12,76,21,62	12,65,71,84	12,28,70,62
(b) Borrowing from Banks	11,13,73	10,60,67	21,16,51
(c) Others	11,62,73	11,80,13	10,32,43
(iii) Borrowing from State Bank—			
(a) Demand Liabilities	8,39,43	10,26,84	4,96,85
(b) Time Liabilities	12,16,00	11,25,00	10,97,00
(iv) Borrowing from Reserve Bank	4,58,23	18,36,73	1,36,12
(v) Cash	63,21,46	64,46,62	53,56,61
(vi) Balances with the Reserve Bank	85,05,71	86,10,83	84,99,76
(vii) Balances with other Banks in current account	22,04,74	21,50,92	21,34,11
(viii) Money at call and short notice	57,71,00	57,73,40	50,37,55
(ix) Investments in Central and State Govt. Securities	6,33,45,05	6,19,85,53	6,42,81,97
(x) (a) Loans, Cash Credits and Overdrafts	15,41,75,22	15,42,14,28	13,04,70,15
(b) Due from Banks	10,72,41	12,55,53	7,46,27
(xi) Inland Bills purchased and discounted	1,79,90,02	1,88,35,78	1,70,36,56
(xii) Foreign Bills purchased and discounted	63,73,19	67,83,60	45,81,06
(xiii) Total of X, XI and XII	17,96,10,84	18,21,48,99	15,31,38,06



THE CALCUTTA MONEY MARKET

SLIGHT DECLINE IN ADVANCES

Wednesday, 1st July.

THE general level of advances has decreased slightly in the Calcutta money market during the past week. The requirements of all the major categories of borrowers are down. The credit given to the cotton and jute mills and to the foodgrains and seeds trade has declined nominally, while the advances to sugar mills and the iron, steel and engineering industries have fallen slightly. In the interbank market, conditions were easy and the call rate dropped to 1¼ percent, but towards the close has firmed up to 2¼ percent.

The exchange market has been quiet, with a poor supply of gunny bills and a small supply of tea bills. The demand for remittances is moderate. In London, sterling suffered a setback against all important currencies, excepting the Dutch guilder and the Swedish krona.

BULLION WAS QUIET IN CALCUTTA during the past week due to the lack of demand, especially from upcountry. Silver dropped from the previous week's level of Rs. 248.25 to Rs. 247.75 quoted today. The London and New York prices stood at 111⅛d and 129.3 cents.

In sympathy with the fall in silver, gold ruled quiet and the price of 14-carat dropped from Rs. 74.75 to Rs. 73.25.

DURING THE WEEK ENDED 26TH JUNE, Government of India Treasury bills for Rs. 229,77,00,000 were sold in favour of the Reserve Bank.

TENDERS FOR Rs. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 29th June. The total amount offered was Rs. 4,50,00,000. Tenders at Rs 99.256 percent were accepted in full, and those at Rs. 99.250 percent were allotted 38 percent approximately. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.994 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 6th July.

IT IS STATED THAT 91-DAY Intermediate Treasury bills will be sold from 1st July to 4th July at Rs. 99.266 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 24th June to 27th June amounted to Rs. 7.60 crores.

DECLINES OF Rs. 33.16 CRORES TO Rs. 2,484.12 crores in active notes and of Rs. 7.61 crores to Rs. 2,536.06 crores in the total note issue were notable features of the return of the Reserve Bank of India for the week ended 26th June, 1964. The currency contraction was adjusted by reducing foreign securities by Rs. 4 crores to Rs. 89.46 crores and rupee securities by Rs. 6.24 crores to Rs. 2,226.04 crores in the Issue Department. Deposits of the Government of India rose by Rs. 14.31 crores to Rs. 79.71 crores, while those of State Governments dropped by Rs. 79 lakhs to Rs. 14.05 crores. Balances of scheduled banks at Rs. 97.67 crores showed a rise of Rs. 8.46 crores. Balances held abroad declined by Rs. 24 lakhs to Rs. 7.15 crores despite a transfer of securities from the Issue Department to the Banking Department. Investments at Rs. 273.90 crores showed a drop of Rs. 10.12 crores. Loans to scheduled banks declined from Rs. 4.03 crores to Rs. 1.14 crores, of which advances against usance bills amounted to Rs. 56.15 lakhs (Rs. 1.67 crores). Ways and means advances stood at Rs. 53.34 crores, against Rs. 49.69 crores.

THE RETURN OF THE STATE BANK of India for the week ended 19th June, 1964, shows a rise of Rs. 5.88 crores to Rs. 622.32 crores in total deposits. Investment in Government securities are up by Rs. 1.72 crores to Rs. 230.65 crores, while other authorised investments remain unchanged at Rs. 9.44 crores. Advances, including loans, cash credits, overdrafts, and bills discounted and purchased have fallen by Rs. 7.27 crores to Rs. 359.37 crores. Cash and balances are, in consequence, shown at Rs. 25.15 crores or Rs. 2.05 crores higher.

THE STATEMENT OF THE POSITION of scheduled banks for the week ended 19th June, 1964, shows Demand and Time liabilities at Rs. 1,262.34 crores (Rs. 44.19 crores on account of borrowings from banks) and Rs. 1,329.30 crores (Rs. 11.14 crores), compared with Rs. 1,255.74 crores (Rs. 49.22 crores), and Rs. 1,313.58 crores (Rs. 10.61 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have declined by Rs. 66 lakhs and Rs. 1.05 crores to Rs. 63.81 crores and Rs. 85.06 crores, respectively. There is a rise of Rs. 13.60 crores to Rs. 633.46 crores in investments. Advances and bills discounted at Rs. 1,796.11 crores show a drop of Rs. 25.38 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.7 percent and 69.3 percent, against 5.1 percent and 70.9 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 3-7-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
3-7-64	3-10-64	2,00,00	Rs. 2.994%
28-6-64	3-10-64	2,00,00	Rs 2.995%
19-6-64	26-9-64	2,00,00	Rs. 3.000%
12-6-64	19-9-64	2,00,00	Rs. 3.000%
5-6-64	12-9-64	2,00,00	Rs. 3.000%
29-5-64	5-9-64	2,00,00	Rs. 3.000%
22-5-64	25-8-64	2,00,00	Rs. 3.000%
15-5-64	18-8-64	2,00,00	Rs 3.000%
8-5-64	11-8-64	2,00,00	Rs 3.000%
1-5-64	4-8-64	2,00,00	Rs. 3.000%
24-4-64	27-7-64	2,00,00	Rs. 3.000%
17-4-64	20-7-64	2,00,00	Rs 3.000%
10-4-64	13-7-64	2,00,00	Rs. 3.000%

(Monthly Mutturities (000's omitted)

July, 1964	6,00,00
August, 1964	8,00,00
September, 1964	8,00,00
October, 1964	4,00,00
Total	26,00,00

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
26-6-64	99,61,45	1,25,36
19-6-64	91,66	1,21,20
12-6-64	80,43	1,00,68
5-6-64	1,13,26	1,15,74

ORISSA CEMENT LIMITED

CHAIRMAN, MR. J. DALMIA'S REVIEW

The following is the summary of the speech of the Chairman, Mr. J. Dalmia delivered at the Fourteenth Annual General Meeting of the Company held at Rajgangpur (Orissa State) on 29th June, 1964.

Gentlemen,

I welcome you to the 14th Annual General Meeting of your Company.

Although more than a month has passed since that fateful 27th day of May, we are still burdened with the sense of our heavy loss and great sorrow at the sad and sudden passing away of our great leader, Pandit Jawaharlal Nehru, who, as the first Prime Minister of India, has guided and shaped the destinies of our country since independence. His passing away has been mourned by the world at large for he was not only the architect of modern India but an acclaimed and accepted leader in the international sphere. His devotion to the ideals of peace and brotherhood of man stands out like a beacon to guide the path of mankind through the years ahead. Let us, in tribute to his memory, resolve to move forward together to achieve his dream of a peaceful, prosperous and united India.

We are indeed fortunate that the leadership of our country is now in the hands of Shri Lal Bahadur Shastri, who took up the onerous burden of the Prime Ministership of the country on the 9th June. Shastriji, as he is commonly and affectionately known throughout the country, can best be described as the great commoner. Of humble birth, he has risen to the leadership of the Nation. A conciliator and negotiator par excellence, he was relied upon by Pandit Jawaharlal Nehru in many a difficult situation. During his tenure as Home Minister, Shastriji amply demonstrated his acumen and firmness. His services to the Nation and to the common man are too well-known to need repetition. In his devotion to the ideals of the Father of the Nation, Mahatma Gandhi, handed down to him by Panditji, and his pragmatic approach to national and international problems, we must find hope again to move forward to the goal of a prosperous India and a peaceful world. In offering our respectful felicitations to Shastriji, let us also pledge ourselves to strive, each within his own sphere, to help in the immense task of nation building.

Your company has suffered a grievous loss in the untimely death on the 27th of April, 1964 of Shri N. C. Roy, who was a member of your Board and also served the company as its Technical Advisor. In the course of his long association with our Organisation extending over 30 years, Shri Roy had rendered dedicated service and was held in high esteem for his deep knowledge of the industries with which he was associated. He made valuable contributions to the work of various Technical Committees and the Panels on the cement and refractories industries set up by the Government of India. I was closely associated with Shri N. C. Roy throughout his service with our organisation and his sad demise is a great personal loss to me. I am sure you will join me in placing on record our deep appreciation of his manifold services to the company and expressing our heartfelt sympathies and condolences to the bereaved family.

The major reason for the set back to the working results has been the shrinkage in demand for both silica and basic refractories. Last year I had warned against the creation of excess capacity in the refractory industry. My fears have come true and the despatches of Silica and Basic refractories have suffered during the year under review on account of lack of orders. Factors beyond the control of the producers, such as increases in the coal price, surcharge on railway freight, etc., have resulted in increases in production costs of cement. The industry has reported the incidence of these various levies to the Government of India and has represented that the retention prices payable to the producers be increased but it is regretted that till date no decision has been taken by the Government. Compensatory increases in the retention prices in respect of actual increase in production cost due to Governmental action had been recommended by the Tariff Commission and agreed to by the Government. It is only fair that these assurances should be implemented and the increase in retention prices expedited.

Both in my address in June 1962 and last year I had emphasised the need for a careful appraisal of the future demand for refractories for planning increase in the capacity of the industry. Last year, I also drew attention to the demand for refractories falling short of the growing capacity and consequent increase in idle capacity with the industry. The position has deteriorated further and the industry is faced with a crisis, which is likely to continue for sometime, due to its production capacity, existing and to be implemented by 1965-66, far exceeding the demand which until 1967-68, is unlikely to increase substantially over the 1963-64 requirements.

As derived from discussions at recent Refractories Panel meetings, the installed capacity of refractory industry (excluding mortars and dead-burnt magnesite) at the end of 1963 was 8,28,980 tonnes which, at the end of the years 1964 and 1965, will rise to 11,04,380 and 12,81,320 tonnes, respectively. Though additional capacity of 3,26,700 tonnes has been licensed, I am not taking that into consideration for presenting the present plight of the industry, as foreign exchange has not yet been provided for it. The expansion of refractories industry, just mentioned by me, was planned and is being implemented on the basis of annual production target of 10 million tonnes of the steel ingots by the end of 3rd Five Year Plan. According to the revised forecast, this target can be achieved only by 1967-68, and ingot steel production for the earlier years is estimated at 5.92, 6.32 and 7.16 million tonnes for 1963-64, 1964-65 and 1965-66, respectively.

Based on steel production of 6 million tonnes during 1964-65 and 7 million tonnes during 1965-66, estimated demand of refractories—Firebricks, Silica Bricks and Basic Bricks—during these two years will be about 56% and 54%, respectively, of the capacity available with the industry. This confirms my forecast last year that by 1964-65 about 50% of the industry's capacity would be idle. These figures are based on consumption pattern in 1963. With the introduction of an all basic open hearth furnace, the consumption of Silica refractories has steedily declined and before long the steel industry may consume very little silica bricks, except for the construction of new Coke Oven Batteries. The capacity released will of course be available for the production of other products. But with the switch over to all basic construction and with the supply of increasingly better quality materials, as well as greater operational experience by the steel industry, the consumption of refractories has shown and will show a marked downward trend. As against the estimated overall consumption of refractories at the end of the 2nd Five Year Plan of 90 Kg. per ingot tonne for open hearth process using Silica roof, the present official estimation is only 57 Kg. per ingot tonne, comprising of 35 Kg. for firebricks, 14 Kg. for basic and 8 Kg. for silica. The corresponding consumption figures for highly advanced steel producing countries are now approximately 7.5 Kg., 7.3 Kg. and 2.8 Kg. per ingot tonne, respectively. The steel industry will no doubt make efforts to reduce the consumption further due to the emphasis by the Government on cost reduction. This trend cannot, therefore, be ignored by the Refractory Industry in the planning for its future growth. When these factors are taken into consideration, it is conceivable that the refractory industry may find itself with well over half of its capacity idle by the end of 3rd Five Year Plan.

According to the data furnished to the Panel on Refractories the production pattern in regard to the target of 18 million tonnes of steel by 1970-71 will be—Open Hearth 7.35, L.D. 9.70 and Electric Steel 1 million tonnes, respectively. Thus, ingot steel production by open hearth process by 1970-71 will be only little more than the anticipated production by this process at the end of 1965-66, and bulk of the additional steel production, when the 18 million tonnes target for 1970-71 is achieved, would be by L.D. process in which Dolomite replaces conventional refractories to a large extent. As such, growth of the demand for refractories in relation to the growth of the steel industry will be at a much lower rate than hitherto. In regard to rate of consumption of refractories for the conventional open hearth process and electric steel process there is divergence of opinion even within the steel industry and the studies by the Indian Refractory makers Association support the view of those who hold that the consumption will be very much less than that put forward by the protagonists of high consumption. This divergence has been reflected in the discussions of the Refractories Panel where a clear picture has not emerged partly due to want of adequate data from some of the steel plants. We hope they will furnish the required data for which they have been requested.

At a recent meeting of the Refractories Panel, revised firebricks consumption at a level of 18 million tonnes of steel production has been placed at 8,61,600 tonnes which, according to the industry, is very much on the higher side. The requirement for repairs for blast furnaces has been placed at too high a figure, while the future off-take of firebricks by non-steel consumers is likely to be around ½th of the total consumption instead of ⅓rd. A more correct estimate would, thus, be 7,26,000 tonnes. By the adoption of continuous casting process by the steel industry and the repairing of the entire blast furnace linings by gunning and not by shaped and fired bricks, the consumption of firebricks will fall further substantially. By 1966 the industry will have a capacity to produce over 10 lakh tonnes of firebricks, which will be sufficient to cover the demand for such refractories even when the steel production target of 18 million tonnes is achieved. I would refer here to what has been described as steel plant quality brick to support the contention that the entire capacity of the industry is not suitable for the manufacture of refractories for the steel plants. Not all refractories indented by the Steel plants are of this quality as at least one-third of the total indent by a steel plant is of IS 6 and IS 8 variety which are being made by almost every firebrick maker in the country. The remaining demand for high quality bricks can easily be catered to by the major refractory works. The conclusion is inescapable; there is no deficit of firebrick production, nor will there be in 1970-71, when the steel production capacity of 18 million tonnes is targetted for. On the contrary, there may still be even an excess capacity of nearly 2 lakh tonnes.

In the case of basic refractories the issue is even more controversial. At the meeting of the Refractories Panel in March last, a total figure of 1,36,103 tonnes of basic bricks was arrived at for a level of steel production of 18 million tonnes according to open hearth, L.D. and Electric Steel processes. This figure has been questioned not only by the Indian Refractory Makers Association but by some of the steel producers as being unnecessarily high. As indicated by various steel plants, their consumption of basic bricks by open hearth process per million tonnes of ingot steel is—Rourkela, 6,000, TISCO 7,270, IISCO 9,090, Durgapur 12,100 and Bhilai 20,000 tonnes. An average consumption rate of 13 Kg. per tonne was derived from these figures, which, however, does not give a true picture as four out of the five plants show substantially less consumption and their average comes to about 8.5 Kg. per tonne. The corresponding consumption figures by major steel producing countries in the world ranges from 4 Kg. to 9 Kg. per tonne. Bhilai Steel plant has been requested to furnish details for such a high consumption of refractories in their modern plant for proper assessment of their future requirements. It is felt that if this question is examined properly the consumption rate of basic bricks at Bhilai would not be more than at Durgapur, that is, 12,000 tonnes per million tonnes of ingot steel, which would reduce the total requirement of basic refractories for the open hearth process plant by 20,000 tonnes on Bhilai's projected capacity of 2.5 million tonnes of ingot steel. For the manufacture of electric steel the Panel assumed tentatively a consumption rate of 10 Kg. of basic bricks per tonne of steel. The consumption pattern of existing smaller electric furnace steel units is very much less than this. The authoritative figure of basic brick consumption in electric furnaces given by DEBENHAM of US steel is only 5 Kg. per tonne. As the new and large electric steel furnaces which are to be put up for the production of one million tonnes of electric steel will doubtless incorporate the latest technological improvements, it would be safe to assess the consumption of basic refractories for such production at 5 Kg. per tonne of steel. Furthermore, in the total figure of basic bricks consumption, arrived at tentatively by the Refractories Panel, there is a provision of 10% of the total consumption of basic bricks by the steel industry for other consumers. In 1963 only about 3.5% of the total despatches of basic bricks went to consumers other than the steel plants. With the doubling of the production of basic bricks over the 1963 level, the percentage of supplies to other consumers as against those to the steel plants will fall further and it would be more than adequate if a provision of 3% for other consumers is made instead of 10%. After allowing for these three factors, the total requirement for basic bricks by 1970-71 is placed around 101,700 tonnes, about 30% less than that arrived at by the Refractories Panel. By 1966 the industry will have a capacity of 135,000 tonnes for basic bricks which would be more than adequate to cater to this demand particularly when allowance is made for further reduction in the rate of consumption of basic refractories due to further improvements in the quality of indigenous refractories and due to the increasing experience in steel technology which the Indian steel industry will doubtless have. Introduction of

the "gunning" process for repairing of open hearth furnaces instead of by relining with shaped bricks will also reduce basic brick consumption.

I have referred earlier to the virtual elimination of silca refractories by the steel industry in future. The silica bricks capacity, a great part of which is already idle, would be available for switching over to basic brick manufacture, should that be necessary. There is therefore already a substantial built-in reserve available to the industry for further production of basic refractories without having to seek any extension in its capacity.

I therefore submit that, for the reasons stated earlier, the 3rd Plan target for the refractory industry should be considered as having been converted into the 4th Plan target to cater for an 18 million tonnes steel industry. Any further expansion of this industry therefore cannot be justified at present and if created must lead to chaotic conditions forcing some of the existing units to the wall with the unhappy consequences of unemployment, industrial unrest and waste of rupee and foreign exchange resources already employed. I believe that government would be glad to utilise the country's limited financial, material, and trained man-power resources in other sensitive sectors of the economy instead of permitting further expansion in an industry where such expansion is not only unnecessary but would be injurious to the industry itself. It is pertinent to add here that whereas a new steel plant takes 5 to 6 years to go into operation, much can be accomplished by the refractory industry within a short space of time and at a fractional cost. If, therefore, it is found that for any reason the demand for refractories is likely to exceed the forecasts made, additional capacity, as required can be created well in time to meet the additional demand. This is, therefore, another reason why any proposals for further major expansions of the industry should be deferred for some years until it can be definitely established by pragmatic approach to the problem that there are reasons justifying creation of further capacity.

It is a paradox that while the industry today is burdened with idle capacity, imports of Refractories of the type manufactured in the country have been continuing, generally in the guise of package deals, even though Government had informed the Indian Refractory Makers' Association in June 1963 that imports of such Refractories would be allowed only after very careful screening. I would like to refer here to the recommendations of the Rao Committee on the "Utilisation of External Assistance" and Government's decisions thereon. Two of these recommendations which have been accepted are likely to increase the imports of Refractories as items of major plants and particularly by the public sector projects. I would earnestly appeal to Government to ensure that in the implementation of these recommendations the policy restricting the imports of Refractories should be strictly enforced until and unless it has been established, in consultation with the industry that suitable material is not available indigenously.

With idle capacity as discussed by me, the Refractory Industry must explore possibilities for export. Your company is alive to this need and, at the invitation of the Government of India, is participating in the New York World Fair as one of the two exhibitors from India of Silica and Fireclay Refractories and the sole exhibitor of Basic Refractories. During 1963 the Indian Refractory Makers' Association had suggested to the Government of India to include refractories in all their trade agreements with other countries and in their trade journals as one of the main commodities which can be exported in accordance with international standards. Africa, Middle East and South East Asia should be natural outlets, but, unfortunately, ocean freight rates discriminate unfavourably against Indian exports. The Association is collecting data regarding the ocean freight rates in comparison to those from European and Japanese ports and will shortly submit to Government their recommendations to enable the Indian refractory industry to meet competition more effectively.

I had referred last year to your Company having developed the manufacture of certain special types of refractories such as Silica Coke Oven Bricks, Forsterite Bricks, etc. Efforts continue to be made to achieve further diversification of production as a possible method of meeting to some extent the difficulties arising from over production in the industry. While such diversification will doubtless assist the industry, its salvation must lie in controlling its further growth as the bulk of the requirements and hence of the production is for the conventional types of Refractories which are already produced.

Refractory industry continues to face the problem of multiple specifications regarding quality, shape and size adopted by the steel plants. The Indian Standard Specifications formulated with the help of steel industries' representatives still remain unaccepted in many cases. We hope Government will take further action to ensure universal adoption of the Indian Standard Specifications for refractories by the steel plants. This would help to restrict unnecessary imports and facilitate the manufacture and supply of refractories to the steel plants at short notice.

Delays continue to be experienced in the disposal of Mining Lease and Prospecting License applications, although there are indications of some improvement in this direction. I would like to repeat here the suggestion which I had made last year that rules and regulations should be devised whereby the legitimate claims of manufacturers and actual users of certain raw materials which are extremely scarce are recognised and upheld to prevent good properties, while being evaluated, passing into the hands of speculators thereby making it extremely difficult to programme the manufacture of heavy duty products such as Refractories on a regular basis.

Before I conclude, I would like to express our appreciation of the services rendered by the officers, staff and workers of the Company during the year.

JAI HIND

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

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JAIPUR METALS & ELECTRICALS LIMITED

CHAIRMAN, MR. R. H. KAMANI'S SPEECH

The following is the summary of the speech of Mr. R. H. Kamani, Chairman, Jaipur Metals & Electricals Ltd. delivered at the 20th Annual General Meeting of the Shareholders on the 25th June, 1964, at the registered office of the Company at Jaipur.

Extending a cordial welcome to the Shareholders of the Company, Shri R. H. Kamani referred to the great national tragedy created by the passing away of our beloved Prime Minister. In a moving reference he solemnly stated that all-out efforts would be made by the Company to realise the dream of Jawaharlalji for a prosperous India through industrialisation. He prayed for the peace of the departed soul.

Shri Kamani then presented the Directors' Report, Audited Profit & Loss Account and Balance Sheet and proposed them to be adopted.

Accounts

The working of the Company, Shri Kamani stated, had shown quite satisfactory progress with the total turnover and the profits touching new heights viz from Rs. 2,32,76,000 to Rs. 2,69,39,000 and from Rs. 23,79,000 before providing for depreciation and the Managing Agents' remuneration to Rs. 30,24,000 respectively ; being 16% higher.

He then recounted the allocation and stated that the amount provided for taxation was less at Rs. 5,65,000 including the dividend tax on last year's equity dividend as against Rs. 6,85,000 in the previous year ; while the Managing Agents' remuneration was Rs. 1,72,000 as against Rs. 1,48,000 in the previous year. Depreciation rose from Rs. 7,38,000 to Rs. 10,89,000 as also the Development Rebate from Rs. 3,50,000 to Rs. 4,92,000. He also referred to the abolition of Super Profit Tax and the introduction of Sur Tax and the Dividend Tax calculated at 7.5% on the amount of dividend on Equity Capital distributed by the Company. He stated that while the net effect of the abolition of Super Profit Tax and introduction of Sur Tax was beneficial to the Corporate Sector, the introduction of tax on Equity Dividends has whittled down the reliefs so obtained.

He welcomed a rebate of 10% of Income Tax and Super Tax and a rebate of 20% in Sur Tax in case of certain key industries to which category the Company also belonged, as also the withdrawal of Super Tax on inter Corporate investments. He expressed his opinion that frequent changes in the fiscal policy of the Government was a disturbing factor, which would result in uncertainty of future planning and development of industries. He, therefore, emphasised the need for a stable policy on the part of the Government for at least a certain minimum period.

Shri Kamani then dwelt upon the salient features of newly introduced Companies (Profits) Sur-Tax Act, 1964 and emphasised that in order to avail of the full benefits under the Act and to meet the expenses of the development and expansion schemes, it was very necessary that the Company should have a strong Capital base. He added that it was for this purpose that the Board of Directors recommended Dividends at 6% each on Preference and Ordinary Shares and have recommended to transfer a sum of Rs. 3,61,00 to the General Reserve. By doing this, the Capital resources of the Company would increase on one hand while on the other, liability on account of Sur-Tax would decrease.

Factory Working

The Chairman informed the Company that the production tempo has been maintained and the production and sales—both in the Meter and Metal Divisions—were the highest ever reached. He also expressed satisfaction at the timely commencement of the production of A.C.S.R. and All Aluminium Conductors more especially when the allocation of copper for Conductor Industry was discontinued by the Government. He stated that with the ever increasing production of electricity in the country, the prospects for the manufacture of A.C.S.R. and All Aluminium Conductors were bright.

In the sphere of Meter production, he cautioned a note of warning that since recently many meter manufacturing units had come into existence in the country, as a result of which there was a very stiff competition in price. The Company was fully conscious of this position and was, therefore, taking all the necessary measures to face the situation.

Expansion and Development

Shri Kamani informed the Company that efforts were afoot to make the Company self sufficient in the manufacture and procurement of meter components. He was happy to state that except for Jewel Bearings, Magnet and a small percentage of sub parts of the Cyclometer unit which were presently imported, all other parts and components were either made in the factory or indigenously obtained. He stated that all the machineries required for the manufacture of Magnet were installed. The Company was now awaiting the arrival of technical experts from our collaborators in Japan and no time will be lost to commence the production of Magnet. The Company will also be able to manufacture the remaining small percentage of sub parts for the cyclometer unit during the course of the current year.

Shri Kamani sounded a note of optimism that the Company, in the near future, will also be able to manufacture Enamelled Copper Wires and the Cotton, Silk and paper covered wires and strips.

Research

Shri Kamani stated that with a view to improve the quality of products as also to reduce the cost of production, all-out efforts were made by the Company and added that this was very vital for the economical development of the industry.

The Chairman attributed the good working results to the efforts and co-operation of the workers and members of the staff as also to the encouragement and backing of the shareholders received from time to time. He thanked them all.

NOTE : This does not purport to be the proceedings of the Annual General Meeting.

THE METAL BOX COMPANY OF INDIA LTD.

REVIEW BY THE CHAIRMAN, MR. M. K. VELLODI

The Thirty-first Annual General Meeting of The Metal Box Company of India Ltd. will be held on Wednesday, the 22nd July, 1964 at 59C Chowringhee, Calcutta.

The following is a copy of the Review by the Chairman, Mr. M. K. Vellodi, which has already been circulated to members.

Sales

I am glad to be able to report another year of fruitful endeavour particularly as, in my review last year, I struck a somewhat pessimistic note based on the assumption that the greatly increased taxation, both direct and indirect, including such impositions as the compulsory deposit in the last year's budget was bound to curb the purchasing power of the consumer. Happily this assumption proved incorrect, and our Product Sales in the year ended 31st March, 1964 increased by 17% to Rs. 13.85 crores.

Sales in all significant product groups increased, and during the second half of the year the new Paper Group commenced production. The encouraging volume of our order book for paper products at the year end is an indication that this addition to our packaging service will be widely welcomed.

Throughout the year and especially during the second half, the irregularity in the supply of raw material and, with certain products such as tubes, capacity considerations affected the service we were able to give our customers. In spite of these difficulties, ingenuity and good planning by the Company's managers again resulted in increased productivity, and generous long-term credit arrangements with our associates in England are now enabling us to undertake long overdue modernization programmes. The sales of non-tinplate products will be promoted vigorously during the coming year and with Calcutta No. 2's difficulties in tooling up for Defence work largely overcome, the sale of industrial components should be particularly strong. However, the availability of raw materials, especially tinplate and polyethylene, also capacity to produce certain products will continue to determine the extent to which we can meet this year's strong demand.

Of late, Government has become increasingly aware of the important function of scientific packaging in the preservation of goods packed and the protection of the consumer. This is reflected in current plans for new manufacturing capacity for such essential packaging materials as tinplate, aluminium and polyethylene. A time lag is, however, inevitable before new capacity can be brought on stream. In this interim period the packaging needs of the Third Plan must be serviced without interruption. Failure to do so will have an immediate and severe inflationary effect. In the case of tinplate, for example, Rs. 1 lakh spent on imports generates the distribution of over Rs. 22 lakhs of essential consumer goods. In this connection, it is worth while considering the growth of all packaging over the years of the Third Plan. We reckon that in 1960-61 the producion of consumer packages valued at Rs. 107 crores, and employing 100,000 men enabled the distribution of Rs. 2,870 crores of consumer products. This amounts to 12% of the aggregate value of the country's supplies in that year. By 1965-66 it is estimated that the planned growth in production of essential consumer commodities will require packaging materials valued at Rs. 213 crores and made by 150,000 men for the distribution of goods worth Rs. 6,620 crores.

If these statistics have been seldom considered in past Plans, it is perhaps because packaging as a service industry must of necessity operate behind the scenes. Our contact with the public is indirect. It is therefore all too easy for the proper consideration of our contribution and our problems to go by default. The consequence of apathy can be serious. It is, for example, essential that the country maintains an international standard of packaging and presentation if its consumer products are to succeed in world markets. Every well-packaged item of consumer goods may be a potential export already some Rs. 28 crores of packaged consumer goods are exported annually from India to almost 60 countries all over the globe. The packaging service essential to the effort to diversify India's exports is a specialised one, requiring technology of a very high order. Fortunately, both Government and Industry recognise this need. We therefore welcome Government's move to establish an institute of packaging in the country to assist Indian exporters with packaging and marketing know-how.

Package manufacture the world over is located substantially in the organised section of industry requiring as it does precision mass-production methods ; investment in complex machinery ; long-term research and development ; and close scientific collaboration both with packers and the suppliers of raw material. Export requirements demand that India must have access to the mainstream of world packaging technology. Your Company serves this role and, by maintaining laboratories and development facilities in Calcutta and Bombay, makes sure that new techniques and product improvements are developed in consonance with India's own particular requirements and material availability.

In view of the current interest in the scale of industrial operations, it is relevant to mention that as in the case of your Company, far from being prejudicial to the development of the small-scale sector, large-scale enterprise can be of vital assistance to its development. Metal Box, for example, establishes research facilities and develops new packages and packaging systems, builds up markets for them, establishes raw material supplies available to all, trains technicians and supplies for unrestricted sale previously imported packing machinery. Whether we like it or not we have in a most effective way brought up competition in our wake. In addition, we provide a direct stimulus to small industry from which our purchases each year exceed Rs. 60 lakhs. More important, the majority of our 1,500 customers belong to the small-scale sector. All of our customers, large and small, have access to our research and technical resources and a fund of technological and marketing know-how particularly valuable to the small packer. To take one example, our precision packages and advisory services have helped enterprising prawn canners on the West Coast—all of them relatively small-scale in comparison with their competitors overseas—to export over Rs. 73 lakhs worth of canned fish last year to markets as competitive as the U.S.A. Our Cochin Factory was established particularly to provide these canners with on-the-spot can cervice. We also evolved a 'flattened' system of can despatch to reduce the freight cost factor for canners all over the country. For small canners in North and South India, we have set up reforming installations at Delhi and Madras which assemble, at cost price only, flattened Open Top cans made on high-speed lines in Calcutta and Bombay. We have supplied similar equipment to the Uttar Pradesh Government to serve the needs of small-scale canners in the rural areas of the U.P.

Defence

Sales of ordnance supplies were below forecast during the year, owing to unexpected problems in equipping ourselves and in meeting the standards required by the ordnance inspection authorities. Your Company has so far invested more than Rs 6 lakhs in plant, equipment, tools and dies for Defence work. As our difficulties appear largely to have been resolved, we anticipate a substantial increase in sales during the year ahead.

Exports

After the previous year's export sales went ahead again, increasing by 33% to a new level of Rs. 28 lakhs. Extensive overseas touring by senior sales staff to reinforce the work of our agents secured notable gains in Burma, Ceylon and East Africa in particular. Our exports of domestic hardware and publicity materials increased by approximately 55% and, to our great satisfaction, machinery sales again rose by more than 100%.

Experience last year has made it abundantly clear that in the face of intense international competition it is far from easy to achieve and maintain the extremely high quality standards required in markets abroad. Your Company's efforts will be further intensified during 1964-65 although we anticipate problems arising out of political developments in Burma and in Ceylon.

I have already referred to our main contribution to the country's foreign exchange earning : the provision of packages made to international standards. In the past year our customers have earned more than Rs. 8 crores in foreign exchange through the export of goods packed in our containers.

To stimulate the growing awareness of scientific packaging, both for home and export markets, we organised over the year a series of seminars on consumer packaging for senior executives from amongst our customers, advertising agencies and Government. The seminars aimed at providing a comprehensive background on the subject of packaging to those concerned with the distribution and marketing of consumer products. This effort has been very well received.

Raw Materials

Throughout the past year, and especially during the last four months, the procurement of raw materials presented difficulties. Owing to delays in licensing procedures and the failure of the Russian authorities to fulfil commitments and a disappointing performance by Rourkela, tinplate stocks were very low during the last quarter.

The unfortunate communal disturbances at both Rourkela and Jamshedpur further reduced your Company's tinplate stocks and although the authorities were reasonably appreciative of our difficulties, arrivals against import licences cannot be expected in time to prevent further difficulty in meeting our customers' requirements. Increasingly we are being directed to import tinplate from sources which involve AID or Government-to-Government trading. While the need for this is accepted, the result for your Company is a loss of control over specifications and an unsatisfactory timing of deliveries through repeated procedural delays : also a general increase in tinplate prices.

The strongest possible representations have been made to persuade Government that India requires a minimum importation of 75,000 tons of tinplate during 1964-65. The demand for tinplate is now rising sharply and to the extent that it is not met a broad range of essential consumer products will not reach the markets. Every effort is being made, and must continue to be made, to develop substitute packs, but the climatic conditions, the rough handling and extended shelf-life to be expected in our country set a severe limit to the use of substitutes. For a long time to come therefore tinplate alone, for a majority of packs, will be able to meet these exacting requirements.

The foreign exchange bill for 75,000 tons of tinplate would be a little more than Rs. 8.60 crores ; while the problems of financing importation at this level are not underrated, it is a relatively small price to pay in terms of the health of the consumer economy when set against the fact that this tonnage means the marketing of consumer goods including foodstuffs and many household necessities worth more than Rs. 190 crores at retail prices. Failure to import at this level must mean shortages which can only have a highly inflationary impact on retail prices.

Aluminium supply scarcely balanced demand through the past year but availability in 1964-65 is likely to improve and advantage will be taken of this to push sales of non-tinplate products.

Polyethylene supply virtually dried up during the second half of 1963 : the national sugar shortage led to an inadequate supply of industrial alcohol to the two polyethylene producers and the situation is not expected to improve much during 1964. Bearing in mind that to an extent polyethylene, either alone or when laminated with other materials, can for certain packs be a substitute for tinplate, it is regrettable that this shortage has been allowed to develop when adequate capacity for indigenous polyethylene production is either available or about to be commissioned.

With the starting of your Company's new Paper Group, we became for the first time buyers of board and paper on a substantial scale. It is clear that the quality of indigenous board leaves a great deal to be desired. However, our buyers, technical staff and research people are cooperating with the suppliers in endeavouring to improve the quality available to us.

Research, Design and Development

Paper Group. Modern high speed equipment has been installed at Worli in Bombay for the manufacture to international standards of paper packages : treated and laminated paper and boards, cartons made therefrom, wrap-around labels, labels for cans and punched labels for bottle. The low quality of boards at present available will continue to give rise to scientific and mechanical problems, but they have not stood in the way of a successful start. We already have a nucleus of highly skilled personnel and the training of staff has continued throughout the year.

Bombay No. 2. The new factory at Deonar was completed on schedule and the entire Open Top operation was transferred from Worli to these new premises. The transfer of tin printing has been slightly delayed due to the late arrival of imported balancing equipment. Deonar has been built to allow room for Paper Group at Worli and to enable the re-laying of our can-making equipment. When the transfer is completed the congestion at Worli will be considerably eased resulting in the more efficient utilisation of plant and machinery.

Flexible Packaging. During the year under review the Government sanctioned the expansion of our manufac-

ture of Flexible Packages. Currently new equipment is being specified which will permit the expansion of our product range. A new laminate has been developed as a tamperproof diaphragm for tinplate containers combining the protective properties of foil, polyethylene and paper. This material has already been introduced for some packs and its functional properties are being examined for a wide range of other products.

Calcutta No. 2. Throughout the year Industrial Components section has been heavily engaged with ordnance supplies: technical resources have been fully stretched and the Technical Development Division played a major role in the design and manufacture of press tools required for this work. Several heavy presses have been installed and the Factory now has a balanced press shop for a wide range of components for the electrical and automotive industries and components for munitions.

Machinery Building. Our plans for developing the Machinery Building Section of your Company have been affected by the defence requirements. Nevertheless the supply of closing machinery to customers has continued undisturbed. A valuable export order for production equipment was received from our overseas associates and here again the resources of the Technical Development Division were used to complete the project on time. Further export orders for similar equipment are currently under manufacture.

Research Division. A Customer Research Canning Laboratory is being established at Research Division to augment our advisory services to the industry. In this laboratory we will be able to reproduce cannery conditions and experiment directly with the canning of new products. Throughout the year the Research laboratories in conjunction with suppliers have continued to develop wholly indigenous materials.* Their field of operation has extended to cover the new Paper Group.

Visits from Associates

During the year we had the pleasure of welcoming Mr. C. E. Sutton and Mr. A. L. Stuchbery, Directors of The Metal Box Company Limited. Mr. Sutton, who is in charge of the Home Company's Administrative Services, was able to apply to your Company's problems his very considerable experience, particularly that in the field of raw material procurement. Mr. Stuchbery, heading Research and Technical Engineering, apart from being one of the world's leading canmakers, is Chairman both of the Council of the Institution of Production Engineers in the U.K. and the Production Engineering Research Association. He was therefore in an unrivalled position to give us help in the planning of our defence production and the development of our Machinery Building and Industrial Component operations. Needless to say we welcome such visits which are both pleasant and useful.

Employee Relations

During the year under review, labour relations in the country deteriorated and the cordial atmosphere generated by the Emergency and the Industrial Truce Resolution unhappily began to disappear. This was most evident in the engineering industry of which we are a part: it particularly affected our employee relations in Bombay and North India.

If, as we are asked to believe, we are living in a state of emergency, and if the country's paramount needs are increased productivity to strengthen its defence and its export trade and at the same time raising the living standards of the people, then it is essential that there should be on the part of labour an adequate realisation of its responsibilities in this matter and on the part of the Government a determination to ensure that unreasonable demands and indifference to the common weal either by employers or by labour are not given any encouragement.

In Bombay, where over the last 10 years we had successfully negotiated with representative committees elected by our employees, a concerted attempt was made by an outside trade union to create unrest and disturbance. As a consequence our relationship with our employees there during the last few months of the year was under considerable strain. Charters of demands were presented to the Company by three separate unions, all pressing for formal recognition by the Company. Acting in accordance with the Code of Discipline, we have not recognised any union so far. We have, however, concluded an agreement on dearness allowance and gratuity with a union which represents a majority of the monthly-rated staff as certified by the Maharashtra State Labour Commissioner. The demands made by the other two unions were taken to conciliation which was infructuous. However, a bipartite agreement was reached with one of the unions representing the daily-rated employees.

Signs of tension were noticed in Faridabad throughout the year, which culminated in a four-day strike in March. This strike entirely unjustified, since the issue on which it was called was already under investigation by the Conciliation Officer of the Punjab Government. The issue has now been referred to the Labour Tribunal.

After protracted negotiations, a comprehensive agreement covering terms and conditions of service was concluded with the daily-rated employees at Calcutta No. 1, Calcutta No. 2 and Technical Development Division. I am happy to report that with the signing of this agreement (operative till December 31, 1967) the restlessness which I mentioned amongst our daily-rated employees in the Calcutta establishments last year and in 1962 has largely disappeared.

Your Company continued to emphasise training at all levels within the organisation. Five officers and one Research Associate underwent training by Metal Box in the U. K. One senior manager was sent to the Administrative Staff College at Henley-on-Thames, and another attended the Advanced Management Programme organised by the All India Management Association at Bombay. We sponsored a candidate to the nine-month Junior Management Development Course of the Indian Institute of Management, Calcutta. A further thirty-seven managers have undergone the Company's residential Management Course in Calcutta at which we continue to welcome the participation by managers from our Malayasian and Pakistani associates.

Courses for supervisors were organised in the units in man management, safety and work study. Forty-one apprentices were recruited under the Apprentices Act, in addition to seventy-three currently receiving training under the Company's apprenticeship schemes.

It is a pleasure for me to record the valuable cooperation of the Company's employees in our widespread activities and I thank them and the Management for yet another year's splendid performance.

Board Changes

It was only last year that I paid tribute to the services of Mr. K. C. Mahindra who served as Chairman of our Company for five eventful years. Unhappily he was not destined to enjoy for long the rest from all his labours in the interest of industry in general and our own Company in particular. His death on 31st October 1963 was deeply mourned by all of us in Metal Box and to his family who survive him, we sent our sympathy in their bereavement.

It was with real regret that your Board agreed to release Mr. John Cochrane-Barnett from the Board. His services to the Company during the last seventeen years and more—the last three as Deputy Managing Director—have been most valuable. His drive and determination, backed by his intimate knowledge of production and marketing in India have contributed in a substantial way to the continued growth of your Company's sales. His tactful and painstaking advocacy of our own and the packaging industry's needs for raw materials have been as much respected and appreciated by officials in the Government as have his loyalty and breadth of vision by his colleagues on the Board. We shall miss him: and I should like on your behalf and also mine to convey our thanks and good wishes to him.

We have lost another valuable colleague by the resignation of Sardar H. S. Malik from the Board. After a very distinguished career in the Indian Civil Service, Sardar Malik joined our Board as a Director in 1957. During the last seven years he has, by his wide experience of men and affairs, and by his ability in presenting our problems to the Government, been of the greatest assistance to the Company. On your behalf and also on mine I should like to convey our thanks and good wishes to him.

Conclusion

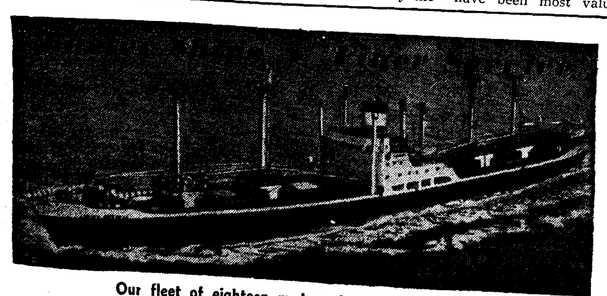
As a comparative new-comer to your Company I have been doing a certain amount of research into its fortunes. The graphs reproduced at the beginning of this report bear eloquent testimony to the Company's growth and prosperity which have been attained by hard work and by the application of progressive methods of production and management.

The smooth and effective manner in which the Company was able successfully to float in March 1964 a Rights Issue of over two crores of rupees is proof of both the soundness of your Company and the confidence that it enjoys in the country.

The speech of the Chairman at the Annual General Meeting of a company has become an occasion in this country and elsewhere for a review of the important events of the year or for the exposition of one facet or another of industrial philosophy. Sometimes these speeches include criticism—mild or otherwise—of the policy of the Government, and in particular of its Finance Minister. The temptation to join this chorus is great for the simple reason that I find myself in agreement with most of what has been said, and will continue to be said by others in the same position as myself. But I have often wondered what one would do if one were to find oneself in the unenviable position of the Finance Minister of the Government of India. Given the conditions that exist in our country today, namely the need to finance successive five year Plans of increasing dimensions and defence budgets of staggering proportions, has a Finance Minister much of an alternative? His business is to raise the necessary finance. He cannot do so without hurting someone. All taxes, by whatever name they are called, are an abomination of the Lord: no one likes to pay taxes; but taxation of some kind or another in a civilised and democratic country is the most approved and legitimate means of raising money. All this does not mean that I do not share the views of far more experienced Chairmen of Companies than myself on the Budget and all that it implies: but it is just as well to remind ourselves that all of us—Parliament, Government and Industry—are labourers in the same vineyard: as we sow, so shall we reap.

I cannot conclude this report without referring to the untimely death of our beloved Prime Minister on 27th May 1964. All our units closed on the afternoon of that day and all the following day in token of our grief. Our management and staff met together to mourn their and the country's loss. We "shall not look upon his like again".

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



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CHAIRMAN, MR. N. K. JALAN'S ADDRESS

The following is the Chairman's Address by Mr. N. K. Jalan at the Annual General Meeting of The Elphinstone Spg. & Wvg. Mills Co. Ltd. held on 25th June, 1964.

Gentlemen,

It gives me great pleasure to welcome you all to this Fortyfifth Annual General Meeting of the Company, and with your permission I shall take the Report and Accounts for the year 1963, which have been in your hands for some time now, as read.

We are meeting under the shadow of the greatest catastrophe that has fallen on the country in the loss of our beloved Prime Minister, Pandit Jawaharlal Nehru, who was the jewel of India and the guiding star of the Country's destiny for a pretty long period. He had been a source of great strength to the country and the loss to the nation in his sudden demise is irreparable. He was the architect of the modern industrial India in that the progress of economic development of the nation can be directly attributed to him. The people will remember him for giving more than anything else, the most stable Government to the nation and laying sound foundations for establishing the largest democracy in the world. It was he who strove hard throughout his life to further the cause of peace in the world and no doubt he will go down in history as one of the wisest among the senior statesmen and leaders devoted to the advancement of human civilisation.

The choice of a successor has fallen very wisely and unanimously on Shri Lal Bahadur Shastri who is known for his quiet disposition, moderation, integrity, tolerance, mature judgement, yet dynamic ability and a flair for finding solutions to the most complicated problems. Shri Shastri has always identified himself with the hopes and aspirations of the people. I am sure, his election would ensure political stability in the country and he will have the enthusiastic and whole-hearted support of the entire nation. His unanimous election as our leader goes to prove that the teachings of Mahatma Gandhi and Jawaharlal Nehru for taking united action in times of emergency have been faithfully pursued.

Coming to the affairs of the Company for the year under review, the gross trading profit was Rs. 29,07,662/-. The working results of the year, I hope, will be considered satisfactory especially in the light of higher costs on all counts and low realisation.

Taxable dividend on ordinary shares has been proposed at 18%, same as for the last year.

Production of Cloth

There has been no improvement in the output of Cotton Textile Industry during the past few years. Production of cloth during the year under review was only 4837 million yards as against 4987 and 5142 million yards during 1962 and 1961 respectively. The existing units were not ordinarily allowed to increase their capacity and the Government was banking more on the power loom production. The uneconomic cost of production also proved a positive deterrent to the increased output in the mill Sector.

It is however, a happy augury that the Government has at long last recognised the necessity of allowing the existing units to increase their capacity and with this end in view has allowed extension of 7½% in spinning and 10% in looms.

Cotton

There was record production of homegrown cotton since independence during 1962-63 season, the total yield turning out to be as much as 57 lacs bales. The Crop in 1963-64 is expected to be still better and the outturn is likely to be in the region of 60 lacs bales. Still however, there is a very great need for raising the production of cotton to meet the ever expanding demand of the Cotton Textile Industry and further so on account of the expansion of capacity permitted by the Government—but the results achieved so far in this direction are far from satisfactory. In spite of the fact that the ceiling prices for 1962-63 season crop and the floor prices for 1963-64 season were substantially raised, mills were not in a position to procure cotton to the extent required by them and at reasonable prices. It is strongly urged that the traditional methods of farming should be discarded and scientific methods of cultivation be developed and adopted to improve the productivity. Incidentally it may be



Mr. N. K. Jalan

noted that production per acre in India is still the lowest compared with other principal cotton producing countries of the world.

In order to arrest the heavy drain on the country's valuable foreign exchange resources, as a result of importation of long staple cotton, it is necessary to take some decisive steps to increase the cultivation of this quality inside the country.

It will also be necessary to arrange for the imports of cotton on a systematic basis for the production of finer fabrics to make good the shortfall in the domestic production and to avert any consequences of possible cloth shortage.

Cloth Exports

Although our country was able to export a total of 534 million yards of cloth in 1963 as against only 508 million yards in 1962—thanks to the industry's compulsory export obligation scheme—the country's export performance cannot be said to be satisfactory being much below the export target of 850 million yards. Your mills were able to export approximately 15% of the production of the year as against about 14% in the preceding year.

Bonus

Bonus for the year 1962 was paid in December 1963 at the rate of 25% of the basic earnings of the staff and workers, which was at the maximum rate under the Agreement arrived at between the Millowners' Association and the Rashtriya Mill Mazdoor Sangh.

Bonus Commission has already submitted its recommendations to the Government long back and it is still under the consideration of the Government. The main defect of the formula as suggested by the Bonus Commission lies in that the payment of bonus is made to be absolutely unrelated to performance and not in any way linked with the quality and quantity of work that the worker puts in. In other progressive countries such payment is directly related to productivity. Besides, the recommendations are calculated to especially hit the Cotton Textile Industry inasmuch as the special requirements of rehabilitation of this industry would not constitute a prior charge for the calculation of bonus under the formula.

It is paradoxical to find that the Bonus Commission has not allowed any amount for rehabilitation as a prior charge for computation of bonus as also the development rebate and surtax. The return at 7% on capital and 4% on reserve used as working capital is much low in the present financial condition of the market. Preference shares give a return of 9½ to 10%. Even debentures give a return of 7½%. The Semi-Government loans fetch a return of 4½%. In such a state of market. it is ill-conceived to determine a return of 4% on reserve and 7% on capital, while providing nothing for rehabilitation.

In the Textile Industry a Rehabilitation Enquiry Commission was set up to enquire into the life of the machinery and the amount of money required for rehabilitation. The amount so determined was colossal to wit Rs. 66.4 crores. If no allowance is considered for rehabilitation, how, at a time when the costs of plant and machinery are going up every day, it will be possible to rehabilitate such an old industry.

Rising Cost

In the last few years I had occasions to refer to the continuously increasing cost of production of this industry. The pressure of higher cost has exerted itself in all directions. The prices of cotton have gone up sharply. The wage bill of the industry has also gone up considerably as a result of the steep increase in the Dearness Allowance and the increments in the basic wages of the workers awarded in the years 1960 and 1962. Social costs have risen considerably. Employers' contribution to the health insurance scheme of the workers and to the Provident Fund have been raised. Fringe benefits for workers have been enhanced substantially by the grant of extra casual and privilege leave with wages. Prices of stores, colours and chemicals have also increased. Various new Central. State and Municipal taxes have been imposed on the Bombay cotton mill industry since 1960.

As against this relentless and continuous increase in the manufacturing expenses on all counts, the mill cloth prices have been pegged to the same since January 1961 when the voluntary price control system was adopted by the industry by way of its contribution to the stabilisation of prices. It will, however. be clearly seen that the old formula of fixing the prices of cloth as supplied in 1961 has completely outlived its utility and thus needs immediate reorientation.

This prices-and-cost inflation has become an institutional feature of our economy and unless positive steps are taken to check the upward thrust of prices and the prices of cloth are allowed to be suitably revised, it would in due course become more and more difficult for mills to face the competition in overseas markets and even to operate on a profitable basis.

Provision of Last Budget

The Finance Act, 1964, has placed several fresh burdens on the corporate sector.

I would especially like to refer to the dividend tax which has sought to curb not only excessive but any distribution by companies by way of dividends on risk capital. This is not reasonable and I would at least urge for a minimum tax exemption for dividends on equity capital. The incidence would act as a deterrent to companies declaring even normal dividends and the provisions would therefore come in the way of savings and investments. The Companies (Profits) Surtax, replacing Super Profits Tax, with dividend tax and the bonus tax would together place a heavy burden on companies. It is also urged that the Cotton Textile Industry of the country which is facing a mighty problem of modernisation and expansion should be brought within the purview of the specified industries to be entitled to the rebate of super-tax like other specified industries.

Leather Cloth Division

The working of this division was hampered considerably during the year under review owing to acute shortage of basic raw materials. And although in the latter part of the year the required raw materials could be procured from indigenous manufacturers, these were available only in restricted quantities and besides the quality was not uniform with the result that the quality of the finished products could not come up to the required standards. During the current year, however, we have installed one of the most modern and upto date machines in this division and have also introduced Foam PVC and Profile Jet qualities. All these are expected to produce leather cloth of very high quality and new varieties apart from improving the existing quality of products. We have also been availing the services of foreign technical consultants to advise us on the latest techniques in the field of leather cloth manufacture.

Expansion

You might have observed from the Director's Report that the Cotton Textile Loan Advisory Committee has

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recommended for an additional loan of Rs. 37 lacs to the Company from the National Industrial Development Corporation Ltd., for the purpose of equipping the Company's Moon Mills unit with the latest types of spinning and other machinery. We are now trying to finalise negotiation for placement of orders for the Second Unit.

Modernisation and Renovation

Inspite of the various difficulties confronting the working as enumerated in the preceding paragraphs. the management has been continuously putting all its efforts to rationalise, modernise and increase the efficiency all round to enable us to look forward to the future with optimism.

In accordance with this policy, several useful items of machinery valued at about Rs. 15 lacs were installed in the various departments during the year under review in addition to the amount spent towards extension of factory buildings.

The Company's equipment of Automatic Looms has steadily increased thereby improving the quality of its cloths production and its capacity to export its goods.

In this context, I would like to point out that the machinery available from indigenous sources are not sufficient for the cotton mill industry to meet its expansion and rehabilitation requirements in the next few years. Until, however, the capacity of the indigenous industry is expanded sufficiently to enable it to make prompt deliveries, the Government should allow liberally some imports of textile machinery, especially ring frames and carding engines, etc. even though such import entail foreign exchange spending. Since several aid-giving countries are reported to have agreed to make available to India united credits, a part of it should be allotted to the cotton mill industry for importation of the badly needed items of machinery.

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

THE NATIONAL TANNERY COMPANY, LIMITED

CHAIRMAN, MR. SANJOY SEN'S REVIEW

At the Annual General Meeting of the above Company held in Calcutta on 29th June, The Chairman, Mr. Sanjoy Sen said:

It gives me pleasure to welcome you to this Annual General Meeting. The Directors' Report and the Statement of Accounts for the year ending December 31, 1963, have been circulated and with your approval, I shall take these as read.

Our production still continues to rise and our over-all sales have increased by approximately 19 lacs. Our working results for the year may be considered satisfactory having regard to the general rise in costs of materials and a lowering of the finished leather selections. This was a result of a lowering of the quality of raw hides owing to a strike at the Factory and the exceptional and unforeseen delay in the arrival of a very large consignment of hides from overseas.

We, once again, thank the Ministry of Commerce and Industry for maintaining our quota of imported raw materials under the difficult foreign exchange position.

We have fully utilised the loan of 5 lacs that was taken by us from the West Bengal Financial Corporation and we are pleased to advise you that a further loan of 8.25 lacs has been sanctioned to us. We shall be utilising this loan principally in expanding our capacity for manufacture of chrome tanned goat-skins. We feel that with the progressive restrictions on export of raw goat-skins, creation of a substantial capacity for tanning goat-skins in our factory in order to cater to the growing demand of this item would be of advantage to the Company. At the moment of writing, we have achieved a capacity to chrome tan nearly one million goat-skins per annum. It is our intention to utilise the second loan from the West Bengal Financial Corporation to raise our capacity to 5 million goat-skins per annum.

Fresh Contract

We have signed a fresh contract with M/s. Centrotex of Czechoslovakia on 17-10-63 for supplying 8,00,000 goat-skins by 31-12-64. We would like to record that though this business started only last year it is running very smoothly and there is utmost co-operation between them and us. As mentioned in my previous report, we are shortly sending one of our technical personnel to Prague to obtain a better understanding of the problems involved in finishing the chrome tanned goat-skins that we are manufacturing for them in our Factory. It is our hope that it will be possible for us to negotiate a larger contract with Centrotex during the coming year.

With regard to exports of our finished leather, we must admit that we have not been very successful due to the depressed conditions of the finished leather market prevailing all over the world during the year under review. A disquieting feature affecting the future of the leather industry is the introduction of reconstituted leather in the United States. As yet, however, such substitutes are still too costly to drive leather out of the market, though it is true that the more uniform properties of these new products may appeal to shoe manufacturers only in view of better productivity of raw materials. In my opinion, however, leather will always hold its own and if necessary it will be possible to change the usage pattern of leather to keep its world level of sales. With a limited production of hides and skins all over the world, it should not create a problem to sell all the leather that the world produces.

Your Company has also decided to participate in the forthcoming "Semaine Internationale due Cuir"—Paris Leather Fair—to be held during September 10-15, 1964, as one of the participants in the pavillion taken by the Export Promotion Council for Finished Leather and Leather Manufactures. Since the Paris Fair is the International show room displaying leather from all over the world, we feel that it is necessary for us to display our finished leather at this gathering where leather merchants from all over the world congregate annually for arranging their future purchases. Our participation in the fair will also give us the opportunity of studying the latest developments in leather making in the different parts of the world and enable us to obtain new ideas to our benefit.

India has in the past been an exporter and producer of hides and skins. Over the past decade, however, we are progressively becoming a hide importing country as we lack the very heavy type of hides meant for industrial leathers. Our growing internal leather market also calls for greater imports of hides. The cheapest hide markets, namely, Argentina, United States, Australia and New Zealand are at a distance of six weeks from us. As the hides have to go through varying weather conditions some times resulting in a high percentage suffering from putrefaction, it is necessary that the Indian Steamer companies should arrange for cold storage in the cargo boats transporting these hides. Foreign Steamship companies offer this facility for shipments to Europe and Japan but not to India.

Demand for Products

The demand for our products continues unabated and at the moment we are unable to take further orders. We have had to divert a substantial part of our sole leather capacity to Government orders catering to Defence requirements and though this has restricted the supplies to our valued customers, we hope they appreciate that this sacrifice has been made in the larger interests of the country. We feel, however, that there will be an easing off in this situation in the near future when we shall again be in a position to satisfy our regular customers.

Our sale of saddle leather is fairly steady but we find it extremely difficult to obtain the desired thickness in the hides. This problem has become more difficult as Italian hide prices at the moment are uneconomic for our working and we have to look for other sources. We have tapped and experimented with a large number of hides from cheaper sources and we hope it will be possible for us to substitute a substantial part of our Italian buying.

Now that we shall be shortly embarking on our Fourth Five Year Plan I feel that a reassessment of the entire tanning industry should be made by the Planning Commission in the light of the export possibilities of the Indian leather and shoe making industry to the rest of the world. The restrictive policy of not allowing fresh capacity for tanning and shoe making should be reviewed and a number of mechanised leather finishing plants and shoe making units should be sanctioned to enable quality products to be made for exports. Our greatest handicap in exporting shoes from India is the non-availability of good quality finished leather in quantities. The poor quality of the Indian hides stands in the way of overcoming the hurdle. Importing good quality raw material from abroad is no answer as it tends to make the leather too costly for use in export orders. A solution to this problem could open out unlimited prospects for marketing Indian shoes abroad.

General repurcussions of the Central Budget have been to enhance the rate of excise and import duties on a number of chemicals that we use as raw material. This is making it very difficult for the industry to hold its price line in the face of higher input costs.

Increase in Duties

Calculations of duty draw back for export becomes so difficult and involved in leather due to the use of a large number of dutiable and excisable items throughout the process that very few tanners have been able to take advantage of it. It may be necessary for the Excise Department to evaluate a common rate of duty draw back for different types of leather for export and publish it for the leather industry.

Before concluding, I would like to thank the technical personnel and the workers for smoothly carrying out production under very trying conditions of building reconstruction and relocation of plant. I also take this opportunity of thanking our customers, my colleagues, staff and workers for another year of unstinted support.

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

ECONOMIC RESEARCH

- is an essential part of modern commerce. But it is
- not always easy to obtain. The ordinary business
- house does not usually possess the records, statistics
- and archives which are the raw material of research.

- CAPITAL'S RESEARCH & STATISTICAL DEPARTMENT
- has a long record of service to Chambers of Commerce,
- Industrial Associations and private business concerns.
- It does not undertake trade inquiries, but its facilities
- and advice are available for all kinds of research
- proper into the problems of Indian commerce
- and industry.

- CAPITAL'S RESEARCH & STATISTICAL DEPARTMENT
- has constructed and maintains a number of cost of living
- indices for various classes and communities in India
- and Pakistan. It offers the industrialist and business
- house its experience in

  - consumer market surveys
  - industrial prospecting
  - readership analysis
  - economic indices
  - business research.

P.O. Box 14, Calcutta-1, or 5, Mission Row, Calcutta, India.

THE BENGAL PAPER MILL CO. LTD.

CHAIRMAN, MR. N. D. BANGUR'S SPEECH

The following is the speech of Mr. N. D. Bangur, Chairman, the Bengal Paper Mill Co Ltd., delivered at the Annual General Meeting of the Shareholders held on 29th June, 1964 in Calcutta.

Gentlemen,

I have great pleasure to welcome you to this Annual General Meeting of your Company. The Directors' Report and Audited Statement of Accounts for the year have been in your hands and, with your permission, I take the same as read.

Before anything, it is my painful duty to refer to the sad and sudden passing away of our beloved leader and Prime Minister Shri Jawaharlal Nehru on 27th May, 1964. Shri Nehru, the architect of modern India, was a source of strength and security to the teeming millions of the country. He was acclaimed a world statesman and his name became almost a legend in his own life time. There would be no better tribute to the memory of the great champion of liberty and peace than our determined efforts towards fulfilment of his dream of a peaceful, prosperous and united India.

On this occasion I offer my respectful congratulations and best wishes to our new Prime Minister. His unanimous election has been universally acclaimed and I have no doubt that under his wise guidance our country will swiftly march forward to prosperity.

Economic Situation

The signs of vigorous growth which ought to be there in a planned economy are not visible. I would particularly like to invite the kind attention of the Government to the conditions in the Capital Market. Only two years ago the climate for investment was so healthy that the public, belonging to every level of income group showed tremendous interest in investing in industrial shares. The new issues were heavily over-subscribed. But the steep increase in taxation has dampened the enthusiasm of the investing public. Little savings are left in the hands of the public and consequently entrepreneurs are finding it increasingly difficult to raise funds barring the financial institutions. Friendly foreign countries have been generous in giving us assistance in various ways but unless the climate for investment in India is made attractive it will not be possible to take full advantage of the foreign aid.

Immediate attention therefore has to be given to measures for reviving the climate for investment so that once again the capital market can become active and investors and entrepreneurs may vie with one another in their efforts to develop the economy. I have no doubt that the Government will give serious thought to the present situation and adopt appropriate measure to give a big push to our economic progress so that the much needed production targets may be achieved. It is therefore essential that a growth oriented fiscal policy should be followed.

So far efforts made by the Government through L.I.C. Unit Trust and establishment of Development Bank towards reviving the confidence in Capital market are appreciated, yet it would have been much better had a liberal atmosphere been created by reviewing personal tax structure which is complicated and high at all levels of income group. I may mention that all personal taxes taken together at a stage even accounts more than total earning of an individual which amounts to expropriation of capital. A liberal revision of personal tax structure will open way for wider investment out of personal savings from all classes of people throughout the country which, in turn, will give birth to new enterprises in different lines, solve unemployment problem and boost up production leading to prosperity in the country. Time has come for mass education through publicity drive by institution and Stock Exchanges to educate the urban and rural population to bring home the benefits of more and more investment.

Third Five Year Plan & Price Policy

In the Third Five Year Plan the Planning Commission has fixed a target of 7,00,000 tonnes of actual production of paper. At the end of 1963, the production of paper and Board was 4,65,000 tonnes with an installed capacity of 5,50,000 tonnes. Taking into account the increased capacity, production in 1965-66 is estimated to be 6,00,000 tonnes, leaving a gap of 1 lac tonnes between the estimated demand of 7 lac tonnes and the actual production. To meet this shortfall, the Government recently have invited schemes from all the existing units for increasing production by adjustments and modifications of their machines and installing balancing equipments with the least foreign exchange expenditure and in quickest possible time. Additional installed capacity of 1,20,000 tonnes is expected to materialise by these schemes. If all these schemes are put in commission by 1966, the Third Plan target's capacity may be achieved. But, it is doubtful whether the production of 7 lac tonnes will be achieved, because a part of the installed capacity may not become productive and may be delayed.

The Industry has submitted a detailed representation for an upward revision of the prices. The cost of production has gone up due to various reasons beyond the control of the Industry. The prices are governed by the provisions of Tariff Commission allowing a meagre 12% return on Capital including interest charges, etc. Even this small 12% return on capital employed is not available now due to the continuous rise in costs. In this situation, if the question of price is not given due consideration, the effect will be a retarded growth of the Industry. It is not a happy feature that an increase in the selling prices of end products should become possible only after a long drawn process. I am of the view that price increase should be automatic and it should not be difficult to evolve a formula in terms of which paper prices could be revised as soon as costs of production tend to vary beyond agreed limits. As matters stand, the representations now pending before the Government for price increase have already become out-dated because there have since been further substantial increases and it is hoped that Government will give due consideration to the matter of price increase at an early date.

Raw Materials

There has been no improvement in the difficult situation faced by the Industry in respect of its requirements of raw materials. It is being found that some of the States favour local development of industries and are reluctant to continue giving raw materials to industries situated in other States. When industries have been set up banking on the availability of raw materials from neighbouring States, the above trend is causing serious anxiety in the minds of enterpreneurs. The Central Government should immediately consider this matter and formulate a policy by which traditional sources of raw materials to the industries are not disturbed.

By recent research it has been found that hardwood could also be utilized as a substitute raw material in India and I am glad to inform you that your Mill is using a considerable quantity of hardwood by mixing with bamboo and other conventional raw materials. In this view, so far as your Company is concerned, the raw material position is assured.

In my last year's speech I had referred to the necessity on the part of the Government of West Bengal to allocate sufficient waste lands to the paper industry for development of plantation. We have found that eucalyptus can be grown in the district of Midnapore and if proper arrangements for supply of manure and nurseries are made, eucalyptus can be grown in a shorter time than what bamboo normally takes and it will be another raw material for the industry. I will therefore again appeal to the West Bengal Government to take an early decision.

Some time ago the Development Council for Paper, Pulp and Allied Industries recommended to the State Governments to grant long-term leases of forests to the paper mills and a specific basis for determination of royalty was suggested. I am not aware of any State having considered and adopted this basis.

The present allotment of foreign exchange for import of wires, felts and spares hardly makes it possible for the Mills to meet emergencies and quite often mills have to resort to air-freighting. If the paper Industry has to produce to the maximum extent of installed capacity, it is of utmost importance that the mills are allowed to build buffer stock of consumable stores. I would therefore urge that a liberal policy is followed in the matter of releasing foreign exchange to the mills for import of these materials.

Considerable difficulties are still being experienced by the Industry in getting at reasonable prices its full requirement of chemicals. The prices of chemicals have gone up and the Paper Industry finds it difficult to meet with the fixed selling prices of paper.

Sales

Since the commissioning of the multi-stage Bleaching plant, the shade of our paper has improved and is being liked by the consumers. It is the constant endeavour of the Mill to improve the quality of the paper and also to go in for manufacture of special qualities such as, the paper for Formica and Melamines, wrapping paper for Photo Films, etc. for industrial use, the demands of which in the country are being met by imports. We urge the Government to gradually restrict the import of these qualities to provide an incentive to indigenous industry and save foreign exchange most needed by the country.

We have supplied to one of our customers Cable Insulating paper manufactured from imported pulp and thus have seen that we can produce this quality provided the import of the required type of wood pulp is allowed. We feel it will be in the interest of the country if import of pulp is allowed to us for manufacture of such qualities of paper rather than to allow their import. The Government have been approached for this purpose and we hope they will take a realistic view of the position. We do not feel any justification of the installation of new units to produce such qualities when the existing units have adequate equipment and experience for their production.

I welcome the concession granted in the excise duty to the new units as well as to the mills which have expanded their existing capacities by installing new machines since 1st March, 1964. The Joint Committee of the Paper Industry immediately represented the case to the Government that other new units and expanded units which have already come into production before 1st March 1964 should also be entitled to such concession. On this representation the Government has agreed to grant the concession on excise duty to the new units which came into production between 1-4-61 and 1-3-64. The Government has not considered the case of those units which have expanded their capacities during this period and a further representation has already been made to clarify this position and I hope the Government will take due cognizance and allow the same concession to those units. After all they have also incurred heavy expenditure on installation of new machines like the new units and there seems to be no justification to deny this concession to the units expanded after 1st April 1961.

Operation

The production and the gross profit during the year were 22,567 tonnes and Rs. 64,75,025 compared to 21,588 tonnes and Rs. 60,02,630 during the previous year. The nett profit, however, declined to Rs. 3,52,330 during the year compared to Rs. 15,18,412 during the previous year. The decline in the nett profit has been due to increased provision for depreciation and development rebate. In view of the increasing cost of production and fixed selling prices, the above profit should be considered satisfactory. After considering the various aspects, your Directors have recomended the same dividend of 20% on Equity Shares for the year under review.

Expansion & Modernisation

The Shareholders will be pleased to know that the Gompany has been able to complete the first phase of the expansion and modernisation programme. The new Paper Machine No. 6 was commissioned on the 13th November 1963 as per schedule. This is the machine having the highest running speed of all the machines so far installed in this country. Along with this machine your Mill is able to produce 100 tons of paper a day.

The Stock Preparation Plant, Multi-stage Bleaching Plant and Coal Fired Boiler were commissioned during the year according to schedule, as indicated by me last year. The new Turbo Generator was commissioned in January, 1964 and the Recovery Boiler in May 1964. There were however teething troubles, and especially a serious interruption took place in the power generating unit which was recommissioned at reduced speed by the help of foreign Technicians. Additional arrangements have also been made with the power supply companies by which the Mill would be able to keep up the production programme. The full utility of the Company's power plant will be available as soon as the delivery of the turbine shaft is received from U.S.A. The Government of India invited the Paper Industry to submit such schemes which by modification, adjustment and by adding balancing equipment, would increase the paper production in the country within a short time and involving a minimum foreign exchange. Your Company also submitted a scheme to increase the capacity by another 21,000 tonnes at an approximate cost of Rs. 1.5 crores. I am glad to inform you that our scheme was approved by the Government and we have been granted an Industrial Licence for this increase in the capacity. Necessary steps for implementation of the same will be taken in due course.

The relation with staff and workers continued to be cordial and I would, on your and on my behalf, like to express our appreciation of their sincere services rendered to the Company.

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

THE ORIENTAL FIRE AND GENERAL INSURANCE CO., LTD.

CHAIRMAN, MR. B. K. KAUL'S ADDRESS

Speech delivered by the Chairman, Mr. B. K. Kaul, I.C.S., at the Sixteenth Annual General Meeting of the Shareholders on Tuesday, the 30th June, 1964.

The Report, Accounts and Balance Sheet for the year ended 31st December 1963 are already in your hands and, with your approval, I propose to take them as read. Before we proceed to consider these for adoption, I would like to review some of the points which had a bearing on your Company's working during the year.

Mr. Jawaharlal Nehru, suddenly passed away on Wednesday, 27th May 1964. Mr. Nehru's death is a stunning blow to the entire nation. An anguished Nation has been mourning the sudden passing of her most beloved son, an illustrious fighter for freedom, an outstanding statesman, a world leader. He occupied a place in the hearts and hopes of hundreds of millions of our



Mr. B. K. Kaul

countrymen. He was the architect and symbol of modern India. By his death our country in particular and the world in general has suffered a grievous loss. The best tribute we can pay to our departed leader is to work hard and do our duty well so that our country may prosper.

As I mentioned last year, your Company was appointed by the Government as its sole Agent in connection with the administration of the Emergency Risks Insurance Schemes (Goods & Factories). During the year 1963 the Company received over 4,24,279 applications under these Schemes at 163 centres all over India. I am glad to say that the Company was able to cope up with the enormous work connected with the applications in a satisfactory manner. The work was done by the Company entirely on a non-profit basis.

In the foreign field, the Governments of Ceylon and Burma restricted the writing of general insurance to State Institutions from 1st January and 1st February 1964, respectively. In both these territories we had been doing modest but profitable business for a number of years. As the unexpired business is not being taken over, we are required to run off the existing risks and, therefore, have to keep a skeleton staff for some time to come.

In Kuwait a new agency was established in 1963 and their results have been satisfactory.

Operations in Pakistan

Whilst our operations in Pakistan gave us cause for concern in earlier years, we have been able to take effective measures to put the business on an even keel by setting up a regional office at Dacca exercising better control on underwriting and claim and by exploring fresh avenues of profitable business.

In Africa, a Union of the Republic of Tanganyika with Zanzibar was recently announced. We have been operating in East Africa including these two territories for a number of years and I have no doubt that the Union shall provide increased opportunities for expansion of our business.

I had stated last year that we were progressing in the matter of expansion of our foreign business with caution. Whilst this policy has continued we have explored the possibilities of expansion in the Middle East and other Arab countries. It may perhaps be possible to make a beginning in some of these areas during this year, as our negotiations in some cases are quite far advanced.

Turning now to the results of the year's working, the net profits for the year of the Company after making provisions for taxation is Rs. 17.11 lacs as against Rs. 19.40 lacs for the year 1962. The slight fall in the net profits has been due to an increase in claims and in the salary and allowances paid to the staff under the revised agreement.

The Gross Premium Income of the Company in 1963 was Rs. 1,014.93 lacs as compared to Rs. 878.62 lacs in 1962. After fulfilling the statutory obligations and making other cessions the net premium of all departments increased from Rs. 492.29 lacs for the year 1962 to Rs. 583.88 lacs for 1963 showing an increase of Rs. 91.59 lacs,

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THE BRITISH INDIA CORPORATION LTD., KANPUR

BRANCHES DIVISION:

Cawnpore Woollen Mills Branch — **Cooper Allen Branch**
New Egerton Woollen Mills Branch — **North West Tannery Branch**

London Office:

BEGG SUTHERLAND DIVISION:

Secretaries & Treasurers

The Elgin Mills Co. Limited — **Cawnpore Sugar Works Ltd.**
Cawnpore Textiles Ltd. — **Champaran Sugar Co. Ltd.**
Brushware Limited — **Saran Engineering Co., Ltd.**

Secretaries for: Beta Picker & Co., Ltd.

Agents for: The Oriental Fire & General Insurance Co., Ltd.

RUBY GENERAL INSURANCE COMPANY LIMITED

CHAIRMAN, MR. M. L. SHAH'S REVIEW

The following is the speech delivered by Mr. M. L. Shah at the Twenty-eighth Annual General Meeting on Monday, the 29th June, 1964.

Gentlemen,

It gives me great pleasure to welcome you to the Twenty-eighth Annual General Meeting of the Company.

We are meeting under the shadow of a national tragedy, Shri Jawharlal Nehru, our beloved Prime Minister and Leader, who guided the destinies of the nation since independence, is no more with us. Not only India but the whole world mourns his loss. Such great personality is seldom born and it is impossible to replace him. However, it is gratifying to note that Shri Lal Bahadur Shastri has been appointed our new Prime Minister with promise of all round support and I am confident our country will continue her onward march of progress under his able guidance.

The Statements of Accounts of the Company for the year 1963 have been with you for some time and you must have noted with satisfaction that the Company has again shown good results.

Your Company has been making steady progress since its inception, and particularly during the last few years has shown very good results. As compared to the premium income of Rs. 1,85,12,084 for 1962, the premium income for 1963 has been Rs. 1,89,85,871/-, and the capital and Funds during the same period have increased from Rs. 1,67,75,481/- to Rs. 1,81,05,006/-

Fire Department

The Premium income for the year has increased from Rs. 78,21,379/- in the year 1962 to Rs. 83,36,101/- and Profit from Rs. 16,43,000/- to Rs. 18,40,247/-.

Motor and Miscellaneous Department

The Premium income for the year has been reduced from Rs. 93,07,083/- in the year 1962 to Rs. 88,52,631/- due to reduction in foreign Motor business which has not been profitable. The Profit increased from Rs. 4,17,262/- in the year 1962 to Rs. 4,48,283/-.

Marine Department

The Premium income for the year has increased from Rs. 13,83,622/- in the year 1962 to Rs. 17,97,139/-. The working of the Department shows a loss of Rs. 3,99,290/- as against a profit of Rs. 1,30,940/- in the year 1962, mainly due to the increase in the Premium Reserve from Rs. 13,83,,622/- to Rs. 17,97,139/-.

The Net Profit after taxation has increased from Rs. 13,35,783/- in the previous year to Rs. 13,85,873/-.

The Directors have recommended a Dividend of Rs. 1.25 Paise per share as before. The Directors have also decided to take steps to capitalise Rs. 6,40,000/- out of the Premium on Shares and issue One fully paid Bonus Share of Rs. 8/- as against 5 existing Shares.

The most important event in the Indian Insurance Industry during the year under review has been the decision of the Government to permit the Life Insurance Corporation of India to write General Insurance business. The L.I.C. has commenced business from 1st April, 1964 and decided to follow the Tariff Rates for the present. The L.I.C. should not disturb the existing business of the private insurers but should open new avenues and look for fresh business

The voluntary Code of Conduct has proved very useful in improving the tone of the industry and I hope the encouraging results achieved so far will be continued.

Before I conclude I would like to place on record my sincere appreciation and thanks to our patrons for their continued support and to the Executives, Staff, Field-workers and other representatives in India and abroad for their co-operation and devotion to duty which has enabled the Company to achieve good results.

Thanking you, gentlemen.

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

(Continued from previous column)

i.e., 18.60% over the previous year's figure. This increase is made up of Rs. 74.25 lacs from business transacted in India and Rs. 17.34 lacs from business transacted out of India. Considering the market conditions this rise may be considered quite satisfactory.

The overall claims ratio of net claims to net premiums has shown an upward trend i.e., 59.71% for 1963 as against 56.09% for 1962.

In the Fire Department the claims ratio for the year 1963 was 46.31% as compared to 34.83% for the year 1962. The increase in the claims ratio was mainly due to adverse experience on our Foreign acceptances. On the Miscellaneous side the claim ratio has increased from 57.79% for the year 1962 to 61.22% for 1963, largely on account of continued adverse claims experience in Motor Department in India and out of India. On the Marine side the claims ratio for the year 1963 has registered a fall to 90.34% as compared to 93.26% for 1962.

The overall ratio of commission and expenses of management to net premiums is around 32.4% which is considered satisfactory.

Departmental Reserves

As a result of the year's working the Departmental Reserves have shown an impressive increase of Rs. 44.53 lacs at Rs. 328.69 lacs for the year 1963 as compared to Rs. 284.16 lacs for the year 1962 showing an increase of 15.67% over the previous year's figure.

Our Investments as at 31st December 1963, aggregated to Rs. 457 lacs and the total depreciation thereon was around Rs. 4.50 lacs and is more than adequately covered by the Investment Reserve. Considering the magnitude of the total investments and the general fall in the prices of shares and securities, it will be seen that the depreciation of 0.98% is nominal.

Your Directors have recommended dividend at the rate of 8% (subject to deduction of tax at prescribed rates) on the paid up value of shares as compared to 6% for the year 1962.

The General Reserves has been further augmented by an appropriation of Rs. 3.75 lacs.

The year's working has resulted in a substantial increase in the funds of the Company from Rs. 454.14 lacs in 1962 to Rs. 504.60 lacs in 1963 registering an increase of 11.11% over the previous figures.

In conclusion, I take this opportunity to express my thanks to our clients and well-wishers both in India and abroad who have continued to extend us their support. I also thank the officers, staff and development officials of the Company for their loyalty and good work.

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

New Delhi

DECISION ON STATE TRADING IN FOODGRAINS DEFERRED

(FROM OUR NEW DELHI CORRESPONDENT)

STARTING on a promising note with the Central Food and Agriculture Minister, Mr. C. Subramaniam, making some short- and long-term suggestions for tackling the food problem, the State Chief Ministers' Conference, held here from 24th to 26th June, petered out to a tame end. Although it discussed measures to check the rising spiral of food prices and to boost agricultural production, it remained content with only a short-term programme for checking a further rise in the prices. Decisions on measures to bring down foodgrain prices through State trading and other such steps were deferred, presumably in view of the wish expressed by the Congress Working Committee to consider them before they were finalised.

The conference asked the State Governments to strengthen immediately the administrative machinery for the enforcement of control measures and for preventing profiteering, hoarding and other anti-social practices in the foodgrains trade. It endorsed the Central Food Ministry's decision to abolish rice procurement in Andhra Pradesh and Madras and to restore free movement of rice in the four southern States—Andhra Pradesh, Madras, Mysore and Kerala. A similar decision of the Ministry on the movement of rice from Madhya Pradesh to Maharashtra and Gujarat, however, failed to receive support from the three State Chief Ministers concerned. The existing arrangements under which the export of rice from Madhya Pradesh to Maharashtra and Gujarat is undertaken on Government-to-Government account on a quota basis is, therefore, to continue.

The wheat zones—as constituted at present—are also to be maintained as no agreement could be reached between the surplus producing States and the deficit States on the abolition of the zones or their enlargement. The maximum control prices and the modified system of foodgrains distribution in West Bengal is to continue as well. There would, however, be no restrictions of any kind on the movement of course grains and pulses, except gram, from one State to another or within a State. All such restrictions that might have been imposed by any State Government would be withdrawn immediately. The movement of gram, it was felt, should continue to be regulated.

Reducing Public Expenditure

The Central Finance Minister, Mr. T. T. Krishnamachari, advised the State Governments to cut their expenditure with a view to reducing money supply with the public. He announced that the Central Government had decided to reduce its expenditure by Rs. 70 crores during the current financial year.

The Government also decided to take the following two steps immediately: (i) the setting up of some modern rice mills in the public sector, including the co-operative sector, and (ii) the establishment of two funds for the benefit of farmers. The setting up of rice mills in the public sector amounts to State trading on a limited scale. The two funds to be created are: (i) the Relief Guarantee Fund, to be built up through contributions by the Centre and the State Governments, to help agriculturists in periods of natural calamities and to ensure the supply of funds to them from the Reserve Bank in times of crisis, and (ii) the Credit Stabilisation Fund, to be created by the Reserve Bank to enable the peasantry to convert short-term loans into medium-term ones.

The setting up of new modern rice mills in the public sector was preferred to the taking over of the existing units because the modern plants yield a higher output. A 3-tonne modern rice mill capable of processing 20,000 tonnes of paddy a year, it is claimed, can yield an output of 13,200 tonnes of rice, against only 11,600 tonnes from the same quantity of paddy by the existing units which are mostly primitive and uneconomic. Each new unit, it is estimated, will save the country at least Rs. 11 lakhs in foreign exchange, whereas the foreign exchange cost of setting up such a unit would be about Rs. 1.62 lakhs. Initially, efforts are proposed to be concentrated on installing new State-owned rice mills in the package programme areas.

The States of Madras, Kerala, Mysore and West Bengal have asked for more rice supplies from Central stocks. To meet their demand and to replenish stocks, the Central Government is making arrangements to import rice from the United States and Pakistan. The U.S.A. is understood to have agreed to supply about 200,000 tonnes of rice from her present crop and another 200,000 tonnes later. Imports from Pakistan may be of the order of 100,000 tonnes. These supplies are expected to start coming in from July.

New Corporation Proposed

As a long-term measure to tackle the food price problem, Mr. Subramaniam has suggested the setting up of a high-level technical agency for determining fair and economic prices for producers and the establishment of a Government Foodgrains Trading Corporation. Both these proposals were well received by the State Chief Ministers. They, however, suggested that the States' representatives should be associated with the proposed high-level technical agency. As for the proposal to set up the Foodgrains Trading Corporation, some Chief Ministers wanted that the State Governments should set up such corporations and a Central corporation may be established as an apex body. Some Chief Ministers favoured four or five regional foodgrains trading corporations. The Minister for Community Development and Co-operation suggested that the proposed corporation should make use of the services of co-operative societies.

According to the plan outlined by Mr. Subramaniam, the proposed corporation would buy foodgrains from producers at prices announced in advance of the season and sell to retailers at specified prices. To begin with, the corporation would deal only in rice. It would take out a licence like any other private trader. The Government, however, would reserve the right to call upon any wholesaler to hand over to the corporation any portion of his stocks as might be considered necessary in public interest. The corporation would pay for these stocks at declared prices, subject to the allowed margin of profit.

The State Chief Ministers laid great stress on increasing foodgrains production. But their suggestions were the same as one hears so often.

FARM CREDIT

New Programme Outlined

A seven-point programme has been suggested by the Planning Commission experts for making available adequate credit to agriculturists during the fourth plan period. It takes into account the fact that since the creditworthiness of the majority of small farmers is not high, they are unable to obtain adequate finances for improving their age-old farming techniques. The programme is as follows:

(1) Subject to eligibility qualifications, up to 75 percent of the short-term credit requirements for agricultural programmes in an area should be provided by co-operatives or the Government, assuming that private finance would account for the balance, namely, 25 percent. In case, however, private finance is expected to exceed this figure in any particular area, the share of co-operative and Government finance may be adjusted accordingly. Short-term requirements for agricultural programmes are estimated at Rs. 1,070 crores. The Working Group on Co-operative Credit has estimated that total advances of short-term loans in the last year of the fourth plan would be about Rs. 560 crores. This means that a provision of Rs. 240 crores for short-term loans will be necessary by way of *taccavi* loans outside the plan.

(2) According to the estimate of the working group, long-term loans will be of the order of Rs. 300 crores, including Rs. 50 crores from out of the provision made for *taccavi* loans in the State plans. A sum of Rs. 125 crores out of this amount has been taken into account towards the minor irrigation works. It is difficult, at this stage, to apportion the balance among different agricultural programmes. It may be ensured at the time of preparing the State plans that the necessary provision for long-term loans is made in the State plans over and above what may be available in the co-operative sector.

(3) The system of crop loans should be introduced and short-term credit should be available to meet the full production requirements of different crops.

(4) The agricultural and co-operative programmes should be fully dovetailed. Credit and supplies should be advanced in the areas where the system of village, block and district plans is introduced only on the basis of these plans.

(5) Loans for supplies of material inputs, such as seeds. manures, fertilisers, implements, pesticides, etcetera, should be advanced only in kind.

(6) Credit should be linked with marketing and, subject to necessary exceptions, recovery through marketing should be insisted upon.

(7) Rules for *taccavi* loans should be liberalised by suitably increasing the multiple for estimating the status of the borrower and taking into account the increase in the value of land on account of the improvement to be carried out with the help of the loan.

A decision is understood to have been already taken to advance credit to agriculturists in the areas selected for intensive cultivation, on the basis of crops instead of against land.

LUBRICANTS

New Units Planned

In view of the heavy drain caused on foreign exchange resources by the growing imports of lubricants, it is proposed to set up during the fourth plan period four more lubricating oil plants, besides the two already planned—one at the State-owned Barauni refinery and the other as a joint venture of the Government of India and Esso Standard Eastern at the latter's Trombay refinery. At present, only the Assam Oil Company's Digboi refinery produces some small quantities of lubricants. The Barauni and the Trombay units will raise the lubricants output in the country to about 350,000 tonnes. The requirements of oils by 1970-71 are expected to go up to about 1 million tonnes.

Progress of Oil India

Oil India Ltd—a 50:50 partnership between the Central Government and the Burmah Oil Company—has shown satisfactory results for 1963. Its profit and loss account shows a net surplus of Rs. 3.36 crores, after providing for depreciation, taxation and development rebate. This is indeed creditable in view of the fact that due to the delay in commissioning the Barauni refinery, the exploitation of the Company's proved crude reserves could not be undertaken according to expectations. A tax-free dividend of 9 percent has been declared for the year which is the minimum under the partnership agreement.

In spite of the difficulties faced in acquiring land for drilling sites, the Company was able to achieve its drilling targets. An average of 74,154 cubic feet a drilling rig was achieved during the year, which compared favourably with similar drilling efforts made elsewhere in the world. The improvement in drilling operations enabled the Company to offset the increased cost of material and labour and also the heavy expenditure incurred on exploratory drilling in the new concession area.

The Company successfully undertook two new experiments in drilling in 1963 in the shape of dual completion wells to produce oil from more than one horizon and deviational wells to tap oil resources under the river bed. The exploration activities in the new concession area also progressed well. As against the target of about 700 line miles of seismic reflection survey, over 900 miles were shot. The progress would have been even more rapid but for the fact that the permits to enter the N.E.F.A. area were received late and by the time work could be started early monsoons had set in. Exploration drilling in the new concession area was taken up side by side with the survey work. The survey and test drilling programme, involving a total cost of about Rs. 2 crores, is to be continued throughout 1964 and early 1965.

With the drilling programme proceeding according to the schedule, the Company is confident of meeting the crude oil requirements of the Digboi, Nunmati and the Barauni refineries in full. By 1965-66, the Company will be producing more than half of the expected 6 million tonnes of crude oil output in India. This, when refined at the Digboi, Nunmati and Barauni refineries working to the rated capacities, will save

the country nearly Rs. 40 crores in foreign exchange.

In his annual statement to shareholders of the Company, the chairman, Mr. Khandubhai K. Desai, has assured the Centre and the Assam Government that all the surplus natural gas from the Company's oilfields—in excess of the present commitments to various projects—would be available for sale at a price which would be sufficient to enable the Company to compress and store gas to the extent necessary to provide for uninterrupted supplies over the period required by consumers. Apart from about 10 million cubic feet of natural gas which is required for use in oilfields the Company's present commitments include the daily supply of nearly 45 million cubic feet to various industrial projects, 18 million cubic feet to the Assam State Electricity Board, approximately 10 million cubic feet to the Assam Gas Company, 8 million cubic feet to the Assam Oil Company, 8 million cubic feet to the Namrup fertiliser plant and some small quantities to brick kilns and tea gardens.

The actual cost of the Company's Nahorkatiya-Barauni pipeline project has amounted to Rs. 45 crores, against the original estimate of Rs. 46 or Rs. 47 crores.

CEMENT

Crash Programme

The Central Government is understood to be considering a crash programme for stepping up cement output. The plan includes an upward revision in the ex-factory prices of cement and the import of a few complete cement plants by the proposed public sector venture—the Cement Corporation of India. The private sector may also be allowed to import some complete cement plants if it is found to be inevitable.

Another proposal which the Government of India is considering is the relaxation of the limit on the standard size of cement plants. At present, plants of 200,000 tonnes-a-year capacity are considered to be of standard size. This limit may be raised to 400,000 tonnes. The largest plants, however, would be allowed to be located only at places where sufficient limestone deposits are available.

If the Government finally decides to allow the import of complete cement plants, it will be a reversal of the present policy under which the creation of new capacity in the cement industry is linked with the indigenous manufacture of cement machinery. This stipulation has been a hindrance in the way of expanding the cement manufacturing capacity, as apart from the prices of the indigenously fabricated plants being higher than of the imported units, considerable delay is being encountered by the industry in receiving supplies from indigenous manufacturers.

Although there is a good case for an upward revision in cement prices since the cost of raw materials and transport has gone up considerably, the decision on this matter will not be an easy one and will have to take cognisance of the anxiety of the Central Government to hold the price line.

GENEVA CONFERENCE

Results Achieved

While New Delhi considers the acceptance by the developed nations of the principle to set up a continuing machinery to implement the decision of the Geneva Conference on Trade and Development as a good beginning to tackle world trade problems, it is disappointed at the fact that nothing concrete could be decided at Geneva on the trade in commodities and on the question of granting preferential treatment by developed countries to the developing ones.

Two other decisions of the Geneva Conference have been welcomed here. One of these is the acceptance of the principle that the developed countries should transfer 1 percent of their national income for the uplift of the economies of the under-developed countries. The second relates to shipping. The agreement reached is to set up an international forum in the form of the Standing Committee on Finances and Invisibles. It is hoped that with the creation of this body, it will be possible to keep watch on shipping freights and the acquisition of merchant fleets by different nations from the point of view of world trade as a whole.

The Trade and Development Board recommended to be set up by the Geneva Conference is likely to have its headquarters in New York. Any other location, it is felt, will entail a higher budget for it and may make the co-ordination between the Trade and Development Board and the other U.N. agencies, such as the economic and Social Council and the U.N. Special Fund, difficult and cumbersome.

The decisions of the Geneva Conference are subject to ratification by the U.N. General Assembly. No difficulty is of course anticipated here in the way of the major decisions being adopted by the General Assembly in November. As decided by the Geneva Conference, the U.N. Secretary-General would set up a small expert committee to decide on alternate procedures for the functioning of the Trade and Development Board. This, it is learnt, was the concession made to the western nations, some of which wanted special weightage in voting procedures.

COCHIN SHIPYARD

Brighter Prospects

Reports reaching here suggest that the Central Minister for Transport, Mr. Raj Bahadur, has been successful in his mission to Japan. During his visit to that country, an agreement is understood to have been reached with the Mitsubishi group of industries on the broad heads of the collaboration arrangement sought for building the second State-owned shipyard in India at Cochin. The final agreement on the project is expected to be signed in the near future after details are worked out. A delegation from the Japanese concern will be visiting New Delhi for this purpose.

The immediate annual capacity of the Cochin shipyard will be to build two ships of 15,000 tons each and another two of 30,000 tons each. The first ship from this shipyard is expected to come out in 1968.

The project will cost about Rs. 10 crores. The Mitsubishi group will be providing all the foreign exchange component of the cost.

STEEL

Training for Technicians

The Department of Steel is reported to be considering establishing special institutions in the neighbourhood of the steel plants to offer diploma courses in subjects related to the steel industry. It is tentatively estimated that nearly 62,000 technical workers will be needed to man the expanded steel industry during the fourth plan period. Of these, about 6,000 will have to be graduate engineers, approximately 11,000 diploma-holders and nearly 45,000 skilled and semi-skilled workers.

A special committee has already been set up to study the manpower requirements under the fourth plan programme for steel. The report of the committee is expected to be available well before the fourth plan is finalised.

The committee has also been asked to make recommendations on the methods of securing personnel for the steel industry during the fourth plan period and consider the question of introducing steel technology in the syllabus for the degree course in mechanical engineering and in the diploma course in order to save time during in-service training. It will as well examine the question of setting up polytechnics in industrial centres.

Hindustan Steel, it is learnt, has already initiated action on training technical personnel for the Bokaro plant.

C.D.S.

Announcement on Refund

The Central Governmnet has decided that persons whose contributions under the compulsory deposit scheme do not exceed Rs. 150, should be repaid their deposits immediately on demand, instead of at the expiry of five years as was the case hitherto. This covers all persons with incomes up to Rs. 5,000 a year.

Persons of 70 years in age and above and foreigners who are leaving India with no intention of returning have also been allowed to withdraw their deposits prematurely irrespective of the amount involved. This facility has as well been extended to cases where the depositor is dead and his/her nominees or heirs want to withdraw the amount deposited. In all, about 4.2 million depositors are expected to benefit from these concessions.

The deposit offices have been authorised to sanction repayment of the deposits made by the abovementioned categories of persons without any further reference to the Government India.

EXPORT-IMPORT BANK

Untied Credit Offer

The U.S. Government recently announced extension by the U.S. Export-Import Bank of a new non-project $25 million (Rs. 11.9 crores) line of credit in favour of the Government of India. The credit will be used to finance purchases of American capital equipment and services required by the public or private sectors engaged in development programmes in India.

This brings the total non-project credit made available by the U.S. Export-Import Bank to the Government of India to $250 million (Rs. 118.9 crores). The three earlier non-project loans provided to the Government by the Bank—$150 million in February 1958, $50 million in December 1960, and $25 million in August 1962—were used for importing from the United States such capital goods as mining and construction equipment, transportation and earth-moving equipment, communications equipment and machinery for the textile, aluminium, chemical and motor-car industries.

In addition to these non-project loans, the Bank has extended credits to a number of Indian enterprises engaged in the manufacture of diesel locomotives, fertilisers, aluminium, rayon, chemicals, plastics and forgings. The U.S. Export-Import Bank credits have also been used by Air-India for purchasing its all-jet fleet. The total amount of assistance extended by the U.S. Export-Import Bank to India now aggregates $368 million (Rs. 175 crores). The Bank's assistance is part of the U.S. Government aid programme to India, which now totals $5,348 million (Rs. 2,547 crores). The loan recently announced is repayable over a period of 12 years commencing in 1967, and bears an interest charge of 5½ percent.

HOUSING

Talks in September

The Central Minister for Works and Housing, Mr. Mehr Chand Khanna, has called a conference of the State Housing Ministers to discuss measures for stepping up the housing programmes in the remaining years of the current plan and to finalise the basic approach for the fourth plan. The conference will be held on 3rd and 4th September, 1964, in New Delhi.

The progress in housing is considered very poor. Out of the total allocation of Rs. 80.59 crores included in the third plans of the State Governments, an expenditure of Rs. 27.02 crores had been incurred during the first three years of the plan. For the fourth year, a provision of Rs. 12.85 crores has been proposed by the State Governments. Even if this provision is actually made and used, the total expenditure on housing programmes during the first four years of the third plan, i.e., up to 1964-65, will be Rs. 39.87 crores—49.5 percent of the total outlay of Rs. 80.59 crores. According to the phased programme indicated by the Planning Commission, the expenditure in these four years should have been 76 percent of the total outlay.

At present, a team of officers from the Central Housing Ministry is touring the States to determine the factors responsible for the slow progress of housing schemes. The team's report is expected to be finalised before the September conference. Its recommendations will be considered by the State Housing Ministers.

The conference will also discuss measures to ensure that the funds earmarked for housing programmes are used for this purpose only and not diverted to other development projects. It has been found that even the meagre allocations for the housing programmes are not used by the State Governments but are diverted to other schemes.

Another subject which is expected to come up for discussion at the State Housing Ministers' Conference is the possibility of tapping private resources to supplement the plan allocations and L.I.C. funds provided for housing. The State Ministers will also review the working of the different housing schemes and consider whether the machinery set up for implementing these projects is adequate and, if not, what measures should be taken to implement it.

Loan Ceiling Raised

Meanwhile, the Central Ministry of Works and Housing has raised the maximum amount of a loan admissible under the low income group housing scheme from Rs. 8,000 to Rs. 10,000.

The decision, it is explained, has been taken in view of the recommendation made by the Working Group on Housing Co-operatives. The loan assistance would continue to be restricted to 80 percent of the cost of a house (including the cost of land), the ceiling admissible now onwards will be Rs. 10,000.

The low income group housing scheme is meant for persons whose income does not exceed Rs. 6,000 a year. The Central Government advances funds to the State Governments who, in turn, grant loans to individuals and co-operatives up to 80 percent of the cost of a house. Loans can also be given to non-Governmental hospitals, educational trusts, charitable institutions and local bodies for the construction of houses for their low-paid employees.

From 1954, when the scheme was introduced, to 31st March, 1963, the Central Government provided a total of Rs. 52.3 crores under the scheme. In addition, Rs. 1.82 crores were advanced by the Life Insurance Corporation for this purpose. The Budget provision under the scheme for the current year is Rs. 3.68 crores. The total number of houses constructed under the scheme up to 31st March, 1964, was about 840,000.

LAND REFORMS

Removing Defects

Reviewing the progress of land reforms at a meeting here last week, the Land Reforms Implementation Committee felt that although in some directions progress had been made during the past ten years, there were deficiencies in others. In several areas, rents were still high and the security of tenure which the law conferred on tenants was not observed in practice.

In view of the intimate bearing of the land reform programmes on agricultural production, the Committee expressed the view that early steps should be taken to complete the land reform programme as speedily as possible so that the tiller was ensured security of tenure and enabled to reap fully the benefit of the investment made by him in agricultural production.

The Committee emphasised that share-cropping should be abolished and rents converted into cash rents so that the tenant-cultivator is assured the full benefit of increased production as a result of his efforts and State investment. The Committee made the following other recommendations:

(1) Each State should appoint a special officer assisted by such staff as may be necessary to implement the programme according to a fixed schedule to be drawn up by the State Government.

(2) There should also be a high level committee in each State which should review the progress of implementation periodically, say, every six months.

(3) The States should be requested to report to the Government of India every six months the progress made in the implementation of land reform measures.

(4) It should be ensured that the tenant-cultivators are provided necessary financial assistance to enable them to participate fully in the production programmes.

(5) As a large number of tenants are cultivating land on oral leases, they are frequently not able to assert their rights as they cannot prove their possession. It is desirable that early steps should be taken to prepare record of tenancies where this is not being done at present and to revise it where it obtains to remove the deficiencies.

It was also pointed out at the meeting that quite a sizable area which was being claimed under personal cultivation was in practice cultivated through informal tenancies and the actual cultivators were not in a position to avail themselves of the improved practices for raising agricultural production. It was felt that norms of efficient management and cultivation should be laid down. The land-owners should be required to observe these norms for lands claimed under personal cultivation. Where the norms are not fulfilled, the States should have the right to take over management of such lands. The Committee recommended that this suggestion should be tried out in a few selected areas with a view to gaining experience and that a technical committee should be appointed to examine the entire question in detail and submit its recommendations by 1st August, 1964.

ELECTRIC LOCOMOTIVES

Raising Production

The Chittaranjan Locomotive Works, which turned out the first A.C. electric locomotive in November last, is expanding its production capacity to manufacture 72 A.C. locomotives a year by the end of the third plan. The plant and machinery as well as additional covered accommodation, costing about Rs. 2.5 crores, are being provided so that a compact self-contained unit for turning out electric locomotives at the targeted rate is ready by April next year.

The present plans provide for the future expansion of production, when necessary, to over 100 electric locomotives a year. The works expects to produce 91 A.C. electric locomotives by the end of the current plan.

Most of the mechanical equipment of the electric locomotives is being manufactured at Chittaranjan itself. The manufacture of locomotraction gears and axle boxes, which at present are imported, is also expected to be taken up in due course. For the manufacture of electrical equipment in India the electrical equipment accounts for nearly half of the total cost of an A.C. locomotive—a collaboration agreement has been entered into with a consortium of European firms, known as the Group for Study and Electrification of the Indian Railways.

In order to cope with the rising tempo of freight traffic, particularly in the steel-coal belt of the country, the railways are progressively switching over from steam to electric or diesel traction. About 70 percent of the extra tractive effort required in the third plan is to be provided by electric and diesel locomotives.

SHIPPING

Oil Tanker for Jayanti

The Jayanti Shipping Company last week acquired a 54,350-ton super oil-tanker *Vikram*. Built at the Mitsubishi shipyard at Nagasaki, Japan, the tanker cost Jayanti approximately Rs. 3.25 crores.

With its overall 754 feet length and 108 feet breadth, *Vikram* is today the largest vessel on the Indian registry. It has a capacity to carry nearly 52,000 tons of oil and requires a 36 feet draft. *Vikram* has already been time-chartered for a period of 12 years, on very favourable terms. to Esso Standard Eastern Tankers Ltd.

With the addition of *Vikram*, Jayanti's tonnage now aggregates 450,000 d.w.t. The Company now owns, besides the new super tanker, 12 10,000 to 11,000 d.w.t. cargo vessels, seven bulk carriers, (totalling 231,000 d.w.t.) and one other oil-tanker acquired about two years ago. Jayanti's eighth bulk carrier, *Samudragupta*, which was recently launched in Nagasaki by Prince Mukarram Jah Bahadur, is due for delivery towards the later part of this year. The future plans of Jayanti include the building of three combined oil and ore carriers, each of 21,000 d.w.t. These are expected to be ready for delivery next year.

FOAM-COMPOUND

Product Developed

The Defence Research Laboratory (Materials), Kanpur, has developed the know-how for the manufacture of a foam-compound. It has been found very effective in controlling fires involving inflammable liquids. Foams for fighting fires are produced by chemical or mechanical devices. Chemical foams are effective only against small fires, but mechanical foams have been found serviceable against any fire.

A good foam should float on the burning liquid surface, spread quickly to seal off the surface against air, and be stable at high temperatures. The foam-compound should remain serviceable after storage.

The foam developed in the defence laboratory meets most of these requirements. It uses shorns and hoofs as basic material which are easily and abundantly available in the country. The manufacture of this compound will also save considerable foreign exchange. The laboratory is also rendering technical advice to private firms for improving similar products made by them.

KHANDSARI

Compounded Levy Reduced

The Government of India has decided to reduce the existing rates of compounded levy on *khandsari* production by one-third for the four-month period, 1st July to 31st October, 1964. The step follows a representation made by *khandsari* manufacturers to the effect that during the "Galawat" period when the recovery of sugar is low, the existing compounded levy rates operate to their disadvantage.

The compounded levy procedure for *khandsari* was introduced in 1960 to enable the producers of this commodity to maintain their accounts and to discharge their obligations under the Central Excise Act.

CASTORSEED

Checking Rise in Futures

With a view to arresting the unnatural rise in castorseed futures, September 1964 delivery, the Forward Markets Commission decided last week to impose a limit of Rs. 2 a 250 kilograms on the weekly rise in the prices of castorseeds, June and September deliveries, on the Bombay Oilseeds Exchange. The restriction would come into force whenever the prices rule at or above Rs. 180 a 250 kilograms. Similar restrictions have also been imposed on trading at the Ahmedabad Seeds Merchants Association.

CONSTITUTION

New Amendment

The Constitution (Seventeenth Amendment) Bill, 1964, which was passed by the two Houses of Parliament during their special sessions held four weeks ago, received the assent of the President on 20th June.

The Act amends the definition of "estate" in article 31A of the Constitution by including in it lands held under the ryotwari settlement and also other lands for which provisions are normally made in land reform enactments. The amendment has retrospective effect from 26th January, 1950.

The Act also provides that, "where any law makes a provision for the acquisition by the State of any estate and where any land comprised therein is held by a person under his personal cultivation, it shall not be lawful for the State to acquire any such land as is within the ceiling limit applicable to him under any law for the time being in force or any building or structure standing thereon or appurtenant thereto, unless the law relating to the acquisition of such land, building or structure provides for payment of compensation at a rate not less than the market value thereof."

The Act further amends the Ninth Schedule to the Constitution by including in it 44 State enactments relating to land reform in order to remove any uncertainty or doubt that may arise concerning their validity.

NEPAL

New Wireless Circuit

The Government of India and Nepal have signed an agreement providing for the opening of a direct wireless circuit between Delhi and Kathmandu and a direct radio-telephone circuit between Calcutta and Kathmandu. The two services are expected to be started soon.

Tele-communication contact between India and Nepal has so far been through the telegraph office within the Indian Embassy in Kathmandu. At present, the existing wireless telephone and telegraph links terminate at the Indian Embassy and are not extended to the tele-communication network of Nepal.

The Kathmandu-Calcutta radio-telephone service will enable calls from Nepal to be received directly in Calcutta. From Calcutta, the Overseas Communication Service will provide connections for destinations beyond India. Nepal will thus have a direct tele-communication link with the rest of the world through India.

The equipment for both the Calcutta-Kathmandu tele-communication link and the Delhi-Kathmandu wireless circuit has been supplied by the United States of America under the tripartite agreement between the Government of India, His Majesty's Government of Nepal and the U.S. administration which was signed in 1958.

DISPLACED PERSONS

New Concession Announced

The Central Board of Direct Taxes, Central Ministry of Finance, has announced concessional treatment to displaced persons who have migrated from East Pakistan after 1st January, 1964, in relation to their income tax assessments in India. The Board has instructed the Income Tax Department that such displaced persons need not be required to produce documentary evidence in support of their claims for the transfer of moneys from East Pakistan if the following conditions are fulfilled:

(1) that the person concerned had no source of income in India or in any foreign country other than Pakistan prior to his migration;

(2) that he had sufficient resources in Pakistan to which the moneys brought by him to India could be traced; and

(3) that an intimation about the moneys brought over and the date of their introduction in the books of account has been given to the Income Tax Officer concerned within two months of the date of his arrival in India (31st July, 1964, in the case of persons who have already migrated to India).

In case, however, the amount of moneys brought into India exceeds Rs. 50,000, the assessees will be required to establish the availability of sufficient resources in Pakistan to cover such moneys.

London

A CHARTER FOR WHITE-COLLAR WORKERS IN BRITAIN

(FROM OUR LONDON CORRESPONDENT)

STANDARDS for the safety, health and welfare of over eight million British workers in offices, shops and certain railway premises are set out in a new white-collar workers' charter which starts to operate in about a month's time. This is the effect of the Order which named 1st August as the day on which most of the requirements of the Offices, Shops and Railway Premises Act, 1963, come into force. From that date, owners and occupiers of about 1 million premises will be legally responsible for seeing that their premises comply with the requirements of the Act. The Order also fixed 1st May as the day on which occupiers had to start to register their premises. A few provisions which enable certain preliminary actions to be taken, including the appointment of inspectors to advise local authorities on their administration of the Act, became effective last February.

So that owners and occupiers could have as long a period as possible to study in detail how their premises and those who work in them will be affected, the Ministry of Labour published a general guide which explains the provisions of the Act. Although addressed primarily to owners and occupiers, it is also useful to employees and members of the public, for readers can see at a glance which sections of the Act relate to a particular item of guidance. Called *The Offices, Shops, and Railway Premises Act, 1963: a General Guide*, the booklet can be obtained from H. M. Stationery Office or through any bookseller or at local employment exchanges, price 2s 6d net. Supplements are issued free explaining regulations which are in preparation, including regulations on sanitary conveniences, washing facilities, and first aid.

Registration of Premises

The *Guide* points out that employers occupying premises covered by the Act on 1st May had from 1st May to 31st July to register their premises with the enforcing authority. Premises in which it is intended to employ anyone after 1st May, must be registered before the employment begins. Application forms for registration were available from the appropriate enforcing authorities from the second half of April onwards. The Act requires reasonable precautions to be taken against fire risks in all premises within its scope. Attention is drawn in the *Guide* to the need to have a fire certificate relating to means of escape in premises employing more than 20, or more than ten other than on the ground floor. Applications for the issue of these certificates had to be made to the appropriate fire authority as soon as possible after 1st May, and from 1st August, it will be unlawful to employ anyone in such premises unless a fire certificate has been granted, or application for one has been made. The means of escape will have to be properly maintained, kept free from obstruction and be clearly marked. A fire alarm must be installed and tested or examined at least once every three months. From 1st May, owners and occupiers were also able to apply, if they desired, for exemption from some specified requirements. The *Guide* explains how this was to be done, and the necessary forms were ready in the latter part of April.

The Act will apply generally to all offices and shops, even if they are only a small part of buildings used for other purposes, such as offices or shops in factories, hospitals, schools, clubs or places of entertainment. It will extend not only to rooms in which people work, but may cover such parts of a building as stairs, landings, store-rooms and entrances. It will also apply to canteens which cater wholly or mainly for people employed in particular offices, shops or railway premises, and the workers in the canteen are given the same protection as the office, shop and railway workers it covers.

Some premises, which might otherwise be within its scope are, however, excluded. The most important are places where only self-employed people work, businesses where the only persons employed are immediate relatives of the employer, or places where the total number of hours worked each week by all employees is normally not more than 21. Other premises which are, in effect, excluded are those which are occupied for purposes that are accomplished within short periods—six weeks for a permanent structure or six months for a movable one.

The general provisions of the Act include requirements that all premises shall be kept clean, have effective means of ventilation, suitable and sufficient lighting, sufficient lavatories and washing facilities, and have all dangerous parts of machinery securely fenced by a fixed guard or automatic safety device. Drinking water must be provided, floors, stairs, steps, passages and gangways must be soundly made, properly maintained, and kept free from obstruction, and the open sides of staircases must have handrails.

The Act also lays down minimum standards of space for each employee and of temperature in rooms where people work. A room in which people work must not be so overcrowded as to cause risk of injury to health. For this purpose, regard must be paid not only to the number of people in the room, but also to the amount of space occupied by furniture, fittings, machinery and other things. In addition, after the relevant data, a room where people work must be of such a size that there is 40 square feet of floor space for each person habitually employed to work at one time in the room, or where the ceiling is lower than 10 feet, 400 cubic feet for each such person. This does not mean that everybody must have his own space of 40 square feet. But it does mean, for example, that if you are employing three people in a room, the total floor space must amount to at least 120 square feet, or if the ceiling is lower than ten feet, the cubic capacity of the room must amount to at least 1,200 cubic feet. Suppose the ceiling were only 8 feet high, the minimum cubic standard of 1,200 cubic feet for three people would require a minimum room area of 150 square feet, or 50 square feet for each person. For this purpose, the size of the room is measured without regard to the space occupied by furniture, fittings, machinery and other things.

Unhealthy Overcrowding

These numerical space standards do not apply to a room to which members of the public are invited to resort—for example, most parts of a shop—although such rooms will still be subject to the general prohibition of unhealthy overcrowding. Premises which were used for purposes covered by the Act on 31st July, 1963 (when the Act was passed), will not be subject to the numerical space standards until 1st August, 1967—that is, three years after section 5(2) comes into operation. Premises which were not so used on 31st July, 1963 (including those which first come into use after that date), must conform to these standards as from 1st August, 1964 (that is, as soon as section 5(2) comes into operation), or from the date when they are first used if later.

The owner must ensure that a reasonable temperature can be maintained in every room in which people are employed other than for short periods. For rooms where a substantial proportion of the work does not involve severe physical effort, the Act states that *a reasonable temperature* shall be not less than 16 degrees Centigrade (60.8 degrees Fahrenheit) after the first hour. It also prohibits methods of heating likely to cause injurious or offensive fumes. This minimum standard of temperature is not required in office rooms used by the public where its maintenance is not reasonably practicable; or in rooms in shop or railway premises where its maintenance is not reasonably practicable or would cause deterioration of goods. In these cases, employees must have access to means of warming themselves and the employer must give them reasonable opportunities to do so. A thermometer must be provided in a conspicuous place on each floor if there is on that floor a room or rooms in which a reasonable temperature has to be maintained. Employees must be permitted to use the thermometer to check the temperature of the room in which they work.

Washing Facilities

The suitable and sufficient washing facilities which must be provided include a supply of clean, running hot and cold water or clean, running warm water, and soap and towels or other suitable means of cleaning or drying. The place where such facilities are provided must have effective lighting and be kept clean and in orderly condition, and all apparatus must be kept clean and properly maintained. Regulations will be made laying down standards for the provision of washing facilities, including the number of wash-basins to be provided in relation to the number of people employed. As with sanitary conveniences, arrangements may be made for employees to use washing facilities provided primarily for the use of others, if all the requirements of the Act and regulations are met. In all cases they must be conveniently accessible to the workers.

An adequate supply of wholesome drinking water must be provided. If not piped, the water must be kept in suitable containers, renewed at least daily and preserved from contamination. The supply must be provided at suitable places conveniently accessible to employees. Drinking vessels must be supplied and, unless these are of a kind designed to be discarded after use, there must also be facilities for raising them in clean water. Drinking vessels are not required, however, where water is provided through a jet from which people can conveniently drink. As with sanitary conveniences and washing facilities, the occupier may make arrangements for his employees to use facilities provided for others as long as all the requirements of the Act are met.

All premises will be visited in time by inspectors appointed to enforce the provisions of the Act. But owners and occupiers are urged not to wait for their premises to be visited before taking action to bring them into line with its requirements. They will be legally responsible for complying with these requirements from the date the Act comes into operation. Anyone who is in doubt whether his premises will be covered can get advice from the appropriate authority.

In most premises, the Act will be enforced by inspectors appointed by local authorities, but offices and shops in places subject to the Factories Act, 1961, will be inspected by H. M. Factory Inspectorate, who will also deal with railway premises and those occupied by local authorities. They will also have responsibilities in premises owned or occupied by the Crown. H. M. Inspectors of Mines and Quarries will enforce the general provisions if the Act in offices and shops in mines and quarries. The fire provisions will be enforced by two authorities—the fire authorities and H. M. Factory Inspectorate—according to the type of premises.

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Towards Greater Production and Productivity. (A symposium organised by the Forum of Free Enterprise. Published by G. R. Bhatkal, Popular Prakashan, 35-C, Tardeo Road, Bombay 34. Price Rs. 2, pages 136.)

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Report on Prospects for Private Investment in India with Particular Reference to Joint Collaboration Ventures. By Anila Graham. (Published by Economic and Development Research Ltd, 116 Seymour Place, London W1. Price 25 guineas, pages 42 + appendices.)

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PROSPECTS FOR COMMONWEALTH CONFERENCE

By Robert W. Brock

The Commonwealth Prime Ministers' Conference, scheduled to be held in London in July, should discuss economic expansion and collaboration within the Commonwealth rather than beyond its boundaries. The possibility of obtaining more aid from the U.K. should also be explored.

WILL the Commonwealth Prime Ministers' Conference in July prove as frustrating and fruitless as the 1962 gathering or as the international trade conferences which limped along in Europe? In 1962, the visiting Prime Ministers were restricted rigidly to a diet of badly cooked "Brussels sprouts" served by Ted Heath in the Cafe Macmillan. If the July menu is to include dishes more palatable and nutritious, Commonwealth leaders would be well-advised to bring their own politico-economic food supplies, namely, in the form of programmes of economic expansion and collaboration more easily attainable inside the Commonwealth than beyond its boundaries.

The first necessity is to jettison, completely and unreservedly, the pretentious and patronising assumption that, apart from outright grants, in terms either of finance or commodities, "aid" (a very misleading designation) is anything but mutual aid. According to the Biblical text "it is more blessed to give than to receive". Certainly it is—as between developed and developing nations—at least as profitable to give as to receive. To avoid any implication of anti-Americanism, let the spokesman on this theme be that great American, Paul Hoffman, of Marshall Aid fame, who says in his book *World without Want*:

> "Some 'foreign aid' is, in effect a subsidy for a country's export goods sent to the under-developed countries. They mean jobs for workers in the industrialised nations. They mean greater profits through increased trade. They mean absorption of surplus commodities with a consequent firming of prices. They mean that, because of economic expansion, more taxes can be collected without a corresponding increase in the tax rates. In short, the betterment of business that results from aid to the under-developed countries serves to make the actual out-of-pocket cost of such a programme substantially less than the book cost . . .
>
> "An equivalent of more than 4.5 million jobs in the United States now depend on foreign trade. Of these more than 1.75 million jobs depend on U.S. exports to the under-developed countries of the world".

Enlightened Self-interest

This is as it should be. *Enlightened* self-interest is the most powerful driving force among nations: the trouble being that all too often it is not conspicuously enlightened! And that comment applies most clearly to the postwar policy of the United Kingdom in which Party politics have become pre-eminently a competition in terms of public expenditure as an instrument of electoral bribery. The financial incidence of this "you have never had it so good" tactic is that the United Kingdom, once the world's most potent contributor to global economic progress, has ceased to make any significant financial stimulus to overseas development. As summarised in the current issue of the *Barclays Bank Review*: "The capital formation of £4,600 million in Britain in 1962 compares with a net investment abroad in that year of under £100 million. Without doubt the major concern of the British capital market in the years to come will be to provide the funds to meet this large domestic demand for new capital".

This is a saddening deterioration in as much as the five most fruitful development decades in modern history preceded the first World War when British industrialists pioneered economic development in four Continents, building railways, ports, every kind of infra-structure, initiating new industries, including in India jute, tea and cotton (still leading export staples and contributors to foreign exchange resources) and analogously in other countries literally from China to Peru. That wide-ranging development was practicable only because it was financed by investors as enterprising and resourceful as the industrialists who made Brtiain the first "workshop of the world".

In 1912, the U.K. overseas investment total had risen to £220 million at a time when the purchasing power of the pound was five times its present level. This means that in 1962 the amount invested by Britain overseas was equivalent to only one-tenth of the sum invested 50 years earlier. Not because there is less money available for investment, but because, as the figures attest, under the misguided leadership of myopic politicians, the British people have lost their former sense of "mission", as more than one American statesman has pointed out, including a former Secretary of State.

The "Affluent State" could make an adequate financial contribution to Commonwealth development if it wasted less of its considerable resources in becoming an "Effluent State," not only in economic terms. The "war on want" campaign symbolises the right approach; but as it is based on charitable contributions it is economically fatuous and politically soporific. The largest aggregate of underfed people outside the communist *bloc*, located inside the Commonwealth, cannot achieve "freedom from hunger" by collecting conscience money on Flag Days.

That supreme objective demands one of the most massive financial and economic campaigns in history, and the impending Commonwealth Conference should initiate it by organising, by a phased programme, the elimination of hunger within its own wide-flung boundaries. Action will be taken only if Commonwealth leaders take the initiative and refuse to be "sent empty away" as they were at the last conference when the Macmillan Government was manoeuvring to reduce the U.K. to the status of one unit in an all-white, all western industrial colossus which, in ecclesiastical terms, would then have become, along with other members of the E.F.T.A., a paradise for big industries, purgatory for small industries, and hell for primary producers, especially outside Europe.

Instead of being attacked for vetoing that defeatist programme, General de Gaulle merited the Order of the British Empire for giving the Commonwealth another opportunity, under more enlightened and dynamic leadership, to achieve its full economic and political "potential"!

Hopes Deferred

The international trade conferences, held in Geneva, reflected, at best, hopes deferred. The Commonwealth Conference, under the co-operative leadership of India and Pakistan as its two largest units, could be made fully harmonious and productive in terms of both immediate constructive co-operation and of long-term objectives. A down-to-earth programme has become equally essential to large and small Commonwealth countries—to those who have been applying development plans for ten years or more, and equally to those who have only just acquired political autonomy. In pursuing such a programme, U.K. and Commonwealth interests are identical and inseparable.

The U.K. Government and the National Economic Development Council are both worried because exports lag. In India and Pakistan agricultural production lags. And only farm mechanisation will supply the stimulus to crop yields needed to reach full productivity, and, ultimately, to replace deficits in both food and cash crops by adequate surpluses alike for domestic and export needs.

In preceding articles, this author has adduced arguments for the mass-production of peasant tractors both in India and Pakistan with the minimum delay. At present, apparently, car production in India has been given a higher priority. At best, tractors' manufacture will take years to materialise. Meanwhile, in the U.K., Government-built factories in Scotland, north-east England, and northern Ireland await tenants; investment allowances are the world's highest; the machine tool industry has spare capacity: and, according to the Agricultural Engineering Association, exports of tractors are beginning to sag (and probably have passed their peak). To the writer, the availability in the U.K. of latent industrial capacity and the concurrent need in all the new Commonwealth States for agricultural mechanisation, presents an opportunity for an economic marriage which the Commonwealth Prime Ministers should promote both collectively and individually.

As the inward-looking capital investment programme of the U.K. Government cannot be reversed, the constructive alternative would be to supplement the present niggardly allocation of loans and grants by mass-produced peasant tractors available to all developing Commonwealth States as the most productive and speedily available form of "economic aid" it would be possible to devise. Under India's third plan, as announced in Parliament on 4th May, the leading contributors in order of priority have been the U.S.A., Russia, the World Bank and its associates, Germany, and the U.K.

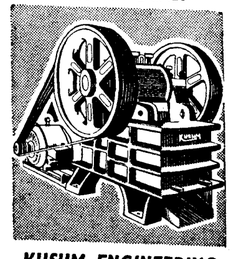
That low priority reinforces the suggestion that the shortfall in U.K. financial assistance should be offset by a form of agricultural subsidy to the developing Commonwealth States which, in the long run, would enable them to *buy* U.K. factory products by easing, or eliminating, the strain imposed on their scarce foreign exchange resources by current food deficiencies. When, later on, India and Pakistan become mass-producers, the projected U.K. industry would still find plenty of scope in non-Commonwealth countries around the globe where peasant farming predominates and may be expected to do so indefinitely.

Formidable Menace

Certainly, little optimism survives among the Commonwealth delegates to the international trade conferences. Nor are the conflicting and obstructive policies of the developed nations the sole reason for pessimism. A more formidable menace is the increasing application of automation techniques in industry and agriculture alike. If, for example, textile manufacture in the U.K. is "automated" to any appreciable extent, will eastern textiles still retain their present relative cheapness, or will their advantage in that matter quickly fade into history? The Labour leader, who may soon be Labour Prime Minister, declared recently that the U.K. balance of trade would become more favourable by manufacturing in domestic factories the £1,000 million worth of manufactures now imported. Already more man-made fibres are being used by U.K. manufacturers than natural fibres and the rapid movement into textiles of firms of the calibre of I.C.I. and Courtaulds foreshadows the shape of things to come. The second Industrial Revolution, as automation is described, by revolutionising manufacturing processes must also, sooner or later, disrupt many traditional concepts relating to international trade.

Meanwhile, mechanisation of crop production in all the new Commonwealth States, based on co-operative cultivation, should be the principal economic target of the Commonwealth Conference assembling only a few weeks hence. In this sphere, if in few others, Commonwealth interests are completely identical, the down-to-earth programme adumbrated in this and preceding articles should command unanimous support.

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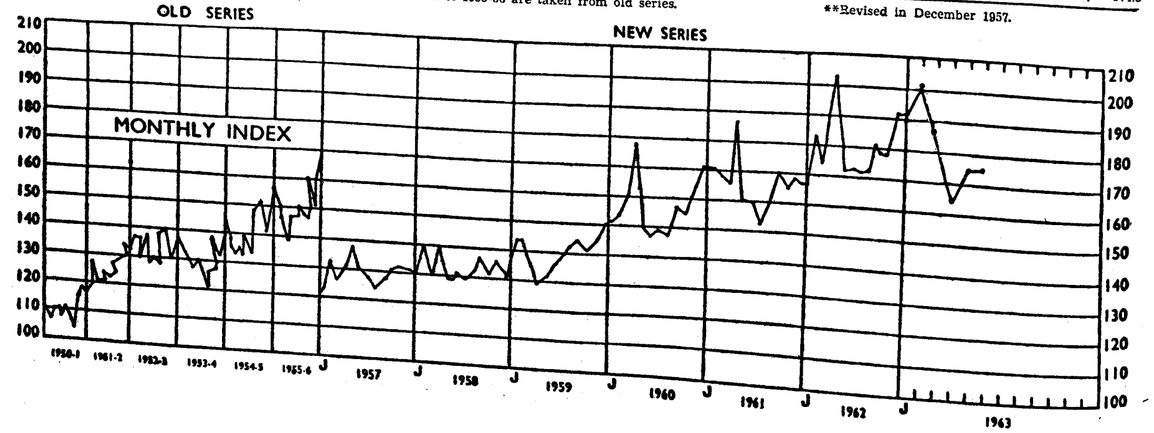
"CAPITAL" INDEX OF INDIAN INDUSTRIAL ACTIVITY **

The *Capital* Index of Indian Industrial Activity (Base: 1953) has now been brought up to May 1963. Compared with the preceding month, there were rises in tea 48.48 points, yarn 4.24 points, cloth 2.58 points, coal 0.74 points, finished steel 2.82 points, paper 9.83 points, motor-cars 53.19 points, bicycles 42.73 points and electricity 0.35 points, while decreases occurred in sugar 86.24 points, jute 0.69 points, cement 0.44 points, pig iron 3.04 points and tyres 15.44 points.

Combining all the factors, the *Capital* Index of Indian Industrial Activity rose by 0.2 points during May 1963.

				Cotton Textiles				Iron & Steel									
	Sugar	Tea	Jute	Yarn	Cloth	Cement	Coal	Pig Iron Ferro Alloys	Finished Steel	Paper & Board	Tyres	Motor-cars	Bicycles	Electricity	Railways net tonne-kilometres	General Index	General Index Adjusted for
Weights	4.63	4.9[illegible]	5.11	4.75	19.3[illegible]	1.54	6.01	1.91	3.81	1.27	2.15	1.45	0.4[illegible]	2.11	34.48		
1950-51																110.8*	
1951-52																125.7*	
1952-53																132.4*	
1953-54																130.4*	
1954-55																141.3*	
1955-56																151.2*	
New Series																	
1954	78.07	105 91	106.77	103.72	102.45	116.35	102.58	104.32	121.45	110.[illegible]	112.1[illegible]	103.9	140.9	112.2[illegible]	108.74	105.8	
1955	123.51	109.8[illegible]	118.2[illegible]	108.35	104.41	118.[illegible]	106.5[illegible]	106.82	123.35	132.[illegible]	122.74	165.5	185.9	115.9[illegible]	123.4[illegible]	116.9	
1956	143.7[illegible]	109.8[illegible]	125.8[illegible]	111.0[illegible]	108.7[illegible]	130.3[illegible]	110.01	110.2[illegible]	130.71	138.[illegible]	138.4[illegible]	231.[illegible]	251.[illegible]	145.0[illegible]	124.4[illegible]	122.5	
1957	160.15	109.45	118.54	118.23	108.99	148.31	121.47	107.63	131.47	150.41	149.73	229.35	302.5[illegible]	163.48	143.16	132.1	
1958	154.54	115.78	122.21	111.9[illegible]	100.99	161.78	126.4[illegible]	118.2[illegible]	126.9[illegible]	181.1[illegible]	171.6[illegible]	190.73	343.6[illegible]	184.7[illegible]	151.9[illegible]	134.6	
1959	165.35	116 32	113.90	114.4[illegible]	101.96	181.71	131.21	172 35	168.68	210.4[illegible]	200.15	260.92	373.65	219.24	153.72	141.8	
1960	198.49	113.74	124.79	115.39	103.48	204.96	145 64	227.44	213.24	249.20	225.76	371.18	400.38	247.30	173.10	158.42	
1961	230.68	125.51	111.68	128.32	104.85	217.74	156.44	280.05	279.68	262.78	238.89	386.22	397.70	287.78	173.69	166.16	
1962	215.80	124.12	135.91	125.92	102.28	226.77	171.71	321.85	365.48	276.65	256.27	415.32	422.55	323.10	193.17	181.17	
1960																	
February	440.05	17.75	120.72	110 66	99.16	187.65	143.82	228.24	190.00	240.90	204.70	357.33	397.27	226.71	176.75	162.08	159.9
March	412.55	21.30	127.90	111.46	100.92	220.44	146.10	245.54	207.38	255.72	223.45	397.16	465.90	239.80	243.69	188.44	175.7
April	246.56	78.11	127.62	109.06	100.36	201.14	146.74	228.38	199.41	258.78	231.00	325.43	438.64	239.16	242.75	146.69	150.5
May	71.10	82.05	128.59	110.58	100.96	211.30	145.70	212.50	196.71	249.49	237.83	328.36	348.64	251.19	157.99	143.81	148.0
June	2.70	156.91	125.14	113.85	103.51	200.73	138.63	201.89	189.57	239.01	222.65	375.52	323.64	249.82	154.88	142.78	148 0
July	4.93	162.33	121.96	117.99	106.16	193.84	135.86	191.08	208.58	244.67	238.54	370.09	378.64	246.33	161.79	146.89	167.5
August	14.96	208.57	132.04	119.67	106.95	196.34	140.74	234.53	211.49	247.49	254.80	400.60	409.09	254.25	167.43	155.07	147.7
September	15.06	208.09	125.41	116.40	104.46	185.87	141.01	234.66	223.79	238.84	207.82	360.43	350.00	247.24	170.86	153.17	157.5
October	36 24	223.21	118.84	113.21	100.50	218.84	145.26	256.01	220.16	256.59	186.14	359.22	385.45	257.52	173.93	155.56	156.9
November	222 12	138.51	120.58	119 34	105.11	204.28	155.27	262.50	245.02	248.18	252.57	416.46	479.09	247.60	177.28	166.45	161 3
December	452.51	47.70	127.21	127.48	110.38	232.83	170.71	271.01	260.73	261.12	249.29	437.32	459.55	273.04	177.28	178.38	169.0
1961																	
January	503.06	19.70	120.99	123.65	107.42	222.44	171.98	282.30	279.84	262.12	230.02	435.69	410.45	268 39	172.56	175.88	170.9
February	466.36	22.62	108.56	116.08	100.46	211.97	174.02	261.28	260 61	259.62	235.79	444.22	428.64	253.49	176.75	169.68	167.5
March	469.80	25.91	122.79	120.70	103.75	225.02	184.93	286.48	308.56	270.86	249.64	469.40	440.45	285.60	243.69	201.85	189.2
April	387.45	66 23	111.19	120.11	103.55	217.62	151.99	274.12	251.23	253.52	232.95	404.74	383.05	281.77	143.75	156.31	160.1
May	196.58	101.54	109.94	121.31	105.84	225.02	153.97	278.51	245.13	264.46	213.41	406.91	406.18	292.02	157.99	156.70	160.9
June	40.96	164 71	92.95	127.45	107.21	203.65	140.00	267.70	264.71	247.65	247.16	385 78	383.73	289.66	154.88	150.23	155.4
July	7.71	202 98	88.95	132.20	109.53	198.95	139.27	280.61	271.04	260.36	264 74	347.16	393.77	292.76	161.79	153.93	154.7
August	135.69	239.17	106.15	131.96	108.52	215.05	146.27	284.26	286 64	262.91	260.21	396.98	317.00	297.18	167.43	166.68	169.1
September	15.89	237.43	105.11	130.01	104.44	214.03	153 73	271.28	290.04	258.80	264.30	356.98	385.14	292.97	170.86	161.02	164.7
October	42.94	232.49	107.32	130.40	104.74	214.63	143.45	292.23	298.59	277.48	168.65	316.72	356.68	293.10	178.22	162.19	167.8
November	110.78	149.16	129.42	126.70	100.23	230.86	154.17	279.86	297.54	260.43	247.16	279.22	434.45	294.64	174.46	163.08	167.5
December	389.78	44.28	134.81	135.22	107.51	233.62	163.51	301.82	302.22	275.18	252.66	390.95	432.95	311.76	181.85	176.41	167.0
1962																	
January	506.50	20.20	133.56	132.46	107.36	220.60	166.65	297.56	335.40	275.17	248.04	446.12	406.50	316.67	192.28	188.30	182.4
February	471.18	18.85	125.41	120.18	97.50	210.25	162.16	270.06	320.98	251.70	232.88	434.31	444.81	297.64	180.05	176.15	174.0
March	472.30	30.40	133.01	127.31	102.60	239.90	173.75	319.66	380.89	279.32	249.37	494.91	439.59	318.63	268.17	215.87	203.2
April	327.88	73.88	131.90	123.25	101.71	225.84	167.29	296.89	318.64	270.71	245.91	346.98	435.40	319.51	160.44	170.28	174.1
May	148.04	117.32	135.50	126.49	104.01	232.19	171.64	321.95	371.16	276.47	239.60	410.34	471.09	324.22	174.95	171.65	175.9
June	37.64	164.35	135.09	123.93	103.02	196.38	161.87	298.85	365.76	259.38	271.75	427.84	447.18	316.17	172.25	166.00	171.2
July	4.55	193.54	142.96	126.39	106.20	210.35	162.60	319.73	396.71	280.53	271.75	396.55	452.27	328.10	179.32	171.89	172.7
August	4.55	237.66	145.17	129.22	106.14	221.21	165.95	336.48	369.40	267.31	271.75	395.60	364.22	344.92	195.22	179.53	181.9
September	8.27	221.98	138.81	124.24	100.39	213.81	170.87	336.48	369.40	277.34	263.40	401.47	357.73	326.52	188.01	174.25	178.0
October	28.35	221.53	125.55	117.96	94.43	229.50	168.46	336.48	369.40	264.21	206.24	390.86	418.64	319.34	190.94	171.93	177.6
November	160.22	142.70	140.06	129.74	102.57	246.44	194.17	336.48	369.40	300.60	291.48	425.78	348.18	319.34	205.76	187.21	191.6
December	420.17	47.08	143.92	129.87	101.42	275.80	195.21	391.62	418.64	317.07	292.04	413.10	485.00	346.13	210.66	200.95	191.6
1963																	
January	530.39	24.92	142.40	129.54	100.84	258.25	195.65	391.21	413.01	305.25	308.98	378.79	409.09	338.28	220.82	206.95	201.1
February	441.73	15.71	130.39	118.57	90.73	236.70	188.92	363.31	393.20	294.01	292.39	338.36	419.09	349.32	217.32	189.12	186.9
March	283.09	25.94	144.34	126.77	99.20	264.10	184.31	398.72	463.89	323 74	296.67	397.50	426.82	357.81	180.81	177.64	164.9
April	91.63	68.55	145.58	126.89	98.46	256.98	190.69	392.57	393.08	308.43	290.71	311.81	435.45	370.63	191.36	170.81	174.6
May	5.39	117.03	144.89	131.13	101.04	256.54	191.43	389.53	395.90	318.26	275.27	365.00	478.18	370.98	191.36	170.60	174.8

General Index figures from 1950-51 to 1955-56 are taken from old series. **Revised in December 1957.



PROVIDING FOR DEPRECIATION OF FIXED ASSETS

By R. M. Mitra

The usual methods of writing depreciation—straight-line or written-down value—are now found wanting on account of steady price increases and rapid technological changes. The cost of an asset is usually much higher at the time of replacement than what it was originally, and industrialists find it difficult to provide adequately for depreciation because of existing income tax rules. In the author's view, a way out may be found by taking to insurance as a source of finance.

THE question of depreciation of fixed assets as an element of production costs has acquired a new dimension. The traditional methods of computing depreciation and providing funds for replacement of worn-out assets, are being rendered ineffective by rapid technological developments and spiralling price increases. The report of the Bonus Commission published in January 1964, has served to bring into focus the ideas revolving round this growing problem. The National Council of Applied Economic Research in a report submitted to the Central Ministry of Labour and Employment in September 1960 had discussed the issue in concrete terms before the Bonus Commission.

Cost accountants and fiscal authorities agree that the use of fixed assets forms part of the cost of production, and that this cost should be spread over the estimated period of the effective life of each separate asset. The differences of opinion that generally arise among accountants, industrialists and fiscal authorities, relate mainly to (i) the question whether an asset gets fully exhausted at the end of its effective life or yields a scrap value and (ii) the question whether the charge of depreciation should be at a uniform rate over the whole period of the effective life or rationally adjusted in accordance with scales of earning or usefulness. (The straight-line method is based on an application of a uniform rate while the declining balance method (also known as "written down value" method) is based on an allowance for the diminishing usefulness of assets).

The changing economic factors and continuous technological progress have, however, unfolded two new aspects of the problem. The method of calculating the effective life of an asset and the basis of real cost of an asset, represent these new facets. It had hitherto been conceded that the capacity for production at a minimum level would set the limit of life of a fixed asset and that the original or actual cost of acquisition would be the basis of allowance for depreciation. The rates of depreciation prescribed by the income tax rules were generally accepted as fair assessment of the effective life of different assets mentioned in the appropriate part of the Rules. And the "written down value" method provided in the Income Tax Act, was regarded as a reasonable solution of the questions of "scrap" or "residual" value and proportionateness of the charge of depreciation.

Disturbing Developments

The general acquiescence in these methods has been disturbed by new developments. Postwar experience has shown that machines in their original condition are, more often than not, not available, partly because of changes in design and partly because of improvements in technique. Moreover, the original or actual cost has ceased to have any practical relation to the monetary requirements of replacement (even in original form) in an economy where price rises have become endemic.

Again, it has become economically unsound to calculate the effective or useful life of a machine merely on the basis of its capacity for physical performance. It is the cost of the product of a machine as compared with the price of the product which determines the usefulness of the machine. When improved machines go into production, the consequently reduced cost of their output influences prices downwards; and a point is reached where the cost of interest on the amount represented by the written down value of an old type of machine may exceed the difference between the price of the output and the cost of other inputs. As far as the industrialist is concerned, the economic life of the machine comes to an end at this stage.

The N.C.A.E.R. report has taken these factors into consideration and suggested that the appropriate departments of the Government should organise the compilation of index numbers of the prices of different classes of capital goods and that depreciation should be allowed to be charged each year on the basis of adjusted price levels. It has also been suggested that a proper application of this rule of depreciation will be ensured by the adoption of the straight-line method. Although the report lays particular emphasis on the necessity of calculation of the effective life of a machine on the basis of a realistic assessment of its economic usefulness, it fails to throw much light on the problem of an acceptable method of such calculation except to say that the "assessment of the working life of an asset has necessarily to be left to intelligent guess work" and that "we have to depend in this matter on the judgment of expert engineers with experience and foresight".

Mathematics of Formula

The mathematics of a formula designed to provide for replacement fund, involves several variables, namely, (i) the period of the economic life of the asset, (ii) availability of the asset in its original form, (iii) price of the asset in the original or a comparable form at the time replacement becomes due and (iv) rates of interest obtaining over the period of the economic life of the asset.

It has been observed that a technical precision is not attainable in the first two variables. As for the price factor, the method of annual adjustment may be reasonably accurate if annual price indices are constructed under the advice and guidance of economists and engineers. It is common knowledge that actual calculation of a future fund or asset postulates a probable rate of interest entering into the growth of the fund. As interest rates have been showing increasingly uncertain trends, fluctuations of interest rates would also appear to require to be adjusted annually in the acturial assumptions. (But as stated below, both the N.C.A.E.R. and the institutes of accountants seem prepared to ignore the element of interest).

The absence of arithmetical accuracy in the economic life of an asset, the difficulty of a correct forecast of the impact of changes in design of technical improvements on the form of the asset at the time of replacement and the changes in prices and rates of interest, need not, however, outwit the industrialist or the accountant. "Notional" rates have acquired respectability and become a normal mathematical magnitude.

Notional Rates of Depreciation

But even if the formulation of "notional" rates of depreciation and a provision for their annual adjustment can be found on a satisfactory and workable basis, the vexed question remains as to whether the whole amount of such annual depreciation should be deducted from "gross profit" in order to arrive at "net profit" or whether a part of the amount representing provisions for fluctuations in prices and interest rates and for changes in design or technical improvements (as distinguished from technological advances), should not be met by appropriation of "net profit" or from external resources as in the case of modernisation or expansion.

Both the Institute of British Chartered Accountants and the American Institute of Accountants hold that "gross profit" should bear only that part of the charge of depreciation which provides for replenishment of the "original cost", while the N.C.A.E.R. has expressed the view that the additional charge relating to price rises "is as much a part of a cost as the accountant's depreciation is". It would appear that the accountant's argument is that in calculating "net profit" the basis of "charge" should be the original cost of fixed assets as in the case of current assets, and that changes in prices may reasonably be allowed to be set off against changes in interest rates. The view of the N.C.A.E.R. would seem to be that price rises have been running out of step with rises in interest rates. It might also be argued by the N.C.A.E.R. that the cost of replacement will contain an element which is not related to the price index, but is the result of the non-availability of the asset in its original form occasioned by design changes or technical adjustments: this element of higher price could be allowed to be equated with increases in interest rates.

It remains to be seen whether a consensus can be evolved on how depreciation rates should be calculated and what part of it should be a charge on "gross profits" for the purpose of income tax assessment or what part of it should be a "prior charge" for the purpose of determining the amount available for staff bonus.

Although the N.C.A.E.R. has pleaded in favour of allowing depreciation on the basis of adjusted price levels, both as a "cost" for income tax purposes and as a "charge" prior to labour claims, it is not unlikely that the statutory provision of "development rebate" will be used by the opponents to argue that provisions for depreciation relating to the rising cost of replacement has already been anticipated and suitably made in Sections 33 and 34 of the Income Tax Act.

Meanwhile, it may be worth while to realise that, even a generally accepted solution to the above questions will leave unanswered the question as to how the annual provisions (whether from gross profits or net profits) should be maintained in a form readily available for use when the need for actual replacement arises. If it is agreed that the entire cost of replacement of the asset in its original or comparable form should be financed by internal resources (whether tax-free or tax-paid) and that external resources should not be depended upon except for modernisation or expansion, it will not be enough to make provisions in accounts and to allow them to be merged in the general resources employed in business. It may yet be necessary to develop a practicable and efficient method to get the fund readily available when the occasion arises.

The creation of a sinking fund and its investment outside the business has sometimes been recommended as a suitable method for the above purpose. A system of long-term insurance policy under which the insurer will provide the replacement fund in consideration of payment of annual premiums has also been advocated. But this system of insurance as formulated differs little from the system of sinking fund except that the risk of loss on realisation of the investment is avoided.

It would seem that in a developing economy subject to the powerful influence of technological advances and changing economic patterns, the question of availability of replacement fund will fail to be effectively dealt with merely by prudent appropriations of profits and their investment outside business, particularly, in view of the growing dependence on "depreciation" as a source of working finance.

Insurance as a Source of Finance

It is, therefore, suggested that the prevailing system of insurance against fire and other risks may be adapted to the system of life insurance, so that schemes of insurance may be offered under which a long-term contract for replacement will provide for payment of the insurance value at the expiry of the period of the policy irrespective of whether any of the risks mentioned in the policy materialises, while in the event of loss or damage arising from the enumerated risks during the currency of the policy, the insurance amount will be paid at the time of such occurrence.

It is true that the system as suggested above, will call for an upward revision of premium rates. But this will not be a burden on the industrialist; on the other hand, it will combine fruitful investment with protective insurance against contingencies. The necessity for such rationalisation of insurance schemes has also arisen because of the increasing insistence by the financial institutions on insurance on the basis of replacement cost as against depreciated cost. While premium on the basis of replacement cost entails a higher charge on operational cost, no benefit accrues under the present system to the industrialist unless a loss pertaining to the insured risk occurs. A long-term contract of insurance based on suitably adjusted rates of premium may prove advantageous not only to the insurer and the insured, but to the financial institutions as well.

PROMOTING EXPORTS OF DRUGS AND PHARMACEUTICALS

By A. Gupta

India's exports of drugs and pharmaceuticals have remained stationary at about Rs. 1 crore for the past five years. It clearly shows that the country will have to change its traditional export promotion methods and also adopt strict quality control so that exports may increase.

AN export promotion council was set up in Bombay last year to promote the export of chemicals, drugs and pharmaceuticals. The drugs and pharmaceutical industry in India has made such a rapid progress that the country is expected to achieve self-sufficiency in drugs and pharmaceuticals in the near future. The present annual output of the industry is worth about Rs. 95 crores, of which the imported component is only about 10 percent to 15 percent. The third plan investment target has been placed at Rs. 40 crores, including the private sector share of Rs. 10 crores and the production schedule of Rs. 150 crores.

In addition to meeting India's domestic demands, the industry is exporting today about Rs. 1 crore worth of drugs and pharmaceuticals, thereby earning valuable foreign exchange for the country. In 1957, India exported Rs. 1.01 crores, 1958—Rs. 89 lakhs, 1959—Rs. 83 lakhs, 1960—Rs. 94 lakhs, 1961—Rs. 1.05 crores and 1962—Rs. 93 lakhs of drugs and pharmaceuticals. The panel on pharmaceuticals, drugs and fine chemicals, formed under the study group of the Board of Trade for the export of chemicals and allied products, has set up an export target of Rs. 8 crores for the industry for 1965-66.

Important Items

A few of the important items of pharmaceuticals and drugs with their export figures for 1960-61, 1961-62 and 1962-63 are given in the table on this page.

Recently, the export promotion council organised a delegation to visit the near east and east African countries to study the export possibilities of India's drugs, pharmaceutical and fine chemicals in those countries. It is a noble purpose, but to justify the expenses incurred a sincere attempt should be made to achieve the objective. This will only be possible by studying the problem thoroughly and approaching it in a planned and rational manner.

From the export figures it can be seen that India's exports of drugs and pharmaceuticals have been almost stationary at about Rs. 1 crore for the last five years. It clearly shows that the traditional export promotion methods are not bearing fruit, so the country has to change to new and rational approaches to the problem.

Keen Competition

To an industrially developed country, there is hardly any possibility of exporting the finished pharmaceutical goods. In a developing country, India's drugs and pharmaceuticals have to face keen competition from the traditional producing countries of chemicals and pharmaceuticals. Moreover, India's cost of production is generally higher because she is not yet self-sufficient in her pharmaceutical raw materials. Besides, the value of imported components along with the import duty paid on them enhances the cost. Secondly, even if the country can establish its ready-made pharmaceutical and proprietory preparations at the cost of heavy advertisements and sales promotion expenses, the market will be rather temporary because every developing country will soon be trying to become self-sufficient in its pharmaceutical requirements.

In most of the under-developed countries of the Middle East and east Africa, who have recently acquired their political independence, the problem of public health and preventive medicine is very great due to the prevalence of endemic tropical diseases and malnutrition. So one of the first items on the agenda of development programmes will be to start pharmaceutical manufacturing units in the countries concerned to supply the necessary drugs to the suffering community at competitive rates. Another important point is that capital investments in a pharmaceutical and drug processing industry is much lower than other basic industries, and sufficient results are obtained within a short space of time.

A practical approach to India's export promotion problem will be first to study the development programmes of each country and formulate a long-term policy to supply them with necessary pharmaceutical raw materials, intermediates and semi-finished products, also light capital goods wherever possible, for the implementation of the programmes. For instance, the pharmaceutical chemicals which are derived from raw materials available in India—mainly of the vegetable origin such as alakolids, glycosides and active principles extracted from natural products—will have a good export market, because not many countries are blessed with such natural resources of crude drugs as India. From the table, it can be seen that India has already got a good market for products like strychnine, brucine and *Rauwolfia Serpentina*, alkoloids, etcetera. Other products of a similar nature could also be developed.

Secondly, the semi-finished basic drugs and pharmaceutical chemicals produced by India could be exported conveniently to feed the development programmes and processing units in the developing countries on a manufacturer-to-manufacturer basis or on Government levels. For instance, penicillin, which has got a universal market will be in surplus production when all the third plan projects come into production. The total production capacity, including the new public-sector project the Rishikesh (U.P.) by the end of the third plan period, will be about 215 M.M.V., compared a demand target of about 120 M.M.V.

The Rishikesh Plant

In the case of streptomycin, with the completion of the plant in Rishikesh, the total installed capacity would be over 190 tons a year, compared with a demand target of 150 tons. Similarly, the country will have a surplus production of other important drugs like tetracycline, sulpha drugs and other anti-tubercular, drugs in the near future. Thirdly, India has got an excess production of certain other ancillary raw materials needed for the pharmaceutical industry, such as empty glass ampoules, vials, glass bottles and straw boards for packing materials which can be exported at a competitive price.

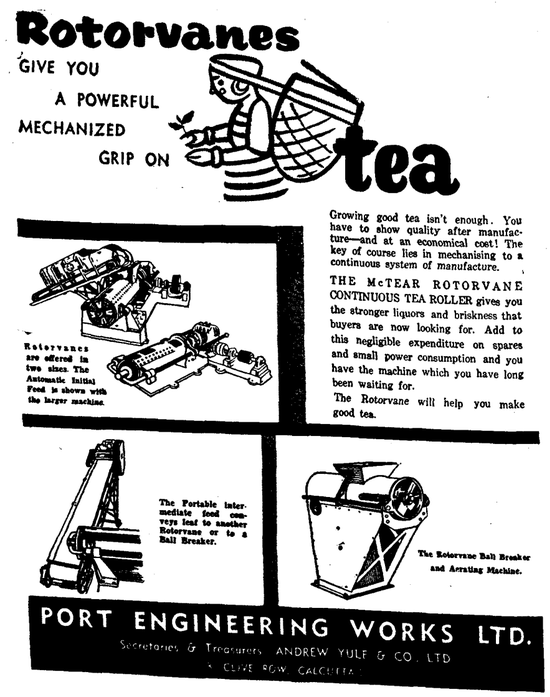
The problems of tropical and endemic diseases in these countries are similar to India's. The latter has been fortunate enough to develop preventive and prophylactic medicine quite early, compared with other tropical countries. So the sale of vaccines and seras has got a good potential market in these countries, as also the chemicals needed by public-health organisations such as D.D.T. and B.H.

From the table it can be observed that important medical stores like absorbent cotton wools, lints and bandages, etcetera, had got a potential market abroad. India is a cotton producing country with a well-developed textile industry. It will not be difficult for her to compete successfully in export markets as far as the above items are concerned.

The export promotion of drugs and pharmaceuticals is quite an uphill task, but with a planned and rational approach to the problem, India can still achieve appreciable results provided she cares to sustain the confidence of the market by sticking to strict quality control.

(In Rs. '000)

Name of product	1960-61	1961-62	1962-63
Ayurvedic and unani medicines	969.6	943.2	649.7
Absorbent cotton wool	1193.9	624.6	538.3
Adhesive gauze bandages	19.9	16.9	68.0
Bandages n.e.s.	23.7	33.5	198.4
Bacteriological products, including sera and vaccines	243.1	425.7	273.3
Botanical drugs and derivatives	987.6	646.9	710.3
Beta inone	944.7	1,179.8	1,209.4
Cold, cough and bronchial preparations	345.0	386.6	209.5
Headache, neuralgia and pain remedies	237.2	266.2	338.7
Liver extracts (liquid)	380.2	461.2	177.1
Patent and proprietary medicines	983.7	1,171.3	583.4
Rauwolfia serpentina	189.9	105.5	171.7
Strychnine and brucine salts and preparations	765.4	396.9	592.5
Tonics, blood purifiers, emulsion, etcetera	660.0	540.8	359.1
Vitamin and yeast preparations	940.7		



DUTIES AND RESPONSIBILITIES OF A PERSONNEL MANAGER

By D. K. Dutt

The Personnel Manager should be conscious of labour costs and advise management on the economic use of labour. But to top management, line managers and workers, he should be a sincere adviser without caring much for his personal popularity.

DURING the Annual Conference of the Indian Institute of Personnel Management held in Jamshedpur, a short report on which appeared in *Capital* of 12th March, 1964, reference was made to certain significant comments made by Sir Jehangir Ghandy concerning the rôle of Personnel Managers. Sir Jehangir's comment that Personnel Managers should be cost-conscious deserves special attention in these days of planning when costs need to be controlled. Nevertheless, a Personnel Manager should not aspire to exchange position with a Cost Accountant. Perhaps what Sir Jehangir meant was that during the present era when much attention is being paid to managerial problems, the Personnel Manager should not isolate himself in a shell cutting himself away from the rest of the problems of management.

With that end in view, the Personnel Manager should certainly be conscious of labour costs and advise management on optimum and economic use of labour. He should also help labour at the same time to be cost-conscious in an attempt to eliminate the possibilities of unused or less used man-hours. It cannot, however, be left to the Personnel Manager alone to determine the allocation and use of labour, without the concurrence of the line managers. The whole thing boils down to the fact that the Personnel Manager will have to work in close collaboration with the rest of the line managers in the organisation.

Guardian of Staff Morale

In the above context, it was also emphasised by one of the speakers at the conference (also referred to in *Capital* of 12th March, 1964) that a Personnel Manager should win the co-operation of line managers and the confidence of the management, acting as the guardian of staff morale. How the Personnel Manager can achieve these laudable objectives cannot be determined by the "rule of thumb", dependent as they are on individual tact, discretion and experience. Towards the early days of development of personnel management in this country, the Personnel Manager in some cases, was viewed with some awe and enigma, if not with suspicion, that he was the "nosey parker" who only interfered with others' business. These obviously did not help the Personnel Manager in getting active co-operation from line managers. In some cases, on the other hand, the line managers were put in a superior position than that of the Personnel Manager, which did not make the job of the Personnel Manager easy.

As a result, the Personnel Manager was at times forced to live in a "closed shop" much against his will. That was, however, in the early days of development of this particular branch of management. But today's Personnel Manager has come out of the "closed shop" in an attempt to meet the requirements of line managers as well as of labour. In trying to effect this compromise between conflicting requirements of line managers and that of labour, the Personnel Manager may on occasions have to do a bit of tight-rope walking, instead of playing a partisan rôle. It is, however, the final results which often establish him as a specialist.

Impartial Approach

The Personnel Manager also ensures humanitarian treatment of all employees—not necessarily of industrial labour alone. In doing so, he is again called upon to act as a specialist. His specialised knowledge in this field is again to be shared with line managers, the latter in turn sharing his experiences and difficulties. In ensuring humanitarian treatment, he may come across a colleague who may temporarily refuse to see reason. The erring colleague may even show poor judgment in assessing the feelings of labour under him. In such a case, the Personnel Manager has to help his colleague in seeing the problem in its proper perspective, instead of just sitting in judgment over his colleague. Only through this process of "trial and error" can personnel management develop, with line managers as well taking a hand in it, at which stage the latter also become part and parcel of personnel management.

Sincere Advice

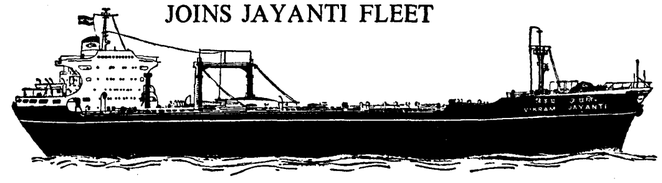
The Personnel Manager must be in a position to absorb shocks and then ensure impartial approach to problems without being guided by any personal bias. To top management, to line managers, as well as to labour, he must establish his *bona fides* as a sincere adviser, who does not care for his personal popularity. He must continue to advise people on top or below him or those who are his colleagues, even though his advice may not, for the time being, be liked by one or the other. On any occasion when his advice is not accepted by line managers, he should not make a personal issue out of it. Even when circumstances prove that he was right, he must not retort back saying, "I told you so".

The Personnel Manager's function does not finish with giving advice only, but he proves himself effective by delivering goods at the hours of crises. How he delivers goods is left entirely to him and to his personal tact and discretion, there being no set rules for the same. It is not his qualification, background or education that matter so much as his approach to the problems. He thus combines in him the elements of a seasoned administrator with a shrewd insight into the problems, and the reasonableness of a capable adviser to look beyond his time. There cannot, however, be any final word in personnel management, it still being a growing science in this country and elsewhere. No doubt every manager in his own field has also to be a bit of a Personnel Manager, and the Personnel Manager a bit of a line manager to understand each other's problems. It is only when such a happy compromise is effected that an organisation can be proud of an effective personnel management.

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Strengthening the Nation's Life Lines

JSC-20 A

WORLD CURRENCY PLANS: AN EVALUATION

International Currency Plans and Expansion of World Trade. By K. Venkatagiri Gowda. (Published by Asia Publishing House, Calicut Street, Ballard Estate, Bombay 1. Price Rs. 18, pages 216.)

Sterling and the dollar have in post-war years emerged as the two principal monetary units of the world. Apart from being the national currencies of two of the more important countries of the western world, they are used as international exchange reserves by other countries and for the settlement of balance of payments. It is the twin character, the international and national, of these currencies that has kept the world moving from crisis to crisis in the monetary field.

While the sterling was responsible for the annual crises earlier, since 1961 the dollar has also been subjected to strain due to a steady drain on the gold reserves of the U.S.A. as European banks have been offering the dollar balances they hold for conversion into gold at the U.S. pegged price. The author suggests that the revaluation of gold in terms of the dollar will stop this flight and provide the liquidity necessary for expanding world trade, but surely any revaluation now will be construed as a prelude to subsequent and repeated revaluations at convenient intervals in the future.

The author examines the various plans for international currency management put forward by a formidable array of professional, theoretical and practical economists like Keynes, Triffin, Bernstein, Jacobsson, Stamp, Roosa and Maudling. For good measure, he also raises a discussion on the practicability of a return to the gold standard. While one cannot but admire the author for tackling such a difficult subject, one is soon exhausted wallowing in the mass of information and the bewildering number of names and plans.

Keynes suggested the creation of an International Clearing Union having a monetary unit, Bancor, into which the foreign exchange earnings of the credit countries would be converted and then lent to debit countries. This plan was not accepted and the International Monetary Fund was brought into being to make short-term lendings to member-countries in temporary disequilibria in their balance of payments. The approach of the I.M.F. was conditioned by the strength of the only two widely accepted monetary units in the world—sterling and the dollar—and has been conveniently labelled as the key-currency approach.

Events in the past few years are beginning to cast doubts on the adequacy of sterling and the dollar as international reserves, and point to the need for the creation of adequate reserves for international trade without key-currencies which are subject to speculative flights and national economic policies. The Triffin plan has as its central theme the need to increase international liquidity by "internationalising" foreign exchange reserves now held in the form of dollars and sterling. Triffin, however, opposes the raising of the price of gold which will certainly slow down the present speculative flight of gold from the U.S.A. and provide ample liquidity for expansion of world trade. While the Triffin plan aims at easing the burdens shouldered by the key-currencies, the other plans formulated by Bernstein. Stamp, Jacobsson and Roosa preserve the key-currency approach and aim at providing a cushion against any massive shift.

The author has waded bravely into the various plans and attempts to evaluate them critically. In the last few pages of the book, he concludes that the proposals formulated by Maudling, the U.K. Chancellor of the Exchequer, are a logical extension of the Roosa plan and intended to multilateralise international payments through a mutual currency account designed to stop the drain on gold reserves and safeguard the two reserve currencies from sudden strain.

All these plans underline the need for more effective international monetary control and insulation of key national currencies from sudden international swings, as long as they function as reserve currencies. Recent events have clearly shown that the I.M.F. may not be able to deal with pronounced international swings satisfactorily and Britain has resorted to arrangements direct with the U.S.A. to strength their currencies mutually.

A supra-national agency is needed, but can it enforce views on national governments who have to, at periodic intervals, face electorates who may not be willing to forgive restraints on wages and purchasing power in the interests of international monetary stability?

CEYLONESE PLANTATIONS

Ceylon, 1889-1958. By N. Ramachandran. (Published by the Central Bank of Ceylon, P.O. Box 590, Colombo. Price Rs. (C) 12.50, pages 200.)

The book presents a masterly survey of sterling tea and rubber companies in Ceylon since the last century. It was first written as a doctoral thesis which was accepted by London University. Taking into account the financial experiences of selected companies, the author discusses in detail the effects of double taxation on the expansion of sterling companies, the consequences of international restriction schemes and the process of capital investment and disinvestment since 1939.

In course of his research, the author has brought out a startling fact that due to faulty accounting practice or window dressing, many rubber and tea companies did not adequately provide for depreciation of assets. This practice exaggerated the profitability of these companies. In many cases, dividends have indeed been paid out of capital, particularly in the case of rubber companies which were confronted by restriction schemes during the 'thirties.

The author has only touched the issue of nationalisation of foreign plantations which was examined by such visiting economists as Professor Nicholas Kaldor and Mrs. Joan Robinson. This has been discouraged in view of the high cost of compensation to be paid and the consequent loss of foreign exchange.

Dr. Ramachandran's contention is that the sterling companies in general are high-cost producers due to the system under which they operate. Their aim is the maximisation of output rather than the maximisation of profit which is the motive of indigenous producers. This fact is often overlooked, so many arrive at incorrect conclusions on the working of Ceylonese estates *vis-à-vis* sterling estates.

It would, therefore, follow that sterling companies on the whole cannot earn adequate profits. Their shareholders would have obtained a better return on their investments had the sterling estates been sold and they were paid in cash to enable them to invest in gilt-edged or other sterling securities. There are, however, few Ceylonese concerns who can possibly afford to pay the high price for acquiring foreign estates.

This is a valuable study which should appeal to the Indian investors since they face similar problems in this country.

ECONOMIC SURVEY OF BOMBAY

An Indian Metropolis. (Compiled and published by Bombay University. Price Rs. 36.50, pages 863.)

Bombay University has made a determined attempt to remove a major obstacle for research work, namely, the lack of statistical data, which confronts a student belonging to the faculty of economic and social science. On the basis of census reports from 1872 and the survey conducted during 1954-57 of just over 13,000 tenements, the publication brings out an enormous volume of facts and figures on the socio-economic life in Bombay city. The comparison of sex-ratio, age groups, religious groups, composition of migrants, functional classification of workers are some of the topics covered by the survey. It is interesting to note that the proportion of female workers is steadily declining; it was 24.2 percent in 1911 but 11.3 percent in 1951. As one would expect, employment in commerce appreciably increased—a 57-percent rise over the last census figure, and the importance of processing and manufacturing as a source of employment continues to increase both in relative and absolute terms. Domestic servants are fewer whereas workers employed in hotel services have doubled within a decade. One of the new features of migration to the city is that the number of people coming from U.P. and Kerala have increased considerably.

The process of urban expansion may have the initial impulse from an increase in export base activities but the "multiplier" effect of induced expansion is quickly reflected as local business units draw the fillip from a rise in consumer demand.

The survey will no doubt prove to be of considerable importance to students and research workers. The massive facts and the trends indicated will also help social planners and administrators to counteract evil tendencies which result from unplanned and haphazard growth of a city.

ECONOMIC PLANNING

Problems of Economic Planning in India. By O. K. Ghosh. (Published by Kitabistan. Allahabad. Price Rs. 10.50, pages 274.)

This book is written in the form of a textbook of planning in the context of India's economic development but it is primarily intended for the layman. Several new chapters have been added in the second edition to make it acceptable in a wider circle.

The first few chapters deal with the theory of planning and its political aspects and present a discourse on national income accounting. The author then proceeds to discuss planning in India. He is more descriptive than critical and appears to approve the allocation of resources in the successive five year plans. According to him, India has well established the basis for the "take off" stage.

While discussing agriculture and population, the author elaborates his idea of agro-urban township which, although not original, has not been taken seriously by many economists. He visualises the extension of multipurpose scheemes on a comprehensive scale accompanied by decentralisation of administrative machinery and suggests that the cost involved which will undoubtedly be high, should at least in part be recovered through local levies. In course of time, these agro-urban centres will serve as an outlet for the surplus population in big and congested cities and ensure diversification of industries throughout the country

SPECIAL NUMBER

Finance and Commerce, Vol. II, Part I, January 1964. (Published by M. C. Bhandari, 134/1, Mahatma Gandhi Road, Calcutta 7. Price Rs. 3, pages 98.)

This special number contains articles on board-room practices and procedures, agenda and minutes, holding of an annual general meeting, etcetera. The secretarial knowledge section is meant to be a forum for the views and opinions held by various sections of the public on the provisions of the Companies Act, 1956. There is also an employment service section. The journal will be of use to company secretaries for whom it is intended.

SUGAR ANNUAL

Indian Sugar Annual Number, 1964. Edited by J. S. Mehta. (Published by the Indian Sugar Mills Association, India Exchange, Calcutta 1. Price Rs. 3, pages 132.)

The latest annual number of *Indian Sugar* contains, as usual, some authoritative articles. It covers a wide range of subjects—from cane growing to sugar distribution. There is a topical article on the controls on the sugar industry by Mr. D. R. Narang who argues that the laws of economics are stronger than man-made laws and urges the Government to provide greater incentives to producers. There is an informative article on the economics of the sugar industry in east U.P. and Bihar by Mr. T. Kanoria.

The annual contains a section on sugar technology which includes information on important advances in this sphere in India and abroad. It also has an up-to-date statistical section with data on various aspects of the industry. The journal is well-edited and attractively presented.

BOOKS RECEIVED

Annual Company Reports. By S. K. Bhattacharyya. (Sponsored by the Department of Company Law Administration, Ministry of Commerce and Industry, Government of India, New Delhi. Price Rs. 2.40, pages 44.)

Rights, Duties and Obligations of Company Directors. By N. K. Petigara. (Published by M. R. Pai for the Forum of Free Enterprise, 235 Dr. Dadabhai Naoroji Road, Bombay 1. Pages 27.)

Air Miscellany, Vol. IV. (Published by the Director, Publications Division, Delhi 6. Price Rs. 2.50, pages 160.)

Industrial Psychology (Revised Edition). By Thomas W. Harrell. (Review copy received from Oxford Book Company, 17 Park Street, Calcutta 16. Price Rs. 9, pages 398.)

Financial Institutions: National and International. (Prepared by the Economic Adviser to the Government of Pakistan, Ministry of Finance, Rawalpindi. Pages 278.)

DEVELOPING PETRO-CHEMICALS MANUFACTURE IN INDIA

(BY A SPECIAL CORRESPONDENT)

With the development of the oil industry in India, the use of petroleum as a raw material for chemicals is being actively considered and plans have been drawn up for establishing petro-chemical complexes in suitable areas. Their foreign exchange costs being high, it is a good augury that many well-known international concerns are showing a keen interest in India's projects.

THE generic term "petro-chemicals" covers both inorganic and organic chemicals derived from petroleum raw materials which use techniques typical of the petroleum processing industry. The bulk of the petro-chemicals are, however, organic and in the present context in India, the term petro-chemicals refers to the large volume of end-products in the general categories of plastics, synthetic rubber, fibres and detergents.

The use of petroleum as a significant source of raw materials for synthetic organic chemicals started in the U.S.A. about 40 years ago and in western Europe and Japan after the second World War. Till then, the so-called "traditional" sources, namely, coal-based chemicals, calcium carbide and fermentation products were the providers of raw material for the organic chemical industry. Western Europe, particularly Germany, has had a long history of the organic chemicals industry based on coke-oven by-products and calcium carbide. The entrance of petroleum into this field, at least in the U.S.A., can be termed fortuitous, in as much as large quantities of by-products from the growing petroleum refining industry were available. A similar situation obtained in western Europe and in Japan after the second World War when the refining industry began to make much headway.

Development of Chemical Industry

The development of the chemical industry has contributed largely to the growth of other industries in these countries. Once started, their individual growth has been the result of constant feed-backs, each one deriving from and contributing to the growth of the other. The development of the chemical industry has been faster than that of other industries, and with rapid industrialisation, a situation soon arose in which the availability of "traditional" raw materials could not sustain its burgeoning growth. From this point, petroleum was looked upon more as an essential rather than as a desirable raw material source. Cracking units designed specifically to produce olefins, which are the basic building blocks of petro-chemistry, were established to supplement the available natural and refinery gases. At present, the share of petroleum-derived chemicals is about 85 percent of the total organic chemicals produced in the U.S.A. In western Europe, the percentage approaches 40. Considering that the petro-chemical industry started in western Europe about 25 years later than in the U.S.A., its growth is remarkable even by comparison with the high general growth rates in postwar years.

It must be understood, however, that production from plants based on traditional raw materials has not declined in terms of the absolute quantities produced. These plants exist in their own right in the face of competition from petroleum because of a combination of factors which make the plants based on traditional raw materials still viable. Thus the growth of the petro-chemical industry has not been at the expense of other raw materials but as a supplement.

In India, the foundation for the organised development of the chemical industry was laid during the second five year plan, but the accent on development has been, in the main, on the inorganic chemicals sector and on fertilisers. A significant development of the organic chemical industry has yet to begin.

The Final Products

The necessity and scope of organic chemicals, based on petroleum, with reference to the trends of development in western countries, are examined below. These final products which we now refer to as petro-chemicals have been considered.

Plastics: The plastic industry in general has grown up hand in hand with the development of the petro-chemical industry and its growth has been one of outstanding achievement. The U.S.A. is by far the biggest producer of plastics. In the decade 1950-60, production has trebled to an estimated figure of 2.8 million tons. Of this, about 21 percent is polythylene, 20 percent is P.V.C. and 18 percent polystyrene. Each one of these general types is more suited than the others for certain applications; polyethylene finds its chief application in films and moulded articles; P.V.C. in extruded articles such as pipes, rigid sheets for panelling and other constructions and wire coatings; polystyrene in refrigerator and electrical appliances and other domestic wares. Other types of plastics, although smaller in volume, are no less important. These include phenolic resins, urea and melamine resins, and epoxy resins.

Polypropylene is a newcomer to this field and bids fair to complete favourably with other plastics. Of interest also is polyurethane which has shown tremendous growth in the U.S.A. in recent years because of its application as a light-weight rigid and flexible foam insulation. The relative proportions of the individual types of plastics in western Europe show a similar distribution as in the U.S.A. Newer application of plastics has been the subject of constant research, and there is little doubt that further major expansion in the production and use of plastics is in the offing.

In India, the presently operating plastic plants are based on fermentation alcohol and carbide acetylene. The estimated production of ethyl alcohol by 1971 is about 75 million gallons. As will be seen later, the available quantities of ethyl alcohol for plastics manufacture can only meet a fraction of the required quantity. P.V.C. manufactured from calcium carbide is very expensive, since power costs in India are high, and high-grade limestone required for carbide manufacture is hard to obtain. India is already facing a situation when the availability of traditional raw materials has fallen short of requirements for the organic chemical industry. Various estimates of the demand for plastic during the third and fourth plan periods have been made.

One such estimate has been arrived at by taking into consideration the growth rates in west European countries and Japan. Taking the example of polyolefin resins, production in the U.K. increased from about 18,000 tons in 1954 to about 15,000 tons in 1962. Japan's production increased from about 10,000 tons a year in 1958 to 135,000 tons in 1962. Consumption in France rose from about 5,000 tons in 1956 to about 200,000 tons in 1962. A similar growth rate is seen for other plastics also. Comparing with these rates of growth, the targets set for India which seek to increase the production from 20,000 tons in 1965 to about 100,000 tons in 1971, is conservative. The recommended targets for production from petroleum sources are as follows:

	Tons
Polyethylene	80,000
Polypropylene	5,000
P.V.C resin	48,000
Polystyrene	15,000
Methacrylate resins	8,000
Polyacetals	6,000
Vinyl Acetate (non-fibre)	7,000
Polyurethane	10,000
Polyesters	3,000
Nylon	2,000

Rubber: All over the world, reliance is being increasingly placed on synthetic rubber to meet the growing requirements. It has been estimated that the total world demand by 1970 will be about 6.5 million tons, against a production of less than 2.5 million tons of natural rubber. The share of synthetic rubber in the total rubber output in the U.S.A. is around 70 percent while in western Europe it is about 40 percent. In India, against an estimated requirement of 225,000 tons of rubber by 1971, the production of natural rubber is expected to be 72,000 tons and that of reclaimed rubber 24,000 tons. Part of the deficit of 117,000 tons will be met by the S.B. type of rubber manufactured in Bareilly (based on fermentation alcohol) leaving a large gap of 90,000 tons a year to be met by establishing new synthetic rubber plants.

Important Categories

Having set the targets, the question arises as to what types of rubber should be made. The more important categories of rubber, if one excludes neoprene and nitrile rubbers which can be classified as speciality products, are S.B.R., butyl rubber, polybutadiene and polyisoprene. Each of these has a field of application where it is superior to the others. Butyl rubber in unsurpassed for the manufacture of inner tubes because of its low permeability. Polyisoprene is closest to natural rubber and can meet about all the fields of application of natural rubber, S.B.R. is the earliest general-purpose rubber of importance and the bulk of synthetic rubber made in the U.S.A. is still S.B.R., although its growth rate is less than that of other polydiene types Polybutadiene rubber shows superior abrasion resistance and is most favoured for tyre treads. The growth of polybutadiene rubber in the U.S.A. has been much higher than that of polyisoprene or any other types in the past three years.

The bulk of the rubber requirement in India is for the manufacture of giant tyres. Thus apart from a quantity of butyl rubber required for inner tubes, the major portion of synthetic rubber production in the country has to be polybutadiene and to some extent polyisoprene. A new type of rubber called E.P., which is a copolymer of ethylene and propylene, is in the development stages in Italy and America, but it is unlikely that it will prove a serious contender for tyre manufacture. The manufacture of synthetic rubbers will not only fill the gap between the total demand and availability of natural rubber, but will also help in stabilising prices.

Synthetic fibres: The introduction of synthetic fibres in the market has been the result of the need to supplement natural and reconstituted fibres and because the new synthetic fibres exhibited superior wear characteristics. The particular type of synthetic fibre favoured in a country is a matter of production costs and climatic conditions. However, nylon is by far the most important category, especially in the U.S.A.

The targets suggested for the production of natural and reconstituted fibres in India by 1971 are as follows:

	Tons
Cotton yarn	1,210,000
Rayon filament	100,000
Staple fibre	400,000
Woollen and worsted yarn	40,000

To meet the target of 23 metres of cloth a head by 1971, it is necessary to plan for the manufacture of about 88,000 tons a year of synthetic fibres. The recommended types and respective quantities are as follows:

	Tons
Tyre cord	13,000
Filament and staple	15,000
Nylon total (for fibres)	28,000
Polyester	20,000
Polyacrylonitrile	20,000
Miscellaneous	20,000

Detergents: The large-scale manufacture of synthetic detergents started in Germany during the second World War and was necessitated by the shortage of fatty acids for making soap. The shortage of raw materials for making soap and the increasing demand for detergent agents in general, required all industrialised countries to base synthetic detergents manufactured on petroleum. Presently about 80 percent of total detergents made in the U.S.A. are based on petroleum. In western Europe, the percentage is about 40. The major part of the detergents manufactured is of the alkylaryl sulphonate type. However, in view of serious foaming problems because it is not bio-degradable, this type is being supplanted by the so-called "soft" detergents of the long chain paraffinic type.

India is already importing about Rs. 40 crores worth of raw materials required for soap manufacture. A modest target to manufacture 20,000 tons of synthetic detergents a year has been recommended. To begin with, the alkylaryl sulphonate type of detergent is expected to be manufactured since the main market for it will be in the coastal towns where the sewage disposal problem will not be so acute, but long-term planning has to be based on biodegradable or the "soft" type of detergents.

While the need for developing the petro-chemical industry in India is easy to understand even on approximate estimates of demand and supply of alternate raw materials, the detailed plan for establishing manufacturing units is fraught with a number of problems of varying degrees of complexity. As with other developing countries, India is faced with the difficulty of fixing reliable target figures, obtaining process and engineering know-how and getting

the finances to build up plants; besides, there are the problems of balanced regional development.

Fixing Reliable Targets

The problem of fixing reliable targets arises from the fact that consumption figures in the past years do not in any way reflect the maximum capacity of the market to absorb the products. With import restrictions and high taxes and duties, the imported petro-chemical intermediates end up as finished products of high prices quite out of proportion to what would have been the case if these materials were available freely in the country and at competitive international prices. This is one of the reasons why plastics are still regarded in many quarters as a luxury item. Taking the example of plastics, their impact has been in the consumer sector and hardly any in the industrial sector. Plastics provide a suitable and in many cases superior substitute for a number of applications; these include the lining of bags for packing cement, fertilisers, etcetera, containers for corrosive liquids, machine parts which are normally fabricated of brass, zinc, bronze, etcetera, which are scarce in the country, construction materials such as panelling and floor to replace timber, cement, etcetera.

The projection of previous years' consumption is thus virtually valueless. Correlating possible consumption with the industrial development index, detailed end-use anlyses taking into account the possible and desirable areas of substitution, are generally used as guide lines for establishing targets; but in all cases these are to be tempered by cold commercial "horse-sense".

The readiness with which traditional materials are substituted by petroleum-derived ones will to a large extent depend on the price of the latter; how far they are lower in price will help to overcome the initial reluctance of the prospective user. The petro-chemical industry, in general, is highly capital-intensive and susceptible to the economies of scale of manufacture. For example, ethylene from a cracker producing 100,000 tons a year will cost about Rs. 520 a ton while if production were 15,000 tons a year, the cost will be as high as Rs. 925 a ton. Petro-chemical plants normally take three years to construct. In the initial period, the plants usually have to operate at a rate lower than the rated capacity to enable the market to catch up with production. A period of two to three years normally elapses before the plant can reach its designed capacity. This means that the plants will have to be at least of the size which would be obtained in competitor countries in three years from now and that even during the initial period of operation, the product prices will be competitive with traditional materials obtainable from elsewhere. Crackers producing 100,000 tons a year of ethylene are even now not uncommon in western countries.

Economies of Scale

Apart from the advantages of economies of scale, it is highly important that the petro-chemical plants are built and operated under a common "umbrella", so to speak. Significant economies can be achieved by this because of better rationalisation of utilities such as steam, power, water and sewage.

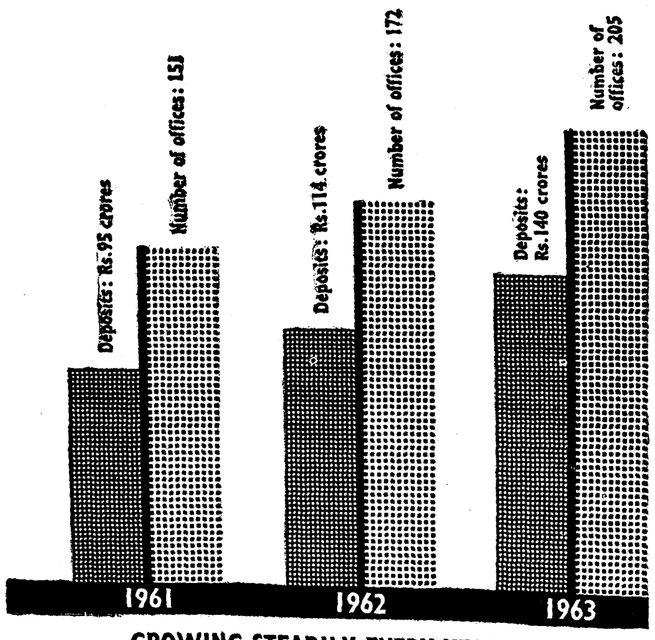
The question of phasing the construction of petro-chemical complexes also enters the picture. The establishment of a single large complex which will meet the requirement of all or most of the estimated production requirement by a future date, say, 1971, suggests itself as a desirable solution. However, the economies of scale of one large complex will be apparent only by 1969 or so, because the complex has to operate at far below its rated capacity during the first three or four years, resulting in very high production costs. It is easy to see that such a situation will have deleterious effects in discouraging prospective users to switch to petro-chemical substitutes.

Again, by having two plants of half the above size, certain advantages of the economies of scale will be lost, but the product prices in the initial stages will be comparatively low; relative time phasing of the two complexes should then be such that the products put out by both the plants show a smooth rate of increase; at no time should there be a glut of products in the market. A balance has, therefore, to be struck between these two factors in establishing the minimum economic size of a complex and relative time phasing.

The need for a dynamic sales research and customer services organisation in this context cannot be overstressed. Taking the example of synthetic rubber, many of the varieties of synthetic rubber require different processing techniques to make finished products. Apart from finding different fields of application, whether new or as substitutes, the processing know-how has to be extended to the finished goods fabricaters. This process know-how emanates from the research organisation. Constant research in the field of petro-chemicals has resulted in the discovery of new products which are superior or cheaper than the existing ones. While production envisaged for synthetic rubber, detergents and fibres can be considered as a necessity and that major plastics may be considered as bread and butter item, so to speak, dynamic research for new products will no doubt contribute to a more rapid industrial growth sector.

The cost of engineering of petro-chemical plans runs as high as 20 percent or 25 percent of the capital outlay. The country has been relying entirely on foreign assistance for this work. However, a start has been made for establishing a design and engineering company in India for petroleum, petro-chemical fertiliser and allied industries.

The plans for developing the petro-chemical complexes in the country envisage an outlay of about Rs. 295 crores and a like amount for the fabrication of finished products. The foreign currency component will be 50 percent or 60 percent of the total outlay. Finding the necessary finances, although not insurmountable, is a difficult task especially when one considers that the expenditure is to be spread over a short span of years. The response from several internationally reputed petro-chemical firms expressing interest both in extending process engineering know-how and financial assistance augurs well for the realisation of the plans.



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PAKISTAN SCRAPS MINIMUM EXPORT PRICE OF FIBRE

IN pursuance of its policy to encourage a steady export of raw jute, the Government of Pakistan has abolished the minimum export price of the fibre with immediate effect. Announcing the jute policy for 1964-65, a Government Press note says that the Pakistani Government will not hesitate to reimpose the minimum export price, if necessary. The check on export prices will continue. The quota system will be maintained and linked with the phased purchases in the internal market by shippers and jute mills. Exports of mesta will continue as at present. The new internal minimum prices of loose jute, basis the lowest or Bottom grades, will be: Rs. 20 a maund for Northern, Rs. 22 a maund for the Districts and Rs. 23 a maund for Jats. In view of the difficulty of having a precise estimate of the crop before August, the Government has decided not to fix the export quota at this stage.

It may be recalled that the Pakistani Finance Minister had announced a 50-percent cut in the export duty on raw jute, while presenting his Budget proposals three weeks ago. These inducements might have been prompted by the concern felt by the authorities over the decline in fibre exports and the prospects of a bumper crop. The total exports of fibre during the ten months ended April 1964 declined to 3.45 million bales from 3.88 million bales for the comparable period of 1962-63. Shipments to India dropped from 254,785 bales to 67,759 bales, to the U.K. from 760,686 bales to 662,288 bales and to other countries from 2.88 million bales to 2.72 million bales.

Sluggish Trend in Fibre

A sluggish trend has been persisting in the raw jute market during the past six weeks or so due to the lack of mill interest. The soft undertone has induced some nervous selling of mesta and low-grade jute around lower-than-derivative levels. Hitherto both mills and sellers have shown very little interest in the new crop, presumably because of their reluctance to extend commitments at this stage. Both the industry and the trade expect that the entire 1964-65 crop will be disposed of in a regulated manner by the Jute Commissioner by the issue of compulsory monthly purchase quotas, as in the current season.

With the completion of the latest quota of 190,000 bales for the period ended 27th June, mills have lifted 6.93 million bales and the J.B.S.A. 150,000 bales out of the 1963-64 crop, estimated around 7.5 million bales. In fact, all the usable jute and better-grade mesta have been absorbed. The balance of the season's output, totalling about 420,000 bales, comprising low-grade fibre may have to find alternative uses in rope and twine-making.

The mills have already got an adequate stock of raw jute on their own and buffer stock accounts. Another factor behind the present slackness is the dealers' anxiety to close their old crop accounts in order to prepare for business in the new crop. The latest issue of the *Jute Bulletin* issued by the Indian Central Jute Committee, thinks that the most important reason for the present subdued trend in the fibre market is the "casual whim of a group of influential operators to ignore the effects of the month-long drought on the crop in Murshidabad, Nadia, 24 Parganas, Hooghly and Howrah districts of West Bengal, falling within the predominantly Tossa belt". Although sowing in these districts was rather late, the total acreage planted was estimated around the previous year's level. But it is reported that the seeds did not germinate at all in some fields. In many others, where they did, the plants have been patchy, of a stunted growth and wilted due to dry heat. A softer trend in white jute prices during the season had discouraged the sowing of such fibre in the low-lying fields of the Daissee districts. The late rains this season with the possibility of water-logging of fields made Tossa sowing in these areas impracticable. The latest reports of heavy showers and inundation of early-sown low-lying areas in lower Assam valley and northern Bengal have also worried the trade and the industry. Although no large-scale damage to the crop has been reported so far, detailed information from the affected zones is not yet available.

Plea for Incentives to Sacking

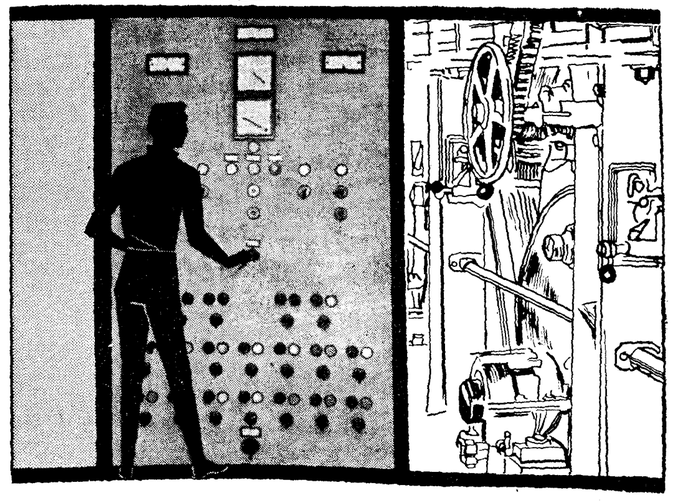
An earnest plea for granting export incentives to sacking in order to help the Indian industry to compete with Pakistan was made by Mr. R. P. Goenka last week in his presidential address to the annual meeting of the East India Jute and Hessian Exchange Ltd. He said that the industry could do nothing to meet the situation unless the Government realised the need for some form of assistance. The demand for export incentive was justified by production statistics as also by the continuing decline in heavy goods exports, he added.

Admitting that the I.J.M.A. Working Time Agreement did have an element of control and that the scrapping of the agreement was a step in the right direction, Mr. Goenka said that its sudden termination had, however, introduced avoidable bearish tendencies into the market. He would have preferred a gradual termination of the agreement. For the Exchange, the President said, the year had been relatively peaceful, with trading in hedging and T.S.D. contracts going on smoothly with narrow price fluctuations. The highest and the lowest levels touched during the year were: Rs. 58.18 and Rs. 49.12 a hundred metres in hessian, Rs. 117.20 and Rs. 107.45 a hundred bags in B Twills and Rs. 84.23 and Rs. 80.23 a quintal in Upper Assam White Bottoms. The Vigilance Committee set up by the Exchange became effective only towards the latter half of the year and produced a sobering effect on many speculative dealers. Besides the limits imposed on the daily range of fluctuations during the breakdown of a generator in the Cossipore Power House in May 1963, intermittent warnings were issued to members against unduly large outstandings in hessian and sacking. These were heeded to promptly, thus facilitating deliveries in the normal manner.

Compulsory Pre-shipment Inspection

The Export Inspection Council of India has decided to introduce compulsory pre-shipment inspection of jute goods by 1st December, 1964. The maintenance of rigorous quality control, backed by compulsory pre-shipment inspection, has been considered to be an important step for

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increasing exports. It will also check the tendency to overinvoice or underinvoice the consignments, it is stated. The Council expects to set up its own super-inspection establishments at important export centres to keep a constant watch on the activities of the inspection agencies. It has adopted a four-tier system of central and regional laboratories, technical universities and research institutes. Besides, it will also use the services of private specialised test houses and agencies for implementing quality control and pre-shipment inspection. The Council will extend liberal financial aid to these institutions. The Jute Commissioner will soon be requested to make arrangements for pre-shipment inspection of gunnies in co-operation with the industry.

Cambodian Jute Delegation

A three-man delegation of the Cambodian Jute Society visited Calcutta and New Delhi last yeek. It discussed the prospects of concluding a technical collaboration agreement with a leading gunny manufacturer in Calcutta. It intends to set up a jute mill in Cambodia with Indian technical know-how. During their stay in the city, the members visited a number of jute mills in the suburbs. They also evinced keen interest in new lines of production, including poly-vinyl or plastic-coated fabrics, carpet-backing cloth and jute draperies.

Joneja Delegation Returns

Three members of the five-man Indian Jute Delegation to western Europe and North America returned to Calcutta during the week-end. Besides participating in the European Jute Congress in Paris, the team visited London, Brussels, the U.S.A. and Canada to explore possibilities of stimulating gunny exports. The delegation was led by Mr. G. C. L. Joneja, Jute Commissioner.

THE JUTE MARKETS

Manufactured Goods: Divergent trends prevailed in the Calcutta gunny market during the past week. Heavy goods hardened on reports of Indian Government tenders for about 15,000 bales of B Twills for July-August delivery. The firm trend in sacking and reports of scattered business of a routine nature with the U.S.A. and Argentina could not help hessian, which eased somewhat at the close after minor fluctuations. Earlier in the week, mills emerged as sellers for all positions and booked handsome business in heavy goods and odd constructions at higher prices. Later, they became cautious when top gains were partially trimmed on profit-taking in the hedge market. Shorts and shippers had to cover their open positions in haste at a premium. Conditions in the Calcutta port deteriorated further due to the tidal bore in the Hooghly. There was a congestion of vessels in the dock area and quite a large number of incoming ships were waiting at Sandheads. Gunny shipments were to some extent affected by the shortage of lighters. Overseas interest in immediate space for jute cargo was rather thin. In the hedge market, the trend was governed by the spot market. With the firming up of spot sacking prices, bears rushed to cover their open positions in panic, pushing up the price. Bulls indulged in precautionary liquidation at the bulges. But all offers were absorbed after wide fluctuations. Hessian ruled quiet, fluctuating between narrow limits and closing with a nominal loss, on balance. Turnover was heavy in sacking and odd constructions, and moderate in hessian. The closing undertone was firm in the former and easy in the latter.

Wednesday's quotations were as follows:

	Ready	July	July-Sept.	Oct.-Dec.
40in. 7½oz.	33.65	33.70	33.75	33.85
40in. 8oz.	36.25	—	—	—
40in. 10oz.	44.40	44.60	44.85	45.25
B Twills	115.75	116.05	115.65	115.75
Cornsacks	117.00	117.50	118.00	117.75
Heavy Cees (Plain)	117.00	116.35	115.85	115.65
A Twills	136.25	137 25	138.25	139 30
Liverpools	129.00	129.00	129.00	129.00

Raw Jute: Steady conditions prevailed in the raw jute market during the past week. The selling pressure among holders of lower grade jute and mesta subsided appreciably with the lifting of sizable lots by mills against their quota for the period ended 27th June. Later on, holders became cautious on reports of heavy showers and inundation of some early-sown low-lying areas. Reports of drought damage to the crop on the predominantly Tossa belt of West Bengal also induced caution. Besides, both the mills and the fibre traders were awaiting the issue of the compulsory purchase quota for July. So, turnover declined considerably and prices hardened somewhat in the spot market. Small lots of the new crop were also transacted at levels slightly higher than the operational minima. In the hedge market, Upper Assam White Bottoms for September hardened further on brisk buying. Opening on an optimistic note on renewed support, the price fluctuated between wide limits on alternate bouts of realising and bear-covering. All offers were well absorbed and the market closed with a moderate gain. Turnover was fair and the undertone steady at the close.

Wednesday's quotations were as follows:

	Landed at Mills (Basis Bottoms) 1963-64 Crop		1964-65 Crop	
	Rs. A Qtl.	Rs. A Md.	Rs. A Qtl.	Rs. A Md.
Assam-Agartala Jute	81.72	30.50	84.39	31.50
Northern Jute	80.38	30.00	83.05	31.00
Western Desal Jute	75.02	28.00	77.70	29.00
Selected Daissee	88.41	33.00	88.41	33.00
Assam-Agartala Tossa	84.39	31.50	85.74	32.00
Mesta :				
Assam-Northern	68.32	25.50	73.68	27.50
Local Daissee	69.66	26.00	73.68	27.50
Bihar Dist.	66.98	25.00	68.32	25.50

THE U. K. JUTE MARKETS

LIMITED OFFERINGS OF FIBRE

(FROM OUR DUNDEE CORRESPONDENT)

IT was announced by Pakistan that the export duty on raw jute was reduced by £4-4 a ton on 13th June, but since then, the position in Dundee has been very obscure. However, the latest statement from that country says that no rebate can be given on export duty on contracts placed before 13th June, but not shipped by that date. The attitude adopted by Pakistan is that these contracts were placed at minimum export rates, therefore, it is impossible for a rebate to be granted. On the other hand, all jute is bought by Dundee spinners on a contract which states that any alteration in export duty will be on buyer's account. In the past when export duties were raised, the spinners had to pay the extra amount.

No doubt further discussions will take place on the above subject, but it is now quite obvious that no benefit will be given to buyers on contracts placed after 13th June. In other words, the export duty on raw jute was reduced by £4 4s a ton, but the actual price was raised by a similar amount.

With so much uncertainty at present it is not surprising that most sellers have withdrawn from the market for the time being. Only a few offers were made last week with Mill Lightnings at £108 10s, Mill Hearts at £95 and Grade Hearts at £83, c.i.f. U.K., for June-July shipment. Grade Tossa-2/3 was named at £119 10s and Grade Tossa-4 at £105 10s. Outport Tossa-2/3 was at £93 15s and Outport Tossa-4 at £83 10s, June-July. Cuttings are at £58 10s for S.N.C. and at £52 for N.C.

Offers of new crop were scarce, and most sellers were asking current E.P.C. levels which are of no interest to spinners. No statement has been made about official Pakistani prices for next season, and until these are known, little or no business will take place in the fibre. The Siam jute market was quiet with new crop prices at £75 for super A, at £69 15s for grade A, at £65 15s for grade B and at £61 for grade C, delivered mill Dundee for October-November shipment.

The Calcutta goods market was quiet and only a small business interest was shown. Quotations were at 67s 5d for 40in. 10oz. and at 51s 5d for 7½oz. a 100 yards f.o.b. Calcutta for June shipment, at 67s 11d and 51s 5d July and at 68s 6d and 51s 6d August-September. B Twills were at 175s 11d, 175s 5d and 175s 2d for the respective shipment periods.

Dundee spinners are busy and have orders in hand for forward delivery. Some buying interest is still shown and the position is satisfactory. With the exception of the heavy end of the trade, manufacturers are well placed for the time of year and further orders are being received. Although there has been some enquiry for sackings, very little actual business has taken place so far and short time working is still in force.

THE PAKISTANI JUTE MARKETS

EXPORT DUTY CUT NOT TO BENEFIT BUYERS

(FROM OUR DACCA CORRESPONDENT)

JUDGING by weather conditions now, the new jute crop should be good. On the other hand, since the crop has not been early (in fact, very few balers have made their "lucky day" purchases, one is inclined to doubt whether the outturn of the crop will be as good as weather conditions suggest. Without being too technical, it has proved in past years that if the crop is sown early and not ready for harvesting early, there is a tendency to early flowering and poor outturn. From the point of view of the quality once again, the district crop promises to be good but the Mymensingh area of jat jute does not look so promising. It is too early to report on the northern and soft and hard district areas.

In the pucca bale market, the big problem is the reduced export duty. When this was reduced by £4 4s a ton for long jute and £2 2s a ton for cuttings, etcetera, it was clearly understood by the trade that according to the terms of the contract, this reduction in duty would go to the buyers subject to clauses in the contract for all shipments of jute made after 12th June, provided the contract had been entered into before this date. The authorities, however, have decided that this is to be so. They maintain that the reduction in export duty is for the benefit of the growers and they say that since the minimum price is statutory and fixed by the Government, the law fixing minimum prices automatically nullifies any clause in the contract, which may contradict this law. The fact that the L.J.A. contract, revised edition, has been approved by the P.J.A. and the Jute Board, which is a branch of the Ministry of Commerce, is not taken into consideration.

There is no doubt that the London agents and buyers will dispute this interpretation and it is reported that documents submitted for negotiation pertaining to shipments effected after 12th June, where the reduced export duty has been paid, have not been accepted for payment by the buyers since the balers under the rules of the State Bank of Pakistan, may not give the buyers the benefit of the reduction. The vice chairman of the Jute Board and the chairman of the P.J.A. were recently in Rawalpindi discussing the matter. As this is election year, it is unlikely that the Ministry of Commerce will give in to the buyers' claim. It has been suggested that one way out of the impasse is to formulate the law concerning reduced export duty, which has not yet been published so that the wording reads that the export duty is reduced on all contracts made on or after 13th June. This, of course, would mean that contracts made before 13th June, but shipped after, will have to pay the old rate of export duty. Unfortunately for this argument, the Customs authorities started to charge the export duty at the new rate on all contracts shipped on or after 13th June, irrespective of the date of the contract.

Some buyers maintain that since it is the minimum price which fixed statutory and not the P.J.A.'s daily E.P.C. price, a refund on some or all of the duty should be possible on contract registered at E.P.C. prices provided these E.P.C. prices were above the minimum, as has been the case with many contracts of cuttings and Export Firsts, etcetera. They also argue that since there is no statutory minima for habijabi and cut ropes, export duty should be refundable on these. For the time being, however, the authorities are not agreeing to this claim. It is expected that during the first few days of July, the Commerce Minister will come to Dacca and will clarify the matter finally at the same time as the jute policy is announced.

Overseas buyers have had a good season this year, in that raw jute was cheap and they sold their manufactures profitably. This is satisfactory in so far as the mills abroad were able to sell, but more recently, especially in Belgium and West Germany, it has been extremely difficult for mills to sell against Indian and Pakistani competition, so that many mills have reduced their working hours. Although there are reports about heavy stocks in Europe, this correspondent wonders whether this is actually true because in Antwerp, Bremen and Genoa, it is difficult to buy goods ex warehouse as the stocks are so low. In Dundee, stocks are probably a little higher, mainly because of the clearance sale by Ralli Brothers early in the season.

Here in Pakistan, the total carryover including buffer stock jute, mills' stocks and balers' stocks, is not likely to exceed 900,000 bales. Of this some 450,000 bales is the standard carryover with the jute mills so that the effective carryover is 450,000 bales. The carryover at the end of the season 1962-63, was anything from 1 million to 1.6 million bales, excluding jute mills' stocks. Since the 1964-65 crop is not likely to exceed the size of the 1933-64 crop and since the carryover at the end of 1963-64 was a minimum of 550,000 bales less than the previous season, it follows that there must be a squeeze at the end of 1964-65 unless there is a considerable reduction in world consumption.

Commodity Markets

SHARP RISE IN CASHEW KERNEL PRICE

(FROM OUR SOUTH INDIAN CORRESPONDENT)

THE export price of Indian cashew kernel has sky-rocketed to 63 U.S. cents a lb. The exporters do not consider this as the ceiling. It will be no wonder if the price goes up by another 3 or 4 cents, because, according to the processors in Quilon, there is not enough in the market to meet the overseas demand. The raw nuts imported from Africa this season were of inferior quality, so much so the outturn of kernel from them is below normal. Consequently, the total availability of processed kernels in 1964 is not likely to exceed 2.1 million cases of 50 lbs each, representing a fall of 200.000 cases, when compared with the 1963 output. As against this trend in production, there is at present a keen demand from ths buyers abroad, and this explains the present buoyant mood of the market, according to the exporters.

The chief buyer, the U.S.A., is said to be very active in the market at present. She is reported to have bought about 10,000 cases at 63 cents a lb recently and is said to be asking for more. The U.K. and the Middle East also are showing interest at current prices. But shippers are reported to be reluctant to enter into substantial commitments due to paucity of stocks and also in the light of their past experience. Several of them had burnt their fingers by selling forward earlier this year at the then prevailing prices which were far short of the present price. The year started with 47 cents and in the course of the past six months, the kernel price has advanced by as much as 20 cents. It is estimated that almost 50 percent of this year's production has already been exported. It is said that in spite of the handsome prices at which kernels are now sold, the average exporter is not likely to make a big profit this year in view of the loss sustained on forward contracts entered into earlier this year.

Unlike in the past, the smart advances in the kernel price is not fully reflected in the raw nut market. It is said that raw nut price used to show an advance of Rs. 25 a ton, with every one cent increase in the price of processed kernel. But now the advance in raw nut price is so small as Rs. 5 to 10 a ton for a one-cent increase in the kernal price. The top quality African nut is now quoted at Rs. 860 a ton. Import from Africa so far this season is estimated at 136,000 tons. Importers say that a maximum of another 15,000 tons may be available from Africa this year. The indigenous crop which is estimated by the processors at about 65,000 tons has been almost fully absorbed by the processing industry.

He said that the Coffee Board had implemented the system of certificates of origin according to the decision of the International Coffee Council with effect from April this year. India's initial contribution to the International Coffee Organisation has been fixed at $(U.S.) 4,671 at the rate of $(U.S.) 389.25 a vote on the 12 votes allotted to India. This amount had since been remitted by the Government of India in two instalments. Mr. Reddy said that actual receipts into the Coffee Board's pool from the 1963-64 crop had exceeded the Board's estimate of 65,000 tonnes. At one time during the periodical review of the receipts, it was thought that the receipts might touch 70,000 tonnes. The receipts up to 11th June, 1964, were 66,950 tonnes. This was subject to revision in the light of further arrivals.

Mr Reddy said that the prospects for 1964-65 season were generally hopeful in the beginning of the year, and the estimates were placed at 70,000 tonnes. But the marketing committee of the Board has now recommended that the estimates may be placed at 67,500 tonnes tentatively, and this also is subject to revision later. Releases in the internal market during the first five months of 1964 were to the tune of 13.389 tonnes. The Coffee Board chairman estimated the internal consumption in 1964 at 33,000 tonnes. Prices realised in the pool sales were fairly steady, the chairman said.

COFFEE

India Wants Higher Quota

India has asked for a grant of a waiver or an increase in the basic export quota for her under the International Coffee Agreement. This was disclosed by the Coffee Board chairman, Mr. Sitarama Reddy, at the 59th meeting of the Board on 21st June. He said that in this connection the International Coffee Council has also been requested to send a technical mission to make an on-the-spot study of the coffee problem in India. This subject would come up before the next session of the Council to be held in July-August next and every effort would be made to get the quota increased, Mr. Reddy added.

CARDAMOM

Good Export Prospects

According to Mr. Sitarama Reddy, who is also chairman of the Cardamom Development and Marketing Advisory Committee, the Directorate of Cardamom Development and Marketing has been able to dispose of so far one quarter of the cardamom procured by the Directorate under the price support scheme for cardamom growers introduced by the Government of India some time ago at fairly satisfactory prices. He is hopeful that if the present conditions continue, the marketing of the balance should not be a problem. It has been reported that the total procurement was of the order of 30,000 kilograms. Some trade sources have been expressing the fear that the quality of this cardamom might have deteriorated due to ageing. But the Cardamom Directorate had pointed out that all safeguards were being taken to see that there was no deterioration in quality and that the trade should have no fear on this account. All the same, Mr. Reddy had said that the experience gained by the Directorate in the field of marketing underscored the vital need for improving the method of processing fresh cardamom.

Cardamom exports this year have been showing an encouraging trend. Shipments during the first five months of 1964 amounted to 1,120 tonnes, compared with 910 tonnes in the corresponding period of last year. This was a continuation of the trend which started last year. Export earnings from cardamom during the last financial year was to the tune of Rs. 3.20 crores with an export of 2,306 tonnes. Export during the previous year was 2.258 tonnes. India's cardamom crop during 1964-65 is expected to be smaller than last year's 3,300 tonnes in the light of extensive damage to plants caused by drought which was unusually severe and prolonged this year. This fear is shared by the Cardamom Development and Marketing Advisory Board too.

Cardamom is at present commanding a fairly high price and this is attributed to fears about the new crop and the operation of the Cardamom Directorate and also to the strong overseas demand. The average quality is now quoted at Rs. 17.50 to 19.50 a kilogram.

TEA

Another Interim Award

There are reports that the Central Wage board for the tea industry has agreed to recommend a second interim increase of Rs. 10 to Rs. 22 for the south Indian tea estate workers. Workers drawing less than Rs. 100 a month are to be given Rs. 10, those drawing between Rs. 100 and Rs. 200 are to get Rs. 16, and Rs. 22 for all others drawing above Rs. 200. The plantation labour in Mysore are to be given the same increase as has been given to the daily rated workers in Madras and Kerala. The Board is reported to have also generally agreed to recommend a second interim increase to north Indian labour. It is likely to be finalised at the Board's next meeting in Calcutta. There is, however, some hitch over the manner in which the recommendation is to be made, according to these reports. As soon as the question of interim increase to the north Indian plantation labour is finalised, the Board is expected to send its recommendations to the Central Government. The date on which the recommendations are to be given effect to, will be decided by the Central Labour Ministry.

Acreage under Tea

A special correspondent writes: With their annual review of the past tea season, Messrs. J. Thomas and Co Private Ltd have circulated a very interesting booklet of statistics. In trying to understand the failure of the north Indian gardens to increase production since 1961, a reference to figures for area under tea shows that the planted area is less today than before the second World War, namely, in 1938 there were 271.452 hectares under tea while in 1962 the acreage fell to 259.462 hectares. However, in 1948 it was 243,659 hectares, so there has been a rise of 15,803 hectares. The all-India figures were: in 1938 337,038 hectares; in 1962 334.093 hectares: in 1948 310,896 hectares. So there is an increase of 23.197 hectares.

The relative figures for Ceylon were: in 1938 224,783 hectares, in 1962 239,216 hectares and in 1948 224,634 hectares. Thus there was an increase of 14.582 hectares.

On these extended areas, the relative crop yields have been (in metric tons): north India—in 1938, 170887; in 1948 312.370; and in 1963 257,179. All India in 1938 204,960; in 1948 262,089: in 1965 344,772. Ceylon in 1938 112,006: in 1948 135,529: in 1963 219,798. It will be noted Ceylon is up by about 100 percent over the 1938-63 period. And these statistics suggest the answer to the riddle is climatic conditions.

The planted area in East Africa has gone up from 18,117 hectares to 67,215 hectares of which about 25,000 hectares have been added in the last ten years. A further jump in the supply, therefore, looks probable and as more planting is being taken in hand still more tea is in sight provided stable economic and political conditions can be maintained.

It has frequently been noted in this column that in spite of propaganda, old consumers do not buy more, partly because tea is the poor people's drink and prosperity increases consumption of more exciting beverages. This possibility would seem to be an additional reason for stepping up propaganda favouring tea drinking in the producing countries. Going all out for exports regardless of profits to the producing interests will soon be shown to be bad for India as well as the individual grower. Surely, business commonsense shows clearly any seller profits by finding more buyers, to concentrate on old customers already filled to saturation point with a common product is not likely to produce profits in the long run. Meanwhile, in addition to world producers turning out more tea new fields of supplies are opening in the world and Russia. Turkey and Australian protectorates are working on export drives and many of the trade's original buyers are working on the "do it yourself" plan by growing their own requirements, Sikkim being the latest.

The Company reports for 1963 of Calcutta concerns show disappointing results. Dividends are generally lower and unless tax adjustments, if and when made, are retrospective for 1964 this year's results will be worse than for 1963.

Offerings at Auctions

Messrs Carritt Moran Co. Private Ltd have issued their May report which states that the first flush from Darjeeling was somewhat heavier than last year, and quality was fully up to average standard. Teas from Assam and the Dooars called for no special comment. Calcutta auction honours go to 12 chests of Sungma G.F.O.P. (Golden Flowery Orange Pekoe) at Rs. 27 a kilogram. Sales of Dust were continued and although the month met with a fair demand at generally easier rates and at the last auction, C.T.C. descriptions were generally 15 paise to 20 paise lower. Prices at opening sales were below last year's level. Teas are arriving more promptly than in the early part of 1963, and shipping is reported fairly active Other markets show no sales at Chittagong. Cochin has sold less because south Indian crops are lower this year, but even so, the tendency is towards easier prices. Dust sales also opened slightly easier and the trend continued throughout the month. but later advices report a stronger enquiry.

Ceylon worked full steam ahead and disposed of nearly 33 million lbs during the month. Quality showed a decline and prices for many grades were correspondingly lower. Teas for Middle East met with quite good support, and the last two sales registered a good market with some strong competition.

London advertised only three auctions as there was no sale during Whitson Week. Good teas were firm and plain sorts ended easier.

Africa now has its own sales and Nairobi advertised two auctions totalling 22,962 packages.

Imports into the U.S.A. during April 1964 were given as 12,853,200 lbs, compared with 14,060,183 lbs in the same month of 1963. Total imports for 1964 were about 1 million lbs less. Imports to the U.K. are also short but a fair comparison is not possible as the Pak River Steam Strike caused dislocation and subsequent heavy shipments.

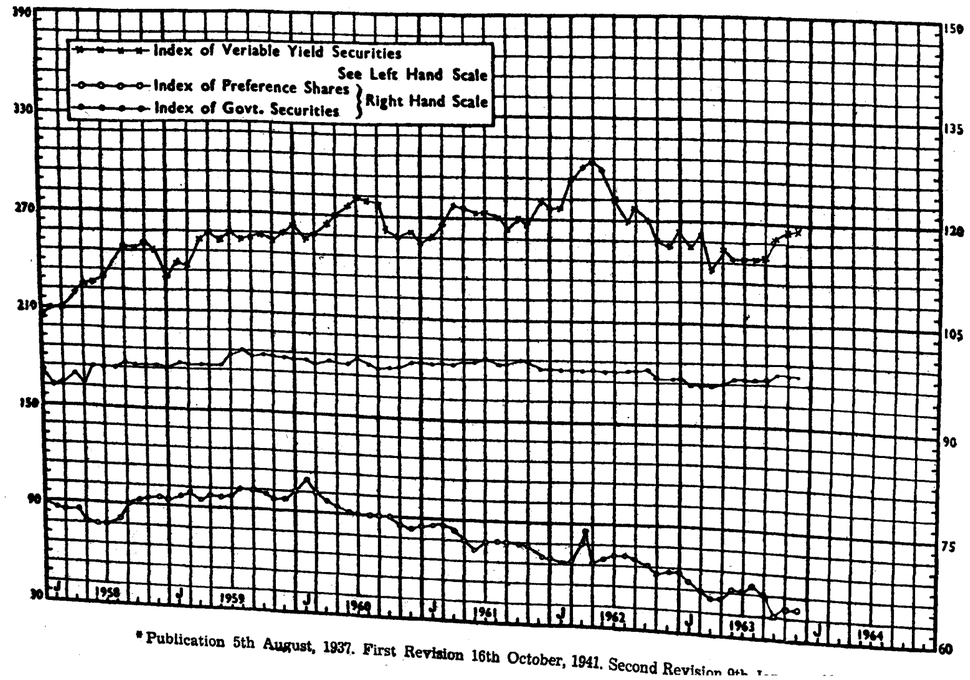
"CAPITAL" STOCKS AND SHARES INDEX*

The *Capital* Stocks and Shares Index (Base: 1939) has now been brought up to November 1963. As compared with October, the November index for Government securities shows a drop of 0.1 point, while that for preference shares remains unchanged at 64.5 points.

There were decreases in minings and oils 8.0 points, cements 3.9 points, engineerings 7.7 points and tea 5.1 points, while increases occurred in banks 5.7 points, cottons 1.2 points, coals 1.5 points, jutes 0.8 points, papers 17.9 points, sugars 3.4 points and miscellaneous 12.4 points.

Combining all the factors, the *Capital* variable yield securities index declined by 0.4 points during November 1963.

	Index of Govt. Securities	Index of Preference Shares	Variable Yield Securities											
			Banks	Cotton Mills	Coals	Jute Mills	Mining and Oil	Cement, Lime, etc	Eng. and Metal Works	Tea Shares	Paper Mills	Sugar Shares	Others	Combined Index
Weights	...	...	9	12	9	11	10	6	6	6	17	7	11	100
1961														
April ..	98.0	72.7	161.6	285.0	245.3	126.2	168.5	90.6	283.9	255.4	1268.2	227.0	320.4	276.6
May ..	97.9	71.7	160.8	291.2	258.1	116.6	169.7	93.0	290.3	251.6	1166.2	223.6	291.5	271.5
June ..	98.9	72.4	160.8	301.5	261.1	116.6	169.4	93.9	286.3	254.2	1134.4	227.7	317.3	273.4
July ..	97.8	72.3	162.6	283.7	249.9	112.3	169.1	90.6	282.9	257.1	1167.5	223.0	314.7	269.9
August ..	97.9	72.4	165.5	279.6	238.2	104.7	146.6	86.8	271.8	243.5	1135.7	227.0	297.2	259.2
September ..	98.5	71.3	167.1	295.3	232.1	107.5	161.1	90.9	270.2	239.7	1202.0	231.3	309.5	267.5
October ..	98.3	71.2	165.8	302.7	232.6	109.1	165.1	92.7	257.0	250.8	1180.8	229.3	315.7	266.3
November ..	97.7	70.3	166.0	305.6	232.1	121.4	153.4	95.2	288.0	240.6	1300.7	252.0	323.0	280.2
December ..	97.7	70.2	174.7	304.8	230.1	121.4	147.2	91.3	284.3	235.5	1284.8	236.7	325.0	276.6
1962														
January ..	97.4	69.7	177.8	313.4	228.0	122.2	143.2	89.6	283.2	235.5	1286.1	236.0	323.5	276.6
February ..	97.5	69.9	190.4	347.7	224.9	130.1	167.5	80.1	300.7	235.1	1383.5	238.8	337.9	293.7
March ..	97.4	74.7	175.2	328.3	223.5	138.8	168.5	93.0	317.5	235.1	1390.1	245.9	330.1	296.4
April ..	97.4	70.2	166.6	321.3	232.6	147.2	173.4	97.3	318.2	227.0	1390.8	246.9	321.4	296.8
May ..	97.5	70.3	163.2	322.5	260.1	144.4	169.7	95.8	268.8	227.0	1423.9	265.4	325.0	290.5
June ..	97.7	71.1	159.2	310.9	243.8	136.9	163.8	94.7	261.1	221.9	1389.5	256.6	329.9	281.4
July ..	97.3	71.8	160.8	307.7	232.1	131.7	163.2	95.2	256.4	218.9	1313.3	253.3	315.2	274.6
August ..	97.3	71.1	160.8	307.7	234.6	134.5	157.4	95.8	259.1	216.0	1349.7	256.6	339.4	278.9
September ..	97.2	70.4	156.6	303.1	227.5	136.9	155.3	95.8	253.3	200.7	1283.5	256.6	328.6	272.2
October ..	96.7	68.7	162.1	306.8	218.9	126.5	148.5	89.6	223.8	214.7	1198.0	251.9	316.8	258.8
November ..	96.2	68.1	162.1	299.4	217.9	126.5	148.5	89.3	218.4	213.8	1198.0	251.9	312.1	256.4
December ..	96.5	68.1	162.1	299.8	220.9	129.3	148.5	89.8	244.3	213.8	1221.8	251.9	315.2	263.5
1963														
January ..	95.8	67.1	144.6	266.4	214.3	132.5	144.8	85.4	257.4	249.1	1064.8	265.7	316.2	256.4
February ..	95.8	66.4	145.1	268.9	202.6	124.2	149.4	86.7	273.8	252.9	1101.2	261.7	314.2	259.6
March ..	95.4	65.8	144.8	264.3	191.4	117.8	141.4	81.8	257.4	244.8	963.4	255.3	292.0	244.1
April ..	96.1	65.8	140.6	273.0	213.3	122.2	145.7	84.4	269.8	245.2	1037.6	248.9	298.2	254.0
May ..	96.4	66.8	135.9	266.8	198.0	128.1	143.2	84.6	266.1	245.7	984.6	243.8	295.6	248.1
June ..	96.5	66.8	133.8	254.0	201.1	123.0	150.3	79.4	271.2	253.7	1002.5	241.5	291.5	248.1
July ..	96.5	67.2	135.9	256.1	201.6	123.4	151.5	81.6	269.8	248.6	968.6	239.2	295.6	247.7
August ..	96.6	66.1	135.3	263.5	199.5	128.5	153.1	84.2	281.9	241.9	1004.5	238.5	297.7	250.9
September ..	97.1	63.6	135.6	285.4	198.5	130.9	162.0	88.9	294.3	253.7	1055.5	219.6	314.7	262.4
October ..	97.1	64.5	136.7	291.2	204.6	130.5	151.9	91.7	304.7	260.1	1067.4	227.3	325.5	267.1
November ..	97.0	64.5	142.4	292.4	206.1	131.3	143.9	87.8	297.0	255.0	1085.3	230.7	337.9	266.7



*Publication 5th August, 1937. First Revision 16th October, 1941. Second Revision 9th ...

COMPANY AND PUBLIC NOTICES

THE TITAGHUR PAPER MILLS COMPANY LIMITED

NOTICE is hereby given that the undernoted 'A' Ordinary shares of Rs. 10 each (Rs. 2.50 paid up) in the issued capital of the Company (the subject of the Allotment Letters mentioned below) are liable to forfeiture unless payment is made on or before the 31st July, 1964, at the Registered Office of the Company at Chartered Bank Buildings, Calcutta, of the second instalment amount due in respect thereof, i.e., Rs. 7.50 per share, together with interest thereon at the rate of 9 per cent per annum calculated from the 6th April, 1963, until the date of actual payment.

Allotment Letter No.	No. of shares.	Amount Due.
158	140	Rs. 1,050/00
178	320	Rs. 2,400/00
319	300	Rs. 2,250/00
706	100	Rs. 750/00
1288	15	Rs. 112/50
1303	35	Rs. 262/50
1350	800	Rs. 6,000/00
1439	160	Rs. 1,200/00
1457 & 1610	50	Rs. 375/00
1493	100	Rs. 750/00
1610	100	Rs. 750/00
1667	16	Rs. 120/00
1834	100	Rs. 750/00
	2,236	Rs. 16,770/00

By Order of the Board,
F. W. HEILGERS & CO. (PRIVATE) LIMITED,
D. L. V. ROWE,
Managing Director
Managing Agents.

Registered Office:
Chartered Bank Buildings,
Calcutta-1,
Dated: 24th June, 1964.

THE ATTOCK OIL COMPANY, LIMITED

(Incorporated in England)
(Liability of the Members is limited)

THE Directors announce the results for the year ended 31st December, 1963.

	1963	1962
	£	£
Profit for the year (net)	580,432	629,445
Taxation	825,485	907,991
Depreciation	263,127	278,549
Brought forward from 1962	168,520	100,742
Available	748,952	730,187
Transferred to General Reserve	125,000	175,000
Dividends (free of United Kingdom Income Tax)		
Interim of 1s. 0d. per £1 of Stock paid 12th March, 1964	£ 145,000	
Proposed Final of 1s-8d. per £1 of stock	241,667	386,667 386,667
Unappropriated Profit carried forward	237,285	168,520

The Annual General Meeting will be held at Winchester House, London, on 29th July, 1964.

If approved the Final Dividend will be payable on 1st September, 1964, to Stockholders on the Registers at 13th July, 1964.

THE METAL BOX COMPANY OF INDIA LIMITED

Notice of Annual General Meeting

NOTICE is hereby given that the Thirty-first Annual General Meeting of the Company will be held at the Registered Office, 59C Chowringhee, Calcutta, on Wednesday, the 22nd day of July, 1964 at 12-30 p.m. for the following purposes:

1. To receive and consider the Statement of Accounts for the year ended 31st March, 1964 and the Reports of the Directors and Auditors thereon.
2. To declare a Dividend.
3. To elect Directors.
4. To re-appoint and fix the remuneration of the Auditors.
5. To transact any other ordinary business of the Company.

Special Business

The consideration of the following Resolution which will be proposed as a Special Resolution:

"That the consent of the Company be accorded by this Special Resolution to the holding by Mr. T. M. Rama Aiyangar, who is an Alternate Director of the Company, of the office or place of profit of General Commercial Manager".

Explanatory Statement and Note

The consent of the Company by Special Resolution is requisite to the holding of his office or place of profit by an Alternate Director of the Company.

A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member. Proxies, in order to be effective, must be received by the Company not less than 48 hours before the Meeting.

NOTICE is hereby given that the Ordinary Share Register of the Company will be closed from 6th to 22nd July, 1964, both days inclusive.

By Order of the Board,
B. BARKER,
Secretary.

59C Chowringhee, Calcutta,
27th June, 1964.

THE GENERAL INVESTMENT & TRUST COMPANY LIMITED

THE Board of Directors has decided to recommend to the forthcoming Annual General Meeting of Shareholders, the following Final Dividends for the year ended 29th February, 1964, subject to deduction of tax—

ON the 1st Cumulative Preference Shares @ 3.25% making a total of 6.50%, per annum.

ON the 2nd Cumulative Taxable Preference Shares @ 2.497% making a total of 4.995% per annum.

ON the Ordinary Shares @ 5% per annum.

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

Registered Office:
Chartered Bank Buildings,
Calcutta, 27th June, 1964.

THE INVESTMENT & FINANCE COMPANY LIMITED

THE Board of Directors has decided to recommend to the forthcoming Annual General Meeting of Shareholders, the following Final Dividends for the year ended 29th February, 1964, subject to deduction of tax—

ON the 1st Cumulative Preference Shares @ 3.25% making a total of 6.50% per annum.

ON the 2nd Cumulative Taxable Preference Shares @ 2.497% making a total of 4.995% per annum.

ON the Ordinary Shares @ 7½% per annum.

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

Registered Office:
Chartered Bank Buildings,
Calcutta, 27th June, 1964.

HIDES AND SKINS

The market in skins was quiet. Stocks of skins were higher, but those of hides were less than in the previous week.

Bazaar Sales

(Between 23rd and 29th June 1964)
Cowhides: Wet salted (Ord) 20,300 pcs. on the basis of Rs. 7 to Rs. 9; Wet salted (Slaughtered) 38,800 pcs. on the basis of Rs. 6.50 to Rs. 13 and Rs. 16 to Rs. 24; Wet salted (Ord) 3,100 pcs. on the basis of 68 paise a piece.

Goatskins: Wet salted (Daissee, Kustia) on the basis of Rs. 295 to to Rs. 305 and Rs. 315 to Rs. 325, and Rs. 345 to Rs. 355 and Rs. 360 to Rs. 370.

Bazaar Stocks

(29th June 1964)

Cowhides: Wet salted 1,06,,900 pcs.

SHELLAC QUIET

During the week ended 29th June, the market was quiet. The range of quotations was as follows:

	Rs. a package
Pure Buttonlac	164 value
Lemon One Shellac	168 buyers, 172 sellers, 168 value.
Lemon Two Shellac	154 buyers, 158 sellers, 154 value.
Standard One Shellac	132 buyers, 136 sellers, 132 value.
Pure T.N. Shellac	116 buyers, 120 sellers, 116 value.
Golden Kusmi Seedlac	200 value.
Kusmi One Seedlac	140 value.
Golden Bysacky Seedlac	150 buyers, 154 sellers, 150 value.
Manbhum Fine Bysacky Seedlac	112 buyers, 116 sellers, 112 value.
Fine Bysacky Seedlac	92 buyers, 96 sellers, 92 value.
Genuine Bysacky Seedlac	84 value.
Grade One Class B Seedlac	112 buyers, 116 sellers, 112 value.
Grade Two Class B Seedlac	92 buyers, 96 sellers, 92 value.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Bharat Nidhi Ltd. ..	17-7-64	3-30 p.m
Metal Box Co. of India Ltd. ..	27-7-64	12-30 p.m.
*Attock Oil Co. Ltd.	29-7-64	
Indian Copper Corporation Ltd. ..	12-8-64	11-30 a.m.

(*Meeting to be held in London)

DIVIDENDS DECLARED OR PROPOSED.—Engo Tea Co. Ltd.—30 p.c., subject to tax; Metal Box Co. of India Ltd.—9 p.c. (f) (o), subject to tax.

Freedom is in peril, defend it with all your might
—Jawaharlal Nehru



BUY ONLY WHEN YOU MUST

Better, don't buy at all, if you can do without it. Invest what you save in Government Defence Securities. You will help not only to keep prices in check, but also make more resources available for defence needs.

YOUR SAVINGS BUY OUR DEFENCE NEEDS

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

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

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Wednesday, 1st July, 1964.

GOVERNMENTS LOANS

Outstanding Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
GOVERNMENT OF INDIA				
2,48,91,06,000	3	1946	1986 or later	63/85
8,93,33,000	3	1896-97	At the option of the Government of India after a months notice	63/00
14,77,48,000	2½	1946	1976	83/50
1,10,11,78,000	3	1943	1966-68	98/20
1,15,05,83,000	3	1948	1970-75	90/45
1,53,67,92,000	3½	1955	1965	100/00
88,63,53,000	3½	1956	1974	96/75
56,99,30,000	3½	1957	1967	100/00
1,97,40,92,000	3½	1956	1967	99/85
70,00,000	3½	1958	1968	98/55
1,56,64,22,000	3½	1958	1968	99/70
1,90,35,42,000	3½	1959	1969	98/05
82,58,41,000	3½	1960	1966	100/00
1,54,70,22,000	4	1957	1972	98/90
94,51,44,000	4	1958	1973	98/90
81,06,39,000	4	1959	1979	98/20
98,05,17,000	4	1960	1980	98/20
65,96,55,000	4	1961	1981	98/20
84,12,53,000	4	1963	1969	99/85
28,07,95,000	4½	1962	1972	100/10
52,01,71,000	4½	1963	1968	100/13
1,14,03,37,000	4½	1962	1985	100/00
BOMBAY				
3,40,34,300	4	1932		
6,57,22,800	4½	1957	1964	99/95
6,58,20,700	4½	1958	1968	98/40
4,35,25,000	4½	1958	1970	98/85
			1971	98/70
MADHYA PRADESH				
2,03,28,800	3	1948	1964	98/50
MADRAS				
5,24,81,200	4	1952	1964	99/95
5,55,57,300	4½	1958	1970	98/80
UTTAR PRADESH				
1,55,31,200	3	1938	1961-66	93/25
5,89,13,900	4	1952	1964	99/95
7,65,53,900	4½	1958	1970	98/80
WEST BENGAL				
2,00,00,000	4	1952	1964	99/95
7,58,72,200	4	1952	1967	99/40
7,11,46,100	4	1956	1968	99/00
5,10,49,700	4½	1958	1970	98/75
7,69,69,400	4	1959	1971	97/50
7,00,00,000	4	1960	1969	98/80
73,07,21,000	4½	1961	1972	98/80
7,00,00,000	4½	1962	1974	99/50
MYSORE				
2,95,85,200	4	1933	1952-63	100/00

PORT TRUST LOANS

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
CALCUTTA				
90,24,300	4	1914	1974	98/25
76,90,100	4	1915	1975	98/25
68,02,300	3	1921	2nd 1981	82/00
1,50,00,000	6½	1921	2nd 1981	144/00N
£892,600	5	1923	1953-83	£61
£901,000	5	1924	1954-84	£61
1,24,00,000	4½	1957	1987	99/50
	4½	1958	1988	99/00
50,00,000	4½	1959	1989	99/00
1,50,00,000	4½	1961	1971	98/75
80,00,000	4	1931	1991	93/00
60,00,000	3½	1935	1965	99/00
50,00,000	3	1946	1976	83/50
50,00,000	3	1945	1-2-2005	72/00
50,00,000	3	1945	1-2-1975	83/75
25,00,000	3	1938	1963-65	93/00
50,00,000	3	1946	2006	72/00
50,00,000	2¾	1947	1977	78/50
50,00,000	3	1948	1978	83/00
50,00,000	3	1950	1980	81/00
50,00,000	3	1951	1981	80/50
50,00,000	4½	1953	1963	98/75
50,00,000	4	1953	1983	97/50
90,00,000	4	1955	1985	97/25
77,00,000	4	1956	1986	97/25
1,00,00,000	4	1959	1969	99/50
1,00,00,000	5	1963	1993	..
66,88,000	3½	1951	1966	98/50
10,00,000	5½	1932	1962	100/75N
33,91,000	3½	1935	1965	96/00
72,50,000	4½	1954	1979	100/00
60,00,000	3	1936	1966	93/00
47,50,000	3	1938	1968	92/50
21,10,000	3½	1942	1972	92/00
87,36,000	4	1952	1962	99/75
2,22,72,000	4	1955	1985	97/25N
1,67,32,000	4½	1958	1970	101/00N
73,36,000	4½	1958	1968	100/50
57,72,000	4½	1961	..	..
BOMBAY				
36,50,000	4	1904	1964	96/00
35,00,000	4	1905	1965	96/00
15,00,000	4	1906	1967	96/00
44,00,000	4	1907	1968	96/00
75,00,000	4	1908	1968	96/00
40,00,000	4	1909	1970	92/00
56,00,000	4	1910	1971	92/00
75,00,000	4	1911	1972	92/00
STERLING LOANS				
£892,600	5	1923	1953-83	£63
£901,000	5	1924	1954-84	£63
£835,100	5½	1932	1962	£96½
MADRAS				
28,48,275	3½	1947	1977	A
9,88,000	3	1947	1977	A
8,00,000	3	1949	1979	A

IMPROVEMENT TRUST LOANS

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
CALCUTTA				
50,00,000	4	1934	1964	99/25
35,00,000	3½	1935	1965	96/00
30,00,000	3	1936	1966	92/50
20,00,000	3	1938	1963-68	92/00
80,00,000	4	1952	1962	100/00
1,02,00,000	4	1956	1968	98/50
75,00,000	4½	1958	1968	101/00
BOMBAY				
60,00,000	4	1903	1963	98/25
50,00,000	4	1904	1964	98/25
20,00,000	4	1906	1966	97/50
15,00,000	4	1907	1967	97/50
30,00,000	4	1908	1968	£95½N
£566,600	4	1909	1969	£95½N
£333,000	4	1910	1970	£100/00
25,00,000	4	1912	1972	95/00
13,00,000	4	1913	1973	95/00
50,00,000	4	1914	1974	95/00
25,00,000	4	1916	1976	95/00
66,00,000	6	1920	1945-80	119/50
25,00,000	4	1927	1961-70	99/75
10,00,000	3½	1936	1966	89/00

MUNICIPAL LOANS

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
CALCUTTA				
20,00,000	4	1913-13	1974	95/00
10,00,000	5	1920	1980	101/00
2,00,34,000	3½	1951	1966	89/00
8,25,00,000	3½	1947	1977	82/00
2,13,14,500	3½	1949	1979	82/00
4,00,00,000	3½	1950	1965	95/00
BOMBAY				
15,00,000	3½	1951	1961	107/00
15,00,000	3½	1952	1962	107/50
MADRAS				

2½% U.P. Zemindary Abolition Compensation Bond (per Rs. 100) Rs. 41/90*

* Ex eight instalments but inclusive of accrued interest.

These notes refer to the Debentures on the next page.

Option to repay at par on 6 months notice—

(a) Option to extend the redemption period for further 10 years.
(b) at any time after.
(c) on or after 1-1-61.
(d) option to redeem at 3¼% Prem. after 14-5-64 and before 15-8-69.

Option to repay on 6 months notice—

(e) at any time after 30-6-61 at 101%.
(f) at 101% between 1-1-60 & 31-12-64.
(g) at 102/8% after 30-6-69 but before 30-6-64.
(h) at any time after 30-6-65 at 101%.

Option to repay on 3 months notice—

(i) at any time at 3% Premium.
(j) at 4% Prem. after 1-3-64 but before 1-3-67 and 1% Prem. on or after 1-3-67.
(k) at any time at par.
(l) at any time after 31-3-62 at the rate of 1% Premium.
(m) redeemable at 103% on 31-12-64 with option to redeem on any interest date at same premium after 30-6-59.
(n) at any time on two months notice—
(o) to be redeemed at a premium of 10% Rs. 70,000 to be redeemed annually by drawing on 3 months notice with option to redeem all after 6 years from date of issue on 6 months notice Option not exercised repayment to be made after full term.
Option to repay
(p) at par after September 1960.
(q) at par on or after 1-12-59.
(r) with option to redeem at 101% after 10 years or at 100/8% after 12 years.
(s) Rs. 5 lacs Debentures to be redeemed annually by drawing from 1-6-56 with option to redeem at 100/8% between 1-6-57 to 1-6-60 and at 101% afterwards.
(t) with option to redeem at 101% after 10 years or at 100/8% after 13 years.
(u) with option to redeem all or any of the Debts at 101% at any time after 31-3-64 and at 100/8% at any time after 31-3-66.
(v) Rs. 80,000 are being redeemed annually repayment of Debentures commencing serially from No. 1 to No. 80 on 31-12-48.
(w) Redeemable at any time at 5 per cent premium (a) on 6 months notice by the Company or (b) in the event of the security becoming enforceable or at par if the Corporation of Calcutta or Howrah purchase the undertaking on 1st January, 1945 or every seventh year thereafter.
(x) At par all or any of the Debts on 31st December, 1966 or on any subsequent interest date
(y) Redeemable (a) at 102% on 1st October, 1974 or in the event of voluntary liquidation of the undertaking being purchased or in the event of the security becoming enforceable or (b) at 105% at any time after 31st March 1953 on 3 months notice from the Co (c) also redeemable out of a sinking fund (commencing in 1938) by drawing at 102% or purhase at or under 102%
(z) Also redeemable out of a cumulative sinking fund of 1½% per annum commencing in 1943 by purchase at any price less than par or by annual drawings at

JOINT STOCK COMPANIES' DEBENTURES

Amount Authorised Rs.	Amount Outstanding Rs.	Rate of Interest per cent	NAME OF COMPANIES	Year of Issue	MARKET PRICE 1-7-64	MARKET PRICE 24-6-64	A year ago Rs.	Interest payable	Principal Repayable	Remarks
			(CALCUTTA)							
			COAL							
60,00,000	60,00,000	6½	Bengal	1961	99/00	98/00	100/00	1st May 1st Nov.	31-10-75	(X)
30,00,000	30,00,000	6	Bharat Collieries	1944	90/00	90/00	90/00	30th April 31st Oct.	30-6-64	..
20,00,000	20,00,000	4½	Burrakur	1947	90/00	90/00	85/00	30th June 31st Dec.	30-6-67	(G*)
50,00,000	50,00,000	5½	Equitable	1953	97/00	97/00	98/00	1st July 1st Jan.	14-12-68	(r*)
			COTTON MILL							
4,00,000	4,00,000	6	Bengal Nagpur	1897	90/00	90/00	85/00	10th May 10th Nov.	15-11-66	(l)
			JUTE MILLS							
15,00,000	12,00,000	5½	Agarpara	1939	91/50	91/50	92/00	1st Oct. 1st April	31-3-69	..
15,00,000	15,00,000	4	Auckland	1945	94/00	94/00	78/00	30th June 31st Dec.	31-12-64	(F)
9,00,000	6,00,000	5½	Alexandra	1939	92/00	92/00	91/00	30th June 31st Dec.	30-6-69	(g)
10,00,000	10,00,000	6½	Bengal (2nd Mortgage)	1940	95/50	95/50	95/50	30th June 31st Dec.	30-6-65	(b)
12,00,000	10,69,000	5	Chitavalsah	1951	93/00	93/00	88/50	30th June 31st Dec.	30-6-66	(e)
25,00,000	17,73,000	5½	Dalhousie	1954	95/00	95/00	90/00	31st March 30th Sept.	31-3-69	(u*)
10,00,000	8,86,000	5	Empire	1951	92/00	92/00	90/00	15th Jan 15th July	15-7-66	(e*)
25,00,000	8,87,000	5½	Fort Gloster	1952	98/00	98/00	98/30	31st March 30th Sept.	30-9-66	(Q*)
30,00,000	30,00,000	5½	Howrah	1955	93/50	93/50	92/50	31st March 30th Sept.	31-3-70	(N)
25,00,000	25,00,000	5	Kinnison	1949	97/00	97/00	90/00	30th June 31st Dec.	31-12-64	(t*)
25,00,000	12,04,000	5½	Kamarhatty	1955	97/50	97/50	89/00	30th June 31st Dec.	30-6-70	(h*)
25,00,000	25,00,000	5½	Naihati	1952	92/00	92/00	90/00	30th June 31st Dec.	31-3-67	(l*)
5,00,000	5,00,000	6½	Nellimarla	1939	92/00	92/00	92/00	14th Nov 14th May	14-3-74	(d)
20,00,000	20,00,000	4	Northbrook	1945	94/00	94/00	85/00	30th June 31st Dec.	31-12-64	(B)
25,00,000	25,00,000	5	Reliance	1950	94/00	94/00	81/00	31st March 30th Sept.	30-9-66	(M*)
12,00,000	12,00,000	5½	Union	1937	95/50	95/50	95/00	31st March 30th Sept.	31-3-67	..
10,00,000	10,00,000	6½	Waverley	1925	90/00	90/00	80/00	31st Jan. 31st July	31-7-72	..
			MISCELLANEOUS							
30,00,000	18,80,000	4½	Associated Hotels of India	1948	850/00	850/00	850/00	1st Jan. 1st July	31-12-62	(v)
10,00,000	9,96,000	7	Aluminium Corporation of India Ltd.	1948	97/00	97/00	92/00	1st Jan. 1st July	31-12-65	(U)
5,00,000	5,00,000	4½	Bareilly Electric Supply Co. Ltd.	1949	97/00	97/00	88/00	30th June 31st Dec.	31-12-64	(m*)
12,00,000	12,00,000	4½	Benares Elec Ltd & Power Co. Ltd.	1949	97/00	97/00	90/00	30th June 31st Dec.	31-12-64	(m*),
1,00,00,000	90,00,000	5	Buckingham & Carnatic Co. Ltd.	1952	100/00	100/00	100/00	1st April 1st Oct.	1-3-72	(T*)
5,00,000	5,00,000	5½	Britannia Engineering	1945	94/00	94/00	94/00	30th June 31st Dec.	31-12-69	(g)
8,00,00,000	8,00,00,000	5½	Burmah-Shell Refineries Ltd.	1954	93/50	93/50	90/50	1st March 1st Sept.	1-9-69	(K*)
2,66,00,000	2,32,89,400	5	Calcutta Electric Supply Corporation	1950	89/50	89/50	92/00	1st Jan 1st July	1-1-70	(*)
£350,000	£325,280	4½	Calcutta Tramways	1900	£66/00	£66/00	£66/00	1st Jan 1st July	..	(w)
£250,000	£157,788	5	Calcutta Tramways	1933	£74/00	£74/00	£74/00	1st April 1st Oct.	1-10-74	(y)
19,50,000	17,50,000	7	Carew & Co.	1938	98/50	98/50	98/00	1st June 1st Oct.	1-6-63	(s)
6,50,000	2,46,000	6½	Carew & Co. (2nd Mortgage)	1941	95/00	95/00	95/00	1st March 1st Sept.	28-2-70	(i)
21,00,000	21,00,000	5½	Chowringhee Properties	1915	85/00N	85/00N	85/00N	1st Feb. 1st August	1-2-64	..
25,00,000	15,03,000	4½	Clive Buildings	1936	82/00	82/00	82/00	1st July 1st Jan.	1-7-86	(A)
1,00,00,000	1,00,00,000	6½	Dalmia Cement	1946	86/00	86/00	86/00	31st March 30th Sept.	1970	(p)
1,30,00,000	1,04,55,000	6½	Dunlop Rubber Co. (I) Ltd.	1950	99/25	99/00	100/00	1st Jan 1st July	1-1-73	(b*)
1,00,00,000	1,00,00,000	6½	Dunlop Rubber Co. (I) Ltd.	1953	99/25	99/00	100/00	1st Jan 1st July	1-1-73	(w*)
1,00,00,000	91,80,000	5½	Indian Cable Co. Ltd.	1954	94/50	94/50	90/00	1st Jan. 1st July	30-6-69	(t*)
20,00,000	20,00,000	5½	Kumardhubi Fireclay & Silica Works	1954	92/00	92/00	92/00	31st Dec.	31-12-69	(D*)
10,00,000	10,00,000	4	Kumardhubi Engineering Works Ltd.	1946	90/00	90/00	84/00	31st May 30th Nov.	31-5-71	(O)
6,50,000	6,50,000	6	Katakhal Lala Bazar Railway	1945	85/00	85/00	85/00	30th June 31st Dec.	31-12-74	(*)
45,00,000	39,70,000	4	McLeod & Co. Ltd. (Con Notes)	1947	410/00 P note	410/00 P note	410/00 P note	30th June 31st Dec.	31-12-72	(1*)
1,00,00,000	74,75,000	5	Macneill & Barry Ltd	1951	78/00	78/00	85/00	1st April 1st Oct.	1-4-71	(P*)
12,00,000	12,00,000	4	National Tobacco Co India Ltd.	1946	93/00	93/00	85/00	30th June 31st Dec.	30-6-66	(S)
20,00,000	20,00,000	5	Patna Electric Supply Co. Ltd.	1949	97/00	97/00	90/00	31st May 30th Nov.	1-12-64	(V)
1,00,00,000	50,50,000	6	Rohtas Industries Ltd.	1946	90/00	90/00	96/00	30th June 31st Dec.	31-12-69	(a*)
4,00,00,000	4,00,00,000	5½	Esso Standard Ltd.	1953	93/25	93/25	91/00	1st May 1st Nov.	1-5-68	(H)
10,00,000	10,00,000	5½	Shree Gopal Paper Mills Ltd.	1944	95/00	95/00	95/00	Jan & July	15-7-66	(E*)
10,00,000	£200,000	4½	Shahdara (Delhi) Saharanpur Rly.	1905	£64N	£64N	£64N	1st Jan 1st July	..	..
£200,000	11,40,000	5	Sijua Jherriah	1951	91/00	91/00	91/00	1st Jan 1st July	30-6-76	(*L)
15,00,000	30,00,000	4½	United Provinces Elec. Supply Co. Ltd.	1949	97/00	97/00	90/00	31st March 30th Sept.	31-12-64	(C*)
30,00,000										(*m)
			TEA							
2,50,000	2,50,000	6	Baitakhal	1943	95/00	95/00	95/00	30th June 31st Dec.	1-7-63	..
			(BOMBAY)							
1,00,00,000	98,28,000	4	Andhra Valley Power Supply	1940	98/50	98/50	98/50	1st April 1st Oct.	1952	..
60,00,000	50,00,000	4	Tata Power	1941	86/00	86/00	86/00	..	1951-53	..

(Continued from foot of previous page)

(A) Repayable at par by 1986 by annual Drawings on 1st July each year. May repay the issue in full after 30th June 1961 on 6 months notice
(B) Repayment at par on 31st Dec., 1964 with the option of repayment on 31-12-54 or any subsequent interest date at a prem. of 2%
(C) Rs. 56,000 to be redeemed at par annually by drawing.
(D) With option to redeem any part at 101% after 31-12-64 and at 100½% after 31-12-68
(E) Rs. 50 Lacs will be redeemed annually by drawings from 1st May 1964 onwards The Co. has option to from 1st May 1963 on redeem all Debentures at 101% on 1st May 1963 on 6 months' notice
(F) Option to redeem all or any of the Debentures at a premium of Re. 1/- per cent by giving one month's notice on the 31st December 1954 or any subsequent interest date.
(G) May be redeemed on 30th June 1957 at a premium of 1% or on 30th June, 1962, at a premium of ½%.
(H) May be redeemed at a premium of Rs 20/- per debenture (i.e. 2%). If redeemed earlier than 31st Dec. 1955 on 3 months' notice
(I) The Company has option to repay all or any at par by giving notice for 6 months expiring on any interest date after 30th Sept., 1955 At any time on or after 1st Oct. 1957 the holders may convert each note of Rs 500/- into 25 ordinary shares to take effect on 1st Oct. in each year on giving 15 days' notice prior to such day.
(J) May be redeemed at 101% at any time after 31st March, 1963 and at 100½% on any time after 31st March 1955.
(K) Rs. 1,600,000 Debentures will be redeemed at par annually by drawing from 1-9-65 Any Debenture outstanding on 1-9-69 will be redeemed on that date with option to redeem all Debentures at 101% on 1-9-64.
(L) Any time on 6 months notice.
(M) At par in September 1980.
(N) May be redeemed at the end of 1965 or thereafter at 101%
(O) Option to repay at par on or after 31st May. 1961.
(P) Redeemable at par on 31st Dec., 1972 with option to redeem at par at any time on 6 months notice after 30th June 1958. At any time after 31st Dec. 1948 each note of Rs. 500/- may be converted into two ordinary shares of Rs 100/- each ranking for dividend from 1st January following
(Q) With option to redeem annually Rs 2,00,000/- at par after 31-3-58 by drawing or by purchase in the open market
(R) May be redeemed annually at par by drawing after 10th year also the whole issue at 101% on or after 31-3-63
(S) (Option to repay at par one month's notice). At any time after 1st October 1956.
(T) (Option to repay at par on 6 months notice) after 1-1-67
(U) (Option to repay on 3 months notice). At any time after 31st December 1960
(V) May be redeemed at par on 30-6-56 or any subsequent interest date on one month's notice.
(W) After giving six months' notice.
(X) Rs. 5,00,000 will be redeemed each year from and after 1964.

* These Debentures are registered and are transferable by transfer Deed.

JOINT STOCK COMPANIES PREFERENCE SHARES

Dividends are cumulative and shares carry a Preferential claim on the property for the payment of capital and on the profits for dividend except in case of companies marked otherwise. Months against *names of companies* indicate approximately times of payment of dividends. T means that dividend tax is deducted at source.

Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations 1-7-64 Rs.	A year ago Rs.
	BANK					
1901	Allahabad Bank (May Nov.)	15.00	6	100	94/50	98/50
	COALS					
1896-97	Borrea (June Dec.)	4.00	6½	100	84/00	84/00
1901-19	Burrakur (Jan July)	22.98	7	100	99/00	93/00
1946	Burrakur (June Dec.)	4.50	6T	10	5/21	6/00
1895	Equitable (May Nov.)	4.00	6	100	90/00	80/00
1931	Khas Kajora (March Sept.)	1.93	5	10	9/00	6/87
1920	New Beerbhoom (Jan July)	2.00	7	10	10/62	10/25
1898-00	Ondal (June Dec.)	2.00	5½	100	85/00	85/00
	COTTONS					
1902	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	77/00	70/00
1884	Bangalore (Jan July)	6.00	6	100	95/71	106/90
1938	Basanti (Oct.)	5.00	6½	10	7/06	7/00
1896	Bengal-Nagpur (Apr Oct.)	3.00	7	100	48/00	48/00
1900	Bowreah "A" (Apr Oct.)	6.00	8	100	111/00	114/00
1900	Bowreah "B" (6) (1) (Apr Oct.)	6.00	7	100	88/00	84/50
1919	Bradbury "B" (Jan Dec.)	14.85	7	50	60/50	53/00
1920	Buckingham & Carnatic (Jan. July)	21.30	7½	100	105/59	114/59
1928	Cambodia (July)	1.00	7	100	76/13	83/63
1912	Central India (Apr Oct.)	50.00	5	500	416/25	401/25
..	Delhi Cloth & General (Oct.)	20.00	4½	25	16/63	16/63
1912	Elgin (May Nov.)	11.00	8	100	113/00	113/00
1943	Elgin "B"	10.00	5	10	6/44	6/50
1919	Elphinstone (May Nov.)	25.00	7T	100	78/00	77/00
1919	Kesoram (June Dec.)	20.00	7	100	106/00	107/00
1925	Khatau Makanji (Nov.)	10.00	6	100	90/00	85/00
1937	Kothari (Nov.)	12.00	6	10	7/85	8/76
1900	Muir (Feb Aug.)	30.00	6	100	120/00	122/00
1913	New Great Eastern (Mar.)	8.00	5½	200	120/00	107/00
1920	New Victoria (Apr Oct.)	16.06	6	•	2/06	2/62
1933	Palani Andavar (Mar.)	2.00	7	50	115/45	118/64
1935	Svadeshi (Bombay) (May)	15.00	5	100	86/00	82/00
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	69/25	71/00
1931	Vasanta (Apr. Oct.)	3.00	6½	100	79/70	92/04
1908	Vishnu (Apr.)	16.00	7	500	390/00	385/00
	JUTES					
1927	Agarpara (Jan. July)	10.00	7	100	95/50	90/59
1905	Alexandra (Feb Aug.)	9.00	7	100	94/25	85/50
1895	Alliance (March Sept.)	15.00	6	100	76/00	72/25
1917	Anglo-India (May Nov.)	40.00	7	100	99/50	97/00
1909	Auckland (July Jan.)	10.00	5½	100	71/00	67/00
1945	Auckland (July Jan.)	15.00	4½	100	58/50	57/00
1918	Bally (Jan. July)	20.00	7	100	105/00	105/50
1896	Barnagore (Oct Dec.)	£200	6T	£5	42/00	38/00
1940	Bengal (June Dec.)	10.00	5½	100	70/00	56/75
1919	Birla (June Dec.)	23.64	7½T	100	79/50	78/50
1894	Budge Budge (May Nov.)	9.00	7	100	95/00	90/50
1934	Calcutta (Jan July)	8.00	6½	100	65/00	59/00
1915	Caledonian (June Dec.)	10.00	7	100	92/00	93/00
1919	Cheviot (June Dec.)	10.00	7	100	96/00	92/00
1928	Chitavalsah (Mar Dec.)	5.00	7	100	89/00	89/00
1900	Clive (First) (May Dec.)	8.00	6	100	57/00	52/00
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	63/00	62/00
1903-13	Dalhousie (July Jan.)	11.76	7	100	90/00	87/00
1897	Delta (June Dec.)	5.00	6	100	74/50	64/75
1912	Empire (Jan. July)	10.00	7	100	89/00	91/00
1890-93	Fort Gloster (Jan July)	14.00	7	100	111/00	97/00
1948	Fort Gloster (2nd)	7.00	5	100	69/75	65/50
1911	Fort William (May Nov.)	10.00	7	100	115/00	80/80
1916	Ganges (June Dec.)	6.00	6	100	106/00	106/00
1895-04	Gourepore (June Dec.)	26.50	6	100	86/75	88/50
1935	Hastings (Aug Feb.)	25.00	6	100	86/25	86/50
1913	Hooghly (July)	11.76	10	10	12/25	11/00
1890	Howrah (Jan. July)	8.75	7	100	92/50	90/50
1903-06	Howrah "A" (Jan. July)	17.50	7	100	95/50	91/00
1919	Hukumchand (June Dec.)	40.00	7	100	96/00	95/00
1898-04	Kamarhatty (Apr Oct.)	16.00	6	100	81/00	73/00
1900	Kanknarrah (Apr Oct.)	10.00	6	100	80/00	72/00
1935	Kedarnath (Jan July)	2.00	7	100	90/50	90/00
1907	Kelvin (Mar Sept.)	10.00	7	100	96/00	93/00
1895-09	Khardah (May Nov.)	9.00	6	100	74/00	77/00
1900-13	Kinnison (July Jan.)	15.00	7	100	96/50	92/50
1905	Lansdowne (July Jan.)	15.00	7	100	86/00	84/50
1912	Lawrence "A" (July Jan.)	5.00	7	100	95/00	91/00
1906-07	Lawrence "B" (July Jan.)	10.00	5½	100	71/00	64/50
1905-06	Naihati (July Jan.)	7.50	7	100	115/00	112/00
1945	Naihati (July Jan.)	10.00	4½	100	90/00	83/00
1917	National (May Nov.)	5.00	7	100	95/50	87/00
1939	Nellimarla (Apr Oct.)	5.00	6	100	71/00	76/00
1915	New Central (Jan July)	33.00	7	100	91/50	91/50
1908-09	Northbrook (July Jan.)	15.00	7	100	72/00	72/25
1933	Rameshwara (Jan July)	7.00	6	10	12/25	12/44
1906-12	Reliance (Jan July)	20.00	7	100	117/00	115/00
1928	Shree Ambica (Mar Sept.)	11.70	7½	100	91/50	90/00
1920	Soorah (Feb Aug.)	10.00	7	100	104/00	96/00
1901-02	Union (July Jan.)	6.00	7	100	98/50	91/00
1913	Waverley (Mar Sept.)	7.50	5	50	40/00	40/00
	MISCELLANEOUS					
1937	Alkali & Chemical (Mar Sept.)	31.00	5	100	85/00	87/50
1938	Aluminium Corpn (Oct.)	20.00	6	100	93/50	92/00
1944	Aluminium Corpn (Oct.)	20.00	5	100	63/50	62/00
1949	Anderson Wright (Dec.)	20.00	4½	100	66/62	66/62
1917	Andhra Valley Power (May Nov.)	49.34	7T	1,000	996/25	972/50
1919	Arthur Butler (Mar.)	1.30	7	10	10/00	12/00
1916	Asstd. Hotels of India (Mar Sept.)	21.67	7T	100	54/00	54/00

Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations 1-7-64 Rs.	A year ago Rs.
1895	Bengal Assam Steamship (Nov.)	3.00	7	60	57/00	47/00
1926	Bengal Chemical (Aug.)	6.25	7½	10	11/81	11/31
1889	Bengal Paper Mill (Mar Sept.)	2.00	7	50	51/00	46/50
1923	Bengal Paper Mill "A" (Mar. Sept.)	4.00	7	100	98/00	98/00
1936	Birds Investments (Dec.)	24.00	5½T	100	52/50	53/37
1962	*Braithwaite & Co*	40,00	9T	100	106/00	..
1918	Britannia Biscuit (Feb Aug.)	15.00	8	10	11/00	11/00
1920	British India Corporation (Feb.)	81.00	8	100	110/00	106/25
1995-99	Burn Eng (1st & 2nd) (Feb Aug.)	13.00	7	100	111/75	116/00
1903-5	Burn Engineering (Feb Aug.)	15.00	6	100	103/50	103/00
1909-11	Calcutta Electric Supply (Mar Sept.)	£1,900	5	£1	7/75	8/19
1937	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	70/50	70/00
1906	Calcutta Tramways (Jan July)	£250	5T	£1	8/25	8/25
1938	Carew & Co (Jan.)	8.00	6½	100	73/50	72/00
1905-24	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	110/00	104/50
1940	Chrestien Mica Industries Ltd.	30.00	5½T	100	39/00	40/00
1937	Dalmia Cement (Bharat)	35.00	6	10	7/87	8/69
1916	Delhi Flour Mills (Oct.)	90.00	7T	100	101/00	101/00
1935	Deshergarh Power Supply "A" (Jan.)	16.00	5	100	69/50	73/62
1940	Duncan Brothers & Co Ltd.	45.00	4	100	57/00	56/00
1926	Dunlop Rubber "First" (Jan July)	30.00	8	100	103/00	108/50
1936	Dunlop Rubber "Second" (Apr.)	40.00	5½T	100	65/00	72/75
1897	East India Distilleries (Jan July)	£200	7	20st	17/83	18/90
1908	General Investment & Trust (Feb Aug.)	1.00	5	100	56/00	56/00
1947	General Investment & Trust (Feb. Aug.)	1.00	6T	100	48/00	48/00
1946	Gillanders Arbuthnot (Apr. Oct.)	25.00	5T	100	56/50	55/00
1946	Gladstone Lyall & Co. Ltd.	15.00	6T	100	60/00	60/00
1948	Godfrey Phillips India Ltd.	30.00	5½T	100	60/00	60/75
1940	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	62/00	62/00
1940	Gwalior Sugar (Dec.)	5.00	7	100	62/00	62/00
1936	Humayan Properties Ltd (Nov.)	12.00	6	10	7/00	6/81
1936	Indian Aluminium (Mar Sept.)	40.00	5T	100	63/00	67/50
1927	Indo Burma Petroleum (Jan July)	50.00	7T	100	65/87	76/00
1899	India General Navg & Railways	£244	6	£10	83/50	75/00
1923	Indian Cable Co. (Nov.)	12.88	6	10	31/75	31/75
1918	Indian Standard Wagon (Aug. or Sept.)	19.66	7	100	112/00	116/50
1936	Indian Iron & Steel	2,69.95	5	100	80/75	85/00
1936	Investment and Finance (Feb Aug.)	2.00	5	100	69/00	69/00
1933	Investment and Finance (Feb. Aug.)	2.00	6T	100	60/00	60/00
1937	James Wright (Jan. July)	1.30	6	80	14/00	14/00
1937	Jardine Henderson Ltd.	50.00	5½T	100	55/00	54/50
1941	Jessop & Co	10.00	5	100	76/25	75/50
1915	Kumardhubi Engineering (June)	12.00	5	100	72/00	68/00
1915	Martin Burn Ltd.	30.00	5	100	81/00	84/00
1946	McLeod & Co.	10.00	5T	100	43/50	45/00
1930	McLeod & Co.	40.00	6	100	59/75	59/75
1936	Mettur Chemical & Industrial (Sept.)	20.00	6	10	8/23	9/25
..	Metal Box Co of India Ltd.	30.00	6T	100	75/00	77/50
1938	Mysore Chemical Mfg (Sept.)	2.00	6	10	6/73	7/85
1942	National Tobacco (June Dec.)	25.00	5	100	69/00	66/50
1944	National Tobacco (Jan Dec.)	20.00	4½	100	57/50	57/50
1917	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	99/50	101/00
1935	Premier Construction "First" (Apr.)	10.00	6½T	100	74/00	73/50
1936	Premier Construction "Second" (Apr.)	15.00	6½T	100	77/00	75/50
1922	Purtabpore (Sugar) (Oct.)	6.00	10	10	9/56	10/50
1936	Ramnugger Cane & Sugar (Aug.)	4.00	6	100	82/00	82/00
1933-36	Rohtas Industries (April)	20.00	7	100	103/00	95/00
1935	Rohtas Industries "B" (April)	86.00	4½	100	58/00	56/50
1944-48	Shaw Wallace & Co. Ltd.	75.00	6T	100	55/00	58/50
1936	Shree Gopal Paper	7.50	7	100	98/50	103/00
1936-38	Shree Krishna Gyanoday Sugar "A" (Oct.)	6.00	6	100	45/00	62/00
1937	Shree Krishna Gyanoday Sugar "B"	12.00	5	100	70/00	70/00
1918	Smith Stanistreet (Chemists) (Nov.)	5.00	10	50	74/50	62/50
1933	South Behar Sugar (Oct.)	5.00	9	100	20/50	20/50
1897	Spencer & Co "A" (Provisions) (Jan July)	23.20	6½T	10	8/70	6/6[illegible]
1923	Spencer & Co "B" (Provisions) (Jan. July)	36.80	8½T	10	9/65	8/5[illegible]
1936	Star Paper (Apr Oct.)	10.00	5	100	68/50	65/9[illegible]
1925	Surat Electricity (April)	5.00	6½	100	102/50	104/0[illegible]
1939	Tata Chemicals (Nov.)	60.00	5	100	93/50	87/0[illegible]
1910	Tata Hydro Electric Power (Sept Mar.)	89.28	7	100	99/50	95/2[illegible]
1908	Tata Iron & Steel (First) (Nov.)	75.00	6T	150	126/25	128/0[illegible]
1918	Tata Iron & Steel (Second) (May)	6,93.82	7½T	100	106/50	100/0[illegible]
1919	Tata Power (May Nov.)	86.97	7½	1,000	1,020/00	1,002/5[illegible]
1929	Titaghur Paper Mills (Mar. Sept.)	11.50	8	100	112/50	117/0[illegible]
1936	Titaghur Paper Mills "2nd" (Mar. Sept.)	15.00	4½	100	64/25	66/5[illegible]
1934	Vellore Electric (Sept Mar.)	1.25	6	10	5/78	5/8[illegible]
	TEAS					
1903	Amluckie (May Nov.)	75.00	7	10	21/96	21/9[illegible]
1901	Banarhat (Jan.)	4.00	6½	100	87/00	91/0[illegible]
1900	Birpara (Jan.)	1.00	8	100	104/00	104/0[illegible]
1947	Brooke Bond Estate India Ltd.	35.00	6T	100	55/00	56/0[illegible]
1914	Choonabhutti (Jan.)	2.00	6½	100	90/50	90/5[illegible]
1901	Dimakusi (June Dec.)	70.00	8	10	9/50	9/5[illegible]
	Dhunser	1.20	10	10	7/00	7/0[illegible]
1894	Gielle (Sept.)	2.00	6	100	59/50	50/0[illegible]
1901	Hantapara (Jan.)	50.00	8	100	69/84	89/8[illegible]
1904	Hasimara (Mar.)	3.00	7	100	83/00	88/5[illegible]
1897-99	Kingsley Golaghat (Dec.)	2.40	6	100	65/00	85/0[illegible]
1929	Moheema (May Nov.)	3.20	6	10	4/75	5/2[illegible]
1907	New Dooars (Jan.)	2.00	6½	100	87/00	91/0[illegible]
1903	New Samanbagh (Nov.)	1.00	8	100	90/50	90/5[illegible]
1888	Okayti (Dec.	50.00	7	100	84/50	84/5[illegible]
1914	Peermade (July)	1.50	6	100	73/30	82/7[illegible]
1916	Pussimbing (Jan.)	2.05	7	100	93/00	89/5[illegible]
1909	Sonai River (May)	1.00	8	100	66/00	66/0[illegible]
1932	Tezpore (Jan.)	2.06	8	10	7/62	7/2[illegible]
1922	Tirrihannah (May Nov.)	1.00	10	10	11/46	11/4[illegible]

BANKS

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

Paid-up Capital Ordinary Rs.	Reserve & other Funds Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 1-7-64 Rs.	24-6-64 Rs.	A year ago
67,50,000	1,33,55,000	24,28,10,621	26,41,432	4,67,637	12	Allahabad Bank P.	18	15	15	100	250/00	250/00	263/00
2,00,00,000H	2,44,93,760	45,38,16,085	75,00,247	2,96,969	12	Bank of Baroda	17	16	16	50	96/00	95/70	85/50
4,05,00,000H	4,86,00,000	50,72,83,602	1,25,00,000	4,19,847	12	Bank of India	20	20	18	50	102/50	103/00	109/50
2,63,01,800H 52,50,000	5,53,41,648	91,06,63,918	1,89,26,426	91,510	12	Central Bank of India	20	20	20	25	48/00	47/25	55/30
£6,600,000	£7,900,000	£208,379,848	£1,069,378	£574,024	12	Chartered Bank	15	15	15	£1	49/6	sh. 49/-	60/06
1,25,00,000H	10,00,000	3,70,50,489	9,68,909	17,401	12	Hindusthan Commercial	Nil	Nil	..	50	10/50	11/12	12/87
50,00,000H	3,10,000	1,52,63,057	2,11,49,462	52,289	12	Hindusthan Mercantile	Nil	Nil	..	50	10/75	10/75	15/62
HK$79,046,125	HK$240,000,000	HK$3,117,934,633	HK$47,716,320	HK$5,511,638	12	Hong Kong & Shanghai	sh. 15†	sh. 16†	sh. 16†	HK$25	£21¼	£21⅜	£18¼
71,79,795 16,60,000	75,44,583	20,13,31,335	15,25,151	143,787	12	Indian Bank	15	14	..	100	152/50	152/50	160/00
75,00,000	78,36,660	14,65,60,072	43,80,498	2,22,933	12	Indian Overseas Bank	14	..	..	100	142/50	141/00	142/00
£5,703,000	£5,400,000	£131,367,034	£679,318	£357,227	12	National & Grindlays Bank	14	16	14	sh 15	sh. 30/6	sh.30/4½	sh. 34/4½
1,99,63,820	2,36,56,382	79,55,83,097	1,13,83,168	15,20,907	12	Punjab National Bank	20	20	..	10	19/75	19/75	18/69
1,00,00,000	70,00,000	20,95,66,501	18,58,992	1,39,907	12	Union Bank of India	11-2/5	11 2/5	..	5	6/12	6/08	5/76
2,68,84,370	1,00,30,000	31,22,05,273	26,39,808	4,15,814	12	United Bank of India	6	6	7½	10	7/59	7/56	7/25
2,79,66,812	3,20,00,000	49,86,00,180	76,42,869	75,941	12	United Commercial Bank	12	12	12	50	68/25	68/75	66/00

† Per share

JUTE MILLS

Paid-up Ordinary Capital Rs.	No. of Looms	Net Block Account Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 1-7-64 Rs.	24-6-64 Rs.	A year ago Rs.
60,00,000	879	1,06,68,526	83,91,980	3,06,760	32,27,075	8,246	3	79	Agarpara P.	2½	2½	12	10	8/87	9/06	9/94
6,00,000	446	30,57,138	21,01,100	6,26,077	22,41,118	32,706	12	165	Alexandra P.	15	42½	..	100	300/00	300/00	300/00
30,00,000	1,264	57,64,872	26,04,850	5,25,867	18,38,975	1,05,589	6	165	Alliance P	Nil	10	12½	100	124/00	126/00	122/00
49,20,700	2,561	1,34,17,399	1,64,67,331	63,38,766	73,57,877	90,778	3	63	Anglo-India P.	7	10	12	100	152/00	152/00	224/00
40,00,000	810	74,93,222	32,04,394	5,13,154	39,08,352	1,752	3	21	Auckland P.	12	Nil	15	100	122/00	122/00	146/00
20,00,000	959	57,59,081	35,02,335	12,05,050	13,67,235	60,074	3	22	Bally P	25	25	..	100	235/00	235/00	265/00
£275,000	1,889	£410,423	£9,73,990	£1,82,998	£5,10,306	£1,341	3	128	Barnagore P.	10	10	10	£5	220/00	220/00	198/00
45,00,000	600	29,61,854	15,46,700	8,93,663	5,85,851	1,33,355	6	235	Bengal P.	..	..	..	10	6/69	6/69	9/69
1,59,56,210	1,373	5,92,74,980	3,88,65,994	95,53,646	1,39,85,792	46,410	3	22	Birla	15	15	15	10	33/75	30/75	28/00
36,00,000	991	46,08,736	20,48,440	16,71,597	43,23,494	35,907	10	2	Budge Budge P.	Nil	12	14	100	121/00	121/00	155/00
7,47,380	602	12,59,648	4,17,958	1,73,320	51,970	48,461	6-12	62	Calcutta P	..	..	..	10	8/12	8/12	8/12
18,00,000	616	38,26,710	28,17,882	36,75,352	1,72,996	11,777	11	440	Caledonian P.	5	..	..	100	142/00	135/00	200/00
29,58,200	1,405	76,11,573	1,01,10,201	4,04,567	30,87,988	30,261	3	304	Champdany P.	5	Nil	40—35*	10	22/37	22/37	20/87
88,58,750	1,131	67,05,590	72,45,112	12,64,351	41,57,638	1,02,122	11	2	Cheviot P	5	25	..	10	21/37	21/37	24/37
30,15,000	500	51,15,293	36,54,850	16,26,307	—480,984	—410,550	7	165	Chitavalsah P.	Nil	5	Nil	10	7/75	7/69	10/50
16,00,000	959	13,80,489	25,12,433	1,35,556	1,51,574	18,647	3	318	Clive P	..	..	..	10	8/00	8/00	10/50
31,49,200	766	53,32,179	21,35,995	4,07,539	22,78,348	3,316	3	21	Dalhousie P.	1	Nil	25	100	115/00	115/00	145/00
56,00,000	1,599	1,12,10,485	74,12,967	3,45,236	37,84,549	23,475	11	2	Delta P	Nil	12	16	100	132/00	132/00	159/00
15,00,000	500	41,34,892	42,21,700	9,25,844	15,13,538	84,695	7	165	Empire P	7½	12½	15	10	13/87	13/87	14/69
63,00,000	1,884	1,86,60,226	1,23,68,695	8,78,531	88,00,061	4,532	3	138	Fort Gloster	10	12½	20	100	251/00	251/00	377/00
21,00,000	1,014	89,78,908	39,25,515	2,10,063	33,89,018	6,051	3	234	Fort William P.	22½	10	20	10	21/37	21/44	26/00
84,32,100	1,709	1,38,06,625	77,96,303	3,39,780	84,23,155	16,267	3	367	Ganges P	10	15	20	10	13/69	13/69	13/87
43,20,000	607	1,06,89,025	37,97,205	1,14,364	19,55,516	16,522	12	359	General Industrial	10	13	..	10	14/19	14/06	15/62
24,00,000	1,394	1,27,87,553	65,59,122	45,82,832	74,09,601	28,659	3	19	Gourepore P.	25	20	20	10	22/50	22/56	25/50
40,00,000	1,078	89,70,576	1,13,65,042	60,69,113	42,85,744	4,954	3	234	Hastings P.	6	6	6	100	128/00	128/00	128/00
16,80,000	720	32,20,357	44,86,659	2,59,301	9,22,006	4,294	3	356	Hooghly P.	20	7½	10	10	16/00	16/00	20/00
65,62,500	1,940	69,79,752	46,00,997	9,34,173	57,39,425	..	3	128	Howrah P.	10	Nil	10	10	15/50	15/75	18/19
52,50,000	2,272	1,36,00,000	1,26,22,000	22,50,131	87,88,996	5,058	3	35	Hukumchand P.	28⅝	26⅔	26⅔	7½	19/50	19/50	21/50
87,30,000	790	1,23,75,753	93,65,745	36,02,644	58,75,996	4,811	3	355	India	12	8	22½	12½	15/12	15/25	18/19
43,20,000	1,797	48,38,710	36,84,700	8,25,320	43,90,084	..	12	128	Kamarhatty P.	Nil	20	20	100	165/00	165/00	185/00
54,00,000	1,527	43,79,575	16,53,308	4,87,955	45,55,022	..	12	128	Kanknarrah P.	Nil	15	15	100	137/00	140/00	141/00
28,00,000	703	1,27,62,408	72,61,800	15,66,004	32,65,397	94,936	5	165	Kelvin P	15	5	20	100	135/00	135/00	184/00
54,00,000	1,530	93,03,019	73,68,631	6,07,972	42,70,729	3,379	3	382	Khardah P.	5	12½	12½	10	17/50	17/50	18/62
48,00,000	1,250	79,54,389	49,03,577	25,23,275	44,01,751	12,641	3	106	Kinnison P.	7	Nil	10	100	114/00	114/00	148/00
24,48,000	931	29,67,596	1,30,000	12,43,413	13,51,372	4,687	3	21	Lansdowne P.	Nil	Nil	Nil	100	93/50	93/50	86/00
28,00,000	840	20,00,065	14,09,475	45,59,844	12,94,083	664	3	21	Lawrence P.	15	10	10	100	99/50	99/50	100/00
81,65,200	1,294	1,68,99,178	1,32,00,037	6,94,617	1,07,37,567	37,681	3	355	Megna	12½	Nil	22	10	12/56	12/75	13/12
29,88,900	815	76,99,875	12,04,575	2,94,057	10,35,634	—13,08,719	3	101	Naihati P.	..	..	..	100	85/00	75/00	81/00
20,00,000	425	10,79,854	15,55,000	26,11,429	3,36,343	17,816	1-10	10	Naskarpara	..	..	..	10	6/00	6/00	9/06
35,00,000	852	2,82,38,827	97,30,449	23,86,188	28,36,819	4,576	10	378	National P.	Nil	10	10	10	20/62	20/62	23/50
26,25,000	316	35,16,713	36,29,172	14,01,935	4,40,187	35,230	7	165	Nellimarla P.	6	15	5	10	8/31	8/31	11/31
1,56,00,000	1,765	3,08,96,118	2,42,19,122	26,20,231	—18,53,066	15,530	3	335	New Central P.	15	Nil	..	10	11/75	11/81	12/37
16,79,880	567	54,75,607	56,86,689	4,76,913	33,32,174	1,076	3	21	Northbrook P.	30	20	35	10	24/75	24/75	28/00
66,79,500	1,092	1,01,51,940	58,00,825	5,39,056	39,43,549	13,111	3	19	Nuddea	6	5	10	10	10/87	10/19	..
25,00,000	400	24,42,457	13,65,554	8,76,427	7,59,908	17,103	7	165	Presidency	6	10	10	5	4/50	4/56	4/69
20,00,000	305	43,92,723	5,27,128	97,402	17,07,297	25,500	3	166	Rameshwara P.	Nil	Nil	Nil	10	9/20	9/20	9/44
49,50,000	1,276	54,87,001	6,89,145	40,06,508	10,48,066	..	8	128	Reliance P	Nil	Nil	Nil	10	7/37	7/50	9/75
£600,000	2,013	£1,602,126	£1,398,262	£285,022	£197,841	£2,892	12	64	Samnugger P	Nil	10	13	£1	10/50	10/50	10/50
30,00,000	911	47,47,618	15,81,656	27,81,388	4,13,128	3,184	3-9	81	Shree Ambica P.	6	Nil	..	10	30/00	25/25	25/00
14,00,000	401	21,82,940	17,16,854	14,69,644	15,77,802	26,425	12	166	Soorah P	25	25	..	10	22/50	22/50	22/75
£600,000	1,794	£1,631,120	£1,276,938	£347,424	70,811	£3,525	12	64	Titaghur P.	Nil	13	10	£1	10/50	10/50	10/50
66,98,600	1,326	50,79,284	42,63,667	13,52,676	31,60,784	603	3	21	Union P.	6	Nil	20	100	133/00	133/00	155/00
£400,000	1,331	£1,372,172	£1,002,577	£193,286	£48,412	£1,951	12	64	Victoria P.	Nil	10	10	£1	10/50	10/50	10/50
2,50,000	465	7,64,459	9,70,000	15,49,934	9,93,458	57,655	6	165	Waverley P.	30	60	30	1	8/19	8/19	7/44

* 1964

COAL COMPANIES

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

Paid-up Capital Ordinary Rs.	Net Block Account Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 1-7-64 Rs.	24-6-64 Rs.	A year ago Rs.
35,50,000	58.52.284	43.77.800	3.90.484	16.40.057	39.096	12	236	Amalgamated	12½	15	..	10	22/37	22/37	22/69
1,20,00,000	4,10,81,913	2,88,23,173	30,83,212	62,75,084	1,03,409	10	2	Bengal P	21	19	16	100	233/00	230/00	280/00
4.49.350	4.37.882	1.30.132	91.796	43.397	4.471	10	2	Bengal Bhatdee	..	..	..	10	3/48	3/48	3/48
2,25,000	3.06.216	5.45.835	5.19.015	1.55.638	16.129	12	368	Bengal Nagpur	26	..	..	10	22/00	22/00	22/00
15.97.000	23.27.321	4.87.308	63.982	2.62.417	21.275	12	..	Bhalgora	..	..	..	10	3/87	3/87	5/00
40,00,000	67.23.620	2.75.000	21.19.681	11.80.816	2.120	9	152	Bharat Collieries P.	..	..	..	10	3/00	3/00	3/37
7.15.000	14.96.845	11.02.672	64.329	—3.06.406	—4.92.536	6	335	Bhulanbararee	..	..	..	10	10/00	10/00	11/94
16.00.000	38.87.275	16 18.636	7.185	1.21.936	—79.196	12	362	Bokaro & Ramgur	..	..	..	10	11/19	11/19	11/19
7.50.000	29,24,890	29.11.605	7,46.652	9.82.707	6.037	12	106	Borrea P	15	15	15	10	20/25	20/25	23/87
90.92.480	2,64,32.234	1,60,36,371	32,82.964	41.00.007	10.459	6	21	Burrakur P.	13	13	13	10	15/81	15/81	16/50
49.97.000	50.93.754	6.86.120	6.35.532	16.11.088	3.58.023	3	166	Central India	10	10	..	10	8/69	8/69	9/87
8.00.000	18.69.439	12.97.490	98.040	6.357	214	12	..	Central Kurkend P.	..	..	..	10	3/44	3/44	3/87
6.00.000		1.55.159	6.05.672	63.765	7.043	12	106	Churulia	..	..	..	4	3/06	3/06	3/06
16.00.000	25.01.305	Nil	19.429	—6.45.261	—5.39.034	12	444	Dhemo Main	Nil	..	..	10	3/95	3/95	4/31
£240.000	£868.390	£561.905	£13.858	£288.462	£6.234	4	128	East India	15	20⅝	..	£1	28/50	28/50	31/87
29.63.700	1,36,20,784	1,22,22,090	33,81,520	14,35,632	1,57,517	12	19	Equitable P.	10	10	10	10	21/50	21/50	24/69
15,00,000	22,69,942	71,000	31,302	7,080	—6,48,987	3	307	Ghusick & Muslia	Nil	Nil	Nil	10	13/87	13/87	14/25
6.50.000	4.21.847	Nil	12.025	10.670	—14.705	12	20	Guzdar Kajora	..	..	..	10	2/47	2/47	2/44
8.00.000	5.43.022	..	16.702	—10.172	—3.65.025	12	393	Hurriladih	..	..	..	10	5/44	5/44	8/12
15,00,000O / 5,00,000F	26,00,237	29,37,098	36,07,570	94,026	1,570	12	21	Karanpura Development	5 / 15	3 / 9	3 / 9	10O / 10F	7/69	7/69	11/50
30.00.000	37,05,428	12,43,807	4,29,578	10,53,244	9,997	2	21	Karanpura Collieries P.	10	10	10	10	11/75	11/75	16/75
14,90,460	22,28,867	18,07,072	9,73,401	12,76,204	20,670	1	2	Katras Jherriah	40	25	30	10	30/00	30/00	37/75
1.38.400	6.75.000	95.000	11,80,294†	49.776	1.918	6-12	337	Khas Kajora P.	..	..	..	10	17/62	17/62	18/70
5.65.750	5.95.833	Nil	9.780	—1.60.535	—16.47.497	3	372	Mundulpur	..	..	..	10	2/69	2/69	2/69
7.48.240	3.39.261	56.489	7.29.802	1.15.573	74.711	12	347	Nazira	Nil	Nil	..	10	6/25	6/25	5/00
81.97.210	88,87,936	46,16,139	4,45,645	17,86,837	15,709	10	2	New Beerbhoom P.	10	12	10	10	15/19	15/19	19/12
9.90.340	9.04.373	5.21.710	75.374	4.12.216	43.822	8	202	New Manbhoom	9	12	..	10	11/25	11/25	16/00
3 15.000 / 1,57,500	7,03,719	4,31,409	40,364	1,44,042	15,045	12	441	North West	20	..	..	10 / 7½	19/75 / 18/00	19/75 / 18/00	19/75 / 18/00
6.50.000	1,33,788	13.22.645	22.85.007	1.91.515	45.060	12	106	Ondal P.	7½	..	..	10	13/50	13/50	12/00
8.34.000	23.69.066	1.52.212	4.78.984	1.79.344	589	12	207	Parasea P.	1½	..	..	10	14/00	14/00	16/00
15.75.000	32.93.192	24.59.125	4.11.055	5.41.674	54.253	8	236	Pench Valley	10	10	..	10	17/44	17/44	18/00
2.50.000	6.62.405	7.500	11.530	2.003	18.581	6-12	5	Pure Sitalpur	..	..	..	10	8/00	8/00	8/00
33.58.900	50.26.723	40.85.000	1.26.141	11.54.576	35.781	3	370	Raneegunge	17	17	..	10	13/37	13/37	16/00
13.50.000	25.32.135	20.80.190	15.89.318	13.18.197	41.523	12	236	Rewa	20	..	..	10	28/50	28/50	28/50
37.50.000	74.38.430	38.61.070	1,69,086	12.37.914	26.993	12	48	Samla	..	..	..	10	7/81	7/81	10/03
2.50.000	4.47.534	74.281	10.748	—19.279	—4.27.396	1	353	Searsole	Nil	Nil	..	2½	1/25	1/25	1/22
2.80.000	13,16,067	14,49.316	7,39,416	4,60,584	16,284	12	2	Seebpore P.	42 6/7	35 5/7	28 4/7	7	34/75	34/75	45/00
8.00.000	4.203	4.54.648	13.04.570	78.390	1.540	12	106	Sendra	3½	..	..	10	5/00	5/00	5/75
17.50.000	32,03,711	11,77,056	36,734	1,89,147	3,001	8	21	South Karanpura	Nil	Nil	2½	10	6/37	6/37	8/06
8.00.000	1.30.001	15.48.939	26.78.255	1.84.925	38.908	12	106	Standard	10	..	..	10	10/50	10/50	13/12
2.50.000	4.36.300	3.23.000	36.660	1.37.973	1.77.952	12	..	Union	..	..	..	10	10/25	10/25	11/12
49.98.000	63.57.150	6.09.055	2.69.620	11.72.192	1.19.162	3	166	Western Bengal	7½	9	..	10	8/69	8/78	9/06
7,00,000	26,06,335	Nil	47,091	—6,51,403	—6,23,711	12	444	West Jamuria	Nil	..	..	10	3/60	3/60	4/11

COTTON MILLS

Paid-up Capital Ordinary Rs.	Number on Spindle	Looms	Net Block Account Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 1-7-64 Rs.	24-6-64 Rs.	A year ago Rs.
15,00,000	14,108	356	14.06.683	3,15,002	12,59,541	26,012	41,532	12	49	Basanti P.	..	..	..	10	12/06	12/12	11/50
7,11,280	36,000	932	17,17,120	2,20,369	30,842	3,66,177	47,818	8	27	Banga Luxmi	..	..	..	40	30/00	30/00	28/00
27,00,000	31,476	624	17.77.373	..	93,872	—6,24,150	—6,86,163	12	223	Bengal Nagpur P.	..	..	..	10	2/44	2/44	3/00
50,00,000	..	..	1,66,35,360	49,94,800	52,56,090	28,04,759	17,588	12	394	Bharat Commerce P.	15	15	..	10	19/75	20/44	19/62
99,95,950	38,764	992	60,94,300	1,21,02,782	53,37,204	39,77,025	1,67,525	8	22	Birla Cotton	20	20	..	10	27/00	27/00	33/00
63,60,000	43,136	841	1,13,15,319	45,62,881	2,74,548	14,72,717	7,833	12	138	Bowreah P.	20	15	15	10	24/00	23/75	22/50
30,00,000	22,000	510	40,26,405	68,61,034	5,45,176	9,97,828	11,228	12	25	Cawnpore Textiles	10	10	Nil	5	6/19	6/19	6/31
1,38,36,225	1,97,348	3,307	9,79,20,896	8,21,37,642	91,82,065	2,15,43,296	1,46,548	6	238	Delhi Cloth & Genl. P.	13	13	13	25	48/25	45/62	40/75
38,00,000	43,049	518	65,71,796	61,81,868	1,65,881	25,16,474	36,763	12	138	Dunbar	20	15	17½	10	27/25	27/25	27/50
63,00,000	54,000	1,200	1,20,30,927	2,33,36,673	87,18,503	41,89,328	5,435	9	389	Elgin P.	17½	17½	17½	10	19/25	18/12	17/94
6,25,00,000	..	..	3,48,97,571	56,34,321	85,50,730	19,28,764	1,22,795	12	158	J. K. Cotton (Rayon) P.	..	..	..	10	10/94	10/94	11/75
73,77,250	6,272	202	1,35,97,000	51,88,685	4,20,764	43,21,513	12,265	12	22	Jaya Shree	10	10	10	10	14/19	14/12	14/25
80,00,000	38,000	1,825	47,44,548	52,19,301	92,65,055	18,77,941	—7,77,290	12	208	Muir P	..	..	..	100	63/00	63/00	90/75
85,11,583	78,848	1,367	47,49,840	3,96,960	1,09,256	12,73,361	—63,55,495	12	237	New Victoria P.	..	..	..	2½	1/41	1/44	1/41
48,00,200	..	..	1,08,10,352	78,144	2,34,188	12,34,741	—22,17,524	3	399	Orissa Textiles P.	Nil	..	..	10	7/00	7/00	9/00
19,47,750O / 5,00,000Dd	23,196	795	15,49,229	80,773	2,37,475	3,38,087	..	8	4	Rampooria Cotton	Nil / Nil	.. / Nil	.. / ..	10 / 1	13/00 / 3/00	13/00 / 3/00	12/00 / 2/00
17,50,000O / 17,50,000Po	1,14,836	2,071	4,48,79,351	2,63,83,071	2,15,81,189	76,20,241	5,044	12	333	Swadeshi (Kanpur) P.	.. / ..	.. / ..	.. / ..	10O / 10PO	11/00 / 6/75	11/00 / 6/75	11/50 / 7/25

TEA COMPANIES

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

Paid-up Capital Ordinary Rs.	Net Block Accounts Rs.	Reserve & other Funds Rs.	Area Hectares	Outturn and Average Price per Kg. realised for crop 1961 Kgs.	1961 Rs.	1962 Kgs.	1962 Rs.	Estimate 1963 Kgs.	Net Profits including taxation Rs.	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 1-7-64 Rs.	24-6-64 Rs.	A year ago Rs.
												ASSAM							
4,45,700	16,40,103	16,37,403	..	4,24,104	4.81	413,012	5.67	4,71,700	2,90,039	12	165	Amluckie P.	Nil	10	7½	10	16/00	16/00	20/00
7,00,000	12,87,204	8,65,604	506†	3,11,077	6.58	301,064	6.71	..	3,50,091	12	88	Anandabag P.	30	32½	20	10	33/25	33/25	33/25
5,50,000	16.63.877	15.34.741	..	3,53,284	5.32	320,928	5.99	3,62,900	1,91,082	12	165	Baghmari	Nil	15	7½	10	13/62	13/62	12/00
1,80,000	..	..	..		..	..	..	..	..	12	349	Barduar Tea	..	..	..	6	8/50	8/50	8/50
7,65,000	18.61.913	10.56.655	160	3,13,600	6.01	286.800	6.60	2,90,000	3,93858	12	2	Basmatia	35	25	20	10	24/25	24/25	27/25
4.95.900			..	4.12.342	4.34	..	..	..	..	12	345	Bateli	30	30	..	5	15/25	16/25	20/50
6.40.000	12,12,739	12,28,191	619†	4,08,269	6.56	405,929	6.66	..	5,57,424	12	88	Betjan	40	45	30	10	30/37	30/37	30/56
33,00,000	38.97.401	18.10.167	1,394	16,30,448	5.80	1,517,589	6.71	15,78,600	15,42,968	12	279	Bishnauth	13	13	20	10	13/87	13/25	18/25
6,00,000	11,68,235	5,03,003	194	2,23,909	5.90	209,073	7.12	2,43,125	2,62,960	12	202	Bokakhat	Nil	12	13	10	13/12	13/12	13/70
7,50,000	13.90.224	11,90,375	..	3,03,665	5.50	300,721	5.85	3,08,400	3,94,885	12	165	Bormah Jan P.	15	15	15	10	10/62	10/62	14/25
4,50,000	7.86.600	2.36.500	239	2,65,021	5.25	258.733	6.32	2,90.300	1,15,476	12	279	Bor Pukhuri	Nil	Nil	10	10	11/50	11/50	11/75
35,00,000	68,93,654	15,66,180	..	14,26,351	5.27	13,51,189‡	4.75	..	9,51,721	6	127	Brooke Bond P.	15	10	7½-7½‡	10	10/19	10/19	11/81
1,20,000	9,24,434	9,31,522	..	1,73,277	5.19	200,496	5.90	1,99,600	2,85,668	12	165	Dejoo Valley	15	20	30	10	45/50	45/50	52/50
8,40,000	13.39.224	9,51.460	535	5,43,624	5.68	597,724	6.12	5,33,773	7,20,815	12	128	Dessai & Parbuttia	Nil	10	15	100	181/00	181/00	189/00
17,53,440			..	2,94,761	6.64	..	..	..	..	12	214	Dhelakhat	12½	10	..	10	20/81	20/81	19/75
7,00,000	20,46,600	8,35,000	558	6,32,799	4.70	554,700	5.16	6,20,000	2,14,165	12	365	Dhunseri P.	20	15	10	10	11/12	11/12	13/87
4,50,000	17,18,470	16,36,695	..	3,05,738	6.23	301,917	6.68	3,30,200	5,86,433	12	165	Dibrugarh	40	40	30	10	32/00	32/00	31/25
4,73,400	10.37.000	8.52.500	256	3.01.383	5.81	297,513	6.44	3,08.000	2,71,648	12	279	Dimakusi P.	25	20	25	10	25/19	25/19	21/87
7,00,620	14.88.200	15.53.500	274	4.64.799	5.77	403,594	6.70	4,36,000	5,29,546	12	279	Dufflaghur	25	25	30	10	26/12	26/12	27/50
10,00,000	20.32.480	11.26.500	481	5,25,798	5.76	494,612	6.30	5,27,000	2,06,168	12	279	East India	Nil	Nil	10	10	12/00	12/00	14/25
5,03,760	14,00,556	6,32,810	242	3,58,797	..	319,832	..	4,00,000	49,047	12	354	Gillapukri	25	20	15	10	27/56	27/56	25/44
6,76,000	12,41,500	7,48,500	228	2,54,919	5.81	259,394	7.44	2,62,000	4,74,030	12	279	Gohpur	Nil	5	20	10	14/69	14/69	16/56
23,29,085	54,85,603	36,46,798	1,042	10,79,309	4.98	1,039,276	6.17	11,32,167	3,83,294	12	202	Grob	6	6	6	5	6/19	5/94	7/19
5,00,000	11,67,377	7,55,258	..	3,58,885	..	3,45,217	..	..	1,67,965	12	354	Hoograjuli	20	20	17	10	27/62	27/62	27/12
8,70,000	26,52,302	15,02,799	542	4,83,000	5.71	515,500	6.62	3,00,000	4,51,521	12	2	Hoolungoorie	10	7½	20	100	169/00	185/00	195/00
9,00,000	18,88,785	11,65,055	953	5,39,472	5.99	533,423	6.50	..	6,31,655	12	88	Jutlibari	30	30	20	10	27/87	27/87	31/50
2,40,000		..	..	5,52,301	5.10	..	..	..	..	12	236	Kingsley Golaghat P.	35	35	..	100	125/00	125/00	140/00
1,80,000	19,59,626	1,45,000	494	5,24,469	4.60	488,346	4.97	5,20,000	1,21,490	12	63	Kotamullai P.	Nil	Nil	Nil	5	9/87	9/87	10/31
5,00,000	11,19,728	3,07,818	140	1,73,581	5.29	166,356	6.02	180,000	1,13,899	12	41	Krishnabehari	15	8	10	10	11/50	11/50	10/50
2,00,000			..		..	..	..		..	12	236	Kyang Tea	Nil	..	..	10	8/06	8/06	8/06
6,50,000	14,12,161	9,50,234	268	2,79,777	5.15	281,500	5.30	2,85,000	53,354	12	63	Ledo	Nil	Nil	Nil	10	9/94	13/75	13/75
8,00,000	11,99,968	1,30,508	275	2,28,707	4.96	210,642	5.26	2,23,167	1,25,716	12	..	Maud Tea & Seed	10	7½	7½	10	12/00	12/00	14/81
10,00,000	16,16,636	14,78,000	262	3,82,580	6.03	374,221	7.12	3,81,045	6,21,941	12	202	Methoni	5	14	20	10	12/50	14/00	17/31
4,80,000	..	..	..	5,15,200	1.92	..	..	..	..	12	..	Moheema	Nil	Nil	..	10	11/50	11/50	11/50
1,50,000	3,24,738	13,65,825	..	83,921	..	122,743	..	..	1,22,731	12	138	Mothola	30	30	35	100	507/00	507/00	507/00
1,75,000O / 2,00,000Po	14,68,025	9,31,447	160	1,82,900	6.01	171,400	8.41	2,00,000	4,99,564	12	2	Murphulani (Assam)	5 / 10.63	15 / 20.63	25 / 30.63	10 / 10	26/50 / 26/87	26/50 / 26/37	26/50 / 28/75
4,00,000	12,90,728	7,77,459	220	3,19,104	4.51	326.748	5.10	3,40,000	1,24,658	12	143	Naga Hills	10	10	10	10	21/25	21/25	22/25
5,35,000	..	..	..	3,47,154	4.58	..	..	..	..	12	..	Namburnadi	12	12	..	10	12/87	12/87	14/56
5,00,000	7,84,102	3,97,500	299	2,90,978	5.98	296,696	7.64	2,90,000	5,86,793	12	63	New Cinnatolliah	Nil	Nil	Nil	100	455/00	455/00	302/00
6,00,000	14,50,587	7,57,922	170	2,16,600	5.31	230,700	6.35	2,22,500	3,62,519	12	2	Raigarh	40	13½	17½	10	18/56	18/56	21/37
13,50,000	25,76,607	4,53,937	..	6,32,808	..	604,795	..	..	140,864	12	354	Sapoi	22½	20	10	10	19/50	19/50	18/31
2,49,000	6,35,900	6,85,000	208	2,42,697	5.56	207,643	7.36	2,21,000	3,75,627	12	279	Seajuli	22½	15	30	10	25/12	25/12	21/12
5,98,000	17,86,091	15,24,544	..	3,73,286	4.99	390,802	5.61	3,81,000	5,06,871	12	165	Teloijan	25	25	25	10	21/87	21/44	22/00
8,00,000	12,80,761	7,41,936	345	3,48,111	6.59	338,378	6.81	..	4,19,888	12	88	Tengpani	30	30	22½	10	36/50	36/50	35/00
19,82,800	30,75,956	23,51,846	1,926†	29,72,880*	1.92	2,301,040*	2.62	2,28,000*	8,36,276	12	236	Tezpore	20	12½	..	10	14/69	14/69	15/50
7,50,000			..	3,15,004	3.96	..	..	..	..	12	95	Tongani	Nil	Nil	..	10	5/31	5/31	7/00
5,20,000	35,17,473	30,30,165	..	5,90,423	5.14	651,147	5.76	6,71,300	7,11,074	12	165	Tyroon	10	15	25	10	27/37	27/37	33/00
												CACHAR							
3,00,000	..	..	..	1,49,850	4.07	139.861	4.03	1.66.500	..	12	..	Arcuttipore	Nil	5	6	10	7/00	7/00	7/00
4,00,000	..	..	..	1,58,348	4.45	..	..		..	12	35	Baitakhal	2½	2½	..	10	7/87	7/87	8/06
11,00,000	20,18,349	9,26,687	..	5,45,645	4.26	454,449	4.77	3,52,060	..	12	128	Central Cachar	5	7½	5	100	73/00	73/00	72/00
7,00,000	..		..	1,22,864	4.63	..	..	..	..	12	383	Eastern Cachar	Nil	Nil	..	10	4/62	4/62	4/19
4,50,000	3,31,773	2,80,000	..	1,34,400	3.31	..	..	..	—54.506	12	384	Kallinugger Khoreel	6	2	..	100	84/00	84/00	87/00
12,60,000	19,84,808	13,56,132	943	7,23,716	3.84	580,232	3.97	7,25,747	—3,11,563	12	202	Hattikhira	Nil	8	Nil	10	7/75	7/75	9/12
3,60,000			..	1,53,008	3.88		..		..	12	63	Kunchunpore	Nil	Nil	..	10	6/00	6/00	6/00
5,63,690	6,22,633	1,36,689	228	1,66,156	3.81	151,283	4.26	1,63,293	23,090	12	202	Loobah	Nil	Nil	Nil	10	4/69	4/69	4/37
12,60,000	22,28,419	11,42,054	2,221†	5,70,970	4.08	518,387	4.33	5,80,000	6,13,497	12	..	North Western	30	20	10	100	160/00	160/00	160/00
2,59,050	5,88,340	1,916	231	2,71,967	3.85	213,805	4.21	2,72,155	—49,484	12	202	Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50
2,60,000	6,82,449	2,92,663	..	3,26,670	4.40	195,018	4.62	2,50,400	—1,73,960	12	165	Roopacherra	Nil	10	Nil	10	9/94	9/94	13/62
5,25,000	12,22,431	12,03,600	310	3,07,903	3.94	279,277	4.46	2,90,000	61,192	12	63	Rungamattee	5	5	5	50	49/25	49/25	53/50
4,00,000	..	..	..	2,47,927	3.56	..	..	..	..	12	..	Sonai River	Nil	Nil	..	10	5/06	5/06	9/12
												DARJEELING							
3,99,750	..	..	..	..	..	..	..	..	..	12	101	Bloomfield	Nil	..	..	10	3/06	3/09	3/12
2,79,900	3,72,700	1,55,000	165	82,803	8.66	77,090	8.74	84,000	51,557	12	279	Chamong	Nil	10	10	10	8/87	8/87	9/00
3,75,900	..	..	..	3,05,978	5.22	313,229	5.63	3,08,443	..	12	139	Darjeeling Tea & Chin	30	20	30	100	197/00	197/00	197/00
2,00,000	..	..	..	72,236	6.12	..	..	..	..	12	200	Dilaram	8	4	..	100	102/50	102/50	102/50
2,00,000	6,39,479	3,58,163	..	1,35,642	7.33	1,37,275	7.58	1,38,000	1,97,231	2	74	Gielle P.	Nil	..	8 4/7-15‡	10	15/87	15/87	11/69
7,00,000	10,11,800	2,25,770	428	2,90,326	668	311,895	7.70	3,22,000	3,89,175	12	279	Lingia P.	15	10	17½	10	14/00	14/00	14/56
10,32,000			..	5,32,043	2.45		..	..	..	12	95	Longview	12½	10	..	10	8/25	8/25	11/00
4,00,000	5,16,891	5,85,879	..	1,74,261	6.94	177,960	8.18	1,81,500	2,23,445	12	165	Margaret's Hope	15	15	15	10	11/81	11/81	11/62
1,59,000	3,73,782	4,14,259	187	1,01,900	8.21	108,800	8.99	1,10,000	1,53,555	12	2	Mim	22½	27½	27½	100	410/00	410/00	391/50
2,99,900	4,95,071	13,97,500	279	2,20,390	7.14	214,750	9.03	2,21,400	15,19,227	12	279	Nagri Farm	30	25	35	10	29/87	29/87	29/19
4,00,000	3,93,839	3,21,500	205	99,223	8.77	99,331	10.07	1,00,000	2,40,000	12	390	Okayti P.	25	25	25	100	600/00	600/00	600/00
3,30,000			..	5,13,243	4.87		..	..	..	12	..	Pashok	10	Nil	..	10	20/00	20/00	20/00
3,00,000	3,88,931	1,25,000	194	1,27,797	5.77	122,495	6.65	1,20,000	1,04,446	12	63	Poobong	Nil	Nil	5	10	10/12	10/12	7/56
2,05,000	4,87,982	2,27,703	570†	1,11,154	5.62	116,997	5.95	1,26,000	1,03,669	12	361	Pussimbing P.	Nil	Nil	Nil	10	7/84	7/84	7/12
1,40,000	3,90,838	5,61,500	138	1,05,192	6.02	85,234	6.64	95,000	8,123	12	63	Runglee Rungliot	35	20	7½	100	300/00	300/00	386/00
3,00,000			..	1,92,400	2.91		..	..	..	12	385	Seeyok	15	Nil	..	10	8/50	8/50	8/50
6,25,000	7,48,893	10,816	..	1,33,674	6.20	138,742	6.51	..	47,720	12	398	Singell	Nil	Nil	Nil	100	36/75	36/75	36/75
9,00,000			..	1,33,350	6.58	123,431	6.92	..		12	101	Singtom	2	Nil	2	10	3/50	3/50	3/50
4,50,000	5,24,500	5,38,800	224	1,66,630	7.38	160,068	8.53	1,63,000	3,55,419	12	279	Soom	50	40	40	10	39/00	39/00	35/00
6,25,000	13,51,854	13,02,062	..	1,95,487	7.32	189,392	9.58	2,06,800	4,76,892	12	165	Sungma	15	15	20	10	14/25	14/25	15/31
3,20,000	9,98,901	8,67,133	..	2,20,000	6.08	2,03,428	6.16	221,000	36,050	2	74	Teesta Valley	Nil	..	8 4/7-10‡	10	13/44	13/44	11/25
12,00,000	..	..	..	..	..	..	..	..	..	12	..	Tukvar	Nil	Nil	..	10	3/50	3/50	7/31

† Acres * lbs. ‡ 1963

TEA COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Area Hectares	Outturn and Average Price per Kg realised for crop 1961 Kgs	Rs	1962 Kgs	Rs	Estimate 1963 Kgs	Rs	Net Profits including taxation	Accounts closed	Mng. Agts., Secretaries etc.	NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 1-7-64	24-6-64	A year ago
Rs.	Rs.	Rs.								Rs.							Rs.	Rs.	Rs.	Rs.
													DOOARS							
27,00,000	62,03,995	32,62,760	1,034	15,51,500	4.51	14,84,400	4.86	15,25,000	11,19,005	12	2		Banarhat P.	22½	21	21	100	230/00	230/00	233/00
12,00,000	27,38,435	23,27,925	436	7,24,364	4.69	6,66,481	5.13	6,64,600	6,59,538	12	128		Baradighi	30	25	25	10	23/25	23/25	23/25
9,00,000	19,19,630	10,59,434	..	5,93,617	4.42	7,00,569	4.68	6,16,885	5,74,606	12	386		Bhatkawa	15	15	20	10	16/00	16/16	18/00
9,00,000	25,07,423	22,16,500	577	6,66,763	4.37	6,69,958	5.02	6,50,000	6,43,459	12	63		Birpara P.	17½	12½	17½	100	160/00	160/00	160/00
6,00,000	12,19,870	10,73,000	244	2,99,250	4.11	2,80,187	4.70	2,95,000	1,58,268	12	63		Carron	20	5	7½	100	117/00	117/00	145/00
9,00,000	24,85,741	14,56,681	365	5,14,200	4.45	5,21,400	4.69	5,30,000	2,82,148	12	2		Choonabhutti P.	32½	20	20	100	211/00	211/00	210/00
3,00,000	5,84,327	5,93,500	197	2,19,480	4.05	2,25,971	4.59	2,03,000	1,33,979	12	63		Ellenbarrie	5	5	10	100	173/00	173/00	184/00
1,20,000			..	1,62,265	3.73		..			12	397		Enge	60	30	40	100	136/00	136/00	136/00
4,90,000	9,33,182	71,548	..	2,24,026	..	2,64,339	..	93,085		12	354		Ethelbari	5	5	7½	10	11/87	11/87	13/12
7,50,000	13,32,430	10,34,583	1,088†	5,33,092	4.88	5,04,794	5.46		4,67,197	12	88		Gairkhata	25	20	11	10	16/12	16/12	21/50
14,00,000	27,81,035	19,25,521	425	521,329	..	5,85,748	..		200,689	12	387		Gopalpur	12	2	10	25	19/50	19/50	19/50
36,00,000	50,92,343	42,81,500	1,048	14,33,922	4.07	13,74,053	4.76	13,90,000	7,93,764	12	63		Hantapara P.	15	5	10	100	101/00	100/00	106/00
64,00,000	70,47,491	75,82,749	..	28,49,021	5.54	30,66,464	5.78	30,64,500	30,07,101	3	74		Hasimara	17	..	18—15†	10	12/00	12/31	12/31
16,50,000	26,67,650	17,26,078	..	8,89,068	4.02	699,826	4.51	961,600	2,06,848	2	74		Huldibari	22½	..	19 2/7-11†	10	12/25	12/25	12/62
7,00,000	8,95,117	5,13,133	246	1,90,300	4.48	1,88,900	5.59		—61,500	12	2		Jaybirpara	10	Nil	Nil	10	8/94	8/94	11/75
9,00,000	13,12,126	21,89,000	375	5,63,337	4.23	5,07,738	4.50	5,20,000	3,57,699	12	63		Killcott	25	15	15	10	15/25	15/25	16/25
2,00,000	14,67,422	5,58,176	..	2,47,991	..	253,887	..		88,005	12	354		Manabarrie	10	6	10	10	59/50	59/50	59/50
9,80,000	20,66,495	24,61,500	..	6,03,619	4.07	5,07,732	4.76	4,90,000	3,31,819	12	63		Nagaisuree	25	15	15	100	165/00	165/00	140/00
14,00,000	34,04,657	21,71,728	471	7,84,700	4.31	6,40,900	5.10	7,50,000	2,30,662	12	2		New Dooars P.	35	20	14½	100	157/00	234/00	230/00
6,40,000			..	3,07,645	3.89		..			12	363		Oodlabari	12½	7½	..	100	13/75	13/75	14/00
2,50,000	3,90,272	3,37,500	126	1,00,575	4.22	1,26,816	4.64	1,30,000	17,963	12	63		Phaskowa	Nil	Nil	Nil	100	125/00	125/00	129/00
6,00,000	9,22,423	11,53,058	..	3,63,864	4.36	3,91,886	4.70	3,62,900	2,08,311	12	165		Raiabhat	Nil	Nil	6	10	10/19	10/12	12/12
7,65,000	17,57,543	17,47,050	..	5,03,638	4.32	4,76,526	5.07	5,33,500	1,63,000	12	165		Ranicherra	15	15	7½	10	12/00	12/00	13/62
14,92,800	36,77,342	30,35,064	727	9,21,964	4.79	9,78,337	5.44	10,10,245	8,77,496	12	128		Rydak	25	20	25	10	24/00	24/00	25/44
3,46,000	10,20,398	10,25,325	..	4,00,500	4.10	3,30,000	4.76	3,73,200	2,40,377	12	44		Sarugaon	40	40	40	10	36/25	36/25	36/25
													TERAI							
4,50,000	..	..	..	..	..	..	..	..	..	12	101		Atal	5	..	..	10	5/37	5/37	8/75
5,00,000	..	..	..	2,40,454	3.83	..	..	..	..	12	345		Belgachi	20	20	..	10	21/00	21/00	22/50
13,44,000	20,65,841	27,42,000	646	7,94,331	4.01	7,22,909	4.63	730,000	5,50,624	12	63		Gungaram	20	12½	12½	100	126/00	126/00	131/00
3,00,000	6,69,527	9,72,507	..	2,75,784	4.10	295,710	4.54	295,000	2,25,077	2	74		New Chumta	15	..	12 6/7-20*	10	20/37	20/37	24/62
7,20,000	..	..	..	3,14,832	3.83	3,33,644	4.04	312,073	..	12	139		New Terai	22½	10	15	10	20/50	20/50	36/00
11,70,000	..	..	..	4,71,480	4.08	4,71,480	445	489,915	..	12	139		Panargoomiah	20	20	2½	10	13/75	13/75	31/12
1,00,000	..	..	..	..	..	..	..	..	..	12	63		Putinbaree	14	14	..	10	55/00	55/00	45/00
2,20,000	..	..	..	3,88,528	4.53	3,84,347	5.05	408,200	..	12	165		Tirrihannah P.	60	60	60	10	49/00	49/00	49/00
													CHITTAGONG							
4,50,000	..	..	..	..	..	..	..	..	..	12	139		Kodala	Nil	Nil	..	10	9/25	9/25	9/25
2,40,000	..	..	..	3,53,000*	1.64	..	..	..	..	12	139		Kornatuli	Nil	Nil	..	10	9/75	9/75	13/06
2,00,000	..	..	..	2,88,000*	1.74	..	..	..	..	12	139		Oodaleah	Nil	Nil	..	10	8/00	8/00	8/00
													SYLHET							
3,00,000	14,19,689	17,99,706	637†	2,76,309	4.48	2,14,907	7.92	254,012	7,17,391	12	..		Chundeecherra	Nil	Nil	Nil	10	28/00	26/00	26/00
6,00,000	9,35,449	12,20,551	230	2,33,890	4.97	2,03,558	8.17	218,000	8,36,913	12	63		Dauracherra	22½	22½	20	10	14/50	14/00	7/56
5,59,930	..	..	..	11,42,720*	1.89	..	..	..	..	12	236		New Samanbagh P.	25	Nil	Nil	10	18/37	18/37	18/37
36,00,000	59,49,669	63,43,644	1,660	19,52,002	5.02	17,98,149	8.16	1,851,000	90,15,000	12	63		Patrakola	32½	40	15	100	152/00	153/00	120/00
3,20,000	4,21,718	1,48,642	740†	4,26,560*	1.83	4,24,800*	3.23	360,000	4,07,821	12	236		Rajnagar	Nil	Nil	Nil	10	9/56	9/56	9/56
9,00,000	21,92,086	22,53,327	483	4,18,826	5.01	3,69,737	8.08	417,000	12,91,452	12	63		Tellapara	22½	22½	10	100	148/00	148/00	99/00

† Acres. * lbs. † 1963

MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mng. Agts., Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 1-7-64	24-6-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
								MININGS							
£2 369,796	..	£218,881	£2,781,590	£12,559	£174,204	12	153	Burma Mines	Nil	Nil	..	3½S	0/44	0/44	0/44
30,00,000O } 15,00,000Dd }	37,08,889	32,54,468	54,05,355	15,96,846	13,914	12	312	Chrestien Mica Industries P.	12½	..	..	10O	10/00	10/00	10/12
£1,371,300	£1,758,381	£225,873	£755,274	£1,057,163	£72,310	12	65	Indian Copper Corporation	20	..	..	5Dd	6/53	6/53	8/85
50,00,000	51,72,031	10,43,352	53,971	5,66,976	14,41,622	3	343	Metal Corporation P	27	..	..	2s	3/39	3/44	4/60
30,00,000	46,05,415	57,57,431	55,46,956	13,17,757	38,801	6	21	Orissa Mineral Development	..	..	..	10O	6/62	6/69	7/91
									28	20	..	10	19/44	19/56	27/75
								CEMENT, LIME, SLATE, ETC.							
59,90,843	1,58,98,785	17,06,000	2,33,036	4,97,991	10,914	3	381	Ashoka Cement	7	7	7	10	6/75	6/62	7/31
43,14,600O } 70,976Dd }	41,51,412	21,43,429	29,64,072	1,70,813	6,44,675	3	60	Assam Bengal Cement	..	..	..	10O	4/87	5/81	3/25
55,23,146	98,02,869	19,77,396	66,723	24,46,663	1,703	12	155	Bengal Potteries	..	..	..	1Dd	0/75	0/75	0/47
40,00,000	73,55,750	28,31,157	3,76,724	23,10,445	50,122	3	21	Bisra Stone Lime	30	10	..	2½	5/00	4/75	5/50
												10	18/00	17/69	35/00
1,73,49,650O } 4,00,000Dd }	1,87,13,180	1,43,86,260	2,06,26,145	1,06,24,610	..	12	123	Dalmia Cement (Bharat) P.	12	12	12	10O	12/75	12/81	13/31
												1Dd	2/75	2/75	3/06
2,50,00,000	3 94,43,463	94,05,545	5,54,170	35,02,100	4,94,598	3	335	Jaipur Udyog P.	8	8.36	..	10	11/25	11/37	11/06
30,00,000	69,55,197	56,55,899	6,48,783	21,48,526	25,499	12	21	Kumardhubi Fireclay & Silica P.	18	18	..	10	18/45	18/45	18/45
2,25,00,000	3,77,58,590	1,36,03,808	30,93,905	98,75,491	..	12	362	Orissa Cement P	15	10	..	10	13/00	13/25	13/75
6,00,000	20,07,006	21,78,065	17,41,738	4,85,866	30,441	3	223	Reliance Firebricks & Pottery	15	10	..	10	22/75	22/75	22/75
25,00,000	63,28,018	44,95,600	5,26,119	12,18,128	6,195	12	357	Sone Valley Portland Cement	6	8	8	5	4/25	4/44	4/56
12,04,570	31,17,215	13,90,910	2,60,870	8,80,262	5,375	12	3	Sutna Stone & Lime	30	35	20	10	28/31	28/31	35/00

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares (if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mng. Agts., Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 1-7-64	24-6-64	A year ago
Rs	Rs	Rs.	Rs	Rs.	Rs							Rs.	Rs.	Rs.	Rs.
								CHEMICAL INDUSTRIES							
62,00,000 } 1,48,00,000A }	8,04,72,738	2,26,33,273	3,46,012	1,10,87,234	5,671	9	121	Alkali & Chemical Corpn. of (I)	15	15	15	10	29/19	27/00	31/12
20,00,000	17,39,281	15,681	11,248	—88,949	—9,86,991	12	442	Bathgate & Co Ltd P.	Nil	..	..	5	0/84	0/84	0/84
15,00,000O } 11,08,900A }	76,41,344	68,84,605	21,11,440	18,06,053	1,30,717	3	245	Bengal Chemical & Pharm P.	10	..	..	100	100/00	100/00	99/00
22,54,700B															
15,00,000	36,34,102	22,82,883	19,49,050	12,04,892	6,978	6	377	Calcutta Chemical P.	18	18	..	10	18/69	18/69	17/87
4,95,000	99,022	Nil	91,554	72,146	2,560	2	129	Frank Ross P	..	..	..	6	3/19	3/19	3/25
20,00,000	13,61,137	17,67,251	7,35,789	13,17,366	19,167	6	191	Smith Stanistreet P.	25	25	22½	5	13/31	13/31	12/25
								ELECTRIC LIGHTING, POWERS							
19,99,600	1,15,72,761	31,20,883	27,74,218	4,56,810	52,889	3	32	Agra Electric Supply	11	11	..	100	124/00	124/00	120/00
6,00,000	29,33,899	15,51,802	3,09,008	2,00,631	47,298	3	32	Bareilly Electric Supply	11	11	..	10	12/00	12/12	14/37
17,00,000	1,03,03,450	52,26,411	19,58,483	4,34,454	41,730	3	202	Benares Electric Supply	11	11	..	10	11/94	11/94	12/37
5,91,360	15,65,473	807,902	2,70,659	1,36,556	£100,524	2	90	Bhagalpur Electric Supply	10	8	..	8	6/34	6/34	6/00
£4,262,646	£21,040,641	£10 815,240	£173,696	£1,599,019	6?	3	202	Calcutta Electric Supply	7½	7½	..	£1	14/75	14/81	14/25
6,60,040	22,13,000	7,17,140	32,?	1st ??	48,905	3	2	Cuttack Electric Supply	10	10	..	10	10/44	10/44	11/87
43,20,000	68,77,339	35,90,169	34,91,713	14,12,931				Dishergarh Power Supply P.	10	10	10	100	86/00	86/00	88/00
												10	5/90	5/90	5/90
5,34,640	17,29,086	96,513	95,409	65,283	3,590	3	168	Jhansi Electric Supply	..	..	..	10	12/12	12/12	11/00
22,49,550	66,50,848	29,21,749	5,35,563	2,69,909	33,302	3	32	Jubbulpore Electricity Supply	10	10	..	8	7/50	7/50	12/00
4,95,000	6,70,324	2,24,149	1,09,170	46,495	39,015	3	258	Mirzapur Electric Supply	..	..	..	10	11/19	11/19	11/50
5,82,390	24,50,815	6,87,284	3,48,986	2,22,292	22,259	3	202	Muzafferpore Electric Supply	12½	12½	..	10	11/06	11/06	11/12
6,90,000	13,41,574	1,14,377	2,15,991	83,664	18,988	3	329	Muttra Electric Supply	..	..	..	10	10/12	10/12	10/50
8,99,700	13,41,574	1,14,377	2,15,991	83,664	18,988	3	329	Patna Electric Supply	10	10	..				
35,07,380	98,50,374	48,67,675	3,95,468	12,96,460	1,27,547	3	202								
												10	5/90	5/90	5/90
9,10,000	8,77,206	2,86,692	3,19,022	1,58,667	17,201	3	202	Shahjahanpur Electric P.	6½	6½	..	10	12/12	12/12	11/00
16,80,000	24,13,949	16,03,685	25,53,868	11,08,426	92,879	3	32	Sitapur (Dherrian) Electric	9	9	..	100	151/00	151/00	115/50
56,00,000	2,03,16,819	80,84,613	11,16,388	1,90,087	7,991	1	140	United Provinces Electric	11	11	..	10	22/00	20/87	16/00
5,00,000	21,74,345	14,00,467	7,69,903	1,92,745	33,674	3	32	Upper Jumna Valley Electric	13½	13½	..				
								ENGINEERING & METAL							
6,00,000	17,68,727	7,28,551	3,76,395	8,30,323	4,14,416	12	300	Arthur Butler (Muzaffarpore) P.	Nil	10	..	10	21/25	21/25	14/94
50,00,000	41,22,015	56,58,221	3,98,490	44,22,016	2,263	12	31	Bhartia Electric Steel	10	12½	15	10	15/56	15/44	14/50
12,00,000	2,22,25,340	1,40,28,433	27,21,380	1,24,47,705	..	12	24	Braithwaite & Co. (India) P.	25	14	20	10	32/37	33/00	31/10
1,00,00,000	62,65,971	50,43,274	7,42,812	21,52,136	—611,196	12	192	Bridge & Roof	30	30	..	10	52/25	52/25	52/25
19,88,670	33,56,748	1,09,796	1,86,939	1,80,146	5,115	12	165	Britannia Building & Iron P.	Nil	Nil	..	10	3/20	3/20	3/65
1,00,00,000	1,24,97,389	52,95,465	1,14,787	14,07,837	..	12	24	Britannia Engineering P	10	10	..	10	10/00	10/00	9/37
25,00,000	20,95,656	18,18,384	24,752	1,42,69,633	..	4	32	British India Electric Cons.	20	15	..	10	29/12	29/12	33/12
84,00,000	3,58,68,539	2,99,02,509	74,40,547	52,92,495	1,57,572	3	137	Burn & (Engineering)	28½	28½	25	100	274/00	270/00	550/00
1,00,00,000	63,22,965	22,70,823	23,44,551	26,72,847	6,868	9	434	Calcutta Steel	15	15	12½-15*	10	13/75	13/69	13/00
80,00,000	1,25,35,558	43,00,000	1,84,809					Dalmia Iron	10	10	10	10	11/12	11/12	10/62
6,32,18,740	6,68,37,345	5,12,05,807	2,59,97,968	2,17,43,217	..	12	221	Guest, Keen Williams	14	14	12	10	24/19	24/25	31/62
12,50,000	19,72,898	6,45,100	27,549	3,79,960	5,801	12	32	Hooghly Docking	Nil	12½	..	50	89/00	89/00	108/00
62,44,08,990	62,73,23,096	30,89,05,725	1,72,10,301	9,11,89,201	..	5	32	Indian Iron & Steel P.	16	16	16	10	25/34	25/02	22/06
3,85,000O } 1,54,000Dd }	11,52,812	14,001	1,82,994	—4,15,836	—4,03,294	3	223	Indian Malleable Casting	..	..	..	50	6/00	6/00	6/00
77,97,000	58,96,726	1,25,90,911	58,71,000	1,79,18,483	..	3	32	Indian Standard Wagon P.	..	..	..	1D	2/06	2/06	1/94
									28½	28½	20-20*	10	35/00	36/37	32/50
96,79,740O	3,43,55,519	3,41,31,025	1,54,09,567	—57,25,817	6,022	3	122	Indian Steel & Wire Products	24	23	18	100	33/50	33/50	40/37
12,00,070	7,13,344	5,39,415	15,13,085	41,24,528	4,896	3	443	Industrial Containers	10	10	..	10	22/50	22/50	21/37
1,51,87,197	2,85,54,325	1,36,61,953	10,46,960	20,45,860	86,647	6	132	Jay Engineering	17 3/20	15	10	10	17/44	17/44	21/06
40,00,000	59,72,635	35,85,700	77,10,062	1,47,51,086	64,915	10	290	J. K. Steel P	20	10	30	10	15/81	16/00	14/12
2,04,00,000	4,03,12,353	3,00,16,258	4,81,457	34,49,008	3,146	11	31	Jessop & Co. P	8.58	8.58	10	10	21/25	20/75	23/06
27,64,300	65,86,747	65,04,900						Kumardhubi Engineering P.	11½	15	16⅔	3	5/44	5/44	8/19
10,50,000	3,10,043	13,18,004	4,98,040	1,69,624	—16,90,253	6	170	Marshall Sons (India)	Nil	Nil	Nil	2	3/06	3/06	2/56
49,96,000	61,94,985	13,58,398	3,83,036	2,56,716	—4,42,917	3	192	National Iron and Steel	Nil	Nil	..	10	5/94	6/12	3/87
5,00,000	9,79,466	20,52,302	2,49,725	5,14,476	13,304	2	25	Saran Engineering	10	12½	10	4	6/87	6/94	8/75
14,00,070	11,26,150	15,36,386	2,31,497	13,83,971	..	12	24	Steel Containers	20	20	17½	10	28/12	28/12	29/50
6,50,00,000	2,73,21,766	61,37,433	13,28,341	52,01,525	62,642	12	22	Textile Machinery	10	..	..	10	28/20	28/20	23/20
								SUGAR BREWERIES ETC.							
14,00,000	17,74,143	10,85,375	21,121	—1,66,279	—1,53,368	6	371	Balrampur Sugar	8	4	Nil	2½	1/87	1/87	2/20
29,23,537	27,33,655	11,43,842	8,71,871	—30,816	2,237	9	234	Belsund Sugar	10	6⅔	3⅓	7½	7/65	7/75	7/81
15,00,000	8,17,746	22,06,086	4,75,535	58,20,900	133	6	89	Bharat Sugar P.	15	15	15	10	14/87	15/00	13/00
32,00,000	48,01,728	55,23,048	6,92,990	—16,68,824	—42,63,672	10	25	Carew (Sugar) P.	Nil	Nil	Nil	10	12/06	12/06	12/50
30,00,000	98,13,767	58,73,563	1,37,198	—49,013	—8,50,783	4	25	Cawnpore Sugar P.	Nil	Nil	Nil	10	9/31	9/31	9/50
18,00,000	29,70,913	47,91,301	1,79,345	4,77,197	1,97,076	8	395	Champaran Sugar P.	12	Nil	Nil	10	10/78	10/87	15/87
38,01,380	25,88,250	31,90,540						Durbhanga	Nil	5	..	10	7/87	7/87	8/06
11,00,000	5,45,722	3,75,000	10,90,564	95,437	62,205	6	140	New Savan Sugar and Gur	..	..	..	10	3/50	3/50	3/62
9,00,000	19,47,931	23,02,870	2,05,743	1,88,458	3,047	8	1	*Purtabpur Sugar P*	..	..	..	10	9/12	9/12	11/50
16,59,820	41,61,410	57,86,996	6,074	26,41,178	10,419	10	92	Ramnugger Cane & Sugar P.	35	30	15	10	29/31	29/31	26/37
65,00,000	57,79,829	44,91,845	20,03,707	19 78,012	13,204	4	25	Raza Buland	10	10	10	10	10/12	10/12	9/31
5,00,000	8,07,238	1,72,778	3,77,844	4,44,492	—2,20,858	6	..	Syam Sugar P.	..	..	..	10	3/25	3/25	5/20
11,99,000	22,10,161	18,54,067	2,09,162	—2,24,407	34,778	9	335	Samastipur Central Sugar	..	..	..	10	3/75	3/75	9/62
39,99,000	67,63,906	25,93,624	21,94,755	16,75,658	7,991	1	140	*Shree Krishna Gyanoday Sugar P.*	..	..	..	10	7/75	7/62	7/06
7,24,500	13,54,858	11,65,178	11,16,388	1,90,087	—7,19,847	6	94	Shree Sitaram Sugar	..	..	..	10	8/00	8/00	7/12
9,99,950	20,47,130	68,548	66,643	—7,18,697				Sitalpore Sugar	Nil	Nil	Nil	10	3/69	3/69	5/12
16,00,000	42,22,843	19,40,304	2,03,163	—11,15,414	—8,17,147	8	341	United Provinces	8	Nil	..	10	11/25	11/25	10/62
8,00,000	99,57,769	67,09,675	9,18,326	37,10,125	25,765	6	316	Upper Ganges Sugar P.	72½	72½	..	100	60/25	60/25	68/00

* 1964

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary Rs.	Net Block Accounts Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 1-7-64 Rs.	24-6-64 Rs.	A year ago Rs.
								MISCELLANEOUS							
6,00,000	3,65,800	2,09,907	5,89,590	1,44,140	2,623	10	65	A Firpo (Restaurateur)	10½	5	..	10	5/90	5/90	5/90
93,75,000	5,89,85,976	2,48,84,621	3,09,108	30,58,004	11,965	3	132	Aluminium Corporation P.	12	12	5	10	11/87	11/50	12/50
20,00,000	42,19,493	17,50,000	53,08,486	4,79,403	25,172	12	382	Anderson Wright P.	Nil	6	6	10	11/50	11/50	11/50
30,00,000	16,96,720	44,23,928	21,81,674	26,48,673	2,17,061	8	268	Angelo Bros.	28½	28	28	10	23/75	23/56	21/75
30,00,000	23,93,699	43,10,024	16,21,703	25,26,521	18,162	12	414	Assam Match	20	20	20	10	26/37	26/37	28/75
13,99,998	20,06,639	20,17,850	6,814	1,70,203	94,397	9	348	Assam Saw Mills & Timber	Nil	3	..	3	2/69	2/69	2/87
1,18,00,000	54,61,855	98,34,917	67,73,791	53,69,644	7,978	8	391	Associated Battery	15	15	15	10	22/94	23/37	23/50
20,00,000	1,41,96,365	57,08,103	7,65,347	2,25,357	4,66,650	3	204	Associated Hotels of India P.	10	10	10	10	10/31	10/31	10/31
80,01,400	50,84,811	1,26,93,254	1,02,37,288	47,75,572	..	12	396	Balmer Lawrie & Co.	25	25	22½	100	251/00	251/00	239/00
12,00,000	5,51,865	12,52,902	6,77,227	10,64,446	..	3	128	Bararee Coke	Nil	15	15	10	20/62	18/62	21/94
44,00,000	..	9,27,823	68,58,981	2,87,091	50,926	9	160	Birds Investments P.	10	10	..	10	9/00	9/00	10/56
68,95,530	1,16,23,032	83,79,866	8,27,110	86,51,567	6,999	3	50	Britannia Biscuit P.	30	25	21	10	37/75	37/75	42/12
3,25,00,000	92,71,518	2,59,58,217	1,52,24,566	2,20,29,077	23,545	12	33	British India Corporation P.	7	9	15	5	9/56	9/69	7/62
50,00,000	22,64,569	49,02,950	5,98,751	38,24,033	2,226	12	392	British Paints	15	10	15	10	21/37	21/37	18/75
5,00,000	6,83,781	1,65,739	1,54,429	2,63,717	5,201	3	213	Calcutta Silk Manufacturing P.	Nil	..	..	10	6/94	6/94	6/94
1,38,80,000	..	14,77,612	1,78,11,400	14,89,102	2,75,442	12	2	Clive Row Investment	7½	7½	8	10	8/37	8/37	8/25
1,08,00,000	27,30,517	1,26,67,000	2,75,14,550	41,14,029	22,124	12	180	Duncan Brothers & Co. P.	14	14	12	100	137/00	137/00	147/00
4,50,00,000	6,45,91,744	6,23,00,650	26,09,266	3,27,69,401	..	12	96	Dunlop Rubber Co (India) P.	20	15	17½	10	34/19	34/37	31/00
27,56,355	1,31,99,222	1,76,30,095	24,30,790	1,00,50,837	12,604	3	116	Dyer Meakin (Breweries)	30	..	..	5	24/00	25/50	26/00
76,89,000	..	65,11,801	1,78,16,453	13,76,534	1,51,252	12	21	Eastern Investments P.	14	12	10	100	101/00	107/00	117/00
60,93,400	95,80,000	34,47,000	14,32,081	29,35,962	21,399	10	388	Electric Construction P.	10	10	10	10	13/44	12/75	12/22
30,00,000	28,94,553	27,23,508	19,90,832	15,65,118	2,10,371	3	51	French Motor Car	20	..	..	20	31/75	31/75	35/12
14,00,000	19,96,247	19,89,048	71,342	14,62,346	6,552	12	19	Ganges Rope	20	20	20	100	228/00	236/00	236/00
2,25,000	..	76,065	5,16,267	51,428	4,826	2	21	General Investment & Trust P.	5	5	6	75	43/00	43/00	43/00
65,00,500	31,77,135	58,42,190	1,57,35,100	30,47,005	15,471	3	105	Gillanders Arbuthnot & Co P.	11	11	11	10	15/25	15/12	13/50
40,00,000	17,69,681	1,21,384	36,90,302	5,43,666	8,524	12	209	Gladstone Lyall & Co. P.	..	..	..	10	..	..	..
40,00,000	34,79,636	31,38,500	1,29,460	46,26,030	38,310	12	310	Godfrey Phillips (India) P.	40	30	..	10	28/12	28/12	33/25
30,00,000	43,74,366	17,66,560	1,60,432	1,09,512	794	3	225	Great Eastern Hotel	6	..	..	250	236/00	236/00	225/00
5,99,15,000	12,12,97,991	1,57,327	36,27,386	4,65,783	-1,90,67,933	12	438	Hindustan Aluminium P.	Nil	Nil	Nil	10	12/94	12/84	12/37
8,07,66,250	3,43,03,252	3,24,89,610	4,52,97,214	3,50,00,432	3,043	3	22	Hindustan Motors P	12	12½	11½	10	18/50	18/44	15/78
1,80,00,000	2,50,71,989	44,59,689	19,50,134	11,58,982	-12,90,310	10	..	Hindusthan Pilkington	12	Nil	Nil	10	15/00	13/75	15/75
39,88,550	86,39,248	Nil	1,22,648	-12,14,232	-11,50,824	3	211	Hindusthan Twyfords P.	Nil	Nil	Nil	10	13/12	13/12	14/37
35,20,000	23,35,537	16,00,000	24,48,098	1,91,968	16,500	12	294	Hoare Miller & Co.	6	..	..	10	5/50	5/50	5/44
15,18,00,000	8,60,23,900	10,67,60,544	1,25,08,131	4,46,29,511	3,29,429	3	325	Imperial Tobacco	9	9	6	10	9/31	9/50	10/25
6,00,44,460	13,31,09,732	5,02,72,274	1,30,56,534	3,74,31,246	4,12,610	12	293	Indian Aluminium P.	15	17½	17½	10	31/25	31/31	32/75
2,48,65,450	1,86,02,399	3,35,26,675	90,27,691	1,56,84,867	21,521	3	34	Indian Cable	22½	22½	22½	10	35/00	35/00	30/25
3,64,00,000	5,80,31,205	2,05,01,886	32,59,129	1,40,40,263	35,587	9	366	Indian Oxygen	15	12	12	10	23/87	23/87	24/87
8,27,970	8,82,919	12,42,783	10,99,551	12,01,372	53,791	3	223	Indian Rubber Manufacturers P.	30	36	..	10	22/00	22/00	19/87
20,00,000	3,08,827	29,55,665	1,44,979	17,93,931	3,056	6	88	Indian Wood Products	30	30	25	10	27/00	27/25	28/75
79,78,310	81,32,468	22,85,500	6,19,214	21,27,050	17,347	12	63	Isaac Holdens	Nil	Nil	5	10	12/31	12/25	14/00
5,00,000	..	3,15,956	11,39,628	1,17,622	12,910	2	21	Investments and Finance P.	7½	7½	7½	100	30/00	30/00	55/00
1,25,00,000	1,51,51,941	36,00,000	1,25,80,918	26,30,706	30,393	6	439	J K Synthetics	3	Nil	10	10	12/06	12/96	10/00
3,87,500C	2,28,843	Nil	5,88,284	-1,19,242	-1,18,809	12	281	James Wright P.	..	..	..	50	2/75	2/75	2/75
1,17,500D									..	..	..	1Dd	00/43	00/43	00/43
2,00,00,000	61,16,247	87,10,720	5,34,83,359	41,88,190	..	3	39	Jardine Henderson P.	7	6	7	100	73/50	73/50	86/50
87,46,630	1,62,75,000	73,74,126	5,46,513	37,33,223	18,455	12	22	Jay Shree Industries P.	12½	..	..	10	13/12	14/31	14/44
1,99,94,325	8,77,31,151	4,34,03,080	55,33,798	1,07,12,489	36,969	3	22	Kesoram Industries P.	12	12	13	10	26/87	26/56	21/56
3,49,300C	3,17,363	3,02,954	3,21,617	-14,078	-4,849	3	133	Macfarlane & Co.	..	..	..	50	4/87	4/87	7/00
1,50,00,000Dd	1,08,42,842	1,10,08,357	3,08,97,102	45,30,173	40,503	12	334	Macneill & Barry P.	8	7½	8½	100	1/94	1/94	2/31
1,47,12,250	69,29,198	1,38,23,546	2,13,42,011	91,80,378	1,289	9	309	Martin Burn Ltd. P.	27½	25	25	10	95/00	95/00	93/50
													26/31	26/25	25/81
47,12,000	18,46,595	90,33,368	2,73,18,501	25,28,932	..	12	282	McLeod & Co. P.	15	18	..	100	230/00	230/00	210/00
1,61,00,000	2,76,53,533	2,38,95,151	41,04,252	1,23,59,734	2,44,687	..	..								
1,35,00,000	90,71,426	1,24,32,234	6,55,304	62,89,944	38,785	3	167	Metal Box Co. of India P.	25	19	..	10	31/25	31/25	49/67
80,00,000	23,68,847	36,90,300	12,33,457	30,79,310	19,484	9	7	National Insulated Cable P.	25	25	18	10	22/81	23/06	24/00
40,00,000	34,43,104	43,03,095	14,39,946	30,01,359	10,564	6	7	National Piper & Tubes P.	20	20	20	10	25/75	25/81	25/94
60,00,000	68,13,665	21,55,713	14,06,275	22,44,262	58,629	12	375	National Rolling & Steel Ropes	15	15	15	10	19/00	19/00	18/87
79,97,000	74,92,596	1,29,48,132	33,63,433	26,23,104	3,26,438	12	79	National Rubber P	8½	8	10	10	11/25	11/12	11/56
23,31,800	1,014	13,02,891	9,90,509	6,26,980	40,375	12	35	National Tobacco P	7	7	8	10	10/94	10/94	11/69
								New India Investment Corpn.	..	..	..	75	54/00	54/00	65/00

MISCELLANEOUS COMPANIES—Contd.

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Paid-up Capital Ordinary Rs.	Net Block Accounts Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts Closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 1-7-64 Rs.	24-6-64 Rs.	A year ago Rs.
								MISCELLANEOUS (Contd.).							
60,00,000	6,27,241	59,20,402	91,23,845	14,28,049	24,342	12	321	Octavius Steel P.	7½	7½	..	100	..	..	..
2,20,00,000	2,57,91,597	1,13,85,086	37,59,800	1,65,57,208	43,297	12	364	Philips India	12	13	15	10	28/37	27/94	28/00
2,86,200	53,496	6,12,800	1,02,081	4,43,784	48,408	3	145	Publicity Society	75	75	50	4	22/62	22/62	22/62
3,25,00,000	1,04,34,519	67,80,570	1,53,00,153	73,34,623	5,962	8	332	Rallis India P	8½	8½	10	100	121/50	116/00	116/00
5,00,00,000	7,93,37,818	3,87,81,885	1,16,91,228	1,22,07,255	4,305	3	335	Rontas Industries P.	10	8	9	10	11/59	11/72	10/69
94,27,380	5,55,68,835	Nil	14,04,497	1,60,253	37,513	9	72	Sirsilk P	..	..	..	10	7/56	7/50	9/06
1,35,00,000	2,41,71,538	86,99,991	20,94,175	11,62,162	4,301	9	376	Sen Raleigh Industries P.	8	8	Nil	10	13/50	13/50	14/00
75,00,000	96,97,751	69,54,352	1,85,84,497	58,21,689	3,55,748	12	278	Shaw Wallace P.	15	7½	12½	10	15/69	15/69	15/37
3,00,000	3,33,174	23,169	30,501	17,483	1,739	12	111	Spencers Hotel	2½	..	..	2	1/25	1/25	0/94
2,80,00,000	5,43,90,903	3,80,54,275	42,48,951	2,68,66,630	1,93,008	12	301	Union Carbide	18	12½	15	10	30/69	30/50	38/75
2,10,200PO	7,04,778	29,75,610	9,48,447	11,31,642	5,406	12	195	Walford Transport	20	20	..	1PO	2/87	2/87	2/44
8,40,800O									30	30	..	1O	3/19	3/19	3/56
								INSURANCE COMPANIES							
13,50,000	7,94,162	12,60,000	1,56,64,497	10,02,726	25,429	12	174	Concord of India	20	20	20	5	10/00	10/00	10/25
24,00,000	1,43,152	95,20,456	1,36,84,067	17,38,669	20,229	12	248	Hercules	26½	26½	..	10	23/50	23/50	24/19
32,00,000	27,24,852	1,56,73,464	2,30,92,019	30,35,783	....	12	88	Ruby General	13½	15½	..	8	12/12	12/12	9/31
8,00,000		21,62,072	27,92,606	51,893	12,241	12	..	Standard General	..	..	..	10	7/75	7/75	6/00
5,75,000	7,133	77,12,554	1,05,52,159	10,05,738	....	12	39	Triton	50	50	..	25	125/00	134/00	132/00
								FLOUR MILLS							
12,00,000	4,12,000	31,52,123	9,74,078	13,79,503	..	12	24	Bengal	25	25	30	10	32/50	32/50	28/25
5,60,000	6,51,040	2,47,038	2,17,898	1,05,473	1,26,880	10	97	Delhi P.	..	..	..	10	14/00	14/00	14/00
48,90,137	47,18,433	77,72,310	56,85,368	33,61,767	4,07,338	9	175	Ganesh P.	..	..	..	12½	12/00	12/00	15/75
9,00,000	4,40,285	4,52,302	17,475	4,58,269	1,45,883	12	236	Hooghly	Nil	Nil	5	10	19/75	19/75	19/75
5,00,000	2,81,809	8,41,748	1,08,638	3,16,243	8,292	11	236	United	10	7½	10	10	27/81	27/81	27/81
								OIL COMPANIES							
£2,900,001	£2,366,123	£1,875,442	£1,080,797	£1,537,436	£168,520	12	249	Attock Oil	13½	13 1/3	..	£1	sh. 32/7½	sh 33/4½	sh.34/10½
£94,062,159	£28,669,445	£26,020,826	£118,296,989	£24,063,315	£1,241,331	12	52	Burmah Oil P.	..	11½	12½	£1	sh. 53, 3 sh.	52/10½	sh.55/4½
1,00,00,000	63,60,473	1,10,69,746	3,07,80,407	52,60,638	1,79,343	12	249	Indo Burmah Petroleum P.	25	22½	17½	10	20/56	20/56	21/87
6,00,000	3,08,556	9,90,737	3,38,958	5,47,290	23,403	10	2	Tide Water Oil	35	35	35	10	35/37	33/19	25/25
								PAPER MILLS							
58,50,000	1,09,71,994	63,55,637	10,43,959	47,17,412	50,816	12	436	Bengal P.	27½	20	..	10	27/25	27/31	29/12
88,20,000	1,16,27,906	90,40,934	1,10,010	40,65,122	28,615	3	2	India Paper Pulp	13	12	15	10	22/37	20/87	16/75
1,90,87,250	6,87,00,000	57,39,270	1,08,97,843	1,40,08,528	93,457	6	22	Orient Paper P	22½	22½	20	10	35/65	36/30	33/79
1,25,51,920	3,30,51,371	3,08,30,792	1,23,87,315	1,29,79,069	43,420	12	140	Shree Gopal Paper P.	17 6/7	17 6/7	18	10	26/19	26/00	23/81
2,73,19,050	4,28,25,108	94,29,176	63,90,889	2,93,680	1,08,791	6	22	Sirpur P	8½	8½	5	10	12/03	11/81	11/69
1,00,00,000	4,04,77,968	8,52,085	2,98,345	34,96,055	10,37,344	9	36	Star Paper P.	Nil	Nil	Nil	10	9/06	9/06	9/31
10,00,000A									13	13	13	2½PO	3/31	3/31	3/78
4,37,500PO									20	10	10	10AO	14/06	14/12	15/37
56,00,000AO	4,87,90,174	3,15,32,295	20,74,443	—20,620	15,112	3	106	Titaghur P.	20	10	10	10BO	14/06	14/12	15/37
56,04,800BO															
1,50,00,000O	4,95,97,051	85,00,000	1,73,752	58,44,196	17,196	6	373	West Coast P.	7½	..	..	100	135/00	151/00	125/00
								PRESSING COMPANY							
4,30,000	1,81,531	1,45,000	5,34,786	65,294	24,928	7	326	Camperdown	11	..	..	100	100/00	100/00	104/00
								REAL PROPERTY STORAGE							
10,00,000A												A500	995/00	995/00	1,050/00
1,25,000B	14,69,599	8,53,120	3,54,870	1,24,262	3,212	4-10	73	Bengal Bonded Warehouse	8	8	9	B62½	125/00	125/00	135/00
2,00,000C												C100	186/00	186/00	122/00
25,000D												D12½	45/00	45/00	14/15
7,42,150	11,68,346	4,23,135	33,823	81,259	3,142	3	6	Calcutta Safe Deposit	..	..	..	100	7/37	7/37	7/87
1,00,00,780O	19,85,068	9,01,590	13,43,272	3,61,779	1,33,593	9	432	Humayan Properties P.	..	..	..	10O	11/00	11/00	11/00
2,00,000Dd								Midnapore Zemindary P.	Nil	Nil-Nil*	Nil	1Dd	2/16	2/16	2/15
79,90,000	8,080	Nil	13,10,942	—74,850	—19,01,272	4	3					85	18/06	18/06	10/00
								TRAMWAYS & STEAMER							
20,00,000	40,37,049	33,73,558	9,90,121	5,76,314	54,558	10	2	Bengal Assam Steamship P.	7½	10	10	100	128/00	128/00	131/00
6,25,000	4,66,783	14,01,984	9,53,643	79,944	17,786	10	89	Calcutta Landing & Shipping	7½	22	6	10	21/00	21/00	34/00
12,60,000	47,23,178	14,01,984	1,02,898	63,719	—11,281	6	198	Calcutta Steam Navigation	Nil	Nil	Nil	10	7/69	7/69	9/50
£700,000	£2,889,537	£1,565,916	£315,682	£153,252	£2,006	12	93	Calcutta Tramways P	5	5	5	£1	10/31	10/37	11/06
6,04,880	6,27,987	2,56,706	33,440	1,35,098	—631	8	139	Fraser & Co	..	..	..	10	8/94	8/94	10/00
£655,580	£1,970,808	£432,856	£419,913	—£80,988	—£84,854	8	231	India General Nav. & Railway P.	..	..	..	10	42/00	42/00	39/00
8,47,50,000	15,60,63,417	1,57,29,564	1,17,13,241	—30,02,498	—4,09,480	12	..	India Steamship P.	Nil	Nil	Nil	10	6/41	6/41	6/00
14,08,220	13,34,804	74,870	7,951	—62,391				Port Shipping	Nil	..	..	10	14/25	14/25	12/44

BOMBAY COTTON MILLS

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

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	Spindles	Looms									1961	1962	1963		29-6-64	23-6-64	A year ago
Rs.			Rs.	Rs.	Rs.	Rs.	Rs.							Rs	Rs.	Rs.	Rs
40,00,000	48,652	1,016	1,28,56,156	46,70,828	20,69,878	10,39,741	26,620	..	269	Ahmedabad Advance P.	12	..	..	100	153/75	149/00	130/00
50,00,000	48,254	896	20,17,010	9,99,960	10,78,394	1,49,501	2,24,486	12	229	Apollo	Nil	..	..	2	1/76	1/76	1/90
40,00,000	41,135	980	42,32,511	11 42,781	4,76,501	1,42 728		3	350	Beharilal Ramcharan	Nil	..	..	100	134/00	133/00	68/00
2,50,98,000	2,03,942	4,911	5,87,37,535	3,82,76 018	47,87,842	62,56,837	67,586	12	199	Bombay Dyeing. etc.	14	14	..	25	58/00	57/50	57/00
10,00,000	35,052	848	32,07,778	34,59 612	3,45,173	10,89,180	1,37,996	3	262	Bradbury P.	25	..	..	50	162/50	162/50	150/00
1,27,75,700	1,18,296	2,760	4,98,32 541	1,26 61 468	25,80,071	30,66,350	9,53 042	12	22	Century	30	..	..	100	599/50	595/00	502/00
46,87 500	1,15,188	2,062	2,99,18,629	10,75,722	15,14,712	3,59,289	—40,19,762	6	269	Central India P.	Nil	Nil	Nil	100	94/00	90/00	98/00
26,00,000	24,916	719	37,34,829	32,52,439	1,01,653	7,46,029	1,28,751	3	58	Coorla	11	..	..	100	170/00	164/50	140/00
28,00,000	43,512	..	33,97 504	29,03 230	5,19,246	23,98,267	2,06,873	12	262	Dawn	30	..	..	50	167/00	164/50	132/50
34,00,000	49,164	920	74,35,701	43,13,002	1,86,928	—9,41,132	—9,38,834	12	260	Edward Textiles	9	6	..	200	285/00	270/00	306/00,
29,98,050	47,700	886	1,32,62,451	48,56,520	2,59,089	4,04,302	5,844	12	59	Elphinstone P.	22	18	..	50	105/00	98/00	94/00
50,00,000	63,212	784	85,32,658	71,62,852	16,838	4,09 432	37,155	12	241	Finlay	23	..	..	100	290/00	290/00	300/00
39,04,700	77,966	..	19,75,309	43,25,176	23,64,706	12,85,523	85,195	12	56	Gokak	18	..	..	100	185/00	186/00	153/00
12,00,000	40,856	1,116	64,14,595	68,13,239	10,75,932	4,27,954	5,195	3	305	Hindoostan	50	..	..	250	950/00	950/00	810/00
2,00,00,000	2,48,870	6,498	4,41,45,022	3,84,70,022	31,82,629	1,32,22,197	5,89,816	12	15	India United	14	..	..	10	20/72	20/72	22/24
60,00,00,000											37½	..	..	1Dd	2/46	2/48	2/40
9,00,000	47,824	1,202	75,60 490	61,57,161	4,26,274	..	..	3	305	Indian	25	..	..	250	870/00	870/00	761/25
50,00,000	50,074	1,426	74,72 293	26,00,000	26,71,578	4,58,532	8,880	12	103	Indore Malwa United	10	7½	..	100	210/00	210/00	190/00
59,85,000	65,260	1,514	1,07 21 545	82 79,165	25,00 707	76,87,297	38,751	6	149	Khatau Makanji P.	16	..	..	100	188/75	181/25	211/25
1,00,00,000	1,20,504	1,846	1,76,50,904	1,36,17,072	20,69,195	65,91,664	9,095	12	146	Kohinoor	18	18	21	100	222/75	318/50	296/00
89,60,000	49,880	1,369	1,26,36,356	62,49,272	7,11,717	—21,14,041	—10,60,896	12	83	Lakshmi Vishnu P.	6	Nil	..	100	86/00	86/00	92/00
51,75,000	71,652	1,620	2,44,04,458	78,75,201	1,68,667	33,39,748	..	6	104	Morarjee Goculdas P.	24	24	20	100	271/25	260/00	357/00
39,88,250	50,480	500	65,13,433	39,56,794	22,08,037	2,05,250	Nil	2	261	Mysore Spg & Mfg P.	14	..	..	50	36/00	39/00	45/00
24,00,000	45,944	432	23,52,760	1,45,700	10,79,000	15,67,753	8,456	12	..	New City of Bombay	Nil	..	..	100	188/75	188/75	126/25
30,00,000	46,884	1,029	22,27,088	25,72 444	27,32,568	12,48,697	153	12	..	New Great Eastern P.	12	..	..	100	154/50	165/00	230/00
48,00,000	54,244	728	53,94,222	35,02,895	1,54,21,523	21,027	27,380	12	119	Phoenix	20	..	..	100	260/00	245/00	198/00
10,00,000	9,520	277	13,17 604	2,78 222	9,963	3,22 456	—1,07 771	12	257	Sassoon & Alliance	Nil	..	..	10	10/24	10/24	11/75
75,40,000	96,488	2,127	2,21,73 468	1,58,87,542	13,77,729	28,73,996	3,192	12	339	Sassoon Spinning	20	10	..	10	37/00	35/60	48/00
60,48,000	49,840	1,258	1,34,95 513	34,48,460	1,44,640	22,79,548	24,574	3	379	Simplex	Nil	22	16	50	136/00	132/00	123/00
1,00,00,000	77,436	1,640	1,62,20,494	86,36,202	95,49,874	35,49,582	51,723	12	327	Shree Niwas P.	20	14	..	100	242/00	238/00	227/00
1,00,00,000	65,040	2,000	1,96,83,714	1,42,81,829	24,73,107	35,08,617	8,176	12	269	Svadeshi P.	19	17	..	100	256/00	253/00	226/00
38,00,000	40,328	549	56,94,838	71 73,356	7 774	4,20 651	26,062	12	341	Swan	21 3/5	..	..	100	261/00	262/00	272/50
65,57,875	63,248	1,800	2,12,86,475	1,12,83,538	11,32,192	20,80,953	1,422	12	269	Tata	22	20	..	25	60/20	57/50	52/00
12,00,000	45,508	1,308	62,07,441	12,11,933	31,81,227	52,10,985	8,027	3	205	Western India	25	..	..	250	850/00	850/00	785/00

* 1962

BOMBAY MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including Taxation	Carry Forward	Accounts closed	Mg. Agents Secretaries etc.	NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
									1961	1962	1963		29-6-64	23-6-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs	Rs.	Rs.	Rs.
								CEMENT							
19,06,68,750	28,49,18,158	12,76,85,523	5,86,09,994	5,14,17,638	68,243	7	53	Associated Cement	12	12	12	100	153/25	152/50	138/00
								ELECTRIC LTG. POWER							
8,74,77,100	11,61,05,785	1,36,05,785	30,82,878	78,42,905	638			Ahmedabad Electricity	6	..	..	100	100/50	100/25	93/2
3,02,77,000	9,34,77,781	1,23,89,917	32,52,570	52,28,395	36,154	3	146	Andhra Valley Power P.	5	5	..	100	1,075/00	1,075/00	1,015/0
1,75,00,000	3,95,16,553	1,21,07,263	17,22,888	39,87,421	3,370	3	267	Bombay Subarban Elec.	8½	8½	..	100	105/00	104/50	103/0
3,39,99,975	7,17,76,350	1,39,56,841	51,65,971	60,68,808	27,536	12	146	Tata Hydro Elec. Power P.	5	5	..	100	113/00	113/00	106/0
5,15,36,000	17,59,03,832	3,61,11,341	57,28,753	1,22,80,113	29,988	3	267	Tata Power P.	5	5	..	1000	1,145/00	1,150/00	1,053/7
								ENGINEERING & METAL							
33,42,200	17,06,292	44,16,374	1,54,08,311	5,79,666	1,35 820	12	268	Alcock Ashdown	22½	..	..	100	291/00	287/00	270/0
14,75,050	7,99,713	4,61,618	2,25,568	—24,763	—33,604	3	115	Jost's Engineering	10	10	Nil	50	47/00	47/00	58/0
1,65,00,000	1,36,83,136	1,15,74,779	1,09,19,945	45,29,564	11,973	3	351	Larsen & Toubro P.	18	14	14	10	21/84	20/44	20/8
11,00,000	1,03,70,225	3,45,914	..	..	1,016	7	283	Mckenzies	12	14	..	100	140/00	135/00	150/0
2,50,000								Premier Construction P.	33 1/3	..	..	30	188/50	179/50	130/0
1,31,250	5,834	1,00,53,052	1,79,52,042	3,35,178	59,102	12	284					33⅓			
7,99,97,300	17,30,38,018	5,09,28,017	13,84,385	3,61,61,616	14,962	3	269	Tata Eng & Locomotive P.	14½	14½	14½	100	284/00	278/50	248/0
27,55,67,699	1,03,32,39,005	42,98,94,270	10,44,14,243	10,55,68,012	32,096	3	269	Tata Iron & Steel P.	10.36	10.36	11	750	153/25	151/00	133/2
								INSURANCE COMPANIES							
20,00,000	..	23,84,913	95,96,033	4,24,629	1,18,606	12	297	British India General	..	..	..	10	14/00	14/00	11/5
18,74,940	25,01,134	3,88,61,155	2,61,49,442	38,951	4,65,316	12	55	Jupiter General P.	..	..	..	15	7/00	7/00	9/2
1,42,42,125	23,46,782	3,80,68,899	9,41 74,741	92,81,250	44,28,397	12	179	New India	38	..	38	15	47/25	51/50	62/3
15,99,270	..	29,41,860	59,86,789	6,05,803	3,81,242	12	255	Vulcan	20	..	20	10	16/24	16/24	17/2
70,49,650	41,70,604	1,23,53,608	1,09 82,036	67,94,850	3,00,263	9	42	**MISCELLANEOUS**							
1,83,50,000								Belapur Sugar	50	..	58	50	206/00	215/00	173/0
84,00,000	3,34,19,072	2,76,00,447	1,67,73 491	1,13,92,935	2,25,985	5	268	Bombay Burmah Trading	33	33	35-1/5	25	58/50	57/80	58/2
8,24,36,000	6,05,91,322	4,82,83,719	47,53,662	4,30,51,407	..	12	91	Hindustan Lever	26	12	14	20	44/00	44/00	..
11,99,900	3,754	20,08,796	1,44,31,515	5,97,490	30,418	12	299	Industrial Invt Trust.	6½	..	6½	10	34/00	32/50	34/5
5,41,12,100	13,82,957	7,34,142	14,05,223†	98,232	16,942	t	57	Kemp (Chemists)	12½	..	12½	100	77/00	77/00	69/5
11,27 98,680	7,40,56,031	2,03,71,160	27,33,067	1,69,61 608	4,41,151	12	352	National Rayon	..	..	..	200	255/00	260/00	305/0
21,00,000	25,25,08,055	11,56,24,547	11,18,89,983	48,75,907	2,82,649	t	196	Scindia Steam Navign.	8	8	8	20	379/50	373/00	299/0
3,02,33,815	47,55,927	61,15,000	3,17,297	—3,40,349	—23,63,858	11	146	Shivrajpur Synd	Nil	Nil	Nil	10	15/20	14/80	10/2
2,05,05,475	6,32,84,424	1,44,04,272	23,87,449	89,88,449	1,187	8	269	Tata Chemicals P.	6½	6½	10	10	18/00	20/48	16/5
3,58,00,000	2,21,88,319	1,25,42 386	47 78,468	50,78,815	3,923	6	269	Tata Oil P.	23	23	22	10	18/72	18/24	16/0
2,75,00,000	1,37,35,974	3,64,27,137	85,33,891	1,78,87,313	Nil	8	360	Voltas	14	14	14	25	61/20	58/00	56/2
	2,71,29,042	3,32,60,865	1,47,82,908	1,38,56,381	62,645	12	274	Western India Match	16	16	..	100	254/00	251/00	222/0
												100	242/50	240/00	241/0

SOUTH INDIA PLANTATION COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Acreage	Outturn and Average Price per kg/lb realised for crop		Net Profits	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
										1960	1961	1962		29-6-64	23-6-64	A year ago
Rs.	Rs.	Rs.		Lbs.	Rs.	Rs							Rs.	Rs.	Rs.	Rs.
6,75,000	16,06,067	1,50,000	1,992	7,996cwt	9.58	1,19,757	3	401	Amalgamated P.	10	..	..	10	10/01	10/01	10/36
3,50,000	12,57,795	5,72,253	878	1,12,000	1.48	70,011	12	402	Anandam P.	15	..	..	10	14/50	14/50	15/24
8,25,000	6,09,131	1,50,000	402	1,28,902	1.47cts	3,501	2	403	Athimattam	Nil	..	..	2	1/20	1/20	0/78
16,98,990	13,96,078	4,83,841	1,630	225,168†	4.34	4,11,298	3	287	Balasoor P.	15	12	..	10	12/12	12/12	12/00
4,00,000	3,94,072	2,05,000	316	1,07,785†	3.2	1,11,970	5	404	Balmadies P.	7½	5	Nil—5*	2	1/80	1/80	1/65
17,32,230	13,56,711	4,56,253	977	4,58,731	1.65cts	43,110	5	270	Be Be P.	Nil	..	..	5	2/30	2/27	2/15
46,00,000	1,23,45,152	25,11,425	1,329	8,53,764†	4.81	12,37,848	6	141	Blue Mountain	12½	10	10—10*	2	2/38	2/40	2/30
14,00,100	27,96,388	14,46,380	4,586	3,36,263†	3.15	6,16,055	3	210	Chembra Peak	20	20	20	2	4/70	4/60	3/93
28,91,279	48,15,737	19,60,914	8,056	11,05,303†	..	8,80,694	3	210	Cochin Malabar P.	17½	20	20—12*	3	6/30	6/30	6/00
82,50,000	39,31,709	30,58,661	2,711	19 48,320	..	8,71,249	6	405	Coffee Lands P.	6	..	..	10	17/65	17/65	13/50
98,58,000	1,15 74,494	63,44,278	7,001	80,81,120	..	25,60,562	6	406	Consolidated Coffee P.	20	..	..	10	22/25	22/10	18/65
6,66,730	21,85,500	13,90,424	441	4,52,382	2.25	56,592	9	203	Coonoor P.	17½	15	17½-17½*	10	17/57	17/57	18/50
4,80,000	10,36,448	4,76,798	432	3,53,888	1.52	1,19,880	3	407	Coorg P.	20	..	..	2	4/85	4/85	4/85
6,00,000	11,82,508	2,17,761	1,026	1,57,785	1.47	46,942	3	12	Cottanad Plantation P.	10	..	..	10	9/50	9/50	9/31
6,00,000	8,89,831	4,80,155	346	3,25,310†	2.66	1,25,313	12	212	Devashola (Nilgiri)	20	..	..	10	24/08	24/08	24/92
8,74,650	9,14,544	3,31,040	450	1,38,386†	4.26	1,36,712	3	287	Devon P	15	12	..	10	11/96	6/15	12/66
7,50,000	3,38,952	1,26,500	197	1,12,936†	2.66	28,121	12	408	Emerald Valley	..	..	..	5	6/15	6/15	6/35
4,50,000	3,64,462	20,000	278	42,830	..	40,424	12	409	Gokul	10	..	..	2	2/03	2/03	1/90
65,00,000	42,82,150	17,77,500	1,465	17,21,550	2.04	2,13,414	12	410	Hafleyburia P.	15	..	..	10	13/72	13/72	12/50
11,85,700	28,02,058	10,77,705	1,528	9,59,804	1.67	3,60,461	7	402	Kailas	22½	..	..	2	6/07	5/85	5/35
6,00,000	11,83,359	3,86,159	465	2,92,200†	4.84	4,14,877	3	210	Kalassa Tea Produce	20	25	..	2	4/08	4/20	3/83
17,17,076	27,90,278	9,40,446	741	4,46,673	5.17	5,88,691	10	210	Kil Kotagiri P.	25	25	..	2	4/40	4/40	5/60
5,00,000	9,11,259	1,21,604	267	305,757	2.31	96,485	12	203	Lucky Valley	10	10	..	10	11/70	11/70	10/30
13,50,000	17,31,286	4,85,241	1,691	6,70,174	1.48	2,09,136	3	411	Malankara	15	..	..	10	16/37	16/37	15/14
40,50,000	74,75,217	14,33,242	4,013	740,800†	4.47	13,89,961	3	270	Midland Rub & Prod. P.	12½	12½	..	10	11/00	11/00	10/55
14,06,250	33,53,804	7,45,346	1,587	3 98,596	2.90	1,80,000	3	402	Nilgiri P.	8	..	..	10	9/00	9/10	8/80
38,10,000	24,28,291	11,02,621	1,057	7,29,100†	2.92	16,62,532	t	14	Nonsuch	20	20	30—20*	10	22/25	22/25	21/50
5,50,000	1,07,991	1,71,464	610	1,35,230†	..	1,41,776	3	210	Ossoor	15	..	..	2	2/37	2/37	2/48
19,45,980	34,53,670	25,53,533	1,498	4,77,573	4.84	6,27,924	10	210	Ouchterlony	13	12	..	8	3/60	3/60	3/70
14,88,960	27,02,359	17,22,983	575	4,13,064†	2.74	7,70,117	6	203	Parkside Neilgherry	27½	22½	27½—25*	10	25/73	25/73	23/47
17,00,000	27,36,576	12,82,318	1,565	10,83,565†	4.20	11,29,838	12	9	Peermade P.	22½	25	..	10	21/25	21/25	20/77
6,00,000	7,90,314	4,35,530	1,167	5,83,268	1.50	1,65,244	2	259	Peninsular	20	..	..	10	21/25	21/25	20/70
97,94,880	78,72,019	20,68,711	2,074‡	23,46,900	3.88	13,16,964	3	210	Periakaramalai	13½	20	12½-15*	2	3/43	3/43	3/05
13,50,000	48,44,469	13,58,959	9521	845,000†	3.16	8,05,161	6	270	Rajagiri Rub & Prod P.	20	20	20—21½*	10	21/65	21/50	17/55
2,00,000	3,14,587	1,53,963	711	3,320cwt	1.32	1,18,791	3	412	Rajendra P.	25	..	..	5	10/42	10/42	9/80
1,25,000	1,90,373	15,000	216	..	..	43,141	3	413	Swinton	12½	..	..	2	2/68	2/68	2/82
10,00,000	20,71,084	2,48,373	1,454	4,30,695	1.51	63,263	3	172	Teekoy P.	Nil	..	..	10	6/60	6/60	6/45
9,15,300	13,14,493	10,80,000	2,227	2,45,549†	3.21	80,950	12	414	Thirumbadi	7	12	..	1	1/65	1/65	1/75
6,00,000	6,51,402	48,742	1,307	2,23 794	..	10,61,172	12	9	Travancore Rubber	13	..	..	10	11/12	11/18	10/50
41,00,000	72,63,801	12,63,584	2,535‡	12,19,484†	..	4,02,762	12	271	Travancore Rub & Tea P.	9	10	10	10	9/50	9/50	9/10
30,00,000	23,48,701	1,36,000	3,028	3,38,402	1.00	1,00,000	12	410	Tropical Plantation	8	..	..	25	19/65	21/25	19/75
15,75,000	24,78,11	16,00,000	1,267	9,63,293	3.16	12,85,658	5	250	Twyfords	10	..	..	10	9/20	9/10	8/75
21,93,280	30,03,223	17,04,089	3,639	8,28,976†	5.11	2,20,096	12	415	United Nilgiri	21	22	..	10	23/40	23/40	20/34
6,80,010	9,26,839	2,82,051	952	4,94 400	1.50	1,39,437	6	157	Vaikundam	30	..	..	10	35/10	35/10	29/45
47,25,000	78,06,431	21,33,765†	2,214‡	13,41,277†	3.77	15,22,472	6	157	Watertall Estates P.	12½	10	10—10*	2	2/28	2/27	2/25
9,95,000	12,64,609	6,35,454	971	1,65,429	1.78	88,225	3	416	Woodland P.	10	..	..	10	6/80	6/80	7/85

‡ Hectares

† Kgs.

* 1963

SOUTH INDIA COTTON MILLS

Paid-up Capital Ordinary	Number on Spindles	Looms	Net Block Account	Reserve & other Funds Premium & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
											1960	1961	1962		29-6-64	23-6-64	A year ago
Rs.			Rs	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
1,21,50,000	46,240	1,157	1,13,35,197	2,05,37,667	29,35,225	1,33 49,220	8,778	12	445	Bangalore W C Silk P.	10	18	18—24*	100	253/50	248/00	238/00
1,99,78,000	1,20,288	2,758	3,98,78,769	4,24,41,649	32,42,332	1,00,04,894	34,777	12	445	Buckingham & Carnatic P.	10	18	18—18*	100	267/00	267/00	260/00
30,00,000	28,000	—	22,72,373	31,406	96,307	20,95,517	42,421	12	433	Cambodia P.	9	18	..	10	8/85	8/65	13/00
85,99,600	13,864	..	74,98,712	39,35,014	8,68,955	—7,52,342	—10,23,340	t	46	Coimbatore Cotton	12	..	..	100	151/00	151/00	162/00
20,76,900	2,832	407	47,91 212	7,98,681	22,225	12,617	12	141	Coimbatore Spg & Wvg.	..	16	8	50	115/50	115/50	68/00
67,20,000	30,512	200	1,11,72,576	25 53,151	11,75,098	10,75,051	17,087	3	186	Kothari Textiles P.	10	8	8	10	8/87	8/87	9/40
1,06,50,000	1,10,800	—	2,00,70,945	95,72,660	59,02,987	49,43,285	59,354	12	108	Lakshmi	20	8	25-20*	100	131/00	131/00	135/00
1,75,02,480	3,00,000	..	5,13,24,237	6,09 41,668	1,06,32,123	1,01,11,071	10,434	t	29	Madura	15	30	15—15*	15	33/25	33/10	31/25
60,00,000	24,252	603	16,80,682	28,23,206	45,78,074	23,62,309	2,687	12	60	Mettur Industries	30	30	22½-20*	100	277/50	277/50	324/00
4,00,000	20,137	Nil	1,36,608	4,00,000	14,24,908	1,39,437	91,696	12	47	Palani Andavar P.	..	..	..	10	202/75	202/75	215/00
21,00,000	48,974	270	43,85,330	43,50,000	11,97,728	16,77,243				Vasanta P.	20	..	..	100	234/00	234/00	276/00

‡ Hectares

* 1963

SOUTH INDIA SUGAR MILLS

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net profits	Carry forward	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1960	1961	1962	Paid-up per share	Latest Market Quotations as available until 29-6-64	23-6-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
30,00,00	82,64,264	26,55,000	5,52,400	10,92,779	22,959	9	417	Andhra P.	..	..	..	10	13/55	13/55	17/36
40,00,000	80,62,883	12,61,424	1,58,472	13,46,266	1,40,987	6	218	Cauvery P.	6	8	..	100	97/50	97/50	109/00
39,84,000	80,95,449	50,28,500	10,91,223	29,00,521	9,587	5	218	Deccan Sugar	25½	12	18—18*	5	11/20	11/20	9/75
£1,127,700	£3,463,073	£2,075,782	£414,795	£648,473	£21,999	9	319	E.I.D.-Parry	21 3/7	21 3/7	28 3/7	£1	34/00	34/00	36/87
63,97,650	39,62,680	15,44,848	64,64,375	12,35,437	69,501	9	418	Indian Sugar P.	14	10	8—8*	10	9/10	9/10	9/69
12,45,572	1,22,66,623	18,99,861	1,51,052	5,99,416	2,090	6	419	Jeypore P.	8	..	..	10	16/50	16/50	15/25
10,52,200	2,87,27,773	1,23,75,000	31,53,982	20,76,426	91,745	6	420	K. C. P.	..	..	..	10	24/00	24/00	23/00
79,98,000	1,40,86,784	Nil	3,14,482	—16,486	—1,26,762	6	141	Kothari	Nil	Nil	Nil—Nil*	10	6/70	6/60	6/95
21,79,280	69,98,950	1,19,98,416	46,28,924	1,22,390	4,559	6	264	Mysore	30	30	30—30*	10	28/33	28/33	47/25
30,00,000	35,93,381	11,41,000	10,12,037	4,88,902	1,46,735	4	218	Travancore P.	10	..	..	10	7/20	7/20	7/31
25,00,000	45,92,397	91,28,520	73,43,307	34,22,332	..	3	320	United Breweries	60	60	25—Nil*	10	33/00	33/00	95/00

* 1963

SOUTH INDIA MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net profits	Carry forward	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1960	1961	1962	Paid-up per share	Latest Market Quotations as available until 29-6-64	23-6-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
1,00,00,000	86,99,116	39,83,750	10,36,603	19,80,945	1,52,818	3	421	Aluminium Industries	13	..	..	10	20/00	19/87	16/80
71,03,270	81,97,867	9,97,508	8,37,425	14,43,157	2,172	12	16	Andhra Cement P.	10	10	10—9*	10	9/53	10/25	10/31
3,02,67,658	1,59,93,383	25,83,610	1,84,694	30,01,343	20,076	12	422	Ashok Leyland	8	..	..	5	6/50	6/50	7/35
1,00,00,000	17,47,081	49,33,435	2,75,867	19,86,813	4,39,222	12	423	Binny	12½	..	..	100	271/60	271/60	327/17
7,50,000	5,45,587	56,538	41,650	93,226	—1,46,143	12	270	Brunton & Co.	..	..	..	10	4/00	4/00	5/10
24,99,000	40,82,511	3,52,644	62,051	3,35,186	4,810	12	424	Enfield P.	5	..	..	10	10/50	10/87	9/25
2,24,44,750	3,21,08,642	66,66,496	73,60,475	51,28,679	1,38,608	3	425	India Cement P.	11	9	12	5	5/65	5/58	5/49
23,82,732	16,92,196	2,50,222	93,924	2,16,808	2,977	12	230	Indian Steel Rolling P.	..	..	..	10	9/90	9/90	10/50
1,40,00,000	1,39,97,059	37,46,801	36,09,251	29,82,180	11,631	3	253	Mettur Chemical Industries P.	12½	12½	13¾-18¾†	10	14/05	13/80	12/30
24,81,220	12,69,939	10,47,778	17,48,674	8,48,641	8,514	3	233	Mysore Chem. & Fert.	10	10	..	10	7/87	7/87	7/75
8,00,000	5,20,889	4,52,189	2,18,413	2,33,791	85,187	3	151	Mysore Chemical Mfgs. P.	20	..	..	10	16/70	16/70	17/75
6,56,250	5,13,585	9,38,696	6,374	1,23,899	3,146	3	426	Mysore Lamp P.	20	..	..	10	30/00	30/00	34/10
25,00,000	55,50,342	37,12,500	2,43,664	14,29,395	36,663	3	226	Mysore Paper	15	15	..	10	12/50	21/50	13/80
10,00,000	7,56,329	3,16,884	29,32,342	75,422	622	3	201	Mysore Tobacco	10	..	..	10	12/00	12/00	9/85
10,00,000	6,54,848	3,02,000	2,60,194	4,84,835	1,51,607	3	218	Parry's Conf.	30	..	..	1	2/95	2/78	3/23
40,00,000	82,50,079	1,03,14,883	40,58,627	23,52,432	10,74,117	6	221	Spencer (Provisions)	18	18	18	10	21/65	21/65	12/50
47,00,000	86,53,610	20,65,000	51,902	7,85,966	3,869	12	427	Standard Motors P.	9	..	..	10	10/12	10/12	11/87
11,56,300	5,95,547	14,04,007	16,66,624	4,19,707	41,732	9	7428	T. Stanes P.	32½	..	..	10	30/50	30/50	29/03
39,84,400	42,58,650	13,07,759	26,027	6,92,616	932	4	429	Textool	15	..	..	100	142/00	142/00	149/00
2,50,00,000	4,24,61,684	2,14,79,630	72,21,483	85,33,091	50,510	7	430	Tube Investments	10	10	10-10†	100	201/00	201/00	235/00

† 1963

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	Net Earnings	Carry Forward	Accounts closed.	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1960	1961	1962	Paid-up per share	Latest Market Quotations as available until 1-7-64	24-6-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs
17,24,000	18,02,732	12,576	—2,52,424	..	3	165	Ahmedpur Katwa	1.90	1.90	1.75	100	24/87	24/87	29/00
21,69,300	34,93,819	6,11,706	3,03,621	2,918	3	32	Arrah Sasaram	5	5	5	100	31/62	31/62	27/00
34,00,000	35,33,840	21,816	—4,66,034	..	3	165	Bankura Damoodar	1.90	1.90	1.75	100	24/87	24/87	27/25
17,80,000	20,25,854	10,772	—3,07,176	..	3	165	Burdwan Cutwa	1.90	1.90	1.75	100	24/87	24/87	29/00
31,00,000	28,10,290	44,296	1,72,713	1,480	3	32	Chaparmukh-Silghat	2.90	2.90	2.80	100	35/00	35/00	35/00
4,75,000	1,48,268	5,33,369	1,35,796	3,691	3	296	Cherra Chhatak Ropeway	9	12	12	5	4/62	4/62	5/75
2,47,650	2,28,169	59,790	42,389	4,003	3	101	Darjeeling Ropeway	..	..	..	10	8/50	8/50	9/00
40,00,000	49,60,137	14,51,000	19,14,361	35,951	3	335	Dehri Rohtas	17	20	13	10	11/50	11/06	13/75
11,49,700	15,35,943	8,500	59,013	1,489	3	32	Futwah Islampur	1.90	1.90	1.90	100	28/70	28/70	28/70
16,00,000	49,13,938	13,37,712	1,70,485	3,022	3	32	Howrah Amta (P)	6	5	4½	100	34/00	34/00	40/50
6,00,000	13,66,352	5,14,960	62,731	4,225	3	32	Howrah Sheakhala	6	5	4½	100	39/00	39/00	45/00
5,91,100	11,74,348	15,024	73,560	160	3	165	Katakhal Lala Bazar	3.50	3.10	1.90	100	41/00	41/00	41/00
15,00,000	60,91,311	18,08,821	1,11,807	5,893	3	32	Shahdara (Delhi)	6	3	..	100	52/00	52/00	40/50

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

1. Anderson Wright Ltd.—7, Wellesley Place, Calcutta.
2. Andrew Yule & Co., Ltd.—8, Clive Row, Calcutta.
3. S. N. Beri—6. Middle Road, Hastings, Calcutta.
4. Hazareemull, Heeralall—148, Cotton Street, Calcutta.
5. Amritlal Ojha & Co., Ltd.—"Security House", Netaji Subhas Road, Calcutta.
6. Alcock, N. C.—Hultsdrof Mills, Colombo.
7. Associated Industrial Development Co. (Private) Ltd.—"Nicco House", Hare Street, Calcutta-1.
8. Agarwala, S. L.—Indian Insurance Building, Old Cantonment Road, Dehra-Dun.
9. Aspinwal & Co. (Travancore) Ltd.—Chavadi Parambu North Commercial Canal Road, Alleppy.
10. Aryan Planter Agency—P-12, Chowringhee Square, Calcutta.
11. Allum Bharucha & Co.—214, Hornby Road, Bombay.
12. Associated Planters Private Ltd.—25, General Patters Road, Madras.
13. Antony, M. K.—Alleppey.
14. Harrison And Crossfield Ltd.—Cochin.
15. Agarwal & Co.—E. D. Sassoon Building, Dougall Road, Ballard Estate, Bombay.
16. Andhra Eng. Co., Ltd.—22/422, Danavayipeta, Rajahmundry.
17. Amte & Co.—Hubli.
18. B. M. Krishan—Sri Jayachamaraja Wadiyar Road, Bangalore-2.
19. Macneill and Barry Ltd.—2, Fairlie Place, Calcutta.
20. Ojha Brothers Ltd.—Security House, Netaji Subhas Road. Calcutta.
21. Bird & Co. (Private) Ltd.—Chartered Bank Buildings, Calcutta.
22. Birla Bros. Private Ltd.—8, India Exchange Place. Calcutta.
23. Babulal & Co. Ltd.—13, Syed Salley Lane, Calcutta.
24. Balmer Lawrie & Co., Ltd.—21, Netaji Subhas Road Calcutta.
25. British India Corporation Ltd.—Sutherland House, Kanpur.
26. R. L. Thompson—Agraharam Road, Bangalore-2
27. Bengal Textile Agency Ltd.—11, Clive Row, Calcutta.
28. Swadeshi Enterprise Ltd.—41, Chowringhee Road Calcutta.
29. Beardsell, W. A & Co. Private Ltd.—Second Line Beach, Madras.
30. Bhagvatakshmi & Co.—Delhi Road, Udamalpet Dt., Coimbotore
31. Rameshwar Tantia—1 & 2, Old Court House Street, Calcutta.
32. Martin Burn Ltd.—12, Mission Row, Calcutta.
33. K. M. Wilcox—Sutherland House, Kanpur
34. Sir John Brown—9, Hare St., Calcutta.
35. Ramdutt Ramkissendas—9, Brabourne Road Calcutta
36. Bajoria & Co.—27, Brabourne Road, Calcutta
37. Birla, L. N.—8, Royal Exchange Place, Calcutta.
38. Birla, B. M—"India Exchange", Calcutta-1.
39. John Valentine Jardine Paterson—4, Clive Row Calcutta.
40. Bhargava, R. K.—Mohalla Masjid Bagh, Badshanagar
41. Biharilal Lahoty—161-1, Harrison Road, Calcutta.
42. W. H. Brady & Co., Ltd.—Brady House, 12-14, Veer Nariman Road, Bombay-1
43. Brijlal Bilasyal & Co.—Aga Khan Buildings Dalal Street, Fort, Bombay.
44. Punam Chand Batia—19, Circular Garden Reach Road, Calcutta.
45. Chakravarti Sons & Co.—22, Canning Street, Calcutta.
46. G. t. Purushotham Naidu—24, Krishnaswamy Mudaliar Road Coimbatore.
47. Chetty, R K. S. & Bros.—Singanallur, Coimbatore-5
48. S. R. Poddar—33, Netaji Subhas Road, Calcutta.
49. Calcutta Agency Ltd.—24, Netaji Subhas Road, Calcutta.
50. Chanda, A. P.—15, Taratola Road, Calcutta.
51. Shoobridge, F. G.—234-3, Lower Circular Road, Calcutta.
52. W. E. Eadle—175, West George Street, Glasgow C.2.
53. Cement Agencies (Private) Ltd.—121, Queen's Road Fort Bombay
54. Consolidated Elec Agencies—17B, Elphinstone Circus Fort Bombay
55. R. S. R. Iyer—Imperial Bank Buildings. Bank Street Fort Bombay.
56. Chinoy, F M. & Co., Ltd.—Radio House, Apollo Bunder Bombay.
57. Cumberbatch & Co.—Colombo.
58. Cowasjee Jehangir & Co., Ltd.—Ready Money Mansion, Churchgate Street, Fort, Bombay
59. N. K. Jalan—Kamini Chamber, 32, Nicol Road, Ballard Estate, Bombay.
60. Chandrie & Co., Ltd.—Madras.
61. Bagaria More Co., Ltd.—5, Clive Row, Calcutta.
62. Dayaram & Sons—9, Old Court House Street, Calcutta
63. Duncan Brothers & Co., Ltd.—31, Netaji Subhas Road, Calcutta.
64. Duff Thomas & Co.—2 and 3, Clive Row, Calcutta
65. Dass Bros.—29, and 30, Strand Road, Calcutta
66. A K. Das—15, Netaji Subhas Road, Calcutta
67. Day, P. E.—Anderson's House, Bishopsgate, London, E.C.2.
68. Hari Brothers Private Ltd.—Scindia House New Delhi.
69. Dadabhoy Sir M. B.—Kampte Road, Civil Lines, Nagpur
70. N. D. Bangur—14, Netaji Subhas Road, Calcutta.
71. B. C. Roy—Hindusthan Building, 4, Chittaranjan Avenue, Calcutta.
72. Duffs, J C. & Co., Ltd.—National Bank Buildings, Netaji Subhas Road, Calcutta.
73. C. C. Dey—25, Netaji Subhas Road, Calcutta.
74. Davenport & Co. Private Ltd.—6, Church Lane, Calcutta.
75. Desai, R. M.—14. Nicol Road, Ballard Estate, Fort, Bombay.
76. Dodwell & Co., Ltd.—Glennie Street, Slave Island Colombo
77. Darragh Small & Co., Ltd.—Alleppey.
78. Dadabhoy B A & Co.—Haco House, Sir Phirozeshah Mehta Road, Bombay.
79. B. N Elias & Co. Private Ltd.—1 and 2, Old Court House Corner, Calcutta.
80. Eastern Corpn. Ltd.—7, Wellesley Place. Calcutta.
81. Ebeling, A F.—Rawalpindi.
82. Poddar, P. L.—135, Canning Street, Calcutta.
83. Pratapsingh Mathuradas—9, Wallace Street Fort, Bombay
84. S. B. Industrial Development Co., Ltd.—12, Old Court House Street, Calcutta.
85. A. Firpo, Jr.—18/2, Chowringhee, Calcutta.
86. Forbes, Forbes, Campbell Ltd.—Forbes Buildings, Home Street, Fort, Bombay.
87. S. V. S. Iyer—88C, Old Prabhadevi Road, Bombay-28
88. Gillanders Arbuthnot & Co., Ltd.—Clive Buildings, Netaji Subhas Road, Calcutta.
89. Gladstone Lyall & Co., Ltd.—4, Fairlie Place. Calcutta.
90. H. C. Bowker—"Victoria House", Calcutta.
91. P. L. Tandon—India House, Fort Street, Bombay
92. Govan Bros. (Rampur) Private Ltd.—4, Scindia House New Delhi.
93. Govan Bros Ltd.—Malhotra Buildings, Queensway New Delhi.
94. R. N. Datta—93-A, Dharamtalla Street, Calcutta
95. Daga & Co., Ltd.—9, Royal Exchange Place. Calcutta
96. M. L. Bexon—57B, Free School Street, Calcutta-16.
97. Govan, R G & Co.—Scindia House, Connaught Circus, New Delhi.
98. Turnbull, R W.—P-4, Mission Row Extension. Calcutta
99. Abinash Chandra Das—Jalpaiguri.
100. Guha, Nalini Kumar—18/11/1-B. Raja Raj Ballav Street, Calcutta
101. Purushottamlall—5, Clive Row, Calcutta
102. George, A V. & Co., Ltd.—Ancheril Bank Bldgs., Kottayam. Travancore.
103. Kundlia, G. Seksaria—139, Meadow Street, Fort, Bombay
104. Gopikisan Piramal—Dr. Ambedkar Road Parel Bombay-12.
105. John Whitlon Easson—Gillander House Netaji Subhas Road. Calcutta.
106. F W Heitgers & Co (Private) Ltd.—Chartered Bank Buildings. Calcutta.
107. Howrah Trading Co., Ltd.—8. Dalhousie Square East. Calcutta.
108. A. & F Harvey Ltd.—Pandyan Building West Vell Street. Madural.
109. Holmes Wilson & Co., Ltd.—"Stephen House' Calcutta
110. R G Khanna—Solan Brewary. Simla.
111. Hotel (Control) Private Ltd.—4 & 4/1, Wellesley Place Calcutta
112. Glass t O H.—Bilbao House, 36, New Broad Street London E.C.2.
113. B. P. Khaitan—14, Netaji Subhas Road, Calcutta.
114. Harrison & Crossfield Ltd.—Calcutta.
115. T V. Braddeley—The Great Social Buildings Sir Phirozeshah Mehta Road, Fort, Bombay.
116. K. G. Khanna—Solan Brewery (H.P.),
117. Hari Sons—Avlur (Cochin State).
118. Hormusjee Sons & Co.—605, Girgaum Road. Dhobi Talao, Bombay-2.
119. Ramnarayan Sons Ltd.—Bombay.
120. Industrial Financing Co.—63, College Street, Calcutta.
121. Imperial Chemical Industries (India) Private Ltd.—34, Chowringhee, Calcutta.
122. Indra Singh & Sons Private Ltd.—7, Wellesley Place, Calcutta.
123. Hari Brothers Private Ltd.—Scindia House, New Delhi.
124. R. Raja Rao—Honnawal Road, Shimoga.
125. Iyer, I. R. Anantharam & Bros. Ltd.—Pushpagiri, Trichur
126. N. Sirur & Co. Private Ltd.—70, Forbes Street. Fort. Bombay.
127. J. P. Hannay—2, Metcalfe St., Calcutta.
128. Jardine Henderson Ltd.—4, Clive Row, Calcutta.
129. S. S. Bhimwal—7, Chowringhee Road. Calcutta
130. Jhajharia Bros. Ltd.—138, Harrison Road Calcutta.
131. Jain, N. K & Co. Ltd.—"Devashram", Arrah, Shahabad
132. J. K. Industries (Private) Ltd.—7, Council House Street, Calcutta.
133. James & Co Ltd.—25, Netaji Subhas Road, Calcutta.
134. Jute Industries Ltd.—4, Lyons Range, Calcutta
135. John, V. C.—Kottayam, Travancore State.
136. Jones, H. Edwin—Oriental Building, Bombay Elec House, Ahmedabad.
137. John, Kurian—Kottayam, Travancore State.
138. Kettlewell Bullen & Co Ltd—21, Strand Road, Ca cutta
139. Kilburn & Co Private Ltd.—4, Fairlie Place. Calcutta
140. Karamchand Thapper & Bros. Private Ltd.—Thapar House, 25, Brabourne Road Calcutta-1
141. Kothari & Sons Agency Private Ltd.—Armenian Street, Madras.
142. R. Suryanarayan Rao—Channapatna, Mysore State.
143. S. L. Dhanuka—P-15, Bentinck Street, Calcutta
144. Khaitan, D & Sons—14. Netaji Subhas Road, Calcutta.
145. P. S. Nilkantan—1, Waterloo Street, Calcutta
146. Killick Industries Ltd.—Mome Street, Fort Bombay.
147 Kanga, R. D.—Electric House, Post Fort, Bombay.
148. Kurian John—Alleppey.
149 Khatau Makanji & Co.—6. Ballard Road Fort Bombay.
150. Killick, A. S.—2-6. 2nd Line Beach, Madras
151. S. Ramanathan—Chlekbanavar P.O., Bangalore Dt
152. Broken Hill Secretariat Ltd.—31, Dover Street, London E.C.2.
153. Low, R. V & Co Private Ltd.—3, Synagogue Street, Calcutta.
154. Lomas, J E. W.—19, St. Swithin's Lane, London E.C.4
155. Bharat Ram Bhagat & Co.—45, Tangra Road, Calcutta.
156. Hind Agents Ltd.—Indu House, 15, Dougall Rd., Ballard Estate, Bombay.
157. Kothari Mehta & Co. Private Ltd.—Armenian Street Madras.
158. Padampat Singhania—Kamala Tower, Kanpur.
159. Lala Gurusharan Lall—Guraru Dist., Gaya
160. Lovelock & Lewes—4, Lyons Range, Calcutta.
161 Lohia, D. D.—173. Harrison Road, Calcutta.
162. G E. Solomon—Dare House, Parry's Corner. Madras
163. Mackinon Mackenzie & Co. Private Ltd.—16. Strand Road, Calcuta.
164. I. R. Anantaram Iyer & Bros Ltd.—Pushpagiri. Trichur
165. McLeod & Co Ltd.—8. Netaji Subhas Road Calcutta
166. Hindusthan Investment Corporation Ltd.—15. India Exchange Place, Calcutta.
167. B. Barker—'Barlow House', 59C, Chowringhee Road. Calcutta.
168 Moona Lall & Sons—120/1, Civil Lines, Jhansi
169. K. P. Goenka—31, Netaji Subhas Road, Calcutta.
170. Marshalls (Direction) Private Ltd.—33/1. Netaji Subhas Road, Calcutta.
171. W. E. Malden—P.O. Lohat. Dist. Darbhanga
172. East India Agencies Private Ltd.—Palai Kerala State
173. Moulton G S & Co (India) Ltd.—11 and 12, Esplanade Mansions, Calcutta.
174. N. M. Cole—3, Clive Row, Calcutta.
175. Satya Narain Gupta—Subzimandi, Delhi.
176. Moton & Co.—Maung Pauley Street, Rangoon
177. H. B Marshall—1, Humayan Place, Calcutta.
178. Madura & Co. Ltd.—Cochin.
179. A. D. Shroff—New India Assurance Bldgs., Mahatma Gandhi Road, Fort, Bombay.
180. Mafatlal Gagalbhai & Sons—Rustam Bldgs., 29, Churchgate Street, Fort, Bombay.
181. Murphy, C.—Rampart Row, Fort, Bombay.
182. Mehta, Chunilal V. & Co. Ltd.—Queen's Mansions, Prescott Road, Bombay.
183 Sir V. N. Chandavarkar—Standard Buildings Hornby Rd., Fort. Bombay.
184. Mysore Industrial Development Co.—33, Gandhinagar Bangalore City.
185. Mascarenhas B M.—Platform Road, Bangalore City.
186. Naidu, G. Kuppuswamy & Co.—Pappanaikenpalayam. Coimbatore.
187. Best & Co. Ltd.—The Hyderabad Laminated Products Ltd., Secunderabad-3
188. R. Beema Naidu & Co—Singanallur, Coimbatore.
189. Naidu, A G. Guruswamy & Co.—Peelamedu, Coimbatore.
190. Naidu, P S. Govindaswami & Sons—Coimbatore
191. H. Roychowdhuri—18, Convent Road, Entally, Calcutta.
192. B. D. Agarwalla—Stephen House, 4, Dalhousie Square, Calcutta.
193. Kesarmal Manocha—529/1, Hall Bagh, Amritsar.
194. G. V. Swalka—"Pollock House", 18B, Brabourne Road Calcutta.
195. R. R. Aiyer—71. Park Street, Calcutta.
196. Srinivasan, S. D.—7. Council House Street, Calcutta
197. Naraindas Lachmandas Ltd.—Raipurwa. Kanpur
198. Dharamsey M. Khatau—Scindia House, Daugall Road. Ballard Estate, Bombay.
199. Nowrosjee Wadia & Sons (Private) Ltd.—Neville House, Ballard Estate, Bombay.
200. Doodiawala & Sons—5. Muktaram Babu Street, Calcutta-7.
201. R. Arunachalam—17. Richmond Road, Bangalore-1.
202. Octavius Steel & Co., Ltd.—14, Old Court House Street. Calcutta
203. Matheson Gossanquet & Company Ltd.—Belmount, Coonoor Nilgiris.
204. Oberoi Hotels (India) Private Ltd.—17. Chowringhee. Calcutta
205. Oakley Bowden & Co., Ltd.—15, Armenian Street. Madras.
206. Ogale Glass Works Ltd.—43. Gandhinagar. Bangalore City.
207. Deepchand Kisshenlal—25. Netaji Subhas Road. Calcutta
208. Indian Textile Syndicate Ltd.—Kanpur.
209. E R Elliot Lockhart—4, Fairlie Place, Calcutta.
210. Peirce Leslie & Co., Ltd.—8/222. Beach Road, Calcutta, Kerala.
211. B. L. Somany—2 Wellesley Place, Calcutta
212. P. G. Krishna Iyer—Mount Pleasant, Coonoor Nilgiris.
213. Poddar, K N.—37, Vivekananda Road, Calcutta.
214. James Warren & Co., Ltd.—31, Chowringhee Road Calcutta.
215. Parkins Ltd.—Kottalam.
216. Parkin, O. & Co.—26, Apollo Street, Fort, Bombay
217. L C. Kanoi—P-8, Mission Row Extension. Calcutta.
218 Parry & Co., Ltd.—Dare House, Parry's Corner. Madras
219 India Sugar Agencies Ltd.—Mangalore.
220. Price, R. G N.—National Bank Bldgs., Madras.
221. Z R. Irani—1/153. Mount Road, Madras
222 Chrestien Mica Industries Ltd.—4, Lyons Range Calcutta.
223. R. N. Agarwala—4, Lyons Range, Calcutta
224 Lohia Brothers Ltd.—138, Canning Street Calcutta.
225. Roy, B K.—1, 2 and 3. Old Court House Street. Calcutta.
226. M D Shivanenjappa—Kampegowda Road, Bangalore 9.
227. W. Morrice—41, Chowringhee Road, Calcutta-16.
228. Ramnarain Sons Ltd.—Bank Street, Fort. Bombay.
229 Rajputna Textile (Agencies) Ltd.—Delisle Road Chenchpoka. Bombay.
230. Rajam C.—Oriental Bldgs., Armenian Street, Madras.

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

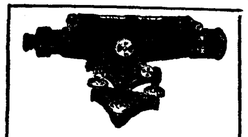
231. Ramamurthy, A.—Ravakhada (Orissa), Koraput Dist.
232. Ratnams Ltd.—Pugalur, Trichinopoly.
233. T. Shamanna—1129, Vani Vilasa Road, Mysore.
234. Bangur Bros. Ltd.—14, Netaji Subhas Road Calcutta.
235. Soorajmull Nagarmull—8, Dalhousie Square East, Calcutta.
236. Shaw Wallace & Co., Ltd.—4/5, Bankshall Street, Calcutta.
237. Srivastava, J. P. & Sons—Kanpur.
238. Bharat Ram Charat Ram & Co. Private Ltd.—Bara Hindu Rao, Delhi.
239. A. R. Kalairaja Chettiar—Coimbatore.
240. A. K. T. K. M. Narayanan Namboodripad—Kallai Malabar.
241. Singh, Ranjit—Lucknow.
242. N. L. Roy & Co.—9, Royal Exchange Place, Calcutta.
243. Shyamlal Agarwal—9, Dalhousie Sq. East, Calcutta.
244. Sovaram Keshavdeo—15, Netaji Subhas Road, Calcutta.
245. Dr B. N. Ghose—6, Ganesh Avenue, Calcutta-13.
246. Sundaren, S.—Indian Mercantile Chambers, Nicol Road, Bombay.
247. Singhania Padampat—Kamala Tower, Kanpur.
248. E. K. Srinivasan—16, Hare Street, Calcutta.
249. Steel Bros. & Co., Ltd.—Gillanders House, Netaji Subhas Road, Calcutta.
250. T. Stanes & Co.—Coimbatore.
251. Southern India Plantations Agency Ltd.—Coonoor.
252. Saha, Bahubalay—18/11/1B, Raja Raj Ballav Street, Calcutta.
253. R. B. Pradhan—Empire House, 214, Hornby Road, Bombay.
254. Sindia, M. Ramchandra Rao—3rd Road, Chamarajpet, Bangalore City.
255. Setalvad, J. C.—73, Oppo. Churchgate Station, Fort, Bombay.
256. Scindia Steam Navigation Co., Ltd.—Ballard Estate, Bombay.
257. Ramnath A. Podar—Podar Chambers, Parsee Bazar St., Fort, Bombay.
258. Swedish Match Co.—Nicol Road, Ballard Estate, Bombay.
259. S. Ramashramony Aiyer—Trivandrum.
260. Puranmal Bubha Sons—Indu House, Dougall Road, Ballard Estate, Bombay.
261. N. Sirur & Co. Private Ltd.—70, Forbes Street, Fort, Bombay.
262. Ramnarayan Sons Ltd.—Bank Street, Fort, Bombay.
263. Seshasayee Bros. Private Ltd.—Mettur Dam, R.S.
264. V. Venugopal Naidu—Sir Jayachamaraja Wadiyar Road, Bangalore-2.
265. Shree Hanuman Invt. Co. Ltd.—173, Harrison Road, Calcutta.
266. Talukdar, B. S.—Amlasadarpur, Nadia, West Bengal.
267. Tata Hydro-Elec. Agency, Ltd.—34, Bruce Street, Bombay.
268. Turner Morrison & Co., Ltd.—6, Lyons Range, Calcutta.
269. Tata Industries Private Ltd.—Bombay House, Bruce Street, Fort, Bombay.
270. Thomas A. V. & Co., Ltd.—Alleppey.
271. Thomas, P. T.—Kottayam, S. India.
272. Thomas, M. K. & Co., Ltd.—Trivandrum.
273. Tayabjee, O. S.—159, Gunfoundry Rd., Hyderabad (Deccan).
274. A. Hydari and S. Gothberg—Indian Mercantile Chambers, Nicol Road, Ballard Estate, Bombay.
275. United Eastern Agencies—Bombay House, Bruce Street, Fort, Bombay.
276. United Agencies Ltd.—Punalur.
277. Villiers Private Ltd.—F-3, Clive Buildings, Calcutta.
278. S. M. Smith—4, Bankshall St., Calcutta.
279. Williamson Magor & Co., Ltd.—4, Mangoe Lane, Calcutta.
280. Whitman, Mj. M. C.—Mayo Road, Rawalpindi.
281. N. K. Jhajharia—22, Chittaranjan Avenue, Calcutta.
282. C. Hockley—3, Netaji Subhas Road, Calcutta.
283. P. R. Jhunjhunwala—Sewrie, Bombay-15.
284. Walchand & Co., Ltd.—Ballard Estate, Fort Bombay.
285. Wallace & Co.—9, Wallace Street, Bombay.
286. Wilkinson, A.—117/119, Esplanade Road Bombay.
287. Young India Agencies Private Ltd.—175/1, Mount Road, Madras-2.
288. Dass Group Private Ltd.—29, Strand Road, Calcutta.
289. B. L. Mathur—4, Clive Row, Calcutta-1.
290. K. S. Basu—63, Netaji Subhas Road, Calcutta.
291. Lionel Edwards (Private) Ltd.—21, Old Court House Street, Calcutta.
292. R. N. Jhunjhunwalla & Co., Ltd.—9, Ezra Street, Calcutta.
293. A. J. Zullig—31, Chowringhee Road, Calcutta.
294. R. L. Rampuria—5, Fairlie Place, Calcutta.
295. Premnath & Sons, Ltd.—New Delhi.
296. S. N. Tantia—1 & 2, Old Court House Corner, Calcutta.
297. F. H. Mehta—Mehta House, Apollo Street, Bombay.
298. L. S. Vaidyananthan—Oriental Buildings, Bombay.
299. Kishore M. Premchand—61, Apollo Street, Fort, Bombay.
300. North Bihar Trading Co. (Private) Ltd.—11, Brabourne Road, Calcutta.
301. J. W. L. Russell—1 & 3, Brabourne Road, Calcutta-1.
302. Mitra Mondal—Khatauli, Dt. Muzaffarnagar.
303. G. S. Shroff—2, Hardinge Avenue, New Delhi.
304. James Finlay & Co., Ltd.—2, Netaji Subhas Road, Calcutta.
305. Thakersey Mooljee & Co.—16, Apollo Street, Fort, Bombay.
306. Jatia Brothers Ltd.—21, Rupchand Roy Street, Calcutta.
307. Bhatter's Agency Ltd.—18, Netaji Subhas Road Calcutta.
308. The Hyderabad Constructions Co., Ltd.—Kothagudium Collieries, Singareni P.O., Deccan.
309. T. Leslie Martin—12, Mission Row, Calcutta.
310. D. S. Barron—Chakala, Andheri P.O., Bombay.
311. Pyne & Sons—23A, Netaji Subhas Road, Calcutta.
312. Ram Kumar Agarwalla & Sons—4, Lyons Range, Calcutta.
313. Bullion Co., Ltd.—7, Canning Street, Calcutta.
314. Brooke Bond India Ltd.—2, Metcalfe Street, Calcutta.
315. Anderson Wright (Ramgarh) Ltd.—7, Wellesley Place, Calcutta.
316. The Cotton Agents Private Ltd.—14, Radha Bazar Lane, Calcutta-1.
317. Bird & Co. (Pakistan) Ltd.—Narayanganj.
318. Shree Krishna Investment Co. Ltd.—1-B, Halwasiya Road, Calcutta.
319. H. V. R. Iengar—Dare House, Parry's Corner, Madras.
320. F. W. J. Penn—32, Grant Road, Bangalore-1.
321. B. Ghosh—14, Old Court House Street, Calcutta.
322. Messrs. Tata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Road, Fort, Bombay-1.
323. Anderson Wright & Co.—7, Wellesley Place, Calcutta.
324. Indo Corporation Private Ltd.—5, Swinhoe Street, Calcutta-19.
325. Brian Granger Pearson—Virginia House, 37, Chowringhee, Calcutta.
326. B. L. Pyne—14, India Exchange Place, Calcutta.
327. Marwar Textiles (Agency) Ltd.—Waudby Road, Fort, Bombay-1.
328. John Taylor & Sons (India) Ltd.—Mysore Oorgram, South India.
329. Sri G. D. Bhagat—15, Shib Thakur Lane, Calcutta.
330. Mahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.
331. N. L. Roy & Sons—Canning Street, Calcutta.
332. A. D. Mango—16, Hare Street, Calcutta.
333. Mungturam Jaipuria—Swadeshi House, Civil Lines, Kanpur.
334. H. Mackay Tallack—2, Fairlie Place, Calcutta.
335. Sahu Jain Ltd.—11, Clive Row, Calcutta.
336. Tulsidas Kilachand—Scindia House, Dougall Road Bombay.
337. Beriwala & Co.—63, Netaji Subhas Road, Calcutta.
338. D. R. Sons Ltd.—Hornby Road, Fort, Bombay
339. M. G. Investment Corpn. Ltd.—Mafatlal House, Backbay Reclamation, Bombay-1.
340. K. O. Cheriyan—Travancore.
341. N. L. Kanoria—India Exchange, Calcutta-1.
342. O. N. Chatterjee—2, Royal Exchange Place, Calcutta.
343. Indra Singh—135, Canning Street, Calcutta-1.
344. V. J. Pilani—Victoria Bunder, Colaba.
345. The National Tea Corporation—130, Cotton Street Calcutta
346. Seshasayee Brothers (Travancore) Ltd, —Eloor Factory Alwaye.
347. Tantia Brothers Private Ltd.—1 & 2, Old Court House Corner, Calcutta.
347. M. D. Jalan—62, Ballygunge Circular Road, Calcutta-19.
349. Seth Sohanlal Murarka—19, Circular Garden Reach, Calcutta-23.
350. K. Agarwal—Empire House, Dr. Dadabhoy Naoroji Road, Fort, Bombay.
351. L. & T. (Management) Private Ltd.—I. C. House, Dougall Road, Ballard Estate, Bombay.
352. Chinai And Co. Private Ltd.—Sadhana Rayon House, Dr. Dadabhai Naoroji Road, Bombay-1.
353 N. K. Jhajharia—14, Netaji Subhas Road, Calcutta.
354. L. C. Kanor—P-8, Mission Row Extension, Calcutta.
355. T. R. Jalan—16, Strand Road, Calcutta.
356. R. Bajoria—10, Clive Row, Calcutta.
357. A. K. Jain—11, Clive Row, Calcutta
358. I. P. Goenka—14, Old Court House Street, Calcutta-1.
359. G. D. Kothari—15, India Exchange Place, Calcutta.
360. R. E. S. Talyarkhan—Volkart Building, 19, Graham Road, Bombay-1.
361. N. K. Bose—85, Netaji Subhas Road, Calcutta.
362. Dalmia Agencies Private Ltd.—Rajgangpur (Orissa).
363. C. L. Nahata—14, Old Court House Street, Calcutta.
364. W. A. C. H. Bosschaart—7, Justice Chandra Madhab Road, Calcutta-20.
365. S. L. Dhanuka & P. L. Dhanuka—5, Mission Row, Calcutta.
366. A. K. Sen—48/1, Diamond Harbour Road, Calcutta-27.
367. Lakshmipat Singhania—7, Council House Street, Calcutta.
368. Kalyanji Mavji & Company—14, Netaji Subhas Road, Calcutta.
369. P. L. Batia—7, Canning Street, Calcutta.
370. Pannalal Saraogi—8, Lyons Range, Calcutta-1.
371. G. L. Saraogi—56, Sir Hariram Goenka Street, Calcutta-7.
372. H. K. Newar—9, Brabourne Road, Calcutta.
373. C. L. Maheswari—Shreeniwas House, Waudby Road, Fort, Bombay.
374. Talukdar Law & Co. Private Ltd.—4, Chittaranjan Avenue, Calcutta-13.
375. K. N. Mookerjee—Leslie House, 19, Chowringhee, Calcutta-13.
376. K. D. Ganguli—Mercantile Buildings, Lalbazar, Calcutta.
377. K. C. Dass & B Maitra—35, Panditia Road, Calcutta-20.
378. R. N. Goenka—18-A, Brabourne Road, Calcutta.
379. S. R. Damani—30, Clerk Road, Bombay-11.
380. British India Corporation Ltd.—Sutherland House, Kanpur.
381. A. K. Jain—Dalmianagar, Bihar.
382. B. P. Kedia—7, Wellesley Place, Calcutta-1.
383. W. H. G. Baird—9, Brabourne Road, Calcutta.
384. Punam Chand Batia—19, Circular Garden Reach Road, Calcutta-23.
385. G. P. Kanoria—5, Clive Row, Calcutta.
386. D. N. Jalan— McLeod House', 3, Netaji Subhas Road, Calcutta.
387. Shibendra Sankar Sarbadhyaksha—Jalpaiguri.
388. A. V. Birla—9, Kaliprasanna Singhee Road, Calcutta-2.
389. British India Corporation Ltd.—Kanpur.
390. T. Ratan—16/3, Chowringhee Road, Calcutta-13.
391. R. M. Cox.—59C, Chowringhee Road, Calcutta-20.
392. R. A. Godwin—32, Chowringhee Road, Calcutta-16.
393. Khatau M. Shethia—14, Netaji Subhas Road. Calcutta-1
394. B. M. Birla—India Exchange, Calcutta-1.
395. W. F. Malden—Lohat, Darbhanga.
396. D. Manson—21, Netaji Subhas Road, Calcutta
397. N. M. Bhuwalka—135, Canning Street, Calcutta
398. Hoare Miller & Co., Ltd.—5, Fairlie Place, Calcutta.
399. B. Patnaik & Co. Private Ltd.—P.O. Chowdwar, Cuttack.
400. R. K. Kanoria—9, Brabourne Road, Calcutta-1
401. K. V. Venkitasubramoney Iyer—Seetagundy Estate, Sitharkunda P.O., Palghat Dist. Kerala State.
402. A. V. George & Co., Ltd.—Ancheril Bank Buildings, Post Box 1, Kottayam, Kerala State.
403. Mathew Sebastian—Thodupuzha, Kerala State.
404. Planting Agencies Private Ltd.—Oriental Buildings, Armenian Street, Madras-1
405. The Consolidated Coffee Estates (1943) Ltd.—Pollibetta, Coorg.
406. C. I. Machia—Pollibetta, S. Coorg.
407. Srinivas Agencies—Coimbatore-2.
408. K. N. Krishna Iyer—22, Royapettah High Road, Madras-14.
409. Yong India Agencies Pvt. Ltd.—Monorama Bldgs., K. K. Road, Kottayam (Kerala State).
410. Parkins Private Ltd.—Kottayam.
411. Johnsons Estates & Agenies (Private) Ltd.—Malankara Bldgs., Kodimatha, Kottayam, Kerala.
412. Associated Planters (Pvt.) Ltd.—35, General Patters Road, Madras-2.
413. J. R. Mottishaw—Mercantile Bank Building, 16, First Line Beach, Madras-1.
414. K. V. Mathew—Kottayam, Kerala State.
415. K. Ramachandran—Patton Palace, P.O. Trivandrum-4.
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STERLING BEFORE THE U.K. ELECTION

BY the beginning of July the pound sterling has fallen to its lowest dollar value in three years. The decline, originally attributed to credit stringency in Continental centres, especially Paris, has been in process for more than a month, and doubts were indeed expressed about the ability of the authorities in London to prevent the quotation from falling below the official parity limit without massive drafts on the sterling area's gold and convertible currency reserves. Fears have also been heightened by other factors. The period of maximum seasonal strain on the pound is now beginning. The British economy is approaching that stage in the trade cycle when costs are rising and the growth in imports, hitherto accounted for chiefly by the raw material requirements of expanding industries, may soon be supplemented by increased demand for foreign consumer goods and perhaps capital equipment as well. And, of course, Britain's general election cannot now be postponed longer than October. With all these points to be taken into account, it would not be surprising if suspicions were confirmed that the fall in the value of the pound, at least during the last two or three weeks, is not solely to be accounted for by a tightening of money conditions in Europe. In other words, speculation too may have had a hand in it.

It would indeed be surprising if it had not. It is scarcely necessary to take much of a view concerning Britain's short-term economic and political future to be impressed with the need to tread cautiously regarding sterling commitments during the next three months or so. Even at a time when the main alternative currencies, excluding the deutschemark but including the U.S. dollar, are steadily declining in attractiveness, it is hardly to be expected that the pound should enjoy confident support. Until the election is out of the way and the current trends in Britain's internal economy can be more accurately assessed, the continued weakness of sterling is probably inevitable. At any time the British Government is in a fairly strong position to lend support by selling gold: the reserves are at present slightly below the £1,000-million mark, but borrowing rights with the I. M. F. amount to nearly as much again. The deficit in Britain's balance of payments, which could draw the reserves down appreciably over the next 12 months, has so far been entirely offset by the increased earnings of the sterling area's primary producers and by other accruals, and although this trend may be reversed any day, there are no signs of it happening yet. But even taking into account such favourable factors, there is no avoiding the unpleasant fact that the future is replete with uncertainties.

Economically speaking, these are by no means as numerous as they have usually been at corresponding stages of previous booms. Britain's trade figures for the first five months of this year have been a strangely mixed bag, with alarming increases in the payments gap alternating sharply with encouraging declines. But taken over the whole period, the evidence appears to indicate that exports are still increasing, although perhaps at a slower rate than six months ago, whereas the rise in imports has levelled off. The figures suggest an overall balance-of-payments gap for the year of about £200 million, which is large, but not vastly in excess of early expectations. Export prospects, according to the recent Bank of England forecast, remain reasonably good and opinion in British industry itself appears to confirm this view. Imports are less predictable, but the inevitable restocking which accompanies the early stages of all trade cycles now seems to be ending, while the existence even yet of some spare industrial capacity holds out hope that growing consumer demand will be satisfied without too large an increase in the purchase abroad of durable goods and investment equipment.

In fact, the internal demand may already have stopped rising with the speed recorded at the beginning of the year. This was the expectation behind the Chancellor of the Exchequer's decision last April to increase his taxation levies by only half the amount advocated by the bulk of independent economic advice, and it gains some confirmation from the comparative stability of the industrial production index over the first four months of the year. It seems likely that output has increased since April, and there is every possibility that for reasons connected with the way the index is constructed statistically, the picture presented may not be exactly the correct one. But there is no escaping the conclusion that so far signs of a demand-induced inflation are not abundant in the British economy, and that on present showing there will be no need for Mr. Maudling to supplement his Budget measures either by monetary ones or by fresh taxes later this year. The main danger at the moment comes from the cost side of British industry. Here, the evidence of wages rising in line with falling employment is too great to be altogether ignored. Only to a limited extent does this trend indicate a failure of the income policy for which Britain has been striving during the past few years. Much more is it the result of local wage and salary increases made by individual employers anxious to secure what workers are available in the general atmosphere of labour shortage. This is certainly distressing; but it would be unwise to over-rate its importance at present if only because British industry itself seems to be firmly of the opinion that the main brake on its activities is a lack of orders, not of workers. The danger for the future, however, is too obvious to ignore in any balanced assessment of Britain's economic progress.

Politically the prospects are perhaps less reassuring for sterling. An election is rarely good for the stability of an international currency, and when a left-wing victory is more or less inevitable, as it appears to be in Britain's case, the consequences could be doubly disruptive. They would not necessarily constitute a correct interpretation of the position, however. For example, there is not the least evidence that a Labour Government must inevitably lead the economy rapidly into an uncontrolled inflation. It will certainly strive to maintain the current rate of economic growth; but it has been accepted for some years now that industrial stagnation in Britain has more often

been the cause of high prices than the consequence. Certainly the various threats of nationalisation and of tax changes may disturb business confidence for a time. But there is nothing to suggest that Labour will be less keen on keeping trade union wage demands in check, and there is every possibility, provided its plans for a scientific revolution in industry get off the ground, that business men will eventually learn to live with it in at least as easy a state of harmony as they do with the present Conservative Government. It is, after all, the shareholders and rentiers who can expect to suffer most under Labour, not professional industrial and commercial managements. This suspicion might well be behind the comparative indifference which is at present being shown in many sections of British industry, especially those not threatened with nationalisation, towards the prospects of a Labour win.

A Conservative victory at the polls, would, of course, touch off a substantial boom on the London Stock Exchange, and might inspire a more confident mood among Continental speculators in sterling. But it is unlikely that it would have much impact on the internal economy one way or the other, except perhaps to encourage a spate of pent-up wage demands from those unions which are at present restraining themselves from strike action in order not to jeopardise Labour's election chances. In the broad field of short-term economic policy at home, there is surprisingly little difference in the approach of Britain's two main Parties. Both are committed to expansion; neither is anxious to endanger the country's trading opportunities; and in each case there is an explicit dedication to the principles of modernisation and greater efficiency. Where genuine differences do exist—on the question of nationalisation and whether or not Britain should continue to seek membership of the Common Market, for example—the issues are so far divorced from the immediate circumstances that the threat to sterling can be safely ignored. With an economist at its head, a Labour Government in Britain, no matter what might have been said in its election appeal to the voter, can surely be expected to pay proper regard to the realities of economic life.

Provided industrial costs are held down, the prospects facing British exports need not at present be considered depressing. The buoyancy in trading conditions throughout the sterling area is accounting for much of the improvement in current shipments, although increased buying from the E.F.T.A. is also playing its part. The North American market remains something of a question mark, and the expansion which took place during 1963 has probably levelled off completely by now. But, after a short period of stagnation, sales to the all-important E.E.C. appear to be on the increase again. This is significant, because it is this market which probably has the best potential for expansion during the next few years, notwithstanding the steady increase in the tariff barrier. Britain's exports to this area will face accumulating difficulties as time goes on, and little relief may be expected in the forseeable future from tariff cuts negotiated during the "Kennedy Round" of the G.A.T.T. now going on in Geneva. But if British prices can remain competitive, and the E.E.C. countries such as France and Italy continue to be plagued with inflation, there is no immediate reason why British exports to the Common Market should not go on increasing.

The verdict on the prospects for sterling, therefore, is not altogether discouraging. Without the incidence of a general election this autumn, it could be an exceptionally good one, bearing in mind the rather more favourable outlook for the British economy at this crucial stage in the present boom compared with that which existed last time. Everything now depends on whether economic growth can be maintained without inflation. Compared with this problem, the political factors are of secondary and ephemeral importance. So far, as already stated, there are few signs that inflation will develop in exactly the same manner as it has done before. It is even possible that the pace of labour-saving investment in the British economy is now such as to be able to run permanently ahead of wage-induced cost inflation. But this is perhaps a slender hope, although there is some evidence in the West at present, and especially in the United States, that such a stage has been reached. The steady increase in the proportion of investment to national income which has been taking place in Britain over the past few years may mean that it has in her case too. If so, the recent prediction of Sir Alec-Douglas Home, that Britain is set for a long period of expansion without inflation, could well prove to be true.

INVESTMENT CONFIDENCE LOW

THE stock market has not taken a constructive view of the observations made by Mr. T. T. Krishnamachari, Central Finance Minister, at the inauguration of the Development Bank in Bombay last Friday. Except for stressing the importance of stimulating a greater flow of savings to industrial equities, he has not suggested any concrete measures for reviving the confidence in the capital market. Anyone acquainted with the conditions in the capital market will not see eye to eye with him about the causes he has given for the prevailing stagnation. Investment has been small mainly because of two factors. Firstly, private savings have shrunk during the past couple of years as a result of inflationary pressures and heavy taxation. Secondly, part of the savings has shied away from industrial investments to evade taxation. Both these factors are the result of high taxes.

The recent improvement in the stock market should not lead to complacence. Apart from speculative activities, the rally has taken place because of the prospect of bigger dividends from the steel companies. In sympathy with steel shares, the prices of other clearing scrip have risen. Although the prices of some selected cash scrip have also improved, the turnover has been limited. Business is in the main concentrated on clearing shares. Indeed, the relaxation of the margin system has spurred speculative activities. But the depression in new issues shows that investment confidence is at a low ebb. Because of the poor response to several new issues in recent months, a large part of these shares have had to be taken up by the underwriters themselves. No doubt, a few rights and new issues have been successful, but this does not prove that the market is healthy. In fact, the very fact that entrepreneurs have greatly to rely on underwriters for floating new issues shows that investors are shy.

Mr. Krishnamachari has reiterated the importance of increasing corporate savings. He has indicated that out of a total private-sector investment of Rs. 2,000 crores during the third plan, corporate savings are expected to contribute about Rs. 750 crores. The trend in corporate savings has improved due to the increased profitability of companies during 1963-64. But in view of the heavy tax burden which companies have to bear, it is doubtful whether the target for corporate savings, which is being fixed for the fourth plan, will be achieved. It has been estimated that out of an investment of about Rs. 3,200 crores in the private sector during the fourth plan, corporate savings will contribute about Rs. 1,500 crores. In the last Central Budget, some measures were, no doubt, announced to stimulate industrial growth. The reduction of the tax on inter-corporate investments, for example, has been a step in the right direction. Besides, specified industries have been allowed tax concessions and the debt-equity ratio for companies has been liberalised. The move to introduce an element of stability in allowing development rebate for new industries is again commendable. Because of its importance, the Government has assured companies that if the rate of development rebate is revised, the modification will be subject to three years' notice. In the case of concerns which have already placed orders for a substantial part of the plant and machinery, the benefit of the rebate will be available even if the projects take more than three years to be completed. But the beneficial effect of these measures has been greatly reduced by other fiscal innovations.

The establishment of the Development Bank will, no doubt, help industries. As a State-owned enterprise, the Bank will strengthen the institutional framework that already exists to canalise Government funds into private enterprises. It will subscribe to stocks, shares, bonds and debentures and guarantee the underwriting obligations of various financing institutions. Its main feature is that it will not be trammelled by any statutory requirement about the security that it must take against its advances. It will be largely guided by the personal integrity of the borrower rather than by his creditworthiness as adjudged by modern banking standards. So far many worthwhile enterprises have been forced to borrow funds from sources other than Government-sponsored institutions because of their rigid security and margin requirements. The Development Bank seeks to come to the rescue of sound projects which are not in a position to furnish adequate security or margin. The Central Finance Minister has emphasised that the safety of investment is primarily governed by the soundness of a project, combined with the ability of those who implement it. The security by itself should not be the sole guiding factor in granting advances.

But a word of caution is necessary in this context. With the setting up of the Unit Trust and the Development Bank, the Government has added to the number of its financing institutions. But the danger is that it may have to reinforce the resources of at least some of these financing institutions by resorting to further taxation. New Delhi should remember that institutional credit, combined with corporate savings, will not be a substitute for individual savings. If industrial growth is to be accelerated, it is important to promote individual savings. In spite of some good features, the last Central Budget led to a depression in the share market because of the new fiscal measures it introduced. The tax on bonus shares and dividends, for instance, has affected the outlook for equities. The replacement of the super profits tax by the surtax on profits has been a half-hearted attempt to improve the profitability of companies. The increase in estate duty and gifts tax has told on individual savings. The introduction of the annuity scheme will mop up the savings of the middle- and high-income groups. In the circumstances, the creation of the Development Bank and the Unit Trust, cannot, by themselves, achieve much in stimulating economic growth. They need to be backed by fiscal reliefs to the individual.

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U.N. TRADE AND DEVELOPMENT TALKS—3

TARIFFS, PREFERENCES AND COMPENSATORY FINANCING

By Dinesh Bahl

The third in this series of articles on the U.N. Conference on Trade and Development analyses the trend of the discussions on trade, preferential tariffs and compensatory financing.

GENEVA

FOR expanding the exports of the developing countries to the richer countries, the most important achievement of the U.N. Conference on Trade and Development in Geneva is that the two basic principles governing international trade—the most-favoured-nation principle, and the principle of reciprocity—may have begun to be dented. It is true that the process of denting these principles began some time ago under the auspices of the General Agreement on Tariffs and Trade, and minor progress was recorded in that body's action programme. But now at the U.N. Conference the idea has been pressed forward much more strongly that the developing countries should not have to reciprocate the tariff or other concessions which the developed countries might extend to them. Furthermore, the concessions given to developing countries should not always have to be extended to other countries too on the basis of the most-favoured-nation principle. In other words, for many products, in practical terms, the most favoured nations would be the developing countries only. The reciprocity principle seems likely to be eroded a little less slowly than the most-favoured-nation principle.

An important sign of the trend in thinking is that Britain has offered to extend her Commonwealth preferences to all developing countries if other developed nations make a similar extension with their preferences. It was feared that a major complication here would be that the European Common Market countries would not like to extend the special preferences they give to their Overseas Associated Territories to all developing countries since it might inspire the break-up of the E.C.M. associate system itself. But the E.C.M. has in fact given the impression that it might be prepared to accept this idea in general terms. To protect the interests of its overseas associates, however, it has made three main qualifications. The first is that any extension of preferences should be done after proper examination and on a commodity-by-commodity or country-by-country basis. The second is that some attempt should be made for the organisation of markets to ensure adequate access for the overseas associates' exports. The third is that special arrangements would be necessary for the transitional period so that the overseas associates' foreign exchange receipts do not suffer.

The general idea is that the overseas associates should be able to offset the fall in their exports to the E.C.M. by an increase in their exports to other developed countries—the increase resulting from the latter participating in the general extension of preferences to the developing countries. To the extent that the overseas associates cannot make up for the fall, they may be given special financial aid to help them over their difficulties during the transitional period. The main opposition to the idea of doing away with the reciprocity principle and the most-favoured-nation principle has come from the Americans. This is partly because their psychological commitment to these two basic principles of international trade is very deep. But it is thought that another important reason why their attitude is stiff is because the U.S. Presidential elections are approaching. After the elections, and particularly if President Johnson wins, the U.S. attitude might soften. The Americans could in that case become less hostile to the proposition that special preferences should be given to imports from all developing countries, and that in giving these concessions the richer countries should not ask for compensating concessions in return.

In considering the general problem of preferences for developing countries, a major complication arose when the suggestion was put forward that all developing countries should not be treated as equals; the special preferences should be bigger for the less developed of the developing countries than for the more developed among them. The less developed of the developing countries were understandably prominent in supporting the idea; so also, notably, was France. India's attitude to it, however, was by no means enthusiastic. The complication has fortunately been sorted out for the time being. The point has been appreciated that to differentiate between countries at different stages of development would introduce innumerable new complications on the subject of preferences—a subject which is already far too complicated. To decide whether one country is more underdeveloped than another would be difficult; a dozen different criteria could be used for arriving at conflicting classifications. Thereafter to decide what the difference in the special preference should be between developing country A and developing country B would create even more complications.

All these difficulties together would give rise to conflicts between the developing countries themselves, and could seriously undermine the unity of the 75. The point has been accepted, therefore, that the important thing for the time being is that special preferences should be extended on a uniform basis to all developing countries; further refinements may be attended to later in the light of experience. It is not denied that the less developed of the developing countries should be given special help in addition to what the more developed among them get. But it is felt that this help should be given in the form of direct financial aid. In other words, the new trade policy should be generally and uniformly appicable to all developing countries; the differentiation between them, according to the stage of development they may have reached, should be through the instrument of the aid policy.

An interesting point which has emerged in this context is that the granting of special preferences to the developing countries will not only help their exports, but will also stimulate the flow of foreign private investment to them. The communist countries, as expected, have made plain their hostility to foreign private investment. The American view, on the contrary, has been that the developing countries must do much more than they have done so far to stimulate its inflow. The Americans have, therefore, now been told that the granting of special preferences to the developing countries can be an important way of stimulating the inflow. Because of special preferences, international investors may be more inclined to invest in the developing countries, which would qualify for these preferences, than in the developed ones, which would not. Among the developed countries, France in particular has appreciated the point; she has no doubt been impressed by the experience of the E.C.M., where the inflow of U.S. investment has been greatly stimulated by the E.C.M. countries' decision to grant what in effect are special preferences to one another.

This broad trend of thinking on the question of tariffs and preferences, as it has emerged at the Conference, applies in the main to semi-manufactures and manufactures, but it applies in some ways to primary commodities too. In relation to primary commodities specifically, however, much of the discussion has centred on two points. The first is that the developed countries are not buying enough of them, partly because they are producing these themselves at an uneconomic cost. The second point is that the developed countries are unnecessarily encouraging the invention of synthetic substitutes, and so restricting the growth of their markets for natural primary products. It is recognised that complex political, social and military factors are involved in the adoption of these policies. For example, the rural vote in western Europe is an important one, and no Government can afford to sell its farmers down the drain by the large-scale import of cheaper agricultural products from the developing countries. The social implications of displacing farmers and rehabilitating them in other occupations would be extremely serious too. Finally, there seems to be a deep-seated conviction that for military and strategic reasons some measure of self-sufficiency in essential supplies, like those of food, has to be maintained.

The American view is that the growth of synthetics which compete with primary products cannot be discouraged. To discourage it would amount to discouraging invention and technical progress. The developing countries, however, have forcefully expressed their sneaking suspicion that much of this growth is indirectly and unnecessarily subsidised. The chemical manufacturers, for instance, may profit greatly from military programmes, and then use those profits for inventing and subsidising the use of, say, synthetic fibres which displace cotton. Still, the force of the argument against discouraging technological advance has been widely recognised at the Conference. The new view, therefore, is that the main emphasis should be on expanding the markets for primary products as such, rather than deliberately discouraging the growth of synthetic substitutes. The French say that the best way of doing this is to give guaranteed access to primary products from the developing countries, and to support their prices. The French are already doing this themselves for many of their former African territories, and have given the impression at the Conference that they would not mind extending the system on a worldwide basis. The Americans and the British, however, are not in favour of the idea. The rough compromise which has been evolved at the Conference, therefore, is that it is necessary to reduce import barriers as well as to organise markets. In what proportion one or the other should be done, it is for each country to decide for itself.

Many delegations are disappointed that no firm commitments have been made at the Conference about the developed countries reducing their barriers against imports from the developing countries. But, in fact, firm commitments on so delicate and complex a subject were hardly to be expected at so large and unwieldy an international conclave. The developing countries first suggested a specific programme of action. In relation to primary products, they said, broadly, that all tariff and non-tariff barriers against the import of these products into the developed countries should be abolished by the end of 1965. According to the compromise finally evolved, the recommendation now is that the developed countries should abolish such barriers as far as possible by 1970. For semi-manufactures and manufactures, the original proposal made by the developing countries to the developed countries was that: (1) import tariffs of up to 10 percent should be abolished straightaway; (2) certain other import tariffs, such as those on cottage industry products, should also be abolished straightaway; (3) all other import tariffs should be cut by half immediately, and abolished completely in phases by 1970. This proposal has not been accepted, but is to be studied in greater detail by a committee. The idea that tariff and non-tariff barriers against imports from the developing countries should be reduced has been endorsed in general terms. But no specific promises have been made. The proposal about granting preferential tariffs to imports of semi-manufactures and manufactures from the developing countries has been put forward as essentially an extension of the "infant industry" argument into the field of international trade. Preferential tariffs, it is pointed out, can be an important way of stimulat-

ng industrialisation in these countries, especially during the first and most crucial years of growth.

Among the proposals which have come in for a great deal of attention at the Conference is one for compensatory financing. The developing countries have made the point strongly that their export earnings are liable to fluctuate sharply from time to time. As a result, they are compelled often to cut back suddenly and unpredictably on their development programmes. Some sort of insurance is, therefore, necessary so that sudden shortfalls in export earnings will be made up by special assistance in the form of compensatory financing. The International Monetary Fund has in fact introduced a scheme for this purpose recently which would provide short-term accommodation. The developed countries have now indicated at the Conference that they agree the scheme should be liberalised.

The developing countries feel that a major drawback of the I. M. F. scheme is that it is only short-term in nature. Something more is, therefore, necessary to deal with falls in export earnings that are of a long-term nature. In response to the plea, Britain and Sweden have put forward the idea of supplementary financial measures; they say that a long-term fund could be established to provide compensatory financing facilities for the use of a developing country after it has used all the facilities provided by the I M F. The World Bank has now been asked to formulate a scheme for such a fund, the idea being that the fund would be operated by the International Development Association. This is regarded here as a major step forward: the hope is widespread that such a fund will in due course be established.

India, along with other developing countries, suggested at the Conference that the developed countries should go yet another step forward. The compensatory financing should not be restricted to shortfalls in export earnings, but should be related to "reasonable expectations" of export earnings; in other words, the assumption would be made that a country's export earnings would increase at a certain rate each year, and any shortfall for the purposes of compensatory financing would be calculated, not in relation to the base year's earnings, but in relation to the expected increase. The compensatory financing would thus be on a bigger scale. The suggestion is to be studied by the World Bank, but it cannot be claimed that it has been accepted even in principle. Yet another suggestion which has not been accepted is that compensatory financing, apart from covering shortfalls in export earnings, should also cover adverse movements in the terms of trade of a developing country. But this suggestion too is to be examined by a U.N. committee, in association with the World Bank and the I. M. F. Throughout the discussions, the developing countries have placed strong emphasis on the point that compensatory financing should be treated as a "contingent transfer"; in other words, it should be additional to development aid proper, and should not be mixed up with the latter.

Among the major benefits from the Conference's discussions is the acceptance of the principle —perhaps for the first time by Governments at a world forum—that international trade policy is an integral part of national development aims; in other words, if the developing countries are to develop, the international trade policy has to ensure that their export earnings are enough so that the development does actually take place. If precise decisions in support of this principle have so far not been clearly identifiable, there is no reason to suppose that they will not come in course of time. The Conference itself, and the continuing machinery born of it, have provided a forum for confrontation and discussion of ideas. The forum has no legal force, but over the years it could nevertheless become a powerful and lasting influence. Not the least of its merits would be that the influence of the ideas will now be confined to conclaves of solitary economists and theoreticians barking in the wilderness of orthodoxy. The influence will be felt in the quarters where major practical decisions are born—at the top policy-makers' level.

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3. Applications for the new loans will be received at:—

(a) Offices of the Reserve Bank of India at Bangalore, Bombay (Ford and Byculla), Calcutta, Madras, Nagpur and New Delhi;

(b) Branches of the subsidiary banks of the State Bank of India conducting Government Treasury work; and

(c) Branches of the State Bank of India at other places in India.

For full particulars apply to any of these offices or branches.

Current News and Comment

New Central Government Loans

The issue of two Government of India loans—4 percent 1970 at a price of Rs. 99 and 4¾ percent Loan 1989 at par—is in line with market expectations. The Reserve Bank groomed the market for the new flotation early last week when it suspended its open market operations. The terms and conditions of the two loans are exactly similar to those which were issued in April for conversion. Although the prices of those two loans were quoted at a slight premium since they were issued in April, they have now returned to their issue prices. The redemption yield on the 4 percent Loan 1970 amounts to 4.19 percent and the running yield to 4.04 percent. Judging by current market standards, the yields are not very attractive, although they are more than the interest which the banks pay on deposits.

The timing of the loan is appropriate. Due to the advent of the slack season, considerable funds have already returned to the banking system. Loans and advances of scheduled banks have dropped since the beginning of May by Rs. 79.97 crores to Rs. 1,784.99 crores. Their investment portfolio stands at only Rs. 655.03 crores. Money conditions have become very easy and the call rate has fallen below 2 percent. Apart from earning some interest on idle funds which have accumulated in their till, the banks have been keen to shift money into securities with a view to complying with the increased liquidity requirements by September 1964. They have been lending strong support to Government securities, to short-dated loans in particular So gilt-edged securities have been buoyant in recent weeks. Under these circumstances, full subscription to the loans is assured. The short-dated loan 1970 is likely to be popular with the banks. The Life Insurance Corporation of India, provident funds and other institutions will find the long-dated 1989 issue attractive. It is also possible that the Unit Trust of India will invest some funds in the new issues.

The list opens on 13th July and closes on 15th July, but it may be closed earlier without notice as soon as the total subscription amounts to Rs. 150 crores. The Government, however, reserves the right to retain subscription up to 10 percent in excess of the notified amount. When the subscriptions are completed, the Central Government will have fulfilled its borrowing target of Rs. 295 crores for 1964-65. The conversion offer in April attracted subscriptions amounting to Rs. 188 crores. So maturing securities for about Rs. 46.9 crores had to be repaid in cash. After the Central list is closed, various State Governments are expected to enter the market for borrowing. In 1963, the Central Government borrowed on their behalf. Despite the many advantages of combined borrowing, it has been abandoned this year. The States are likely to borrow about Rs. 100 crores. In view of the rise in interest rates, they may have to borrow on higher terms than they did previously, especially as other financing institutions are likely to enter the market at the same time as the States.

Problems of Shipbuilders and Repairers

The first annual meeting of the Ship Building and Repairing Section of the Indian Engineering Association, held last week in Calcutta, provided an opportunity for a thorough review of the present conditions of the shipbuilding and repairing industry in India. Mr. R. M. Willoughby, president of the Section, in his address pointed out that the industry was passing through difficult times. Mr. Willoughby's speech was read by Rear Admiral A. Chakrabarti in the former's absence. The Indian Engineering Association has submitted a report to the Central Government, detailing the difficulties which have arisen on account of inadequate port facilities, material shortages, import-licence problems and above all, rising costs. (The report was prepared on the basis of background information and statistics provided by individual members of the Section.) One of the main points of the document is that the established shipbuilding industry has been neglected in the planning era and there is not even a reference in the plan to the ship repairing industry. Due to lack of sufficient orders, ship repairers are turning to more general engineering work in order to stay in business, and it appears as if the skills and experience of a century-old industry is going to be lost altogether. At the same time, with its increasing tonnage of deep vessels, the country is obliged to look abroad for repair facilities—not merely for voyage repairs, but for major surveys involving the expenditure of large sums of foreign exchange. What is worse, Indian ships go to the very ports which represent the strongest competition for them.

The brochure of a Hongkong yard, which Mr. Willoughby has sent to the Central Transport Minister, shows work which includes major survey and repair required by three Indian vessels at a cost of probably Rs. 1 crore. Two of these vessels, however, were refused accommodation as dock facilities and the materials for the repairs were not available. This emphasises the urgency of ensuring repair facilities in the country itself. However, since the Association's report was submitted to the Minister, certain concrete steps have been taken to remedy the industry's grievances. Licences for importing essential raw materials and components are now being speeded up, and more important, a decision has been taken to set up an all-India advisory council for the shipbuilding and repairing industry.

Mr. Willoughby made a brief reference to the achievements of countries like Spain, Yugoslavia, Hongkong, which not many years ago were buying their tonnage from other countries, but today, win overseas tenders in competition with much older and better established shipyards of the world. Japan's achievement, in particular, has been the most spectacular of all: in 1963, she launched a greater tonnage of shipping than the output of Britain, West Germany and the U.S.A. put together. India has unlimited raw materials and thousands of miles of seaboards. Yet it is unfortunate that increasing tonnages of ocean-going vessels, coasters, tugs and pilot vessels, dredgers and hoppers have to be purchased from foreign yards. The Government has a major responsibility for the maintenance and growth of this industry. The builders and repairers, on their part, should take some initiative by planning for development ten or even 20 years ahead. This is the advice Mr. Willoughby has given to the industry.

Shortage of Edible Oils

In his address from the chair to the annual general meeting of the Central Organisation for Oil Industry and Trade, Mr. Ratilal M. Gandhi has urged that the export policy for edible oilseeds and their products should be revised so as to decide the quantities to be exported from the country without violently disturbing their price structure. Mr. Gandhi says that exports are, no doubt, a must, but they should fit in with the broad pattern of the national good and a judicious balance should be struck between the needs of exports, domestic consumption and industrial development. The problem arises because of the chronic unbalance between supply and demand. Oilseeds production has remained virtually stagnant for some years whereas consumption has been growing rapidly because of the increase in population and improvement in the standard of living. Oilseeds production has still to reach the second plan target of 7.8 million tons, let alone the third plan target of 9.8 million tons. Little wonder, therefore, that oilseeds prices continue to soar. Groundnut and its products and linseed have risen to all-time highs. The real answer to the problem of high prices lies in stepping up production which has to be brought about mainly through higher yields. It is encouraging to find that the Vanaspati Manufacturers Association has undertaken some pilot projects to improve the yields of groundnut and some industrial units are extending this constructive work. This is a step in the right direction, and it is to be hoped that other leading industrial units will also take up similar projects in different parts of the country, thereby helping to raise oilseeds production.

Whatever effort has been made in the past to step up oilseeds production, has been virtually confined to the five major oilseeds, more particularly, groundnut. Little attention has been paid to the development of copra which is an important source for oils and fats and to the vast potential wealth in the form of a number of minor oilseeds and oil-bearing materials. Mr. Ratilal M. Gandhi has done well in drawing attention to this aspect of the problem of augmenting edible oils supplies. India's vast coastline extending to about 4,000 miles offers good scope for planting coconut trees. If a well-planned effort is made to exploit the potential for growing the trees, it should be easily possible for the country to achieve self-sufficiency in copra and coconut oil. The supply of vegetable oils can also be considerably augmented by properly tapping minor oilseeds and oil-bearing materials.

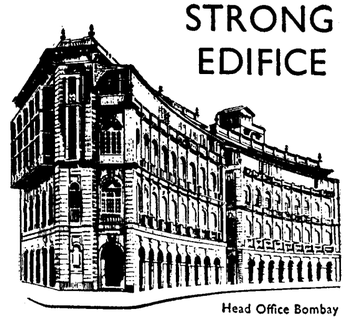
It is comforting to know that the Indian Central Oilseeds Committee has recently undertaken some surveys of potential areas for the availability of *mowrah* seeds, *pilu*, *khakan*, etcetera. The committee would do well to carry out similar surveys for other minor oilseeds also. While the need for making every possible effort to increase the supply of vegetable oils can never be over-emphasised, serious attention also needs to be paid to the question of using the available supply as profitably as possible. Considerable quantities of edible oils are being consumed by the soap manufacturing industry. A planned and systematic establishment of a soap fatty acid industry in the country can play an important rôle in providing the soap industry with some of its raw materials which in turn will release sizable quantities of edible oils now being consumed by soap manufacturers.

Man-made Fibre Output Rising

The man-made fibre industry in India has made good progress over the past 13 years. The output of viscose rayon yarn, which was barely 4.5 million lbs in 1951, reached 68.57 million lbs in 1963. Production of staple fibre increased from 6.80 million lbs in 1954 to 71.24 million lbs last year. The number of rayon manufacturing units, which was just two in 1951, increased to 26 in 1963 with varying capacities. The output of acetate rayon yarn has gone up from 2.30 million lbs in 1955 to 4.30 million lbs in 1963. And lately, nylon yarn production has also started in the country and it amounted to 1.58 million lbs last year. An important angle from which the industry's contribution to the national economy could be viewed is the extent of foreign exchange saving made possible by facilitating reduction in rayon imports. Imports of rayon filament yarn have declined sharply from 46 million lbs in 1957 to 16 million lbs in 1963.

Presiding over the tenth annual general meeting of the Association of Man-made Fibre Industry, in the absence of its chairman, Mr. Rasiklal J. Chinai, Mr. Babubhai M. Chinai, emphasised the need for further expansion of the industry. With the best of intentions and efforts, natural fibres alone cannot satisfy the entire clothing requirements of the country in the foreseable future. This, he said, would be evident if one takes into account the tempo of the growth of man-made fibre industry here and elsewhere, and the rising trend in population and the possible rise in the standard of living of the people in the next five years as a result of the likely increase in national income. It is significant to note that the share of the man-made fibre industry in the world textile output has increased from a mere 1 percent

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in 1921 to 25 percent in 1963. Mr. Chinai disclosed that the Association had recommended to the Government a target of 271 million kilograms of cellulose and 53 million kilograms of non-cellulose man-made fibres for the fourth plan. He urged that from the viewpoint of conservation of foreign exchange and continuing shortage of cotton, the planners should think in terms of expanding the regular staple fibre industry and that the question of producing polynosic staple fibre should be taken up when the country would have sufficient foreign exchange.

Referring to the various problems and difficulties facing the man-made fibre industry, Mr. Babubhai M. Chinai spoke very critically of the excessive burden resulting from the heavy increase in the excise duty in the last Budget. This has led to the sudden fall in the disposal of their production by various units and the consequent accumulation of stocks with them. He pleaded for early relief from this heavy burden. He also urged the Government to release spinners from the obligation to supply yarn at concessional rates against the backlog of cards issued under the earlier export promotion scheme for rayon fabrics. Mr. Chinai also suggested that the Government should try to meet the industry's requirements of rayon-grade caustic soda from imports since the various units have been finding it increasingly difficult to have reasonable reserves of this basic raw material. The quantities allotted to the industry by the Government are stated to be inadequate and irregular. Referring to the reported move of the State Trading Corporation to import Rs. 90 lakhs worth of caustic soda, Mr. Chinai suggested that the Government should try to meet the requirements of the man-made fibre industry from such imports.

Congestion at Calcutta Port

The Central Transport Ministry does not apparently feel the same concern as the shipping lines over the recent congestion at Calcutta and Bombay ports. So the shippers have been compelled to make a representation to the Ministry pointing to official apathy and negligence. The congestion at the Calcutta port—stated to be the worst in recent years—has slowed down the turnround of vessels and caused heavy losses to the shipping companies. Bore tides no doubt have compelled a large number of ships to wait at the Sandheads, but this could have been avoided had there been sufficient berthing facilities. Although many food ships were belatedly given berthing facilities, the question now being asked is why the port authorities, anticipating the bore tides, did not take steps for phasing the arrival of ships or diverting them to other ports, which could have taken prompt measures for unloading the cargoes. As it happens, none of these steps was taken, so the 30 odd food ships which arrived in Calcutta in June could be unloaded only after much delay. As a result, the Central Government has had to pay demurrage in foreign exchange at the rate of $1,000 or about Rs. 5,000 a ship for a day's delay. The loss on this account has been considerable. Although the situation has now reportedly improved, a fresh spell of congestion and detention of ships at the Sandheads is feared by shipping circles due to the commencement of a strong bore tide period in the near future.

Since 1949, the heavy shoaling of the Hooghly in the port's upper reaches as well as its changed hydraulic conditions have led to strong bore tides. When the tide rises over 14 feet, it becomes necessary to move the ships into docks for berthing. It is futile now to raise a debate whether during the latter phase of the recent congestion, food ships were given more berthing facilities than general cargo ships. But the inadequate berthing facilities which have hindered quick unloading point to the need for improving them. It augurs well that the Calcutta port authorities are now planning to extend the berthing facilities at King George's Dock. But this work should have been taken up long ago since the port authorities knew that the Farakka barrage, which aims at reducing the intensity and frequency of bore tides in the Hooghly by maintaining regulated upland water supply from the Ganges throughout the year, and the Haldia port, which will lessen the pressure on the Calcutta port, would take more time to be completed. The Press note issued by the port authorities frankly admits that inconvenience caused to shipping companies due to the congestion at the port has become an annual affair. Dredging apart, no worthwhile steps have been taken so far to arrest the deterioration in the Hooghly.

Labour has also been blamed for the slow turnround of vessels. The main reason for the congestion, according to the Port Commission, is that stevedore labour was "deliberately going slow" in unloading food ships. The volume of unloading in June averaged 800 tons a day, against as much as 2,500 tons a month some time ago. Stevedores, meanwhile, are reported to have made a representation to the Central Food Minister, Mr. C. Subramaniam, to raise the rates for unloading food ships by 50 percent. A special officer of the Port Commission is in fact studying this question. If the report is to be believed that the authorities are inclined to accept the piece rate system, in preference to the time-rate one, one may well ask why the scheme was not given a fair trial before the recent congestion at the port assumed alarming proportions.

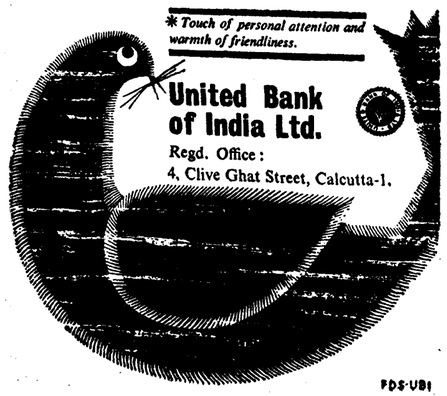
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AGRICULTURE IN INDIA

AT the risk of being monotonous we would again draw your attention to the fact that India is essentially an agricultural country, entirely dependent on her crops for her well-being; and that the proper cultivation of the land is the question of paramount importance before which all the other questions of the day sink into significance. Agriculture, Irrigation, Railways are all three kindred subjects, which may well engage the attention of the Government. Good crops mean prosperity, failure spells ruin. The total exports of merchandize from India last year were valued at 149,83 lakhs of rupees, made up chiefly thus—

Grain	30,66	lakhs
Tea	8,80	"
Oilseeds	14,38	"
Cotton	24,37	"
—do— Manufactures	10,32	"
Jute	11,71	"
—do— Manufactures	9,41	"
	109,65	

These five items of Grain, Oilseeds, Tea, Cotton and Jute totalled, it will be seen, 109,65 lakhs; and if we add Opium (10,47), we arrive at 120,12 lakhs out of a total 149,83 lakhs directly obtained from agriculture, so that ruin agriculture and you ruin India, develop it and prosperity will result. There is also another aspect of the question. Out of total imports valued at 84,80 lakhs, cotton yarn and piece-goods figured for 29,60 lakhs. The great bulk of this might be manufactured in this country, and the 594 lakhs of sugar might also be grown here. Similarly the 338 lakhs worth of Mineral Oil might be drawn from the Burmese oil fields instead of from foreign sources; and, indeed, if we had an agricultural and peaceful Government, imbued with the desire to promote the moral and material progress of the country, India would prosper exceedingly. Instead of this we covet other nation's possessions and neglect to develop our own. The vineyard of Naboth, the Jezreelite has attractions even in the Twentieth century, and Ahab has imitators down to the present time.

FROM

CAPITAL
14th July, 1804

A Ditcher's Diary

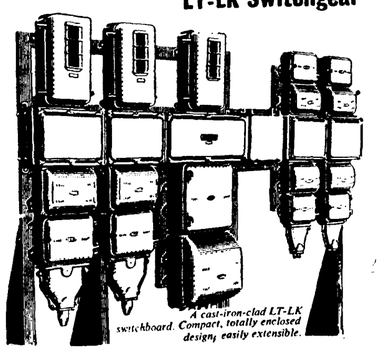
I REMEMBER THE TROUBLE OFFICIALS IN INDIA HAD when Mr. Khrushchev and Marshal Bulganin visited this country in 1955. Two chairs of equal splendour had to be found on every occasion; in no way was one of the pair to appear more equal than the other. In deciding to send Mr. Krishnamachari and Mrs. Indira Gandhi to the Commonwealth Prime Ministers' conference Mr. Lal Bahadur Shastri may have presented the host with a similar problem. The wisdom of the decision may be questionable on other counts too. Implied in it is the unwarranted suspicion that neither of the two was considered quite adequate to represent India; to add is often to subtract—in politics. Many have advised Mr. Shastri to shed the portfolio of foreign affairs. Is it possible that Mrs. Indira Gandhi will eventually find herself in that ministry? While the Prime Minister must lighten his burden, I am not at all sure that this is the best way of going about it. Where he can easily cut down his load is to let others handle Party work; with a competent Minister of State, the departmental work in the Foreign Affairs Ministry can also be shared—leaving the Prime Minister free to deal only with policy and other essentials. Meanwhile I have been wondering whether the general *solicitousness* about the Prime Minister's health is not being carried a little too far. If we do not want an overworked Prime Minister, we certainly don't want an underemployed Prime Minister either. It is important, I think, not to make Mr. Shastri feel that he is a sick man; he is only tired. We all feel a little ill without our quota of the day's work; Mr. Shastri should get his. A foreign correspondent who was recently in New Delhi tells me that in some circles they are already talking, and not in whispers, about Mr. Shastri's possible successor. I hope the story is incorrect. For myself, I find such speculation in bad taste. Mr. Shastri is too good a patriot to stick to the job when he feels he is not fit enough to do it. I find it difficult to believe that the reported search for a successor is altogether motiveless.

THE MORE THE COMMUNIST PARTY OF INDIA TRIES to repair its battered unity the more damage it does to itself. What the split is about only dialecticians may follow; I certainly can't, although I am less than certain that it is all ideological. My sympathy for the cause of communism is very limited indeed. Yet it was once impossible not to admire the organisation of the C.P.I. At one time the communists seemed, at least in Calcutta, the only people in the Opposition who could bring out really impressive processions and carry out other specific programmes. The discipline in the Party was in sharp contrast with that of any other, not excluding the Congress. It is dangerous, I know, to admire efficiency without closely looking into what ends it was meant to serve; at a certain level, one could say several good things of even Hitler and Mussolini. But even as the Congress began to look more like a platform and less like a well-knit political party with shared objectives and emphases, the communists gave India an organisation that could be called a party in its real sense. All that is gone now. The C.P.I. has not been divided into two factions, usually but inaccurately called pro-Peking and pro-Moscow. The divisions, I suspect, are many more; and some at least may be personal. But I never cared for unity by equivocation; and I almost welcome a split when contenders define their views clearly. This is what is not happening. If a group of communists feel that India should make her peace with China, they should be neither ashamed nor afraid to say so. If another section takes the view that the C.P.I. should be more firm in its opposition to the Congress, it should be able to speak and act accordingly. Differences are not only natural in a free society; they are necessary in a democracy. I didn't believe the communists when they claimed what they call "inner democracy"; now I do. And if the international communist movement is split, as it openly is, it was bound to have its effects on the movement everywhere. If Mr. Mao Tse-tung and Mr. Khrushchev can publicly swear at each other, why can't Mr. Dange and Mr. Jyoti Basu?

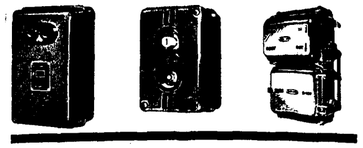
THE CANKER OF COMMUNALISM IS ADMITTEDLY eating into the vitals of the nation. The recent communal disturbances were a sharp reminder of this fact. If I remember aright, it was Beverly Nichols who said that in this country he came across so many people bearing provincial labels but few Indians. What he wrote about provincialism is equally true of communalism and that too after more than thirteen years of secular democratic existence. Politicians have not been slow, particularly during election time, to capitalise on this weakness of the Indian people. But I cannot quite see how this warrants a total ban on communal parties since the remedy will obviously be worse than the disease. Yet this is what a committee headed by the former Central Food Minister, Mr. Ajit Prasad Jain, had recommended. Incidentally, this body was set up in 1960 by the executive committee of the Congress Parliamentary Party and had submitted its report in 1961, but it was released to the public only last week. That the Congress Parliamentary Party should salvage it after three years from the limbo of forgotten things seems to suggest that a move to ban communal parties is now going to be considered. The dangers implicit in such a measure are obvious. Under the guise of banning communal parties, it should be easy for the ruling Party to stifle the Opposition. In fact, communalism is deeply entrenched in the Congress itself and elections have been won by trading on this weakness. The Congress has also not hesitated to transact odd marriages of convenience with manifestly communal parties, like the Muslim League in Kerala, to get success at the polls. I think if the Congress is keen on banishing communalism from the Indian scene, it must first wield the reforming broom within its own house. A ban on communal parties may not, in fact, achieve much and may merely bring the parochial elements into the folds of the secular parties themselves.

THE MORE MR. TEK CHAND EXPRESSES HIMSELF ON Prohibition the clearer it becomes how unfortunate it was that he headed the study team set up by the Planning Commission. If I remember, the team was asked only to find out how Prohibition was working in the various States and how legal and other procedures could be improved to make Prohibition more effective. Then Mr. Tek Chand asked the Press to do propaganda against drink, having attributed to it all sorts of motives for not being ardent enough in denouncing alcohol. The Press gave him the answer he deserved. Now he appears to have taken up the job himself. In Patna on Monday he delivered himself of this gem: "Modern civilisation faces a double erosion of values at the hands of topless beauties and bottomless bottles". I have seen only bad photographs of topless beauties; pictures which showed the bared bosom not at all. (Has Mr. Tek Chand by any chance seen more than I?) But topless beauties are not a menace here yet; whether the *tight salwar-pyjamas* are, I do not know. But what on earth does Mr. Tek Chand mean by claiming to prove in his second volume that drink is disastrous for the Armed Forces? In his first volume he had declared the commission not competent to pronounce on drinking among soldiers. As far as I can see, the second volume is devoted to doing what it had said it was not competent to do. Mr. Tek Chand is also reported to have said that he had looked at the problem of drink entirely from a legalistic point of view and that he had no bias. No bias, indeed! And the legal provisions he recommended for making Prohibition effective were such as could come from the most illiberal of men. That a former judge should

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have suggested investing the executive, the police in particular, with such extensive authority over citizens invites comment of a kind I am unable to make. But there is hope. The Government of Bihar has already told Mr. Tek Chand that it has no intention whatsoever of introducing Prohibition. Mr. Naik of Maharashtra has made no secret of what he thinks on the subject. But common sense has yet to fight its battle with Messrs Morarji Desai, G. L. Nanda and Shriman Narayan.

THE RETURN OF MR. TSHOMBE TO THE CONGO makes a depressing postscript to the chapter of United Nations intervention there. How many Indian soldiers, I have been wondering, will read the news and decide the work they have done has not been wasted? I only hope the outcome of the Cyprus action will be a happier one; and I cannot envy General Thimayya for the task he is being faced with. Perhaps the arrival of General Grivas on the island will help to some extent. The main problem which has been facing the U.N. forces so far has been the lack of leadership and discipline among the Greek irregulars; Grivas should be able to supply that. Whether it is his intention or not, I suspect the responsibility for governing Cyprus will slowly pass to the General and away from President Makarios. The latter, thanks to his having taken too great a gamble with the political issues, has clearly lost whatever control he had over the situation. The kind of stability represented by such a soldier as Grivas might, too, be more acceptable to the Turks, whose threats have all along been justified by the inability of the Cypriot Government to protect the lives of the Turkish minority even if it had a mind to. So General Thimayya might have an easier passage than what his predecessor, General Gyani, enjoyed. If he does, then perhaps some moves can soon be made towards solving the Cyprus question once and for all. It seems now that this can only be done on the basis of direct agreement between Greece and Turkey, both of whom have acted with commendable restraint in the face of much provocation. I wrote some time ago that partition seemed the only practicable solution in the long run. Nothing that has happened since then has persuaded me to think otherwise, although provided Turkey were given the necessary guarantees, there is still some chance that *enosis* might be acceptable. Either way I hope the answer comes quickly and the settlement proves a permanent one. After the long-drawn-out fiasco in the Congo, the U.N. deserves some triumph to bolster its morale.

TO THOSE WHO BELIEVE THAT TOPLESS EVENING dresses and bikinis will never catch on, let me say this: If a handful of fashion dictators in Paris say they are good, then women will wear them. From this it is easy to conclude that my attitude to the whole thing is that the sooner we reconcile ourselves to the inevitable, the less trouble we shall be letting ourselves in for. There are historical precedents for bare bosoms; not all ages have been as decorous as this one. And there is compensation in the flagrant honesty of it all; not many years ago the advent of "falsies" seemed to threaten life with a multitude of fresh uncertainties. But I do hope that at least some measure of discretion will be exercised by those who decree what our womenfolk should wear. It is, after all, only a small proportion of the sex who can adopt such a fashion and expect to get away with it—from an aesthetic point of view, I mean. The remainder, it must be acknowledged with regret, owe it both to themselves and the general public not to be too eager to move with the times. It would not do either to spread the style too widely; what might be tolerable, even intriguing, by the swimming pool or at the cocktail party, is surely out of place during a morning's shopping in the New Market or seated behind a typewriter in the office. I only wish I had faith that common sense restraints will be observed; but where women's fashions are concerned I have long since learned to expect the worst as the only way to avoid disillusionment. Perhaps a popular myth at the moment is that husbands will not permit it. Let me point out right away that husbands are not going to be consulted, they never are in these matte

THE DITCHEI

Guide for Investors

BURN EARNS MORE, EXPANDS ACTIVITY

IN their latest report for the year ended April 1964, the directors of Burn and Co. Ltd have said that a new Company has been formed by Burn and Co. in collaboration with A. Reyrolle and Co. Ltd of the U.K. to manufacture electrical equipment. Burn and the collaborators have participated equally in the new Company's shareholding. Production has already started and it is expected to increase steadily. The Howrah works has done well and the order-book has been satisfactory. There has been an improvement in the supply of matched steel, and it is hoped that the trend will continue. The various mines and refractory works have been working well, but it has been extremely difficult to secure adequate remunerative work. There was a small increase in the value of magnesite exported.

The profit has amounted to Rs. 32.56 lakhs, against Rs. 31.55 lakhs for 1962-63, after providing Rs. 42.94 lakhs (against Rs. 32.46 lakhs) for depreciation, Rs. 64.50 lakhs (against Rs. 98.25 lakhs) for taxation, Rs. 9.59 lakhs (against Rs. 12.68 lakhs) for statutory development rebate reserve and Rs. 21,128 (against Rs. 22,038) for capital profits reserve. A taxable ordinary dividend of 15 percent has been declared on the share capital which has been raised from Rs. 72 lakhs to Rs. 1.56 crores by issuing bonus shares through the capitalisation of reserves. The yield amounts to 5.5 percent at the present price of Rs. 273 a share of Rs. 100 each. A taxable ordinary dividend of 25 percent was paid on the smaller capital for 1962-63. General reserve is allocated Rs. 7,398, and works reconstruction and expansion reserve Rs. 4.93 lakhs.

T.E.L.C.O. Repeats, Offers Rights

THE Tata Engineering and Locomotive Company has maintained the dividend for the year ended March 1964 at Rs. 14.50 a share, but since it is on the increased capital following the one-for-four rights issue made in January 1963, at a premium of Rs. 50 a share, the total distribution among the equity shareholders will be higher around Rs. 1.35 crores, against Rs. 1.16 crores in the preceding year. The new shares rank for dividend in proportion to the amount paid and the period for which they were paid up during the year. And, as in the previous year, the dividend for 1963-64 is subject to relief under Section 84 of the Income Tax Act, the proportion of tax-free profit to the total dividend distribution being 23.4 percent, against 21.2 percent. The tax-free dividend in the hands of shareholders works out to 12.28 percent, against 11.07 percent in the previous year. The directors have again recommended the issue of 200,000 equity shares of Rs. 100 each at such premium not exceeding Rs. 50 a share as the Controller of Capital Issues may prescribe and as may be agreed to by the Company. These shares will be offered to the existing shareholders in the proportion of one new share for every five held. While announcing the rights issue along with the dividend, the directors have expressed the hope that the current dividend of Rs. 14.50 a share will be maintained on the increased capital.

The preliminary report on the working of the Company during 1963-64, shows an impressive improvement over the previous year's performance. Its turnover and profit have set new records. Sales are up by about 18 percent from Rs. 43.64 crores (including excise duty recovered amounting to Rs. 3.76 crores) to Rs. 51.51 crores (including excise duty recovered amounting to Rs. 4.89 crores). The gross profit has risen by about 21 percent from Rs. 5.50 crores to Rs. 6.65 crores. After providing Rs. 2.61 crores (against Rs. 2.23 crores) for depreciation, Rs. 68.10 lakhs (against Rs. 27.47 lakhs) for development rebate and Rs. 2 crores (against Rs. 1.85 crores) for taxation, the disposable surplus amounts to Rs. 1.362 lakhs, against Rs. 1.115 crores. A sum of Rs. 8 lakhs (against Rs. 6 lakhs) has been transferred from general reserve No. 1. After providing Rs. 1.44 crores (against Rs. 1.25 crores) to the dividend reserve, there remains a balance of Rs. 30,000 to be carried forward, against Rs. 15,000 brought in. The equity dividend absorbing Rs. 1.35 crores (against Rs. 1.16 crores) and preference dividend amounting to Rs. 8.33 lakhs (the same) are to be paid out of the dividend reserve. The share of Tata Locomotive which had been subdued around Rs. 275 even after the news of dividend and rights issue shot up to Rs. 295 after the release of the Company's impressive results the same evening.

Bright Prospects for Metal Box

DISCUSSING the growing prosperity of the Metal Box Co. of India Ltd in his chairman's review, circulated along with the report and accounts of the Company for 1963-64, Mr. M. K. Vellodi takes an optimistic view of the Company's prospects. (A full text of the review was published in last week's *Capital*.) The successful issue of rights shares for more than Rs. 2 crores in March 1964, shows the confidence which the Company enjoys. In spite of various difficulties relating particularly to the supply of raw materials, the Company's performance has been excellent. Sales rose by 17 percent to Rs. 13.85 crores.

He has outlined the importance of scientific packaging in the growing industrial economy of India. He thinks that by 1965-66, the production of essential consumer commodities will require packaging materials valued at Rs. 213 crores for distributing goods worth Rs. 6,620 crores. Scientific packaging is essential for marketing consumer goods within the country smoothly, and it helps to curb inflation. It is also important for exports. Unless commodities are scientifically packed, they are difficult to sell in foreign markets.

Metal Box has been of help to all producers, big and small alike. The precision packages and advisory services given by the Company have helped prawn-canners on the west coast, all of them relatively small-scale producers to export more than Rs. 73 lakhs worth of canned fish to a highly competitive market, like that the United States.

Referring to the Company's modernisation programmes, Mr. Vellodi says that the new paper group has begun production. Modern high-speed equipment has been installed at the Worli Works in Bombay for manufacturing paper and various other packages. The new factory in Deonar in Bombay has been completed. The Government has sanctioned the expansion in the manufacture of flexible packages. The No. 2 factory in Calcutta has been preoccupied with ordnance supplies. Since the difficulties in tooling up for defence work have been largely overcome, the sale of industrial components is likely to increase. The machinery-building section has made progress, and valuable export orders have been received.

Efforts are being made to increase the export of the Company's products. Mr. Vellodi has referred to the difficulties in procuring raw materials. Tinplate, in particular, has been difficult to obtain. The Company has been forced to import tinplate from sources which involve less control over specifications, and generally higher prices have had to be paid. The supply of aluminium in 1964-65, it is expected, will improve, and efforts will be made to push sales of non-tinplate products. The supply of polythylene has been short because the producers of this material have been experiencing a shortage of industrial alcohol. In order to improve the packaging made by the paper section, attempts are being made to improve the quality of paper and board supplied by the indigenous producers.

Progress of Bengal Paper Expansion Project

DISCUSSING the progress of the expansion and modernisation programmes undertaken by the Bengal Paper Mill Co. Ltd in his chairman's address at the annual general meeting of the Company, held recently in Calcutta, Mr. N. D. Bangur said that the first phase of expansion and modernisation had been completed. (A full text of the speech was printed in last week's *Capital*.) The mill is at present producing 100 tones of paper a day. The stock preparation plant, the multi-stage bleaching plant and the coal-fired boiler have begun production. The Company has been permitted to raise the output capacity by further 21,000 tonnes a year at a cost of Rs. 1.5 crores. The necessary industrial licence has been obtained and steps are being taken to implement the expansion scheme. The Company produced 22,567 tonnes for 1963 and earned a gross profit of Rs. 64.75 lakhs, against Rs. 60.03 lakhs for 1962. The net profit is, however, smaller at Rs. 3.52 lakhs due to the larger provision for depreciation and development rebate. The taxable ordinary dividend of 20 percent has been repeated.

Mr. Bangur said that the total production of paper in India amounted to only 465,000 tonnes at the end of 1963. By 1965-66, the output is not likely to be more than 600,000 tonnes. So the output target of 700,000 tonnes for the third five year plan will not be reached. Although attempts are being made to increase the output capacity of the existing units by installing more balancing equipment, not more than 120,000 tonnes of output capacity is likely to be achieved by 1966. The main factor which has hindered the expansion of the industry is the unrealistic price of paper fixed by the Government. Although it has been fixed on the basis that the industry will receive a gross return of 12 percent, including interest and other charges, in fact, the industry earns much less at the present price. Considering that production costs have risen substantially in the meantime, the Government should increase the price of paper without delay.

The supply of raw materials to the industry has been unsatisfactory. The tendency of various State Governments to allocate sources of raw material to only mills situated within their territories, should be discouraged. The Company has used hardwood as a substitute raw material with success. It is thought that in West Bengal eucalyptus should be grown extensively since it will serve as a suitable raw material. As far as the import of various chemicals are concerned, the industry should be allocated foreign exchange liberally. The paper mills have found it difficult to get their chemicals at reasonable prices. The Company has meanwhile taken steps to diversify the range of its products. It has successfully produced cable-insulating paper from imported pulp.

Shell International in Petro-chemical Venture

SHELL International Chemical, one of the Companies in the Royal Dutch-Shell Group, is taking a major part in a £22.5-million scheme to set up a big petro-chemicals complex near Bombay, the first of its kind in India. Shell will have a one-third share of £2.5 million in the equity of National Organic Chemical Industries, the Company which will own and operate the installation, and it will also provide £8.5 million on long-term loan. The Mafatlal Group is subscribing £2.5 million for shares in the venture, and shares worth another £2.5 million are to be offered to the public. The installation will be capable of processing 225,000 tons of naphtha a year from the Burmah-Shell refinery in Bombay. Naphtha cracking will yield ethylene, propylene, benzene, butadiene, and other products for the manufacture of chemicals and plastics "on a scale hitherto not under-

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Many of these chemicals, with an estimated value of £15 million a year at full output, will be manufactured directly by National Organic Chemical Industries. Its products will be used in the manufacture of plastics, paints, lacquers, plasticisers, brake fluids, anti-freeze, detergents, explosives, synthetic fibres, synthetic rubber, pharmaceuticals and antibiotics. The Company will occupy 300 acres of a 500-acre site. Other producers operating from the same site will include Hoechst Dyes and Chemicals, Indian Dyestuff Industries, and Polyolefins Industries (a new Company with a capital of £2.6 million equally subscribed by National Organic, Farbwerke Hoechst of West Germany and the Indian public). Polyolefins Industries will make high density polyethelene and catalysts. Hoechst will use ethylene to make vinyl acetate monomer and it will also expand its polyvinyl acetate production, and Indian Dyestuff will produce chlonine which will be used by National Organic for the manufacture of P.V.C. Construction of the plant is to begin in September if the Government of India approves the scheme. The work will be carried out by Stone and Webster Engineering, of the United States, and Bataaf Internationale Chemie Maatschappij, of Holland.

Digvijay Cement Fares Well

SHREE Digvijay Cement did extremely well in 1963, with its turnover up from Rs. 4.64 crores to Rs. 6.18 crores and gross profit rising from Rs. 77.15 lakhs to Rs. 1.296 crores. The chairman Mr. G. L. Bangur's speech (delivered by Mr. B. D. Somani) at the Company's annual meeting holds out the promise of still better results during the current year. The 200,000 tonne expansion plant in the cement division has been in production since November 1963 and its working will be reflected in the current year's results. The Company has approached the Government for an industrial licence for additional 200,000 tonnes expansion. The chairman says that if the Government sanctions adequate foreign exchange and gives the import licence for the import of certain essential portion of the plant and equipment, the new capacity of 200,000 tonnes may be expected to be achieved by 1965. The Company has taken up in hand the construction of deep water jetty at Sikka Port which would link the factory by ropeway and provide for the direct loading of steamers.

The Government of Gujarat has agreed to allow some concession in wharfage for a period of ten years for cargo cleared from the proposed deep water jetty. The Company has also approached the Government for an industrial licence to expand the capacity of the asbestos products division by another 40,000 tonnes a year for manufacturing asbestos cement sheets and pressure pipes. The Company has very recently effected two shipments of asbestos cement sheets and pressure pipes to Iran and Pakistan. An agreement has been made with International Johns Manville Corporation of Beirut, an associate of the Company's American collaborators, to promote the sales of asbestos cement products of the Company in the Middle East and African countries. Mr. Bangur has, however, sounded a note of warning that if the Government does not allow adequate increase in retention prices in order to offset the risings costs of production, the cement industry will find it extremely difficult to bring about the much-needed increase in production. He has complained that the subsidy for coal movement by the sea-cum-rail route falls short in the case of Digvijay Cement by Rs. 4 to 5 a tonne, compared with the extra cost involved. Besides the Government has still to allow proper compensation for the extra cost involved in the compulsory switching over from coal to oil in the case of factories located in the southern and western parts of India.

Baghmari Tea Skips

THE crop of Baghmari Tea Co. Ltd (an Assam garden) has declined from 3,209 quintals for 1962 to 2,927 quintals for 1963, and the average sale price dropped by 25nP to Rs. 5.74 a kilogram. The crop for 1964 has been established at 3,629 quintals at a cost of about Rs. 16.07 lakhs. The Company has incurred a loss of Rs. 45,000 for 1963, against a pre-tax profit of Rs. 1.88 lakhs for 1962. The ordinary dividend has been passed. A taxable ordinary dividend of 7.5 percent was paid for 1962. A debit balance of Rs. 24,000 has been carried forward.

Dibrugarh Tea Maintains

DIBRUGARH Tea Co. Ltd (an Assam garden) has maintained the taxable ordinary dividend at 30 percent for the year ended December 1963. The yield amounts to 9.4 percent at the present price of Rs. 32 a share of Rs. 10 each. The trading profit dropped from Rs. 7.10 lakhs for 1962 to Rs. 5.48 lakhs for 1963. Depreciation absorbs Rs. 92,000 (against Rs. 90,000) and taxation Rs. 2.23 lakhs (against Rs. 2.59 lakhs). Reserves are allocated Rs. 39,000 (against Rs. 1.48 lakhs). The crop rose from 3,019 quintals to 3,204 quintals, but the average sale price dropped from Rs. 6.88 to Rs. 5.87 a kilogram. The crop for 1964 has been estimated at 3,339 quintals at a cost of Rs. 13.69 lakhs.

Margaret's Hope Tea Pays Less

MARGARET'S Hope Tea Co. Ltd (a Darjeeling garden) has reduced the taxable ordinary dividend from 15 percent to 6 percent for the year ended December 1963. The yield works out to 5.1 percent at the present price of Rs. 11.81 a share of Rs. 10 each. The pre-tax profit has amounted to Rs. 37,000, against Rs. 2.24 lakhs for 1962. Taxation absorbs Rs. 13,000 (against Rs. 1.13 lakhs), development rebate reserve Rs. 5,000 (against Rs. 2,000) and reserves Rs. 1,000 (against Rs. 1.31 lakhs). The crop declined from 1,780 quintals to 1,750 quintals and the average sale price from Rs. 8.18 to Rs. 7.14 a kilogram.

Sungma Tea Cuts Dividend

SUNGMA Tea Co. Ltd (a Darjeeling garden) has produced disappointing results for the year ended December 1963. The pre-tax profit has dropped from Rs. 4.82 lakhs to Rs. 2.66 lakhs, after providing Rs. 72,000 (against Rs. 66,000) for depreciation. The taxable ordinary dividend has been reduced from 20 percent to 15 percent. The yield works out to 10.6 percent at the present price of Rs. 14.19 a share of Rs. 10 each. Taxation absorbs Rs. 1.22 lakhs (against Rs. 2.19 lakhs) and reserves Rs. 66,000 (against Rs. 1.82 lakhs). The crop rose from 1,894 quintals to 1,937 quintals, but the average sale price declined from Rs. 9.58 to Rs. 8.18 a kilogram. The crop for 1964 has been estimated at 2,068 quintals at a cost of Rs. 12.76 lakhs.

Jagatjit Cotton Mills Expanding

THE expansion programmes of Jagatjit Cotton Mills Ltd have made satisfactory progress. The mercerising plant and the hot-air stenter have been installed. The semi-continuous bleaching plant has started production and the continuous dyeing plant is almost ready. Firm orders have been placed for a waste plant, felt calendar, printing plant and preparatory machinery. Orders for 10,000 spindles have already been given. The Company has approached the Industrial Finance Corporation for a foreign exchange loan of Rs. 46 lakhs to import automatic machinery from foreign countries. Legal formalities have been completed for the acquisition of the Banaras Cotton and Silk Mills.

The gross profit has amounted to Rs. 79.91 lakhs for the year ended January 1964, compared with Rs. 78.77 lakhs for 1962-63. Depreciation is allocated Rs. 23.34 lakhs (against Rs. 17.68 lakhs), taxation reserve Rs. 25.50 lakhs (against a tax provision of Rs. 33 lakhs for 1962-63) and other reserves Rs. 10.80 lakhs (against Rs. 12.71 lakhs). A taxable ordinary dividend of 15 percent has been repeated. The yield amounts to 10 percent at the present price of Rs. 15 a share of Rs. 10 each. Sales rose from Rs. 3.70 crores to Rs. 4.16 crores.

National Ekco Sales, Profit Up

THE National Ekco Radio and Engineering Company did reasonably well in 1963, in that both sales and profit were a little higher than in the previous year. Sales increased from Rs. 1.24 crores to Rs. 1.28 crores and the gross profit was higher at Rs. 25.73 lakhs, against Rs. 25.33 lakhs. The dividend has been maintained at 15 percent. From what the chairman, Mr. A. D. Shroff, stated at the Company's annual meeting, the shareholders can look forward to better results during the current year. The Company's working during the first five months of the current year is reported to be very satisfactory. The chairman says that if this progress is maintained, there is a possibility of a higher dividend. National Ekco and its associates have under consideration a project for the manufacture of radio components on an elaborate scale, and the Government's approval of the project is awaited.

The Company has taken to the manufacture of transistor radios. Two table models and a portable model are due to be released shortly. The Company intends to broaden the range subject to limitations of import licence and component availability. Mr. Shroff says that competition in the radio trade has increased enormously. Consumers have become very choosey and they are preferring more sophisticated designs on the continental pattern. In order to cater to changing consumer tastes, the Company intends to start its own industrial design section. Its associates in England have merged with Pye Ltd. This will enable the Company to manufacture Pye radios in India. The initial development work is already in progress and these radios are expected to be put on the market by the end of the year.

The Company's production last year accounted for nearly 17 percent of the total production of radios in the country. It has started exporting radios; a small quantity has been exported to West Asian countries and further enquiries have been received. Referring to the possible introduction of television in India in the near future, the chairman said that National Ekco and its associates would be in a position to put on the market a wide range of T. V. sets. Mr. Shroff has suggested that the manufacture of T. V. sets would be better entrusted to a consortium of radio manufacturers instead of each manufacture trying to put up his own plant. The Company is closely considering the issue of debentures worth Rs. 10 lakhs to finance its expansion programme. The existing shareholders will be given a preference in subscribing to debentures. At a later stage, the management will consider a rights issue under suitable circumstances.

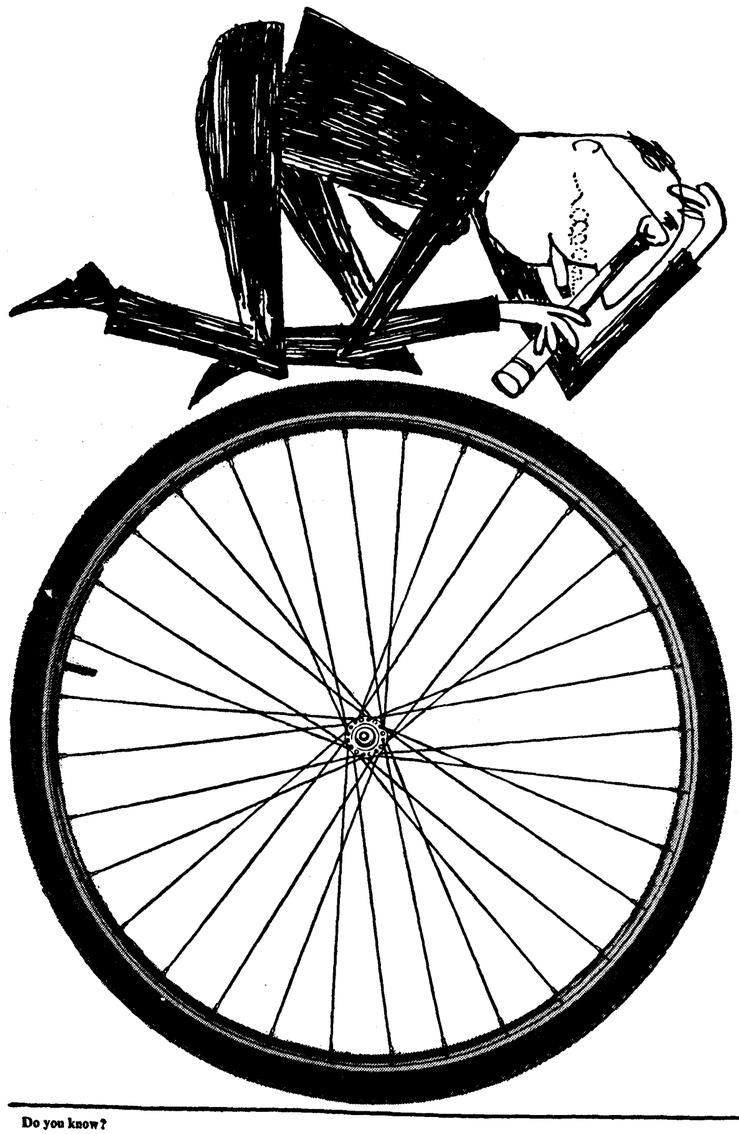
Parasea Collieries Modernises

IN their report for the year ended December 1963, the directors of the Parasea Collieries Ltd refer to the rising production costs. The recent rise in the price of coal sanctioned by the Government has not adequately covered the increased production costs. In view of the decline in the demand for coal, competition to sell the commodity has increased. The Kenda seams could not be fitted with electrical wiring, so raisings from this pit fell short of the annual target. Arrangements have been made for depillaring the Jambad bottom seam. The output is expected to increase with the completion of the project on hand. A further sum of Rs. 5 lakhs out of a total loan of Rs. 20 lakhs sanctioned by the Industrial Finance Corporation has been received. The balance of Rs. 5 lakhs is expected to be received soon to complete the development scheme.

Arrangements for operating the open quarries on a bigger scale could not be made due to the non-delivery of heavy earth-cutting machinery. Work on opening a mine in Chakdala Mouza on about 1,000 *bighas* of coal-bearing land has been undertaken. The output is expected to improve when the schemes are completed. The gross profit rose from Rs. 2.74 lakhs for 1962 to Rs. 6.23 lakhs for 1963. Depreciation is allocated Rs. 2.60 lakhs (against Rs. 1.92 lakhs), taxation Rs. 19,000 (against Rs. 21,000) and reserves Rs. 1,000 (against Rs. 21,000). The Company has paid a taxable ordinary dividend of 12 percent, against nil. The yield amounts to 8.6 percent at the present price of Rs. 14 a share of Rs. 10 each. Raisings improved from 130,000 tonnes to 226,000 tonnes.

Ruby Insurance Earns More

REVIEWING the good results achieved by Ruby General Insurance Co. Ltd for 1963 in his chairman's address at the annual general meeting of the Company recently held in Calcutta, Mr. M. L. Shah said that the voluntary code of conduct had proved very useful in improving the tone of general insurance. (A full text of the speech was printed in last week's *Capital*). Referring to the general insurance business started by the Life Insurance Corporation of India, he suggested that the Corporation should try to open



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The premium income of the fire department rose from Rs. 78.21 lakhs for 1962 to Rs. 83.36 lakhs for 1963 and a profit of Rs. 18.40 lakhs, against Rs. 16.43 lakhs was earned. The premium income of the motor and miscellaneous department dropped from Rs. 93.07 lakhs to Rs. 88.53 lakhs due to the reduction in foreign motor business. But the profit rose from Rs. 4.17 lakhs to Rs. 4.48 lakhs. The premium income of the marine department increased from Rs. 13.84 lakhs to Rs. 17.97 lakhs, but a loss of Rs. 3.99 lakhs was incurred, against a profit of Rs. 1.31 lakhs. The net profit, after taxation, rose from Rs. 13.36 lakhs to Rs. 13.86 lakhs. The taxable ordinary dividend of Rs. 1.25 a share has been repeated. The Company has decided to issue bonus shares by capitalising reserves out of the share premium account. These shares will be issued in the proportion of one bonus share for every five held.

National Tannery to Expand

THE National Tannery Co. Ltd has done well in 1963. Production and sales rose. In his chairman's statement at the annual general meeting of the Company held recently in Calcutta, Mr. Sanjoy Sen said that the loan of Rs. 5 lakhs from the West Bengal Fniancial Corporation had been fully used. (A fuller version of the speech was published in last week's *Capital*). A further loan for Rs. 8.25 lakhs had been sanctioned and it would be largely used to expand the capacity for the manufacture of chrome-tanned goat skins. The present capacity is for tanning nearly 1 million goat skins a year. It is intended to raise the capacity to 5 million goat skins a year. A fresh contract with Centrotex of Czechoslovakia for supplying 800.000 goat skins has been finalised. Another contract is expected in the coming year.

As for exporting finished leather, Mr. Sen said that competition in the field was growing. The introduction of reconstituted leather in the U.S.A. is posing a threat to leather, but under the present circumstances, leather is unlikely to be substituted fully. Since India has to import a large quantity of hides, the steamship companies should take steps to import hides in cold storage for preserving their quality. The demand for the Company's products continues to be good. The sale of saddle leather has been good, but production has been hindered by the high price of foreign hides. Mr. Sen mentioned that in the fourth plan, the Government should provide for the installation of many mechanised leather-finishing plants and shoe-making units. If this is done, the quality of Indian finished leather and shoe will improve. Since excise and import duties on various chemicals have been raised, the Government should take suitable measures to ensure the refund of these duties when these chemicals are used for producing goods for export.

Kamala Sugar Does Better

THE working of Kamala Sugar Mills Ltd, Udamalpet, for the year ended December 1963, has resulted in a profit of Rs. 34,020 after providing Rs. 1,74,107 for depreciation. After adjusting the brought-forward loss of Rs. 13,240 against the year's profit, there is a balance of Rs. 20,780 which is used for further writing off depreciation on machinery for deficiency in prior years. The directors' report says that from about August 1963, a change was effected in the process of utilising raw materials. This yielded increased recovery of finished goods.

The directors add that on account of restrictions on the supply of sugar, the production of confectionery goods was much affected. It is encouraging, however, to note that since the close of the year, during the five months sales to the value of Rs. 9 lakhs have been effected on account of increased production. The directors expect that with increased output, it will be possible to earn sufficient profits to write off arrears of depreciation.

Bharat Line Pays Again

IN spite of a decline in the total freight earnings from Rs. 1.78 crores to Rs. 1.55 crores, the Bharat Line Ltd has a made a slightly higher gross profit of Rs. 25.21 lakhs during 1963, against Rs. 24.23 lakhs in the previous year. However, after providing Rs. 20.24 lakhs (against Rs. 23.58 lakhs) for depreciation, and Rs. 40 lakhs (against nil) for development rebate reserve, the year's working shows a net loss of Rs. 35.53 lakhs, against a small surplus of Rs. 15,249 in 1962. After taking credit for Rs. 12.42 lakhs (against nil) being profit on the sale of ships and Rs. 32.09 lakhs (against nil), being insurance claim on the total loss of a ship, the Company's accounts show a profit of Rs. 8.98 lakhs which has been used for reducing the carried forward loss from Rs. 77.10 lakhs to Rs. 68.12 lakhs. The 5 percent dividend which has been declared after a lapse of four years and is to be paid from the dividend equalisation reserve will absorb Rs. 5 lakhs.

The directors point out that the Company's operating results have failed to reach a level which can be considered reasonable. This is attributable to an all-round increase in operating costs and unremunerative freight rates. The increase in the freight rates allowed from 1st June, 1962, was, according to the directors, below the requirements of the trade. Besides, the Company has been called upon to shoulder higher charges on almost all supplies and services. The directors have expressed the view that the freight rates should be suitably revised upwards for providing fair return to shareholders on the capital employed and for providing necessary finance for replacement and expansion.

The Company proposes to take up the question of expansion of the coastal fleet only after its finances are put on a sound footing. Expansion of the fleet will depend on whether or not the Government favours an increase in coastal freight rates. In view of the representations from the coastal operators following mounting costs, the Government has appointed another committee to examine the economics of the freight rates on the coast. The committee's recommendations and the Government's decision on them are awaited. The Company paid during 1963 instalments on loans which were overdue for payment to the Central Government and the Shipping Development Fund Committee.

Tensile Fastners from Sikands

SIKANDS Ltd is a new Company which proposes to set up a factory in Faridabad, near Delhi, for manufacturing 1,200 tons of high tensile fasteners a year—bolts, nuts, screws, rivets, etcetera. The Company has secured the technical collaboration of Rubbery, Owen and Company, Stafford, England. The project is estimated to cost Rs. 54 lakhs which is proposed to be met by the share capital of Rs. 30 lakhs, a loan of Rs. 15 lakhs from the Punjab Financial Corporation and bank borrowings amounting to Rs. 6 lakhs. The issued capital will be Rs. 30 lakhs made up of Rs. 20 lakhs in equity shares and Rs. 10 lakhs in 9.3



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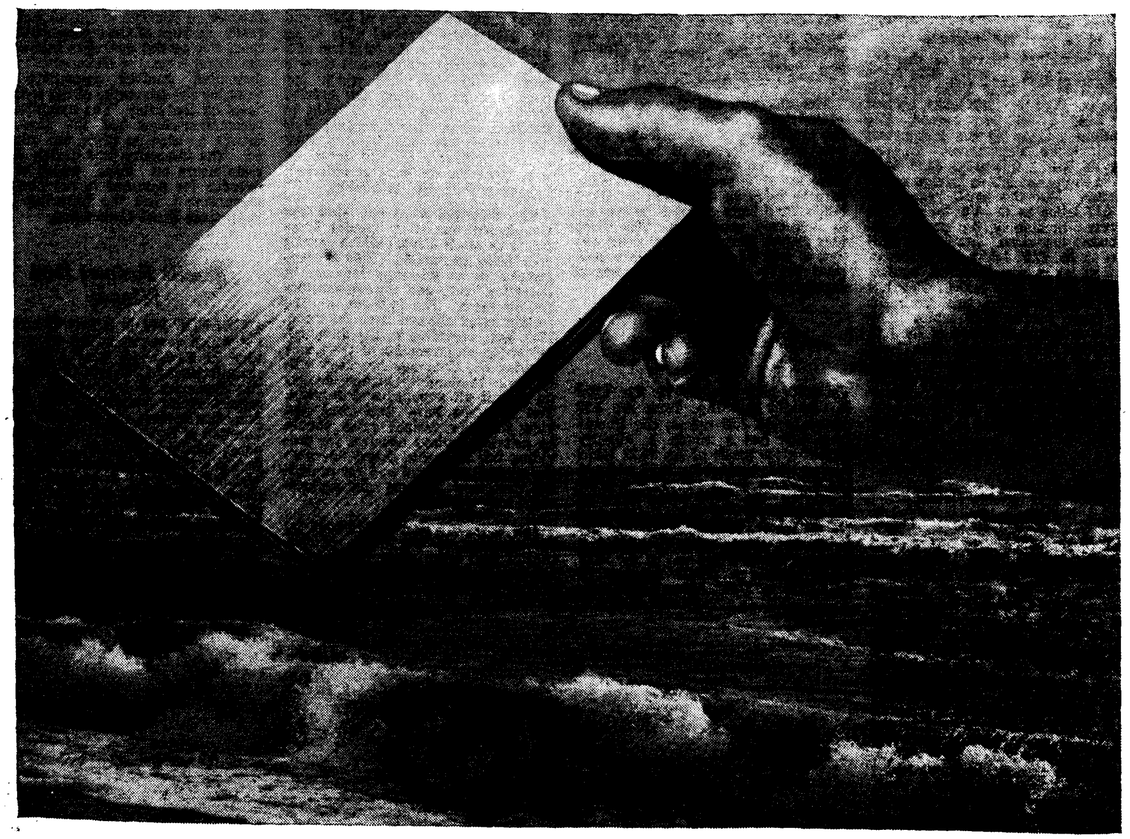
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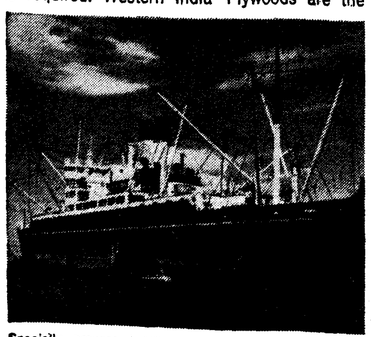
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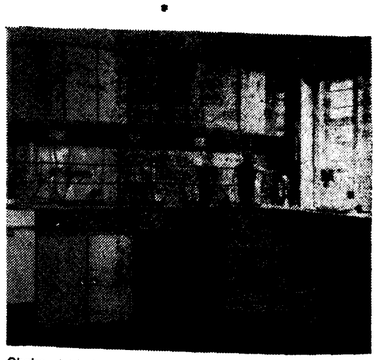
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percent preference shares. Of this, the directors and their associates have subscribed equity shares worth Rs. 4.50 lakhs, and the Punjab Government has taken up preference shares worth Rs. 6 lakhs. The balance of Rs. 19.50 lakhs of equity shares and Rs. 4 lakhs of preference shares are being offered for public subscription very shortly.

The entire public issue has been underwritten by the Punjab Government, Industrial Finance Corporation and the Life Insurance Corporation. If all goes well, the plant is expected to go into production before the end of the current year. The Company has already been licensed to import machinery of the value of Rs. 17.5 lakhs and orders for machinery have been placed in the U.S.A. The Company is unlikely to experience any difficulty in marketing its products, provided, of course, the goods are of quality, as the existing capacity for the manufacture of high tensile fasteners is considerably short of the country's requirements which are fast expanding.

Pankaja Mills Skips Dividend

THE directors of the Pankaja Mills Ltd have passed the dividend for the year ended December 1963. The year's working shows a net profit of Rs. 4,20,659, after providing Rs. 2,03,188 for depreciation. The previous year's net profit was Rs. 2,35,217, after providing Rs. 1,94,909 for depreciation. After providing Rs. 79,850 for bonus for previous years and Rs. 5,117 for donations and Rs. 4,288 to meet the previous year's expenses, there is a balance of Rs. 3,31,404. After adjusting this against the brought-forward loss of Rs. 17,90,350, there is a loss of Rs. 14,58,946 which is carried forward.

In spite of the rising cost of raw materials, the directors say that the year's working has been satisfactory. They add that no dividend can be declared to the shareholders until the debit balance in the account is completely wiped out. Sales of finished goods during the year amounted to Rs. 84,24,811.

Indian Mercantile Pays More

THE Indian Mercantile Insurance Co. Ltd has stepped up the dividend for 1963 from 15 percent to 16 percent—that is, from Rs. 7.50 to Rs. 8 a share. This follows the Company's improved performance during the year. It wrote a gross premium income of Rs. 56.50 lakhs during 1963 which showed an increase of about 10 percent over the previous year. The net premium income increased from Rs 46.52 lakhs to Rs. 48.90 lakhs. The net premium income of the fire department increased from Rs. 25.15 lakhs to Rs. 25.73 lakhs, net claims paid and outstanding amounted to Rs. 9.41 lakhs, against Rs. 8.49 lakhs; the net commission and expenses of management totalled Rs. 10.33 lakhs (against Rs. 11.12 lakhs).

The net premium income of the miscellaneous section amounted to Rs. 16.18 lakhs (against Rs. 14.56 lakhs). Net claims paid and outstanding were Rs. 7.01 lakhs (against Rs. 6.34 lakhs) and net commission and expenses of management amounted to Rs. 6.85 lakhs (against Rs. 6.76 lakhs). In the marine department, net premium income was Rs. 6.98 lakhs (against Rs. 6.82 lakhs); net claims paid and outstanding amounted to Rs. 4.48 lakhs (against Rs. 5.25 lakhs) and net commission and expenses of management amounted to Rs. 2.14 lakhs (against Rs. 2.11 lakhs). The combined results of all the departments resulted in a profit of Rs. 7.80 lakhs, against Rs. 5.73 lakhs. After taking credit for Rs. 3.45 lakhs (against Rs. 3.33 lakhs) by way of interest and dividends and making some minor adjustments, the total profit amounts to Rs. 10.84 lakhs, against Rs. 8.26 lakhs in 1962.

The directors have transferred Rs. 5 lakhs (against Rs. 3.51 lakhs) to dividend equalisation reserve and Rs. 5.75 lakhs (against Rs. 4.25 lakhs) to taxation reserve, leaving a sum of Rs. 37,539 to be carried forward, against Rs. 28,755 brought in. As a result of the year's operations, the funds of the Company have gone up by Rs. 5 lakhs to Rs. 77 lakhs.

Sri Balasubramania Mills Pays the Same

THE working of Sri Balasubramania Mills Ltd for the year ended December 1963. has resulted in a profit of Rs. 5,43,497 after providing Rs. 2,89,605 for depreciation. The profit during the previous year was Rs. 5,11,936, after providing Rs. 3,06,865 for depreciation. With the amount of Rs. 8,740 brought forward and with Rs. 15,707 being excess provision for dividend in the prior years, the total surplus comes to Rs. 5,67,944. Out of this the provision for taxation comes to Rs. 2,75,000 (against Rs. 3,16,000). The equity dividend at 12 percent (against 12 percent) amounts to Rs. 1,53,457. The proposed dividend tax on equity shares amounts to Rs. 11,509. A sum of Rs. 1,25,000 is transferred to general reserve (against Rs. 75,000). The balance of Rs. 2,978 is carried forward. Sales of yarn amounted to Rs. 68,56,191 (against Rs. 62,95,769). The directors' report says that the cost of raw materials continued to go up without a corresponding increase in yarn prices. The directors propose to acquire 2,400 additional spindles offered by the Textile Commissioner, and have placed firm orders for the purchase of necessary spinning frames.

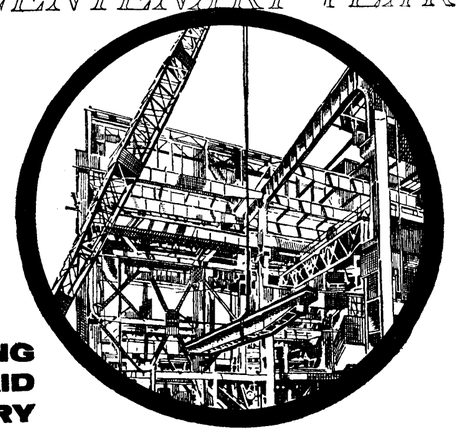
Less from Travancore Rubber

A RECORD rubber crop and a reduction in the equity dividend to 8 percent, feature the working results of the Travancore Rubber and Tea Co. Ltd for the year ended December 1963. The directors say that the drop in the profit is mainly on account of the fact that during 1963, the general expenses incurred on immature rubber have been charged to "revenue" and the receipt from the sale of standing rubber trees amounting to Rs. 5,99,903 has been treated as a "capital receipt".

The net profit after taxation for the year amounts to Rs. 2,88,940, after providing Rs. 6,50,000 for taxation, compared with the previous year's net profit of Rs. 6,94,572, after providing Rs. 3,66,600 for taxation. Adding to the year's net profit a sum of Rs. 32,283 brought forward, Rs. 1000,00 transferred from general reserve and Rs. 2,68,000 transferred from dividend equalisation reserve, the total available for appropriation comes to Rs. 6,89,223. Out of this, transfer to development rebate reserve comes to Rs. 71 (against Rs. 715). A sum of Rs. 2,41,073 is transferred to replanting expenses account (against Rs. 1,95,506). The preference dividend at 6.129 percent amounts to Rs. 98,064. The proposed ordinary dividend at 8 percent (against 10 percent) will absorb Rs. 3,28,000. The balance of Rs. 22,015 is carried forward.

The rubber crop for the year amounted to 7,09,205 kilograms (against 687,642 kilograms). The average sale price was 310nP a kilogram, against Rs. 309.97. The estimated crop for 1964 is put at 650,000 kilograms. The tea crop for the year amounted to 571,535 kilograms (against 531.842 kilograms). The estate expenditure amounted to 318.72nP a kilogram (against 351.47nP a kilogram). The average sale price was higher at 460nP a kilogram (against 439.55nP a kilogram). The estimated tea crop for 1964 is put at 560,000 kilograms, at an estate expenditure of 277nP a

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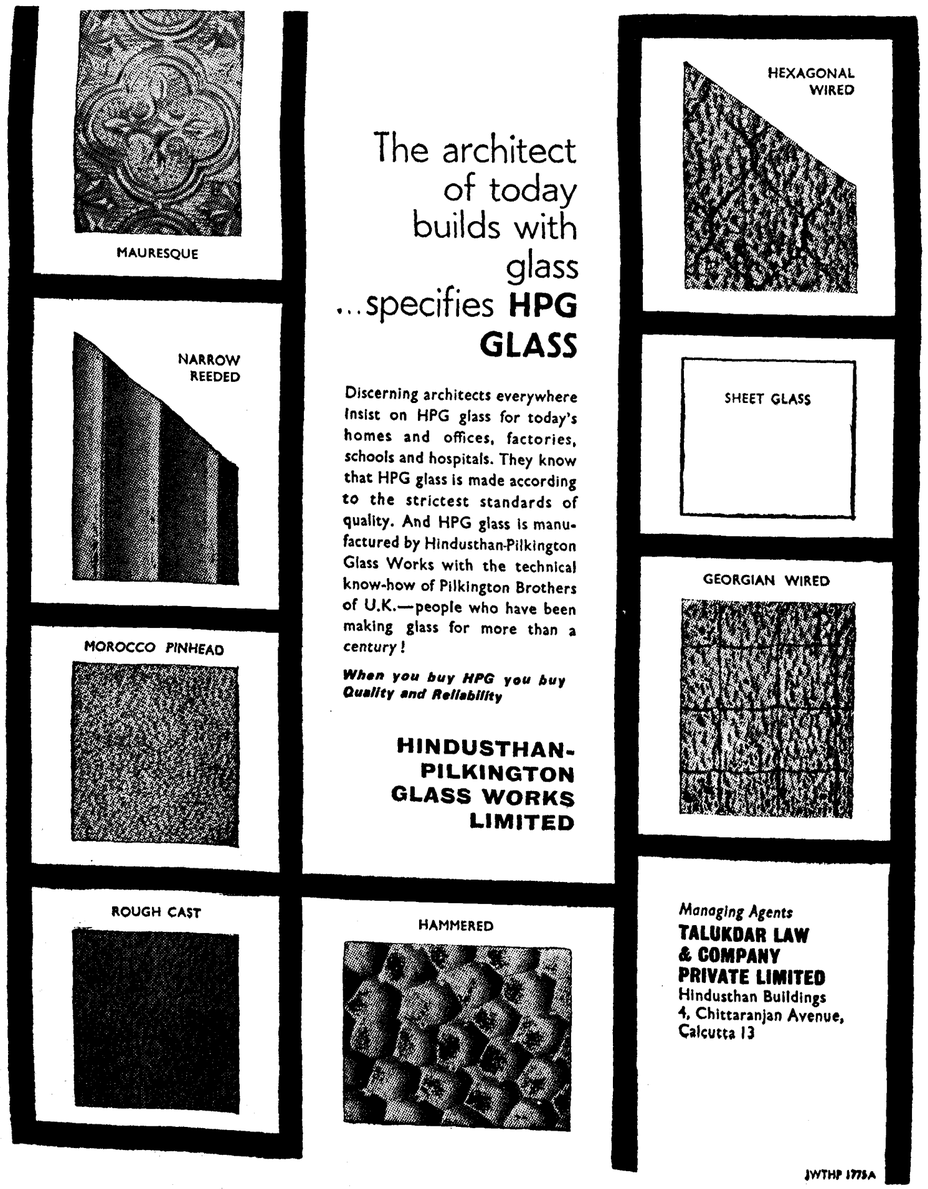
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kilogram. The directors' report says that the Company's policy of increasing year by year the total acreage planted with high yielding rubber is progressing.

Bombay Nylon Spinners: A New Venture

BOMBAY Nylon Spinners Ltd is the name of a new company which is being promoted by Arthur Import Export Co. of Bombay to undertake the manufacture of nylon yarn. Mr. Ram Khanna, director of Arthur Import Export, told newsmen the other day that the Company had entered into a collaboration agreement with Invest Export of East Germany which has agreed to supply the latest plant and equipment valued around Rs. 2 crores for the manufacture of nylon yarn. The foreign collaborator has agreed to receive Rs. 2 crores on long-term deferred payment terms. The project is estimated to involve a capital outlay of about Rs. 4 crores, and the plant is proposed to be set up at Thana or Malad—suburbs of Bombay. Shipments of machinery are likely to commence by the end of 1965 or early 1966 and will be completed within six months thereafter.

The plant is expected to go into production by the end of 1966. The East German firm which is collaborating in the project will provide all the technical know-how and ensure smooth running of the plant. Caprolactum, the main raw material, will have to be imported until such time as it becomes available from indigenous sources following the development of the petro-chemical industry. The market for nylon yarn is assured becouse domestic production continues to be far short of the country's requirements. The third plan target for nylon yarn has been fixed at 10 million lbs and the present capacity is hardly 2 to 3 million lbs. Plans for raising the resources required for the project are being worked out, and the Company is unlikely to enter the market with a public issue before the end of this year.



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The Stock Markets

STEADY TREND CONTINUES DESPITE PROFIT-TAKING

Wednesday Evening.

THE Calcutta stock market has closed on a steady note during the past week in spite of profit-taking towards the close. Since the prices of clearing shares have risen sharply during the past week, it is time that the gains were consolidated. The improvement has taken place under the lead of steel shares because the Indian Iron and Steel Company is shortly expected to announce the dividend for 1963-64. But whether the Company will pay a bigger dividend is still anybody's guess. Meanwhile, the Company's output figures for June have been published. The production of pig iron has declined from 108,073 tonnes for May to 99,003 tonnes for June and that of steel ingot from 81,394 tonnes to 79,845 tonnes. The output of salable steel too has fallen from 61,337 tonnes to 52,274 tonnes and despatches from 59,630 tonnes to 54,791 tonnes.

Apart from hopes of a larger dividend from Indian Iron, the cheerfulness in Lyons Range has emanated from a few favourable developments. Although in his address at the inauguration of the Development Bank in Bombay last week, Mr. T. T. Krishnamachari, Central Finance Minister, has not indicated any concrete measure to stimulate the capital market, he has reiterated the importance of sustaining the investment morale. Reports that the Unit Trust of India has attracted good response have been welcomed because it is thought that it will invest considerable funds in industrial equities.

Corporate news has been good in the meantime. In spite of the fact that companies have earned a larger profit for 1963-64 than for 1962-63, investors are inclined to be cautious. Although the turnover of companies has tended to increase, their profits have not improved in proportion because of the rise in production costs. There is also concern about increasing labour unrest and demand for higher wages due to soaring prices. Unless vigorous measures are taken to check the rise in the prices of essential commodities, the working of industries will suffer.

The move of banks to increase their lending rates has disturbed trade and industry. True, banks have been forced to raise their lending rates to compensate themselves for the rise in the interest on deposits. But there is no doubt that the increased rates on advances will tend to inflate production costs. Since some of India's major export commodities are being steadily priced out of foreign markets, any further rise in production costs will be harmful.

Indian Iron have reacted slightly towards the close due to profit-taking. Among engineering shares, Burn have been a steady feature due to a good report. Interest has been shown in Texmaco, Jessop, Braithwaite and Guest, Keen, Williams. Paper shares are steady in the belief that the price of paper may be raised in the near future. The prices of selected jute shares have hardened, although turnover in these shares is limited. Investors like to wait until the sales of jute goods improve. Coal shares continue to be neglected because the demand for coal has not yet shown any sign of improvement. Stray business has been transacted in Burrakur, Bengal, Central India and Western Bengal.

In the miscellaneous section, attention centres on clearing scrip. Although they have lost slightly towards the close, there is little selling pressure. Rallis are a prominent feature due to substantial buying on investment account. Among managing agency shares, Martin Burn and Jardine Hendersonn have attracted attention. Electric company shares are sluggish and small business has been done in Calcutta Electric. Selected bank shares have met with stray support. United Commercial Bank will not issue bonus shares as reported earlier, since the Controller of Capital Issues has not given his consent to it. Among new shares, Hindustan Aluminium enjoy support due to expansion prospects. Sugar shares have been freely offered without attracting support. Selected cotton mill shares have been bought in the belief that cloth will be partially decontrolled. Cement shares have not responded to the recent increase in the price of the commodity sanctioned by the Government because the rise is inadequate to compensate for the increased production costs. Limited business has been done in tea shares and support is confined to selected Assam and Dooars gardens.

Government securities have been steady. The 3 percent Conversion Loan 1986 has been quoted at Rs. 63.75. The attention of the market has been diverted to the new loans which have been floated by the Government of India for cash subscription. (Details of the new issues have been discussed in the Current News and Comment section of this week's *Capital*.)

Tata Steel Output

Messrs Tata Industries Private Limited, managing agents for the Tata Iron and Steel Company Limited, report that the approximate production of iron and steel at the steel works in Jamshedpur during June 1964 was: iron 152,700 metric tonnes; steel ingots 158,400 metric tonnes and salable steel 120,100 metric tonnes.

Bombay

BULL SUPPORT LIFTS SHARE VALUES

TATA STEEL DIVIDEND BELOW EXPECTATIONS

Wednesday Evening.

THE Bombay stock market has been very steady during the past week. The new account began last Monday on a cheerful tone. The prices of almost all clearing shares have been substantially marked up due to sustained bull support followed by brisk short-covering. But there has been a reaction towards the close due to profit-taking.

The main incentive was provided by hopes of a higher dividend from the Tata Iron and Steel Company. Dalal Street optimistically believed that the Company would try to increase the dividend for 1963-64 in order to reach the target of a net dividend of Rs. 10.50 a share eventually, as had been indicated by the management before. Now that the benefits of the expansion scheme have begun to show, the output of the Company for 1963-64 is bigger than that for 1962-63. But the dividend just declared by the Company, although slightly higher, has fallen short of market expectations.

The corporate news has been encouraging. It is also believed that the Textile Consultative Board will soon recommend to the Government to decontrol cloth partially. The decision of the Government to increase the spindles in the mill sector has been welcomed. Investors are nevertheless cautious in view of the decision of banks to increase their lending rates.

Tata Steel have been in the limelight and the ordinary scrip have risen to Rs. 156.25. Indian Iron have reacted towards the close due to profit-taking. Tata Engineering have been a firm feature although it is reported that the rights issue will be made at a premium. The cheerfulness is based on hopes that the dividend will be maintained on the increased capital. Zenith Steel Pipes have met with strong support due to good results, raising the taxable ordinary dividend from 6 percent to 8 percent. Mukand Iron, Alcock Ashdown and Premier Construction have enjoyed support. Hindustan Motors have improved due to buying from outside sources. Premier Automobiles have been about steady.

Selected cotton mill shares have shown widespread gains due to the prospect for a partial decontrol of cloth. Century have gained on replacement purchases. Bombay Dyeing, Kohinoor, Svadeshi and Standard have risen. India United ordinary, Simplex, Tata Mills, Gokak and Morarjee have been steady.

In miscellaneous shares, sugar scrip have been selectively bought. Belapur and Walchandnagar Industries have scored gains. Digvijay have been a steady feature in cement shares due to the prospect for expansion. Associated Cement have been taken. Be Be Petrol have been firm among mining shares. Scindia Steam have recovered on short-covering. Great Eastern Shipping have been steady.

Chemical shares have been buoyant. Interest has been taken in Tata Chemical, Polychem and Indian Dyestuff. National Rayon have improved on short-covering. Gwalior Rayon have gained. Voltas and Tata Oil have been taken on investment account. Turnover in bank shares has been limited. Dena Bank have been steady on making a bigger profit for the half-year ended June 1964. Electric company shares have met with strong support. Ahmedabad Electric and Tata Hydro have improved.

Madras

MARKET IMPROVES ON GOOD COMPANY NEWS

TURNOVER IN CLEARING SHARES INCREASES

Tuesday Evening.

THE Madras stock market has shown considerable improvement during the past week due to good corporate news, combined with better support from outside sources. The

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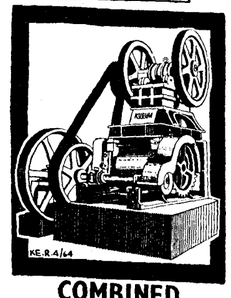
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commencement of the sale of units by the Unit Trust has been viewed bullishly. It is thought that in the long run the Trust will help to relieve the burden of floating stocks because it will invest heavily in industrial equities. The restoration of the power cut has been welcomed. Turnover in clearing shares has increased. In cash scrip, support is largely confined to selected sugar, textile and coffee shares.

Business in Government securities has been small, and selected State Government loans have been taken. Bank shares have been very steady. Canara have been done at Rs. 68.80 and Indian at Rs. 153.50. In insurance shares, Cochin State have been steady at Rs. 12.42 and West Coast at Rs. 13.50. Sugar shares have recovered after a long interval. Deccan have improved to Rs. 12.60 on the prospect of a bonus issue in the proportion of one bonus share for every six shares held. Travancore have been done at Rs. 7.20 on the decision to issue bonus shares in the ratio of one bonus share for every five shares held, subject to the consent of the Controller of Capital Issues. E.I.D. have recovered to Rs. 35.37 and Mysore to Rs. 28.33.

In the planting group, Blue Mountain have been steady at Rs. 2.38, but Cochin Malabar have been sluggish at Rs. 6.35 in spite of declaring a taxable ordinary dividend of 12 percent. Consolidated Coffee have been done at Rs. 21.85 and Ouchterlony at Rs. 3.55. Periakaramalai have come to hand at Rs. 3.44. Nenmeny have been taken at Rs. 22.55. Interest has been taken in Rajagiri at Rs. 21.75. Travancore Rubber have been done at Rs. 11.35. In tea shares, Devashola have been steady at Rs. 24.08 due to the payment of an interim taxable ordinary dividend of 7 percent. Parkside have changed hands at Rs. 25.73 and Peermade have been bought up to Rs. 20.37. Among composite gardens producing both tea and coffee, Balanoor have been steady at Rs. 12.12 on declaring a taxable ordinary dividend of 10 percent. In coffee shares, Ossoor have been steady at Rs. 2.75 on paying a final taxable ordinary dividend of 10 percent. Coffee Lands have been bought up to Rs. 16.75 and Lingapur have been done at Rs. 5.17.

In textile shares, South India Viscose have recovered to Rs. 120.50 and Travancore Rayon to Rs. 22.62. Lakshmi have improved to Rs. 137 and Madura to Rs. 33.40. Rajapalayam have been done at Rs. 154 on declaring a taxable ordinary dividend of 20 percent. Ramnarain have come to hand at Rs. 85 on deciding to issue rights shares in the proportion of one new share for each one held. Bangalore Woollen have been steady at Rs. 263 and Buckingham at Rs. 267. Dhanalakshmi have met with support up to Rs. 183 and Kadri have been done at Rs. 120.20.

In the miscellaneous section, Aluminium Industries have gained at Rs. 19.95 and Ashok Leyland at Rs. 6.50. In cement shares, Dalmia have been steady at Rs. 12.62. The Company has converted its deferred shares into ordinary ones in the proportion of one ordinary share for every four deferred shares. India Cement have been wanted up to Rs. 5.65. Mettur Chemical have reacted to Rs. 13.90 towards the close due to profit-taking. F.A.C.T. have improved slightly to Rs. 5.25. Seshasayee Paper have been steady at Rs. 7.15 and Mysore Paper at Rs. 12.50. Standard Motors have been transacted at Rs. 10.12. Parry's Confectionery have risen to Rs. 2.95 and Spencer to Rs. 21.65. T. Stanes have been steady at Rs. 30.50 and Textool have been bought at Rs. 145. Madras Rubber have been sluggish at Rs. 11.37, but McDowell have been supported at Rs. 22.22.

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Celcon is available in natural translucent white and 18 standard colours; it is easy to fabricate; has excellent frictional characteristics; it can be readily sawed, drilled, turned, milled, filed and threaded. It can be fabricated by injection moulding, extrusion, blow moulding and other high volume thermoplastic processing techniques. Processing ease and economy are its greatest advantages.

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CELCON
ACETAL COPOLYMER
MADE BY THE CELANESE CORPORATION OF AMERICA

DUNCAN BROTHERS & CO. LTD. ARE THE EXCLUSIVE SALES AGENTS IN INDIA FOR CELCON: 31, NETAJI SUBHAS ROAD, CALCUTTA-1: 39, WITTET ROAD, BALLARD ESTATE, BOMBAY-1

ASP/C-9

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 33/50—34/37—33/31—33/50—(28/75).
Burrakur Coal—Rs. 15/81—15/81—15/81—15/81—(15/50).
Dunlop Rubber—Rs. 34/37—34/94—33/62—33/75—(31/75).
Guest, Keen, Williams—Rs. 24/37—24/50—23/69—23/69—(33/10).
Hindustan Motors—Rs. 18/59—19/06—18/56—18/84—(16/62).
Howrah Jute—Rs. 15/87—16/44—15/87—16/25—(18/87).
Indian Aluminium—Rs. 31/50—31/69—30/75—30/75—(33/50).
Indian Cable—Rs. 35/75—36/50—35/75—36/37—(31/81).
Indian Copper—Rs. 3/41—3/44—3/35—3/36—(4/69)
Indian Iron—Rs. 25/46—25/96—25/44—25/64—(23/18).
J. K. Cotton—Rs. 11/00—11/06—10/75—10/75—(11/69).
Jaipur Udyog—Rs. 11/34—11/37—11/19—11/25—(11/50).
Kesoram Industries—Rs. 27/12—27/56—26/81—26/87—(21/69).
Orient Paper—Rs. 36/00—36/15—35/60—35/60—(34/40).
Orissa Cement—Rs. 12.25 x.d.—12/37—12/12—12/25—(14/00).
Rohtas Industries—Rs. 11/75—11/78—11/44—11/56—(11/12).
Shree Gopal Paper—Rs. 24/62 x.d.—24/62 x.d.—24/62 x.d.—24/62 x.d.—(23/50).
Textile Machinery—Rs. 27/20 x.d.—27/25—26/60—26/70—(23/60).

GILT-EDGED

3 % Loan (1986)—Rs. 64/00 S.T.—64/00—63/85—64/00 S.T.
3 % „ (1966-68)—Rs. 98/20—98/20—98/20—98/20.
3½% „ (1969)—Rs. 98/05—98/10—98/05—98/10.
3½% „ (1966)—Rs. 100/00—100/00—100/00—100/00.
3½% „ (1965) Rs.—100/05—100/05—100/05—100/05.
4 % West Bengal (1968)—Rs. 99/00—99/00—99/00—99/00.
4 % Loan (1969)—Rs. 99/87—99/87—99/87—99/87.
4 % „ (1970)—Rs. 99/25—99/30—99/13—99/13.
4 % „ (1972)—Rs. 98/90—98/90—98/90—98/90.
4 % „ (1979)—Rs. 98/25—98/25—98/15—98/15.
4 % Bihar (1969)—Rs. 98/65—98/65—98/65—98/65.
4 % Orissa (1969)—Rs. 98/60—98/60—98/60—98/60.
4 % Orissa (1968)—Rs. 99/30—99/30—99/30—99/30.

4½% Loan (1972)—Rs. 100/10—100/10—100/10—100/10.
4½% U.P. (1974)—Rs. 99/30—99/30—99/30—99/30.

BANKS

Hindusthan Commercial—Rs. 11/00—11/00—11/00—11/00—(13/25).
United Bank of India (Rs. 10/- paid)—Rs. 7/62—7/69—7/50—7/50—(7/31).
Do. (Conty Rs. 20/-) (Rs. 10/- Paid)—Rs. 7/00—7/06—7/00—7/00.

TEXTILES

Bharat Commerce—Rs. 20/50—21/50—20/50—21/19—(20/12).
Bowreah—Rs. 23/19—23/31—23/19—23/31—(22/00).
Cawnpore—Rs. 6/50—6/56—6/50—6/56—(6/16)
Elgin—Rs. 20/19—20/19—19/87—19/87—(17/75).
Jaya Shree—Rs. 13/37 x.r.—13/37—13/19—13/37—(14/16).
Muir (Pref.)—Rs. 98/50—98/50—98/50—98/50
New Victoria—Rs. 1/37—1/44—1/37—1/37—(1/37).
Do. (Pref.)—Rs. 2/19—2/19—2/09—2/19.
Shree Madhusudan (Pref.)—Rs. 60/50—61/25—60/50—61/25.

COALS

Bharat Collieries (Pref.)—Rs. 35/00—35/00—35/00—35/00.
Central India—Rs. 8/75—8/87—8/75—8/87.
Karanpura Collieries—Rs. 11/50—11/62—11/50—11/62—(16/75).
Khas Kajora—Rs. 16/62—16/62—16/62—16/62.
Nazira—Rs. 4/94—5/00—4/94—5/00—(5/00).
New Beerbhoom—Rs. 15/50—15/50—15/50—15/50.
Standard—Rs. 9/62 x.d.—9/62—9/62—9/62—(13/12).
South Karanpura—Rs. 6/19—6/25—6/19—6/25—(8/06).
Western Bengal—Rs. 8/69—8/81—8/69—8/81—(8/81).

JUTES

Auckland—Rs. 124/00—124/00—124/00—124/00—(142/00).
Anglo-India—Rs. 158/00—158/00—156/00—156/00—(224/00).
Champdany—Rs. 20/75 x.d.—20/94—20/75—20/87—(20/56).
Cheviot—Rs. 19/00—19/06—19/00—19/06—(21/56).
Dalhousie—Rs. 119/00—120/00—115/00—115/00—(145/00).
Empire (Pref.)—Rs. 90/00—90/00—90/00—90/00.
Fort William—Rs. 21/69—21/81—21/30—21/81—(26/00).
Ganges—Rs. 13/81—13/94—13/81—13/81—(13/87).
Gondalpara—Rs. 13/25 x.d.—13/25—13/25—13/25—(15/62).
Gourepore—Rs. 22/25—22/25—22/25—22/25—(25/50).
Hooghly—Rs. 15/25—15/25—14/50—14/50—(18/87).
India—Rs. 15/06—15/12—15/06—15/12—(18/19).
Kamarhatty (Pref.)—Rs. 75/50—76/00—75/50—76/00 x.d.
Kankinarrah—Rs. 130/00—130/00—129/00—129/00—(130/00).
Lawrence—Rs. 100/00—102/00—100/00—102/00—(100/00).
Lansdowne—Rs. 92/00—92/50—92/00—92/50—(87/00).
New Central—Rs. 11/56—11/56—11/25—11/31—(12/94).
Presidency—Rs. 4/56—4/56—4/53—4/53—(4/69).
Reliance (Pref.)—Rs. 116/00—116/50—115/50—116/00.
Soorah—Rs. 18/81—18/94—18/81—18/94—(22/75).

MININGS

Assam Sillimanite—Rs. 6/50—6/62—6/50—6/62.
Bisra Stone Lime—Rs. 17/62—17/69—17/62—17/69—(35/00).
Chrestien Mica—Rs. 9/50—9/50—9/50—9/50.
Metal Corporation—Rs. 6/69—6/81—6/69—6/81—(8/25).
Orissa Minerals—Rs. 19/50—19/50—19/31—19/31—(27/50).

CEMENTS

Ashoka—Rs. 8/75—8/75—8/75—8/75.
Dalmia (Bharat)—Rs. 12/81—12/81—12/69—12/75—(12/56).
Kalyanpur Lime and Cement—Rs. 108/00—108/00—108/00—108/00.
Sone Valley—Rs. 4/19—4/19—4/19—4/19—(4/37).

CHEMICALS

Alkali and Chemical—Rs. 29/25—30/00—29/12—29/56—(31/62)
Do. (Pref.)—Rs. 85/00—85/00—85/00—85/00.
Chemicals and Fibres—Rs. 12/44—12/62—12/25—12/56.
Smith Stanistreet—Rs. 13/62—13/75—13/62—13/62—(12/25).

PUBLIC UTILITIES

Benares—Rs. 12/25—12/25—12/25—12/25 (12/37).
Calcutta—Rs. 14/75—14/87—14/44—14/62—(14/31).
Do. (Pref.)—Rs. 7/81—7/81—7/66—7/75.
Cuttack—Rs. 10/96—11/00—10/96—11/00—(11/87).
Upper Jumna—Rs. 22/12—22/12—22/12—22/12—(16/00).

ENGINEERINGS

Bharat Ball Bearing—Rs. 11/87—12/12—11/87—11/87—(13/06).
Braithwaite & Co.—Rs. 33/00—33/69—33/00—33/62—(30/06).
Britannia Eng.—Rs. 9/97—10/00—9/87—9/94—(9/19).
Burn & Co.—Rs. 271/00 S.T.—275/00—271/00—275/00—(580/00).
Bhartia Electric Steel—Rs. 14/56 x.d.—14/69—14/56—14/69—(13/00).
Dalmia Iron—Rs. 11/12—11/12—11/12—11/12—(10/87).
Hindusthan Wires—Rs. 9/50—9/56—9/50—9/50—(10/00).
Indian Iron & Steel (Pref.)—Rs. 80/50—81/00—80/50—81/00—(85/00).
Indian Standard Wagon—Rs. 35/87—37/50—35/87—37/50—(31/31).
Jessop & Co.—Rs. 21/37—21/56—21/25—21/25—(23/87).
J. K. Steel—Rs. 15/81—15/81—15/69—15/69—(14/12).
Kumardhubi—Rs. 5/37—5/44—5/00—5/16—(8/25).
Marshalls—Rs. 3/06—3/12—3/00—3/00—(2/47).
Machinery Mafg.—Rs. 23/87—24/25—23/87—24/25.
National Iron & Steel—Rs. 6/06—6/06—6/00—6/06—(3/87).
Raymon Eng.—Rs. 4/50—4/56—4/50—4/56—(5/50).
Saran Eng.—Rs. 6/87—7/00—6/87—7/00—(8/50).

FLOUR MILL

Bengal—Rs. 34/25—34/50—34/25—34/50—(28/12).

INSURANCES

New Asiatic—Rs. 6/50—6/50—6/50—6/50.
Ruby General—Rs. 11/06—11/12—11/00—11/12—(10/25).

MISCELLANEOUS

Airways India—Rs. 4/50—4/56—4/41—4/47—(4/12).
Aluminium Corpn.—Rs. 11/87—12/50—11/87—12/37—(12/81).
Angelo Brothers—Rs. 23/87—23/87—23/74—23/74—(21/81).
Asian Refractories—Rs. 11/00—11/00—11/00—11/00—(6/62).
Associated Battery—Rs. 23/37—24/00—23/37—24/00—(23/37).
American Refrigerators (Rs. 10/- paid)—Rs. 9/70—9/70—9/70—9/70.
Do. (Rs. 7½ paid)—Rs. 7/12—7/25—7/12—7/25.
British India Corpn.—Rs. 9/59—9/75—9/56—9/75—(8/19).
British Paints—Rs. 21/00—22/12—21/00—22/12—(20/37).
Balmer Lawrie—Rs. 238/00—238/00—237/00—237/00—(239/00).
Bararee Coke—Rs. 21/87—21/87—21/87—21/87—(20/87).
Clive Row—Rs 8/06—8/06—8/00—8/00.
Calcutta Tramways—Rs. 10/50—10/50—10/37—10/37—(10/87).
Dunlop Rubber (1st Pref.)—102/00 x.d.—102/00—102/00—102/00.
Dyer Meakin Breweries—Rs. 24/00—24/12—23/87—24/12—(26/00)
East Anglia Plastics—Rs. 8/50—8/81—8/12—8/75.
Electric Construction—Rs. 13/44—13/94—13/44—13/50—(12/22).
English Electrics—Rs. 13/75—13/75—13/75—13/75
General Tyres—Rs. 7/37—7/50—7/37—7/37—(8/00).
Ganges Rope—Rs. 238/00—278/00—238/00—278/00—(236/00).
Gwalior Rayon—Rs. 39/25—40/00—39/25—40/00—(44/00).
Gillanders Arbuthnot—Rs. 15/12—15/19—15/12—15/12—(13/50).
Goodyear India—Rs. 23/12—23/19—22/87—23/19—(30/00).
Hindustan Aluminium—Rs. 12/87—12/94—12/56—12/56—(13/12).
Hindusthan Development—Rs. 3/94—4/00—3/72—3/75—(3/94).
Hindusthan Gas—Rs. 20/19—20/19—20/12—20/12.
Indian Forge and Drop Stamping—Rs. 5/87—5/94—5/87—5/94.
India Carbon—Rs. 14/00—14/00—13/87—14/00.
Imperial Tobacco—Rs. 9/37—9/44—9/37—9/44—(10/19).
Indian Oxygen—Rs. 25/62—26/50—25/62—26/19—(27/62).
Indian Rubber Mfg.—Rs. 21/56—21/56—21/56—21/56—(19/87).
Indian Wood Products—Rs. 27/25—27/50—27/25—27/50—(29/00).
Jardine Henderson—Rs. 76/00—76/50—76/00—76/50—(85/50).
Do. (Pref.)—Rs. 55/00—55/00—55/00—55/00.
Jay Shree Tea Industries—Rs. 13/87—14/19—13/87—14/19—(16/00).
J. K. Synthetics—Rs. 12/25—12/31—12/12—12/25—(10/56).
Macfarlane—Rs. 4/87—5/00—4/87—5/00.
Martin Burn—Rs. 26/37—26/81—26/37—26/75—(26/12).
Metal Distributors—Rs. 9/00—9/44—9/00—9/31—(4/28).
Madhya Pradesh Ind.—Rs. 9/50—9/50—9/50—9/50.
Metal Box—Rs. 31/00—31/12—31/00—31/12—(49/87).
National Insulated Cable—Rs. 23/12—23/62—23/12—23/62—(23/06).
National Pipes and Tubes—Rs. 26/50—26/75—26/37—26/37—(25/94).
National Tobacco—Rs. 10/69 x.d.—10/69—10/69—10/69—(10/75).
National St. Duncan—Rs. 74/50—74/50—74/50—74/50.
Philips India—Rs. 27/62—27/75—27/50—27/75—(27/50).
Rallis India—Rs. 122/00—127/00—122/00—127/00—(114/00).
Sirsilk—Rs. 7/62—7/75—7/62—7/75—(9/06).
Shaw Walllace—Rs. 14/87—14/87—14/75—14/81—(15/37).
Union Carbide—Rs. 31/50—32/00—31/50—32/00—(39/56).
Universal Cables—Rs. 10/94—11/00—10/91—10/91.
Universal Electrics—Rs. 7/37—7/44—7/31—7/31—(9/25).
Usha Martin Black—Rs. 14/44—14/75—14/31—14/75—(13/19).
Woolcombers of India—Rs. 11/94—11/94—11/75—11/75—(14/00).
Walford Transport—Rs. 2/94—3/03—2/94—3/03—(3/56).

PAPERS

Bengal—Rs. 27/31—27/31—25/75—26/06—(27/94).
India Paper Pulp—Rs. 22/25—22/37—22/00—22/00—(16/50).
Orient (1st Pref.)—Rs. 92/00—92/00—92/00—92/00.
Sirpur—Rs. 12/06—12/12—11/94—11/94—(11/87).
Straw Products—Rs. 9/00—9/00—8/87—8/87—(9/25).
Seshasayee—Rs 7/19—7/25—7/19—7/25.
Titaghur—Rs. 14/12—14/25—14/00—14/12—(15/37).
Do. (1st Pref.)—Rs. 113/00—114/00—113/00—113/00.

OIL

Tide Water—Rs. 35/62—35/75—35/62—35/75—(25/25).

SHIPPING

India Steamship—Rs. 6/44—6/53—6/34—6/53—(5/94).

REAL PROPERTIES

Humayan Properties (Pref.)—Rs. 6/62—6/69—6/62—6/69.
Midnapore Zemindary—Rs. 19/25—19/75—19/12—19/75—(10/00).

SUGARS

Balrampur—Rs. 1/50—1/50—1/50—1/50—(2/20)
Bharat—Rs. 15/50—15/56—15/50—15/56—(13/00).
Belsund—Rs. 7/75—7/75—7/62—7/62.
Carew & Co.—Rs. 12/12—12/31—12/06—12/31—(12/50).
Darbhanga—Rs. 8/25—8/44—8/25—8/37—(8/06).
Raza Buland—Rs. 10/03—10/12—10/00—10/00—(9/37).
Shree Krishna Gyanoday—Rs. 7/81—7/81—7/69—7/69—(7/06).

TEAS

Bor Pukhuri—Rs. 9/25—10/00—9/25—10/00—(11/75).
Bloomfield—Rs. 3/06—3/25—3/06—3/25—(3/12).
Basmatia—Rs. 18/06—18/12—18/06—18/12.
Choonabhutti—Rs. 162/00 S.T.—162/00—162/00—162/00—(210/00).
Dilaram—Rs. 97/50—97/50—97/50—97/50.
Dibrugarh—Rs. 30/94—31/19—30/94—31/19—(31/25).
Dauracherra—Rs. 14/44—14/62—14/44—14/62.
Eastern Cachar—Rs. 4/56—4/62—4/56—4/62.
Grob—Rs. 6/87 S.T.—7/00 S.T.—6/81—7/06—(7/19).
Gungaram—Rs. 110/00 x.d.c.t.—110/00—110/00—110/00—(131/00).
Hantapara—Rs 96/00 x.d.—97/00 x.d.—96/00—97/00 x.d.—(99/00).
Hasimara—Rs. 12/25—12/31—12/25—12/31—(12/50).
Ledo—Rs. 9/87—12/50—9/87—10/00—(13/75).
New Samanbagh—Rs. 12/37—13/19—12/37—13/19—(18/37).
Patrakola—Rs. 204/00—211/00—204/00—211/00—(120/00).
Rydak—Rs. 22/00—22/00—20/87—21/50—(23/62).
Seajuli—Rs. 20/94—21/00—20/94—21/00.
Teliapara—Rs. 156/00—158/00—156/00—157/00—(99/00)

DEBENTURES

7% Kesoram Industries—Rs. 99/50—99/50—99/50—99/50.
5% Reliance Jute—Rs. 94/50—94/50—94/50—94/50.

London

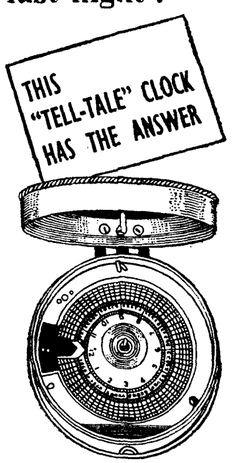
ELECTION PROSPECTS TONE UP SHARES

INDUSTRIALS RISE ON GOOD CORPORATE NEWS

London, 8th July.

GENERALLY firm conditions persisted in the stock market over the past week, and although business was restrained by holidays and by election uncertainties, buyers showed more interest each day with the institutions playing a more important rôle. At one time, the *Financial Times* ordinary share index reached its highest of the year. Demand was stimulated by the growing belief that a Labour victory at the polls is a good deal less certain, a view which has been backed up by the "ships for Spain" attitude of the Labour Party. Good company results again contributed considerably and the excellent statement from G.E.C. and the encouraging annual review by the chairman of Metal Box were particularly helpful.

Did the Watchman perform his duty last night?



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RESERVE BANK

ISSUE DEPARTMENT

(In '00's of Rupees)	Week Ended 3-7-64	26-6-64	5-7-63
Liabilities—			
Notes in Banking Dept.	17,94,97	51,93,60	23,69,66
Notes in Circulation	25,01,54,44	24,84,12,34	22,74,48,39
Total Notes issued	25,19,49,41	25,36,05,94	22,98,18,05
Assets—			
A. Gold Coin and Bullion	1,17,76,10	1,17,76,10	1,17,76,10
Foreign Securities	89,45,69	89,45,69	95,88,67
Total of A	2,07,21,79	2,07,21,79	2,13,64,77
B Rupee Coin	1,01,25,65	1,02,80,56	1,13,88,59
Rupee Securities	22,11,01,97	22,26,03,59	19,70,64,69
Total	25,19,49,11	25,36,05,94	22,98,18,05

BANKING DEPARTMENT

(In '000's of Rupees)	Week Ended 26-6-64	19-6-64	28-6-63
Liabilities—			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long Term Operations) Fund	86,00,00	73,00,00	73,00,00
National Agricultural Credit (Stabilisation) Fund	9,00,00	8,00,00	8,00,00
National Industrial Credit (Long Term Operations) Fund	10,00,00	...	...
Deposits—			
(a) 1. Central Govt.	60,55,18	79,70,59	73,38,74
2. State Govts.	12,79,73	14,04,74	9,00,36
(b) Banks :—			
(i) Scheduled Banks	92,06,63	97,66,72	96,77,07
(ii) State Co-operative Banks	7,07,43	4,49,59	3,29,58
(iii) Other Banks	4,43	1,54	2,17
(c) Others	1,89,35,38	1,62,18,00	2,07,02,12
Bills Payable	40,96,64	43,37,63	27,92,79
Other Liabilities	19,23,67	73,68,37	16,99,98
Total	6,12,09,09	6,41,16,98	6,00,40,81
Assets—			
Notes	17,94,97	51,93,60	23,69,66
Rupee Coin	4,26	4,33	2,15
Small Coin	3,14	2,64	1,83
National Agricultural Credit (Long Term Operations) Fund			
(a) Loans and Advances to :—			
(i) State Govts.	28,30,29	28,30,28	27,16,75
(ii) State Co-operative Banks	12,98,83	11,02,82	10,56,10
(iii) Central Land Mortgage Banks	...	...	...
(b) Investment in Central Land Mortgage Bank Debentures	...	...	...
National Agricultural Credit (Stabilisation Fund Loan and Advances to State Co-operative Banks	4,08,83	4,08,83	3,14,83
Bills Purchased and Discounted :—	...	...	...
(a) Internal	...	...	...
(b) External	...	...	...
(c) Govt. Treasury Bills	...	...	...
Balances Held abroad	38,88,06	40,73,64	64,57,91
Loans and Advances to Govt.	7,06,16	7,15,16	5,63,44
Loans and Advances to :—	36,29,36	53,34,28	42,54,72
(i) Scheduled Banks	30,50	1,14,45	83,00
(ii) State Co-operative Banks	1,50,37,89	1,34,14,52	1,25,44,87
(iii) Others	1,93,20	1,78,60	1,10,80
Investments	2,75,35,99	2,73,90,16	2,61,02,40
Other Assets	38,47,61	33,53,67	34,62,35
Total	6,12,09,09	6,41,16,98	6,00,40,81

SCHEDULED BANKS

(In 000's of Rupees)	Week Ended 26-6-64	19-6-64	28-6-63
(i) Demand Liabilities—			
(a) Demand Deposits :			
(1) From Banks	35,28,49	30,31,90	35,30,83
(2) From others	12,89,19,54	12,76,21,62	12,35,25,84
(b) Borrowing from Banks	17,14,10	11,13,73	21,38,18
(c) Other	11,54,14	11,62,73	10,90,97
(ii) Time Liabilities—			
(a) Time Deposits :			
(1) From Banks	8,02,22	8,39,43	4,38,99
(2) From others	12,50,50	12,16,00	10,97,00
(b) Borrowing from Banks	1,22,59	4,58,23	1,48,62
(c) Others	66,48,64	63,81,46	62,74,04
(iii) Borrowing from State Bank—	93,60,21	85,05,71	91,89,94
(a) Demand Liabilities	24,65,26	22,04,74	26,18,74
(b) Time Liabilities	68,11,20	57,71,00	58,48,55
(iv) Borrowing from Reserve Bank	6,55,03,07	6,33,45,05	6,52,97,77
(v) Cash	15,37,41,87	15,41,75,22	13,16,00,90
(vi) Balances with the Reserve Bank	10,35,01	10,72,41	6,86,53
(vii) Balances with other Banks in current account	1,73,57,22	1,79,90,02	1,61,57,81
(viii) Money at call and short notice	63,64,43	63,73,19	51,97,91
(ix) Investments in Central and State Govt. Securities	17,84,98,53	17,96,10,84	15,36,43,15
(x) (a) Loans, Cash Credits and Overdrafts			
(b) Due from Banks			
(xi) Inland Bills purchased and discounted			
(xii) Foreign Bills purchased and discounted			
(xiii) Total of X, XI and XII			



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Agents—
THE ORIENTAL MERCANTILE CO., LTD.
Calcutta, Bombay, Kanpur, Delhi, Madras.


Money

THE CALCUTTA MONEY MARKET

CALL RATE DECLINES FURTHER

Wednesday, 8th July.

THE general level of advances in the Calcutta money market has remained more or less unchanged during the past week. The credit given to the cotton and sugar mills is slightly down, while the advances to the iron, steel and engineering industries has increased slightly. The requirements of the jute mills and of the foodgrains trade remain unchanged. In the interbank market, conditions have been easy and the call rate has dropped to 1 percent.

The exchange market has been moderately active, with a slight increase in the supply of tea bills. Gunny bills have been in moderate supply. The demand for remittances is moderate. In London, sterling has shown nominal losses against most of the important currencies excepting the Canadian dollar and the Swedish krona.

BULLION WAS QUIET IN CALCUTTA IN the past week due to the absence of demand following the close of the marriage season. The price of silver fell from the previous week's level of Rs. 247.75 to Rs. 243.25 a kilogram, quoted today. The London and New York prices stood at 111⅞d and 129.3 cents.

In sympathy with silver, gold ruled quiet and the price of 14-carat declined from Rs. 73.25 to Rs. 71.50.

DURING THE WEEK ENDED 3RD JULY, Government of India Treasury bills for Rs. 184,32,00,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 7th July. The total amount offered was Rs. 4.50 crores. Tenders at Rs. 99.375 percent were accepted in full. Lower tenders were rejected. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.500 percent a year

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills will be received at all centres up to the close of business on 20th July.

IT IS STATED THAT THE SALE OF 91-DAY intermediate Treasury bills is suspended until further notice. These bills sold from the 1st July, 1964, to 4th July, 1964, amounted to Rs. 6,70,25,000.

THE RISE OF RS 17.42 CRORES TO Rs. 2,501.54 crores in active notes was a notable feature of the return of the Reserve Bank of India for the week ended 3rd July, 1964, but the total note issue dropped by Rs. 16.57 crores to Rs. 2,519.49 crores. The currency contraction was adjusted by reducing rupee securities by Rs. 15.02 crores to Rs. 2,211.02 crores in the paper currency reserve. Deposits of the Government of India dropped by Rs. 19.16 crores to Rs. 60.55 crores and those of State Governments by Rs. 1.25 crores to Rs. 12.80 crores. Balances of scheduled banks at Rs. 92.07 crores showed a decline of Rs. 5.60 crores. Their loans from the Reserve Bank decreased from Rs. 1.14 crores to Rs. 30.50 lakhs, of which there was no advance against usance bills (Rs. 56.15 lakhs). Balances held abroad again declined by Rs. 9 lakhs to Rs. 7.06 crores. Investments were Rs. 1.46 crores larger at Rs. 275.36 crores. Ways and means advances stood at Rs. 36.29 crores, against Rs. 53.34 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 26th June, 1964, shows a rise of Rs. 3.18 crores to Rs. 625.50 crores in total deposits. Investments in Government securities are up by Rs. 7.14 crores to Rs. 237.79 crores, while other authorised investments remain unchanged at Rs. 9.44 crores. Advances, including loans, cash credits, overdrafts, and bills discounted and purchased have risen by Rs. 1.08 crores to Rs. 360.45 crores. Cash and balances are, in consequence, shown at Rs. 27.79 crores or Rs. 2.64 crores higher.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 26th June, 1964, shows Demand and Time liabilities at Rs. 1,267.99 crores (Rs. 40.59 crores on account of borrowings from banks) and Rs. 1,353.16 crores (Rs. 17.14 crores), compared with Rs. 1,262.34 crores (Rs. 44.19 crores) and Rs. 1,329.30 crores (Rs. 11.14 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have increased by Rs. 2.68 crores and Rs. 8.54 crores to Rs. 66.49 crores and Rs. 93.60 crores, respectively. There is a rise of Rs. 21.57 crores to Rs. 655.03 crores in investments. Advances and bills discounted at Rs. 1,784.99 crores show a drop of Rs. 11.12 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 6.1 percent and 68.1 percent, against 5.7 percent and 69.3 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 10-7-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
10-7-64	13-10-64	2,00,00	Rs. 2.500%
3-7-64	6-10-64	2,00,00	Rs. 2.994%
26-6-64	29-9-64	2,00,00	Rs 2.995%
19-6-64	22-9-64	2,00,00	Rs. 3.000%
12-6-64	15-9-64	2,00,00	Rs. 3.000%
5-6-64	8-9-64	2,00,00	Rs 3.000%
29-5-64	1-9-64	2,00,00	Rs. 3.000%
22-5-64	25-8-64	2,00,00	Rs. 3.000%
15-5-64	18-8-64	2,00,00	Rs 3.000%
8-5-64	11-8-64	2,00,00	Rs 3.000%
1-5-64	4-8-64	2,00,00	Rs. 3.000%
24-4-64	27-7-64	2,00,00	Rs 3.000%
17-4-64	20-7-64	2,00,00	Rs 3.000%

(Monthly Maturities)	(000's omitted)
July, 1964	4,00,00
August 1964	8,00,00
September, 1964	10,00,00
October, 1964	4,00,00
Total	26,00,00

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
3-7-64	96,26,87	...
26-6-64	99,81,45	1,25,36
19-6-64	91,66	1,21,20
12-6-64	80,43	1,00,68

New Delhi

FOOD TRADING BODY: DETAILS BEING WORKED OUT

(FROM OUR NEW DELHI CORRESPONDENT)

THE Central Food and Agriculture Minister, Mr. C. Subramaniam, said at a Press conference here last week that he would soon submit concrete proposals to the Central Cabinet for setting up a Foodgrains Trading Corporation and an agency to fix grain prices. These two long-term measures for tackling the food problem were generally hailed by the State Chief Ministers at their conference here some time ago, although they refrained from taking formal decisions on them.

Mr. Subramaniam said that the details of the two proposals were now being worked out in the light of the discussions at the recent Chief Ministers' Conference. As for the proposed Corporation, New Delhi is considering whether there should be one corporation for the whole country or several regional or State corporations. Furthermore, it is being examined whether one corporation should deal in all the foodgrains or there should be separate corporations for each of the principal foodgrains.

Mr. Subramaniam ruled out the proposal for associating farmers or consumers' representatives with the agency to be set up to fix foodgrain prices. The proposed agency will consist of only technical experts. It will recommend minimum prices for producers and reasonable maximum prices for consumers.

Increased Production Needed

Mr. Subramaniam reaffirmed that the only long-term solution to the food problem was increased production. This can be achieved by giving suitable incentives to the farmer and by arranging timely supplies of credit and such essential prerequisites for raising output as fertilisers, improved seeds, and pesticides in adequate quantities. The cardinal principle to be followed while fixing foodgrain prices will be the payment of remunerative prices to the agriculturist. A preliminary report from the Price Fixation Agency, it is understood, will be available before the next rice crop.

Mr. Subramaniam also announced an ambitious programme for setting up modern mechanised rice mills in the public and the co-operative sectors. His plan is to put up 2,000 such rice mills by the end of the fourth plan period—1,000 units with a capacity of 3 tonnes an hour and 1,000 units with a capacity of 2 tonnes an hour. These units would be capable of milling nearly 20 million tonnes of rice. Six units are immediately proposed to be set up. A delegation of officials will leave for Italy and West Germany on 16th July to negotiate the purchase of machinery for these mills. It will later visit Japan. Three of the six mills will be set up in Thanjavur, Madras, West Godavari, Andhra Pradesh and Shahabad, Bihar. The location for the other three has, however, yet to be decided.

Mr. Subramaniam said that no licences would be given in future for setting up new rice mills in the private sector. No provision has as well been made for the modernisation of the existing private-sector units.

Allaying fears entertained in some quarters that his programme of setting up new rice mills in the public and the co-operative sectors ran counter to the Bhubaneswar resolution of the Congress Party since the new policy did not envisage the taking over of the existing private-sector rice mills, Mr. Subramaniam said that he had not ruled out control over the existing mills and if any controls were found necessary to regulate their working, they would be imposed.

Banning Export of Pulses

Mr. Subramaniam also said that the export of pulses, although meagre at present, might be altogether banned if the Central Ministry of Commerce agreed to it. This he considered necessary for stabilising the pulses market. Mr. Subramaniam added that the short-term measures decided upon by the State Chief Ministers had yielded perceptible results and that foodgrain prices had come down at various places. He hoped that prices would fall further in the near future.

SOIL CONSERVATION

Programme Outlined

Considering the national loss from soil erosion and the significant increase in the productive capacity that soil conservation measures including dry farming and the proper use of land and water and better management practices can bring about, the experts of the Planning Commission have recommended that the soil conservation programme should be taken up in future on as large a scale as might be feasible on the basis of technical and administrative arrangements, without being constrained by the non-availability of financial resources.

Soil conservation is a highly labour-intensive programme and does not require any foreign exchange or scarce material resources. In all, about 200 million acres of unirrigated area require soil and water conservation measures, including 120 million acres needing erosion control measures. The Planning Commission's Working Group on Agriculture has suggested a target of 20 million acres for this programme for the fourth plan.

So far, soil conservation programme has remained confined, by and large, to erosion control measures and cultivated lands and that too in scattered areas. The programme as practised at present does not include the measures and practices necessary for efficient management of soil in a co-ordinated manner. In order to make the programme fully effective and fruitful, it has been suggested that the programme should be streamlined as follows:

(1) Soil conservation programmes should be taken up on a complete water-shed basis in a composite and comprehensive manner to tackle not only soil erosion but all factors associated with proper soil and water conservation and management, including field drainage, sediment control, flood prevention, conservation farming, land levelling for the efficient use of irrigation water, afforestation, pasture management, etcetera. The targets should be defined by areas for each water-shed.

(2) Before framing any scheme of soil conservation, it will be necessary to carry out a "standard" soil survey of the area as an essential pre-requisite. This would include detailed soil survey of agricultural land and reconnaissance of forest and pasture areas from the viewpoints of soil and land use, geological, hydrological and engineering.

(3) In selected areas, technical assistance should be provided to the revenue authorities engaged in consolidation of holdings to ensure that the soil and water conservation needs of these areas are adequately met.

(4) Training of staff being the most important single limiting factor, advance action should be taken to build up additional capacity and to use and expand the existing capacity fully. A concrete plan of operation should be drawn up in consultation with the State Governments.

(5) The soil conservation organisation in the States should be strengthened to provide adequate and competent guidance in planning, implementation and evaluation of various aspects of the soil conservation programmes.

(6) Now that the village level workers are to devote themselves exclusively to agricultural programmes in soil conservation areas, this would be the first and foremost programme for them. The village level workers and extension officers (agriculture) should be utilised for soil conservation programme. The cadre of sub-assistants for soil might be merged with that of village level workers. This would not only provide a large umber of workers at the village and block levels, but also eliminate the problems in most of the States.

(7) Primary emphasis should be on people's participation in local institutions by *Panchayats* and block *samitis* and the programme should be taken up on an area saturation basis.

LAND REFORMS

Suggestions of Expert Body

Several suggestions have been made on the land reform programme under the fourth plan by the Advisory Committee for Land Reforms which met here last week. The Committee felt that quite a sizable area was held by absentee owners. This is an obstacle to higher agricultural production. It recommended that the expression "personal cultivation" should be carefully defined to ensure that the owner of land not only resided in the village but also he or a member of his family contributed his labour to farming. It also suggested the setting up of Land Boards in each State.

The Committee expressed the view that absentee owners of agricultural lands should be required to lease or sell their farm lands to the Land Board. The latter would, in turn, lease or sell these lands to the landless agricultural workers and small holders, preferably on a co-operative basis, at a stipulated price payable in suitable instalments.

It was, however, felt that some relaxation would be desirable in the case of small land-holders who might be permitted to lease their lands directly (subject to necessary safeguards for tenants) so that they might be able to take up some non-agricultural occupation to supplement their incomes.

The Committee further suggested that the programme of transfer of ownership to tenants should be accelerated. In this direction, the Land Boards could play an important rôle by assisting tenants to get necessary loans through Land Mortgage Banks to pay for the acquisition of ownership rights.

The Committee emphasised the need for regulation of "voluntary surrenders" and transfers which widen the scope for resumption and, therefore, ejectment of actual tillers. The abolition of share-cropping and conversion of rents into cash was also recommended.

The Committee felt that fairly progressive legislation had been enacted in several States during the past ten years, but some benefit which would have accrued to cultivators had been lost, in some cases, due to defects in implementation. In view of its close bearing on agricultural production, the Committee stressed that the progress in land reforms should be reviewed in each State by a high-powered body with a view to filling the existing gaps and in order to strengthen the administrative arrangements and to expedite the building up of land records.

CAPITAL ISSUES

Debt-equity Ratio

The Controller of Capital Issues has been asked to relax the debt-equity ratio of 2:1 in suitable cases of new issues. The step has been taken because a new company in the present-day conditions may not be able to attract as much equity investment from the public as a company which has already gone into production can do.

The Central Ministry of Finance would also be prepared to allow projects which have already placed orders for a substantial part of the plant and machinery required by them, to get the current benefit of development rebate even if they took more than three years to complete. The development rebate concession for any industry, according to the last Central Budget, could be reduced or abolished by giving a notice of three years.

ALLOY STEELS

Capacity of Durgapur Project

The Durgapur alloy steels plant is expected to go into partial operation by the end of the current calendar year. It is hoped that one of the four reheating furnaces to be installed at the plant would go into production by that time.

Designed for a capacity of 100,000 tonnes of alloy and special steels ingots, it will turn out finished products at the rate of 60,000 tonnes a year—14,500 tonnes of high-speed tool and die steels, 27,500 tonnes of alloy construction steel and 18,000 tonnes of stainless steel. The cost of setting up the plant is estimated at Rs. 65 crores.

A major portion of the main plant and equipment is being supplied by a consortium of Japanese steel manufacturers under an agreement signed in September 1963. Three reheating furnaces are being made available by Messrs A.M.C.O. of Canada and the fourth one by Messrs Wellmann Incandescent. Messrs Atlas Steel Ltd, a Canadian firm, are the consultants to the project. The engineering consultancy

services are being provided by Messrs Dastur and Company.

STEEL PLANT

Hospet Area Preferred

The Technical Experts Committee appointed by the Central Steel Ministry to scrutinise the feasibility report on the steel plant to be set up in the Goa-Hospet iron ore belt, is understood to have preferred Hospet for the location of the plant to Goa. The Committee feels that production cost would be cheaper if the plant is located there.

Th only advantage of locating the plant in Goa, the Committee says is the likelihood of basing it on imported coal. But this advantage may not be there in actual practice. The coal supplies from Bihar and Orissa, the Committee thinks, can be available in Hospet at prices comparable to those of imported coal. Hospet has the added advantage of being close to limestone resources and non-alkaline water. The iron ore in this area is also said to be richer in ferrous content than the one available in Goa.

The Central Ministry of Steel is expected to take a decision on the issue in August or September. Efforts then will be made to secure foreign collaboration for the project. Japan and Poland, among others, are understood to have shown interest in assisting the establishment of the plant as well as another in Vishakhapatnam or Bailadila.

Whether the Goa-Hospet plant will be the fifth public-sector steel manufacturing unit, it is yet difficult to say. It has an edge over the proposed Vishakhapatnam-Bailadila unit. But the chances of either to be included in the fourth plan as a steel-making unit are understood to be now even. One of the two plants is to be set up during the fourth plan period up to the steel-making stage and the other only up to the pig-iron manufacturing stage.

The Secretary to the Central Ministry of Steel, Mr. N. N. Wanchoo, is leading a delegation to Moscow on 17th July for talks with the Russian authorities on the Bokaro plant. The delegation will include Mr. K. M. George, Managing Director of Bokaro Steel Ltd. It will spend about two weeks in Russia discussing the changes needed in the Dastur and Company's project report for the plant. The report has been with the Russian authorities for quite some time now. Some changes may be necessary as the Russian specifications might be somewhat different from those of the U.S.A. with an eye on whose collaboration the project report was prepared by Dastur and Company.

RUSSIA

Pig Iron Supplies

Pig iron supplies from Russia under an agreement reached recently are expected to start soon. Russia is to supply under the agreement 100,000 tonnes of pig iron by the end of the current calendar year.

CEMENT

Price Raised

The selling price of unpacked cement, free on rail destinations, has been refixed at Rs. 99.75 a tonne with effect from 1st July, 1964. The price had hitherto been Rs. 97.75. The excise duty and the additional surcharge and the packing charges have to be paid separately. Announcing this, a notification issued by the Central Ministry of Industry and Supply said last week:

"In the Government resolution of 31st October, 1961, on the report of the Tariff Commission on the revision of fair prices payable to cement producers, it was stated that the prices then fixed would be in force till 31st March, 1966, subject to adjustments whenever called for, for variations consequent on Governmental action, including escalation for fuel and power.

"On a representation from the cement industry, the Government examined the incidence of such variations on the cost of production of cement and granted an increase of Rs. 2.75 a tonne in the ex-works price paid to producers with effect from 1st June, 1963. There have since been further increases in the cost of production arising from increases in costs of coal, power and railway freight on coal, and after a fresh examination of costs, the Government has decided that with effect from 1st July, 1964, the ex-works price to be paid to cement producers should be increased by Rs. 1.25 a tonne.

"Besides the ex-works cost, the distribution cost of cement has also risen on account of increases in railway freight since 1st June, 1963. With a view to minimising the increase payable by the consumer, the Government has reduced the remuneration payable to the State Trading Corporation as the sole selling agents. The f.o.r. selling price has been raised by Rs. 2 a tonne. This will mean an increase of about 10 paise a bag of cement."

COMPANIES ACT

Tribunal Formed

The Central Government has constituted under Section 10A of the Companies Act, 1956, a two-member tribunal, consisting of Mr. B. N. Gokhale, a retired High Court Judge (chairman) and Mr. G. Mathias, a senior officer of the Indian Audit and Accounts Service, to enquire into the cases against managerial personnel of companies which may be referred to it by the Central Government, and also to exercise and discharge, with effect from 1st July, 1964, all or any of the powers and functions conferred on the courts by or under Sections 155 and 203 in so far as they relate to the granting of leave under that section as well as Sections 240 and 397 to 407 of the Act. These powers and functions relate to the following matters:

(1) Rectification of the register of members and the register of debenture-holders of a company;

(2) granting of leave to persons to manage companies in cases where they have been restrained from doing so by orders of the Court;

(3) compelling certain persons to produce documents and requiring them to appear before an inspector appointed by the Central Government to investigate the affairs of a company, and ordering examination on oath of a person whom the inspector has no power to examine on oath; and

(4) the granting of relief in cases of oppression of any member or members of a company or mismanagement of the affairs of a company or where the affairs of a company are being conducted in a manner prejudicial to public interest.

The District Courts or the High Courts, as the case may be, shall not henceforth exercise these powers and functions. By virtue of sub-section (5) of Section 10A of the Act, however, these courts shall continue to exercise the powers and functions in relation to any proceedings arising out of these matters pending before them immediately before 1st July, 1964.

All applications or references required to be made to the District Courts or the High Courts, as the case may be, concerning matters for which the powers and functions of the Courts have been transferred to the Tribunal are now required to be made to the Tribunal whose office is located in New Delhi.

EMERGENCY INSURANCE

Schemes Modified

The Emergency Risks (Goods) Insurance Scheme and the Emergency Risks (Factories) Insurance Scheme have been modified so as to provide for the automatic extension by a further period of three months with effect from 1st July, 1964, of the policies already issued under the two schemes. No premia are, therefore, to be charged on these policies and no fresh applications are necessary for their renewal.

As for the property which becomes insurable for the first time on or after 1st July, 1964, applications are required to be made to the Oriental Fire and General Insurance Company, in the prescribed manner, but without Treasury chalans, for the issue of policies as provided for under the schemes. The question whether any premium should be levied in these cases at any later date will be decided at an appropriate stage. For the time being, no premium will be due and no payment is, therefore, to be made.

I.M.F.

Repayment of Credit

The Government of India has arranged to refund to the International Monetary Fund a sum of $25 million as the second instalment of repayment of the credit of $250 million (Rs. 119.04 crores) drawn from the Fund on 1st August, 1961. The first instalment of a similar amount was repaid to the Fund on 20th February, 1964. The balance of $200 million has to be repaid in suitable instalments before the end of July 1966.

The International Monetary Fund had provided the $250-million credit in six currencies—$110 million (Rs. 52.38 crores) in U.S. dollars, $60 million (Rs. 28.57 crores) in pound sterling, $45 million (Rs. 21.43 crores) in deutschemarks, $15 million (Rs. 7.14 crores) in French francs, $15 million (Rs 1.14 crores) in Italian liras and $5 million (Rs. 2.38 crores) in Japanese yen.

CONSULTANCY FIRM

U.S. Collaboration

The Government of India and the Bechtel International Corporation of Sanfrancisco (U.S.A.) signed here last week a memorandum of understanding for setting up a company in India to render designing, engineering construction and management services for a broad range of industrial projects both in the public and private sectors. The Government of India will have 51 percent share in this company and Bechtel International 49 percent. The Company is to be known as Indian Engineers Ltd.

In the first instance, the services of Indian Engineers Ltd are proposed to be utilised for setting up petroleum refineries, development of oil and gas fields, construction of oil and gas pipelines, establishment of facilities for the manufacture of chemical intermediates and the putting up of petro-chemical industries.

Bechtel International is engaged on a worldwide basis in performing engineering services for similar projects. It will be contributing to the Indian Company a wide range of technical resources and personnel. Indian Engineers Ltd will employ engineers from India as well as the United States. The U.S. firm has undertaken to train selected Indian personnel of Indian Engineers Ltd at its offices in the United States and elsewhere.

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Liabilities

	1963	April 12, 1962
	Rs.	Rs.
Capital	2,500	2,500
Reserves	7,032	6,656
Deposits	94,503	80,382
Other Liabilities	6,954	3,198
Contra A/cs.	10,940	7,958
Profit & Loss	699	790
	1,21,628	1,01,484

Assets

	1963	April 12, 1962
	Rs.	Rs.
Cash	33,993	27,992
Investment	160	120
Loan & Discts.	74,069	63,006
Contra A/cs.	10,940	7,958
Other assets	2,466	2,408
	1,21,628	1,01,484

TEXTILE MACHINERY

Imports from U.K.

A delegation, consisting of Mr. B. P. Patel, chairman of the State Trading Corporation, as the leader, and Mr. A. V. Venkateswaran, Joint Secretary to the Ministry of Commerce, and Mr. M. M. Gupta, Joint Divisional Manager of the S.T.C., members, left for the United Kingdom on 2nd July for finalising arrangements for the purchase of textile machinery valued at about Rs. 10 crores from Messrs Platt Brothers (Sales) Ltd.

The purchase is being financed out of a ten-year credit made available by the Midland Bank Ltd, London, and other financing institutions in the U.K. to the State Trading Corporation under the guarantee of the Export Credits Guarantee Department of the Governments of Britain and India. The purchase agreement for the machinery has already been concluded between the State Trading Corporation and Messrs Platt Brothers (Sales) Ltd. The financial agreement will now be finalised between the State Trading Corporation and the Midland Bank for the extension of credit to the tune of about Rs. 8 crores, repayable in half-yearly instalments over the ten-year period.

The machinery to be imported will be used by five mills in the private sector, 11 co-operative mills in U.P., Gujarat and Maharashtra, and a public-sector mill in West Bengal. All the mills to be set up with the imported machinery will be new units which will make use of indigenous machinery in the prescribed proportion. The delegation also proposes to conclude arrangements for the import of woollen and worsted textile machinery from the United Kingdom on deferred payment terms for about Rs. 2 crores.

Mr. Patel is also simultaneously heading a tobacco delegation which will visit the United Kingdom and other west European countries for establishing contacts with organisations and firms concerned with the import of tobacco in these countries. The United Kingdom is India's traditional market for flue-cured Virginia tobacco and the other west European countries are also purchasing Indian tobacco in varying quantities. The delegation will explore the possibilities of increasing tobacco exports to these countries and will conclude spot sales to the extent possible.

The Government of India recently appointed an *ad hoc* committee under the chairmanship of Mr. Patel to review the existing position and suggest improvements in the financing and marketing practices for flue-cured Virginia tobacco. The committee is expected to submit its report shortly.

I. F. C.

Loan for South Indian Firm

The International Finance Corporation—an affiliate of the World Bank—has agreed to join Indian and Swiss interests in providing loan and share capital to Lakshmi Machine Works Ltd, a new Company which will build and operate a cotton textile machinery plant in Coimbatore, south India, at an estimated cost of about $12.5 millon.

The loan and equity capital investment commitment of the Corporation in Lakshmi Machine Works is $1,380,000. It is being shared by the Continental International Finance Corporation—a subsidiary of the Continental Illinois National Bank and Trust Company of Chicago.

The Company is being established with an issued capital of Rs. 2.50 crores, all in equity shares. Its share capital will include subscriptions to the tune of Rs. 87.50,000 by a sponsoring group of Indian industrialists, Rs. 30 lakhs by Rieter Machine Works of Switzerland, Rs. 20 lakhs ($490 000) by the I.F.C. and Rs. 1.25 million by another Indian Company, Voltas Ltd. The remainder of the stock issue, amounting to Rs. 1 crore, was offered for public subscription in February last. It was fully subscribed.

The loan capital is being made available to the Company by the I.F.C. and three privately-owned financial institutions in India. The International Finance Corporation is lending $960,000, repayable in 16 semi-annual instalments beginning in 1967. The Bank of Baroda and the Indian Bank are each lending Rs. 32,50,000. The Industrial Credit and Investment Corporation of India is providing the equivalent of $840.000 in foreign exchange and an additional loan of Rs. 15 lakhs. Short-term borrowings, advances from customers and the Company's cash generation, amounting to a total of about Rs. 1.83 crores will provide the remainder of the finances required for the project.

The Indian sponsors of the Company are a group of industrialists, headed by Mr. G. K. Devarajulu. The Swiss sponsor and technical collaborator, Rieter Machine Works, is a leading manufacturer of high quality cotton textile machinery for the international market and an important overseas supplier of this machinery to India. Besides participating in the equity capital of the Company, Rieters will provide technical assistance for the planning and construction of the plant, draw up the designs for the machinery to be produced, furnish technical advice on the methods of manufacture and, in the initial years, supply key technical personnel for the operation of the plant. It will also provide training facilities for Indian staff in Switzerland.

The Coimbatore plant will eventually produce the entire range of cotton textile machinery now manufactured by Rieters in Switzerland. Production is planned in two phases. The first phase—expected to be in operation by 1965 and in full production by 1967—will include the manufacture of high-speed draw frames, speed frames and ring spinning frames. In the second phase, for which finances will be arranged at a later date, production will be extended to cover the manufacture of blow-room lines and combers with their associated silver and ribbon lap machines. It will be the only plant in India to manufacture a complete line of cotton spinning equipment.

AIR CORPORATIONS

Revising Wages

In accordance with the announcement made in the Lok Sabha by the Central Minister for Transport, Mr. Raj Bahadur, on 24th March, 1964, the Government of India has decided to set up a high-powered Commission to examine and evolve, among other things, a rational wage structure for all employees of the two Air Corporations—Air-India and the Indian Airlines Corporation—with due regard to all relevant factors, such as nature of duties, skills, qualifications, experience, and service conditions of the various grades of employees.

A retired High Court Judge is being appointed as the chairman of the Commission. It is proposed to have two other members on the Commission, one with extensive knowledge of labour matters and the other with the necessary background of financial problems. The Commission is expected to start functioning from 1st August, 1964, and is being asked to complete its work in about six months.

The Commission will also look into such demands of the unions of the employees of Air-India and the Indian Airlines Corporation as may be pending when the Commission starts functioning. It would as well be open to the Commission to recommend interim relief in appropriate cases.

U.S.A.I.D.

Local Currency Loans

The U.S. Agency for International Development (U.S.A.I.D.) has announced that the equivalent of about $94 million is now available in 22 countries throughout the world for local currency loans to private enterprises under the Cooley amendment to P.L. 480. With Rs. 22,95,84,000 available as of 30th May, 1964, India heads the list of the 22 countries.

The Cooley loans are available to (1) U.S. firms or their branches, subsidiaries or affiliates for business development and trade expansion in the local countries, or (2) either U.S. or local firms for expanding markets for U.S. agricultural products. They are repayable in local currencies. Specific applications for the Cooley loans are to be addressed either to the A.I.D. mission in the country involved or to one of the four A.I.D. regional bureaus located in Washington.



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TRADE UNION THINKING ON U.K. ECONOMIC PROBLEMS

(FROM OUR LONDON CORRESPONDENT)

TRADE union leadership has recently been giving more thought than usual to the rôle it has to play in the economy of the country. It has given attention to a variety of aspects, and it is at least instructive to take a look at some of its conclusions. For instance, the National Economic Development Council is due to make a recommendation shortly about the growth of the economy in the second half of the 1960's. The T.U.C. members of "Neddy" have been discussing their attitude and intend to suggest to the Council that the implications of a growth rate as high as 6 percent should at least be studied. If this was shown to be impossible, the target could be scaled down to 5, 4½ or even 4 percent. Technological changes over the last few years made it conceivable, they argued, that the economy could achieve a higher annual rate of growth than at present in spite of manpower limitations. "Why not be a little more ambitious," one trade union leader said, "if you look no higher than 4½ percent, you will never be aiming at 6 percent."

The official view, and the view of some employer members of the Council, is that the range suggested by the N.E.D.C. is realistic. The Government sees a practical target as lying somewhere within this bracket; the employers view that T.U.C.'s more ambitious aspirations with extreme caution and argue that the higher you go, the greater the margin of error in your projections. The argument in the Council will of course in no way fix the next growth target. It is designed simlpy to define an area in which the N.E.D.C. can begin working out the implications so that when industries and "little Neddies" have been consulted and the arithmetic is all done the Council can plump for a figure. The period of the programme has also to be settled. The favoured spans seems to be 1966-70; it fits in well with the European growth programmes, which mostly run for five periods and are currently due to expire in 1970—a neat date.

The T.U.C's advocacy of faster growth could open up some general discussion in the Council of the measures that would be needed to increase the present annual rate by 50 percent. It may be pointed out that wage restraint and the abandonment of restrictive practices could make 6 percent growth look more feasible. The T.U.C.'s answer to this is that the more trade union members can expect through increased prosperity, the more they will be willing to cooperate in achieving a growth programme. It is a valid point. An incomes policy, most experts agree, is more likely to be devised under conditions of rapid growth than otherwise.

Monopolies and Mergers

The General Council of the T.U.C. finds no evidence of a detailed factual study of the problems of monopoly and mergers having gone into the Government's proposals for changes in the law. In a comment just published—on the recent White Paper—the T.U.C. urges a full enquiry into the concentration of British industry. It thinks it should be of the standing of the Radcliffe Committee on the working of the monetary system and should have powers to require evidence from industry. The T.U.C. says: "The basic shortcoming of the White Paper is that it reflects the Government's continuing preoccupation with only one aspect of industrial concentration—control of one-third of a particular market by a single firm or connected group of firms. The implications of industrial concentration, however, far transcend this limited and, indeed rather dated approach. The White Paper does not come to grips with the implications of growing industrial diversification, as opposed to product concentration.

"What is fundamentally needed is a systematic appraisal of developments towards industrial and financial concentration, over, say, the last 20 years. This would be a major task and would involve not only an analysis of the technological, managerial and other forces making for concentration and the rôle played in it by the financial institutions, but also the effects of this development in such fields as employment, pricing, marketing and the development of investment, and on relations between firms and their shareholders, their work-people and the Government."

To monopoly as such, the T.U.C. has no objection in principle—large concerns are often better employers, it notes—and, therefore, the General Council was concerned only with remedying abuses of monopoly. Greater competition was not always the best solution: Government control or public ownership could be more appropriate in some cases. The Government's approach—as set out in the White Paper—was also "neutral," that is to say confined to remedying the defects of the present system of control. But while the General Council welcomed the Government's intention to take reserve powers to enforce divestiture, it noted that the Government had powers under the 1948 Act which it declined to use when the Monopolies Commission recommended that the Imperial Tobacco Company should divest itself of its shares in Gallaher's. "Further powers without the intention to make use of them will be of little value," the T.U.C. concludes.

Public Control and Ownership

On the question of nationalisation, opinion is voiced by the leaders of the Confederation of Shipbuilding and Engineering Unions, whose proposals for "a large measure of public control and ownership" of the heavy electrical manufacturing industry will be submitted to the T.U.C. and the Labour Party. The Confederation hopes that a Labour Government would lose no time in giving them legislative form. Two principal measures are urged. These are:

(1) The establishment of "specialist committees," recruited from the nationalised industries and public services, to keep a "continuous watch" on tenders, prices and supplies and report to Ministers and nationalised boards; and

(2) Outright nationalisation. The chief firms affected would be Associated Electrical Industries, English Electric, and General Electric.

The Confederation embraces 37 unions, representing about 3 million workers, so the document outlining the proposals must be regarded as a serious contribution to the growing debate on public ownership.

It has not yet been formally submitted to the Confederation executive, but there is no doubt that it will be approved. A Labour Government is likely to feel bound to look on it sympathetically, if only in the hope of winning the unions' co-operation in an incomes policy. To reject it out of hand would antagonise militant unions like the Boilermakers.

On outright nationalisation, the document concedes that difficulties and inefficiencies might arise out of "unscrambling" heavy electrical plant from the great variety of other products the chief firms make. But it also points out that the system of "product divisions," under which different sections of each company concentrate on particular types of output, is now widespread in the industry. "The manufacture of electrical plant and equipment under private ownership is a near monopoly," the document continues. "It is, therefore, restrictive, operating restrictive practices in production and tender. These practices have been condemned by the Monopolies Commission. But they continue to be operated by agreement and by the fact of the monopoly position of the giant firms in the industry." Most of the companies belong to the British Electrical and Allied Manufacturers Association, which "from its inception has concentrated its energies on the elimination of competition among its members in the same category of products."

The State-owned electricity supply industry is almost entirely dependent on the main manufacturers for its generating and distribution equipment. Hence, it has to pay prices which, in most cases, bear no relation to costs. "The electricity supply industry and its customers are exploited in consequence of this lack of competition." Another alleged justification for public ownership is the fact that directors of big electrical firms sit on other boards. Last year, 14 directors of Associated Electrical Industries had 98 directorships of other firms and nine directors of General Electric were on 47 other boards. "It is the directors of the big industrial combines, the banks, the insurance companies, the finance and investment houses who are the 'top decision makers'," the document declares. "In their hands lie the economic and financial destinies of the British people."

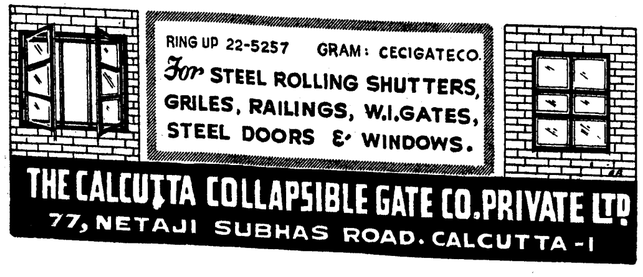
The Union Structure

The case for a giant amalgamation of the three largest trade unions—Transport and General Workers' Union, the Amalgamated Engineering Union, and the National Union of General and Municipal Workers—is put forward by Professor H. A. Turner, of Cambridge University. Arguing that these three giant multi-occupation, multi-industry organisations stand as the chief obstacles to trade union rationalisation along the lines now being explored by the T.U.C., Professor Turner asks—in the *British Journal of Industrial Relations*—"Why not amalgamate the Big Three themselves."

The result would be an organisation of more than three million members accounting for nearly a third of all trade union membership, and three-eigths of the T.U.C.'s affiliated strength. It would cover supervisors and clerks, craftsmen and labourers in almost every industry and trade. It would overwhelmingly dominate the workers' sides of bargaining bodies in engineering, vehicles, chemicals, road transport, docks and public utilities; it would have important interests, both skilled and unskilled, in construction, light manufacturing and non-Governmental public services.

Professor Turner foresees an enormous impact by such an amalgamation on the rest of the trade union movement. Trade unions with pretensions as industry-wide organisations—such as the vehicle-builders, the chemical workers and the rubber workers—would be faced with the choice of joining the new organisation, or withering away. Where the possibility of authentic industrial unionism existed—in printing, railways, steel and textiles—consolidation would be hastened in reaction to the new giant. Small craft unions would be driven to amalgamate in order to maintain an effective negotiating front; ex-craft unions—those of electricians, foundry workers, bricklayers and wood workers—would be left in a limbo and forced to reconsider their position.

Of course, it is as likely to happen as a union of all the churches. Professor Turner is aware of the difficulties, but he makes the valid point that his scheme is less impracticable—and makes more sense in the light of British trade union history—than industrial trade unionism.



Jute

INTRODUCTION OF QUALITY CONTROL MEASURES

CONSIDERABLE progress has been made at various levels for complying with the formalities prescribed by the Export (Quality Control and Inspection) Act which came into force from 1st January, 1964. For the jute industry the legislation will be operative on a compulsory basis from 1st December. The Act seeks to ensure that commodities or manufactured goods, available or made in India for exports, should conform to an acceptable standard of quality.

Even before the passing of the Act, the industry had made arrangements for voluntary sampling, quality control and inspection of goods. The I.J.M.A. set up a special organisation, the I.J.M.A.Q.I.C., to co-ordinate the activities of the mills in this direction. The central bureau of the organisation has been accommodated at the headquarters of the I.J.M.A. Research Institute. To facilitate work, five zonal offices have been set up at different mill centres. After a study of the activities of the I.J.M.A.R.I. and the I.J.M.A.Q.I.C., the Government of India has decided to entrust the latter with the responsibility of co-ordinating quality control and pre-shipment inspection work throughout the industry.

I.S.I. Certification Marks

The I.S.I. Certification Mark procedure will help determine the export-worthiness of the product. Under it, individual mills, licensed by the Indian Standards Institution to use the I.S.I. mark, will be responsible for drawing samples, testing them and marking their goods. The I.J.M.A.Q.I.C. will do the super-inspection work. In addition to the inspection of manufactured goods, mills will also have to enforce "in process" quality control to ensure that requisite standards are maintained right from the raw material stage. Severe penalties are provided for the abuse of the I.S.I. mark. If it is found that goods do not meet the quality requirements, mills will be advised to suspend marking unless the I.J.M.A.Q.I.C. is satisfied that the goods are produced in accordance with specific norms. The present system of inspection, being carried out by the I.J.M.A.Q.I.C. through the five zonal offices, and the submission of reports to mills have been found to be helpful in providing an advance intimation of the standards attained. When any deficiency is noticed, corrective steps can be taken immediately by the mills concerned.

Mills have to apply to the I.S.I. for licence to use the I.S.I. certification mark on their goods. Such licences will be issued on the recommendation of the I.J.M.A.Q.I.C. that the applicant mills are able and equipped to meet the quality control and inspection requirements. Mills should have proper testing equipment and qualified quality control staff.

Import of Equipment

As for equipment, the fabric-strength testing appliances have to be imported, but others are available within the country. A special priority order will be given by the Government of India for prompt issue of licences and foreign exchange permits for importing quality control equipment. Mills are required to have four quality control personnel for thousand looms. The department should be under a qualified technologist. Training facilities will essentially be of a practical character, supplemented by a series of lectures to be arranged by the I.J.M.A.Q.I.C.

The implementation of quality control and pre-shipment inspection will no doubt entail an additional financial burden on the mills. But experience has shown that the incidence of such expenditure will be more than offset by the improvement in quality, fewer rejections and other technical benefits. The Government of India may sanction a matching grant to the I.J.M.A.Q.I.C. for meeting the expenses incurred in this direction.

I.S.I. Draft Standards

The Indian Standards Institution had issued in 1963 a number of standards for gunnies. But these have since been withdrawn and reissued as drafts on receipt of comments from overseas buyers. The suggestions of American and Australian consumers are expected soon. It is hoped that the standards would be finalised on the basis of such comments before December.

THE JUTE MARKETS

Manufactured Goods: Steady conditions prevailed in the Calcutta gunny market during the past week. There was a revival of interest in heavy goods following the issue of Indian Government tenders for about 17,500 bales of B Twills for July-August delivery. The Mysore Sugar Mills' tender for 250,000 A Twill bags for September-January delivery and the Kenya Jute Control enquiry for 1,000 bales of heavy goods were additional stimulants. Mills emerged as keen sellers for all positions during the rally following the issue of the tenders, and booked handsome business. Shorts also rushed in to cover their open positions, hardening the price trend. In hessian, transactions were more or less of a routine covering nature in the absence of fresh overseas enquiries or business. The trend in the fabric was barely steady in sympathy with heavy goods. In the hedge market, conditions were governed by the trends in the spot market. Sacking was exceptionally firm on brisk bear-covering, while hessian finished with a minor gain on balance. Turnover was heavy in sacking, and moderate in hessian. Fluctuations were wide in the former and narrow in the latter. The undertone was buoyant in heavy goods and steady in hessian. The situation in Calcutta port worsened. Shortages of lighters and berthing space continued to halt loading operations. Besides, dockworkers continued their delaying tactics. Although the congestion at the Sandheads had been reduced, there was a rush of ships in the dock areas. In view of these difficulties, most shippers could not avail themselves of the lower freight up to 10th July. The report that Argentina was experiencing foreign exchange difficulties, which might ultimately compel her to reduce her overseas purchases, called for caution.

Wednesday's quotations were as follows:

	July	Aug.	Sept	Oct.-Dec.
40in. 7½oz.	33.65	33.70	33.75	33.85
40in. 8oz.	36.15	—	—	—
40in. 10oz.	44.65	44.85	45.00	45.30
B Twills	116.45	116.20	116.00	116.00
Cornsacks	119.00	119.75	119.75	119.25
Heavy Cees (Plain)	116.50	116.00	116.00	116.00
A Twills	138.50	139.50	140.00	141.00
Liverpools	129.50	129.50	129.50	129.50

Raw Jute: Opening on a quiet note, steady conditions emerged in the raw jute market during the past week. A decline in the stocks of raw jute with I.J.M.A. mills from 2.23 million bales at the end of May 1963 to around 2 million bales in May 1964 gave rise to the belief that mills would have smaller fibre stocks at the close of the 1963-64 season. So, they entered the market for lifting the new crop jute right from the beginning of the current season. Reports of some damage to the early sown crop in northern Bengal and lower Assam valley called for caution, encouraging operators to bid higher prices. Daily arrivals in upcountry agencies were 10,000 maunds and in Cossipore about 3,000 maunds. Transactions were more or less of a routine nature, confined to selected grades. Mill support helped prices to harden by about 50 paise a maund for all varieties. In the hedge market, Upper Assam White Bottoms for September lost pace on tired long liquidation combined with some short-selling. Turnover was small in the spot market, and moderate in the futures market. The closing undertone was steady in the former and hesitant in the latter.

Wednesday's quotations were as follows:

	Landed at Mills (Basis Bottoms) 1963-64 Crop		1964-65 Crop	
	Rs. A Qtl.	Rs. A Md.	Rs. A Qtl.	Rs. A Md.
Assam-Agartala Jute	83.05	31.00	85.74	32.00
Northern Jute	80.38	30.00	84.39	31.50
Western Desal Jute	75.02	28.00	80.38	30.00
Selected Daissee	88.41	33.00	89.75	33.50
Assam-Agartala Tossa	84.39	31.50	87.08	32.50
Mesta:				
Assam-Northern	68.32	25.50	75.02	28.00
Local Daissee	69.66	26.00	73.68	27.50
Bihar Dist.	66.98	25.00	69.66	26.00

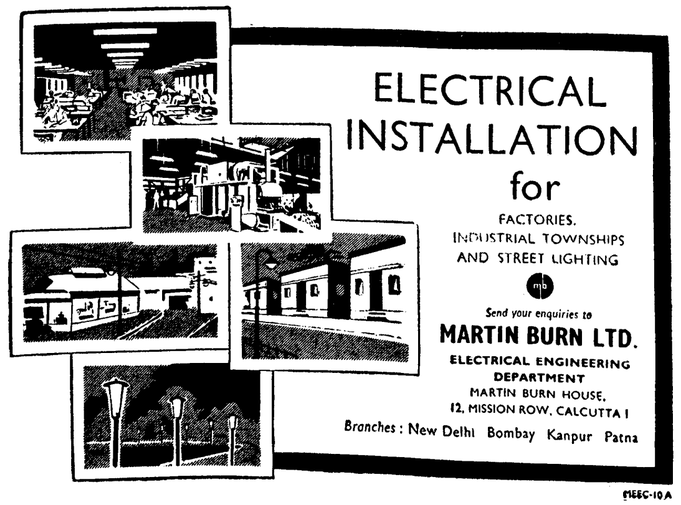
THE U. K. JUTE MARKETS

FIBRE STILL DULL

(FROM OUR DUNDEE CORRESPONDENT)

VERY few offers of raw jute were made in Dundee during the past week. Most sellers were still remaining out of the market, although a new range of F.P.C. values have been issued. The official values fixed are lower than expected with Mill Firsts at £115 10s, Export Firsts at £103 10s. Export Lightnings at £92 10s and Export Hearts at £81 10s, c.i.f. U.K., 90 days sight. The grades of Mill Lightnings and Mill Hearts have been abolished. Dark jute E.P.C. values are at £117 10s for Crack Tossa-4 and Dacca Tossa-5, £112 10s for Grade Tossa-2/3, at £103 10s for Grade Tossa-4 and Dacca Tossa-6, £95 10s for Outport Tossa-2/3 and £85 10s for Outport Tossa-4. Cuttings have been fixed at £59 for S.N.C. and D.T.C. and at £51 for N.C. and T.C., c.i.f., U.K.

The few offers being made here were £3 to £4 a ton above the official rates and spinners were showing no buying interest. It will take a little time for the market here to settle



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Reserve Fund and other Reserves	Rs.	5,51,80,373
Deposits as at 31-12-63	Rs.	2,51,19,72,978

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down and for offers to be freely made.

Most Dundee spinners are holding substantial stocks of raw material and there is no need for them to start buying new crop immediately. They are in a position to remain out of the market for a few weeks until they see how prices are to move. The question of the reduction in export duty on raw jute purchased before 13th June but not shipped by that date, has still to be settled.

The Siam jute market is quiet and unchanged. Only small parcels of old crop are available, but offers of new crop are being quite freely made. Prices are at £76 for super A, at £69 15s for grade A, at £65 15s for grade B and at £61 for grade C, delivered mill Dundee for October-November shipment.

Little or no change took place in the Calcutta goods market during the past week. The Jute Control here is now buying on c. and f. terms, and the following prices are on this basis. Quotations are at 73s 7d for 40in. 10oz. and at 56s 4d for 7¼oz. a 100 yards for July shipment, at 74s and 56s 4d August-September and at 74s 6d and 56s 4d October-December. B Twills were at 197s 7d, 197s 7d and 197s 9d for the respective shipment periods.

Dundee jute spinners are busy and have orders in hand for delivery a fair distance ahead. The carpet trade continues to take regular supplies and contracts are being renewed. Supplies of yarns are not easy to obtain for reasonably early delivery, and this is bringing out more interest in the forward position.

Manufacturers of hessians are well placed, and production is being maintained at a high level. Demand for wide cloth for the tufted carpet industry is very good, and there is every indication that this will continue. The heavy end of the trade is still very quiet, and although there have been enquiries for sackings, very little actual business has resulted so far.

THE PAKISTANI JUTE MARKETS

GOOD RECEPTION TO NEW PRICE POLICY

(FROM OUR DACCA CORRESPONDENT)

UNDER the new jute policy, announced last week, minimum prices have been withdrawn. This means that the Export Price Control on the basis of which contracts may be registered with the State Bank, will be based on the market as interpreted by the committee consisting of the P.J.A. chairman, a large shipper, a small shipper and a representative of the Jute Board. These will be issued daily by the P.J.A. It is reported that the State Bank and the J.M.C. representative will also have a say in the matter so that if the market goes too low, either the price will not be reduced accordingly or the Jute Board will use its authority to start buying in order to steady the market.

The £2 preference for small shippers and the J.M.C. has been withdrawn. This has naturally created a certain amount of bitterness in certain circles. Internal minimum prices have been raised and readjusted. Furthermore, the 10 percent discount below local minima in the purchase for the buffer stock which was allowed to the J.M.C., has been cancelled. The quota system has been changed. There are no details of this yet, but it is reported that exporters will be allowed to sell freely during the first three months ending September, and they will be issued with quotas for the next three-month period based on their purchases during the previous three months.

There is no doubt that this new policy will be accepted as being equitable and far sighted by most circles of the trade. It means that prices at which one can sell will be more realistic. It will drastically cut the drain of Pakistan's foreign exchange resources by obviating the necessity to deal in black market currency. It will encourage balers who want to get a god export quota to buy more locally, which will help the growers, which is the Government's aim. The lifting of quotas and the removal of £2 preference will squash the argument that Pakistani shippers are receiving preferential treatment in comparison with foreign shippers.

Furthermore, since there is every reason to believe that there is insufficient jute to let the market fall, this new policy will almost certainly work satisfactorily both from the point of view of shippers and of the Government. Altogether the new season starts with a favourable climate marred only by one cloud in the sky, namely, the question of export duty. It will be noted from the enclosed E.P.C. figures that the P.J.A. has adjusted the price to the market without taking into consideration one way or the other the question of export duty. That is to say, some prices have been increased, some have been reduced more and some less than the difference in export duty. It is reported that there was a certain amount of pressure at the meeting which decided on the new E.P.C. P.J.A. prices to increase rather than decrease. It was finally agreed that the maximum decrease should be effected and it is not likely, unless something catastrophic happens, that they would further decrease and in fact by the time this appears in print, some of the E.P.C. prices may well have been increased. The new range of prices is considered reasonable in white jute if a bit high for Export Hearts. In Tossa, the prices for old crop are rather high particularly in Outport Tossa 2/3 and 4 but for new crop the prices are reasonable.

Quite apart from the jute policy and the new P.J.A. prices, the Jute Board has decided that the marks of Mill Lightnings and Mill Hearts will be abolished. While this will upset some buyers it is a reasonable decision to make since the prices for Mill Hearts and Export Lightnings and the price for Mill Lightnings and Export Firsts is the same in E.P.C.s and there is nothing to prevent balers from giving side guarantees such as pure jat origin, etcetera. In the loose jute sector, there is still nothing to report since arrivals continue to be very small and very short. Some lucky day purchases have been made purely for sentimental reasons and the jute bought is not really suitable for export. More reports are coming in to the effect that not only is the crop small but also the quality is poor in many areas. The indications are that the percentage of cuttings will not be very heavy since weather conditions have been good. This again is a bullish factor because interest in cuttings overseas seems to be high and this is reflected in the local pucca bale prices.

As a result of the new E.P.C. prices there has been some interest in Outport Tossa 2/3 locally and parcels have changed hands at about the overseas market price. Overseas balers have still not reacted to the new prices, probably because they are still upset about the question of export duty which remains unsettled. This season very little new crop business is reported and it may well be that when buyers come in to buy they will buy more than usual. At the same time, the mills have given an undertaking to lift 800,000 bales physically before the end of September, which means some 40 percent of normal arrivals during this period. The lifting by the mills of this amount of jute combined with overseas buyers concentrating purchases rather than buying spread over a wider period together with balers' probable heavy purchases in order to attain a good quota, must surely result in a much steadier market.

Important P.J.A. E.P.C. price changes:

	Old	New
Export Firsts	£ 97	£ 91
Export Lightnings	£ 86	£ 80
Export Hearts	£ 73	£ 69
Dacca Tossa 5	£ 114	£ 105
Dacca Tossa 6	£ 97	£ 91
Grade Tossa 2/3	£ 108	£ 100
Grade Tossa 4	£ 97	£ 91
Outport Tossa 2/3	£ 91	£ 83
Outport Tossa 4	£ 80	£ 73
S.N.C./D.T.C.	£ 49	£ 50

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

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

Description	30th June, 1964		31st May, 1964		Increase over (+) or decrease from (−) last month		30th June, 1963	
	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)
Hessian cloth and bag	14,51.32 (15.87)	45.1 (44.4)	15,11,14 (16.53)	47.0 (46.2)	− 59,82 (−66)	−1.9 (−1.8)	10,31,73 (11.28)	32.4 (31.8)
Sacking cloth and bag	10,08,23 (11,03)	45.1 (44.4)	9,02,30 (9.87)	40.4 (39.8)	+1,05,93 (+1.16)	+4.7 (+4.6)	10,36,10 (11,33)	47.2 (46.5)
Carpet-backing	1.72,79 (1.89)	21.4 (21.0)	1,70,91 (1,87)	21.2 (20.9)	+ 1,88 (+2)	+0.2 (+0.1)	49.93 (55)	6.4 (6.3)
Others		14.5 (14.3)		15.6 (15.3)		−1.1 (−1.0)		10.2 (10.1)
Grand Total		1.26.1		1.24.2		+1.9		96.2
(000 Tonnes/Tons)		(1,24.1)		(1.22.2)		(+1.9)		(94.7)

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

Commodity Markets

SOUTH INDIAN TEA CROP DISAPPOINTING

(FROM OUR SOUTH INDIAN CORRESPONDENT)

SOUTH Indian tea crop is disappointingly poor this year due to unfavourable weather. Production in this region up to the end of May is estimated at 65 million lbs. This is 17 million to 18 million lbs short of the harvests during the corresponding periods of the past two years. This fall in production is attributed to a severe and prolonged drought the tea growing belt of south India experienced this year. Monsoon was unusually delayed. It is only a few days since the monsoon has started in south India and even if the rest of the year gets adequate rain, it is doubtful whether the damage suffered already will be fully compensated.

This shortfall in production has not had any effect on the market. The prices realised at the Cochin auctions where most of the south Indian tea is offered for sale have been more or less in keeping with the prices realised last year when production was on the high side. For instance, the sale average for leaf grades from 1st January to 23rd June was only Rs. 4.94 a kilogram, compared with Rs. 4.77 a kilogram of the same period last year. It is feared that the precarious balance between supply and demand maintained in the last three years may be upset in spite of the smaller south Indian production in view of the good crop prospects forecast for the other producing centres including north India. If this apprehension materialises, the worst sufferers will be the producers in south India because the falling price coincides with a smaller crop.

South Indian producers, particularly of the Nilgiris, have a serious grievance against the zonal classification applied to their districts. Nilgiris, for instance, is placed under Zone IV, thereby having to pay 42 paise a kilogram as excise duty, against 30 paise for tea falling under Zone III. But the average price fetched for some of the Zone III teas like those produced in Darjeeling district is said to be at least 40 percent higher than that fetched by Nilgiri teas. Nilgiri district has the largest number of small growers in India and many of them do not produce anywhere near the average attributed to the district. Therefore, the Nilgiri producer suffers a substantially larger loss by having to pay an excise duty at this high rate. Mr. J. W. Lawrence, chairman of the Nilgiri Planters Association, made a strong plea for a reassessment of this defective system of excise levy, in the course of his address to the in the course of his address to the recent annual meeting of his association.

CASHEW KERNEL

Higher Export Earnings

India has been able to make more money through the export of cashew kernel and cashew shell oil so far this year. The export earning on these two items during the first five months of 1964, is placed at Rs. 9.97 crores, representing a gain of Rs. 86 lakhs over that of the same period last year. Export of cashew kernel during January-May 1964 amounted to 879,000 cases of 50 lbs each valued at Rs. 9.21 crores, compared with 976,000 cases worth Rs. 8.83 crores exported during the same period in 1963. Due to higher prices for processed kernel this year, India's export earnings on cashew kernel have increased by Rs. 38 lakhs during this period. As in the past, the U.S.A. topped the list of buyers with an offtake of 455,000 cases. This was, however, 64,000 cases less than what she took in the corresponding period of last year. Russia came next with an offtake of 132,000 cases, as against 167,000 cases bought during the same period last year. East Germany had taken 81,000 cases, the same as that of last year. The U.K. which bought 70,000 cases had enhanced her offtake by 22,000 cases. Shipments to other important destinations with the corresponding figures for last year in brackets are given below: Australia 27,000 cases (38,000) ,West Germany 20,000 (18,000), Canada 19,000 (25,000), Japan 12,000 (5,000), the Netherlands 11,000 (9.000), France 9,000 (4,000), Poland 9,000 (10,000).

The Central Minister for Commerce, Mr. Manubhai Shah, has done a good job by making arrangements in America for the sales promotion of cashewnuts. They figure in India's exports to that country and as a result of the arrangements now made with the importers there, the exports of these commodities are expected to receive a boost. A fund of $ (U.S.) $500,000 has been raised for the promotion of cashew and another fund of $1 million for spices. The cashew fund will be shared equally between the Indian Cashew Promotion Council and American importers, while the spices fund will be shared between the Spices Export Promotion Council and the importers in the U.S.A. According to New York reports, the importers in the U.S.A. told Mr. Shah that they were satisfied with the quality control measures introduced by the Government of India some time ago, but they were concerned about the wide fluctuations in the prices, particularly of processed cashewnuts. Mr. Shah, too, agreed that the prices could not be allowed to sag or rise sharply. Both felt that there was scope for increasing the demand for both cashew and spices in the Americas. The funds now constituted for sales promotion are considered initial. One of the objectives of the new funds will be to promote sales of Indian mixed brands through the supply of free sample packets.

PEPPER

Dull Market

The Indian pepper market has been remaining dull for same time now with prices remaining more or less steady around Rs. 345 a quintal for garbled spot delivery on the Cochin market. Futures trading also has been a colourless affair. The reason is said to be the virtual withdrawal of U.S. buyers from the Indian market. The American disinterest in Indian pepper at present is attributed to the competition from Indonesia. The latter is currently offering pepper at around 30 cents a lb, whereas Indian prices work out to about 39 cents. It is said that Indonesia is forced to sell pepper cheap because of accumulated stocks. Further, the exporters there have to bear detention charges which are very high at about 5 cents a lb. One cannot say how long Indonesia would opt to sell her crop at this low price.

COMPANY AND PUBLIC NOTICES

THE INVESTMENT & FINANCE COMPANY LIMITED

NOTICE is hereby given to the Members of the abovenamed Company that an Annual General Meeting of the Company will be held at the Registered Office, Chartered Bank Buildings, Calcutta, on Tuesday, the 4th August, 1964 at 11-00 A.M. for the following purposes:—

1. To consider and adopt the Profit and Loss Account of the Company for the year ended 29th February, 1964, and the Balance Sheet as at that date and to receive the Directors' and Auditors' Reports thereon.
2. To declare the Dividends recommended by the Directors.
3. To appoint Auditors and fix their remuneration.

As Special Business

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

"That Article 173 of Articles of Association of the Company be amended by deleting the word "three" in line 4 and substituting therefor the word "six".

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

"Resolved that Mr. A. S. Kaye be and is hereby appointed a Director of the Company whose period of office shall be liable to termination by retirement of Directors by rotation."

The Share Transfer Registers of the Company will be closed from the 21st July, 1964 to 4th August, 1964, both days inclusive.

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

Registered Office:
Chartered Bank Buildings,
Calcutta, 27th June, 1964.

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

(b) The Dividends, if declared, will be paid on or after 17th August, 1964, to those Shareholders so entitled whose names appear in the Company's books on the 4th August, 1964, or to their mandatees. No application for Dividend Warrants will be necessary.

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

THE GENERAL INVESTMENT & TRUST COMPANY LTD.

NOTICE is hereby given to the members of the abovenamed Company that an Annual General Meeting of the Company will be held at the Registered Office, Chartered Bank Buildings, Calcutta, on Tuesday, the 4th August, 1964 at 11-05 A.M. for the following purposes:—

1. To consider and adopt the Profit and Loss Account of the Company for the year ended 29th February, 1964, and the Balance Sheet as at that date, and to receive the Directors' and Auditors' Reports thereon.
2. To declare the Dividends recommended by the Directors.
3. To appoint Auditors and fix their remuneration.

As Special Business

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

"That Article 173 of Articles of Association of the Company be amended by deleting the word "three" in line 4 and substituting therefor the word "six".

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

"Resolved that Mr. K. K. Dutt be and is hereby appointed a Director of the Company whose period of office shall be liable to termination by retirement of Directors by rotation."

The Share Transfer Registers of the Company will be closed from the 21st July, 1964 to 4th August, 1964, both days inclusive.

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

Registered Office:
Chartered Bank Buildings,
Calcutta, 27th June, 1964.

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

(b) The Dividends, if declared, will be paid on or after 17th August, 1964, to those Shareholders so entitled whose names appear in the Company's books on the 4th August, 1964, or to their mandatees. No application for Dividend Warrants will be necessary.

(c) The Relative Explanatory Statements pursuant to Section 173 of the Companies Act, 1956, in respect of Special Business set out above are being sent to the shareholders.

DALMIA CEMENT (BHARAT) LIMITED

Registered Office : DALMIAPURAM.

NOTICE is hereby given that the Board of Directors of the Company have decided to implement the Scheme for Conversion of the Deferred shares into Ordinaries in the ratio of 4 : 1, which has already been approved by the shareholders and Madras High Court, with effect from 1st July, 1964. For this purpose, the Registers of Members and share Transfers of the Company will remain closed from 28th July to 8th August, 1964, both days inclusive. Ordinary shares in lieu of the Deferred shares of this Company will be issued in accordance with the provisions of the Scheme to the registered holders of the Deferred shares as on 8th August, 1964.

By Order of the Board,

S. C. AGGARWAL,

Secretary.

Dated : 1st July 1964.

JAGATJIT COTTON TEXTILE MILLS LIMITED

NOTICE

THE 17th Annual General Meeting of the Shareholders of the Company will be held at the Registered Office of the Company at 'Thapar House', 25, Brabourne Road, Calcutta, on Friday the 31st July, 1964 at 3-00 P.M.

AGENDA :

1. To receive and adopt the directors' report and the audited accounts of the Company for the year ended the 31st January, 1964.
2. To declare dividends on Preference and Equity Shares.
3. To elect directors in place of those who retire by rotation :
   (a) Seth Bhagram Handa, director of the Company being longest in office, is due to retire and being eligible, offers himself for re-election ;
   (b) Shri L. M. Thapar is also due to retire being longest in office and as he is an associate of the Managing Agents of the Company, a notice has been received from a shareholder of the Company, proposing his re-election. A special notice as such is hereby given for passing the following resolution with or without modification as a special resolution :

RESOLVED :

"That pursuant to section 261 of the Companies Act, 1956, Shri L. M. Thapar, an associate of the Managing Agents of the Company be and is hereby re-elected director of the Company".

   (c) Shri J. K. Srivastava also retires being longest in office and as he is an associate of the Managing Agents of the Company, a notice has been received from a shareholder of the Company, proposing his re-election. A special notice as such, is hereby given for passing the following resolution with or without modification as a special resolution :

RESOLVED :

"That pursuant to section 261 of the Companies Act, 1956, Shri J. K. Srivastava, an associate of the Managing Agents of the Company be and is hereby re-elected director of the Company".

4. To appoint Auditors for the current year and to fix their remuneration. The present auditors, M/s. S. P. Chopra & Co., retire and are eligible for re-appointment.

Note : (i) The Share Transfer Books of the Company will be closed from the 22nd July, 1964, to 31st July, 1964, both days inclusive.

(ii) A member unable to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.

(iii) **Explanatory note pursuant to Section 173 of the Companies Act, 1956 in respect of items No. 3(b) & (c) of the agenda has been sent to all the shareholders along with the notice.**

By Order of the Board.

KARAM CHAND THAPAR & BROS. PRIVATE LTD.,

Managing Agents.

Registered Office :

'Thapar House',

25, Brabourne Road,

Calcutta,

The 22nd June, 1964.

THE BRITANNIA BISCUIT CO. LTD.

NOTICE is hereby given that the Annual General Meeting (being the 73rd Ordinary General Meeting) of the Shareholders of the Britannia Biscuit Company, Limited, will be held at the registered office of the Company, 15, Taratola Road, Calcutta-53, on Thursday the 20th August, 1964, at 10 a.m. for the following purposes :

1. To receive and consider the Report of the Directors with Statement of Account and Balance Sheet, and to read the Report of the Auditors thereon.
2. To declare Dividends.
3. To elect Directors.
4. To appoint Auditors and fix their remuneration.

The Share Transfer Books of the Company will be closed from the 5th August to 20th August, 1964, both days inclusive, and warrants for such Dividends as may be declared will be issued directly to the Registered Shareholders or their mandatees whose names appear in the Company's Books on the 20th August, 1964, on or after the 31st August, 1964.

By Order of the Board,

A. P. CHANDA,

Director & Secretary.

15, Taratola Road,

Calcutta,

3rd July, 1964.

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

THE VICTORIA JUTE COMPANY, LIMITED

THE Directors of this Company have decided to pay Interim Dividends for the current year of 3% on the Ordinary Stock and at the rate of 6% per annum on the Preference Stock. These Dividends will be paid on 31st July, less Income Tax at 7/9 per £.

The Transfer Books will be closed from 17th to 31st July inclusive.

G. D. BUTCHART,

Secretary.

Dundee, 7th July, 1964.

THE TITAGHUR JUTE FACTORY COMPANY, LIMITED

THE Directors of this Company have decided to pay Interim Dividends for the current year of 3% on the Ordinary Stock and at the rate of 6% per annum on the Preference Stock These Dividends will be paid on 31st July, less Income Tax at 7/9 per £.

The Transfer Books will be closed from 17th to 31st July inclusive.

G. D. BUTCHART,

Secretary.

Dundee, 7th July, 1964.

THE SAMNUGGUR JUTE FACTORY COMPANY, LIMITED

THE Directors of this Company have decided to pay Interim Dividends for the current year of 3% on the Ordinary Stock and at the rate of 6% per annum on the Preference Stock. These Dividends will be paid on 31st July, less Income Tax at 7/9 per £.

The Transfer Books will be closed from 17th to 31st July inclusive.

G. D. BUTCHART,

Secretary.

Dundee, 7th July, 1964.

DUNCAN BROTHERS & COMPANY LTD.

NOTICE is hereby given that Mr. Man Mohan Kapur and Mr. Amarendra Kishore Banik, assistants of the Company, have been granted power to sign "per procurationem" on behalf of the Company with effect from 1st July, 1964.

By Order of the Board,

S. K. MITRA,

Secretary.

31, Netaji Subhas Road,

Calcutta, 6th July, 1964.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

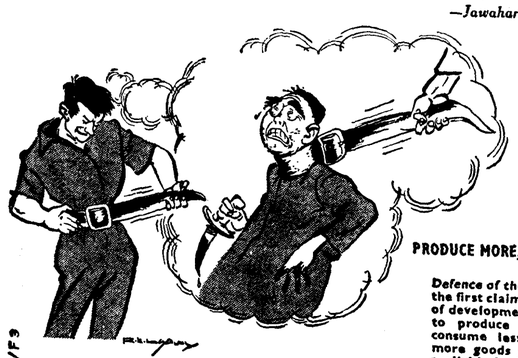
Name of Company	Date	I.S.T. Hours
Bharat Nidhi Ltd. ..	17-7-64	3-30 p.m
Metal Box Co. of India Ltd. ..	27-7-64	12-30 p.m
*Attock Oil Co. Ltd.	29-7-64	
Jagatjit Coton Textile Mills Ltd. ..	31-7-64	3 p.m.
Investment & Finance Co. Ltd. ..	4-8-64	11 a.m.
General Investment & Trust Co. Ltd. ..	4-8-64	11-5 a.m
Indian Copper Corporation Ltd	12-8-64	11-30 a.m
Britannia Biscuit Co. Ltd. ..	20 8-64	10 a.m.

(*Meeting to be held in London)

DIVIDENDS DECLARED OR PROPOSED.—Burn & Co. Ltd.—15 p.c. (o), Subject to tax ; Katras Jherriah Coal Co. Ltd.—Rs. 2.25 per share (f), subject to tax Jagatjit Cotton Textile Mills Ltd.—15 p. (o), subject to tax.

Freedom is in peril, defend it with all your might

—Jawaharlal Nehru



PRODUCE MORE, CONSUME LESS

Defence of the country has the first claim on the fruits of development. We have to produce more, but consume less and make more goods and services available for Defence. This will also help keep prices in check. Avoid all extravagance and waste.

YOUR AUSTERITY IS INDIA'S STRENGTH

DAS4/F9

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock Exchange Associations and other sources.

Figures given after stroke (/) mean paise.

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Wednesday, 8th July, 1964.

BANKS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 8-7-64 Rs.	1-7-64 Rs.	A year ago Rs.
Allahabad Bank P.	18	15	15	100	250/00	250/00	236/00
Bank of Baroda	17	16	16	50	96/50	96/00	88/00
Bank of India	20	20	18	50	103/00	102/50	110/50
Central Bank of India	20	20	20	25	48/50	48/00	56/00
Chartered Bank	15	15	15	£1	sh. 49/9	sh. 49/6	sh. 59/3
Hindusthan Commercial	Nil	Nil	..	50	11/00	10/50	13/25
Hindusthan Mercantile	Nil	Nil	..	50	10/75	10/75	15/62
Hong Kong & Shanghai	sh. 15	sh. 16	sh. 16	HK$25	£21¾	£21¼	£18¾
Indian Bank	15	14	..	100	153/50	152/50	158/50
Indian Overseas Bank	14	..	..	..	144/00	142/50	142/00
National & Grindlays Bank	14	16	14	sh. 15	sh. 30/9	sh. 30/6	sh. 34/6
Punjab National Bank	20	20	..	10	19/75	19/75	18/69
Union Bank of India	11 2/5	11 2/5	..	5	6/16	6/12	5/84
United Bank of India	6	6	7½	10	7/59	7/59	7/31
United Commercial Bank	12	12	12	50	68/25	68/25	66/00

*1962

JUTE MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 8-7-64 Rs.	1-7-64 Rs.	A year ago Rs.
Agarpara P.	2½	2½	12	10	8/87	8/87	10/00
Alexandra P.	15	42½	..	100	300/00	300/00	300/00
Alliance P	Nil	10	12½	100	124/00	124/00	125/50
Anglo-India P.	7	10	12	100	156/00	152/00	224/00
Auckland P.	12	Nil	15	100	124/00	122/00	142/00
Bally P	25	25	..	100	235/00	235/00	263/00
Barnagore P.	10	10	10	£5	220/00	220/00	196/50
Bengal P.	..	..	..	10	6/69	6/69	9/69
Birla P	15	15	15	10	33/50	33/75	28/75
Budge Budge P.	Nil	12	14	100	121/00	121/00	155/00
Calcutta P	..	..	..	10	8/12	8/12	8/12
Caledonian P.	5	..	..	100	142/00	142/00	200/00
Champdany P.	5	Nil	40-35*	10	20/87	22/37	20/56
Cheviot P	5	25	..	10	19/06	21/37	21/56
Chitvalsah P.	Nil	5	Nil	10	7/75	7/75	9/94
Clive P	..	..	..	10	8/00	8/00	10/25
Dalhousie P.	1	Nil	25	100	115/00	115/00	145/00
Delta P	Nil	12	7½	100	132/00	132/00	159/00
Empire P	7½	12½	15	10	13/87	13/87	14/69
Fort Gloster P.	10	12½	20	100	251/00	251/00	377/00
Fort William P.	22½	10	20	10	21/81	21/37	26/00
Ganges P	10	15	20	10	13/81	13/69	13/87
General Industrial	10	13	..	10	13/25	14/19	15/62
Gourepore P.	25	20	20	10	22/25	22/50	25/50
Hastings P.	6	6	6	100	128/00	128/00	128/00
Hooghly P.	20	7½	10	10	14/50	16/00	18/87
Howrah P.	10	Nil	10	10	16/25	15/50	18/87
Hukumchand P.	28 2/3	26 2/3	26 2/3	7½	19/50	19/50	18/19
Inida	12	8	22½	12½	15/12	15/12	18/19
Kamarhatty P.	Nil	20	20	100	165/00	165/00	191/00
Kankinarrah P.	Nil	15	15	100	129/00	137/00	130/00
Kelvin P	15	5	20	100	135/00	135/00	184/00
Khardah P.	6	12½	12½	10	17/50	17/50	18/75
Kinnison P	7	Nil	10	100	114/00	114/00	148/00
Lansdowne P.	Nil	Nil	Nil	100	92/50	93/50	87/00
Lawrence P.	15	10	10	100	102/00	99/50	100/00
Megna P.	12½	Nil	22	10	12/56	12/56	13/12
Naihati P.	..	..	..	100	85/00	85/00	81/00
Naskarpara	..	..	..	10	8/00	8/00	9/06
National P	Nil	10	10	10	20/62	20/62	22/94
Nellimarla P	6	15	5	10	8/31	8/31	11/81
New Central P.	15	Nil	..	10	11/31	11/75	12/94
Northbrook P.	30	20	35	10	24/75	24/75	27/12
Nuddea	6	5	10	10	10/87	10/87	..
Presidency	6	10	10	5	4/53	4/50	4/69
Rameshwara P.	Nil	Nil	Nil	10	9/20	9/20	9/56
Reliance P	Nil	Nil	Nil	10	7/37	7/37	9/75
Sammugger P.	Nil	10	10	£1	10/50	10/50	10/50
Shree Ambica P.	6	Nil	..	10	30/00	30/00	25/00
Soorah P	25	25	..	10	18/94	22/56	22/75
Titaghur P.	Nil	13	..	£1	10/50	10/50	10/50
Union P	6	Nil	20	100	133/00	133/00	155/00
Victoria P.	Nil	10	10	£1	10/50	10/50	10/50
Waverley P.	30	60	30	1	8/19	8/19	7/25

*1964

COAL COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 8-7-64 Rs.	1-7-64 Rs.	A year ago Rs.
Amalgamated	12½	15	..	10	22/37	22/37	22/69
Bengal P	21	19	16	100	233/00	233/00	261/00
Bengal Bhatdee	..	..	..	10	3/48	3/48	3/48
Bengal Nagpur	26	..	..	10	22/00	22/00	22/00
Bhaigora	..	..	..	10	3/87	3/87	4/84
Bharat Collieries P.	..	..	..	10	3/00	3/00	3/44
Bhuianbararee	..	..	..	10	10/00	10/00	11/94
Bokaro & Rampur	..	..	..	10	11/19	11/19	11/19
Borrea P	15	15	15	10	20/25	20/25	23/87
Burrakur P.	13	13	13	10	15/81	15/81	15/50
Central India	10	10	..	10	8/87	8/69	9/75
Central Kurkend P.	..	..	..	10	3/44	3/44	3/87
Churulia	..	..	..	4	3/06	3/06	3/06
Dhemo Main	Nil	..	..	10	3/95	3/95	4/31
East Indian	15	20‡	..	£1	28/50	28/50	31/87
Equitable P	10	Nil	10	10	21/50	21/50	24/69
Ghusick & Musils	Nil	Nil	Nil	10	13/87	13/87	14/25
Guzdar Kajora	..	..	..	10	2/47	2/47	2/44
Hurriladih	..	..	..	10	5/44	5/44	8/12
Karanpura Development	5	..	3	100	7/69	7/69	11/50
	15	..	9	10F			
Karanpura Collieries P.	10	10	10	10	11/62	11/75	16/75
Katras Jherriah	40	25	30	10	30/00	30/00	37/75
Chas Kajora P	..	..	..	10	16/62	17/62	18/70
Mundulpur	..	..	..	10	2/69	2/69	2/69
Nazira	Nil	Nil	..	10	5/00	6/25	5/00
New Beerbhoom P.	10	12	10	10	15/50	15/19	19/12
New Manbhoom	9	12	..	10	11/25	11/25	16/00
North West	20	..	..	10	19/75	19/75	19/75
				7½	18/00	18/00	18/00
Ondal P.	7½	..	..	10	13/50	13/50	12/00
Parasea P	1½	..	..	10	14/00	14/00	16/00
Pench Valley	10	10	..	10	17/44	17/44	18/00
Pure Sitalpur	17	..	..	10	8/00	8/00	8/00
Rangeegunge	20	17	..	10	13/37	13/37	16/00
Rewa	..	..	..	10	28/50	28/50	28/50
Samla	..	..	..	10	7/81	7/81	11/25
Searsole	Nil	Nil	..	2½	1/25	1/25	1/22
Seebpore P.	42 6/7	35 5/7	28 4/7	7	34/75	34/75	45/00
Sendra	3½	..	..	10	5/00	5/00	5/75
South Karanpura	Nil	Nil	2½	10	6/25	6/37	8/06
Standard	10	..	..	10	9/62	10/50	13/12
Union	..	..	..	10	10/25	10/25	11/12
Western Bengal	7½	9	..	10	8/81	8/69	8/81
West Jamuria	Nil	..	..	10	3/60	3/60	4/09

*1963

COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 8-7-64 Rs.	1-7-64 Rs.	A year ago Rs.
Basanti	..	..	..	10	12/06	12/06	11/56
Bengal Luxmi	..	..	..	40	30/00	30/00	28/00
Bengal Nagpur P.	Nil	..	..	10	2/44	2/44	3/00
Bharat Commerce	5	15	15	10	21/19	19/75	20/12
Birla Cotton	*10*	*20*	*20*	*10*	27/00	27/00	33/00
Bowreah P.	10	20	15	10	23/31	24/00	22/00
Cawnpore Textile	7 1/5	*10*	*10*	*5*	*6/56*	*6/19*	*6/16*
Delhi Cloth & Genl. P.	12	13	13-13*	25	*48/62*	*48/25*	*40/75*
Dunbar	*20*	*20*	*15*	*10*	*27/25*	*27/25*	*26/25*

* *1963*

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 8-7-64 Rs.	1-7-64 Rs.	A year ago Rs.
Elgin P.	11¼	17½	17½-17½*	10	19/87	19/25	17/75
J. K. Cotton (Rayon) P.	12½	..	..	10	10/75	10/94	11/00
Jaya Shree	10	10	..	10	13/37	14/19	14/12
Muir P	..	..	..	100	63/00	63/00	90/75
New Victoria P.	Nil	..	..	100	1/37	1/41	1/32
Orissa Textiles P.	*Nil*	*Nil*	..	2½	7/00	7/00	9/00
Rampooria Cotton	3	*Nil*	*Nil*	*10*	*13/00*	*13/00*	12/00
	Nil	*Nil*		1	3/00	3/00	2/37
Swadeshi (Kanpur) P.	5	..	..	10O	11/00	11/00	11/50
	5.51	..	..	10PO	6/75	6/75	7/25

BOMBAY COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 7-7-64 Rs.	29-6-64 Rs.	A year ago Rs.
Ahmedabad Advance P.	16	12	..	100	153/75	153/75	130/00
Apollo	Nil	Nil	..	2	1/68	1/76	1/98
Beharilal Ramcharan	Nil	Nil	..	100	134/00	134/00	70/00
Bombay Dyeing, etc.	14	14	14	25	58/80	58/00	59/80
Bradbury P.	10	25	..	50	162/50	162/50	150/00
Century	30	30	..	100	617/50	599/50	525/00
Central India P.	Nil	Nil	Nil-Nil*	100	96/00	94/00	103/50
Coorla	11	11	..	100	170/00	170/00	142/50
Dawn	30	30	..	50	165/00	167/00	133/00
Edward Textiles	9	9	6	200	285/00	285/00	300/00
Elphinstone P.	18	22	18	50	105/50	105/00	96/00
Finlay	23	23	..	100	298/00	290/00	310/00
Gokak	14	18	..	100	184/00	185/00	158/50
Hindoostan	50	50	..	250	950/00	950/00	855/00
India United	8	14	..	10	20/52	20/72	23/00
	13½	37½	..	1Dd	2/42	2/46	2/62

* *1963*

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 7-7-64 Rs.	29-6-64 Rs.	A year ago Rs.
Indian	23 1/5	25	..	250	840/00	870/00	761/25
Indore Malwa United	8½	10	7½	100	210/00	210/00	192/00
Khatau Makanji P.	32	16	..	100	191/25	188/75	220/00
Kohinoor	15	18	..	100	326/50	222/75	307/00
Lakshmi Vishnu P.	5·7	6	Nil	100	92/50	86/00	92/00
Morarjee Goculdas P.	21½	24	24-20*	100	272/00	271/25	394/00
Mysore Spg. & Mfg. P.	14	14	..	*50*	*38/00*	*36/00*	*46/00*
New City of Bombay	Nil	Nil	..	100	188/75	188/75	126/25
New Great Eastern P.	Nil	12	..	100	160/00	154/50	230/00
Phoenix	15	20	..	100	254/00	260/00	197/00
Sassoon & Alliance	Nil	Nil	..	10	10/24	10/24	11/76
Sassoon Spinning	17	20	10	10	38/00	37/00	42/00
Simplex	15	Nil	22-16*	50	138/00	136/00	124/00
Shree Niwas P.	18	20	14	*100*	244/00	242/00	*228/00*
Svadeshi P.	17	19	17	100	248/00	256/00	239/00
Swan	36	21 3/5	..	100	264/00	261/00	275/00
Tata	20	22	20	25	55/70	60/20	55/00
Western India	46 2/5	25	..	250	815/00	850/00	785/00

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 7-7-64 Rs.	29-6-64 Rs.	A year ago Rs.
CEMENT							
ENGINEERING & METAL							
Associated Cement	12½	12	12	100	154/00	153/25	144/25
ELECTRIC LTG., POWER							
Ahmedabad Electricity	7	6	..	100	100/50	100/50	94/80
Andhra Valley Power P.	5½	5	5	1000	1,090/00	1,075/00	1,025/00
Bombay Suburban Elec.	8	8½	8½	100	106/00	105/00	103/50
Tata Hydro Elec. Power P.	5½	5	5	100	113/00	113/00	106/00
Tata Power P.	5½	5	5	1000	1,143/75	1,145/00	1,071/25
Alcock Ashdown	17	22½	..	100	290/00	291/00	295/00
Jost's Engineering	8	10	10—Nil*	50	47/00	47/00	58/00
Larsen & Toubro P.	12½	18	14—14*	10	21/24	21/84	22/56
Mackenzies	10	12	14	100	140/00	140/00	137/00
Premier Construction P.	43 1/3	*33 1/3*	..	*30O*	187/00	188/50	135/00
				33⅓F			
Tata Eng. & Locomotive P.	12½	14½	14½-14½*	100	293/50	284/00	267/00
Tata Iron & Steel P.	9.1	10.36	10.36-11*	75O	156/50	153/25	143/75

* *1963*

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs	Latest Market Quotations as available until 7-7-64 Rs.	29-6-64 Rs.	A year ago Rs.
INSURANCE COMPANIES							
British India General	..	..	..	10	14/00	14/00	11/52
Jupiter General P.	..	..	..	15	7/00	7/00	9/30
New India	38	38	..	15	46/25	47/25	66/00
Vulcan	20	20	..	10	16/24	16/24	17/24
MISCELLANEOUS							
Belapur Sugar	58	50	..	50	217/50	206/00	190/00
Bombay Burmah Trading	30	33	33-33 1/3*	25	57/20	58/50	62/50
				20	43/75	44/00	..
Hindustan Lever	26	26	12	10	33/75	34/00	35/25
Industrial Invt Trust	6½	6½	..	100	73/50	71/00	69/30
Kemp (Chemists)	12½	12½	..	200	260/00	255/00	305/00
National Rayon	22	..	..	100	383/50	379/50	318/00
Scindia Steam Navign.	3	3	3	20	15/68	15/20	11/08
Shivrajpur Synd.	80	Nil	..	10	18/24	18/00	26/00
Tata Chemicals P.	6	6½	6½—10*	10	18/76	18/72	16/56
Tata Oil P.	23	23	23—22*	25	62/50	61/20	64/00
Voltas	13	14	14—14*	100	260/00	254/00	242/00
Western India Match	16	16	16	100	244/00	242/50	250/00

TEA COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 8-7-64 Rs.	1-7-64 Rs.	A year ago Rs.
ASSAM GARDENS							
Amluckie							
Anandabag P.	Nil	10	7½	10	16/00	16/00	20/00
Baghmari	30	32½	20	10	33/25	33/25	33/25
Barduar Tea	Nil	15	7½	10	13/62	13/62	12/00
Basmatia	..	..	..	5	8/50	8/50	8/50
Bateli	35	25	20	10	18/12	24/25	27/25
Betjan	30	30	..	5	16/25	15/25	18/50
Bishnauth	40	45	30	10	30/37	30/37	28/75
Bokakhat	13	13	20	10	13/87	13/87	17/56
Borrnah Jan P.	Nil	12	13	10	10/62	10/62	14/25
Bor Pukhuri	15	15	15	10	10/00	11/50	11/75
	Nil	Nil	10	10			

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 8-7-64 Rs.	1-7-64 Rs.	A year ago Rs.
Brooke Bond P.	15	10	7½—7½‡	10	10/19	10/19	11/81
Dejoo Valley	15	20	30	10	45/50	45/50	60/00
Dessai & Purbuttia	Nil	10	15	100	181/00	181/00	189/00
Dhelakhat	12½	10	..	10	20/81	20/81	19/75
Dhunseri P.	20	15	10	10	11/12	11/12	13/87
Dibrugarh	40	40	30	10	31/19	32/00	31/25
Dimakusi P.	25	20	25	10	25/19	25/19	21/87
Duffiaghur	25	25	30	10	26/12	26/12	25/50
East India	Nil	Nil	10	10	12/00	12/00	13/44
Gillapukri	25	20	15	10	27/56	27/56	25/44
Gohpur	*Nil*	5	20	10	14/69	14/69	16/56

‡ *1962*

TEA COMPANIES—Contd.

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 8-7-64 Rs.	1-7-64 Rs.	A year ago Rs.
Grob	6	6	6	5	7/06	6/19	7/19
Hoograjuli (Assam)	20	20	17	10	27/62	27/62	27/12
Hoolungooree	10	7½	20	100	169/00	169/00	195/00
Jutlibari	30	30	20	10	27/87	27/87	31/50
Kingsley Golaghat P.	35	35	..	100	125/00	125/00	140/00
Kotamullai P.	Nil	Nil	Nil	5	9/87	9/87	10/31
Krishnabehari	15	8	10	10	11/50	11/50	10/50
Kyang Tea	Nil	..	..	10	8/06	8/06	8/06
Ledo	Nil	Nil	Nil	10	10/00	9/94	13/75
Maud Tea & Seed	10	7½	7½	10	12/00	12/00	14/81
Methoni	5	14	20	10	12/50	12/50	17/31
Moheema	Nil	Nil	..	10	11/50	11/50	11/50
Mothola	30	30	35	100	507/00	507/00	507/00
	5	15	25	10	26/50	26/50	26/50
Murphulani (Assam)	10.63	20.63	30.63	10	26/87	26/87	26/87
Naga Hills	10	10	10	10	21/25	21/25	22/25
Namburnadi	12	12	..	10	12/87	12/87	14/56
New Cinnatolliah	Nil	Nil	Nil	100	455/00	455/00	302/00
Rajgarh	*40*	13½	17½	10	18/56	18/56	21/37
Sapoi	22½	20	10	10	19/50	19/50	18/31
Seajuli	22½	15	30	10	21/00	25/12	21/12
Teloijan	25	25	25	10	21/87	21/87	22/00
Tengpani	30	30	22½	10	36/50	36/50	35/00
Tezpore P.	20	12½	..	10	14/69	14/69	14/56
Tongani	Nil	Nil	..	10	5/31	5/31	7/00
Tyrcon	10	15	25	10	27/37	27/37	33/00
CACHAR							
Arcuttipore	Nil	5	6	10	7/00	7/00	7/00
Baitakhal	2½	2½	..	10	7/87	7/87	8/06
Central Cachar	5	7½	5	100	73/00	73/00	72/00
Eastern Cachar	Nil	Nil	..	10	4/62	4/62	4/31
Kallinugger Khoreel	6	2	..	100	84/00	84/00	87/00
Hattikhira	Nil	5	Nil	10	7/75	7/75	9/12
Kunchanpore	Nil	Nil	..	10	6/00	6/00	6/00
Loobah	Nil	Nil	Nil	10	4/69	4/69	4/37
North Western	30	20	10	100	160/00	160/00	160/00
Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50
Roopacherra	Nil	10	Nil	10	9/94	9/94	13/62
Rungamattee	5	5	5	50	49/25	49/25	53/50
Sonai River	Nil	Nil	..	10	5/06	5/06	9/12
DARJEELING							
Bloomfield	Nil	..	..	10	3/25	3/06	3/12
Chamong	Nil	10	10	10	8/87	8/87	9/00
Darjeeling Tea & Chin.	30	20	30	100	197/00	197/00	197/00
Dilaram	8	4	..	100	102/50	102/50	102/50
Gielle	Nil	..	6 4/7-15*	10	15/87	15/87	11/69
Lingia P.	15	10	17½	10	14/00	14/00	14/56
Longview	12½	10	..	10	8/25	8/25	11/00
Margaret's Hope	15	15	15	10	11/81	11/81	11/62
Mim	22½	27½	27½	100	410/00	410/00	191/50
Nagri Farm	30	25	35	10	29/87	29/87	29/19
Okayti	25	25	25	100	600/00	600/00	600/00
Pashok	10	Nil	..	10	20/00	20/00	20/00
Poobong	Nil	Nil	Nil	10	10/12	10/12	7/56
Pussimbing P.	Nil	Nil	Nil	10	7/84	7/84	7/12
Rungliee Rungliot	85	20	7½	100	300/00	300/00	386/00
Seeyok	15	Nil	..	10	8/50	8/50	8/50

‡ Hectars

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 8-7-64 Rs.	1-7-64 Rs.	A year ago Rs.
Singell	Nil	Nil	Nil	100	36/75	36/75	36/75
Singtom	2	Nil	2	10	3/50	3/50	3/50
Soom	50	40	40	10	39/00	39/00	35/00
Sungama	15	15	20	10	14/25	14/25	15/31
Teesta Valley	Nil	..	8 4/7-10*	10	13/44	13/44	11/25
Tukvar	Nil	Nil	..	10	3/50	3/50	7/31
DOOARS							
Banarhat P.	22½	21	21	100	230/00	230/00	233/00
Baradighi	30	25	25	10	23/25	23/25	23/25
Bhatkawa	15	15	20	10	16/06	16/06	18/00
Birpara P.	17½	12½	17½	100	160/00	160/00	160/00
Carron	20	5	7½	*100*	*117/00*	*117/00*	*145/00*
Choonabhuti P.	32½	20	20	100	162/00	211/00	210/00
Ellenbarrie	5	5	10	100	173/00	173/00	184/00
Engo	60	30	40	100	136/00	136/00	136/00
Etheibari	5	5	7½	10	11/87	11/87	13/12
Gairkhata	25	20	11	10	16/12	16/12	21/50
Gopalpur	12	2	10	25	19/50	19/50	19/50
Hantapara P.	15	5	*10*	*100*	*97/00*	*101/00*	99/00
Hasimara P.	17	..	13—15*	10	12/31	12/00	12/50
Huldibari	22½	..	19 2/7-11*	10	12/25	12/25	13/31
Jaybirpara	10	Nil	Nil	10	8/94	8/94	11/75
Killcott	25	15	15	10	15/25	15/25	14/37
Manabarrie	10	6	*10*	10	49/50	49/50	59/50
Nagaisuree	25	15	15	100	165/00	165/00	140/00
New Dooars P.	35	20	14½	*100*	157/00	157/00	230/00
Oodlabari	12½	7½	..	100	13/75	13/75	14/00
Phaskowa	Nil	Nil	Nil	100	125/00	125/00	129/00
Rajabhat	Nil	Nil	6	10	10/19	10/19	12/12
Rantcherra	15	15	7½	10	12/00	12/00	13/62
Rydak	25	20	25	10	21/50	24/00	23/62
Sarugaon	40	40	40	10	36/25	26/25	36/25
TERAI							
Atal	5	..	..	10	5/37	5/37	8/75
Belgachi	20	20	..	10	21/00	21/00	22/50
Gungaram	20	12½	12½	100	110/00	126/00	131/00
New Chumta	15	..	12 8/7-20*	10	20/37	20/37	20/00
New Terai	22½	10	15	10	20/50	20/50	24/62
Pahargoomiah	20	20	2½	10	13/75	13/75	15/00
Putinbaree	14	14	..	10	55/00	55/00	45/00
Tirribannah P.	60	60	60	10	49/00	49/00	49/00
CHITTAGONG							
Kodala	Nil	Nil	..	10	9/25	9/25	9/25
Kornafull	Nil	Nil	..	10	9/75	9/75	13/06
Oodleab	Nil	Nil	..	*10*	*8/00*	8/00	8/00
SYLHET							
Chundeecherra	Nil	Nil	Nil	10	26/00	26/00	26/00
Dauracherra	22½	22½	20	10	14/62	14/50	7/56
New Samanbagh P.	25	Nil	Nil	10	13/19	18/37	18/37
Patrakola	32½	40	15	100	211/00	152/00	120/00
Rajnagar	Nil	Nil	Nil	10	9/56	9/56	9/56
Teliapara	22½	22½	10	100	157/00	148/00	99/00

* *1963*

MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 8-7-64 Rs.	1-7-64 Rs.	A year ago Rs.
MININGS							
Burma Mines	2 3/5	Nil	Nil	3½S	0/44	0/44	0/44
Chrestien Mica Industries P.	15	12½	..	10O	9/50	10/00	10/40
	25	20	..	5Dd	6/53	6/53	8/85
Indian Copper Corporation	27	27	..	2s	3/36	3/39	4/69
Metal Corporation P	Nil	..	..	10O	6/81	6/62	8/25
Orissa Mineral Development	36	28	20	10	19/31	19/44	27/50
CEMENT, LIME, SLATE, ETC.							
Ashoka Cement	5	5	7—7*	10	6/75	6/75	7/37
Assam Bengal Cement	..	..	..	10O	4/87	4/87	3/31
	..	..	..	1Dd	0/75	0/75	0/50
Bengal Potteries	15	..	..	2½	5/00	5/00	4/94
Bisra Stone Lime	30	30	10	..	17/69	18/00	35/00
Dalmia Cement (Bharat) P.	12	12	12	10O	12/75	12/75	12/56
				1Dd	2/75	2/75	3/03
Jaipur Udyog P.	6	8	8.36	10	11/25	11/25	11/50
Kumardhubi Fireclay & Silica P.	15	15	10	10	12/25	13/00	14/00
Orissa Cement P	22	15	10	10	22/75	22/75	22/75
Reliance Firebricks & Pottery	4	6	8	10	4/19	4/25	4/37
Sone Valley Portland Cement	27½	30	35	10	28/31	28/31	35/00
Sutna Stone & Lime							

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 8-7-64 Rs.	1-7-64 Rs.	A year ago Rs.
CHEMICAL INDUSTRIES							
Alkali & Chemical Corpn. of (I)	12	15	15—15*	10	29/56	29/19	31/62
Bathgate & Co Ltd P	Nil	Nil	..	5	9/84	9/84	9/84
Bengal Chemical & Pharm. P.	7	10	..	100	100/00	100/00	97/00
Calcutta Chemical P.	18	18	18	10	18/69	18/69	17/87
Frank Ross P	..	..	..	6	3/19	3/19	2/19
Smith Stanistreet P.	25	25	25-22½*	5	13/62	13/31	12/25
ELECTRIC LIGHTING, POWERS							
Agra Electric Supply	11	11	11	100	124/00	124/00	120/00
Bareilly Electric Supply	11	11	11	10	12/00	12/00	14/37
Benares Electric Supply	11	11	10	10	12/25	11/94	12/37
Bnagalpur Electric Supply	8	10	8	8	6/34	6/34	6/00
Calcutta Electric Supply	8	8	8	£1	14/62	14/75	14/31
Cuttack Electric Supply	7½	7½	7½	10	11/00	10/44	11/87
Dishergarh Power Supply P.	10	10	10	100	86/00	86/00	48/00
Jhansi Electric Supply	..	..	..	10	5/90	5/90	5/90
Jubbulpore Electric Supply	10	10	10	10	12/12	12/12	11/00
Mirzapur Electric Supply	..	..	..	..	7/50	7/50	12/00
Muzaffarpore Electric Supply	12½	12½	12½	10	11/19	11/18	11/50
Muttra Electric Supply	..	..	..	10	11/06	11/06	11/12
Patna Electric Supply	10	10	10	10	10/12	10/12	10/56
Shahjahanpur Electric P.	6½	6½	6½	10	8/75	8/75	7/00
Sijua (Jherriah) Electric	10	9	9	10	9/58	8/58	8/25
United Provinces Electric	11	11	11	100	151/00	151/00	115/50
Upper Jumna Valley Electric	13½	13½	13½	11	22/12	22/00	16/00

* *1963*

MISCELLANEOUS COMPANIES—Contd.

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 8-7-64	1-7-64	A year ago
				Rs.	Rs.	Rs.	Rs.
ENGINEERING & METAL							
Arthur Butler (Muzafferpore) P.	Nil	10	..	10	21/25	21/25	14/94
Bhartia Electric Steel	10	12½	15	10	14/69	15/56	13/00
Braithwaite India P.	25	14	20	10	33/62	32/37	30/06
Bridge & Roof	30	30	..	10	52/25	52/25	52/25
Britannia Building & Iron P.	Nil	Nil	..	10	3/20	3/20	3/65
Britannia Engineering P	10	10	..	10	9/94	10/00	9/19
British India Electric Cons.	20	15	..	10	29/12	29/12	33/12
Burn P (Engineering)	28½	28½	25	100	275/00	274/00	580/00
Calcutta Steel	15	15	12½-15*	10	13/75	13/75	14/25
Dalmia Iron	10	10	10	10	11/12	11/12	10/87
Guest, Keen, Williams	14	14	12	10	22/69	24/19	33/10
Hooghly Docking	Nil	12½	..	50	89/00	89/00	108/00
Indian Iron & Steel P.	16	16	16	10	25/64	25/34	23/18
Indian Malleable Casting	...	...	..	50	6/00	6/00	6/00
			..	10d	2/06	2/06	1/75
Indian Standard Wagon P.	28½	28½	20-20*	10	37/50	35/00	31/31
Indian Steel & Wire Products	24	23	18	10O	33/50	33/50	40/37
Industrial Containers	10	10	..	10	22/50	22/50	21/37
Jay Engineering	17 3/20	15	10	10	17/44	17/44	21/06
J. K. Steel P.	20	10	30	10	15/69	15/81	14/12
Jessop & Co. P.	8.58	8.58	10	10	21/25	21/25	23/87
Kumardhubi Engineering P.	11½	15	Nil-16⅔	3	5/16	5/44	8/25
Marshall Sons (India)	Nil	Nil	...	2	3/00	3/06	2/47
National Iron and Steel	Nil	Nil	..	10	6/06	5/94	3/87
Saran Engineering	10	12½	10	4	7/00	6/87	8/50
Steel Containers	20	20	..	10	28/12	28/12	29/50
Textile Machinery	10	...	17½	10	26/70	28/20	23/60
SUGAR BREWERIES ETC.							
Balrampur Sugar	8	4	Nil	2½			
Belsund Sugar	10	6 2/3	3 1/3	7½	1/50	1/87	2/20
Bharat Sugar P.	15	15	15	10	7/62	7/65	7/81
Carew (Sugar) P.	Nil	Nil	Nil	10	15/56	14/87	13/00
Cawnpore Sugar P.	Nil	Nil	Nil	10	12/31	12/06	12/50
Champaran Sugar	12	Nil	Nil	10	9/31	9/31	9/06
Durbhanga	Nil	5	..	10	10/78	10/78	15/87
					8/37	7/87	8/06
New Savan Sugar and Gur	...	...	...	10	3/50	3/50	3/62
Purtabpur Sugar P.	...	...	..	10	9/12	9/12	11/50
Ramnugger Cane & Sugar P.	35	30	15	10	29/31	29/31	26/37
Raza Buland	10	10	10	10	10/00	10/12	9/37
Ryam Sugar P.	...	...	..	10	3/25	3/25	5/20
Samastipur Central Sugar	...	...	..	10	3/75	3/75	9/62
Shree Krishna Gyanoday Sugar P.	...	...	..	10	7/69	7/75	7/06
Shree Sitaram Sugar	...	...	..	10	8/00	8/00	7/12
Sitalpore Sugar	Nil	Nil	Nil	10	3/69	3/69	6/12
United Provinces	5	Nil		10			
Upper Ganges Sugar P.	72½	72½	..	10	11/25	11/25	10/62
					60/25	60/25	68/00
MISCELLANEOUS							
A Firpo (Restaurateur)	10½	5	..	10			
Aluminium Corporation P.	12	12	5	10	5/90	5/90	5/90
Anderson Wright Ltd. P.	Nil	6	..	10	12/37	11/87	12/81
Angelo Bros.	28½	28	28	10	11/50	11/50	11/50
Assam Match	20	20	20	10	23/74	23/75	21/81
Assam Saw Mills & Timber	Nil	3	..	3	26/37	26/37	28/75
Associated Battery	15	15	15	10	2/69	2/69	2/87
Associated Hotels of India P.	10	10	15	10	24/00	22/94	23/37
					10/31	10/31	10/31
Balmer Lawrie & Co.	25	25	22½	100	237/00	251/00	239/00
Bararee Coke	Nil	15	15	10	21/87	20/62	20/87
Birds Investments P.	10	10	..	10	9/00	9/00	10/69
Britannia Biscuit P.	30	25	21	10	37/75	37/75	42/50
British India Corporation P.	7	9	15	5	9/75	9/56	8/19
British Paints	15	10	15	10	22/12	21/37	20/37
Calcutta Silk Manufacturing P.	Nil	...	...	10	6/94	6/94	6/94
Clive Row Investment	7½	7½	8	10	8/00	8/37	8/25
Duncan Brothers & Co. Ltd. P.	14	14	12	100	137/00	137/00	147/00
Dunlop Rubber Co (India) P.	20	15	17½	10	33/75	34/19	31/75
Dyer Meakin (Breweries)	30	...	..	5	24/12	24/00	26/00
Eastern Investments Ltd. P.	14	12	10	100	101/00	101/00	117/00
Electric Construction	10	10	10	10	13/50	13/44	12/22
French Motor Car	20	...	..	20	31/75	31/75	35/12
Ganges Rope	20	20	20	100	278/00	228/00	236/00
General Investments Trust P.	5	5	6	75	43/00	43/00	43/00
Gillanders Arbuthnot & Co. Ltd. P.	11	11	11	10	15/12	15/25	13/50
Gladstone Lyall & Co. Ltd. P.	...	...	...	10	...	...	...
Godfrey Phillips (India) Ltd. P.	40	30	..	10	28/12	28/12	33/25
Great Eastern Hotel	6	...	..	250	236/00	236/00	225/00
Hindustan Aluminium P.	Nil	Nil	Nil	10	12/56	12/94	13/12
Hindustan Motors P	12	12½	11½	10	18/94	18/50	16/62
Hindusthan Pilkington	12	Nil	Nil	10	15/00	15/00	14/94
Hindusthan Twyfords P.	Nil	Nil	Nil	10	13/12	13/12	14/75
Hoare Miller & Co. Ltd.	Nil	...	..	10	3/50	5/50	5/44
Imperial Tobacco	6	9	8	10	9/44	9/31	10/19
Indian Aluminium Co. Ltd. P.	15	17½	17½	10	30/75	31/25	33/50
Indian Cable P.	22½	22½	22½	10	36/37	35/00	31/81
Indian Oxygen	15	12	12	10	26/19	23/87	27/62
Indian Rubber Manufacturers P.	30	36	..	10	21/56	22/00	19/87
Indian Wood Products	30	30	25	10	27/50	27/00	29/00
Isaac Holdens	Nil	Nil	5	10	12/31	12/31	14/00
Investments and Finance P.	7½	7½	7½	100	30/00	30/00	35/00
J. K. Synthetics	3	Nil	10	10	12/25	12/06	10/56
James Wright P.	...	...	...	50	2/75	2/75	2/76
	...	...	...	1Dd	00/43	00/43	00/43
Jardine Henderson Ltd P.	7	6	7	100	76/50	73/50	85/50
Jay Shree Industries P.	12½	...	..	10	14/19	13/12	16/00
Kesoram Industries P.	12	12	13	10	26/87	26/87	21/69
Macfarlane & Co.	...	...	...	50	5/00	4/87	7/00
	...	...	...	1Dd	1/94	1/94	2/31
Macneill & Barry Ltd P.	8	7½	8½	100	95/00	95/00	93/50
Martin Burn Ltd. P.	27½	25	25	10	26/75	26/31	26/12
McLeod & Co. P.	15	18	..	100	230/00	230/00	210/00
Metal Box Co. of India Ltd. P.	25	19	..	10	31/12	31/25	49/87
National Insulated Cable P.	25	25	18	10	23/62	22/81	23/06
National Pipe & Tubes P.	20	20	20	10	26/37	25/75	25/94
National Rolling & Steel Rope	15	15	15	10	19/00	19/00	19/25
National Rubber P.	6½	8	10	10	11/25	11/25	11/19
National Tobacco P.	7	7	..	10	10/69	10/94	10/75
New India Investment Corpn.	...	...	..	75	54/00	54/00	65/00
Octavius Steel P.	7½	7½	..	100	...	...	...
Philips India	12	13	15	10	27/75	28/37	27/50
Publicity Society	75	75	50	4	22/62	22/62	22/62
Rallis India P	8½	8½	10	100	127/00	121/50	114/00
Rontas Industries P.	10	8	9	10	11/56	11/59	11/12
Sirsilk P	...	...	..	10	7/75	7/56	9/06
Sen-Raleigh Industries P.	8	8	Nil	10	13/50	13/50	14/06
Shaw Wallace P.	15	7½	12½	10	14/81	15/69	15/37
Spencer's Hotel	2½	...	..	2	1/25	1/25	0/94
Union Carbide	18	12½	15	10	32/00	30/69	39/56
Walford Transport	20	20	..	1PO	2/87	2/87	2/31
	30	30	..	1O	3/03	3/19	3/56
INSURANCE COMPANIES							
Concord of India	20	20	20	5	10/00	10/00	10/31
Hercules	26½	26½	..	10	23/50	23/50	24/19
Rubv General	13½	15½	..	8	11/12	12/12	10/25
Standard General	...	...	...	10	7/75	7/75	6/00
Triton	50	50	..	25	125/00	125/00	124/00
FLOUR MILLS							
Bengal	25	25	30	10	34/50	32/50	28/12
Delhi P.	...	...	...	10	14/00	14/00	14/00
Ganesh P.	...	...	...	12½	12/00	12/00	15/75
Hooghly	Nil	Nil	5	10	19/75	19/75	19/75
United	10	7½	10	10	27/81	27/81	27/81
OIL COMPANIES							
Attock Oil	13½	13½	...	£1	sh. 31/10½	sh. 32/7½	sh. 35/10½
Burmah Oil P.	...	11½	12½	£1	sh. 53/-	sh. 53/3	sh. 64/4½
Indo Burmah Petroleum P.	25	22½	17½	10	20/56	20/56	21/87
Tide Water Oil	35	35	35	10	35/75	35/37	25/25
PAPER MILLS							
Bengal P.	27½	20	...	10	26/06	27/25	27/94
India Paper Pulp	13	12	15	10	22/00	22/37	1/50
Orient Paper P	22½	22½	20	10	35/60	35/65	34/40
Shree Gopal Paper P.	17-6/7	17-6/7	17-6/7	10	4/62	26/19	23/50
Sirpur P.	8½	8½	5	10	11/94	12/03	11/87
Star Paper P.	Nil	Nil	Nil	10	9/06	9/06	8/50
	13	13	13	2½PO	3/31	3/31	3/47
	20	10	10	10AO	14/12	14/06	15/37
Titaghur P.	20	10	10	10BO	14/12	14/06	15/37
West Coast P.	7½	...	..	100	155/00	155/00	125/00
PRESSING COMPANY							
Camperdown	11	...	..	100	100/00	100/00	104/00
REAL PROPERTY STORAGE							
Bengal Bonded Warehouse	8	8	9	A500	995/00	995/00	1,050/00
				B62½	125/00	125/00	135/00
				C100	186/00	186/00	122/00
				D12½	45/00	45/00	14/15
Calcutta Safe Deposit	...	...	...	100	7/37	7/37	7/87
Humayan Properties P.	...	...	..	10O	11/00	11/00	11/00
	...	...	..	1Dd	2/10	2/10	2/15
Midnapore Zemindary P.	Nil	Nil	Nil	85	19/75	18/06	10/00
TRAMWAYS & STEAMER							
Bengal Assam Steamship P.	7½	10	10	100	128/00	128/00	131/00
Calcutta Landing & Shipping	7½	22	6	10	21/00	21/00	34/00
Calcutta Steam Navigation	Nil	Nil	Nil	10	7/69	7/69	9/50
Calcutta Tramways P	5	5	5	£1	10/37	10/31	10/87
Fraser	...	...	...	10	8/94	8/94	10/00
India General Nav. Railway P.	...	...	..	£10	42/00	42/00	39/00
India Steamship P.	Nil	Nil	Nil	10	6/53	6/41	5/94
Port Shipping	Nil	...	..	10	14/25	14/25	12/56

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INTEREST ON LOANS AND DEPOSITS TO GO UP

THE decision of the scheduled banks to step up their average lending rates from 7½ percent to 8¼ percent was more or less expected. This is indeed a further step taken by bankers to widen the margins between advance rates and deposit rates in a bid to meet rising costs. It may be mentioned that the minimum lending rate had already been raised appreciably, the present rate being 6½ percent. This minimum will still continue. The increase in advance rates, coupled with stationary rates on deposits, was indeed a major cause for the improvement in the profits of banks for 1963. The proposed increase in advance rates will not be enshrined in any formal agreement, but will be implemented almost simultaneously by all the scheduled banks from September—a few weeks before the commencement of the official busy season in November. This may hasten the return of loaned funds to the banking system.

While the contemplated increase in lending rates will, no doubt, help to strengthen the finances of banks, its repercussions in the economy will be both widespread and far-reaching. At a time when the capital market is far from being buoyant and the resources of companies are strained because of heavy fiscal burdens, it will push up commercial and industrial costs by making bank credit costlier and thus accentuate the inflationary pressures. Dearer credit will be particularly burdensome in the case of industries whose products are still subject to Government controls. Two major considerations have prompted the decision to step up advance rates. The first is the statutory obligation on banks to increase their liquidity ratios considerably by next September. Since larger investments in gilt-edgeds will lower the earnings of banks, the deficit is sought to be made up by realising more on advances. The Reserve Bank, in fact, has not favoured a rise in lending rates, although it has supported the move to increase the interest rates on deposits as a means of mobilising funds. Since it is now virtually certain that banks will offer more on deposits, they have sought a cover for the bigger outgo on this account by putting up their interest charges on loans.

The decision to increase lending rates will, no doubt, help to evoke ready support from banks to the proposal for raising deposit rates. In fact there has been a keen controversy on the question of increasing the deposit rates for over a year now —ever since the State Bank of India levelled up its rates in April last year to bring them in line with the rates prescribed in the inter-bank agreement. Opinion among bankers has been sharply divided on the rôle of bigger interest rates in attracting deposits and on their effects on the operating costs of banks. The stand-patters have argued that most short-term deposits are not sensitive to interest rates and that a rise in the latter will be justified only in the case of deposits kept for more than a year; and that in any case, deposits will grow automatically at a satisfactory rate because of deficit financing and huge Government outlays. Deposits, in fact, did rise impressively during the past year, demand deposits increasing much more than term deposits—a development resulting mainly from large Government disbursements to the corporate sector. But bank loans increased at an even faster rate, necessitating sizable borrowings from the Reserve Bank and reduction in banks' portfolio investments.

The demand for advances in the coming busy season, judging from present indications, may in fact go up even higher. At present bank loans still stand at a high level and the prospects of a sizable credit contraction appear poor. Besides, scheduled banks have to step up their liquidity ratios substantially by September and this calls for a large volume of funds. It is such hard realities as these which seem to have prompted banks to agree to increase their deposit interest rates in a bid to attract more funds and strengthen their competitive position *vis-à-vis* non-banking institutions. But it is doubtful whether the increase in deposit rates, by itself, will be effective, considering that some non-banking institutions have already put up their interest rates on deposits by 1 percent or 2 percent. There has lately been a sharp diversion of deposit funds to joint stock companies. Although efforts are being made to bring such funds within the purview of the Reserve Bank, the competition from corporate borrowers is formidable and it will be too naïve to assume an automatic expansion of bank deposits.

Banks will need to follow up the rise in their deposit rates with steps to improve their services to clients and to diversify their activities in order to attract more funds. The service in most Indian banks is very poor and the facilities they offer their clients are few. There is indeed some point in the argument that in this country deposits are interest-sensitive only to a limited extent, and if banks' deposits have risen phenomenally during the past few years, the reasons are to be sought in considerations other than the interest offered. While bigger interest rates are undoubtedly an attraction, they are by no means the crucial factor in mobilising deposits. The influence of interest rates is not likely to be enhanced by the proposed rise since it is of a marginal nature, amounting to just ¼ percent on deposits maturing in six months to three years.

The new rates for deposits of more than six months' duration are based on the suggestions of a committee set up under the chairmanship of Mr. C. H. Bhabha by the conference of bank chairmen. The interests on term deposits for periods of over six months are to be raised by ¼ percent to 1 percent, depending on the duration. The bigger rates will come into effect from 17th August if the inter-bank agreement is so amended by the signatories with a three-fourths majority. This is, however, just a matter of formality since the majority of banks are supporting the move. It has been estimated that the enhancement in deposit rates may cost the banks an additional Rs. 2.5 crores at the present level of deposits. But this outgo will be more than made up by the likely additional earnings of about Rs. 7 crores as a result of raising the lending rates. Of the total time deposits of Rs. 1,296 crores (as on 3rd July) with the scheduled banks, the deposits of the 46 members of the inter-bank agreement account for more than Rs. 1,000 crores. The State Bank of India,

which has time deposits running to about Rs. 280 crores, is not a signatory to the agreement, but when the other banks step up their deposit rates, the former too may fall in line sooner or later, as indeed it did last year.

An important point to note is that the term deposits with banks for periods of over three years are very limited, while there are none for periods of over seven years. This means that the increase in interest rates ranging from ½ percent to 1 percent for these longer-term deposits has little practical significance from the point of view of the banks' interest liabilities as well as the mobilisation of deposits. Most of the time deposits held by banks are for periods of less than three years, and there again a large majority of them may be for durations of six months to one year. The rise in interest rates proposed for these shorter terms is just ½ percent. Even so, in view of what has been explained above, the biggest increase in banks' interest liabilities will result mainly from these deposits. When the Bhabha Committee suggested a fractional cut in the rates for deposits maturing within six months by sliding the periods, the aim was obviously to offset the increase in expenditure stemming from the rise in the rates for deposits in the six-to-twelve-months category. This suggestion has, however, not been accepted as banks fear that a cut in the near-term interest rate may affect the flow of deposit funds.

SHIFT IN PLAN EMPHASIS LIKELY

ALTHOUGH the members of the Government never tire of saying that they are pledged to continue Mr. Nehru's policies, there is growing evidence that the winds of change are blowing through New Delhi. At this early stage one can only say that there will decidedly be a shift in the emphasis even if there is no fundamental change in policies. This shift is only partly—almost incidentally—a result of the change in administration following Mr. Nehru's departure from the scene. A more direct and compelling reason for change is the failure of the third plan to gain many of its important objectives. The fact of the failure is evident from the inflationary pressures generated by production shortfalls on the one hand, and the steep increase in investment outlays on the other. The gravest shortfall is in food output where the marginal increases achieved since 1960-61 have been overtaken by the growth of population.

While the food crisis may be the immediate issue, one should not overlook the penalties that shortfalls in other spheres are exacting. The delay in building up basic industries—the steel target, for instance, is not likely to be achieved until 1968-69—is increasing the economy's requirements of maintenance imports. Considering the balance-of-payments prospects, this must mean foreign exchange becoming an even severer constraint in the years immediately ahead. Some relief may be available from the larger allocations of non-project aid judging from the pledges at the last two meetings of the Aid-India Club, but the benefit to industry may not be proportional because of the step-up in defence preparations. Capital equipment and hardware may come from the military aid given by the U.S.A. and Britain, but day-to-day needs of stores and supplies have still to be met out of the general foreign exchange pool.

In the current year, industrial production may register a modest advance with an improvement in the supplies of components and raw materials. But this will not, by itself, be sufficient to restore to the economy the momentum it has lost. The sag is most noticeable in the capital market, particularly for new issues. The effect of this will be seen only two years or more from now if one allows for the lag between the time an enterprise comes into the market for funds and the time it takes to start production. In other words, the slowing down of the economy is taking not only an immediate toll but is also blighting future prospects. In this situation, it is hardly surprising that New Delhi should find it necessary to do some serious rethinking. Mr. Asoka Mehta, Deputy Chairman of the Planning Commission, has already conceded that the basic strategy of the plan may have to change without, of course, specifying in any detail what sort of changes he has in mind. Clearly, the need to contain inflation must take priority—a line of thinking which obliges the Government to direct attention to short-term measures for expanding the output of essential commodities. The allocation of resources for the purpose is bound to cut into what can be spared for long-term projects designed to strengthen the economy's growth potential. This may mean hastening slowly in steel and machine-building even though this impairs India's capacity to reduce the import content of future development.

Another priority requirement is employment because of the mounting backlog of the jobless. In the first three years of the plan, the number of new jobs created is estimated at no more than 5 million, against 9 million to 12 million that entered the work force during the period. This makes it plain that planning so far has failed to make any real impact. The policy-makers have drawn the lesson that a substantially stronger employment orientation must be adopted in future planning. Here again, a solution seeking immediate results may come in conflict with longer-term aims. A deliberate choice of labour-intensive technology is bound to reduce the surplus value added by manufacture, and thus hamper the accumulation of resources without which capital formation cannot be stepped up. But what will be the benefit from higher surpluses if unemployment (and frustration and bitterness which are its corollaries) threatens to disrupt the social fabric? Insurance against instability, as leaders of the new Government recognise, must take priority over considerations for the future. Just before he fell ill, the Prime Minister, Mr. Shastri, had indicated that his choice was for the present rather than for the future. Even though the full implications of this new directive are not yet clear, one may safely assume this to mean a vote for consolidation (in line with what Mr. T. T. Krishnamachari, Central Finance Minister, has been urging) before the country embarks upon a fresh round of adventures.

All this rethinking cannot but set back the preparation of the fourth plan. This need not be a great loss if the time is utilised in taking stock and making realistic and hard-headed assessments of what the fourth plan can achieve. The more thorough the preparation for the next plan, the better it will be for everyone, including the Ministries. In fact, the Planning Commission has an important contribution to make towards this exercise by demanding that all proposals coming up before it should be backed by adequate technical and feasibility data on the basis of which an informed decision may be made. This, as is common knowledge, is impossible in many cases because sponsoring Ministries or States can count upon winning the day if they can mobilise sufficient political pressure to browbeat the Commission. By making planning more thorough, it should be possible to spread available resources far more constructively than in the past. In that case, money may still be found for those schemes which should really go through because of their importance for the economy's future growth. In the past, the result of priorities has often been to pre-empt domestic and external resources long before a particular project was ready to use them.

In other words, the cuts that key sectors may suffer on account of the change in emphasis from the future to the present can be lightened if a determined attempt is made to eliminate the slack that is known to exist in the implementation of plans. This fact lends significance to the call given by Mr. Shastri in his first broadcast to the nation for far-reaching administrative reforms. As he implied at the time, the procedures which were perfectly correct for a laissez-faire Government only remotely involved in the country's economic life could hardly serve in today's vastly different situation. The reorientation of outlook now under way cannot but leave an impress upon the institutional framework of planning. Mr. Shastri has given advance notice, as it were, that the Planning Commission will have to fit itself in a new rôle in which its involvement with day-to-day policy-making is eliminated. Mr. Asoka Mehta, one must quickly add, is not averse to the change—he has recently made it quite clear that the Commission has no hand to play in devising immediate measures for alleviating the food shortage, but will concern itself with the long-term task of bringing food supply into better balance with demand. While this division of functions between executive Ministries and the Planning Commission is logical, it leaves unanswered one major question. Who, if anyone, is to take the responsibility for co-ordinating the Government's responses to current problems?

A Department of Co-ordination exists in the Ministry of Finance. If this is to be chosen as the agency, its functions will need to be redefined, carrying with it the corollary that the Finance Minister should be acknowledged explicitly as the economic overlord. Tacitly, he holds this position already by virtue of controlling the purse-strings but this gives him only a negative control and not the opportunity to give a positive direction to the policies impinging upon the larger economic issues before the country. This does not obviate the need for keeping the planning agency fully in the picture about current developments especially those that have a bearing on the future. At the same time, as the Planning Commission is stripped of the superfluous executive function that it has acquired, New Delhi should give more adequate representation to the Commission in the Cabinet. It is obvious that a Minister of State for Planning does not meet this need. This is not necessarily a plea for induction Mr. Asoka Mehta into the Cabinet—a proposal already mooted—but to devise alternative arrangements, if necessary, to ensure that the Commission does not become a technocratic agency without any feeling for the practical problems arising in the implementation of plans.

NEW CLOTH PRICE SCHEME

THE voluntary price control scheme which has been in force from January 1961 is to be replaced by a more comprehensive measure. Under the new scheme, popular varieties of cloth up to a maximum of 40 percent of the total output of mills excluding deliveries for export and defence, will be brought under statutory control, leaving the producers free to sell the balance at any price they like. This is what the Cotton Textiles Consultative Board has recommended and with the Commerce Minister as its chairman and the Textile Commissioner as vice-chairman, the Government's acceptance of the Board's recommendations can be taken for granted. As statutory control is expected to take at least three months to be enforced, the Board has suggested that, during the interim period, the existing scheme of voluntary price regulation should be continued, but prices of the varieties which were in existence before 1st January, 1962, and which continue to be produced at present, should be refixed on negotiated basis by the Textile Commissioner in consultation with the industry because of the rise in production costs. No increase in prices to be allowed for varieties which came into existence after 1st January, 1962, and the Board has further recommended that no new varieties should be allowed to be added by the mills during the next three months until the statutory control is brought into force. Price stamping is to be continued; ex-mill price, excise duty and retail price will be indicated in red in the case of controlled varieties and in blue in the case of others. Controlled cloth will be made available to all consumers co-operatives and fair price shops in the countryside for sale to consumers. In order to avoid malpractices and to redress immediately any difficulty which consumers may face, the Board has recommended the setting up of vigilance committees of consumers, public workers and other interests concer

ed, in each city to keep watch over the working of the control scheme.

The Cotton Textiles Consultative Board has given no explanation for drawing a distinction between varieties which were in existence before January 1962 and continue to be produced at present—their prices are to be refixed on a negotiated basis—and the varieties which came into existence after 1st January, 1962 and will not, therefore, be allowed any price increase. Apparently, the Board must have felt convinced that the prices of varieties which came into existence after January 1962 have already been raised sufficiently to absorb the increase in production costs. How else could most of the cotton textile mills have shown improved results during 1962 and 1963 despite the enormous rise in production costs? The statistics prepared by the industry in June 1963 had shown an increase of about 14 percent in the cost of production over that in 1961, and the costs are said to have gone up further during the past 12 months.

Reliable reports indicate that the prices of the varieties which existed before 1st January, 1962, and continue to be produced at present will be allowed to be raised by 8 percent to 10 percent. According to official estimates, hardly 10 percent of the varieties will be covered by the price increase which implies that nearly 90 percent of mill output falls under varieties which came into existence after 1st January, 1962. This confirms the popular view that price control was being circumvented on a large scale through the manufacture of innumerable new varieties which did not come strictly within the purview of the voluntary price control scheme. The Textile Commissioner owes it to the public to explain how all this took place when the introduction of new varieties required his prior approval. Although it was only in May last that the Indian Cotton Mills Federation made it plain to the Government that the voluntary price regulation system had become unworkable, the scheme had long been reduced to a complete farce. The cotton mill industry has every reason to feel happy over the partial statutory control scheme devised by the Consultative Board. The industry will not only have a free hand to dispose of more than 60 percent of its total production, but prices, which will be fixed for the controlled varieties, will take into account the increase in production costs. It is now left to the industry to accept the responsibility of making available cloth to the consumer at reasonable prices. With the restoration of greater freedom to the industry, there is likely to be a reduction in the varieties of cloth.

The proposed partial decontrol might be a good compromise for improving the profitability of the industry and at the same time ensuring that the common man's clothing requirements are met at fair prices. But the real solution to the problem of high cloth prices lies in creating proper facilities for the industry to step up its production in an economical way. Any appreciable improvement will depend not only on a suitable expansion of capacity, but also on an adequate supply of cotton. Import prospects being what they are, determined efforts will be necessary to bring about a substantial increase in cotton production, which has been lagging behind the industry's growing requirements. As for economies in production costs, the industry will need to be encouraged to modernise and rehabilitate itself quickly. Fortunately, the supply of cotton at present is not bad and cloth output this year is likely to improve moderately. An intensive production programme may require balancing machinery or equipment, which in some cases may have to be imported. The Cotton Textiles Consultative Board has suggested that the Government should encourage such a programme with the help of indigenous textile machinery manufacturers and by allowing imports on a priority basis.

POOR PROSPECTS FOR NEW ISSUES

THE steady growth in the corporate sector in past years has been due to the successful flotation of new capital issues, and the poor response to these offers in recent months has naturally caused great concern in business circles. A factual but interesting study of capital issues in India during 1960-63 in the June issue of the *Reserve Bank of India Bulletin* makes interesting reading. The total paid-up capital of non-Government companies stood at Rs. 1,399 crores at the end of March 1963, and they constituted about 64 percent of the total paid-up capital of all companies working in India. Despite a substantial reduction in the number of companies between 1956 and 1963 due to the elimination of moribund and inactive concerns from the register by the Department of Company Law Administration, the paid-up capital of the remaining enterprises has tended to rise from year to year. There has been an increase of about Rs. 311 crores in the paid-up capital during the second plan period. During the first two years of the third plan it has risen by a further Rs. 130 crores. Although activity in the new capital issues market has been growing since 1951 in step with the growth of the corporate sector, it has tended to fluctuate from year to year. The value of new issues rose from Rs. 5 crores in 1952 to Rs. 43 crores in 1959 and to Rs. 98 crores in 1962. In the latter year, however, there was a debenture issue for Rs. 30 crores by Oil India Ltd, an undertaking jointly owned by the Government of India and a private company. But new issues declined sharply to Rs. 51 crores in 1963.

There was a boom in the new issues market during 1960-62, but it came to an end with the declaration of emergency in October 1962. The number of new issues rose from 115 in 1960 to 180 in 1961. In 1962, it fell to 174 due to the slackening trend resulting from the emergency. Out of Rs. 264.88 crores worth of issues during 1960-63, engineering industries accounted for about Rs. 99.51 crores, mineral oils for Rs. 30 crores, chemicals for Rs. 24.13 crores, cotton textiles for Rs. 15.57 crores, paper for Rs. 15.34 crores and rubber and tyres for Rs. 14.64 crores. The market for fixed-yield industrial securities in the form of preference shares and debentures has been limited. During the 1960-62 boom period several new issues were floated at considerable premiums, the bulk of them carrying premiums of up to 50 percent over the face value. The premiums were fixed by the Controller of Capital Issues to curb speculation, and this caused considerable disappointment to investors. Preference shares and debenture issues floated since 1960 have carried bigger dividends and interest, because of the increased cost of capital. The bulk of the new issues have been offered to the public for subscription. The next important subscribers have been the promoters, directors and their friends. Foreign participation in new issues declined considerably between 1960 and 1962. Of the 76 issues with Rs. 20.77 crores of foreign participation, the share of the U.S.A. has amounted to Rs. 11.09 crores and that of the U.K. to Rs. 4.44 crores.

A disconcerting feature is that the participation of financial institutions like the Industrial Finance Corporation, the Industrial Credit and Investment Corporation of India and the Life Insurance Corporation of India, in capital issues has declined. In 1963, their share amounted to barely 2.3 percent of the total. Out of Rs. 32.79 crores of capital issues through prospectuses in 1963, these financial institutions subscribed for only Rs. 77 lakhs. Their participation rose from 6.7 percent to 17.6 percent of the total during 1960-62. As for underwriting activities, the liability of the underwriters arose only in one-seventh of the total issues underwritten in 1960 as public response was excellent. When investors became more selective in 1961-62, the liability of the underwriters increased correspondingly. Nearly 43 percent of the underwriting business during 1960-63 has been done by the Life Insurance Corporation, Industrial Finance Corporation, Industrial Credit and Investment Corporation and State Financial Corporations.

The study also discusses the setback in the new issues market during 1963. The number of issues floated at a premium dropped significantly from 39 in 1962 to 19 in 1963. One quarter of the total amount issued through prospectuses had to be taken up by the promoters, directors and their friends, against one-eighth in 1962. The proportion of the issues underwritten to the total made through prospectuses rose from 71 percent in 1962 to 77 percent in 1963. The bulk of the issues in the latter year had to be subscribed by the underwriters themselves. Since a large part of their funds has thus been blocked, their capacity to underwrite new issues has been reduced.

The outlook for new issues has greatly suffered since the 1964-65 Budget. Investors have taken a gloomy view of the prospect for industrial equities because of the heavier taxes. The growth prospect for shares has been affected by the imposition of the dividend tax and the levy on bonus shares. In line with the drop in the prices of existing shares, the value of new shares has also slumped. Several new shares have not only been quoted below par but they have also been difficult to sell. As long as the outlook remains as depressing as it is at present, investors are not likely to take interest in new issues. Considering that many companies will float new shares in the near future after the Government loans have been subscribed, suitable steps need to be taken to revive activity in the new issues market. Although there may be many financing institutions to provide funds to trade and industry, it is important to realise that the development of the corporate sector greatly depends on its ability to raise money through public issues. The creation of the Development Bank will not by itself help strengthen the capital market unless the Government modifies the fiscal structure to provide incentives for investors. The Unit Trust of India is also likely to compete with new issues for funds. Since the units of the Trust have been assured a tax-free return of about 6 percent from the very beginning, they are likely to prove more attractive for investors. A new company cannot be expected to pay dividends for some years; in any case, it is not likely to pay anything like 6 percent for some years initially.

Current News and Comment

F.I.C.C.I. View on Mahalanobis Report

It is possible that the Mahalanobis Committee report may mean different things to different people, as Mr. T. T. Krishnamachari is once reported to have remarked, but there would be a wide measure of agreement that some of its main findings are definitely controversial. The Federation of Indian Chambers of Commerce and Industry has, therefore, thought it necessary to bring out a brochure examining the main findings of the Committee against verifiable facts and statistical data. As is to be expected, the Federation, disagrees with all the chief conclusions, and says that the problem in its essential characteristics is one of poverty, the solution to which must lie in increased production, and not in the distribution of existing wealth. In any case, forces in this country are already working towards levelling up those who are in low income brackets, while those in the upper brackets are being levelled down by steeper rates of direct taxation, and levies on property and capital. The brochure argues that the increasing production of articles generally used by the less well-to-do classes, should indicate that their real income is going up. Moreover, the provision of welfare services like free schooling, medical facilities, and pensions and provident fund schemes, all financed by taxing the richer classes, is tending to distribute the real income more equitably. Looking from the monetary angle also, the basic data available for wages, salaries and profits in different sectors of the economy, show that increased income has mainly accrued to the lower income groups, except of course agricultural labour. On the other side,

the earnings of companies have failed to rise in proportion to the additional capital investment, and consequently, the index of profitability based on the ratio of profits after tax to total capital employed, has declined by about 15 percent over the decade 1951-61. Another point which the F.I.C.C.I. brochure emphasises is that the disparities in income and wealth as between the higher and lower income groups of people are not as large as are popularly supposed. It gives the figures of income of the highest and lowest brackets in 12 countries—six developed including the U.K. and the U.S.A. and six under-developed —for purposes of international comparison and then asserts that the people in the lowest income brackets in India earn proportionately more of the national income and those in the highest income bracket proportionately less. than in any of the countries compared. Unfortunately, the data used for the 12 countries are more than a decade old in most cases. The authors would have carried greater conviction had their figures been more recent.

As for concentration of wealth and economic power, the F.I.C.C.I. is on surer grounds in questioning the concept employed by the Mahalanobis Committee to measure economic power. The Committee itself admits that the increasing size of companies is not necessarily an index of growing concentration in ownership, nor are large Indian companies following any anti-social policy. Seizing on this point, the Federation points out that nobody can honestly complain about the growth of companies when this happens in the process of fulfilling national plan targets. Apart from the fact that large Indian companies are really small by international standards, in the present conditions of modern technology, some of the goods can be produced only by large industries, and their growth, therefore, becomes a prerequisite for progress. Industries like iron and steel and fertilisers cannot operate on a small scale, while others like cement, sugar, and paper, cannot be economic unless they are operated on a sufficiently large scale. The small-scale industries have been growing also, but for obvious reasons, they are unsuitable in fields requiring heavy capital investment.

The Mahalanobis Committee has concluded that big business complexes have grown more rapidly and now control a substantial portion of industrial activity. But in the establishment of new large ventures involving great risk and requiring correct foresight, only entrepreneurs of tried ability would be able to give the lead, the F.I.C.C.I. points out. In many new fields, development has to be initiated by big business houses. The Committee's verdict on the interlocking of directorships would have been more useful had it considered the size of the companies belonging to various groups. In a study of the largest 50 companies made by the Federation for instance, it was seen that more than 80 percent of the directors were on the board of only one of the 50 companies. The 402 directorships in the 50 companies were shared by 316 directors. "Thus in spite of the general scarcity of entrepreneurial ability in India, directorships are shared by the largest possible number of industrialists and business men." Certain factors also necessitate some degree of interlocking. A well-known industrialist inspires investor confidence. while some are valued for their experience in management.

Role of Investment Centre

The total number of enquiries of all kinds received by the Indian Investment Centre during 1963-64 from Indian and foreign entrepreneurs was 750, against 1,050 during 1962-63 and 1,272 during 1961-62. Of these, 750 enquiries about 310 were from Indian and foreign entrepreneurs for establishing joint ventures in India. During 1963-64, eight proposals resulted in technical collaboration agreements while 22 proposals matured into joint venture agreements involving a total capital cost of Rs. 3.05 crores. This brings the total number of joint ventures assisted by the Centre during the past three years to 66 with a capital cost of Rs. 5.60 crores and foreign equity participation of Rs. 6.50 crores, 22 of these 66 proposals being technical collaboration agreements. If one goes by the magnitude of private foreign capital that the country needs for its rapid economic development, the Centre's contribution appears to be a trickle. But as the chairman, Mr. G. L. Mehta, has rightly pointed out, the number of joint ventures brought to fruition or the vast number of enquiries assisted by the Centre can by no means be regarded as the only yardstick of its activities.

It is difficult to assess the work of the Centre in purely quantitative terms. In the assistance rendered by it, there are various types of services of an intangible nature, such as technical advice rendered for specific projects, advice sought by the existing undertakings for the agreements arrived at in the past and other such matters. Besides, the Centre provides information on various aspects of investment in India, including Government policies and regulations, the usefulness of which cannot be considered in statistical terms. The Centre functions as a sort of a catalytic agent by maintaining a continuous link with prospective entrepreneurs by giving them an up-to-date review of business and financial trends in India and an understanding of Government policies and procedures affecting industrial development. There can be little doubt that it has created an increasing awareness of the potentialities of foreign private capital investment in India by serving as an important clearing house of information.

In view of the continuing pressure on India's foreign exchange resources and a gradual change in the outlook for Government-to-Government aid, the inflow of private foreign capital will have to be accelerated considerably as a supplementary source of foreign exchange if the requirements of the latter under the fourth plan are to be met. The Centre will, therefore, have to play a more important rôle in coming years. The Centre seems fully aware of its growing responsibilities. In the course of its activities in the past three years, the emphasis had been rightly placed on information, assistance and service aspects of work rather than on its stimulation and sales functions. But, as Mr. Mehta has pointed out, for the Centre to succeed in the tasks ahead, it must now be in a position to impress on foreign entrepreneurs about investment opportunities in India. This would be possible only by planning the Centre's activities in this country and abroad over a period of time. Mr. Mehta has suggested the setting up of a technical wing in the Centre which will not only advise Indian and foreign entrepreneurs on their projects but also assist them in framing them. The establishment of a feasibility division and a field service are also considered necessary for this purpose.

The Centre's activities abroad will have to be simultaneously enlarged. Its New York office is known to have been doing a great deal of useful work in promoting better understanding of the investment opportunities in India and of the Government's policy on foreign investment. It is setting up another office in Dusseldorf which will start functioning by September. Private foreign capital in Europe is becoming more outward-looking in seeking profitable outlets. The Dusseldorf office is expected to play a useful part in publicising investment opportunities in India and attracting private capital. The Centre is trying to bring about better understanding of the investment opportunities in India by sponsoring visits of leading industrialists from abroad. Recently, a team of 51 top-ranking U.S. business men visited India and they had useful discussions with the Government of India. Mr. Mehta has expressed the hope that as a result of suitable follow-up actions, the U.S. firms would evince greater interest in specific schemes of joint ventures in India. The Centre is arranging a visit to India of a team of West German industrialists to enable them to study investment opportunities in the country. A team of Japanese experts on petro-chemicals is also expected to arrive in India some time in August with a view to exploring the possibilities in this field and the prospects of technical and financial participation in such development.

The inflow of private foreign capital will depend on the economic climate in the country and the state of the domestic capital market. Although there had been a decline in the number of enquiries with the Centre during the past three years, it could be regarded as a temporary phenomenon. The factors which affected the economic climate of the country are gradually undergoing a change. Useful concessions have been given to the corporate sector in the 1964-65 Central Budget and foreign investors have also been allowed many incentives. There has been a reappraisal of the Government's policies and procedures in a number of directions. All these factors provide hopeful signs for the future and are likely to act as an impetus to the flow of foreign private capital to India.

Policy on Foreign Capital

Comings and goings in New Delhi bear witness to the increasing interest of the foreign investor in the Indian market. A good deal of exploratory negotiation is under way, but for obvious reasons, these have been kept away from the public. The Foreign Investments Committee, which will have to find a new chairman with Mr. L. K. Jha's becoming the Prime Minister's Secretary, has been considering awkward proposals with a great deal of flexibility and understanding. Nothing, one is told, will be turned down if it brings a net benefit to the country. An example of flexibilityfi one of several. is the latest deal with the American giant. General Electric. New Delhi's readiness to accept foreign equity investment in heavy electricals, which under the Industrial Policy Resolution was to be an exclusive State preserve, is a departure which deserves notice. Also significant is the open invitation extended to American capital when the 40-man delegation visited India in April, to participate in other branches of heavy enginering, not excluding metallurgical enterprises. More doors may yet be opened, and the remaining inhibitions about admitting foreign capital into basic industries given up. New Delhi is reported to be willing to consider private investment even in steel. Essentially, steel is no different from any of the other industries which have been open to private foreign capital, except that repeated assertions of exclusive public-sector responsibility have made it difficult to give up the present stance.

Ideological taboos are not the only ones that are being shed. On the economic plane, there has always been a strong objection to foreign private investment in fields where India's dependence on imported plant and equipment or know-how is marginal. The argument has been that even if foreign capital accelerates growth in such fields, the advantage will be outweighed by repayment obligations The natural desire in India's circumstances to keep these obligations within manageable limits has thus stood in the way of admitting foreign capital more freely. But a contrary view now gaining ground holds that foreign capital should not be excluded even from these fields because new enterprises would themselves enlarge the country's capacity to service its external debt. Repayment is unlikely, therefore, to aggravate the strain upon balance of payments.

It is too early to say whether New Delhi will eventually agree to be less discriminating in its welcome. It is safe, however, to assume that any new policy formulation will keep in mind the growing interest of large international firms in using India as an export base. They are clearly hoping to gain from low labour costs, typical of a developing country, to make their goods more competitive in third markets. The latest Budget recognises in passing this emerging possibility, but that by itself is not enough. Competitiveness can hardly be maintained without production in sufficient volume to arrive at low unit costs . If so, these export-oriented enterprises may have to be allowed some access, howsoever limited, to the domestic market on well defined terms.

Among the difficulties that still stand in the way of a larger inflow of capital, the issue of future expansion is the most important. To start with a firm may build a plant just big enough to take care of local demand and the immediate export potential, if any. As markets develop, it will naturally want to expand to take advantage of the economies of scale. While expansion has been rarely disallowed in the past, the investor cannot but take note of the clamour against concentration of economic power. He can hardly dismiss it as the outpourings of the less responsible elements in Indian political life when the Dhebar Committee (of which three members held high political office in Government) goes on record against further licensing of industries to the large business houses. New Delhi has been keen to reassure foreign capital on this issue, and has justly claimed credit for the pragmatism that has guided its policies so far. The investor is presumably impressed, but cannot cast out of his mind the nagging thought that the promise to consider each case on its merit, commits the Government in fact to nothing.

Promoting Engineering Goods Exports

Engineering goods exports have been rising steadily. According to the figures cited by Mr. S. Kirloskar, chairman of the Engineering Export Promotion Council, at a Press conference last week, the value of goods sold overseas during 1963 rose to Rs. 13.45 crores from Rs. 9.37 crores in 1962. This represents a rise of 43 percent. The same trend of increase has continued during the first five months of 1964, the total rise in this period being 36 percent, compared with the corresponding period of 1963. Mr. Kirloskar said that although some notable results had been achieved through the Council's export promotion efforts, the overall progress was not completely satisfactory. A survey of the world markets showed that there was considerable scope for expanding exports further, particularly to the developed countries of the West. Because of their high standard of living, these countries offer a good potential for many of the simple manufactures or semi-processed goods in which Indian engineering industries enjoy an advantage in raw material and labour cost. In order to explore this potential, the Council has already set up two offices in Dusseldorf and London, and a third one will be set up in Chicago soon. With these three branches, the Council will have three foreign officers in Asia and Africa (Beirut, Nairobi and Singapore) and three foreign officers in Europe and America. The Council has also been trying to expand markets in East Europe. So far, substantial business has been done only in razor blades and storage batteries. A trade delegation sent by the Council to these countries has already completed its tour, and its report will be submitted soon. Its preliminary findings, however, indicate that there will be opportunities for selling more engineering goods to east European countries.

Mr. Kirloskar deplored the fact that the official foreign trade policy lacked stability so essential for expanding the country's exports. In its absence, exporters are unable to plan their business on a long-term basis. During the last few weeks alone, the prices of steel for export goods have been raised, apart from an increase in the floor price of the metal. Exporters' import entitlement for a number of non-ferrous items has been reduced and a system of grouping has been introduced for the purpose of using import entitlements. These changes have had a discouraging effect on the trade, and have shaken the confidence of exporters. The Government has subsequently assured that the exporters would be enabled to honour their commitments at the old rates, but the announcement came a little too late, and a good deal of dislocation of the trade had already taken place. Mr. Kirloskar wanted the Government to appreciate the inherent problems of the export trade. In order to "develop a long and sustained export effort, agents have to be appointed, servicing arrangements have to be made, submission of tenders to authorities have to be arranged, and long-term commitments are not possible if there are disturbances in the various export promotion schemes." He, therefore, urged that if the Government wanted exporters to plan their operations on a long-term basis and thus expand their business. New Delhi should make a timely declaration that upsetting changes in the export policy would not be made at least until the end of the fourth plan.

The Rupee Depreciates Rapidly

In its July economic letter, the First National City Bank of New York has included an interesting feature on the depreciation of world currencies during the decade 1953-63. The Indian rupee, as was to be expected, depreciated at the rate of 2.4 percent over the decade while the Pakistani rupee depreciated at the rate of 1.5 percent and the Ceylonese currency by 0.7 percent. The rate of depreciation has been inversely calculated from the increases in the cost of living or consumer price indices as reported by the Governments concerned. The review points out that the rate of depreciation of the Indian rupee has been particularly significant between 1958 and 1963. During the first five years of the decade, the rupee depreciated at the rate of 1.9 percent, but in the next five years, the rate of depreciation increased to as much as 2.9 percent. The fall in the value of the rupee has undoubtedly to be ascribed to the growing inflationary pressures in the economy. India has launched a large number of capital-intensive projects with long gestation periods. Besides, controls on some essential consumer goods have created artificial shortages, leading to conditions of suppressed inflation in some sectors of the economy. This, together with a large volume of unaccounted money, has made monetary management difficult. It is small wonder, therefore, that the monetary policies pursued hitherto have failed to curb inflation. Some experts have, in fact, suggested that deficit financing be cut down to the bone to avert fresh inflationary pressures in the economy.

The rate of depreciation of the Indian rupee, as indicated in the bank's review, suggests that it is over-valued in relation to many leading currencies. It is because of the growing inflationary pressures in the economy and the consequent depreciation of the Indian currency that some economists suggested devaluation of the rupee. The International Monetary Fund does not encourage the frequent devaluation of a currency, but since the rupee was devalued as far back as 1949, there will probably be no opposition from the I.M.F. should a decision be taken to that effect. However, since India's exports are now rising after remaining sluggish for some time and the strain on her balance of payments is lessening, there does not appear to be any immediate reason to devalue the rupee. Moreover, the devaluation of the rupee will make imports more expensive and thus accentuate the inflationary pressures in the economy. The supporters of devaluation may argue that since India is now financing her imports largely through institutional aid—the country has, in fact, been sanctioned a larger volume of untied aid from the Aid-India Club recently—the devaluation of the rupee will not raise import costs. However, it is unlikely that the rupee will be devalued in the foreseeable future, firstly because New Delhi may not be willing to admit that the rate of depreciation of the currency has been alarming and secondly because devaluation will create more problems than it will solve.

Although the First National City Bank's review does not say that the world is passing through a phase of secular inflation which has been responsible for the rapid depreciation of currencies, this fact is nevertheless obvious in its analysis, which points to the need for concerted measures for stabilising the value of currencies. In most European countries, for example, the rate of depreciation during the decade has been of the order of 2.5 percent to 4 percent. The dollar has lost value at a slower pace than many Continental currencies. Brazil suffered the most serious loss in purchasing power—43 percent in one year—while the value of Chile's currency shrank by 31 percent and that of Argentina by 20 percent. It is no wonder, therefore, that the severe inflationary problems in these countries have held down their economic growth.

Bank Amalgamation in West Bengal

The move to establish a viable banking unit in West Bengal by amalgamating small banks does not seem to have met with the response it deserves The Metropolitan Bank was amalgamated with the United Industrial Bank on 6th February, 1964, and the Bank of Bankura and the Prabartak Bank were amalgamated with the United Industrial Bank on 6th May, 1964. The amalgamation of the Metropolitan Bank with the United Industrial Bank was effected on the basis that depositors of the former should be given immediate credit up to 70 percent of their deposits and the remaining 30 percent be paid on the realisation of the assets of the said bank. As a result of the amalgamation, the deposit liabilities of the United Industrial Bank have risen by Rs. 48.03 lakhs. After the amalgamation of the Bank of Bankura and the Prabartak Bank with the United Industrial Bank, the latter's deposit liabilities have further increased by Rs. 46.28 lakhs.

The report of the United Industrial Bank for the year ended December 1963, which has just been published, cannot be said to be particularly encouraging. The bank has incurred a loss of Rs. 51,652. Interest paid on deposits amounted to Rs. 4.02 lakhs, while interest and discount earned amounted to Rs. 7.70 lakhs. Deposits stood at Rs. 1.79 crores. The bank reconstructed its capital structure before amalgamation. In order to wipe out the accumulated loss of Rs. 2.10 lakhs, it reduced its subscribed and paid-up capital with the consent of the Calcutta High Court. The capital has been reduced from Rs. 28.03 lakhs to Rs. 14.50 lakhs divided into ordinary shares of Rs. 39 each, fully paid-up. Capital has been reduced to wipe off the loss of Rs. 2.10 lakhs and to provide for depreciation for different assets. The loss took place prior to 1963. The loss of Rs. 51,652 for 1963 has been offset by drawing on reserves which have been reduced from Rs. 3.74 lakhs to Rs. 3.22 lakhs.

The principle of amalgamating small banks with a strong unit is unexceptionable in principle. But a large deposit liability will not by itself ensure the success that is aimed at. If the unit which is formed after amalgamation is to achieve satisfactory progress, it will be necessary to take active steps to improve its working in various ways. Attention should also be paid to improving the services to customers. For example, cashing a cheque at a bank counter is still a great bother to depositors.

Continuing Protection for Caustic Soda

The caustic soda industry has been enjoying protection for over nine years, and its progress during this period has been impressive. From a mere 39,317 tonnes in 1954, the installed capacity of the industry rose to 209,185 tonnes in 1963, and the production of caustic soda during this period rose from 28,993 tonnes to 150,330 tonnes. The quality of the product is, by and large, considered to be satisfactory. The protection granted to the industry is due to expire on 31st December, 1964. The industry has pleaded for the continuance of protection for a further period and the question is now being examined by the Tariff Commission. Manufacturers have argued that the industry will continue to need protection until it reaches self-sufficiency. The industry is still in the process of development. There exists a sizable gap between domestic supply and demand, necessitating large imports. Imports of caustic soda in 1963 were valued at Rs. 3.44 crores, and import prices are lower. Consumers of caustic soda and the office of the Director-General of Technical Development (D.G.T.D.) of the Government of India share the manufacturers' view that the industry deserves protection for a further period of time.

Opening the sixth public enquiry into the question of continuing protection beyond 1964, Dr. R. Balakrishna, member of the Tariff Commission, said that caustic soda being a basic raw material, such questions as the development of the industry,

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maintenance and enhancement of the productive efficiency, discovery of avenues for fuller utilisation of chlorine, improving the quality of the product and ensuring that the product reaches consumers readily and at reasonable prices, need close attention. He, however, added that as the prices of caustic soda have been decontrolled since 16th December, 1963, the present enquiry was limited only to the issue of protection.

Tracing the progress of the industry since the Tariff Commission's last enquiry in 1961, Dr. Balakrishna said that there were 18 units producing caustic soda in 1961, of which 11 produced for sale and seven for self-consumption. The number of units has since increased to 20 and excepting Saurashtra Chemicals, all the units have adopted the electrolytic process. Between 1961 and 1963, the installed capacity has risen from 143,000 tonnes to 209,185 tonnes. Actual production of caustic soda (on 100 percent NaOH basis) has gone up from 118,646 tonnes to 150,330 tonnes. During this three-year period, the production of caustic soda liquid as well as flakes has registered a progressive rise. Of the total output, the percentage of caustic soda liquid has risen from 53 to 57, and of caustic soda flakes from 6 to 8, while that of caustic soda fused solid has declined from 41 percent to 35 percent. Another development since the last enquiry has been the increase in the output of rayon grade caustic soda from about 44 percent to 47 percent. According to the figures supplied by the Director General of Technical Development, seven existing units have been licensed an additional capacity of 64,200 tonnes, and 14 new units have been licensed with a total capacity of 153,968 tonnes.

Under the conditions obtaining in the country at present, 100 tonnes a day is generally regarded as the technical optimum or the economic size of a caustic soda unit. Dr. Balakrishna has questioned the very validity of the concept of an economic unit. He says that this can vary from unit to unit, depending on whether production is for captive consumption or for sale. In the case of captive units, the optimum unit need not be of 100 tonnes a day capacity. Some of the caustic soda units licensed to paper manufacturers with 10 tonnes capacity were as efficient as the 100-tonne units and their product was low-priced. Dr. Balakrishna said that the question of an optimum unit had to be viewed from many angles. A 100-tonne a day unit was not a necessity from the technical point of view as smaller units could be as efficient. But economies of scale could be derived from the fact that when the unit became larger, capital costs became low and hence there would be lower investment. He felt that when licensing exclusive caustic soda units it would be better to have 100-tonnes a day capacity plants and that the optimum size need not be considered when licensing captive units.

The total estimated demand for caustic soda by various consuming industries, according to the Director General of Technical Development, is placed at 260,000 tonnes in 1964, 295,000 tonnes in 1965, 350,000 tonnes in 1966 and 400,000 tonnes in 1967. The figures supplied by the Alkali Manufacturers Association of India are lower, 245,000 tonnes for 1964 and 366,000 tonnes for 1967. The revised estimated production figures according to the D.G.T.D. are 182,000 tonnes in 1964, 237,000 tonnes in 1965, 304,000 tonnes in 1966 and 330,000 tonnes in 1967. Consumers of caustic soda generally complained against the rise in caustic soda prices after decontrol in December 1963. Manufacturers, however, pointed out that prices had been raised mostly to offset the rise in production costs that had taken place since over a year ago.

Cloth Output and Stocks

Cotton textile output by Indian mills during May is provisionally placed at 383 million yards, compared with 429 million yards in the preceding month and 411 million yards in May 1963. Yarn output also is substantially lower at 159 million lbs, compared with 176 million lbs in April and 164 million lbs in May 1963. The marked fall in production during May has been due almost entirely to more holidays and reduced mill activity following the death of Prime Minister Nehru. The May figures raise the production of cloth and yarn during the first five months of the current year to 2,059 million yards and 856 million lbs, respectively. The corresponding figures for the same period in 1963 were 2,012 million yards and 811 million lbs.

Cloth stocks with the mills at the end of May showed a decline of 11,700 bales (of 1,500 yards each), unsold stocks were down from 97,200 bales to 88,300 bales and there was a fall of 2,800 bales under "sold but delivery not taken" from 152,900 bales to 150,100 bales. Yarn stocks, however, registered a further increase from 102,800 bales (of 400 lbs each) to 107,200 bales.

Shipments of cotton piecegoods from Bombay port, which accounts for nearly 90 percent of the country's total textile exports, during June are provisionally placed at 54.60 million yards, valued at Rs. 5.01 crores. This is the best performance for any month after January 1962. Exports during the first six months of the year amount to 241.96 million yards, valued at Rs. 22.76 crores. The corresponding figures for 1963 and 1962, were 232.16 million yards valued at Rs. 17.14 crores, and 224.69 million yards valued at Rs. 18.09 crores, respectively.

The cotton textile industry's performance during the current year is better than in the previous year, but it is still lagging far behind the plan targets both in production and exports. Against the overall production target of 9,300 million yards for 1965-66, the current level of production is around 8,000 million yards, comprising 4,900 million yards in the mill sector and 3,100 million yards in the decentralised sector. On present indications, it seems highly improbable that the additional production of the order of 1,300 million yards can be achieved in the remaining two years. The planning group for textiles is of the view that since the *per capita* consumption of cloth has not increased as visualised in the plan, and also because cotton textile exports are unlikely to reach the target figure of 850 million yards, the requirements of cotton textiles might be considerably less than envisaged in the plan. It has estimated the requirements at the end of the third plan at 9,000 million yards instead of 9,300 million yards. The share of the organised mill sector has been placed at 5,500 million yards. The maximum output which could be expected by more intensive utilisation of the existing capacity in the mill sector is estimated at 5,000 million yards. In order to achieve production of 5,500 million yards by 1965-66, the planning group has recommended the installation of at least 16,000 additional looms by the end of 1964-65. Yarn requirements for producing 9,000 million yards of cloth are estimated at 2,180 million lbs; current production of yarn is around 1,960 million lbs. As there is little scope for increasing production from the existing capacity, the planning group has recommended that additional capacity of 1 million spindles should be established by the end of 1964-65 in order to ensure the extra output of about 200 million lbs of yarn in 1965-66. The group has also recommended that to the extent the requirements of machinery for the proposed additional capacity cannot be met from indigenous sources, arrangements should be made for importing the requisite machinery. This also holds true of cotton.

Warehousing in West Bengal

The Royal Commission on Agriculture recommended the establishment of a network of warehouses all over the country nearly 30 years ago, but little progress was made in this direction until recently. In 1954 the All India Rural Credit Survey also emphasised the magnitude and urgency of the problem. The West Bengal State Warehousing Corporation, which was established in 1958, has made steady progress in the last six years of its existence. The Corporation has set up warehouses in all the districts of West Bengal, except in Purulia where the Central Warehousing Corporation has a godown. Within the short period of its existence, the Corporation has set up 27 warehouses including a cold storage and four sub-warehouses. During the past two years, the Corporation had to contend with unfavourable circumstances; the credit curb policy of the Reserve Bank, for example, affected its business adversely. Furthermore, uncertain market conditions "as a result of inflationary trends" affected its business. In spite of these adverse factors, the Corporation stored 34,045 tons of agricultural produce in its warehouses during 1963-64. It launched the construction of a warehouse in Alipurduar and purchased godowns and other properties in Siliguri. There is a proposal to set up two godowns in Siliguri, and sites have been selected for constructing warehouses in Ranaghat, Belda and Dinhata. Meanwhile, steps are being taken for acquiring land in these places.

The Corporation has set up a cold storage for potatoes in Tarakeswar in Hooghly district. It is claimed to be the first of its kind to be set up by any Warehousing Corporation in India so far. The Corporation has taken special steps to ensure proper co-ordination among marketing societies, and has distributed fertilisers to agriculturists and tea garden owners in north-eastern India.

Trends in British Insurance

Invested funds of British insurance companies rose from £7,906 million to £8,613 million in 1963. Life funds included in this total increased by a massive £651 million to reach almost £7,200 million at the end of the year. Latest figures giving an analysis of investments at book value provide few, if any, surprises. There has been a further modest increase, from 21.9 percent to 22.2 percent in the proportion of funds held in equities. This is offset by a decline from 19.1 percent to 18.7 percent in the proportion of gilt-edged securities. In absolute terms, the equity holdings rose by £174 million to £1,909 million in the year, while gilt-edged securities were increased from £1,514 million to £1,605 million. The support given to new debenture issues is also reflected in the latest figures. For the first time global figures are disclosed for motor premium income, £391 million, and for aggregate fire losses, over £27 million in 1963. The companies handled 1,957,000 motor claims in Britain last year. This was an increase of 16 percent, although the number of vehicles on the road rose by only 6½ percent. They lost £16 million, 4.1 percent on world motor premiums, 2.8 percent being lost on British business alone. No increase in premiums, however, is contemplated at present. Mr. D. J. R. Evans, the new chairman of the British Insurance Association, takes a confident view of the future. The composite offices should feel the full benefit of last year's rate increases while underwriting losses in recent years have stimulated fresh efforts to improve efficiency.

THE CALCUTTA CORPORATION

THE annual report for the past year by the Chairman of the Municipality has duly been put in type. It is not a very lengthy document and does not throw a great deal of light upon things municipal. We notice that the loan liability of the Corporation has increased from Rs. 3,26,92,090 to Rs. 3,64,29,707; that the annual valuation of the town on March 31st was Rs. 2,48,08,465 and that, therefore, the maximum payable for interest and sinking fund is Rs. 24,80,846, so that the Municipality can borrow a further Rs. 102 lakhs, but if the contribution for repayment of the plague and Government loans is taken into account, their additional borrowing capacity is reduced to Rs. 92,33,700, which we should take it is as much as they should require. There was an increase of Rs. 3,14,848 in the expenditure for the year, of which Rs. 40,305 were on account of pensions and gratuities. The accounts Department is stated to have been reorganised, it is certainly time that this was done, and we must defer remarks on this until we see how the so-called reorganisation works out. We are glad to see the following paragraph in the Report:—"The relative functions of the Corporation and of the General Committee were closely examined and the proper distributions of business between these two co-ordinate authorities was more strictly regulated in accordance with the provisions of the Act. The practice which had grown up by which the General Committee discussed questions within the purview of the Corporation, and made recommendations upon them to the Corporation, was abandoned, and the result has been a prolongation of the Proceedings of the Corporation and an increase in the number of Special Committees appointed." There is an old nautical saying: "Every man to his station and the cook at the foresheet," and we are glad to see that the General Committee will now confine itself to its legitimate business and that questions, which should be dealt with by the Corporation, will not be meddled with by it. This is, indeed, a step in the right direction.

FROM

CAPITAL

21st July, 1964

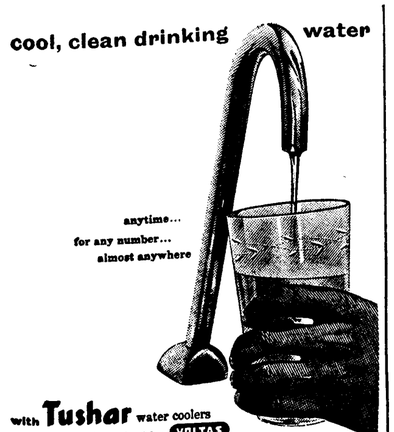
A Ditcher's Diary

HAS IT OCCURRED TO MANY PEOPLE THAT, SINCE Mr. Lal Bahadur Shastri's accession to the office, the Prime Minister's House has been singularly unproductive of windy speeches? I like to think that this is not attributable only to Mr. Shastri's illness about the nature of which unnecessary speculation is still brisk. There is no criticism here of Mr. Nehru's habit of addressing half a dozen meetings a day; his style was his and has to be discussed against the background of his life as a whole. With Mr. Kamaraj as the Congress President, we may be witnessing the Age of Silence in Indian politics. He is a man of very few words, in any language; and what a boon it is. Mr. Shastri may also have seen virtue in silence. To know how to talk is a difficult enough art; to know when not to talk may be even more difficult. Some of the local newspapers recently lamented that the London Press had virtually ignored Mr. T. T. Krishnamachari's statements at the Commonwealth Prime Ministers' conference while President Ayub got a good Press. Well, I am by no means inconsolable. We journalists write because we must. Politicians in office are under no such compulsion. Even as printing notes indefinitely is to court inflation, to speak endlessly is to rob your words of meaning. See what has happened in India to words like "socialism", "integration", "unity" and "emergency". They just don't mean a thing; and this because they have been used so often. Mr. Shastri will be heard with respect only if he speaks when it is necessary to do so and says important things; it may be necessary to repeat them, but this can be done by All India Radio and other agencies. For the rest, Mr. Kamaraj set an admirable example recently in Calcutta at the India Exchange, which reminded me of a mentor of mine. After a formal feast he rose to speak thus: "Gentlemen, I have prepared two speeches for this occasion. I will give you both. The short one is 'Thank you'. The long one is 'Thank you very much'." Then he sat down. Time was when I loved public speeches and walked miles to hear them. Today they bore me and, I am sure, not me alone. I have given up trying to persuade colleagues that what people do is news, not what they say. And look at our newspapers!

SUMMIT CONFERENCES ARE NOW A DOZEN A PENNY; the next time I have an appointment with my barber, I am going to call it either a summit or a confrontation. (Our relations are, in fact, based on a mutually agreed basis of cordial hostility.) At the time of writing, I do not know whether Mr. Moise Tshombe is, after all, going to represent his country at the second African summit at Cairo. If so, he is assured of some cold looks. Perhaps he won't care, as long as Brussels smiles on him; and Brussels does. Think of the man's career. He once wanted only Katanga; and the world would not let him have it. Now he has got the whole of the Congo—after the United Nations has spent some $400 million. Yet I would not write off the whole operation as futile. And if futile it was for the most part, as it appears to have been, many bear responsibility for it. Apart from the obvious saboteurs such as Belgium, Britain and some others, I am still convinced that others are equally to blame. Ghana joined the U.N. Force with alacrity; but soon it became obvious that Dr. Nkrumah's primary inspiration was not upholding the U.N.'s authority. The unfortunate Lumumba erred when he accepted the Osagyefo's advice and, equally, when he did not. And at the United Nations the Africans got together only when the initiative came from the Secretary-General. India provided the largest number of troops; yet she never used the fact to support particular policies in the Congo; too much was left first to the late Mr. Hammarskjoeld and then to the U.N. secretariat. Honourable exceptions apart, U.N. officials are not really quite as supranational as they usually pretend to be. Mr. O'Brien's book has less than complimentary things to say about some Americans and Tunisians at the Congo desk of the U.N. in New York. If I am not uncritical of the U.N., I have even less praise to shower upon what I shall call "aspiring *chhota* U.N.s"—like the Arab League in Cairo, or what the suggested Commonwealth Secretariat will become unless the idea is sat upon heavily and immediately. If I were Tshombe, I wouldn't bother to go to Cairo.

NEVER HAVING TRAVELLED ON A JANATA TRAIN, I don't know how wonderful the experience is. But when I read that the Indian Airlines Corporation was thinking of introducing Janata air services, I wondered why. Are not the existing services Janata enough? You can't buy yourself a drink, or even a packet of cigarettes; the meals are unappetising in the extreme. There is much to be said for reducing international air fares by cutting down the waste involved in pampering passengers of which some airlines seem inordinately proud. In the Soviet Union internal air services are incredibly austere; so they could be in India where the I.A.C. has a monopoly. In Pakistan the helicopter service is said to be very good. Is something comparable feasible in India? Because of the shortage of foreign exchange, Janata air services may not after all come about. The other consideration, I suppose, is that tourists would resent uncomfortable travelling. Speedier travel is certainly to be welcomed; but it seems to me that there is no serious attempt to exploit available resources. India's many rivers have scarcely been used for modern transport. Slow boats still ply. Why not steamers and water buses? Surely India can make them. Road transport remains at a poor level of development. I have never understood why rickshaws in Calcutta cannot be mechanised. It is easy enough to import *Caravelles;* it is far more difficult to make the best use of what we have around us. And that, in my view, is the criterion by which to judge the genius of a people: whether it has made the maximum use of its own resources, mental as well as physical. Look any way you like; and you will find that India is a country of waste; manure is used as fuel. What I am getting at is that we need more down-to-earth thinking on what we have got and what we can make of it.

THE PASSING OF THE CIVIL RIGHTS BILL IS A triumph for President Johnson; there is some doubt whether his predecessor could have done it within the time. Now the difficult stage begins: persuading the southern States to abandon prejudices which over the years have become a way of life. If the negroes continue to conduct themselves with the restraint they have shown so far, the struggle should be a short one. My main anxiety is that in pursuing their statutory rights the negroes may be tempted to resort to force, indeed may successfully be provoked into doing so, in which case the southern whites will have a further excuse for resisting central authority. I have often wondered exactly to what extent "nigger-baiting" in the South is purely the expression of colour prejudice. There is, in fact, much more involved. The white southerners are a proud people, whose defeat in the Civil War a century ago was probably made more humiliating than it need have been. A parallel was the treatment Germany received at Versailles in 1919, and we all know what a complex of hate that engendered. When I visited the South some years ago I was amazed at the depth of feeling which still existed about the Civil War. For a time I thought much of it must be in jest. Then I realised that the resentment of northern domination is still brutally real and that the sentimental memories of the Confederacy remain very much alive. The unfortunate negro, on whose behalf the war was ostensibly fought, has remained the victim of this antagonism between two exclusively white communities for more years than can be numbered since the Civil War. I doubt if the new Bill is going to alter all that for him even if, as I often suspected when talking to white southerners, the



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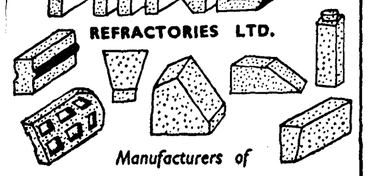
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P.O. Box 14, Calcutta-1, or 5, Mission Row, Calcutta, India.

colour issue is not really the fundamental one. But whether he does or not, the Bill is timely because at least it must serve to warn the South that the outside world is not prepared indefinitely to see the rights of a minority denied because a few ignorant people are not big enough to forget past grievances. It would be a mistake for the South to regard this Bill as merely another instance of the North's determination to punish it for losing the Civil War, although that is what I suspect it will do.

AS CHAIRMAN OF THE LARGEST PUBLISHING GROUP of companies in the world, the International Publishing Corporation, the views of Mr. Cecil King on the political significance of Britain's newspapers ought at least to be worth pondering. He unburdened himself of them the other day at a shareholders' meeting in London, and since then I have been looking for points on which he and I must disagree. His description of *The Times*, for example, as the "parish magazine of the Establishment" is accurate enough, and the allegation that its political opinions "tend to be so balanced as to be neutral", has a great deal of truth in it. But to say its importance "has much diminished" is, I think, to underrate the extent to which the Establishment and its views still dominate British social and political life. I agree with Mr. King that the *Guardian* was a great paper under C.P. Scott and a good one under Wadsworth, and I am with him when he says that it "is now a very pallid version of what it once was". The trouble with the *Guardian* is that when it dropped "Manchester" from its title and attempted to be all things to all men, it abandoned its *raison d'être*, which was that of expressing the dissenting opinion from outside the capital. There is little wonder it has not succeeded in competing with the London papers on their own ground, although I believe the experiment has not been a financial failure, at least not yet. The *Observer*, Mr. King correctly implies, has never recovered the self-confidence it lost when it chose the wrong side in the Suez controversy—financially the wrong side that is. The *Daily Telegraph*, I must agree, has the best news service in Fleet Street, but I wonder if Mr. King is right in saying that its political comment is "so stodgy as to have no influence on its overwhelmingly Conservative readers". Personally I have always found the *Telegraph*'s comment so banal as to put me off the rest of the paper as well. The *Daily Express*, no doubt, "is a superb journalistic effort", but as Mr. King says its comment is so uncertain that "no political results could reasonably be expected". So far Mr. King's views are much the same as my own. But I do disagree when he says about his own paper, the *Daily Mirror*, that "our readers are more likely to listen to the views of their newspaper than to the views of any other journal". I have never yet met anybody who read the *Mirror* for anything other than entertainment, pure and simple.

THERE SEEMS TO BE A SERIOUS DANGER THAT THE debate on whether or not Lee Oswald did assassinate President Kennedy could eventually become as tiresome as the old question who killed Rasputin. And we all know how that had to be settled: Robert Benchley finally owned up. It would be a terrible finale to such a tragic incident if the Kennedy shooting were ever to become the subject of humour. No chance for the next few years perhaps; the world was too upset by what happened in Dallas last November. But if the question is not answered satisfactorily, if it is allowed to go on being anybody's guess for the next decade or so, then eventually that could be the outcome. Just now it is providing too many opportunities for morbid speculation such as cannot fail to attract cranks, busybodies and money-spinning writers in ever increasing numbers. I realise that the Warren Commission has not yet finished its deliberations, and that matters of such delicacy cannot in any way be rushed. But the need now for the steadying influence of an authoritative judgment has become urgent, and one can only hope for the sake of a great man's memory that it will not be long delayed.

THE DITCHER

Guide for Investors

CEMENT SHARES DEPRESSED DESPITE PRICE INCREASE

(BY A SPECIAL CORRESPONDENT)

INVESTORS in cement shares have not been impressed by the latest increase in the price of cement sanctioned by the Government. So these shares continue to be sluggish. The price of Ashoka Cement has dropped from Rs. 7.31 to Rs. 6.75 over the past year, that of Orissa Cement from Rs. 13.75 to Rs. 13 and that of Sone Valley from Rs. 4.56 to Rs. 4.25. The disappointment has been largely due to two factors. First, the increase is inadequate to compensate the producers for the higher costs resulting from enhanced fuel and transport charges and from governmental action. Secondly, the increase has been made effective only from 1st July, 1964. The price was last raised on 1st June, 1963, so the producers do not get the benefit of the present price increase for the period before 1st July, 1964, although production costs rose substantially during this period. The entire procedure for adjusting the price to cope with increased production costs is unsatisfactory.

As a result of the unrealistic price structure, production has suffered. While the outlook for the commodity is far from encouraging, the present demand has been much in excess of supply. It looks as though the shortage will continue for a long time. The present output capacity amounts to only 10.1 million tons; this is likely to be raised to 14.6 million tons in the course of the next few months. It is highly unlikely that the third plan output capacity for 15.2 million tons will be achieved by 1966, while the demand by that time may have gone up to 16.84 million tons. Since cement is essential for implementing the housing and construction programmes visualised in the third plan, vigorous remedial measures for stimulating the output of cement should be urgently taken. A great deal of the commodity is also required for defence needs.

The producers, apart from feeling discouraged to increase production due to the unrealistic price policy, also lack funds to finance expansion and modernisation. Due to the low profitability, they have not been able to conserve sufficient resources for expansion. It has also not been possible for cement companies to raise funds from the market in the present conditions. Because of their low profitability, first class cement companies have been forced to pay dividends out of reserves in recent years.

Indian Copper Earns More

INDIAN Copper Corporation Ltd has earned a trading profit of £1,384,875 for the year ended December 1963, compared with one of £1,351,771 for 1962, after providing £71,182 (against £82,590) for managing agents' remuneration and meeting other charges. A taxable ordinary dividend of 12 percent has been declared to absorb £98,000. The yield amounts to about 5 percent at the present price of Rs. 3.30 a share of 2s each. A taxable ordinary dividend of 18 percent was paid for 1962, but the share capital has, meanwhile, been raised from £1,371,300 to £2,056,950 by issuing bonus shares in the proportion of one bonus share for every two held. Depreciation is allocated £170,000 (the same), development rebate reserve £26,597 (against £15,136), provision for decretal amount under kyanite suit £21,694 (against £50,788) and taxation £821,855 (against £742,378). Out of the tax provision, surtax absorbs £86,250 while the super profits tax was allocated £129,427 for 1962. General reserve receives £98,000 (against £195,000). The carry-forward is £465, against £570 brought in.

Sales rose from £4,976,934 to £5,162,285. Total ore reserves for all mines amounted to 3,929,789 tonnes, against 3,927,687 tonnes. The mill treated 464,420 dry tonnes of ore, against 478,014 tonnes. About 38,712 dry tonnes of concentrate were produced, against 37,697 tonnes. Refined copper amounting to 9,582 tonnes, against 9,781 tonnes, was produced. The overall recovery from ore of refined copper amounted to 92.403 percent, against 92.90 percent. The construction of the new electrolytic refinery has been delayed due partly to difficulties in obtaining import licences and partly because of irregular supplies of cement, steel and roofing materials. The project is expected to be completed by September 1964. Rolled production, including 1,222 tonnes of copper sheets and strips, amounted to 10,598 tonnes, against 9,739 tonnes. A quantity of 14,029 tonnes, including 2,057 tonnes of refined copper ingots, was despatched for sale, against 12,653 tonnes, including 3,019 tonnes of refined copper ingots. The average selling prices for rolled brass and rolled copper increased. The overall operating cost to produce 1 metric tonne of refined copper amounted to £179, against £172. The sale of kyanite dropped from 33,184 tonnes to 21,597 tonnes, following the slump in world markets due to the recession in the steel industry.

Tata Steel Raises Dividend Again

THE Tata Iron and Steel Company has stepped up the dividend for the year ended March 1964 from Rs. 11 to Rs. 12 a share (Rs. 75 paid up). The increase in the dividend for the second year in succession reflects as much the improvement in the Company's working results as a change in the management's attitude towards its shareholders who have long been denied the benefit of the Company's large expansion. The preliminary report on the working of the Company shows that it has fared better during 1963-64 than in the preceding year, with both sales and profit recording further improvement.

Sales have gone up from Rs. 99.53 crores to Rs. 110.44 crores. The gross profit has increased from Rs. 22.21 crores to Rs. 23.65 crores. The performance looks less impressive when due allowance is made for the amount of Rs. 80.58 lakhs for which credit has been taken in the 1963-64 accounts, but which actually relates to the previous year. An encouraging feature of the year's results is that for the first time in six years, the Company has not withdrawn any amount from the reserves in order to meet the dividend obligation. The directors have, in fact, transferred a sizable amount to the general reserve which has been possible because of the reduction in the allocation to the development rebate reserve.

Appropriations include depreciation Rs. 797 crores (against Rs. 7.70 crores), additional depreciation nil (against 3.95 crores), development rebate reserve Rs. 1 crore (against Rs. 8.70 crores), taxation Rs. 4.75 crores (against Rs. 80 lakhs), deferred taxation reserve Rs. 2.70 crores (against nil), general reserve Rs. 2.75 crores (against nil) and dividend reserve Rs. 5.25 crores (against Rs. 4.90 crores). Preference dividend absorbing Rs. 94.39 lakhs (against same) and equity dividend absorbing Rs. 4.409 crores (against Rs. 4.042 crores) will be paid from the dividend reserve. After making various allocations, there remains a balance of Rs. 2.44 lakhs to be carried forward, against Rs. 32,000 brought in. It might be mentioned here that in the preceding year, the directors had withdrawn a sum of Rs. 3.84 crores from reserves for paying dividend. Tata Steel shares are currently quoted around Rs. 156.50, offering a gross return of a little over 8 percent.

Larsen and Toubro Results Impress

LARSEN and Toubro Ltd has raised the dividend for the year ended March 1964 from 14 percent to 15 percent. The proposed dividend is payable on the higher equity capital of Rs. 1.65 crores as increased by the rights issue of 550,000 equity shares. These additional shares fully paid-up in August 1962 are entitled to a full year's dividend in 1963-64. The total equity dividend works out to Rs. 24.75 lakhs, compared with Rs. 19.25 lakhs in the previous year. The increase in the dividend is fully justified by the Company's impressive performance during the year. Sales have gone up by about 41 percent from Rs. 5.82 crores to Rs. 8.20 crores and the other income is up by 24 percent from Rs. 70.73 lakhs to Rs. 87.74 lakhs. The gross profit has shot up by nearly 68 percent from Rs. 70.25 lakhs to Rs. 1.18 crores.

The Company's impressive results are due largely to the improved performance of its workshops in Powai where output is stated to have increased by as much as 62 percent over the previous year. Production has, in fact, more than trebled in the last three years. With all the production units in Powai having either reached or exceeded their targets, there has been a reduction in the cost of production in spite of a rise in the cost of labour, raw materials, power, etcetera. Encouraged by its rapid growth, the Company has embarked upon a three-year expansion programme to increase production and sales to meet the rising demand for high quality engineering products and skilled engineering services. The expansion programme will be financed partly by the proposed rights issue of Rs. 79.20 lakhs in 660,000 equity shares of Rs. 10 each at a premium of Rs. 2 a share. The Company has also obtained additional cash credit facilities from its bankers and intends to make arrangements for medium and long-term loans later in the year or early next year.

Appropriations of the year's gross profit of Rs. 1.18 crores (against Rs. 70.25 lakhs) include the managing agents' commission Rs. 6.25 lakhs (against Rs. 4.08 lakhs), depreciation Rs. 18.46 lakhs (against Rs. 14.64 lakhs), development rebate reserve Rs. 4.46 lakhs (against Rs. 3.23 lakhs), taxation Rs. 50.50 lakhs (against Rs. 24.40 lakhs), reserves Rs. 12.08 lakhs (against Rs. 5.06 lakhs), preference dividend Rs. 97.500 (the same) and equity dividend Rs. 24.75 lakhs (against Rs. 19.25 lakhs). It is stated that if the dividend tax is continued, the dividend for 1963-64 will increase the Company's current year's tax liability by Rs. 1.85 lakhs which works out to more than 1 percent of the equity capital. The Rs. 10-paid share of Larsen and Toubro is quoted around Rs. 21.32, offering a gross return of a little over 7 percent.

Tata Oil Cuts Dividend

THE Tata Oil Mills fared badly during the year ended March 1964. Despite an increase of about 7 percent in the sales from Rs. 12.89 crores to Rs. 13.80 crores, the gross profit fell by nearly 30 percent from Rs. 70.82 lakhs to Rs. 49.76 lakhs, and the management had to reduce the dividend from Rs. 5.50 to Rs. 3 a share. The shareholders have, however, been compensated for the dividend cut by a one-for-three bonus issue. The directors state in their report that the production of both laundry and toilet soaps was maintained at the previous year's level, but the total sales of branded products in 1963-64 recorded only a nominal increase of about Rs. 7 lakhs over the year. This was in spite of an increase of 23 percent in the sale value of toilet soap. The major setback occurred in the sales of laundry soap, which constitutes about 55 percent of the total sales of the Company's branded products, and glycerine. Sales of *vanaspati* increased by about 5 percent, but a large portion of the hydrogenated capacity, both at Tatapuram and Bombay, was

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used to produce hard fat required for the manufacture of soap. Total exports of the Company rose to Rs. 2.40 crores, reflecting an increase of nearly Rs. 80 lakhs over the year, of which Rs. 70 lakhs consisted of increased groundnut oil exports.

The directors have attributed the setback in the Company's trading results in 1963-64 to a number of factors, most of which resulted from Government policies or actions. The cost of raw materials increased considerably because of further rise in the price of Indian oils, but mainly because of the loss suffered on the larger exports of groundnut oil which have become necessary in order to earn import entitlements for raw materials obtained from abroad. The Company exported 10,333 tonnes of groundnut oil during 1963-64, against 5,747 tonnes in the previous year. This had the effect of increasing the cost of raw materials by Rs. 25 lakhs. The excise duty burden cost an extra Rs. 21 lakhs during 1963-64. While the cost of production increased, the Company was unable to raise the selling prices of its products due to Government restrictions. The Company has thus been trebly squeezed between soaring raw material and manufacturing costs, heavy taxation and inadequate selling prices.

However, in his statement to the shareholders which has been attached to the directors' report, the chairman, Mr. J. R. D. Tata, has expressed the hope that the Company will be able to report better results for the current year which will enable the management at least to maintain the present dividend on a capital which will then be one-third larger because of the one-for-three bonus issue. The Company's future depends on the extent to which it is able to reduce its vulnerability to the many factors over which it has no control and to increase the profitability of its operations. The chairman has assured the shareholders that the management is doing everything possible to reduce the cost of production, and these efforts are beginning to show results. As a result of the constant modernisation of the equipment, it has been able to reduce manufacturing costs not only through increased efficiency of the new equipment, but through improved processes and more economical blends of raw materials.

Unfortunately, soap, which is a high volume and low profit product throughout the world, constitutes two-thirds of the Company's operations. In the conditions prevailing in the country today and likely to prevail for many years to come, this makes the Company unduly dependent on a single product highly vulnerable to factors beyond its control. Therefore, while pursuing the programme aimed at modernising and increasing the efficiency of soap-making machinery, the Company is seeking to diversify its activities in the manufacture of products providing higher profit margins and seeking fresh and less vulnerable sources of revenue. In fact, this policy was started some years ago with the launching of Industrial Perfumes Ltd, Lakme, taking of sales agencies and a substantial participation in Tata-Finlay Ltd. This process is being continued and fresh opportunities are being sought to diversify into new sound and profitable lines and distribution.

Tata-Finlay has begun its operations, and it has undertaken two separate projects more or less simultaneously. The first one involving the setting up of a tea packaging factory in Bangalore and sale of Tata-Finlay tea went into operation in February. The second project is the manufacture of soluble instant tea powder in Munar (Kerala State). The factory is nearing completion and production is likely to start before the end of 1964. The whole of the output of instant tea will be exported to America and marketed there as a packed and branded product. Instant tea is likely to be introduced on the American market in the spring of 1965. Mr. Tata has expressed the hope that the venture will be a profitable one for Tata-Finlay and, therefore, for Tata Oils as a principal shareholder in that Company. Lakme has shown improvement in both sales and profits, and this trend is expected to be maintained in coming years. In the not too distant future, Lakme is expected to make an important contribution to Tata Oil's profits.

More from Kesoram Industries

KESORAM Industries and Cotton Mills Ltd has published the preliminary working results for the year ended March 1963. The gross profit has risen from Rs. 2.01 crores for 1962-63 to Rs. 2.70 crores for 1963-64. Depreciation absorbs Rs. 95.28 lakhs (against Rs. 82.49 lakhs). The taxable ordinary dividend has been increased from 13 percent to 15 percent. It offers a yield of 5.7 percent at the present price of Rs. 26.50 a share of Rs. 10 each. Taxation is allocated Rs. 53 lakhs (against Rs. 8 lakhs), development rebate reserve Rs. 4.78 lakhs (against Rs. 3.21 lakhs) and general reserve Rs. 55 lakhs (against Rs. 22 lakhs).

Digvijay Woollen Pays More

SHREE Digvijay Woollen Mills Ltd has reported encouraging results for the year ended March 1964. Sales have risen by nearly 22 percent from Rs. 1.51 crores to Rs. 1.85 crores, of which goods supplied to the defence forces fetched as much as Rs. 88 lakhs. The gross profit is up by about 14 percent from Rs. 41.76 lakhs to Rs. 47.54 lakhs. The dividend has been raised from 17 percent to 18 percent. The dividend for 1963-64 is payable on the increased capital, the new shares ranking for proportionate dividend for five months which amounts to Rs. 75 paise a share, against Rs. 1.80 a share on old shares. After providing Rs. 2.24 lakhs (against Rs. 1.36 lakhs) for depreciation, Rs. 1.79 lakhs (against Rs. 35,320) for development rebate, Rs. 28.50 lakhs (against Rs. 27 lakhs) for taxation, Rs. 5 lakhs (the same) for special reserve, Rs. 1.72 lakhs (the same) for preference dividend and Rs. 7.93 lakhs (against Rs. 6.79 lakhs) for equity dividend, there remains a balance of Rs. 40,584 to be carried forward, against Rs. 53,463 brought in. The directors state that there has been delay in the implementation of the modernisation programme due to the foreign exchange shortage. The Company installed imported machinery worth Rs. 9 lakhs during 1963-64 and it has placed orders for more machinery valued around Rs. 23 lakhs. The directors have drawn attention to the difficulties in securing imported raw materials. In order to achieve the production targets set in the third plan, the woollen industry requires imported raw materials of the value of Rs. 25 crores a year. Against this, import licences issued during the year ended September 1963 totalled only Rs. 9 crores and the licences granted for the year ended September 1964 are placed around Rs. 6.5 crores. The directors have expressed the hope that in view of the increased defence requirements, the industry will be given all the help it needs from the Government.

Britannia Biscuit Maintains

THE Britannia Biscuit Co. Ltd has repeated the taxable ordinary dividend of 21 percent, including a final dividend of 15 percent, for the year ended March 1964. The yield works out to 5.5 percent at the present price of Rs. 38 a share of Rs. 10 each. The net profit has improved from Rs. 27.52 lakhs for 1962-63 to

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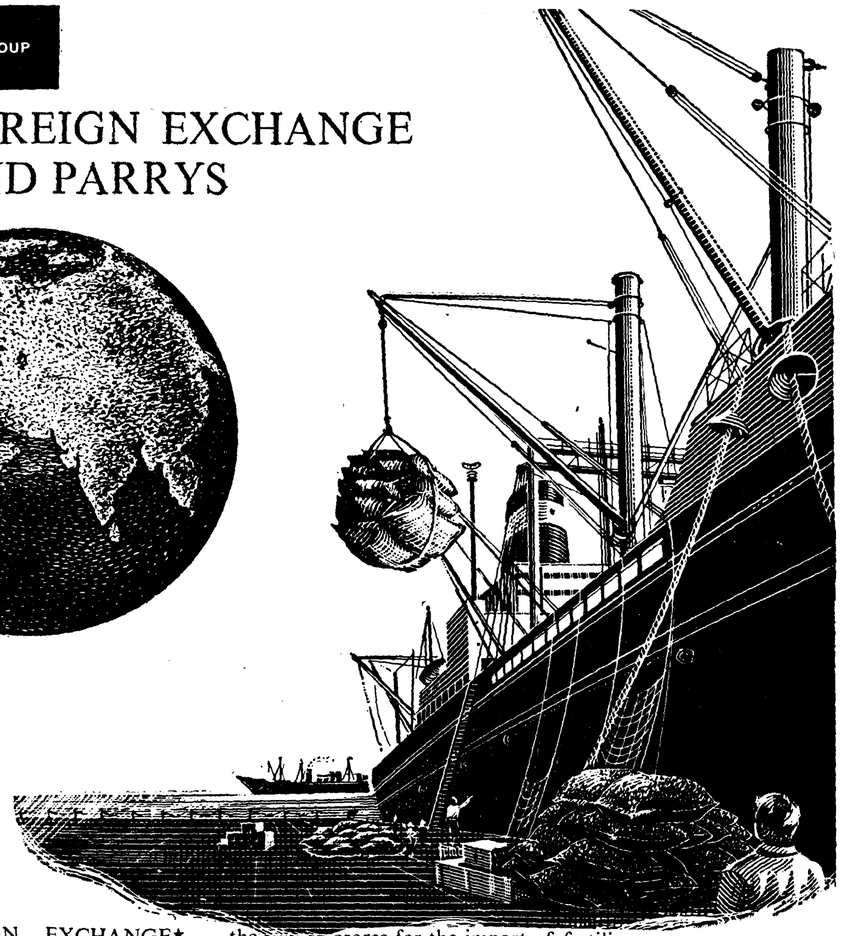
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Rs. 31.56 lakhs for 1963-64. Taxation is allocated Rs. 60.60 lakhs.

Baroda Spinning Incurs Loss

THE Baroda Spinning and Weaving Co. Ltd has skipped the dividend for 1963 because of its disappointing performance during the year. The Company had paid a dividend of Rs. 18 a share in 1961 and this was reduced to Rs. 12 in 1962. The working results for 1963 show a loss of Rs. 3.40 lakhs, against a gross profit of Rs. 5.79 lakhs in 1962. The managing agents have not charged their minimum commission of Rs. 40,000. Provision for depreciation is higher at Rs. 4.11 lakhs, against Rs. 3.92 lakhs and Rs. 1.13 lakhs has been provided for bonus for 1961. After making these appropriations and certain minor adjustments, the net loss to be carried forward amounts to Rs. 8.71 lakhs.

McLeod Cuts Dividend

THE profit of McLeod and Co. Ltd has dropped from Rs. 25.29 lakhs for 1962 to Rs. 22.04 lakhs for the year ended December 1963, largely due to the reduced dividend incomes from the miscellaneous trading and tea departments. The revenue from jute mills, insurance and shipping departments has been slightly larger, but the agency and railway departments have earned less. The income from the engineering department has been almost maintained. The taxable ordinary dividend has been reduced from 18 percent to 15 percent which works out to a yield of 7 percent at the present price of Rs. 213 a share of Rs. 100 each. Depreciation absorbs Rs. 1.21 lakhs (the same), taxation Rs. 7 lakhs (against Rs. 7.75 lakhs) and surtax on profits Rs. 60,000. Reserve absorbs Rs. 2.24 lakhs (against Rs. 8.60 lakhs). Sales rose from Rs. 2.87 crores to Rs. 3.05 crores.

Britannia Engineering Pays Less

THE gross profit of Britannia Engineering Co. Ltd has amounted to Rs. 38.75 lakhs for the year ended December 1963, compared with a profit of Rs. 36.36 lakhs for 1962. Depreciation absorbs Rs. 15.65 lakhs (against Rs. 12.19 lakhs). The taxable ordinary dividend has been reduced from 10 percent to 9 percent which works out to a yield of 9.1 percent at the present price of Rs. 9.94 a share of Rs. 10 each. Taxation is allocated Rs. 10 lakhs (against Rs. 9.10 lakhs). Sales rose from Rs. 3.52 crores to Rs. 3.72 crores, but the margin of profit dropped due to increased production costs. Working was also interrupted by a strike during the latter half of 1963.

Kalyanpur Lime and Cement Maintains

KALYANPUR Lime and Cement Works Ltd has maintained the taxable ordinary dividend at 8 percent for 1963, and the arrears of cumulative preference dividends up to 1963 have been paid. The gross profit has amounted to 27.06 lakhs, against Rs. 26.75 lakhs for 1962. Depreciation is allocated Rs. 7.16 lakhs (against Rs. 6.80 lakhs). Sales rose from Rs 1.66 crores to Rs. 1.78 crores. The Company has undertaken an expansion scheme to increase the output capacity for cement by 200,000 tonnes a year. The project is likely to be completed by the middle of 1966. The directors hope that the profit will improve when the expansion projects are completed. It is proposed to raise fresh share capital for Rs. 77 lakhs to finance expansion. A loan of Rs. 1.25 crores is likely to be obtained from the Industrial Finance Corporation, out of which Rs 16.25 lakhs will be in dollars and Rs. 19.75 lakhs in West German currency. The remaining Rs. 45 lakhs will be taken in rupees. The Industrial Finance Corporation has agreed to underwrite preference shares for Rs. 5 lakhs.

General Investment and Trust Repeats

THE General Investment and Trust Co. Ltd has repeated the taxable ordinary dividend of 5 percent for the year ended 29th February, 1964. The yield works out to 1.6 percent at the present price of Rs. 31 a share of Rs. 100 each. The profit has dropped from Rs 41,266 for 1962-63 to Rs. 14,961 for 1963-64, after providing Rs. 11,502 (against Rs. 10,162) for taxation. The carry-forward is Rs. 42, against Rs 4,826 brought in. The total market value of the investment portfolio has exceeded the book value by Rs. 1.23 lakhs on 29th February, 1964.

New Capital Issues

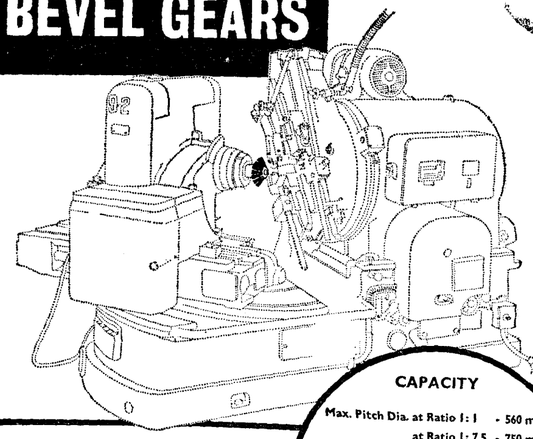
TEN companies have been authorised to raise fresh capital exceeding Rs. 7.76 crores. Of these, one will be issuing bonus shares, three will be issuing equity shares and six are floating equities plus preference shares. Four of these companies involve foreign collaboration. Two companies will be offering part of their shares to the public by prospectus The consent of the Controller of Capital Issues is valid for 12 months in all cases excepting one in which case it is valid only up to 8th April, 1965. The following are the details:

India Paper Pulp Company Ltd, Calcutta, is to issue bonus shares of the value of Rs. 35,28,000 divided into 352,800 equity shares of Rs. 10 each, on capitalisation of the share premium account to a like extent. The bonus shares will be offered at the ratio of two shares for every five shares held. The Company is engaged in the business of paper and paper board manufacture.

Food Specialities Ltd, Delhi, engaged in the manufacture of sweetened milk, baby foods, etcetera, is to issue further capital of Rs. 1,20,00,000 divided into 120,000 equity shares of Rs. 100 each. Out of this, shares of the value not exceeding Rs. 84 lakhs (70 percent)—Rs. 72 lakhs for consideration other than cash against import of plant and equipment and Rs. 12 lakhs for cash—will be offered to Nestle's Holdings Ltd., Nassau, Bahama Islands and the balance of Rs. 36 lakhs (30 percent) to the existing Indian shareholders, for cash at par. The money will be used for financing the setting up of a plant for the manufacture of a new item, namely, instant soluable tea direct from green leaves.

Indodan Milk Products Ltd, Calcutta, a public limited Company engaged in the business of processing milk food and other products allied thereto, is to issue capital of Rs. 34.93 lakhs divided into equity shares of Rs. 100 each for cash at par. Out of the issue, such number of shares as would enable the Company's scrip

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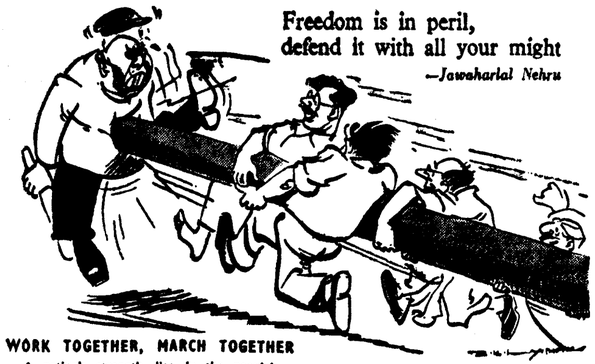
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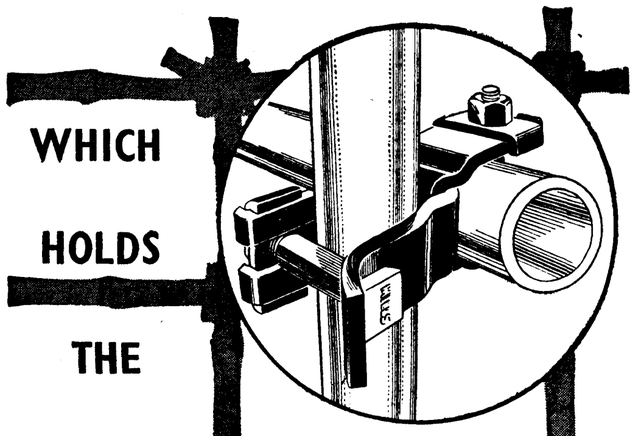
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being listed on recognised stock exchanges, will be offered to the public by a prospectus. The capital will be used for financing the existing activities of the Company.

Aluminium Corporation of India Ltd, Calcutta, an existing Company, will be issuing further capital of Rs. 42,81,250 for cash at par, consisting of Rs. 17,81,250 in equity shares of Rs. 10 each and Rs. 25 lakhs in 25,000 9.3 percent cumulative redeemable preference shares of Rs. 100 each. The money will be used for financing the expansion involved in the manufacture of virgin aluminium ingots, sheets, circles, etcetera.

Usha Hunger Hydraulics Ltd, Calcutta, a new Company, is to issue capital of Rs. 28 lakhs consisting of Rs. 20 lakhs in equity shares of Rs. 10 each and Rs. 8 lakhs in 9.5 percent cumulative redeemable preference shares of Rs. 100 each. Out of these, equity shares of the value of Rs. 5.2 lakhs—Rs. 1.2 lakhs against technical know-how and Rs. 4 lakhs against supply of machines, tools, jigs, fixtures etcetera—will be offered for subscription to Walter Hunger International, GmbH, West Germany. The capital will be used for the manufacture of hydraulic and mechanical tipping gears for automobiles.

Republic Forge Co. Ltd, Hyderabad, is to issue capital for cash at par of Rs. 1,47,60,000 consisting of equity shares of Rs. 100 each of the total value of Rs. 112.60 lakhs and 35,000 cumulative redeemable preference shares of Rs. 100 each carrying dividend at 9.3 percent free of Company's tax but subject to deduction of taxes at source at prescribed rates. The money will be used for the establishment of a forge plant in collaboration with Renault Engineering Co. of Paris. This consent is in supersession of the earlier consent dated 9th February, 1962, and is valid for 12 months.

Usran Electronics Ltd, Bombay, a public Company registered on 21st January, 1964, for the manufacture of carbon resistors, is to issue capital of Rs. 35 lakhs including Rs. 7,38,500 already issued (privately) in equity shares of Rs. 100 each, for cash at par.

Prima Particle Board Corporation Ltd, Gujarat, will be issuing Rs. 40,00,000 divided into 300,000 equity shares of Rs. 10 each, and 10,000 9.3 percent preference shares of Rs. 100 each. The money will be used for the manufacture of chipboards.

Shamsher Sterling Cable Corporation Ltd, Bombay, engaged in the manufacture of rubber insulated wires and cables, is to issue further capital of Rs. 35 lakhs divided into 50,000 equity and 20,000 9.5 percent cumulative redeemable preference shares of Rs. 50 each, for cash at par, of which equity shares of the value of Rs. 12.5 lakhs will be allotted as to Rs. 3.5 lakhs to Showa Electric Wire and Cable Company Ltd., Japan, and Rs. 9.0 lakhs to Mitsui and Company Ltd., Japan. The capital will be utilized for financing expansion of the existing activities of the Company.

Central Pulp Mills Ltd, Poona, who was accorded consent on 8th April, 1964, to issue capital of Rs. 245 lakhs have now been allowed to increase the said amount to Rs. 257.50 lakhs divided into 176,250 equity and 81,250 cumulative redeemable preference shares of Rs. 100 each, carrying dividend at 9.3 percent per annum, for cash at par. Out of the issue, such number of each kind of shares, as would qualify the scrip to be listed on recognised stock exchanges, will be offered to the public by prospectus. The consent is valid up to 8th April, 1965 only.

The Stock Markets

INDIAN IRON FALL ON DIVIDEND UNCERTAINTIES

Wednesday Evening.

THE Calcutta stock market has been quiet during the past week. The prices of clearing shares in particular have dropped on tired bull liquidation, combined with bear pressure. The decline in the prices of Indian Iron has been a major damper. Bulls have preferred to keep their commitments light because of uncertainty concerning the size of the Indian Iron dividend for 1963-64, which is expected to be announced next Friday. Although steel shares were supported earlier due to the increase in the Tata Steel dividend for 1963-64 from Rs. 11 to Rs. 12 a share, taxable, the rally proved temporary. Operators are disappointed that T.I.S.C.O.'s profit has fallen short of general expectations. The clearing on Wednesday passed off smoothly and carry-forward charges were moderate.

Business is largely confined to clearing shares. Interest in cash scrip is negligible and their prices have generally dropped. An appreciable part of the investible funds has begun to flow into the Unit Trust. The new loans of the Central Government have also mopped up considerable funds. Lyons Range is disturbed by the decision of commercial banks to increase their lending rates. It is feared that industrial production costs will rise further, so the profitability of companies will suffer. The prospects for an increased flow of bank credit into the stock market during the current slack season are considered poor, since the Reserve Bank has been keen on regulating bank advances. In any case, the banking community has been cautious in view of the fact that increased liquidity requirements have to be complied with by September 1964.

The corporate news is fairly encouraging. India Paper Pulp will soon issue bonus shares in the proportion of two shares for every five held. Kesoram Industries and Cotton Mills have increased the ordinary dividend. Investors are, however, reluctant to increase their commitments in industrial equities in view of the discouraging outlook. Industrial workers have begun to agitate for higher wages because of the increased cost of living. India's balance of payments still looks unhealthy. In the political sphere, the future of Indo-Pakistani relations remains as uncertain as ever. The deliberations of the Commonwealth Prime Ministers' conference are being watched with keen interest.

Indian Iron have fallen back due to profit-taking, combined with short-selling. Among engineering shares, Burn have been steady while Texmaco, Guest, Keen, Williams and Jessop have lost. Braithwaite have met with scattered support. In the miscellaneous section, attention has centred on clearing shares. Kesoram Industries have been supported on a higher dividend. Union Carbide, Metal Box and Alkali Chemical have been steady. Among managing agency shares, Martin Burn and Jardine Henderson have been taken. There has been little interest in electric company and bank shares. Orient have been prominent in paper shares. Seshasayee and India Paper Pulp have attracted scattered support. Sugar shares have been neglected.

Birla have been a steady feature in jute shares on diversification prospects. Turnover in jute scrip has however, shrunk due to sluggish overseas enquiries for jute goods. Barnagore, Champdany, Anglo-India and Kinnison have been taken. Stray business in coal shares has been done, but prices have tended to drop. Central India, Burrakur and Bengal have changed hands. Cotton mill shares have been steady in view of the new control scheme recommended by the Cotton Textiles Consultative Committee. Bharat Commerce, Elgin, Dunbar and Jay Shree Textiles have changed hands. J. K. Rayon have reacted due to profit-taking. In selected Assam and Dooars gardens, a small business has been transacted, but fluctuations have been narrow. Patrakola have been a steady feature.

Government securities are very steady, although turnover is limited. The list for the two new loans issued by the Government of India opened last Monday. The response is reported to be satisfactory. The short-dated 4 percent Loan 1970 has met with good support from banks. The 3 percent Conversion Loan 1986 has been quoted at Rs. 63.80.

Bombay

SHARES SLUGGISH IN SMALL TURNOVER

TATA STEEL PROFIT FIGURES DISAPPOINT

Wednesday Evening.

THE Bombay stock market has been sluggish during the past week. There has been an appreciable decline in the prices of clearing shares due to profit-taking. When the dividend of the Tata Iron and Steel Company for 1963-64 was declared, bulls hurried to take their profits, although the taxable ordinary dividend of the Company has been increased from Rs. 11 to Rs. 12 a share. Holders have been disappointed with the profit figure which has fallen below market expectations. Prices of other clearing scrip have been marked down as a result of the recession in steel shares. Towards the close, turnover has shrunk considerably and operators have been disinclined to extend commitments. Business in cash shares has been negligible, and their prices have also dropped.

Dalal Street has felt the growing shortage of funds. In spite of the flow of funds into the banking system following the advent of the slack season, commercial banks have not been keen on increasing their credit to the stock market. The decision of the Reserve Bank to restrict advances against vegetable oils and oilseeds has made operators cautious. The response for units of the Unit Trust has been satisfactory. Small and medium investors, in particular, have tended to divert their funds to investing in these units.

Tata Steel ordinary have declined to Rs. 156 towards the close. Among engineering shares, Tata Engineering have been about steady since the chairman of the Company hinted that the dividend would be maintained even on the increased capital. The Company's prospect of getting dollar loans for expansion has been bullishly interpreted. Larsen and Toubro have been steady due to the payment of a higher dividend. Mukand Iron, Premier Construction and Alcock Ashdown have been quiet. Among motor-vehicle shares, Hindustan Motors have reacted due to profit-taking, while Premier Automobiles have been steady on hopes of a good dividend.

Cotton mill shares have shown losses all round towards the close due to profit-taking. Century, Bombay Dyeing, Standard, Svadeshi and Gokak have declined. India United ordinary, Central India and Morarjee have been sold at lower prices. Investors have preferred to wait until the decision of the Government on partial control of cloth is announced.

Turnover in miscellaneous shares has been small. In cement shares, Digvijay have been steady on hopes

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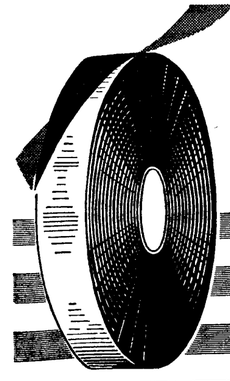
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of expansion, but Associated Cement have been sluggish. Among steamship company shares, Scindia Steam have lost on profit-taking. In mining scrip, Be Be Petrol and Shivrajpur Syndicate have dropped. Among sugar shares, Belapur, Walchandnagar Industries and Phaltan have been quiet.

Chemical shares have turned quiet. Tata Chemical and Indian Dyestuff have declined. Voltas and Tata Oil have been about steady. National Rayon have reacted due to profit-taking. Business in bank shares has been negligible, but prices have shown little change. Bank of India and Bank of Baroda have been transacted. Electric company shares have been steady. Support has been forthcoming for Ahmedabad, Tata Power and Tata Hydro.

Madras

SHARES FALL ON EASIER BOMBAY ADVICES

LIFTING OF POWER CUTS FAILS TO ENTHUSE

Tuesday Evening.

THERE has been an appreciable drop in turnover in the Madras stock market during the past week. Because of easier advices from Dalal Street, the prices of shares, especially of clearing shares, have tended to decline on profit-taking. In spite of the restoration of power cuts, investors have tended to be cautious. Attention has, for the time being, been diverted to units of the Unit Trust and their sale has met with good response.

Selected State Government loans have been bought in spite of good enquiries for high-yielding preference shares and debentures. Little business has been done due to the shortage of sellers. Bank shares have been steady. Syndicate Bank have been bought up to Rs. 143.50 and Canara Bank have been taken at Rs. 77. Selected sugar shares have improved on balance. Deccan have risen to Rs. 12.65 on prospects of a bonus issue. E.I.D. have been taken at Rs. 35.75 and Mysore at Rs. 28.33. Travancore have been supported at Rs. 7.20 on prospects of a bonus issue. India have been done at Rs. 9.10 and K.C.P. at Rs. 24. In electric companies, West Coast have been steady at Rs. 13.50 on prospects of further compensation which is likely to be paid by the State Government. Cochin have changed hands at Rs. 12.42.

Planting shares have been sluggish, although selected rubber and coffee shares have been taken. Blue Mountain have been quoted at Rs. 2.34 and Cochin Malabar at Rs. 6.35. Consolidated Coffee have gained at Rs. 23.40 and Ouchterlony have been done at Rs. 3.55. Periakaramalai have been quoted at Rs. 3.44. In rubber shares, Nenmeny have improved to Rs. 22.55 on declaring a taxable ordinary dividend of 10 percent. Peninsular have come to hand at Rs. 21.25 on declaring a taxable ordinary dividend of 20 percent. Shares of gardens producing both tea and coffee have been selectively bought. Balanoor have changed hands at Rs. 12.12 on paying a taxable ordinary dividend of 10 percent. Devon have been done at Rs. 11.96 on declaring a taxable ordinary dividend of 12 percent. In cash shares, Coffee Lands have been steady at Rs. 16.75, Rajendra at Rs. 10.42 and Sheveroy at Rs. 2.05.

Among textile shares, South India Viscose have reacted to Rs. 119.50 and Travancore Rayon to Rs. 22.35. Lakshmi have been done at Rs. 137 and Madura at Rs. 33. Buckingham have been taken at Rs. 272 and Bangalore Woollen at Rs. 263. Premier have been supported up to Rs. 280. Business in Ramakrishna has been done at Rs. 217.80. Mettur have been wanted at Rs. 277.50 and Loyal have changed hands at Rs. 39.50.

In miscellaneous shares, Aluminium Industries have been quiet at Rs. 19.70, but Ashok Leyland have improved to Rs. 6.50 on hopes of expansion. Dalmia Cement have been done at Rs. 12.70 and India Cement at Rs. 5.62. Mettur Chemical have hardened to Rs. 13.90 and F.A.C.T. have risen to Rs. 5.40. Enfield have come to hand at Rs. 10.50 and Standard Motors have been quoted at Rs. 10.12. In paper shares, Seshasayee have been steady at Rs. 7.12 and Mysore at Rs. 12.50. Parry's Confectionery have hardened to Rs. 2.98 and Spencer have been steady at Rs. 21.70. Textool have changed hands at Rs. 149, but Tube Suppliers have been freely offered down to Rs. 10. Madras Rubber have been quiet at Rs. 11.37, but Kirloskar Electric have been steady at Rs. 18.40. Andhra Scientific have been sold at Rs. 13.50 and Binny at Rs. 271.60.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 33/37—33/75—32/62—33/25—(29/50).
Burrakur Coal—Rs. 15/81—16/06—15/72—16/06—(15/44).
Dunlop Rubber—Rs. 33/75—33/75—33/25—33/31—(32/62).
Guest, Keen, Williams—Rs. 23/62—23/75—23/00—23/06—(33/75).
Hindustan Motors—Rs. 18/84—18/84—18/34—18/41—(16/56).
Howrah Jute—Rs. 15/75—16/00—15/75—16/00—(18/87).
Indian Aluminium—Rs. 30/44—30/62—30/25—30/31—(33/50).
Indian Cable—Rs. 35/75—35/75—35/25—35/31—(31/75).
Indian Copper—Rs. 3/34—3/36—3/28—3/30—(4/74).
Indian Iron—Rs. 25/62—25/64—25/34—25/38—(23/06).
J. K. Cotton—Rs. 10/75—10/81—10/62—10/62—(11/25).
Jaipur Udyog—Rs. 11/31—11/31—11/12—11/31—(11/56).
Kesoram Industries—Rs. 26/62—27/12—26/12—26/69—(21/69).
Orient Paper—Rs. 35/45—35/55—34/20—34/30—(36/15).
Orissa Cement—Rs. 12/25—12/25—12/06—12/06—(14/00).
Rohtas Industries—Rs. 11/50—11/50—11/06—11/25—(11/31).
Textile Machinery—Rs. 26/60—26/65—26/15—26/20—(22/70).

GILT-EDGED

3 % Loan (1986)—Rs. 64/00 S.T.—64/15—64/00—64/15.
3 % " (1970-75)—Rs. 90/45—90/50—90/45—90/50.
3 % " (1966-68)—Rs. 98/30—98/30—98/30—98/30.
3½ % " (1965)—Rs. 100/05—100/05—100/05—100/05.
3½ % " (1969)—Rs. 98/10—98/10—98/10—98/10.
3½ % " (1967)—Rs. 99/90—99/90—99/90—99/90.
3½ % " (1967)—Rs. 100/00—100/00—100/00—100/00.
3½ % " (1968)—Rs. 99/90—99/90—99/90—99/90.
4 % " (1969)—Rs. 99/95—99/95—9/95—99/95.
4 % " (1970)—Rs. 99/05—99/05—99/05—99/05.
4 % " (1973)—Rs. 98/90—98/90—98/90—98/90.
4 % Madras (1968)—Rs. 99/10—99/15—99/10—99/15.
4 % Andhra Pradesh (1967)—Rs. 99/40—99/40—99/40—99/40.
4 % U.P. (1967)—Rs. 99/40—99/40—99/40—99/40.
4 % Kerala (1968)—Rs. 98/80—98/80—98/80—98/80.
4 % Andhra Pradesh (1968)—Rs. 99/15—99/15—99/15—99/15.
4½% Loan (1972)—Rs. 100/10—100/10—100/10—100/10.
4½% Andhra Pradesh (1972)—Rs. 98/20—98/20—98/20—98/20.
4½% Mysore (1974)—Rs. 99/30—99/30—99/30—99/30.
4½% Madras (1972)—Rs. 98/20—98/20—98/20—98/20.
4½% West Bengal (1974)—Rs. 99/50—99/50—99/50—99/50.

RAILWAY

Dehri Rohtas—Rs. 11/44—11/44—11/44—11/44—(13/81).

BANKS

Hindusthan Commercial—Rs. 10/75—10/75—10/75—10/75—(13/25).
Punjab National—Rs. 19/37—19/50—19/37—19/50—(18/94).
United Bank of India (Rs. 10/- paid)—Rs. 7/62—7/69—7/62—7/69—(7/37).
Do. (Conty Rs. 20/-) (Rs. 10/- paid)—Rs. 7/12—7/19—7/12—7/19—(6/47).
United Commercial—Rs. 69/50—69/50—69/25—69/50—(65/50).

TEXTILES

Bowreah—Rs. 23/00—23/06—23/00—23/06—(22/00).
Cawnpore—Rs. 6/44—6/69—6/44—6/69—(6/16).
Elgin—Rs. 19/69—19/69—19/00—19/00—(17/75).
New Victoria—Rs. 1/19—1/31—1/19—1/31—(1/34).
Do. (Pref.)—Rs. 2/06—2/12—2/06—2/12—(2/31).
Swadeshi (P.O.)—Rs. 6/50—6/50—6/31—6/31—(7/25).
Do. (Pref.)—Rs. 62/50 x.d.—62/50—62/50—62/50—(71/00).

COALS

Amalgamated—Rs. 12/12—12/19—12/12—12/19—(23/62).
Associated Laikdih—Rs. 4/90—4/90—4/90—4/90.
Bharat Collieries—Rs. 2/75—2/75—2/75—2/75—(3/50).
Central India—Rs. 8/69—8/81—8/69—8/69—(9/75).
Lakurka—Rs. 15/00—15/00—15/00—15/00.
Nazira—Rs. 4/69—4/69—4/69—4/69.
New Beerbhoom—Rs. 15/25—15/25—15/25—15/25—(19/37).
Rewa—Rs. 24/62—24/62—24/62—24/62—(28/50).
South Karanpura—Rs. 5/87—6/50—5/87—6/50—(8/06).
Selected Satgram—104/00 x.d.—104/00—104/00—104/00—(115/00).
Western Bengal—Rs. 8/69—8/75—8/66—8/75—(8/90).
West Laikdih—Rs. 8/00—8/00—8/00—8/00.

JUTES

Agarpara—Rs. 8/87—8/87—8/81—8/81—(10/12).
Anglo-India—Rs. 160/00—160/00—160/00—160/00—(224/00).
Barnagore—Rs. 220/00—220/00—220/00—222/00—(198/00).
Chitavalsah—Rs. 8/00—8/00—8/00—8/00—(10/00).
Champdany—Rs. 20/62—20/75—20/62—20/75—(20/69).
Fort William—Rs. 21/81—21/81—21/81—21/81—(26/00).
Ganges—Rs. 13/81—13/81—13/66—13/66—(14/06).
Hukumchand (Pref.)—Rs. 97/00—97/00—97/00—97/00.
Hooghly—Rs. 14/37—14/37—14/37—14/37—(18/87).
Kamarhatty—Rs. 158/00—158/00—158/00—158/00—(188/00).
Kanknarrah—Rs. 127/50—128/50—127/50—128/50—(132/00).
Nellimarla—Rs. 8/25—8/25—8/25—8/25—(11/06).
New Central—Rs. 11/31—11/37—11/00—11/06—(12/75).
Do. (Pref.)—Rs. 90/00—90/00—90/00—90/00.
Nuddea—Rs. 10/81—10/81—10/56—10/56.
Presidency—Rs. 4/31—4/31—4/19—4/19—(4/69).
Waverley—Rs. 7/87—8/00—7/81—8/00—(7/25).

MININGS

Karanpura Dev.—Rs. 9/06—9/12—9/06—9/12 x.d.—(10/81).
Metal Corpn.—Rs. 6/75—6/75—6/62—6/69—(8/81).

CEMENTS

Ashoka—Rs. 6/72—6/75—6/62—6/75—(7/37).
Dalmia (Bharat)—Rs. 12/69—12/75—12/62—12/69—(12/50).
Do. (Defd.)—Rs. 2/75—2/75—2/75—2/75—(3/03).
Do. (Pref.)—Rs. 7/81—7/87—7/81—7/87.

CHEMICALS

Alkali & Chemical—Rs. 29/00—29/50—29/00—29/00—(33/12).
Bengal Chemical—Rs. 100/00—100/00—100/00—100/00—(100/00).
Chemicals & Fibres—Rs. 12/50—12/50—12/25—12/37.
Calcutta Chemical—Rs. 17/25—17/25—17/25—17/25—(17/87).
Phosphate—Rs. 175/00—178/00—175/00—178/00—(127/00).

PUBLIC UTILITIES

Calcutta—Rs. 14/62—14/75—14/62—14/75—(15/00).
Do. (Pref.)—Rs. 7/69—7/87—7/69—7/87—(8/25).
Jubbulpore—Rs. 12/12—12/19—12/00—12/06—(10/00).
United Provinces—Rs. 153/00—163/00—153/00—163/00—(115/50).
Upper Jumna—Rs. 22/00—22/00—22/00—22/00—(16/00).

ENGINEERINGS

Britannia Eng.—Rs. 10/00—10/00—9/87—9/94—(9/44).
Bhartia Electric Steel—Rs. 14/62 x.d.—14/81—14/62—14/75—(14/06).
Braithwaite & Co.—Rs. 33/25—33/62—33/25—33/62—(31/00).
Do. (Pref.)—Rs. 102/00 x.d.—102/00—102/00—102/00.
Burn & Co.—Rs. 277/00—280/00—277/00—280/00—(585/00).
Binani Metals—Rs. 11/75—11/75—11/75—11/75—(9/69).
Calcutta Steel—Rs. 13/69—13/75—13/62—13/62—(14/25).
Dalmia Iron—Rs. 11/06—11/12—11/06—11/06—(10/87).
Hindusthan Wire—Rs. 9/44—9/50—9/44—9/50.
Jay Eng.—Rs. 17/44—17/50—17/44—17/50—(21/06).
Jessop & Co.—Rs. 21/12—21/19—20/50—21/00—(25/00).
Kumardhubi—Rs. 5/00—5/00—5/00—5/00—(8/19).
Machinery Mnfg.—Rs. 24/37—25/62—24/37—25/44.
Marshalls—Rs. 3/06—3/12—3/00—3/12—(2/56).
National Iron & Steel—Rs. 6/06—6/19—6/06—6/19—(4/31).
Steel Containers—Rs. 25/00—25/00—25/00—25/00.
Saran Eng.—Rs. 7/00—7/06—7/00—7/06—(8/50).

INSURANCE

New Asiatic—Rs. 6/37—6/37—6/37—6/37—(7/94).

MISCELLANEOUS

Airways India—Rs. 4/44—4/50—4/37—4/50—(3/94).
Aluminium Corpn.—Rs. 11/87—11/87—11/75—11/75—(12/62).
American Refrigerators—Rs. 7/22—7/25—7/16—7/16.
Angelo Brothers—Rs. 24/25—24/50—24/12—24/50—(21/87).
Associated Battery—Rs. 23/00—23/00—23/00—23/00—(23/56).
Asiatic Oxygen—Rs. 9/81—10/06—9/81—10/06—(8/94).
Bararee Coke—Rs. 21/12—21/12—21/12—21/12—(20/87).
Bharat Nidhi (Pref.)—Rs. 48/00 c.d.—48/00—48/00—48/00.
B. I. Corpn.—Rs. 9/69—9/75—9/37—9/62—(8/00).
Britannia Biscuits—Rs. 37/75—37/75—37/75—37/75—(42/50).
British Paints—Rs. 21/75—21/75—21/75—21/75—(21/50).
Clive Row Investment—Rs. 8/19—8/19—8/19—8/19—(8/25).
Calcutta Safe Deposit—Rs. 7/75—7/75—7/75—7/75—(7/87).
Dunlop Rubber (2nd Pref.)—Rs. 66/00—66/00—65/50—65/50 c.t.
Electric Construction—Rs. 13/19—13/19—13/12—13/12—(12/50).
English Electric—Rs. 13/62—13/81—13/62—13/62—(12/56).
Electric Equipment Corpn.—Rs. 9/50—9/50—9/50—9/50.
Goodyear India—Rs. 22/62—23/00—21/87—22/00—(30/37).
Ganges Rope—Rs. 247/00—247/00—247/00—247/00—247/00—(236/00).
Gillanders Arbuthnot (Pref.)—Rs. 53/00—53/00—53/00—53/00.
Hindustan Aluminium—Rs. 12/56—12/56—12/44—12/44—(12/87).
Hindusthan Development—Rs. 3/75—3/81—3/75—3/81—(4/12).
Hindusthan Twyfords—Rs. 12/94—12/94—12/75—12/75—(14/25).
Indo-American Electricals—Rs. 9/08—9/08—9/08—9/08.
Imperial Tobacco—Rs. 9/31—9/37—9/12—9/25—(10/50).
India Carbon—Rs. 13/87—14/12—13/25 S.T. 13/25 S.T.
Indian Tack & Nail—Rs. 9/75—9/75—9/75—9/75.
Indian Oxygen—Rs. 25/62—25/62—25/62—25/62—(27/75).
J. K. Synthetics—Rs. 12/12—12/25—11/50—12/06—(10/62).
Jay Shree Tea Industries—Rs. 14/00—14/19—14/00—14/19—(15/94).
Jardine Henderson (Pref.)—Rs. 55/00—55/00—55/00—55/00.
Macfarlane & Co.—4/75—4/75—4/75—4/75—(7/00).
Metal Distributors—Rs. 9/25—9/31—8/87—9/25—(4/37).
Martin Burn—Rs. 26/62—26/62—26/25—26/50—(26/25).
Do. (Pref.)—Rs. 81/50—81/50—80/25—80/25.
Metal Box—Rs. 31/12—31/25—30/81—31/12—(49/87).
National Rolling & Steel Ropes—Rs. 19/31—19/31—19/19—19/19—(19/44).
National St. Duncan—Rs. 70/00—70/00—69/50—69/50.
National Pipes & Tubes—Rs. 26/87—26/87—26/87—26/87—(25/25).
National Insulated Cable—Rs. 23/31—23/56—23/31—23/44—(23/37).
Phillips Carbon Black—Rs. 11/94—12/19—11/87—12/19.
Philips India—Rs. 28/00—28/00—27/12—27/50—(27/50).
Publicity Society—Rs. 25/00—25/00—25/00—25/00—(22/62).
Rallis India—Rs. 124/00—124/00—122/00—123/00—(115/00).
Shaw Wallace—Rs. 14/75—14/81—14/75—14/81—(15/36).
Unlon Carbide—Rs. 32/00—32/06—31/87—31/94—(40/00).
Universal Cables—Rs. 10/75—10/94—10/75—10/81—(9/25).
Universal Electrics—Rs. 7/25—7/44—7/25—7/44.
Usha Martin Black—Rs. 14/56—14/56—14/44—14/50—(13/62).
Walford Transport—Rs. 3/00—3/00—2/94—2/97—(3/75).
Woolcombers of India—Rs. 11/81—12/00—11/69—11/69—(13/94).
Window Glass—Rs. 6/00—6/12—6/00—6/12.

REAL PROPERTY

Sahu Properties—Rs. 2/62—2/62—2/62—2/62.

PAPERS

Ballarpur—Rs. 17/00—17/00—17/00—17/00—(17/12).
Bengal—Rs. 25/75—26/06—25/75—26/06—(27/87).
India Paper Pulp—Rs. 22/00—22/12—22/00—22/12—(16/87).
Seshasayee—Rs. 7/06—7/31—7/06—7/12—(7/25).
Sirpur—Rs. 11/62—11/62—11/56—11/56—(12/31).
Star (Convertible 3rd Pref.)—Rs. 100/00—100/00—100/00—100/00.
Straw Products—Rs. 8/66—8/75—8/65—8/65—(9/25).
Titaghur—Rs. 14/12—14/12—14/12—14/12—(15/62).

SAW MILL

Assam Saw—Rs. 2/69—2/69—2/50—2/56—(2/87).

SUGARS

Balrampore—Rs. 1/69—1/69—1/69—1/69—(2/00).
Cawnpore—Rs. 8/94—9/06—8/94—9/00—(9/12).
Champaran—Rs. 10/69—10/75—10/69—10/75—(9/12).
Carew & Co.—Rs. 12/06—12/12—12/06—12/12—(12/50).
Ramnugger Cane—Rs. 24/00—24/06—24/00—24/06—(26/37).
Shree Krishna Gyanoday—Rs. 7/69—7/78—7/56—7/78—(7/19).

FLOUR MILL

Bengal—Rs. 34/00—34/00—33/87—33/87—(29/00).

SHIPPINGS

India General Nav.—Rs. 34/25—35/00—34/00—34/00—(39/00).
India Steamship—Rs. 6/31—6/50—6/31—6/31—(6/12).

TEAS

Bateli—Rs. 16/50—18/06—16/50—18/06—(18/50).

DEBENTURES

5 % Reliance Jute—Rs. 94/50—94/50—94/50—94/50.

Belgachi—Rs. 24/00—24/00—24/00—24/00—(22/50).
Bishnauth—Rs. 15/00—15/00—15/00—15/00—(17/56).
Bormah-Jan—Rs. 10/75—10/94—10/75—10/94—(14/25).
Basmatia—Rs. 18/00—18/06—18/00—18/06—(27/25).
Chunducherra—Rs. 30/00 S.T.—30/00—30/00—30/00—(26/00).
Dauracherra—Rs. 15/12—15/56—15/12—15/50—(7/56).
Hasimara—Rs. 12/50—12/50—12/37—12/37—(13/19).
Huldibari—Rs. 12/37—12/44—12/37—12/44—(13/69).
Killcott—Rs. 14/31—14/44 x.d.—14/31—14/44 x.d.—(14/37).
Ledo—Rs. 10/94—11/00—10/94—11/00—(13/75).
Mim—Rs. 408/00—412/00—408/00—412/00—(191/50).
Patrakola—Rs. 215/00—229/00—213/00—224/00—(120/00).
Rydak—Rs. 22/12—22/12—22/12—22/12—(24/00).
Rajabhat—Rs. 10/12—10/12—10/12—10/12—(12/12).
Sungma—Rs. 13/50—13/56—13/37—13/37—(15/31).

DEBENTURES

5½% Burmah-Shell—Rs. 93/00—93/00—93/00—93/00.
3½% (1956-66) Howrah Bridge—Rs. 94/50—94/50—94/50—94/50.

London

INSTITUTIONAL BUYING BOOSTS SHARES

STEELS IN DEMAND ON HOPES OF TORY VICTORY

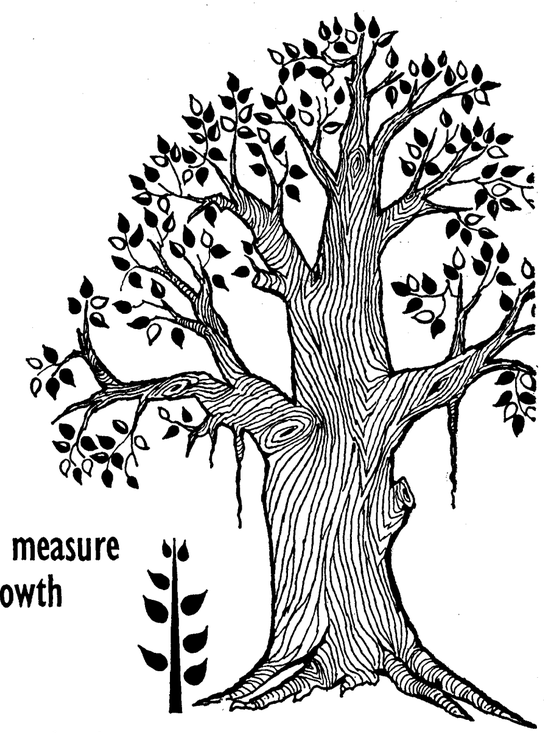
London, 15th July.

HOLIDAYS, conflicting political opinion polls and big postal delays brought about by unofficial strikes by postal workers had a restricting influence on business in the stock market during last week. However, a distinctly firm undertone developed later as institutional investors took a greater interest with the result that many leading equities pushed ahead, and falls sustained earlier in the week were more than made up. Imperial Tobacco were in particular demand and Pressed Steel, where there were take-over rumours at one time, moved ahead while B.I.C.C. which announced a one-for-five free scrip issue and forecast a maintained dividend on the larger capital, advanced smartly. Bank shares responded to some good dividend announcement, but insurances lost ground. There was a big demand for steel shares on the growing belief that the Conservatives might be returned, and a considerable call option business went on.

BOOKS RECEIVED

Decentralised Economic Development. By Vaikunth L. Mehta. (Published by S. C. Sarker, Director of Publicity, Khadi and Village Industries Commission, Gramodaya Irla Road, Vile Parle (West), Bombay 56 A.S. Price Rs. 12, pages 439.)

Iyer's Handbook of Railwaymen, Fifth Edition. By N. G. Iyer. (Published by N. G. Iyer, 228 Sirdar Sankar Road, Calcutta 29. Price Rs. 10, pages 351.)



All things grow in age—but only *some* grow in size and stature. A young sapling shoots up—sprouts new leaves and branches. But how does one measure the growth of a bank? Take the Bank of Baroda, for instance.

One way would be to compare figures. The Bank of Baroda began in 1908 with a single office in Baroda. Now it has as many as 210 branches in India and abroad. And deposits exceed Rs. 140 crores.

A strong and progressive institution with 55 years of experience, the Bank of Baroda has had a successful programme of branch expansion. It has also aimed at an ever-widening pattern of service. Indeed the Bank's chief goal has been to widen the range and scope of its banking services for the convenience of its customers.

THE BANK OF BARODA LTD.

(Estd. 1908) Head Office: Baroda

now has over 210 branches all over India and abroad with deposits totalling over Rs. 140 crores

Write in for our free booklet entitled **'May We Help You?'** which gives details of all our services.

Kerwah 218

RESERVE BANK

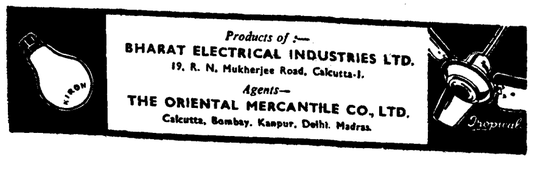
	ISSUE DEPARTMENT (In '00's of Rupees)	Week Ended 10-7-64	3-7-64	12-7-63
Liabilities—				
Notes in Banking Dept.		11,52.02	17,94.97	15,34.81
Notes in Circulation		25,07,98.16	25,01,54.44	22,68,76.26
Total Notes issued		25,19,50.18	25,19,49.41	22,84,12.07
Assets—				
A. Gold Coin and Bullion		1,17,76.10	1,17,76.10	1,17,76.10
Foreign Securities		89,45.69	89,45.69	95,88.67
Total of A		2,07,21.79	2,07,21.79	2,13,64.77
B Rupee Coin		1,01,05.80	1,01,25.65	1,14,80.61
Rupee Securities		22,11,22.59	22,11,01.97	19,55,66.69
Total		25,19,50,18	25,19,49,11	22,84,12,07

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long Term Operations) Fund	86,00,00	86,00,00	73,00,00
National Agricultural Credit (Stabilisation) Fund	9,00,00	9,00,00	8,00,00
National Industrial Credit (Long Term Operations) Fund	10,00,00	10,00,00	...
Deposits—			
(a) 1 Central Govt.	53,42,04	60,55,18	90,94,17
2. State Govts.	19,78,98	12,79,73	5,69,01
(b) Banks :—			
(i) Scheduled Banks	1,06,77,35	92,06,63	89,71,65
(ii) State Co-operative Banks	6,65,45	7,07,43	4,21,16
(iii) Other Banks	4,03	4,43	5,03
(c) Others	1,89,74,62	1,89,35,38	2,06,84,95
Bills Payable	37,93,79	40,96,64	27,92,01
Other Liabilities	19,19,63	19,23,67	17,37,30
Total	6,23,55,89	6,12,09,09	6,08,75,29
Assets—			
Notes	11,52,02	17,94,97	15,34,81
Rupee Coin	2,94	4,26	3,35
Small Coin	3,65	3,14	2,17
National Agricultural Credit (Long Term Operations) Fund			
(a) Loans and Advances to :—			
(i) State Govts.	28,30,51	28,30,29	27,16,75
(ii) State Co-operative Banks	12,91,91	12,98,83	10,55,70
(iii) Central Land Mortgage Banks	...	...	...
(b) Investment in Central Land Mortgage Bank Debentures	4,10,84	4,09,83	3,14,83
National Agricultural Credit (Stabilisation Fund Loan and Advances to State Co-operative Banks	...	...	...
Bills Purchased and Discounted :—			
(a) Internal	...	...	...
(b) External	...	...	...
(c) Govt. Treasury Bills	45,51,51	38,88,06	63,25,42
Balances Held abroad	7,98,90	7,06,16	5,29,40
Loans and Advances to Govt.	25,86,00	36,29,36	54,86,92
Loans and Advances to :—			
(i) Scheduled Banks	47,70	39,50	1,77,32
(ii) State Co-operative Banks	1,45,30,00	1,50,37,89	1,18,33,05
(iii) Others	1,88,45	1,93,20	1,39,80
Investments	3,02,29,65	2,75,35,99	2,75,59,18
Other Assets	37,32,01	38,47,61	31,96,39
Total	6,23,55,89	6,12,09,09	6,08,75,29

SCHEDULED BANKS

(In '00's of Rupees)	Week Ended 3-7-64	26-6-64	5-7-63
(i) Demand Liabilities—			
(a) Demand Deposits :			
(1) From Banks	71,63.04	70,33,72	61,87,27
(2) From others	10,98,31,74	10,92,04,83	9,05,24,05
(b) Borrowing from Banks	47,22,33	40,59,24	28,42,15
(c) Other	64,59,29	65,01,08	59,27,20
(ii) Time Liabilities—			
(a) Time Deposits :			
(1) From Banks	43,47,78	35,28,49	38,28,52
(2) From others	12,96,86,19	12,89,19,54	12,35,61,40
(b) Borrowing from Banks	20,56,76	17,14,10	22,97,84
(c) Others	12,46,49	11,54,14	10,81,30
(iii) Borrowing from State Bank—			
(a) Demand Liabilities	7,30,70	8,02,22	4,74,93
(b) Time Liabilities	12,75,00	12,50,50	11,15,00
(iv) Borrowing from Reserve Bank	22,47	1,22,50	79,25
(v) Cash	68,26,23	66,48,64	57,15,53
(vi) Balances with the Reserve Bank	91,50,08	93,60,21	97,76,41
(vii) Balances with other Banks in current account	22,83,13	24,65,26	21,33,44
(viii) Money at call and short notice	72,36,95	68,11,20	56,56,63
(ix) Investments in Central and State Govt. Securities	6,74,47,29	6,55,03,07	6,61,03,67
(x) (a) Loans Cash Credits and Overdrafts	15,44,37,65	15,37,41,87	13,15,94,42
(b) Due from Banks	9,82,10	10,35,01	6,78,91
(xi) Inland Bills purchased and discounted	1,70,99,59	1,73,57,22	1,61,84,59
(xii) Foreign Bills purchased and discounted	64,81,38	63,64,43	51,70,27
(xiii) Total of X, XI and XII	17,90,00,72	17,84,98,53	15,36,28,19



THE CALCUTTA MONEY MARKET

CALL RATE RISES SHARPLY

Wednesday, 15th July.

THERE has been a moderate decline in the general level of advances in the Calcuta money market during the past week. The decline is due to a slight fall in the credit given to all the major categories of borrowers—cotton mills, jute mills, sugar factories, iron, steel and engineering industries and the foodgrains trade. In the interbank market, there has been a keen demand for funds for subscribing to the Central Government loans. As a result, the call rate has risen sharply from 1½ percent to 5¾ percent.

The exchange market has been active, with an excellent supply of gunny bills and a fair supply of tea bills. The demand for remittances is moderate. In the London market, sterling has lost further ground against all important currencies, except the Danish krone and the Swiss franc.

SILVER WAS SLIGHTLY STEADY IN Calcutta during the past week due to upcountry offtake. The price advanced from the previous week's level of Rs. 243.25 to Rs. 245.75, quoted today. The London and New York prices stood at 111½d and 129.3 cents.

In spite of a rise in silver gold was quiet and the price of 14-carat declined slightly from Rs. 71.50 to Rs. 71.

DURING THE WEEK ENDED 10TH JULY, Government of India Treasury bills for Rs. 212,57,50,000 were sold in favour of the Reserve Bank.

ACTIVE NOTES ROSE BY Rs. 6.44 crores to Rs. 2,507.98 crores, according to the return of the Reserve Bank of India for the week ended 10th July, 1964, while the total note issue at Rs. 2,519.50 crores showed little change. Rupee securities in the paper currency reserve increased by Rs. 21 lakhs to Rs. 2,211.23 crores. Deposits of the Government of India dropped by Rs. 7.13 crores to Rs. 53.42 crores while those of other Governments rose by Rs. 6.99 crores to Rs. 19.79 crores. Balances of scheduled banks at Rs. 106.77 crores showed a rise of Rs. 14.70 crores. Balances held abroad increased by Rs. 93 lakhs to Rs. 7.99 crores and investments by Rs. 26.94 crores to Rs. 301.30 crores. Loans to scheduled banks increased from Rs. 30.50 lakhs to Rs. 47.70 lakhs, of which there was again no advance against usance bills. Ways and means advances stood at Rs. 25.86 crores, against Rs. 36.29 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 3rd July, 1964, shows a rise of Rs. 10.57 crores to Rs. 636.07 crores in total deposits. Investments in Government securities are up by Rs. 9.05 crores to Rs. 246.84 crores, while other authorised investments remain unchanged at Rs. 9.44 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have increased by Rs. 88 lakhs to Rs. 361.33 crores. Cash and balances are, in consequence, shown at Rs. 17.64 crores or Rs. 10.15 crores less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 3rd July, 1964, shows Demand and Time liabilities at Rs. 1,281.76 crores (Rs. 47.22 crores on account of borrowings from banks) and Rs. 1,373.37 crores (Rs. 20.57 crores), compared with Rs. 1,267.99 crores (Rs. 40.59 crores) and Rs. 1,353.16 crores (Rs. 17.14 crores), respectively, in the previous week. Cash has risen by Rs. 1.77 crores to Rs. 68.26 crores, while balances with the Reserve Bank have fallen by Rs. 2.10 crores to Rs. 91.50 crores. There is a rise of Rs. 19.44 crores to Rs. 674.47 crores in investments. Advances and bills discounted at Rs. 1,790.01 crores show a rise of Rs. 5.02 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 6 percent and 67.4 percent, against 6.1 percent and 68.1 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 24-7-64

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
24-7-64	27-10-64	2,00.00	...
10-7-64	13-10-64	2,00.00	Rs. 2.500%
3-7-64	6-10-64	2,00.00	Rs. 2.994%
26-6-64	29-9-64	2,00.00	Rs. 2.995%
19-6-64	22-9-64	2,00.00	Rs. 3.000%
12-6-64	15-9-64	2,00.00	Rs. 3.000%
5-6-64	8-9-64	2,00.00	Rs. 3.000%
29-5-64	1-9-64	2,00.00	Rs. 3.000%
22-5-64	25-8-64	2,00.00	Rs. 3.000%
15-5-64	18-8-64	2,00.00	Rs. 3.000%
8-5-64	11-8-64	2,00.00	Rs. 3.000%
1-5-64	4-8-64	2,00.00	Rs. 3.000%
24-4-64	27-7-64	2,00.00	Rs. 3.000%
17-4-64	20-7-64	2,00.00	Rs. 3.000%

(Monthly Maturities (000's omitted)

July, 1964	4,00,00
August, 1964	8,00,00
September, 1964	10,00,00
October, 1964	6,00,00
Total	28,00,00

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
10-7-64	90,10.71	1,12.94
3-7-64	96,26.87	1,18.58
26-6-64	99,81.45	1,25.36
19-6-64	91.66	1,21.30

PARTIAL STATUTORY CONTROL ON CLOTH RECOMMENDED

(FROM OUR NEW DELHI CORRESPONDENT)

THE Central Government, it is learnt, may soon replace the present scheme of voluntary price control on cloth by a more comprehensive measure. The step has been recommended by the Cotton Textiles Consultative Board whose suggestions are usually accepted by the Government.

Meeting in Bombay on 7th July, 1964, under the chairmanship of the Central Minister of Commerce, Mr. Manubhai Shah, the Board suggested that statutory controls might be imposed by the Government on production and prices of the popular varieties of cloth made by composite mills. Such controlled production may amount up to 40 percent of the present total cloth output, excluding deliveries for export and defence. The remaining 60-percent mill-made cloth, the Board suggested, need not be subjected to production or price controls and might be allowed to be sold by mills at prices to be determined by them.

The Board further suggested that in the case of the controlled varieties of cloth, the statutory ex-mill and retail prices, the excise duty a metre and the words "controlled variety" should be stamped in red on each piece of cloth. In the case of the non-controlled varieties also, it should be made obligatory for the mills to stamp in blue the actual ex-mill prices, the corresponding retail prices, excise duty a metre and the words "non-controlled variety" on each piece of cloth. This, the Board felt, would make it possible for the consumer to know the maximum prices for the non-controlled varieties of cloth and ensure that the dealers or retailers would not mix the controlled varieties with the non-controlled ones.

Checking Malpractices

For checking malpractices and keeping watch over the working of the control system, the Board recommended the formation of vigilance committees of consumers, public workers and other interests concerned in all towns and cities. The controlled cloth, the Board suggested, should be made available to all consumers' co-operatives and fair price shops in all parts of the country by suitable arrangements so that these varieties could be available to all consumers.

The Board, however, appreciated that it might not be possible for the Government to bring into force statutory controls till all preparatory arrangements were completed. It, therefore, recommended that the working of the present voluntary price regulation scheme should be continued until preparations to enforce the statutory controls are finalised in the next three months. During the interim period, in view of the increase in production costs which has taken place since January 1961, the Board suggested that the existing prices of old varieties, *i.e.*, varieties which were in existence before 1st January, 1962, and which continues to be produced at present, should be refixed on a negotiated basis by the Textile Commissioner in consultation with the industry. No increase in prices, it is felt, need be allowed for the new varieties which came into existence after 1st January, 1962. No new varieties of cloth should be allowed to be added by the mills during the next three months before statutory controls are brought into force. According to knowledgeable sources, the prices of the varieties of cotton textiles which were in existence before January 1962, may be allowed to be raised by 8 percent to 10 percent.

Apart from suggesting the institution of production and price controls on cotton cloth consumed by the common man, the Board felt that mills should be asked to produce as much cloth as possible, especially when the present cotton stock position and imports already arranged had ensured satisfactory supply of the basic raw material.

The Board, however, suggested that the Government should assist the mills to secure whatever balancing machinery or equipment was needed by them to increase production immediately. If the equipment is not available from indigenous sources, imports should be allowed on a priority basis.

Third-shift Working

The Board also felt that the third-shift working in the looms sector of the composite mills, which had steadily increased during the last four years from 21 percent to 30 percent, should be further raised.

For increasing cloth production in the near future, the Central Government is understood to be considering a proposal to stagger the weekly holiday in textile mills and to raise the working period in a week to 54 hours. The proposal will be discussed at the forthcoming session of the Indian Labour Conference in Bangalose. The step, it is thought, can raise cloth production by about 16 percent as it will facilitate a better use of the installed capacity.

For raising production in the longer run, the Government is understood to be examining a proposal to allow all the textile units of 12,000 spindles to raise their capacity to 25,000 spindles.

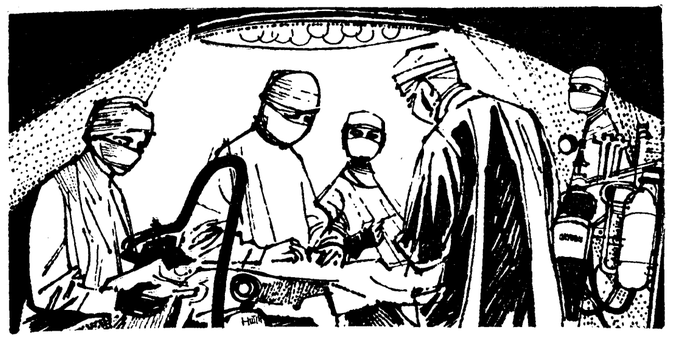
Meanwhile, the all-India final estimate, prepared by the Directorate of Economics and Statistics, Central Ministry of Food and Agriculture, puts the 1963-64 cotton production at about 5.5 million bales (of 392 lbs each)—an all-time high and about 2.2 percent more than the output in 1962-63.

Reports from London say that the S.T.C. chief, Mr. B. P. Patel, has signed an agreement with the Midland Bank (referred to in these columns last week) for providing £6.5 million to finance textile machinery imports by India from Platt Brothers (Sales) of Oldham, north-west England.

AGRICULTURE

Steps to Raise Output

After high-level discussions between the Planning Commission and



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the Central Ministries of Food and Agriculture, Community Development and Irrigation and Power, it has been decided that a target of 5.6-percent annual increase in agricultural production during the fourth plan period should be recommended to the forthcoming meeting of the National Development Council. Although this high rate of agricultural growth implies an increase of nearly 60 percent over the likely achievement during the current plan, it is considered quite feasible, provided effective steps are taken by the State Governments for implementing the fourth plan agricultural development programmes.

It has been further decided to continue to accord priority to agricultural development next only to defence build-up under the fourth plan period. All the resources required for raising the farm output, it was felt, should not only be found but actually made available to cultivators.

The targets for the principal agricultural crops suggested by the Working Group on Agriculture were generally favoured. These were as follows: foodgrains 120 million tonnes, sugarcane 13.5 million tonnes, oilseeds 10 million tonnes, cotton 8.5 million bales, jute 8 million bales, mesta 2 million bales, and tobacco 480,000 tonnes. But an urgency was felt to fix the targets for the cotton and oilseeds output at higher levels.

In the case of the targets proposed for various agricultural development programmes, while there was a general agreement with the Working Group's proposals, it was felt that the targets for minor irrigation and green manuring could be fixed higher than 16 million and 64 million acres, respectively, suggested by the Working Group.

As far as the long-term approach to agricultural development is concerned, it is thought that the annual increase in the farm output during the fifth plan period should be 6.3 percent a year.

Making Power Tillers

At another high-level meeting between the Planning Commission's members for agriculture and industry, Mr. Shriman Narayan and Mr. T. N. Singh, the Central Ministers for Food and Agriculture and Industry, Mr. C. Subramaniam and Sardar Swaran Singh, and officials of the Central Ministry of Finance, it was felt that a big programme for manufacturing power tillers should be taken up in the public sector. It was also suggested that no new capacity should be licensed in the private sector for the manufacture of tractors and the facilities already created in this sector should be used to the maximum extent possible and expanded to optimum sizes in the interest of keeping down production costs.

Concern was expressed at the meeting over a large number of the tractors imported during the last few years, lying idle for want of spare parts. It was felt that a quick survey should be undertaken to assess the requirements of spare parts for these tractors so that necessary arrangements can be made to procure them.

Meanwhile, the Planning Commission experts have suggested that the fourth plan programme for the provision of improved farm implements to agriculturists should aim at:

(a) providing a set of improved agricultural tools, implements and machines to at least 20 percent of the farmers in the country,

(b) providing a tractor each to 150.000 farmers,

(c) providing power tillers and small tractors to at least 300,000 farmers,

(d) providing service and maintenance facilities as well as spare parts to farmers up to district and block levels, and

(e) evolving and developing improved agricultural implements and machines suitable for local conditions.

SUBSIDIARY FOODS

Raising Production

The Central and State Governments are taking immediate steps to increase the production of fruits and vegetables, milk, meat, eggs and fish. Increases in the production and availability of these commodities, it is hoped, will help keep the prices of essential food articles under check. Apart from partly relieving food shortages, the increased supplies and consumption of these subsidiary foods will provide a more balanced and nutritional diet to the people.

A note indicating the details of the programme drawn up by the Centre in this connection was circulated to the State Governments at the Chief Ministers' Conference held here from 24th to 26th June. The details of the proposals were also discussed during the conference between the officials of the Central Ministry of Food and Agriculture and State Government officials who had accompanied the Chief Ministers for the conference.

On the basis of the Centre's proposals and the discussions on them, the State Governments have now been requested to formulate detailed schemes and forward fully worked-out proposals not later than 27th July, 1964. The Centre has assured them that the schemes would be examined and processed quickly and its concurrence indicated immediately thereafter. Meantime, the States have been requested to go ahead with preparatory arrangements so that the schemes could be implemented immediately on receipt of the Centre's approval.

Broad Objectives

The broad objectives and criteria which need to be kept in view in preparing the detailed schemes have been indicated by the Centre, but the States have been given the freedom to make adjustments to suit local requirements in relation to the number of schemes, their locations and other aspects of the individual programmes. The criteria indicated to the State Governments are as follows:

(i) the schemes should make a quick contribution to the production and availability of food articles like fruits and vegetables, milk, meat, eggs and fish;

(ii) the programmes should be so located that either suitable marketing arrangements are already available or they can be created very quickly so that the increased production will be immediately available for consumption. Ancillary facilities for marketing by way of refrigerated road and rail transport, cold storage facilities, etcetera, wherever necessary, should also be provided for in the schemes; and

(iii) the scheme should not be costly and the economic benefits should be commensurate with the expenditure incurred. Programmes involving large investments with no immediate benefits should not be taken up.

Some of the schemes are already included in the third plans of the States and some are also provided for in their annual plans for 1964-65. What is envisaged now in such cases is only their acceleration to meet the urgent needs. There are also some new schemes which are being considered for inclusion in the fourth plan. But in view of their importance, it is proposed to take them up during the third plan itself. Some schemes are by way of advance action for the fourth plan.

The Centre has also indicated to the State Governments that to the extent finances cannot be found for the purpose from the State resources and their plan allocations, Central assistance would be available for the implementation of the schemes included under these special programmes.

PIG IRON

New Blast Furnaces Planned

The Central Ministry of Steel, it is understood, will be shortly commissioning three Indian technical consultancy firms, including the Dastur and Company, for preparing feasibility studies for setting up blast furnaces to produce pig iron at a dozen selected places in Maharashtra, Andhra Pradesh and the coal and steel belt of eastern India.

Two or three of these blast furnaces may be included in the public-sector programmes of the fourth plan. The other schemes would be taken up for implementation as and when it is felt necessary. Some of these blast furnaces will constitute the nuclei of the new steel plants to be set up in the future.

The technical consultants will be required to prepare the feasibility reports in about eight to nine months' time. The Russian experts at the Heavy Engineering complex being set up in Ranchi have been asked to prepare a technical report detailing what components of a blast furnace can be manufactured there.

With a view to meeting the demand for pig iron early during the fourth plan period, the Central Steel Ministry has also decided to advance the establishment of one blast furnace each in Bhilai and Durgapur under their fourth plan expansion programmes. An agreement for an additional blast furnace in Bhilai was signed with the Russian Government last week. The pact with the British consortium for the Durgapur blast furnace is expected to be signed shortly. Both these blast furnaces would be ready for operation in the second half of 1967.

The supply position of pig iron would ease further in the first two years of the fourth plan when the four blast furnaces licensed recently to Birlas and three other parties in Goa are commissioned. These four blast furnaces will have a total capacity to produce 1 million tonnes of pig iron a year.

Most of the new blast furnaces to be set up, whether in the public or the private sector, are expected to have an annual capacity of 300,000 tonnes or 400,000 tonnes.

STOCK EXCHANGES

Transfer Deeds

At a meeting held here last week, the Standing Committee of the Presidents of the Indian Stock Exchanges reiterated that companies should be requested to accept transfer deeds duly rectified if relodged before the closure of books. In view of certain practical difficulties, the committee, however, rejected the proposal that companies should withhold the disbursement of dividends even if the rectified documents were relodged after the reopening of transfer books.

The committee also expressed the view that the present practice of deducting net dividends from *cum*-dividend deals should be continued except in cases where delivery is delayed wilfully by the seller. The committee discussed at length the difficulties in the way of deduction of gross dividends and decided to seek further clarification on this matter from the Central Board of Direct Taxes. It observed that the problem could be simplified if trading was marked ex-dividend earlier than the date of closure of the transfer books instead of the dividend payment date as at present.

The committee expressed satisfaction over the response already received by the different Stock Exchanges from most of the listed companies to its request to abolish transfer charges. It hoped that by further attempts, the Stock Exchanges would be able to persuade the remaining companies also to abolish these charges in due course.

As for the adoption of common application forms for new issues, the committee decided to get them cleared through the Company Law Board.

The committee also discussed the question of acceptance of ladies' signatures in Hindi on transfer deeds without attestation and expressed the view that the companies which do not yet accept such signatures as valid should be persuaded to do so. The next meeting of the committee will be held in Calcutta on 6th and 7th October, 1964.

NEW OIL REFINERIES

Decision Expected Soon

The Government of India is likely to take a decision next month on the collaboration arrangement for the Madras and Haldia refineries. The Central Ministry of Petroleum and Chemicals held discussions last week with the National Iranian Oil Company's delegation. The N.I.O.C. is understood to have offered to supply to India about 2 million tonnes of crude oil a year.

Phillips Petroleum and E.N.I. of Italy, it is learnt, have listed the O.N.G.C. as a co-bidder for the offshore oil concessions in Iran. The agreement, however, is only provisional. Details about sharing the cost of the oil exploration and prospecting venture, if at all awarded to the E.N.I.-Phillips Petroleum-O.N.G.C. partnership, are yet to be finalised. Phillips Petroleum and E.N.I. are asking the O.N.G.C. to share the cost equally in foreign exchange. This requires clearance from the Central Ministry of Finance.

Negotiations have also been held with the National Iranian Oil Company's delegation for the production of ammonia from natural gas in Iran and for its supply to India. The Iranian delegation has urged the Government of India to appoint a panel of two engineers—one Indian and one Iranian—to study jointly various aspects of the issue. Iran has also shown interest in importing from India iron ore and bauxite.

Negotiations are said to be progressing well with E.N.I. for offshore drilling in the Cambay area. The agreement under which E.N.I. will take up the project on a contract basis from the O.N.G.C. is expected to be reached soon. For carrying out offshore seismic surveys in the Gulf of Kutch and near the Coraomandel coast, a contract has been recently signed with Russia. The Russian experts will take up the work in the near future.

U.S.A.

Prospects for Exports

Addressing a Press conference on his return from the U.S.A. last week, the Central Minister for Commerce, Mr. Manubhai Shah, said that the United States was soon likely to make available to India 100,000 tonnes of soyabean oil and some tallow under P.L. 480. The first shipment out of the 360,000 bales of cotton to be supplied by the U.S.A. under the P.L. 480 agreement signed in April this year, Mr. Shah expected, would come in by the end of the current month.

Referring to textile exports to the U.S.A., Mr. Shah said that India's dissatisfaction at the smallness of the U.S. import quota had been expressed to the U.S. Government. But from the categorisation of quotas, it appeared that there were several varieties either not under restraint or under partial restraint only. These could be sold to the U.S. market in increasing quantities. If the Central Government and textile manufacturers studied this problem and made concerted efforts, India could increase textile exports to the U.S.A. by about $5 million or $6 million. Indian textiles, Mr. Shah added, satisfied the quality standards of the U.S. market but some U.S. importers had complained that they sometimes received short lengths.

As a result of Mr. Shah's discussions with the U.S. importers of Indian mica, spices and cashewnuts, various measures are proposed to be taken in the near future to boost these exports. A Rs. 34-lakh research project will soon be launched in the U.S.A. to find varied uses for mica. Indian exporters would contribute Rs. 5 lakhs to this project and the American importers another Rs. 5 lakhs. The remaining Rs. 24 lakhs would be made available

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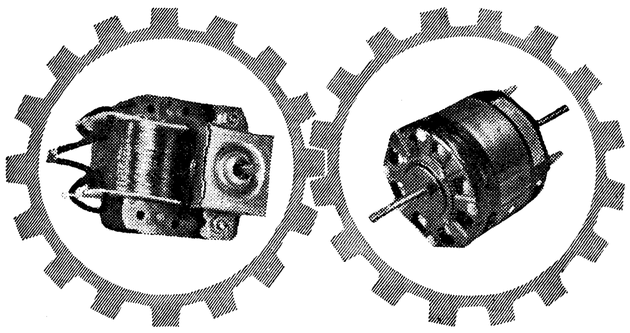
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by U.S.A.I.D. As for the export of red chillies, black pepper, turmeric, aniseeds and cardamom, a market promotion drive project is proposed to be launched. The cost of the project, nearly Rs. 10 lakhs, will be shared equally by Indian exporters and U.S. importers. Another similar publicity drive is to be undertaken for promoting cashewnut exports.

Mr. Shah said that from his discussions with the U.S. importers, he had gathered the impression that exports of marine products—such as sardines and shrimps—to the U.S.A. could be increased from about 9 million lbs at present to as much as 20 million lbs, if the Indian exporters improved their packing and maintained quality consistently. There were also good chances of India stepping up her exports of engineering goods, machine tools, surgical instruments and motor-car ancillaries to the U.S. market. The Engineering Export Promotion Council, Mr. Shah said, would be setting up an office in New York with a view to increasing exports of engineering goods.

Referring to mineral ores, Mr. Shah said that there were fair chances of India increasing her manganese ore exports to over 1 million tonnes in the next few years from 800,000 tonnes or 900,000 tonnes at present. There were also good prospects for stepping up exports of bauxite and chrome.

Mr. Shah found the official U.S. attitude towards India's request for increased sugar quota quite sympathetic. He hoped that the quota would soon be raised substantially from the present level of 20,000 tonnes.

The U.S. Government authorised last week another three credits totalling $37.8 million (Rs. 18 crores) to help the Indian motor-car industry expand and modernise its production facilities and to increase its heavy engineering capacity. The credits are to be routed through the U.S. Agency for International Development and can be utilised for purchasing machinery from the United States.

Two loans of $23 million and $3 million have been extended to the Hindustan Motors Ltd and the third one of $11.8 million to the Tata Engineering and Locomotive Co. Ltd (T.E.L.C.O.).

The $23-million loan to Hindustan Motors will enable the Company to expand its production of Bedford lorries from 10,500 to 15,000 a year, to produce its own engine for the lorry, and to modernise its overall plant facilities. Through an earlier U.S.A.I.D. loan of $15.8 million, Hindustan Motors is financing its present expansion programme, expected to be completed by the end of the current year, to increase the production of lorry chassis from 6,000 to 10,500 a year.

Hindustan Motors is manufacturing Bedford lorries with the collaboration of Vauxhall Motors Ltd, of the United Kingdom, which is owned by General Motors Inc. of the United States. The lorries manufactured by Hindustan Motors are currently powered by an engine produced by another firm. The new loan will enable Hindustan Motors to manufacture the Bedford engine, which is of greater horsepower, at its factory in Uttarpara, near Calcutta. The engine will have an indigenous content of 85 percent at the time of commencement of production. It is expected that the entire expansion programme will be completed by the end of 1966.

The $3-million credit to Hindustan Motors will be used by its heavy engineering division to expand its output of Hind-Marion power shovels from 12 to 36 a year and to increase the indigenous content of the machine from 28 to 70 percent. The ultimate goal of the Company is to produce 48 shovels a year of 95-percent indigenous content. A power shovel is a portable digging machine which is of great use in the mining industry and in many construction projects. The Hind-Marion 2½ cubic yard diesel powered shovel has several attachments which render it convertible to back-hoe, dragline, clamshell and lift crane operations. The shovel, the basic machine, digs in earth or rock located above the base of the machine. It is useful in the mining of coal, iron ore and limestone and in moving earth during the construction of dams.

The back-hoe enables the shovel to dig pipeline trenches in a rugged terrain. The dragline is suited for operations, such as the construction of large-sized irrigation canals, which involve scooping up a large quantity of loose material and casting it aside. The clamshell is used primarily for operations in narrow working spaces. The lift crane is used for erecting steel in building construction, for driving piles, and for magnet lift and other lifting operations. The Marion Power Shovel Company of the U.S.A., a division of the Universal Marion Corporation, is assisting Hindustan Motors in this venture.

The loan to T.E.L.C.O. will enable it to expand its production of Mercedes-Benz lorry chassis from 18,000 to 24,000 a year. The firm expects to complete by December 1964, its current expansion programme, financed by an earlier U.S.A.I.D. loan of $13.7 million, to increase its production capacity from 12,000 to 18,000 vehicles. The equipment to be financed under the latest loan includes some foundry and forge machinery to fill out the expansion programme begun under the first U.S.A.I.D. loan, but mostly it consists of machine tools and attachments such as dies and fixtures. When the entire expansion programme is completed in 1966, T.E.L.C.O. expects to increase the indigenous content of its lorry to more than 90 percent.

The three loans will be repaid by the two Companies to the Government of India in rupees over a period of ten years, including an initial grace period of two years, with 5½ percent interest a year. The Government of India will reimburse the U.S.A.I.D. with these credits over a period of 40 years, including a grace period of ten years. During the grace period, the Government of India will pay interest at the rate of ¾ of 1 percent a year and during the remaining 30 years at the rate of 2 percent.

Aid for Ashok Leyland

Another Indian motor-car concern —Ashok Leyland Ltd—has also signed an agreement with its British collaborator, the Leyland Motor Corporation, under which the British Company will invest another £2.5 million in the Indian concern's £4-million new manufacturing programme. The Leyland Motor Corporation has already invested £3 million in Ashok Leyland Ltd. The British Company's new investment will be in the form of special plant and machinery not available from Indian manufacturers.

Under the new manufacturing programme, Ashok Leyland will produce two- and three-axled vehicles with gross ratings of up to 107,520 lbs (compared with the present Comet tractor-trailer maximum of 40,320 lbs) and with 185 horse-power Leyland power-plus 0.680 diesel engines. Some £750,000 worth of vehicle components have already been ordered from Leyland Motors Ltd for the construction of the first of these new vehicles.

The manufacture of Leyland's power-plus 0.680 diesel engines for the new lorries will also aid another facet of Ashok Leyland's work—the production of industrial diesel engines for Indian manufacturers of specialised equipment. At present, the company is supplying 100 horse-power diesel engines for such diverse machinery as air compressors, water pumps, electricity generating sets, earth-moving machines, pile drivers, and stone crushers.

The indigenous content in Ashok Leyland's Comets at present amounts to 80 percent. It is to be raised to 90 percent by the end of the current year.

I.D.A.

Developing Telecommunication

The International Development Association—a subsidiary of the International Bank for Reconstruction and Development—has sanctioned a second credit of $33 million (Rs. 15.71 crores) for the development of telecommunication facilities in India during the current plan period. The first credit for this purpose—$42 million (Rs. 20 crores)—was provided by I.D.A. in 1962.

The new loan is intended to cover the foreign exchange requirements of the factories manufacturing telecommunication equipment, namely, Indian Telephone Industries, Hindustan Cables, Hindustan Teleprinters and Posts and Telegraphs workshops. The first credit was used for the import of equipment and stores directly by the Posts and Telegraphs Department.

BOARD OF TRADE

Reconstitution Announced

The Board of Trade has been reconstituted. It will consist of Mr. Manubhai Shah, Minister for Commerce (chairman); Mr. S. V. Ramaswamy, Deputy Minister for Commerce (vice-chairman); Mr. D. S. Joshi, Secretary, Ministry of Commerce; Mr. K. P. Goenka, president of the Federation of Indian Chambers of Commerce and Industry; Mr. Ogilvie, president of the Associated Chambers of Commerce; Mr. Sachin Chaudhury; Mr. E. P. W. da Costa; Mr. Khandubhai K. Desai; Dr. B. N. Ganguli; Mr. H. V. R. Iengar; Mr. S. L. Kirloskar; Dr. P. S. Lokanathan; Mr. Prabhu V. Mehta; Sir A. Ramaswamy Mudaliar; Mr. Padampat Singhania; Mr. P. L. Tandon; the Secretary-General of the Ministry of External Affairs; Secretary of the Ministry of Finance (Department of Economic Affairs); Secretary of the Planning Commission, Secretary of the Ministry of Food and Agriculture (Department of Agriculture), and a Joint Secretary from the Ministry of Commerce (member-secretary).

COMMUNITY DEVELOPMENT BLOCKS

Criteria for Classification

The Working Group, set up by the Central Ministry of Community Development and Co-operation in November 1963, under the chairmanship of Mr. B. Mukherji, Managing Director of the State Bank of India, to suggest the criteria for classification of community development blocks for purposes of implementing selected agricultural programmes and to recommend, in broad terms, the programmes for each category of blocks, has suggested that the Community Development blocks should be classified on the basis of availability of water resources.

The categories of blocks envisaged by the Working Group are: (1) blocks having an assured water supply where definite programmes of agricultural production can be taken up immediately; (2) blocks which have a big potential for agricultural development provided the land and water resources are first developed; and (3) blocks where agriculture is not an economic proposition or which have no development potential.

The Working Group observes that although an increase in agricultural production results from various factors, one essential requirement for stable agricultural production is an assured supply of water. The group is, therefore, firmly of the view that only one criterion, that of assured water supply, should be adopted for the classification of areas from the point of view of intensive agricultural development.

Together with intensive agricultural programmes, the promotion of dairying, poultry and animal husbandry have been recommended for the blocks in the first category. For blocks in the second category, programmes like irrigation, soil conservation, drainage, flood control, levelling, etcetera, have been suggested. In blocks where agriculture is uneconomic, intensive programmes of animal husbandry, milk production and sheep and wool development are envisaged.

The group has stressed the need to provide incentives to the village level workers and *Panchayati Raj* institutions in organising programmes for increasing agricultural production.

JUTE

New Body Created

The Government of India has dissolved the Central Supervisory Body for Jute and has created in its place a 25-member Central Committee for Jute Development. The new committee will scrutinise the development programmes formulated by the State Governments for jute and allied fibres, review the progress of jute development in the context of targets laid down and recommend measures for accelerating the tempo of jute development programmes. It will as well suggest special schemes for improving the quality of jute and other allied fibres. The appraisal of prices for jute and allied fibres in the producing States, recommendation of measures to stabilise them and facilitate movement of the produce to the marketing centres are among the other functions of the committee.

The Special Secretary to the Ministry of Food and Agriculture and vice-president of the Indian Council of Agricultural Research has been appointed chairman of the new committee. Among its members are the Agriculture Secretaries of the producing States of West Bengal, Bihar, Assam, Orissa, Uttar Pradesh and Andhra Pradesh and of the Tripura Administration, two representatives of jute growers and a representative of the Indian Jute Mills Association. The Planning Commission, the State Trading Corporation and the National Agricultural Co-operative Marketing Federation are also represented on the committee. The Chief Jute Development Officer, Indian Central Jute Committee, Calcutta, has been appointed member-secretary of the committee.

RUSSIA

Pacts Signed

The Government of India signed last week two agreements with Russia—one for setting up the sixth blast furnace complex at the Bhilai steel plant and the other for the establishment of the precision instruments plant in Kotah. Under the two pacts, Russia will supply equipment as well as technical know-how for the two projects. Part of the equipment for Bhilai's sixth blast furnace complex is proposed to be manufactured at the heavy machine-building plant in Ranchi. For this portion of the equipment, only essential components will be made available by Russia.

The sixth blast furnace at Bhilai forms part of the steel works' fourth plan expansion programme. But its erection is being advanced for meeting the growing demand for pig iron. The blast furnace will be of a capacity of 1,719 cubic metres. The precision instruments plant in Kotah will produce electromagnetic and electronic instruments and accessories to a capacity of 138,000 instruments and 400,000 transmitting elements a year.

The supply of equipment for Bhilai's sixth blast furnace complex is to be financed out of the credit made available by Russia in February 1961. The equipment and technical know-how for the Kotah precision instruments plant is being financed out of the Russian credit offered in September 1959.

RUMANIA

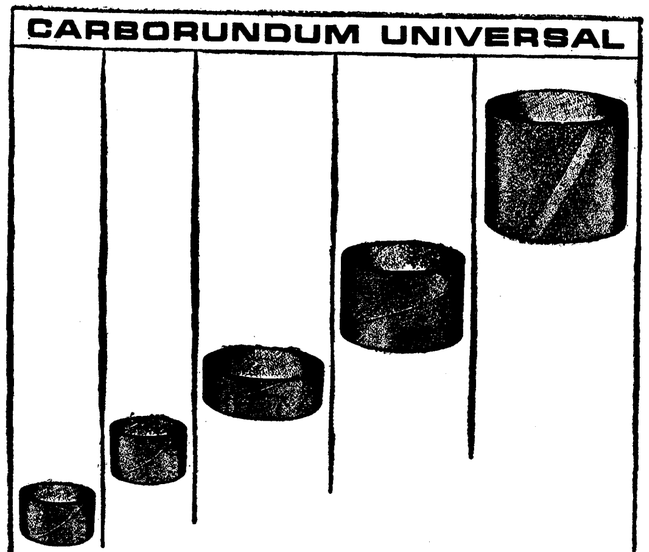
New Mechanised Brick Plant

The Government of India signed last week an agreement with Rumania for setting up the first mechanised brick-making plant in India. The plant will produce about 112,000 solid, hollow and perforated bricks a day. It will also manufacture special type of decorative bricks and roofing tiles.

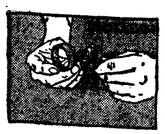
The total cost of the project is expected to be Rs. 24.5 lakhs. The estimated cost of the machinery is Rs. 8 lakhs, out of which machinery worth Rs. 5.5 lakhs will be imported from Rumania.

About 55 acres of land have already been acquired by the National Buildings Construction Corporation in Sultanpur, near Delhi, where the plant is to be installed.

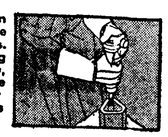
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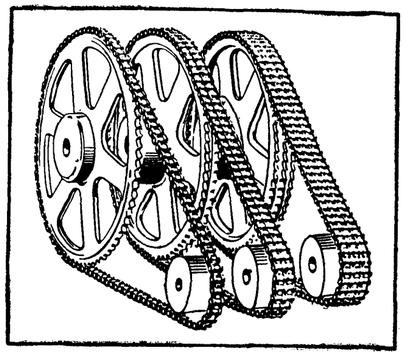
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ihta/WHB/63-29

Commodity Markets

WORLD COFFEE PRICES DROP

(FROM OUR SOUTH INDIAN CORRESPONDENT)

IT appears that the coffee market is at present suffering an indigestion caused by heavy buying earlier this year. With huge stocks on hand, buyers are said to be unwilling to absorb fresh arrivals in the market in spite of the fact that the sellers are willing to give substantial price discounts. Consequently, the world market for coffee is at present in an unsettled condition. In New York, B contract for July has dropped to 46.39 cents a lb. Losses in September and December positions were heavier. In London, Robusta futures displayed a similar trend. The gap between near and distant positions has narrowed down considerably. According to reports, the Uganda Coffee Marketing Board is thinking in terms of introducing a minimum export price. The prices mentioned in this connection are 280s a cwt for July, August and September deliveries and 290s for the following three months.

However, it is felt in certain quarters that there are possibilities for the market sentiment to take an opposite turn in the near future if the pessimistic forecasts relating to the next Brazilian crop materialise. At the same time, the available stocks of good quality coffees and the diversion of demand to other coffees can hold down the pace of recovery. The delay in the U.S.A. joining the International Coffee Agreement is causing some concern in coffee circles. The latest addition to the membership of the Agreement is Belgium. She has joined the Agreement recently as the 48th contracting party.

SPICES

Increase in Exports

The Spices Export Promotion Council reports that India has made over Rs. 5 crores on the export of spices during the first quarter of 1964, against Rs. 4 crores during January-March 1963. The items which earned more money this year were cardamom, chillies, ginger and turmeric. The quantum of exports of cardamom from India during the three months ended March 1964 was 726 tonnes, compared with 595 tonnes in the same period of last year. Export of chillies during the period under review was 3,672 tonnes valued at Rs. 83 lakhs, against 596 tonnes worth Rs. 13 lakhs in the corresponding period of 1963. Although there was a slight decline quantitatively in the export of ginger, the earning on ginger export during this period was higher at Rs. 63 lakhs, against Rs. 45 lakhs in the corresponding period of last year. Turmeric export during this period came to 1,171 tonnes, valued at Rs. 22 lakhs, compared with 1,115 tonnes worth Rs. 18 lakhs exported in the same period of 1963.

In pepper, there was a quantitative decline by about 450 tonnes during the period under review, but the earning was more or less the same at Rs. 2 crores. The export of curry paste and powder maintained the previous year's level. The export of other minor spices registered mild decreases. This was due to lesser offtake by principal importing countries. The Spices Export Promotion Council, however, anticipates good demand in the months ahead. Export figures for the financial year 1963-64 supplied by the Council show that India could earn as much as Rs. 15.3 crores during that year out of the export of spices, compared with Rs. 13.4 crores during the previous year. While chillies, cardamom, ginger, turmeric, celery seed and aniseed earned more during this period, there was a decline of Rs. 69 lakhs in the earning on pepper export. India got Rs. 5,88,87,413 from the 1,89,34,994 kilograms of pepper exported during 1963-64, compared with Rs. 6,57,05,875 in 1962-63 from an export of 2,08,68,496 kilograms of pepper.

The Spices Export Promotion Council's final estimate of the 1963-64 pepper crop of India is 24,030 tons showing a decline of 1,670 tons from the previous season's crop. The area under pepper cultivation in India in 1963-64 was 252,67,000 acres, 35,000 acres more than that of the previous season. According to the Council, there were 245,58,000 acres under pepper cultivation in Kerala during 1963-64, and that State's contribution to the Indian crop that year was 22,070 tons. Mysore had 635,000 acres under pepper and Madras 74,000 acres. Their production figures were 1,900 tons and 60 tons, respectively.

TEA

North Indian Tea Output Increases

(BY A SPECIAL CORRESPONDENT)

THE crop figures for the major producing countries published recently were as follows (in '000 lbs):

		1964	1963
North India	Mid-June	91.430	74.954
South India	April	45.995	59.318
Pakistan	May	9.872	6.458
Ceylon	April	174.080	166.555
Indonesia	Jan.	7.117	7.787
East Africa	Mar.	37.047	31.117
Mozambique P.E.A.		11.467	9.597

The crop to the end of June from north India was 128,470,394 lbs, against 103,870,944 lbs last year, a gain of 24,599,450 lbs. But south Indian production up to this period has been running short by about 10 million lbs. Production from north India is already running at the maximum capacity, and may be expected to remain in top gear up to mid-October.

The Terai Planters Association has already stated it does not expect earnings to cover present liabilities and it is fairly certain that Darjeeling and Dooars producers will find themselves in a like financial quandary. Further wage awards should be held in abeyance until the financial position of the tea industry as a whole improves.

So far, Calcutta auctions have followed a normal pattern with Darjeeling teas maintaining last year's prices, but Assams are down by nearly 50 paise with Dooars lower by about 5 paise a kilogram. The general average to 22nd June was Rs. 5.91 a kilogram, against Rs. 6.12 a kilogram a year ago. Dust were also selling below last year. The relative figures being Rs. 4.79 a kilogram this season and Rs. 5.14 a kilogram a year ago, but latest advices report a good enquiry.

Shipments from 1st July, 1963, to 22nd June, 1964, show that the U.A.R. has taken about 2½ million lbs of tea more. The Russian offtake is also slightly higher and the U.S. import figures show 15¼ million lbs compared with 13⅞ million lbs in the previous 12-month period. This, however, looks better than some recent estimates. Iran at 5.17 milliion lbs is just about half of 1962-63. The Sudan has imported 1½ million lbs less. Turkey too has heavily cut her purchases. On the other hand, eastern Europe shows improvement from 1.5 million lbs two years ago, to 3.3 million lbs last year and 6.4 million lbs so far this year. Tunisia has already been noted as showing a heavy increase.



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Jute

PROSPECTS FOR MILLS: CHANCES OF COST REDUCTION POOR

ALTHOUGH the statistical position of the Indian jute industry is quite good, it has to contend with several adverse factors. The price of raw jute is gradually tending to harden. About this time last year, the new crop was arriving satisfactorily and was on offer at around or below the derivative price levels in some upcountry markets. So the Jute Commissioner had issued a compulsory purchase quota of 440,000 bales. This year, the new crop has started arriving in the agencies, but only in driblets; they are being offered at a premium over the official floor levels. Upcountry prices are ruling much above Calcutta parity levels. Hence both mills and sellers are reserved, transacting only routine business for small quantities. The Jute Commissioner has not yet issued any quota, presumably because there is no need for supporting prices now.

In spite of the abolition of the minimum export price of jute and the 57-percent cut in export duty in Pakistan, fibre prices have hardened in that country appreciably during the past couple of weeks. Until recently, prices were ruling £3 a ton below the official minimum price, but now they are about £5 a ton above. Against a price of Rs. 19 a maund for Cross Bottoms, they are now transacted around Rs. 24 a maund. According to present estimates, Pakistan is likely to have a smaller crop of about 5.7 million bales. The quality is reported to be poor in many areas. Besides, the percentage of cuttings is not big as weather conditions have been fairly good. So Indian mills may have to pay more for Pakistani cuttings and better-grade fibre.

Another important development is the failure of the jute crop in Thailand. Against an estimate of 200,000 tons, the crop has been only around 100,000 tons. Out of this, 70,000 tons have been absorbed by the Thai jute industry, leaving only 30,000 tons for export. Most export contracts have either been cancelled or settled. Others are being completed by the sellers by purchasing jute from Pakistan. Against this background, the indications are that irrespective of the size of the domestic crop, the Indian industry will have to pay a much higher price for high-grade fibre—Indian or Pakistani—which it must have in ample quantities to produce quality gunnies, especially hessian and carpet-backing.

Labour Unrest

In the field of labour relations, absolute peace does not prevail despite co-operation from the industry and the State Labour Directorate. Although wage and bonus incentives have been given, there are reports of labour unrest here and there, causing a temporary setback to production. No fool-proof norm has yet been introduced for linking wages to productivity. An export industry cannot retain its overseas markets or extend them unless it can hold down its costs.

Then there is the problem of offtake. No doubt, despatches are good. At the June level of output of about 107,000 tonnes, the closing stocks were 126,100 tonnes, i.e., 17.7 percent above the production for the month. An industry with a wide diversity of products may not mind carrying 1.18 months' output if it wants to continue meeting the consumers' demand. Since the commencement of production at the maximum level more than a year ago, and more particularly since the annulment of the I.J.M.A. Working Time Agreement last February, overseas consumers and the Government of India have been inclined to defer their purchases expecting prices to decline. They practically desisted from entering into forward contracts with the industry or their suppliers.

Large Government Purchases

It was only in June that the Government of India entered the market and has since placed excellent orders. It is expected that the Government offtake for storing foodgrains and fertilisers will be substantial. Domestic industries like sugar, cement, cotton textiles will also increase their offtake in view of their rising production. Overseas consumers too are absorbing sizable lots, although not on the scale of the previous year when there was a large volume of pent-up demand to cover. This is evident from the monthly despatches statistics. Instead of lifting their requirements on ready or forward basis from the markets, they are negotiating with mills either directly or through their local agents. Except the Jute Commissioner and the Customs department as the registering authorities and the parties or the agents concerned, no one else knows about these contracts. That is why these transactions fail to create any impression on the market. Jute circles are inclined to believe that they will be able to dispose of their entire output—particularly hessian, sacking and odd constructions in this manner.

Prospect for Carpet-backing

But there is need for caution concerning carpet-backing cloth. Against an approximate monthly output of 7,700 tonnes during the past six months, the export offtake has been around 5,600 tonnes, leaving a monthly carryover of 2,100 tonnes. So, even with the present complement of about 2,000 broad looms, the June-end stocks of 21,400 tonnes may more than double in a year's time unless steps are taken in the meanwhile to accelerate the offtake. As a large number of broad looms are in the process of installation, the problem will assume a bigger shape later. Pakistan's entry into this profitable line, the competition from Continental producers and the threat from synthetic substitutes are the other dangers.

Steps are being taken by the Government and the industry to stimulate the export of this special-purpose product. There has been no internal demand for it so far. With a view to creating it, efforts have been made to produce tufted carpets in India. The Government of India has already sanctioned letters of intent to 13 firms for the installation of power looms to produce this type of carpets. It may approve one or two more proposals of a like nature. Trade circles feel that India should be quick to take advantage of the high level of overseas demand for tufted carpets. A number of other countries have already entered this market to their advantage.

Rise in Gunny Stocks

The closing stocks of jute goods with mills reporting to the I.J.M.A. increased from 124,200 tonnes to 126,100 tonnes during June. While stocks of hessian declined by 1,900 tonnes to 45,100 tonnes and of miscellaneous goods by 1,100 tonnes to 14,500 tonnes, sacking stocks rose sharply by 4,700 tonnes to 45,100 tonnes. Carpet-backing cloth also increased by 200 tonnes to 21,400 tonnes. At the end of June 1963, the inventories were: 32,400 tonnes of hessian, 47,200 tonnes of sacking, 6,400 tonnes of carpet-backing and 10,200 tonnes of miscellaneous goods, making a total of 96,200 tonnes.

Although the heavy increase in sacking stocks has produced a bearish impact on the market, jute circles have been impressed by the despatches, especially in view of the bottleneck in Calcutta port. The figures indicated that the offtake during June absorbed at least 3,700 tonnes of the excess production of gunnies during the month.

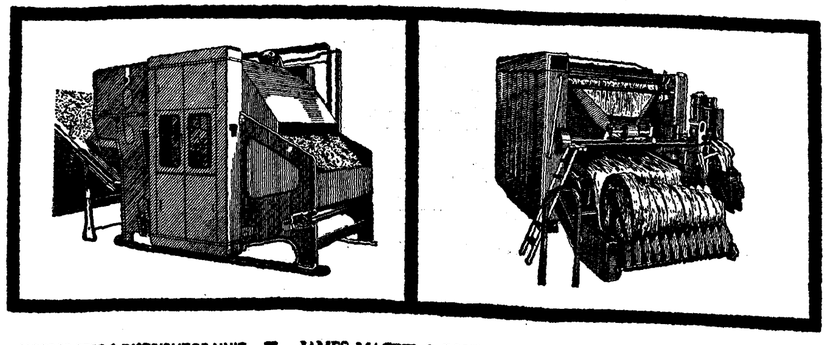
Another I.J.M.A. statement shows that working at the maximum level for 200 hours in June, against 192 hours in the previous month, mills produced a total of 107,000 tonnes of gunnies, against 101,400 tonnes. Output of hessians increased by 900 tonnes to 44,300 tonnes, of sacking by 2,700 tonnes to 41,200 tonnes, of miscellaneous goods by 1,500 tonnes to 13,600 tonnes and of carpet-backing by 500 tonnes to 7,900 tonnes. The higher production of sacking was effected by the diversion of hessian looms to sacking. The incentive for it came from the excellent offtake on Indian Government account. It also stimulated brisk short-covering and purchases by other domestic consumers.

In June 1963, the mills worked at the same level for 192 hours, producing a total of 100,300 tonnes of gunnies—41,500 tonnes of hessian, 40,000

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tonnes of sacking, 7,400 tonnes of carpet-backing and 11,400 tonnes of other goods.

THE JUTE MARKETS

Manufactured Goods: Opening on a steady note on excellent support given by the Government of India to heavy goods for ready and near positions, the Calcutta gunny market suffered a setback on the announcement of the June closing stocks with I.J.M.A. member-mills. A higher output of jute goods during the month was an additional damper. Despite the issue of tenders for about 28,000 bales of B Twills for July-September delivery, sentiment continued to be depressed due to the slow overseas offtake of hessian although the figures indicated that about 3,700 tonnes of the excess output was absorbed during the month. Hessian suffered heavily, while heavy goods escaped with minor losses on balance. Conditions in the Calcutta port were causing anxiety. Congestion of vessels in the dock areas and at Sandheads hampered the operation of Calcutta loaders. So shipments were more or less of a routine nature. The Australian loader for Freenmantle and Sydney for mid-July position was believed to have done well. Towards the close, lower levels attracted scattered short-covering and overseas buying. But these failed to arrest the drift in prices. In the absence of any positive incentives, conditions in the spot market governed the trend in the hedge market. Tired long liquidation and some bear-selling caused a heavy slump in hessian values. Brisk short-covering helped sacking for August and November deliveries to close with only minor losses. Fluctuations were wide and turnover fair in heavy goods and moderate in hessian. The closing undertone was easy in the former, and hesitant in the latter.

Wednesday's quotations were as follows:

	July	Aug.	Sept	Oct.-Dec.
40in. 7½oz.	33.20	33.30	33.45	33.55
40in. 8oz.	35.80	—	—	—
40in. 10oz.	44.05	44.35	44.55	44.95
B Twills	115.90	115.50	115.45	115.50
Cornsacks	119.25	120.25	119.75	118.50
Heavy Cees (Plain)	115.50	115.50	115.50	115.50
A Twills	138.00	139.00	139.50	140.25
Liverpools	128.25	128.25	128.25	128.25

Raw Jute: With the new crop still arriving in small quantities in up-country centres, and sellers unwilling to extend commitments at a discount, steady conditions prevailed in the raw jute market during the past week. Reports of some damage to the plants in the lower Assam valley and in northern Bengal induced mills to make scattered purchases even around the present levels. A hardening price trend in Pakistan in spite of the abolition of the minimum export price and the cut in the jute export duty, combined with reports of a smaller crop called for caution. Contrary to expectations, the Jute Commissioner did not issue any purchase quota for July, presumably due to the slow pace of arrivals and the continuing firm price trend. Last week's alternate showers and sunshine helped the plants and arrested chances of pest infestation. Brisk interculture work was in progress. Now the crop prospects appeared to be bright in the Tossa and Daissee areas. In the futures market, Upper Assam White Bottoms for September opened on an optimistic note on scattered bear-covering and closed firm with a nominal gain on balance after fluctuating within narrow limits. The steadiness stemmed from the buoyant trend in the spot market. There was intermittent profit-taking at the bulges. But all offers were well-absorbed. Turnover was moderate and the undertone firm at the close.

Wednesday's quotations were as follows:

	Landed at Mills (Basis Bottoms) 1963-64 Crop		1964-65 Crop	
	Rs. A Qtl.	Rs. A Md.	Rs. A Qtl.	Rs. A Md.
Assam-Agartala Jute	83.05	31.00	85.74	32.00
Northern Jute	80.38	30.00	84.39	31.50
Western Desal Jute	75.02	28.00	79.04	29.50
Selected Daissee	88.41	33.00	89.75	33.50
Assam-Agartala Tossa	84.39	31.50	87.08	32.50
Mesta:				
Assam-Northern	68.32	25.50	75.02	28.00
Local Daissee	69.66	26.00	73.66	27.50
Bihar Dist.	66.98	25.00	69.66	26.00

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

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

Description	Quantity
1. Gunny Bags	
(a) Hessian	
8,809 tonnes	(3,670 tons)
2,34,64 thousand metres	(2,56.6 lakh yds.)
1,54.6 lakh nos.	
(b) Sacking	
39,673 tonnes	(39,046 tons)
8,58.14 thousand metres	(9,38.5 lakh yds.)
4,31.3 lakh nos.	
2. Gunny Cloth	
(a) Hessian	
35,507 tonnes	(34,946 tons)
12,11,79 thousand metres	(13,25.2 lakh yds.)
(b) Sacking	
1,549 tonnes	(1,525 tons)
33,00 thousand metres	(36.1 lakh yds.)
3. Carpet-backing	
7,918 tonnes	(7,793 tons)
59,98 thousand metres	(65.6 lakh yds.)
4. Other Manufactures	
13,593 tonnes	(13,378 tons)
5. Total Production (all kinds)	
1,07,049 tonnes	(1,05,358 tons)

Summary

	(000 metres and 00,000 yds.) June '64	May '64	June '63
Hessian	14,46.43 (15,82)	14,08,09 (15,40)	13,70,72 (14,99)
Sacking	8,91,14 (9,75)	8,29,54 (9,07)	8,67,22 (9,48)
Carpet-backing	59,98 (66)	57,05 (62)	57,02 (62)
	(000 tonnes and tons)		
	June '64	**May '64**	**June '63**
Hessian	44.3 (43.6)	45.4 (42.8)	41.5 (40.9)
Sacking	41.2 (40.6)	38.5 (37.9)	40.0 (39.3)
Carpet-backing	7.9 (7.8)	7.4 (7.2)	7.4 (7.3)
Others	13.6 (13.4)	12.1 (11.9)	11.4 (11.2)
Grand Total	107.0 (1,05.4)	101.4 (99.8)	100.3 (98.7)
Hours worked	200.0	192.0	192.0

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



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THE U.K. JUTE MARKETS

FIBRE UNCHANGED

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market was firm in Pakistan last week, but there was little change in prices here. Some buying of the fibre took place at the end of week, but since then, the position has become quieter. Sellers are anxious for business and well-known marks are available at just slightly above current E.P.C. values. The matter of the rebate on export duty on contracts placed before 13th June but not shipped by that date, is still not settled in Pakistan. This is rather an important question for Dundee spinners as it not only involves a return of money but it is a condition of the contract that any alteration in export duty is for buyers' account. In the past, when export duties were raised, spinners had to pay the increase on outstanding contracts.

It was announced yesterday, that the E.P.C. values of Mill Firsts, Dacca Tossa-5 and Grade Tossa-⅝ had been raised by £2 a ton, but this made little difference to the position here as very few offers of these grades were being made. On the other hand, the E.P.C. values of mesta were reduced by £1. Offers of new crop are being made in Dundee of £104 10s for Export Firsts, at £93 for Export Lightnings and at £82 for Export Hearts, c.i.f., U.K., for August-September shipment. Grade Tossa-⅝ was at £119 and Grade Tossa-4 at £104 5s. Outport Tossa-⅝ ranged from £95 15s and Outport Tossa-4 from £86, September-October. Cuttings were at £51 for N.C.

Offers of old crop were made, and the prices asked were more or less in line with new crop values. As spinners here held fair stocks of raw material, not much buying interest was shown. The Siam jute market was now quieter, and prices were at a slightly lower level. Offers were at £75 for super A, at £69 10s, for grade A, at £64 10s for grade B and at £60 10s for grade C, delivered mill Dundee for October-November shipment.

THE PAKISTANI JUTE MARKETS

NEW QUOTA SYSTEM FOR FIBRE

(FROM OUR DACCA CORRESPONDENT)

THE question of the refund of the export duty continues to exercise everybody's minds. It is reported that the authorities now recognise the gravity of the situation, and have recommended to the Finance Minister that the Act be amended in some manner either to allow a refund or else to clarify that the new export duty only refers to contracts signed on 13th June and later. The decision is still to come. In the meantime, documents worth hundreds and thousands of pounds are being held up.

The quota system has already been announced. The details are not worth recounting, but it is sufficient to say that it seems to be a very well thought-out plan, which will ensure regular buying and which should, particularly in a short crop season like this one, keep prices at a reasonably high level.

In brief, each baler has been allotted a quota and each baler has been told by how much the quota can be increased if he purchases well and by how much it can be decreased if he does otherwise. For a start, balers have been instructed to buy 11 percent of their total quota within the first two months of the season, which is quite reasonable. At any rate, it is gratifying both for the trade in Pakistan and abroad to see that under the guidance of Mr. I. A. Khan, the new jute policy both in prices and in quotas, represents an honest attempt to make the trade as free as possible without at the same time permitting practices detrimental to the economy of the country. The new policy, of course, quite reasonably in an election year, tries hard, particularly by the quota system, to ensure that the grower gets a fair price. The intention behind the policy and the way it has been framed, will no doubt be appreciated by all circles of the trade. Fortunately, the fact that the crop is not very large, will be a factor which will help make the new policy work.

In the loose jute sector, arrivals are normal to poor for this time of year. The quality is certainly poor even when one considers that this is very early jute. Continuous rains have not been of much help. Paradoxically, despite continuous widespread rains, the river levels in certain areas are falling. At this time of year, this will have no effect on the crop, but this certainly discounts regular reports in the Press of floods in various parts of the country. In the pucca bale market, activity has centred round cuttings, which are quoted ready, as far forward as March and at as high a rate as £49 a ton f.o.b. From overseas, very little interest has been shown at prices varying considerably from seller to seller.



COMPANY AND PUBLIC NOTICES

(SITUATION VACANT)

RESERVE BANK OF INDIA

APPLICATIONS are invited for the posts of Junior Officers Grade II (on probation) in the Bank in the scale of Rs. 375-20-535-25-560-EB-25-660-30-720.

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

In addition to pay, the selected candidates will be eligible to draw local pay at 10% of the pay rounded off to the next higher complete rupee when stationed at Bombay, Calcutta, Madras, New Delhi, Kanpur, Ahmedabad, Bangalore and Hyderabad and dearness allowance at prescribed rates. The present rate is 20% of pay with a maximum of Rs. 100/- per mensem. In addition they will be eligible for house rent allowance at 15% of pay with a minimum of Rs. 60/- per mensem.

QUALIFICATIONS:

Applicants should have a good academic record and possess a first or high second class Bachelor's or Master's degree in Science, Arts or Commerce of a recognised Indian or Foreign University. Practical banking experience in a commercial bank will be considered as an additional qualification. Preference will be given to those who have passed the Institute of Bankers' Examination.

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

AGE LIMIT AS ON 1ST AUGUST 1964:

Between 21 and 25 years. The maximum age limit is relaxable but not beyond 30 years in the case of:—

(i) candidates possessing special qualifications and experience of value to the Bank;

(ii) ex-employees of banking institutions whose services had to be terminated for reasons of economy or as a result of the banks going into liquidation;

(iii) personnel retrenched from Government offices after at least one year's service applying through Employment Exchanges; and

(iv) candidates belonging to the Scheduled Castes or Scheduled Tribes.

2. Applicants for the above post must remit with their application a fee of Rs. 7.50 by cheque or bank draft on a **Scheduled Bank** payable at Bombay or by Postal Order. **The application fee is in no case refundable.** In the case of candidates belonging to Scheduled Castes/Tribes, the fee will be reduced to one-fourth.

3. Applications in the candidate's own handwriting in the prescribed forms obtainable from the Reserve Bank's offices at Bombay, Calcutta, Kanpur, New Delhi, Nagpur, Madras, Bangalore, Hyderabad, Trivandrum, Lucknow, Patna and Jaipur accompanied by copies (originals should **not** be sent) of certificates regarding age and educational qualifications, statements of marks secured in the Graduate and Post-Graduate degree examinations and copies of two testimonials should be forwarded to the Secretary, Central Recruitment Board, Reserve Bank of India, Central Office, Post Box No. 406, Bombay No. 1 so as to reach him on or before the 1st August 1964.

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

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

6. Candidates must be prepared to serve in any office of the Bank in India or group of departments to which they are posted, and to undertake tours when required.

7. Selected candidates will have to appear for interview/s before the Selection Board at any of the Bank's Offices.

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

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

10. Canvassing in any form will be regarded as disqualification.

INDIGESTION?

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TENDER CALL NOTICE

SEALED tenders are invited for supply of G. I. wires as detailed below and will be received up to 3 P.M. of 7-8-64. The tenders will be opened on the same day in the presence of the tenderers or their authorised Agents. The rates should be quoted F.O.R. destination (Bhubaneswar) including freight and all other incidental charges.

Sd/- B. MISRA,
Superintending Engineer,
Delta Irrigation Circle.

Description

1. Black annealed wire 8 G
2. Black annealed wire 10 G
3. Black annealed wire 12 G
4. Black annealed wire 14 G
5. Black annealed wire 16 G.

TENDER NOTICE

Office of the Superintending Engineer, Delta Irrigation Circle, Bhubaneswar

NOTICE

SEALED tenders are invited for supply of Rubber Water Seals 9" wide of various lengths totalling to 10,000' and will be received up to 3 P.M. on 17-8-64. The tenderers should send samples along with their tenders. The rates quoted should be F.O.R., Bhubaneswar inclusive of all other incidental charges.

Sd/- B. MISRA,
Superintending Engineer,
Delta Irrigation Circle.

MACNEILL & BARRY, LIMITED

NOTICE

NOTICE is hereby given that the Board of Directors of this Company has sanctioned payment of the Dividend on the Preference Share Capital of the Company for the half-year ended 30th June, 1964, at the rate of Rs. 2.289375 per cent.

Payment will be made on or after 1st August, 1964 to those Preference Shareholders whose names appear on the Company's Register on that date or in accordance with their instructions.

The Preference Share Transfer Books of the Company will be closed from the 29th July to 1st August, 1964, both days inclusive.

By Order of the Board,
A. N. MITRA,
Secretary.

2, Fairlie Place,
Calcutta-1, 8th July, 1964.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Bharat Nidhi Ltd. ..	17-7-64	3-30 p.m
Metal Box Co. of India Ltd. ..	27-7-64	12-30 p.m.
*Attock Oil Co. Ltd.	29-7-64	
Jagatjit Coton Textile Mills Ltd. ..	31-7-64	3 p.m.
Investment & Finance Co. Ltd. ..	4-8-64	11 a.m.
General Investment & Trust Co. Ltd. ..	4-8-64	11-5 a.m.
Indian Copper Corporation Ltd	12-8-64	11-30 a.m.
Britannia Biscuit Co. Ltd. ..	20 8-64	10 a.m.

(*Meeting to be held in London)

DIVIDENDS DECLARED OR PROPOSED.—Indian Copper Corporation Ltd.—12 p.c., subject to tax; Universal Electrics Ltd.—Nil; Britannia Biscuit Co. Ltd.—15 p.c. (1) (o), subject to tax.

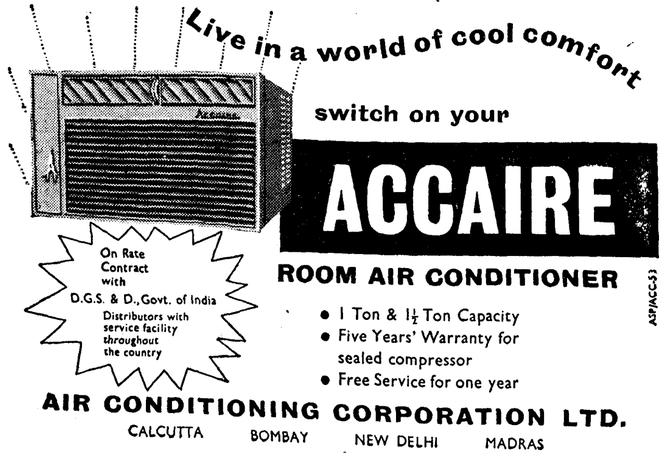
HIDES AND SKINS

The market was quietly steady. Stocks of hides were less, but those of skins were higher than in the previous week.

Bazaar Sales
(Between 7th July and 13th July, 1964).

Cowhides: Wet salted (Ord) 24,800 pcs. on the basis of Rs. 8.25 to Rs. 8.75; Wet salted (Slaughtered) 27,500 pcs. on the basis of Rs. 10 to Rs 13 and Rs. 16 to Rs. 24; Wet salted (Ord) 3,000 pcs. on the basis of 54 Paise a lb.

Goatskins: Wet salted (Daissee, Kustia) 43,300 pcs. on the basis of Rs. 310 to Rs. 320 and Rs. 360 to Rs. 375; Wet salted (he-killed) on the basis of Rs. 4.25 and (she-killed) on the basis of Rs. 4 a piece; Assam-Dinajpur 36,700 pcs. on the basis of Rs. 180 to Rs. 225; Kissenganj 9,900 pcs. on the basis of Rs. 470 to Rs. 480.



"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock Exchange Associations and other sources.

Figures given after stroke (/) mean paise.

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Wednesday, 15th July, 1964.

BANKS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 15-7-64 Rs.	8-7-64 Rs.	A year ago Rs.
Allahabad Bank P.	18	15	15	100	250/00	250/00	236/00
Bank of Baroda	17	16	16	50	97/50	96/50	88/50
Bank of India	20	20	18	50	103/25	103/00	114/00
Central Bank of India	20	20	20	25	49/00	48/50	58/00
Chartered Bank	15	15	15	£1	sh. 50/-	sh. 49/9	sh 58/00
Hindusthan Commercial	Nil	Nil	..	50	10/75	11/00	13/25
Hindusthan Mercantile	Nil	Nil	..	50	10/75	10/75	15/62
Hong Kong & Shanghai	sh. 15	sh. 16	sh. 16	HK$25	£21¼	£21⅛	£18⅞
Indian Bank	15	14	..	100	153/50	153/50	158/50
Indian Overseas Bank	14	..	..	..	144/00	144/00	142/00
National & Grindlays Bank	14	16	14	sh 15	sh. 31/1½	sh. 30/9	sh. 34/6
Punjab National Bank	20	20	..	10	19/50	19/75	18/94
Union Bank of India	11 2/5	11 2/5	..	5	6/16	6/16	6/04
United Bank of India	6	6	7½	10	7/69	7/59	7/37
United Commercial Bank	12	12	12	50	69/50	68/25	65/50

*1962

JUTE MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 15-7-64 Rs.	8-7-64 Rs.	A year ago Rs.
Agarpara P.	2½	2½	12	10	8/81	8/87	10/12
Alexandra P.	15	42½	..	100	300/00	300/00	300/00
Alliance P	Nil	10	12½	100	124/00	124/00	137/00
Anglo-India P.	7	10	12	100	160/00	156/00	224/00
Auckland P.	12	Nil	15	100	124/00	124/00	142/00
Bally P	25	25	..	100	235/00	235/00	263/00
Barnagore P.	10	10	10	£5	222/00	220/00	198/00
Bengal P.	..	..	..	10	6/69	6/69	9/69
Birla P	15	15	15	10	33/25	33/50	29/50
Budge Budge P.	Nil	12	14	100	121/00	121/00	155/00
Calcutta P	..	..	..	10	8/12	8/12	8/12
Caledonian P.	5	..	..	100	142/00	142/00	190/00
Champdany P.	5	Nil	40-35*	10	20/75	20/87	20/69
Cheviot P	5	25	..	10	19/06	19/06	21/56
Chhitwalsah P.	Nil	6	Nil	10	8/00	7/75	10/00
Clive P	..	..	..	10	8/00	8/00	10/25
Dalhousie P.	1	Nil	25	100	115/00	115/00	130/00
Delta P	Nil	12	7½	100	132/00	132/00	159/00
Empire P	7½	12½	15	10	13/87	13/87	14/69
Fort Gloster P.	10	12½	20	100	251/00	251/00	377/00
Fort William P.	22½	10	20	10	21/81	21/87	26/00
Ganges P	10	15	20	10	13/66	13/81	14/06
General Industrial	10	13	..	10	13/25	13/25	15/62
Gourepore P.	25	20	20	10	22/25	22/25	25/50
Hastings P.	6	6	6	100	128/00	128/00	128/00
Hooghly P.	20	7½	10	10	14/37	14/50	18/87
Howrah P.	10	Nil	10	10	16/00	16/25	18/87
Hukumchand P.	28 2/3	26 2/3	26 2/3	7½	19/50	19/50	18/19
India	12	8	22½	12½	15/12	15/12	18/19
Kamarhatty P.	Nil	20	20	100	158/00	165/00	188/00
Kanknarrah P.	Nil	15	15	100	128/50	129/00	132/00
Kelvin P	15	5	20	100	135/00	135/00	177/00
Khardah P.	5	12½	12½	10	17/50	17/50	18/75
Kinnison P.	7	Nil	10	100	114/00	114/00	148/00
Lansdowne P.	Nil	Nil	Nil	100	92/50	92/50	87/00
Lawrence P.	15	10	10	100	102/00	102/00	100/00
Megna P.	12½	Nil	22	10	12/56	12/56	13/19
Naihati P	..	..	..	100	85/00	85/00	81/00
Naskarpara	..	..	..	10	6/00	6/00	9/06
National P	Nil	10	10	10	20/62	20/62	24/25
Nellimarla P	6	15	5	10	8/25	8/31	11/06
New Central P.	15	Nil	..	10	11/06	11/31	12/75
Northbrook P.	30	20	35	10	24/75	24/75	27/12
Nuddea	6	5	10	10	10/56	10/87	..
Presidency	6	10	10	5	4/19	4/53	4/69
Rameshwara P.	Nil	Nil	Nil	10	9/20	9/20	9/56
Reliance P	Nil	Nil	Nil	10	7/37	7/37	9/75
Samnugger P.	Nil	10	10	£1	10/50	10/56	10/50
Shree Ambica P.	6	Nil	..	10	30/00	30/00	25/00
Soorah P	25	25	..	10	18/94	18/94	22/75
Titaghur P.	Nil	13	..	£1	10/50	10/56	10/50
Union P	6	Nil	20	100	133/00	133/00	155/00
Victoria P.	Nil	10	10	£1	10/50	10/50	10/50
Waverley P.	30	60	30	1	8/00	8/19	7/25

*1964

COAL COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 15-7-64 Rs.	8-7-64 Rs.	A year ago Rs.
Amalgamated	12½	15	..	10	12/19	22/37	23/62
Bengal P	21	19	16	100	233/00	233/00	267/00
Bengal Bhatdee	..	..	..	10	3/48	3/48	3/48
Bengal Nagpur	26	..	..	10	22/00	22/00	22/00
Bhalgora	..	..	..	10	3/87	3/87	4/84
Bharat Collieries P.	..	..	..	10	2/75	3/00	3/50
Bhulanbararee	..	..	..	10	10/00	10/00	11/94
Bokaro & Rampur	..	..	..	10	11/19	11/19	11/19
Borree P	15	15	15	10	20/25	20/25	23/87
Burrakur P.	13	13	13	10	16/06	15/81	15/44
Central India	10	10	..	10	8/87	8/87	9/75
Central Kurkend P.	..	..	..	10	3/44	3/44	3/87
Churulia	..	..	..	4	3/06	3/06	3/06
Dhemo Main	Nil	..	..	10	3/95	3/95	4/31
East Indian	15	20§	..	£1	28/50	28/50	31/87
Equitable P	10	10	10	10	21/50	21/50	24/69
Ghusick & Musilia	Nil	Nil	Nil	10	13/87	13/87	14/25
Guzdar Kajora	..	..	..	10	2/47	2/47	2/44
Gurriladih	..	..	..		5/44	5/44	8/12
Karanpura Development	5	..	3	100	9/12	7/69	15/00
	15	..	9	10F			
Karanpura Collieries P.	10	10	10	10	11/62	11/62	16/75
Katras Jherriah	40	25	30	10	30/00	30/00	37/75
Khas Kajora P.	..	..	..	10	16/62	16/62	18/70
Mundulpur	..	..	..	10	2/69	4/69	2/69
Nazira	Nil	Nil	..	10	4/69	5/00	5/00
New Beerbhoom P.	10	12	10	10	15/25	15/50	19/37
New Manbhoom	9	12	..	10	11/25	11/25	16/00
North West	20	..	..	10	19/75	19/75	19/75
				7½	18/00	18/00	18/00
Ondal P.	7½	..	..	10	13/50	13/50	12/00
Parasea P	1½	..	..	10	14/00	14/00	16/00
Pench Valley	10	10	..	10	17/44	17/44	17/75
Pure Sitalpur	..	..	..	10	8/00	8/00	8/00
Rangeegunge	17	17	..	10	13/37	13/37	16/00
Rewa	20	..	..	10	24/62	28/50	28/50
Samla	..	..	..	10	7/81	7/81	11/25
Searsole	Nil	Nil	..	2½	1/25	1/25	1/22
Seebpore P.	42 6/7	35 5/7	28 4/7	7	34/75	34/75	45/00
Sendra	3½	..	..	10	5/00	5/00	5/75
South Karanpura	Nil	Nil	..	2½	6/50	6/25	8/06
Standard	10	..	..	10	9/62	9/62	13/12
Union	..	..	..	10	10/25	10/25	11/12
Western Bengal	7½	9	..	10	8/75	8/81	8/90
West Jamuria	Nil	..	..	10	3/60	3/60	4/09

*1963

COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 15-7-64	8-7-64	A year ago
				Rs.	Rs.	Rs.	Rs.
Basanti	xx	xx	xx	10	12/06	12/06	11/50
Bengal Luxmi	..	..	..	40	30/00	30/00	28/00
Bengal Nagpur P.	Nil	..	..	10	2/44	2/44	3/00
Bharat Commerce	5	15	15	10	21/19	21/19	20/12
Birla Cotton	10	20	20	10	27/00	27/00	33/00
Bowreah P.	10	20	15	10	23/06	23/31	22/00
Cawnpore Textile	7 1/5	10	10	5	6/69	6/56	6/16
Delhi Cloth & Genl. P.	12	13	13-13*	25	48/50	48/62	41/87
Dunbar	20	20	15	10	27/25	27/25	26/25
Elgin P.	11½	17½	17½-17½*	10	19/00	19/87	17/75
J. K Cotton (Rayon) P.	12½	..	..	10	10/62	10/75	11/25
Jaya Shree	10	10	..	10	13/37	13/37	14/16
Muir P.	..	..	..	100	63/00	63/00	90/75
New Victoria P.	Nil	..	..	2½	1/31	1/37	1/37
Orissa Textiles P.	Nil	Nil	..	10	7/00	7/00	9/00
Rampooria Cotton	3	Nil	..	10	13/00	13/00	12/00
	Nil	Nil	Nil	1	3/00	3/00	2/00
Swadeshi (Kanpur) P.	5	..	..	10O	11/00	11/00	11/50
	5.51	..	..	10PO	6/31	6/75	7/25

* 1963

BOMBAY COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 14-7-64	7-7-64	A year ago
				Rs.	Rs.	Rs.	Rs.
Ahmedabad Advance P.	16	12	..	100	144/50	153/75	130/00
Apollo	Nil	Nil	..	2	1/62	1/68	2/06
Beharilal Ramcharan	Nil	Nil	..	100	135/00	134/00	70/00
Bombay Dyeing, etc.	14	14	14	25	57/50	58/80	59/80
Bradbury P.	10	25	..	50	162/50	162/50	150/00
Century	30	30	..	100	603/00	617/50	530/00
Central India P.	Nil	Nil	Nil-Nil*	100	95/00	96/00	109/00
Coorla	11	11	..	100	169/50	170/00	142/50
Dawn	30	30	..	50	164/00	165/00	135/00
Edward Textiles	9	9	6	200	285/00	285/00	300/00
Elphinstone P.	18	22	18	50	104/50	105/50	103/00
Finlay	23	23	..	100	296/00	298/00	320/00
Gokak	14	18	..	100	178/00	184/00	170/00
Hindoostan	50	50	..	250	950/00	950/00	855/00
India United	8	14	..	10	20/52	20/52	22/84
	13½	37½	..	1Dd	2/38	2/42	2/66
Indian	23 1/5	25	..	250	840/00	840/00	761/25
Indore Malwa United	8½	10	7½	100	210/00	210/00	192/00
Khatau Makanji P.	32	16	..	100	186/50	191/25	218/50
Kohinoor	15	18	..	100	327/50	326/50	310/00
Lakshmi Vishnu P.	5.7	6	Nil	100	90/50	92/50	91/00
Morarjee Goculdas P.	21½	24	24-20*	100	268/00	272/00	385/00
Mysore Spg. & Mfg. P.	14	14	..	50	41/50	38/00	45/50
New City of Bombay	Nil	Nil	..	100	188/75	188/75	130/00
New Great Eastern P.	Nil	12	..	100	160/00	160/00	230/00
Phoenix	15	20	..	100	251/00	254/00	210/00
Sassoon & Alliance	Nil	Nil	..	10	10/24	10/24	11/78
Sassoon Spinning	17	20	10	10	38/00	38/00	42/00
Simplex	15	Nil	22-16*	50	136/00	138/00	123/00
Shree Niwas P.	18	20	14	100	240/00	244/00	239/00
Svadeshi P.	17	19	17	100	246/00	248/00	243/00
Swan	36	21 3/5	..	100	265/00	264/00	285/00
Tata	20	22	20	25	55/00	55/70	59/00
Western India	46 2/5	25	..	250	815/00	815/00	785/00

* 1963

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 14-7-64	7-7-64	A year ago
				Rs.	Rs.	Rs.	Rs.
CEMENT ENGINEERING & METAL							
Associated Cement	12½	12	12	100	152/50	154/00	143/30
ELECTRIC LTG., POWER							
Ahmedabad Electricity	7	6	xx	100	99/50	100/50	98/00
Andhra Valley Power P.	5½	5	5	1000	1,095/00	1,090/00	1,070/00
Bombay Subarban Elec.	8	8½	8½	100	106/00	106/00	106/00
Tata Hydro Elec. Power P.	5½	5	5	100	113/50	113/00	110/00
Tata Power P.	5½	5	5	1000	1,145/00	1,143/75	1,112/50
Alcock Ashdown	17	22½	xx	100	284/00	290/00	293/00
Jost's Engineering	8	10	10—Nil*	50	47/00	47/00	60/00
Larsen & Toubro P.	12½	18	14—14*	10	21/52	21/24	22/24
Mackenzies	10	12	14	100	140/00	140/00	137/00
Premier Construction P.	43 1/3	33 1/3	xx	30O	184/00	187/00	139/50
				33F			
Tata Eng & Locomotive P.	12½	14½	14½-14½*	100	290/00	293/50	264/00
Tata Iron & Steel P.	9.1	10.36	10.36-11*	75O	155/50	156/50	142/75
INSURANCE COMPANIES							
British India General	xx	xx	xx	10	14/00	14/00	11/52
Jupiter General P.	..	..	..	15	7/00	7/00	9/20
New India	38	38	..	15	45/75	46/25	65/00
Vulcan	20	20	xx	10	16/24	16/24	17/24
MISCELLANEOUS							
Belapur Sugar	58	50	xx	50	216/00	217/50	196/00
Bombay Burmah Trading	30	33	33-33 1/5*	25	56/80	57/20	61/50
				20	43/50	43/75	..
Hindustan Lever	26	26	12	10	33/00	33/75	36/00
Industrial Invt Trust	6½	6½	..	100	75/00	73/50	69/50
Kemp (Chemists)	12½	12½	..	200	260/00	260/00	305/00
National Rayon	22	..	..	100	369/00	383/50	319/50
Scindia Steam Navign.	3	3	8	20	15/72	15/68	11/72
Shivrajpur Synd.	80	Nil	..	10	18/00	18/24	24/00
Tata Chemicals P.	6	6½	6½—10*	10	18/64	18/76	16/84
Tata Oil P.	23	23	23—22*	25	63/00	62/50	63/50
Voltas	13	14	14—14*	100	254/50	260/00	240/00
Western India Match	16	16	16	100	241/00	244/00	254/00

* 1963

TEA COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 15-7-64	8-7-64	A year ago
				Rs.	Rs.	Rs.	Rs.
ASSAM GARDENS							
Amluckie	Nil	10	7½	10	16/00	16/00	20/00
Anandabag P.	30	32½	20	10	33/25	33/25	33/25
Baghmari	Nil	15	7½	10	13/62	13/62	13/06
Barduar Tea	..	..	..	5	8/50	8/50	8/50
Basmatia	35	25	20	10	18/06	18/12	27/25
Batell	30	30	..	5	18/06	18/25	18/50
Betjan	40	45	30	10	30/37	30/37	28/75
Bishnauth	12	13	20	10	15/00	13/87	17/56
Bokakhat	Nil	12	13	10	13/12	13/12	13/70
Bormah Jan P.	15	15	15	10	10/94	10/62	14/25
Bor Pukhuri	Nil	Nil	10	10	10/00	10/00	11/75
Brooke Bond P.	15	10	7½—7½‡	10	10/19	10/19	12/06
Dejoo Valley	15	20	30	10	45/50	45/50	60/00
Dessai & Purbuttia	Nil	10	15	100	181/00	181/00	189/00
Dhelakhat	12½	10	..	10	20/81	20/81	19/75
Dhunseri P.	20	15	10	10	11/12	11/12	12/06
Dibrugarh	40	40	30	10	31/19	31/19	31/25
Dimakusi P.	25	20	25	10	25/19	25/19	21/81
Duffiaghur	25	25	30	10	26/12	26/12	27/50
East India	Nil	Nil	10	10	12/00	12/00	13/44
Gillapukri	25	20	15	10	27/56	27/56	25/44
Gohpur	Nil	5	20	10	14/69	14/69	16/56

‡ 1962

TEA COMPANIES—Contd.

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 15-7-64	8-7-64	A year ago
				Rs.	Rs.	Rs.	Rs.
Grob	6	6	6	5	7/06	7/06	7/69
Hoograjuli (Assam)	20	20	17	10	27/62	27/62	27/12
Hoolungooree	10	7½	20	100	169/00	169/00	195/00
Jutlibari	30	30	20	10	27/87	27/87	31/50
Kingsley Golaghat P.	35	35	..	100	125/00	125/00	140/00
Kotamullai P	Nil	Nil	Nil	5	9/87	9/87	10/31
Krishnabehari	15	8	10	10	11/50	11/50	10/50
Kyang Tea	Nil	..	..	10	8/06	8/06	8/06
Ledo	Nil	Nil	Nil	10	11/00	10/00	13/75
Maud Tea & Seed	10	7½	7½	10	12/00	12/00	14/81
Methoni	5	14	20	10	12/50	12/50	16/37
Moheema	Nil	Nil	..	10	11/50	11/50	11/50
Mothola	30	30	35	100	507/00	507/00	507/00
	5	15	25	10	26/50	26/50	26/50
Murphulani (Assam)	10.63	20.63	30.63	10	26/87	26/87	26/87
Naga Hills	10	10	10	10	21/25	21/25	22/25
Namburnadi	12	12	..	10	12/87	12/87	14/56
New Cinnatolliah	Nil	Nil	Nil	100	455/00	455/00	302/00
Raigarh	40	13½	17½	10	18/56	18/56	21/37
Sapoi	22½	20	10	10	19/50	19/50	18/31
Seajuli	22½	15	30	10	21/00	21/00	21/12
Teloijan	25	25	10	10	21/87	21/87	22/00
Tengpani	30	30	22½	10	36/50	36/50	35/00
Tezpore P.	20	12½	..	10	14/69	14/69	14/75
Tongani	Nil	Nil	..	10	5/31	5/31	7/00
Tyrcon	10	15	25	10	27/37	27/37	33/00
CACHAR							
Arcuttipore	Nil	5	6	10	7/00	7/00	7/00
Baitakhal	2½	2½	..	10	7/87	7/87	8/06
Central Cachar	5	7½	5	100	73/00	73/00	72/00
Eastern Cachar	Nil	Nil	..	10	4/62	4/62	4/28
Kallinugger Khoreel	6	2	..	100	84/00	84/00	87/00
Hattikhira	Nil	8	Nil	10	7/75	7/75	9/12
Kunchanpore	Nil	Nil	..	10	6/00	6/00	6/00
Loobah	Nil	Nil	Nil	10	4/69	4/69	4/37
North Western	30	20	10	100	160/00	160/00	160/00
Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50
Roopacherra	Nil	10	Nil	10	9/94	9/94	13/62
Rungamattee	5	5	5	50	49/25	49/25	53/50
Sonai River	Nil	Nil	..	10	5/06	5/06	9/12
DARJEELING							
Bloomfield	Nil	..	..	10	3/25	3/25	3/12
Chamong	Nil	10	10	10	8/87	8/87	9/00
Darjeeling Tea & Chin.	30	20	30	100	197/00	197/00	197/00
Dilaram	8	4	..	100	102/50	102/50	102/50
Gielle	Nil	..	8 4/7-15*	10	15/87	15/87	14/69
Lingia P.	15	10	17½	10	14/00	14/00	14/56
Longview	12½	10	..	10	8/25	8/25	11/00
Margaret's Hope	15	15	15	10	11/81	11/81	11/62
Mim	22½	27½	27½	100	412/00	410/00	191/50
Nagri Farm	30	25	25	10	29/87	29/87	29/19
Okayti	25	25	25	100	600/00	600/00	600/00
Pashok	10	Nil	..	10	20/00	20/00	20/00
Poobong	Nil	Nil	5	10	10/12	10/12	7/19
Pussimbing P.	Nil	Nil	Nil	10	7/84	7/84	7/12
Rungiee Rungliot	35	20	7½	100	300/00	300/00	386/00
Seeyok	15	Nil	xx	10	8/50	8/50	8/50
Singell	Nil	Nil	Nil	100	36/75	36/75	36/75
Singtom	2	Nil	2	10	3/50	3/50	3/50
Soom	50	40	40	10	39/00	39/00	35/00
Sungma	15	15	20	10	13/37	14/25	15/31
Teesta Valley	Nil	..	8 4/7-10*	10	13/44	13/44	11/25
Tukvar	Nil	Nil	..	10	3/50	3/50	7/25
DOOARS							
Banarhat P.	22½	21	21	100	230/00	230/00	233/00
Baradighi	30	25	25	10	23/25	23/25	22/19
Bhatkawa	15	15	20	10	16/00	16/06	16/56
Birpara P.	17½	12½	17½	100	160/00	160/00	160/00
Carron	20	5	7½	100	117/00	117/00	145/00
Choonabhuti P.	32½	20	20	100	162/00	162/00	210/00
Ellenbarrie	5	5	10	100	173/00	173/00	184/00
Engr.	60	30	40	100	136/00	136/00	136/00
Ethelbari	5	5	7½	10	11/87	11/87	13/12
Gairkhata	25	20	11	10	16/12	16/12	21/50
Gopalpur	12	2	10	25	19/50	19/50	19/50
Hantapara P.	15	5	10	100	97/00	97/00	109/00
Hasimara P.	17	..	18—15*	10	12/37	12/31	13/19
Huldibari	22½	..	19 2/7-11*	10	12/44	12/25	13/69
Jayanpara	10	Nil	Nil	10	8/94	8/94	10/62
Killcott	25	15	15	10	14/44	15/25	14/37
Manabarrie	10	6	10	10	59/50	59/50	59/56
Nagaisuree	25	15	15	100	165/00	165/00	140/00
New Dooars P.	35	20	14½	100	157/00	157/00	230/00
Oodlabari	12½	7½	..	100	13/75	13/75	14/00
Phaskowa	Nil	Nil	Nil	100	125/00	125/00	129/00
Rajabhat	Nil	Nil	6	10	10/12	10/19	12/12
Ranicherra	15	15	7½	10	12/00	12/00	13/56
Rydak	25	20	25	10	22/12	21/50	24/00
Sarugaon	40	40	40	10	36/25	36/25	36/23
TERAI							
Atal	5	..	..	10	5/37	5/37	8/75
Belgachi	20	20	..	10	24/00	21/00	22/50
Gungaram	20	12½	12½	100	110/00	110/00	131/00
New Chumta	15	..	12 6/7-20*	10	20/37	20/37	20/00
New Terai	22½	10	15	10	20/50	20/50	24/62
Panargoomiah	20	20	2½	10	13/75	13/75	15/00
Putinbaree	14	14	..	10	55/00	55/00	45/00
Tirribannah P.	60	60	60	10	49/00	49/00	49/00
CHITTAGONG							
Kodala	Nil	Nil	..	10	9/25	9/25	9/25
Kornafuli	Nil	Nil	..	10	9/75	9/75	13/06
Oodlcab	Nil	Nil	..	10	8/00	8/00	8/00
SYLHET							
Chundeecherra	Nil	Nil	Nil	10	30/00	26/00	26/00
Dauracherra	22½	22½	20	10	15/50	14/62	7/56
New Samanbagh P.	25	Nil	Nil	10	13/19	13/19	18/37
Patrakola	32½	40	15	100	224/00	211/00	120/00
Rajnagar	Nil	Nil	Nil	10	9/56	9/56	9/56
Teliapara	22½	22½	10	100	157/00	157/00	99/00

‡ Hectars

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MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 15-7-64	8-7-64	A year ago
				Rs.	Rs.	Rs.	Rs.
MININGS							
Burma Mines	2 3/5	Nil	Nil	3½S	0/44	0/44	0/44
	15	12½	..	10O	9/50	9/50	10/40
Chrestien Mica Industries P.	25	20	..	5Dd	6/53	6/53	6/87
	27	27	xx	2s	3/30	3/36	4/74
Indian Copper Corporation	Nil	..	..	10O	6/69	6/81	8/81
Metal Corporation P	36	28	20	10	19/31	19/31	27/50
Orissa Mineral Development							
CEMENT, LIME, SLATE, ETC.							
Ashoka Cement	9	9	7—7*	10	6/75	6/75	7/37
				10O	4/87	4/87	3/19
Assam Bengal Cement	xx	xx	xx	1Dd	0/75	0/75	0/46
	15	xx	xx	2½	5/00	5/00	5/00
Bengal Potteries	30	30	10	—	17/69	17/69	35/00
Bisra Stone Lime							
Dalmia Cement (Bharat) P.	12	12	12	10O	12/69	12/75	12/50
				1Dd	2/75	2/75	3/03
Jaipur Udyog P.	6	8	8.36	10	11/31	11/25	11/56
Kumardhubi Fireclay & Silica P.	18	18	18	10	18/45	18/45	18/45
Orissa Cement P	15	15	10	10	12/06	12/25	14/00
Reliance Firebricks & Pottery	22	15	10	10	22/75	22/75	22/75
Sone Valley Portland Cement	4	6	8	10	4/19	4/19	4/50
Sutna Stone & Lime	27½	30	35	10	28/31	28/31	35/00
CHEMICAL INDUSTRIES							
Alkali & Chemical Corpn of (I)	12	15	15—15*	10	29/00	29/56	33/12
Bathgate & Co Ltd P	Nil	Nil	..	5	0/84	0/84	0/84
Bengal Chemical & Pharm. P.	7	10	..	100	100/00	100/00	101/00
Calcutta Chemical P.	18	18	18	10	17/25	18/68	17/87
Frank Ross P	..	..	..	6	3/19	3/19	2/19
Smith Stanistreet P.	25	25	25-22½*	5	13/62	13/62	12/25
ELECTRIC LIGHTING, POWERS							
Agra Electric Supply	11	11	11	100	124/00	124/00	120/00
Bareilly Electric Supply	11	11	11	10	12/00	12/00	14/37
Benares Electric Supply	11	11	11	10	12/25	12/25	12/37
Bnagalpur Electric Supply	8	10	8	8	6/34	6/34	5/00
Calcutta Electric Supply	7	7½	7½	£1	14/75	14/62	15/00
Cuttack Electric Supply	7½	10	10	10	11/00	11/00	11/87
Dishergarh Power Supply P.	10	10	10	100	86/00	86/00	48/00
Jhansi Electric Supply	..	..	..	10	5/90	5/90	5/90
Jubbulpore Electric Supply	10	10	10	10	12/06	12/12	10/00
Mirzapur Electric Supply	..	..	..	10	7/50	7/50	2/00
Muzafferpore Electric Supply	12½	12½	12½	10	11/18	11/18	11/50
Muttra Electric Supply	..	..	..	10	11/00	11/00	11/12
Patna Electric Supply	10	10	10	10	9/75	9/75	7/00
Shahjahanpur Electric P.	6½	6½	6½	10	8/75	8/75	8/25
Sijua (Dherriah) Electric	10	9	9	10	8/56	8/56	9/56
United Provinces Electric	11	11	11	100	163/00	151/00	115/50
Upper Jumna Valley Electric	13½	13½	13½	11	22/00	22/12	16/00

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MISCELLANEOUS COMPANIES—Contd.

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 15-7-64 Rs.	8-7-64 Rs.	A year ago Rs.
ENGINEERING & METAL							
Arthur Butler (Muzafferpore) P.	Nil	10	..	10	21/25	21/25	14/94
Bhartia Electric Steel	10	12½	15	10	14/75	14/69	14/06
Braithwaite India P.	25	14	20	10	33/62	33/62	31/00
Bridge & Roof	30	30	..	10	52/25	52/25	52/25
Britannia Building & Iron P.	Nil	Nil	..	10	3/20	3/20	3/65
Britannia Engineering P.	10	10	..	10	9/94	9/94	9/44
British India Electric Cons.	20	15	..	10	29/12	29/12	33/12
Burn P. (Engineering)	28½	28½	25	100	280/00	275/00	585/00
Calcutta Steel	15	15	12½-15*	10	13/62	13/75	14/25
Dalmia Iron	10	10	10	10	11/06	11/12	10/87
Guest, Keen, Williams	14	14	12	10	23/06	23/69	33/75
Hooghly Docking	Nil	12½	..	50	89/00	89/00	108/00
Indian Iron & Steel P.	16	16	16	10	25/38	25/64	23/06
Indian Malleable Casting	..	..	..	50	6/00	6/00	6/00
				10d	2/06	2/06	1/75
Indian Standard Wagon P.	28½	28½	20-20*	10	37/50	37/50	31/25
Indian Steel & Wire Products	24	23	18	100	33/50	33/50	40/37
Industrial Containers	10	10	..	10	22/50	22/50	21/37
Jay Engineering	17 3/20	15	10	10	17/50	17/44	21/06
J. K. Steel P.	20	10	30	10	15/69	15/69	13/62
Jessop & Co. P.	8.58	8.58	10	10	21/00	21/25	25/00
Kumardhubi Engineering P.	11¼	15	Nil-16⅔	3	5/00	5/16	8/19
Marshall Sons (India)	Nil	Nil	..	2	3/12	3/00	2/56
National Iron and Steel	Nil	Nil	..	10	6/19	6/06	4/31
Saran Engineering	10	12½	10	4	7/06	7/00	8/50
Steel Containers	20	20	..	10	25/00	28/12	29/50
Textile Machinery	10	..	17½	10	26/20	26/70	22/70
SUGAR BREWERIES, ETC.							
Balrampur Sugar	8	4	Nil	2½	1/69	1/50	2/00
Belsund Sugar	10	6 2/3	3 1/3	7½	7/62	7/62	7/81
Bharat Sugar P.	15	15	15	10	15/56	15/56	13/00
Carew (Sugar) P.	Nil	Nil	Nil	10	12/12	12/31	12/50
Cawnpore Sugar P.	Nil	Nil	Nil	10	9/00	9/31	9/12
Champaran Sugar	12	Nil	Nil	10	10/75	10/78	15/87
Durbhanga	Nil	5	..	10	8/37	8/37	8/06
New Savan Sugar and Gur	..	..	..	10	3/50	3/50	3/62
Purtabpur Sugar P.	..	..	..	10	9/12	9/12	11/50
Ramnugger Cane & Sugar P.	35	30	15	10	24/06	29/31	26/37
Raza Buland	10	10	10	10	10/00	10/00	9/00
Ryam Sugar P.	..	..	..	10	3/25	3/25	5/20
Samastipur Central Sugar	..	..	..	10	3/75	3/75	9/62
Shree Krishna Gyanoday Sugar P.	..	..	..	10	7/78	7/69	7/19
Shree Sitaram Sugar	..	..	..	10	8/00	8/00	7/12
Sitalpore Sugar	Nil	Nil	Nil	10	3/69	3/69	6/12
United Provinces	5	Nil	..	10	11/25	11/25	9/25
Upper Ganges Sugar P.	72½	72½	..	10	60/25	60/25	68/00
MISCELLANEOUS							
A Firpo (Restaurateur)	10½	5	..	10	5/90	5/90	5/90
Aluminium Corporation P.	12	12	5	10	11/75	12/37	12/62
Anderson Wright Ltd. P.	Nil	6	..	10	11/50	11/50	11/50
Angelo Bros.	28½	28	28	10	24/50	23/74	21/87
Assam Match	20	20	20	10	26/37	26/37	28/75
Assam Saw Mills & Timber	Nil	3	..	3	2/56	2/69	2/87
Associated Battery	15	15	15	10	23/00	24/00	23/56
Associated Hotels of India P.	10	10	15	10	10/31	10/31	10/31
Balmer Lawrie & Co.	25	25	22½	100	237/00	237/00	239/00
Bararee Coke	Nil	15	15	10	21/12	21/87	20/87
Birds Investments P.	10	10	..	10	9/00	9/00	10/69
Britannia Biscuit P.	30	25	21	10	37/75	37/75	42/50
British India Corporation P.	7	9	15	5	9/62	9/75	8/00
British Paints	15	10	15	10	21/75	22/12	21/50
Calcutta Silk Manufacturing P.	Nil	..	..	10	6/94	6/94	6/94
Clive Row Investment	7½	7½	8	10	8/19	8/00	8/25
Duncan Brothers & Co. Ltd. P.	14	14	12	100	137/00	137/00	147/00
Dunlop Rubber Co. (India) P.	20	15	17½	10	33/31	33/75	32/62
Dyer Meakin (Breweries)	30	..	..	5	24/12	24/12	26/00
Eastern Investments Ltd. P.	14	12	10	100	101/00	101/00	117/00
Electric Construction	10	10	10	10	13/12	13/50	12/50
French Motor Car	20	..	..	20	31/75	31/75	35/12
Ganges Rope	20	20	20	100	278/00	278/00	236/00
General Investments Trust P.	5	5	5	75	43/00	43/00	43/00
Gillanders Arbuthnot & Co. Ltd. P.	11	11	11	10	15/12	15/12	13/50
Gladstone Lyall & Co. Ltd. P.	..	..	..	10	..	..	..
Godfrey Phillips (India) Ltd. P.	40	30	..	10	28/12	28/12	28/12
Great Eastern Hotel	6	..	..	250	236/00	236/00	225/00
Hindustan Aluminium P.	Nil	Nil	Nil	10	12/56	12/56	12/87
Hindustan Motors P.	12	12½	11½	10	18/41	18/84	16/56
Hindusthan Pilkington	12	Nil	Nil	10	15/00	15/00	14/94
Hindusthan Twyfords P.	Nil	Nil	Nil	10	12/75	13/12	14/25
Hoare Miller & Co. Ltd.	6	..	..	10	5/50	5/50	5/44
Imperial Tobacco	9	9	8	10	9/25	9/44	10/50
Indian Aluminium Co. Ltd. P.	15	17½	17½	10	30/31	30/75	33/50
Indian Cable P.	22½	22½	22½	10	35/31	38/37	31/75
Indian Oxygen	15	12	12	10	25/62	26/19	27/75
Indian Rubber Manufacturers P.	30	36	..	10	21/56	21/56	19/87
Indian Wood Products	30	30	25	10	27/50	27/50	29/00
Isaac Holdens	Nil	Nil	5	10	11/69	12/31	13/94
Investments and Finance P.	7½	7½	7½	100	80/00	80/00	55/00
J. K. Synthetics	3	Nil	10	10	12/06	12/25	10/62
James Wright P.	..	..	..	5O	2/75	2/75	2/70
	..	..	..	1Dd	00/43	00/43	00/43
Jardine Henderson Ltd. P.	7	6	7	100	76/50	76/50	85/00
Jay Shree Industries P.	12½	..	..	10	14/19	14/19	15/94
Kesoram Industries P.	12	12	13	10	26/69	26/87	21/69
Macfarlane & Co.	..	..	..	50	4/75	5/00	7/00
	..	..	..	1Dd	1/94	1/94	2/31
Macneill & Barry Ltd. P.	8	7½	8½	100	95/00	95/00	93/50
Martin Burn Ltd. P.	27½	25	25	10	26/50	26/75	26/25
McLeod & Co. P.	15	18	..	100	230/00	230/00	210/00
Metal Box Co. of India Ltd. P.	25	19	..	10	31/12	31/12	49/87
National Insulated Cable P.	25	25	18	10	23/44	23/62	23/37
National Pipe & Tubes P.	20	20	20	10	26/87	26/37	25/25
National Rolling & Steel Ropes	15	15	15	10	19/19	19/00	19/44
National Rubber P.	6½	8	10	10	11/25	11/25	11/19
National Tobacco P.	7	7	..	10	10/69	10/69	10/75
New India Investment Corpn.	..	..	..	75	54/00	54/00	65/00
Octavius Steel P.	7½	7½	..	100	..	..	..
Philips India	12	13	15	10	27/50	27/75	27/50
Publicity Society	75	75	50	4	25/00	22/62	22/62
Rallis India P.	8½	8½	10	100	123/00	127/00	115/00
Rohtas Industries P.	10	8	9	10	11/25	11/56	11/31
Sirsilk P.	..	..	..	10	7/75	7/75	9/12
Sen-Raleigh Industries P.	8	8	Nil	10	13/50	13/50	14/25
Shaw Wallace P.	15	7½	12½	10	14/81	14/81	15/56
Spencer's Hotel	2½	..	..	2	1/25	1/25	0/94
Union Carbide	18	12½	15	10	31/94	32/00	40/00
Walford Transport	20	20	..	1PO	2/87	2/87	2/31
	30	30	..	1O	2/97	3/03	3/75
INSURANCE COMPANIES							
Concord of India	20	20	20	5	10/00	10/00	10/31
Hercules	26½	26½	..	10	23/50	23/50	24/19
Ruby General	13½	15⅔	..	8	11/12	11/12	10/44
Standard General	..	..	..	10	7/75	7/75	6/00
Triton	50	50	..	25	125/00	125/00	124/00
FLOUR MILLS							
Bengal	25	25	30	10	33/87	34/50	29/10
Delhi P.	..	..	..	10	14/00	14/00	16/00
Ganesh P.	..	..	..	12½	12/00	12/00	15/75
Hooghly	Nil	Nil	5	10	19/75	19/75	19/75
United	10	7½	10	10	27/81	27/81	27/81
OIL COMPANIES							
Attock Oil	13½	13½	..	£1	sh. 32/4½	sh. 31/10½	sh.36/10½
Burmah Oil P.	..	11½	12½	£1	sh. 54/-	sh. 53/-	sh.64/10½
Indo Burmah Petroleum P.	25	22½	17½	10	20/56	20/56	21/75
Tide Water Oil	35	35	35	10	35/75	35/75	25/25
PAPER MILLS							
Bengal P.	27½	20	..	10	26/06	26/06	27/87
India Paper Pulp	13	12	15	10	22/12	22/00	16/87
Orient Paper P.	22½	22½	20	10	34/30	35/60	36/15
Shree Gopal Paper P.	17 6/7	17 6/7	17 6/7	10	26/62	26/62	23/37
Sirpur P.	8½	8½	5	10	11/56	11/94	12/37
Star Paper P.	Nil	Nil	Nil	10	9/06	9/06	8/50
Titaghur P.	13	13	13	2½PO	3/31	3/31	3/47
	20	10	10	10AO	14/12	14/12	15/62
	20	10	10	10BO	14/12	14/12	15/62
West Coast P.	7½	..	..	100	155/00	155/00	125/00
PRESSING COMPANY							
Camperdown	11	..	..	100	100/00	100/00	104/00
REAL PROPERTY STORAGE							
Bengal Bonded Warehouse	8	6	9	A500	995/00	995/00	1,050/00
				B62½	125/00	125/00	135/00
				C100	186/00	186/00	122/00
				D12½	45/00	45/00	14/13
Calcutta Safe Deposit	..	..	..	100	7/75	7/37	7/87
Humayan Properties P.	..	..	..	10O	11/00	11/00	11/00
	..	..	..	1Dd	2/10	2/10	2/13
Midnapore Zemindary P.	Nil	Nil	Nil	85	19/75	19/75	10/06
TRAMWAYS & STEAMER							
Bengal Assam Steamship P.	7½	10	10	100	128/00	128/00	131/00
Calcutta Landing & Shipping	7½	22	6	10	21/00	21/00	34/00
Calcutta Steam Navigation	Nil	Nil	Nil	10	7/69	7/69	8/25
Calcutta Tramways P.	5	5	5	£1	10/37	10/37	11/00
Fraser	..	..	..	10	8/94	8/94	10/00
India General Nav. Railway P.	..	..	..	£10	34/00	42/00	39/00
India Steamship P.	Nil	Nil	Nil	10	6/31	6/53	6/13
Port Shipping	Nil	..	..	10	14/25	14/25	12/87

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COMMONWEALTH LEADERS PREFER TRADE TO AID

EVEN the most ardent supporters of the Commonwealth have not failed to notice its basic weaknesses, which stem from its very composition. It is essentially a loose conglomeration of differing nations, with a wide divergence of interests and with little in common except their former imperial ties. If such a body confronted with the most divisive and disruptive of problems has retained its solidarity so far, it is more a tribute to the flexibility of the organisation. Even more important, it is the surest indication of the usefulness of the Commonwealth, since being fundamentally a voluntary association, its member-nations can quit it any time they want. But if they continue to belong to this club, it is because they profit by their membership and are anxious to stick to it in spite of their many differences. Their gain results mainly from the continuance of the old imperial preference system and the sterling area. These two have provided for the developing countries regular markets and the means to serve them. The benefits flowing from this arrangement, it must be stressed, are mutual and stable.

Although the newly independent nations have been the loudest in criticising the Commonwealth, it is precisely they who stand to get the most out of their membership. Besides enjoying preferential treatment for their exports to Britain, they receive considerable sums as economic aid from the developed countries. This year the British Prime Minister has proposed that the aid from the older Commonwealth nations to the newer members should be stepped up. Furthermore, in times of need they have looked to Britain for military help, as indeed Kenya and Tanganyika did recently. These then are the positive advantages which the developing countries of the Commonwealth have derived from their membership. The Commonwealth leaders, who forgathered in London last week to participate in their biggest conference so far held, had to grapple with many explosive issues like the future of Southern Rhodesia, but not entirely unexpectedly came out with a unified stand. That the greatest common denominator could be evolved by a diverse group, whose members were so blatantly preoccupied with their own problems and were least interested in larger issues, speaks for the inherent attractions of the club. True, a good deal of tight rope walking has had to be done, but a unanimous *communiqué* was produced out of the hat, credit for which is largely due to Britain's Prime Minister, Sir Alec Douglas-Home.

Economic affairs and trade figured as the last item on the agenda of the Prime Ministers' conference. The Prime Ministers have stressed the need of the developing countries for bigger and more remunerative outlets for their products. President Ayub Khan's argument that for some countries markets were becoming even more important than aid found ready support from most speakers who participated in the discussion. The developing countries are bedevilled by chronic balance-of-payments difficulties, and many of them are, in fact, meeting their repayment obligations out of the aid they receive. Aid has at best been a temporary palliative. In the long run the developing nations can stabilise their external payments position only if they are able to step up their export earnings. The Commonwealth leaders have unreservedly recognised this aspect and agreed that the work of the U.N. Conference on Trade and Development should be followed up, in particular that relating to the expansion of trade in primary products through freer access to markets, and, in suitable cases, through commodity agreements and stabilised prices at fair levels. Sir Alec in fact pointed out later in the House of Commons that Britain was in a very good position to follow up the work of the U.N. Conference on Trade and Development. As far as Britain's imports were concerned, he said she took about 40 percent from the developing countries.

Indeed a section of British opinion feels that the Commonwealth is a growing burden on Britain. The share of U.K. exports absorbed by Commonwealth countries has dropped from about 41 percent ten years ago to about 29 percent last year. In fact, as a contemporary pointed out, much of the trade is only British aid money returning home. Britain's investments in her former colonies are substantial and her aid disbursements in loans and grants have been of the order of about £150 million a year. The Chancellor of the Exchequer, Mr. Reginald Maudling, drew attention to the steady increase in Britain's programme of aid to Commonwealth countries, but stressed that there were obvious dangers in allowing long-term loans to exceed income. Ultimately, the limit to Britain's aid programme is set by her own external payments position, which is already under stress. But not many have seriously accepted the argument that her resources are already fully extended. The Labour leader, Mr. Harold Wilson, has an even more ambitious programme of Commonwealth aid than what Sir Alec has drawn up. The Labour Party has in fact pointed out that what Britain now offers in aid is just a fraction of the amount that Britons spend on gambling and bingo, and smaller still than what they spend on greeting cards.

The Overseas Development Institute in London in a recent pamphlet has expressed doubts that aid puts a big strain on the country's balance of payments, and says that the apparent outflow of £140 million in 1962-63 could well have disguised a net gain of £30 million. According to the Institute, the loss in terms of reserves, even on making the most unfavourable assumptions, is hardly more than 10 percent of the total aid. More than half of British aid, the Institute says, is given in the form of high-interest loans tied to British exports. No doubt, since last year easier terms have been offered for loans, such as postponement of repayments and waiver of interest in the first seven years in certain cases; these concessions amount to reducing the effective interest rate over the entire period from 5½ percent to about 3 percent. But as the *Financial Times* editorially suggested some time ago, the really generous gesture for Britain would be to "give much more through the International Development Association which lends for 50 years at no rate of interest." The U.K. and the U.S.A. have indeed given a lead in routing aid through the I.D.A., but the amounts pledged have been small. Britain's aid commitments in recent years have,

no doubt, risen faster than any other item of Government expenditure, and about 85 percent of the assistance has flowed to Commonwealth countries. But the aid from public and private sources together amount to only about 1¼ percent of the *gross national product. And in the case of aid tied* to purchases in Britain, the benefit is watered down because the prices are not often competitive. Nevertheless, the London conference has served a useful purpose in that—to quote *The Times*—"the accepted idea that the developed Commonwealth countries must help the rest has been deepened and given more precision."

In the context of the forthcoming elections in Britain, the Commonwealth conference signifies a tactical triumph, minor though it may be, for the Conservatives. In certain evenly contested constituencies, the Commonwealth relationship exerts an appeal which can influence the marginal votes. At the same time, by deftly avoiding a show-down on Southern Rhodesia, Sir Alec has managed to stave off unpopular reactions. The support given by the conference to the proposal for setting up a Commonwealth Secretariat can be turned to advantage at the polls in that it can be interpreted as a symbol of Afro-Asian confidence in the Tory Government. The idea of a Commonwealth Secretariat has been raised in one form or another for quite some years now, but so far it had fallen by the wayside because of the fear of domination by Britain. In view of the changed complexion of the Commonwealth, these fears seem to have been allayed. The position now appears to be the other way round as is implied by *The Times* when it says that those who wanted more formal structure in the Commonwealth must not complain if what they get is a permanent and increasingly well-informed technical lobby of the have-nots in the heart of London.

SUCCESS OF CENTRAL LOANS

THE second tranche of the two Central Government loans—4 percent Loan 1970 and 4¾ percent Loan 1989—has yielded a total subscription of Rs. 151 crores on 15th July, which was the closing date. The subscriptions have exceeded the notified amount by Rs. 1 crore. The Reserve Bank has announced that all applicants will be given full allotment. As was expected, the short-dated 4 percent Loan 1970 has attracted the bigger subscription of Rs. 106 crores; the balance of Rs. 45 crores has been raised from the longer-dated 4¾ percent Loan. Although the details of the subscription are yet to be published, it is likely that scheduled banks, including the State Bank of India, have taken up Rs. 60 crores to Rs. 70 crores of the 4 percent Loan. The Reserve Bank has probably gone in for a substantial amount of this loan with a view to selling it on tap later. In view of the higher yield from the 4¾ percent Loan 1989, the main subscribers, presumably, are the Life Insurance Corporation of India and the provident funds which generally look to yields rather than to the period of maturity.

In April 1964, two loans worth Rs. 188.51 crores were offered for converting maturing securities. Conversions amounted to Rs. 71.78 crores for the 4 percent Loan 1970 and to Rs. 69.24 crores for 4¾ percent Loan 1989. So maturing securities for Rs. 46.9 crores had to be repaid in cash. In sum, the gross market borrowings of the Central Government have amounted to Rs. 292.52 crores during the current financial year (1964-65), and net borrowings have totalled Rs. 104.10 crores. Since the Central Finance Minister, Mr. T. T. Krishnamachari has indicated a total gross market borrowing of Rs. 295 crores for 1964-65 in the last Budget, the target has been attained for all practical purposes. Nearly Rs. 10 crores is expected from the premium prize bonds.

The borrowing programme of the Central Government has so far been in line with the third plan target. During the current plan, the net borrowing target has been fixed at Rs. 475 crores. A sum of Rs. 340 crores has already been taken, and the balance of Rs. 135 crores will be raised in the course of the next financial year. The gross market borrowings during the third plan so far have amounted to Rs. 1,010 crores. Net borrowings amounted to Rs. 62.63 crores in 1961-62, to Rs. 72.92 crores in 1962-63, to Rs. 100 crores in 1963-64 and to Rs. 104.10 crores in 1964-65. Consequently, the interest-bearing obligations of the Central Government have risen from Rs. 3,114 crores in 1963-64 to Rs. 3,220 crores in 1964-65.

The subscriptions for the new loans have been obtained without straining the money market. The prices of Government securities have been steady. Although there was a temporary stringency in the money market at the time the new loans were issued, conditions have again become easy. The call rate has dropped to around ½ percent after touching a peak of 6 percent. There is a predominance of lenders at present. But it would be wrong to read too much into the prevailing easiness, which is entirely due to the slack season. Also, the fact that the Central loans have so far been subscribed without difficulty does not by itself mean that the Centre will go in for a third instalment of borrowing later this year. Even if it does so, it is likely to borrow a relatively small amount, which can be secured through Reserve Bank sales on tap.

Attention for the time being has been focussed on the borrowing programmes of the States. In 1963 the Central Government borrowed on behalf of the States under a combined loan programme. In spite of the many advantages of that programme, it has been given up, and the States have to fend for themselves this year. In view of some maturing State Government loans, their net borrowings may amount to about Rs. 100 crores during the current financial year. Although subscriptions for State loans have often been obtained through persuasion as well as pressure, the prospect this year is by no means very certain. The State Governments may have to offer bigger interest rates on their new borrowings than what they offered in 1963-64, as the cost of money has been substantially raised since. Although banks will be persuaded to buy these loans, their support is likely to be limited. It needs to be remembered that with the subscriptions to the new Central loans which have just closed, the banking community has nearly fulfilled the increased liquidity requirements to be enforced next September. As far as the market for Government securities is concerned, a drop in prices is not unlikely with the floating of new State Government loans. As in previous years, the bulk of these loans will probably be thrown back to the market.

The Government has not attached to borrowing the importance it deserves. The prevailing inflation has been largely due to excessive money supply in relation to the availability of commodities and services. The bulk of the money supply has originated from large public expenditure. Since the Government has obtained considerable funds by resorting to deficit financing, inflationary pressures have been aggravated. If inflation is to be curbed, it is not only necessary to restrain deficit financing through the printing press, but it is also urgent to take effective measures to mop up excessive purchasing power. In this borrowings can be very useful. But there has so far been no serious effort to make Government loans popular. Until now the support for securities has largely come from institutions which have perforce to invest in gilt-edged to comply with statutory requirements. The factor standing in the way of making Government securities popular has been the interest offered, which falls much short of current market standards. So investors have little incentive to buy gilt-edged stock. Although a rise in the interest rate will increase the financial obligations of the Government to service the loans, it will have the distinct advantage of promoting further savings and thus curb inflation which has begun to assume serious proportions.

As for raising funds through premium prize bonds and the various small savings schemes, the outlook is not very encouraging. The improved collections under small savings during 1963-64 were due to exceptional circumstances. The collections during the current financial year have begun to decline. Not only have savings been affected by rising commodity prices, but the Unit Trust assuring a yield of 6 percent, tax-free, poses a further threat to small savings schemes. Unless the interest rate on the latter are suitably raised, they will *not* attract savers.

PLANS FOR RURAL DEVELOPMENT

THE tardy development of agriculture has inevitably attracted much attention from the Planning Commission, which is reported to have accepted a scheme submitted by Mr. Chester Bowles, the U.S. Ambassador to India. The programme suggested by him is now being examined by a small committee appointed by the Commission, and its financial and administrative implications are being worked out. The scheme is an integrated one and envisages the improvement of all existng programmes in rural areas for agriculture, community development, irrigation, power, etcetera. It goes without saying that any scheme for rural development should not be conceived in a piecemeal fashion, but should be related to the broader development needs of an area. Mr. Bowles is apparently conscious of the financial limitations of such a comprehensive programme, so he has suggested that, to start with, efforts should be made to develop a model district in every State. The entire money earmarked in the plan for the development of the model district should be spent in a single year.

Mr. Bowles, who originally submitted his scheme to Mr. Nehru, thinks that "a sound and enduring increase in agricultural output cannot be achieved by pushing buttons labelled 'fertilisers', 'better seeds', 'rural credit', nor with many exceptions can it be achieved by tying the success of India's rural development to a few thousand locally dominant individuals who, in most cases, will have achieved their dominance as landlords or moneylenders." His plan for developing initially a model district in every State is on the lines of the package agricultural programme which has already been undertaken in seven districts. Although the results of the scheme cannot be said to be good so far, it cannot be gainsaid that it is based on sound principles, as is indeed Mr. Bowles's latest programme for the development of India's rural areas.

But the main worry for the planners will be to find resources to undertake a comprehensive programme of rural development. The success of the programme will to some extent depend on assistance from abroad. Mr. Bowles has not been unconcerned about this problem, for he has pointed out that the U.S.A. would offer the use of P.L. 480 funds and provide some foreign exchange loans to buy lorries, communication and hospital equipment, etcetera. He has also assured the planners that his country would assign technical people to assist in setting up the model districts. But there are problems which money alone cannot tackle, for example, the slow pace of land reforms to which Mr. Bowles has drawn attention. The available statistics, according to him, do little to clarify the actual situation. The U.S. Ambassador has said that while it is reassuring to note that 78 percent of Indian rural families "own land", it is much less so to read that 12 percent of the families control more than half of all cultivated land and that 1 percent control nearly one-fifth of it. Meanwhile, the progress of land reform has not been uniform in all the States. Although the Bihar Government has recently passed four land reform legislation, it has itself admitted that the correct position of share-croppers *vis-à-vis* the land they till has not yet been determined.

As for the other rural development programmes, such as community development projects, Mr. Asoka Mehta, Deputy Chairman of the Planning Commission, has admitted that they have left no deep impact on villagers. Yet the aim from the very start was to encourage the participation of the rural people in community development projects, which have now been set up throughout the country. The annual conference of community development and Panchayati Raj, which began in New Delhi on Monday, diseussed such problems as the fuller utilisation of rural manpower, paying special attention to the welfare of the weaker sections of the community and what is called "composite and integrated planning." Mr. Jaya Prakash Narayan feels that Panchayati Raj should be developed primarily for fostering local leadership. The Ministry of Community Development has for some time been suggesting a separate sector for Panchayati Raj with specified powers and responsibilities. The Planning Commission, however, does not seem to be favourably disposed towards the proposal. A danger in this move is that in the name of strengthening the local self-government institutions in rural areas, a village bureaucracy may be established. India's rural areas are already being dominated by such elements as moneylenders, landowners and people of higher castes. If the development plans are to be executed efficiently and expeditiously, it will be necessary to discipline these vested interests in the villages.

Current News and Comment

Edible Oil Prices Still High

The ban on futures trading, margin restrictions on bank advances against vegetable oils, including *vanaspati*, and the complete ban on further export of groundnut oil and *vanaspati* with effect from 11th July, have failed to produce any visible impact on edible oil prices. After a mild setback noticed in the beginning of July, oilseeds prices have recovered to around the highest levels of the season. That the ban on forward trading with effect from 1st June should not have produced the slightest effect on the market is not the least surprising because few had ever shared the Forward Markets Commission's view that speculators were responsible for the rise in oilseeds prices. If the credit restrictions and the ban on oil exports have failed to impart an easier tendency to the market, it is mainly because the shortage of edible oils is far too severe than is generally believed and partly because the restrictions have been imposed very late in the season. For instance, about 74,000 tons of groundnut oil have already been shipped between November 1963 and June 1964, the bulk of the export having taken place between December and March. Groundnut oil export has accentuated the scarcity of supplies in the internal market. Because of the partial failure of the mustard crop and a small setback in the production of linseed, sesame, kardiseed and nigerseed, the total supply of edible oils this season has been smaller than in the previous season.

The shortfall has to be viewed in the context of the steadily expanding internal demand. Although the credit restriction and export ban have failed to cause any fall in edible oil prices, it can be argued that prices would have risen much higher but for these curbs. Therefore, although belated, these restrictions are welcome. The Government would do well to examine carefully whether credit facilities extended to co-operative societies have not encouraged the withholding of supplies from the market. Oilseeds prices might not register any important decline in the immediate future as there is little prospect of any appreciable increase in market supplies. But if weather conditions remain favourable for the new groundnut crop and the Government is successful in arranging an early import of 100,000 tons of soyabean oil and 50,000 tons of tallow from the U.S.A., which is under negotiation, oilseeds prices could be expected to develop an easier tendency after some time.

Exports of Spices Rise

The export of spices from India in 1963-64 earned Rs. 15.3 crores, against Rs. 13.4 crores in 1962-63. This increase in export earnings was not shared by all the spices. While the export of curry paste and curry powder remained more or less constant at last year's level, the export of chillies, cardamom, ginger, turmeric, celeryseed and aniseed in 1963-64 increased by Rs. 2.88 crores, compared with those in 1962-63. The export of black pepper, coriander and garlic over this period actually declined by Rs. 89 lakhs. In the case of black pepper, Singapore and Indonesia offered stiff competition to India in the U.S. market. The Spices Export Promotion Council should look into the causes for the reduced competitive power of Indian black pepper in the U.S. and other markets and suggest practical ways and means of overcoming it. In the case of coriander, export earnings appear to have declined because of lower production and higher internal prices which reduced exports.

In the case of cardamom, there is good scope for increasing exports if proper care is taken to raise internal production and to keep the export prices down. Although India is at present a major producer of the commodity with an annual output of 3,300 tonnes, she does not have a monopoly market, and Ceylon and Guatemala are her competitors. The total output of the latter is still small, but if the export prices of Indian cardamom are allowed to rise, these countries will increase their total production and offer more serious competition to India. It is, therefore, necessary to increase the production of the commodity in India to improve its quality and above all to keep the export prices down. The main difficulty appears to be that nearly two-thirds of the cardamom estates are small with less than ten acres of land, and there are five to six pickings a year. This makes it difficult to control the quality of the produce. But with proper efforts this should not prove an impossible task.

Cotton Consumption Increasing

Cotton consumption by Indian mills during the first eight months of the current season beginning with September 1963 amounts to 4,082,000 bales comprising 3,668,000 bales of indigenous cotton and 414,000 bales of foreign cotton. During the same period of the last season, consumption totalled 3,740,000 bales, of which 3,072,000 bales were accounted for by indigenous cotton and 668,000 bales by foreign cotton. Assuming that the current trend is maintained, which is very likely, consumption this season should exceed 6.1 million bales comprising some 5.5 million bales of Indian cotton and 600,000 bales of foreign cotton. There has been an appreciable increase in the consumption of cotton over the past three years. The rise has been particularly marked in the case of indigenous cotton. From 376,000 bales a month in 1961, the consumption of Indian cotton increased to 387,000 bales in 1962 and to 427,000 bales in 1963. The monthly average for the first four months of 1964 works out to 465,000 bales. The total consumption, which averaged 464,000 bales a month in 1961, increased to 469,000 bales in 1962 and 524,000 bales in 1963. The monthly average for January-April 1964 comes to 514,000 bales.

The consumption of cotton is likely to record a further big increase in coming years because of further additions to the spindleage capacity. The Government is anxious to accelerate the pace of the expansion of the textile industry so that the spindleage reaches 16.5 million by the end of the current plan. The capacity is proposed to be increased from the present 14.8 million spindles to 15.6 million spindles in the course of the current year. The Government is reported to be actively considering allowing textile units of 12,000 spindles to raise their capacity to 25,000 spindles. It is also considering a proposal for staggering weekly holidays and for a 54-hour week in the textile industry to increase cloth production. The country cannot afford to depend on an increasing volume of imported cotton for meeting the growing requirements of the textile industry. This means that domestic production will have to be increased appreciably, and this will have to be achieved through a higher yield an acre which at present stands around 115 lbs or 120 lbs, compared with 457 lbs an acre in the U.S.A., 555 lbs an acre in Russia and 586 lbs an acre in Egypt. The extremely low yield in India encourages the hope that it should not be difficult to bring about a considerable increase in production through a moderate increase in the yield.

Unfortunately, past experience has not been happy. But since the industry itself is now beginning to take a more lively interest in the matter of cotton production, one can perhaps take a little more optimistic view of the future. Even so, it seems improbable that production can be stepped up to reach the target of 7 million bales in 1965-66. In spite of the ideal weather conditions throughout the season, the 1963-64 crop is placed around 6 million bales—an all-time record. The Planning Commission expects production in 1965-66 to reach the level of only 6,540,000 bales and the target for the fourth plan has been tentatively fixed at 8.5 million bales. If cotton production cannot be increased to meet the industry's growing requirements, prices of the commodity will continue to remain on the high side, making it increasingly difficult for the Indian textile industry to compete in international markets without adequate export incentives.

Tasks of Management

With the spread of industrialisation and the general growth of the economy, the quality and character of business management have been undergoing changes, the emphasis on the selection of personnel having shifted from family connections to professional training and competence. As managerial talent is not inborn but has to be acquired, business and industrial houses send their staff for training in specialised institutions before they are given responsible jobs. Bodies like the Calcutta Management Association are doing useful work in spreading ideas about the rôle and responsibilities of management in the context of India's economic development. Addressing the annual general meeting of this body in Calcutta last week, Mr. K. P. Goenka, president of the Federation of Indian Chambers of Commerce and Industry said that industry both in the public and private sectors now placed greater emphasis on the "training and development" of managerial executives. Some modern business houses also had their own training schemes. In August 1963, the Federation organised a seminar on the problems of private and public industrial undertakings. Its proceedings showed that the managerial job in both the sectors required training on an organised basis, as the problems were in many aspects common.

Discussing the old controversy of whether managers are "born" or "made", Mr. Goenka thought that to pose the question in this form would be making a wrong approach altogether. In his opinion, managers are "developed". Specific areas of management require different skills and this would require a person to have either formal or informal training, or both. Managerial task—that is, the task of managing the work of people who are engaged in a common venture—required "organisational ability, leadership, power to motivate and capacity to delegate." Some of these qualities are inborn, but some others are acquired through training. Although there have been successful business men in India and abroad with very little formal education, professional training, Mr. Goenka held, had to be accorded a prominent place in developing managerial talent. Moreover, with the increasing separation of the function of ownership from that of management and the complexities created by modern technology and mass production, emphasis needed to be placed on both formal and informal training in specific management subjects as also the general management techniques. While conceding that training alone cannot make a good manager, Mr. Goenka observed that training gave a person with a certain background, sufficient proficiency and competence to carry out specific jobs, gradually and responsibly. In keeping with this realisation, management training has now become part of the country's education system, and many universities and specialised institutions are imparting training in related subjects. Almost every major city has

a *management association* which provides a useful forum for exchanging experience and knowledge.

Discussing the rôle of management in the context of today's economic problems, Mr. Goenka said that the biggest task was to ensure that production could "proceed without interruption and delay." Also, there was the question of expansion. The economy has to function with shortages all round and there are external regulations to reckon with. There are also certain other handicaps. Yet, he said, there were some favourable circumstances for the successful operation of industry. Good management had to condition itself to the situation as it obtained today. It had continually to ensure that costs were progressively brought down and the competitive ability enhanced. At any level of management, the function was to plan and ensure the use of resources to the best advantage. Citing the example of Japan, the F.I.C.C.I. president pointed out that her natural resources were much lesser than India's. But primarily through better organisation and techniques, she had attained a higher rate of economic development. Reminding the audience that India was carrying out an experiment in economic development without parallel in history, Mr. Goenka pointed out that whether this development took place in the private or public sector or a mixture of the two, there was no getting away from the fact that success or failure would depend on the quality of the management which runs business enterprises.

Refrigeration for Preserving Food

The Indian refrigeration and air-conditioning industry has made good progress during the past few years. The importance of refrigeration has been increasing in view of the growing food shortage. A great deal of food which is wasted at present can be saved through better storage. There is much scope for preserving sea foods to supplement India's food requirements. There is already a large export market for shrimps and tuna but their export has been hindered by the lack of refrigeration facilities. Refrigeration can be developed as a large export-oriented industry in the west coast of India. The export of shrimps can be considerably increased if adequate refrigeration is provided.

Mr. B. S. Dua, president of the Refrigeration and Air-Conditioning Council of India, pointed out on the occasion of the Council's eighth session in Calcutta last Saturday how the industry had been handicapped. Manufacturers have been forced to work at only 25 percent of the capacity due to the shortage of essential raw materials which are imported. Since the foreign exchange required to import these raw materials is not considerable, the Government should not find it difficult to help the industry with foreign exchange allocations. If the industry is helped for a further two years or so, indigenous production will reduce the need for importing foreign raw materials. In the meantime, the capacity of the industry can be doubled with a bigger foreign exchange allocation.

Mr. Dua stressed the importance of treating the industry as an essential one rather than as a "dispensable luxury." Because of the importance of refrigeration as a food preserver, its usefulness cannot be overlooked. Refrigeration helps to produce many goods required for defence. It is essential for telephone, electronic and radar industries. Due to major technological advances in freeze-drying and refrigerated transportation, the industry has played an important rôle in food preservation. The industry's working has also been hindered by the lack of power supplies. It is unfortunate that in the allocation of power to various industries, the refrigeration and air-conditioning industries get a very low priority. Since idle capacity is a great economic waste, it is necessary to take vigorous measures to ensure an adequate supply of power to the industry.

Stores Purchase Policy

The Directorate-General of Supplies and Disposals purchased stores worth Rs. 520 crores in 1963-64, against Rs. 405.15 crores in 1962-63. The indigenous content of the purchases in 1963-64 amounted to Rs 420 crores. There is, however, still much scope for increasing purchases in India, especially from the small-scale and cottage industries which supplied goods worth only Rs. 35 crores in 1963-64.

Addressing the meeting of the Regional Purchase Advisory Council (Western Zone) in Poona recently, the Director-General of Supplies and Disposals, Mr. S. S. Jagota, said that suppliers should quote realistic delivery dates in their tenders so that the purchasing authority might not face undue difficulty. It is, however, equally necessary that producers should know the requirements of the Directorate sufficiently in advance and in detail so that they might tender for a larger proportion of the total purchases. Although there has been some improvement recently, producers have still to comply with too many formalities in submitting tenders, many of which can be easily avoided.

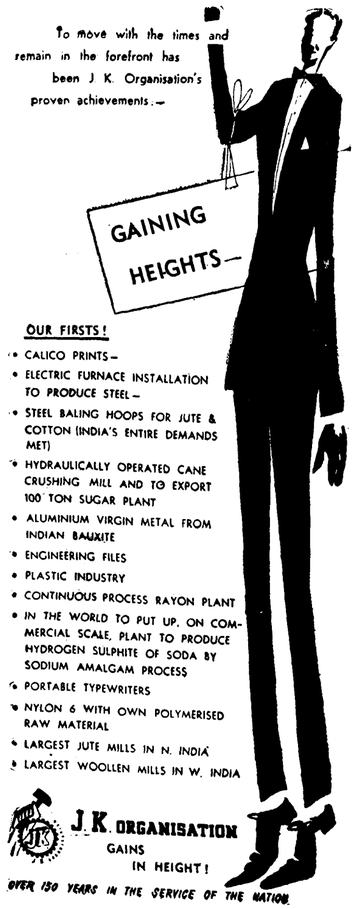
U. S. TRADE INDEX

THE National Association of Manufacturers of the United States of America, have sent us a copy of their "American Trade Index for 1904." This Volume grows larger and larger every year. This sixth edition numbers 700 pages, and contains classified lists of about three thousand of the leading makers in the United States of all classes of goods suitable for the export trade. The index has now become a standard reference work for the U.S.A. as regards manufacturers generally. The present edition comprises twelve thousand copies of which seven thousand five hundred have been sent abroad, free for distribution to prominent importers, wholesale dealers and manufacturers in countries outside the United States who are interested in purchasing or handling American goods. Companies or firms in India desiring a copy can obtain one free on giving a brief statement of their business together with references if the same shall be found satisfactory. Communications have to be addressed to the National Association of Manufacturers, New York, U.S.A. The activities of the Association are not confined to the publication of the Index. For its members, it is prepared to take up all trade questions connected with the development of export business including translation of correspondence, furnishing reports on the commercial standing of business houses etc etc. For its foreign correspondents it is always prepared cheerfully to furnish them with information free of charge, and invites their correspondence on commercial topics. The Association is supported wholly by the annual fees of its members and devotes its energies to the cultivation of its members' interests. It does no buying or selling on its own accord nor does it accept any commissions in any form for services at home or abroad. The usefulness of the Institution is shown by the fact that its membership has trebled since 1899, and still goes on increasing. Firms in India of good standing will find, through the aid of the National Association of Manufacturers a safe introduction to the best manufacturers in the States who deal in the special commodities in which they are interested. The Association seems to be thoroughly equipped at all points for the special work it undertakes to do.

FROM

CAPITAL

28th July, 1904



A Ditcher's Diary

"COME OFF IT", I SAY, ADDRESSING MYSELF LESS to Mr. Raghunath Singh than to the political operators behind him who, with unexpected aid from a section of the Press, have produced the phoniest of storms in recent years. The *communiqué* issued at the end of the Commonwealth Prime Ministers' conference in London is a document of no use whatever to man or beast; I was glad to see the sensible suggestion made in the *Statesman* that this business of issuing a *communique*, the drafting of which causes the maximum trouble, be done away with. But let us take the *communiqué* as it is. The reference to differences between India and Pakistan is so vague that Mr. Krishnamachari was absolutely right in claiming that India had lost nothing and Pakistan gained less. The protests do, however, make clear how guilty some consciences are: and this, I suggest, was precisely the inspiration behind Pakistan's stupid insistence on inclusion of the reference. Mr. Singh has been made to say that this would not have been possible if Mr. Nehru were there in London. Why does he have to be reminded that, let alone Mr. Nehru, even Mr. Lal Bahadur Shastri could not be there? Mr. Krishnamachari was not only not the pianist but not even the first fiddle: he was at best, the second fiddle and he played quite well with not much help from Mrs. Indira Gandhi. What is depressing about the whole business is that so many should have confused the substance with the shadow, the *communiqué* with the conference. The late Professor C. E. M. Joad defined decadence as "dropping the object". This may be just what we are witnessing in India and Pakistan. For both countries Kashmir appears to have become an irrelevance: the object seems to be to secure favourable statements from all and sundry on the case each upholds so passionately. This enhances the dignity of neither party in the eyes of the world which is beginning to treat us both as importunate canvassers in search of good conduct certificates. To say "Commonwealth, their Commonwealth" is to betray not only unwarranted cynicism but also one's own inadequacy. The public is being fooled by a handful of shrewd politicians who are out to undermine Mr Shastri's Government. It is not too difficult to identify these gentlemen.

SO THEY HAVE, AFTER ALL, GOT WHAT THEY WANTED, Mr. Lal Bahadur Shastri has relieved himself of the External Affairs Ministry over which Sardar Swaran Singh now presides. I have nothing at all against the choice; against Mr. Bhutto over Kashmir, he gave a good account of himself. If Mr. Shastri's health could not really stand up to the strain, the decision itself may be wise. It is time, however, to warn Mr. Shastri that the frequent reshuffles of his Government, only a few weeks old, may create the impression that either he does not know his mind or he is amenable to pressure from unidentified quarters. This can do the Prime Minister but little good. I suggest he needs to watch some of the gentlemen in the South Block, which has issued yet another protest to Peking about something or other. Such notes have in the past been the precursor of mischief. I do not by any means take China's good intentions for granted; I never have done. But do I discern a hardening of New Delhi's attitude to negotiations with China? The latest note makes me think I may not be wrong. I am not suggesting that the affair with China can be settled in a couple of days, or even months or years. What I am wary about is the vested interest that may grow over prolonging the affair, both in New Delhi and Peking. Years ago I had to negotiate with a landlord for the present offices of *Capital*. This was first done through two firms of solicitors; and the correspondence just went on and on, months after we had moved in. I then spoke to the landlord direct and exchanged a couple of simple letters with no legal jargon at all. Things like protest notes grow on officials; to end the series seems too cruel a thought to bear. This is where Mr. Swaran Singh can apply himself with vigour. If with Mr. Bhutto his brief was to make the talks yield nothing, with China he can show new initiatives, the cue for which was given by Mr. Shastri himself not very long ago. The Colombo proposals were never very promising. Other ways remain.

I AM SURE MR BIJU PATNAIK INCLUDES HIMSELF among those "men of high and impeccable public standards" who, together with eminent jurists and even journalists, should, according to him, meet in a convention to define corruption and formulate a code of conduct for Ministers and others. Can the former Chief Minister of Orissa, a highly successful business man, be so naïve as to believe that the public, which can frequently be gullible, does not know just what he is getting at? It has not been very easy to take Mr. G. L. Nanda and his Sadachar Samiti and Sadhu Samaj and what-have-you very seriously; *diwan-i-ams* are gimmicks and not very original ones at that. But the moment Mr Nanda appeared reasonably earnest about doing something against corruption in public life, some parties were visibly worried. Mr. Patnaik is, if anything, a very clever man. That's why I am rather surprised that he should have made himself the mouthpiece of these worried men. Again, there is politics in it, of course. Mr. Patnaik's reported support for Mr. Morarji Desai for the prime ministership in June last may well have something to do with the things one hears about him and his man in office, Mr. Biren Mitra. This, however, is no reason why there must be a time-consuming convention on corruption, which can only delay even the very little Mr. Nanda is likely to achieve. As for the code, let me tell Mr. Patnaik that it already exists and Mr. Patnaik knows what it is. The simple criterion is whether any decision taken by a Minister in his official capacity has led to the enrichment of himself or his relations. By and large the Das Commission applied this simple principle to the case of Mr. Pratap Singh Kairon and his sons and found them guilty. Anyone objecting to its application to other suspects inevitably gives the impression that there must be something to hide. If Mr Patnaik is creating spurious semantic difficulties about defining corruption, Mr. Nanda is surely oversimplifying his task by saying he will do the job in six months. He is up against a monster whose immense strength he does not appear to have even begun to measure.

SAN FRANCISCO'S COW PALACE WITNESSED THE most bovine of decisions last Thursday. It saw the nomination of Senator Barry Goldwater as the Republican candidate for the U.S. Presidency. In fact his victory seemed certain ever since the crucial Illinois delegation led by the redoubtable Senator Dirksen decided to back him against his rival Scranton. The conservative wing of the Republicans has at last notched up a victory after suffering nearly a quarter century of eclipse. I think it is one of the strangest quirks of history that the Party of Abraham Lincoln should nominate for the Presidency a person who seems to be the very antithesis of liberalism and moderation, one who cast his vote against the Civil Rights Bill. Goldwater is trying to wriggle out of this incongruous position by emphasising that his opposition to the Civil Rights Bill stemmed only from his disapproval of certain clauses in it and that in line with the Republican stand he favours civil rights in principle. The *volte face* was complete when the Arizona Senator promised to enforce civil rights if the nation sent him to the White House next November. He has expressed the hope —obviously to clear racial hurdles out of his way —that Negro rights won't become an issue in the electioneering campaign. The question may be asked why did the G.O.P., knowing full well that a Goldwater nomination will spell certain defeat at the hustings in November, name the Senator as its candidate. I think a plausible theory is that in a year when Democratic victory seems certain, Republicans could not think of a choicer sacrificial lamb than Goldwater. If they were convinced

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that another candidate might carry the nation; their ride on the Goldwater bandwagon would almost certainly have been in doubt. Even as it is, he has provoked a rift in the G.O.P. by proclaiming in his acceptance speech that political moderation is not a virtue and that extremism in defence of liberty is no vice. This is interpreted as a snook at the liberals in the Party.

SURELY DR. NKRUMAH OF GHANA MUST HAVE BEEN joking when he said at the Commonwealth Prime Ministers' conference that even Britain had a history of anti-colonialism because she had "thrown off the yoke of the Roman Empire". For one thing he was historically incorrect. There is no evidence whatever to indicate that the Romanised Britons of the early 5th century A.D. were anxious to hasten their patrons' departure. In fact, they were just the opposite because it left them without protection against the *marauding* Saxons. The Britons had twice within three centuries suffered invasion from the barbarian Pict tribes north of Hadrian's Wall when the Roman legions were withdrawn to fight in Europe; they could scarcely have been eager to repeat the experience. Nor did they regard themselves as in any way a nation, despite the fact that the Romans, as the British did in India, had united the various warring *communities* for reasons chiefly connected with their own administrative convenience. There had certainly been local resistance to Roman intrusion in the early days, but by the 5th century all that was over and the Celtic Britons were confirmed in their Romanised ways. Furthermore, the withdrawal of the Romans was for them an unmitigated disaster. The vast majority of the people, whose descendents President Nkrumah congratulates on throwing off the Roman yoke never in fact lived under it; they came to Britain from north Germany after the Romans had left and slaughtered all the native Britons who did not manage to escape to Wales, Ireland, Scotland or Cornwall. So Ghana's President could not possibly have chosen a more unfortunate example of the "throwing off" of a colonial yoke, and I only hope the same fate which befell the Britons does not eventually overtake any of the peoples from whom the British have recently withdrawn their protection. But is this not just another example of the muddled thinking which exists about colonialism in some regions of the world today? For instance, I suspect that Dr. Nkrumah does not even include in the term the state of affairs which exists in central Asia. There, at the moment, is the only remaining colonial empire of any size left in the world. Yet when the Russians denounce the colonial mote in the West's eye and craftily disregard the beam in their own, Dr. Nkrumah is always first to add his voice to theirs.

WHAT I WROTE SOME TIME AGO ON THE "TOPLESS" development in sartorial styles seems to have created a flutter in many an unexpected dovecote. A friend assures me that the topless dress will not catch on in this land of Manu and Yagnavalkya—as indeed the bikini has not. His contention is that the danger from topless dresses is real only in western countries, where in any case it shouldn't matter much since strip-tease has inured people's eyes to the wonders of God's creation. In India, he says, we do not have anything to fear. No shop in this country has yet received any consignment of topless suits. Although feminine fashions are remarkably transcontinental in their spread, so far no topless beauty has been espied here. My friend hastened to add that in India even fully dressed women were admired only silently, even as former Speaker Ananthasayanam Ayyangar adjured Lok Sabha members to laugh silently in their minds (not sleeves, though). Such being the case the modern Eve will have no incentive to plump for topless suits. My friend is equally firm about the undesirability of any legislative provision against the use of such dresses. The right to sartorial autonomy, he says, is inviolable and dress is something pre-eminently personal, not amenable to legislative dispossessment or a writ petition under Article 32 of the Constitution. Adapting Voltaire's statement to Helvetius on the freedom of speech, he said, "I wholly disapprove of the topless dress but shall defend to the death women's right to wear it."

THE DITCHER

Guide for Investors

STEELS REACT ON DIVIDEND DISAPPOINTMENT

(BY A SPECIAL CORRESPONDENT)

THERE has been a slight reaction in steel shares during the past week or so. The earlier rise was due to hopes that both the Tata Iron and Steel Company and the Indian Iron and Steel Company would pay higher dividends for 1963-64 than for 1962-63. Although both the Companies have increased their distributions to shareholders, the rise has fallen short of the market's expectations. Indian Iron has raised its distribution from 16 percent to 17 percent. The yield amounts to 6.7 percent at the present price of Rs. 25.52 a share of Rs. 10 each. Tata Steel has increased the taxable ordinary dividend from Rs. 11 to Rs. 12 a share. It works out to a yield of 7.7 percent at the present price of Rs. 155.25 a share of Rs. 75 each. A special cash bonus of 10 paise a share has been included in the total distribution of Indian Iron.

The reaction is partly due to the corrective process which has become overdue in view of the sharp rise which had taken place earlier. The liquidation of shares is, therefore, believed to have contributed to a technical improvement. This has been corroborated by deliveries in the past settlement in Calcutta. The carry-forward charges in Indian Iron have been larger due to the closing of the ordinary share transfer book for the purpose of the dividend.

The yields on steel shares are, no doubt, considered fair since in a heavy industry investments are substantial and the return needs to be maintained at a conservative level. But the existing yields have become unattractive mainly because of the soaring interest rates. The assurance of a tax-free yield of 6 percent on the units of the Unit Trust of India has also rendered the yields on industrial equities poor by comparison. As far as the small and middle-income groups are concerned, they are likely to invest their savings in units of the Unit Trust of India instead of in equity investments. The attraction for the latter has suffered greatly because their growth values have been hindered by the levy of the tax on bonus shares.

The investor's cautious attitude towards steel shares is attributable to two factors. Firstly, the partial de-control of steel products has still to show its effects on the profitability of the producers. Secondly, the prospect for further expansion in the production capacities of the two private steel companies during the fourth plan period is being cautiously assessed. Although reports say that the method of repaying the loans which the two steel companies have taken from the Government of India for expansion is being satisfactorily settled, investors are inclined to wait until it is known how the steel companies will obtain finance if they are asked to undertake further expansion.

The Indian Iron and Steel Company has earned a net profit of Rs. 2.29 crores for 1963-64, against Rs. 1.92 crores for 1962-63, after transferring Rs. 4.40 crores (against Rs. 3.40 crores) to depreciation, Rs. 3.87 crores (against Rs. 3.56 crores) to taxation and Rs. 5.35 crores (against Rs. 3.64 crores) to appropriation reserves. The bigger profit has presumably arisen from the increase in output. The Company has produced 1.03 million tonnes of steel ingots and 810,000 tonnes of salable steel, against 1 million tonnes and 795,119 tonnes, respectively. The production of pig iron has, however, declined from 1.3 million tonnes to 1.2 million tonnes. The ordinary share register of the Company will be closed from 1st August to 22nd August, 1964, both days inclusive, and the dividend and cash bonus, if sanctioned by the shareholders at the annual general meeting, will be paid on or after 9th September, 1964. The annual general meeting of the Company will be held on 8th September, 1964.

Poor Profit Outlook for Tea

EXCEPT for Patrakola Tea, which have risen to Rs. 252, against Rs. 120 for the corresponding period of 1963, tea shares have been quiet. Patrakola scrip, it is believed, have been bought by interested parties. Turnover has declined to almost a trickle, and buyers have been difficult to locate even by discounting current prices. The investors feel more apathetic because of the latest award of the Wage Board granting a second interim wage increase to plantation workers. Considering that tea estates, particularly in northern India, have found it difficult to cover production costs fully out of the average selling prices realised for teas, it is feared that if the Wage Board's recommendation is implemented, tea gardens will be in financial difficulties.

The poor start to the new marketing season in north India has disappointed investors. It was earlier expected that due to the small carry-over from the past season (1963-64), the Calcutta auctions for new teas would begin in a steady way. During the past few auctions held in Calcutta so far, buyers have been very discriminating despite a good general demand. Overseas customers have, in particular, been keen to buy only quality grades. They have on the whole been slow in taking their requirements, considering that the overall supplies of tea during the current season are likely to be adequate. The north Indian crop has been making excellent progress. Up to June 1964, the total crop has amounted to 128,470 lbs, compared with 103,871 lbs for the corresponding period of 1963. In view of the prevailing good weather, July, August and September are expected to be heavy cropping months, as is usual at this time of year. The world crop has also risen from 484,353 lbs to 505,325 lbs. Judging from the current trends, north India is likely to produce during 1964 a much bigger crop than it did in 1963.

Investors are worried that the average selling prices so far have been lower than those realised in the corresponding period of 1963. The average selling price for leaf has dropped from Rs. 6.21 to Rs. 6.01 a kilogram and that of dust has declined from Rs. 5.26 to Rs. 4.96 a kilogram. The drop in prices is all the more disconcerting since at this time of year, second flush teas which constitute the pick of the crop, begin to arrive in the market. Later, the trend is expected to soften when monsoon teas will begin to make their weight felt.

The future trend is not likely to be very encouraging as far as the producers are concerned. Buyers will concentrate their attention upon quality grades increasingly. The supply of these teas have been in close balance with demand during the past three years or so. They are, therefore, expected to meet keen support in the coming months. As far as common teas are concerned, the prospect looks very uncertain. Considering an abundant supply of these teas in world markets, buyers will not take their requirements in a hurry by paying high prices. Indian teas, in particular, do not enjoy an advantageous position in world markets in comparison with teas from other countries. Since production costs in India are higher than those of other producers, Indian teas have been steadily priced out of foreign markets. The decline in the price of dust is discouraging because the domestic buyers have also turned cautious. They are also not keen to buy quickly in view of the prospect for an abundant supply. This besides, domestic blenders are inclined to keep their inventories as small as possible due to costlier credit. It is also apprehended that the rate of growth in domestic consumption will slow down due to the rising cost of living.

In sum, tea gardens are unlikely to make a bigger profit for 1964 than they did in 1963. Profits of gardens shrank considerably in 1963, and poor dividends were paid by tea companies. If profits keep declining, expansion and modernisation schemes of gardens will suffer. As a matter of fact the bulk of the producers have already been financially strained due to the low profitability of the industry during the past few years. Their reserves have been nearly exhausted. Not only has the cost of finance risen sharply, but the plantation industry has also found it difficult to obtain institutional finance. The possibility of raising funds from the open market is not very bright. In the circumstances, the expansion schemes relating to tea production are unlikely to make much progress unless the profitability of the industry improves. One measure that may help the industry a great deal is to modify the fiscal system and allow tea exports the advantage of drawback of the excise duty. Although the Government indicated earlier its intention to collect excise duty at the auctions instead of at the gardens, no concrete step has so far been taken about it. In the meantime, tea producers are having to block substantial funds in paying excise duty at the gardens.

Britannia Biscuit Fares Well

THE report of the Britannia Biscuit Co. Ltd for the year ended March 1964, shows that the demand for the products of the Company continues to increase. The improved results have been achieved by economies in production and greater efficiency in spite of steadily rising costs and irregular supplies of essential ingredients and materials. The directors point out that due to working the equipment in multiple shifts it needs urgent replacement. Since the plants of the Company have been working up to the maximum capacity, the rehabilitation of the equipment has posed a problem. If the Company is to contribute progressively to the development of the processed food industry, it is essential that it be allowed to obtain modern equipment.

The installed capacity of the industry is inadequate to satisfy rising consumer needs. Britannia Biscuit has begun to manufacture several new products and further diversification of activity is proposed to be undertaken in the near future. It is constructing a bread bakery in Delhi, which is expected to begin production early in 1965. Conspicuous progress in the field of exports has been made by the Company. New products and packagings are being developed to meet the specific preferences of individual export markets. It is proposd to promote a widespread and more diversified range of products. But the directors mention the steadily rising production costs which have rendered competition in foreign market more difficult.

Sales rose from Rs. 5.08 crores for 1962-63 to Rs. 6.23 crores for 1963-64. The profit has improved from Rs. 86.52 lakhs to Rs. 92.16 lakhs, after increasing depreciation from Rs. 9.99 lakhs to Rs. 12.05 lakhs. The taxable ordinary dividend of 21 percent, including an interim of 6 percent, has been repeated, which works out to a yield of 5.5 percent at the present price of Rs. 38 a share of Rs. 10 each. Development rebate reserve is allocated Rs. 1.15 lakhs (against Rs. 1.49 lakhs), debenture redemption reserve Rs. 1.50 lakhs (the same), general reserve Rs. 14.48 lakhs (against Rs. 12.80 lakhs) and taxation Rs. 60.60 lakhs (against Rs. 59 lakhs). Out of the latter, surtax absorbs Rs. 12.50 lakhs. The carry-forward is Rs. 745, against Rs. 6,999 brought in.

Prospects for Colour-Chem

THE chairman of Colour-Chem, Mr. Ramniwas R. Ruia, told the shareholders' annual meeting on 16th July that the prospects for the current year could be viewed with cautious optimism. The Company's working so far has been quite satisfactory. The demand for the Company's products continues to be good and the customers are satisfied with the quality. But there are indications that things may not be the same as hitherto. This is because of the heavy incidence of excise duty on the Company's production which is estimated to be of the order of Rs. 50 lakhs. Mr. Ruia said that nearly half of this additional burden was likely to be passed on to the consumers. The chairman also drew attention to the rise in cost of raw materials. The foreign exchange allocated to the Company for the purchase of raw materials is extremely inadequate and a major part of the production has to be carried on out of raw materials imported on E.P.S. licences on which a premium of about 60 percent has to be paid. Mr. Ruia said that although sales might be maintained or even improved upon some erosion of profit margin was unavoidable. But he assured the shareholders that the dividend would be maintained at the previous year's level.

Referring to the Phthalocyanine Blue project, Mr. Ruia said that during the last two months some more indigenous components of the sulphuric acid reconcentration plant

had been received. The installation of the plant will be taken in hand shortly to enable the Company to commission the Phthalocyanine Blue project. This plant is expected to reach full production by March 1965 and it will then yield a turnover of about Rs. 30 lakhs a year. The Company's German collaborators are currently working on plans to diversify the production and to manufacture certain intermediates in its factory. The Company hopes to approach the Government for approval of these plans very soon. The diversification plans are estimated to cost Rs. 1.5 crores to Rs. 3 crores. It is hoped that the foreign collaborators will be able to provide the necessary foreign exchange for these plans. The Company's German collaborators hold nearly 33 percent of the total number of shares.

Universal Electric Earns Profit

UNIVERSAL Electric Ltd has earned a profit of Rs. 3.12 lakhs for the year ended March 1964, against a loss of Rs. 25,840 for 1962-63. Taxation for 1962 absorbs Rs. 2,734. The previous debit balance of Rs. 25,840 has been wiped off, and a credit balance of Rs. 2.86 lakhs has been carried forward. The dividend has been passed. Preference shares for Rs. 1.50 lakhs have been issued to the foreign collaborators, Mitsubishi Electric Corporation, for consideration other than cash. The construction of the house-service meter factory has been completed and production began in May 1963. The factory has worked up to its rated capacity. Meters produced amounted to 105,201. Due to the establishment of several other factories, competition in electric meters has increased. But the directors hope that demand will soon overtake supply in view of the rising power-generating capacity in the country. The Company has secured orders from various departments of the Government and from State Electricity Boards.

Indian Organic Chemicals Skips

ALTHOUGH the dividend has again been skipped, the working results of Indian Organic Chemicals Ltd for the year ended March 1964, show an appreciable improvement over the previous year's performance. The turnover has almost doubled from Rs. 19.87 lakhs to Rs. 39.77 lakhs, and the gross profit has increased from Rs. 7.65 lakhs to Rs. 14.35 lakhs. After providing Rs. 12.27 lakhs (against Rs. 10.37 lakhs) for depreciation and Rs. 7.60 lakhs (against nil) for development rebate, the year's operations show a loss of Rs. 5.52 lakhs, against Rs. 2.72 lakhs in the preceding year. The total deficit at the end of the year amounts to Rs. 8.77 lakhs.

The directors state that the Company's factory operated fairly efficiently during the year. The production of acetic acid glacial, however, could not be increased appreciably due to shortage of alcohol. The management has taken up the matter with the State Government and regular supplies of alcohol from sugar factories are expected shortly. The demand for glacial acetic acid is much lower than the supply in the country. The maximum annual consumption is placed around 5,000 tonnes, against the total production of about 12,000 tonnes. The overproduction has badly affected the price realisation. In order to remedy the situation, the Company has decided to go in for the manufacture of other derivatives whereby substantial quantities of acetic acid glacial would be consumed by the Company.

India Cements Cuts Dividend

THE directors of India Cements Ltd have recommended a dividend of 6 percent on equity shares (against 9 percent last year) for the year ended March 1964. The lower dividend has caused some disappointment among shareholders. But the working of the Company during the year has been satisfactory with a rise in earnings. The gross profit for the year, before depreciation and taxation, amounts to Rs. 1.11 crores, against Rs. 91.69 lakhs in the previous year. According to preliminary figures, the net profit amounts to Rs. 69.95 lakhs, after providing Rs. 41.14 lakhs (against Rs. 37.01 lakhs) for depreciation. Out of this, Rs. 40.72 lakhs (against Rs. 35,000), is transferred to development rebate reserve. Rs. 100,000 (against nil) to investment reserve and Rs. 75,000 (against nil) to capital reserve. Donations amounted to Rs. 1.77 lakhs.

The output of cement was about 495,000 tons and the clinker output 465,000 tons. Although the conservation of the company's resources may be facilitated by the lower dividend of 6 percent in view of the expansion needs of the Sankaridrug plant, the dividend will hardly satisfy the shareholders in the context of the rising rate of interest and the higher yield expectations of investors.

Higher Profit for Punjab National Bank

SUBJECT to audit, the net profit of the Punjab National Bank Ltd for the half-year ended June 1964, after providing for taxes and making other usual and necessary provisions, amounts to Rs. 69.26 lakhs. This shows a sizable increase of Rs. 19.11 lakhs over the figures of Rs. 50.15 lakhs for the corresponding half-year in 1963. With Rs. 2.27 lakhs brought forward from the previous year, the total available comes to Rs. 71.53 lakhs. The directors have decided to pay an ad-interim dividend for the current year at the rate of Re. 1 gross a share, absorbing Rs. 20 lakhs, the same as for the corresponding period of 1963, leaving a balance of Rs. 51.53 lakhs to be carried forward.

Ossoor Estates Earns More

AN improvement in the coffee crop has led to a marked rise in the profit of Ossoor Estates Ltd for the year ended March 1964. The profit for the year amounts to Rs. 3,27,700 (against Rs. 1,61,254). Out of this, provision for taxation gets Rs. 1,90,500 (against Rs. 68,000). This leaves a net profit of Rs. 1,37,200, after taxation. Adding to the profit Rs. 17,987 brought forward from the previous year and Rs. 1,57,120 being the excess provision for taxation for previous years no longer required, the total surplus comes to Rs. 3,12,307. Out of this, Rs. 25,536 is transferred to capital reserve and Rs. 70,000 (against Rs. 25,000) to general reserve. The interim dividend paid at 5 percent absorbed Rs. 48,750. The proposed final dividend of 10 percent will absorb Rs. 97,500. The balance of Rs. 70,521 is carried forward.

The total crop for the year amounted to 230 tonnes, against 166 tonnes in the previous year. The crop has been valued at Rs. 2.30 a point. A bonus payment of Rs. 9,362 at 5.3nP a point has been received on the 1959-60 crop making a total of Rs. 2.29 a point for the year. The 1962-63 season's crop has been revalued at Rs. 2.30 a point being the final figure declared by the Coffee Board for that season. The 1964-65 crop has been estimated at 219 metric tonnes.

Baroda and Dena Bank Profits Up

THE Bank of Baroda has done well during the half-year ended June 1964. It has earned a net profit, subject to audit, of Rs. 35.55 lakhs, compared with Rs. 26.10 lakhs in the corresponding period of last year. The interim dividend has, however, been maintained at 16 percent, that is, Rs. 4 a share, absorbing Rs. 16 lakhs. After bringing in the surplus of Rs. 2.97 lakhs from the previous year, the directors have carried forward Rs. 22.52 lakhs to the current half-year.

The Devkaran Nanjee Banking Co Ltd, popularly known as the Dena Bank, has made a net profit, subject to audit, of Rs. 16.58 lakhs during the half-year ended June 1964, against Rs. 14.15 lakhs in the same period of last year. The interim dividend has been maintained at 8 percent, that is, Rs. 2 a share, absorbing Rs. 4 lakhs. After bringing in a surplus of Rs. 1.78 lakhs from the previous year, the directors have carried forward Rs. 14.36 lakhs to the current half-year.

Katras Jherriah Coal Pays the Same

KATRAS Jherriah Coal Co. Ltd has repeated the taxable ordinary dividend of 30 percent, including an interim of 7½ percent, for the year ended January 1964. The yield amounts to 10 percent at the present price of Rs. 30 a share of Rs. 10 each. The profit has risen from Rs. 12.76 lakhs for 1962-63 to Rs. 14.97 lakhs for 1963-64, after transferring Rs. 2.19 lakhs (against Rs. 1.87 lakhs) to depreciation. Taxation absorbs Rs. 8.35 lakhs, out of which Rs. 1.45 lakhs has been provided to meet surtax on profits. The tax provision amounted to Rs. 5.90 lakhs and super profits tax absorbed Rs. 1.25 lakhs for 1962-63. Development rebate reserve is allocated Rs. 77,500 (against Rs. 1.05 lakhs) and general reserve Rs. 1.35 lakhs (against Rs. 1 lakh). The carry-forward is Rs. 22,818, against Rs. 20,670 brought in.

Raisings were higher at 362,834 tonnes, compared with 405,974 tonnes, and despatches improved from 379,503 tonnes to 416,460 tonnes. Raisings at both Laikdih Deep and Seebpore collieries have further improved. At the Seebpore colliery, raisings from the Koithi seam inclines, which account for approximately 65 percent of the colliery's output, are likely to be exhausted within the next 12 months, and this will naturally have an important effect on the Company's total output of coal. The new quarry in the Poniati seam has, however, already been opened, and steps are being taken to increase raisings from all the Company's quarries,. It is hoped that these measures will result in gradually offsetting the decline in raisings as a result of the expansion of the Koithi seam inclines.

Premier Mills Repeats

IMPROVED profits and sales and maintenance of a 20 percent dividend feature the trading results of the Premier Mills Ltd for the year ended March 1964. The profit for the year amounts to Rs. 24,12,037 after providing Rs. 11,48,679 for depreciation. This compares with the previous year's profit of Rs. 23,43,243 after providing Rs. 9,88,168 for depreciation. With the balance of Rs. 7,384 brought forward, the total comes to Rs. 24,19,421. Out of this, donations amounted to Rs. 50,101 while sales tax of prior years amounted to Rs. 6,560. A sum of Rs. 200,000 is transferred to development rebate reserve (against Rs. 200,000). Provision for taxation amounts to Rs. 13,50,000 (against Rs. 13,25,000). General reserve gets Rs. 2,50,000 (against Rs. 200,000). A sum of Rs. 50,000 is transferred to gratuity reserve (against Rs. 50,000). The proposed dividend of 20 percent amounts to Rs. 500,000 (against 20 percent). The balance of Rs. 12,760 is carried forward to the next year.

Sale of finished goods amounted to Rs. 2,58,02,836 (against Rs. 2,07,53,183). The directors state in their report that they are expecting a licence from the Government to install 9,50 spindles to increase the spindleage of B mills to 25,000. Further, the Company has been permitted to expand the spindleage of A Mills by 3,50 spindles, i.e., 10 percent of the installed capacity.

Nil from Searsole Coal

THE Searsole Coal Co. Ltd has earned a profit of Rs. 2.33 lakhs for the year ended January 1964, against one of Rs. 45,045 for 1962-63, after providing Rs. 55,389 (against Rs. 52,388) for depreciation. Development rebate reserve is allocated Rs. 7,245 (against Rs. 28,519). Bringing in a debit balance of Rs. 4.11 lakhs, a net debit balance of Rs. 1.84 lakhs has been carried forward. The dividend has been passed. Raisings rose from 72,477 tonnes to 97,138 tonnes and despatches improved from 62,573 tonnes to 95,074 tonnes. The directors say that raisings during the current year have improved to 45,585 tonnes up to 31st May, 1964.

Dividend from Parasea Collieries

THE Parasea Collieries Ltd has declared a taxable ordinary dividend of 1.2 percent for 1963 and not 12 percent as printed in the previous issue of *Capital*. Reserve for development rebate absorbs Rs. 2.12 lakhs (against Rs. 52,460). The Kenda seams could not be fitted with the electrical winding engine.

Bid for Nedeem Tea

THE announcement of a partial offer for the share capital of Nedeem Tea Company brought a rise of 2s to 17s 6d in the shares on the London Stock Exchange, but that was still half a crown below the 20s peak reached earlier this year when big buying forced up the share price. K. C. Sethia (1944) is offering stockholders 20s a share, ordinary or preference, for half their holdings of each class of stock owned. They are also invited to tender any or all remaining stock to K. C. Sethia so as to give sufficient acceptances to meet the bidders' target of more than 50 percent, including any stock already owned.

Apparent key to these unusual and basically undesirable terms is that the ordinary and preference shares each carry equal voting rights. There is £270,000 of each class in £1 shares in issue, and the offer is clearly designed to give the bidders control. It seems certain that the board will resist the offer and shareholders would appear to be well advised not to take any action until they hear the directors' views. The fact that it is a partial bid alone merits opposition, and it will not escape shareholders that net equity assets are comfortably over £3 a share.

Engo Tea Reduces Dividend

ENGO Tea Co. Ltd (a Dooars garden) has reduced the taxable ordinary dividend from 40 percent to 30 percent for the year ended December 1963. The yield works out to 22.1 percent at the present price of Rs. 136 a share of Rs. 100 each. The profit has dropped from Rs. 81,927 for 1962 to Rs. 63,192 for 1963, after transferring Rs. 31,971 (against Rs. 27,055) to depreciation. Development rebate reserve absorbs Rs. 11,613 (against Rs. 2,198) and taxation Rs. 20,000 (against Rs. 35,000). The carry-forward is Rs. 351, against Rs. 4,772 brought in. The crop amounted to 157,271 kilograms, against 156,516 kilograms and the average sale price rose from Rs. 3.74 to Rs. 4.09 a kilogram. The crop for 1964 has been estimated at 170,000 kilograms at a cost of Rs. 6.25 lakhs.

Coimbatore Murugan Mills Cuts Dividend

DESPITE a rise in sales, the profit of the Coimbatore Murugan Mills Ltd for the year ended December 1963 has fallen, compared with the previous year. The dividend is reduced to 6¼ percent from the previous year's 10 percent. The profit for the year amounts to Rs. 4,26,656, after providing Rs. 2,18,078 for depreciation. This compares with the previous year's profit of Rs. 6,78,369, after providing Rs. 1,87,694 for depreciation. Adding to the year's profit, a sum of Rs. 12,334 being refunds of prior years' expenses, the total available for appropriation comes to Rs. 4,38,990. Out of this, contribution to the National Defence Fund amounted to Rs. 5,684. Bonus paid for the prior year amounted to Rs. 1,18,562. A sum of Rs. 57,250 is transferred to development rebate reserve (against Rs. 40,904). Provision for taxation amounts to Rs. 1,37,569 (against Rs. 3,07,829). The preference dividend at 7.8 percent, subject to deduction of tax, amounts to Rs. 5,561. The proposed dividend on equity shares at 6¼ percent amounts to Rs. 1,14,364.

These appropriations have absorbed the entire surplus noted above. Sale of finished goods amounted to Rs. 80,52,153 (against Rs. 73,01,029). The directors' report says that the fall in profit is due to the rise in the price of raw materials and increase in wages, power consumption, interest charges, gratuity and payment of emergency risk insurance.

Zenith Steel Pipes Pays More

THE preliminary report on the working of the Zenith Steel Pipes Ltd for the year ended 30th April, 1964, shows an impressive improvement over the previous year's performance. The Company produced about 32,000 tons of pipes during 1963-64, compared with 12,000 tons in the preceding year. Sales have almost trebled from Rs. 1.48 crores to Rs. 4.33 crores, and the gross profit has gone up from Rs. 34.78 lakhs to Rs. 52.70 lakhs. From a maiden 6 percent in 1962-63—the first year of production—the dividend has been stepped up to 8 percent (80 paise a share of Rs. 10). The dividend is very well covered, the earning share being as high as Rs. 4.24, against Rs. 2.44 in the preceding year.

Appropriations of the year's gross profit include depreciation Rs. 7.86 lakhs (against Rs. 4.86 lakhs), statutory development reserve Rs. 1.32 lakhs (against Rs. 12.58 lakhs), development rebate reserve Rs. 44,133 (against Rs. 4.19 lakhs), taxation Rs. 13.85 lakhs (against Rs. 27,000) and general reserve Rs. 29.50 lakhs (against Rs. 7.50 lakhs). The dividend for 1963-64 absoring Rs. 5.60 lakhs (against Rs. 4.20 lakhs) is to be paid out of the general reserve. The entire dividend will be exempt from tax as it will be paid from the portion of the profit which is considered to be subject to relief under Section 84 and 101 of the Income Tax Act 1961. An application is being made to the income tax authorities for a certificate to that effect.

The directors state that although the offtake of pipes has been fairly satisfactory, due to various circumstances the annual sale contracts covering the production of the year under report have had to be made at prices lower than those for the previous year. The Company has received orders for almost all of its production for the current year, but because of consumer resistance and increasing competition, the selling prices have been reduced further. The Company's production at present is running at a level of about 3,000 tons a month. It has received letters of intent from the Government to produce 48,000 tons of seamless pipes, 3,000 tons of steel castings and 12,000 tons of heavy structurals a year on a two-shift basis The seemless pipes project is estimated to cost about Rs. 4.50 crores. The Company has already made an application to the International Finance Corporation, Washington, for a long-term loan of Rs. 2 crores. A clear picture of the project will emerge only when the negotiations with the I.F.C. and with the suppliers of plant and technical collaborators reach an advanced stage. The progress of the scheme also depends on the availability of the required foreign exchange loan and rupee finance. The Company is likely to issue equity or preference capital during the current year to finance the project. The Rs. 10-paid share of Zenith Steel is quoted around Rs. 16.24, offering a tax-free return of a little over 5 percent.

Big Contracts for Simon-Carves

SIMON-CARVES India Ltd has secured four important contracts valued at approximately Rs. 3.75 crores. Three of these are in the public sector for the alloy steels plant of Hindustan Steel Ltd. and one in the private sector for Cominco Binani Zinc Ltd. The work comprises the complete water supply system and the distribution systems for coke oven gas, compressed air, fuel oil, steam, oxygen, acetylene and argon for the alloy steels plant.

A zinc refinery together with the associated sulphuric acid plant for Cominco Binani Zinc Ltd is to be constructed under the supervision of the well-known Canadian firm. Consolidated Mining and Smelting Company of Canada Ltd. In addition to the above. Simon-Carves India Ltd has been entrusted with the erection of overhead cranes and sheet mill equipment by Sumitomo Machinery Company of Tokyo and Mitsubishi Shipbuilding and Engineering Company of Hiroshima, respectively, members of the Japanese consortium building the alloy steels plant in Durgapur.

Papchemi Corporation Shows Loss

THE directors of Papchemi Corporation Ltd state in their second annual report for the year ended March 1964 that the construction work of the Company's factory is nearing completion. Production is expected to start by the end of the current year or the beginning of 1965. A sum of Rs. 9.95 lakhs has been spent on machinery so far and the remaining machinery and equipment are expected to be delivered by the end of August. The Maharashtra State Financial Corporation has agreed in principle to grant a loan of Rs. 17 lakhs to meet a part of the project cost. Necessary requirements are being complied with for the disbursement of the loan at an early date. The Company's accounts for 1963-64 show a net loss of Rs. 445 after transferring a sum of Rs. 85,270 as expenditure during construction. A sum of Rs. 1.36 lakhs, including Rs. 50,555 brought in from the previous year under the head "expenditure during construction", is being carried forward. The Rs. 100-paid share of Papchemi Corporation is currently quoted around Rs. 55.

Calicut Modern Spinning Will Enter Market Soon

THE Calicut Modern Spinning and Weaving Mills Ltd is a new Company which proposes to set up a spinning plant in Chelambra (near Calicut) in Kerala State, with a capacity of 25,096 spindles. The project is estimated to cost Rs. 64.65 lakhs of which Rs. 20 lakhs will be raised through capital issue, Rs. 22.65 lakhs by deferred payment facilities, Rs. 20 lakhs by bank borrowings and Rs. 2 lakhs through short-term deposits. The Punjab National Bank has sanctioned the Company a demand loan of Rs. 20 lakhs and the Kerala State Industrial Development Corporation has sanctioned deferred payment guarantee for the purchase of machinery, indigenous as well as foreign.

The Company has secured an import licence for Rs. 12.38 lakhs for importing machinery which is likely to be of French origin. The authorised capital of the Company is Rs. 25 lakhs of which Rs. 20 lakhs comprising Rs. 14 lakhs in equity shares of Rs. 100 each and Rs. 6 lakhs in 9.3 percent redeemable cumulative preference shares are being issued for the present. The directors, promoters and their friends have subscribed equity shares worth Rs. 8.5 lakhs and preference shares worth Rs. 2 lakhs. The Company is now offering 6,860 equity shares and 4,000 preference shares for public subscription. Of this equity capital of Rs. 6.86 lakhs, shares worth Rs. 1.36 lakhs are being offered out of the capital already subscribed by the directors, promoters and their friends. The public issue has been fully underwritten.

New Standard Engineering Pays More

THE directors of New Standard Engineering Co. Ltd have raised the distribution on equity shares from 9 percent to 10 percent for the year ended March 1964. This includes a cash bonus of 1 percent to mark the silver jubilee of the Company What is more. the dividend is payable on the enlarged capital. the new shares being entitled to a proportionate dividend of Rs. 2.50 a share. The preliminary report on the working of the Company shows that it has done much better than in the preceding year. The net sales have risen by Rs. 53.86 lakhs to a record level of Rs. 2.34 crores. Out of this, sales from the new units at Goregaon amounted to Rs. 74.80 lakhs for the structural shop and Rs. 10.40 lakhs for the foundry. Sales from the new unit in the preceding year amounted to Rs. 44.53 lakhs. The gross profit is up about 17 percent from Rs. 22.89 lakhs to Rs. 26.87 lakhs.

The Company has obtained a licence for the manufacture of 10,000 tons of pig iron. Machinery required for this project will be manufactured indigenously in collaboration with Cekop of Poland. The Government's approval has been obtained and the terms of collaboration agreement are being finalised. The Company has arranged to obtain machinery valued at Rs. 41.62 lakhs on deferred payment terms from Cekop, Poland, for the implementation of its foundry project in Goregaon. When this project is completed, the Company will be in a position to undertake single castings up to 30 tons. It proposes to manufacture trimming presses in collaboration with B and S Massey Ltd, England. The Government's sanction has been obtained and the collaboration agreement is expected to be finalised soon. New Standard Engineering has in collaboration with the Wheelabrator Corporation, U.S.A., and Tilghman's Ltd, England, established a separate Company called Indabrator Ltd. The new Company which is undertaking the manufacture of shot blasting equipment for the first time in India is expected to go into production in October 1964. The Rs. 100 paid share of New Standard Engineering is currently quoted around Rs. 135, offering a gross return of about 7.9 percent.

Share Offer from Southern Gas

THE Southern Gas Ltd which proposes to undertake the manufacture of oxygen and acetylene is offering 12,500 equity shares of Rs. 100 each for public subscription. The list will open on 3rd August, and will close on 11th or earlier, but not before 5th August. The factory will be located in Ernakulam (Kerala). The Company has been licensed to manufacture annually 60 million cubic feet of oxygen and 12 million cubic feet of dissolved acetylene. The project will be undertaken under the phased programme. To begin with, a compressing capacity of 30 million cubic feet of oxygen and a producing and compressing capacity of 10 million cubic feet of acetylene will be put up. Provision will be made for the installation of additional capacity in due course. The project is estimated to cost Rs. 40 lakhs, of which Rs. 22.50 lakhs will be provided by share capital. Rs. 14.50 lakhs from bank loans and Rs. 3 lakhs from deposits.

The Company has entered into an agreement with the East German manufacturers for the supply of machinery. The Central Government has already granted import licence worth Rs. 25 lakhs for the import of machinery and cylinders from East Germany and Yugoslavia. Since the project is to be implemented in stages, the Company will import machinery and equipment worth Rs. 16 lakhs for the present. A special feature of the project is that F.A.C.T. has agreed to supply oxygen in an uncompressed state at Rs. 10 a 1,000 cubic feet. This arrangement is considered to be very beneficial to the Company and the capital cost of the project will be reduced and sufficient time will be saved in putting up a

production unit for the manufacture of oxygen. The plant is expected to go into production in October-November 1964. The authorised capital of the Company is Rs. 50 lakhs, of which Rs. 22.50 lakhs—all in equity shares of Rs. 100 each—is being issued for the present. The promoters, directors and their friends have already subscribed Rs. 10 lakhs and the balance of Rs. 12.50 lakhs is being offered for public subscription. The entire public issue has been underwritten.

Paper Mill Plant Pays Maiden

THE Paper Mill Plant and Machinery Manufacturers Ltd has declared a maiden dividend of 6 percent, tax-free, for the year ended March 1964. The preliminary report on the working of the Company shows that it has fared well during the year. The pre-tax profit is placed at Rs. 8.90 lakhs, against Rs. 4.64 lakhs in the previous year. The directors have provided Rs. 1.60 lakhs (against nil) for taxation and Rs. 3,048 (against Rs. 2,445) for development rebate reserve. After taking credit for Rs. 17,231, being the excess provision for royalty, and Rs. 2,238, being the refund of electrical cable charges for the previous year, the directors have written off Rs. 59,404 for preliminary expenses and Rs. 19,107 for brokerage on shares, leaving a surplus of Rs. 6.67 lakhs. A sum of Rs. 3.09 lakhs has been utilised to wipe out the loss brought forward from the previous year.

The directors have created a special reserve representing profits exempted from tax under Sections 84 and 101 of the Income Tax Act by allocating Rs. 2.65 lakhs and Rs. 85,000 has been transferred to general reserve, leaving a balance of Rs. 8,098 to be carried forward. The proposed dividend of 6 percent is to be paid out of the special reserve. During 1963-64, the Company executed orders worth Rs. 45 lakhs. The total value of orders on hand at the end of the year was Rs. 65 lakhs. Further orders worth about Rs. 1.28 crores are said to be under negotiation.

Supreme Industries Pays the Same

ALTHOUGH the dividend has been maintained at 6 percent, the Supreme Industries has fared rather badly during the year ended March 1964. Sales are down from Rs. 21.88 lakhs to Rs. 19.32 lakhs and the gross profit is lower at Rs. 1.63 lakhs, against Rs. 1.76 lakhs in the preceding year. The Company's performance, although poor, does not look unsatisfactory when viewed against the background of acute shortage of the main raw material, namely, polyethylene moulding powder. The difficulty arose because the Alkali and Chemical Corporation of India, one of the major manufacturers of polyethelene moulding powder, had to close down its plant due to alcohol scarcity. Supreme Industries was badly hit because many of the items are polyethelene-oriented. Conditions are said to have improved since the beginning of January 1964, and the directors have expressed the hope that sales and profit would should show an improvement during the current year.

After providing Rs. 96,819 (against Rs. 1.11 lakhs) for depreciation and Rs. 35,130 (against Rs. 29,140) for taxation and Rs. 17,570 (against Rs. 3,493) for development rebate, the disposable surplus amounts to Rs. 12,364 (against Rs. 32,275). Taking credit for Rs. 71,000 (against Rs. 31,000) being the profit on sale of capital assets and making certain other minor adjustments and after providing for the proposed dividends which absorb Rs. 84,836, there remains a balance of Rs. 440 to be carried forward, against Rs. 746 brought in. The Rs. 100-paid share of Supreme Industries is currently quoted around Rs. 90.

Cauvery Spinning and Weaving Sales and Profit Up

AN impressive rise in sales and profits features the trading results of Cauvery Spinning and Weaving Mills Ltd for the year ended March 1964. The profit for the year amounts to Rs. 4,74,012.29 after providing Rs. 4,58,535.44 for depreciation. This compares with the previous year's profit of Rs. 2,27,089 after providing Rs. 3,94,977 for depreciation. With the amount of Rs 9,658.12 brought forward, and with Rs. 52,643.12 being excess sales tax provision in previous years, the total available for appropriation comes to Rs. 5,36,313.53. Out of this, bonus for the previous year amounts to Rs. 92,395.70. Short provision towards taxation in previous years amounts to Rs. 2,210.38. A sum of Rs. 1,13,000 is transferred to development rebate reserve (against Rs. 50,000). A sum of Rs. 1,15,000 is provided for taxation (against Rs. nil). A sum of Rs. 50,000 is transferred to general reserve (against nil). The preference dividend at 8.93 percent subject to tax amounts to Rs. 58,259.32. The equity dividend at 10 percent (the same) amounts to Rs. 93,656. The balance of Rs. 11,792.13 is carried forward.

Sales for the year amounts to Rs. 1,38,23,607, against Rs. 1,14,50,433 in the previous year. The directors' report says that the profit for the year has improved, as anticipated, due to the revision of ceiling prices of yarn and the improvement in the supply position of Indian cotton and the introduction of rationalisation in the spinning department. The directors are taking steps to introduce rationalisation in other departments also.

Telangana Spinning Share Offer

TELANGANA Spinning and weaving Mills Ltd proposes to set up a spinning plant at Kachiguda (Hyderabad) with a capacity of 12,096 spindles. The project is estimated to cost Rs. 70.75 lakhs of which Rs. 44.76 lakhs will be spent on machinery. The cost of the project will be met by the issue of share capital of Rs. 30 lakhs, loans of Rs. 20 lakhs from the Andhra Pradesh State Financial Corporation deferred payment guarantee for Rs. 15.57 lakhs from the Andhra Pradesh State Financial Corporation and short-term borrowings amounting to Rs. 5.18 lakhs. The spinning mill will have the benefit of easy availability of raw cotton and the existence of a big market for yarn because of the large number of handlooms in Andhra Pradesh.

The construction of the factory building is in progress and if all goes well, the plant is likely to go into production by January 1965, and will be in full production within six months thereafter. The Company has an authorised capital of Rs. 50 lakhs made up of Rs. 35 lakhs in equity shares of Rs. 10 each and Rs. 15 lakhs in 9.5 percent cumulative redeemable preference shares of 10 each. The issued capital will be Rs 30 lakhs of which Rs. 22 lakhs will be in equity shares. The promoters, directors and their friends have taken up equity shares worth Rs. 10 lakhs. The balance of Rs. 12 lakhs in equity shares and Rs. 8 lakhs in preference shares is now being offered for public subscription. The list will open on 24th July and will close on 4th August or earlier, but not before 3rd August. The entire public issue has been underwritten. The board of directors includes Raja J. Rameshwar Rao, Mr. P. B Ramakrishnan, Mr. R. V. G. K. Ranga Rao, Mr. J. V. Somayajulu, Mr. N. V. Ramakrishna Reddy and Nawab Fazilath Hussain.

Investment and Finance Repeats

THE profit of the Investment and Finance Co. Ltd has declined from Rs. 87,130 for 1962-63 to Rs. 67,053 for the year ended 29th February, 1964, after transferring Rs. 29,607 (against Rs. 30,492) to taxation. A taxable ordinary dividend of 7½ percent has been declared (the same), which works out to a yield of 3.6 percent at the present price of Rs. 55 a share of Rs. 100 each. The carry-forward is Rs. 19,473, against Rs. 12,910 brought in. The market value of all investments of the Company has exceeded the book value by Rs. 4.16 lakhs on 29th February, 1964.

Nav Bharat Refrigeration Earns More

THE Nav Bharat Refrigeration and Industries Ltd has earned a profit of Rs. 1.38 lakhs for the year ended December 1963, against one of Rs. 22,752 for 1962, after providing Rs. 1.32 lakhs (against Rs. 98,640) for depreciation. The taxable ordinary dividend of 4 percent has been declared to absorb Rs. 40,500. Development rebate reserve is allocated Rs. 36,000 (against Rs. 6,516), taxation Rs. 55,000 (against Rs. 8,000). A sum of Rs. 14,856 has been set aside to meet tax liability for 1961. The carry-forward is Rs. 410, against Rs. 8,345 brought in.

The prospect for the current year has been assessed cautiously. The potato crop has failed in Uttar Pradesh and other growing areas, so arrivals at cold storages have dropped. The Company is exploring the possibility of storing other items. It has added a further 18-ton capacity to the ice plant. Sales rose by 12.3 percent to Rs. 3.03 lakhs.

New Capital Issues

TEN companies have been authorised to raise fresh capital aggregating Rs. 5.69 crores. Of these, two will be issuing bonus shares, four are issuing equity capital, one is floating debentures and three are issuing equity plus preference shares. Four companies involve foreign collaboration. Two companies are offering part of their shares to the public by prospectus. The consent of the Controller of Capital Issues is valid for 12 months in all cases. The following are the details:

Indian Overseas Shipping Company, Bombay, is to issue capital of Rs. 1.5 crores, divided into 1,100,000 equity shares of Rs. 10 each and 40,000 9½ percent redeemable cumulative preference shares of Rs. 100 each to be issued for cash at par. Out of this, equity shares of the value of Rs. 50 lakhs and the entire preference shares will be offered to the public by prospectus, and equity shares of the value of Rs. 25 lakhs will be offered to the Company's foreign collaborators, American Shipping and Financing Syndicate. The capital will be used for starting a liner service.

Jeypore Sugar Company Ltd, Madras, is to issue bonus shares of the value of Rs. 3,37,210 divided into 33,721 equity shares of Rs. 10 each on capitalisation of its share premium account. The bonus shares will be issued in the proportion of one share for every 12 equity shares held.

Hyderabad Laminated Products Ltd, Secunderabad, is to issue capital of Rs. 1,42,857.14 on capitalisation of reserves to a like extent, by way of bonus issue, for converting the existing 20,000 equity shares from partly paid-up into fully paid-up shares of Rs. 50 each.

Tata-Merlin and Gerin Ltd. a public Company proposed to be incorporated in Maharashtra State for the manufacture of switchgear and controlgear, in collaboration with Merlin and Gerin of France, will be issuing capital of Rs. 70 lakhs in equity shares of Rs. 100 each, for cash at par. Out of these, shares of the value not exceeding Rs. 8.75 lakhs will be offered to the French collaborators against the import of plant and equipment.

Electrolytic Tinplates Ltd, Bombay, is to issue Rs. 50 lakhs capital divided into Rs. 36 lakhs equity in shares of Rs. 10 each and Rs. 14 lakhs preference in shares of Rs. 100 each. All the shares will be issued for cash at par. The money will be used in the manufacture of tinplates by electrolytic process.

Kamani Industrial Corporation Ltd, Jaipur, is to issue Rs. 1 crore debenture stock in units of Rs. 1,000 each carrying 7½ percent rate of interest and to be offered to the public for cash at par. The capital will be used in the establishment of a pig-iron project in Udaipur (Rajasthan).

Material Handling India Ltd. a public Company proposed to be incorporated in West Bengal is to issue capital of Rs. 50 lakhs in equity shares of Rs. 10 each, for cash at par. The money will be used for the manufacture of electrical cranes, heavy structurals and conveyors.

Hind Equipment Corporation Private Ltd, Bombay (a Company proposed to be converted into a public one) engaged in the manufacture of friction and hydraulic stock absorbers for automobiles, is to issue further capital of Rs. 40 lakhs in 400,000 equity shares of Rs. 10 each, for cash at par. The capital will be used for financing expansion of the existing activities of the Company.

Steelcrete Private Ltd, Calcutta, will be issuing further capital of Rs. 75 lakhs, on conversion into a public Company. Of this, Rs. 50 lakhs will be issued in equity shares of Rs. 10 each, and Rs. 25 lakhs in preference shares of Rs. 100 each, all for cash at par. Shares of the value of Rs. 30 lakhs in equity and Rs. 10 lakhs preference will be issued to Foundation Overseas Ltd, Canada, against supply of construction machinery, etcetera. The Company will offer the balance shares to the public by prospectus.

Anup Engineering Ltd, Ahmedabad, is to issue capital of Rs. 29 lakhs divided into equity shares of Rs. 100 each. Of this, shares of the value of Rs. 7.5 lakhs—consisting of Rs. 2.5 lakhs to the foreign collaborators, Machine fabrick Reinveld N.V. Draft, Holland, against the supply of know-how and Rs. 5 lakhs to the shareholders of Hind Laboratories Private Ltd. in terms of an amalgamation scheme, will be issued for consideration other than cash and the balance for cash at par. Out of the cash issue, shares worth Rs. 50,000 will also be offered to the Dutch firm for cash. The capital will be used for financing the manufacture of machines like centrifuges, separators, etcetera.

The Stock Markets

LYONS RANGE DISAPPOINTED OVER INDIAN IRON DIVIDEND

Wednesday Evening.

THE declaration of dividend by the Indian Iron and Steel Company for 1963-64 has been the most notable event in the stock market during the past week. The Company has declared a taxable ordinary dividend of 17 percent, including a special cash bonus of 1 percent, compared with 16 percent for 1962-63 (fuller details appear on a previous page in this issue of *Capital*). Lyons Range had expected a bigger dividend. The price of the scrip has also been marked down due to profit-taking. Prices of other clearing shares have tended to decline in sympathy with Indian Iron. Turnover has declined considerably, and holders are inclined to take profit at every bulge.

In spite of the fairly encouraging corporate news, trading has been sluggish. Although corporate profits for 1963-64 show an increase, taxation has absorbed a large part of the earnings. Some companies have, no doubt, increased their dividends, but they have fallen short of the market rates of interest. Investors have become shy since the growth prospects for industrial equities have suffered due to the levy of capital gains tax on bonus shares.

Lyons Range is disappointed over the Central Finance Ministry's decision not to abolish the 2-percent carryover margin. Although the stock market has pressed for the removal of the margin to stimulate activity, particularly in clearing shares, there is little logic in its arguments. Margins were imposed to curb speculation in shares, and they were recently liberalised as far as circumstances permitted. So there is little justification for further liberalisation at the present stage. Anyway, the removal of margins may increase speculative activity, but it is unlikely to attract investment support. Investors will not take the risk of investing in equities until their outlook is improved by a suitable modification of the fiscal system.

Operators are worried over the Government's failure to restrain price rises in essential commodities. As a result of the increased cost of living, industrial workers have started demanding higher emoluments. The smooth working of industries will be interrupted unless serious efforts are made to reduce commodity prices.

Indian Iron are sluggish and activity has been restrained. Except for scattered support in Burn and Texmaco, engineering shares are generally neglected. In the miscellaneous section, clearing scrip are prominent but they have tended to drop towards the close due to the absence of interest. Hindustan Motors are about steady on hopes of a better dividend which is likely to be announced soon. Scattered support has been forthcoming for Alkali Chemical, Metal Box and Martin Burn. Goodyear India have not responded to the improved results achieved during the first half of the current year. Electric company shares are neglected and stray business has been done in Calcutta Electric. In spite of the prospect for better results during the half-year ended June 1964, bank shares attract little interest. United Commercial and United Bank of India have been transacted. In paper shares, Orient have fluctuated narrowly. Seshasayee, Bengal and India Paper Pulp are about steady.

Except for scattered support in selected jute shares, turnover has been small. Birla have met with support. Kinnison, Northbrook, Barnagore, Anglo-India and Ganges have been taken. Coal shares are quiet. Talk of fixing a bigger output target for the fourth five year plan has created little impression. Stray business has been done in Burrakur, Bengal, Western Bengal and Amalgamated.

Selected cotton mill shares have been steady, but investors have been inclined to wait until the Government announces the plan for partial control on cloth. Bharat Commerce, Elgin, Dunbar and J. K. Rayon have been transacted. Sugar shares have been freely offered, but buyers have been reserved. Patrakola have been a firm feature in an otherwise dull tea section. The scrip have enjoyed support from interested parties. Scattered interest has been taken in selected Assam and Dooars gardens.

Government securities have been fully steady in spite of the subscriptions for the new Central Government loans which closed on 15th July, 1964. The 3 percent Conversion Loan 1986 is quoted at Rs. 63.80.

Bombay

SHARES DULL : TATA REPORT AWAITED

TEXTILE INVESTORS CAUTIOUS

Wednesday Evening.

THE new account in the Bombay stock market began last Monday on a steady but dull tone. Although share prices have fluctuated narrowly, there has been a considerable drop in turnover. Holders, particularly those who have been holding shares for a long time, have taken the earliest opportunity to take profit at every rise. Selling pressure has, nevertheless, been light because bears think that almost all adverse factors have been discounted. Operators now await the publication of the report of the Tata Iron and Steel Company for 1963-64 to know exactly why the Company has not succeeded in earning profits as expected. Investors in textile shares have turned cautious since they cannot assess the prospect for these shares until the Government announces the details relating to the introduction of partial control on cloth.

Dalal Street has been disappointed by the decision of the Central Finance Ministry to reject the proposal to abolish the 2 percent carryover margin. The Government thinks that under the present circumstances, the abolition of the margin might promote speculation in shares.

Tata Steel ordinary have been quoted at Rs. 155.25. Among engineering shares, Tata Engineering have been steady in the belief that the Company will be able to maintain the dividend on the increased capital. New Standard Engineering have been supported on expansion prospects. Alcock Ashdown and Larsen and Toubro have met with scattered buying. In motor-vehicle shares, Premier Automobiles have improved on the hope that the Company will again return to the dividend list, as it is reported to have produced good results for the past working year. Hindustan Motors have been supported by outside interests on the expectation of a higher dividend.

Selected cotton mill shares have been steady, although turnover has been restrained. Century, Bombay Dyeing, Kohinoor, Gokak and Svadeshi have been prominent. Simplex, India United ordinary, Morarjee and Standard have been about steady. Central India have attracted scattered interest on reports of good working.

Turnover in miscellaneous shares has been small. Among sugar scrip, Belapur and Walchandnagar Industries have been steady. In cement shares, Associated and Digvijay have been maintained. Among mining shares, Be Be Petrol have recovered on replacement purchases. Scindia Steam have been prominent due to short-covering among steamship company shares. Great Eastern Shipping have changed little.

Chemical shares have been quietly steady. Tata Chemical have gained, but Polychem have reacted due to profit-taking. Among rayon shares, National Rayon have drifted downwards due to reports of a drop in the demand for rayon yarn. Voltas and Tata Oil have been steady. Bank shares have improved due to satisfactory results achieved for the half-year ended June 1964. Bank of India, Central Bank and Dena Bank have been bought. Electric com-

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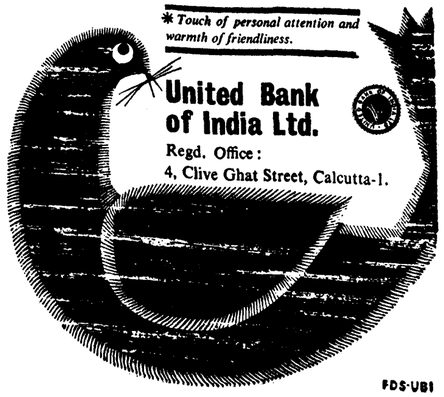
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FDS-UBI

pany shares have met with scattered support. Ahmedabad, Tata Hydro and Tata Power have been favourites.

Madras

DEARER CREDIT LIMITS ACTIVITY

SELECTIVE SUPPORT FOR PLANTING SHARES

Tuesday Evening.

THE Madras stock market has been steady during the past week, although turnover has been limited. Interest has been largely confined to clearing shares. Among cash scrip, selected plantation and sugar shares have been supported. Bank shares have also been prominent due to good results achieved for the half-year ended June 1964. The prospect for the restoration of power cuts has been an important influencing factor. Investors have, nevertheless, proceeded cautiously in view of the rising cost of money. Unit Trust units have attracted attention, and considerable investible funds have begun to flow into them.

In Government securities, selected State Government loans have been bought. Interest has been shown in good preference shares. Among banks, Indian have been done at Rs. 155 and Indian Overseas at Rs. 144.50. In sugar shares, E.I.D. have been steady at Rs. 35.87. Jeypore have attracted support up to Rs. 16.50 on the decision to issue bonus shares in the proportion of one share for every 12 held, by capitalising the share premium reserve. The Controller of Capital Issues has sanctioned the issue, but the approval of the Industrial Finance Corporation of India is being awaited. Deccan have reacted to Rs. 12.05 on profit-taking. Cauvery have been done at Rs. 97.50. Mysore at Rs. 28.33 and Travancore at Rs. 7.15.

In planting shares, Consolidated Coffee have been steady at Rs. 23.70. Blue Mountain have been transacted at Rs. 2.31, Cochin Malabar at Rs. 6.35, Ouchterlony at Rs. 3.55 and Periakaramalai at Rs. 3.43. Among tea shares, Nonsuch have been steady at Rs. 21.87, Kalasa at Rs. 4.20 and Peermade at Rs. 21.50. In coffee shares, Kumergode have been bought up to Rs. 3.78 and Rajendra have been taken at Rs. 10.42. Among shares of gardens producing both tea and coffee, Devon have changed hands at Rs. 11.96, Manar at Rs. 1.93 and Nilgiri at Rs. 9.

In textile shares, South India Viscose have dropped to Rs. 117.50 and Travancore Rayon to Rs. 20.60. Lakshmi have been steady at Rs. 137 and Madura at Rs. 33.75. Bangalore Woollen have been done at Rs. 267 and Buckingham at Rs. 274. Coimbatore Cotton have come to hand at Rs. 151 and Mettur have been supported up to Rs. 277.50. Tirupati have been transacted at Rs. 10.12 on declaring a taxable ordinary dividend of 7½ percent. Rajapalayam have been steady at Rs. 154 and Vasanta at Rs. 234.

In the miscellaneous section, Aluminium Industries have been quoted at Rs. 19.85 and Ashok Leyland have gained at Rs. 6.75. In spite of reducing the taxable ordinary dividend from 9 percent to 6 percent, India Cement have been taken at Rs. 5.45. Dalmia Cement have been steady at Rs. 12.62. Mettur Chemical have been wanted up to Rs. 14.15 on declaring a taxable ordinary dividend of 6¼ percent, making a total of 12½ percent for the year. F.A.C.T have recovered to Rs. 5.52 and Seshasayee Paper have gained at Rs. 7.25. In transport shares, Enfield have been steady at Rs. 10 and Tube Investment at Rs. 193. Parry's Confectionery have hardened to Rs. 2.97, but Spencer have been sluggish at Rs. 21.25. Textool have been bought up to Rs. 150. Kirloskar Electric have been steady at Rs. 18.40, but Madras Rubber have been easier at Rs. 11.37. T. Stanes have been quoted at Rs. 30.50 and W. I. Plywoods at Rs. 207.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 33/25—33/44—32/37—32/75—(29/37).
Burrakur Coal—Rs. 15/81—15/87—15/81—15/81—(16/00).
Dunlop Rubber—Rs. 33/25—33/25—32/50—32/69—(33/12).
Guest, Keen, Williams—Rs. 23/12—23/19—22/87—23/12—(33/56).
Hindustan Motor—Rs. 18/47—18/56—18/06—18/34—(16/66).
Howrah—Rs. 15/62—16/00—15/62—16/00.
Indian Aluminium—Rs. 30/50—30/56—30/25—30/37—(33/37).
Indian Copper—Rs. 3/31—3/33—3/28—3/31—(4/90).
Indian Iron—Rs. 25/74—25/76—25/22 S.T.—25/52—(23/40).
Indian Cable—Rs. 35/25—35/50—35/25—35/37—(33/00).
Jaipur Udyog—Rs. 11/12—11/12—11/00—11/06—(11/50).
J. K. Cotton—Rs. 10/19—10/37—10/19—10/31—(11/75).
Kesoram Industries—Rs. 26/87—26/87—26/19—26/50—(22/00).
Orient Paper—Rs. 34/45—34/45—34/00—34/20—(36/20).
Orissa Cement—Rs. 12/12—12/19—12/06—12/12—(14/31).

INDIAN TUBE TO EXPAND ITS SEAMLESS TUBE MILL

The Indian Tube Company, pioneers in the manufacture of seamless tubes in India, have been granted an Import Licence for additional plant and machinery which will enable them to raise their annual capacity for these tubes from 24,000 to 40,000 tonnes.

Existing technical and service facilities at the Company's Works in Jamshedpur will enable speedy execution of the expansion programme, which is expected to be completed in 1965. INDIAN TUBE will then meet the bulk of India's requirements of seamless tubes for the oil and chemical industries, power generation and transmission and other essential demands which are still being partly met by imports. This will mean an annual saving of Rs. 6 crores in foreign exchange.

INDIAN TUBE

THE INDIAN TUBE COMPANY (1953) LIMITED
A TATA-STEWARTS AND LLOYDS ENTERPRISE
CALCUTTA NEW DELHI BOMBAY AHMEDABAD

ITC-77

Rohtas Industries—Rs. 11/31—11/44—11/25—11/37—(11/31).
Shree Gopal Paper—Rs. 24/50—25/06—24/44—24/81—(23/81).
Textile Machinery—Rs. 26/35—26/40—26/15—26/20—(23/50).

GILT-EDGED

2½% Loan (1976)—Rs. 83/05—83/05—83/00—83/00.
3 % „ (1966-68)—Rs. 98/40—98/40—98/30—98/30.
3 % „ (1970-75)—Rs. 90/47—90/55—90/47—90/55.
3 % „ (1986)—Rs. 64/20 S.T.—64/20—64/20—64/20.
3½% „ (1965)—Rs. 100/00—100/05—100/00—100/05.
3½% „ (1969)—Rs. 98/10—98/10—98/10—98/10.
3¾% „ (1968)—Rs. 99/90—99/90—99/90—99/90.
3½% „ (1966)—Rs. 100/00—100/00—100/00—100/00.
3½% „ (1967)—Rs. 99/90—99/90—99/90—99/90
4 % „ (1969)—Rs. 99/95—99/95—99/95—99/95.
4 % „ (1970)—Rs. 99/20—99/20—99/00—99/03.
4 % „ (1973)—Rs. 98/90—98/90—98/90—98/90.
4 % Rajasthan (1971)—Rs 98/00—98/00—98/00—98/00.
4 % „ (1968)—Rs. 99/15—99/17—99/12—99/17.
4 % Orissa (1971)—Rs. 98/00—98/00—98/00—98/00.
4 % Mysore (1971)—Rs. 98/00—98/00—98/00—98/00.
4 % Madras (1967)—Rs. 99/50—99/52—99/50—99/52.
4½% U.P. (1974)—Rs 99/40—99/40—99/40—99/40.
4½% Mysore (1974)—Rs. 99/30—99/30—9/30—99/30.
4½% Loan (1973)—Rs. 100/00—100/05—100/00—100/05.
4½% Rajasthan (1972)—Rs. 98/25—98/25—98/25—98/25
4½% Andhra Pradesh (1972)—Rs. 98/25—98/25—98/25—98/25.
4½% Orissa (1972)—Rs 98/25—98/25—98/25—98/25
4½% U.P. (1972)—Rs. 98/25—98/25—98/25—98/25.

BANKS

Allahabad—Rs. 249/00—249/00—248/00—248/00.
United Bank of India (Rs. 10/- paid)—Rs. 7/69—7/69—7/50—7/50—(7/31).
Do. (Conty. Rs. 20/-) (Rs. 10/- paid)—Rs. 7/00—7/06—7/00—7/06—(6/56).
United Commercial—Rs. 69/25—69/25—69/25—69/25—(66/00).

TEXTILES

Bowreah—Rs. 23/12—23/31—23/06—23/31—(22/12).
Bharat Commerce—Rs. 20/50—20/50—20/37—20/37—(19/87).
Cawnpore—Rs. 6/85—6/87—6/69—6/85—(6/19).
Dunbar—Rs 26/25—26/25—26/00—26/25—(26/25).
Jaya Shree—Rs. 13/12—13/12—12/75—13/00—(14/00).
New Victoria—Rs. 1/34—1/34—1/25—1/25—(1/37).
Rampooria—Rs. 12/50—12/50—12/50—12/50—(12/00).

COALS

Associated Laikdih—Rs. 4/84—4/84—4/75—4/75.
Amalgamated—Rs. 21/06—21/06—21/06—21/06—(24/87).
Bengal—Rs 228/00—228/00—228/00—228/00—(274/00).
Central India—Rs. 8/50—8/50—8/50—8/50.
East Indian—Rs. 27/87—28/50—27/87—28/00—(31/87).
Raneegunge—Rs. 12/94—12/94—12/94—12/94—(16/00).
Rewa Coalfields—Rs. 24/50—24/50—24/50—24/50—(28/50).
Sendra—Rs. 4/19—4/19—4/19—4/19—(5/75).
Western Bengal—Rs. 8/75—8/75—8/75—8/75—(8/84).

JUTES

Anglo-India—Rs. 158/00—160/00—158/00—160/00—(221/00).
Auckland—Rs. 129/00—129/00—129/00—129/00—(149/00).
Bengal—Rs. 7/00—7/00—7/00—7/00.
Bally—Rs. 238/00—239/00—238/00—239/00—(272/00).
Champdany—Rs 20/50—20/50—20/50—20/50—(21/31).
Calcutta (Pref.)—Rs. 60/00—60/00—60/00—60/00—(59/00).
Cheviot—Rs. 19/06—19/31—19/06—19/31—(21/56).
Chitavalsah—Rs. 8/12—8/12—8/06—8/06—(10/00).
Dalhousie—Rs. 119/00—119/00—119/00—119/00—(132/00).
Fort William—Rs. 21/81—21/81—21/81—21/81—(26/00).
Ganges—Rs. 13/69—13/75—13/56—13/62—(14/31).
Gourepore—Rs. 21/75—22/31—21/75—22/31—(25/12).
Hastings (Pref.)—Rs. 86/00—86/00—86/00—86/00.
Hooghly—Rs. 14/37—14/50—14/37—14/50—(18/87).
Kanknarrah—Rs. 126/00—126/00—126/00—126/00—(130/00).
Kinnison—Rs. 115/50—115/50—115/00—115/00—(143/00).
New Central—Rs. 11/00—11/19—10/81 — 10/87—(12/87).
Northbrook—Rs 24/75—24/87—24/75—24/81—(27/25).
Presidency—Rs. 4/31—4/31—4/25—4/25—(4/75).
Reliance—Rs. 7/19—7/31—7/19—7/31—(9/50).
Do. (Pref.)—Rs. 116/00—116/00—116/00—116/00.
Soorah—Rs. 19/25—19/25—19/25—19/25—(22/75).
Waverley—Rs. 7/87—8/00—7/87—7/94—(8/56).

MININGS

Assam Sillimanite—Rs. 6/19—6/25—6/12—6/12.
Christien Mica—Rs. 10/12—10/19—10/12—10/19.
Metal Corpn.—Rs. 6/50—6/56—6/50—6/56—(8/81).
Orissa Minerals—Rs. 19/75—19/75—19/37—19/50—(27/50)

CEMENTS

Ashoka—Rs. 6/69—6/75—6/56—6/56—(7/69).
Assam Bengal (Defd.)—Re. 0/56—0/56—0/56—0/56—(0/46).
Dalmia (Bharat)—Rs. 12/00 S.T.—12/75—12/00—12/69—(12/62).
Do. (Pref.)—Rs. 7/62—7/62—7/50—7/50—(8/06).
Sone Valley—Rs. 4/06—4/12—4/00—4/03—(4/25).

CHEMICALS

Chemicals & Fibres—Rs. 12/56—12/72—12/44—12/72.
Phosphate Co.—Rs. 170/00—176/00—170/00—176/00—(167/00).
Smith Stanistreet—Rs. 13/62—13/69—13/62—13/69.

PUBLIC UTILITIES

Agra—Rs. 125/00—125/00—125/00—125/00—(120/00).
Benares—Rs. 12/25—12/31—12/25—12/31—(12/37).
Calcutta—Rs. 14/75—14/81—14/62—19/69—(14/94).
Do. (Pref.)—Rs. 7/75—7/81—7/75—7/81—(8/25).
Cuttack—Rs. 10/94—11/37—10/94—11/37—(11/87).
Shahjahanpur—Rs. 6/50—6/56—6/50—6/56.
United Provinces—Rs. 165/00—165/00—165/00—165/00—(115/50).

ENGINEERINGS

Binani Metals—Rs 11/75—12/00—11/69—12/00—(9/50).
Bhartia Electric Steel—Rs. 14/75—14/75—14/62—14/62—(13/94).
Britannia Eng.—Rs 10/12—10/19—10/12—10/12—(10/25)
Burn & Co.—Rs. 275/00—275/00—275/00—275/00—(595/00).
Do. (7% Pref.)—Rs. 112/00—113/50—112/00—112/50.
Calcutta Steel—Rs. 13/69—13/75—13/62—13/75—(14/25)
Dalmia Iron—Rs. 11/12—11/12—11/12—11/12—(10/81).
Indian Iron & Steel (Pref.)—Rs. 81/00—82/25—81/00—81/50—(85/00).
Indian St. Wagon—Rs. 36/50—36/50—36/25—36/25—(31/50).
Jay Eng.—Rs. 17/44—17/56—17/44—17/56—(21/06).
J. K. Steel—Rs 15/62—15/75—15/56—15/75—(14/25).
Kumardhubi—Rs 5/12—5/25—5/06—5/25—(8/19).
Machinery Mnfg.—Rs. 25/87—25/87—25/25—25/25—(18/50).
Marshalls—Rs. 3/06—3/12—3/06—3/06—(2/87).
National Screw & Wire—Rs. 10/00 x.d.—10/00—10/00—10/00—(9/94).
Steel Containers—Rs. 24/37—24/56—24/37—24/56.
Saran Eng.—Rs. 7/12—7/25—7/12—7/25—(8/50).

INSURANCES

New Asiatic—Rs. 6/37—6/44—6/37—6/44—(8/00).
Ruby General—Rs. 11/19—11/19—11/19—11/19—(10/44).

MISCELLANEOUS

Aluminium Corpn.—Rs. 11/62—11/75—11/44—11/44—(13/00)
Asiatic Oxygen—Rs. 9/65—10/06—9/65—10/06—(8/75).
American Refrigerators—Rs. 7/25—7/31—7/25—7/31—(7/50).
Airways India—Rs. 4/53—4/56—4/50—4/56.
Angelo Bros.—Rs. 24/75—24/81—24/50—24/62.
Associated Battery—Rs. 22/87—22/94—22/87—22/94.
British India Corpn.—Rs. 9/75—9/81—9/50—9/75—(7/87).
Bikaner Gypsum—Rs. 12/00—12/00—12/00—12/00.
Clive Row Investment—Rs. 8/06—8/19—8/06—8/19—(8/62).
Calcutta Tramways—Rs. 10/37—10/37—10/37—10/37—(11/37).
Duncan Brothers—Rs. 135/00—135/00—135/00—135/00—(147/00).
Dyer Meakin Breweries—Rs. 23/87—24/06—23/87—24/06—(26/00).
Electric Construction—Rs. 13/12—13/19—19/06—13/06—(12/44).
English Electric—Rs. 13/81—13/81—13/81—13/81—(13/44).
East Anglia Plastics—Rs. 7/87—7/94—7/75—7/81—(9/69).
General Tyres—Rs. 7/06—7/12—7/00—7/12—(7/81).
Goodyear India—Rs. 22/19—22/31—22/19—22/31—(30/62).
Gillanders Arbuthnot—Rs. 15/00—15/00—14/94—15/00—(14/06).
Gwalior Rayon—Rs. 38/50—38/81—38/25—38/81.
Hindustan Lever—Rs. 32/00—32/00—32/00—32/00.
Hindustan Aluminium—Rs. 12/50—12/50—12/25—12/25—(13/50).
Hindusthan Development—Rs. 3/81—3/81—3/66—3/72—(4/31).
Hindusthan Twyfords—Rs. 12/25—12/44—12/12—12/25—(14/62).
Hindusthan Gas—Rs. 18/87—19/00—18/87—19/00.
Imperial Tobacco—Rs. 9/12—9/37—9/12—9/37—(10/62).
Indian Oxygen—Rs. 25/37—25/62—24/62—24/62—(27/50).
Indian Rubber Mnfg.—Rs 21/75—21/75—21/75—21/75—(19/87).
Jayshree Tea Industries—Rs. 13/69—14/06—13/69—14/00—(16/37).
J. K. Synthetics—Rs. 12/00—12/00—11/81—11/94—(10/81).
Jardine Henderson—Rs. 75/50—76/00—75/50—76/00—(84/50).
Metal Distributors—Rs. 9/25—9/25—9/25—9/25—(4/66).
Martin Burn—Rs. 26/37—26/56—26/31—26/37—(26/62).
Macfarlane & Co.—Rs. 4/69—4/75—4/69—4/75—(7/00).
Do. (Defd.)—Rs. 1/81—1/81—1/81—1/81
Metal Box—Rs. 31/06—31/12—31/06—31/12—(49/87).
National Insulated Cable—Rs. 23/50—24/00—23/37—24/00—(23/50).
National Tobacco—Rs. 11/12—11/19—11/12—11/19—(10/75).
National Pipes & Tubes—Rs. 27/25—27/69—27/25—27/56—(25/62).
National St. Duncan—Rs. 71/00—71/00—71/00—71/00.
National Rolling & Steel Ropes—Rs. 19/37—19/50—19/37—19/50—(19/44).
Philips India—Rs. 27/56—27/75—27/25—27/25—(27/75).
Phillips Carbon—Rs. 12/25—12/25—12/22—12/25—(16/50).
Rallis India—Rs. 122/00—125/00—122/00—124/00—(121/00).
Sirsilk—Rs. 7/81—7/81—7/81—7/81—(9/31).
Shalimar Wire—Rs. 8/94—9/00—8/94—9/00
Shaw Wallace—Rs. 14/56—14/56—14/56—14/56—(17/00).
Tungabhadra Industries—Rs. 9/31—9/31—9/31—9/31.
Union Carbide—Rs. 32/00—32/00—31/44—31/44—(40/25).
Universal Electric—Rs. 7/19—7/19—7/12—7/12—(9/00).
Usha Martin Black—Rs. 14/31—14/31—14/25—14/25.
Woolcombers of India—Rs. 11/50—11/50—11/50—11/50—(14/50).

PAPERS

Bengal—Rs. 26/00—26/06—25/75—25/87—(28/00).
India Paper Pulp—Rs. 22/19—22/37—21/75—21/87—(17/37).
Seshasayee—Rs. 7/19—7/69—7/19—7/69.
Sirpur—Rs. 11/62—11/62—11/37—11/56—(12/44).
Straw Products—Rs. 8/62—8/69—8/56—8/62.
Titaghur—Rs. 14/12—14/12—14/06—14/12—(16/06).
Do. (P.O.)—Rs. 3/12—3/19—3/12—3/19—(3/78).
West Coast (Pref.)—Rs. 90/00—90/00—90/00—90/00.

SHIPPINGS

India General Nav.—Rs 34/50—34/50—34/50—34/50—(53/50).
India Steamship—Rs. 6/37—6/50—6/31—6/41—(6/00).

OIL

Tide Water—Rs. 35/50—35/50—35/50—35/50—(25/25).

SUGARS

Carew & Co.—Rs. 12/19—12/31—12/19—12/31—(10/75).
Cawnpore—Rs. 9/00—9/00—9/00—9/00—(10/75).
Ramnugger Cane—Rs. 23/62—24/37—23/62—24/19—(26/37).
Raza Buland—Rs 10/12—10/12—10/12—10/12—(9/56).
Shree Krishna Gyanoday—Rs. 7/69—7/69—7/56—7/56—(7/75).

TEAS

Baghmari—Rs. 11/06—11/12—11/00—11/00—(14/00).
Belgachi—Rs. 22/00—22/00—22/00—22/00—(22/50).
Baitakhal—Rs. 7/69—7/75—7/69—7/75—(6/87).
Bhatkawa—Rs. 15/87—16/00—15/87—16/00—(16/56).
Bor Pukhuri—Rs 9/87—10/00—9/87—10/00—(10/75).
Brooke Bond—Rs. 10/62—10/62—10/62—10/62.
Chundeecherra—Rs. 30/00 S.T.—30/00—30/00—30/00—(26/00).
Daurachera—Rs. 16/50—16/50—16/50—16/50—(7/56).
Dhunseri—Rs. 9/56—9/56—9/56—9/56—(12/06).
Hanuman—Rs. 10/06—10/12—10/06—10/12
Krishnabehari—Rs. 11/00—11/30—11/00—11/30 x.d.—(10/50).
Lackatoorah—Rs. 15/25—15/37—15/25—15/37.
Methoni—Rs. 13/37—13/37—13/25—13/25—(16/19).
Mim—Rs. 412/00—412/00—412/00—412/00—(191/50).
Patrakola—Rs. 230/00—254/00—230/00—254/00—(120/00).
Sungma—Rs. 13/62—13/62—13/50—13/56—(13/87)

DEBENTURE

6¼% Indian Aluminium—Rs. 100/00—100/50—100/00—100/50.

London

JUNE TRADE FIGURES RESTRICT ACTIVITY

ROLLS RAZOR SHARES CRASH

London, 22nd July.

HOLDING quiet but firm during the early part of the period, the stock market took a distinct turn for the worse following the June overseas trade figures which came as a rude shock. On top of this came the news that Mr. John Bloom's Rolls Razor Company is to liquidate and this further upset sentiment. The disappointing trade figures raised fears of a rise in Bank rate and/or other restrictive economic measures. Certainly no appreciable amount of selling developed, but buyers were holding off. The slump in Rolls Razor and English and Overseas Investments (which has a large holding of Rolls) provided the features of the week. Rolls plunged from 9s 6d to 1s 10½d and E and O from 10s 9d to 4s 3d. Gilts fell sharply on fears of a Bank rate increase and losses extended to nearly a point. Leading industrials moved up to start with, but turned off with the rest of the market following the trade figures and were widely lower on balance. Falls, however, were not large. Steels rallied after losing ground on the trade figures. Insurance shares lost some ground. Banks held up quiet well, but H.P. shares receded on fears of an increase in Bank rate. Properties held their recent gains. Greek bonds reacted after their improvement which followed the debt settlement offer. Dollar stocks moved up in response to Wall Street. Gold shares made a satisfactory showing, but business was very small. Coppers by contrast eased on further consideration of the Northern Rhodesian tax changes. Tins eased after early firmness. Oils moved within narrow limits, but rubbers and teas were well maintained.

RESERVE BANK

ISSUE DEPARTMENT

(In 000's of Rupees)	17-7-64	10-7-64	19-7-63
Liabilities—			
Notes in Banking Dept.	17,97,15	11,52,02	19,22,97
Notes in Circulation	24,78,87,13	25,07,98,16	22,37,58,20
Total Notes issued	24,96,84,28	25,19,50,18	22,56,81,17
Assets—			
A. Gold Coin and Bullion	1,17,76,10	1,17,76,10	1,17,76,10
Foreign Securities	89,45,69	89,45,69	95,26,14
Total of A	2,07,21,79	2,07,21,79	2,13,02,24
B Rupee Coin	1,03,18,28	1,01,05,80	1,17,48,34
Rupee Securities	21,86,44,21	22,11,22,59	19,26,30,59
Total	24,96,84,28	25,19,50,18	22,56,81,17

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long Term Operations) Fund	*86,00,00*	*86,00,00*	*73,00,00*
National Agricultural Credit (Stabilisation) Fund	9,00,00	9,00,00	8,00,00
National Industrial Credit (Long Term Operations) Fund	*10,00,00*	*10,00,00*	...
Deposits—			
(a) 1 Central Govt.	53,73,63	53,42,04	54,95,38
2. State Govts.	18,45,08	19,78,98	15,82,48
(b) Banks :—			
(i) Scheduled Banks	1,04,17,34	1,06,77,35	1,09,51,25
(ii) State Co-operative Banks	5,91,03	6,65,45	2,51,55
(iii) Other Banks	1,21	4,03	4,15
(c) Others	1,90,28,65	1,89,54,62	2,07,04,62
Bills Payable	32,58,27	37,93,79	31,18,29
Other Liabilities	20,48,74	19,19,63	17,39,75
Total	6,15,61,95	6,23,55,89	6,04,47,47
Assets—			
Notes	17,97,15	11,52,02	19,22,97
Rupee Coin	3,87	2,94	2,28
Small Coin	4,00	3,65	2,43
National Agricultural Credit (Long Term Operations) Fund			
(a) Loans and Advances to :—			
(i) State Govts.	28,30,29	28,30,51	27,16,75
(ii) State Co-operative Banks	*12,86,34*	*12,91,91*	*10,52,60*
(iii) Central Land Mortgage Banks	...	...	...
(b) Investment in Central Land Mortgage Bank Debentures	4,34,62	4,10,84	3,50,57
National Agricultural Credit (Stabilisation) Fund			
Loans and Advances to State Co-operative Banks	...	...	...
Bills Purchased and Discounted :—			
(a) Internal	...	...	...
(b) External	...	...	...
(c) Govt Treasury Bills	...	...	...
Balances Held abroad	86,86,75	43,51,51	55,51,47
Loans and Advances to Govt.	6,00,48	7,98,90	6,28,59
Loans and Advances to :—	21,12,00	25,86,00	23,66,82
(i) Scheduled Banks	85,70	47,70	47,10
(ii) State Co-operative Banks	1,44,87,47	1,45,30,00	1,11,07,46
(iii) Others	1,97,70	1,88,45	1,43,80
Investments	2,59,02,82	3,02,29,65	3,18,16,56
Other Assets	31,32,76	37,32,01	27,38,07
Total	6,15,61,95	6,23,55,89	6,04,47,47

SCHEDULED BANKS

(In 000's of Rupees)	Week Ended		
	10-7-64	3-7-64	12-7-63
(i) Demand Liabilities—			
(a) Demand Deposits :			
(1) From Banks	68,62,35	71,63,04	54,84,43
(2) From others	10,98,33,75	10,98,31,74	9,09,59,79
(b) Borrowing from Banks	40,58,42	47,22,33	27,59,55
(c) Other	67,42,88	64,59,29	59,57,01
(ii) Time Liabilities—			
(a) Time Deposits :			
(1) From Banks	44,76,48	43,47,78	38,01,77
(2) From others	13,07,23,00	12,96,86,19	12,44,84,64
(b) Borrowing from Banks	19,73,25	20,56,76	21,34,76
(c) Others	12,12,67	12,46,49	10,76,17
(iii) Borrowing from State Bank—			
(a) Demand Liabilities	8,24,72	7,30,70	5,16,57
(b) Time Liabilities	12,94,00	12,75,00	13,00,50
(iv) Borrowing from Reserve Bank	45,45	22,47	1,57,40
(v) Cash	61,05,63	68,26,23	53,46,05
(vi) Balances with the Reserve Bank	1,04,86,15	91,50,06	87,20,43
(vii) Balances with other Banks in current account	21,58,28	22,83,13	20,42,26
(viii) Money at call and short notice	68,04,57	72,30,95	58,47,40
(ix) Investments in Central and State Govt. Securities	6,75,52,92	6,74,47,29	6,91,02,91
(x) (a. Loans, Cash Credits and Overdrafts	15,37,40,94	15,44,37,65	13,05,94,86
(b) Due from Banks	8,73,62	9,82,10	8,95,22
(xi) Inland Bills purchased and discounted	1,67,03,02	1,70,99,59	1,58,32,70
(xii) Foreign Bills purchased and discounted	62,91,92	64,81,38	51,50,75
(xiii) Total of X, XI and XII	17,76,09,50	17,90,00,72	15,22,73,53

Products of :—
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Agents—
THE ORIENTAL MERCANTILE CO., LTD.
Calcutta, Bombay, Kanpur, Delhi, Madras.

THE CALCUTTA MONEY MARKET

CALL RATE DECLINES SHARPLY

Wednesday, 22nd July.

THERE has been a fair decrease in the general level of advances in the Calcutta money market during the past week. This is due to a slight decline in the credit given to cotton mills, jute factories and the sugar industry. Miscellaneous advances too have fallen slightly. But the requirements of the iron, steel and engineering units and the foodgrains trade have remained more or less unchanged. In the interbank market, conditions have become very easy after the Central loans closed, and the call rate has slumped from 5¼ percent to ½ percent.

The exchange market has been moderately active, with a fair supply of tea and gunny bills. The demand for remittances is moderate. In London, sterling has suffered further losses against all important currencies because of the adverse foreign trade figures for June.

BULLION WAS STEADY IN CALCUTTA during the past week due to a rise in the upcountry offtake. The price of silver rose from the previous week's level of Rs. 245.75 to Rs. 248.75, quoted today. The London and New York prices stood at 111⅞d and 129.3 cents.

In sympathy with the rise in silver, gold was also steady and the price of 14-carat increased from Rs. 71 to Rs. 72.25.

DURING THE WEEK ENDED 17TH JULY, Government of India Treasury bills for Rs. 194.02.75,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-day Government of India Treasury bills were opened on 21st July. The total amount offered was Rs. 7,58,00,000. Tenders at Rs. 99.400 percent were allotted 57 percent approximately. Lower tenders were rejected. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.400 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 27th July.

IT IS STATED THAT 91-DAY Intermediate Treasury bills will be sold from 22nd July to 25th July at Rs. 99.416 percent. Sales can be stopped at any time without notice if the Government thinks it necessary.

DECLINES OF RS. 29.11 CRORES TO Rs. 2,478.87 crores in active notes and of Rs. 24.79 crores to Rs. 2,186.44 crores in the total note issue were notable features of the return of the Reserve Bank of India for the week ended 17th July, 1964. The currency contraction was covered by reducing rupee securities by Rs. 22.66 crores to Rs. 2,186.44 crores. Deposits of the Government of India were Rs. 32 lakhs larger at Rs. 53.74 crores while those of State Governments dropped by Rs. 1.34 crores to Rs. 18.45 crores. Balances of scheduled banks at Rs. 104.17 crores showed a decline of Rs. 2.60 crores. Balances held abroad dropped by Rs. 1.99 crores to Rs. 6 crores. Investments at Rs. 259.03 crores showed a drop of Rs. 43.27 crores. Loans given to scheduled banks rose from Rs. 47.70 crores to Rs. 85.70 crores, of which advances against usance bills amounted to Rs. 35 lakhs (nil). Ways and means advances stood at Rs. 21.12 crores, against Rs. 25.86 crores.

THE STATEMENT OF THE POSITION of scheduled banks for the week ended 10th July, 1964, shows Demand and Time liabilities at Rs. 1,274.97 crores (Rs. 40.58 crores on account of borrowings from banks) and Rs. 1,383.85 crores (Rs. 19.73 crores), compared with Rs. 1,281.76 crores (Rs. 47.22 crores) and Rs. 1,373.37 crores (Rs. 20.57 crores), respectively, in the previous week. Cash has declined by Rs. 7.20 crores to Rs. 61.06 crores, while balances with the Reserve Bank have increased by Rs. 13.36 crores to Rs. 104.86 crores. There is a rise of Rs. 1.06 crores to Rs. 675.53 crores in investments. Advances and bills discounted at Rs. 1,776.10 crores, show a fall of Rs. 13.91 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 6.2 percent and 66.8 percent, against 6 percent and 67.4 percent.

THE RETURN OF THE STATE BANK of India for the week ended 10th July, 1964, shows a rise of Rs. 7.47 crores to Rs. 643.54 crores in total deposits. Investments in Government securities are down by Rs. 4 crores to Rs. 242.84 crores, while other authorised investments remain unchanged at Rs. 9.44 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have declined by Rs. 4.34 crores to Rs. 356.99 crores. Cash and balances are, in consequence, shown at Rs. 26.52 crores or Rs. 8.88 crores higher.

THE HONGKONG AND SHANGHAI BANKing Corporation has declared an interim dividend of 5s a share on its paid-up capital of 3,161,845 shares of £4,940,383. This interim dividend is a distribution of £790,461 and is the same as that declared in July 1963.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 24-7-64

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
24-7-64	27-10-64	2,00.00	Rs 2.400%
10-7-64	13-10-64	2,00.00	Rs 2.500%
3-7-64	6-10-64	2,00.00	Rs 2.994%
26-6-64	29-9-64	2,00.00	Rs 2.993%
19-6-64	22-9-64	2,00.00	Rs 3.000%
12-6-64	15-9-64	2,00.00	Rs 3.000%
5-6-64	8-9-64	2,00.00	Rs 3.000%
29-5-64	1-9-64	2,00.00	Rs 3.000%
22-5-64	25-8-64	2,00.00	Rs 3.000%
15-5-64	18-8-64	2,00.00	Rs 3.000%
8-5-64	11-8-64	2,00.00	Rs 3.000%
1-5-64	4-8-64	2,00.00	Rs 3.000%
24-4-64	27-7-64	2,00.00	Rs 3.000%

(Monthly Maturities (000's omitted))

July, 1964	2,00.00
August, 1964	8,00.00
September, 1964	10,00.00
October, 1964	6,00.00
Total	26,00.00

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
17-7-64	90,19.87	1,25.62
10-7-64	90,10.71	1,12.94
3-7-64	96,26.87	1,16.58
26-6-64	99,81.48	1,25.36

FOREIGN COLLABORATION FOR INDIAN VENTURES

By P. K. Srivastava

Foreign investors, who are interested in setting up joint ventures in India, have to contend with a lot of official formalities. The Government departments take a long time to dispose of applications. There should be more co-ordination between the Central, State and local authorities if the progress of joint ventures is to be accelerated.

THE establishment of more than 1,500 foreign collaboration, joint ventures indicates a new trend in the industrial pattern in India during the last decade. These joint ventures have been set up to provide foreign capital and technical know-how. The agreements with foreign entrepreneurs are for either technical or financial collaboration or a combination of both. Foreign collaboration ventures have been mainly started in the fields of engineering, machinery, chemicals and pharmaceuticals, electrical goods industries, etcetera. But the actual working of ventures with foreign collaboration has shown that they have to face many difficulties in the initial stages as well as afterwards.

Some of these problems and difficulties are responsible for the tardy response of foreign investors in setting up new projects. For example, 428 and 425 proposals were approved in 1960-61 and 1961-62, but the number dropped to 250 in 1962-63. Some of the problems of foreign collaboration ventures are as follows:

Too Many Formalities

The Central Government's approval and other formalities: Every undertaking to be started with foreign collaboration has to take a licence from the Central Government—a very cumbersome and lengthy process of red tape. In the majority of cases, the Government takes eight to ten months to approve a case of collaboration.

Government approval is also needed for many other things. For example, (a) control of capital issues requires that permission from the Controller of Capital Issues be obtained for the issue of shares to the public. (b) Under exchange control regulations, permsision from the Reserve Bank has to be obtained for all foreign exchange requirements. (c) As for the import of machinery and raw materials, etcetera, a licence has to be obtained from the Central Ministry of Industry for importing them.

Government officials, not wholly conversant with the requirements of industry, are unable to take a realistic view of the demands and difficulties of manufacturers. There have always been long delays in the disposal of applications and one has to fill in innumerable forms. So the managerial personnel have to devote a major part of their valuable time on wasteful correspondence.

If a plant has to be purchased from a foreign collaborator, the Indian collaborator has to be reasonably certain that before he parts with some of the information, there is some chance of the scheme getting through. Some time the foreign seller of technical know-how will not even negotiate unless the foreign exchange is made available and the Government approval is obtained. Furthermore, the agencies that help to get exchange will naturally not be interested till full details of the project, its profitability, etcetera, are ascertained. The whole project, therefore, hangs on with a big question mark for a long time. This has an unsettling effect on the planning of a project.

Formalities of the State Governments and local bodies: After the Central Government come the State Governments and local authorities—the State and the city where the undertaking is to be set up. The project needs land and electric power, etcetera, so the entrepreneurs have to approach these authorities. Plants cannot start production for some time or they cannot use their full production capacity because of the power shortage. Even after a project has been approved by the Central Government, the State or local authorities are unable to supply power at the last moment when the factory has been set up and machinery installed. All this is due to the lack of co-ordination between the approving authorities at the Centre and the State and local authorities which sanction power and other facilities.

Import Restrictions

Maintenance imports of raw material and spare parts: Another difficulty is in the import of raw material and spare parts of foreign machinery for replacement, etcetera, which are not available in India. These have to be imported every year. But because of the foreign exchange shortage, the Government does not issue import licences in some years which leads to the stoppage of production in some units and the use of restricted production capacity in others. A shortage of foreign exchange for maintenance imports has led to less than capacity production in such essential items as machine tools, industrial machinery, basic electrical equipment, structural fabrication, pipes and tubes, electrodes, etcetera.

The National Council of Applied Economic Research has recently suggested in a study that larger maintenance imports should be allowed for a faster growth of the Indian economy. The Council thinks that along with the issue of licences for putting up new plants, there should be provision to build capacity for the manufacture of essential parts, components and equipment for replacement. According to the Council, provision for the manufacture of components and accessories should be part of one project. It has left it to the Government to decide whether the same firm should be entrusted with the entire job or whether the main project and the accessories should be allocated to different units.

The annual output of some foreign collaboration ventures is small. Because of import restrictions, they are unable to expand their production capacity by importing additional plant and machinery. This is the reason why the articles manufactured in joint ventures in India are costly than those made by joint ventures in other countries in collaboration with the same firm because of the large volume of output in those countries. Many products can be manufactured at a lower cost in India if the volume of output is increased. For example, jeeps manufactured by Messrs Mahindra and Mahindra in India can be manufactured at a lower cost if the volume of production is raised. South American countries are manufacturing jeeps at a lower cost because of the increased volume of output.

Export Guarantee

Another problem of the foreign collaboration ventures is the special emphasis on the export of the articles manufactured. Unfortunately, due to the urge to achieve quick results, attempts are being made to force manufacturers to export without considering the state of overseas demand or their capacity to produce the goods at competitive prices. The levy of excise duty on materials and components used in the manufacture of some articles (*e.g.*, radio receivers and components) make the costs too prohibitive. But industrial licences are withheld unless the company concerned guarantees to export a certain percentage of the output of the new unit. Such guarantees are, however, difficult to give unless the manufacturer is prepared to export at a loss.

It is here that a hard choice must sometimes be made to sacrifice exports until such time as essential domestic needs have been met. There seems to be no point in exporting the goods of joint ventures manufacturing engineering, machinery, chemical products, etcetera, if the same products must have to be imported to make up for the deficiency at home. An example of this type of insistence is the pressure to export welding electrodes, which are now in short supply. The shortage, as is well known, is slowing down steel fabrication and construction work all throughout the country. Yet there is pressure on electrode manufacturers to export while, at the same time, large sums of foreign exchange are being spent to import finished electrodes. Some quantities have also been diverted to meet defence requirements.*

The export policy should be a long range one with more emphasis on incentives and less on compulsion. The views of German collaborators may be cited in this context: "As long as it was only a question of producing in India for consumption in that country, the inducement to go there was considerable for German

**Industrial and Engineering Annual, 1963, p. 63.*

NEPAL BANK LIMITED

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Liabilities

	1963 Rs.	April 12, 1962 Rs.
Capital	2,500	2,500
Reserves	7,032	6,656
Deposits	94,503	80,382
Other Liabilities	5,954	3,198
Contra A/cs.	10,940	7,958
Profit & Loss	699	790
	1,21,628	1,01,484

Assets

	1963 Rs.	April 12, 1962 Rs.
Cash	33,993	27,992
Investment	160	120
Loan & Discts.	74,069	63,006
Contra A/cs.	10,940	7,958
Other assets	2,466	2,408
	1,21,628	1,01,484

entrepreneurs, who through lack of import licences, were losing their Indian market. Now since the Government of India has begun to insist on the export of such jointly manufactured goods, even in preference to home demand, German manufacturers sometimes begin to hesitate as none of them desires to resign from their last remaining markets abroad. After all, they have a factory at home with labourers whom they have to provide with work. If their export trade goes to pieces, it will help them very little to earn some dividends from India or anywhere else. They are manufacturers and sellers in the first place. They want to see the wheels in their own factory at home turning and do not go after income which is largely unearned.'

Many foreign collaboration projects fail to materialise because of the Government's insistence that the product of the joint enterprise should be freely exported without any waiting period. In many cases, this condition is impracticable, since it may take several years for the quality of the new products to come up to the standards required for successful export promotion.

The result is that many useful projects which would generate income and employment within the country (and possibly save imports) are being sacrificed on the altar of compulsory exports. The correct solution here would seem to be to persuade the foreign collaborator, wherever possible, to agree to a limited export franchise. When the agreement expires, unrestricted exports would then be possible. It seems that most foreign collaborators would be quite prepared to enter into agreements on these terms for five, seven or ten years.

Curbs on Foreign Travels

Restriction on foreign travel: Restriction on foreign travel has also created difficulties for Indian business men having a tie up with foregn collaboration ventures. Indian collaborators are often required to visit foreign countries for discussion and consultations with foreign collaborators on important business matters, or to seek export possibilities and business contacts in other countries. This restriction, imposed mainly because of the scarcity of foreign exchange, often becomes a source of loss to the joint venture undertaking. However, the Government has recently removed some of the restrictions on foreign travel by business men.

Transport and communication and technical personnel: While more and more factories and plants are being set up with foreign collaboration, the country appears to have taken it for granted that once capacity is set up, it automatically gets fully utilised. In fact, for various reasons such as the shortage of power and other ancillary facilities in some places, lack of adequate supervisory and skilled workers and inadequate selling effort, the country is not using its resources to the maximum. This is a waste of capital resources which a poor economy like India's can hardly afford. During the period February to June 1961, only because of the transport and power shortages, the engineering industry was estimated to have suffered production losses in some cases of as much as 40 percent, and in the Calcutta industrial area alone, the loss probably amounted to as much as 10 percent.[2]

Standards and Designs

The Indian Standards Institution and the National Productivity Council are no doubt making an endeavour at the standardisation of products, but in the present stage of the development of the engineering industries, this problem will continue to remain for quite some time. The slow growth of ancillary industries due to the foreign exchange shortage and the multiplicity of standards has led to the lack of balance between the main and ancillary industries.[3]

Language, cultural and business practice differences: Foreign collaboration is easiest with English collaborators, because of India's long association with the English people. Indian entrepreneurs—collaborating with entrepreneurs of other countries—are experiencing difficulties in initial stages because of the difficulty in supplying background information about Indian conditions and policy. These difficulties arise because of differences in language, culture, way of living and doing things, the Government's policy and attitudes, nature and temperament, etcetera. Foreign collaborators also want more incentives and concessions in taxation, in addition to the double taxation agreement and investment guarantee agreement between the Government of India and the Government of their country.



[1] *Indo-German Chamber of Commerce Annual Report, 1961-62, p. 28.*

[2] *Contribution of Private Sector Industries during the Plans,* F.I.C.C.I. January 1964, *p. 28-29.*

[3] *Industrial and Engineering Annual, 1963, p. 52.*

TEXTILE PLANT FOR INDIA

The Midland Bank in London has agreed with the State Trading Corporation of India to finance a £6,500,000 contract for the supply of textile spinning machinery. The equipment will be made by Platt Brothers of Oldham. The contract is covered by a financial guarantee issued by the British Export Credits Guarantee Department. The loan, repayable over 12 years, is being made jointly by Midland Bank and Insurance Export Finance Company. The Indian State Trading Corporation represents a consortium of 17 Indian textile mills. Successful conclusion of this major project follows several months' negotiations. The Midland Bank is already concerned in other major projects of this type. Several more are stated to be under negotiation.

New Delhi

RAPID EXPANSION OF SHIPPING UNDER FOURTH PLAN URGED

(FROM OUR NEW DELHI CORRESPONDENT)

THE experts of the Planning Commission have suggested that the broad aim of developing shipping during the fourth and the fifth plan periods should be to secure under the Indian flag at least 50 percent of the country's overseas liner and bulk carrier trade and about 30 percent of the tramp trade. The share of Indian shipping in the overseas liner trade is at present 30 percent to 35 percent and in the bulk carrier and tramp trade 3 percent to 4 percent. As for oil cargoes, the Commission has suggested that the aim should be to have about two-thirds of this trade for Indian shipping.

To achieve these objectives, it is estimated that the country will need by 1975-76, a fleet of about 5 million g.r.t., of which overseas shipping will account for 4.5 million g.r.t. It has been recommended that the total shipping capacity in operation at the end of the fourth plan period should be around 3 million g.r.t., with orders amounting to 500,000 g.r.t. placed during the fourth plan period for completion in the early years of the fifth plan.

India's total tonnage is at present around 1.32 million g.r.t.—347,000 g.r.t. of coastal tonnage and 925,000 g.r.t. of overseas tonnage. By the end of the current plan period, it is hoped that the tonnage would go up to 1.47 million g.r.t.—338,000 g.r.t. coastal and 1.13 million g.r.t. overseas. A number of new ships have also been ordered. When these ships are received, the tonnage of Indian ships engaged in the coastal trade will go up to 439,000 g.r.t. and that of ships engaged in the overseas trade to 1.96 million g.r.t., making a total of 2.5 million g.r.t.

Of the additional ships needed for the fourth plan, tonnage to the tune of 400,000 g.r.t. may become available from indigenous production. The balance will have to be obtained from abroad. The total financial outlay involved is expected to be around Rs. 150 crores—about Rs. 35 crores for commitments during the third plan, nearly Rs. 75 crores for the cost of ships to be built in India and about Rs. 40 crores against payments during the fourth plan period for orders placed on a deferred payment basis, amounting in all to about Rs. 100 crores.

Need for Flexibility

Three other points have also been suggested for drawing up the development programmes for Indian shipping during the fourth plan. One of these is that there should be sufficient flexibility and readiness to take advantage of favourable turns in the world shipping situation and the availability of credits. The second is that while there will have to be some expansion in liners, the main directions in which accelerated growth should be assured are bulk carriers, tramps and tankers. The third point suggested is that the share of the public sector in Indian shipping, expected to go up from 16 percent in 1961 to 22 percent at the end of the third plan and about 30 percent when the orders already placed materialise, should be increased to about 40 percent by 1970-71 and 50 percent by 1975-76. This would require adding to the shipping capacity in the public sector nearly 700,000 g.r.t. in the fourth plan period and about 1.5 million g.r.t. in the course of the fifth plan.

Foreign exchange earnings from Indian ships are reckoned at about Rs. 11 crores in 1960-61. These will increase to about Rs. 20 crores in 1965-66 and to about Rs. 60 crores by the end of the fourth plan.

STEEL

Manufacture of Rolling Mills

With a view to promoting the manufacture of steelworks equipment within the country, the Central Ministry of Steel, it is understood, is thinking in terms of taking out licences from reputed manufacturers of rolling mills in foreign countries. Negotiations are said to be already going on with a firm in the United States.

The indigenous manufacture of rolling mills is considered essential in view of the necessity to develop the steel industry rapidly and the difficulties being encountered in raising enough foreig exchange resources for setting up new steel plants. More than half of the foreign exchange component of putting up a steel plant, it is stated, is accounted for by rolling mills.

WEST GERMANY

Investment Guarantee Pact

A good deal of progress, it is understood, has been achieved in relation to the signing of an investment guarantee agreement with West Germany. Bonn is said to have accepted New Delhi's stand that only investors guaranteed by the West German Government should have a right under this agreement to question the amount of compensation to be paid by India in the event of nationalisation. But this right would be exercised by them through their Government which would be entitled to take up the matter with the Government of India.

One hurdle, however, still remains to be crossed. It is the plea of West Germany that the compensation should be at the prevailing market value of the assets. The Government of India's stand is that the compensation payable would be calculated on the same basis as provided in the case of American investments under the investment guarantee pact with the United States. The differences over this issue are expected to be resolved soon.

JUTE GOODS

Quality Control on Exports

The Government of India has decided to introduce with effect from 1st December, 1964, compulsory I.S.I. certification marking on jute goods meant for export. The Director of Quality Control, Central Ministry of Commerce, had discussions recently with the Indian Jute Mills Association on this matter. During these talks, he urged the jute industry to prepare for the introduction of compulsory quality control on jute exports accoring to the following schedule:

(1) Date by which orders should be placed by the mills for testing equipment to be imported from abroad—30th June, 1964.

(2) Date by which mills must obtain locally available testing equipment—31st August, 1964.

(3) Date by which recruitment of quality control staff is to be completed by mills—31st August, 1964.

(4) Date by which the training of quality control mill staff is to be completed—30th November, 1964.

(5) Date by which testing equipment should be installed in the mills—30th November, 1964.

The Indian Jute Mills Quality Control Inspection Council (I.J.M. Q.C.I.C.), which has been set up by the I.J.M.A. for the enforcement of voluntary quality control on jute manufactures meant for export, is likely to be declared as the competent authority under the I.S.I. Certification Marks Act. The Council will thus carry out necessary quality control and supervise the I.S.I. certification marking on jute goods export.

The Government appreciates that the measures which will have to be taken for implementing quality control and pre-shipment inspection under the I.S.I. Certification Marks Act, will, to begin with, involve an additional financial burden on the jute mills. But experience, it is said, has shown that such expenditure will be more than offset by the improvment in quality, resulting in fewer rejections and other technical benefits. The Government of India, will however, be prepared to consider a matching grant for the expenditure incurred by the Council on behalf of the industry.

COTTON MILLS

Raising Working Hours

The proposal of the Central Ministry of Commerce to increase the working hours in the cotton mill industry from 48 to 54 a week may not be accepted at the Indian Labour Conference to be held in Bangalore on 29th and 30th July. The Central Labour Ministry, it is understood, has expressed the view that the step might evoke adverse comments by the International Labour Organisation. In a communication to the Central Ministry of Commerce, the Labour Ministry is reported to have pointed out that although India has ratified the I.L.O. Convention providing for a 60-hour week and the increase of the working hours from 8 to 9 a day in the textile industry would be within this limit, the I.L.O. is aware that the Indian Factories Act prescribes a 48-hour week. Relaxations from the relevant section of the Act can be made during the emergency in relation to factories producing defence requirements and essential supplies. But any prolonged exemption from this section, it is feared, may not be considered in order by the I.L.O.

The Labour Ministry is, however, reported to be of the view that the staggering of the weekly holiday in the textile industry, as suggested by the Central Commerce Ministry, is possible and can be implemented in consultation with employers and workers.

The Central Ministry of Commerce had put forth these two proposals with a view to increasing cloth production in the country in the immediate future for checking the rise in cloth prices. It was felt that by staggering the weekly holiday and increasing the working period in the textile industry from 48 to 54 hours in a week would help raise cloth output by about 16 percent.

As a preliminary step towards introducing partial control on cloth, as recommended by the Cotton Textiles Consultative Board, the Textile Commissioner, it is learnt, has issued instructions to cotton mills that they should not introduce any new varieties of cloth during the next three months.

Representatives of textile mills, wholesale dealers and associations of retailers have been invited for talks with the Secretary to the Central Ministry of Commerce, Mr. D. S. Joshi, on matters relating to the distribution of cloth.

RICE

Imports Planned

The Central Government, it is understood, has decided to import nearly half a million tonnes of rice to check the rising prices. This will be in addition to nearly 200,000 tons expected from the United States under P.L. 480.

An agreement has already been signed with Pakistan for the import of Kangari and Joshi rice to the value of Rs. 3.65 crores, against exports of coal, railway equipment, spices, biri leaves, umbrella fittings, etcetera. Although the quality of rice to be imported from Pakistan under this deal has not been specified, it is learnt that only about 60,000 tonnes can be purchased with the Rs. 3.65-crore amount. This falls short of the earlier expectations of importing 100,000 tonnes of rice from Pakistan. The balance of 40,000 tonnes, it is understood, could not be arranced because of India's inability to supply to Pakistan such commodities as cement and steel. Pakistan will supply rice to India in the next six months. Her purchases from India can take place in the course of the next one year.

Another protocol has also been signed with Pakistan. Under it, India and Pakistan will exchange during the next 12 months fresh fruits to the value of Rs. 50 lakhs each way.

SUGAR

Co-operative Factory in Bihar

The Government of India has approved the setting up of a co-operative sugar factory in Banmunkhi, in Purnea district of Bihar. The project is expected to cost nearly Rs. 1.4 crores. A sum of Rs. 90 lakhs is likely to be provided by the Industrial Finance Corporation of India. The rest of the investment will be made available by the State Government, co-operative institutions and canegrowers. The factory is likely to be commissioned in 1965-66.

There is no sugar factory in this area at present. The Semapore factory, which was there earlier, was shifted to another State about 20 years ago. It is hoped that the establishment of the new co-operative venture will reintroduce the valuable sugarcane crop in this region. The main cash crop of the area is jute.

EDUCATION

New Commission Set Up

The Government of India has announced the appointment of a 16-

member *Education Commission to survey the entire field of educational development* and to have a comprehensive review of the country's education system. The Commission will advise the Government on the national pattern of education and on the general principles and policies to be followed for the development of education at all stages and in all its aspects.

The Commission will consist of Dr. D. S. Kothari, chairman of the University Grants Commission, New Delhi; Mr. A. R. Dawood, General Secretary, Anjuman-i-Islam, Bombay; Mr. H. L. Elvin, Director, Institute of Education, University of London, London; Mr. R. A. Gopalaswami, Director of the Institute of Applied Manpower Research, New Delhi; Dr. V. S. Jha, former Director of the Commonwealth Education Liaison Unit in London; Mr. P. N. Kirpal, Educational Adviser to the Government of India, New Delhi; Professor M. V. Mathur, Professor of Economics and Public Administration, University of Rajasthan, Jaipur; Dr. B. P. Pal, Director, Indian Agricultural Research Institute, New Delhi; Kumari S. Panandikar, Head of the Department of Education, Karnatak University, Dharwar; Professor Roger Revelle, Dean of Research, University of California, U.S.A.; Mr. K. G. Saiyuddin, former Educational Adviser to the Government of India, New Delhi; Dr. T. Sen, Rector, Jadavpur University, Calcutta; Mr. Jean Thomas, Inspector General of Education, France and formerly Assistant Director General of U.N.E.S.C.O.; Mr. J. P. Naik, Head of the Department of Educational Planning, Administration and Finance, Gokhale Institute of Politics and Economics, Poona; and two other members to be appointed in consultation with U.N.E.S.C.O.

Four consultants are also proposed to be associated with the Commission. They are: Sir Eric Ashby, Master, Clare College, Cambridge; Professor P. M. S. Blackett, Professor of Physics, Imperial College of Science and Technology, London; Sir Willis Jackson, Professor of Electrical Engineering, Imperial College of Science and Technology, London; and Professor Fredrick Seitz, president, United States National Academy of Sciences, Washington.

Some more foreign consultants may be associated with the Commission later on. Dr. Kothari has been appointed the chairman of the Commission and Mr. J. P. Naik as its member-secretary.

The Commission is expected to submit its report by the end of March 1966. It will, however, be making some interim reports from time to time, whenever certain programmes are to be implemented immediately.

EXPORTS

Fall in May

The last two years' upward trend in India's export earnings appears to have been halted. *Exports in May* last at Rs. 64.1 crores showed a decline of Rs. 44 lakhs from Rs. 64.5 crores in May 1963.

Commoditywise, the main fall in *export earnings in May 1964*, compared with the corresponding month in 1963, was witnessed in the case of sugar, tea, jute goods and vegetable oil exports. Export earnings from sugar went down by Rs. 2.4 crores, tea by Rs. 1.9 crores, jute goods by Rs. 1.1 crores and from vegetable oils by Rs. 1 crore. The decline in receipts from sugar, tea and vegetable oil exports is attributed to current shortages and congestion at the ports. Export earnings from jute goods are said to have gone down due to severe competition from Pakistan which resulted in lower prices. It is, however, hoped that early improvement of the position at the ports and the efforts being made to push up exports in general will enable export receipts to look up again in the near future.

SOYABEAN OIL

Imports from the U.S.A.

A small delegation headed by a Central Commerce Ministry official and including representatives of the *vanaspati* and soap manufacturing industries will be leaving shortly for the United States for finalising imports of 100,000 tonnes of soyabean oil for the *vanaspati* industry and 50,000 tonnes of tallow for the detergent and soap industry under the U.S. Public Law 480.

The negotiations for these imports were initiated by the Central Commerce Minister, Mr. Manubhai Shah, and the Secretary to the Central Ministry of Food and Agriculture, Mr. V. Shankar, during their recent visits to Washington. The response of the U.S. Administration to India's request for these imports is reported to be favourable. The U.S. Embassy here is said to be currently processing this request further for formally forwarding it to Washington.

In view of the recent spurt in vegetable oil prices and products, the Government of India has imposed restrictions on the export of coconut oil, cottonseed oil, groundnut oil, kardiseed oil, mustardseed oil, rapeseed oil, salad oil and sesamum oil. The restrictions cover exports of both crude and refined varieties of these oils as well as the products in the manufacture of which these oils are used.

Explaining the restrictions, an official of the Central Ministry of Commerce has stated that no exports of these oils and products are to be allowed for some time. The situation will be reviewed again when the prices of edible oils come down.

U. S. A.

Loans and Grants Announced

Another batch of loans and grants totalling Rs. 78.4 crores has been made available to India by the United States under P.L. 480. Agreements for these loans and grants were signed here on 10th July, coinciding with the tenth anniversary of the U.S. Food for Peace Programme.

Under the new agreements, the Refinance Corporation for Industry will receive a credit of Rs. 10 crores and five irrigation and power projects—Nagarjunasagar, Kosi, Tungabhadra, Mahanadi and Koyana—will get a loan of Rs. 18.6 crores. The new grants made available include Rs. 16.3 crores for the malaria eradication programme, Rs. 2 crores for the training of teachers for medical colleges, Rs. 2.6 crores for soil and water conservation, Rs. 18.4 crores for craftsmen's training, Rs. 2.8 crores for setting up primary health centres and Rs. 7.7 crores for small-pox eradication.

BOKARO

Land Offered for Plant

About 7,500 acres of land have been handed over by the Bihar Government to the Bokaro Steel Ltd for the construction of the plant. In all, about 36,000 acres of land will be required for the plant, township and administrative offices. The State Government is going ahead with the acquisition of the remaining land required by the Bokaro Steel Ltd.

The Bokaro plant will be located east of the Muri-Chandrapura railway line. It will be bounded on the north by the Damodar river and on the east by the Garga Nadi.

The Bokaro Steel Ltd has already placed orders for the construction of about 1,000 permanent houses for its staff. Plans are also ready for the construction of a permanent office, shopping centres and schools.

Adequate basic amenities are expected to be available by the second half of 1965 to permit the headquarters of the Company, now temporarily located in Calcutta, to be shifted to the construction site in Bokaro.

COAL MINES

Ropeways being Built

More than 60 miles of aerial ropeways are being built in the Raniganj-Jharia coalfields to ensure adequate sand-stowing for the preservation of coal reserves.

Six aerial ropeways, three in the Jharia field and three in the Raniganj field, are being erected by the Coal Board for carrying sand from the Damodar and Ajoy rivers to the collieries in this coal belt. All the ropeways will be commissioned by the end of the current plan period.

Work on the 16-mile-long ropeway is expected to be formally commissioned by March next year. Two other ropeways for the Jharia field —each 13 miles long—will be erected by a U.S. firm. The work is due to begin immediately after the monsoon.

The last two ropeways will be of the "aerial tramways" W-type, to be erected for the first time in this country. The sand carrying buckets of the "aerial tramways" will be riding over the ropeways instead of being suspended.

Costing about Rs. 19 crores, the six ropeways will supply 10 million tons of sand a year to the collieries. Each of them will have a capacity to carry 450 tons of sand an hour.

The foreign exchange requirements of the six ropeways are estimated at Rs. 8.2 crores of which Rs. 3.57 crores have been obtained from the U.S.A. and the rest from the U.K.

The ropeways will help in improving the raisings of metallurgical coal and superior grades of non-coking coal from these fields.

AIRCRAFT

U.S. Experts Visit India

A team of six American aircraft design, production and engineering experts has arrived in India in response to a request from the Government of India. They are in Bangalore visiting the Hindustan Aircraft factory to assist Indian engineers in their efforts to improve the performance and rate of production of the India-built *HF-24* jet aircraft. They are expected to study ways in which the speed and performance of the *HF-24* can be improved by the use of a more powerful engine.

Representatives of the British Rolls-Royce Company—makers of one of the engines under consideration—will also participate in the expert technical evaluation of the development of the *HF-24*.

All of the American experts are from the U.S. Air Force's Air Research and Development Centre at Wright-Patterson Air Force Base in Dayton, Ohio. They are led by Colonel Walter L. Moore, Jr., Deputy for Studies and Analysis of the Centre's research and technology division.

TELEPHONES

Trunk Dialling Facilities

The plans for introducing subscribers' trunk dialling facilities between different cities, it is learnt, are making steady progress. It is hoped that by the end of the fourth plan period, it will be possible to provide this service between all the major cities in the country.

The Posts and Telegraphs Department has placed orders for four cross-bar trunk automatic exchanges with the Bell Telephone Manufacturing Company, Antwerp, Belgium. These will be installed in Bombay, Delhi, Madras and Kanpur. The cross-bar equipment is the latest innovation in telecommunication engineering and will enable the introduction of subscribers' trunk dialling on a wide scale. It is also proposed to obtain equipment for the Calcutta trunk automatic exchange, but this will be supplied by the Indian Telephone Industries.

When these trunk automatic exchanges are installed, subscribers' trunk dialling facilities will, in the first stage, be provided between 32 stations. More places in the eastern region will get this facility when the trunk automatic exchange is installed in Calcutta.

The first subscribers' trunk dialling service in the country was introduced between Lucknow and Kanpur in 1961. The second was introduced between Delhi and Agra. The latter service has proved extremely popular.

The Delhi-Jaipur service is likely to be commissioned shortly. Six other services are planned for introduction in the near future. Work on these is in an advanced stage. The new services will be between Delhi-Kanpur, Delhi-Lucknow, Kanpur-Varanasi, Agra-Kanpur and Delhi-Meerut.

FILMS

Exports to U.S.A. Planned

Among the several steps being taken by the Indian Motion Pictures Export Corporation for the promotion of exports of Indian films is the selection of six Indian pictures for the non-traditional markets, especially the United States. These pictures, which are being selected on the basis of cost of print, will be edited and sub-titled at the cost of the Corporation. If the export rights are sold, the net receipts will be shared equally between the Corporation and the producers.

The Corporation has purchased the exports rights of one feature film for the traditional markets. Also, half a dozen feature films are being selected for the east European countries. The Corporation has also selected seven documentaries for commercial exploitation in world markets.

When the Central Minister of Commerce, Mr. Manubhai Shah, met the Motion Pictures Export Association of America (M.P.E.A.A.), it was decided that the Indian Motion Pictures Export Corporation (I.M.P.E.C.) will open an office in New York. A delegation headed by the chairman of the Corporation with two Indian producers will be going to the United States very soon for promoting the export of Indian pictures to that country and for exploring the possibilities of joint production.

The American companies have shown interest in producing four pictures in India. Manuscripts of two of these have already been submitted to the Central Government for approval. The scripts for the other two films are expected to be ready soon. These pictures will be produced in India out of the accumulated blocked funds on account of the imported American pictures. Thus, the expenditure incurred on the production of these films in India will help liquidate her foreign exchange liability. This will also enlarge the future scope of joint production of Indian films for the English-speaking markets.

The I.M.P.E.C is now exploring the possibility of appointing the Indian Film Society, London, as its agent for the sale of Indian films in the United Kingdom. It is also contemplating having one technical and one editing expert from foreign countries in order to assist the Indian producers to make films for export to non-traditional markets in the east and west European countries.

MOISTURE METER

Order Placed

The world's first microwave moisture meter—with applications in foundry and building trades as well as in glass, refractory, cellulose, soap and food manufacture—will soon be in use in India. The Council of Scientific and Industrial Research's Central Building Research Institute in Roorkee, U.P., has ordered an S-Band meter, developed by A.E.I. in collaboration with the U.K. Department of Scientific and Industrial Research. The moisture measuring meters, now being manufactured at the A.E.I. New Parks works, use radar techniques and give highly accurate measurement of moisture in almost any solid material without harm, contamination or even direct physical contact with the product.

JETSAR FARM

Land Offered

The Rajasthan Government has placed at the disposal of the Central Government about 13,948 acres of land (out of over 16,500 acres required) for the initial setting up of the Jetsar farm, near Suratgarh.

The scheme for the Jetsar farm envisages a capital outlay on the purchase of machinery amounting to Rs. 33.64 lakhs. While the purchase of machinery worth Rs. 23.45 lakhs from Russia has been spread over a period of two years and contracts have been concluded with that country's Trade Representative in India, for the present tractors and agricultural machinery have been transferred from the Central Mechanised Farm, Suratgarh, with a view to catching up with the time for sowing kharif crops.

The work of reclamation of land, construction of roads and water courses on an area of about 1,000 acres has been completed. The area has already been ploughed up and subsequent operations for the preparation of land are in progress.

Since irrigation facilities in the Suratgarh branch of the Rajjasthan canal are expected by the middle of July, it is proposed to bring about 3,000 acres under kharif crops during the current year.

CHINA CLAY

New Deposits Discovered

During the course of investigations for copper near Umra, in Udaipur district of Rajasthan, the Geological Survey of India has discovered new deposits of good quality Chinaclay near Karabaria-ka-Gurha. Inferred reserves of these deposits are reported to be of the order of 3,990,000 tonnes. Besides, brown clay and buff-coloured clay have also been discovered. The reserves of these two are estimated at 86,700 tonnes and 252,000 tonnes, respectively.

INLAND WATER TRANSPORT

Programme for Fourth Plan

The Road and Inland Water Transport Advisory Committee, which met last week, has recommended the appointment of a working group to formulate proposals for the development of inland water transport during the fourth plan period. The committee also suggested that two study groups of officials and non-officials should be appointed to go into the organisational and financial problems of the road transport industry.

The committee indicated the guidelines for the preparation of State plans for road and inland water transport for inclusion in the fourth plan and approved the proposals of the Central Ministry of Transport for amendment of the Inland Steam Vessels Act, 1917. The proposals relate to the enhancement of penalties for various offences under the Act, empower State Governments to order investigation of casualties on board a vessel involving loss of human life and provide for booking offices and maintenance of proper accounts of tickets by owners of vessels.

The recommendations of the Motor Vehicles Insurance Committee were generally endorsed by the Advisory Committee. The main recommendation of the Motor Vehicles Insurance Committee relates to the creation of a Central Fund for the prompt payment of compensation to victims of accidents involving uninsured or unidentified or stolen vehicles and insolvent insurers.

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PLANNED DEVELOPMENT FOR NATIONAL DEFENCE

DAV/FS

London

GROWING USE OF COMPUTERS IN U.K. OFFICES

(FROM OUR LONDON CORRESPONDENT)

AT present, a large number of firms are contemplating the transfer of some of their clerical and control procedures from manual or punched card methods of data processing to electronic processing on a computer. Many of these firms are uncertain of the consequence of such a step, and as yet, there is very little written information available here about the experiences of firms which have installed computers. Small firms in particular may find it difficult to obtain disinterested advice on the problems of computer installation and may be worried that they will not find the necessary specialised staff to run the computer or that existing staff will prove antagonistic and unco-operative.

Any major change in industry represents both a threat and a challenge. It means the overthrowing of traditional ideas and values and the replacement of security by ambiguity and uncertainty. It is bound to cause disruption in that jobs and status will be affected, old methods will have to be abandoned and new ones learnt and accepted. Such change presents the management of a firm with a number of complex problems. Management must thoroughly understand the technical requirements of the new processes; it must also appreciate their effect on organisational and social structure and it must adopt policies which will ensure an easy transition from the old methods to the new. These policies will involve "selling" the idea of change to staff, ensuring that the effects of change cause minimum hardship and pacing the change so that those involved can understand, accept and co-operate.

Too often, change appears to be seen as a technical problem to be handled solely by technologists and the speedy realisation of organisational goals is put first, with the result that people get hurt and frustrated and they resist the innovations. How is this to be avoided? In an effort to guide firms contemplating the introduction of computers, the Institute of Personnel Management has recently issued a booklet (*Living with a Computer*, by Enid Mumford, price 7s 6d) dealing in detail with the introduction of a computer in one firm, and drawing upon the experience of eight others for comparative information.

Miss Mumford's paper (which is a preliminary to a book to be published later on the basis of the main study by Olive Banks and Enid Mumford of the Social Science Department, Liverpool University which will analyse the processes and effects of social change arising out of automation and will consider in detail work organisation and staff attitudes in two case study firms before, during and after the transfer from manual to electronic data processing) is not intended and does not offer guidance on weather a firm should purchase a computer or not, nor does it provide a blueprint for the successful introduction of a computer. It describes and comments on some of the experiences of firms in planning for, installing and staffing computers, and makes general observations on the kinds of problems which firms embarking on computers are likely to encounter. Although the data presented is limited in scope, in that no attempt is made to deal with purely technical problems, it will be of interest to all managers looking for information on the social and organisational aspects of automation.

Policy Decisions

While final decisions on policy must be taken by the board, these must be based on the experience and knowledge of the firm's specialists, many of whom will be involved. The personnel manager with his awareness and understanding of employee needs and problems would seem the specialist most qualified to advise on the likely human consequences of change and the one to suggest ways in which change could be introduced with due regard for the feelings of the people affected. Personnel managers accept the need for planning and for communication in their day-to-day activities, but, because rapid change is a new development in many firms, they may not always appreciate the greatly increased importance of such consultation when their employees feel threatened and disturbed by a changed system of work. Because observations in the firms described suggest that many personnel managers do not sufficiently see themselves, nor are seen, as change catalysts, part of the paper is devoted to topics, such as communication and consultation: these are well documented for the stable situation, but less well for situations, involving rapid change. In the course of five short chapters, under the headings "Planning and Problems," "Staffing the Computer Centre," "Using the Computer," "Effects on Staff" and "Customer-Manufacturer Relations," Miss Mumford provides a succint review of the results provided by the case study, concluding with a useful bibliography for further reading and reference, mainly of American publications.

It is clear then from the study that all nine firms had some problems in introducing or planning to introduce computers, although the most serious difficulties were encountered by firms whose computers were installed some years ago. Four of these firms were now acquiring second computers either to replace or add to an existing installation. They believed they had learnt a great deal from their early mistakes and generally were making most careful preparations for the introduction of the subsequent machine. Not unnaturally, the firms most sanguine about difficulties were those whose first computers had not yet arrived.

Some problems seemed common to all the firms. Planning was not begun soon enough and was not sufficiently comprehensive. With the early computers the long period elapsing between installation and effective operation made the consequences of inadequate planning less serious than they might have been: there was time for staff to adjust to the new system and for modifications to be made. This time-lag would be less likely to occur today. The firms did not sufficiently appreciate the need for effective reassuring and early communication and consultation with all staff likely to be affected. Some firms believed too much communication by management was unnecessary and even disadvantageous.

Displacement of Staff

Insufficient consideration was given to the problems of staff whose jobs had changed in content, skill or status, or even vanished as a result of automation. Actual redundancy was uncommon, but in most firms there was some displacement of staff in departments transferred to the computer A number of firms were able to cut drastically the number of school leavers they would normally have recruited for clerical jobs each year. This raises problems of social and political policy much publicised in the U.S.A. at present, as to whether automation should be pursued indiscriminately if one of its consequences is a large increase in the number of young people unable to find jobs.

Because no two organisations are exactly alike, the introduction of a computer will have different consequences in every firm. It is, therefore, impossible to suggest strategies which will always guarantee an easy and stress-free transfer of work from manual method to E.D.P. In fact, some degree of stress is a natural consequence of rapid social change. The experiences of the nine firms described do suggest, however, that the adoption of certain policies and procedures will ease the change-over and facilitate the acceptance of the machine by staff. These include:

(1) *Acceptance at the Top*—All senior management must be agreed on the desirability of introducing a computer and must understand the implications of the new system. Change is unlikely to be successfully introduced lower down an organisation if it is resisted or incompletely understood at the top.

(2) *Planning and Research*—Careful long-term planning should start as soon as the decision to get a computer is taken. As part of the planning process, investigations must be carried out to ascertain the technical, organisational and social problems likely to arise. It is not always easy for a management to foresee the consequences of automation, but the experiences of firms with successful computer installations can be of help here. It is particularly important that there should be awareness of the likely organisational and social effects of the computer. These are: changes in organisational and social relationships within and between departments, the displacement of labour with possible redundancy, changes in job content, skill and status, and unfavourable reactions from employees who feel insecure and threatened.

(3) *Supervisory Involvement*—(a) the Personnel manager—Because firms tend to see the introduction of a computer as a technical rather than a social process, personnel managers may be insufficiently involved in the event. As the human relations expert in a firm, the personnel manager should be actively concerned with all personnel problems associated with automation. These include estimating the installation and post-change labour requirements, selecting and training staff for the computer centre, arranging transfers for any displaced departmental staff, "selling" the idea of a computer to everyone in the company and advising on human relations and organisational problems arising out of the new system.

(b) Departmental Managers—If work is to be successfully transferred to a computer, departmental managers must accept and approve of the new system. It is, therefore, particularly important to involve them in planning the change process, to consult them continually and to listen to their point of view.

(4) *Communication and Consultation*—Employees have an increased need for information during periods of change and insecurity. The adoption of a policy of "secrecy" about the computer is both unrealistic and disfunctional. Information of this kind cannot be kept secret and rumours may cause excessive alarm about job security. Secrecy may increase hostility to the computer when the news is eventually disclosed and will prevent management from introducing at an early stage policies designed to secure acceptance and co-operation.

Ideally, consultation with all staff likely to be affected should begin as soon as the contract is signed. Reassurances about redundancy should be given at this stage provided the firm can offer these with confidence. Staff should be warned that a computer inevitably means change and that some jobs will be altered in content while others will be eliminated altogether and their holders moved to new work, perhaps outside their present departments. Care should be taken that no one suffers financially as a result of these transfers.

Consultation and communication should continue throughout the change-over process and should involve computer centre as well as departmental staff.

(5) *Redundancy*—If some redundancy is unavoidable then staff likely to be affected need to be identified as early as possible and all staff told the firm's policy on redundancy. They should be told that every effort will be made to keep this to a minimum; also, that if an employee does lose his job he will be given adequate notice and helped to find suitable work in another firm should he wish this. The severity of this problem will depend on how much of a firm's work is being transferred to the computer and how quickly this process takes place. If redundancy is to be avoided it is important to estimate well in advance the likely staff savings so that adequate plans can be made.

(6) *Information*—It is much easier for firms introducing computers today to obtain information on the kind of problems they may encounter. A number of journals regularly feature articles on automation in offices, although the majority of these deal with technical and organisational rather than social problems. It is of first importance that firms should be aware of the need to obtain comprehensive advice and information before they embark on a computer and that they should be prepared to devote a considerable amount of time to the necessary research. Computers have now arrived in the offices of this country and can reduce costs and increase efficiency, but, in the sphere of automation, a little knowledge can be a very dangerous thing indeed.

Industrial Training

The greatest and most urgent requirement in industry today is for young engineers with creative ability to work in the fields of design and manufacture: they need to be men who have a full understanding

of the basic scientific principles involved in an engineering process and an appreciation of the practical problems involved in its successful operation, and have minds trained to a scientific appraisal of these problems and of the sociological factors involved.

In an effort to meet this need, the National Council for Technological Awards has recently been considering how the industrial training of students followig courses leading to the diploma in technology can be improved so as to make a contribution. A detailed study of the question was undertaken by the Council's Industrial Training Panel, which has now submitted an interesting report which the Governing Body is circulating to stimulate further discussion and produce comment.

The industrial side of some courses leading to the diploma in technology is criticised in the report. The panel says that during visits to firms, it found that the purpose of industrial training as an integral part of courses leading to the diploma "is far from clear in the minds of either college or industrial staff." This, says the panel, is not surprising, in view of the uncertainty which has existed within the Council itself. In many cases, the main part of the training is something of a ritual based on modified craft training concepts.

If the Diploma in Technology is to achieve the status and importance in the minds of prospective students, teachers and employers that its originators visualised, then the courses leading to it must be seen to offer a desirable alternative to the traditional university courses. Academically, the standard set is equivalent to that of a university honours degree and the principal difference of a course in engineering leading to the diploma in technology from the majority of existing courses in engineering is that education is undertaken in an industrial as well as an academic environment. From its inception, the Council has been vigorous in setting the standards of college facilities, courses, and examinations, but has not exercised similar vigilance over industrial training, perhaps because the purpose of industrial training has not so far been defined except in rather sweeping generalisations; or that examinations of practical experience in industry comparable to college examinations of academic studies have been tacitly assumed not to be feasible; or the obvious administrative difficulties inherent in inspecting the facilities of the large number of firms providing industrial training; or the assumption, stemming from the influence of the apprenticeship tradition, that exposure of the student to industrial conditions will inevitably result in the acquisition of some knowledge, wisdom, and "experience".

From the outset the Council has placed on colleges the responsibility for the adequacy of students' industrial training and there is no doubt that college staffs in collaboration with firms' staffs have exercised a powerful influence in the raising of the standards of training. Nevertheless it has been apparent to the Panel that there is still a long way to go before universally high standards of industrial training, making full use of all advantages which can accrue from the Diploma in Technology, have been established.

Diploma in Technology

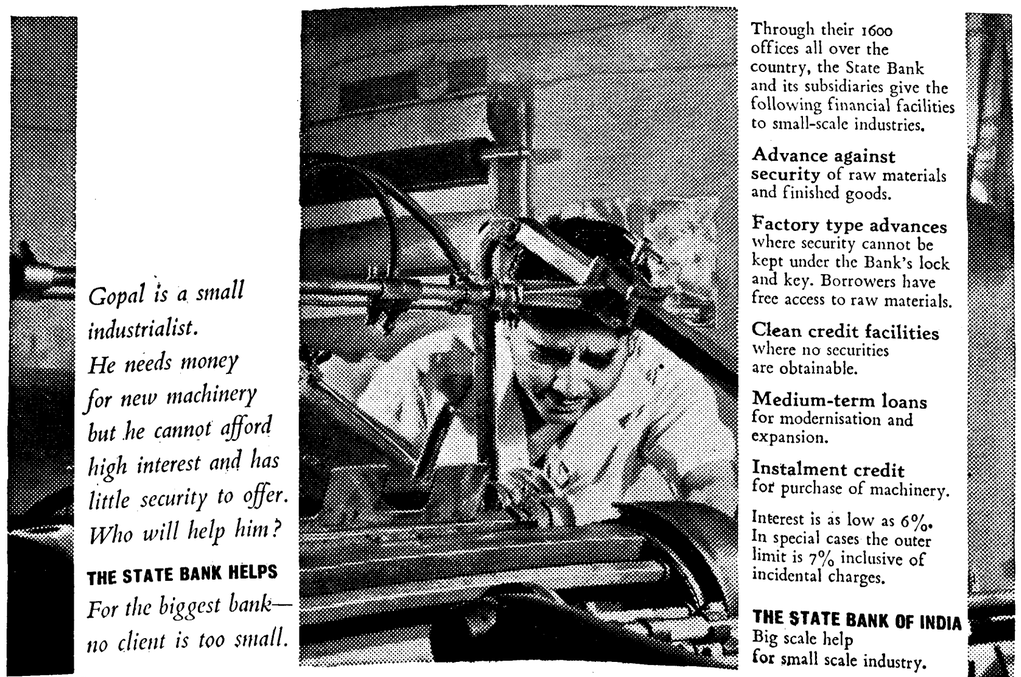
It is not sufficient to plan the Diploma in Technology course merely by adding a compulsory period of industrial training to the academic equivalent of a traditional university degree course. This is already available in the form of a degree plus a graduate apprenticeship in the case of engineering, and equivalent industrial training for other technologies even where this is only an industrial and not a professional requirement. Something more specific and purposeful is needed if Diploma in Technology courses are to attract in large numbers students who will make the courses their first choice rather than a traditional university degree course.

A student following a course leading to the Diploma in Technology is educated partly in an academic and partly in an industrial environment. His course includes a thorough study of engineering science and its applications, and an introduction to those more general studies essential to a young engineer who aims to reach the highest levels in his profession. A main objective of the course is to develop the student's creative ability and fit him for employment in any field of industrial activity—design, manufacture, research, development, for example.

Therefore, the Panel's consideration of Diploma in Technology courses and, in particular, of the purpose and nature of industrial training, has been based on the need to provide courses which will stimulate the development of the young man's creative ability and help him to appreciate that he can make a worthwhile and satisfying career in the fields of design and manufacture. At the same time the Panel believe that the proposals set out in this report are equally applicable to those students who will ultimately have successful careers in other fields, industrial or academic.

The diploma course needs initially to instruct in the fundamentals of science and the scientific method but also needs to extend observation and measurement into other fields which take into account opinions and judgments as well as facts. A traditional field of this kind is accountancy; a less familiar one is work measurement. Cause and effect in purely physical systems are amenable to the traditional scientific approach, but cause and effect in human activities are not yet fully understood and so are less readily taught.

It would be wrong to argue that an engineering course laced with management studies and liberal studies really meets the requirement. It is necessary, not only to develop a course which demonstrates the extension of the scientific method into the solution of general industrial problems, but also in teaching to draw examples from industry to illustrate principles. This means that the Diploma in Technology course must be conducted in close relationship with the real industrial world which in turn requires that those who teach should have ready and constant access to problems as they occur in real life.



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Books

PROSPECTS FOR FOREIGN INVESTMENT

Report on Prospects for Private Investment in India. By Anila Graham. (Published by Economic and Development Research Ltd, 116 Seymour Place, London W.1. Price 25 guineas, pages 42+appendices.)

The advanced industrial nations need an expanding world market for maintaining their rate of progress. India, with her population of 400 million, provides a potential market, particularly as her development ambitions will bolster up the level of effective demand. The severely restrictive import policy of the Government of India in recent years has been implemented to conserve her meagre foreign exchange resources, and any relaxations in the forseeable future are unlikely. This, however, should not deter the advanced nations from investing in India, as foreign capital will be assured of a protected internal market where the risks of competition are few and the prospects of growing demand bright.

The report presents an impartial study of the relative advantages and disadvantages of investment in India and concludes that this is a calculated risk which is worth undertaking. In spite of recurrent talks of nationalisation, the private sector is most likely to play an important rôle in many years to come. Moreover, India has so far maintained an excellent record for paying fair compensation when foreign enterprises are taken over. For example, instead of the Rs. 87 lakhs asked for by the Kolar Goldfields, the Government awarded Rs. 1.64 crores. Secondly, India's record on the repatriation of foreign capital and of the remittance of profit and dividend is unblemished. In fact, very few developing nations provide opportunities to such an extent.

The rate of profit earned by foreign capital—an annual average of 10 percent—compares favourably with that earned in other countries and the provisions for "tax holidays" and depreciation allowance for new enterprises are conducive to new investments. Against these advantages, one should consider the adverse factors discouraging the inflow of capital. The high rate of personal taxation and the virtual fixing of managerial remunerations are intensely disliked by foreign investors. The super profits tax, which has now been abolished, was a great deterrent. The procedural delay in Government departments for sanctioning foreign collaboration is another snag. Some foreign countries consider Indian labour legislation to be too liberal.

Some attempts have lately been made to improve the climate for foreign investments. It is worth noting that the Government of India is willing more than ever to collaborate with foreign firms in the public sector and the success of Oil India Ltd will provide a good example for the interested parties.

WEST BENGAL

West Bengal: a Panorama. (Published by the Indian Chamber of Commerce, Calcutta. Pages 63.)

West Bengal is the second smallest State and the most cosmopolitan of all the States in India. Partition has meant for West Bengal a series of problems of almost insurmountable magnitude—the greatest of these being the continuous influx of refugees. This has shattered the economy of the State and it is no wonder that it is now known as a "problem province".

There are few books on West Bengal which give a comprehensive picture of the State and its economy. So the Indian Chamber of Commerce has made a praiseworthy attempt by publishing a booklet on West Bengal. This neat and handy book provides adequate information on the land and the people and the fast developing economy of West Bengal. The booklet contains seven main sections, namely: (1) West Bengal (2) Calcutta (3) Agriculture (4) Industry (5) Transport and Communication (6) Trade and Trade Centres, and (7) Comparative Statistical Tables.

The comparative statistical tables given at the end of the book will serve as a mine of information about West Bengal and the other Indian States. The Indian Chamber of Commerce should consider publishing similar booklets on other Indian States.

DECENTRALISED ECONOMY

Decentralised Economic Development. By Vaikunth L. Mehta. (Published by the Directorate of Publicity, Khadi and Village Industries Commission, Gramodaya Irla Road, Vile Parle (West), Bombay. Price Rs. 12, pages 439.)

This book is a collection of articles written by Mr. V. L. Mehta. Most of them appeared in *Khadi Gramodyog* during the past decade. In one capacity or the other, Mr. Mehta has been associated with the *khadi* and village industries movement. Almost all the articles stand for a single objective: a basic strategy of planning wherein the right place is given for the development of village and cottage industries. This objective is discussed in relation to such aspects of economic development as the five year plans, unemployment, industrial policy, co-operative movement, and slum clearance. The term "decentralised economic development" is apparently used to connote the process in which, through the medium of the cottage and small industries, each individual, each community and each area participate in their development effort. Work and the fruits from that work are the essential requirements for both economic as well as intellectual and spiritual uplift.

The book gives an insight into the problems and policies related to the growth of the village and cottage industries and to some extent helps in appreciating Gandhian economics and philosophy. Above all, Mr. Mehta's clarity of expression and the fluency of thought add to its substance. Students of Indian economics will find the book interesting and useful. An index at the end of the book would have been extremely useful, particularly as it is a collection of articles.

INDUSTRIAL FINANCE

Industrial Finance in India. By P. C. Jain. (Published by Suneja Book Centre, 24/90, Connaught Circus, New Delhi 1. Price Rs. 9.50, pages 338.)

Financial Institutions. (Published by the Economic Adviser to the Government of Pakistan, Ministry of Finance, Rawalpindi. Pages 278.)

Institutions providing industrial finance are playing an important rôle in the growth of an economy, and the books under review deal with financing agencies. The first book is the second edition and when it was first published about 20 years ago, it was perhaps a pioneer in the field. The present edition takes into account the developments that have taken place since then. The book also covers international agencies and discusses the principles, problems and organisation of the same.

The second book enriches one's knowledge about Pakistan and there are 50 useful statistical tables. The first part is devoted to ten financial agencies of Pakistan and it is not merely descriptive but also analytical. The information furnished include historical background, objectives, resources, administrative apparatus, investment criteria, distribution pattern, economic impact and future operations. However, the working of the institutions brings into focus the lack of balance between West and East Pakistan. The House Building Finance Corporation gave loans of Rs. 17 crores, of which West Pakistan got Rs. 14 crores and East Pakistan Rs. 3 crores. Similarly, the Industrial Development Bank of Pakistan gave 126 domestic currency loans in West Pakistan and 104 in East Pakistan. The Agricultural Development Bank of Pakistan gave in 1963-64 Rs. 17.35 crores in West Pakistan and Rs. 16.82 crores in East Pakistan and the average amount of loan was Rs. 488 in East Pakistan against Rs. 2,841 in the West. Mr. Mohammad Shoaib, Finance Minister, has contributed a foreword to the book. The volume is a welcome addition to the literature on Pakistan.

COMPANY LAW

Investing in India—Company Law. (Published by the Indian Investment Centre, Parliament Street, New Delhi 1. Price Rs. 3, pages 125.)

The Indian Companies Act, 1956, has more than 600 sections. Covering as it does more than 300 pages, it is really voluminous. But it is a legislative measure of vital importance to the private sector. The amendments introduced during the last few years have made it more complicated, although the intention was to weed out all complications. To merely read an Act of such magnitude and complexities, not to speak of assimilating it, is a painstaking job. Without expert assistance, it is difficult to comprehend all its provisions.

The Indian Investment Centre has, therefore, to be complimented on its timely publication of a brochure on company law. Despite the rather limited scope through which the subject has been discussed, the booklet will not only benefit the layman but will also prove useful to the professionals like company solicitors and accountants. The Centre will receive the appreciation of many if it brings out an elaborate volume on the subject with the same clarity of thought and expression.

EXPANSION IN INDIA BY LEYLAND MOTORS

Projects costing over £4 million, which will increase the size of Leyland's vehicle-producing factories and foundries in Madras, and nearly double the number of employees, were announced by the Company in London recently. The news was given jointly by Sir A. Ramaswami Mudaliar, chairman of Ashok Leyland, and Mr. Donald G. Stokes, Managing Director of the Leyland Motor Corporation.

It followed a meeting of directors and executives at Leyland's London office and confirmed that Leyland's investment in the new projects will amount to £2,500,000 in addition to the £3 million already invested.

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Jute

MODEST RISE IN GUNNY OUTPUT IN PREVIOUS SEASON

In spite of continuing production at the maximum level with the entire loomage for the same 2,440 hours during 1963-64, the Indian jute industry could not substantially increase its output, as it did during the previous year. Even the scrapping of the I.J.M.A. Working Time Agreement failed to produce any perceptible effect on production. The total output was 1,249,100 tonnes, against 1,218,200 tonnes in 1962-63 and 1,069,000 tonnes in 1961-62. Output of hessian increased by 3.6 percent from 514,900 tonnes to 533,800 tonnes and of other goods, including carpet-backing cloth, by 28.1 percent from 171,500 tonnes to 219,800 tonnes, while the production of heavy goods declined by 6.9 percent from 531,800 tonnes to 495,500 tonnes. The separate breakdown for carpet-backing cloth, available for the period January to June, shows that the output increased by only 20.8 percent from 38,400 tonnes during the second half of 1962-63 to 46,400 tonnes in the corresponding period of 1963-64, despite the very large increase in the complement of broad looms. In 1961-62, output of hessian totalled 414,300 tonnes, of sacking 508,500 tonnes and of other goods 146,200 tonnes.

The total offtake of 1,211,200 tonnes in 1963-64 also just kept pace with the rising trend in production, the offtake was 1,195,200 tonnes in 1962-63 and 1,059,400 tonnes in 1961-62. Despatches of hessian rose from 511,500 tonnes in 1962-63 to 523,800 tonnes in 1963-64, and of other goods from 164,500 tonnes to 192,400 tonnes, while sacking declined by 4.8 percent from 519,200 tonnes to 495,000 tonnes.

Exports Increase

Of the despatches in 1963-64 exports accounted for 878,400 tonnes, against 875,700 tonnes in the previous year and 772,400 tonnes in 1961-62. Hessian shipments improved from 465,100 tonnes in 1962-63 to 475,200 tonnes, while exports of other goods rose from 128,400 tonnes to 153,500 tonnes. This spurt helped more than offset the fall in sacking exports from 282,200 tonnes to 249,700 tonnes. Total internal consumption also followed the general trend and rose from 287,000 tonnes in 1961-62 to 319,500 tonnes in 1962-63 and to 332,800 tonnes in 1963-64. The increase in consumption was attributed to the rise in agricultural and industrial production within the country. Consumption of hessian rose from 46,400 tonnes to 48,600 tonnes, of heavy goods from 237,000 tonnes to 245,300 tonnes and of other goods from 36,100 tonnes to 38,900 tonnes.

With the backlog of demand satisfied and sufficient supplies, the U.S.A. slackened its burlap offtake during the year. Most bag-makers and consumers in that country were inclined to keep their stocks and commitments light as Indian and Pakistani mills were producing at the maximum levels and holding larger stocks. This apart, the progress made by the synthetic fibre industry in the U.S.A. also induced American consumers to divert their attention to manmade bagging and carpet-backing fabrics, though on an experimental scale. In view of the impact of open tenders in the market on the price trend, they also started the practice of entering into direct contracts with mills.

All these produced a depressing effect on market sentiment. Lacking bargaining capacity, mills accepted offers around or a shade below the prevailing market levels. The consumption of burlap in the U.S.A. registered a minor decline from 896 million yards in 1962-63 to 886 million yards in 1963-64. But this fall was attended with a more-than-proportionate decline in the price level. U.S. consumption was satisfactory during the first half of the year, but it fell sharply in the latter half. The offtake during July-December 1963 was 449 million yards, against 432 million yards for the comparable period of 1962: it amounted to only 437 million yards in January-June 1964, against 464 million yards in the corresponding period of 1963.

Spurt in Gunny Offtake

A spurt in gunny exports helped more than offset the decline in internal consumption of jute goods during June. An I.J.M.A. statement says that mill despatches of gunnies rose from 104,500 tonnes in May to 104,800 tonnes in June. Despatches of hessian increased by 2,400 tonnes to 46,200 tonnes, of miscellaneous goods by 1,800 tonnes to 13,900 tonnes and of carpet-backing cloth by 1,500 tonnes to 7,700 tonnes; despatches of sacking, however, declined by 5,400 tonnes to 37,000 tonnes. Exports totalled 80,300 tonnes, against 75,600 tonnes. Of these, shipments of hessian rose by 2,800 tonnes to 42,900 tonnes, of other goods by 1,500 tonnes to 10,500 tonnes and of carpet-backing by 1,500 tonnes to 7,700 tonnes. Exports of sacking, however, declined from 20,300 tonnes to 19,200 tonnes. Internal consumption was lower at 24,500 tonnes, compared with 28,900 tonnes—consumption of heavy goods fell from 22,100 tonnes to 17,800 tonnes and of hessian from 3,700 tonnes to 3,300 tonnes. But consumption of miscellaneous goods rose nominally from 3,100 tonnes to 3,400 tonnes.

In June 1963, the total offtake was 99,000 tonnes—41,800 tonnes of hessian, 37,900 tonnes of sacking, 6,500 tonnes of carpet-backing and 12,800 tonnes of other goods. Exports absorbed 75,300 tonnes—39,100 tonnes of hessian, 19,500 tonnes of sacking, 6,500 tonnes of carpet-backing and 10,200 tonnes of other goods. Internal consumption totalled 23,700 tonnes—2,700 tonnes of hessian, 18,400 tonnes of sacking and 2,600 tonnes of miscellaneous goods.

Rise in U.S. Burlap Consumption

Burlap consumption in the U.S.A. has increased to 70 million yards in June from 63.5 million yards in May. The offtake was 68.8 million yards a year ago. Up to the end of June 1964, the country consumed 436.8 million yards, against 463.9 million yards during the comparable period of 1963. The average monthly consumption came to 72.8 million yards in the first six months of 1964, against 77.3 million yards in the corresponding period of 1963. U.S. stocks during June rose from 278.2 million yards to 286 million yards. Of these, 157 million yards (against 147 million yards) were spot stocks and 129 million yards (against 131 million yards) were afloat. They were 298 million yards —176 million yards spot and 120 million yards afloat—at the end of June 1963. At the June level of consumption, the stocks will last for 4.085 months. The corresponding stock duration on the same basis a year ago was 4.302 months.

THE JUTE MARKETS

Manufactured Goods: Steady conditions prevailed in the Calcutta gunny market during the past week. The market opened on a buoyant note on hectic short-covering against

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the previous week's Government tenders in heavy-goods. Reports of strike in East Pakistani jute mills helped a fresh rally in the course of which heavy goods prices flared up in both spot and hedge markets. Shorts and shippers made a hectic covering of their open positions, helping mills to negotiate sizable orders for all positions at the higher levels. In the hedge market too, prices fluctuated between wide limits in sacking and closed with a comfortable gain. On Monday, the sentiment suffered a setback on heavy long-liquidation combined with bear-selling in the hedge market following reports of the calling off of the Pakistani strike. On Tuesday, brisk bear-covering at lower levels helped the price firm up appreciably. Hessian continued to be barely steady all through in sympathy with heavy goods. Higher exports and a spurt in the consumption of burlap in the U.S.A. during June could not produce any impact on the trend in view of small overseas enquiries and business. The port situation had improved to some extent following the drastic steps taken by the authorities. There was less congestion in the dock areas and shorter detention at Sandheads. Vessels were available for shipment to Montevideo, Buenos Aires, Odessa and other continental ports. Turnover was fair in heavy goods and small in hessian, and the undertone was firm in the former and steady in the latter.

Wednesday's quotations were as follows:

	July	Aug.	Sept	Oct.-Dec.
40in. 7½oz.	33.60	33.65	33.75	33.85
40in. 8oz.	36.15	—	—	—
40in. 10oz.	44.40	44.75	44.95	45.45
B Twills	117.00	116.75	116.50	116.35
Cornsacks	120.75	121.75	121.00	119.25
Heavy Cees (Plain)	116.25	116.25	116.25	116.25
A Twills	138.50	139.50	140.00	140.75
Liverpools	129.00	129.00	129.00	129.00

Raw Jute: With a decline in the arrivals of new crop fibre due to bad road conditions and inclement weather, combined with the preoccupation of farmers with interculture and paddy-sowing operations, less jute was on offer in the agencies and in Calcutta. Sellers were not inclined to reduce the price in the belief that this season's crop would not be larger than the previous season's. Besides, mills had opened the new season with a smaller carryover. This apart, the report of a firm trend in Pakistan induced mills to accept whatever supplies of selected-grade fibre were available at current levels. The existing conditions are somewhat unusual. So far mills have bought small quantities, for, at the current prices of raw jute and finished goods, mills can hardly make any profit. But the steady upcountry trend prevents local fibre dealers from discounting prices any further. That is why they seem to show little keenness in negotiating business when their order-book position is rather bad. The hedge market also moved in line with the general trend. Opening on a hesitant note, there was an initial setback on bull liquidation combined with some amount of short-selling. Mid-week there was a reversal of the trend on hectic bear-covering at lower levels after intermittent fluctuations. All offers were well absorbed and the market closed steady with an appreciable rise from the previous week's level. Turnover was small in the spot market and fair in the hedge market.

Wednesday's quotations were as follows:

	Landed at Mills (Basis Bottoms) Current Prices		T.S.D. Minimum Prices	
	Rs. A Qtl.	Rs. A Md.	Rs. A Qtl.	Rs. A Md.
Assam-Agartala Jute	85.74	32.00	80.38	30.00
Northern Jute	84.39	31.50	79.04	29.50
Western Desal Jute	79.04	29.50	73.68	27.50
Selected Daissee	89.75	33.50	85.74	32.00
Assam-Agartala Tossa	87.08	32.50	83.05	31.00
Mesta:				
Assam-Northern	75.02	28.00	72.34	27.00
Local Daissee	73.68	27.50	72.34	27.00
Bihar Dist.	69.66	26.00	68.32	25.50



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BUY NATIONAL DEFENCE CERTIFICATES

THE PAKISTANI JUTE MARKETS

EXPORT DUTY TO BE REFUNDED

(FROM OUR DACCA CORRESPONDENT)

THE authorities have at last decided to allow the refund of export duty to the buyers. This refers to the reduction made for all shipments effected on or after 13th June, 1964. The fact that the authorities have shown themselves to be flexible enough to admit the error made, is commendable.

Despite beliefs to the contrary, the L.J.A. does not ask from the authorities more than to be allowed to operate within the laws of the country and to have those laws intelligently and fairly interpreted. The incidents over the last few weeks imply that in future this will be so. This will undoubtedly encourage overseas buyers as well as London agents and jute shippers to abide by the rules, which would benefit the trade and automatically the economy of Pakistan.

As was expected, certain sections of the trade in Pakistan had objected to the quota system on the ground that the small shipper is not being given enough chance. In fact, what is being asked is that the big trader should be completely restricted and the small shipper should be allowed to take whatever pickings he can, knowing very well that he cannot replace the big shipper overnight. It is pleasing to note that the jute authorities have compromised by giving every facility to the small shipper to increase his turnover without at the same time unduly restricting the big shipper. Provided the laws are obeyed and this petty bickering is avoided, there is plenty of room in the trade for both big and small shippers, who are prepared to abide by the contractual obligations.

Loose jute arrivals are slowly increasing, and the quality is improving slightly. The fact remains, however, that the crop is later than expected and the quality is not as good as last year. The prices continue to increase as more balers start buying. In fact, the demand is increasing faster than the arrivals. In the pucca bale sector, there has been a fair amount of business during the last week and practically the whole of the buffer stock both white and tossa has been sold to local traders. Cuttings maintain their steady position with a very slight discount in the ready position. Considering the overseas demand for ready jute, the implication is that the steadiness in cuttings is mainly due to local speculators.

Overseas buyers, still trying to keep the market down and to hide their need for jute, are trying to buy small lots for ready delivery so that if any premium is paid the pretence is that this is only because they asked for early delivery. Although some balers are offering cheap, the majority are keeping out of the market or only offering nominal quantities in order not to offend old buyers.

LOAN FOR LAKSHMI MACHINE WORKS

The International Finance Corporation, an affiliate of the World Bank, is to join with Indian and Swiss interests in providing loan and share capital to Lakshmi Machine Works. This new Indian Company will build and operate a cotton textile machinery plant in Coimbatore at a cost of about $12.5 million. The new plant will eventually produce the entire range of cotton textile machinery now manufactured by Rieter in Switzerland and will be the only plant in India to manufacture a complete line of cotton spinning equipment.

Commodity Markets

WORLD COTTON TEXTILE OUTPUT TRENDS

THE summer issue of the Cotton Board's *Quarterly Statistical Review* shows that although cotton textile production in the non-communist part of the world declined in 1963 for the second year in succession, activity turned upward in the course of the year. This trend was maintained in the first quarter of 1964 when it is estimated that cotton yarn output in those countries for which regular figures are available was about 5 percent greater than in the corresponding period of 1963. The main increases, compared with a year earlier, were in India, Pakistan, the U.S.A. and Japan. Output in the U.K. and continental western Europe was also slightly greater than in the first quarter of last year.

The decline in world trade in cotton piecegoods, which lasted from 1960 to 1963, may now have been halted, though perhaps only temporarily. In the first quarter of this year, exports from the main non-communist exporting countries are estimated to have been about 2 percent greater than in the same period of 1963. Exports from the U.S.A., the continental western European countries as a whole and one or two of the minor exporting countries were greater than a year earlier; in contrast, Japanese and British exports of cotton piecegoods were again lower than in the corresponding period of the previous year.

Exports of man-made fibre fabrics from the principal non-communist exporting countries in 1963 were about 1 percent less than the comparatively high 1962 level. In the last quarter of 1963, however, they were rather greater than in the same period of 1962, and this expansion became more marked in the first quarter of 1964 when it is estimated that the total world trade was about 7 percent greater than a year earlier. If the continental western European countries are considered as a whole, all the main exporters of man-made fibre fabrics, except possibly Japan, shipped more than in the first quarter of last year.

With the easing of production curtailment in Japan, the output of cotton yarn and cotton cloth in the first quarter of this year was, respectively, 6 percent and 2 percent greater than in the same period of 1963. The increase must be accounted for by the strength of domestic demand and the end of destocking, since exports of cotton goods continued to fall. Spun rayon yarn output showed little change in the first quarter, but the production of spun synthetic yarns (including blends predominantly of synthetic fibre) was 35 percent greater than a year earlier and the increase in synthetic fibre fabric production over the same period was over 40 percent. The scale of the synthetic fibre business in Japan is illustrated by the fact that in the first quarter of this year, spun synthetic yarn output exceeded spun rayon yarn output and was as much as 39 percent of cotton yarn output: in the same period, synthetic fibre fabric production was equal to 35 percent of cotton fabric production. Further large extensions to the capacity for producing synthetic fibres are planned.

Japanese Exports

Exports of cotton piecegoods from Japan in 1963 reached their lowest total since 1955 and the trade expects a further decrease this year. Apart from increased competition from China and other Asian exporting countries, and more stringent import restrictions in certain important markets, it is feared that there may be a sharp fall in shipments to the U.S.A. as a result of the new cotton price legislation. Exports in the first quarter totalled only 232 million square yards, compared with 276 million in the same period of 1963: the decline was spread over a number of important markets in addition to the U.S.A. Exports of man-made fibre piecegoods, which declined in 1963 for the third year in succession, were probably much the same in the first quarter of 1964 as a year earlier. A marked expansion in the exports of synthetic fibre piecegoods roughly offset a further contraction in rayon piecegoods exports.

Cotton yarn output in India continues to run at record levels, the first quarter total showing a 9 percent increase over the figure for the corresponding period of last year. Mill production of cotton cloth in the first quarter was about 5 percent greater than a year earlier; this followed a steady decline in production since 1961 at a time when the output of the decentralised handloom and power-loom was apparently expanding. The industry puts part of the blame for the surprising failure of mill-made cloth output to expand on to the price control system, which allegedly makes several cloth types unprofitable to produce. Substantial installations of new spindles and looms are planned for this year.

Indian Exports Stagnate

In the second half of 1963, Indian exports of cotton piecegoods were almost exactly the same in total as in the corresponding period of 1962. Full details for the first quarter of this year are not yet to hand, but it is believed that shipments then were much the same as in the first quarter of 1963. In 1963, exports to the U.K. and the U.S.A. were greater than in 1962, but there was a very severe fall in trade with the Sudan. Shipments to the U.K. were again very heavy in the first quarter of this year.

Hongkong achieved a very creditable expansion in her exports of cotton cloth during 1963 and shipments were maintained at a high level in the first quarter of this year. Further increases in spindleage are apparently planned for this year, but fears have been expressed that it may become necessary to curtail production later in the year. The most important current developments in the Hongkong textile industry are the efforts to upgrade the quality of the products of the industry and the increasing use of synthetic fibres. As an illustration of the former, it is estimated that the average value of imports of made-up woven cotton goods into the U.K. from Hongkong was roughly 52d a square yard in 1963, compared with about 40d in 1962.

TEA

Pakistan Expands Tea Cultivation

(BY A SPECIAL CORRESPONDENT)

PAKISTANI tea output is moving ahead rapidly. The estimated crop for 1964 is 60 million lbs, or a rise of 2.85 million lbs over last year, which itself was a record. The expansion of production is expected to allow Pakistan to renew exports. A tea research station has been established in Srimangal and finance is being made available to proprietory estates from the tea development funds at 4-percent interest.

During the past four years, 10,579 acres have been brought under cultivation in Pakistan, thereby increasing the planted area to 87,000 acres as at 31st March, 1964. Another 3,000 acres are expected to be planted this season. In addition to the above, approximately 25,000 acres of tea have been rehabilitated by replanting and infilling. Under the third five year plan, a further 28,500 acres of land will probably be added, thus bringing the total area under tea to 118,000 acres.

The output in Pakistan was 52.27 million lbs in 1952-53 and in 1961-62 it was 58.46 million lbs, but due to unfavourable growing condition, the yield fell to 42.12 subsequently. It will be noted that Pakistan has made quicker progress than north India. One obvious reason is cheaper finance, and a second reason for the progress which is closely related to finance, is that tea production in Pakistan is profitable.

During the ten years 1953-62, north India has increased its production from 267 million to 344 million kilograms which looks quite satisfactory as the 1964 output looks like showing another upswing. These different weights and measures make comparison difficult, but it appears safe to conclude that tea production is a more profitable occupation in Pakistan than in India. Hence the increase in acreage under tea in that country. The great pity is that the net result will be more common tea for world market.

Calcutta Tea Auctions

This year teas offered for sale at the Calcutta auctions have met with a fairly satisfatcry demand, but at a slightly lower level, namely, Rs. 5.95 a kilogram, against Rs. 6.03 a kilogram last year. Dusts likewise show a fall at Rs. 4.91 a kilogram, compared with Rs. 5.23 a kilogram a year ago. The larger supplies expected from the north may help to keep down costs—to some extent—but the decision of the Wage Board to recommend a second interim increase of wages is untimely, as the move must result in higher production costs which will eventually result in marginal gardens closing down altogether. More costly money rates from September will be another difficulty. Developing industries require cheap finance, whereas the reverse process is in operation in India.

Reverting to the supply position, it may be noted that the surplus from north India looks like being cancelled out, in part, by a shortage in the south, but total world production is estimated at 502.3 million lbs, against 481.2 million lbs in 1963. The statistical situation is hardly encouraging, but the annual reports published by local tea broking firms some weeks ago expressed fairly confident expectation as to supply and demand, which was expected to be



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...and small enough to know you



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fairly evenly balanced by the end of the cropping season.

Lower U.K. Stocks

Although world supplies to the end of June show a moderate increase over production in 1963 stocks in the U.K. actually marked a decline for the week ended 10th July at 122.1 million lbs, against 124.5 million lbs a week ago. In 1963, stocks were at lowest level for the year at the end of August, and in 1962, July recorded the low mark. Conditions, therefore, seem to be following a normal pattern. Deliveries at 8.7 million lbs were lower than during recent weeks. Teas afloat were estimated at 16.5 million lbs, of which under half a million lbs was from north India.

The average price was 46.15d. compared with 45.83d the previous week, and 44.69d a year ago, so the loss on Calcutta prices may be partly made up at London auction, but so far, only a small proportion of north Indian new season's teas have come up for sale in Mincing Lane. The total offerings last week were only 53,400 chests of tea. The few Assams sold well, but Dooars offerings were irregular and supplies from south India remain on the low side. African teas were steady, but some stalk is showing in some invoices. There was an active demand for Ceylon supplies, sometimes at higher prices.

In 1963, Terai tea planters enjoyed a good season, but so far this year conditions have been more difficult. The Terai Indian Planters Association held its annual general meeting recently under the chairmanship of Mr. S. G. Raha who referred to the industry's problems with particular reference to high taxation and the difficulties in implementing the recommendations for labour due to the lack of funds for ordinary working capital and other expenditure. He reasoned that the Government must pay greater attention to make finance more readily available to the industry because bankers have already imposed restrictions against loans on hypothecation. Mr. Raha suggested that banks should be asked to grant loans at least to the extent of the cost of production. That, of course, would be against common sense. Banks are custodians of other people's money, and must protest their depositors' interests.

The chairman was on safer ground in asking the Government for a subsidy on internal freight, or and, waiving of taxes and refund of export duty for any gardens able to export 65 percent or more of their production. Mr. Raha noted that recently Mr. Manubhai Shah, Central Minister for Commerce, stated that the Government has decided to treat all expenses of new and replacement planting as a revenue charge and has approached the States for similar ruling for income tax—agricultural income tax as well as adjustments for deferred payment of excise duty until the time teas came up for auction. He also advocated that hospitals and schools should be taken over by the Government and that tea estates should secure interest-free loans from the Government or the Tea Board, for housing.

These seem to be perfectly legitimate requests because if gardens are forced into liquidation, the losses will fall first on shareholders and then on Indian employed nationals, and lastly, Government revenue will suffer.

One of Calcutta's daily papers recently published an article entitled "An Acre of Tea", which draws attention to the value of cash crop, and states that under present practices, paddy does not generally fetch more than Rs. 100 an acre and jute not more than Rs. 300 an acre in a good year. If the total cost of jute production from seed to harvest is taken into account, it can be shown that jute is not the most profitable of crops. That is why there has been no appreciable improvement in the fortunes of the peasantry in West Bengal.

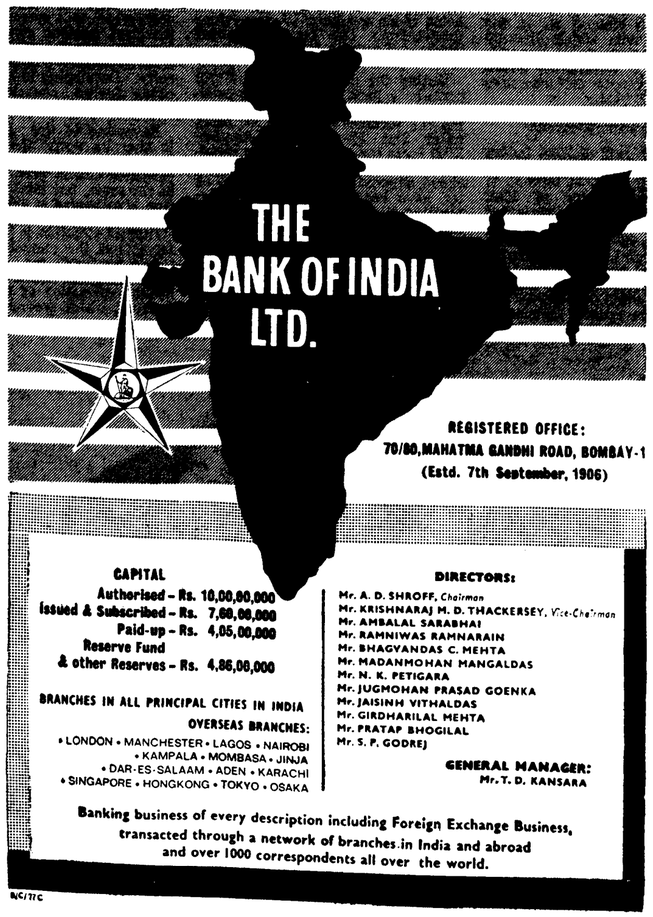
Every cultivator in Darjeeling and Jalpaiguri should grow tea as a cash crop. In the acid soils of these districts, tea flourishes. Planted in shady places where nothing else will thrive, it will benefit the grower for many years to come.

In Japan tea is a cottage industry. Why should it not be here? A one-acre tea garden receiving a normal supply of organic farmyard manure will produce 20 maunds of pucca black tea. In the home market tea sells at Rs. 3 a lb, i.e. Rs. 246 a maund. Twenty maunds will give roughly Rs. 5,000, as against Rs. 300 from jute. (But here, costs seem to have been overlooked). Big tea estates can look after quality tea and the export trade while the common farmer can make tea on a cottage industry scale for internal consumption.

The suggestion that local ryots will secure 20 maunds of pucca tea from an acre looks optimistic, but the idea might be followed up with good profit to the small grower. The system said to work in south India and Ceylon where co-operative factories have been erected and with abundant labour, there should be no serious difficulty about cultivation, but where is the normal supply of, farmyard manure to be found when most of it is used for fuel. The seeds or clones should also be supplied by the Tea Board because it is essential to aim at quality, also an acre of tea probably still requires about 3,000 bushes.

This correspondent has been pessimistic with regard to the profitable working of north Indian tea estates for some time—but, fortunately Calcutta tea brokers and others remain fairly optimistic in reference to the supply and demand position and tea auction so far this year have held up well.

On 1st July, the U.S. Department of Agriculture published estimates for this year's production. It puts the figure at 2,326 million lbs. This would be 2 percent above last year's record output. Asia is expected to offer; in India 770 million lbs; the Ceylon 500 million lbs; in Pakistan 55 million lbs; in Iran to 30 million lbs and in Turkey 25 million lbs. Japan, China and Indonesia do not appear to have been included.



BC/77C

LEMONGRASS

Overproduction Crisis

Our South Indian correspondent writes: The Lemongrass Development and Export Advisory Committee constituted by the Government of India has issued an appeal to the lemongrass cultivators to curtail production of oil during the 1964 season. The record production of 1963 has left a big carry-over of nearly 700 tonnes, which even under normal conditions, would prove a big drag on the market, the committee says in a Press release. The committee advises the growers that their production should be limited in such a way that the monthly total does not exceed the quota fixed by the State Trading Corporation of India for its purchases during the next six months from the growers. In order to provide safeguards to genuine growers, a limit of 30 kilograms has been prescribed for monthly sales by the producers. The S.T.C. has fixed a limit of 750 tonnes for its purchases during the 1964 season. The committee feels that production over and above this limit might produce a very distressing effect on the market, which is already weak, in view of competition from Guatemala for natural oil as well as from synthetic substitutes in the western market.

COMPANY AND PUBLIC NOTICES

(Situation Vacant)

RESERVE BANK OF INDIA

APPLICATIONS are invited for the following posts in the Bank:—

(A) POSTS AND SCALES OF PAY:

(i) **Statistical Assistants in the Department of Statistics**

Rs. 255-15-270-16-398-21-419
EB 21-482-22-570.

(ii) **Economic Assistants in the Economic Department**

Rs. 255-15-270-16-398-21-419
EB 21-482-22-570.

In addition to pay, the selected candidates will be eligible to draw house allowance and dearness allowance.

(B) QUALIFICATIONS:

(i) Statistical Assistants: Applicants should have obtained at least 50% marks or its equivalent in the Master's degree of a recognised University in Statistics or Mathematics/Commerce with Statistics as a special subject.

(ii) **Economic Assistants:** Applicants should have obtained at least 50% marks or its equivalent in the M.A. or M.Com. degree of a recognised University with specialisation in any of the following subjects:—Economic Analysis, Monetary Theory, Banking, International Economics, Theory of Growth or Rural Economics. Preference will be given to those who have practical experience of research in Economics.

(C) AGE LIMITS AS ON 1ST JULY 1964:

Between 18 and 24 years.

The maximum age limit is relaxable but not beyond 30 years in the case of:—

(i) applicants possessing special qualifications and experience of value to the Bank;

(ii) ex-employees of banking institutions whose services had to be terminated for reasons of economy or as a result of the banks going into liquidation;

(iii) personnel retrenched from Government offices after at least one year's service applying through Employment Exchanges; and

(iv) candidates belonging to the Scheduled Castes or Scheduled Tribes.

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

3. Applicants must remit with their applications a fee of Rs. 2.00 for each post. **The application fee is in no case refundable.** In the case of candidates belonging to Scheduled Castes/Tribes, the fee will be reduced to one-fourth.

4. Applications in the candidate's own handwriting in the prescribed forms obtainable from the Reserve Bank's offices at Bombay, Calcutta, Kanpur, New Delhi, Nagpur, Madras, Bangalore, Hyderabad, Trivandrum, Lucknow, Patna and Jaipur accompanied by copies (originals should not be sent) of certificates regarding age and educational qualifications, statements of marks secured in the Graduate and Post-Graduate degree examinations and copies of two testimonials should be forwarded to the Secretary, Central Recruitment Board, Reserve Bank of India, Central Office, Post Box No. 406, Bombay No. 1 so as to reach him on or before the 8th August 1964.

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

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

7. Candidates must be prepared to serve in any office of the Bank in India and to undertake tours when required.

8. Selected candidates will be required to appear for a written test which will be held at the above-mentioned offices of the Bank. Candidates should clearly state on the top of their applications, the office of the Reserve Bank at which they desire to appear for the test, if called. Those successful in the test will have to appear for an interview at Bombay.

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

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

11. Canvassing in any form will be regarded as disqualification.

THE INDIAN IRON & STEEL COMPANY LIMITED

Notice

AT a meeting of the Board of Directors held today the Directors have recommended in respect of the Ordinary Share Capital payment of a dividend for the year ended 31st March, 1964, of Rs. 1/60 per share together with a special cash bonus of 10 paise per share, making a total distribution of Rs. 1/70 per share subject to deduction of tax in accordance with the provisions of the Income Tax Act. This distribution awaits sanction by the shareholders at the Annual General Meeting to be convened for Tuesday, the 8th September, 1964.

The net profit after provision of Rs. 4,40,25,006 for depreciation, Rs. 3,87,00,000 for taxation and net transfer of Rs. 5,35,17,685 to Appropriation Reserves is Rs. 2,29,04,228. For the previous year the net profit was Rs. 1,91,87,975 after provision of Rs. 3,40,18,269 for depreciation, Rs. 3,56,00,000 for taxation and net transfer of Rs. 3,64,01,226 to Appropriation Reserves.

The Ordinary Share Register and Transfer Books of the Company, as already announced, will be closed from the 1st to the 22nd August, 1964, both dates inclusive, and the dividend and cash bonus if sanctioned will be paid on or after the 9th September, 1964 to those shareholders whose names appear on the Register of Members on the 22nd August, 1964.

By Order of the Board,

MARTIN BURN LIMITED,
F. G. LIVERSEDGE,
Managing Director,
Managing Agents.

Registered Office:
12, Mission Row, Calcutta 1.
17th July, 1964.

HOWRAH MILLS COMPANY, LIMITED

Notice of Annual General Meeting

NOTICE is hereby given that one hundred and thirtyninth annual general meeting of the members of the above-named company will be held at the registered office of the Company, No. 4, Clive Row, Calcutta-1 on Friday, the 21st day of August, 1964 at 12-15 p.m. for the following purposes:—

1. To receive and consider the Audited Accounts for the year ended 31st March, 1964, the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.
2. To confirm interim dividends already paid and to declare final dividends.
3. To appoint a Director in place of one retiring.
4. To appoint Auditors and to fix their remuneration.

NOTICE is also given that the Share Transfer Books of the Company will be closed from 7th August, 1964 to 21st August, 1964 both days inclusive.

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

By Order of the Board,

JARDINE HENDERSON, LTD.
C. EVANS,
Secretary,
Managing Agents.

4, Clive Row,
Calcutta-1.
17th July, 1964.

Note:—The dividends, if approved, will be payable on and after 7th September, 1964 to those members whose names are registered in the books of the Company on 21st August, 1964.

ANGLO-INDIA JUTE MILLS COMPANY LIMITED

31, Netaji Subhas Road, Calcutta-1.

NOTICE

THE Directors at the meeting held on 8th July 1964 have recommended for consideration of the Members at the Annual General Meeting to be held on 21st August 1964 at 11-00 A.M., payment of the following dividends, subject to deduction of tax, for the year ended 31st March 1964:

On Preference shares at the rate of Rs. 9.1 per share

On Ordinary shares at the rate of Rs 12 per share.

The Register of Members and Share Transfer Books of the Company will be closed from 11th to 21st August 1964, both days inclusive.

By Order of the Board,

DUNCAN BROTHERS & COMPANY LTD.,
Managing Agents.
Calcutta, 10th July 1964.

DELTA IRRIGATION PROJECT

Tender Call Notice

SEALED quotations are invited for the supply of spare parts for AILSA CRAIG MARINE DIESEL ENGINE, Model RFR4 and RF4 and will be received upto 3-00 p.m. on the 17th August, 1964 and will be opened on the same day in the presence of the tenderers or their authorised agents.

The detailed list of spare parts required can be had from the office of the undersigned on application.

Sd/- B. MISRA
Superintending Engineer
Delta Irrigation Circle
Keshari Nagar, Bhubaneswar-1

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Metal Box Co. of India Ltd. ..	27-7-64	12-30 p.m.
*Attock Oil Co. Ltd.	29-7-64	
Jagatjit Coton Textile Mills Ltd. ..	31-7-64	3 p.m.
Investment & Finance Co. Ltd ..	4-8-64	11 a.m.
General Investment & Trust Co. Ltd. ..	4-8-64	11-5 a.m.
Indian Copper Corporation Ltd ..	12-8-64	11-30 a.m.
Britannia Biscuit Co. Ltd. ..	20 8-64	10 a.m.
Howrah Mills Co. Ltd.	21-8-64	12-15 p.m.

(*Meeting to be held in London)

DIVIDENDS DECLARED OR PROPOSED.—Indian Iron & Steel Co. Ltd.—17 p.c. (o), including a bonus of 1 p.c., subject to tax; Anglo-India Jute Mills Co. Ltd.—12 p.c. (o), subject to tax.

HIDES AND SKINS

The market was steady. Stocks were less than in the previous week.

Bazaar Sales

(Between 14th and 20th July, 1964)

Cowhides: Wet salted (Ord) 11,500 pcs. on the basis of Rs. 7 to Rs. 9; Wet salted (slaughtered) 45,500 pcs. on the basis of Rs. 7 to Rs. 13 and Rs. 16 to Rs. 24; Wet salted (Ord) 1,500 pcs. on the basis of 54 Paise a lb.

Goatskins: Wet salted (Patna, Daissee, Kustia) 52,800 pcs. on the basis of Rs. 270 to Rs. 320; Rs. 320 to Rs. 330 and Rs. 370 to Rs. 380; Wet salted (he-killed) on the basis of Rs. 4.25 and (she-killed) on the basis of Rs. 4 a piece; Assam-Dinajpur 33,500 pcs. on the basis of Rs. 170 to Rs. 225.

Bazaar Stocks

(20th July, 1964)

Cowhides: Wet salted 78,100 pcs.
Goatskins: Wet salted (Patna Daissee, Kustia, Killed) 47,000 pcs; Assam-Dinajpur 1,22,000 pcs; Mozafferpore - Patna - Pakur - Purneah-Kissenganj 4,13,000 pcs.

SHELLAC UNCHANGED

During the week ended 21st July, the market was unchanged. The range of quotations was as follows:

	Rs. a package
Pure Buttonlac	168 value
Lemon One Shellac	170 buyers
	174 sellers
Lemon Two Shellac	152 buyers
	156 sellers
Standard One Shellac	136 buyers
	140 sellers
Pure T. N. Shellac	120 buyers
	124 sellers
Golden Kusmi Seedlac	200 value
Kusmi One Seedlac	140 value
Golden Bysacky Seedlac	150 value
Manbhum Fine Bysacky Seedlac	112 value
Fine Bysacky Seedlac	92 value
Genuine Bysacky Seedlac	84 value
Grade One Class B Seedlac	112 value
Grade Two Class B Seedlac	92 value

Shipments during July until the 16th were 12,504 packages.

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock Exchange Associations and other sources.

Figures given after stroke (/) mean paise.

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Wednesday, 22nd July, 1964.

GOVERNMENTS LOANS

Outstanding Amount	Interest per cent	Year of issue	Repayable	Market quotations
Rs.				Rs.
GOVERNMENT OF INDIA				
2,48,91,06,000	3	1946	1986 or later	64/20
8,93,33,000	3	1896-97	At the option of the Government of India after 6 months notice	63/00
14,77,48,000	2½	1946	1976	83/50
1,10,11,78,000	3	1943	1966-68	98/30
1,15,05,83,000	3	1948	1970-75	90/55
1,53,67,92,000	3½	1955	1965	100/05
86,63,53,000	3½	1956	1974	96/75
56,99,30,000	3½	1957	1967	100/00
1,97,40,92,000	3½	1958	1967	99/90
70,00,000	3½	1958	1968	98/85
1,56,64,22,000	3½	1958	1968	99/90
1,90,85,42,000	3½	1959	1969	98/10
82,65,41,000	3½	1960	1966	100/00
1,54,70,22,000	4	1957	1972	98/90
94,51,44,000	4	1958	1973	98/90
81,06,39,000	4	1959	1979	98/20
98,05,17,000	4	1960	1980	98/20
65,96,55,000	4	1961	1981	98/20
84,12,53,000	4	1963	1969	99/95
28,07,95,000	4½	1962	1972	100/10
52,01,71,000	4½	1963	1986	100/10
1,14,03,37,000	4½	1962	1983	100/00
BOMBAY				
3,46,34,300	4	1952	1964	99/95
6,57,22,800	4½	1957	1968	98/40
6,58,20,700	4½	1958	1970	99/00
4,35,25,000	4½	1958	1971	98/70
MADHYA PRADESH				
2,03,28,800	3	1948	1964	98/50
MADRAS				
5,24,81,200	4	1952	1964	99/95
5,55,57,300	4½	1958	1970	99/00
UTTAR PRADESH				
1,55,31,200	3	1938	1961-66	93/25
5,89,13,900	4	1952	1964	99/95
7,65,53,900	4½	1958	1970	98/80
WEST BENGAL				
2,00,00,000	4	1952	1964	99/95
7,58,72,200	4	1952	1967	99/45
7,11,46,100	4	1956	1968	99/10
5,10,49,700	4½	1958	1970	98/75
7,89,69,400	4	1959	1971	97/75
7,00,00,000	4	1960	1969	98/70
73,07,21,000	4½	1961	1972	98/80
7,00,00,000	4½	1962	1974	99/50
MYSORE				
2,95,85,200	4	1933	1952-63	100/00

PORT TRUST LOANS

Amount	Interest per cent	Year of issue	Repayable	Market quotations
Rs.				Rs.
CALCUTTA				
90,24,300	4	1914	1974	98/25
76,90,100	4	1915	1975	98/25
68,02,300	3	1921	2nd 1981	82/00
1,50,00,000	6½	1921	2nd 1981	144/00N
£892,600	5	1923	1953-83	£61
£901,000	5	1924	1954-84	£61
1,24,00,000	4½	1957	1987	99/50
	4½	1958	1988	99/00
50,00,000	4½	1959	1989	99/00
1,50,00,000	4½	1961	1971	98/75
80,00,000	4	1931	1991	93/00
60,00,000	3½	1935	1965	99/00
50,00,000	3	1946	1976	83/50
50,00,000	3	1945	1-2-2005	72/00
50,00,000	3	1945	1-2-1975	83/75
25,00,000	3	1938	1963-65	93/00
50,00,000	3	1946	2006	72/00
50,00,000	2½	1947	1977	78/50
50,00,000	3	1948	1978	83/00
50,00,000	3	1950	1980	81/00
50,00,000	3	1951	1981	80/50
50,00,000	4½	1953	1963	98/75
50,00,000	4	1953	1983	97/50
90,00,000	4	1955	1985	97/25
77,00,000	4	1956	1986	97/25
1,00,00,000	4	1959	1969	99/50
1,00,00,000	5	1963	1993	..
BOMBAY				
36,50,000	4	1904	1964	96/00
35,00,000	4	1905	1965	96/00
15,00,000	4	1906	1967	96/00
44,00,000	4	1907	1968	96/00
75,00,000	4	1908	1968	96/00
40,00,000	4	1909	1970	92/00
56,00,000	4	1910	1971	92/00
75,00,000	4	1911	1972	92/00
STERLING LOANS				
£892,600	5	1923	1953-83	£63
£901,000	5	1924	1954-84	£63
£835,100	5½	1932	1962	£96½
MADRAS				
28,48,275	3½	1947	1977	A
9,88,000	3	1947	1977	A
8,00,000	3	1949	1979	A

IMPROVEMENT TRUST LOANS

Amount	Interest per cent	Year of issue	Repayable	Market quotations
Rs.				Rs.
CALCUTTA				
50,00,000	4	1934	1964	99/25
35,00,000	3½	1935	1965	96/00
30,00,000	3	1936	1966	92/50
20,00,000	3	1938	1963-68	92/00
80,00,000	4	1952	1962	100/00
1,02,00,000	4	1956	1968	98/50
75,00,000	4½	1958	1968	101/00
BOMBAY				
60,00,000	4	1903	1963	98/25
50,00,000	4	1904	1964	98/25
20,00,000	4	1906	1966	97/50
15,00,000	4	1907	1967	97/50
30,00,000	4	1908	1968	£95½N
£566,600	4	1909	1969	£95½N
£333,000	4	1910	1970	£100/00
25,00,000	4	1912	1972	95/00
13,00,000	4	1913	1973	95/00
50,00,000	4	1914	1974	95/00
25,00,000	4	1916	1976	95/00
66,00,000	5	1920	1945-80	119/50
25,00,000	4	1927	1961-70	99/75
10,00,000	3½	1936	1966	89/00

MUNICIPAL LOANS

Amount	Interest per cent	Year of issue	Repayable	Market quotations
Rs.				Rs.
CALCUTTA				
66,88,000	3½	1951	1966	98/50
10,00,000	5½	1932	1962	100/75N
33,91,000	3½	1935	1965	96/00
72,50,000	4½	1954	1979	100/00
60,00,000	3	1936	1966	93/00
47,50,000	3	1938	1968	92/50
21,10,000	3½	1942	1972	92/00
87,36,000	4	1952	1962	99/75
2,22,72,000	4	1955	1985	97/25N
1,67,32,000	4½	1958	1970	101/00N
73,36,000	4½	1958	1968	100/50
57,72,000	4½	1961	..	..
BOMBAY				
20,00,000	4	1913-13	1974	95/00
10,00,000	5	1920	1980	101/00
2,00,34,000	3½	1951	1966	89/00
8,25,00,000	3½	1947	1977	82/00
2,13,14,500	3½	1949	1979	82/00
4,00,00,000	3½	1950	1965	95/00
MADRAS				
15,00,000	3½	1951	1961	107/00
15,00,000	3½	1952	1962	107/50

2½% U.P Zemindary Abolition Compensation Bond (per Rs. 100) Rs 41/90*

* Ex eight instalments but inclusive of accrued interest.

These notes refer to the Debentures on the next page.

Option to repay at par on 6 months notice—

(a) Option to extend the redemption period for further 10 years.

(b) at any time after.

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

(d) option to redeem at 2½% Prem. after 14-8-64 and before 15-8-69

Option to repay on 6 months notice—

(e) at any time after 30-6-61 at 101%.

(f) at 101% between 1-1-60 & 31-12-64.

(g) at 102/8% after 30-6-59 but before 30-6-64.

(h) at any time after 30-6-65 at 101%.

Option to repay on 3 months notice—

(i) at any time at 3% Premium.

(j) at 4% Prem. after 1-3-64 but before 1-3-67 and 1% Prem. on or after 1-3-67.

(k) at any time at par.

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

(m) redeemable at 103% on 31-12-64 with option to redeem on any interest date at same premium after 30-6-59.

(n) at any time on two months notice—

(o) to be redeemed at a premium of 10% Rs. 10,000 to be redeemed annually by drawing on 3 months notice with option to redeem all after 4 years from date of issue on 6 months notice. Option not exercised repayment to be made after full term.
Option to repay

(p) at par after September 1960.

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

(r) with option to redeem at 101% after 10 years or at 100/8% after 12 years.

(s) Rs. 1,00,000 Debentures to be redeemed annually by drawing from 1-6-56 with option to redeem at 100/8% between 1-6-57 to 1-6-60 and at 101% afterwards.

(t) with option to redeem at 101% after 10 years or at 100/8% after 13 years.

(u) with option to redeem all or any of the Debts at 101% at any time after 31-3-64 and at 100/8% at any time after 31-3-66.

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

(w) Redeemable at any time at 5 per cent premium (a) on 6 months notice by the Company or (b) in the event of the security becoming enforceable or at par if the Corporation of Calcutta or Howrah purchase the undertaking on 1st January 1946 or every seventh year thereafter.

(x) At par all or any of the Debts on 31st December. 1964 or on any subsequent interest date.

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

(z) Also redeemable out of a cumulative sinking fund of 1½% per annum commencing in 1943 by purchase at any price less than par or by annual drawing at par.

BANKS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 22-7-64 Rs.	15-7-64 Rs.	A year ago Rs.
Allahabad Bank P.	18	15	15	100	248/00	250/00	236/00
Bank of Baroda	17	16	16	50	97/50	97/50	91/70
Bank of India	20	20	18	50	103/25	103/25	113/00
Central Bank of India	20	20	20	25	49/00	49/00	59/00
Chartered Bank	15	15	15	£1	sh. 50/3	sh. 50/-	sh. 58/3
Hindusthan Commercial	Nil	Nil	..	50	10/75	10/75	13/25
Hindusthan Mercantile	Nil	Nil	..	50	10/75	10/75	15/62
Hong Kong & Shanghai	sh. 15	sh. 16	sh. 16	HK$25	£21¾	£21½	£19/-
Indian Bank	15	14	..	100	153/50	153/50	161/50
Indian Overseas Bank	14	..	..	..	144/00	144/00	140/00
National & Grindlays Bank	14	16	14	sh 15	sh.31/3	sh. 31/1½	sh. 35/6
Punjab National Bank	20	20	..	10	19/50	19/50	19/19
Union Bank of India	11 2/5	11 2/5	..	5	6/16	6/16	6/08
United Bank of India	6	6	7½	10	7/50	7/69	7/31
United Commercial Bank	12	12	12	50	69/25	69/50	66/00

JUTE MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 22-7-64 Rs.	15-7-64 Rs.	A year ago Rs.
Agarpara P.	2½	2½	12	10	8/81	8/81	10/12
Alexandra P.	15	42½	..	100	300/00	300/00	300/00
Alliance P	Nil	10	12½	100	124/00	124/00	150/00
Anglo-India P.	?	10	12	100	160/00	160/00	221/00
Auckland P.	12	Nil	15	100	129/00	124/00	149/00
Bally P	25	25	..	100	239/00	235/00	272/00
Barnagore P.	10	10	10	£5	222/00	222/00	198/00
Bengal P	..	..	..	10	7/00	6/69	9/69
Birla P	15	15	15	10	32/75	33/25	29/37
Budge Budge P.	Nil	12	14	100	121/00	121/00	144/00
Calcutta P	..	..	..	10	4/12	4/12	4/12
Caledonian P.	5	..	..	100	142/00	142/00	190/00
Champdany P.	5	Nil	40-35*	10	20/50	20/75	21/31
Cheviot P	5	25	..	10	19/31	19/06	21/56
Chitvalsh P.	Nil	5	Nil	10	8/06	8/00	10/00
Clive P	..	..	..	10	8/00	8/00	10/25
Dalhousie P.	1	Nil	25	100	119/00	115/00	132/00
Delta P	Nil	12	7½	100	132/00	132/00	150/00
Empire P	7½	12½	15	10	13/87	13/87	16/31
Fort Gloster P.	10	12½	20	100	251/00	251/00	377/00
Fort William P.	22½	10	20	10	21/81	21/81	26/00
Ganges P	10	15	20	10	13/62	13/66	14/31
General Industrial	10	13	..	10	13/25	13/25	15/62
Gourepore P.	25	20	20	10	22/31	22/25	25/12
Hastings P.	6	6	6	100	128/00	128/00	128/00
Hooghly P.	20	7½	10	10	14/50	14/37	18/87
Howrah P.	10	Nil	10	10	16/00	16/00	18/69
Hukumchand P.	28 2/3	26 2/3	26 2/3	7½	19/50	19/50	18/19
India	12	8	22½	12½	15/12	15/12	17/50
Kamarhatty P.	Nil	20	20	100	158/00	158/00	191/00
Kankinarrah P.	Nil	15	15	100	126/00	128/50	130/00
Kelvin P	15	5	20	100	135/00	135/00	177/00
Khardah P.	5	12½	12½	10	17/50	17/50	18/75
Kinnison P.	7	Nil	10	100	115/00	114/00	143/00
Lansdowne P.	Nil	Nil	Nil	100	92/50	92/50	87/00
Lawrence P.	15	10	10	100	102/00	102/00	100/00
Megna P.	12½	Nil	22	10	12/56	12/56	13/12
Naihati P	..	..	..	100	85/00	85/00	81/00
Naskarpara	..	..	..	10	6/00	6/00	9/06
National P	Nil	10	10	10	20/62	20/62	24/37
Nellimarla P	5	15	5	10	8/25	8/25	11/25
New Central P.	15	Nil	..	10	10/87	11/06	12/87
Northbrook P.	30	20	35	10	24/81	24/75	27/25
Nuddea	6	5	10	10	10/56	10/56	..
Presidency	6	10	10	5	4/25	4/19	4/75
Rameshwara P.	Nil	Nil	Nil	10	9/20	9/20	9/56
Reliance P	Nil	Nil	Nil	10	7/31	7/37	9/50
Sammugger P	Nil	10	10	£1	10/50	10/50	10/50
Shree Ambica P.	5	Nil	..	10	30/00	30/00	25/00
Soorah P	25	25	..	10	19/25	18/94	22/75
Titaghur P.	Nil	13	..	£1	10/50	10/50	10/50
Union P	6	Nil	20	100	133/00	133/00	160/00
Victoria P.	Nil	10	10	£1	10/50	10/50	10/50
Waverley P.	30	60	30	1	7/94	8/00	8/56

* 1964

COAL COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 22-7-64 Rs.	15-7-64 Rs.	A year ago Rs.
Amalgamated	12½	15	..	10	21/06	12/19	24/87
Bengal P	21	19	16	100	228/00	233/00	274/00
Bengal Bhatdee	..	..	..	10	3/48	3/48	3/48
Bengal Nagpur	26	..	..	10	22/00	22/00	22/00
Bhalgora	..	..	..	10	3/87	3/87	4/84
Bharat Collieries P.	..	..	..	10	2/75	2/75	3/56
Bhutanbararee	..	..	..	10	10/00	10/00	11/94
Bokaro & Rampur	..	..	..	10	11/19	11/19	11/19
Borrea P	15	15	16	10	20/25	20/25	23/87
Burrakur P.	13	13	13	10	15/81	16/06	16/00
Central India	10	10	..	10	8/50	8/87	9/56
Central Kurkend P.	..	..	..	10	3/44	3/44	3/87
Churulia	..	..	..	4	3/06	3/06	3/06
Dhemo Main	Nil	..	..	10	3/95	3/95	4/31
East Indian	15	20§	..	£1	28/00	28/50	31/87
Equitable P	10	10	10	10	21/50	21/50	24/00
Ghusick & Muslia	Nil	Nil	Nil	10	13/87	13/87	14/25
Guzdar Kajora	..	..	..	10	2/47	2/47	2/44
Hurriladih	..	..	..	10	5/44	5/44	8/12
Karanpura Development	5	..	3	100	9/12	9/12	10/75
	15	..	9	10F			
Karanpura Collieries P.	10	10	10	10	11/62	11/62	15/00
Katras Jherriah	40	25	30	10	30/00	30/00	37/75
Khas Kajora P.	..	..	..	10	16/62	16/62	18/70
Mundulpur	..	..	..	10	4/68	2/69	2/69
Nazira	Nil	Nil	..	10	4/69	4/69	5/00
New Beerbhoom P.	10	12	10	10	15/25	15/25	19/25
New Manbhoom	8	12	..	10	11/25	11/25	16/00
North West	20	..	..	10	19/75	19/75	19/75
				7½	18/00	18/00	18/00
Ondal P.	7½	..	..	10	13/50	13/50	12/00
Parasea P	1½	..	..	10	14/00	14/00	16/00
Pench Valley	10	10	..	10	17/44	17/44	17/75
Pure Sitalpur	..	..	..	10	8/00	8/00	8/00
Rangeegunge	17	17	..	10	13/12	13/37	16/00
Rewa	20	..	..	10	24/50	24/62	28/50
Samla	..	..	..	10	7/81	7/81	10/00
Searsole	Nil	Nil	..	2½	1/25	1/25	1/22
Seebpore P.	42 6/7	35 5/7	28 4/7	7	34/75	34/75	45/00
Sendra	3½	..	..	10	4/19	5/00	5/75
South Karanpura	Nil	Nil	2½	10	6/50	6/50	8/06
Standard	10	..	..	10	9/62	9/62	13/12
Union	..	..	..	10	10/25	10/25	11/12
Western Bengal	7½	9	..	10	8/75	8/75	8/84
West Jamuria	Nil	..	..	10	3/60	3/60	4/00

COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 22-7-64 Rs.	15-7-64 Rs.	A year ago Rs.
Basanti	..	..	..	10	12/06	12/06	11/50
Bengal Luxmi	..	..	..	40	30/00	30/00	28/00
Bengal Nagpur P.	Nil	..	..	10	2/44	2/44	3/06
Bharat Commerce	5	15	15	10	20/37	21/19	19/87
Birla Cotton	10	20	20	10	27/00	27/00	33/00
Bowreah P.	10	20	15	10	23/31	23/06	22/12
Cawnpore Textile	7 1/5	10	10	5	6/85	6/69	6/19
Delhi Cloth & Genl P.	12	13	13-13*	25	48/50	48/50	42/12
Dunbar	20	20	15	10	26/25	27/25	26/25
Elgin P.	11¼	17½	17½-17½*	10	19/00	19/00	17/75
J. K Cotton (Rayon) P.	12½	..	..	10	10/31	10/62	11/75
Jaya Shree	10	10	..	10	13/00	13/37	14/00
Muir P	..	..	..	100	63/00	63/00	90/75
New Victoria P.	Nil	..	..	2½	1/25	1/31	1/37
Orissa Textiles P.	Nil	Nil	..	10	7/00	7/00	9/00
Rampooria Cotton	3	Nil	..	10	12/50	13/00	12/00
	Nil	Nil	Nil	1	3/00	3/00	2/00
Swadeshi (Kanpur) P.	5	..	..	10O	11/00	11/00	11/50
	5.51	..	..	10PO	6/31	6/31	7/31

* 1963

BOMBAY COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 21-7-64 Rs.	14-7-64 Rs.	A year ago Rs.
Ahmedabad Advance P.	16	12	..	100	144/50	144/50	130/00
Apollo	Nil	Nil	..	2	1/60	1/62	2/06
Beharilal Ramcharan	Nil	Nil	..	100	135/00	135/00	71/00
Bombay Dyeing, etc.	14	14	14	25	57/80	57/60	61/80
Bradbury P.	10	25	..	50	162/50	162/50	140/00
Century	30	30	..	100	604/50	603/00	540/00
Central India P.	Nil	Nil	Nil-Nil*	100	93/50	95/00	113/00
Coorla	11	11	..	100	169/00	169/50	142/50
Dawn	30	30	..	50	166/00	164/00	140/00
Edward Textiles	9	9	6	200	285/00	285/00	290/00
Elphinstone P.	18	22	18	50	104/00	104/50	102/00
Finlay	23	23	..	100	297/00	296/00	325/00
Gokak	14	18	..	100	117/00	178/00	167/00
Hindoostan	50	50	..	250	950/00	950/00	855/00
India United	8	14	..	10	19/52	20/52	23/00
	13½	37½	..	1Dd	2/36	2/38	2/52
Indian	23 1/5	25	..	250	840/00	840/00	761/25
Indore Malwa United	8½	10	7½	100	208/00	210/00	190/00
Khatau Makanji P.	32	16	..	100	180/00	186/50	223/75
Kohinoor	15	18	..	100	327/00	327/50	318/00
Lakshmi Vishnu P.	5.7	6	Nil	100	91/00	90/50	90/00
Morarjee Goculdas P	21½	24	24-20*	100	268/50	268/00	388/00
Mysore Spg & Mfg P.	14	14	..	50	39/50	41/50	49/50
New City of Bombay	Nil	Nil	..	100	188/75	188/75	160/00
New Great Eastern P.	Nil	12	..	100	160/00	160/00	230/00
Phoenix	15	20	..	100	254/00	251/00	215/00
Sassoon & Alliance	Nil	Nil	..	10	10/24	10/24	11/76
Sassoon Spinning	17	20	10	10	38/00	38/00	46/50
Simplex	15	Nil	22-16*	50	136/00	136/0C	121/00
Shree Niwas P.	18	20	14	100	247/00	240/00	240/00
Swadeshi P.	17	19	17	100	246/50	246/00	240/00
Swan	36	21 3/5	..	100	265/00	265/00	282/50
Tata	20	22	20	25	53/70	55/00	56/50
Western India	46 2/5	25	..	250	815/00	815/00	785/00

* 1963

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 21-7-64 Rs.	14-7-64 Rs.	A year ago Rs.
CEMENT ENGINEERING & METAL							
Associated Cement	12½	12	12	100	152/75	152/50	147/00
ELECTRIC LTG., POWER							
Ahmedabad Electricity	7	6	..	100	99/80	99/50	97/80
Andhra Valley Power P.	5½	5	5	1000	1,097/50	1,095/00	1,070/00
Bombay Subarban Elec.	8	8½	8½	100	106/00	106/00	105/50
Tata Hydro Elec. Power P.	5½	5	5	100	113/50	113/50	109/00
Tata Power P.	5½	5	5	1000	1,145/00	1,145/00	1,131/25
Alcock Ashdown	17	22½	..	100	277/00	284/00	294/00
Jost's Engineering	8	10	10—Nil*	50	47/00	47/00	60/00
Larsen & Toubro P.	12½	18	14—14*	10	21/36	21/52	23/20
Mackenzies	10	12	14	100	140/00	140/00	136/50
Premier Construction P.	43 1/3	33 1/3	..	30O	182/50	184/00	155/00
				33⅓F			
Tata Eng & Locomotive P.	12½	14½	14½-14½*	100	291/50	290/00	270/50
Tata Iron & Steel P.	9.1	10.36	10.36-11*	75O	155/50	155/50	146/00
INSURANCE COMPANIES							
British India General	..	..	..	10	14/00	14/00	12/00
Jupiter General P.	..	..	..	15	7/00	7/00	9/50
New India	38	38	..	15	46/00	45/75	86/00
Vulcan	20	20	..	10	16/24	16/24	17/24
MISCELLANEOUS							
Belapur Sugar	58	50	..	50	220/00	216/00	196/00
Bombay Burmah Trading	30	33	33-33 1/5*	25	55/70	56/80	62/00
				20	42/50	43/50	..
Hindustan Lever	26	26	12	10	32/25	33/00	37/00
Industrial Invt Trust	6½	6½	..	100	75/00	75/00	69/50
Kemp (Chemists)	12½	12½	..	200	255/00	260/00	305/00
National Rayon	22	..	..	100	364/00	369/00	344/00
Scindia Steam Navign.	3	3	3	20	15/80	15/72	12/40
Shivrajpur Synd.	80	Nil	..	10	17/52	18/00	21/00
Tata Chemicals P.	6	6½	6½—10*	10	18/64	18/64	17/36
Tata Oil P.	23	23	23—22*	25	63/50	63/00	67/00
Voltas	13	14	14—14*	100	252/00	254/50	249/00
Western India Match	16	16	16	100	240/00	241/00	249/00

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TEA COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 22-7-64 Rs.	15-7-64 Rs.	A year ago Rs.
ASSAM GARDENS							
Amluckie	Nil	10	7½	10	16/00	16/00	20/00
Anandabag P.	30	32½	20	10	33/25	33/25	33/25
Baghmari	Nil	15	7½	10	11/00	13/62	14/00
Barduar Tea	..	..	..	5	8/50	8/50	8/50
Basmatia	35	25	20	10	18/06	18/06	27/25
Bateli	30	30	..	5	18/06	18/06	18/50
Betjan	40	45	30	10	30/37	30/37	28/75
Bishnauth	13	13	20	10	15/00	15/00	17/56
Bokakhat	Nil	12	13	10	13/12	13/12	13/70
Bormah Jan P.	15	15	15	10	10/94	10/94	14/25
Bor Pukhuri	Nil	Nil	10	10	10/00	10/00	10/75
Brooke Bond P.	15	10	7½—7½‡	10	10/62	10/19	11/75
Dejoo Valley	15	20	30	10	45/50	45/50	60/00
Dessai & Purbuttia	Nil	10	15	100	181/00	181/00	205/00
Dhelakhat	12½	10	..	10	20/81	20/81	19/75
Dhunseri P.	20	15	10	10	9/56	11/12	12/06
Dibrugarh	40	40	30	10	31/19	31/19	31/25
Dimakusi P.	25	20	25	10	25/19	25/19	41/87
Dufflaghur	25	25	30	10	26/12	26/12	27/50
East India	Nil	Nil	10	10	12/00	12/00	13/44
Gillapukri	25	20	15	10	27/56	27/56	25/44
Gohpur	Nil	5	20	10	14/69	14/69	15/19

‡ 1963

TEA COMPANIES—Contd.

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 22-7-64 Rs.	15-7-64 Rs.	A year ago Rs.
Grob	6	6	6	5	7/06	7/06	7/94
Hoograjuli (Assam)	20	20	17	10	27/62	27/62	27/12
Hoolungooree	10	7½	20	100	169/00	169/00	195/00
Jutlibari	30	30	20	10	27/87	27/87	31/50
Kingsley Golaghat P.	35	35	..	100	125/00	125/00	140/00
Kotamullai P	Nil	Nil	Nil	5	9/87	9/87	10/31
Krishnabehari	15	8	10	10	11/30	11/50	10/50
Kyang Tea	Nil	..	..	10	8/06	8/06	8/06
Ledo	Nil	Nil	Nil	10	11/00	11/00	13/75
Maud Tea & Seed	10	7½	7½	10	12/00	12/00	14/81
Methoni	5	14	20	10	13/25	12/50	16/19
Moheema	Nil	Nil	..	10	11/50	11/50	11/50
Mothola	30	30	35	100	507/00	507/00	507/00
	5	15	25	10	26/50	26/50	26/50
Murphulani (Assam)	10.63	20.63	30.63	10	26/87	26/87	26/87
Naga Hills	10	10	10	10	21/25	21/25	22/25
Namburnadi	12	12	..	10	12/87	12/87	14/56
New Cinnatolliah	Nil	Nil	Nil	100	455/00	455/00	302/00
Rajgarh	40	13½	17½	10	18/56	18/56	21/37
Sapoi	22½	20	10	10	19/50	19/50	18/31
Seajuli	22½	15	30	10	21/00	21/00	21/12
Teloijan	25	25	25	10	21/87	21/87	22/00
Tengpani	30	30	22½	10	36/50	36/50	35/00
Tezpore P.	20	12½	..	10	14/69	14/69	14/75
Tongani	Nil	Nil	..	10	5/31	5/31	7/00
Tyrcon	10	15	25	10	27/37	27/37	33/00
CACHAR							
Arcuttipore	Nil	5	6	10	7/00	7/00	7/00
Baitakhal	2½	2½	..	10	7/75	7/87	6/87
Central Cachar	5	7½	5	100	73/00	73/00	74/50
Eastern Cachar	Nil	Nil	..	10	4/62	4/62	4/28
Kalhunugger Khoreel	6	2	..	100	84/00	84/00	87/00
Hattikhira	Nil	8	Nil	10	7/75	7/75	9/12
Kunchanpore	Nil	Nil	..	10	6/00	6/00	6/00
Loobah	Nil	Nil	Nil	10	4/69	4/69	4/37
North Western	30	20	10	100	160/00	160/00	160/00
Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50
Roopacherra	Nil	10	Nil	10	9/94	9/94	13/62
Rungamattee	5	5	5	50	49/25	49/25	51/00
Sonai River	Nil	Nil	..	10	5/06	5/06	9/12
DARJEELING							
Bloomfield	Nil	..	..	10	3/25	3/25	3/12
Chamong	Nil	10	10	10	8/87	8/87	9/00
Darjeeling Tea & Chin.	30	30	100	100	197/00	197/00	197/00
Dilaram	8	4	..	100	102/50	102/50	102/50
Gielle	Nil	..	8 4/7-15*	10	15/87	15/87	11/37
Lingia P.	15	10	17½	10	14/00	14/00	14/56
Longview	12½	10	..	10	8/25	8/25	11/00
Margaret's Hope	15	15	15	10	11/81	11/81	11/62
Mim	22½	27½	27½	100	412/00	412/00	191/50
Nagri Farm	30	25	35	10	29/87	29/87	27/25
Okayti	25	25	25	100	600/00	600/00	600/00
Pashok	10	Nil	..	10	20/00	20/00	20/00
Poobong	Nil	Nil	5	10	10/12	10/12	7/19
Pussimbing P.	Nil	Nil	Nil	10	7/84	7/84	7/12
Rungiee Rungliot	35	20	7½	100	300/00	300/00	336/00
Seeyok	15	Nil	..	10	8/50	8/50	8/50
Singell	Nil	Nil	Nil	100	36/75	36/75	36/75
Singtom	2	Nil	2	10	3/50	3/50	3/50
Soom	50	40	40	10	39/00	39/00	32/75
Sungma	15	15	20	10	13/56	13/37	13/87
Teesta Valley	Nil	..	8 4/7-10*	10	13/44	13/44	11/25
Tukvar	Nil	Nil	..	10	3/50	3/50	7/25
DOOARS							
Banarhat P.	22½	21	21	100	230/00	230/00	233/00
Baradighi	30	25	25	10	23/25	23/25	22/19
Bhatkawa	15	15	20	10	16/00	16/06	16/56
Birpara P.	17½	12½	17½	100	160/00	160/00	156/50
Carron	20	5	7½	100	117/00	117/00	145/00
Choonabhuti P.	32½	20	20	100	162/00	162/00	210/00
Ellenbarrie	5	5	10	100	173/00	173/00	184/00
Engc	60	30	40	100	136/00	136/00	136/00
Ethelbari	5	5	7½	10	11/87	11/87	13/12
Garrkhata	25	20	11	10	16/12	16/12	21/50
Gopalpur	12	2	10	25	19/50	19/50	19/50
Hantapara P.	15	5	10	100	97/00	97/00	109/00
Hasimara P.	17	..	18—15*	10	12/37	12/37	13/62
Huldibari	22½	..	19 2/7-11*	10	12/44	12/44	13/87
Jaybirpara	10	Nil	Nil	10	8/94	8/94	10/69
Killcott	25	15	15	10	14/44	14/44	14/37
Manabarrie	10	6	10	10	59/50	59/50	59/50
Nagaisuree	25	15	15	100	165/00	165/00	140/00
New Dooars P.	35	20	14½	100	157/00	157/00	230/00
Oodlabari	12½	7½	..	100	13/75	13/75	14/00
Phaskowa	Nil	Nil	Nil	100	125/00	125/00	129/00
Rajabhat	Nil	Nil	6	10	10/12	10/12	12/12
Ranicherra	15	15	7½	10	12/00	12/00	13/62
Rydak	25	20	25	10	22/12	22/12	24/25
Sarugaon	40	40	40	10	36/25	36/25	36/25
TERAI							
Atal	5	..	..	10	5/37	5/37	8/75
Beigachi	20	20	..	10	22/00	24/00	22/50
Gungaram	20	12½	12½	100	110/00	110/00	131/00
New Chuka	15	..	12 6/7-20*	10	20/37	20/37	20/00
New Terai	22½	10	15	10	20/50	20/50	24/62
Panargoomiah	20	20	2½	10	13/75	13/75	15/00
Putinbaree	14	14	..	10	55/00	55/00	45/00
Tirrihannah P.	60	60	60	10	49/00	49/00	49/00
CHITTAGONG							
Kodala	Nil	Nil	..	10	9/25	9/25	9/25
Kornafuli	Nil	Nil	..	10	9/75	9/75	9/31
Oodleah	Nil	Nil	..	10	8/00	8/00	8/00
SYLHET							
Chundeecherra	Nil	Nil	Nil	10	30/00	30/00	26/00
Dauracherra	22½	22½	20	10	16/50	15/50	7/56
New Samanbagh P.	25	Nil	Nil	10	13/19	13/19	16/87
Patrakola	32½	40	15	100	254/00	224/00	120/00
Rajnagar	Nil	Nil	Nil	10	9/56	9/56	9/56
Teliapara	22½	22½	10	100	157/00	157/00	99/00

‡ Hectars

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MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 22-7-64 Rs.	15-7-64 Rs.	A year ago Rs.
MININGS							
Burma Mines	2 3/5	Nil	Nil	3½S	0/44	0/44	0/44
Chrestien Mica Industries P.	15	12½	..	10O	10/19	9/50	10/40
	25	20	..	5Dd	6/53	6/53	6/87
Indian Copper Corporation	27	27	..	2s	3/31	3/30	4/90
Meta' Corporation P	Nil	..	..	10O	6/56	6/69	8/81
Orissa Mineral Development	36	28	20	10	19/50	19/31	27/50
CEMENT, LIME, SLATE, ETC.							
Ashoka Cement	7	7	7—7*	10	6/56	6/75	7/69
Assam Bengal Cement	..	..	..	10O	4/87	4/87	3/19
				1Dd	0/56	0/75	0/46
Bengal Potteries	15	..	..	2½	5/00	5/00	5/00
Bisra Stone Lime	30	30	10	..	17/69	17/69	35/00
Dalmia Cement (Bharat) P.	12	12	12	10O	12/69	12/69	12/62
				1Dd	2/75	2/75	3/00
Jaipur Udyog P.	6	8	8.36	10	11/06	11/31	11/50
Kumardhubi Fireclay & Silica P.	18	18	18	10	18/45	18/45	18/45
Orissa Cement P	15	15	10	10	12/12	12/06	14/31
Reliance Firebricks & Pottery	22	15	10	10	22/75	22/75	22/75
Sone Valley Portland Cement	4	6	8	10	4/03	4/19	4/25
Sutna Stone & Lime	27½	30	35	10	28/31	28/31	35/00
CHEMICAL INDUSTRIES							
Alkali & Chemical Corpn of (I)	12	15	15—15*	10	29/00	29/00	33/87
Bathgate & Co Ltd P	Nil	Nil	..	5	0/84	0/84	0/84
Bengal Chemical & Pharm. P.	7	10	..	100	100/00	100/00	98/00
Calcutta Chemical P.	18	18	18	10	17/25	17/25	17/87
Frank Ross P	..	..	..	6	3/19	3/19	2/19
Smith Stanistreet P.	25	25	25-22½*	5	13/69	13/62	12/25
ELECTRIC LIGHTING, POWERS							
Agra Electric Supply	11	11	11	100	125/00	124/00	120/00
Bareilly Electric Supply	11	11	11	10	12/00	12/00	14/37
Benares Electric Supply	11	11	11	10	12/31	12/25	12/37
Bhagalpur Electric Supply	8	10	8	8	6/34	6/34	6/00
Calcutta Electric Supply	8	7½	7½	£1	14/69	14/75	14/94
Cuttack Electric Supply	7½	10	10	10	11/37	11/00	11/87
Dishergarh Power Supply P.	10	10	10	100	86/00	86/00	82/00
Jhansi Electric Supply	..	..	..	10	5/90	5/90	4/90
Jubbulpore Electric Supply	10	10	10	10	12/06	12/06	11/12
Mirzapur Electric Supply	..	..	..	..	7/50	7/50	12/00
Muzafferpore Electric Supply	12½	12½	12½	10	11/11	11/11	11/50
Muttra Electric Supply	..	..	..	10	11/06	11/06	11/12
Patna Electric Supply	10	10	10	10	10/12	10/12	10/62
Shahjahanpur Electric P.	6½	6½	6½	10	6/56	6/75	7/00
Sijua (Jherriah) Electric	10	9	9	10	8/58	8/58	8/25
United Provinces Electric	11	11	11	100	165/00	163/00	115/50
Upper Jumna Valley Electric	13½	13½	13½	11	22/00	22/00	16/00

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MISCELLANEOUS COMPANIES—Contd.

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 22-7-64	15-7-64	A year ago
				Rs.	Rs.	Rs.	Rs.
ENGINEERING & METAL							
Arthur Butler (Muzafferpore) P.	Nil	10	..	10	21/25	21/25	14/94
Bhartia Electric Steel	10	12½	15	10	14/62	14/75	13/94
Braithwaite India P.	25	14	20	10	33/62	33/62	31/00
Bridge & Roof	30	30	..	10	52/25	52/25	52/25
Britannia Building & Iron P.	Nil	Nil	..	10	3/20	3/20	3/50
Britannia Engineering P.	10	10	..	10	10/12	9/94	10/25
British India Electric Cons.	20	15	..	10	29/12	29/12	13/12
Burn P. (Engineering)	28½	28½	25	100	275/00	280/00	595/00
Calcutta Steel	15	15	12½-15*	10	13/75	13/62	14/25
Dalmia Iron	10	10	10	10	11/12	11/06	10/81
Guest, Keen, Williams	14	14	12	10	23/12	23/06	33/56
Hooghly Docking	Nil	12½	..	50	89/00	89/00	108/00
Indian Iron & Steel P.	16	16	16	10	25/52	25/38	23/40
Indian Malleable Casting	..	..	..	5O	6/00	6/00	6/00
			..	10d	2/06	2/06	1/75
Indian Standard Wagon P.	28½	28½	20-20*	10	36/25	37/50	31/50
Indian Steel & Wire Products	24	23	18	10O	33/50	33/50	40/37
Industrial Containers	10	10	..	10	22/50	22/50	21/37
Jay Engineering	17 3/20	15	10	10	17/56	17/50	21/06
J. K. Steel P	20	10	30	10	15/75	15/69	14/25
Jessop & Co. P.	8.58	8.58	10	10	21/00	21/00	24/81
Kumardhubi Engineering P.	11½	15	Nil-16*	3	5/25	5/00	8/19
Marshall Sons (India)	Nil	Nil	..	2	3/06	3/12	2/87
National Iron and Steel	Nil	Nil	..	10	6/19	6/19	4/81
Saran Engineering	10	12½	10	4	7/25	7/06	8/50
Steel Containers	20	20	..	10	24/56	25/00	29/50
Textile Machinery	10	..	17½	10	26/20	26/20	23/50
SUGAR BREWERIES, ETC.							
Balrampur Sugar	8	4	Nil	2½	1/69	1/69	2/00
Belsund Sugar	10	6 2/3	3 1/3	7½	7/62	7/62	8/25
Bharat Sugar P.	15	15	15	10	15/56	15/56	13/00
Carew (Sugar) P.	Nil	Nil	Nil	10	12/31	12/12	10/75
Cawnpore Sugar P.	Nil	Nil	Nil	10	9/00	9/00	10/75
Champaran Sugar	12	Nil	Nil	10	10/75	10/75	15/87
Durbhanga	Nil	5	..	10	8/37	8/37	8/65
New Savan Sugar and Gur	..	..	..	10	3/50	3/50	3/62
Purtabpur Sugar P.	..	..	..	10	9/12	9/12	11/50
Ramnugger Cane & Sugar P.	35	30	15	10	24/19	24/06	28/37
Raza Buland	10	10	10	10	10/12	10/00	9/56
Ryam Sugar P.	..	..	..	10	3/25	3/25	5/20
Samastipur Central Sugar	..	..	..	10	3/75	3/75	6/00
Shree Krishna Gyanoday Sugar P.	..	..	..	10	7/56	7/78	7/75
Shree Sitaram Sugar	..	..	..	10	8/00	8/00	7/12
Sitalpore Sugar	Nil	Nil	Nil	10	3/69	3/69	6/12
United Provinces	5	Nil	..	10	11/25	11/25	9/62
Upper Ganges Sugar P.	72½	72½	..	10	60/25	60/25	68/00
MISCELLANEOUS							
A Firpo (Restaurateur)	10½	5	..	10	5/90	5/90	5/90
Aluminium Corporation P.	12	12	5	10	11/44	11/75	13/00
Anderson Wright Ltd. P.	Nil	6	..	10	11/50	11/50	11/50
Angelo Bros.	28½	28	28	10	24/62	24/50	21/87
Assam Match	20	20	20	10	26/37	26/37	28/75
Assam Saw Mills & Timber	Nil	3	..	3	2/56	2/56	2/87
Associated Battery	15	15	15	10	22/94	23/00	24/62
Associated Hotels of India P.	10	10	15	10	10/31	10/31	10/31
Balmer Lawrie & Co.	25	25	22½	100	237/00	237/00	253/00
Barasee Coke	Nil	15	15	10	21/12	21/12	21/06
Birds Investments P.	10	10	..	10	9/00	9/00	10/69
Britannia Biscuit P.	30	25	21	10	37/75	37/75	42/50
British India Corporation P.	7	9	15	5	9/75	9/62	7/87
British Paints	15	10	15	10	21/75	21/75	21/50
Calcutta Silk Manufacturing P.	Nil	..	..	10	6/94	6/94	6/94
Clive Row Investment	7½	7½	8	10	8/19	8/19	8/62
Duncan Brothers & Co. Ltd. P.	14	14	12	100	135/00	137/00	147/00
Dunlop Rubber Co. (India) P.	20	15	17½	10	32/69	33/31	33/12
Dyer Meakin (Breweries)	30	..	..	5	24/06	24/12	26/00
Eastern Investments Ltd. P.	14	12	10	100	101/00	101/00	117/00
Electric Construction	10	10	10	10	13/06	13/12	12/44
French Motor Car	20	..	..	20	31/75	31/75	35/12
Ganges Rope	20	20	20	100	278/00	278/00	236/00
General Investments Trust P.	5	5	5	75	43/00	43/00	43/00
Gillanders Arbuthnot & Co. Ltd. P.	11	11	11	10	15/00	15/12	14/06
Gladstone Lyall & Co. Ltd. P.	..	..	..	10	..	..	..
Godfrey Phillips (India) Ltd. P.	40	30	..	10	28/12	28/12	28/12
Great Eastern Hotel	6	..	..	250	236/00	236/00	225/00
Hindustan Aluminium P.	Nil	Nil	Nil	10	12/25	12/56	13/50
Hindustan Motors P.	12	12½	11½	10	18/34	18/41	16/66
Hindusthan Pilkington	12	Nil	Nil	10	15/00	15/00	16/25
Hindusthan Twyfords P.	Nil	Nil	Nil	10	12/25	12/75	14/62
Hoare Miller & Co. Ltd.	6	..	..	10	5/50	5/50	5/44
Imperial Tobacco	9	9	8	10	9/37	9/25	10/62
Indian Aluminium Co. Ltd. P.	15	17½	17½	10	30/37	30/31	33/37
Indian Cable P.	22½	22½	22½	10	35/37	35/31	33/00
Indian Oxygen	15	12	12	10	24/62	25/62	27/50
Indian Rubber Manufacturers P.	30	36	..	10	21/75	21/56	19/87
Indian Wood Products	30	30	25	10	27/50	27/50	29/00
Isaac Holdens	Nil	Nil	5	10	11/50	11/69	14/50
Investments and Finance P.	7½	7½	7½	100	30/00	30/00	45/00

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 22-7-64	15-7-64	A year ago
				Rs.	Rs.	Rs.	Rs.
J. K. Synthetics	3	Nil	10	10	11/94	12/06	10/81
James Wright P.	..	..	..	5O	2/75	2/75	2/70
	..	..	..	1Dd	00/43	00/43	00/43
Jardine Henderson Ltd. P.	7	6	7	100	76/00	76/50	84/50
Jay Shree Industries P.	12½	..	..	10	14/00	14/19	16/37
Kesoram Industries P.	12	12	13	10	26/50	26/69	22/00
Macfarlane & Co.	..	..	..	50	4/75	4/75	7/00
	..	..	..	1Dd	1/81	1/94	2/19
Macneill & Barry Ltd. P.	8	7½	8½	100	95/00	95/00	93/50
Martin Burn Ltd. P.	27½	25	25	10	26/37	26/50	26/62
McLeod & Co. P.	15	18	..	100O	230/00	230/00	210/00
Metal Box Co. of India Ltd. P.	25	19	..	10	31/12	31/12	49/87
National Insulated Cable P.	25	25	18	10	24/00	23/44	23/50
National Pipe & Tubes P.	20	20	20	10	27/56	26/87	25/62
National Rolling & Steel Ropes	15	15	15	10	19/50	19/19	19/44
National Rubber P.	6½	8	10	10	11/25	11/25	11/19
National Tobacco P.	7	7	..	10	11/19	10/69	10/75
New India Investment Corpn.	..	..	..	75	54/00	54/00	65/00
Octavius Steel P.	7½	7½	..	100	..	..	..
Philips India	12	13	15	10	27/25	27/50	27/75
Publicity Society	75	75	50	4	25/00	25/00	22/62
Rallis India P.	8½	8½	10	100	124/00	123/00	121/00
Rohtas Industries P.	10	8	9	10	11/37	11/25	11/31
Sirsilk P	..	..	..	10	7/81	7/75	9/31
Sen-Raleigh Industries P.	8	8	Nil	10	13/50	13/50	14/25
Shaw Wallace P.	15	7½	12½	10	14/56	14/81	17/00
Spencer's Hotel	2½	..	..	2	1/25	1/25	0/94
Union Carbide	18	12½	15	10	31/44	31/94	40/25
Walford Transport	20	20	..	1PO	2/87	2/87	2/31
	30	30	..	1O	2/97	2/97	3/81
INSURANCE COMPANIES							
Concord of India	20	20	20	5	10/00	10/00	10/37
Hercules	26½	26½	..	10	23/50	23/50	24/19
Ruby General	13½	15½	..	8	11/19	11/12	10/44
Standard General	..	..	..	10	7/75	7/75	6/00
Triton	50	50	..	25	125/00	125/00	124/00
FLOUR MILLS							
Bengal	25	25	30	10	33/87	33/87	29/00
Delhi P.	..	..	..	10	14/00	14/00	14/00
Ganesh P.	..	..	..	12½	12/00	12/00	13/50
Hooghly	Nil	Nil	5	10	19/75	19/75	19/75
United	10	7½	10	10	27/81	27/81	27/81
OIL COMPANIES							
Attock Oil	13½	13½	..	£1	sh. 31/10½	sh. 32/4½	sh. 39/4½
Burmah Oil P.	..	11½	12½	£1	sh. 53/1½	sh. 54/-	sh. 66/-
Indo Burmah Petroleum P.	25	22½	17½	10	20/56	20/56	21/75
Tide Water Oil	35	35	35	10	35/50	35/75	25/25
PAPER MILLS							
Bengal P.	27½	20	..	10	25/87	26/06	28/00
India Paper Pulp	13	12	15	10	21/87	22/12	17/37
Orient Paper P.	22½	22½	20	10	34/20	34/30	36/20
Shree Gopal Paper P.	17 6/7	17 6/7	17 6/7	10	24/81	26/62	23/81
Sirpur P.	8½	8½	5	10	11/56	11/56	12/44
Star Paper P.	Nil	Nil	Nil	10	9/06	9/06	9/00
Titaghur P.	13	13	13	2½PO	3/19	3/31	3/78
	20	10	10	10AO	14/12	14/12	16/06
West Coast P.	20	10	10	10BO	14/12	14/12	16/06
	7½	..	..	100	155/00	155/00	125/00
PRESSING COMPANY							
Camperdown	11	..	..	100	100/00	100/00	104/00
REAL PROPERTY STORAGE							
Bengal Bonded Warehouse	8	8	9	A500	995/00	995/00	1.050/00
				B62½	125/00	125/00	135/00
				C100	186/00	186/00	122/00
				D12½	45/00	45/00	14/15
Calcutta Safe Deposit	..	..	..	100	7/75	7/75	7/87
Humayan Properties P.	..	..	..	10O	11/00	11/00	11/00
	..	..	..	1Dd	2/10	2/10	2/15
Midnapore Zemindary P.	Nil	Nil	Nil	85	19/75	19/75	10/00
TRAMWAYS & STEAMER							
Bengal Assam Steamship P.	7½	10	10	100	128/00	128/00	131/00
Calcutta Landing & Shipping	7½	22	6	10	21/00	21/00	34/00
Calcutta Steam Navigation	Nil	Nil	Nil	10	7/69	7/69	8/25
Calcutta Tramways P.	5	5	5	£1	10/37	10/37	11/37
Fraser	..	..	..	10	8/94	8/94	10/00
India General Nav. Railway P.	..	..	..	£10	34/50	34/00	53/50
India Steamship P.	Nil	Nil	Nil	10	6/41	6/31	6/00
Port Shipping	Nil	..	..	10	14/25	14/25	13/06

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EXPANDING SCOPE FOR FOREIGN INVESTORS

IN spite of the existence of irksome controls and high taxes, India's basic attractions for the foreign investor remain. This seems to be true even in the case of the fertiliser industry (where profitability is low and the manufacturer has little say in the distribution of the product), judging from what Professor Humayun Kabir stated about offers from a group of U.S. companies to collaborate with Indian parties in setting up four plants. A representative of the Federation of British Industries in fact said last week that India ranked high, next only to Canada and Australia, in the list of countries where British business men and industrialists would invest their capital. A short while ago the Canadian Department of Trade and Commerce expressed satisfaction with the investment opportunities in India. The delegation of U.S. business men who visited this country last April also felt that the investment climate was by and large salubrious, although they wanted some adjustments in India's policies.

India's attractions for the foreign investor mainly stem from her political and economic stability, her uniformly good record in honouring obligations and the freedom she allows in repatriating capital and earnings—factors which cannot be taken for granted in many other developing countries. An even more important factor is the existence of a fairly developed infra-structure, which is steadily expanding. Power and transport facilities are developing fast to support industrial growth. A large and growing domestic market—a sheltered one at that—is another major attraction which the country offers. In industries like oil, where the world production of crude is in surplus, the vast market potential has prompted a large number of entrepreneurs to seek investment opportunities in India. From the point of view of profitability too, the prospects are fairly promising. According to a study by the U.S. Department of Commerce, the earning of direct American investments in India in manufacturing industries (which together with oil account for about 95 percent of U.S. investments) was among the highest in the world, being 20.6 percent in 1962 and 19.2 percent in 1961, compared with a mere 9.1 percent in Japan in 1962, 18 percent in Pakistan and 12.7 percent in the Philippines. As for British capital, a survey conducted by the Board of Trade showed that the return in 1962 amounted to 9.4 percent, which was higher than the return earned on British investments in the U.S.A., Australia and Canada. A Reserve Bank study of the balance-sheets of 1,834 companies showed that profits after tax as a percentage of net worth was above 10 percent in 1960 and 1961. Besides a fair level of profitability and a vast home market, India gives a closer access to the developing countries in both Asia and Africa. Indeed, some international industrial groups have shown interest in setting up export-oriented industries in this country since, apart from proximity to Afro-Asian markets, it offers the advantage of cheap labour.

Confronted with an acute shortage of foreign exchange, the Government of India has wisely adopted a flexible and pragmatic approach in dealing with the foreign investor. With a large number of developing countries staking out claims for aid from the developed countries, the share available to countries like India, which have had an early start in planned development, must inevitably become smaller. In fact, in the opinion of some experts, the utmost that may be hoped for is that the amount of aid will be maintained around the present level. This apart, external aid can meet only a fraction of the country's requirements—a fact which gives an added significance to the need for attracting foreign equity capital. The Central Finance Minister, Mr. T. T. Krishnamachari, in fact, stressed this point in his last Budget speech and announced many concessions to the foreign investor. Although an influential section of opinion in the ruling Party has not taken kindly to external capital, there is little doubt that the Government has warmly welcomed foreign investments. Foreign risk capital brings in not only capital goods but also the technical know-how, managerial skills and enterprise which are so necessary to set an industry on its feet. This is particularly true in the case of new units like petro-chemicals. A large number of foreign collaborations with Indian concerns have been so far put through. The largest number of joint ventures were approved in 1961, but after that there has been a slowdown, the number having dropped to 298 in 1963. Britain contributed almost the entire foreign equity capital in the past, but the picture has now changed considerably. Although as much as 65 percent of private foreign investment is still of British origin, the share of other countries, notably the U.S.A., has been rising. American private investments account for about 16 percent of the total, while investments from countries like West Germany, Japan, Switzerland and Canada are slowly increasing. There is also a change in the pattern of investment, the emphasis having shifted from plantations and oil refining and distribution to manufacturing industries.

New Delhi's anxiety to augment the inflow of foreign equity funds has prompted it to interpret more liberally the Industrial Policy Resolution, which was once looked upon as sacrosanct. Ideological rigidities have gradually yielded place to pragmatism. As a result of the changed attitudes, the Government now welcomes foreign equity investment not only in the private sector but also in the State sector. The Cochin refinery, where foreign minority participation was accepted, is an instance in point. A more recent example is the decision to welcome General Electric as a participant in the heavy electrical industry, which has so far been a State preserve. Besides modifications in the fields open to foreign entrepreneurs, the relaxation covers such matters as the extent of capital participation by collaborators, terms of royalty payment and procedures. These have, no doubt, been facilitated by the latitude which the Industrial Policy Resolution permits. Apart from adopting a more flexible approach, the Government has initiated a number of administrative and procedural reforms with a view to reducing red-tape

delays and cumbersome procedures, which have been a positive deterrent to foreign investors.

While these steps to attract oversea investments may be all right, an equally important need is to revive the Indian capital market. Foreign investments cannot be viewed in isolation from indigenous capital since both of them have to consort together in order to promote industrial growth. Incentives to the foreign investor, by themselves, will be of little avail in fostering economic growth unless they are backed by serious efforts to encourage the Indian investor. The last Budget, far from reviving investment confidence, seriously undermined it. In particular, the capital gains tax on bonus shares and the dividend tax have greatly detracted from the attraction of equity investments. This has naturally affected the new issues too. Many of the recent flotations have miserably failed to raise resources from the market and have had to depend on the underwriters. Several new shares are not only quoted below par but are also difficult to sell. The Government's total dependence on institutional financiers like the newly-created Development Bank and the Unit Trust of India to stimulate the capital market cannot but prove to be futile in the long run.

PROBLEMS OF COAL EXPANSION

LEARNING from the experience of the third plan, the Ministry of Steel and Mines now favours setting a comparatively modest target of 136 million tons for the coal industry. This is considerably lower than the targets earlier in view and reflects a healthy realism about both demand and the physical feasibility of expansion beyond the level likely to be attained in 1965-66. If output in that year is around 76 million tons, as is now expected, the fourth plan will require a very considerable effort to get another 60 million tons out of the existing mines and any new ones that can be developed in the comparatively short intervening period. Fortunately, not all development work has to begin from scratch. Both in the public and private sectors, a great deal has been begun during the current plan which will yield benefits only in the next. The National Coal Development Corporation, for instance, is sinking two deep mines at Sudamdih and Monidih, and there are the big open cast operations in the outlying fields, which have been put in slow gear because of the lack of demand. The private sector has also similar schemes to carry forward into the fourth plan, less by design than by the accident of delays arising from the difficulties over either financing or the release of foreign exchange under the World Bank loan scheme. In sum, the industry is better placed to go forward than it was when embarking on its third plan expansion.

New Delhi has tentatively allotted to the private sector the task of raising 17 million out of the 60 million tons of additional fourth plan production. Not unexpectedly the private sector is being chiefly relied upon to produce coking coal—just over 10 million tons—because it holds leases in the areas from which the output must come. In most cases, this will require vertical development to open up new seams, putting a considerable financial burden upon those who participate in the expansion. This burden will be of an entirely different order from that devolving on the public sector, which will have the advantage of averaging out its capital outlay on high-cost deep mining with the much less expensive open cast development. There will equally be a difference between coking and non-coking collieries within the private sector. According to official estimates, four million tons out of the seven million tons of non-coking coal required from the private sector should be forthcoming from mining development already in hand, leaving only three million tons to be taken care of through future expansion. As for the better-grade non-coking coal, however, the producing mines are already fully stretched and the problems will, therefore, be similar to those faced by coking coal producers.

The investment required to enable the private sector to produce an extra 17 million tons will still be very large even if some of it is assumed to have been made already during the current plan. With the experience of mining development at present-day prices, it should be possible to draw up a fairly precise estimate of costs. Once this has been done, the Government and the industry should get together to consider how the sum is to be found. Very little can be raised from the market. This is obvious from the fact that it is quite some time since a successful issue was made by the coal industry. Profitability has certainly not improved, nor the mood of the market. In a situation when attractive issues in growth industries have failed, coal cannot expect much public support as the industry knows only too well. This means falling back upon internal resources or, in the case of a few, the credit-worthiness of associated enterprises. The possibilities in this direction are also limited since both have been drawn upon extensively in recent years.

There is thus a clear need for a special arrangement to finance the expansion ahead if the private sector is to fulfil its allotted task. It will not do to argue that private enterprise should fend for itself since its ability to do so has been impaired by long years of price control, a mistaken policy of cheap fuel directly thwarting the building up of the industry's strength. This gives the industry a claim upon assistance from the State as most people are ready to concede, no matter what a small extremist fringe may say. But obviously this claim can be legitimately made only by those whose expansion programmes merit support. Selectivity is implicit in this approach and one cannot really object to fairly vigorous tests being applied before assistance is made available.

This selectivity is necessary on yet another count. Coal is not one homogeneous industry but an amalgam of several of greatly differing techniques and scales of operation. There are at the lower end of the scale dozens of small producers who are clearly in no position to equip themselves for a larger rôle. To leave them as they are in the hope that time will take care of the situation is hardly possible, particularly in Jharia where additional production must come from re-development and not from opening up of virgin areas. Amalgamation on a voluntary basis is one way out but this has not worked as is evident from the lack of progress in this direction. Greater compulsion is now being advocated, and this may well be unavoidable.

This operational problem carries with it obvious implications for future financing. Help needs to be channelled in a manner that encourages the adoption of modern mining practices, which offer promise of keeping rising costs steady in the face of the more difficult geological conditions. This is the only way in which inflation in the cost of national energy supplies can be checked, as other coal-mining nations have discovered. It follows, therefore, that future development must be pushed towards a higher technological level than now prevails generally in the industry. The more generous development rebate introduced in 1963 was a step in the right direction even if somewhat inadequate. Thinking on the same lines, New Delhi should now be considering how to make resources available to encourage a changeover to modern mining methods which alone can win coal efficiently under the difficult conditions now being encountered by the private sector in the already developed fields. A scheme of subsidies already operates, but this has suffered from a penny-pinching approach adopted by the Coal Board out of a fear that some unscrupulous persons may get away with high profits. This fear does neither the Board nor other agencies of the Government any credit. It is up to them to prevent illicit gains being made, but in no way it behoves them to make their fears a reason for self-defeating parsimony.

BANKS DOING BETTER

THE working results of almost all leading Indian banks for the half-year ended June 1964, which have just been published, are better than those for the corresponding period of 1963. The improvement is mainly on account of the sharp increase in advances during the 1963-64 busy season. Since the bulk of the banking resources have been used for more remunerative advances, it has been possible to absorb the increases in administrative costs. Yet in spite of the improvement, bank shares have been hesitant. The index for the ordinary shares has risen from 200.8 to only 208.6 (1952-53 equals 100), although the current dividends of many banks give more attractive yields than are available on good industrial equities. The main factor which has restrained the investor is that under the present circumstances, it has not been possible to assess the outlook for banks clearly.

Although the chances of nationalisation are now considered remote and it has been repeatedly affirmed that the Government will continue to encourage the development of banking in both the public and private sectors, the working of commercial banks has been hamstrung by numerous statutory restrictions. The main question is whether the rising trend in bank profits will continue much longer. The move to increase the deposit interest rates will, no doubt, be taken care of by the increase in lending rates. Yet there are many factors which need to be reckoned with for assessing the outlook for profits. The banking community has been asked to increase its liquidity requirements to 28 percent from 20 percent by September 1964. Most of the banks have already complied with the required ratio, but this will mean lower yields than what are obtainable from advances.

Whether banks will succeed in recouping the loss of income arising from larger investments in gilt-edged depends on their ability to increase the turnover in advances. This in turn will depend on whether the banking community succeeds in attracting bigger deposits. The banks are worried that the Government has asked all public-sector concerns to keep their accounts with only the State Bank of India and its subsidiaries. The significance of the move seems to have been exaggerated because most of public-sector concerns have been banking only with the State Bank and its subsidiaries. It, however, needs to be stressed that it may do the economy no good if the public sector keeps its accounts only with the State Bank. The advantage of maintaining accounts with private banks arises from the possibility of obtaining advances from them. Since the resources of the State Bank are not unlimited, it will be a good idea if public-sector concerns use commercial banks for financing their operations, particularly through overdraft facilities.

The decision to extend the operation of the Desai award for a further year is a move in the right direction. But there is no sense in encouraging bank employees to press their claims for higher emoluments in the meantime. If they are allowed to do so, it will virtually nullify the beneficial effects of the Desai award which aims at maintaining cordial relations between the management and employees.

Commercial banks will face keener competition in attracting deposits in the coming months. The units of the Unit Trust of India which may offer a tax-free yield of 6 percent will attract, particularly, the low and middle-income groups. So a considerable part of bank deposits, especially in the category of savings accounts, may be diverted to the Unit Trust. The competition from non-banking institutions is still there, but it is possible that the threat has been exaggerated. Although fuller information relating to non-banking deposits has so far not been available, the deposits are not likely to be very large. When the Reserve Bank has completed its study of the returns relating to these deposits, a clearer picture will emerge. It would be perhaps a wrong idea to check the flow of these deposits, but precautions will have to be taken to make them safe. Public deposits with trade and industry are generally taken for longer periods, and thus they are different from bank deposits which are usually for shorter periods.

To attract deposits, banks will have to expand their activities, particularly in areas in which the banking habit has not yet developed. Since a new branch usually takes a number of years before it reaches the profit-earning stage, banks should be prepared to incur the necessary expenditure. Indian banks, in spite of the progress they have achieved, have not yet developed any modern credit information service. It should be emphasised that advances can be safely made only on the basis of reliable information relating to the credit-worthiness of borrowers. Hitherto every bank has evolved its own system of obtaining information about borrowers. There has been no co-operation among bankers in exchanging information about the reliability or otherwise of parties looking for accommodation. Although the Reserve Bank of India has been compiling information about borrowers, it is usually out of date and scrappy. It is time the banks evolved a joint credit information service so that all data relating to borrowers can be obtained from one source. The need for such a service has grown with the steady growth of bank advances. The Reserve Bank of India is not the appropriate body for the purpose. In addition to its extensive operations as a central banking authority, it has already been loaded with many extraneous activities. Apart from the direct rôle which it has to play in financing the co-operative movement, it has been asked to shoulder the responsibility of guiding the activities of the Unit Trust of India and the Development Bank. In the circumstances, the commercial banks should rely on their resources, rather than on the central bank, to evolve a joint credit information service.

Current News and Comment

Expanding Indian Shipping

The third plan shipping target has been fulfilled well before the end of the current five-year period—during the fourth year of the plan to be precise. The Indian shipping now stands at 1.32 million G.R.T., consisting of 925,000 G.R.T. of overseas vessels and 398,000 G.R.T. of coastal vessels. This has encouraged the Central Transport Ministry to raise its sights high, in fact, it has already submitted an expansion scheme to the Planning Commission for raising the target to 2.5 million tons. A substantial part of the additional tonnage, it is proposed, should consist of tramp vessels including some bulk carriers of the size of over 100,000 tons which can be used for carrying iron ore from India and bring back cargoes which are economically carried in bulk form. Under the fourth plan expansion scheme also, the pattern of development proposed favours the growth of the tramp fleet. The logic of this emphasis on tramp shipping, as explained by Transport Ministry officials, is that an expansion of the fleet is essential to save the huge amount of foreign exchange now being spent on freight bills. Moreover, the entire price of a bulk carrier can be paid back out of the net earnings within a period of seven to eight years. The recent dispute with the Karmoham Lines over the latter's proposal to increase freight rates, is also said to have prompted the Transport Ministry to plan on these lines.

The Planning Commission, too, is reported to favour the development of Indian shipping in the way the Ministry proposes. The broad aim is to so develop shipping over the next 12 years that at least 50 percent of the country's overseas liner and bulk carrier trade, and at least 20 percent in the tramp trade, is carried in Indian bottoms, as against the current shares of 30 percent to 35 percent and 3 to 4 percent, respectively. It is also visualised that Indian tankers should carry at least about 60 percent of the country's oil trade. But the Planning Commission, for reasons more doctrinaire than rational, wishes to see the share of the public sector in shipping increase faster than it has so far. The public sector's share in 1961 stood at 16 percent. It is likely to increase to 20 percent by the end of the third plan or even to nearly 30 percent if orders already placed materialise by 1965-66. According to the schemes now being worked out by the Planning Commission, it is proposed to raise the Government's share to 40 percent during the next plan and to 50 percent in the fifth. In order to achieve this objective, the public sector will have to add nearly 700,000 gross registered tons to its fleet by 1970-71, and another 1.5 million tons during the next five-year period.

As for costs and returns, the total financial outlay which will be necessary to take the Indian tonnage to 3 million tons by 1970-71 has been estimated at Rs. 150 crores, the break-down being as follows: nearly Rs. 35 crores for commitments entered into during the third plan; about Rs. 75 crores for the cost of ships to be built in India, and approximately Rs. 40 crores against payments during the fourth plan period for orders (amounting to about Rs. 100 crores) placed on a deferred payment basis for completion early in the fifth plan. With this order of investment, foreign exchange earnings are calculated to rise to Rs. 20 crores by 1965-66, as against Rs. 11 crores in 1960-61. If the fourth plan targets are achieved, the earnings should increase to Rs. 60 crores by 1970-71. In the present context of things, the more important question, however, is whether the Government will be able to find the necessary resources. Due to favourable factors in the world shipping market, India has been able to acquire additional tonnage during the current plan much in excess of what even the optimists in the Central Transport Ministry had hoped. In fact, orders already placed amount to 830,000 gross registered tons, and if these materialise before the end of the current plan, the Indian tonnage (including the coastal fleet) could well go up to the figure that the Transport Ministry now proposes as the new shipping target for 1965-66.

The Planning Commission, however, is not sure that the favourable factors, largely stemming from a depression in the world shipbuilding industry, would continue much longer. In fact, as *Lloyd's Register of Shipping* return for the second quarter of 1964 shows, a recovery in the world shipbuilding industry appears to have already started. During this quarter, the number of vessels under construction amounted to 1,454 steamships and motorships together accounting for 9,673,963 tons gross, an increase of 187,423 tons over the previous quarter. New construction for export purposes totalled 4,361,511 tons, of which as much as 37 percent was being built in Japan alone, 17.1 percent in Sweden, 12.4 percent in West Germany, 7.5 percent in France and 4.8 percent in Italy. The total tonnage under construction represents the highest figure ever recorded for the non-communist world excluding Britain, and it is largely due to the continued expansion of work in Japan which has doubled over a period of 18 months. Only in Britain was there a decline in the tonnage under construction compared with the previous quarter. In the circumstances, India may not find it easy to acquire additional tonnage when all major maritime nations are taking steps to strengthen their fleets. No wonder the Planning Commission favours a flexible target.

Finance for Tea Industry

The appointment of a committee to look into the financing of the tea industry's future expansion is a welcome step even though one can reasonably argue that the broad requirements are too well known to require further enquiry. One must philosophically accept that consideration by committee is an unavoidable stage in getting several wings of the Government to act in concert as will indeed be necessary in tea's case. For one thing, tax relief unilaterally from the Centre is not very meaningful because 60 percent of the industry's income is deemed to be agricultural and comes, therefore, within the purview of State taxation. For another, savings accruing from fiscal relief may still be unavailable for productive purposes if demands upon the industry for welfare amenities are stepped up. Hence the need for an integratd approach which explains why collective backing from a committee of 20 has been found necessary.

The first requirement is to help the industry expand the acreage under tea and replace old bushes now approaching the end of their useful life with new, higher yielding plants. During recent years, extension and replacement together are proceeding at the rate of just over 10,000 acres. This has to be stepped up to 24,000 acres a year or an average of 3 percent of the area already under tea. The cost, which will vary from Rs. 3,000 on acre in the plains to Rs. 4,000 in the hill districts, will be at least Rs. 36 crores. Another Rs. 10 crores will be needed for irrigation equipment, machinery and other essentials following rapid expansion, making a total of Rs. 46 crores required to implement the fourth plan task of taking tea output to 1,000 million lbs.

Returns in the tea industry have been none-too-attractive in recent years because of high costs and relatively stable prices resulting from competition. This, together with the hazards to which this industry is exposed by virtue of its dependence upon world markets, are making it increasingly difficult to raise resources on the scale that the ambitious fourth plan target requires. It is this situation which makes it necessary to make special arrangements to provide capital to the industry.

One solution which has increasingly found favour with both the Government and the industry is tax relief on the expenditure incurred on replacement and extension of tea acreage. If the whole of this expenditure can be charged to revenue, instead of only the small part now allowed, the tea industry will make a big tax saving on the money that it puts into the worthy cause of expansion. Helped by this saving, it could find a substantial proportion—up to 75 percent—of the Rs. 36 crores that are needed for expansion on the ground. The rest will still have to come from elsewhere, possibly from an enlarged plantation finance scheme that the Tea Board now operates. The Board will also have to help, as it is doing now, in financing machinery and irrigation equipment, but the bulk of the responsibility will be squarely shifted on to the industry's shoulders where it properly belongs.

Financing is necessary to make expansion possible, but actual progress will depend on how effectively the entrepreneur's interest is mobilised through incentives. Before the grower puts more of his money into tea estates, he must have a reasonable assurance that the return to him will be not worse than what he can get from other comparable investments. Among the suggestions in the air are tax relief on exports on par with industries now eligible for this concession and exemption from garden excise on additional production. Both are eminently suitable as they link concessions with the performance required from the industry to protect and expand export earnings. Tea incidentally provides one of the rare examples where the internal excise is not refunded on the quantities exported even though the case for strengthening India's competitive position in relation to common teas hardly needs arguing.

New Company Registrations

New company registrations in India during 1963-64 reveal some interesting trends. According to statistics recently released by the Directorate of Research and Statistics, on the basis of returns received from the Registrars of Companies in different States, 1,227 new companies with an authorised capital of Rs. 340.4 crores were registered in 1963-64, against 1,497 companies with an authorised capital of Rs. 257.5 crores in 1962-63. The figure for authorised capital was higher in spite of a smaller number of companies registered in 1963-64 because of an authorised capital of Rs. 100 crores for the Bokaro Steel Ltd which was registered in January 1964. Although the number of newly registered companies in 1963-64 was lower than in 1962-63, the declining trend which set in August 1962 seems to have been arrested, and the number of new registrations is

increasing. There is no doubt that the Central Finance Minister, Mr. T. T. Krishnamachari's policy statement that the Government would follow a positive policy of economic growth had helped restore confidence in the minds of entrepreneurs. But a more positive reason appears to be an increase in industrial activity in the country. It is significant that more than half the total number of new companies registered in 1963-64 was for manufacturing goods and accounted for more than 80 percent of the authorised capital.

There were some significant changes in the regional distribution of the companies. While in earlier years, the eastern region comprising the States of West Bengal, Bihar, Orissa, Assam, Manipur and Tripura held the leading place, it enjoyed third place in 1963-64 with 294 new company registrations. First place was occupied by the western region comprising the States of Gujarat, Maharashtra, Madhya Pradesh and Goa, with 340 new companies. Second place was occupied by the northern region consisting of the States of Delhi, Punjab, Himachal Pradesh, Rajasthan and Uttar Pradesh, with 335 new registrations. The southern region—States of Madras, Andhra Pradesh, Mysore and Kerala—with 258 new registrations held fourth place as in the past. It would not be advisable to see too much in the shift in regional distribution of new company registrations, but the fact seems to stand out that the new industrial region in the north is fast developing. As was only to be expected, the share of Government companies in the authorised capital of Rs. 340.4 crores was 49 percent. This was due to the fact that the authorised capital of the Bokaro Steel Ltd accounted for as much as Rs. 100 crores.

Although there were 55 giant-sized companies with an authorised capital of Rs. 1 crore and above, the largest number of companies, totalling 414, were registered with an authorised capital of Rs. 1 lakh and above but under Rs. 5 lakhs. This shows the predominance of small-sized companies in India.

No Monopoly in Engineering Industry

In a memorandum submitted to the Monopolies Enquiry Commission, the Engineering Association of India has stated that there is no monopoly in the engineering industry except in units manufacturing items such as telephones, coaches, locomotives, railway equipment, etcetera. But these units are public undertakings. The mere existence of only one unit does not amount to monopoly, for as demand continues to rise more units would be set up. There are industries where the existence of too many units may hinder the rationalisation of production. The Association has cited the case of the motor-car industry where the existence of a few enterprises helps to achieve economic production for a restricted market. It has tried to prove by its survey of about 120 engineering industries that in most of them the number of units are far too many to allow monopolies to operate. In the case of the steel industry, for example, there are five big units, and the State itself is a dominant producer. Similarly, in the case of the aluminium industry, the number of producers is about four. There are 24 large-scale units manufacturing electric fans. Likewise, there are about 41 units engaged in the manufacture of various types of machine tools. Furthermore, the concentration of economic power cannot exist under present-day economic conditions. Apart from the Industrial Policy Resolution which has restricted the sphere of the private sector in industrial development, the Industries (Development and Regulation) Act has given enormous powers to the Government for regulating the operation of private industries.

These apart, under the company law no appointment of managing agents, secretaries or treasurers, managers or managing directors can be made without the consent of the Central Government which fixes their remuneration and their terms of office. Moreover, the joint-stock companies in India are now owned by a large number of shareholders. The concentration of economic power is also hindered by the multiplicity of taxes. The Association thinks that restrictive trade practices cannot exist in India. In the case of basic industries like steel, the prices are fixed subject to the approval of the Government. In the case of other industries, the existence of a number of units makes it impossible for any single unit to dictate its own price. For an under-developed country like India, "large-scale operation is essential as modern technology and the need for competition in export markets are paramount." Engineering industries—particularly heavy engineering units—are highly capital-intensive. So they cannot be developed by entrepreneurs of small means.

MUNICIPAL EXPENDITURE

SOME few weeks ago, the London correspondent of *Capital* commented briefly on the colossal growth during the past few years in the debt and expenditure of Municipal bodies in England, both great and small. This increase in local taxation is a sign of the times in Great Britain, which has of course not passed unobserved by the political and social economist, and is unfortunately only too well understood in its direct and immediate effects by the private citizen and taxpayer. The tendency to increased, and often wasteful expenditure does not, however, begin and end with the United Kingdom. In India the same indications of the grossest carelessness or the grossest ignorance —the result amounts to the same thing for the taxpayer—is manifest in Municipal financial administration. The muddle, waste and mismanagement of the Calcutta Municipal finances has been so often referred to in the columns of *Capital* that a mere reference to that particular corporation is sufficient to suggest unfavourable comment, and other municipalities are unfortunately wallowing in the same slough of wasteful administration and ever increasing debt. But if there be in India such an abstraction as public opinion, it is very necessary that those who can voice the general sentiment should keep this growing evil steadily before the mind of the man who has to find the money—not as a mere matter to be grumbled at and borne, but as an intolerable evil to be vigorously attached and eradicated. The latest sinner in the Municipal Black List is Ahmedabad on the other side of India. In this particular corporation, Administration and Collection charges are 14 percent of the average annual income against 7 to 8 percent in Surat, 7 percent in Bombay and 10 percent in Karachi. The Ahmedabad Municipality is described by a local paper as being an unnecessary (?) and burdensome establishment practically useless and doing nothing. It is stated that a large number of subordinates with little or no supervision have grown indifferent and lazy, and spoiled matters to such an extent that the Municipality cannot even boast of a regular Record Department, much less of other minor necessities of a public office. Everything is stated to be in "utter confusion". The servants of the Municipality are said to be discourteous to the public, bills and summonses are in certain instances drawn twice on the rate-payers, summonses and writs are issued which "come to nothing in the end." The outstanding debts are returned at over a lakh of rupees, a large proportion of which sum is, no doubt, hopelessly unrecoverable and should be written off at once. This is a most disreputable condition of affairs and certainly should engage the attention of the Government of Bombay as possibly it will. But the point is that Ahmedabad is in itself only representative of the dry rot of waste and mismanagement which must sooner or later affect any Municipality in which incompetent administration eats like a canker into Departments. It is all very well for Indian Municipalities to go on issuing loans and piling up local taxation to pay the interest on the money thus forthcoming, but this kind of "finance" is destructive of the very genesis of its own existence and the sooner this fact is intelligently grasped the better for the Municipalities and the better for the taxpayer.

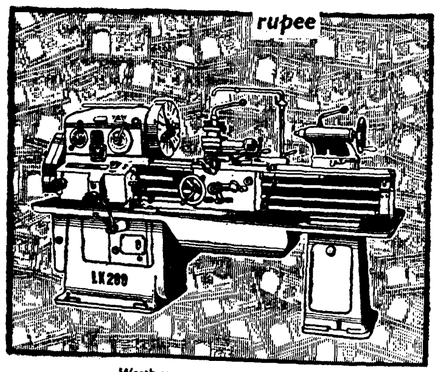
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A Ditcher's Diary

PEOPLE WILL MAKE UP STORIES ABOUT THE NOBLEST of causes; malice, sheer malice. Here is Mr. Gulzarilal Nanda, heroically battling against the octopus of corruption; and already someone from Delhi tells me that money changes hands before the sentries will let you get into the Home Minister's house to record your complaint against corruption. If Mr. Nanda's approach to the problem of corruption is almost surrealistic, Mr. Biju Patnaik can certainly claim to have introduced in it all a picaresque element. From Mrs. Subhadra Joshi's statement it is easy enough to gather that in the Congress Party itself the opposition against Mr. Nanda's anti-corruption moves is getting more active, even if not everyone is as articulate as Mr. Patnaik. Where Mr. Nanda has gone wrong, I think, is in his unstated emphasis on morality. Integrity is certainly a question of personal ethics; but what the Home Minister is, or ought to be, up against is the administrative evil called corruption. This is easily identifiable and punishable; all that the Government has to do is to apply the Indian Penal Code. And this has not yet been done in the case of Mr. Pratap Singh Kairon. Until this is, Mr. Nanda must not expect to be taken seriously. In refusing to worship poverty, which is often mistaken for honesty, Mr. Patnaik talks almost like Shaw who once said that he did not love the poor; "I want to abolish them". Mr. Nanda and some others do appear to hold poverty holy, which in my view is the kind of ethos that has been a grave obstacle to rapid economic progress in large parts of the world, including India. (I wish Max Weber's works on the relationship between religion and economic enterprise were better known in this country.) On the other hand, Mr. Patnaik is under an obligation to show the public how, with taxation at its present levels, it is still possible for some to acquire vast wealth. And there is undoubtedly a lot of money in a few hands which were strangers to big money not so very long ago. As long as the Kairons go unpunished and only a few retailers of kerosene or something are produced in courts, the public will not believe that the Government is earnest, even if Mr. Nanda is.

I WONDER HOW U THANT FELT DURING HIS DAYS IN Rangoon recently. After a long stay in New York and after all those talks with the high and mighty such as General de Gaulle and others, it must be quite an experience to talk to—no V.I.P., just one's mother. Talking not about war and peace, nor about the Congo; but, perhaps, about the dead son. Perhaps about the neighbours he had not met for years. Perhaps about the school he was once a teacher of. The distance between the U.N. Secretary-General's daily routine and such humdrum, human things is so great that the adjustment must be quite difficult. Only on those not many occasions when we take time off our chores and look within do we discover with a shock how our work has to some extent dehumanised us. It must be much more so for one who perforce must think in terms of countries, peoples, nations and Governments; all these are only concepts. Only people are real; and then not collectively but individually. The late Mr. Hammarskjœld found relief in poetry, which at its best takes no notice at all of public issues. Mr. Conor Cruise O'Brien is no uncritical admirer of the former Secretary-General; but in his book on the Congo he does give a rather touching picture of the personal aspects of Mr. Hammarskjœld's life. Literature, I think, kept him human. Without some such sensitive interest, the job would be maddening; and I like to think that U Thant has something to make him forget the manoeuvres and bickerings that go on in the United Nations. He finds the job "killing", keeping him busy from 9 a.m. to 9 p.m.; and he does not want another term. He won't need it; the job is well paid and has various retirement benefits. But he is going to be a very lonely man and a much smaller man when he has laid down his great office. The U.N. imparts to its officials a slightly bloated, slightly unreal personality. To shed it all and become an ordinary citizen of Burma again must be like travelling in a supersonic plane, then land and then go home on a bullock cart. But the Secretary-General's mother will tell him how to negotiate the transition; to her he is not Mr. U.N.; just her son.

OPINION IN BRITAIN SEEMS TO HAVE BEEN GENUINELY pleased with the outcome of the recent Commonwealth Prime Ministers' conference—an odd title when Prime Ministers are by now probably in the minority among Commonwealth leaders. At least it was immediately afterwards, although doubts have accumulated since then. Not so much about the way the Southern Rhodesian business was handled. The British Government was relieved to be let off so lightly there, bearing in mind the exaggerated ideas most Commonwealth countries seem to have about Britain's ability to do anything at all if the whites of Southern Rhodesia decide to ignore appeals to their reason. But in the proposal for a secretariat, especially originating from the source it did, a number of observers are now claiming to see the cloven hoof. As long as such a body is intended merely to increase co-operation between Commonwealth countries, there will be few to see any danger in it. But if, as some fear, it were to develop into just another instrument for bringing political and economic pressure to bear exclusively on Britain herself, then the doubts at present being expressed in London would soon swell to a roar of protest. It is characteristic of the current phase of international economic relations that advantage should be taken by the underdeveloped countries of every opportunity to embarrass the developed. This is understandable enough, and although a good deal of resistance is being put up by the richer countries, little actual resentment is in fact felt. But if Britain were, by virtue of her Commonwealth connection, to become chronically subject to more pressure than is either justifiable or tolerable given her own particular difficulties, then it seems doubtful whether a secretariat would enjoy her support for long. Britain's attitude towards the Commonwealth countries' tendency to demand trade concessions from her without offering any in exchange was revealed in 1962 when the question of her joining the Common Market was discussed.

ARE STATUES ALWAYS APPROPRIATE? THIS IS NOT a rhetorical question. I found myself asking it when I learned the other day that the money required to pay for the London memorial to Mahatma Gandhi has nowhere near been fully subscribed, at least not yet. An appeal for funds was first launched some years ago; but so far only £1,300 of the £5,000 needed, has been raised. I cannot think this is because the British lack respect for the memory of Gandhiji; quite the contrary. But somehow public imagination has not been caught by the project and now the question arises whether the plan to memorialise Mr. Nehru should follow the same lines. I have myself never considered either Mahatma Gandhi or Mr. Nehru to be the kind of men whose memory can best be commemorated in stone or metal. I should have thought the best memorial to them would have been something more in keeping with the particular principles for which they stood when they were alive. The idea which immediately suggests itself is one I have heard before on many occasions: an institution of some kind dedicated to the furtherance of human relations. Perhaps in Britain's case this could be narrowed slightly so as to concentrate chiefly on relations between Britain and India. Scholarships for Indian students at British universities would be a useful idea; and why not some for British students at Indian universities? Compared with a project of this kind, or some essentially human variation on it, the provision of a mere statue in stone seems rather irrelevant. That might be all right where some monarch or successful general is concerned; they are merely

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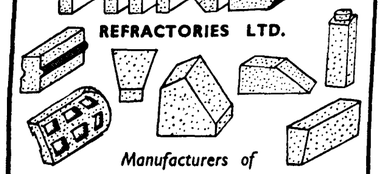
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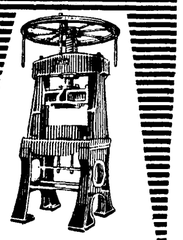
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the crude bricks from which history is made. But when the person embodies eternal and living principles, the best memorial to him is something which serves life itself.

A LOT HAS BEEN WRITTEN LATELY ABOUT THE activities of ex-Nazi war criminals in Egypt, not all of it Israeli propaganda. Without necessarily accepting the truth of all the allegations, it appears reasonably safe to conclude that some German scientists of doubtful respectability are employed on President Nasser's rocket and nuclear-bomb projects, just as indeed there are those working for the Russians and the Americans. What Egypt and the Nazis have in common is a pathological hatred of Jews, and this is what is being suggested as the reason for the growing co-operation between the two. I hope it is not the correct one. President Nasser is, I know, something of a prisoner of his own anti-Israeli policies, and he is not the only ruler to cover up failures at home by fomenting disputes abroad. But surely he must be aware of the dangers involved in his own brand of Israeliphobia becoming too closely identified with Hitler's racially-based anti-semitism. Between the two there is all the difference in the world, or anyway there ought to be. Under existing circumstances I cannot see President Nasser launching nuclear weapons against Israel unless in self-defence. If his aim is to exterminate his Jewish neighbours and not simply to use them as a political convenience, then he is more likely to achieve it with least damage to himself by acting now, when the odds are still more than 20 to one in his favour, than by waiting until both sides have the bomb and the rockets to deliver it. In fact, the possession of nuclear strength adds more to the comparative capabilities of the small battalions than it does to the larger ones, as N.A.T.O. still firmly believes. But if he allows a bunch of ex-Nazis to jog his elbow, then there is no guarantee that his actions will always be dictated either by political expediency or by what he considers to be in his country's best long-term interests.

THE "ANGRY CITIZEN" WHO RECENTLY WROTE TO a contemporary to suggest that the city of Calcutta be abandoned spoke for many besides himself. The rains last week showed once again how hopelessly inadequate the drains of this "sodden city" have been for years. It has become tiresome to curse the Corporation of Calcutta; that useless body should have been abolished long long ago. If the Government of West Bengal will not do so, for political reasons, it must at least accept the responsibilities the civic organisation has failed to discharge. And there is not the slightest evidence in Writers' Building that the Government is in the least bit ashamed that a few showers can submerge the city. Calcutta is not growing nearly as rapidly as Bombay, Madras or New Delhi. What is most distressing is that everyone seems resigned to the city's many and increasing ordeals. How long has the Calcutta Metropolitan Planning Organisation been in existence? I can't remember; but I am getting a little tired of the words "survey" and "research". What Calcutta needs is not research but a few drains; and I am quite certain many could have been bought with the money spent on the C.M.P.O. Research has become almost a racket in the United States: the Ford Foundation would earn the gratitude of many more if to the undeveloped countries it gave a few things rather than a lot of reports. I don't want to know how many pedestrians cross the Howrah Bridge at such and such hours: I want a second bridge to relieve the load. As the C.M.P.O. goes on endlessly with its academic work, New Delhi is provided with an excuse for doing nothing about this city. I have it on good authority that, since the World Bank's remarks on Calcutta, American interest in the city's future is lively and very sympathetic; but the U.S. Government can deal only with the Government of India which has persuaded itself that Calcutta does not matter. In a not very distant future the whole country will be made to realise what Calcutta still means to the Indian economy; but by then it may be too late. The rate at which civic services are deteriorating is nothing short of alarming.

THE DITCHER

Guide for Investors

JUTE SHARES SLUGGISH DUE TO FALLING PROFITS

(BY A SPECIAL CORRESPONDENT)

JUTE shares have been sluggish during the past month or so, and their prices have tended to drop. The index for the ordinary shares has declined from 96.8 to 84.1 (base 1952-53 equals 100) over the past year. For the time being, interest has been confined to only a few selected scrip. Although the statistical position relating to jute goods has on the whole been fairly sound, investors have been worried because the profits of mills have been steadily squeezed. Over the past year, gunny prices have declined while those of fibre have tended to rise, or have been at least maintained around the minimum level due to the successful enforcement of the price support scheme. The predicament of mills has been the greater since the price of good fibre has tended to rise sharply. Superior raw jute has been in short supply and the mills have been forced to pay high prices. During the past three years or so, requirements of superior fibre have risen because the mills have generally concentrated on the production of hessian and carpet-backing in particular.

Secondly, production costs have risen all-round. Wages of jute mill workers have been raised substantially through the recommendation of the Wage Board, while labour productivity has not improved in proportion. The finances of almost all the mills have been greatly strained since they have been obliged to buy and hold large stocks of raw jute under the price support scheme. The cost of storing and stocking raw jute has, in the meantime, become not only costlier due to dearer money, but a great deal of fibre is being damaged because of the shortage of warehousing facilities.

At the current prices of raw jute and jute goods, the mills are finding it difficult to do simultaneous business at a profit. In the manufacture of hessian, the profit has shrunk considerably. The outlook has been the more discouraging because of the steady decline in the demand and price of carpet-backing cloth in recent months. This cloth has hitherto been a profitable source of manufacture. As far as sacking is concerned, the mills do not virtually make any profit on the production of this fabric.

The near-term outlook for profits of the jute mills will be governed by the movements in the prices of raw jute and jute goods. As far as fibre prices are concerned, they are unlikely to drop in the near future because the mills will soon be allocated compulsory purchase quotas as in the past season. The quotas for July have not yet been issued because the price of raw jute has been fully steady. As soon as new crop arrivals gather momentum, the Jute Commissioner is likely to issue purchase quotas to the mills. This apart, raw jute price during the current season may not soften as it was earlier thought. Since arrivals of new crop so far have been much smaller than they were at this time in 1963 and because the carryover of mills' stocks of raw jute in the new season have been smaller than in the past season, a section of the trade has begun to doubt whether the new crop will be as large as has been expected. A part of the standing crop in lower Assam has been damaged by floods, but the crop as a whole has been progressing very well. So it is hoped that the new crop will be as big as the previous one, if not slightly larger. The bullish trend has been reinforced by the firmer price of the Pakistani fibre. Since the reduction of the export duty on raw jute by 50 percent and the abolition of the minimum export price of raw jute by that country, the price has since hardened. It is now generally believed that the Pakistani crop will be smaller than expected. This besides, the crop has failed in Thailand. As a result, many shippers in that country have been obliged to buy Pakistani fibre in order to fulfil their export commitments.

Judging by current indications, the prospect for jute goods needs to be viewed cautiously. At the present time, foreign enquiries for jute goods have been limited, and overseas customers have confined their attention to buying goods for ready delivery to satisfy their bare requirements. Considering that the Indian and Pakistani mills have been working up to their maximum capacities, there is likely to be an abundant supply of jute goods in the coming months. So no foreign country is keen to buy as vigorously as they did formerly. This apart, a large part of foreign buying is now being done directly with the mills, so the impact of overseas purchases on market sentiment is considerably less.

The growing competition from the Pakistani mills poses a great threat to the Indian industry. In sacking, Indian goods have been priced out of foreign markets because the Pakistani mills enjoy the advantages of superior fibre and the generous export voucher scheme. The Pakistani mills have already taken active steps to increase the production of hessian and carpet-backing. Since they enjoy the advantage of an abundant supply of good fibre, they are now in a better position to compete in overseas markets. The sale of carpet-backing is likely to meet with keener competition due to the growth of synthetic fibres. In the circumstances, it is time to consider whether the Indian jute mills should not be helped by the Government, particularly in the manufacture of sacking so that Indian fabrics can be sold in competition with goods of other countries. The investors will do well in the meantime to take a guarded view about the profits and dividends of jute companies for the current year. Considering that the profits are likely to be smaller than they were for 1963-64 the possibility of cuts in dividends cannot be ruled out.

Motor-vehicle Shares Steady

MOTOR-VEHICLE shares are steady on reports that steps have been taken to ensure that a sum of $37.8 million will be lent by the U.S. Agency for International Development to the Tata Engineering and Locomotive Co. Ltd and Hindustan Motors Ltd at an early date. It is also reliably learnt that the Government has agreed to provide rupee finance to the motor-car manufacturers for helping them to use the dollar credit. T.E.L.C.O. has been granted a loan of $11.76 million to increase the production of Mercedes Benz lorry chassis from 18,000 to 24,000 a year.

Hindustan Motors will receive a dollar loan equivalent to about Rs. 11 crores to expand the production of Bedford lorries from 10,500 to 15,000 a year. It will also import the necessary equipment to produce engines for Bedford lorries. The latter are at present produced in collaboration with Vauxhall Motors of the U.K. owned by General Motors of the U.S.A.

There has been a temporary drop in the price of Hindustan Motors shares since the Company has maintained the taxable ordinary dividend at 11.5 percent for the year ended March 1964, while the market had expected a higher dividend. The dividend was cut from 12.5 percent to 11.5 percent in 1962-63. The Company has earned a net profit of Rs. 1.19 crores, against Rs. 1.18 crores for 1962-63, after providing for depreciation, development rebate reserve and taxation. The preliminary figures do not show the provisions for depreciation and development rebate, but the taxation liability amounts to only Rs. 1.43 crores, against Rs. 2.23 crores. General reserve is allocated Rs. 25 lakhs. The dividend gives a yield of about 6.7 percent at the present price of Rs. 18.12 a share of Rs. 10 each.

Meanwhile, Leyland Motors of the U.K. has given a loan of £4 million to Ashok Leyland for producing diesel engines and for other expansion work. Thus there is going to be a fair expansion in the motor-vehicle industry. It is expected that when these expansion schemes are completed, the indigenous components of Indian-made vehicles will rise to about 90 percent of the total. As a result of the expansion of the heavy engineering capacity of the motor-car industry, the general engineering industry should also benefit. But it should be pointed out that in spite of expansion, the production target for 60,000 commercial vehicles a year during the third plan will not be attained, since the output may amount to only 50,000 vehicles a year which will fall short of the demand. It is, therefore, encouraging that the production target has been tentatively doubled to 120,000 vehicles a year for the fourth plan. This will involve a further capital outlay of about Rs. 150 crores, of which only half will be in the form of foreign exchange. As for increasing the output target for passenger cars, no decision has yet been taken. Since the demand for motor-cars has been far in excess of production, it is hoped that the Government will increase the output of passenger cars during the fourth plan.

T.E.L.C.O. Expansion Scheme Progressing Well

THE preliminary report on the working of the Tata Engineering and Locomotive Company for the year ended March 1964, showed that the Company had fared much better than in the previous year. Sales increased by nearly 18 percent from Rs. 43.64 crores to Rs. 51.51 crres, and the gross profit rose by about 21 percent from Rs. 5.50 crores to Rs. 6.65 crores. The directors state in their final report that the results would have been still better if the operations had not been disrupted during the last quarter of the year by a strike in the Calcutta docks which delayed the clearance of imported materials, by a strike at Jamshedpur and by the serious communal disturbances in the latter town during March 1964. But for these adverse factors, the year's output would have been substantially higher. Fortunately, the expansion programmes of various divisions were affected only to a limited extent and have made satisfactory progress. The labour trouble notwithstanding, the high level of activity in the motor-vehicle division enabled the output of Tata Mercedes Benz lorries to be increased by 5 percent from 1,200 to 1,800. The first stage of expansion programme of 18,000 vehicles a year will be completed on schedule, and the capacity for the output of 1,500 vehicles a month will be established from August 1964.

The Company is confident of stepping up the indigenous content of the Tata Mercedes Benz lorries from the present 84 percent to 90 percent by December without in any way sacrificing the quality. The output of locomotives fell from 62 to 57 due to labour unrest. The Company has agreed to supply 200 locomotives to the Railway Board during the fourth plan period on the clear understanding that on the completion of these supplies, the Company would cease to produce steam locomotives and direct its manufacturing activity to other engineering products which offer greater scope for profit. The forge division was expanded substantially, and the output of forgings continued to increase both in range and quality. Up-to-date forging facilities including high production mechanical forging processes of 1,300 to 2,000-ton capacity have been installed and a large 6,000-ton press is expected to be in operation before the end of 1964. The rate of production of castings in the steel foundry continued to rise and the quality of products was maintained. A substantial expansion of the alloy iron foundry is now under way. When com-

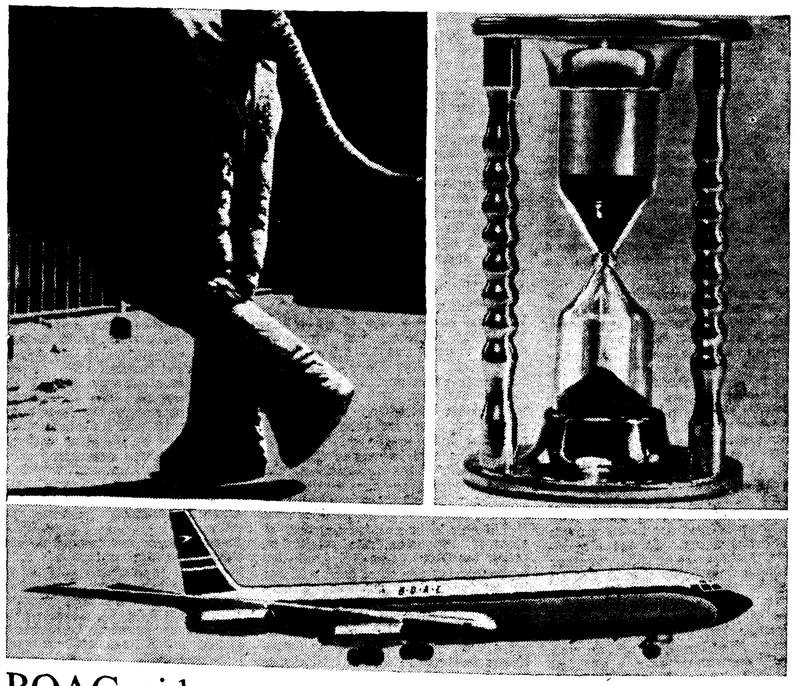
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pleted, the Company will have a large versatile foundry capable of meeting the full needs of alloy iron castings of diverse specifications required for the motor-vehicles industry. The Company is undertaking the manufacture of large press tools and complex dies near Poona in collaboration with a British firm. The production of Tata P and H 2½ cubic-yard excavators was hampered during 1963-64 by the non-availability of foreign exchange for the import of certain components. The Company exported Tata Mercedes Benz vehicles valued at Rs. 23 lakhs during 1963-64 to the South and Middle East countries, against exports of Rs. 3 lakhs in the preceding year. The Company continues to have serious difficulties in obtaining the necessary supplies of plates and special steels for paper and pulp plants. The paucity of skilled and trained workers has also retarded progress. Instead of undertaking the manufacture of complete paper and pulp plants, the Company now proposes to concentrate on the production of a limited number of standardised items of paper and pulp machinery for which a substantial demand exists in the country. This will enable the production facilities of the Company to be used more efficiently and fully.

In his statement to the shareholders circulated with the directors' report, the chairman, Mr. J. R. D. Tata, says that barring a totally unforeseen setback, the increased profit resulting from the Company's expanding output should enable it without difficulty to maintain the current dividend of 14.5 percent on the ordinary capital in future. (A fuller version of the speech appears on a later page in this issue of *Capital*.) In fact, there are, according to Mr. Tata, good prospects of the Company being able to maintain the same rate of dividend even after the additional issue of 200,000 ordinary shares (in the ratio of one new share for every five shares held at a premium of Rs. 50 a share). The chairman says that in view of the fact that only recently —March 1963—the Company had made a similar issue at the same high premium and in view of the difficult times for shareholders to find additional funds, the directors would normally have preferred to postpone the present issue for a year or so. But the extraordinarily large and rapid expansion of the Company and the growing unbalance in the capital structure make a further issue imperative and urgent. The total funds employed by the Company amount to around Rs. 44 crores at present and these are expected to increase to Rs. 60 crores by 1966. As against this, the Company's present share capital of Rs. 12 crores is disproportionately small. An issue of shares is required not only to provide urgently needed funds, but also to improve the debt-equity ratio to which the A.I.D., like the World Bank, attaches considerable importance. Mr. Tata says that the demand for Tata Mercedes Benz vehicles continues unabated, and in spite of the steady increase in output the Company has so far failed to catch up with the rising demand. Much else of what the chairman has stated in his speech relates to the criticism of the Government's policy on the development of road transport. "Of all economic activities in the country, none to my knowledge", says Mr. Tata, "bears such a crushing burden of tax as the road transport industry."

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Indian Cable Pays More

THE ordinary shares of Indian Cable Co. Ltd have been steady around Rs. 36 due to the declaration of a larger dividend for the year ended March 1964. A taxable ordinary dividend of 25 percent has been declared, against 22.5 percent for 1962-63. This is the first time that the dividend has been raised since 1959-60; the ordinary share capital was raised in September 1962. In that year, the capital structure was reorganised and the cumulative taxable preference shares were converted into ordinary shares. At the present price, the dividend yield amounts to 6.9 percent. The preliminary figures show that the pre-tax profit has improved from Rs. 1.57 crores to Rs. 1.90 crores. Taxation is allocated Rs. 1.03 crores (against Rs. 93 lakhs). Reserves absorb Rs. 34.77 lakhs (against Rs. 87.40 lakhs) and a sum of Rs. 10.35 lakhs has been written back from various accounts.

Mettur Chemical Does Well

THE Mettur Chemical and Industrial Corporation Ltd shows very encouraging results for the year ended March 1964. Sales are up by nearly 30 percent from Rs. 2.01 crores to Rs. 2.61 crores, and the gross profit has increased by about 23 percent from Rs. 47.78 lakhs to Rs. 58.80 lakhs. The increase in sales reflects increased production, especially of caustic soda which reached a record 12,700 tons in 1963-64. In spite of the substantial improvement in the Company's working results, the dividend has only been maintained at 12.5 percent. But the total distribution among equity shareholders is considerably higher at Rs. 18.12 lakhs, compared with Rs. 13.84 lakhs in the preceding year even though equity shares of the value of Rs. 60 lakhs were entitled to only two months' dividend during 1963-64. The Company raised additional capital amounting to Rs. 90 lakhs, comprising Rs. 60 lakhs in equity shares and Rs. 30 lakhs in preference shares, during 1962-63.

Appropriations of the year's gross profit of Rs. 58.80 lakhs (against Rs. 47.78 lakhs) Rs. 2.30 lakhs (against Rs. 1.63 lakhs), depreciation Rs. 15.99 lakhs (against Rs. 16.33 lakhs), development rebate reserve Rs. 4.62 lakhs (against Rs. 2.50 lakhs), taxation Rs. 14.10 lakhs (against Rs. 7.50 lakhs), debenture and share issue expenses Rs. 82,486, bonus for previous year Rs. 78,103 (against Rs. 71,530) and donations Rs. 24,978 (against Rs. 45,226). No provision has been made for the general reserve which had received Rs. 1.60 lakhs in the preceding year. The proposed equity dividend absorbs Rs. 18.12 lakhs (against Rs. 13.84 lakhs) and preference dividend takes up Rs. 1.79 lakhs (against Rs. 1.56 lakhs), leaving Rs. 12,185 to be carried forward, against Rs. 11,631 brought in.

Machinery Manufacturers Pays the Same

THE working results of Machinery Manufacturers Corporation Ltd for the year ended March 1964 show an appreciable improvement over the previous year's performance. Sales are higher by about 24 percent at Rs. 2.536 crores, against Rs. 2.04 crores, and the gross profit is up by nearly 20 percent from Rs. 55.43 lakhs to Rs. 66.68 lakhs. The dividend, however, has only been maintained at 15 percent—Rs. 1.50 a share of Rs. 10. This is mainly because the Company has had to make a substantially larger provision for taxation. Allocations include depreciation Rs. 13.34 lakhs (against Rs. 10.27 lakhs), development rebate reserve Rs. 2.12 lakhs (against Rs. 1.91 lakhs), taxation Rs. 31 lakhs (against Rs. 17 lakhs), gratuity and superannuation Rs. 1.50 lakhs (against Rs. 3.50 lakhs) and general reserve Rs. 12 lakhs (against Rs. 17.30 lakhs). After providing for the proposed dividends—preference Rs. 2.19 lakhs and equity dividend Rs. 4.52 lakhs—there remains a small surplus of Rs. 3,000 to be carried forward, against Rs. 2,374 brought in.

The directors state that the Company's order book remains full. The production of speed frames designed by the Company's engineers has started and schemes for further expansion for the manufacture of Crosrol-Varga high production device and Whitin drawing frames are under the Government's consideration. The Rs. 10-paid share of the Company is quoted around Rs. 22.76 offering a gross return of about 7 percent.

A Good Year for Oil India

IN his chairman's statement at the annual general meeting of Oil India Ltd held recently in Duliajan, Assam, Mr. Khandubhai K. Desai referred to the satisfactory results achieved during the year ended December 1963. (The full text is printed on a later page in this issue of *Capital*.) The Company has earned a net profit of Rs. 3.36 crores, after providing for depreciation, taxation and development rebate. The taxable ordinary dividend of Rs. 120, including an interim of Rs. 40 a share, has been declared, giving a minimum dividend of 9 percent, after paying all taxes. The offtake by the Indian Refineries Ltd has been lower than was expected because of the delay in commissioning the Barauni refinery. The pipelines connecting the oilfields with the Government refineries in Gauhati and Barauni have been completed. This is the second longest crude oil pipeline in the East. The project has cost Rs. 45 crores, instead of Rs. 46 crores to Rs. 47 crores estimated earlier.

The crude conditioning plants in Nahorkatiya and Moran have been completed. The requirements of crude for the refineries in Gauhati and Digboi have been fully met and production will increase when the first unit of the Barauni refinery goes on stream. It will be followed by the second unit. The Company has achieved its drilling targets. With the wells drilled and completed, it is now in a position to meet the requirements of the public-sector refineries in Gauhati and Barauni. The Company's exploration activities have been making progress. Apart from producing natural gas for use in oilfields, it has been supplying gas to many industrial projects.

Mr. Desai takes an optimistic view of the Indian oil industry. Since coal and hydraulic power resources will be inadequate and nuclear energy will take a considerable time to develop, the rapid development of the oil industry is imperative to meet the combined requirements of energy and petro-chemicals. The demand for petroleum products has been rising by about 10 percent a year; during the fourth plan period, it may rise by 2 million tonnes to 3 million tonnes a year. By the end of 1971, the demand for all petroleum products may increase to 28 million tonnes or 30 million tonnes. Mr. Desai stressed the importance of producing more kerosene and fuel oil out of imported crude. India hopes to produce 6 million tonnes of indigenous crude oil by the end of 1966. Out of this, half will be contributed by the Assam oilfields.

Maiden from Sandvik Asia

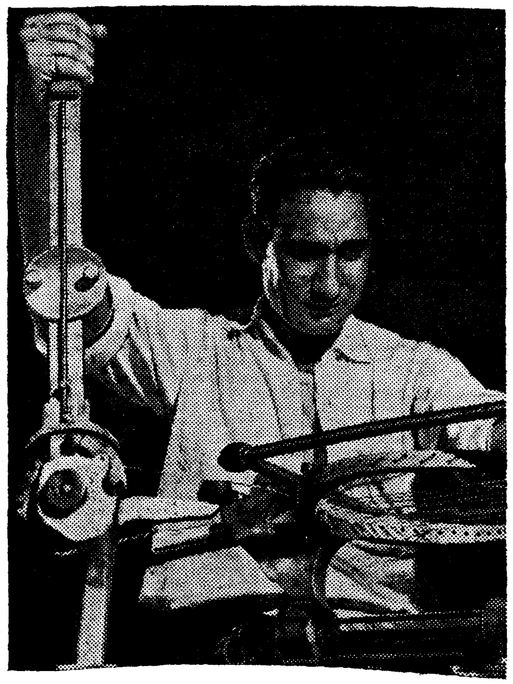
THE 6 percent maiden dividend by Sandvik Asia Ltd for the year ended 31st March, 1964, is fully justified by the Company's performance during the year. Sales have gone up by about 58 percent from Rs. 65.60 lakhs to Rs. 1.036 crores and the gross profit has risen by nearly 65 percent from Rs. 15.62 lakhs to Rs. 25.88 lakhs. Allocations include depreciation Rs. 12.09 lakhs (against Rs. 7.27 lakhs), development rebate reserve Rs. 4.50 lakhs (against Rs. 6.06 lakhs) and general reserve Rs. 1.25 lakhs (against nil). After writing off the preliminary expenses amounting to Rs. 28,833 and adjusting the previous year's loss of Rs. 4.12 and providing Rs. 3.60 lakhs for the proposed maiden dividend, there remains a balance of Rs. 3,512 to be carried forward. The directors state that all the plants of the Company were in production during the year. The production of tungstone carbide from one stage commenced, and a new line of manufacture—tungstone carbide tipped tools—has also been started. The production of tungstone carbide powder has been increased to meet the Company's own requirements as well as the demands of other manufacturers of tungstone carbide products. A letter of intent has been received from the Government to extend tungstone carbide production. The Rs. 100-paid share of Sandvik Asia is quoted around Rs. 168.

Dhrangadhra Chemical Results Impress

THE directors of the Dhrangadhra Chemical Works Ltd have raised the dividend for the year ended March 1964 from 8 percent to 10 percent and the new rights shares issued in 1962 which had received *pro rata* dividend in the preceding year are entitled to a full dividend for 1963-64. This is the second year in succession for which the dividend has been raised. The Company had paid a dividend of 6 percent in 1961-62. The increase in the dividend is fully justified by the Company's impressive performance. According to the detailed preliminary report released along with the dividend announcement, the Company's sales have risen by 13.8 percent from Rs. 4.34 crores to Rs. 4.94 crores, whereas the gross profit for 1963-64 has gone up by nearly 47 percent from Rs. 92.30 lakhs to Rs. 1.358 crores. The profit margin, measured by the ratio of gross profit to sales, has improved

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from 21.3 percent in 1962-63 to 27.5 percent in 1963-64. Improved results are attributed to the increase in the production of caustic soda from 27,000 tons to around 34,500 tons. The Company would have shown still better results but for the production losses in the caustic soda unit due to breakdown and trippings and frequent power restrictions and shut offs imposed by the Madras State Electricity Board during the year. If there had been no breakdown, the output of caustic soda would have reached 39,000 tons.

Appropriations include depreciation Rs. 54.61 lakhs (against Rs. 34.70 lakhs), development rebate Rs. 40 lakhs (against Rs. 1.06 lakhs) and general reserve Rs. 23 lakhs (against Rs. 46 lakhs). As in the previous year, no provision is considered necessary for taxation. After making certain minor adjustments and providing for the proposed dividends —preference and equity—absorbing Rs. 15.43 lakhs (against Rs. 13.28 lakhs), there remains a balance of Rs. 76,000 to be carried forward, against Rs. 1.75 lakhs brought in.

The prospects for the current year are considered to be better. The programme for increasing the installed capacity of the caustic soda unit from 80 tonnes to 140 tonnes a day was completed during 1963-64 and the extended plant went on stream in August 1963. Production for the current year is expected to reach 42,000 tonnes and the Company's turnover will increase to around Rs. 5.75 crores. It proposes to increase the installed capacity from 140 tonnes to 180 tonnes a day which is expected to take about two years to materialise. Orders have been placed for certain equipment. The Company has also applied for an industrial licence to set up another plant with a capacity of 300 tonnes of caustic soda a day. The project is still in a preliminary stage and it is estimated to cost about Rs. 10 crores to Rs. 12 crores. It is proposed to be undertake the project in two stages. The scheme for putting up the liquid chlorine plant has made further progress. A letter of credit under yen credit from Japan has been opened and the deliveries of plant and machinery will be made over a period of ten to 16 months. The plant, it is expected, will go into production by the end of 1965 or the beginning of 1966. In view of the higher production and growing demand for the Company's products and regulation of imports, the directors visualise increased earnings in the current and coming years.

Indian Bank Pays More

THE directors of the Indian Bank Ltd have raised the interim dividend for the half year ended June 1964, from 7 percent, including a bonus of 2 percent, to 7.5 percent, including a bonus of 2.5 percent. The half-yearly profit amounts to Rs. 10.39 lakhs, compared with Rs. 9 lakhs in the corresponding period of 1963. The interim dividend will absorb Rs. 6.63 lakhs, against Rs. 6.22 lakhs. A sum of Rs. 2.08 lakhs has been transferred to the reserve fund. After bringing in the surplus of Rs. 1.62 lakhs from the previous year, the balance of Rs. 3.28 lakhs has been carried forward.

Central Bank Repeats

THE working results of the Central Bank of India for the half year ended June 1964, show a fair improvement over the performance during the same period last year. The profit for January-June 1964, subject to audit, amounts to Rs. 98.53 lakhs, compared with Rs. 89.80 lakhs in the corresponding period last year. The interim dividend has been maintained at Rs. 2.40 a share. The new rights shares offered in February will rank for the *pro rata* dividend with effect from 1st May. The total interim dividend distribution will amount to Rs. 30.35 lakhs, against Rs. 30.28 lakhs. The directors have also provided a sum of Rs. 1,401 for payment of final dividend for 1962 and interim and final dividends for 1963 to the former shareholders of Jodhpur Commercial Bank to whom the shares of Central Bank have been allotted. After bringing in the surplus of Rs. 91.500 from the previous year, the balance of Rs. 69.09 lakhs, subject to tax, has been carried forward.

New Great Eastern Disappoints

THE New Great Eastern Spinning and Weaving Company reports disappointing results for the year 1963. Despite quite an appreciable increase in the sales from Rs. 2.56 crores to Rs. 2.97 crores, the gross profit has declined sharply from Rs. 26.72 lakhs to Rs. 11.21 lakhs. The dividend, both on preference and equity shares, has been skipped. In 1962, the Company had paid a dividend of 18 percent. After providing Rs. 18.68 lakhs (against Rs. 12.09 lakhs) for depreciation, Rs. 3.78 lakhs (against Rs. 5.49 lakhs) for development rebate and Rs. 6.93 lakhs (against Rs. 3.04 lakhs) for bonus for previous years, the year's working shows a net loss of Rs. 18.18 lakhs, against a profit of Rs. 6.10 lakhs. After taking into account the surplus of Rs. 1.80 lakhs brought in, the net deficit of Rs. 16.38 lakhs is being carried forward.

The directors state in their report that the Company's working results were adversely affected by the increase in prices of cotton, power and fuel, stores, spares, etcetera. Besides, as a part of the rationalisation, the Company had to pay a sum of Rs. 5 lakhs by way of compensation and gratuity to the retrenched workers.

Production suffered because of the erection of new machinery in various departments; production schedule could not be achieved as workers were not accustomed to working on new machinery. A sum of Rs. 30.75 lakhs was spent on machinery during 1963 and further orders for machinery worth Rs. 12 lakhs had been placed by the end of the year. During the current year up to 30th June, orders for machinery have been placed for Rs. 11 lakhs in addition to the unexecuted orders at the end of 1963. The directors are doing their best to improve the Company's working and they are hopeful of better results for the current year.

Outlook for Modern Mills

MODERN Mills did not fare well in 1963, but it is expected to do much better this year. The chairman, Mr. N. D. Sirur, assured the shareholders at the Company's adjourned annual general meeting on 18th July that the Company would be able to pay a dividend of at least 10 percent for the current year, against 6 percent for the previous year. A still higher dividend could be expected when the Company's investment in the new acetate rayon project starts bearing fruit. Mr. Sirur stated that because of change in the pattern of production from coarse and medium cloth to fine and superfine cloth, the Company hoped to realise better prices for its products and earn an additional profit of Rs. 6 lakhs to Rs. 7 lakhs a year. The profit for the current year is expected to be between Rs. 25 lakhs and Rs. 30 lakhs. The partial cloth decontrol is likely to benefit the Company considerably and from next year onwards, the profit of the Company is expected to reach the level of average profit for the previous three to four years. It has obtained a sanforising machine and placed orders for felt calendering equipment which will improve the Company's working results.

Mr. Sirur assured the shareholders that it would be more advantageous from their viewpoint to implement the acetate rayon project by floating a new company rather than implementing it as an expansion of Modern Mills. That is why a new Company named Modern Fibres of India Ltd had been formed in collaboration with two foreign firms—one from the U.K. and the other from the U.S.A.—of international reputation. The new Company would have an equity capital of Rs. 3.75 crores of which 49 percent would come from abroad; about 21 percent would be provided by the Modern Mills and the balance would be raised by public subscription. The installed capacity of the new factory would be 10 tonnes a day, comprising 8 tonnes of flake acetate filament rayon and two tonnes of acetate staple fibre.

Mr. Sirur expressed the hope that the new company would be in a position to pay a dividend of 12 to 14 percent after about four years. The new Company would take over the Mill No. 1 of Modern Mills together with 16.664 post-war spindles installed therein along with ancillary machinery at a price of Rs. 75 lakhs, against its book value of Rs. 25 lakhs. After the transfer of Mill No. 1, the main property of the Modern Mills would comprise Mill No. 2 with a total spindleage of 48.000 and loomage of 6,044 when the installation of additional spindleage capacity has been completed. The separation of Mill No. 1, therefore, will have no effect on total spindleage as it obtains at present. Mr. Sirur justified the investment by Modern Mills in Sundatta Foods and Fibres because it was because of Sundatta that the raw material problem of the new company—Modern Fibres—was being solved.

More from Sidhpur Mills

THE Sidhpur Mills Ltd has raised the dividend for the year ended March 1964 from 8 percent to 10 percent, and this dividend is payable on the increased capital of Rs. 30 lakhs, following the one-for-two bonus issue with the result that the dividend distribution will claim Rs 3 lakhs, against Rs. 1.60 lakhs in the preceding year. The increase in the dividend is fully justified by the Company's improved performance during the year. Sales are up by nearly 20 percent from Rs. 1.39 crores to Rs. 1.67 crores, while the gross profit has soared by 130 percent from Rs. 7.62 lakhs to Rs. 17.53 lakhs. Allocations include depreciation Rs. 6.26 lakhs (against Rs. 4.92 lakhs), development rebate reserve Rs. 1.27 lakhs (against Rs. 25.600), general reserve Rs. 5.25 lakhs (against nil), gratuity reserve Rs. 50,000 (the same) and provision for doubtful debts Rs. 1.194 (against nil). No provision has been made for taxation. After making various appropriations, there remains a surplus of Rs. 21.265 to be carried forward, against Rs. 8.888 brought in. The directors state that the modernisation of the mills has been making satisfactory progress. The Company installed new machinery worth Rs. 6.36 lakhs during 1963-64. Commitments for the purchase of new machinery at the end of the year amounted to Rs. 13 lakhs of which machinery worth Rs. 5.95 lakhs has been received. The working of the Company for the current year so far is said to be quite encouraging.

New Swadeshi Mills Fares Well

The New Swadeshi Mills of Ahmedabad Ltd reports highly encouraging results for the year ended 31st March, 1964. The sales are up by about 24 percent from Rs. 3.88 crores to Rs. 4.82 crores and the gross profit has shot up by about 55 percent from Rs. 27.38 lakhs to Rs. 42.41 lakhs. There has thus been a marked improvement in the Company's profit margin from 6.4 percent to 8.3 percent. In spite of substantially better results, the dividend has only been maintained at 10 percent. Appropriations include depreciation Rs. 21.82 lakhs (against Rs. 14.23 lakhs) donations Rs. 2.31 lakhs (against Rs. 1.67 lakhs), taxation Rs. 10 lakhs (against Rs. 3.57 lakhs), leaving a surplus of Rs. 8.28 lakhs (against Rs. 7.91 lakhs). A sum of Rs. 5 lakhs has been transferred to the general reserve out of this surplus. The Company purchased during the year one more textile mill in Ahmedabad. This mill which remained closed for about eight months has now been restarted. An addition to the acquisition of the block assets of this mill, the Company spent Rs. 11.96 lakhs on renovation and modernisation of the mill known as the "New Swadeshi Mills." The Rs. 100-paid share of New Swadeshi is currently quoted around Rs. 110, offering a gross return of 9.8 percent.

Poysha Industrial Results Impress

THE increase in the dividend for the year ended March 1964 by Poysha Industrial Co. Ltd from 9 percent to 10 percent provides little indication of the Company's impressive performance during the year. Sales are up by about 38 percent from Rs. 93.36 lakhs to Rs. 1.292 crores, and the gross profit has shot up by as much as 91 percent from Rs. 9.14 lakhs to Rs. 17.46 lakhs. The profit margin as measured by the ratio of gross profit to sales, has improved from Rs. 9.8 percent to Rs. 13.5 percent. The increase in the dividend appears to be very modest, compared with the improvement in the Company's working results. The main reason for this is the need for conserving resources for financing the large expansion programme that the Company has on hand and for which it will shortly enter the capital market to raise funds through public subscription. Appropriations of the year's profits include depreciation Rs. 3.12 lakhs (against Rs. 3.32 lakhs), development rebate Rs. 11.867 (against Rs. 18.784), taxation Rs. 8.58 lakhs (against Rs. 2.95 lakhs), general reserve Rs. 1.66 lakhs (against Rs. 40,000), additional taxation for earlier year Rs. 10.057 (against nil) and dividend Rs 2.50 lakhs (against Rs. 1.74 lakhs).

The Company's performance during the current year is expected to show a further improvement. The chairman says that this will probably be the last year in which the company will function throughout the year in the present factory in Bombay. It is expected to move into the new modern factory near Thana before the end of 1965. The Company has embarked on a huge expansion programme. Apart from the modern factory in Thana, the Company proposes to erect a factory in Cochin. Negotiations are also in progress for the purchase of suitable land for setting up a factory in Ghaziabad. Additional printing machinery for the Bombay factory has been received and is awaiting installation. The Government has agreed to the import of all the necessary plant and equipment for the Cochin and Ghaziabad factories. The Company proposes to raise its capital from Rs 25 lakhs to Rs. 1.10 crores in order to finance its expansion schemes. The existing shareholders will be offered rights shares worth Rs. 25 lakhs in the ratio of one new share for each one held. The balance of Rs. 60 lakhs will be raised through public subscription. Negotiations are said to be nearing completion for securing long-term loans amounting to Rs. 74 lakhs from various financial institutions.

Bengal Chemical Pays the Same

THE trading profit of Bengal Chemical and Pharmaceutical Works Ltd has risen from Rs. 21.05 lakhs for 1962-63 to Rs. 26.02 lakhs for the year ended March 1964. Depreciation absorbs Rs. 5.93 lakhs (against Rs. 5.54 lakhs). The taxable ordinary dividend of 10 percent has been repeated. Taxation is allocated Rs. 10 lakhs (against Rs. 7.25 lakhs) and reserves Rs. 1.22 lakhs. Sales rose from Rs. 2.28 crores to Rs. 2.35 crores, but production was interrupted by the shortage of raw materials and various other difficulties. The expansion of the Panihati factory has made good progress. The trial run of the alum plant has begun, and full production is likely to be achieved in the near future.

Devon Tea and Produce Pays More

RECORD crops and higher profits have led to a rise in the rate of dividend announced by the Devon Tea and Produce Co. Ltd for the year ended March 1964. The ordinary dividend has been raised to 12 percent from the previous year's 10 percent. The net profit for the year amounts to Rs. 2,83,391, after providing Rs. 47,433 for depreciation and Rs. 4,150 for development rebate. This compares with the previous year's net profit of Rs. 1,78,933, after providing Rs. 41,689 for depreciation and Rs. 18,029 for development rebate. With Rs. 23,158 brought forward from the previous year, the total available for appropriation comes to Rs. 3,06,549. Out of this, provision for taxation amounts to Rs. 1,27,000 (against Rs. 72,000). A sum of Rs. 50,000 is transferred to general reserve. No amount is transferred to dividend equalisation reserve while Rs. 30,000 was transferred to this account in the previous year. The dividend at 7½ percent (grossed) on preference shares amounts to Rs. 16,660. The equity dividend at 12 percent absorbs Rs. 80,958. The balance of Rs. 31,931 is carried forward.

The directors have stated in their report that the crops harvested during the year set new records. The prospects for both tea and coffee crop for the next year are quite good. The report says that during the year excise duty on tea was raised by 5 paise a kilogram and an interim increase in wages was given to staff and labour. So the small increase in tea prices was more than offset by the increases in cost. The tea crop for the year amounted to 198.096 kilograms against the previous year's 178.500 kilograms. The all-in cost of production was Rs. 3.70 a kilogram, against Rs. 3.47 a kilogram The average sale price realised amounted to Rs. 4.39 a kilogram, against Rs 4.22 a kilogram. The coffee crop for the year amounted to 117.20 tonnes, against the previous year's crop of 79.73 tonnes. The tea crop for 1964-65 is estimated at 182,000 kilograms and the coffee crop at 149 tonnes.

As for the working of Devon Plastics, the report says that the unit has been working satisfactorily. Turnover for the year was Rs. 14,76,050, against Rs. 1,90,000 in the previous year. But for the acute shortage of raw materials during the latter part of the year, the unit would have shown even better results.

Balanoor Tea and Rubber Earns More

THE working of the Balanoor Tea and Rubber Co. Ltd for the year ended March 1964 shows a net profit of Rs. 4,23,730, after providing Rs. 56,523 for depreciation and Rs. 6,013 for development rebate. This compares with the previous year's net profit of Rs. 3,62,103, after providing Rs. 39,803 for depreciation and Rs. 3,630 for development rebate. With Rs. 44,601 brought forward from the previous year, the total surplus available for appropriation comes to Rs. 4,68,331. Out of this, provision for taxation amounts to Rs. 2,21,000 (against Rs. 1,80,000). Short provision of taxes in the previous years amounted to Rs. 63,760. A sum of Rs. 25,000 (against Rs. 50,000) is transferred to dividend equalisation reserve. The dividend at 7½ percent (grossed) on the preference shares amounts to Rs. 20,175. The equity dividend at 10 percent (the same) absorbs Rs. 1,09,899. The balance of Rs. 28,497 is carried forward.

The tea and coffee crops harvested during the year were records in spite of one of the severest droughts in recent history. The tea crop for the year amounted to 300,702 kilograms, against the previous year's crop of 254,836 kilograms. The all-in cost of production was Rs. 3.61 a kilogram, against Rs. 3.34 a kilogram. The average sale price was Rs. 4.40 a kilogram, against Rs. 4.29 a kilogram. The coffee crop during the year was 245.80 tonnes, against the previous year's crop of 166.31 tonnes. The rubber crop amounted to 12,993 kilograms, against the previous year's 13,990 kilograms. The tea crop for 1964-65 is estimated at 275,000 kilograms, the coffee crop at 184 tonnes, and the rubber crop at 13,000 kilograms.

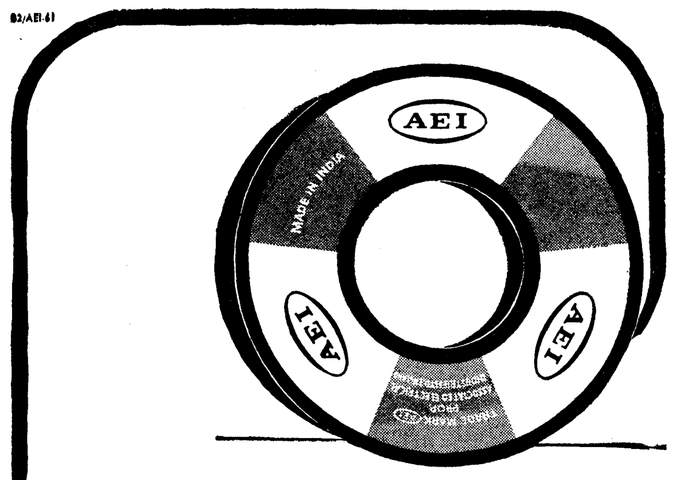
Progress of Seshasayee Wire Ropes

THE report of the Seshasayee Wire Ropes Ltd for the year ended March 1964 discusses the progress of the Company during the construction period. The directors state that no profit and loss account has been prepared for the accounting period, since the construction of the factory is continuing. All expenses during construction will be capitalised in due course. Expenses during the year (to be capitalised) amount to Rs. 3,11,358. Total expenses during construction to be capitalised up to 31st March, 1964, stand at Rs. 4,22,694 in the balance-sheet. The report adds that by March 1964, all the items of imported machinery have arrived at the factory premises in Edathala, Alwaye. The installation of machinery is now progressing under the guidance of Japanese engineers. The directors expect that the factory will be ready for operations by September 1964.

Glass Carboys Share Offer

THE Glass Carboys and Pressedwares Ltd is a new company which proposes to set up a factory in Ambernath Industrial Estate in Thana district (Maharashtra) for the manufacture of glass carboys (one to five gallon capacity) and pressedwares, domes for mercury vapour lamps, glass tiles, etcetera. The Company has been licensed to manufacture 4,200 tonnes of glass carboys and pressedwares a year. The promoters hope to turn out some 3,600 tonnes a year on the basis of 80 percent efficiency. The project does not visualise any foreign collaboration, and it is estimated to cost about Rs. 45.56

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lakhs, of which Rs. 25 lakhs will be provided by share capital, Rs. 10 lakhs by term loans from the Maharashtra State Finance Corporation, Rs. 5.5 lakhs in foreign exchange loan from the I.C.I.C.I. and the balance by borrowings from banks.

The plant and machinery worth Rs. 5.5 lakhs is being imported from the U.K., West Germany and the U.S.A. If all goes well, the plant is expected to go into production in August 1965. The Company will have an authorised capital of Rs. 50 lakhs, out of which Rs. 25 lakhs, made up of 20 lakhs in equity shares of Rs. 10 each and Rs. 5 lakhs in 9.5 percent redeemable cumulative preference shares of Rs. 10 each, is being issued in the beginning. The promoters, directors and their friends are taking up equity shares of the value of Rs. 7.5 lakhs and the balance of Rs. 12.5 lakhs in equity shares and Rs. 5 lakhs in preference shares, is likely to be offered for public subscription in August. The entire public issue has been underwritten. The board of directors includes Mr. Ramjilal Jhunjhunwala (chairman), Mr. R. B. Rungta, Mr. N. R. Ruia, Mr. M. V. Meghji, Mr. M. L. Apte and Mr. Bhagvati Prasad Jhunjhunwala.

Mysore Electro Chemical to Raise Capital

THE Mysore Electro Chemical Works Ltd proposes to raise additional capital of Rs. 25 lakhs, made up of Rs. 20 lakhs in equity shares and Rs. 5 lakhs in preference shares, for financing its expansion programme. Apart from stepping up the production of lead acid batteries, the Company proposes to undertake the manufacture of special types of batteries for electronic flashes, electronic equipment and transistorised units. Many of the new items which the Company proposes to manufacture are special patents of the West German collaborators. It has also plans for the manufacture of hard rubber containers in collaboration with an Austrian firm. Permission for the import of capital goods to the tune of Rs. 10 lakhs has been secured. The Company has already begun to implement the expansion programme which is expected to be completed within a year. The Mysore State Financial Corporation has sanctioned a loan of Rs. 14.30 lakhs for the Company's expansion programme. The preference capital of Rs. 5 lakhs is being taken up by the West German collaborators. And out of the equity capital of Rs. 20 lakhs, shares worth Rs. 10 lakhs are to be taken up by the directors and their friends and the balance of Rs. 10 lakhs will be offered for public subscription in the near future. The public issue has been underwritten by the Industrial Finance Corporation of India.



Devashola (Nilgiri) Tea Earns More

A RECORD crop and improved profits feature the trading results of the Devashola (Nilgiri) Tea Estates Co Ltd for the year ended December 1963. The dividend is maintained at 15 percent. The net profit for the year, after taxation, amounts to Rs. 1,22,930, compared with Rs. 1,08,597 for the previous year. With the amount of Rs. 3,300 brought forward and with Rs. 24,798 being excess provisions and write-backs, the total available for appropriation comes to Rs 1,51,028 Out of this, a sum of Rs. 700 is transferred to development rebate reserve. A sum of Rs. 21.000 is transferred to dividend equalisation reserve (against nil). The interim dividend of 7½ percent absorbed Rs. 63,000, and the final dividend of 7½ percent amounts to Rs. 63,000. The balance of Rs. 3.328 is carried forward.

A record crop of 190,775 kilograms of made tea was secured during the season. The crop for 1962 amounted to 186,643 kilograms. The all-in-cost of production was Rs. 4.78 a kilogram, against Rs. 4.79 a kilogram in the previous year, and the price realised was Rs. 5.38 a kilogram, against Rs. 5.30 a kilogram in 1962. The directors' report says that the Governmental and quasi-Governmental levies have been increasing from year to year in one form or the other, and the enhancement in the rates of Central excise duty and electricity charges and the imposition of emergency risk insurance accounted for a substantial increase in expenditure to the extent of over Rs. 25,000.

MANAGEMENT SCHOOLS IN BRITAIN

British business is being asked for £3 million to finance the first large-scale plan in Britain for management education. The idea is that Britain should have schools comparable to the best in America. The appeal is made jointly by the Federation of British Industries, the British Institute of Management and the Foundation for Management Education. It has been made on the basis of specially prepared studies. There has also been consultation with all sides of business life and with the Government and the universities. The appeal fund will be used for the foundation of two business schools in London and Manchester There will also be provision for further business schools at other universities and centres in Britain. A working party has reported that the cost of establishing the two schools would be between £2,180,000 and £2,430,000. They are not intended to replace nor to diminish the present expansion of management education at universities and colleges. They will take their place in a general national growth and give impetus to it.

In the appeal, the target is £420,000 to meet existing projects. They are at the Universities of Durham, Edinburgh, Glasgow, Liverpool, London and Manchester, and at the Royal College of Science and Technology, Glasgow, the Birmingham College of Science and Technology and the Regent Street Polytechnic, London. Lord Nelson is launching the appeal in London. In a foreword to a brochure on the subject he says the proposal "launches a revolutionary change in the whole pattern of management education in Britain."

The Stock Markets

TURNOVER CONFINED TO CLEARING SHARES

Wednesday Evening.

THE Calcutta stock market has been sluggish but steady during the past week. Share prices have fluctuated narrowly and activities have been limited. There has been a general inclination to keep commitments light in the absence of any incentive. Although corporate news is on the whole good, Lyons Range is concerned over the rising prices of essential commodities. Operators are watching carefully how the Government tackles the food crisis in the country.

Transactions have not only been confined to clearing shares, but they have also been mainly of a squaring-up nature. Holders have been keen to take profit at every bulge. The clearing on Wednesday was uneventful and the carry-forward charges were practically unchanged. Business in cash shares has declined to almost a trickle, although the prices of selected scrip have been maintained. The attention, particularly of small investors, has been diverted to the units of the Unit Trust of India. Considering that very little change has taken place in the prices of industrial equities during the current month, the Unit Trust has extended the period of selling its units to the public at par beyond 31st July, 1964. Since these units are expected to give a tax-free yield of 6 percent, it will be a good idea to continue to sell them at par as long as possible. The move is likely to help mobilise a considerable part of the savings of the middle and low-income groups.

Indian Iron have gained slightly due to short-covering. Among engineering shares, Burn and Texmaco are about steady. Jessop and Guest, Keen, Williams are sluggish. Scattered support has been forthcoming for Britannia Engineering and J. K. Steel. Birla have been prominent in jute shares and have gained due to influential buying. Turnover in other jute shares has been small due to the uncertainty concerning the outlook for jute goods. The hardening tendency in fibre prices has called for caution. The greater increase in the price of raw jute than in that of jute goods in recent weeks has squeezed the jute mills' profits. Indications are that during the current year jute mills' profits will not be as large as those for 1963-64. Kinnison, Anglo-India, India, Ganges and Barnagore have attracted support.

Although attention in the miscellaneous section is concentrated on clearing scrip, Indian Cable have risen due to the payment of a larger dividend. Hindustan Motors have recovered on short-covering. Scattered interest has been taken in Metal Box, Alkali and Chemical and Union Carbide. Indian Oxygen and British Paints have slipped back. Among managing agency shares, Martin Burn have been steady. Electric company shares are dull and nominal business in Calcutta Electric has been transacted. Interest in new shares is poor. Hindustan Aluminium have been barely steady. In spite of making bigger profits for the half-year ended June 1964, bank shares are sluggish. Stray business has been transacted in United Commercial and United Bank of India. Sugar shares have been freely offered, but buyers have shown no interest. Selected paper mill shares have been steady on hopes of an increase in the price of paper. Orient have fluctuated both ways. Seshasayee have gained. Bengal and India Paper Pulp have been maintained.

Cotton mill shares have met with scattered support. Bharat Commerce, Jay Shree Textiles, Dunbar and Elgin have been steady. J. K. Rayon have recovered on short-covering. The investors are awaiting the details of the proposed partial control schemes for cloth. Coal shares have lacked interest and turnover has been small. Burrakur have been steady, but Central India and Western Bengal have lost. Scattered support has been forthcoming for New Beerbhom. There has been limited activity in tea shares and attention has been largely confined to selected Assam and Dooars gardens. Brooke Bond, Hasimara and Nagri Farm have changed hands. Patrakola have reacted due to the decline in earlier support.

Government securities are about steady, although turnover has been limited. Support has been forthcoming particularly for short-dated loans, but sellers are generally reserved. The investors await the announcement of the forthcoming State Government loans, which are likely to be issued within the next few days. All the State Governments are expected to borrow together about Rs. 100 crores. It is believed that the new loans will carry a higher rate of interest than what is available from the existing securities. The 3 percent Conversion loan 1986 has been quoted at Rs. 63.75.

Bombay

TURNOVER DROPS, BUT UNDERTONE STEADY

SUPPORT CONFINED TO SELECTED SCRIP

Wednesday Evening.

THERE has been a considerable drop in turnover in the Bombay stock market during the past week, although the undertone is fairly steady. Selling pressure has abated, but support is largely confined to selected scrip due to good corporate news. Operators are, however, cautious because of the growing food shortage. Unless the Government succeeds in checking the rise in prices of essential commodities, it is feared that the working of various industries will be interrupted by labour unrest. Meanwhile, Dalal Street has felt the shortage of funds. In spite of the return of money to the banking system, commercial banks have not been keen on diverting funds to industrial equities. The sale of units of the Unit Trust of India has also meant less money for the stock market.

Tata Steel ordinary have closed at Rs. 154.75. Among engineering shares, Tata Engineering have been prominent due to the encouraging statement made by the chairman at the Company's last annual general meeting. T.E.L.C.O. has maintained the taxable ordinary dividend of 14.5 percent on the increased share capital. It is proposed to issue a further 200.000 shares, and the Company hopes to maintain the dividend even on the capital increased after the share offer. Scattered support has been extended to Larsen and Toubro, Alcock Ashdown and Premier Construction. Among motor-vehicle shares, Premier Automobiles have improved on hopes that the Company will return to the dividend list. It is believed to have made satisfactory profits. Hindustan Motors have reacted on profit-taking following the maintenance of the ordinary dividend.

In spite of limited turnover, the prices of selected cotton mill shares have been steady. Investors prefer to wait until the Government announces the details of its plan to enforce partial control on cloth. Century have enjoyed support from informed quarters. Bombay Dyeing, Kohinoor, Svadeshi, Standard and Morarjee have been supported. India United ordinary, Simplex and Gokak have been steady.

Sugar shares have been prominent in the miscellaneous section in the belief that the sugar companies have done well during the current season. Belapur, Walchandnagar Industries and Phaltan have been supported. National Rayon have improved on replacement purchases. The Company is believed to be doing well. Chemicals shares have shown mixed trends. Tata Chemical have been steady, but Polychem have been sluggish. In steamship company shares, Scindia Steam have improved on short-covering. In the mining section, Be Be Petrol have been steady, but Shivrajpur Syndicate have been sold freely. Voltas and Tata Oil have met with scattered support. Bank shares have tended to improve due to the good results

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achieved for the half-year ended June 1964. Central Bank, Dena Bank and Bank of India have changed hands. Among electric company shares, Ahmedabad and Tata Power have been quotably higher.

Madras

SHARES QUIET AFTER EARLIER STEADINESS

UNINSPIRING ADVICES DEPRESS SENTIMENT

Tuesday Evening.

AFTER earlier steadiness, the Madras stock market has closed the past week in a quiet mood due to uninspiring advices from outside centres. Turnover has dropped, and support has been confined to selected miscellaneous and cash scrip. Selected State Government loans, good preference shares and debentures have been wanted.

Bank shares have been steady due to the good results achieved for the half-year ended June 1964. Canara have been quoted at Rs. 77 and Indian Overseas at Rs. 145. Selected electric company shares have been bought. Negapatam have changed hands at Rs. 11.12 and West Coast at Rs. 13.50. Sugar shares have been fairly steady. E.I.D. have come to hand at Rs. 35.65 and Jeypore at Rs. 16.50. Business in Mysore has been transacted at Rs. 28.33 and Travancore have been bought up to Rs. 7.50. Deccan have nevertheless been sluggish at Rs. 12.05.

In the planting section, attention has centred on selected coffee and tea shares due to the improved marketing outlook. Blue Mountain have been quoted at Rs. 2.30 and Cochin Malabar at Rs. 6.35. Consolidated Coffee have hardened to Rs. 23.40 and Ouchterlony have been done at Rs. 3.55. Periakaramalai have been transacted at Rs. 3.43. Kailas have been taken at Rs 6.28 on declaring a final taxable ordinary dividend of 15 percent. Chembra Peak have risen to Rs. 4.77 on declaring a taxable ordinary dividend of 25 percent. Pullangode have been done at Rs. 3.18 on paying a taxable ordinary dividend of 8 percent. Mysore Coffee have come to hand at Rs. 4.22 on declaring a taxable ordinary dividend of 6 percent. Ossoor have been steady at Rs. 2.85 and Lingapur at Rs. 5.17.

Among textile shares, South India Viscose have reacted to Rs. 115.25 and Travancore Rayon to Rs. 20.40. Lakshmi have lost at Rs. 130.25, but Madura have been steady at Rs. 33.70. Interest has been taken in Bangalore Woollen at Rs 268 and in Buckingham at Rs. 274.50. Anglo-French have been bought at Rs. 142 and Mettur at Rs. 277.50. Vijaykumar have been done at Rs. 150 and Ramnarayan at Rs. 85.

Among miscellaneous shares, Aluminium Industries have been steady at Rs. 20.12 and Ashok Leyland at Rs. 6.75. In cement shares, India Cement have dropped to Rs. 5.44, but Dalmia have been maintained at Rs. 12.50. Mettur Chemical have hardened to Rs. 14.26 and Travancore Chemical Manufacturing to Rs. 18.70 on declaring a final taxable ordinary dividend of 10 percent. Seshasayee Paper have hardened to Rs. 7.40 and Mysore have been steady at Rs. 12.62 on paying a smaller dividend of 9 percent on the increased capital. Standard Motors have met with support at Rs. 10.12 and Tube Investment at Rs. 192. Parry's Confectionery have improved to Rs. 2.97 and Spencer to Rs. 21.37. Mysore Stoneware have been done at Rs. 11.57 on declaring a taxable ordinary dividend of 12½ percent. Madras Rubber have been sold down to Rs. 11.37, but McDowell have attracted support up to Rs. 22.22.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 32/81—34/12—32/69—33/44—(27/50).
Burrakur Coal—Rs. [illegible]—15/81—15/69—15/75—(15/19).
Dunlop Rubber—Rs. 32/50—32/75—32/37—32/50—(31/12).
Guest, Keen, Williams—Rs. 23/00—23/06—23/00—23/00—(30/75).
Hindustan Motors—Rs. 18/28—18/28—17/81—17/87—(15/56).
Howrah Jute—Rs. 16/00—16/00—15/94—15/94—(18/25).
Indian Aluminium—Rs. 30/31—30/44—30/00—30/00—(34/75).
Indian Copper—Rs. 3/31—3/33—3/28—3/29—(4/70).
Indian Iron—Rs. 25/48—25/64—25/40—25/58—(22/30).
Indian Cable—Rs. 35/75—36/25—35/75—36/25—(32/25).
J. K. Cotton—Rs. 10/19—10/25—10/07 s.t.—10/25—(11/19).
Jaipur Udyog—Rs. 11/00—11/12—10/91—11/00—(11/25).
Kesoram Industries—Rs. 26/41—26/87—26/37—26/50—(19/62)
Orient Paper—Rs. 34/05—34/25—32/95—34/00—(34/00).
Orissa Cement—Rs 12/00—12/06—11/94—12/00—(14/56)
Rohtas Industries—Rs. 11/37—11/37—11/23 s.t.—11/25—(10/44).
Shree Gopal Paper—Rs. 24/62—25/00—24/62—24/94—(23/25).
Textile Machinery—Rs 26/20—26/25—25/60—25/70—(22/60).

GILT-EDGED

3 % Loan (1986)—Rs 64/00 s.t.—64/00—63/70—63/75.
3 % „ (1966-68)—Rs. 98/50—98/50—98/45—98/45.
3 % „ (1970-75)—Rs. 90/53—90/60—90/53—90/55.
3½% „ (1967)—Rs. 99/90—99/90—99/90—99/90.
3½% „ (1969)—Rs. 98/15—98/16—98/15—98/16.
4 % U.P. (1967)—Rs. 99/50—99/50—99/50—99/50.
4 % „ (1971)—Rs 98/00—98/05—98/00—98/05.
4 % Madras (1967)—Rs. 99/50—99/52—99/50—99/52.
4 % „ (1968)—Rs. 99/27—99/27—99/27—99/27.
4 % West Bengal (1971)—Rs. 98/00—98/05—98/00—98/00.
4 % Loan (1972)—Rs. 98/90 s.t.—98/90—98/90—98/90.
4 % „ (1970)—Rs. 99/10—99/10—99/00—99/00
4½% „ (1989)—Rs. 100/00—100/05—100/00—100/05.
4½% „ (1972)—Rs. 100/10—100/20—100/10—100/20.
4½% U.P (1970)—Rs. 98/90—98/90—98/90—98/90.
4½% Orissa (1974)—Rs. 99/30—99/30—99/30—99/30.
4¼% U.P. (1972)—Rs. 98/20—98/20—98/20—98/20.
4½% „ (1974)—Rs. 99/30—99/30—99/25—99/25.

BANKS

Punjab National—Rs. 20/00—20/12—20/00—20/12—(19/19).
United Bank of India (Rs. 10/- paid)—Rs. 7/62—7/69—7/62—7/69—(7/31).

TEXTILES

Bowreah—Rs. 23/37—23/37—23/31—23/31—(21/25).
Bharat Commerce—Rs. 20/37—20/69—20/31—20/44—(20/37).
Cawnpore—Rs. 6/75—6/85—6/75—6/85—(6/06).
Elgin—Rs. 19/37—19/37—19/12—19/25—(17/62).
Do. (8% Pref.)—Rs. 110/00—111/50—110/00—111/00.
Jagatjit—Rs. 16/00—16/00—16/00—16/00.
Jaya Shree—Rs. 12/94—13/37—12/87—13/25—(14/00).
Mahalakshmi Fibres—Rs. 5/00—5/00—5/00—5/00.
New Victoria—Rs 1/31—1/31—1/25—1/28—(1/37).
Do. (Pref.)—Rs. 2/25—2/37—2/25—2/37.

RAILWAY

Dehri-Rohtas—Rs. 11/75—11/75—11/75—11/75

COALS

Central India—Rs. 8/37—8/52—8/37—8/44—(9/35).
Equitable—Rs. 20/50—20/50—20/50—20/50—(24/00).
East Indian—Rs 28/00—28/00—28.00—28/00—(31/87).
Katras Jherriah—Rs. 29/50—29/50—29/50—29/50—(37/75).
Karanpura Collieries—Rs. 12/50—12/50—12/50—12/50—(15/00).
New Beerbhoom Rs. 16/00—16/56—16/00—16/56—(19/25).

TRADE MARKS

CAUTION

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'TERYLENE' Polyester ICI Fibre

'टेरिलीन' पॉलिएस्टर ICI फ़ाइबर

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Issued by: IMPERIAL CHEMICAL INDUSTRIES (INDIA) PRIVATE LTD.
'Crescent House', Ballard Estate, Bombay 1
Regd. Office: 34, Chowringhee, Calcutta
On behalf of IMPERIAL CHEMICAL INDUSTRIES LIMITED, LONDON

JWT ICI. 2937

Western Bengal—Rs. 8/81—8/81—8/72—8/75—(8/56).

JUTES

Anglo-India—Rs. 159/00—160/00—159/00—160/00—(224/00).
Barnagore—Rs. 222/00—223/00—222/00—223/00—(199/00).
Chitavalsah—Rs. 8/00—8/00—8/00—8/00.
Caledonian—Rs. 142/00—145/00—142/00—145/00—(189/00).
Dalhousie—Rs. 120/00—120/00—120/00—120/00—(132/00)
Empire—Rs 14/31—14/31—14/19—14/19.
Gourepore—Rs. 22/37—22/44—22/37—22/44.
Ganges—Rs. 13/50—13/69—13/50—13/69—(13/87).
Hooghly (Pref.)—Rs. 12/37—12/75—12/37—12/75—(11/00).
India—Rs. 15/12—15/87—15/12—15/87—(17/50).
Kanknarrah—Rs 127/00—128/00—127/00—128/00—(131/00).
Kinnison—Rs. 122/00—122/00—122/00—122/00—(143/00).
Khardah—Rs. 17/00—17/00—17/00—17/00—(18/75).
Kamarhatty—Rs 153/00—153/00—153/00—153/00—(188/00).
Lawrence (7% Pref.)—Rs. 95/00—95/00—95/00—95/00.
Megna—Rs. 12/50—12/56—12/10—12/10—(12/50).
New Central—Rs. 10/81—10/94—10/75—10/94—(12/50).
Northbrook (Pref.)—Rs. 73/50—74/00—73/00—74/00.
Nuddea—Rs. 10/44—10/44—10/37—10/37.
Presidency—Rs. 4/25—4/31—4/25—4/31—(4/75).
Reliance—Rs. 6/94—7/00—6/94—7/00—(9/31).

MININGS

Bisra Stone Lime—Rs. 18/62—18/62—18/62—18/62.
Metal Corporation—Rs. 6/12—6/31—6/06—6/25—(8/12).
Orissa Mineral—Rs. 19/87—19/87—19/87—19/87.

CEMENTS

Ashoka—Rs. 6/62—6/69—6/56—6/69—(7/75).
Assam Bengal—Rs. 4/81—4/87—4/75—4/87—(3/06).
Dalmia (Bharat)—Rs. 12/69—12/69—12/56—12/62—(12/31).
Sone Valley—Rs. 4/12—4/12—4/06—4/06—(4/03).

CHEMICALS

Chemicals & Fibres—Rs. 12/72—12/81—12/62—12/69.
Phosphate—Rs. 171/00—171/00—171/00—171/00.

ELECTRICS

Benares—Rs. 12/87—13/00—12/87—13/00—(12/37).
Calcutta—Rs. 14/75—14/81—14/69—14/75—(14/75).
Jubbulpore—Rs. 12/37—12/44—12/19—12/25—(11/19).
Patna—Rs 10/37—10/44—10/37—10/44—(10/50).
United Provinces—Rs. 165/00—165/00—165/00—165/00—(117/00).

ENGINEERINGS

Bharat Ball Bearing—Rs. 11/12—11/12—11/12—11/12—(12/90).
Binani Metals—Rs. 11/87—11/87—11/69—11/69—(9/50).
Britannia Eng.—Rs. 10/12—10/19—10/00—10/00—(9/94).
Burn & Co. (7% Pref.)—Rs. 113/50—113/50—113/00—113/50.
Bhartia Elec. Steel—Rs 14/75—14/81—14/75—14/75—(13/94).
Dalmia Iron—Rs 11/12—11/12—11/12—11/12—(10/56).
Indian Iron (Pref.)—Rs. 82/25—82/25—81/25—81/25—(84/00).
Indian Standard Wagon—Rs. 35/62—35/62—35/50—35/50—(31/06).
Jessop & Co—Rs. 20/69—20/75—20/62—20/75—(24/19).
Jay Eng.—Rs. 17/25—17/25—17/19—17/19—(20/94).
J. K. Steel—Rs 15/75—15/75—15/56—15/75—(13/44).
Kumardhubi—Rs. 5/25—5/25—5/00—5/25—(7/69).
Marshalls—Rs. 3/06—3/12—3/06—3/12—(2/87).
Machinery Mnfg.—Rs. 25/50—25/75—25/50—25/75—(19/94).
National Iron—Rs. 6/31—6/37—6/31—6/37—(4/50).
Saran Eng.—Rs. 7/25—7/31—7/19—7/31—(8/50).
Textile Machinery (2nd Pref.)—Rs. 61/00—61/50—61/00—61/50.

INSURANCES

New Asiatic—Rs. 6/50—6/62—6/50—6/62—(7/56).
Ruby General—Rs. 11/19—11/19—11/19—11/19—(10/37).

MISCELLANEOUS

Airways India—Rs. 4/56—4/56—4/56—4/56.
American Refrigerators—Rs. 7/31—7/31—7/31—7/31.
Asiatic Oxygen—Rs. 9/87—10/06—9/75—9/75—(8/37).
Aluminium Corpn.—Rs. 11/25—11/31—11/19—11/19—(12/94).
Angelo Bros.—Rs. 25/12—25/19—24/87—25/00—(22/12)
Associated Battery—Rs. 23/00—23/00—23/00—23/00—(23/44).
British India Corpn.—Rs. 9/69—9/75—9/62—9/75—(7/81).
Do. (Pref.)—Rs. 108/00—110/00—108/00—109/50.
British Paints—Rs. 22/06—22/25—21/50 s.t.—22/25—(21/50).
Bararee Coke—Rs. 21/13—21/13—21/13—21/13—(21/06).
Calcutta Tramways—Rs. 10/31—10/37—10/31—10/37—(10/69).
Electric Construction—Rs. 13/12—13/37—13/06—13/25—(12/94).
East Anglia Plastics—Rs. 7/25—7/25—7/06—7/25—(10/37).
English Electric—Rs. 13/62—13/69—13/50—13/56—(13/31).
Goodyear India—Rs. 22/87—22/87—22/62—22/62.
Gillanders Arbuthnot—Rs. 15/00—15/06—14/94—15/06—(13/87).
Gwalior Rayon—Rs 39/00—39/00—38/50—38/50—(41/12)
Hindustan Aluminium—Rs. 12/37—12/44—12/31—12/44—(12/31).
Hindusthan Twyfords—Rs. 12/12—12/12—12/12—12/12—(14/62).
Hindustan Lever—Rs. 31/56—31/87—31/56—31/81.
Hindusthan Development—Rs. 3/81—3/94—3/81—3/94—(3/94).
Imperial Tobacco—Rs. 9/00 s.t.—9/31—9/00—9/25—(10/37).
Indian Forge & Drop Stamping—Rs. 5/87—5/87—5/87—5/87.
Indian Oxygen—Rs. 24/37—24/37—23/94—24/12—(27/50).
India Carbon—Rs. 13/72—13/75—13/69—13/75.
Indian Wood Prod.—Rs. 27/75—27/75—27/75—27/75—(29/00).
Jardine Henderson—Rs. 76/00—77/00—75/00—75/50—(84/50).
Do. (Pref.)—Rs. 55/00—55/00—55/00—55/00.
Jayshree Tea Industries—Rs. 14/00—14/00—14/00—14/00—(16/00).
Metal Box—Rs. 30/94 s.t.—30/94—30/94—30/94—(45/12).
Metal Distributors—Rs. 9/25—9/31—9/19—9/31—(4/22).
Madras Rubber—Rs. 10/25—10/25—10/25—10/25
Martin Burn—Rs. 26/50—26/50—26/50—26/50—(26/37).
National Insulated Cable—Rs. 23/62 s.t.—24/00—23/62—24/00—(22/37).
National Tobacco (2nd Pref.)—Rs. 56/00—56/00—56/00—56/00.
Phillips Carbon Black—Rs. 12/25—12/25—11/87—12/25—(16/12).
Rohtas Industries ('A' Pref.)—Rs. 105/50—105/50—105/50—105/50.
Sirsilk—Rs. 7/31—7/31—7/25—7/31—(9/00).
Union Carbide—Rs. 30/75 s.t.—30/75—30/75—30/75—(39/29).
Universal Cables—Rs 10/06—10/25—10/00—10/25—(9/50).
Universal Elect.—Rs. 6/94—6/94—6/94—6/94.
Walford Transport—Rs. 2/94—2/97—2/87—2/94—(3/81).
Woolcombers of India—Rs. 11/37—11/62—11/37—11/62—(13/87).

PAPERS

Bengal—Rs. 25/87—25/87—25/62—25/81—(27/69).
India Paper Pulp—Rs. 21/81—22/12—21/81—22/12—(16/87).
Orient (1st Pref.)—Rs. 93/00—93/00—92/50—92/50.
Do (2nd Pref.)—Rs. 62/00—63/00—62/00—63/00.
Seshasayee—Rs 7/62—7/62—7/44—7/56.
Sirpur—Rs. 11/50—11/50—11/50—11/50—(11/31).
Straw Products—Rs. 8/56—8/56—8/56—8/56—(9/25).
Titaghur—Rs. 14/06—14/19—14/00—14/06—(15/25).

REAL PROPERTIES

Bengal Bonded Warehouse ('A' Share)—Rs. 1,237/00—1,250/00—1,237/00—1,250/00—(1,050/00).
Hindusthan Building—Rs. 3/00—3/12—3/00—3/12.
Midnapore Zemindary—Rs. 22/50—24/50—22/50—24/50—(10/00).

SHIPPINGS

Calcutta Steam Nav.—Rs. 7/87—8/00—7/87—8/00—(8/25).
India Steamship—Rs. 6/41—6/50—6/31—6/47—(6/06).
Port Shipping—Rs. 13/87—13/94—13/75—13/75—(13/12).

OIL

Indo-Burma Petroleum—Rs. 20/37—20/56—20/31—20/56—(21/87).

SUGARS

Mohini—Rs. 0/94—1/00—0/94—1/00.
Raza Buland—Rs. 10/12—10/12—10/12—10/12—(9/62).
Ramnugger Cane—Rs. 24/31—24/37—24/19—24/19—(26/37).
Shree Krishna Gyanoday—Rs. 7/50—7/56—7/50—7/56—(7/75).
Tulsipur—Rs. 3/75—3/75—3/69—3/69.

TEAS

Belgachi—Rs. 22/87—23/12—22/87—23/12—(22/50).
Bishnauth—Rs. 14/25—14/25—14/19—14/19—(17/56).
Betjan—Rs. 29/00—29/00—29/00—29/00—(28/75).
Brooke Bond—Rs 10/62—10/75—10/62—10/69—(11/50).
Banarhat—Rs. 184/00—186/00—184/00—186/00—(216/50).
Chundeecherra—Rs. 26/00—29/75—26/00—29/75—(26/00).
Dhelakhat—Rs. 20/25—20/31—20/25—20/31—(18/62).
Grob—Rs. 7/00—7/06—7/00—7/06—(7/69).
Gielle—Rs. 17/37—17/50—17/25—17/25—(11/69).
Hasimara—Rs. 12/37—12/69—12/31—12/69—(13/25).
Hoolungoorie—Rs. 167/00—168/00—167/00—168/00—(195/00).
Huldibari—Rs. 12/44—12/56—12/37—12/37—(13/31).
Lackatoorah—Rs. 15/50—15/50—15/50—15/50
Mim—Rs. 418/00—418/00—418/00—418/00.
Nagri Farm—Rs. 27/37—27/75—27/00—27/00—(27/25).
Patrakola—Rs. 216/00—218/00—195/00—195/00—(120/00).
Poobong—Rs. 10/37—10/37—10/12—10/12—(7/19).
Rydak—Rs. 21/87—22/12—21/87—22/12—(24/23).
Seajuli—Rs. 21/00—21/06—21/00—21/06—(21/12).
Tongapani—Rs. 5/00—5/12—5/00—5/12—(7/00).

DEBENTURES

6½% Bengal Coal—Rs. 98/00—98/00—98/00—98/00.
5 % Calcutta Electric Supply—Rs. 89/50—89/50—89/50—89/50.

London

MARKET ENLIVENED BY TAKEOVER NEWS

BIG CALL OPTION DEMAND IN STEEL

London, 29th July.

ALTHOUGH for most of the past week, the stock market was unsettled due to the threat of an all-out postal strike, conditions were enlivened by big takeover developments in the textile fields. In the past day or so with the postal threat removed, the tone improved as selective buying was resumed. In the foreign market, Greek bonds seesawed. Dollar stocks moved in the wake of transatlantic markets where the trend on most days was towards lower levels. It was a very busy week for option dealers who met with a considerable demand for three-month "call" options on steel shares for the general election period.



Ginger Tonic *

A GREAT APPETITIVE AND DIGESTIVE

* MADE FROM FRESH GINGER WITH PEPTIN, GLUCOSE & VITAMINS

EST. 1855

DYER MEAKIN BREWERIES LTD.

MOHAN NAGAR (GHAZIABAD) U.P.

Over 100 years of experience Distinguish our Products

INTERADS DM/1/64

RESERVE BANK

ISSUE DEPARTMENT (In '000's of Rupees)	Week Ended 24-7-64	17-7-64	26-7-63
Liabilities—			
Notes in Banking Dept.	20,89,84	17,97,15	25,49,87
Notes in Circulation	24,43,76,16	24,78,87,13	22,08,91,34
Total Notes issued	24,64,66,00	24,96,84,28	22,34,41,21
Assets—			
A Gold Coin and Bullion	1,17,76,10	1,17,76,10	1,17,76,10
Foreign Securities	85,45,69	89,45,69	95,26,14
Total of A	2,03,21,79	2,07,21,79	2,13,02,24
B Rupee Coin	1,05,76,50	1,03,18,28	1,20,07,56
Rupee Securities	21,55,67,71	21,86,44,21	19,01,31,41
Total	24,64,66,00	24,96,84,28	22,34,41,21

BANKING DEPARTMENT			
Liabilities—			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long Term Operations) Fund	86,00,00	85,00,00	73,00,00
National Agricultural Credit (Stabilisation) Fund	9,00,00	9,00,00	8,00,00
National Industrial Credit (Long Term Operations) Fund	10,00,00	10,00,00	...
Deposits—			
(a) 1. Central Govt.	76,87,50	53,73,63	1,49,26,69
2. State Govts.	17,92,68	18,45,08	9,10,91
(b) Banks :—			
(i) Scheduled Banks	95,96,46	1,04,17,34	83,77,90
(ii) State Co-operative Banks	7,21,10	5,91,03	2,05,33
(iii) Other Banks	3,96	1,21	4,23
(c) Others	1,90,38,01	1,90,26,65	2,09,62,99
Bills Payable	32,56,20	32,58,27	32,57,54
Other Liabilities	19,60,99	20,48,74	17,74,22
Total	6,30,56,90	6,15,61,95	6,70,19,81
Assets—			
Notes	20,89,84	17,97,15	25,49,87
Rupee Coin	4,86	3,87	2,51
Small Coin	4,44	4,00	2,34
National Agricultural Credit (Long Term Operations) Fund			
(a) Loans and Advances to :—			
(i) State Govts.	28,30,28	28,30,29	27,16,75
(ii) State Co-operative Banks	12,85,59	12,86,34	10,51,20
(iii) Central Land Mortgage Banks	..	..	...
(b) Investment in Central Land Mortgage Bank Debentures	4,34,62	4,34,62	3,54,60
National Agricultural Credit (Stabilisation Fund) Loan and Advances to State Co-operative Banks	...	...	...
Bills Purchased and Discounted :—			
(a) Internal	...	...	...
(b) External	...	...	...
(c) Govt Treasury Bills	...	...	...
Balances Held abroad	79,67,22	86,86,75	92,02,47
Loans and Advances to Govt.	7,36,53	6,00,48	5,55,81
Loans and Advances to :—	22,94,00	21,12,00	29,15,85
(i) Scheduled Banks	45,40	85,70	34,70
(ii) State Co-operative Banks	1,41,66,47	1,44,87,47	1,17,27,08
(iii) Others	2,10,44	1,97,70	1,56,80
Investments	2,83,08,61	2,59,02,82	3,31,55,60
Other Assets	26,78,60	31,32,76	25,94,23
Total	6,30,56,90	6,15,61,95	6,70,19,81

SCHEDULED BANKS

(In 000's of Rupees)	Week Ended 17-7-64	10-7-64	19-7-63
(I) Demand Liabilities—			
(a) Demand Deposits :			
(1) From Banks	66,48,60	68,62,35	52,59,25
(2) From others	11,04,73,15	10,98,33,75	9,20,14,96
(b) Borrowing from Banks	30,46,60	40,58,42	26,49,30
(c) Other	69,20,26	67,42,89	62,11,14
(II) Time Liabilities—			
(a) Time Deposits :			
(1) From Banks	44,30,77	44,76,48	36,24,97
(2) From others	13,14,52,69	13,07,23,00	12,59,92,19
(b) Borrowing from Banks	18,72,53	19,73,25	23,04,01
(c) Others	12,06,14	12,12,67	10,34,88
(III) Borrowing from State Bank—			
(a) Demand Liabilities	8,44,00	8,24,72	2,71,77
(b) Time Liabilities	15,40,000	12,94,00	12,95,50
(IV) Borrowing from Reserve Bank	41,60	45,45	46,82
(V) Cash	62,60,56	61,05,53	52,05,82
(VI) Balances with the Reserve Bank	1,00,99,96	1,04,86,12	1,03,31,68
(VII) Balances with other Banks in current account	21,90,26	21,58,28	20,91,67
(VIII) Money at call and short notice	64,40,10	68,04,57	62,61,45
(IX) Investments in Central and State Govt Securities	6,79,02,01	6,75,52,92	6,97,08,22
(X) (a) Loans, Cash Credits and Overdrafts	15,16,75,78	15,37,40,94	12,87,53,50
(b) Due from Banks	8,46,47	8,73,62	8,53,01
(XI) Inland Bills purchased and discounted	1,62,15,28	1,67,03,02	1,60,98,19
(XII) Foreign Bills purchased and discounted	62,89,14	62,91,92	52,13,76
(XIII) Total of X, XI and XII	17,50,26,67	17,76,09,50	15,09,18,46

Products of :—
BHARAT ELECTRICAL INDUSTRIES LTD.
19, R. N. Mukherjee Road, Calcutta-1.
Agents—
THE ORIENTAL MERCANTILE CO., LTD.
Calcutta, Bombay, Kanpur, Delhi, Madras.

Money

THE CALCUTTA MONEY MARKET

CALL RATE GOES UP AGAIN

Wednesday, 29th July.

THERE has been a moderate decline in the general level of advances in the Calcutta money market during the past week. This is mainly due to the slight decrease in the credit given to jute mills, sugar factories and the iron, steel and engineering industries. Miscellaneous advances too have fallen moderately. The accommodation given to cotton and woollen mills and to the foodgrains trade has remained unchanged. In the interbank market, the call rate rose sharply from ½ percent to 5 percent and has closed at 4½ percent. The rise is attributed to the purchase of Treasury bills by some big lenders.

The exchange market has been steady, with a good supply of tea bills and moderate supply of gunny bills. The demand for remittances has been fair. In London, sterling has improved slightly in relation to most currencies except the Belgian franc, the Dutch guilder and the Danish krone.

BULLION WAS STEADY IN CALCUTTA due to good upcountry offtake. The price of silver rose from the previous week's level of Rs. 248.75 to Rs. 251.75, quoted today. The London and New York prices amounted to 111⅞d and 129.3 cents.

Gold was quiet and dropped from Rs. 72.25 to Rs. 72 a 10 grammes.

DURING THE WEEK ENDED 24TH JULY, Government of India Treasury bills for Rs. 12,27,50,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 28th July. The total amount offered was Rs. 4,05,00,000. Tenders at Rs. 99.410 percent were accepted in full, and those at Rs. 99.400 percent were allotted 49 percent approximately. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.399 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 3rd August.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 29th July to 1st August at Rs. 99.416 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 22nd July to 25th July amounted to Rs. 19.06 crores.

DECLINES OF RS. 35.11 CRORES TO Rs. 2,443.76 crores in active notes and of Rs. 32.18 crores to Rs. 2,464.66 crores in the total note issue, were notable features of the return of the Reserve Bank of India for the week ended 24th July, 1964. The currency contraction was adjusted by reducing foreign securities by Rs. 4 crores to Rs. 85.46 crores and rupee securities by Rs. 30.76 crores to Rs. 2,155.68 crores in the paper currency reserve. These securities were transferred to the Banking Department in which balances held abroad rose by only Rs. 1.37 crores to Rs. 7.37 crores and investments by Rs. 24.06 crores to Rs. 283.09 crores. Deposits of the Government of India increased by Rs. 23.14 crores to Rs. 76.88 crores while those of State Governments dropped by Rs. 52 lakhs to Rs. 17.93 crores. Balances of scheduled banks at Rs. 95.96 crores showed a decrease of Rs. 8.21 crores. Their loans from the Reserve Bank dropped from Rs. 85.70 crores to Rs. 45.40 crores, of which advances against usance bills were nil, against Rs. 35 lakhs. Ways and means advances to Governments amounted to Rs. 22.94 crores, against Rs. 21.12 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 17th July, 1964, shows a drop of Rs. 2.30 crores to Rs. 641.24 crores in total deposits. Investments in Government securities are down by Rs. 11.45 crores to Rs. 231.39 crores, while other authorised investments remain unchanged at Rs. 9.44 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have declined by Rs. 8.95 crores to Rs. 348.04 crores. Cash and balances are, in consequence, shown at Rs. 25.70 crores, or Rs. 82 lakhs less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 17th July, 1964, shows Demand and Time ilabilities at Rs. 1,270.89 crores (Rs. 30.47 crores on account of borrowings from banks) and Rs. 1,389.62 crores (Rs. 18.73 crores), compared with Rs. 1,274.97 crores (Rs. 40.58 crores) and Rs. 1,383.85 crores (Rs. 19.73 crores), respectively, in the previous week. Cash has risen by Rs. 1.55 crores to Rs. 62.61 crores, while balances with the Reserve Bank have fallen by Rs. 3.86 crores to Rs. 101 crores. There is a rise of Rs. 3.49 crores to Rs. 679.02 crores in investments. Advances and bills discounted at Rs. 1,750.27 crores show a fall of Rs. 25.83 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 6.1 percent and 65.8 percent, against 6.2 percent and 66.8 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 31-7-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
31-7-64	3-11-64	2,00,00	...
24-7-64	27-10-64	2,00,00	Rs. 2.399%
10-7-64	13-10-64	2,00,00	Rs 2.500%
3-7-64	6-10-64	2,00,00	Rs. 2.994%
26-6-64	29-9-64	2,00,00	Rs 2.995%
19-6-64	22-9-64	2,00,00	Rs. 3.000%
12-6-64	15-9-64	2,00,00	Rs. 3.000%
5-6-64	8-9-64	2,00,00	Rs 3.000%
29-5-64	1-9-64	2,00,00	Rs. 3.000%
22-5-64	25-8-64	2,00,00	Rs. 3.000%
15-5-64	18-8-64	2,00,00	Rs 3.000%
8-5-64	11-8-64	2,00,00	Rs 3.000%
1-5-64	4-8-64	2,00,00	Rs. 3.000%

(Monthly Muturities 000's omitted)

August, 1964	8,00,00
September, 1964	10,00,00
October, 1964	6,00,00
November, 1964	2,00,00
Total	26,00,00

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
24-7-64	93,10,11	...
17-7-64	90,19,87	1,25,82
10-7-64	90,10,71	1,12,94
3-7-64	96,28,87	1,18,58

OIL INDIA LIMITED

(A 50:50 Cooperative Enterprise of the Government of India and The Burmah Oil Company for Prospecting, Drilling, Production and Transport of Crude Oil from Assam to Refineries in Gauhati, Assam and Barauni, Bihar)

STATEMENT OF THE CHAIRMAN, SHRI KHANDUBHAI K. DESAI, M.P., TO THE SHAREHOLDERS ON THE OCCASION OF THE FIFTH ANNUAL GENERAL MEETING OF OIL INDIA LIMITED, HELD AT DULIAJAN, ASSAM, ON TUESDAY, JUNE 23rd, 1964.

Gentlemen,

I have pleasure in presenting to you the report of the Directors and the Annual Accounts of the Company for the year 1963. Under the new order issued under Rule 52 of the Defence of India Rules it will not be possible for us to circulate these reports as usual. This rule also imposes restrictions in regard to publication of news concerning the activities in individual fields and details in respect of the other aspects of our work. Within these limitations I shall endeavour to present a general view of our activities during the last year and a continuation of these efforts in the next year.

TRIBUTE TO LATE

SHRI JAWAHARLAL NEHRU



We are meeting under the shadow of a great tragedy which struck the nation in the death of Jawaharlal Nehru, whose unique role as a leader in the forefront of India's struggle for independence and as Prime Minister of independent India for over 17 years has contributed a new and glorious chapter in the history of this ancient land. He was the architect of modern India and took a keen interest in all activities directed to promote the welfare of the country and the people. Only in June 1963 we were honoured by his visit to our oilfields in Assam and his appreciation of our work had been a source of encouragement and inspiration to us. The best way to honour his memory is to work hard in our limited spheres and thus contribute our mite to India's prosperity.

General : Oil is fast assuming a place of first importance in the industrial economics of the world and recent trends in uses of various commercial fuels indicate that the popularity of petroleum products and their proportionate use in industry has been going up steadily. Although India has a very low per capita consumption of Oil products, the economy of the future will require a rapid and steady increase of these energy sources. In the long run coal and hydraulic power sources may prove inadequate and nuclear energy will take a considerable time to replace traditional sources of energy. The combined requirements of energy and petro-chemicals in India leave no alternative therefore to the rapid development of the oil industry.

In the recent past the demand for petroleum products has been increasing at the rate of nearly 10 percent per annum and during the Fourth Plan period it is now expected to increase by 2 to 3 million tonnes annually. By the end of the Fourth Plan period, demand for all products is likely to go up to about 28 or 30 million tonnes. However, there is some difference of opinion about the total demand and how it will shape in future during the Fourth Plan period and it is not necessary for me to go into these details except to stress that the refineries based on imported crude should produce more of kerosine and fuel oil, for which there is a spurt in demand. The purpose of this review is to set a background for the functions of Oil India and the role it has to play in meeting this demand for petroleum products.

The country hopes to have a production of about 6 million tonnes of indigenous crude oil by the end of the current Plan and, of this, more than half will be contributed by the oilfields in Assam. When this quantity of oil is produced and refined at the public sector refineries of Gauhati and Barauni it will save imports of petroleum products of the value of nearly Rs. 40 crores per annum.

Oil Field Development : Despite the difficulties faced in acquiring land for drilling sites, Oil India Limited have achieved their drilling targets. An average of 74,154 feet per drilling rig was achieved which compares favourably with similar drilling efforts elsewhere in the world. Of the total wells drilled during this year, 2 wells were completed with a view to producing oil from two zones independently, popularly known as dual completion wells, and 3 deviational wells directed to tap oil reserves under the river bed. These were the first deviated and dual production wells to be drilled in India and Oil India can legitimately lay claim for these two "firsts" in their drilling programme. Another noteworthy feature of the drilling activities in Oil India's areas is that increases in the cost of material and labour and heavy expenses involved in exploration drilling have been offset by speed in drilling.

With the wells drilled and completed, Oil India is in a position to meet the requirements of the public sector refineries at Gauhati and Barauni, to the extent of its commitments. The refinery at Gauhati has been taking regular supplies of crude oil particularly since the latter half of this year, while the first unit of the refinery at Barauni is expected to go on stream in the near future. In fact some quantities of crude oil are being supplied to this refinery for "trial runs."

Exploration Activities : For the first working season, a seismic party from the Oil and Natural Gas Commission was employed to do seismic surveys in the New Exploration Licence Areas. In the second working season a seismic party from the Seismograph Services Limited was engaged in the fields. Both parties made excellent progress. Over 900 line miles of seismic reflection survey were completed during the two working seasons commencing February 1963 as against a target of about 700 line miles for this period.

The permits required to enable the personnel to enter the Exploration Licence Area in NEFA were not received until 5th February, 1964. However a ground survey was commenced on 6th February but later heavy monsoons interrupted the work and the party had to be evacuated with the assistance of helicopters.

Exploration drilling in the New Exploration Licence Areas was taken up side by side with seismic survey. This programme of surveys and test drilling, costing a total of about Rs. 2 crores will be continued throughout 1964 and early 1965.

Pipelines : Oil India's pipelines system in North East India connecting the oilfields with Government refineries at Gauhati, Assam and Barauni, Bihar, has been completed. This is the second longest crude oil pipeline in the East and one of the most modern and automatic of its kind in the whole world. This pipeline was constructed for Oil India by The Burmah Oil Company (Pipe Lines) Limited and I would like to pay here a tribute to all the project staff—labour, clerical and executive—and the various contractors and their men who worked hard to complete this extremely difficult job. After the completion of the pipeline The Burmah Oil Company (Pipe Lines) Limited, have been required to operate and guarantee the pipeline for a period of 12 months from January 1, 1964. Meanwhile the operational control without affecting the guarantee is being taken over by Oil India with the necessary integration of staff to which I propose to revert later. A little known fact of this project is that the final completion cost of about Rs. 45 crores was a little below the original estimate of Rs. 46 to Rs. 47 crores.

Crude Conditioning Plant : The crude conditioning plants at Nahorkatiya and at Moran, the first of their kind in the world and which were especially designed to make Nahorkatiya-Moran crude pumpable, were completed and operated during the year. These plants were actually constructed for Oil India by the Assam Oil Company, a subsidiary of The Burmah Oil Company—Government's partner in Oil India. Oil India has taken charge of these plants after thorough tests and these are now operational. The tests showed that the completed plants conform to pilot plant expectations and our thanks are due to Assam Oil Company and their staff for this job.

Industrial Installations and Domestic Buildings : Almost all the programmed construction work for 1963 on the various industrial installations and domestic buildings was completed during the year. One more oil collecting station was installed at Nahorkatiya making a total of six such stations there, and another similar station was completed at Moran, 95 domestic buildings of various types, together with the necessary roads, drainage and other services, were completed during the year and what was an impenetrable jungle a decade ago has turned into a thriving and prosperous town due to the oil find at Nahorkatiya.

Crude Supplies : The requirements of crude of the refineries at Gauhati and Digboi were met in full. The production will go up once the first unit of the Barauni Refinery goes on stream to be followed by the second unit.

Gas : Apart from nearly 10 million cubic feet of natural gas which will be required for oilfield uses, there is still a large balance which can be utilised for other projects. As at present, commitments have been made for the supply of nearly 45 million cubic feet of natural gas per day to various industrial projects ; 18 million cubic feet per day to the Assam State Electricity Board ; about 10 million cubic feet per day to the Assam Gas Company ; 8 million cubic feet per day to Assam Oil Company ; 8 million cubic feet per day to the Fertilizer Plant at Namrup ; and small quantities to brick kilns and tea gardens. Here I would like to assure the Government of India and the State Government of Assam that we, on our part, are prepared to supply the balance of the gas available with us to the industrial projects approved by them, and we can do so at a price which will be sufficient to enable Oil India to compress and store gas to the extent necessary to provide for uninterrupted supplies over the period required by the consumer.

Finances : The delay in the commissioning of the Barauni Refinery resulted in the offtake by the Indian Refineries Limited being much lower than originally anticipated. The consequent reduction in the anticipated cash inflow necessitated the use of larger overdraft facilities for working capital and general purposes and arrangements were made with the State Bank of India to make these available.

The rupee cost of pipeline construction was financed by Rs. 30 crores received in full on 6½% debenture stock 1968/77. The foreign exchange expenditure on this project was financed partly by a loan of £3 million from the U.K. Government to the Government of India under a U.K./India (Oil Pipeline) Credit Agreement 1959 and a sterling loan of £10,250,000 from the Bank of Scotland, U.K.

Dividend : The profit and loss account shows a net surplus of Rs. 336 lakhs after providing for depreciation, taxation and development rebate. This leaves funds available for the declaration of a dividend of Rs. 120/- per share of paid-up equity capital which is a minimum dividend of 9 percent after payment of all taxes including taxes payable on dividend. An interim dividend of Rs. 40/- per share of paid-up equity capital was declared in December 1963, and a final dividend of Rs. 80/- per share is now being recommended.

Staff : We are making advance arrangements now to take over the Pipeline and for this purpose additional staff have been taken on the payroll for maintenance and operation of the Pipeline. This process has almost been completed. The last years have been formative ones for Oil India and organisational problems have been tackled side by side with development work in the Mining Leases and exploration activities in the New Exploration Licence Areas. This has been rendered possible by the spirit of co-operation shown by all concerned at all levels—workers, clerical and executive—and here I would like to pay a tribute to their sense of duty and constancy. In particular I would like to mention that there was no industrial unrest, which is evidence of the consciousness on the part of the workers of their participation and keen interest in the national endeavour to produce more oil.

Lastly, I would like to thank my colleagues on the Board for their active assistance. In particular I would like to mention Mr. J. C. Finlay, M.C., Managing Director, and Shri P. Govindan Nair, I.C.S., Financial Director, who have worked most closely together to make this year a successful year for Oil India. I also take this opportunity of expressing my thanks to various Ministries of the Government of India especially the Ministry of Petroleum and Chemicals and State Governments of Assam, West Bengal and Bihar for their assistance in our work.

TATA ENGINEERING & LOCOMOTIVE CO. LTD.

STATEMENT OF THE CHAIRMAN, MR. J. R. D. TATA

The following is the statement of Mr. J. R. D. Tata, Chairman of the Tata Engineering & Locomotive Co. Ltd., for the year 1963-64.

Before I review the Company's operations during the past year, I must give expression to our profound sorrow at the passing away of our late Prime Minister. Although his failing health during the last year had given rise to some anxiety, his sudden death at the end of May stunned the people of India and, indeed the whole world, for Jawaharlal Nehru's status as a statesman and as a man transcended political and geographical frontiers. His fame, his writings, his struggles and sacrifices in the cause of freedom and peace were known in every country of the world and it is probably true to say that more people mourned his passing than that of any other man in modern history, with the exception perhaps of Mahatma Gandhi. It was possible to disagree with some of his and his Government's policies and decisions on political, international or economic issues, but it was impossible not to be deeply affected and influenced by his intellectual brilliance, his single-minded devotion to the causes he espoused, his courage, his innate goodness, the depth and tenderness of his solicitude for the afflicted, the opposed and the poor and and the love which he inspired amongst the people. Jawaharlal played a dynamic role in shaping world history during these two decades, but it is as the Maker of Modern India that he will be remembered and his memory forever enshrined in the hearts and minds of the people of India.

I am glad to report that the Company made good progress in its operations, profits and expansion during the past year which, however, was also marked by certain unhealthy developments culminating in the tragic events of March, 1964, to which I shall revert later in this review.

Production Rises

Output rose appreciably: the first stage of expansion to 18,000 vehicles is now virtually complete and work has started on the second stage intended to bring production up to 24,000 vehicles per annum. I am glad to report that the Agency for International Development has just approved of a further loan of $11.80 million (Rs. 5.62 crores) to finance the foreign exchange element of the second stage of the expansion programme. Orders for imported machine tools and equipment will be released shortly.

Operating profits for the year were Rs. 114.75 lakhs higher than in the previous year, but most of the excess was absorbed by increased allocations to depreciation. Development Rebate Reserve and taxation, so that the net increase in disposable profit was only Rs. 20.62 lakhs. The total amount available for distribution was thus Rs. 136.15 lakhs, which is some Rs. 8 lakhs short of the amount required to maintain the current dividend of 14½% on our enlarged capital. Your Directors have therefore, transferred Rs. 8 lakhs from the General Reserve and recommended the same dividend as last year. A total of Rs. 14 lakhs will thus have been drawn from reserves over the last two years towards the payment of dividends. This will have been fully justified as, barring some totally unforeseen set-back, the increased profit resulting from our expanding output should enable us without difficulty to continue paying the same dividend on ordinary shares in future. In fact, there are, in my view, good prospects of the Company being able to maintain the same rate of dividend even after the additional issue of 200,000 ordinary shares in the ratio of one new share for every five shares held, which is being recommended to you at such premium, not exceeding Rs. 50 per share, as the Controller of Capital Issues may prescribe and as may be agreed to by the Directors.

In view of the issue for the same amount made as recently as 1963, your Directors would have normally preferred to postpone the present recommendation for a year or so, but the extraordinarily large and rapid expansion of the Company and the growing imbalance in the Company's capital structure make a further issue imperative and urgent.

Debt-equity Ratio

In relation to total funds employed of about Rs. 44 crores (including Rs. 25 crores of debt), which are expected to rise to about Rs. 60 crores by 1966, our present share capital of Rs. 12 crores is clearly disproportionately small, while our debt-equity ratio will be unacceptably large if the share capital is not increased and the amount is borrowed instead. An issue of shares is therefore required not only to provide urgently needed funds but also to improve the debt-equity ratio to which the A.I.D., like the World Bank, attaches considerable importance.

Your Directors realise that these are difficult times for shareholders to find additional funds to invest. In view, however, of the special and urgent requirements of the Company, the recent indications of a revival in the state of the market and the fact that the new shares may be expected to earn a dividend of 14½% from the date of issue, equivalent to 9.7% on capital plus premium. I am sure shareholders will approve the recommendation which is also subject to the approval of the Controller of Capital Issues.

Although about half of the capital of the Company is institutionally held and only one and a half crores Rupees or so will therefore be obtained from individual subscribers, the Directors have recommended, in order to lighten the burden on shareholders, payment of the amount for the new issue in two installments, one in November this year and the other in May, six months later.

The demand for Tata Mercedes-Benz vehicles continues unabated and in spite of the steady increase in our output, we have so far failed to catch up with it. Ever since we commenced production of these vehicles, they have been the first choice of the transport operator because of the quality, performance and ruggedness built into them. There are today more Tata Mercedes-Benz vehicles on the road than any other make.

There are misguided people who assume that bigness in Private Sector enterprises, particularly those which supply a significant proportion of the total market for any product, results in the exploitation of the consumer and is therefore against the public interest. The manner in which your Company has used its pre-eminent position in the field of commercial vehicles should provide a telling answer to such a belief.

Between October, 1959, when the Company completed the initial phase of its struck manufacturing programme, and today, the price to a customer in Bombay of the TMB 312/42 model—the most popular model in our range—increased from Rs. 30,455 to Rs. 37,619, i.e., by Rs. 7,164. During the same period, the sales, excise and other taxes charged on this vehicle by the Central and State Governments increased by Rs. 6,780, while the cost of imported materials and components rose by Rs. 739, a total of Rs. 7,519. Therefore, over the last five years which witnessed a disturbing and continuous rise in the price of practically every product, commodity or service in the country, the price of the TMB vehicle excluding the above two items has actually fallen in spite of the continuous incorporation of a number of major improvements to the vehicle, the cost of which was absorbed by the Company, and in spite also of the fact that the price of locally made ancillary items invariably exceeded the price of the imported ones which they replaced.

Keeping Prices Low

The point to be noted in this context is that the Company could not have fulfilled its desire to keep its prices low in the interests of the consumer and the country if it did not have the benefits of large-scale production.

If Government had not sanctioned the successive expansion schemes of Telco, as they wisely did, there is no doubt that the user of Tata Mercedes-Benz vehicles would be paying a substantially higher price than he is paying today, while the country would have been deprived of the full benefits of a powerful, versatile and highly productive engineering unit, geared to meet both civilian and military requirements, and also of most of the substantial contributions which have accrued to the public exchequer as a result of the Company's operations. It is noteworthy that during the year under review, public revenues were enriched, as a result of Telco's operations, by as much as Rs. 16 crores, in import and excise duties, sales taxes and taxes on profits.

But this is by no means the full measure of our Company's contribution to the Indian economy. The Company has created direct employment for over 16,000 men, whom it has, over the years, trained to a high degree of skill. The importance of this contribution should not be underestimated, for the economic growth of a country depends just as much on the specialised skills of its workers, technicians and managers as on machines, raw materials and finance.

Finally, the large-scale development of Tata Mercedes-Benz vehicles has helped to establish a number of ancillary industries in the country, the lack or insufficiency of which in the past has been one of the main obstacles to the rapid development of the automobile industry. All in all, we can be justly proud of our performance during the last decade which, in terms of growth and service to the country is probably unsurpassed by any other company in the country.

I have referred earlier to the large revenues accruing to the National Exchequer as a result of our operations. As the cost of Government's various imposts is largely included in the price of our vehicles it is the user who ultimately bears this heavy initial burden; but that is only the beginning so far as he is concerned. On an average, every commercial vehicle in regular use for highway transport pays every four years in taxes alone a sum in excess of its original cost. Of all economic activities in the country, none to my knowledge bears such a crushing burden of tax as the road transport industry. It is, I believe, a fact that the incidence of taxes and duties alone in every ton-mile of road transport equals the total amount charged by the Railways for a ton-mile by rail. In addition to crippling taxation, the road transport industry suffers in a number of ways from Government policies and is burdened with such a maze of outmoded restrictions as to prevent it from playing in full the role it would in the country's economic development. That in spite of these conditions, road transport in India has grown to such an extent that it is now estimated to carry half the country's passenger traffic and over a fifth of its freight, reflects the road transport industry's technological advantages as well as the initiative, perseverance and resiliency of its operators.

Transport Policies

India has one of the world's largest railway systems born long before motor vehicles came into existence. As a result, the transport policies of successive administrations have invariably been based on "railway thinking" with little consideration given to alternative forms of transport. This thinking has dominated official attitude to transport problems to a degree which is probably unique in the world. India must surely be one of the few countries where such numerous and oppressive barriers continue to be placed in the way of the development of road transport while railway mileage continues to be expanded at tremendous cost. How else can one explain the restrictive regulations that are imposed by the numerous State Governments which make inter-State trucking a nightmare for operators and long-distance trucking virtually impossible? These restrictions include difficulties and long delays in obtaining permits for inter-State operations, limitations on the number of permits issued for some routes and the temporary nature of permits that make long-term investment in motor transport hazardous. Multiple taxation of vehicles and sometimes taxation of the cargo add to the difficulties. The result is that inter-State traffic is reserved to the Railway to a degree which fails to take into adequate account that for some goods the speed and other advantages of highway transport are very important. What is needed is a system where inter-State trucking permits for operating through any State should be issued by a central authority. The permits should carry a fee sufficient to absorb all the State and local vehicle taxes at present levied. The permits should be given for one year and automatically renewed unless the holder has his permit revoked for some violation. These should not be limited in number for the trucking business attracts thousands of small operators who should be permitted to develop the traffic.

It is unfortunately apparent, from a recent announcement of the Railway's share of about 70% of the total proposed investment in surface transport in the Fourth Five Year Plan, that Government's thinking on the subject is as Railway-dominated as ever and that the prospects of some relief to the road transport industry and of an improvement in the operating conditions are dim indeed. I feel that the time has come when a comprehensive and impartial study of the economics of transportation in India needs to be undertaken by an independent body. An explicit analysis of benefits and costs will, I am sure, reveal that greater investments in highways and some relief to the road transport industry are not only fully justified but urgently needed.

Labour Situation

I have kept to the last a reference to the unhealthy developments mentioned in my opening paragraph which marred an otherwise satisfying year of progress. I am referring to the labour situation as it developed at Tatanagar during the past twelve months and to the shocking events which brought such misery and shame to Jamshedpur during the month of March last.

The labour situation at the Telco Works has been increasingly unsatisfactory during the last year and particularly since the beginning of 1964. Internal rivalries between two groups within the recognised Telco Workers' Union have been mainly responsible for the deteriorating situation and the blame must squarely attach to the dissident group which, notwithstanding the fact that its claim for control of the Union was, and still is, the subject of proceedings before the Patna High Court, carried on an intensive agitation which far exceeded the bounds of legitimate trade union activities. In its attempt to force its demand for recognition, this group resorted to widespread intimidation not only of workers but also of supervisory personnel. Indiscipline, defiance of constituted authority and unpunished intimidation, threats of violence and actual violence create an atmosphere where crime and lawlessness find it easy and profitable to rear their ugly heads.

We have constantly sought the assistance of the Central and State Governments, in addition to doing everything possible ourselves, to restore normalcy and are grateful to them for their assistance. I earnestly hope that stern action will be taken against those who, under the guise of trade unionism, deliberately create problems of law and order and prevent the full utilisation of industrial capacity urgently needed by the country. The recent communal disturbances have shown how easy it is for a handful of mischievous and anti-social persons to lead masses of people to planned acts of violence.

Large Industrial Centre

With its thousands of tough and hardy men drawn from all parts of the country, a large industrial centre like Jamshedpur-Tatanagar obviously contains explosive possibilities of trouble and therefore requires the maximum of alertness coupled with firm and ment of factories and those charged with the maintenance of law and order. The scope for Management to maintain discipline and prevent acts of violence and intimidation is largely limited to the shop floor whereas in this case, agitation and violence grew and flourished largely outside the Works.

Perhaps one of the reasons for the inadequacy of law and order enforcement in the area, is the fact that although the city of Jamshedpur-Tatanagar is the second largest in the State of Bihar and one of the largest and most vital industrial centres in the whole country, it is still constitutionally treated for administrative purposes as a sub-division of a district, the headquarters of which are not even Jamshedpur but Chaibasa which is a minor town in the area. We have urged that consideration should be given to upgrading Jamshedpur to an administrative status within Bihar commensurate with its importance and the magnitude of the task and problems of administering it.

While looking forward to another year of progress. I wish to acknowledge the diligent efforts of our employees, suppliers and dealers which have made possible the good results before you in spite of the many difficulties and obstacles which faced them. In particular, our officers at Tatanagar, Indian and German, deserve our gratitude for the hard work they put in and the fortitude with which they faced difficult and harassing situations.

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

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For further information please contact:—

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40-A, Peddar Road, BOMBAY.
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INTERADS

New Delhi

FOURTH PLAN PORT PROGRAMME ESTIMATES REVISED

(FROM OUR NEW DELHI CORRESPONDENT)

THE experts of the Planning Commission have tentatively recommended a total provision of Rs. 200 crores in the fourth plan for the port development programmes and the Sethusamudram canal project, against the earlier proposal for allocating Rs. 242.5 crores for these development schemes. The Commission feels that an allocation of Rs. 150 crores for major ports, Rs. 30 crores for minor ports and Rs. 20 crores for the Sethusamudram canal project will be sufficient for their development. The Working Group on Port Planning, it will be recalled, had estimated the expenditure on the development of major ports at Rs. 176.5 crores. It was earlier thought that the development of minor ports and the Sethusamudram project would require Rs. 45 crores and Rs. 21 crores, respectively.

The revised estimates given by the Planning Commission are also stated to be only of a rough nature. They might be pruned even further in the light of the detailed studies which have been suggested by the experts before finalising the port development programmes under the fourth plan.

The Commission's experts have further recommended that apart from expanding port capacities, more attention should now be paid to increasing the efficiency of port operations and management. The manpower training plans for ports, the experts think, have not received adequate consideration in the past. Without adequate manpower planning and the drawing up of proper programmes for fresh recruitment, they say, not only will the present technical and administrative weaknesses of the port authorities remain, but will become even more marked in the future.

Realistic Programmes Needed

For drawing up realistic programmes for the development of various ports, the Commission's experts have suggested that each port authority should be suitably equipped. Except for Calcutta and Bombay, the other port authorities at present do not have sufficient technical personnel for preparing feasibility studies, much less detailed projects. It has been recommended that while the Calcutta and Bombay ports should take early steps to develop and strengthen their technical organisations on their own with a view to assisting other ports, the Central Ministry of Transport should organise a well-equipped technical organisation capable of undertaking investigations, preparation of project reports and the supervision of construction of difficult works.

The Commission's experts have further recommended that to the extent possible, for a number of ports at any rate, it would be desirable to establish a "pool" for higher technical and administrative personnel. This will help achieve high levels of competence, attracting able men to work in ports and create a greater sense of security in port personnel.

The experts have also suggested that the shortage of engineering and harbour research facilities should be removed expeditiously. Another matter that should receive immediate attention, the experts think, is the modernisation of port equipment. Efforts should be made to increase progressively the indigenous production of modern equipment required at the ports.

The total traffic handling capacity of the major Indian ports is expected to go up to about 121 million tonnes by 1970-71. At the end of the current plan, it is expected to be of the order of 62 million tonnes.

LUBRICATING OILS

Production under Fourth Plan

Some more details are now available of the fourth plan programme for raising the production of lubricating oils in India. The private oil companies have estimated that the demand for lubricating oils will go up during the fourth plan period at a compound rate of about 11.2 percent a year—from about 550,000 tonnes in 1966 to nearly 925.000 tonnes in 1971. The Indian Oil Company in the public sector, however, considers the estimate of the private-sector companies on the high side. It expects the demand for lubricating oils to go up in the fourth plan at a compound rate of 10 percent a year—from nearly 500,000 tonnes in 1966 to about 800,000 tonnes in 1971. The Central Ministry of Petroleum and Chemicals, it is understood, is planning for the production of lubricants to the tune of about 850.000 tonnes in 1971. The Ministry's estimate places the 1966 demand around 525,000 tonnes.

As only about 70,000 tonnes of lubricating oils are expected to be available from the indigenous sources in 1966—25,000 tonnes from the Assam Oil Company's refinery in Digboi and about 45,000 tonnes from the Barauni refinery in the public sector—it is proposed to set up five lubricating oil manufacturing units during the fourth plan period to bridge the gap between the anticipated requirements and domestic supplies. One of these plants is to be set up in equal partnership between the Government and the Esso Standard Eastern in Trombay. It will have a capacity of 145,000 tonnes of lubricants a year. The second plant with a capacity of 200,000 tonnes may also be put up in Trombay in partnership with Burmah-Shell. The other three plants are proposed to be located in Cochin or Madras, Koyali and Haldia. The Cochin-Madras plant may have a capacity of 100.000 tonnes, and the Koyali and Haldia units a capacity of 140.000 tonnes to 150.000 tonnes each. The Barauni lubricating oil plant is also proposed to be expanded.

According to the present thinking of the Central Ministry of Petroleum and Chemicals, the Esso and Burmah-Shell plants should go into production in 1966-67, the Cochin-Madras and Koyali plants in 1967-68 and the Haldia unit in 1969-70.

It is estimated that the five plants will cost about Rs. 35 crores, with a foreign exchange component of slightly over Rs. 20 crores. With the setting up of these plants, it is hoped, the lubricating oil requirements of the country will be met largely from indigenous sources. Some special types of lubricants may, however, still have to be imported.

BONUS REPORT

Objections from States

The implementation of the Bonus Commission's recommendations in toto, it is learnt, has been objected to by several States and Central Ministries. They are understood to have expressed serious concern over the consequences the Commission's recommendations will have on the profitability of many a public-sector enterprise and the price level in the country.

The matter is shortly expected to be referred to the Economic Secretaries Committee. The issue is also likely to be discussed at the Bangalore session of the Indian Labour Conference. The Central Cabinet will consider the report only after the Economic Secretaries Committee has submitted its recommendations.

The Central Labour Ministry is stated to be greatly worried because all the trade union organisations in the country have been demanding an early acceptance and implementation of the report. One organisation has even threatened to launch agitation if the Government does not arrive at a decision at an early date.

TEA INDUSTRY

New Committee Set Up

The Government of India has appointed a 21-member committee for suggesting ways and means to strengthen the financial base of the tea industry.

The Committee is headed by Mr. V. V. Chari, Additional Secretary to the Central Ministry of Finance. Its other members are Mr. P. C. Barooah, M.P.; Mr. Rameshwar Tantia, M.P.; Mrs. Akkamma Devi, M.P.; Mr. B. N. Adarkar, Additional Secretary, Central Ministry of Finance (Department of Economic Affairs); Mr. N. S. Pandey, Joint Secretary, Ministry of Finance (Industry and Supply Division); Mr. A. S. Bam, chairman, Tea Board; Mr. H. K. FitzGerald, chairman, Indian Tea Association, Calcutta; the president, United Planters Association of Southern India, Coonoor; Mr. B. C. Ghose, Indian Tea Planters Association, Jalpaiguri; Mr. P. Crombie, Senior Adviser to the Indian Tea Association, Calcutta; Mr. Vinod Parekh, Managing Director, J. Thomas and Co., Calcutta; a representative each of the Governments of Assam, West Bengal, Madras and Kerala; Mr. B. K. Kacker, Secretary and Treasurer, State Bank of India, Calcutta; Mr. V. Sivaraman, Managing Director, Agricultural Refinance Corporation, Bombay; Mr. R. B. Shah, General Manager, the United Commercial Bank Ltd, Calcutta (alternate member-Mr. K. M. Krishnamurthy, Manager, the Bank of Baroda Ltd, Calcutta); Mr. P. Chentsal Rao, Secretary, the Federation of Indian Chambers of Commerce and Industry, New Delhi; and Mr. K. M. Kidwai, Director of Tea Development, Tea Board, Calcutta. Mr Kidwai has also been nominated as the Secretary of the Committee. The Committee will have powers to co-opt other members as well.

The terms of reference of the Committee are as follows: (1) To examine the financial position of the tea industry with particular reference to the requirements of increase in production and exports;

(2) To review the financial assistance available to the industry from the Tea Board and banking institutions and to suggest the simplification of precedures relating to it;

(3) To make recommendations on the provision of finance required by the industry;

(4) To examine the structure of taxes on tea and to suggest appropriate measures for giving tax relief where necessary;

(5) To make any other recommendation that the Committee may deem appropriate for the development of the industry.

The Committee will submit its report to the Government within three months.

PUBLIC SECTOR

Role under Fourth Plan

The Planning Commission is reported to be considering an additional rôle for the public sector during the fourth plan period. The proposal is that, apart from its normal part, the public sector should be in a position to step up production in good time if the private sector fails to perform its allotted tasks.

The move, it is understood, has been made in view of the failure of the private sector to play its allotted rôle during the current plan period in such vital industries as fertilisers and cement. It is feared that there will be big shortfalls in the production of these industries during the third plan period.

If the proposal is accepted, there may be a reserve for the public sector in the fourth plan allocation for it. The revocation of industrial licences issued to the private sector may also be resorted to if there are indications that not much progress is likely to be made within a specified time in implementing the projects.

STEEL

Raising Output

The Planning Commission is understood to have endorsed the feasibility of increasing the steel output during the fourth plan to 17.3 million tonnes of ingots, as recommended by the Working Group on Steel. This implies almost the doubling of the estimated production of 8.9 million tonnes of ingot steel at the end of the current plan.

The expansion of the existing steel plants—T.I.S.C.O.'s to 3 million tonnes, I.I.S.C.O.'s to 2 million tonnes, Bhilai's to 3.5 million tonnes, Durgapur's to 3 million tonnes and Rourkela's to 2.5 million tonnes—will take the production to 14 million tonnes. The Bokaro plant will yield another 1.5 million tonnes. The rest of the output will come from the Salem steel plant and the one other unit proposed to be set up in the Goa-Hospet or Visakhapatnam-Bailadilla area.

M.M.T.C.

Bulk Imports of Steel

The Minerals and Metals Trading Corporation (M.M.T.C.), it is learnt, may soon be entrusted with bulk imports of steel. Imports of special steels, bulk purchases of which are

not considered practicable or economical, may be left in the hands of private importers.

The move to canalise bulk imports of steel through the M.M.T.C., it is understood, has been made because of the feeling that under the present system, private importers are making huge profits on steel imports. The entry of the M.M.T.C. in the steel import trade, it is felt, will not only rationalise steel imports but will also strengthen its bargaining position for selling manganese ore on a barter basis.

The selling prices of the steel imported by the M.M.T.C. will be determined by the Central Ministry of Steel. The profits earned by the Corporation on its steel imports are proposed to be utilised for offsetting the losses incurred by it on exports of manganese ore or other such difficult-to-sell mineral ores.

Manganese Ore Exports

The two-member M.M.T.C. team which recently visited the United States and Europe for studying mineral ore export markets there is stated to have expressed the view that the U.S. and Continental buyers may go in for increased imports of manganese ore from India. The prospects for raising manganese ore exports to Japan are now rated high.

The Corporation plans to enter into long-term contracts with foreign buyers for the export of manganese ore. Initially, it is proposed to negotiate deals for exporting about 1 million tons of manganese ore a year. Although manganese ore has been recently allowed to be exported by the Indian mine-owners on their own, it is felt that they may not be able to export much, since the Indian prices are higher than those in the world market. The M.M.T.C. proposes to enter into contracts with mine-owners against the arrangements it makes with foreign buyers.

INDUSTRIAL LICENSING

Lists Revised

The Government of India has revised the two lists of industries for which applications for licences under the Industries (Development and Regulation) Act will continue to be considered on merits or ordinarily rejected without reference to the Licensing Committee.

Eight new industries have been added to the banned list. These include certain auto-ancillaries, industrial fans and blowers, winding wires, bleaching powder, bicycle tyres and tubes, sodium aluminate and rubber accelerators. The banned list now consists of 195 industries—89 engineering and 106 non-engineering industries.

Eighteen industries have been deleted from the banned list and put on the open list. These include the manufacture of calculating machines, refrigeration plants for industrial use, pulp and paper-making plants above 25-ton capacity, power and industrial alcohol, asbestos sheets and pipes, glazed tiles, plasticisers, P.V.C. resins and compositions, fertilisers, etcetera. The open list, comprising 79 engineering industries and 70 non-engineering industries, however, does not exhaust the fields in which new industrial licences may continue to be granted. Both the lists are valid up to 31st December, 1964.

The following is the list of industries for which applications for licences will continue to be considered on merits:

(A) *Engineering industries*: agricultural machinery; air rifles; aluminium ingots; biscuits and bread-making machinery; boats and crafts; boilers; calculating machines; cast iron castings; cement machinery; centrifugles; ceramic machinery; chemical and pharmaceutical machinery; chip board and fibre board plants; cigarette making and tobacco machinery; coal mining and washing machinery; coated abrasives; construction machinery; conveyers; dairy machinery; drilling equipment; dry cells; electric furnaces; electric lamps; electric motors (above 10 horse-power); electrical measuring instruments; electronic components; electronic measuring and testing equipment; fractional horse-power motors; grinding media balls and cylpebs; grinding wheels; hacksaw blades; H. T. bolts and nuts; hand tools (hammers, screw drivers, etcetera); heavy earth-moving equipment (except shovels) 11-motorised dumpers; motorised scrapers, motorised graders; industrial gas plants; industrial sewing machines and sewing machine parts; jute machinery—carding engines, drawing frames, H. S. centrifugal spinning frames, H. S. high draft first drawing frames, H. S. high draft second drawing frames, jute machinery and parts (including jute silver spinning frames), self-doffing silver spinning frames and spinning frames; lifts; light house equipment, machine screws (socket head, allen and other specialised types); machine tools; malleable cast iron castings; malleable pipe fittings; medical and surgical instruments, equipment and appliances; metallurgical machinery; oil firing equipment; oil mill machinery; oil separators; paper and pulp-making plant (above 25-ton capacity); picking bands; plastic industrial machinery; power factor correction capacitors; power rectifiers; pumps; rayon plants; refrigeration plants for industrial use; rice, dals, wheat flour mill machinery; small tools (threading tools, milling cutters and reamers); soap and cosmetics machinery; speed reduction units; steel castings; steam engines and turbines; steel files; steel forgings; steel pipes and tubes (seamless and expansions in welded to make existing units economic); steel structurals; steel wire mesh (other than welded wire mesh); storage batteries; strips cold rolled (M.S., alloy steel and box strappings); switchgear and controlgear (below 35 kV)—H. T. switchgear (below 33 kV), iron-clad switches and switchfuse units, L. T. switchgear, hotor controlgear; textile machinery; tinplates; tool bits (lathe tools); tractors, harvestors and the like; transformers; typewriters; weighing machines; weights and measures; and X-ray equipment.

(B) *Non-engineering industries*: Acetyl chloride; activated carbon (only superior grade); aerated waters; alcohol—industrial and power; amyl acetate; antimony (expansion cases only); asbestos cement sheets and pipes; bromine; canned fruits and fruit products; caustic soda and chlorine; cement; chip board (particle board); chlorinated paraffin; chloro-sulphonic acid; chocolate; citric acid; cocoa powder; copper salts (excepting copper sulphate); cottonseed oil (organised sector); dextrose powder; essential drugs and pharmaceuticals; ethyl acetate; ethylene dibromide and ethylene dichloride; fatty acids; ferric chloride; fibre board and hard board (including insulation board); fuller's earth; fuming sulphuric acid; gypsum board; glass shells for tubes and lamps; glazed tiles; glue; glycerene; grease; high temperature and voltage refractories excepting insulators; industrial explosives; laboratory glassware (borosilicate type only); leather belting; liquid glucose; liquid sulphur dioxide; man-made fibres except viscose tyre yarn and viscose filament yarn; marine paints; metallic stearates; milk powder; mixed fertilisers; mono-chloro acetid acid; nitrogenous fertilisers; P.V.C. resins and compositions (expansion schemes only); paints, enamels and varnishes; penicillin and neutral glass vials; plasticisers; polythene films and layflat tubings and pipes; potassium chloride; potassium and sodium ferrocyanide and sodium cyanide (by producers of acrylic plastics only); rosins and turpentines; soda ash; sodium silico fluoride; solvent extraction of oilcakes and rice bran; superphosphates; synthetic detergents; synthetic resins; tartaric acid; tetra chloro ethane; textile auxiliaries; urea (technical grade); urea formaldehyde moulding powder; urea formaldehyde resins (for plywoods); wall boards; yeast; and zinc sulphate.

Applications to be Rejected

The following is the revised list of industries for which applications for licences may ordinarily be rejected without reference to the Licensing Committee.

(A) *Engineering industries*: Agricultural implements (excluding tractor drawn); air compressors (expansion of the existing units for compressors up to 700 cfm. will be permitted); aluminium strips, sheets, circles, foils, extruded rods and sections; antimony (except for expansion schemes); motor-car ancillaries (only expansion or diversification in the range of the same products of the existing units will be considered) —axles, brake assembly, brake drums, brake linings, carburetters, clutch plates and clutch assemblies, distributors, dynamos, electric horns, filters, fuel injection equipment, gaskets, gasolene tanks, gears and shafts, head-tail and side lamp fittings, ignition coil, inlet and exhaust valves, jacks (hydraulic, mechanical and manually operated) up to 100 tons capacity, king pins, oil seals, panel instruments, piston assembly, including piston rings and piston pins, push rods, radiators, regulators, rocker arms, shackle pins, shock absorbers, silencers, muffler pipes, etcetera, spark plugs, starter motors, tappets, thin walled bearings, tie rod ends, tipping gears, tyre inflators, valves for tyres and tubes, wheels for motor vehicles and agicultural tractors; ball and roller bearings (except when the expansion is desirable for making the unit an economic one); barbed wire, bare copper conductors; bare copper strips; bicycles and bicycle parts (except when expansion of bicycle tube valves is desirable for making the unit an economic one); bifurcated rigets; bolts, nuts and rivets; brass and copper extruded pipes and tubes, and extruded rods and sections and sheets, circles and strips; car lifts; cast iron pipes including spun pipes; chaff cutter blades; cinema arc carbons; circles, sheets, rods and utensils of stainless steel: collapsible tubes and rigid container; commercial vehicles (except expansion schemes); conductors (A.C.S.R./A.A.); conduit pipes; conveyor belting; virgin copper; copper wire for non-electrical purposes; cotton and hair belting; crawler tractors; domestic utensils; domestic refrigerators; drawing of wire mild as well as special steel; drop forged tools, drums and barrels and tin containers excepting those for manufacturers' own requirements; electric fans; expanded metal; ferro-manganese; ferro-silicon; flash light and torch containers; fork life trucks and the like; heavy earth-moving equipment (only shovels); household appliances such as electric irons, heaters and the like, hurricane lanterns; H. T. switchgears 33 kV and above; industrial fans and blowers; internal combustion engines, including petrol, kerosene and marine engines (except expansion schemes); jeep type vehicles and station wagons; kerbside petrol pumps; lead (virgin); meters (single and polyphase); miniature lamps (except motor-car headlight lamps); motor vehicles and scooters, autocycles, mopeds and three-wheelers; non-ferrous alloys; non-ferrous castings (including pressure die castings); paper and pulp making plants up to a capacity of 25 tons a day, including wire-cloth for paper machinery; passenger cars; photoflash lamps; plates and sheets (M.S.)—(except for main producers); railway wagons (except when the expansion is desirable for making the unit an economic one); razor blades; road rollers (expansion and diversification of the existing units will be considered); rolling shutters; room air-conditioners; rubber ply transmission belting; solvent extraction plant; saws of all types (excluding hacksaw blades); steel pipes and tubes (welded) (except when the expansion is desirable for making the unit an economic one); steel doors and windows, steel sheets (black)—galvanising and corrugation (except for main producers); steel measuring tapes; steel—re-rolled products including wire rods; stranded wire; sugar mill machinery (except milling plant and centrifugals); tea processing machinery; trailers (except expansion of existing units); tungsten carbide tips and their intermediates; twist drills; vacuum cleaners; V.I.R. and P.V.C. cables (except power cables); washing machines (except industrial washing and dry cleaning machines); water coolers and ice plants; water meters; welding electrodes (except when the expansion is desirable for making the unit an economic one); welded wire mesh; winding wires; wire—M.S. Med/H.C. and special wire; wire nails; wire ropes (except when the expansion is desirable for making the unit an economic one); wood screws; zinc (virgin); and zinc sheets and strips.

(B) *Non-engineering industries*: Abrasive grains, including silicon carbide; acetic acid; activated bleaching earth; art silk weaving, hosiery, twisting, doubling and synthetic yarn crimping and stretching by other than primary yarn manufacturers; azo dyes; barium carbonate; barium chloride; barium nitrate; barium sulphate; basic dyes; beer; beta naphthylamine; bichromates; blanc fixe; bleaching powder; borax and boric acid; bottles and vials (excluding penicillin vials); brake fluid; calcined petroleum coke; calcium carbide; calcium carbonate (precipitated and activated); camel back; camphor; carbon black; carbon dioxide gas (other than by-product carbon dioxide); carboxy methyl cellulose; cashew kernels (applications from new areas to be considered on merits); cellulose acetate flakes for moulding powder; cellulose film (cellophane); copper sulphate; cosmetics and toiletries; cotton mesh fabrics; D.D.T. (excepting for expansion); dissolved acetylene gas; drugs and pharmaceuticals—antibiotics—penicillin, streptomycin and tetracycline, anti-dysentry drugs which are quinoline derivatives, bismuth salts, chloral hydrate, empty hard gelatine capsules, P.A.S. acid and salts, salicylie acid—sodium salicylate, acetyle salicylic acid, sulpha drugs, surgical adhesive tapes, vitamin "A", vitamin "C"; east India tanned (semi-tanned) kips and skins; fast colour bases; fire works and paper caps; gelatine (edible, photographic and technical, except pharmaceutical); glass, mineral wool and allied products; glass fibre and its products; glass—hollow-ware (semi-automatic); glass—table and pressed-ware; glass tubes and rods (hand-made), sheet glass, glass-bottles, wired, figured and rolled glass; graphite electrodes; H.T. and L.T. insulators; hoses (vacuum brake); hoses—other types; hydrogen feroxide; laminates (industrial and decorative including malamine laminates); lead oxides; manganese metal and manganese dioxide; match; menthol; methanol; myrobalan extract; napthols; newsprint (applications for substantial expansion from existing units as well as applications for the setting up of new units in areas where raw material resources have remained untapped would be considered on merits); nitric acid; organic pigments; oxygen gas (as applied for the cutting and welding of steel only); paper and paper board (applications for a substantial expansion from existing units as well as applications for setting up new units in areas where raw material resources have remained untapped would be considered on merits); pesticidal formulations (except formulations based on B.H.C., melathion and dithio carbomate); P. F. moulding powder; phenol; photographic raw film and paper; phthalic anhydride; polystyrene; polyethylene; polyvinyl acetate; potassium chlorate; potassium permanganate; processing (excluding printing) of cotton textiles, P.V.C. resins and composition (except expansion schemes); pulp—paper and rayon grade (applications for a substantial expansion from existing units as well as applications for setting up new units in areas where raw material resources have remained untapped would be considered on merits); rayon tyre cord yarn; reclaimed rubber; refractories; refrigeration gases; rubber accelerators and antioxidants; sanitary ware; soap; sodium aluminate; sodium bicarbonate; sodium hydrasulphite and derivatives; sodium sulphite, bi-sulphite and sulphide; sodium thio sulphate; sulphuric acid (except when it is required for captive consumption); sulphur black; sulphur dioxide gas; sulphur dyes—others; synthetic rubber (SBR type); synthetic tops; textiles made of art silk; motor-car tyres; tyres and tubes (bicycle); vacuum flasks; *vanaspati* (except expansion of small and medium-sized units to achieve economic capacity); vat dyes; vegetable oil other than cottonseed oil; viscose filament yarn; wool tops; woollen and shoddy yarn (except expansion schemes); woollen and worsted cloth; worsted yarn; and zinc oxide.

BANKS

Desai Award Extended

The Government of India, it is learnt, has extended the Desai award for scheduled banks by another year from 30th July, 1964. The Government is reported to be of the view that the award should at least be allowed to run for three years, the maximum period laid down in the Industrial Disputes Act.

Simultaneously, the Central Labour Ministry, it is understood, has advised the All-India Bank Employees Association, which had opposed the extension of the award, that any genuine grievances the bank employees may have could be taken up separately without linking them with the extension of the award. The Association had asked for certain modifications of the provisions of the award, including those relating to the calculation of basic pay for provident fund and gratuity and the abolition of Area IV. It had also demanded a 20-percent pay rise for all categories of bank employees in view of the rise in the cost of living.

AGRICULTURE

Development Plans Considered

At a meeting here last week, the Agricultural Production Board considered the suggestions on the farm production programmes emerging from last month's conference of State Chief Ministers. The Board decided to accept the suggestion that for minor irrigation, all plans that are feasible should be implemented by the State Governments. However, approval of all such projects will be subject to the conditions that they are quick-yielding schemes and are completed within a specified period depending on the size of the project.

As for the working of irrigation tubewells, the Board felt that the question of granting subsidy for tube-well irrigation on a basis similar to the subsidy at present extended to canal irrigation or open-well irrigation should be examined.

As for the decision of the Board at an earlier meeting that the facilities for soil testing should be expanded, the Board was informed that an expert team had examined the present soil-testing facilities and indicated the location for the new soil-testing laboratories. The State Governments had been informed of the recommendations of the team and requested to include the setting up of these laboratories in their respective State plans.

The Board endorsed the view of the Chief Ministers' Conference that the concessional rate at present given for aerial spraying of pesticides on cotton and oilseed crops should be extended to foodgrains. The concession involves a 50-percent subsidy on the cost of pesticides and the charging of a nominal fee of Re. 1 an acre for the use of aircraft.

In order to give a fillip to the improvement of indigenous livestock by cross-breeding with imported breeds which would help in increasing the milk yield, etcetera, the Board decided that the purchase of stock, namely, young calves for this purpose should be subsidised.

On an examination of the suggestions made for the improvement of medium-term and short-term credit for agricultural purposes, the Board recommended that the use of commercial banks for providing credit to cultivators which had already been tried in certain parts of Mysore State and was being shortly introduced in some parts of Madras State, might be examined with a view to introducing it in other parts of the country.

On the complaints about the inadequacy of cement supplies for agricultural programmes from some States, the Board suggested that an effort should be made to divert the annual increase in production exclusively to agricultural purposes.

SUGAR

Role of Co-operative Factories

The share of the co-operative sector in India's sugar production has gone up from 21.66 percent in 1962-63 to 22.73 percent in 1963-64. Up to 15th May this year, the 47 sugar co-operatives which were in operation, had produced 562,000 metric tons of sugar, out of the national production of 2,472,000 metric tons. The corresponding figures for the previous year are 451,000 metric tons and 2,082,000 metric tons.

The output of the co-operative sugar factories this year shows an increase of about 24.60 percent over last year's. The corresponding increase in the private sector is about 17.10 percent. For the industry as a whole, the increase has been 18.72 percent.

During the 1963-64 season, seven new co-operative sugar factories went into operation, taking the total to 48. Of the new factories, three are in Maharashtra and one each in Orissa, Punjab, Kerala and Madras.

There has been near-capacity production in two of the three new factories which went into production in Maharashtra this year. This is considered to be a commendable achievement for factories operating for the first time.

The Warana and Karad co-operative sugar factories in Maharashtra secured first and second places in sugar recovery this season. The percentage was 13.4 for the Warana factory and 13.34 for the Karad factory.

Since the beginning of the first plan co-operatives are playing an important role in sugar production. During the first plan, licences were given for setting up 16 sugar co-operatives, and in the second plan for 25 more. To date, licences have been issued to 57 co-operative factories. Forty-eight of these have already been installed. Six more are expected to go into production in 1964-65. The rest are in formative stages.

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CREATING A VIABLE COTTON INDUSTRY IN U.K.

(FROM OUR LONDON CORRESPONDENT)

THE present arrangements for controlling imports of cotton textiles from India, Pakistan, Hongkong and Spain are due for renewal at the end of 1965. It is natural, therefore, that all sections of the industry are now giving thought to what is likely to happen and formulating proposals for what is felt should happen. At a Press conference held in London last week, correspondents were briefed by spokesmen for the Cotton Board on a document for submission to the Secretary of State for Industry, Trade and Regional Development which, under the title "The Case for a Viable U.K. Cotton Industry," outlines what action the various sectional associations believe is required from the Government to ensure the future of the industry. The main plea is for a long-term policy instead of short-term *ad hoc* expedients, as it is held that otherwise the capital being invested in the industry and the training of people entering the industry will be wasted.

Critics of Lancashire's plea for parity of treatment with other western cotton textile industries are guided mainly by two arguments—the needs of the developing countries for expanding outlets for their exports of textile manufactures, and how to make the best use of the national resources. The former were recognised by the suggestion made at Geneva that no developed country should take less than 10 percent or more than 20 percent of its requirements of cotton textiles from the developing countries, and that the U.K., was far exceeding the ceiling was internationally recognised in the G.A.T.T. Long Term Arrangement. The U.S.A. and the E.E.C. countries are still well below the suggested 10 percent floor.

As for the interests of the U.K. economy, the document says theoretically, free trade ensures the most efficient international allocation of resources, but no one now advocates it completely. To protect some industries effectively but not others must lead to distortions in the allocation of resources within the economy. Historically, duty-free entry for Commonwealth cotton goods has done just that, both for the U.K.'s own industrial structure and for the pattern of world trade in cotton goods. To deny effective protection to the cotton industry alone among major British industries would be, in effect, deliberately to influence the structure of U.K. industry in a discriminatory manner, and could have a number of adverse repercussions.

The document goes on to discuss the justification for holding that the cotton industry is not labour-intensive and is, in fact, capital-intensive, and why it would be irrational to allow it to be destroyed just as costs are moving gradually in favour of Lancashire *vis-à-vis* the developing countries. Facts and figures—quoted in some detail—indicate that the industry is no longer declining and that since the introduction of the Reorganisation Scheme, it is in fact moving forward in several directions. There is no reason to doubt that this rate of progress could continue and indeed accelerate in the next few years. If, however, the considerable sums of money which will be needed are to be invested and sufficient labour of the right quality is to be attracted, the industry needs from the Government a recognition that it has a substantial part still to play in the country's economy and an assurance that the requisite conditions to ensure this will be created. These conditions are substantially the same as those enjoyed by other western cotton industries.

Erosion of Capital

The cotton industry, alone among major British industries, has been required to face over the past decade an ever-increasing proportion of cut-price, duty-free imports. Consequently, a catastrophic decline, with enormous erosion of capital and employment has been unavoidable; a burden which has been carried in furtherance of the nation's general economic and political policies. It seems certain that a new era of technological advance is opening, Lamour-saving techniques are materially affecting the historic balances between capital and labour costs. Both the cotton and synthetic fibre industries are becoming dependent on revolutionary developments in scientific and mechanical techniques. The theory, so frequently still quoted, that cotton textiles are ideally suitable for production in low labour cost, labour "surplus" areas, is no longer true. It is urgent that this should be realised by all concerned.

It is especially necessary that reasonable Government support should still be available to the U.K. industry while the technical, commercial and financial reorganisation continues. In more precise terms, the industry requires during this period of adjustment: (a) control of the volume of goods imported from low-wage countries; (b) control of the pattern of imports from low-wage countries; and (c) a price level reflecting, for the first time for many years, "western" instead of "eastern" costs of production.

The industry believes the best solution would be a countervailing levy on the imports of cotton textile from low-wage countries, calculated to bring their prices within a fixed percentage of fair domestic prices. The proceeds of the levy would be returned to the exporting country concerned. (In practice, the level of prices at which imported goods were offered would rise, so that very little levy would be payable. The effect on the foreign exchange earnings of the exporting country would be the same, but the additional earnings would go to the exporter instead of to the Government of the exporting country.) A similar scheme to this (except that there is no collection of levy; entry being denied to goods invoiced below the stipulated percentage of the fair domestic price) has operated satisfactorily in Switzerland for many years, and the "Brasseur Plan", now under consideration by the E.E.C. appears, in part, to be based on the same principle. Provided that the percentage discount were sufficiently small, there could be a gradual dismantling of quantitative limitations. (A scheme such as this could easily be combined, if so desired, with the establishment of a central buying commission for imports, such as operates in the jute trade and has sometimes been suggested for the cotton trade.)

Administrative Problems

The Cotton Board believes that the operation of a scheme such as that outlined would undoubtedly solve the cotton industry's main difficulties. While it is recognised that there might, initially, be practical administrative problems, particularly in applying the scheme to made-up goods, the scheme could, from the beginning, be applied to all yarns and piecegoods. It would be necessary to maintain quantitative control over the import of made-up goods until they could be brought within the scheme. It is realised that any such scheme involves a withdrawal of Commonwealth preferences, but this is held to be one of the incidental benefits of the proposal, since the preferences accorded under the Ottawa Agreements to the cotton textile industries of Commonwealth countries, developing and developed in equal measure, are not appropriate in the 1960's. A price certification scheme on Swiss lines, or the introduction of a countervailing duty offers, in the industry's view, the best framework for a solution of its present difficulties, which stem from the price levels as well as the volume of the goods imported, mainly duty-free, from so many low-cost countries.

Failing such a radical reform, present methods of control must be made more effective. There are two principal ways in which this could be done. In the first place, and this point applies whether or not a price certification scheme is adopted, there should be a refinement of quantitative controls. The "ring fence" has proved inadequate in that there has been a continuing need to deal on an *ad hoc* basis with countries which export their surpluses to the U.K., establish a performance and thereafter are permitted quotas based on their performance. These quotas for new suppliers have added to the total volume of imports. The only way in which the "ring fence" poilcy can be made effective is for the existing bilateral agreements to be reinforced by the introduction of a "global quota" for all those developing countries with whom there is no existing bilateral agreement. In other words, the global quota would apply to all countries except (a) those with which there are bilateral agreements; (b) E.F.T.A. and E.E.C. countries not included in (a), and North American countries. There might well be foreign opposition to this global quota. As a negotiating concession, the Cotton Board would be prepared to envisage a 25 percent share of any increase in U.K. consumption of cotton manufactures being offered to exporters to the U.K. for division among countries covered by bilateral agreements and those subject to the global quota.

The second method is the imposition of a tariff on goods from the Commonwealth Preference Area. No excuse need be offered for repeating that in no other country does the cotton textile industry have to face duty-free imports from so many low-cost sources. It is estimated, for instance, that 71 percent of 1963 cotton cloth imports retained in the U.K. were admitted duty-free from the Commonwealth Preference Area and that nearly 95 percent of these imports (i.e., some 67 percent of total imports) originated in low labour cost countries. This quantity, which excludes made-up items, is equal to 30 percent of U.K. production of cotton cloth.

During the negotiations for British membership of the E.E.C., agreement was reached on the gradual introduction of tariffs on Commonwealth textiles exported to the U.K. In offering this settlement to the E.E.C., the British Government demonstrated a willingness to put this trade on a more realistic footing by bringing it more into line with practice in other western industrialised countries. In the view of the U.K. cotton textile industry, the conditions then considered to make the imposition of duties desirable have not changed with the breaking-off of negotiations for British membership of the E.E.C.

The main advantage of a tariff would be to help to some extent in bringing prices of low-cost Commonwealth imports more into line with domestic prices and thereby reducing disruption. The tariff might conveniently be fixed at five-sixths of the M.F.N. level, on the analogy of the man-made fibre tariff. This would not by itself, however, enable the industry to dispense entirely and immediately with quantitative limitations. As the G.A.T.T. Long Term Arrangements recognised, no western cotton industry can yet face such a situation. With increasing capital-intensive methods of production and rising wages in the developing countries, it is reasonable to hope that in due course a tariff will be sufficient as far as yarn and piecegoods are concerned. It is difficult to foresee such a situation arising in the case of garments, however, in view of their much greater labour content.

Proposal for Tariff

The Cotton Board, therefore, proposes that a tarifi of five-sixths of the yarns, piecegoods and made-up goods and that, for a trial period of five to ten years, restrictions on the volume and types of imports should be maintained. At the end of that period, the Cotton Board would hope that special quantitative restrictions on yarns and piecegoods would no longer be needed and that the general provisions of the G.A.T.T. Long Term Arrangement, if still in force, would be sufficient protection. The combination of global quota and tariff would be less effective and is put forward as an inferior substitute to the other proposals. The global quota would do no more than make a reality of the present notional ring fence. The tariff on Commonwealth goods would rationalise this country's present eccentric policy in allowing duty-free imports of manufactured goods from low-cost countries and also contribute something towards the avoidance of price disruption.

It may be that a combination of some of the measures put forward in this document will have to be considered, but the industry emphasises the merit—and the practical advantages in purely administrative terms—of getting away from the complexities and confusion of principles inherent in the present approach to the import problem. It is felt that if proposals can be agreed which are likely to give a minimum five years of effective stability, during which time the industry could continue its present progress towards rehabilitation, it would then be possible to review the position with the Board of Trade to see what level of longer-term safeguards was then advisable. What is vital is that the present protracted crisis of confidence should be resolved. Only in this way will it be possible for the industry finally to arrest and reverse the process of disintegration which it has had to suffer in the last decade.

Jute

RISE IN FIBRE PRICES WORRIES INDUSTRY

THE unusual buoyancy of fibre and gunny prices in the spot and hedge markets during the past week has worried trade and industry. The factors stimulating the rise seem more speculative than real. So the governing body of the East India Jute and Hessian Exchange, at its meeting last Monday, has taken a serious view of the trend and asked the Vigilance Committee to keep a close watch on the situation. The body is to meet again on Thursday to review the position in the light of the developments. On Tuesday prices rose further on hectic buying. But the top gains were partially erased on scattered realising in the hedge market and on the emergence of more mills as sellers for all positions at the higher levels in the spot market.

While both trade and industry have felt that the price fluctuations were not warranted by circumstances, they seem to be helpless in the matter. Barring small lots of Indian Government tender for B Twills and scattered hessian purchases by the U.S.A. for ready and near positions, business in the gunny market has been more or less of a routine nature. True, some mills have booked a fair volume of orders in both hessian and sacking for all positions at the higher levels. But these are in the nature of distress bookings by shorts and shippers against their open positions.

A coincidence of several factors appear to have stimulated the trend. The U.S.A. stepped up its burlap consumption to 70 million yards during June. Although the stocks at the end of June were higher around 286 million yards and bag-makers had enough stocks with them for meeting short-term needs, spot and afloat burlap prices hardened in New York from 11.35 cents to 11.55 cents a yard during the week. It indicated that the bag-making industry had accelerated its offtake of burlap. The 13-day workers' strike in five East Pakistani jute mills which was called off on Monday also led to a lot of covering in India by shorts against their open positions. The report that Pakistani mills were booked to capacity right up to the end of October also induced the belief that fresh overseas orders, at least for short and near positions, would flow to India as prices were fairly attractive. A lower jute crop in East Pakistan, combined with the slow pace of new crop arrivals in the agencies in both India and Pakistan, prompted sellers to be reserved and book orders only when higher prices were offered. The turnover was small and price levels hardened rather sharply. In spite of the reduction in the jute export duty and the removal of the minimum price restrictions in Pakistan, prices had firmed up in that country.

Rise in Costs Feared

Circles close to the industry in Calcutta believe that irrespective of the size of the Indian crop, Indian mills may have to pay a higher price for a much larger percentage of selected-grade fibre—Indian or Pakistani—and Pakistani cuttings during the 1964-65 season. Thus the cost of production of the end-product may be increased further, undermining the competitive position of the Indian industry. Inclusive of the J.B.S.A. stocks, Indian mills opened the new jute season with a carry-over of 3.1 million bales, against 3.3 million bales during the previous season. Fibre consumption during 1963-64 also rose by about 600,000 bales to around 7.8 million bales. The figure may increase further this season as mills have been working at the maximum level without any restriction on loomage. Besides, jute circles say that heavy showers and flood in lower Assam valley and North Bengal during May-June, and the month-long drought conditions in the predominantly Tossa districts of West Bengal have affected the new crop. The continuing shortage and high prices of foodgrains and other essential commodities have prompted farmers to charge more for jute.

Government Remains Optimistic

Government sources, however, seem to feel that the elaborate crop improvement measures taken during the year right from the time of soil preparation have yielded the desired results in spite of short spells of adverse weather. Any setback to the crop during May-June, these sources say, have already been overcome since the middle of last month due to excellent weather conditions. Alternate sunshine and showers have helped brisk interculture which is essential to plant growth and to arrest pest attacks. The condition of the plants is said to be satisfactory in almost all the areas. The crop harvested so far, it is claimed, is of an improved quality and better lustre. The yield is also reported to be satisfactory. Lower arrivals in up-country agencies are attributed to the bad condition of rural roads and the preoccupation of farmers with interculture of the soil under jute and also with *aman* paddy transplanting operations. These sources feel that Indian mills should not be worried over the small decline of about 200,000 bales in the opening stocks of fibre, for the 1963-64 crop will be adequate to meet the enhanced fibre consumption. They hope that the new crop will be around 8 million bales—enough to meet the requirements of mills.

The industry has been worried over the problem of rising prices. At the price of Rs. 30 a maund, f.o.r., Calcutta, ready, basis Assam Bottoms, the profits of the industry have been severely squeezed since prices of hessian 40in. 10oz. hovered around Rs. 44.50 a 100 yards and B Twills around Rs. 116 a 100 bags. On the basis of a fibre price of Rs. 33.50 a maund, the margins will shrink further even if the price of hessian rises to Rs. 46 a 100 yards and B Twills to Rs. 119 a 100 bags. This apart, it is feared that any sharp fluctuation in gunny prices may induce overseas consumers to go in for substitutes and bulk handling. A rise in Indian prices will also benefit the Pakistani industry helping it to expand its markets still more. These are crucial issues which need immediate attention.

THE JUTE MARKETS

Manufactured Goods: Active conditions prevailed in the Calcutta gunny market during the past week. Rising fibre prices induced hesitancy among operators. They were not inclined to extend their commitments except at higher levels. Speculative support to heavy goods and hessian in the hedge market also governed the general trend. At the higher levels, mills emerged as keen sellers and booked fairly large orders in both hessian and sacking for all positions. But these were, more or less, of a covering nature. The Government's offtake was low and overseas orders few and far between. The hardening price trend here and in New York at one time led to the belief that the U.S.A. would enter the market in a big way. But the expectation was belied. Only routine covering transactions in hessian were reported with the U.S.A. Calcutta was pinning its hopes on getting the Kenya Jute Control tender for moderate lots of heavy goods for July-August delivery. Hardening prices induced hesitancy among Indian industrial consumers too and they preferred to wait on the sidelines. Towards the close, sentiment suffered a setback on the calling off of the 13-day strike in the Pakistani mills. Indian mills turned cautious. In the hedge market, there was a seesaw battle between bears and bulls and shorts were forced to cover their open positions at higher prices in both hessian and sacking. But the highest levels were pared towards the close on realising and on the close watch kept by the Vigilance Committee of the hedge market. Fluctuations were wide, and turnover was fair. The undertone was exceptionally firm at the close.

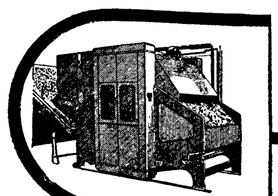
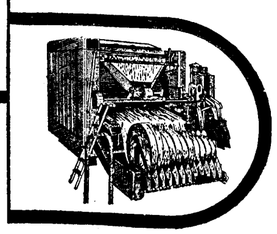
Wednesday's quotations were as follows:

	July	Aug.	Sept	Oct.-Dec.
40in. 7½oz.	34.00	34.25	34.40	34.65
40in. 8oz.	36.60	—	—	—
40in. 10oz.	45.15	45.65	45.80	46.35
B Twills	119.25	119.45	119.50	119.75
Cornsacks	124.00	124.75	123.75	122.50
Heavy Cees (Plain)	118.00	118.50	118.50	118.75
A Twills	141.50	142.00	143.00	144.25
Liverpools	132.25	132.50	132.75	133.00

Raw Jute: Buoyant conditions prevailed in the raw jute market during the past week. Lower arrivals in the agencies around 35,000 maunds a day and restricted offerings by growers induced hesitancy among sellers. They were not agree-

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able to book orders at current prices. Mills and mill agents absorbed the offering at higher prices, stimulating the upsurge. Speculative support to Upper Assam White Bottoms for September at hardening prices in the hedge market also contributed to the bullishness. In the course of the week fibre prices shot up by more than Rs. 2 to the highest level of Rs. 34 a maund, basis Assam Bottoms, f.o.r., ready, Calcutta, in the spot market and by Rs. 2.06 to Rs. 33.62 in the futures market. In the agencies prices were ruling 50 paise higher than the Calcutta parity levels. Towards the close top gains were partially eroded due to the reluctance of mills to offer higher prices. The watch kept by the Vigilance Committee of the East India Jute and Hessian Exchange also seemed to have helped the decline. Turnover was small in the spot market, and heavy in the hedge market. Fluctuations were wide and the undertone very firm at the close.

Wednesday's quotations were as follows:

Landed at Mills
(Basis Bottoms)

	Current Prices		T.S.D. Minimum Prices	
	Rs. A Qtl.	Rs. A Md.	Rs. A Qtl.	Rs. A Md.
Assam-Agartala Jute	91.09	34.00	80.38	30.00
Northern Jute	89.75	33.50	79.04	29.50
Western Desal Jute	84.39	31.50	75.68	27.50
Selected Daissee	82.43	34.50	85.74	32.00
Assam-Agartala Tossa	89.75	33.50	83.95	31.50
Mesta :				
Assam-Northern	75.02	28.00	72.34	27.00
Local Daissee	75.02	28.00	72.34	27.00
Bihar Dist.	72.34	27.00	68.32	25.50

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THE U.K. JUTE MARKETS

FIBRE PRICES RAISED

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market in Pakistan was firm in the past week, and quite a few sellers in Dundee have raised their prices. Prices of loose jute in Pakistan also advanced due to small arrivals from upcountry and a steady demand from the mills there. The outturn of the present crop may be smaller than at one time expected, but there still should be sufficient jute to meet all demands.

At present, prices of raw jute in the U.K. are, on average, about the same as last season, but it must be remembered that the export duty was reduced by 50 percent on 13th June, which in fact means that the seller is receiving approximately £4 a ton more. Dundee spinners are showing some buying interest, but business passing is still confined to small quantities and no bulk buying for forward shipment is taking place. With no Mill qualities available this season, spinners are waiting until the first shipment of Export grades arrive here so that the quality can be assessed.

Offers being made in the U.K. were very irregular with the lowest rates at £106 for Export Firsts, at £94 for Export Lightnings and at £82 for Export Hearts, c.i.f. U.K., for August-September shipment. Grade Tossa-2/3 was nominal at £120 with Grade Tossa-4 available at £105. There were sellers of Outport Tossa-2/3 at £95 and of Outport Tossa-4 at £85, c.i.f. U.K., September-October. Offers of old crop jute were still being made and the prices asked were slightly under the above rates.

The cuttings market was very firm, and some high prices were reported to have been paid in Pakistan during the past week. This could be due to the Indian mills having received licences to import substantial quantities. Only a few offers of cuttings were being made in Dundee with S.N.C. at £64 10s and N.C. at £55 10s. Offers of new crop mesta were scarce and irregular. Grade A was named at £91 10s, B at £79 10s and C at £71 10s, for October-November shipment.

The Siam jute market was quiet but steady. Prices were at £75 10s for super A, at £69 for grade A, at £64 10s for grade B, at £60 10s for grade C and at £51 for cuttings, delivered mill Dundee for October-November shipment.

Very little change took place in the Calcutta goods market during the past few days. The position was steady, especially where sackings were concerned. A small buying interest was shown by the U.K. and some business took place in hessians. Quotations were at 73s 2d for 40in. 10oz. and at 55s 11d for 7½oz. a 100 yards c. and f., U.K., for July shipment, at 73s 8d and 56s 1d August and at 74s and 56s 1d September. B Twills were at 200s, 199s 3d and 198s 11d for the respective shipment periods.

Prices of Dundee jute yarns and cloth were very firm, and there appears to be no likelihood of any reduction in the near future. Raw material prices are steady and an increase in wages comes into force next month. Spinners and hessian manufacturers are busy and have orders in hand for forward delivery, but there is still a shortage of orders for sackings.

THE PAKISTANI JUTE MARKETS

FIBRE KEEPS RISING

(FROM OUR DACCA CORRESPONDENT)

A FEW days' sunshine has done a lot of good to the crop and enabled drying of jute to proceed and it has also been easier for sellers to bring it to the baling centres. The prices locally continued to rise during the past week, and there is no likelihood of this being arrested until the flow of jute is considerably increased.

Trading in pucca bales continued to centre round cuttings and business was done at £53 f.o.b. This was probably due to the speculator buying at exaggerated prices mainly for forward deliveries. Apart from this, operations were restricted to purchases of the buffer stock which has now been liquidated.

From overseas, reports continued to come in of limited interest for early positions and a reluctance to pay higher prices. Nevertheless, registrations for the first half of July have amounted to more than 276,000 bales. Even if one were to assume that as much as 50 percent were excess registrations, which is unlikely, these figures show that a fair amount of purchasing has gone on.


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Commodity Markets

RUBBER OFFTAKE RISES FASTER THAN OUTPUT

(FROM OUR SOUTH INDIAN CORRESPONDENT)

THE Indian rubber manufacturing industry's requirement of natural rubber by 1970-71, that is, by the end of the fourth plan, is estimated at 95,000 tons. This is almost double the quantity consumed by the rubber manufacturing industry towards the close of the second plan and 35,000 tons more than the likely consumption at the end of the third plan.

Natural rubber output in India has been lagging behind consumption. When the manufacturing industry took 28,445 tons in 1955-56, the rubber growing industry could produce only 14,060 tons, making it necessary for the country to import as much as 13,385 tons to bridge the gap. The gap widened to the extent of 20,702 tons by 1960-61, in spite of the fact that production had almost doubled to 27,446 tons in the course of the second plan period.

Natural rubber production in India is expected to show a substantial increase in the next few years as a result of the extensive replanting and new planting which have already taken place. The great bulk of these plantings were done with high-yielding budded plants and clonal seedlings. Out of the 361,142 acres there were under rubber on 31st March, 1963, 136,070 acres were under these improved varieties and all these areas should come into bearing by 1970-71. It is not unreasonable to expect a minimum crop of 60,000 tons from this area alone, as the yield will be between 800 and 1,200 lbs an acre from the high-yielding plants. From the 216,072 acres of ordinary rubber, another 20,000 tons can be got. Since considerable advances have taken place in the methods of cultivation like spraying and manurial operations even the ordinary rubber trees could yield about 400 lbs an acre. Some knowledgeable sources estimate natural rubber production at the "conservative figure" of 80,000 tons by 1970-71. This will leave the country with a deficit of 15,000 tons: 5,700 tons less than the deficit at the end of the second plan period. This deficit can be very easily covered with imports from the neighbouring countries like Malaya and Ceylon, it is pointed out.

In the past, there have been occasional complaints from the rubber growers that due to some flaws in the licensing policy of the Central Government, gluts used to develop in the rubber market and the weaker elements among the producers were finding it difficult to sell their rubber even at the minimum price prescribed under the Rubber Act. It has been suggested that licences are now being issued by the Government to any manufacturer who is willing to purchase a certain quantity of synthetic rubber produced at the Bareilly factory in a bid to help that unit now experiencing teething troubles. It is said that for every one ton of synthetic rubber bought from that factory, the manufacturer will be allowed to import four tons of natural rubber. Some 8,500 tons of S.B. rubber was produced in that factory last year. At this rate, 34,000 tons of raw rubber could be imported by the manufacturers. Even if the import entitlement is reduced to 1 ton to 3 tons of natural, the total of synthetic and imported would amount to 34,000 tons, which is in excess of the actual level of consumption last year.

The import licensing has always been based on an estimate of the actual shortfall expected in a given year. If that is shifted to the quantity of rubber purchased from the synthetic plant, the shortfall estimates would not have as strong a relevance to the licensing policy and an excess of import depending upon larger output of S.B.R. and its purchase by manufacturers cannot be avoided.

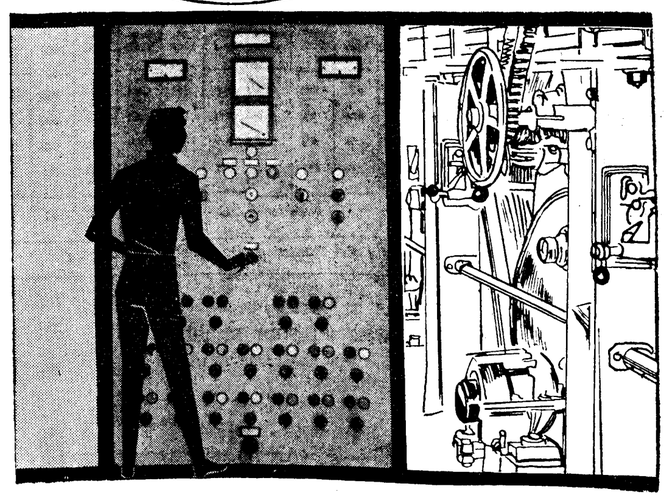
Meanwhile, the view has been strongly pressed that there is no scope for another plant to manufacture S.B.R. in view of the new types of general purpose synthetic rubbers being developed in the world such as polybutadiene, poly-isoprene and ethylene propylene co-polymers. It is suggested that every effort should, therefore, be made to see that any new plant established in India for the manufacture of synthetic rubber should be for one of these synthetic rubbers. The economics of the manufacture of such synthetic rubbers should be studied in advance, and it should be ensured that their prices should not be higher than the c.i.f. prices of similar imported rubbers plus the current import duty on the same.

The rubber growers are to a certain extent worried over the reported issue of fresh licences for the manufacture of synthetic rubbers within the country. Mr. George John, chairman of the Mundakayam Planters Association, has said while addressing the latest annual general meeting of that premier rubber growers' association in this country last week that the production of synthetic rubbers should not be at the cost of the existing plantation industry. While admitting that the Government has the interest of the rubber growers at heart, he has said that it could have been better shown by carrying the entire rubber policy through the Rubber Board instead of having this done through widely separated agencies. In his opinion, it is desirable that the Rubber Board should be used as a forum where all rubber matters can be discussed and a co-ordinated rubber policy can be hammered out, if not with the consent of all interests, at least with their knowledge.

Referring to rubber prices, Mr. George John has said that the necessary protection against distress sale by small producers is the maintenance of a reasonable balance between the shortfall in supply and the import licence issued. Even here, a powerful manufacturer could easily manipulate his purchase so as not to allow the market to rise. But considering the fact that a minimum floor price is still statutorily in existence, the producers of natural rubber in India do not have a strong case to protest against the policy of the Government. "In fact, the Government has been most sympathetic to the cause of the producers", he has said.

It has been suggested that one way to overcome the chances of excessive supply of raw rubber is to allow the Rubber Board to import rubber from abroad and distribute it according to the needs of the manufacturing industry. "I think the Rubber Board has far more important work to do than to become a trading agency. It

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J.K.4.

is not constituted for commercial operations and cannot handle the buying and selling of rubber with satisfaction either to itself or to the manufacturers. Once it is conceded that the Rubber Board can buy and sell rubber from overseas sources, it will be very difficult to say that the same Rubber Board cannot market the rubber produced within the country. I think those who suggest the wholesale import of rubber through the Board in order to prevent manufacturers from exploiting the situation will realise that it is a double-edged weapon", Mr. George John said.

CASHEW

Kernel Prices Soar

Prices of processed cashew kernels have claimed new highs in the past few days to 68 cents(U.S.) a lb for September-October delivery. November is quoted a cent lower. This is about 10 cents a lb higher than the rates obtaining at this time last year. Russia is said to be the largest buyer at present. She is reported to have bought around 50,000 cases of 50 lbs each recently for shipments up to October. U.S. buyers also have taken some 10,000 cases at prices ranging between 67 and 68 cents a lb. The U.K., West Germany and some other countries, too, are said to be showing interest in Indian cashew kernal at current rates in spite of the fact that they are considered to be fancy prices by most of the buyers.

Raw nut also is ruling firm with new African crop (Angoch) being quoted at Rs. 980 a ton. The old crop is available at Rs. 950 a ton. Mozambique is quoted at Rs. 50 less. The latest report from the Coffee Board places the pool receipts from the 1963-64 crop at 67,383 tonnes, against 54,672 tonnes of the previous corresponding period. Of this, the Board had sold for export to the middle of this month 20,099 tonnes. The Coffee Board's Marketing Committee had recommended an export of 35,000 tonnes from the 1963-64 crop as early as in March last on the basis of an estimate which placed the 1963-64 crop at 65,000 tonnes. Actual receipt in the pool had already exceeded this figure by about 2,500 tonnes. Therefore, one should think that the Board will find its way to export more than 35,000 tonnes. The Central Government had already suggested to export more than 35,000 tonnes.

COFFEE

Securing Higher Export Quota

India is trying to get an increase in its basic export quota under the International Coffee Agreement. The basic quota for India comes to 21,600 tonnes. With a slight enhancement in the quotas of the different producing countries made at an emergency session of the International Coffee Council in February last, India was allowed to export 22,064 tonnes. India has filed an application with the International Coffee Organisation for the grant of a waiver or an increase in the basic export quota. This subject will be coming up before the current session of the Coffee Council which began in London on 27th July. Mr. Sitarama Reddy, chairman, Coffee Board, is representing India at this meeting.

The Coffee Board has revised its estimate of the standing crop downward to 67,500 tonnes in the light of the long period of drought that the coffee areas had to suffer earlier this year. Blossom showers were unsatisfactory and insufficient. Backing showers were also inadequate. The present estimate is subject to revision later in the season.

TEA

Tea Auction Prices Continue to Fall

(BY A SPECIAL CORRESPONDENT)

THE Calcutta tea auctions this month continue to offer comparatively small quantities. On 20th July, only 33,720 packages were on offer. There was a fairly general demand with a strong enquiry for orthodox Assam types, but best Assam C.T.C. were sometimes easier by as much as 50 paise a kilogram. London offerings were also on the low side. A total sale of 17,586 packages contained a small proportion of north Indian tea, but this position should change within a month as teas are now moving more freely through the Port of Calcutta.

Crop figures from north India to mid-July compare as follows: (in million of lbs): 1964 171.85; 1963 145.89, or a rise of 35.96 million lbs. At the end of May and June the comparative figures were: 1964 57.77 million lbs and 128.50 million lbs, against 49.34 million lbs and 103.87 million lbs in 1963.

In 1961, the year of record yields from this area, June saw 31.4 million kilograms of tea. This jumped to 43.7 million kilograms in July. August usually sees the most prolific output and the third or fourth week of that month probably registers 50 percent of the annual crop. With production at its peak, it is important to avoid strikes and disputes with labour, and one hopes that the tripartite talks to be held in Darjeeling between the workers, management and the Deputy Labour Commissioner, will arrive at some workable solution. The Government's representative is there presumably to assist in working out a compromise. The important point to remember is that no person or industry can continue to pay out indefinitely more than he or it earns. It might be a sound policy to defer discussion until after the plucking season, by then the Central and State Governments will have had time to review the working of the taxation system as it affects the tea industry. At the moment wage awards and bonus concession cannot be financed, and a strike will definitely add to the difficulties. In Pakistan where profits were considerably lower in 1963, but working still was profitable: but practically all tea companies in north India reported a serious fall in the profit margin.

As promised by Mr. Manubhai Shah, a committee headed by Mr. V. V. Chari, Additional Secretary to the Ministry of Finance, representatives from the Tea Board, the Indian Tea Association, planters' associations and the State Governments concerned (Assam, West Bengal, Madras and Kerala) has been formed to look into the question of strengthening the financial basis of the industry. Production, exports and relief from taxation as also facilities for bank finance will be its terms of reference.

The timing of this enquiry is good because, as already stated, it will give a reasonable period for consultation between the authorities to allow the necessary fiscal adjustments to be agreed before the next Budget. It should also help the planners to aim at a practicable production target for the fourth plan. The present objective is said to be 1,000 million lbs of tea by 1970-71 (up from 800 million lbs expected this season). (The U.S. estimate places it at 770 million lbs.)

As tea bushes take five years or more to mature, it has to be borne in mind that the bulk of the increase of 25 percent—from 800 million lbs to 1,000 million lbs—will have to be produced from the acreage already planted. Can that be done? According to Messrs J. Thomas and Co. Private Ltd booklet of statistics, the area under tea has made little progress since 1958. This remark applies to south India also. Actual figures for all India are 334,093 hectares in 1962, against 326,494 hectares in 1958, or an increase of just 7,599 hectares. It remains doubtful if any spectacular increase in yield can be secured from intensive cultivation and application of fertilisers and even if this can be done, what effect will forced growth have on quality?

MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA

(Base: August 1939)

THE Middle Class Cost of Living Indices, by groups, have now been brought up to June 1964. As compared with May, the June index for Food shows a rise of 9 points. The indices for Fuel and Lighting, Clothing and Miscellaneous remain unchanged at 308, 609 and 331 points, respectively.

Combining all the factors, the Middle Class Cost of Living Index for Calcutta shows that the cost of living increased by 5 points during June 1964.

Middle Class Cost of Living Index Number for Calcutta. Prices in August 1939=100

Groups	Weights	GROUP INDICES												
		June 1963	July 1963	Aug 1963	Sept., 1963	Oct., 1963	Nov., 1963	Dec., 1963	Jan. 1964	Feb. 1964	Mar., 1964	April 1964	May, 1964	June 1964
Food ..	53.6	586	591	598	606	608	598	591	584	576	583	595	599	608
Fuel and lighting ..	4.4	308	308	308	308	308	308	308	308	308	308	308	308	308
Clothing ..	12.4	602	602	602	609	609	609	609	609	609	609	609	609	609
Miscellaneous ..	29.6	317	317	317	317	317	321	321	321	321	321	321	331	331
Combined index ..	100.0	496	499	502	507	509	505	501	497	493	497	503	508	513

Compiled and constructed by the Statistical Department of "Capital".



COMPANY AND PUBLIC NOTICES

THE KARANPURA COLLIERIES LIMITED

AT a meeting of the Board of Directors held on Thursday, the 23rd July, 1964, the following dividends were recommended for declaration at the Annual General Meeting to be held on Friday, the 28th August, 1964, subject to deduction of tax.

On 5½% Cumulative (Taxable) Preference Shares at 4.579 per cent (being dividend at the stipulated rate of 5½% per annum increased by 11% thereof, and deducting therefrom Income Tax at Company's rate of 25% in accordance with the provisions of the Preference Shares (Regulation of Dividends Act, 1960), subject to deduction of tax).

On Ordinary Shares at the rate of 12 per cent per annum.

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

Registered Office:
Chartered Bank Buildings,
Calcutta, 23rd July, 1964.

THE KARANPURA COLLIERIES LIMITED

NOTICE is hereby given that an Annual General Meeting of THE KARANPURA COLLIERIES LIMITED, will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, on Friday the 28th August, 1964, at 11 A.M. for the following purposes:

1. To consider and adopt the Audited Accounts of the Company for the year ended 29th February, 1964, and to receive the Directors' and the Auditors' Reports thereon.
2. To declare Dividends recommended by the Directors.
3. To appoint Auditors and fix their remuneration.
4. To appoint a Director in place of a retiring Director.

As Special Business

5. To appoint a Director in place of Mr. N. K. Kejriwal, who retires, and in this connection to consider and if thought fit, to pass with or without modification the following resolution of which a notice has been received by the Company from one of its members under Section 257 of the Companies Act, 1956, which will be proposed as ordinary resolution.

"That Mr. N. K. Kejriwal be and is hereby appointed a Director of the Company."

The Share Transfer Registers of the Company will be closed from the 13th August, 1964, to the 28th August, 1964, both days inclusive.

By Order of the Board,
BIRD & CO. (PRIVATE) LIMITED,
Secretaries & Treasurers.
Chartered Bank Buildings,
Calcutta, 23rd July, 1964.

Notes:

(a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

(b) The Dividend, if declared, will be paid on or after 10th September, 1964, to those members so entitled whose names appear in the Company's books on the 28th August, 1964, or to their mandatees. No application for Dividend Warrants will be necessary.

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

INDIAN ALUMINIUM COMPANY, LIMITED

31 Chowringhee Road, Calcutta-16

NOTICE is hereby given that an Extraordinary General Meeting of Indian Aluminium Company, Limited will be held at its registered office, 31, Chowringhee Road, Calcutta-16, on Friday, August 28th, 1964, at 11-30 a.m., for the purpose of considering and, if thought fit, passing the following two special resolutions:

"1. That subject to the sanction of the High Court at Calcutta being obtained the Registered Office of the Company at present situate in the State of West Bengal shall be removed to and be situate in the State of Mysore.

2. That subject to the sanction of the High Court at Calcutta being obtained the Memorandum of Association of the Company be altered by the substitution of the words 'State of Mysore' in place of the word 'Bengal' in Clause II of the Memorandum of Association."

Any member of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.

By Order of the Board,
T. D. SINHA,
Secretary.

July 13th, 1964.

EXPLANATORY STATEMENT AS REQUIRED BY SECTION 173 OF THE COMPANIES ACT 1956

Your Company has submitted an application to the Government of India under the Industries (Development & Regulation) Act 1951 for a licence to build the first stage of a large integrated aluminium industry, starting with a 30,000-tonne per annum smelter together with related alumina and bauxite facilities. The proposed smelter will draw power from the Sharavathi project in Mysore State and is expected to be located as close to the source of power as possible. A separate application has been submitted for establishing a rolling mill in Maharashtra State.

When these industrial undertakings have been completed a large integrated aluminium industry will have been established by the Company with its principal units in Mysore State. In the circumstance, and as the construction and operation of the abovementioned projects will, in your Directors' opinion, be facilitated if the registered office of your Company is transferred from Calcutta to a suitable location in Mysore State, your Directors have decided to place before you the resolutions set out in the above notice for your consideration and they recommend their adoption.

Under the provisions of the Companies Act 1956, the change in the location of the Company's registered office will be subject to confirmation by the High Court at Calcutta and the necessary steps in this connection will be taken if the special resolutions now placed before you are passed.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Jagatjit Coton Textile Mills Ltd.	31-7-64	3 p.m.
Investment & Finance Co. Ltd.	4-8-64	11 a.m.
General Investment & Trust Co. Ltd.	4-8-64	11-5 a.m.
Indian Copper Corporation Ltd	12-8-64	11-30 a.m.
Britannia Biscuit Co. Ltd.	20 8-64	10 a.m.
Howrah Mills Co. Ltd.	21-8-64	12-15 p.m.
Karanpura Collieries Ltd.	28-8-64	11 a.m.
Indian Aluminium Co. Ltd.	28-8-64	11-30 a.m

DIVIDENDS DECLARED OR PROPOSED.—Dishergarh Power Supply Co. Ltd.—Rs. 10 per share (o), subject to tax; Karanpura Collieries Ltd.—12 p.c. (o), subject to tax.

HIDES AND SKINS STEADY

The market was steady. Stocks were less than in the previous week.

Bazaar Sales

(Between 21st and 27th July, 1964)

Cowhides: Wet salted (Slaughtered) 46,500 pcs. on the basis of Rs. 10.50 to Rs. 16.50 and Rs. 19.50 to Rs. 28.

Goatskins: Wet salted (Patna, Daissee, Kustia) 62,100 pcs. on the basis of Rs. 280 to Rs. 300, Rs. 320 to Rs. 340 and Rs. 370 to Rs. 380; Wet salted (he killed) on the basis of Rs. 4.25 and (she-killed) on the basis of Rs. 4 a piece; Assam-Dinajpur-Murshidabad 51,000 pcs. on the basis of Rs. 160 to Rs 180. Rs. 205 to Rs. 230 and Rs. 280; Purneah 45,500 pcs. on the basis of Rs. 250 and Rs. 275 to Rs. 285; Patna (Ord) 4,500 pcs. on the basis of Rs. 155; Purneah-Kissenganj 4,000 pcs. on the basis of Rs. 460.

Bazaar Stocks

(27th July, 1964)

Cowhides: Wet salted 72,300 pcs.

Goatskins: Wet salted (Patna, Daissee, Kustia, Killed) 74,500 pcse. Assam-Dinajpur 1,01,000 pcs; Muzafferpore - Patna - Pakur - Purneah-Kissenganj 3,58,000 pcs.

HINDUSTHAN MERCANTILE BANK LIMITED.

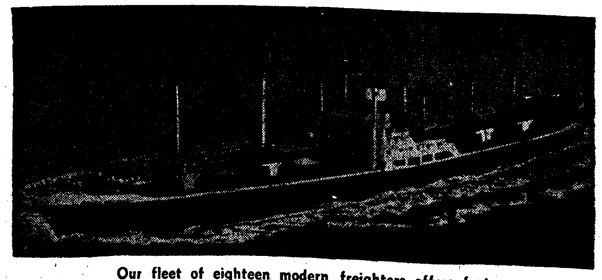
Registered Office:
10, Clive Row, Calcutta-1.

Authorised Capital ... Rs. 2 Crores.
Subscribed Capital ... Rs. 1 Crore.
Paid-up ... Rs. 50 Lakhs.

BOARD OF DIRECTORS:
Sri Mohan Lal Jalan (Chairman).
Sri Bhagirath Kanoria.
Sri Manmull Bhuwalka
Sri Kamal Singh Rampuria.
Sri Premode Ranjan Sarkar.
Sri Hari Lal Mehta
Sri Chhotevlall Kanoria.

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

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Wednesday, 29th July, 1964.

GOVERNMENTS LOANS

Outstanding Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
GOVERNMENT OF INDIA				
2,48,91,06,000	3	1946	1986 or later	63/75
8,93,33,000	3	1896-97	At the option of the Government of India after a months notice	63/00
14,77,48,000	2¾	1946	1976	83/50
1,10,11,78,000	3	1943	1966-68	98/45
1,15,05,83,000	3	1948	1970-75	90/55
1,53,67,92,000	3½	1955	1965	100/05
86,63,53,000	3¾	1956	1974	96/75
56,99,30,000	3¾	1957	1967	100/00
1,97,40,92,000	3½	1956	1967	99/90
70,00,000	3½	1958	1968	98/85
1,56,64,22,000	3¾	1958	1968	99/90
1,90,85,42,000	3½	1959	1969	98/16
82,65,41,000	3½	1960	1966	100/00
1,54,70,22,000	4	1957	1972	98/90
94,51,44,000	4	1958	1973	98/90
81,06,39,000	4	1959	1979	98/20
98,05,17,000	4	1960	1980	98/20
65,96,55,000	4	1961	1981	98/20
84,12,53,000	4	1963	1969	99/95
28,07,95,000	4½	1962	1972	100/20
52,01,71,000	4½	1963	1986	100/10
1,14,03,37,000	4½	1962	1983	100/00
BOMBAY				
3,40,34,300	4	1952	1964	99/95
6,57,22,800	4½	1957	1968	98/40
6,58,20,700	4½	1958	1970	99/00
4,35,25,000	4½	1958	1971	98/70
MADHYA PRADESH				
2,03,28,800	3	1948	1964	98/50
MADRAS				
5,24,81,200	4	1952	1964	99/95
5,55,57,300	4½	1958	1970	99/00
UTTAR PRADESH				
1,55,31,200	3	1938	1961-66	93/25
5,89,13,900	4	1952	1964	99/95
7,65,53,900	4½	1958	1970	98/80
WEST BENGAL				
2,00,00,000	4	1952	1964	99/95
7,58,72,200	4	1952	1967	99/45
7,11,46,100	4	1956	1968	99/10
5,10,49,700	4½	1958	1970	98/75
7,69,69,400	4	1959	1971	97/75
7,00,00,000	4	1960	1969	98/70
73,07,21,000	4½	1961	1972	98/80
7,00,00,000	4½	1962	1974	99/50
MYSORE				
2,95,85,200	4	1933	1952-63	100/00

PORT TRUST LOANS

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
CALCUTTA				
90,24,300	4	1914	1974	98/25
76,90,100	4	1915	1975	98/25
68,02,300	3	1921	2nd 1981	82/00
1,50,00,000	6½	1921	2nd 1981	144/00N
£892,600	5	1923	1953-83	£61
£901,000	5	1924	1954-84	£61
1,24,00,000	4½	1957	1987	99/50
	4½	1958	1988	99/00
50,00,000	4½	1959	1989	99/00
1,50,00,000	4½	1961	1971	98/75
80,00,000	4	1931	1991	93/00
60,00,000	3¾	1935	1965	99/00
50,00,000	3	1946	1976	83/50
50,00,000	3	1945	1-2-2005	72/00
50,00,000	3	1945	1-2-1975	83/75
25,00,000	3	1938	1963-65	93/00
50,00,000	3	1946	2006	72/00
50,00,000	2¾	1947	1977	78/50
50,00,000	3	1948	1978	83/00
50,00,000	3	1950	1980	81/00
50,00,000	3	1951	1981	80/50
50,00,000	4½	1953	1963	98/75
50,00,000	4	1953	1983	97/50
90,00,000	4	1955	1985	97/25
77,00,000	4	1956	1986	97/25
1,00,00,000	4	1959	1969	99/50
1,00,00,000	5	1963	1993	..
BOMBAY				
36,50,000	4	1904	1964	96/00
35,00,000	4	1905	1965	96/00
15,00,000	4	1906	1967	96/00
44,00,000	4	1907	1968	96/00
75,00,000	4	1908	1968	96/00
40,00,000	4	1909	1970	92/00
56,00,000	4	1910	1971	92/00
75,00,000	4	1911	1972	92/00
STERLING LOANS				
£892,600	5	1923	1953-83	£63
£901,000	5	1924	1954-84	£63
£835,100	5½	1932	1962	£96½
MADRAS				
28,48,275	3½	1947	1977	A
9,88,000	3	1947	1977	A
8,00,000	3	1949	1979	A

IMPROVEMENT TRUST LOANS

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
CALCUTTA				
50,00,000	4	1934	1964	99/2…
35,00,000	3½	1935	1965	96/0…
30,00,000	3	1936	1966	92/5…
20,00,000	3	1938	1963-68	92/0…
80,00,000	4	1952	1962	100/0…
1,02,00,000	4	1956	1968	98/5…
75,00,000	4½	1958	1968	101/0…
BOMBAY				
60,00,000	4	1903	1963	98/2…
50,00,000	4	1904	1964	98/2…
20,00,000	4	1906	1966	97/5…
15,00,000	4	1907	1967	97/5…
30,00,000	4	1908	1968	£95½N
£566,600	4	1909	1969	£95½N
£333,000	4	1910	1970	£100/0…
25,00,000	4	1912	1972	95/0…
13,00,000	4	1913	1973	95/0…
50,00,000	4	1914	1974	95/0…
25,00,000	4	1916	1976	95/0…
66,00,000	6	1920	1945-80	119/5…
25,00,000	4	1927	1961-70	99/7…
10,00,000	3½	1936	1966	89/0…

MUNICIPAL LOANS

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
CALCUTTA				
66,88,000	3¾	1951	1966	98/50
10,00,000	5½	1932	1962	100/75N
33,91,000	3½	1935	1965	96/00
72,50,000	4½	1954	1979	100/00
60,00,000	3	1936	1966	93/00
47,50,000	3	1938	1968	92/50
21,10,000	3½	1942	1972	92/00
87,36,000	4	1952	1962	99/75
2,22,72,000	4	1955	1985	97/25N
1,67,32,000	4½	1958	1970	101/00N
73,36,000	4½	1958	1968	100/50
57,72,000	4½	1961	. . .	..
BOMBAY				
20,00,000	4	1913-13	1974	95/00
10,00,000	5	1920	1980	101/00
2,00,34,000	3½	1951	1966	89/00
8,25,00,000	3½	1947	1977	82/00
2,13,14,500	3½	1949	1979	82/00
4,00,00,000	3½	1950	1965	95/00
MADRAS				
15,00,000	3½	1951	1961	107/00
15,00,000	3¾	1952	1962	107/50

2½% U.P Zemindary Abolition Compensation Bond (per Rs. 100) Rs. 41/90*

* Ex eight instalments but inclusive of accrued interest.

These notes refer to the Debentures on the next page.

Option to repay at par on 6 months notice—
(a) Option to extend the redemption period for further 10 years.
(b) at any time after.
(c) on or after 1-1-61.
(d) option to redeem at 2½% Prem. after 14-5-64 and before 15-5-69.

Option to repay on 6 months' notice—
(e) at any time after 30-6-61 at 101%.
(f) at 101% between 1-1-60 & 31-12-64.
(g) at 102/8% after 30-6-59 but before 30-6-64.
(h) at any time after 30-6-65 at 101%.

Option to repay on 3 months notice—
(i) at any time at 3% Premium.
(j) at ½% Prem. after 1-3-64 but before 1-3-67 and 1% Prem. on or after 1-3-67.
(k) at any time at par.
(l) at any time after 31-3-62 at the rate of 1% Premium.
(m) redeemable at 103% on 31-12-64 with option to redeem on any interest date at same premium after 30-6-59.
(n) at any time on two months notice—
(o) to be redeemed at a premium of 10% Rs. 70,000 to be redeemed annually by drawing on 3 months notice with option to redeem all after 6 years from date of issue on 6 months notice. Option not exercised repayment to be made after full term. Option to repay.
(p) at par after September 1960.
(q) at par on or after 1-12-59.
(r) with option to redeem at 101% after 10 years or at 100/8% after 12 years.
(s) Rs 1 lac Debentures to be redeemed annually by drawing from 1-6-56 with option to redeem at 100/8% between 1-6-57 to 1-6-60 and at 101% afterwards.
(t) with option to redeem at 101% after 10 years or at 100/8% after 13 years.
(u) with option to redeem all or any of the Debts at 101% at any time after 31-3-64 and at 100/8% at any time after 31-3-66.
(v) Rs. 80,000 are being redeemed annually repayment of Debentures commencing serially from No. 1 to No. 80 on 31-12-48.
(w) Redeemable at any time at 5 per cent premium (a) on 6 months notice by the Company or (b) in the event of the security becoming enforceable or at par if the Corporation of Calcutta or Howrah purchase the undertaking on 1st January, 1945 or every seventh year thereafter.
(x) At par all or any of the Debts on 31st December, 1964 or on any subsequent interest date.
(y) Redeemable (a) at 102% on 1st October, 1974 or in the event of voluntary liquidation of the undertaking being purchased or in the event of the Security becoming enforceable or (b) at 105% at any time after 31st March 1953 on 6 months notice from the Co (c) also redeemable out of a sinking fund (commencing in 1938) by drawing at 102% or purhase at or under 102%
(z) Also redeemable out of a cumulative sinking fund of 1½% per annum commencing in 1943 by purchase at any price less than par or by annual drawing at par.

JOINT STOCK COMPANIES' DEBENTURES

Amount Authorised Rs.	Amount Outstanding Rs.	Rate of Interest per cent	NAME OF COMPANIES	Year of Issue	Market Price 29-7-64	Market Price 22-7-64	A year ago Rs.	Interest payable	Principal Repayable	Remarks
			(CALCUTTA) COAL							
60,00,000	60,00,000	6½	Bengal	1961	98/00	99/00	100/00	1st May 1st Nov.	31-10-75	(X)
30,00,000	30,00,000	6	Bharat Collieries	1944	90/00	90/00	90/00	30th April 31st Oct.	30-6-64	..
20,00,000	20,00,000	4½	Burrakur	1947	90/00	90/00	85/00	30th June 31st Dec.	30-6-67	(G*)
50,00,000	50,00,000	5½	Equitable	1953	97/00	97/00	98/00	1st July 1st Jan.	14-12-68	(r*)
			COTTON MILL							
4,00,000	4,00,000	6	Bengal Nagpur	1897	90/00	90/00	85/00	10th May 10th Nov.	15-11-66	(l)
			JUTE MILLS							
15,00,000	12,00,000	5½	Agarpara	1939	91/50	91/50	92/00	1st Oct 1st April	31-3-69	..
15,00,000	15,00,000	4	Auckland	1945	94/00	94/00	78/00	30th June 31st Dec.	31-12-64	(F)
9,00,000	6,00,000	5½	Alexandra	1939	92/00	92/00	91/00	30th June 31st Dec.	30-6-69	(g)
10,00,000	10,00,000	6½	Bengal (2nd Mortgage)	1940	95/50	95/50	95/50	30th June 31st Dec.	30-6-65	(b)
12,00,000	10,69,000	5	Chitavalsah	1951	93/00	93/00	88/50	30th June 31st Dec.	30-6-66	(e)
25,00,000	17,73,000	5½	Dalhousie	1954	95/00	95/00	90/00	31st March 30th Sept.	31-3-69	(u*)
10,00,000	8,86,000	5	Empire	1951	92/00	92/00	90/00	15th Jan 15th July	15-7-66	(e*)
25,00,000	8,87,000	5½	Fort Gloster	1952	98/00	98/00	98/00	31st March 30th Sept.	30-9-66	(Q*)
30,00,000	30,00,000	5½	Howrah	1955	93/50	93/50	92/50	31st March 30th Sept.	31-3-70	(N)
25,00,000	25,00,000	5	Kinnison	1949	97/00	97/00	90/00	30th June 31st Dec.	31-12-64	(f*)
25,00,000	12,04,000	5½	Kamarhatty	1955	97/50	97/50	89/50	30th June 31st Dec.	30-6-70	(h*)
25,00,000	25,00,000	5½	Naihati	1952	92/00	92/00	90/00	30th June 31st Dec.	31-3-67	(l*)
5,00,000	5,00,000	6½	Nellimarla	1939	92/00	92/00	92/00	14th Nov 14th May	14-3-74	(d)
20,00,000	20,00,000	4	Northbrook	1945	94/00	94/00	85/00	30th June 31st Dec.	31-12-64	(B)
25,00,000	25,00,000	5	Reliance	1950	94/50	94/50	81/00	31st March 30th Sept.	30-9-65	(M*)
12,00,000	12,00,000	5¾	Union	1937	95/50	95/50	95/50	31st March 30th Sept.	31-3-67	..
10,00,000	10,00,000	6½	Waverley	1925	90/00	90/00	80/00	31st Jan. 31st July	31-7-72	..
			MISCELLANEOUS							
30,00,000	18,30,000	4½	Associated Hotels of India	1948	850/00	850/00	850/00	1st Jan. 1st July	31-12-62	(v)
10,00,000	9,96,000	7	Aluminium Corporation of India Ltd.	1948	97/00	97/00	92/00	1st Jan. 1st July	31-12-65	(U)
5,00,000	5,00,000	4½	Bareilly Electric Supply Co. Ltd.	1949	97/00	97/00	88/00	30th June 31st Dec.	31-12-64	(m*)
12,00,000	12,00,000	4½	Benares Elec Ltd & Power Co Ltd.	1949	97/00	97/00	90/00	30th June 31st Dec.	31-12-64	(m*)
1,00,00,000	90,00,000	5	Buckingham & Carnatic Co. Ltd.	1952	100/00	100/00	100/00	1st April 1st Oct.	1-3-72	(T*)
5,00,000	5,00,000	5½	Britannia Engineering	1945	94/00	94/00	94/00	30th June 31st Dec.	31-12-69	(g)
8,00,00,000	8,00,00,000	5½	Burmah-Shell Refineries Ltd.	1954	93/00	93/00	92/00	1st March 1st Sept.	1-9-69	(K*)
2,66,00,000	2,32,89,400	5	Calcutta Electric Supply Corporation	1950	89/50	89/50	92/00	1st Jan 1st July	1-1-70	(*)
£350,000	£325,280	4½	Calcutta Tramways	1900	£66/00	£66/00	£66/00	1st Jan. 1st July	..	(w)
£250,000	£157,788	5	Calcutta Tramways	1933	£74/00	£74/00	£74/00	1st April 1st Oct.	1-10-74	(y)
19,50,000	17,50,000	7	Carew & Co.	1938	98/50	98/50	98/00	1st June 1st Oct.	1-6-63	(s)
5,50,000	2,46,000	6½	Carew & Co. (2nd Mortgage)	1941	95/00	95/00	95/00	1st March 1st Sept.	28-2-70	(i)
21,00,000	21,00,000	5½	Chowringhee Properties	1915	85/00N	85/00N	85/00N	1st Feb. 1st August	1-2-64	..
25,00,000	15,03,000	4½	Clive Buildings	1936	82/00	82/00	82/00	1st July 1st Jan.	1-7-86	(A)
1,00,00,000	1,00,00,000	6½	Dalmia Cement	1946	86/00	86/00	86/00	31st March 30th Sept.	1970	(p)
1,30,00,000	1,04,55,000	6½	Dunlop Rubber Co (I) Ltd.	1950	99/25	99/25	98/50	1st Jan 1st July	1-1-73	(b*)
1,00,00,000	1,00,00,000	6½	Dunlop Rubber Co (I) Ltd.	1958	99/25	99/25	98/50	1st Jan 1st July	1-1-73	(w*)
1,00,00,000	91,80,000	5½	Indian Cable Co Ltd	1954	94/50	94/50	90/00	1st Jan 1st July	30-6-69	(t*)
20,00,000	20,00,000	5½	Kumardhubi Fireclay & Silica Works	1954	92/00	92/00	92/00	31st Dec	31-12-69	(D*)
10,00,000	10,00,000	4	Kumardhubi Engineering Works Ltd.	1946	90/00	90/00	84/00	31st May 30th Nov.	31-5-71	(O)
6,50,000	6,50,000	6	Katakhal Lala Bazar Railway	1945	85/00	85/00	85/00	30th June 31st Dec.	31-12-74	(*)
45,00,000	39,70,000	4	McLeod & Co Ltd (Con Notes)	1947	410/00 P note	410/00 P note	410/00 P note	30th June 31st Dec.	31-12-72	(l*)
1,00,00,000	74,75,000	5	Macneill & Barry Ltd	1951	78/00	78/00	85/00	1st April 1st Oct.	1-4-71	(P*)
12,00,000	12,00,000	4	National Tobacco Co India Ltd.	1946	93/00	93/00	85/00	30th June 31st Dec.	30-6-66	(S)
20,00,000	20,00,000	5	Patna Electric Supply Co. Ltd.	1949	97/00	97/00	90/00	31st May 30th Nov.	1-12-64	(V)
1,00,00,000	50,50,000	6	Rohtas Industries Ltd	1946	90/00	90/00	96/00	30th June 31st Dec.	31-12-69	(a*)
4,00,00,000	4,00,00,000	5½	Esso Standard Ltd	1953	93/25	93/25	91/00	1st May 1st Nov.	1-5-68	(H)
10,00,000	10,00,000	5½	Shree Gopal Paper Mills Ltd.	1944	95/00	95/00	95/00	Jan & July	15-7-66	(E*)
£200,000	£200,000	4½	Shahdara (Delhi) Saharanpur Rly.	1905	£64N	£64N	£64N	1st Jan 1st July	..	
15,00,000	11,40,000	5	Sijua Jherriah	1951	91/00	91/00	91/00	1st Jan 1st July	30-6-76	(*L)
30,00,000	30,00,000	4½	United Provinces Elec. Supply Co. Ltd.	1949	97/00	97/00	90/00	31st March 30th Sept.	31-12-64	(C*) (*m)
			TEA							
2,50,000	2,50,000	6	Baitakhal	1943	95/00	95/00	95/00	30th June 31st Dec.	1-7-63	..
			(BOMBAY)							
1,00,00,000	98,28,000	4	Andhra Valley Power Supply	1940	98/50	98/50	98/50	1st April 1st Oct.	1952	..
60,00,000	50,00,000	4	Tata Power	1941	86/00	86/00	86/00	..	1951-55	..

(Continued from foot of previous page)

(A) Repayable at par by 1986 by annual Drawings on 1st July each year. May repay the issue in full after 30th June 1961 on 6 months notice.
(B) Repayment at par on 31st Dec., 1964 with the option of repayment on 31-12-54 or any subsequent interest date at a prem. of 2%.
(C) Rs. 56,000 to be redeemed at par annually by drawing.
(D) With option to redeem any part at 101% after 31-12-64 and at 100½% after 31-12-66.
(E) Rs. 30 Lacs will be redeemed annually by drawings from 1st May 1964 onwards. The Co. has option to redeem all Debentures at 101% on 1st May 1963 on 6 months' notice.
(F) Option to redeem all or any of the Debentures at a premium of Re. 1/- per cent by giving one month's notice on the 31st December 1954 or any subsequent interest date.
(G) May be redeemed on 30th June 1957 at a premium of 1% or on 30th June, 1962, at a premium of ½%.
(H) May be redeemed at a premium of Rs. 20/- per debenture (i.e. 2%) if redeemed earlier than 31st Dec. 1955 on 3 months' notice.
(I) The Company has option to repay all or any at par by giving notice for 6 months expiring on any interest date after 30th Sept. 1955. At any time on or after 1st Oct. 1957 the holders may convert each note of Rs. 500/- into 25 ordinary shares to take effect on 1st Oct. in each year on giving 15 days' notice prior to such day.
(J) May be redeemed at 101% at any time after 31st March, 1963 and at 100½% on any time after 31st March 1955.
(K) Rs 1,600,000 Debentures will be redeemed at par annually by drawing from 1-9-65. Any Debenture outstanding on 1-9-69 will be redeemed on that date with option to redeem all Debentures at 101% on 1-9-64.
(L) Any time on 3 months notice.
(M) At par in September 1960.
(N) May be redeemed at the end of 1963 or thereafter at 101%.
(O) Option to repay at par on or after 31st May, 1961.
(P) Redeemable at par on 31st Dec., 1972 with option to redeem at par at any time on 6 months notice after 30th June 1958. At any time after 31st Dec. 1948 each note of Rs. 500/ may be converted into two ordinary shares of Rs 100/ each ranking for dividend from 1st January following.
(Q) With option to redeem annually Rs 2,00,000/- at par after 31-3-58 by drawing or by purchase in the open market.
(R) May be redeemed annually at par by drawing after 10th year also the whole issue at 101% on or after 31-3-63.
(S) (Option to repay at par one month's notice). At any time after 1st October, 1956.
(T) (Option to repay at par on 6 months notice) after 1-1-67
(U) (Option to repay on 3 months notice). At any time after 31st December 1960
(V) May be redeemed at par on 30-6-56 or any subsequent interest date on one month's notice.
(W) After giving six months' notice.
(X) Rs 5,00,000 will be redeemed each year from and after 1964.

* These Debentures are registered and are transferable by transfer Deeds.

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued In 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations 29-7-64 Rs.	Market Quotations A year ago Rs.
	BANK					
1901	Allahabad Bank (May Nov.)	15.00	6	100	94/50	98/50
	COALS					
1896-97	Borrea (June Dec.)	4.00	6½	100	84/00	84/00
1901-19	Burrakur (Jan July)	22.98	7	100	99/00	93/00
1946	Burrakur (June Dec.)	4.50	6T	10	5/21	6/00
1895	Equitable (May Nov.)	4.00	6	100	90/00	80/00
1931	Khas Kajora (March Sept.)	1.93	5	10	9/00	6/87
1920	New Beerbhoom (Jan. July)	2.00	7	10	10/62	10/25
1898-00	Ondal (June Dec.)	2.00	5½	100	85/00	85/00
	COTTONS					
1902	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	77/00	70/00
1884	Bangalore (Jan. July)	6.00	6	100	95/71	98/44
1938	Basanti (Oct.)	5.00	6½	10	7/06	7/00
1896	Bengal-Nagpur (Apr Oct.)	3.00	7	100	48/00	48/00
1900	Bowreah "A" (Apr. Oct.)	6.00	8	100	111/00	114/00
1900	Bowreah "B" (6) (1) (Apr Oct.)	6.00	7	100	88/00	86/00
1919	Bradbury "B" (Jan Dec.)	14.85	7	50	60/50	60/50
1920	Buckingham & Carnatic (Jan. July)	21.30	7½	100	105/59	109/00
1928	Cambodia (July)	1.00	7	100	76/13	83/63
1912	Central India (Apr. Oct.)	50.00	5	500	416/25	409/50
..	Delhi Cloth & General (Oct.)	20.00	4½	25	16/63	16/63
1912	Elgin (May Nov.)	11.00	8	100	111/00	113/00
1943	Elgin "B"	10.00	5	10	6/44	6/50
1919	Elphinstone (May Nov.)	25.00	7T	100	78/00	79/00
1919	Kesoram (June Dec.)	20.00	7	100	106/00	107/50
1925	Khatau Makanji (Nov.)	10.00	6	100	90/00	83/00
1937	Kothari (Nov.)	12.00	6	10	7/85	8/76
1900	Muir (Feb Aug.)	30.00	6	100	120/00	122/00
1913	New Great Eastern (Mar.)	8.00	5½	200	120/00	107/00
1920	New Victoria (Apr Oct.)	16.06	6	[illegible]	2/37	2/25
1933	Palani Andavar (Mar.)	2.00	7	50	115/45	118/64
1935	Svadeshi (Bombay) (May)	15.00	5	100	86/00	82/00
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	62/50	71/00
1931	Vasanta (Apr. Oct.)	3.00	6½	100	79/70	92/04
1908	Vishnu (Apr.)	16.00	7	500	390/00	385/00
	JUTES					
1927	Agarpara (Jan. July)	10.00	7	100	95/50	66/50
1905	Alexandra (Feb Aug.)	9.00	7	100	94/25	85/50
1895	Alliance (March Sept.)	15.00	6	100	76/00	72/25
1917	Anglo-India (May Nov.)	40.00	7	100	99/50	97/00
1909	Auckland (July Jan.)	10.00	5½	100	71/00	75/00
1945	Auckland (July Jan.)	15.00	4½	100	58/50	57/00
1918	Bally (Jan July)	20.00	7	100	105/00	111/00
1896	Barnagore (Oct Dec.)	£200	5T	£5	42/00	38/00
1940	Bengal (June Dec.)	10.00	5½	100	70/00	70/00
1919	Birla (June Dec.)	23.64	7½T	100	79/50	78/50
1894	Budge Budge (May Nov.)	9.00	7	100	95/00	90/50
1934	Calcutta (Jan July)	6.00	6½	100	60/00	59/00
1915	Caledonian (June Dec.)	10.00	7	100	92/00	93/00
1919	Cheviot (June Dec.)	10.00	7	100	96/00	98/00
1928	Chitavalsah (Mar Dec.)	5.00	7	100	89/00	89/00
1900	Clive (First) (May Dec.)	8.00	6	100	57/00	52/00
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	63/00	62/00
1903-13	Dalhousie (July Jan.)	11.76	7	100	90/00	93/00
1897	Delta (June Dec.)	5.00	6	100	74/50	64/75
1912	Empire (Jan July)	10.00	7	100	90/00	91/00
1890-93	Fort Gloster (Jan July)	14.00	7	100	111/00	111/00
1948	Fort Gloster (2nd)	7.00	5	100	69/75	65/50
1911	Fort William (May Nov.)	10.00	7	100	115/00	115/00
1916	Ganges (June Dec.)	6.00	8	100	106/00	106/00
1895-04	Gourepore (June Dec.)	26.50	6	100	86/75	90/50
1935	Hastings (Aug Feb.)	25.00	6	100	86/00	91/50
1913	Hooghly (July)	11.76	10	10	12/75	11/06
1890	Howrah (Jan July)	8.75	7	100	92/50	90/50
1903-06	Howrah "A" (Jan July)	17.50	7	100	95/50	91/00
1919	Hukumchand (June Dec.)	40.00	7	100	97/00	95/00
1898-04	Kamarhatty (Apr Oct.)	16.00	6	100	76/00	73/00
1900	Kanknarrah (Apr Oct.)	10.00	6	100	80/00	75/00
1935	Kedarnath (Jan July)	2.00	7	100	90/50	90/00
1907	Kelvin (Mar Sept.)	10.00	7	100	96/00	93/00
1895-09	Khardah (May Nov.)	9.00	6	100	74/00	77/50
1900-13	Kinnison (July Jan.)	15.00	7	100	96/50	98/50
1905	Lansdowne (July Jan.)	15.00	7	100	86/00	98/50
1912	Lawrence "A" (July Jan.)	5.00	7	100	95/00	95/00
1906-07	Lawrence "B" (July Jan.)	10.00	5½	100	71/00	70/50
1905-06	Naihati (July Jan.)	7.50	7	100	115/00	112/00
1945	Naihati (July Jan.)	10.00	4½	100	90/00	84/50
1917	National (May Nov.)	5.00	7	100	95/50	87/00
1939	Nellimarla (Apr Oct.)	5.00	6	100	71/00	76/00
1915	New Central (Jan July)	33.00	7	100	89/50	92/50
1908-09	Northbrook (July Jan.)	15.00	7	100	74/00	72/25
1935	Rameshwara (Jan July)	7.00	6	10	12/25	12/00
1906-12	Reliance (Jan July)	20.00	7	100	116/00	116/50
1928	Shree Ambica (Mar Sept.)	11.70	7½	100	91/50	90/00
1920	Soorah (Feb Aug.)	10.00	7	100	104/00	96/00
1901-02	Union (July Jan.)	6.00	7	100	98/50	97/00
1913	Waverley (Mar Sept.)	7.50	5	50	40/00	40/00
	MISCELLANEOUS					
1937	Alkali & Chemical (Mar Sept.)	31.00	5	100	85/00	87/50
1938	Aluminium Corpn (Oct.)	20.00	6	100	93/50	92/00
1944	Aluminium Corpn (Oct.)	20.00	5	100	63/50	62/00
1949	Anderson Wright (Dec.)	20.00	4½	100	66/62	66/62
1917	Andhra Valley Power (May Nov.)	49.34	7T	1,000	996/25	996/25
1919	Arthur Butler (Mar.)	1.30	7	10	10/00	12/00
1916	Asstd Hotels of India (Mar Sept.)	21.67	7T	100	54/00	53/00

Year of Issue	NAMES	Amount Issued In 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations 29-7-64 Rs.	Market Quotations A year ago Rs.
1895	Bengal Assam Steamship (Nov.)	3.00	7	60	57/00	47/00
1926	Bengal Chemical (Aug.)	6.25	7½	10	11/81	12/12
1889	Bengal Paper Mill (Mar Sept.)	2.00	7	50	51/00	46/50
1928	Bengal Paper Mill "A" (Mar. Sept.)	4.00	7	100	98/00	98/00
1936	Birds Investments (Dec.)	24.00	5½T	100	52/50	53/37
1962	Braithwaite & Co	40.00	9T	100	102/00	107/00
1918	Britannia Biscuit (Feb. Aug.)	15.00	8	10	11/00	11/00
1920	British India Corporation (Feb.)	81.00	8	100	109/50	106/00
1995-99	Burn Eng (1st & 2nd) (Feb Aug.)	13.00	7	100	113/50	116/00
1903-5	Burn Engineering (Feb Aug.)	15.00	6	100	103/00	103/00
1909-11	Calcutta Electric Supply (Mar. Sept.)	£1,900	5	£1	7/75	8/25
1937	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	70/50	70/00
1906	Calcutta Tramways (Jan July)	£250	5T	£1	8/25	8/25
1938	Carew & Co (Jan.)	8.00	6½	100	73/50	72/00
1905-24	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	110/00	104/50
1940	Chrestien Mica Industries Ltd.	30.00	5½T	100	39/00	40/00
1937	Dalmia Cement (Bharat)	35.00	6	10	8/00	8/06
1916	Delhi Flour Mills (Oct.)	90.00	7T	100	101/00	101/00
1935	Deshergarh Power Supply "A" (Jan.)	16.00	5	100	69/50	72/00
1940	Duncan Brothers & Co Ltd.	45.00	4	100	57/00	56/00
1926	Dunlop Rubber "First" (Jan. July)	30.00	8	100	103/00	104/75
1936	Dunlop Rubber "Second" (Apr.)	40.00	5½T	100	65/50	72/25
1897	East India Distilleries (Jan July)	£200	7	20st	17/83	18/90
1908	General Investment & Trust (Feb Aug.)	1.00	5	100	56/00	56/00
1947	General Investment & Trust (Feb. Aug.)	1.00	6T	100	48/00	48/00
1946	Gillanders Arbuthnot (Apr. Oct.)	25.00	5T	100	53/00	55/00
1946	Gladstone Lyall & Co. Ltd.	15.00	6T	100	60/00	60/00
1948	Godfrey Phillips India Ltd.	30.00	5½T	100	60/00	60/75
1940	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	62/00	62/00
1940	Gwalior Sugar (Dec.)	5.00	7	100	62/00	62/00
1936	Humayan Properties Ltd (Nov.)	12.00	6	10	6/69	6/81
1936	Indian Aluminium (Mar Sept.)	40.00	5T	100	63/00	67/50
1927	Indo Burma Petroleum (Jan July)	50.00	7T	100	65/87	76/00
1899	India General Navg & Railways	£244	6	£10	83/50	75/00
1923	Indian Cable Co (Nov.)	12.88	6	10	31/75	31/75
1918	Indian Standard Wagon (Aug or Sept.)	19.66	7	100	112/00	116/50
1936	Indian Iron & Steel	2,69.95	5	100	81/25	85/00
1936	Investment and Finance (Feb Aug.)	2.00	5	100	69/00	69/00
1935	Investment and Finance (Feb Aug.)	2.00	6T	100	60/00	60/00
1937	James Wright (Jan July)	1.30	6	50	14/00	14/00
1937	Jardine Henderson Ltd.	50.00	5½T	109	55/00	54/50
1941	Jessop & Co	10.00	5	100	76/25	75/50
1915	Kumardhubi Engineering (June)	12.00	5	100	72/00	68/00
1915	Martin Burn Ltd.	30.00	5	100	80/25	87/00
1946	McLeod & Co.	10.00	5T	100	43/50	45/00
1930	McLeod & Co.	40.00	5	100	59/75	59/75
1936	Mettur Chemical & Industrial (Sept.)	20.00	6	10	8/23	9/25
..	Metal Box Co of India Ltd	30.00	6T	100	75/00	77/50
1938	Mysore Chemical Mfg (Sept.)	2.00	6	10	6/73	7/83
1942	National Tobacco (June Dec.)	25.00	5	100	69/00	66/50
1944	National Tobacco (Jan Dec.)	20.00	4½	100	56/00	57/50
1917	Poona Electric Supply Co. Ltd (June Dec.)	4.00	7	100	99/50	99/50
1935	Premier Construction "First" (Apr.)	10.00	6½T	100	74/00	72/00
1936	Premier Construction "Second" (Apr.)	15.00	6½T	100	77/00	75/00
1922	Purtabpore (Sugar) (Oct.)	0.00	10	10	9/56	10/56
1936	Ramnugger Cane & Sugar (Aug.)	4.00	6	100	82/00	82/00
1933-36	Rohtas Industries (April)	20.00	7	100	105/50	95/00
1935	Rohtas Industries "B" (April)	86.00	4½	100	58/00	57/00
1944-48	Shaw Wallace & Co. Ltd.	75.00	6T	100	55/00	58/50
1936	Shree Gopal Paper	7.50	7	100	98/50	103/00
1936-38	Shree Krishna Gyanoday Sugar "A" (Oct.)	6.00	6	100	45/00	62/00
1937	Shree Krishna Gyanoday Sugar "B"	12.00	5	100	70/00	70/00
1918	Smith Stanistreet (Chemists) (Nov.)	5.00	10	50	74/50	62/50
1933	South Behar Sugar (Oct.)	5.00	9	100	20/50	20/50
1897	Spencer & Co "A" (Provisions) (Jan July)	23.20	6½T	10	6/70	6/69
1923	Spencer & Co "B" (Provisions) (Jan. July)	36.80	8½T	10	9/65	9/55
1936	Star Paper (Apr Oct.)	10.00	5	100	68/50	65/90
1925	Surat Electricity (April)	5.00	6½	100	102/50	104/00
1939	Tata Chemicals (Nov.)	60.00	5	100	93/50	93/50
1910	Tata Hydro Electric Power (Sept Mar.)	89.28	7	100	99/50	101/00
1906	Tata Iron & Steel (First) (Nov.)	75.00	6T	150	126/25	124/00
1918	Tata Iron & Steel (Second) (May)	6,93.82	7½T	100	107/50	105/75
1919	Tata Power (May Nov.)	86.97	7½	1,000	1,020/00	1,023/75
1928	Titaghur Paper Mills (Mar. Sept.)	11.50	8	100	113/00	117/00
1936	Titaghur Paper Mills "2nd" (Mar Sept.)	15.00	4½	100	64/25	66/50
1934	Vellore Electric (Sept Mar.)	1.25	6	10	5/78	5/81
	TEAS					
1903	Amluckie (May Nov.)	75.00	7	10	21/96	21/96
1901	Banarhat (Jan.)	4.00	6½	100	87/00	91/00
1900	Birpara (Jan.)	1.00	8	100	104/00	104/00
1947	Brooke Bond Estate India Ltd.	35.00	6T	100	55/00	56/00
1914	Choonabhutti (Jan.)	2.00	6½	100	90/50	90/50
1901	Dimakusi (June Dec.)	70.00	8	10	9/50	9/50
	Dhunseri	1.20	10	10	7/00	7/00
1894	Gielle (Sept.)	2.00	6	100	59/50	60/00
1901	Hantapara (Jan.)	50.00	8	100	89/84	89/84
1904	Hasimara (Mar.)	8.00	7	100	83/00	86/50
1897-99	Kingsley Golaghat (Dec.)	2.40	6	100	35/00	85/00
1929	Moheema (May Nov.)	3.20	6	10	4/75	5/21
1907	New Dooars (Jan.)	2.00	6½	100	87/00	91/00
1903	New Samanbagh (Nov.)	1.00	8	100	90/50	90/50
1888	Okayti (Dec.	50.00	7	100	84/50	84/50
1914	Peermade (July)	1.50	6	100	73/30	82/77
1916	Pussimbing (Jan.)	2.05	7	100	93/00	89/50
1909	Sonai River (May)	1.00	8	100	66/00	66/00
1932	Tezpore (Jan.)	2.06	8	10	7/62	7/25
1922	Tirrihannah (May Nov.)	1.00	10	10	11/46	11/46

BANKS

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

Paid-up Capital Ordinary Rs.	Reserve & other Funds Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 29-7-64 Rs.	22-7-64 Rs.	A year ago
67,50,000	1,33,55,000	24,28,10,621	26,41,432	4,67,637	12	Allahabad Bank P.	18	15	15	100	248/00	248/00	262/00
2,00,00,000H	2,44,93,760	45,38,16,085	75,00,247	2,96,969	12	Bank of Baroda	17	16	16	50	97/50	97/50	89/00
4,05,00,000H	4,86,00,000	50,72,83,602	1,25,00,000	4,19,847	12	Bank of India	20	20	18	50	104/00	103/25	111/00
2,63,01,800H 52,50,000	5,53,41,648	91,06,63,918	1,89,26,426	91,510	12	Central Bank of India	20	20	20	25	49/00	49/00	57/00
£6,600,000	£7,900,000	£208,379,848	£1,069,378	£574,024	12	Chartered Bank	15	15	15	£1	sh. 51/3	sh. 50/3	sh. 59/-
1,25,00,000H	10,00,000	3,70,50,489	9,68,909	17,401	12	Hindusthan Commercial	Nil	Nil	..	50	10/75	10/75	13/25
50,00,000H	3,10,000	1,52,63,057	2,11,49,462	52,289	12	Hindusthan Mercantile	Nil	Nil	..	50	10/75	10/75	15/62
HK$79,046,125	HK$240,000,000	HK$3,117,934,633	HK$47,716,320	HK$5,511,638	12	Hong Kong & Shanghai	sh. 15†	sh. 16†	sh. 16†	HK$25	£22¼	£21¾	£18
71,79,795 16,60,000	75,44,583	20,13,31,335	15,25,151	143,787	12	Indian Bank	15	14	..	100	155/00	153/50	161/50
75,00,000	78,36,660	14,65,60,072	43,80,498	2,22,933	12	Indian Overseas Bank	14	..	..	100	145/00	144/00	140/00
£5,703,000	£5,400,000	£131,367,034	£679,318	£357,227	12	National & Grindlays Bank	14	16	14	sh. 15	sh. 31/-	sh. 31/3	sh. 34/7½
1,99,63,820	2,36,56,382	79,55,83,097	1,13,83,168	15,20,907	12	Punjab National Bank	20	20	..	10	20/12	19/50	19/19
1,00,00,000	70,00,000	20,95,66,501	18,58,992	1,39,907	12	Union Bank of India	11-2/5	11 2/5	..	5	6/08	6/16	5/88
2,68,84,370	1,00,30,000	31,22,05,273	26,39,808	4,15,814	12	United Bank of India	6	6	7½	10	7/69	7/50	7/31
2,79,66,812	3,20,00,000	49,86,00,180	76,42,869	75,941	12	United Commercial Bank	12	12	12	50	69/25	69/25	65/50

† Per share

JUTE MILLS

Paid-up Ordinary Capital Rs.	No. of Looms	Net Block Account Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	Mg Agts., Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 29-7-64 Rs.	22-7-64 Rs.	A year ago Rs.
60,00,000	879	1,06,68,526	83,91,980	3,06,760	32,27,075	8,246	3	79	Agarpara P.	2½	2½	12	10	8/81	8/81	9/94
6,00,000	446	30,57,138	21,01,100	6,26,077	22,41,118	32,706	12	165	Alexandra P.	15	42½	..	100	300/00	300/00	300/00
30,00,000	1,264	57,64,872	26,04,850	5,25,867	18,38,975	1,05,589	5	165	Alliance P.	Nil	10	12½	100	124/00	124/00	122/00
49,20,700	2,561	1,34,17,399	1,64,67,331	63,38,766	73,57,877	90,778	8	63	Anglo-India P.	7	10	12	100	160/00	160/00	224/00
40,00,000	810	74,93,222	32,04,394	5,13,154	39,08,352	1,752	3	21	Auckland P.	12	Nil	15	100	129/00	129/00	145/00
20,00,000	959	57,59,081	35,02,335	12,05,050	13,67,235	60,074	8	22	Bally P	25	25	..	100	239/00	239/00	272/00
£275,000	1,889	£410,423	£9,73,990	£1,82,998	£5,10,306	£1,341	8	128	Barnagore P.	10	10	10	£5	223/00	222/00	199/00
45,00,000	600	29,61,854	15,46,700	8,93,863	5,85,851	1,33,355	6	235	Bengal P.	..	..	..	10	7/00	7/00	9/69
1,59,56,210	1,373	5,92,74,980	3,88,65,994	95,53,646	1,39,85,792	46,410	3	22	Birla	15	15	15	10	33/44	32/75	27/50
36,00,000	991	46,08,736	20,48,440	16,71,597	43,23,494	35,907	10	2	Budge Budge P.	Nil	12	14	100	121/00	121/00	143/00
7,47,380	602	12,59,648	4,17,958	1,73,320	61,970	48,461	6-12	62	Calcutta P	..	..	..	10	8/12	8/12	8/12
18,00,000	616	38,26,710	28,17,882	36,75,352	1,72,996	11,777	11	440	Caledonian P.	5	..	..	100	145/00	142/00	189/00
29,58,200	1,400	76,11,573	1,01,10,201	4,04,567	30,87,988	30,261	8	304	Champdany P.	5	Nil	40—35*	10	20/50	20/50	20/56
38,58,750	1,131	67,05,590	72,45,112	12,64,351	41,57,638	1,02,122	11	2	Cheviot P	5	25	..	10	19/31	19/31	21/56
30,15,000	500	51,15,293	36,54,850	16,26,307	—480,984	—410,550	7	165	Chitavalsah P.	Nil	5	Nil	10	8/00	8/06	10/00
16,00,000	959	13,80,489	25,12,433	1,35,556	1,51,574	18,647	8	318	Clive P	..	..	..	10	8/00	8/00	10/25
31,49,200	766	53,32,179	21,35,995	4,07,539	22,78,348	3,316	3	21	Dalhousie P.	1	Nil	25	100	120/00	119/00	132/00
56,00,000	1,599	1,12,10,485	74,12,967	3,45,236	37,84,549	23,475	11	2	Delta P.	Nil	12	16	100	132/00	132/00	140/50
15,00,000	500	41,34,892	42,21,700	9,25,844	15,13,538	84,695	[illegible]	165	Empire P.	7½	12½	15	10	14/19	13/87	17/06
63,00,000	1,884	1,86,60,226	1,23,68,695	8,78,531	88,00,061	4,532	3	138	Fort Gloster	10	12½	20	100	251/00	251/00	370/00
21,00,000	1,014	89,78,908	39,25,515	2,10,063	33,89,018	6,051	3	234	Fort William P.	22½	10	20	10	21/81	21/81	24/50
84,32,100	1,709	1,38,06,625	77,96,303	3,39,780	84,23,155	16,267	8	367	Ganges P	10	15	20	10	13/69	13/62	13/87
43,20,000	607	1,30,91,315	46,54,205	1,29,361	21,04,959	9,681	12	359	General Industrial	10	13	14	10	13/25	13/25	15/62
24,00,000	1,394	1,27,87,553	65,59,122	45,82,832	74,09,601	28,659	3	19	Gourepore P.	25	20	20	10	22/44	22/31	25/12
40,00,000	1,078	89,70,576	1,13,65,042	60,69,113	42,85,744	4,954	3	234	Hastings P.	6	6	6	100	128/00	128/00	128/00
16,80,000	720	32,20,357	44,86,659	2,59,301	9,22,006	4,294	3	356	Hooghly P.	20	7½	10	10	14/50	14/50	18/87
65,62,500	1,940	69,79,752	46,00,997	9,34,173	57,39,425	..	8	128	Howrah P.	10	Nil	10	10	15/94	16/00	18/25
52,50,000	2,272	1,36,00,000	1,26,22,000	22,50,131	87,88,996	5,058	8	35	Hukumchand P.	28¾	26⅔	26⅔	7½	19/50	19/50	18/19
87,30,000	790	1,23,75,753	93,65,745	36,02,644	58,75,996	4,811	3	355	India	12	8	22½	12½	15/87	15/12	17/50
43,20,000	1,797	48,38,710	36,84,700	8,25,320	43,90,084	..	12	128	Kamarhatty P.	Nil	20	20	100	158/00	158/00	188/00
54,00,000	1,527	43,79,575	16,53,308	4,87,955	45,55,022	..	12	128	Kanknarrah P.	Nil	15	15	100	128/00	126/00	131/00
28,00,000	703	1,27,62,408	72,61,800	15,66,004	32,65,397	94,936	5	165	Kelvin P	15	5	20	100	153/00	135/00	188/00
54,00,000	1,530	93,03,019	73.[illegible]	6,07,972	42,70,729	3,379	3	382	Khardah P.	5	12½	12½	10	17/00	17/50	18/75
48,00,000	1,250	79,54,389	49.0[illegible]	25,23,275	44,01,751	12,641	3	106	Kinnison P.	7	Nil	10	100	122/00	115/00	143/00
24,48,000	931	29,67,596	1,30,000	12,43,413	13,51,372	4,687	3	21	Lansdowne P.	Nil	Nil	Nil	100	92/50	92/50	87/00
28,00,000	840	20,00,065	14,09,475	45,59,844	12,94,083	664	3	21	Lawrence P.	15	10	10	100	102/00	102/00	100/00
81,65,200	1,294	1,68,99,178	1,32,00,037	6,94,617	1,07,37,567	37,681	3	355	Megna	12½	Nil	22	10	12/10	12/56	12/50
29,98,900	615	76,99,875	12,04,575	2,94,057	10,35,634	—13,08,719	3	101	Naihati P.	..	..	..	100	85/00	85/00	81/00
20,00,000	425	10,79,854	15,55,000	26,11,429	3,36,343	17,816	[illegible]-10	107	Naskarpara	..	..	..	10	6/00	6/00	9/06
35,00,000	652	2,82,38,827	97,30,449	23,86,188	28,36,819	4,576	10	378	National P.	Nil	10	10	10	20/62	20/62	23/25
26,25,000	816	35,16,713	36,29,172	14,01,935	4,40,187	35,230	7	165	Nellimarla P.	6	15	5	10	8/25	8/25	11/12
2,56,00,000	1,765	3,08,96,118	2,42,19,122	26,20,231	—18,53,066	15,530	3	335	New Central P.	15	Nil	..	10	10/94	10/87	12/50
16,79,880	567	54,75,607	56,86,689	4,76,913	33,32,174	1,076	3	21	Northbrook P.	30	20	35	10	24/81	24/81	27/25
66,79,500	1,092	1,01,51,940	58,00,825	5,39,056	39,43,549	13,111	8	19	Nuddea	6	5	10	10	10/37	10/56	..
25,00,000	400	24,42,457	[illegible]554	8,76,427	7,59,908	17,103	7	165	Presidency	6	10	10	5	4/31	4/25	4/75
20,00,000	805	43,92,723	[illegible]28	97,402	17,07,297	25,500	8	166	Rameshwara P.	Nil	Nil	Nil	10	9/20	9/20	9/56
49,50,000	1,276	54,87,001	[illegible]9,145	40,06,508	10,48,066	..	8	128	Reliance P	Nil	Nil	Nil	10	7/00	7/31	9/31
£600,000	2,013	£1,602,126	£1,398,262	£285,022	£197,841	£2,892	12	64	Samnugger P.	Nil	10	13	£1	10/50	10/50	10/50
80,00,000	911	47,47,618	15,81,656	27,81,388	4,13,128	3,184	3-9	61	Shree Ambica P.	6	Nil	..	10	30/00	30/00	25/00
14,00,000	401	21,82,940	17,16,854	14,69,644	15,77,802	26,425	12	166	Soorah P	25	25	..	10	19/25	19/25	22/75
£600,000	1,794	£1,631,120	£1,276,938	£347,424	70,811	£3,525	12	64	Titaghur P.	Nil	13	10	£1	10/50	10/50	10/50
65,98,600	1,326	50,79,284	42,63,667	13,52,676	31,60,784	603	3	21	Union P.	6	Nil	20	100	133/00	133/00	161/00
£400,000	1,331	£1,372,172	£1,002,577	£193,286	£48,412	£1,951	12	64	Victoria P.	Nil	10	10	£1	10/50	10/50	10/50
2,50,000	465	7,64,459	9,70,000	15,49,934	9,93,458	57,655	5	165	Waverley P.	30	60	30	1	7/94	7/94	8/62

* 1964

COAL COMPANIES

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

Paid-up Capital Ordinary Rs.	Net Block Account Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 29-7-64 Rs.	22-7-64 Rs.	A year ago Rs.
15,50.000	58.52.224	43.77.800	3.90.484	16.40.057	39.096	12	236	Amalgamated	12½	15	..	10	21/06	21/06	24/25
1,20.00.000	4,10,81,913	2,88,23,173	30,83,212	62,75,084	1,03,409	10	2	Bengal P	21	19	16	100	228/00	228/00	274/00
4.49.350	4,37.882	1,30.132	91.796	43.397	4.471	10	2	Bengal Bhatdee	..	..	..	10	3/48	3/48	3/48
2.25.000	3.06.216	5.45.835	5,19.015	1,55.638	16,129	12	368	Bengal Nagpur	26	..	..	10	22/00	22/00	22/00
15,97.000	23.27.321	4.87.303	63.982	2.62.417	21.275	12	..	Bhalgora	..	..	..	10	3/87	3/87	4/84
40,00.000	67.23.620	2,75.000	21,19.681	11.80.816	2,120	9	152	Bharat Collieries P.	..	..	..	10	2/75	2/75	3/56
7,15.000	14.96.845	11.02.672	64.329	—3,06.406	—4,92.536	6	335	Bhulanbararee	..	..	..	10	10/00	10/00	11/94
16,00.000	38.87.275	16.18.636	7.185	1.21.936	—79.196	12	362	Bokaro & Ramgur	..	..	..	10	11/19	11/19	11/19
7,50.000	29.24.890	29.11.605	7.46.652	9.82.707	6.037	12	106	Borrea P	15	15	15	10	20/25	20/25	23/87
90.92.480	2,64.32.234	1,60.36.371	32.82.964	41.00.007	10.459	6	21	Burrakur P.	13	13	13	10	15/75	15/81	15/19
69.97.000	50,93,754	6.86.120	6.35.532	16.11.088	3,58.023	3	166	Central India	10	10	..	10	8/44	8/50	9/35
8.00.000	18.69.439	12,97.490	98.040	6.357	214	12	..	Central Kurkend P.	..	..	..	10	3/44	3/44	3/87
6.00.000		1.55.159	6.05.872	63.765	7.043	12	106	Churulia	..	..	..	4	3/06	3/06	3/06
16.00.000	25.01 205	Nil	19.429	—6.45.261	—5,39.034	12	444	Dhemo Main	Nil	..	..	10	3/95	3/95	4/31
£240.000	£868.390	£561.905	£13.858	£288.462	£6.234	4	128	East India	15	20	..	£1	28/00	28/00	31/87
29.63 700	1,36.20.784	1,22.22.090	33.81.520	14,35.632	1,57.517	12	19	Equitable P.	10	10	10	10	20/50	21/50	24/00
15,00.000	22,69,942	71.000	31,302	7.080	—6.48.987	3	307	Ghusick & Muslia	Nil	Nil	Nil	10	13/87	13/87	14/25
6.50.000	4.21.847	Nil	12.025	10.670	—14.705	12	20	Guzdar Kajora	..	..	..	10	2/47	2/47	2/44
8,00.000	5.43.022	..	16.702	—10.172	—3,65.025	12	393	Hurriladih	..	..	..	10	5/44	5/44	8/12
15,00,000O 5,00.000F	26.00.237	29,37,098	36,07,570	94,026	1,570	12	21	Karanpura Development	5 15	3 9	3 9	10O 10F	9/12	9/12	10/75
20.00.000	37.05.428	12.43.807	4.29.578	10.53.244	9.997	2	21	Karanpura Collieries P.	10	10	10	10	12/50	11/62	15/00
14,90.460	23,78,946	20,19.953	9,49.954	14.96.787	22,818	1	2	Katras Jherriah	40	25	30—30	10	29/50	30/00	37/75
1,38.400	6.75.000	95.000	11.80.294†	49 776	1.918	6-12	337	Khas Kajora P.	..	..	..	10	16/62	16/62	18/70
5.65.750	5.95.833	Nil	9.780	—1 60.535	—16.47.497	3	372	Mundulpur	..	..	..	10	2/69	2/69	2/69
7.48.240	3.39.261	56.489	7.29 802	1.15.573	74 711	12	347	Nazira	Nil	Nil	..	10	4/69	4/69	5/00
31.97.210	88.87.936	46.16.139	4,45,645	17.86.837	15.709	10	2	New Beerbhoom P.	10	12	10	10	16/56	15/25	19/25
9.90.340	9.04.373	5.21.710	75.374	4.12.216	43.822	3	202	New Manbhoom	9	12	..	10	11/25	11/25	16/00
1 15,000 1,57,500	7.05.719	4.31.409	40.364	1.44.042	15.045	12	441	North West	20	..	..	10 7½	19/75 18/00	19/75 18/00	19/75 18/00
7,50.000	1.94 347	12.52.534	22.90.175	—20,571	..	12	447	Ondal P.	7½	7½	5	10	13/50	13/50	12/00
8.34.000	23.69.066	1.52.212	4.78.984	1.79.344	589	12	207	Parasea P.	1½	..	..	10	14/00	14/00	16/00
15.75.000	32.93.192	24.59.125	4.11.055	5.41.674	54.253	3	236	Pench Valley	10	10	..	10	17/44	17/44	17/31
2,50.000	5.62.405	7,500	11.530	2.003	18.581	6-12	5	Pure Sitalpur	..	..	..	10	8/00	8/00	8/00
23.58.900	50.26.723	40.85.000	1.26.141	11.54.576	35.781	3	370	Raneegunge	17	17	..	10	13/12	13/12	15/12
13.50.000	42.14.846	32.96.490	4.30.299	19.16.691	8.453	12	236	Rewa	20	10	15	10	24/50	24/50	28/50
37,50.000	74.38.430	38.61.070	1.69.086	12.37.914	26.993	12	48	Sa[illegible]a	..	..	..	10	7/81	7/81	10/00
2,50.000	4.47.534	74.281	10.748	—19.279	—4,27.396	1	353	Searsole	Nil	Nil	..	2½	1/25	1/25	1/22
2.80.000	13.16.067	14.49.316	7.39.416	4.60.584	16.284	12	2	Seebpore P.	42 6/7	35 5/7	28 4/7	7	34/75	34/75	34/75
8,00.000	1.203	4.54.648	13.04 570	78 390	1.540	12	106	Sendra	3½	..	..	10	4/19	4/19	5/75
17,50.000	32,03,711	11,77,056	36,734	1,89,147	3,001	8	21	South Karanpura	Nil	Nil	2½	10	6/50	6/50	8/00
8,00.000	1,30.001	15.48.969	26.78.255	1.84.925	38.908	12	106	Standard	10	..	..	10	9/62	9/62	13/12
2,50.000	4.36.300	3,23.000	36.660	1.37,973	1,77.952	12	..	Union	..	..	..	10	10/25	10/25	11/12
69.98.000	63.57.150	6.09.055	2.69.620	11.72.192	1.19.162	3	166	Western Bengal	7½	9	..	10	8/75	8/75	8/56
7,00,000	26.06.333	Nil	47.091	—6.51,403	—6,23,711	12	444	West Jamuria	Nil	..	..	10	3/60	3/60	4/00

* 1964

COTTON MILLS

Paid-up Capital Ordinary Rs.	Number on Spindle	Looms	Net Block Account Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 29-7-64 Rs.	22-7-64 Rs.	A year ago Rs.
15,00,000	14.108	356	14.06.683	3.15.002	12.59.541	26,012	41,532	12	49	Basanti P.	..	..	..	10	12/06	12/06	11/50
7,11.280	36,000	932	17,17,120	2.20.369	30.842	3.66.177	47.818	8	27	Banga Luxmi	..	..	..	40	30/00	30/00	30/50
27,00.000	31.476	624	17.77.373		93.872	—6.24.150	—6.86.163	12	223	Bengal Nagpur P.	..	..	..	10	2/44	2/44	3/06
50.00.000	..	..	1,66.35.360	49.94.800	52.56.090	28.04.759	17.588	12	394	Bharat Commerce P.	15	15	..	10	20/44	20/37	20/37
99.95.950	38.764	992	60.94.300	1,21.02 78?	53.37.204	39.77.025	1,67.525	8	22	Birla Cotton	20	20	..	10	27/00	27/00	33/00
93,60.000	43.136	841	1.13.15.319	45.62.881	2.74.548	14.72.717	7.833	12	138	Bowreah P.	20	15	15	10	23/31	23/31	21/25
30,00.000	22.000	510	40.26.405	68,61,034	5.45,176	9.97,828	11,228	12	25	Cawnpore Textiles	10	10	Nil	5	6/85	6/85	6/06
9,38,36,225	1,97.348	3,307	9.79.20.896	8.21.37.642	91.82.065	2.15.43.296	1.46.548	6	238	Delhi Cloth & Genl. P.	13	13	13	25	48/53	48/50	41/31
38.00.000	43.049	618	65.71.796	61.81.868	1.65.881	25.16.474	36.763	12	138	Dunbar	20	15	17½	10	26/25	26/25	26/25
63,00.000	54,000	1,200	1,20.30,927	2,33.36.673	87.18.503	41.89.328	5.435	9	389	Elgin P.	17½	17½	17½	10	19/25	19/00	17/62
6,25.00.000	..	..	3.48.97.571	56.34.321	85.50.730	19 28 764	1,22.795	12	158	J. K. Cotton (Rayon) P.	..	..	..	10	10/25	10/31	11/19
73,77,250	6,272	202	1,35.97,000	51.88.685	4.20.764	43.21.513	12,265	12	22	Jaya Shree	10	10	10	10	13/25	13/00	14/00
30.00.000	38.000	1,825	47.44.548	52.19.301	92.65.055	18 77.941	—7.77.290	12	208	Muir P	..	..	..	100	63/00	63/00	90/75
35.11.583	78.848	1,367	47.49.840	3.96.960	1.09.256	12.73.361	—63.55.495	12	237	New Victoria P.	..	..	..	2½	1/28	1/25	1/37
48.00.200	..	..	1.08.10.352	78.144	2.34.188	12.34 741	—22,17,524	3	399	Orissa Textiles P.	Nil	..	..	10	7/00	7/00	9/00
19.47.750O 5.00.000Dd	23.196	795	15.49.229	80.773	2.37,475	3.38.087	..	6	4	Rampooria Cotton	Nil Nil	.. Nil	.. ..	10 1	12/50 3/00	12/50 3/00	12/00 2/00
17.50.000O 1,57,50,000Po	1,14,836	2,077	4,48,79,351	2,63,83,071	2,15,81,189	76,20,241	5,044	12	333	Swadeshi (Kanpur) P.	.. ..	.. ..	.. ..	10O 10PO	11/00 6/31	11/00 6/31	11/50 7/19

TEA COMPANIES

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

Paid-up Capital Ordinary Rs.	Net Block Accounts Rs.	Reserve & other Funds Rs.	Area Hectares	Outturn and Average Price per Kg. realised for crop 1962 Kgs.	1962 Rs.	1963 Kgs.	1963 Rs.	Estimate 1964 Kgs.	Net Profits including taxation Rs.	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 29-7-64 Rs.	22-7-64 Rs.	A year ago Rs.
												ASSAM							
4,45,700	18,16,361	..	368	4,13,012	5.67	3,93,565	5.12	4,47,900	..	12	165	Amluckie P.	10	7½	5	10	16/00	16/00	20/00
7,00,000	12,87,737	8,53,082	520	3,01,064	6.71	3,05,534	6.38	3,37,500	1,57,003	12	88	Anandabag P.	32½	20	12½	10	33/25	33/25	33/25
5,50,000	18,46,941	..	..	3,20.928	5.99	2,92,672	5.74	3,62,900	..	12	165	Baghmari	15	7½	Nil	10	11/00	11/00	14/00
1,80,000	..	..	..	..	..	..	..	..	..	12	349	Barduar Tea	..	..	..	6	8/50	8/50	8/50
7,65,000	19,19,779	10,58,955	164	2,86,800	6.60	2,38,500	6.40	2,90,000	93,901	12	2	Basmatia	25	20	7½	10	18/06	18/06	27/25
4,95,900	6,83,583	..	..	3,35,928	4.25	4,12,342	4.34	4,12,000	..	12	345	Bateli	30	30	30	5	18/06	18/06	18/50
6,40,000	12,45,706	12,30,747	510	4,05,929	6.66	3,77,284	6.20	4,24,600	3,19,017	12	88	Betjan	45	30	25	10	29/00	30/37	28/75
33,00,000	39,79,551	18,42,000	2,566	15,17,589	6.71	14,55,468	6.20	15,61,600	3,64,100	12	279	Bishnauth	13	20	7½	10	14/19	15/00	17/56
6,00,000	11,68,235	5,03,003	..	2,09,073	7.12	..	..	..	2,62,960	12	202	Bokakhat	12	13	..	10	13/12	13/12	13/70
7,50,000	13,90,224	11,90,375	..	3,00,721	5.85	..	..	..	3,94.885	12	165	Bormah Jan P.	15	15	..	10	10/94	10/94	14/25
4,50,000	7,46,000	1,66,688	243	2,58,733	6.32	2,50,399	5.71	2,72,700	—61,009	12	279	Bor Pukhuri	Nil	10	Nil	10	10/00	10/00	10/75
35,00.000	68,93,654	15,66,180	..	13,51,189‡	5.27	..	..	..	9,51,721	6	127	Brooke Bond	10	7½	7½	10	10/69	10/62	11/50
1,20,000	9,24,434	9,31,522	..	2,00,496	5.90	..	..	..	2,85,668	12	165	Dejoo Valley	20	30	..	10	45/50	45/50	60/00
8,40,000	15,03,068	10,10,142	558	5,97,724	6.12	4,74,509	6.22	5,33,773	3,36.682	12	128	Dessai & Parbuttia	10	15	12½	100	181/00	181/00	205/00
17,53,440	24,29.411	..	..	6,22,165	2.96	2,94,761	6.64	3,26,545	..	12	214	Delakhat	10	8	10	10	20/31	20/81	18/62
7,00,000	20,59,002	8,86,030	562	5,54,691	5.45	6,16,178	5.55	6,20,000	3,01,110	12	365	Dhunseri P.	15	10	10	10	9/56	9/56	12/06
4,50.000	17,18,470	16,36,695	..	3,01.917	6.68	..	..	..	5,86,443	12	165	Dibrugarh	40	30	..	10	31/19	31/19	31/25
4,73,400	10,40,300	9,72.100	266	2,97,513	6.44	3,74,657	6.13	3,37,500	4,70,171	12	279	Dimakusi P.	20	25	30	10	25/19	25/19	21 87
7,00,620	14,67,400	15,89,500	273	4,03,594	6.70	4,02,568	6.34	4,36,000	2,46.743	12	279	Dufflaghur	25	30	20	10	26/12	26/12	27/50
10,00,000	20,23,880	8,76,500	497	4,94,612	6.30	4,58,567	5.85	5,17,000	—2,38.981	12	279	East India	Nil	10	Nil	10	12/00	12/00	13/44
5,03,760	14,00,556	6,32,810	242	3,19.832	..	..	..	..	49,047	12	354	Gillapukri	20	15	..	10	27/56	27/56	25/44
6,76,000	12,41,500	7,48,500	228	2,59,394	7.44	..	..	..	4,74,030	12	279	Gohpur	5	20	..	10	14/69	14/69	15/19
23,29,085	56,04,055	36,07,741	1,059	10,39,276	6.17	10,04,928	6.09	10,80,000	45,819	12	202	Grob	6	6	3	5	7/06	7/06	7/69
5,00,000	11,67,377	7,55,258	..	3,45,217	..	..	..	..	1,67,965	12	354	Hoograjuli	20	17½	..	10	27/62	27/62	27/12
8,70,000	16,05,713	26,50,646	310	2,78,400	6.64	2,58,600	6.62	76,061	2,90.000	12	2	Hoolungoorie	7½	20	15	100	168/00	169/00	195/00
9,00,000	20,42,643	11,69,455	804	5,33,423	6.50	4,92,625	6.23	5,57,700	2,73,921	12	88	Jutlibari	30	20	14	10	27/87	27/87	31/50
2,40,000	..	..	..	..	..	..	..	..	..	12	236	Kingsley Golaghat P.	35	..	..	100	125/00	125/00	140/00
1,80,000	21,94,612	1,77,500	517	4,88,346	4.97	5,86,302	4.63	5,60,000	1,75,587	12	63	Kotamullai P.	Nil	Nil	Nil	5	9/87	9/87	10/38
5,00,000	10,88,222	3,29.728	353	1,66,356	6.02	1,47,651	6.17	1,80,000	64.621	12	41	Krishnabehari	8	10	6	10	11/30	11/30	10/50
2,00,000	..	..	..	..	..	..	..	..	..	12	236	Kyang Tea	..	..	..	10	8/06	8/06	8/06
6,50,000	16,02,991	9,85,234	270	2,81,500	5.30	3,00,600	5.06	3,00,000	28,762	12	63	Ledo	Nil	Nil	Nil	10	11/00	11/00	13/75
8,00,000	11,99,968	1,30,508	275	2,10,642	5.26	..	..	..	1,25,716	12	..	Maud Tea & Seed	7½	7½	..	10	12/00	12/00	14/82
10,00,000	16,18,885	14,63,370	262	3,74,221	7.12	3,50,854	6.39	5,90,000	2,25.877	12	202	Methoni	14	20	11	10	13/25	13/25	16/19
4,80,000	..	..	..	..	..	..	..	..	1,26,539	12	..	Moheema	Nil	..	..	10	11/50	11/50	11/50
1,50,000	3,91,923	14,90,825	188	1,22,745	..	1,79,058	..	..	..	12	138	Mothola	30	35	35	100	507/00	507/00	507/00
1,75,000O 2,00,000Po	15,71,082	9,67,447	165	1,71,400	8.41	1,69,500	6.82	2,00,000	1,89,528	12	2	Murphulani (Assam)	15 20.63	25 30.63	17½ 23.13	10 10	26/50 26/87	26/50 26/87	26/50 26/87
4,00,000	13,49,106	12,81,235	220	3,26,748	5.10	3,04,796	..	3,40,000	2,18,849	12	143	Naga Hills	10	10	10	10	21/25	21/25	22/25
5,35,000	..	..	..	..	..	..	..	..	..	12		Namburnadi	12	..	..	10	12/87	12/87	12/87
5,00,000	4,52,000	8,28,237	311	2,96,696	7.64	3,29,182	5.59	3,10,000	1,91,821	12	63	New Cinnatolliah	Nil	Nil	5	100	455/00	455/00	302/00
6,00,000	15,30,769	7,94,922	170	2,30,700	6.35	1,99,100	5.84	2,30,000	1,58.579	12	2	Rajgarh	13½	17½	12½	10	18/56	18/56	21/37
13,50,000	25,76,607	4,53,937	..	6,04,795	..	..	..	..	1,40,864	12	354	Sapoi	20	10	..	10	19/50	19/50	18/31
2,49,000	6,64,400	7,35,000	213	2,07,643	7.36	2,01,112	6.63	2,17,800	1,26,915	12	279	Seajuli	15	30	25	10	21/06	21/00	21/12
5,98,000	17,86,091	15,24,544	..	3,90.802	5.61	..	..	..	5,06,871	12	88	Teloijan	25	25	..	10	21/87	21/87	22/00
8,00,000	12,89,565	7,46,597	490	3,38,378	6.81	3,40,080	6.52	3,73,787	2,56,410	12	88	Tengpani	30	22½	12	10	36/50	36/50	35/00
19,82,880	36,21,344	24,74,580	2,112	23,01,040*	2.62	25,21,280*	2.41	23,40,000*	8,41.736	12	236	Tezpore	12½	12½	12½	10	14/69	14/69	14/75
7,50,000	..	..	..	..	..	..	..	..	..	12	95	Tongani	Nil	..	..	10	5/12	5/31	7/00
5,20,000	35,17,473	30,30,165	..	6,51,147	5.76	..	..	..	7,11,074	12	165	Tyroon	15	25	..	10	27/37	27/37	33/00
												CACHAR							
3,00,000	..	..	..	1,39,861	4.03	..	..	..	..	12	..	Arcuttipore	5	6	..	10	7/00	7/00	7/00
4,00,000	..	..	..	..	..	..	..	..	..	12	35	Baitakhal	2½	..	7½	10	7/75	7/75	6/56
11,00,000	12,50,663	9,58,809	310	3,15,866	4.92	3,30,923	4.85	3,77,000	2,79,622	12	128	Central Cachar	7½	5	..	100	73/00	73/00	82/00
7,00,000	..	..	..	..	..	..	..	..	..	12	383	Eastern Cachar	Nil	..	..	10	4/62	4/62	4/28
4,50,000	3,31,773	2,80,000	..	..	..	..	..	..	—54,506	12	384	Kallinugger Khoreel	2	..	..	100	84/00	84/00	87/00
12,60,000	19,62,879	14,26,438	943	5,80,232	3.97	6,63,197	4.45	6,70,000	45,217	12	202	Hattikhira	8	Nil	Nil	10	7/75	7/75	9/12
3,60,000	..	..	..	..	..	..	..	..	..	12	63	Kunchunpore	Nil	..	..	10	6/00	6/00	6/00
5,63,690	5,28,079	1,57,990	231	1,51,283	4.26	1,71,112	4.63	1,65,000	59,885	12	202	Loobah	Nil	Nil	Nil	10	4/69	4/69	4/37
12,60,000	22,28,419	11,42,054	2,221†	5,18,387	4.33	..	..	..	6,13.497	12	..	North Western	20	10	..	100	160/00	160/00	160/00
2,59,050	6,14,069	1,01.916	239	2,13.805	4.21	2,25,257	4.63	2,30,000	68.688	12	202	Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50
2,60,000	6,82,449	2,92.663	..	1,95.018	4.62	..	..	..	—1,73.960	12	165	Roopacherra	10	Nil	..	10	9/94	9/94	13/62
5,25,000	12,50,875	12,23,600	316	2,79,277	4.46	2,93,522	4.34	12,87,000	80,082	12	63	Rungamattee	5	5	5	50	49/25	49/25	50/25
4,00,000	..	..	..	..	..	..	..	..	..	12	..	Sonai River	Nil	..	..	10	5/06	5/06	9/12
												DARJEELING							
3,99,750	..	..	..	..	..	..	..	..	..	12	101	Bloomfield	..	..	..	10	3/25	3/25	3/12
2,79,900	3,72,700	1,55,000	165	77,090	8.74	..	..	..	51,557	12	279	Chamong	10	10	..	10	8/87	8/87	9/00
3,75,900	..	..	..	3,13,229	5.63	..	..	..	..	12	139	Darjeeling Tea	20	30	..	100	197/00	197/00	197/00
2,00,000	..	..	..	..	..	..	..	..	..	12	200	Dilaram	4	..	..	100	102/50	102/50	102/50
2,00,000	6,39,479	3,58,163	..	1,37,275	7.58	..	..	..	1,97,231	2	74	Gielle P.	..	8 4/7	15	10	17/25	15/87	11/69
7,00,000	10,17,300	2,75,676	428	3,11,895	7.70	3,07,000	7.37	3,22,000	2,75,870	12	279	Lingia P.	10	17½	15	10	14/00	14/00	14/56
10,32,000	..	..	..	..	..	..	..	..	..	12	95	Longview	10	..	..	10	8/25	8/25	11/00
4,00,000	5,16,891	5,85,879	..	1,77,960	8.18	..	..	..	2,23,445	12	165	Margaret's Hope	15	15	..	10	11/81	11/81	11/37
1,59,000	4,35,272	3,84,726	187	1,08,800	8.99	1,05.600	6.94	1,10,000	—49,706	12	2	Mim	27½	27½	Nil	100	418/00	412/00	191/50
2,99,900	19,18,100	16,26,000	279	2,14,750	9.03	2,07,707	7.66	2,23,900	3,42,887	12	279	Nagri Farm	25	35	35	10	27/00	29/87	27/25
4,00,000	3,93,839	3,21,500	205	99,331	10.07	..	..	..	2,40,000	12	390	Okayti P.	25	25	..	100	600/00	600/00	600/00
3,30,000	..	..	..	..	..	..	..	..	..	12	..	Pashok	Nil	..	..	10	20/00	20/00	20/00
3,00,000	4,55,324	1,77,500	194	1,22,495	6.65	1,12,874	6.44	1,20,000	34,269	12	63	Poobong	Nil	5	Nil	10	10/12	10/12	7/19
2,05,000	5,15,133	2,27,703	570	1,16,997	5.95	95,502	5.81	1,26.000	15,481	12	361	Pussimbing P.	Nil	Nil	Nil	10	7/84	7/84	7/12
1,40,000	4,97.834	5,63,000	138	85,234	6.64	86,726	7.21	95.000	2.834	12	63	Runglee Rungliot	20	7½	5	100	300/00	300/00	386/00
3,00,000	..	..	..	..	..	..	..	..	..	12	385	Seeyok	Nil	..	..	10	8/50	8/50	8/50
6,25.000	7,48.893	10,816	..	1,38,742	6.51	..	..	..	47.720	12	398	Singell	Nil	Nil	..	100	36/75	36/75	36/75
9,00,000	..	..	..	1,23,431	6.92	..	..	..	..	12	101	Singtom	Nil	2	..	10	3/50	3/50	[illegible]
4,50,000	5,56,200	5,68,100	224	1,60,068	8.53	1,58,073	7.82	1,57.800	2,22,529	12	279	Soom	40	40	30	10	39/00	39/00	32/75
6,25.000	13,51,854	13,02,062	..	1,89,392	9.58	..	..	..	..	12	165	Sungma	15	20	..	10	13/56	13/56	13/94
3,20,000	9.98.901	8,67.133	..	2,03.428	6.16	..	..	..	..	2	74	Teesta Valley	..	8 4/7	10	10	13/44	13/44	11/87
12,00,000	..	..	..	..	..	..	..	..	..	12	..	Tukvar	Nil	..	..	10	3/50	3/50	7/00

† Acres * lbs. ‡ 1963

TEA COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Area Hectares	Outturn and Average Price per Kg. realised for crop 1962		1963		Estimate 1964	Net Profits including taxation	Accounts closed	Mg. Arts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 29-7-64	22-7-64	A year ago
Rs.	Rs.	Rs.		Kgs.	Rs.	Kgs.	Rs.	Kgs.	Rs.							Rs.	Rs.	Rs.	Rs.
												DOOARS							
27,00,000	70,10,077	33,43,960	1,052	14,84,400	4.86	14,09,900	5.15	15,15,000	8,20,033	12	2	Banarhat P.	21	21	17	100	186/00	230/00	216/50
12,00,000	29,84,113	24,11,835	436	6,66,481	5.13	6,59,968	4.93	..	4,47,910	12	128	Baradighi	25	25	15	10	23/25	23/25	22/19
9,00,000	19,19,630	30,59,424	..	7,00,569	4.38	..	..	..	5,74,606	12	386	Bhatkawa	15	20	..	10	16/00	16/00	16/56
9,00,000	26,52,750	23,52,500	586	6,69,958	5.01	6,79,448	4.71	6,70,000	3,87,508	12	63	Birpara P.	12½	17½	10	100	160/00	160/00	160/00
6,00,000	12,57,708	10,38,000	244	2,80,187	4.70	2,68,883	4.30	2,95,000	—37,664	12	63	Carron	5	7½	Nil	100	117/00	117/00	156/50
9,00,000	25,37,049	14,59,389	365	5,21,400	4.69	4,00,700	5.07	52,50,000	84,373	12	2	Choonabhutti P.	20	20	7½	100	162/00	162/00	210/00
3,00,000	5,93,417	6,45,000	197	2,25,971	4.59	2,34,951	4.42	2,10,000	98,827	12	63	Ellenbarrie	5	10	7½	100	173/00	173/00	184/00
1,20,000	3,71,713	3,31,056	266	1,63,195	3.85	1,62,151	4.11	1,70,000	63,192	12	397	Engo	30	40	30	100	136/00	136/00	136/00
4,90,000	9,33,182	71,548	..	2,64,339	..	..	..	..	..	12	354	Ethelbari	5	7½	..	10	11/87	11/87	13/12
7,50,000	15,18,748	10,75,265	872	5,04,794	5.46	4,69,544	5.18	5,15,320	1,13,960	12	88	Gairkhata	20	11	7	10	16/12	16/12	21/00
14,00,000	27,81,035	19,25,521	425	5,85,748	..	..	..	..	2,00,689	12	387	Gopalpur	2	10	..	25	19/50	19/50	19/50
36,00,000	54,86,904	43,81,500	1,051	13,74,053	4.76	14,23,297	4.52	14,00,000	5,98,697	12	63	Hantapara P.	5	10	7½	100	97/00	97/00	109/00
64,00,000	70,47,491	75,82,749	..	30,66,464	5.78	..	..	..	30,07,101	3	74	Hasimara	..	18	15	10	12/69	12/37	13/25
16,50,000	26,67,650	17,26,078	..	6,99,826	4.51	..	..	..	2,06,848	2	74	Huldibari	..	19 2/7	11	10	12/37	12/44	13/31
7,00,000	8,95,117	5,13,133	246	1,88,900	5.59	..	..	..	—61,500	12	2	Jaybirpara	Nil	Nil	..	10	8/94	8/94	10/69
13,50,000	32,41,680	36,28,241	598	8,24,799	4.59	7,89,297	4.47	8,00,000	3,21,920	12	63	Killcott	15	15	10	10	14/44	14/44	14/37
2,00,000	14,67,422	5,58,176	..	2,53,887	..	..	..	..	88,005	12	354	Manabarrie	6	10	..	10	59/50	59/50	59/50
9,60,000	22,35,359	24,09,000	477	5,07,732	4.76	4,67,868	4.62	4,90,000	—12,429	12	63	Nagaisuree	15	15	5	100	165/00	165/00	140/00
14,00,000	36,15,282	21,01,728	471	6,40,900	5.10	5,90,200	5.01	6,75,000	—73,566	12	2	New Dooars P.	20	14½	Nil	100	157/00	157/00	220/00
6,40,000	13,89,457	6,58,184	292	3,26,073	3.55	3,49,153	4.42	3,51,500	8,839	12	363	Oodlabari	7½	Nil	7½	100	13/75	13/75	14/00
2,50,000	3,90,597	3,37,500	126	1,26,816	4.64	1,24,724	4.39	1,30,000	—20,200	12	63	Phaskowa	Nil	Nil	Nil	100	125/00	125/00	129/00
6,00,000	9,17,349	11,90,832	..	3,91,886	4.70	3,68,115	4.70	3,66,500	1,16,562	12	165	Rajabhat	Nil	6	6	10	10/12	10/12	12/12
7,65,000	17,57,543	17,47,050	..	4,76,526	5.07	..	..	..	1,63,000	12	165	Ranicherra	15	7½	..	10	12/00	12/00	13/81
14,92,800	37,15,740	31,72,862	736	9,78,337	5.44	10,22,018	5.23	..	8,09,998	12	128	Rydak	20	25	25	10	22/12	22/12	24/25
3,46,000	13,81,974	12,21,589	279	3,30,000	4.76	3,79,500	4.63	..	3,25,246	12	44	Sarugaon	40	40	40	10	36/25	36/25	36/25
												TERAI							
4,50,000	..	..	..	..	..	..	..	..	..	12	101	Atal	..	..	..	10	5/37	5/37	8/75
5,00,000	..	..	..	..	..	..	..	..	..	12	345	Belgachi	20	..	..	10	23/12	22/00	22/50
13,44,000	23,77,032	28,68,000	665	7,22,909	4.63	8,02,864	4.33	7,50,000	4,38,359	12	63	Gungaram	12½	12½	10	100	110/00	110/00	131/00
3,00,000	6,69,527	9,72,507	..	2,95,710	4.54	..	..	..	2,25,077	2	74	New Chumta	..	12 6/7	20	10	20/37	20/37	24/62
7,20,000	..	..	..	3,33,644	4.04	..	..	..	..	12	139	New Terai	10	15	..	10	20/50	20/50	23/00
11,70,000	..	..	..	4,71,480	4.45	..	..	..	..	12	139	Pahargoomiah	20	2½	..	10	13/75	13/75	15/00
1,00,000	..	..	..	..	..	..	..	..	..	12	63	Putinbaree	14	..	..	10	55/00	55/00	45/00
2,20,000	..	..	..	3,84,347	5.05	..	..	..	..	12	165	Tirrihannah P.	60	60	..	10	49/00	49/00	49/00
												CHITTAGONG							
2,40,000	..	..	..	..	..	..	..	..	..	12	139	Kornafuli	Nil	..	..	10	9/75	9/75	9/31
2,00,000	..	..	..	..	..	..	..	..	..	12	139	Oodaleah	Nil	..	..	10	8/00	8/00	8/00
												SYLHET							
3,00,000	13,56,430	20,59,293	667	2,14,907	7.92	2,32,138	7.61	2,54,012	6,06,230	12	..	Chundeecherra	Nil	Nil	Nil	10	29/75	30/00	26/00
6,00,000	10,31,611	23,60,801	236	2,03,558	8.17	2,33,398	6.87	2,18,000	6,63,292	12	63	Dauracherra	22½	20	Nil	10	16/50	16/50	7/56
5,59,930	15,08,299	20,08,800	1,108	11,48,080	3.34	11,40,560	2.74	1,10,400	7,46,754	12	236	New Samanbagh P.	Nil	Nil	Nil	10	13/19	13/19	18/37
36,00,000	65,96,023	1,80,01,644	1,799	17,98,140	8.16	19,04,713	6.83	18,87,000	58,03,923	12	63	Patrakola	40	15	Nil	100	195/00	254/00	120/00
3,20,000	4,21,718	1,48,642	740†	4,24,800*	3.23	..	..	..	4,07,821	12	236	Rajnagar	Nil	Nil	..	10	9/56	9/56	9/56
9,00,000	21,89,888	38,62,827	485	3,69,737	8.08	3,75,942	6.80	4,17,000	6,87,001	12	63	Teliapara	22½	10	Nil	100	157/00	157/00	99/00

† Acre

MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Arts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 29-7-64	22-7-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
								MININGS							
£2,369,796	..	£218,681	£2,781,590	£12,559	£174,204	12	153	Burma Mines	Nil	Nil	..	3½S	0/44	0/44	0/44
30,00,000O	37,08,889	32,54,468	34,05,355	15,96,846	13,914	12	312	Chrestien Mica Industries P.	12½	..	..	10O	10/19	10/19	10/40
15,00,000Dd									20	..	..	5Dd	6/53	6/53	6/87
£1,371,300	£1,758,381	£225,873	£755,274	£1,057,163	£72,310	12	68	Indian Copper Corporation	27	..	..	2s	3/29	3/31	4/70
50,00,000	51,72,031	10,43,352	53,971	5,66,976	14,41,622	3	343	Metal Corporation P.	..	..	..	10O	6/25	6/36	8/12
20,00,000	46,05,415	67,67,431	55,46,956	13,17,757	38,801	6	21	Orissa Mineral Development	28	20	..	10	19/87	19/50	27/50
								CEMENT, LIME, SLATE, ETC.							
59,90,843	1,58,98,785	17,06,000	2,33,036	4,97,991	10,914	3	381	Ashoka Cement	7	7	7	10	6/69	6/56	7/75
43,14,860O	41,51,412	21,43,429	29,64,072	1,70,813	6,44,675	3	60	Assam Bengal Cement	..	..	..	10O	4/87	4/87	3/06
70,976Dd												1Dd	0/56	0/56	0/46
55,23,146	98,02,889	19,77,396	66,723	24,46,663	1,703	12	155	Bengal Potteries	..	..	..	2½	5/00	5/00	5/06
40,00,000	73,55,750	28,31,157	3,76,724	23,10,445	50,122	3	21	Bisra Stone Lime	30	10	..	10	18/62	17/69	35/00
1,73,49,650O	1,87,13,180	1,43,86,260	2,06,26,145	1,06,24,610	..	12	123	Dalmia Cement (Bharat) P.	12	12	12	10O	12/69	12/69	12/31
5,00,000Dd												1Dd	2/75	2/75	3/00
2,50,00,000	5,94,43,463	94,05,545	5,54,170	65,02,100	4,94,598	3	335	Jaipur Udyog P.	3	8.36	..	10	11/00	11/06	11/25
30,00,000	89,55,197	56,55,899	6,48,783	21,48,526	25,499	12	21	Kumardhubi Fireclay & Silica P.	18	18	..	10	18/45	18/45	18/45
2,25,00,000	3,77,58,590	1,36,03,808	30,93,905	98,75,491	..	12	365	Orissa Cement P.	15	10	..	10	12/00	12/12	14/50
6,00,000	20,07,006	21,78,065	17,41,738	4,85,806	30,441	2	223	Reliance Firebricks & Pottery	15	10	..	10	22/75	22/75	13/75
75,00,000	63,28,018	44,95,600	5,26,119	12,18,128	6,195	12	357	Sone Valley Portland Cement	6	8	8	5	4/06	4/03	4/03
12,04,570	31,17,215	13,90,910	2,60,870	8,80,262	5,375	12	3	Sutna Stone & Lime	30	35	20	10	28/31	28/31	35/00

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Arts., Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 29-7-64	22-7-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
								CHEMICAL INDUSTRIES							
62,00,000	8,04,72,738	2,26,33,273	3,46,012	1,10,87,234	5,671	9	121	Alkali & Chemical Corpn of (I)	15	15	15	10	29/00	29/00	34/37
2,48,00,000A															
20,00,000	17,39,231	15,681	11,245	—88,949	—9,86,991	12	442	Bathgate & Co Ltd P.	Nil	..	..	5	0/84	0/84	0/84
15,00,000O	76,41,343	68,84,605	21,11,440	18,06,053	1,30,717	3	245	Bengal Chemical & Pharm P.	10	..	..	100	100/00	100/00	102/00
11,08,900A															
22,54,700B															
15,00,000	36,34,102	22,82,883	19,49,050	12,04,892	6,978	6	377	Calcutta Chemical P.	18	18	..	10	17/25	17/25	17/87
4,95,000	99,022	Nil	41,554	72,146	2,560	2	129	Frank Ross P	..	..	..	6	3/19	3/19	2/19
20,00,000	13,61,137	17,67,251	7,35,789	13,17,366	19,167	6	191	Smith Stanistreet P.	25	25	22½	5	13/69	13/69	12/22
								ELECTRIC LIGHTING, POWERS							
19,99,600	1,18,31,088	51,52,883	23,86,788	2,30,678	13,612	3	32	Agra Electric Supply	11	11	11	100	125/00	125/00	118/00
8,00,000	32,64,320	16,30,275	6,14,845	1,45,861	1,852	3	32	Bareilly Electric Supply	11	11	11	10	12/00	12/00	14/37
17,00,000	1,05,78,889	54,27,530	13,74,815	3,49,029	5,522	3	32	Benares Electric Supply	11	11	11	10	13/00	12/31	12/37
5,91,360	15,65,473	8,07,902	2,70,659	1,36,558	41,730	3	202	Bhagalpur Electric Supply	10	8	..	8	6/34	6/34	6/00
£4,262,646	£21,040,641	£10,815,240	£173,698	£1,599,019	£100,524	3	90	Calcutta Electric Supply P.	7½	7½	..	£1	14/75	14/69	14/75
6,60,040	..	..	..	..	..	3	202	Cuttack Electric Supply	10	10	..	10	11/37	11/37	11/87
43,20,000	68,77,439	35,90,169	34,91,713	14,12,931	48,905	3	2	Dishergarh Power Supply P.	10	10	10	100	86/00	86/00	88/00
5,34,640	17,29,086	96,513	95,409	65,283	3,590	3	168	Jhansi Electric Supply	..	..	..	10	5/90	5/90	5/90
22,49,550	70,77,611	29,85,246	5,14,229	2,97,774	3,286	3	32	Jubbulpore Electric Supply	10	10	10	10	12/25	12/06	11/15
4,95,000	6,70,324	2,24,149	1,09,770	46,495	39,015	3	258	Mirzapur Electric Supply	..	..	..	9	7/50	7/50	12/00
5,82,390	24,50,815	6,87,284	3,48,986	2,22,292	22,259	3	202	Muzafferpore Electric Supply	12½	12½	..	10	11/19	11/19	11/50
6,99,700	13,47,574	1,14,377	2,15,991	83,664	18,988	3	329	Muttra Electric Supply	..	..	..	10	11/06	11/06	11/15
35,07,380	98,50,374	48,67,675	3,95,468	12,96,460	1,27,547	3	202	Patna Electric Supply	10	10	..	10	10/44	10/12	10/56
9,10,000	8,77,208	2,86,692	3,19,022	1,58,667	17,201	3	202	Shahjahanpur Electric P.	6½	6½	..	10	6/56	6/56	7/00
16,80,000	24,13,949	16,03,685	9,75,497	4,58,680	3,975	3	21	Sijua (Jherriah) Electric	9	9	..	10	8/58	8/58	8/25
56,00,000	2,78,66,926	80,13,213	29,14,259	4,35,432	9,311	3	32	United Provinces Electric	11	11	11	100	165/00	165/00	117/00
5,00,000	20,91,859	12,25,998	7,11,286	48,760	1,934	3	32	Upper Jumna Valley Electric	13½	13½	13½	10	22/00	22/00	16/00
								ENGINEERING & METAL							
6,00,000	17,68,727	7,28,551	3,76,395	8,30,823	4,14,416	12	300	Arthur Butler (Muzafferpore) P.	Nil	10	..	10	21/25	21/25	14/94
50,00,000	41,22,015	56,58,221	3,98,490	44,22,016	2,263	12	31	Bnartis Electric Steel	10	12½	15	10	14/75	14/62	13/94
1,00,00,000	2,22,25,340	1,40,28,433	27,21,380	1,24,47,705	..	12	289	Braithwaite & Co. (India) P.	25	14	20	10	33/62	33/62	29/25
12,00,000	72,34,505	58,62,090	6,74,545	23,90,816	..	12	24	Bridge & Roof	30	30	30	10	52/25	52/25	52/25
19,88,670	33,56,748	1,09,796	1,86,939	1,80,146	—611,196	12	192	Britannia Building & Iron P.	Nil	Nil	..	10	3/20	3/20	3/56
1,00,00,000	1,24,97,389	52,95,465	1,14,787	24,17,175	5,115	12	165	Britannia Engineering P.	10	10	..	10	10/00	10/12	9/94
25,00,000	33,60,837	23,97,576	14,403	22,04,192	..	12	24	British India Electric Cons.	20	15	15	10	29/12	29/12	33/12
1,68,00,000	3,72,24,252	2,29,82,397	67,36,942	97,05,514	..	4	32	Burn P (Engineering)	28½	28½	25—15*	100	275/00	275/00	572/00
1,00,00,000	63,22,965	22,70,823	23,44,551	52,92,495	1,57,572	3	437	Calcutta Steel	15	15	12½-15*	10	13/75	13/75	14/25
80,00,000	1,25,35,558	43,00,000	1,84,809	26,72,847	6,868	9	434	Dalmia Iron	10	10	10	10	11/12	11/12	10/56
6,32,18,740	6,68,87,945	5,12,05,807	2,59,97,968	2,17,43,217	..	12	227	Guest, Keen Williams	14	14	12	10	23/00	23/12	30/75
17,50,000	18,91,774	11,04,000	21,473	3,81,335	3,237	12	32	Hooghly Docking	Nil	12½	10	50	89/00	89/00	108/00
12,44,08,990	62,73,23,096	39,89,05,725	1,72,10,301	3,11,89,201	..	6	32	Indian Iron & Steel P.	16	16	16	10	25/58	25/52	22/30
3,85,000O	11,52,812	14,001	1,82,994	—4,15,836	—4,03,294	3	223	Indian Malleable Casting	..	..	..	50	6/00	6/00	6/00
1,54,000Dd									..	..	..	1D	2/06	2/06	1/44
77,97,000	58,96,726	1,25,90,911	58,71,000	1,79,18,483	..	8	32	Indian Standard Wagon P.	28½	28½	20-20*	10	35/50	36/25	31/06
96,79,740O	3,43,55,519	3,41,31,025	1,54,09,567	—57,25,817	6,022	3	122	Indian Steel & Wire Products	24	23	18	100	33/50	33/50	39/00
12,00,070	7,13,344	5,39,415	3,634	17,25,389	..	12	24	Industrial Containers	10	10	..	10	22/50	22/50	21/37
1,51,87,197	2,85,54,325	1,36,61,953	15,13,085	41,24,528	4,896	3	443	Jay Engineering	17 3/20	15	10	10	17/19	17/56	20/94
40,00,000	59,72,635	35,85,700	10,46,960	20,48,880	86,647	6	132	J. K. Steel P	20	10	30	10	15/75	15/75	13/44
2,04,00,000	4,03,12,353	3,00,16,258	77,10,062	1,47,51,086	64,915	10	290	Jessop & Co. P.	8.58	8.58	10	10	20/75	21/00	24/19
27,64,800	65,86,747	65,04,900	4,81,457	34,49,008	3,146	11	21	Kumardhubi Engineering P.	11⅛	15	16⅔	3	5/25	5/25	7/69
10,50,000	3,10,043	19,18,004	4,98,040	1,69,624	—16,90,253	6	170	Marshall Sons (India)	Nil	Nil	Nil	2	3/12	3/06	2/87
69,96,000	61,94,985	13,58,398	3,83,036	2,56,716	—4,42,917	3	192	National Iron and Steel	Nil	Nil	..	10	6/37	6/19	4/50
6,00,000	9,79,466	20,52,302	2,49,725	5,14,476	13,304	3	25	Saran Engineering	10	12½	10	4	7/31	7/25	8/50
14,00,070	11,26,150	15,36,386	2,31,497	13,63,971	..	12	24	Steel Containers	20	20	17½	10	24/56	24/56	29/50
4,50,00,000	2,73,21,766	61,37,433	13,28,341	52,01,525	62,642	12	22	Textile Machinery	10	12½	..	10	25/70	26/20	22/60
								SUGAR, BREWERIES ETC.							
14,00,000	17,74,143	10,85,375	21,121	—1,66,279	—1,53,368	6	371	Balrampur Sugar	8	4	Nil	2½	1/69	1/69	2/00
29,23,537	27,33,655	11,43,842	17,96,173	5,98,492	9,429	6	316	Belsund Sugar	10	6⅔	3⅓	7½	7/62	7/62	8/25
15,00,000	8,17,746	22,06,086	4,75,535	58,20,900	133	6	89	Bharat Sugar P.	15	15	15	10	15/56	15/56	13/00
32,00,000	48,01,728	55,23,048	6,92,990	—16,68,824	—42,63,672	10	25	Carew (Sugar) P.	Nil	Nil	Nil	10	12/31	12/31	10/87
30,00,000	98,13,767	58,73,563	1,37,198	—49,013	—8,50,783	6	25	Cawnpore Sugar P.	Nil	Nil	Nil	10	9/00	9/00	9/81
18,00,000	29,70,913	47,91,301	1,79,345	4,77,197	1,97,076	8	395	Champaran Sugar P.	12	Nil	Nil	10	10/75	10/75	15/87
38,01,380	25,88,250	31,90,540						Durbhanga	Nil	5	..	10	8/37	8/37	8/12
11,00,000	6,45,722	3,75,000	10,90,564	95,437	52,205	6	140	New Savan Sugar and Gur							
9,00,000	19,47,931	23,02,870	2,05,743	2,86,458	4,006	10	400	Purtabpur Sugar P	..	..	..	10	3/50	3/50	3/62
16,59,820	41,61,410	57,86,996	6,074	26,41,178	3,047	8	1	Ramnugger Cane & Sugar P.	..	..	..	10	9/12	9/12	11/50
65,00,000	57,79,829	44,91,845	20,03,707	19,78,012	10,419	10	92	Raza Buland	35	30	15	10	24/19	24/19	26/37
8,00,000	8,07,238	1,72,778	3,27,846	4,24,492	13,206	6	25	Ryam Sugar P.	10	10	10	10	10/12	10/12	9/62
11,99,000	22,10,161	18,54,067	2,09,163	—2,24,407	—2,20,853	6	..	Samastipur Central Sugar	..	..	..	10	3/25	3/25	5/20
39,99,000	67,63,905	25,93,624	21,94,759	16,75,658	34,778	7	335	Shree Krishna Gyanoday Sugar P.	..	..	..	10	3/75	3/75	6/00
7,94,500	13,54,858	11,65,175	11,16,388	1,90,057	7,991	6	140	Shree Sitaram Sugar	..	..	..	10	7/56	7/56	7/75
9,99,950	20,47,130	68,548	66,643	—7,18,697	—7,19,847	6	94	Sitalpore Sugar	..	..	..	10	8/00	8/00	7/12
									Nil	Nil	Nil	10	3/69	3/69	6/12
16,00,000	42,22,843	19,40,304	2,03,163	—11,15,414	—9,17,147	5	341	United Provinces							
8,00,000	90,57,769	67,09,675	9,18,326	37,10,120	25,765	6	316	Upper Ganges Sugar P.	5	Nil					
									72½	72½	..	10	11/25	11/25	9/62
													60/25	60/25	68/00

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MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary Rs.	Net Block Accounts Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net profits including taxation Rs.	Carry forward Rs.	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share Rs.	Latest Market Quotations as available until 29-7-64 Rs.	22-7-64 Rs.	A year ago Rs.
								MISCELLANEOUS							
8,00,000	3,65,800	2,09,907	5,89,590	1,44,140	2,623	10	85	A Firpo (Restaurateur)	10½	5	..	10	5/90	5/90	5/90
93,75,000	5,89,85,976	2,48,84,621	3,09,108	30,58,004	11,965	3	132	Aluminium Corporation P.	12	12	5	10	11/19	11/44	12/94
20,00,000	42,19,493	17,50,000	53,08,486	4,79,403	25,172	12	382	Anderson Wright P.	Nil	6	6	10	11/50	11/50	11/50
30,00,000	16,96,720	44,23,928	21,81,674	26,48,673	2,17,061	8	268	Angelo Bros.	28½	28	28	10	25/00	24/62	22/12
30,00,000	23,93,699	43,10,024	16,21,703	25,26,521	18,162	12	274	Assam Match	20	20	20	10	26/37	26/37	28/75
13,99,998	20,06,639	20,17,850	6,814	1,70,203	94,397	9	348	Assam Saw Mills & Timber	Nil	3	..	3	2/56	2/56	2/60
1,18,00,000	54,61,855	98,34,917	67,73,791	53,69,644	7,978	8	391	Associated Battery	15	15	15	10	23/00	22/94	23/44
20,00,000	1,41,96,365	57,08,103	7,65,347	2,25,357	4,66,650	3	204	Associated Hotels of India P.	10	10	10	10	10/31	10/31	10/31
80,01,400	50,84,811	1,26,93,254	1,02,37,288	47,75,572	..	12	386	Balmer Lawrie & Co.	25	25	22½	100	237/00	237/00	253/00
12,00,000	5,51,865	12,52,902	6,77,227	10,64,446	..	3	128	Bararee Coke	Nil	15	15	10	21/13	21/12	21/06
44,00,000	..	9,27,823	68,58,981	2,87,091	50,926	9	160	Birds Investments P.	10	10	..	10	9/00	9/00	10/75
68,95,530	1,33,47,478	1,00,95,705	6,42,608	92,16,110	745	3	50	Britannia Biscuit P.	30	25	21—21*	10	37/75	37/75	42/75
3,25,00,000	92,71,518	2,59,58,217	1,52,24,566	2,20,29,077	23,545	12	33	British India Corporation P.	7	9	15	5	9/75	9/75	7/81
50,00,000	22,64,569	49,02,950	5,98,751	38,24,033	2,226	12	392	British Paints	15	10	15	10	22/25	21/75	21/50
5,00,000	6,83,781	1,65,739	1,54,429	2,63,717	5,201	3	213	Calcutta Silk Manufacturing P.	Nil	..	..	10	6/94	6/94	6/94
1,38,80,000	..	14,77,612	1,78,11,400	14,89,102	2,75,442	12	2	Clive Row Investment	7½	7½	8	10	8/19	8/19	8/62
1,08,00,000	27,30,517	1,26,67,000	2,75,14,550	41,14,029	22,124	12	169	Duncan Brothers & Co. P.	14	14	12	100	135/00	135/00	147/00
4,50,00,000	6,45,91,744	6,23,00,650	26,09,266	3,27,69,401	..	12	96	Dunlop Rubber Co. (India) P.	20	15	17½	10	32/50	32/69	31/12
27,56,355	1,31,99,222	1,76,30,095	24,30,790	1,00,50,837	12,604	3	116	Dyer Meakin (Breweries)	30	..	..	5	24/06	24/06	26/00
76,89,000	..	65,11,801	1,78,16,453	13,76,534	1,51,252	12	21	Eastern Investments P.	14	12	10	100	101/00	101/00	106/00
60,93,400	95,80,000	34,47,000	14,32,081	29,35,962	21,399	10	388	Electric Construction P.	10	10	10	10	13/25	13/06	12/94
30,00,000	28,94,555	27,23,508	19,90,832	15,65,118	2,10,371	3	51	French Motor Car	20	..	..	20	31/75	31/75	35/12
14,00,000	19,96,247	19,89,048	71,342	14,62,346	6,552	12	19	Ganges Rope	20	20	20	100	278/00	278/00	236/00
2,25,000	..	76,065	5,16,267	51,428	4,826	2	21	General Investment & Trust P.	5	5	5	75	43/00	43/00	43/00
65,00,000	31,77,135	58,42,190	1,57,85,100	30,47,005	15,471	3	105	Gillanders Arbuthnot & Co. P.	11	11	11	10	15/06	15/00	13/87
40,00,000	17,69,681	7,21,344	36,90,302	5,43,666	8,524	12	209	Gladstone Lyall & Co. P.	..	..	..	10	..	..	..
40,00,000	32,95,341	35,10,500	91,044	34,34,324	2,446	12	310	Godfrey Phillips (India) P.	40	30	20	10	28/12	28/12	28/12
30,00,000	43,74,366	17,66,560	1,60,432	1,09,512	794	3	225	Great Eastern Hotel	6	..	..	250	236/00	236/00	225/00
5,99,15,000	12,12,97,991	1,57,327	36,27,386	4,65,783	—1,90,67,933	12	438	Hindustan Aluminium P.	Nil	Nil	Nil	10	12/44	12/25	12/31
8,07,66,250	8,43,03,252	3,24,89,610	4,52,97,214	3,50,00,432	3,043	3	22	Hindustan Motors P.	12	12½	11½	10	17/87	18/34	15/56
1,80,00,000	2,50,71,989	44,59,689	19,50,134	11,58,982	—12,90,310	10	..	Hindusthan Pilkington	12	Nil	Nil	10	15/00	15/00	16/31
39,88,550	86,39,248	Nil	1,22,648	—12,14,232	—11,50,824	3	211	Hindusthan Twyfords P.	Nil	Nil	Nil	10	12/12	12/25	14/62
30,20,000	23,35,537	16,00,000	24,48,098	8,91,968	86,500	12	294	Hoare Miller & Co.	6	..	..	10	5/50	5/50	5/44
8,00,44,460	13,31,09,732	5,02,72,274	1,30,56,534	3,74,31,246	8,29,429	3	325	Imperial Tobacco	9	9	8	10	9/25	9/37	10/37
2,48,65,450	1,86,02,399	3,35,26,675	90,27,691	1,56,84,867	4,12,610	12	293	Indian Aluminium P.	15	17½	17½	10	30/00	30/37	34/75
3,64,00,000	5,80,31,205	2,05,01,886	32,59,129	1,40,40,263	21,521	3	34	Indian Cable	22½	22½	22½	10	36/25	35/37	32/25
					35,587	9	366	Indian Oxygen	15	12	12	10	24/12	24/62	27/50
8,27,970	8,82,919	12,42,783	10,99,551	12,01,372	53,791	3	223	Indian Rubber Manufacturers P.	30	36	..	10	21/75	21/75	19/87
20,00,000	3,08,827	29,55,665	1,44,979	17,93,931	3,056	9	88	Indian Wood Products	30	30	25	10	27/75	27/50	29/00
79,78,310	81,32,468	22,85,500	6,19,214	21,27,050	17,347	12	63	Isaac Holdens	Nil	Nil	5	10	11/62	11/50	13/87
5,00,000	..	3,15,956	11,39,628	1,17,622	12,910	2	21	Investments and Finance P.	7½	7½	7½	100	30/00	30/00	55/00
1,25,00,000	1,51,51,941	36,00,000	1,25,80,918	26,30,706	30,393	6	439	J. K. Synthetics	3	Nil	10	10	11/81	11/94	10/00
5,87,500C	2,28,843	Nil	5,88,284	—1,19,242	—1,18,804	12	281	James Wright P.	..	..	..	50	2/75	2/75	2/75
1,17,500D									..	..	..	1Dd	00/43	00/43	00/43
2,00,00,000	61,16,247	87,10,720	5,34,83,359	41,88,190	..	3	39	Jardine Henderson P.	7	6	7	100	75/50	76/00	84/50
1,09,33,290	2,45,94,981	72,53,990	9,89,540	36,94,613	41,622	12	22	Jay Shree Industries P.	12½	12½	10	10	14/00	14/00	16/00
1,99,94,325	8,77,31,151	4,34,03,080	55,33,798	1,07,12,489	26,969	3	22	Kesoram Industries P.	12	12	13	10	26/50	26/50	19/62
6,34,000C	3,17,363	6,02,958	8,21,617	—14,078	—4,849	3	133	Macfarlane & Co.	..	..	..	50	4/75	4/75	7/00
66,000Dd									..	..	..	1Dd	1/81	1/81	2/19
1,50,00,000	1,08,42,842	1,10,08,357	3,08,97,102	45,30,173	40,503	12	334	Macneill & Barry P.	8	7½	8½	100	95/00	95/00	93/50
1,47,12,250	69,29,198	1,38,23,546	2,13,42,011	91,60,378	1,289	9	309	Martin Burn Ltd. P.	27½	25	25	10	26/50	26/37	26/37
47,12,000	18,46,595	90,33,368	2,73,18,501	25,28,932	..	12	282	McLeod & Co. P.	15	18	..	100	230/00	230/00	210/00
3,22,00,000	3,39,11,209	2,96,70,151	44,50,023	1,54,09,781	2,480	3	167	Metal Box Co. of India P.	25	19	18	10	30/94	31/12	45/12
1,35,00,000	90,71,426	1,24,32,234	6,55,304	62,89,944	38,785	3	7	National Insulated Cable P.	25	25	18	10	24/00	24/00	22/37
30,00,000	23,68,847	36,90,300	12,33,457	30,79,310	19,484	9	7	National Pipes & Tubes P.	20	20	20	10	27/56	27/56	25/00
40,00,000	34,43,104	43,03,095	14,39,946	30,01,359	10,564	6	7	National Rolling & Steel Ropes	15	15	15	10	19/50	19/50	19/44
50,00,000	68,13,665	21,55,713	14,06,275	22,44,262	58,629	12	375	National Rubber P.	6½	8	10	10	11/25	11/25	10/69
79,97,000	74,92,596	1,29,48,132	33,63,433	26,23,104	3,26,438	12	79	National Tobacco P.	7	7	8	10	11/19	11/19	10/56
23,31,600	1,014	13,02,891	9,90,509	6,26,950	40,375	12	35	New India Investment Corpn.	..	..	..	75	54/00	54/00	65/00

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MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary Rs.	Net Block Accounts Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts Closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up share Rs.	Latest Market Quotations as available until 29-7-64 Rs.	22-7-64 Rs.	A year ago Rs.
								MISCELLANEOUS (Contd.)							
60,00,000	6,27,241	59,20,402	91,23,845	14,28,049	24,342	12	321	Octavius Steel P.	7½	7½	..	100	..	..	..
3,30,00,000	2,57,91,597	1,13,85,086	37,59,800	1,65,57,208	43,297	12	366	Philips India	12	13	15	10	27/25	27/25	27/37
2,86,200	53,496	6,12,800	1,02,081	4,43,784	48,408	3	145	Publicity Society	75	75	50	4	25/00	25/00	22/62
2,25,00,000	1,04,34,519	67,80,570	1,53,00,153	73,34,623	5,962	8	332	Rallis India P	8½	3½	10	100	124/00	124/00	121/00
5,00,00,000	7,93,37,818	3,87,81,885	1,16,91,228	1,22,07,255	4,305	8	335	Rontas Industries P.	10	8	9	10	11/25	11/37	10/44
94,27,380	5,55,68,835	Nil	14,04,497	1,60,253	37,513	9	82	Sirsilk P	..	..	..	10	7/31	7/81	9/00
1,35,00,000	2,41,71,538	86,99,991	20,94,175	11,62,162	4,301	9	376	Sen Raleigh Industries P.	8	8	Nil	10	13/50	13/50	14/25
75,00,000	96,97,751	69,54,352	1,85,84,497	58,21,689	3,55,748	12	278	Shaw Wallace P.	15	7½	12½	10	14/56	14/56	15/81
3,00,000	4,33,174	23,166	40,501	17,483	1,739	12	111	Spencers Hotel	2½	..	..	2	1/25	1/25	0/94
3,80,00,000	5,43,90,903	3,80,54,275	42,48,951	2,68,66,630	1,93,008	12	301	Union Carbide	18	12½	15	10	30/75	31/44	39/29
10,51,000	7,73,634	30,76,582	11,34,568	10,01,022	21,687	12	195	Walford Transport	30	30	27	10	2/94	2/97	3/81
								INSURANCE COMPANIES							
13,50,000	7,94,162	12,60,000	1,56,64,497	10,02,726	25,429	12	174	Concord of India	20	20	20	5	10/00	10/00	10/37
24,00,000	1,36,130	1,19,24,652	1,28,63,865	11,01,955	21,084	12	248	Hercules	26½	26½	26½	10	23/50	23/50	22/56
32,00,000	22,25,063	1,49,05,006	1,63,93,712	28,55,873	..	12	88	Ruby General	13½	15½	15½	8	11/19	11/19	10/37
8,00,000		21,62,472	92,804	1,493	12,241	12	..	Standard General	..	..		10	7/75	7/75	6/00
5,75,000	16,150	77,88,770	1,05,97,904	8,24,867	..	12	89	Triton	60	50	50	25	125/00	125/00	124/00
								FLOUR MILLS							
12,00,000	4,12,000	31,52,123	9,74,078	13,79,503	..	12	24	Bengal	25	25	30	10	33/87	33/87	29/00
5,60,000	6,51,040	4,47,038	3,17,808	1,05,473	1,26,880	10	97	Delhi P.	..	..	..	10	14/00	14/00	14/00
48,90,137	47,18,433	77,72,310	56,85,368	33,61,767	4,07,338	9	175	Ganesh P.	..	..	..	10	12/00	12/00	13/50
9,00,000	4,40,285	4,52,302	17,475	4,58,269	1,45,883	12	236	Hooghly	Nil	Nil	5	10	19/75	19/75	19/75
5,00,000	2,81,809	8,41,748	1,08,638	3,16,243	8,262	11	236	United	10	7½	10	10	27/81	27/81	27/81
								OIL COMPANIES							
£2,900,001	£2,366,123	£1,875,442	£1,080,797	£1,537,436	£168,520	12	249	Attock Oil	13½	13 1/3	..	£1 sh	30/9 sh	31/10½ sh.	34/9
£94,062,159	£28,669,445	£26,020,826	£119,296,989	£24,063,315	£1,241,331	12	52	Burmah Oil P.	..	11½	12½	£1 sh	53/9 sh.	53/1½ sh.	61/9
1,00,00,000	63,60,473	1,10,69,746	3,07,80,407	52,60,638	1,79,343	12	249	Indo Burmah Petroleum P.	25	22½	17½	10	20/56	20/56	21/87
6,00,000	3,08,556	9,90,737	3,38,958	5,47,290	23,403	10	2	Tide Water Oil	35	35	35	10	35/50	35/50	27/12
								PAPER MILLS							
68,44,348	3,75,21,799	95,96,950	4,43,746	3,52,330	..	12	436	Bengal P.	27½	20	20	10	25/81	25/87	27/69
88,20,000	1,16,27,906	90,40,934	1,10,010	40,65,122	33,457	3	22	India Paper Pulp	13	12	15	10	22/12	21/87	16/87
1,90,87,250	6,87,00,000	57,39,270	1,08,97,843	1,40,08,528	43,420	12	140	Orient Paper P	22½	22½	20	10	34/00	34/20	34/00
1,25,51,920	3,30,51,371	3,08,30,792	1,23,87,315	1,29,79,069	1,08,791	6	22	Shree Gopal Paper P.	17 6/7	17 6/7	18	10	24/94	24/81	23/25
2,73,19,050	4,28,25,108	94,29,176	63,90,889	2,93,680	..	12	86	Sirpur P	8½	8½	5	10	11/50	11/56	11/31
1,00,00,000	4,04,77,968	8,52,085	2,98,345	34,96,055	10,37,344	9	86	Star Paper P.	Nil	Nil	Nil	10	9/06	9/06	9/00
10,00,000A									13	13	13	2½PO	3/19	3/19	3/87
4,37,500PO									20	10	10	10AO	14/06	14/12	15/25
56,00,000AO	4,87,90,174	3,15,32,295	20,74,443	—20,620	15,112	3	106	Titaghur P.	20	10	10	10BO	14/06	14/12	15/25
56,04,800BO									7½	..	..	100	155/00	155/00	125/00
1,50,00,000O	4,95,97,051	95,00,000	1,73,752	58,44,196	17,196	6	373	West Coast P.							
								PRESSING COMPANY							
4,30,000	1,81,531	1,45,000	5,34,786	65,294	24,928	7	326	Camperdown	11	..	..	100	100/00	100/00	104/00
								REAL PROPERTY STORAGE							
10,00,000A												A500	1250/00	995/00	1,050/00
1,25,000B	14,69,599	8,53,120	3,54,870	1,24,262	3,212	4-10	73	Bengal Bonded Warehouse	8	8	9	B62½	125/00	125/00	135/00
2,00,000C												C100	186/00	186/00	122/00
25,000D												D12½	45/00	45/00	14/15
7,42,150	11,68,346	4,23,135	33,823	81,259	3,142	3	6	Calcutta Safe Deposit	..	..	..	10c	7/75	7/75	7/87
1,00,00,780O	19,85,068	9,01,590	13,43,272	3,61,779	1,33,593	9	432	Humayun Properties P.	..	..	..	10O	11/00	11/00	11/00
3,00,000D									..	..	..	1Dd	2/10	2/10	2/15
79,90,000	8,080	Nil	13,10,942	—74,850	—19,01,272	6	3	Midnapore Zemindary P.	Nil	Nil-Nil*	Nil	95	24/50	19/75	10/00
								TRAMWAYS & STEAMER							
20,00,000	40,37,049	33,73,558	9,90,121	5,76,314	54,558	10	2	Bengal Assam Steamship P.	7½	10	10	100	128/00	128/00	131/00
6,25,000	4,66,783	7,61,818	9,53,643	79,944	17,786	10	89	Calcutta Landing & Shipping	7½	22	6	10	21/00	21/00	34/00
12,60,000	47,23,178	14,01,984	1,02,898	63,719	—11,281	4	98	Calcutta Steam Navigation	Nil	Nil	Nil	10	8/00	7/69	8/25
£700,000	£2,889,537	£1,565,916	£315,682	£153,252	£2,006	12	38	Calcutta Tramways P	5	5	5	£1	10/37	10/37	10/69
6,04,880	5,97,987	3,66,706	33,440	1,36,098	—637	3	139	Fraser & Co	..	..	..	10	8/94	8/94	10/00
£656,580	£1,970,808	£432,656	£419,913	—£80,988	—£84,854	8	431	India General Nav. & Railway P.	..	..	..	10	34/50	34/50	41/50
3,47,50,000	15,60,63,417	1,57,29,564	1,17,13,241	—30,02,498		3	391	India Steamship P.	Nil	Nil	Nil	10	6/47	6/41	6/06
14,08,220	13,34,804	74,870	7,951	—62,391	—4,09,480	12	..	Port Shipping	Nil	..	..	10	13/75	14/25	13/12

BOMBAY COTTON MILLS

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

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
											1961	1962	1963		28-7-64	21-7-64	A year ago
Rs.	Spindles	Looms	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
40,00,000	48,652	1,016	1,28,56,156	46,70,828	20,69,878	10,39,741	26,620	..	269	Ahmedabad Advance P.	12	..	..	100	145/00	144/50	130/00
50,00,000	48,254	896	20,17,010	9,99,960	10,78,394	1,49,501	2,24,486	12	229	Apollo	Nil	..	..	2	1/60	1/60	1/90
40,00,000	41,135	980	43,32,511	11,42,781	4,76,501	1,42,728	..	3	350	Beharilal Ramcharan	Nil	..	..	100	136/00	135/00	76/00
2,50,98,000	2,03,942	4,911	5,87,37,535	3,82,76,018	47,87,842	62,56,837	67,586	12	199	Bombay Dyeing, etc.	14	14	..	25	57/60	57/80	60/00
10,00,000	35,052	648	32,07,778	34,59,612	9,45,173	10,89,180	1,37,996	3	262	Bradbury P.	25	..	..	50	162/50	162/50	141/25
1,27,75,700	1,18,296	2,760	4,98,32,541	1,26,61,464	25,80,077	30,66,350	9,53,042	12	22	Century	30	..	..	100	612/00	604/50	504/00
46,87,500	1,15,188	2,062	2,99,18,629	10,75,722	15,14,712	3,59,283	—40,19,762	6	269	Central India P.	Nil	Nil	Nil	100	92/00	93/50	103/00
26,00,000	24,916	719	37,34,829	32,52,434	1,01,853	1,46,029	1,28,151	3	68	Cooria	11	..	..	100	169/00	169/00	150/00
28,00,000	43,512	..	33,97,504	29,03,230	5,19,246	2,06,873	23,98,267	12	262	Dawn	30	..	..	50	165/00	166/00	136/00
34,00,000	49,164	920	74,35,701	43,13,002	1,86,928	—9,41,122	—9,38,834	12	260	Edward Textiles	9	6	..	200	300/00	285/00	290/00
2,98,63,675	47,700	886	1,36,80,735	56,02,280	2,57,709	10,62,512	12,247	12	59	Elphinstone P.	22	18	18	50	97/00	104/00	95/00
50,00,000	63,212	784	85,32,658	71,62,852	16,838	4,09,432	37,155	12	241	Finlay	23	..	..	100	301/00	297/00	310/00
39,04,700	77,966	..	19,75,309	43,25,176	23,64,706	12,85,523	85,195	12	56	Gokak	18	..	..	100	178/00	117/00	157/00
12,00,000	40,856	1,116	64,14,595	68,13,239	10,75,932	4,27,954	5,195	3	305	Hindoostan	50	..	..	250	950/00	950/00	855/00
2,00,00,000	2,48,870	6,498	4,41,45,022	3,84,70,022	31,82,628	1,32,22,197	5,89,816	12	15	India United	14	..	..	10	19/52	19/52	22/60
60,00,00,000											37½	..	..	1Dd	2/40	2/36	2/50
9,00,000	47,824	1,202	75,60,490	61,57,161	4,26,274	..	..	3	305	Indian	25	..	..	250	840/00	840/00	761/25
50,00,000	50,074	1,426	74,72,293	26,00,000	26,71,572	4,58,532	8,880	12	103	Indore Malwa United	10	7½	..	100	210/00	208/00	192/00
59,85,000	65,260	1,514	1,07,21,545	82,79,165	25,00,707	76,87,297	38,751	6	149	Khatau Makanji P.	16	..	..	100	180/00	180/00	210/00
1,00,00,000	1,20,504	1,846	1,76,50,904	1,36,17,072	20,69,195	65,91,664	9,095	12	146	Kohinoor	18	18	21	100	325/00	327/00	301/00
89,60,000	49,880	1,369	1,72,98,220	72,37,399	5,89,295	—72,073	—18,72,053	12	83	Lakshmi Vishnu P.	6	Nil	3	100	90/70	91/00	89/00
51,75,000	71,652	1,620	2,44,04,458	78,75,201	1,68,667	33,39,748	..	6	104	Morarjee Goculdas P.	24	24	20	100	269/00	268/50	365/00
39,88,250	50,480	500	55,13,433	39,56,794	22,08,037	2,05,250	Nil	2	261	Mysore Spg. & Mfg. P.	14	..	..	50	39/00	39/50	49/50
24,00,000	45,944	432	23,52,760	7,45,700	10,79,000	15,67,753	8,456	12	..	New City of Bombay	Nil	..	..	100	188/75	188/75	156/25
30,00,000	46,884	1,029	22,27,098	25,72,444	27,32,568	12,48,697	153	12	..	New Great Eastern P.	12	..	..	100	160/00	160/00	230/00
48,00,000	54,244	738	53,94,222	35,02,899	1,54,21,523	21,027	27,380	12	119	Phoenix	20	..	..	100	254/00	254/00	205/00
10,00,000	9,520	277	13,17,604	2,78,222	9,963	3,22,456	—1,07,771	12	257	Sassoon & Alliance	Nil	..	..	10	10/24	10/24	11/76
80,60,000	96,488	2,127	2,80,93,686	1,62,43,024	12,70,360	41,26,788	673	12	339	Sassoon Spinning	20	10	20	10	38/00	38/00	46/50
60,48,000	49,840	1,258	1,34,95,513	34,48,460	1,44,640	22,79,548	24,574	3	379	Simplex	Nil	22	16	50	135/50	136/00	120/00
1,00,00,000	77,436	1,640	1,62,20,494	86,36,202	95,49,874	35,49,582	51,723	12	327	Shree Niwas P.	20	14	..	100	245/50	247/00	232/00
1,00,00,000	65,040	2,000	1,96,83,714	1,42,81,829	24,73,107	35,08,617	8,176	12	269	Svadeshi P.	19	17	..	100	255/00	246/50	231/00
36,00,000	40,328	549	56,94,838	71,73,334	7,774	8,20,551	26,062	12	341	Swan	21 3/5	..	..	100	265/00	265/00	280/00
66,57,875	63,248	1,800	2,12,86,475	1,12,83,538	11,32,192	20,80,953	1,422	12	269	Tata	22	20	..	25	54/00	53/70	52/20
12,00,000	45,508	1,308	62,07,441	12,11,933	31,81,227	52,10,985	8,027	3	205	Western India	25	..	..	250	815/00	815/00	785/00

* 1962

BOMBAY MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including Taxation	Carry Forward	Accounts closed	Mg. Agents Secretaries etc.	NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
									1961	1962	1963		28-7-64	21-7-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
								CEMENT							
19,06,68,750	28,49,18,158	12,76,85,523	5,86,09,994	5,14,17,638	68,243	7	58	Associated Cement	12	12	12	100	152/75	152/75	143/25
								ELECTRIC LTG POWER							
8,74,77,100	11,61,05,785	1,36,05,785	30,82,878	78,42,905	638			Ahmedabad Electricity	6	..	..	100	100/00	99/80	95/00
3,02,77,000	9,34,77,781	1,23,89,917	32,52,570	52,28,395	36,154	3	146	Andhra Valley Power P.	5	5	..	100	1,097/50	1,097/50	1,072/50
1,75,00,000	3,95,16,553	1,21,07,263	17,22,888	39,87,421	3,370	3	267	Bombay Suburban Elec.	8½	8½	..	100	107/00	106/00	104/00
3,39,99,975	7,17,76,350	1,39,56,841	51,65,971	60,68,808	27,536	3	146	Tata Hydro Elec Power P.	5	5	..	100	113/75	113/50	109/00
9,15,36,000	17,59,03,832	3,61,11,341	57,28,753	1,22,80,113	29,988	3	267	Tata Power P.	5	5	..	1000	1,147/50	1,145/00	1,105/00
								ENGINEERING & METAL							
33,42,200	17,06,292	44,16,374	1,54,08,311	5,79,666	1,35,820	12	268	Alcock Ashdown	22½	..	..	100	281/00	277/00	277/00
14,75,050	7,99,713	4,61,618	2,25,568	—24,763	—33,604	3	115	Jost's Engineering	10	10	Nil	50	47/00	47/00	60/00
1,65,00,000	1,36,83,136	1,15,74,779	1,09,19,945	48,29,564	11,973	3	851	Larsen & Toubro P.	18	14	14	10	21/20	21/36	22/40
11,00,000	1,03,70,225	3,45,914	..	..	1,016	7	283	Mckenzies	12	14	..	100	140/00	140/00	136/50
2,50,000	5,834	1,00,53,052	1,79,52,042	3,35,178	59,102	12	284	Premier Construction P.	33 1/3	..	..	300	182/00	182/50	140/00
1,31,250F												3½F	..	..	..
7,99,97,300	17,30,38,018	5,09,28,017	13,84,385	3,61,61,616	14,962	3	269	Tata Eng & Locomotive P.	14½	14½	14½	100	290/00	291/50	253/00
17,55,67,699	1,03,32,39,005	42,98,94,270	10,44,14,243	10,55,68,012	32,096	3	269	Tata Iron & Steel P.	10.36	10.36	11	750	154/75	155/50	136/25
								INSURANCE COMPANIES							
20,00,000	..	23,84,913	95,96,033	4,24,629	1,18,606	12	297	British India General	..	..	..	10	14/00	14/00	12/12
18,74,940	25,01,134	2,88,61,155	2,61,49,442	38,951	4,65,316	12	55	Jupiter General P.	..	..	..	15	7/00	7/00	9/20
1,42,42,125	23,46,782	3,80,68,899	9,41,74,741	92,81,250	44,28,391	12	179	New India	38	..	38	15	46/00	46/00	52/50
15,99,270	..	29,41,860	59,86,789	6,05,803	3,81,242	12	255	Vulcan	20	..	20	10	16/24	16/24	17/24
								MISCELLANEOUS							
70,49,650	41,70,604	1,23,53,608	1,09,82,038	67,94,850	3,00,263	9	42	Belapur Sugar	50	..	58	50	229/00	220/00	184/00
1,83,50,000	3,34,19,072	2,76,00,447	1,67,73,491	1,13,92,935	2,25,985	5	285	Bombay Burmah Trading	33	33	35-1/5	20	42/00	42/50	..
84,00,000												25	55/70	55/70	59/60
8,24,36,000	6,05,91,322	4,82,83,719	47,53,662	4,30,51,407	..	12	91	Hindustan Lever	26	12	14	10	30/75	32/25	36/50
99,99,250	3,754	20,08,796	1,44,31,515	8,97,490	30,418	12	299	Industrial Invt. Trust	6½	..	6½	100	75/00	75/00	74/50
11,99,900	13,82,957	7,34,142	14,05,223†	58,232	16,942	†	57	Kemp (Chemists)	12½	..	12½	200	255/00	255/00	252/00
4,41,12,100	7,40,36,031	2,03,71,160	27,33,067	1,69,61,608	4,41,151	12	352	National Rayon	..	..	22	100	362/50	364/00	307/00
11,27,98,680	25,25,08,055	11,58,24,547	11,18,89,983	48,75,907	2,82,649	†	198	Scindia Steam Navign.	8	8	8	20	15/28	15/80	11/20
21,00,000	47,55,927	61,15,000	3,17,297	—3,40,349	—23,63,858	13	146	Shivrajpur Synd	Nil	Nil	Nil	10	17/00	17/52	19/52
3,02,33,815	6,32,84,424	1,44,04,272	23,87,449	89,88,449	3,923	6	269	Tata Chemicals P.	6½	6½	10	10	18/72	18/64	16/36
1,05,05,475	2,21,88,319	1,25,42,386	47,75,465	50,73,815	1,187	5	269	Tata Oil P.	23	23	22	25	63/00	63/50	65/00
2,55,00,000	1,37,35,974	3,64,27,137	85,33,891	1,78,87,313	Nil	8	360	Voltas	14	14	14	100	250/50	252/00	232/50
2,75,00,000	2,77,62,199	2,98,63,675	1,60,81,755	1,16,48,391	44,408	12	274	Western India Match	16	16	16	100	240/50	240/00	244/00

SOUTH INDIA PLANTATION COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Acreage	Outturn and Average Price per realised for crop		Net Profits	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
										1960	1961	1962		28-7-64	21-7-64	A year ago
Rs.	Rs.	Rs.		Lbs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
6,75,000	16,06,067	1,50,000	1,992	7,996cwt	9.68	1,19,757	3	401	Amalgamated P.	10	..	..	10	14/50	10/01	10/36
8,50,000	12,57,795	5,72,253	878	1,12,000	1.48	70,011	12	402	Anandam P.	15	..	..	10	14/25	14/25	15/24
9,25,000	6,09,131	1,50,000	402	1,28,902	1.47cts	3,501	2	403	Athimattam	Nil	..	..	2	1/20	1/20	0/78
10,98,990	13,96,078	4,83,841	1,630	225,168†	4.34	4,11,290	8	287	Balanoor P.	15	12	..	10	12/12	12/12	12/90
8,00,000	3,94,072	2,05,000	319	1,07,785†	3.2	1,11,970	5	404	Baimadies P.	7½	5	Nil—5*	2	1/85	1/80	1/85
37,32,230	13,46,710	1,36,253	977	1,58,731	1.65cts	53,110	5	270	Be Be P	Nil	..	..	5	2/30	2/30	2/15
84,00,000	1,23,45,152	25,11,425	1,329	8,53,754†	4.81	12,37,848	6	141	Blue Mountain	12½	10	10—10*	2	2/30	2/30	2/30
14,00,100	27,96,388	14,46,380	4,586	8,36,263††	3.15	6,16,055	8	210	Chembra Peak	20	20	20	2	4/77	4/77	3/93
26,91,279	48,15,737	19,60,914	8,050	11,05,303†	..	8,80,694	2	210	Cochin Malabar P.	17½	20	20—12*	3	6/35	6/35	6/00
32,50,000	39,31,709	30,58,661	2,710	19,48,320	..	3,71,249	6	405	Coffee Lands P	6	..	..	10	16/85	16/85	13/50
71,55,000	1,15,74,494	63,44,278	7,001	60,81,120	..	25,60,562	6	406	Consolidated Coffee P.	20	..	..	10	23/40	23/50	18/65
8,66,730	21,85,500	13,90,424	441	4,52,382	2.25	56,592	9	203	Coonoor P.	17½	15	17½-17½*	10	17/40	17/40	18/50
4,80,000	[illegible]	4,76,798	432	3,53,883	1.52	1,19,880	3	407	Coorg P.	20	..	..	2	4/85	4/85	4/85
[illegible]	[illegible]	8,47,761	1,026	1,57,785	1.47	46,942	3	12	Cottanad Plantation P.	10	..	..	10	9/30	9/30	9/31
[illegible]	[illegible]	4,80,155	345	3,25,310†	2.66	1,25,313	12	212	Devasnola (Nilgiri)	20	..	..	10	30/75	30/75	24/92
[illegible]	9,14,944	3,31,040	450	1,38,386†	4.26	1,36,712	3	287	Devon P	15	12	..	10	11/96	11/96	12/66
[illegible]	3,38,952	1,26,500	197	1,12,936†	2.66	28,121	12	408	Emerald Valley	..	..	..	5	6/45	6/15	6/35
4,50,000	3,64,462	20,000	278	32,830	..	40,424	12	409	Goku	10	..	..	2	1/91	1/91	1/90
25,00,000	42,82,150	17,77,500	1,465	17,21,550	2.04	2,13,414	12	410	Haileyburia P.	15	..	..	10	13/00	13/00	12/50
11,85,700	28,02,068	10,77,705	1,528	9,59,804	1.67	3,60,461	2	402	Kallas	22½	..	..	2	6/28	6/28	5/35
6,00,000	11,83,359	3,86,159	465	[illegible]	4.64	4,14,877	3	210	Kalasa Tea Produce	20	25	..	2	4/25	4/25	3/83
27,17,076	27,90,278	9,40,446	[illegible]	[illegible]	5.17	5,88,691	10	210	Kil Kotagiri P.	25	25	..	2	4/80	4/40	5/60
5,00,000	9,11,259	1,21,604	[illegible]	[illegible]	2.31	96,485	12	203	Lucky Valley	10	10	..	10	11/75	11/70	10/30
13,50,000	17,31,286	4,85,241	[illegible]	[illegible]	1.48	2,09,136	3	411	Malankara	15	..	..	10	16/37	16/37	15/14
40,50,000	74,75,217	[illegible]	[illegible]	740.800†	4.47	13,89,961	3	270	Midland Rub & Prod P.	12½	12½	..	10	11/35	11/40	10/33
24,06,250	33,53,804	[illegible]	1,587	9,96,596	2.90	1,80,000	3	402	Nilgiri P.	8	..	..	10	9/00	9/00	8/30
33,10,000	24,28,291	11,02,[illegible]	1,057	7,29,106†	2.92	16,62,532	t	14	Nonsuch	20	20	20—20*	10	21/87	21/75	21/50
6,50,000	7,07,991	3,11,464	510	1,35,230†	..	1,41,776	3	210	Ossoor	15	..	..	2	2/85	2/85	2/48
19,45,980	34,53,670	25,53,533	1,498	5,77,573	4.84	6,27,924	10	210	Ouchterlony	13	12	..	2	3/12	3/55	3/70
14,88,960	27,02,359	17,22,983	979	4,13,064†	2.74	7,70,117	6	203	Parkside Neilgherry	27½	22½	27½—25*	10	25/25	25/25	23/47
17,00,000	27,36,576	12,82,318	1,563	10,83,565†	4.20	11,29,838	12	9	Peermade P.	22½	25	..	10	20/50	25/50	20/77
6,00,000	1,90,316	1,35,530	1,167	1,83,268	1.50	1,65,244	2	259	Peninsular	20	..	..	10	21/25	21/25	20/70
97,94,850	78,72,019	20,68,711	2,074‡	23,46,900	3.88	13,16,964	3	210	Periakaramalai	13½	20	12½-15*	2	3/43	3/43	3/05
13,50,000	48,44,469	13,58,959	852‡	845,000†	3.16	8,05,161	6	270	Rajagiri Rub. & Prod P.	20	20	20—21½*	10	22/10	22/90	17/55
2,00,000	3,14,567	1,53,963	711	3,320cwt	1.32	1,18,791	3	412	Rajendra P.	25	..	..	5	12/50	12/50	9/80
1,25,000	1,90,373	15,000	216	—	..	43,141	3	413	Swinton	12½	..	..	2	2/68	2/68	2/82
10,00,000	20,71,084	2,48,373	1,454	4,30,695	1.51	63,263	3	172	Teekoy P.	Nil	..	..	10	6/75	6/60	6/45
8,15,300	13,14,493	10,80,000	2,227	2,45,549†	3.76	1,27,943	9	210	Thirumbadi	7	12	..	1	1/68	1/68	1/75
6,00,000	6,51,402	46,742	1,307	4,23,794	3.21	80,950	12	414	Travancore Rubber	13	..	..	10	11/35	11/35	10/50
41,00,000	72,63,801	12,63,584	2,535‡	12,19,484†	..	10,61,172	12	9	Travancore Rub & Tea P.	9	10	10	10	8/80	8/90	9/10
80,00,000	23,48,701	1,36,000	3,028	6,38,402	1.00	2,02,762	12	271	Tropical Plantation	8	..	..	25	19/65	19/65	19/75
15,75,000	24,78,11	16,00,000	1,267	9,63,293	2.16	1,00,000	12	410	Twyford's	10	..	..	10	9/00	8/85	8/75
21,93,280	30,03,223	17,04,089	3,638	8,28,976†	5.11	12,85,658	8	250	United Nilgiri	21	22	..	10	23/40	23/40	20/34
6,80,010	9,26,839	3,82,051	952	4,04,400	1.50	2,20,096	12	415	Vaikundam	30	..	..	10	35/50	35/50	29/45
47,25,000	78,06,431	21,33,765†	2,214‡	13,41,277†	3.77	15,22,472	6	157	Waterfall Estates P.	12½	10	10—10*	2	2/28	2/28	2/25
8,95,000	12,64,609	6,35,454	971	1,65,429	1.78	88,225	8	416	Woodland P.	10	..	..	10	6/80	6/80	7/85

‡Hectares † Kgs. * 1963

SOUTH INDIA COTTON MILLS

Paid-up Capital Ordinary	Number on Spindles	Looms	Net Block Account	Reserve & other Funds Premium & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
											1960	1961	1962		28-7-64	21-7-64	A year ago
Rs.			Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
8,21,50,000	46,240	1,157	1,13,35,197	2,05,37,667	29,35,225	1,33,49,220	8,778	12	445	Bangalore W. C. Silk P.	10	18	18—24*	100	268/00	268/00	238/00
1,99,78,000	1,20,288	2,754	3,98,78,769	4,24,41,649	32,42,332	1,00,04,894	34,777	12	435	Buckingham & Carnatic P.	10	18	18—18*	100	274/50	274/00	260/00
40,00,000	28,000	—	22,72,373	31,406	98,302	4,68,513	42,421	12	12	Cambodia P	9	18	..	10	8/85	8/85	13/00
85,99,600	13,864	—	74,98,712	39,35,014	5,68,959	20,95,517	..	12	188	Coimbatore Cotton	12	..	..	100	151/00	151/00	162/00
80,76,900	42,832	407	47,91,212	7,98,681	22,227	—2,82,342	—10,23,340	†	46	Coimbatore Spg. & Wvg.	..	16	8	50	115/50	115/50	68/00
67,20,000	30,512	206	1,08,14,489	23,10,438	10,00,190	5,62,227	31,244	12	141	Kothari Textiles P.	10	8	8-6*	10	8/87	8/87	9/40
1,06,50,000	1,10,800	—	2,04,58,691	1,02,72,660	64,27,750	66,04,914	25,194	3	186	Lakshmi	20	25	20*-20†	100	130/25	137/00	135/00
												30	..				
1,75,02,480	5,00,000	—	5,13,24,237	6,09,41,668	1,06,32,122	1,01,11,071	59,354	12	108	Madura	15	..	15—15*	15	33/70	33/75	31/25
60,00,000	24,252	603	16,80,682	28,23,200	45,78,074	23,62,309	2,687	12	60	Mettur Industries	30	30	22½-20*	100	277/50	277/50	324/00
4,00,000	20,137	Nil	5,36,608	6,00,000	24,24,908	7,39,437	2,687	12	60	Palani Andavar P.	..	..	..	10	193/15	202/75	215/00
91,00,000	48,974	270	43,85,330	43,50,000	11,97,728	16,77,243	91,696	12	47	Vasanta P.	20	..	..	100	234/00	234/00	276/00

‡ Hectares † 1964 * 1963

SOUTH INDIA SUGAR MILLS

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net profits	Carry forward	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1960	1961	1962	Paid-up per share	Latest Market Quotations as available until 28-7-64	21-7-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
30,00,00	62,64,264	26,55,000	5,52,400	10,92,778	22,959	9	417	Andhra P.	..	..	..	10	13/55	13/75	17/36
40,00,000	80,62,883	12,61,424	1,58,472	13,46,266	1,40,987	6	218	Cauvery P.	6	8	..	100	97/50	97/50	109/00
39,84,000	80,95,449	50,28,500	10,91,223	29,00,521	9,587	5	218	Deccan Sugar	25½	12	18—18*	5	11/60	12/05	9/75
£1,127,700	£3,463,073	£2,075,782	£414,795	£648,473	£21,999	9	319	E.I.D.-Parry	21 3/7	21 3/7	28 3/7	£1	35/68	33/87	36/87
63,97,650	39,62,680	15,44,848	64,64,375	12,35,437	69,501	9	418	Indian Sugar P.	14	10	8—8*	10	9/10	9/10	9/69
12,45,572	1,22,66,623	18,99,861	1,51,052	5,99,416	2,090	6	419	Jeypore P.	8	..	..	10	16/50	16/50	15/25
10,52,200	2,87,27,773	1,23,75,000	31,53,982	20,76,426	91,745	6	420	K C P.	..	..	..	10	24/00	24/00	23/00
79,98,000	1,40,86,784	Nil	3,14,482	—16,486	—1,26,762	6	141	Kothari	Nil	Nil	Nil—Nil*	10	6/60	6/70	6/95
21,79,280	69,98,950	1,19,98,416	46,28,924	1,22,390	4,559	6	264	Mysore	30	30	30—30*	10	28/33	28/33	47/25
30,00,000	35,93,381	11,41,000	10,12,037	4,88,902	1,46,735	4	218	Travancore P.	10	..	..	10	7/15	7/15	8/31
25,00,000	45,92,397	91,28,520	73,43,307	34,22,332	..	3	320	United Breweries	60	60	25—Nil*	10	33/00	33/00	28/00

*1963

SOUTH INDIA MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net profits	Carry forward	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1960	1961	1962	Paid-up per share	Latest Market Quotations as available until 28-7-64	21-7-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
1,00,00,000	86,99,116	39,83,750	10,36,602	19,80,945	1,52,818	3	421	Aluminium Industries	13	..	..	10	20/12	19/85	16/80
71,03,170	76,52,046	10,34,008	6,28,302	11,87,102	2,761	12	16	Andhra Cement P.	10	10	9*-9†	10	9/85	9/60	10/31
3,02,87,658	1,59,93,383	25,63,610	1,84,694	30,01,343	20,076	12	422	Ashok Leyland	8	..	..	5	6/78	6/75	7/35
1,00,00,000	17,47,081	49,33,435	2,75,867	19,86,813	4,39,222	12	423	Binny	12½	..	..	100	271/60	271/60	327/17
7,50,000	5,45,587	56,538	41,650	93,226	—1,46,143	12	270	Brunton & Co.	..	..	..	10	4/40	4/40	5/10
24,99,000	40,82,511	3,52,644	62,051	3,35,186	4,810	12	424	Enfield P.	5	..	..	10	10/00	10/00	9/25
2,24,44,750	3,21,08,642	66,66,496	73,60,475	51,28,679	1,38,608	3	425	India Cement P.	11	9	12	6	5/46	5/44	5/49
23,83,732	16,92,196	2,50,222	93,924	2,16,808	2,977	12	230	Indian Steel Rolling P.	..	..	..	10	9/80	9/90	10/50
1,40,00,000	1,39,97,059	37,48,801	36,09,251	29,82,180	11,631	3	253	Mettur Chemical Industries P.	12½	12½	13½-18½*	10	14/26	14/15	12/30
24,81,220	12,69,939	10,47,778	17,48,674	3,48,641	8,514	3	233	Mysore Chem. & Fert.	10	10	..	10	7/90	7/87	7/75
8,00,000	5,20,889	4,52,189	2,18,413	2,33,791	85,187	3	151	Mysore Chemical Mfgs. P.	20	..	..	10	18/70	18/70	17/75
6,56,250	5,13,585	9,38,696	6,374	1,23,899	3,146	3	428	Mysore Lamp P.	20	..	..	10	30/00	20/00	34/10
25,00,000	55,50,342	37,12,500	2,43,664	14,29,395	36,663	3	226	Mysore Paper	15	15	..	10	12/62	12/50	13/00
10,00,000	7,56,329	3,16,884	29,32,342	75,422	622	3	201	Mysore Tobacco	10	..	..	10	11/25	12/00	9/85
10,00,000	6,54,848	8,02,000	2,60,194	4,84,835	1,51,607	3	218	Parry's Conf.	30	..	..	1	2/97	2/97	3/23
40,00,000	82,50,079	1,03,14,883	40,58,627	23,52,432	10,74,117	6	221	Spencer (Provisions)	18	18	18	10	21/20	21/15	12/50
47,00,000	86,53,610	20,65,000	51,902	7,85,966	3,869	12	427	Standard Motors P.	9	..	..	10	10/12	10/12	11/87
11,56,300	5,95,547	14,04,007	16,66,624	4,19,707	41,732	9	7428	T Stanes P.	32½	..	..	10	30/50	30/50	29/05
39,84,400	42,58,650	13,07,759	26,027	6,92,616	932	4	429	Textool	15	..	..	100	150/00	150/00	149/00
2,50,00,000	4,24,61,684	2,14,79,630	72,21,483	85,33,091	50,510	7	430	Tube Investments	10	10	10-10*	100	192/00	192/00	235/00

†1964 *1963

LIGHT RAILWAY AND ROPEWAY COMPANIES

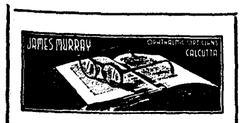
Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	Net Earnings	Carry Forward	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1960	1961	1962	Paid-up per share	Latest Market Quotations as available until 29-7-64	22-7-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs
17,24,000	18,02,732	12,576	—2,52,424	..	3	165	Ahmedpur Katwa	1.90	1.90	1.75	100	24/87	24/87	29/00
21,69,200	35,00,464	6,11,706	2,54,456	1,080	3	32	Arrah Sasaram	5	5	5—4*	100	31/62	31/62	27/00
34,00,000	35,33,840	21,816	—4,66,034	..	3	165	Bankura Damoodar	1.90	1.90	1.75	100	24/87	24/87	27/25
17,80,000	20,25,854	10,772	—3,07,176	..	3	165	Burdwan Cutwa	1.90	1.90	1.75	100	24/87	24/87	29/00
31,00,000	28,10,290	46,918	1,59,749	2,620	3	32	Chaparmukh-Silghat	2.90	2.90	2.80-2.40*	100	35/00	35/00	35/00
4,75,000	1,48,268	5,33,369	1,35,796	3,691	3	296	Cherra Chhatak Ropeway	9	12	12	5	4/62	4/62	5/75
2,47,650	2,28,169	59,790	42,389	4,003	3	101	Darjeeling Ropeway	..	..	..	10	8/50	8/50	9/00
40,00,000	49,60,137	14,51,000	19,14,361	35,951	3	335	Dehri Rohtas	17	20	15	10	11/75	11/44	13/75
11,49,700	16,09,728	2,500	26,271	806	3	32	Futwah Islampur	1.90	1.90	1.90-1.80*	100	28/70	28/70	28/70
16,00,000	49,11,910	12,56,213	1,82,293	6,372	3	32	Howrah Amta (P)	6	5	4½—4*	100	34/00	34/00	40/50
6,00,000	13,66,352	5,29,960	90,311	2,342	3	32	Howrah Sheakhala	6	5	4½—4*	100	39/00	39/00	45/00
5,91,100	11,74,348	15,024	73,560	160	3	165	Katakhal Lala Bazar	3.50	3.10	1.90	100	41/00	41/00	41/00
15,00,000	61,42,583	16,81,057	19,411	Nil	3	32	Shahdara (Delhi)	6	3	Nil-Nil*	100	52/00	52/00	40/50

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

1. Anderson Wright Ltd.—7, Wellesley Place, Calcutta.
2. Andrew Yule & Co., Ltd.—8, Clive Row, Calcutta.
3. S. N. Beri—6, Middle Road, Hastings, Calcutta
4. Bazareemull, Heeralall—148, Cotton Street, Calcutta.
5. Amritlal Ojha & Co., Ltd.—"Security House", Netaji Subhas Road, Calcutta.
6. Alcock, N. C.—Hulisdrof Mills, Colombo.
7. Associated Industrial Development Co. (Private) Ltd.—"Nicco House", Hare Street, Calcutta-1.
8. Agarwala, S. L.—Indian Insurance Building, Old Cantonment Road, Dehra-Dun.
9. Aspinwal & Co. (Travancore) Ltd.—Chavadi Parambu North Commercial Canal Road, Alleppy.
10. Aryan Planter Agency—P-12, Chowringhee Square, Calcutta.
11. Allum Bharucha & Co.—214, Hornby Road, Bombay.
12. Associated Planters Private Ltd.—25, General Patters Road, Madras.
13. Antony, M. K.—Alleppey
14. Harrison And Crossfield Ltd.—Cochin.
15. Agarwal & Co.—E. D. Sassoon Building, Dougall Road, Ballard Estate, Bombay.
16. V. Ramkrishna—Ramkrishna Bldgs., 38, Mount Road, Madras-6.
17. Amte & Co.—Hubli.
18. B. M. Krisnan—Sri Jayachamaraja Wadiyar Road, Bangalore-2.
19. Macneill and Barry Ltd.—2, Fairlie Place, Calcutta
20. Ojha Brothers Ltd.—Security House, Netaji Subhas Road, Calcutta.
21. Bird & Co (Private) Ltd.—Chartered Bank Buildings, Calcutta.
22. Birla Bros. Private Ltd.—8, India Exchange Place, Calcutta.
23. Babulal & Co. Ltd.—13, Syed Salley Lane, Calcutta.
24. Balmer Lawrie & Co., Ltd.—21, Netaji Subhas Road Calcutta.
25. British India Corporation Ltd.—Sutherland House, Kanpur.
26. B. L. Thompson—Agraharam Road, Bangalore-2
27. Bengal Textile Agency Ltd.—11, Clive Row Calcutta.
28. Swadeshi Enterprise Ltd.—41, Chowringhee Road Calcutta.
29. Beardsell, W. A. & Co Private Ltd.—Second Line Beach, Madras.
30. Bhagyalakshmi & Co.—Delhi Road, Udamalpet Dt., Coimbotore
31. Rameshwar Tantia—1 & 2, Old Court House Street, Calcutta.
32. Martin Burn Ltd.—12, Mission Row, Calcutta.
33. K. M. Wilcox—Sutherland House, Kanpur
34. Sir John Brown—9, Hare St., Calcutta.
35. Ramdutt Ramkissendas—9, Brabourne Road Calcutta
36. Bajoria & Co.—27, Brabourne Road, Calcutta
37. Birla, L. N.—8, Royal Exchange Place, Calcutta
38. Birla, B. M.—"India Exchange", Calcutta-1.
39. John Valentine Jardine Paterson—4, Clive Row Calcutta
40. Bhargava, R. K.—Mohalla Masjid Bagh, Badshanagar
41. Biharilal Lahoty—161-1, Mahatma Gandhi Road, Calcutta.
42. W. H. Brady & Co., Ltd.—Brady House, 12-14, Veer Nariman Road, Bombay-1
43. Brijlal Bilasrai & Co.—Aga Khan Buildings Dalal Street, Fort, Bombay.
44. Punam Chand Batia—19, Circular Garden Reach Road Calcutta.
45. Chakravarti Sons & Co.—22, Canning Street, Calcutta.
46. G. I. Purushotham Naidu—24, Krishnaswamy Mudaliar Road Coimbatore.
47. Chetty R. K. S. & Bros.—Singanallur, Coimbatore-5
48. S. R. Poddar—33, Netaji Subhas Road, Calcutta.
49. Calcutta Agency Ltd.—24, Netaji Subhas Road, Calcutta
50. Chanda, A. P.—15, Taratola Road, Calcutta
51. Shoobridge, F. G.—234-3, Lower Circular Road, Calcutta.
52. W. E. Eadie—173, West George Street, Glasgow C.2.
53. Cement Agencies (Private) Ltd.—121, Queen's Road Fort Bombay
54. Consolidated Elec Agencies—17B, Elphinstone Circus Fort Bombay
55. K. S. R. Iyer—Imperial Bank Buildings, Bank Street Fort Bombay.
56. Chinoy, F. M. & Co., Ltd.—Radio
58. Cowasjee Jehangir & Co., Ltd.—Ready Money Mansion, Churchgate Street, Fort, Bombay
59. N. K. Jalan—Kamini Chamber, 32, Nicol Road, Ballard Estate, Bombay.
60. Chandrie & Co., Ltd.—Madras.
61. Bagaria More Co., Ltd.—5, Clive Row, Calcutta.
62. Dayaram & Sons—9, Old Court House Street, Calcutta
63. Duncan Brothers & Co., Ltd.—31, Netaji Subhas Road, Calcutta.
64. Duff Thomas & Co.—2 and 3, Clive Row Calcutta
65. Dass Bros.—29, and 30, Strand Road, Calcutta
66. A. K. Das—15, Netaji Subhas Road, Calcutta
67. Day P. E.—Anderson's House, Bishopsgate, London, E.C.2
68. Hari Brothers Private Ltd.—Scindia House New Delhi.
69. Dadabhoy Sir M. B.—Kampte Road, Civil Lines, Nagpur
70. N. D. Bangur—14, Netaji Subhas Road, Calcutta.
71. B. C. Roy—Hindusthan Building, 4, Chittaranjan Avenue, Calcutta.
72. Duffs, J. C. & Co., Ltd.—National Bank Buildings, Netaji Subhas Road, Calcutta
73. C. C. Dey—25, Netaji Subhas Road, Calcutta
74. Davenport & Co. Private Ltd.—6, Church Lane, Calcutta
75. Desai, R. M.—14, Nicol Road, Ballard Estate, Fort, Bombay.
76. Dodwell & Co., Ltd.—Glennie Street, Slave Island Colombo
77. Darragh Small & Co., Ltd.—Alleppey.
78. Dadabhoy B. A. & Co.—Ilaco House, Sir Phirozeshah Mehta Road, Bombay.
79. B. N. Elias & Co. Private Ltd.—1 and 2, Old Court House Corner, Calcutta.
80. Eastern Corpn. Ltd.—7, Wellesley Place Calcutta
81. Ebeling, A. F.—Rawalpindi.
82. Poddar, P. L.—135, Canning Street, Calcutta
83. Pratapsingh Mathuradas—9, Wallace Street Fort, Bombay
84. S. B. Industrial Development Co., Ltd.—12, Old Court House Street, Calcutta.
85. A. Firpo, Jr.—18/2, Chowringhee, Calcutta.
86. Forbes, Forbes, Campbell Ltd.—Forbes Buildings, Home Street, Fort, Bombay.
87. S. V. S. Iyer—88C, Old Prabhadevi Road, Bombay-28
88. Gillanders Arbuthnot & Co., Ltd.—Clive Buildings, Netaji Subhas Road, Calcutta.
89. Gladstone Lyall & Co., Ltd.—4, Fairlie Place, Calcutta.
90. H. C. Bowker—"Victoria House", Calcutta.
91. P. L. Tandon—India House, Fort Street, Bombay
92. Govan Bros. (Rampur) Private Ltd.—4, Scindia House New Delhi.
93. Govan Bros Ltd.—Malhotra Buildings, Queensway, New Delhi.
94. R. N. Datta—93-A, Dharamtalla Street, Calcutta
95. Daga & Co., Ltd.—9, Royal Exchange Place, Calcutta
96. M. L. Bexon—57B, Free School Street, Calcutta-16.
97. Govan, R. G & Co.—Scindia House, Connaught Circus, New Delhi.
98. Turnbull R. W.—P-4, Mission Row Extension Calcutta
99. Abinash Chandra Das—Jalpaiguri.
100. Guha, Nalini Kumar—18/11/1-B, Raja Raj Ballav Street, Calcutta
101. Purushottamlall—5, Clive Row, Calcutta
102. George, A. V. & Co., Ltd.—Ancherl Bank Bldgs., Kottayam, Travancore.
103. Kundila, G. Seksaria—139, Meadow Street, Fort, Bombay
104. Gopikisan Piramal—Dr. Ambedkar Road, Parel Bombay-12
105. John Whitlon Easson—Gillander House Netaji Subhas Road Calcutta.
106. F. W. Heilgers & Co (Private) Ltd.—Chartered Bank Buildings, Calcutta.
107. Howrah Trading Co., Ltd.—8, Dalhousie Square East, Calcutta.
108. A. & F. Harvey Ltd.—Pandyan Building West Veli Street, Madurai.
109. Holmes Wilson & Co., Ltd.—"Stephen House" Calcutta
110. R. G. Khanna—Solan Brewary, Simla.
111. Hotel (Control) Private Ltd.—4 & 4/1, Wellesley Place Calcutta
112. Glass, O. H.—Bulpac House, 36, New Broad Street London, E.C.2
113. B. P. Khaitan—14, Netaji Subhas Road, Calcutta.
114. Harrison & Crossfield Ltd.—Calcutta.
115. J. V. Braddeley—The Great Social Buildings, Sir Phirozeshah Mehta
116. K. G. Khanna—Solan Brewery (H.P.).
117. Kari Sons—Aviur (Cochin State).
118. Hormusjee Sons & Co.—605, Girgaum Road, Dhobi Talao, Bombay-2.
119. Ramnarayan Sons Ltd.—Bombay.
120. Industrial Financing Co.—63, College Street, Calcutta.
121. Imperial Chemical Industries (India) Private Ltd.—34, Chowringhee, Calcutta.
122. Indra Singh & Sons Private Ltd.—7, Wellesley Place, Calcutta.
123. Hari Brothers Private Ltd.—Scindia House, New Delhi.
124. R. Raja Rao—Honnawal Road, Shimoga
125. Iyer, I. R. Anantharam & Bros. Ltd.—Queen's Mansions, Prescott Road, Bombay.
126. N. Sirur & Co. Private Ltd.—70, Forbes Street, Fort, Bombay.
127. J. P. Hannay—2, Metcalfe St., Calcutta.
128. Jardine Henderson Ltd.—4, Clive Row, Calcutta
129. S. S. Bhimwal—7, Chowringhee Road, Calcutta
130. Jhajharia Bros. Ltd.—138, Harrison Road Calcutta.
131. Jain, N. K. & Co. Ltd.—"Devashram", Arrah, Shahabad
132. J. K. Industries (Private) Ltd.—7, Council House Street, Calcutta
133. James & Co. Ltd.—25, Netaji Subhas Road, Calcutta.
134. Jute Industries Ltd.—4, Lyons Range, Calcutta
135. John, V. C.—Kottayam, Travancore State.
136. Jones, H. Edwin—Oriental Building, Bombay Elec House, Ahmedabad
137. John, Kurian—Kottayam, Travancore State.
138. Kettlewell Bullen & Co Ltd.—21, Strand Road, Calcutta
139. Kilburn & Co Private Ltd.—4, Fairlie Place, Calcutta
140. Karamchand Thapper & Bros Private Ltd.—Thapar House, 25, Brabourne Road Calcutta-1
141. Kothari & Sons Agency Private Ltd.—Armenian Street, Madras
142. R. Suryanarayan Rao—Channapatna, Mysore State
143. S. L. Dhanuka—P-15, Bentinck Street, Calcutta
144. Khaitan, D. & Sons—14, Netaji Subhas Road, Calcutta
145. P. S. Nilkantan—1, Waterloo Street, Calcutta
146. Killick Industries Ltd.—Mome Street, Fort Bombay.
147. Kanga, R. D.—Electric House, Post Fort, Bombay.
148. Kurian, John—Alleppey.
149. Khatau Makanji & Co.—6, Ballard Road Fort Bombay.
150. Killick, A. S.—2-6, 2nd Line Beach, Madras
151. S. Ramanathan—Chickbanavar P.O., Bangalore Dt.
152. Broken Hill Secretariat Ltd.—31, Dover Street, London E.C.2
153. Low, H. V. & Co Private Ltd.—3, Synagogue Street, Calcutta.
154. Lomas, J. E. W.—19, St. Swithin's Lane, London E.C.4
155. Bharat Ram Bhagat & Co.—45, Tangra Road, Calcutta.
156. Hind Agents Ltd.—Indu House, 15, Dougall Rd., Ballard Estate, Bombay.
157. Kothari Mehta & Co. Private Ltd.—Armenian Street Madras.
158. Padampat Singhania—Kamala Tower, Kanpur.
159. Lala Gurusharan Lall—Guraru Dist., Gaya
160. Lovelock & Lewes—4, Lyons Range, Calcutta.
161. Lohia, D. D.—173, Harrison Road, Calcutta.
162. G. E. Solomon—Dare House, Parry's Corner, Madras
163. Mackinon Mackenzie & Co Private Ltd.—16 Strand Road Calcutta.
164. T. R. Anantaram Iyer & Bros Ltd.—Pushpagiri, Trichur
165. McLeod & Co Ltd.—8, Netaji Subhas Road Calcutta
166. Hindusthan Investment Corporation Ltd.—15, India Exchange Place, Calcutta.
167. B. Barker—Parlow House, 59C, Chowringhee Road Calcutta
168. Moona Lall & Sons—120/1, Civil Lines, Jhansi
169. K. P. Goenka—31, Netaji Subhas Road, Calcutta.
170. Marshalls (Direction) Private Ltd.—33/1, Netaji Subhas Road, Calcutta
171. W. E. Malden—P.O. Lohat, Dist. Darbhanga
172. East India Agencies Private Ltd.—Palai Kerala State
173. Moulton G. S. & Co (India) Ltd.—11 and 12, Esplanade Mansions Calcutta.
174. N. M. Cole—
175. Satya Narain Gupta—Subzimandi, Delhi.
176. Moton & Co.—Maung Pauley Street, Rangoon
177. H. B. Marshall—1, Humayan Place, Calcutta.
178. Madura & Co. Ltd.—Cochin.
179. A. D. Shroff—New India Assurance Bldgs., Mahatma Gandhi Road, Fort, Bombay.
180. Mafatlal Gagalbhai & Sons—Rustam Bldgs., 29, Churchgate Street, Fort, Bombay.
181. Murphy, C.—Rampart Row, Fort, Bombay.
182. Mehta, Chunilal V. & Co. Ltd.—Queen's Mansions, Prescott Road, Bombay.
183. Sir V. N. Chandavarkar—Standard Buildings Hornby Rd., Fort, Bombay.
184. Mysore Industrial Development Co.—33, Gandhinagar Bangalore City.
185. Mascarenhas B. M.—Platform Road, Bangalore City.
186. Naidu, G. Kuppuswamy & Co.—Pappanaikenpalayam, Coimbatore.
187. Best & Co. Ltd.—The Hyderabad Laminated Products Ltd., Secunderabad-3
188. R. Seema Naidu & Co.—Singanallur, Coimbatore.
189. Naidu, A. G. Guruswamy & Co.—Peelamedu, Coimbatore.
190. Naidu, P. S. Govindaswami & Sons—Coimbatore
191. H. Roychowdhuri—18, Convent Road, Entally, Calcutta.
192. B. D. Agarwalla—Stephen House, 4, Dalhousie Square, Calcutta.
193. Kesarmal Manocha—529/1, Hall Bagh, Amritsar.
194. G. V. Swaika—"Pollock House", 18B, Brabourne Road, Calcutta.
195. A. Maiti—71, Park Street, Calcutta.
196. Srinivasan, S. D.—7, Council House Street, Calcutta.
197. Naraindas Lachmandas Ltd.—Rajburwa, Kanpur.
198 Dharamsey M. Khatau—Scindia House, Dougall Road, Ballard Estate, Bombay.
199. Nowrosjee Wadia & Sons (Private) Ltd.—Newjile House, Ballard Estate, Bombay
200 Doodhuwala & Sons—5, Muktaram Babu Street, Calcutta-7
201. R. Arunachalam—17, Richmond Road, Bangalore-1
202. Octavius Steel & Co., Ltd.—14, Old Court House Street, Calcutta
203. Matheson Bosanquet & Company Ltd.—Belmount, Coonoor Nilgiris.
204. Oberoi Hotels (India) Private Ltd.—17, Chowringhee, Calcutta
205. Oakley Bowden & Co., Ltd.—15, Armenian Street, Madras.
206. Ogale Glass Works Ltd.—43, Gandhinagar, Bangalore City.
207. Deepchand Kisenential—25, Netaji Subhas Road Calcutta
208. Indian Textile Syndicate Ltd.—Kanpur.
209. E. R. Elliot Lockhart—4, Fairlie Place, Calcutta
210. Peirce Leslie & Co., Ltd.—8/222, Beach Road, Calcutta, Kerala.
211. B. L. Somany—2, Wellesley Place, Calcutta.
212. P. G. Krishna Iyer—Mount Pleasant, Coonoor, Nilgiris.
213. Poddar, K. N.—37, Vivekananda Road, Calcutta.
214. James Warren & Co., Ltd.—31, Chowringhee Road Calcutta.
215. Parkins Ltd.—Kottalam.
216. Parkin, O. & Co.—26 Apollo Street, Fort, Bombay
217. L. C. Kanot—P-8, Mission Row Extension, Calcutta.
218 Parry & Co., Ltd.—Dare House, Parry's Corner, Madras
219 India Sugar Agencies Ltd.—Mangalore.
220. Price, R. G. N.—National Bank Bldgs., Madras.
221. Z. R. Irani—1/153, Mount Road, Madras
222 Chrestien Mica Industries Ltd.—4, Lyons Range, Calcutta.
223. R. N. Agarwala—4, Lyons Range, Calcutta
224 Lohia Brothers Ltd.—13B, Canning Street Calcutta.
225 Roy, S. K.—1, 2 and 3, Old Court House Street, Calcutta.
226 M. D. Shivanenjappa—Kampegowda Road, Bangalore 9.
227. W. Morrice—41, Chowringhee Road, Calcutta-16.
228. Ramnarain Sons Ltd.—Bank Street, Fort Bombay
229 Rajputna Textile (Agencies) Ltd.—Delisle Road Chenchpoka, Bombay.
230 Rajam, C.—

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

231. Ramamurthy, A.—Ravakhada (Orissa), Koraput Dist.
232. Ratnams Ltd.—Pugalur, Trichinopoly.
233. T. Shamanna—1129 Vani Vilasa Road, Mysore.
234. Bangur Bros. Ltd.—14, Netaji Subhas Road Calcutta.
235. Soorajmull Nagarmull—8. Dalhousie Square East. Calcutta.
236. Shaw Wallace & Co., Ltd.—4/5, Bankshall Street. Calcutta.
237. Srivastava J P & Sons—Kanpur.
238. Bharat Ram Charat Ram & Co Private Ltd.—Bara Hirdu Rao. Delhi.
239. A. R. Kalairaja Chettiar—Coimbatore.
240. A. K. T. K. M. Narayanan Namboodripad—Kallai Malabar.
241. Singh. Ranjit—Lucknow.
242. N. L. Roy & Co.—9. Royal Exchange Place. Calcutta.
243. Shyamlal Agarwal—9, Dalhousie Sq. East. Calcutta
244. Sovaram Keshavdeo—15, Netaji Subhas Road. Calcutta
245. Dr B. N. Ghose—6, Ganesh Avenue, Calcutta-13.
246. Sundaren. S.—Indian Mercantile Chambers. Nicol Road. Bombay.
247. Singhania Padampat—Kamala Tower, Kanpur
248. E. K. Srinivasan—16, Hare Street, Calcutta.
249. Steel Bros. & Co., Ltd.—Gillanders House, Netaji Subhas Road, Calcutta.
250. T. Stanes & Co.—Coimbatore.
251. Southern India Plantations Agency Ltd.—Coonoor
252. Saha, Bahuballav—18/11/1B, Raja Raj Ballav Street Calcutta.
253. R. B Pradhan—Empire House, 214, Hornby Road. Bombay.
254. Sindia, M Ramchandra Rao—3rd Road, Chamarajpet. Bangalore City.
255. Setalvad, J C—73. Oppo. Churchgate Station. Fort. Bombay.
256. Scindia Steam Navigation Co., Ltd.—Ballard Estate. Bombay.
257. Ramnath A Podar—Podar Chambers, Parsee Bazar St., Fort, Bombay.
258. Swedish Match Co.—Nicol Road. Ballard Estate. Bombay
259. S. Ramashramony Aiyer—Trivandrum.
260. Puranmal Bubha Sons—Indu House, Dougall Road. Ballard Estate. Bombay.
261. N. Sirur & Co. Private Ltd.—70, Forbes Street, Fort, Bombay.
262. Ramnarayan Sons Ltd.—Bank Street, Fort. Bombay.
263. Seshasayee Bros. Private Ltd.—Mettur Dam. R.S
264. V. Venugopal Naidu—Sir Jayachamaraja Wadiyar Road. Bangalore-2.
265. Shree Hanuman Invt. Co. Ltd.—173, Harrison Road. Calcutta.
266. Talukdar, B. S.—Amlasadarpur, Nadia, West Bengal.
267. Tata Hydro-Elec. Agency, Ltd.—34, Bruce Street. Bombay.
268. Turner Morrison & Co., Ltd.—6, Lyons Range. Calcutta.
269. Tata Industries Private Ltd.—Bombay House. Bruce Street. Fort. Bombay.
270. Thomas A. V. & Co., Ltd.—Alleppey.
271. Thomas, P. T.—Kottayam, S. India.
272. Thomas, M. K. & Co., Ltd.—Trivandrum.
273. Tayabjee, O. S.—159, Gunfoundry Rd., Hyderabad (Deccan).
274. A. Hydari and S Gothberg—Indian Mercantile Chambers. Nicol Road, Ballard Estate. Bombay.
275. United Eastern Agencies—Bombay House. Bruce Street. Fort. Bombay.
276. United Agencies Ltd.—Punalur.
277. Villiers Private Ltd.—F-3, Clive Buildings Calcutta.
278. S. M. Smith—4, Bankshall St., Calcutta.
279. Williamson Magor & Co., Ltd.—4, Mangoe Lane. Calcutta.
280. Whitman, MJ. M. C.—Mayo Road, Rawalpindi.
281. N. K. Jhajharia—22, Chittaranjan Avenue. Calcutta.
282. C. Hockley—3, Netaji Subhas Road, Calcutta.
283. P. R. Jhunjhunwala—Sewrie. Bombay-15.
284. Walchand & Co., Ltd.—Ballard Estate, Fort Bombay.
285. Wallace & Co.—9. Wallace Street, Bombay.
286. Wilkinson, A.—117/119, Esplanade Road Bombay.
287. Young India Agencies Private Ltd.—175/1, Mount Road, Madras-2.
288. Dass Group Private Ltd.—29, Strand Road Calcutta.
289. B. L Mathur—4. Clive Row. Calcutta-1.
290 K. S. Basu—63. Netaji Subhas Road, Calcutta
291. Lione, Edwards (Private) Ltd.—21, Old Court House Street. Calcutta
292. R. N. Jhunjhunwalla & Co., Ltd.—9, Ezra Street Calcutta
293. A. J. Zullig—31. Chowringhee Road, Calcutta
294 R. L. Rampuria—5, Fairlie Place, Calcutta.
295. Premnath & Sons. Ltd.—New Delhi.
296. S. N. Tantia—1 & 2. Old Court House Corner. Calcutta
297. F. H Mehta—Mehta House, Apollo Street. Bombay.
298 L. S. Vaidyananthan—Oriental Buildings. Bombay
299 Kishore M. Premchand—61, Apollo Street. Fort. Bombay
300. North Bihar Trading Co (Private) Ltd.—11, Brabourne Road. Calcutta
301. J. W. L. Russell—1 & 3. Brabourne Road Calcutta-1
302. Mitra Mondal—Khatauli, Dt. Muzaffarnagar
303 G. S. Shroff—2, Hardinge Avenue, New Delhi
304. James Finlay & Co., Ltd.—2, Netaji Subhas Road. Calcutta.
305. Thakersey Mooljee & Co.—16, Apollo Street. Fort Bombay
306. Jatia Brothers Ltd.—21, Rupchand Roy Street Calcutta.
307. Bhatter's Agency Ltd.—18, Netaji Subhas Road Calcutta
308. The Hyderabad Constructions Co., Ltd.—Kothagudium Collieries, Singareni; P.O. Deccan.
309 T. Leslie Martin—12. Mission Row. Calcutta.
310. D. S. Barron—Chakala, Andheri P.O., Bombay.
311. Pyne & Sons—23A, Netaji Subhas Road. Calcutta
312. Ram Kumar Agarwalla & Sons—4, Lyons Range. Calcutta.
313. Bullion Co., Ltd.—7. Canning Street, Calcutta
314. Brooke Bond India Ltd.—2, Metcalfe Street. Calcutta.
315. Anderson Wright (Ramgarh) Ltd.—7, Wellesley Place Calcutta.
316. The Cotton Agents Private Ltd.—14, Radha Bazar Lane Calcutta-1.
317. Bird & Co. (Pakistan) Ltd.—Narayanganj.
318. Shree Krishna Investment Co. Ltd.—1-B. Halwasiya Road, Calcutta.
319. H. V R. Iengar—Dare House, Parry's Corner. Madras.
320. F. W. J. Penn—32. Grant Road, Bangalore-1.
321. B. Ghosh—14. Old Court House Street, Calcutta
322. Messrs. Tata Sons Ltd.—New India Assurance Buildings Mahatma Gandhi Road Fort. Bombay-1.
323. Anderson Wright & Co.—7, Wellesley Place. Calcutta.
324. Indo Corporation Private Ltd.—5, Swinhoe Street. Calcutta-19.
325. Brian Granger Pearson—Virginia House. 37 Chowringhee. Calcutta.
326. B. L. Pyne—14. India Exchange Place, Calcutta.
327. Marwar Textiles (Agency) Ltd.—Waudby Road Fort. Bombay-1.
328. John Taylor & Sons (India) Ltd.—Mysore Oorgram. South India.
329. Sri G. D. Bhagat—13, Shib Thakur Lane. Calcutta
330. Mahindra & Mahindra Ltd.—Gateway Building. Apollo Bunder. Bombay.
331. N. L. Roy & Sons—Canning Street, Calcutta.
332. A. D. Mango—16. Hare Street, Calcutta.
333. Mungturam Jaipuria—Swadeshi House, Civil Lines Kanpur.
334. H. Mackay Tallack—2, Fairlie Place, Calcutta
335. Sahu Jain Ltd.—11, Clive Row, Calcutta.
336. Tulsidas Kilachand—Scindia House, Dougall Road Bombay.
337. Beriwala & Co.—63. Netaji Subhas Road. Calcutta.
338. D. R. Sons Ltd.—Hornby Road. Fort. Bombay
339. M. G Investment Corpn. Ltd.—Mafatlal House. Backbay Reclamation. Bombay-1.
340. K. O. Cherlyan—Travancore.
341. N. L. Kanoria—India Exchange, Calcutta-1
342. O N Chatterjee—2, Royal Exchange Place. Calcutta.
343. Indra Singh—135, Canning Street. Calcutta-1.
344. V J. Pilani—Victoria Bunder. Colaba.
345. The National Tea Corporation—130, Cotton Street Calcutta
346. Seshasayee Brothers (Travancore) Ltd, —Eloor Factory Alwaye.
347. Tantia Brothers Private Ltd.—1 & 2, Old Court House Corner. Calcutta.
347. M D Jalan—62, Ballygunge Circular Road, Calcutta-19
349. Seth Sohanlal Murarka—19, Circular Garden Reach Calcutta-23.
350. K Agarwal—Empire House, Dr. Dadabhoy Naoroji Road Fort. Bombay.
351. L & T (Management) Private Ltd.—I. C. House, Dougall Road. Ballard Estate. Bombay.
352. Chinai And Co. Private Ltd.—Sadhana Rayon House. Dr. Dadabhai Naoroji Road Bombay-1.
353 N. K. Jhajnaria—14. Netaji Subhas Road. Calcutta
354. L. C. Kanor—P-8, Mission Row Extension. Calcutta
355. T. R. Jalan—16. Strand Road. Calcutta.
356. R. Bajoria—10. Clive Row. Calcutta.
357. A. K. Jain—11. Clive Row. Calcutta
358. I. P Goenka—14, Old Court House Street. Calcutta-1.
359. G. D. Kothari—15, India Exchange Place. Calcutta.
360. R E. S. Taiyarkhan—Volkart Building. 19. Graham Road. Bombay-1.
361. N. K. Bose—85. Netaji Subhas Road, Calcutta
362. Dalmia Agencies Private Ltd.—Rajgangpur (Orissa).
363. C. L. Nahata—14. Old Court House Street. Calcutta.
364. W. A. C. H Bosschaart—7, Justice Chandra Madhab Road, Calcutta-20.
365. S. L. Dhanuka & P. L. Dhanuka—5, Mission Row Calcutta.
366. A. K. Sen—48/1, Diamond Harbour Road. Calcutta-27.
367. Laksmipat Singhania—7, Council House Street. Calcutta
368. Kalyanji Mavji & Company—14, Netaji Subhas Road. Calcutta.
369. P. L. Batla—7, Canning Street, Calcutta
370. Pannalal Saraogi—8, Lyons Range. Calcutta-1.
371. G. L. Saraogi—56, Sir Hariram Goenka Street. Calcutta-7.
372. R. K. Newar—9. Brabourne Road, Calcutta
373. C. L. Maheswari—Shreeniwas House, Waudby Road, Fort, Bombay.
374. Talukdar Law & Co. Private Ltd.—4, Chittaranjan Avenue Calcutta-13.
375. K. N. Mookerjee—Leslie House, 19, Chowringhee Calcutta-13.
376. K. D. Ganguli—Mercantile Buildings, Laibazar Calcutta.
377. K. C. Dass & B Maitra—35, Panditia Road. Calcutta-20.
378. R. N. Goenka—18-A, Brabourne Road, Calcutta.
379. S. R. Damani—30, Clerk Road, Bombay-11.
380. British India Corporation Ltd.—Sutherland House, Kanpur.
381. A. K. Jain—Dalmianagar. Bihar.
382. B. P. Kedia—7, Wellesley Place, Calcutta-1.
383. W. R. G. Baird—9, Brabourne Road, Calcutta.
384. Punam Chand Batia—19, Circular Garden Reach Road Calcutta-23.
385. G. P. Kanoria—5. Clive Row. Calcutta.
386. D. N. Jalan— McLeod House, 3, Netaji Subhas Road. Calcutta.
387. Shibendra Sankar Sarbadhyaksha—Jalpaiguri
388. A. V. Birla—9, Kaliprasanna Singhee Road Calcutta-2.
389. British India Corporation Ltd.—Kanpur
390. T. Ratan—16/3. Chowringhee Road, Calcutta-13.
391. H. M. Cox—59C, Chowringhee Road, Calcutta-20.
392. R. A. Godwin—32, Chowringhee Road, Calcutta-16.
393. Khatau M. Shethia—14, Netaji Subhas Road. Calcutta-1
394. B. M. Birla—India Exchange, Calcutta-1.
395. W. F. Malden—Lohat, Darbhanga.
396. D. Manson—21, Netaji Subhas Road, Calcutta
397. N. M Bhuwalka—135, Canning Street, Calcutta
398. Hoare Miller & Co., Ltd.—5, Fairlie Place Calcutta.
399. B. Patnaik & Co. Private Ltd.—P.O. Chowdwar Cuttack.
400. R. K. Kanoria—9, Brabourne Road, Calcutta-1
401. K. V Venkitasubramoney Iyer—Seetagundy Estate. Sitharkunda P.O.. Palghat Dist Kerala State
402. A. V George & Co. Ltd.—Ancherll Bank Buildings. Post Box I. Kottayam, Kerala State.
403. Mathew Sebastian—Thodupuzha, Kerala State
404. Planting Agencies Private Ltd.—Oriental Buildings. Armenian Street. Madras-1
405. The Consolidated Coffee Estates (1943) Ltd.—Pollibetta Coorg
406. C. I. Machia—Pollibetta. S Coorg.
407. Srinivas Agencies—Coimbatore-2.
408. K. N. Krishna Iyer—22. Royapettah High Road Madras-14
409 Yong India Agencies Pvt Ltd.—Monorama Bldgs. K K. Road. Kottayam (Kerala State)
410. Parkins Private Ltd.—Kottayam.
411. Johnsons Estates & Agenies (Private) Ltd.—Malankara Bldgs.. Kodimatha. Kottayam Kerala
412. Associated Planters (Pvt.) Ltd.—25, General Patters Road Madras-2
413. J. R Motishaw—Mercantile Bank Building. 16. First Line Beach. Madras-1.
414. K. V. Mathew—Kottayam. Kerala State.
415. K. Ramachandran—Patton Palace. P.O. Trivandruin-4
416. N Kunjukrishna Pillai—T. C. 6/750. Patton Palace. P.O. Trivandrum-4.
417. Rango Rao & Co.—Venkatarayapuram. Tannku. West Godavari Dist., Andhra Pradesh.
418. The India Sugar Agencies Private Ltd. —139 Meadows Street. Fort. Bombay-1.
419. R. S. Industrial Corporation Private Ltd.—Rayagada. Koraput Dist.. Orissa State.
420. V Ramakrishna Sons (Private) Ltd.—38. Mount Road. Madras-6.
421. Seshasayee Brothers (Travancore) Pvt. Ltd.—1. Ceramic Factory Road. Kundala (Kerala)
422. Sir A Ramaswamy Mudaliar—Ennore, Madras.
423. P. J. M. Leigh—7, Armenian Street, Madras-1.
424. K. R. Sundaram Iyer—Tiruvottiyur, Madras-19
425. Essen Private Ltd.—175/1, Mount Road, Madras-2
426. J. L. D sa—Old Tumkur Road, Malleswaram. Bangalore-12
427. The Standard Motor Co. (India) Pvt. Ltd.—29. Mount Road, Madras-2.
428. E. H Stanes—6/33, Race Course Road, Coimbatore-1.
429. Balasundaram & Co.—Satyamangalam Road. Ganapathy P.O., Coimbatore-6.
430. A. M. M. Arunachalam—52/53. Jehangir Street Madras-1.
431. J. M. Parsons—2, Fairlie Place, Calcutta-1
432. Mahabir, S. J. B. Rana—1, Humayan Place. Calcutta.
433. G. N. Sam & Co.—'Senthottam'. Sowripalyam P.O Coimbatore-4.
434. G. Kejriwal—Rajgangpur, Dist. Sundergarh. Orissa State.
435. D. L. Ghosh & Co. (Agents) Private Ltd.—11. Government Place East. Calcutta
436. N. D. Bangur—14. Netaji Subhas Road. Calcutta.
437. R. N Bhotika—4. Old Court House St., Calcutta.
438. Birla Gwalior Private Ltd.—Industry House. 159. Churchgate Reclamation. Bombay-1.
439. R. S. Bajpai—Kamala Tower. Kanpur.
440. R. L. Jatia—9. Brabourne Road. Calcutta-1
441. S. K Agarwalla—24. Netaji Subhas Road Calcutta-1
442. S. P Bhoumick—17, 18 & 19. Old Court House Street. Calcutta
443. Madan Mohan Lall Shri Ram Ltd.— D C.M Premises Bara Hindi Rao. Delh-6.
444. T. R. Jalan—2, Brabourne Road. Calcutta-1
445. A. D. Galloway—7, Armenian Street. Madras-1
446. Talukdar Law & Co. Private Ltd.— Hindusthan Bldg., Calcutta-13.
447. Pran Prashad—Chartered Bank Bldgs., Calcutta-1.



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JUTE MILLS WORRIED BY RISE IN FIBRE PRICES

THERE is a touch of irony in the fact that just when India's perspective planners from their ivory towers in Yojana Bhavan are busy turning out dream targets for exports in the fourth plan period, the jute industry, which is the country's biggest exporter, should run into unexpected difficulties. The industry's worry has stemmed from the sharp rise in the price of raw jute. Fibre rates, which have been ruling for some time now above the floor level of Rs. 30 a maund (basis Assam Bottoms, delivered in Calcutta), have climbed to Rs. 35.50 a maund in the spot market, a jump of about Rs. 3.50 within a few days. The rise has been triggered largely by speculative factors based on fears that the new crop may fall short of the requirements. Reports of a shortfall in the Pakistani output have worsened the situation. Although it is premature to say anything definite about the size of the new crop both in this country and in Pakistan, and crop estimates are now more in the nature of "guesstimates", knowledgeable sources do not apprehend any physical shortage of fibre in the current season. These sources feel that the Indian crop may be about 7 million bales, as against the trade's estimate of about 6.6 million bales and the Government's forecast of about 7.6 million bales. Together with the carry-forward of 3.1 million bales, the needs of the mills will be adequately met assuming the total annual offtake to be 8 million bales.

As an immediate measure to arrest the upward trend in fibre prices, it will be worth while to use the stocks (amounting to a little less than 500,000 bales) held by the Jute Buffer Stock Association. The buffer stock has, in fact, been created just to import an element of stability in fibre prices. Releases from the buffer stock now will help lower prices to more realistic levels. Later during the peak months of November and December, when the full weight of the crop is felt in the market, the J.B.S.A.'s stocks may be replenished. A second and equally important step is that the Government should release more foreign exchange immediately for the purchase of high-grade fibre and cuttings from Pakistan and Thailand. It is quite on the cards that Pakistan's fibre output may be smaller during this season, amounting to hardly 5.5 million bales. Heavy rain in East Pakistan has affected the Tossa crop and the quality of the white jute. Pakistan's internal requirement has been about 2 million bales, and she has been exporting some 4 million bales. On this reckoning, a shortage of Pakistani jute, particularly in quality fibre, is quite possible. In fact, the Pakistani market has already been rising sharply, and it may well-nigh be impossible for the Indian mills to secure their requirements of high-grade fibre at economic prices at a later date. The Indian Government has, no doubt, released some foreign exchange for importing selected grade fibres, but it has not been adequate. The foreign exchange allocation needs to be stepped up without any loss of time if an additional burden is not to be cast on Indian mills as a result of the increase in Pakistani and Thai fibre prices.

In an industry, where raw material costs account for as much as 55 percent to 60 percent of the total cost of production, it is only natural that the increase in fibre prices should cause much worry. In fact, some of the mills have themselves contributed to the bullishness of the fibre market by allowing themselves to be stampeded into indiscriminate buying of new crop jute at a time when speculative factors are rife. They could have prevented such a situation by buying some of their requirements of new crop jute at the end of the last season. Although rather belatedly, the mills have now acted wisely in stopping their purchases.

Largely in sympathy with the increase in fibre rates, gunny prices have also risen in the past few days. Sacking B Twills has gone up from Rs. 117 to Rs. 124.75 for 100 bags, while 40in. 10oz. hessian has climbed from Rs. 44.40 to Rs. 47 for 100 yards in the spot market in the course of a fortnight. In view of the bullish fervour in the market, the East India Jute and Hessian Exchange has fixed price ceilings from last Saturday and trading will be suspended for the day if these limits are crossed. On Tuesday the Exchange fortified these measures by providing for imposition of special margins on buyers for trading in hessian and sacking contracts for August and November deliveries and in raw jute contracts for September delivery. It is to be hoped that these steps will help bring some stability to the jute and gunny markets.

The spurt in gunny rates calls for comment from two points of view. Firstly, overseas buyers look upon with disfavour any sharp increase in prices, although they may not frown upon a rise if it is spread over a period of months. During the last couple of years foreign importers have given an indication of the price at which they consider a transaction worth while; for B Twills it is about Rs. 110 a 100 bags and for 40in. 10oz. hessian it is about Rs. 47 a 100 yards. Any big rise over these levels has generally met with consumer resistance. This underlines the importance of reducing production costs in the jute industry, something which is possible only if its raw material is available at cheap rates. The second point which has to be noted is that the present increase in Indian gunny prices, while making Indian goods costly for foreign buyers, has not helped the industry in any way since fibre prices have also gone up. The industry was experiencing a severe profit squeeze, both in hessian and sacking, even when fibre was ruling around the floor rate of Rs. 30 a maund (basis Assam Bottoms, delivered in Calcutta). Although the prices of hessian and sacking have now risen, the spurt in fibre rates will continue to keep the pressure on profits unrelieved.

In the competition with Pakistani goods in overseas markets, Indian gunnies have been severely handicapped. The Indian industry has been pointing out that because of the availability of better and cheaper fibre and the windfall profits from the export bonus voucher scheme, the Pakistani mills enjoy a cost advantage of about Rs. 350 to Rs. 400 a ton. This has seriously undermined the competitive position of the Indian mills. The industry is, no doubt, in high gear, and its output as well as exports have been remarkably buoyant. In fact, in 1963 its production touched an all-time high of 1.3 million tons in its long history of over

a century. Its exports at 900,000 tons again made a record, being the largest in 15 years. Nevertheless, the industry's greatest worry is the competition from Pakistan, which has already annexed many of India's traditional sacking markets. The Pakistani industry is diversifying its production and the pressure of competition, which has so far been confined to sacking, will soon be felt in hessian and carpet-backing. But strangely enough, the Government of India has so far done little to neutralise the cost advantage enjoyed by Pakistani competitors.

UNREALISTIC TARGET FOR STEEL

THE fact that the Planning Commission has recently endorsed a 17.3-million target for steel is of next to no significance. With the very basis of the next plan shaken by the grave misgivings arising from current inflationary pressures, it is somewhat premature to discuss specific targets. But even if one lets that objection pass, the economy's real requirements of steel need looking into afresh in view of the doubts that are being expressed both at home and abroad. This is still necessary even though several independent studies carried out to assess likely demand have all arrived at more or less the same conclusion only because they worked from exactly the same hypotheses. In a developing economy the bulk of the demand arises in the construction sector. If present needs are to have a greater priority in the framing of the next plan, it follows that some construction activities geared to long-term goals may well have to be cut. If so, the impact upon steel will be quite considerable, requiring as a consequence a reassessment of the tasks to be set before this industry.

But this is not the only reason for dismissing the Planning Commission's formal endorsement of the half-baked ideas formulated by a steering group. By the testimony of one of its most eminent members, the group was no more than a device for rubber stamping decisions reached elsewhere. Targets must be judged first in terms of their physical possibility and secondly in the light of the resources that can be deployed for implementing them. Unless both these are scrupulously done, target-setting becomes an exercise in wishful thinking which has no place in serious, hard-headed planning. There is no indication that the Planning Commission has undertaken independent checks to satisfy itself on these points to discharge the responsibility that it owes to the country.

At the end of the third plan, the industry's installed capacity will be well below the nine million tons assumed by the Commission since it is evident that some construction work on third plan expansion will spill over into the fourth. In fact, it is officially acknowledged that production at the level of nine million tons of ingots is unlikely before 1968-69, the third year of the fourth plan. Is it reasonable to assume that India can increase the installed capacity by eight million tons in the three or four years that will actually be available for the task? This is not to suggest that the goal is physically impossible—large new integrated works have been built in about three years or even less. But one must allow for the difference in circumstances, and above all for the lack of decisiveness in New Delhi, which holds up the simplest decisions for months.

Even if one were to imagine that India's special difficulties miraculously disappeared overnight, the pace of expansion would still remain too ambitious. A steel mill does not function by itself; a very large effort must be mounted to ensure that its needs of raw materials, water, power and transport are fully met. The time lag in bringing these facilities into operation is usually much longer than in building the steel plant proper. India does not have today any real margin of capacity in relation to these important requirements, which means that the entire requirements developing from the eight-million-ton addition to capacity will have to be met from facilities specially created for the purpose. New coking coal collieries will have to be put down or new seams tapped in existing workings, dams such as the one proposed at Tenughat for Bokaro will have to be built [illegible] scratch, transport links developed to new ore [illegible]e sites, and power plants expanded. It will be seen, therefore, that many decisions in different spheres have to be taken to support the steel programme. It is almost axiomatic that the more dispersed is the decision-making, the greater is the possibility of delay (as over Tenughat, the details of which are still in dispute between West Bengal and Bihar).

Having made a physical audit, as it were, of the feasibility of the programme, the Commission should ask itself some pertinent questions about its financial implications. At the very least, the programme will require Rs. 1,000 crores which would make a very heavy dent on whatever allocation is finally decided upon for industrial development. As if this was not forbidding enough, there is the separate issue of foreign exchange to consider. Assuming the import content of the investment to be 40 percent—a figure which ignores the ancillary import requirements of what is assumed to be available from within India—the liability of Rs. 400 crores amounts virtually to the total of a year's consortium aid. Earmarking one-fifth of the foreign aid for steel alone would be patently iniquitous because it must mean serious curtailment of resources for other equally deserving spheres. From the donors' point of view, this excessive emphasis upon aid is more than their industries at home will stand for. All capital goods industries in the donor countries look out for some benefit from the aid their Governments provide and it will be politically difficult for the latter to make suppliers to the steel industry walk away with the whole cake.

Some of these objections would not arise if India spread her net wider accepting both official aid and private finance when available. New Delhi is not averse to private credits if the terms are reasonable. But other lenders may have reservations if India piles on additional medium-term obligations over the very considerable repayment burden she is already carrying. The World Bank, as the spokesman of the donor nations, is particularly sensitive to this issue; it has after all the responsibility for protecting their interests at the same time as it tries to get them to extend the maximum possible support to India. For this reason, the terms of private credits would need very careful examination before one can recommend a switch to this form of financing. On the face of it, it may well be necessary to consider private investment as offering a more worthwhile alternative.

It is a hopeful sign that there are people in high places who are willing to look into this alternative. It is difficult to say whether Mr. T. T. Krishnamachari, Central Finance Minister, had steel specifically in mind when he urged shedding past inhibitions and opening the door wider to foreign investment, but the arguments he advanced fit steel particularly well. The wholly Indian-owned steel industry is already large, and the public sector will grow larger with the years. There is no reason, therefore, to fight shy of admitting private capital in what will apparently be a marginal area. This presumes, of course, that private capital will be available—something which one can hardly be sure of until the idea has been given a thorough airing. All one can say at the moment is that private capital should not *per se* be excluded. It is wholly illogical to bring up the Industrial Policy Resolution as constituting a veto since the Resolution does not debar the Government from accepting private participation—both Indian and foreign—in the Cochin refinery, and from planning a joint venture in heavy electricals with General Electric. Even more to the point is the search for private capital for pig iron plants of 300,000 tons capacity. A glance at Schedule A of the Resolution will disclose that "iron" is bracketed with steel, and the same considerations should, therefore, apply to both.

REVIVING THE CAPITAL MARKET

THERE has been a substantial drop in share prices as well as in stock market activities in recent months. In fact, most brokers now find it difficult to meet their recurring expenses out of current earnings. In a recent statement, the Calcutta Stock Exchange authorities estimated that the erosion in the value of ordinary shares in the case of 122 companies out of the 621 listed, amounted to about Rs. 20.56 crores between 28th February, 1964, and 2nd April, 1964. Obviously, the adverse effects of the last Budget have been severe.

The depression has also affected the new issues market. There has been a marked fall in new issues in the past year or so. A more disconcerting feature is that the bulk of the recent new issues have had to be taken up by the underwriters themselves, since public support has been far too small. Although the slow progress of many new ventures has given rise to misgivings in the minds of investors, the poor outlook for industrial investment is an equally important reason for the lack of support from investors. In a recent joint representation to Mr. T. T. Krishnamachari, Central Finance Minister, made by the eight recognised stock exchanges in the country, it has been pointed out that the current adverse economic trends are mainly responsible for the gloom in the investment market. The national income has not increased in line with planned targets; agricultural production has been stagnating; and the rate of industrial growth has been unsatisfactory. Heavy taxation has mopped up the bulk of the savings of companies and individuals. Inflationary pressures have also affected savings.

Although the Government has set up a new financing institution for providing funds to industries, economic progress will necessarily depend on the community's increased savings. Companies have been unable to save enough because of heavy taxes, including the surtax on profits. The saving capacity of individuals has been reduced not only by the high rate of taxation, but also by the sharp rise in the prices of essential commodities. Furthermore, the annuity deposit scheme is likely to mop up almost all savings, particularly in the case of middle-income groups.

Since the stock market is about the best medium to mobilise savings for industrial ventures, it is essential to take prompt measures to stimulate activity in stocks and shares. The confidence of investors will not revive until the outlook for industrial investment is improved. An investor, it should be emphasised, takes a great deal of risk in putting his money in equities. The risk is worth taking if the reward is attractive. At present, the outlook for dividends, rights and bonus shares has greatly suffered because of various fiscal measures. The 7½-percent tax on dividends has placed a heavy burden on companies. They have, therefore, been restrained from paying attractive dividends. But under the present circumstances, the rate of dividends needs to be increased to attract more risk capital into industry. In the first place, the market rate of interest has risen, and secondly, there has been a substantial loss in the purchasing power of money. Moreover, as the stock exchanges have rightly stressed, it is inequitable to treat dividend income as "unearned income", and thus subject it to a higher rate of tax.

As far as the issue of bonus shares is concerned, the outlook has suffered because of the extension of the capital gains tax to these shares. Since the tax has to be paid even by a shareholder who does not sell his holdings, the impost is most inequitable. The stock exchanges have rightly suggested that the dividend tax and the capital gains tax on bonus shares must be scrapped if confidence in the capital market is to revive. It is necessary to point out here that the success of the Unit Trust of India will ultimately depend on a healthy stock market. The units of the Trust will prove unattractive in the long run unless equity dividends improve and share prices rise. The value of the Trust for attracting savings is

admitted, but it is essential to ensure its success by improving the outlook for industrial equities. The case of the stock exchanges for further rationalisation of the margin system is difficult to defend. Margins have been liberalised only recently. Since they have been imposed to restrain speculation, it will serve no purpose if they are made ineffective. The abolition of margins will help stimulate activity only in speculative shares. Unless investment support can be attracted by modifying the fiscal system, the mere stimulation of speculative activity will not go far in improving the investment climate. As for liberalising the supply of bank credit to the stock market, it is doubtful whether it will be of much help. The lending rates are now prohibitive, and investors are unlikely to finance the purchase of stocks and shares by borrowing from banks.

Current News and Comment

Curbs On Cotton Futures

On Thursday, 30th July, the Forward Markets Commission announced the imposition of a special margin of Rs. 75 a bale on all outstanding positions, short or long, if in excess of 1,000 bales, in the Jarilla August 1964 contract traded at the East India Cotton Association, Bombay. The margin will become payable by bulls when the price rules above Rs. 750 and by bears when the price falls below Rs. 725 (a 3 quintals). Apart from allowing the free limit up to 1,000 bales to help the small operator, short position held as a hedge against cotton stocks will be exempted from the payment of the margin. The Commission says that it had been watching with concern the unduly large open position amounting to about 300,000 bales and that since no attempt had been made by the Association for the orderly liquidation of the open positions, it has been constrained to resort to the special margin "in the interest of the satisfactory working of the cotton market".

The closure of futures trading in a number of commodities over the past few months has perhaps diverted speculators' attention to the cotton market and the volume of outstanding business in the August contract, estimated around 300,000 bales, might seem to be on the high side, although the price pattern in futures does not indicate any unhealthy situation. Of all the contracts this season (1963-64), fluctuations in the August contract have been confined to a comparatively narrow range of Rs. 34 a 3 quintals, between Rs. 749.25 and Rs. 715.25. Currently, the contract is quoted around Rs. 742. The highest price recorded by the August contract is well below the maximum prices recorded by the earlier contracts. It might be recalled that the March contract had risen very close to the ceiling of Rs. 798 without attracting any serious notice of the Commission. Small wonder, therefore, that the Commission's latest action on the August contract has evoked considerable criticism. The general market opinion is that the special margin is partial to bears; the margin is aimed mainly against bulls. If the Commission were concerned mainly with the liquidation of outstanding positions it need not have fixed separate prices for bulls or bears and it could have straightaway called for margins on all the outstanding business. It is certainly unfair to draw any distinction between bulls and bears, especially during the delivery period. It is more so when speculation is not known to have caused any wide swings in prices.

While announcing the special margin for the August contract, the Forward Markets Commission has also stipulated certain safeguards for the March 1965 contract in which trading has been permitted with effect from 30th July. Trading will be subject to a maximum price of Rs. 775 a 3 quintals up to the commencement of the delivery period, that is, 28th February. During the delivery period, whenever the price rises above Rs. 775, a special margin of Rs. 150 a bale will be payable on the gross long position held by a member on his own account and on account of each of his clients. To afford relief to the small operator, a free limit has been allowed up to 1,000 bales. In order to check speculative operations of non-member clients, which have of late shown a tendency to increase, the Association, at the instance of the Commission, has assumed powers to check the same. Non-member clients will henceforth be required to get themselves registered with the Association. Powers have also been taken to limit, if necessary, the open position of non-member clients.

No serious objection can be raised against measures designed to contain the volume of speculation within limits, especially when these measures are announced well in advance. It is one thing to prescribe certain terms and conditions for trading, no matter how fair or unfair they might appear, but it is quite a different matter when the authorities interfere in the market even though the liquidity and the solvency of the market are not threatened in any way. It is arbitrary interference which needs to be scrupulously avoided. Discipline has got to be enforced, but the authorities would do well to remember that markets cannot be made to fluctuate to order. How cotton futures will behave in the new season is difficult to say, because it all depends on the size of the new crop about which very little can be said at present. However, in view of the rising trend in consumption, the new crop will have to be sufficiently large around 6.3 million to 6.4 million bales if prices are to keep within the ceiling.

The States to Borrow

With the exception of Punjab, 13 State Governments are offering 12-year loans for Rs. 100 crores, carrying interest at 4.75 percent. The loans are redeemable at par. The funds will be used to finance development under the plan. The loans, except that of the Kerala Government, will open for subscription on 24th August and close on 29th August or earlier as soon as subscriptions equivalent to the amount of each issue are obtained. The Kerala loan will open for subscription on 25th August and close on 31st August or earlier if the notified amount is obtained. All the States have reserved the right to retain subscriptions up to 10 percent in excess of the notified amounts. Provision has been made to allow a subscriber to transfer his application from one loan to another in case the former is over-subscribed. Maharashtra and Gujarat will offer their loans at par; Madras, Uttar Pradesh and West Bengal at Rs. 99.75 percent; Andhra Pradesh, Assam, Bihar, Kerala, Madhya Pradesh, Mysore, Orissa and Rajasthan at Rs. 99.50 percent. Five of the 13 States have offered cash-*cum*-conversion loans. The Maharashtra loan for Rs. 15 crores is the largest, while the Assam loan for Rs. 3 crores is the smallest. The West Bengal loan amounts to Rs. 7 crores.

Although the gross borrowing of the States amounts to Rs. 100 crores, their various maturing loans amount to about Rs. 21 crores. So a net amount of Rs. 79 crores will be raised, but this amount may increase by a further Rs. 10 crores due to over-subscription. The State Governments did not issue any loan in 1962-63 since their requirements were obtained through the centralised borrowing programme which gave them about Rs. 101 crores. In spite of the many advantages of the combined borrowing scheme, it has been abandoned mainly because of two reasons. Firstly, the States did not seem to exert themselves to attract funds under the combined borrowing programme. Secondly, it has been found difficult to allocate shares to various States in a combined borrowing programme. In 1963, it is presumed that the share of the States was paid out of the ten-year loan which the Central Government issued at an interest rate of 4.25 percent.

The terms and conditions of the new loans are in keeping with market expectations. The higher return offered conforms to the rising interest rate all round. The yield amounts to 4.75 percent for loans issued at par, to 4.78 percent for loans issued at Rs. 99.75 percent and to 4.81 percent for loans issued at Rs. 99.50 percent. The total amount which the State Governments seek to raise will siphon off considerable funds from the money market, and aggravate the pressure on banks in the coming weeks when the pull of the busy season begins to be felt.

The Life Insurance Corporation of India and provident funds will support the loans in view of the large yield. As for banks, they are likely to show fair interest. During the past fortnight or so, the banking community remained aloof from the securities market to conserve funds for investing in the new loans. Most of the banks have already complied with the increased liquidity requirement to be enforced by September 1964. Under the circumstances, the State Governments are likely to put pressure as in former years for subscriptions. If this happens, there would be an inclination to sell the securities shortly after subscriptions. So the prices of the new loans may temporarily drop below their issue prices. As a result of the pressure, the prices of the existing State Government loans may decline.

Maintaining Real Income of Workers

It was only natural that the best part of the proceedings of the two-day session of the Indian Labour Conference, held last week in Bangalore, should have been devoted to the price situation in the country, particularly to the soaring prices of foodgrains. Although the agenda did not provide for it, the circumstances justified the discussions. But the solution, as the Central Labour Minister seemed to think, does not lie in all industrial establishments opening fair price shops by next February, for fair price shops would at best be palliatives, and not the remedy proper. Mr. Sanjivayya sets great store by these shops but he appears to have overlooked the fact that factory establishments can run such shops only when they have the assurance of a regular supply of foodgrains and other essentials from the market, or from the Government at reasonable prices. Secondly, the workers themselves must be willing to draw their supplies from the shops. Mr. Naval Tata pointed out that only 30 percent of the workers in some of the textile mills who had opened fair price shops, were drawing their supplies, and the balance preferred the free market. This simply means that the workers, too, have acquired a taste for better things of life, which they are able to satisfy with their enhanced purchasing power. This is no unhealthy thing in itself but in the prevailing context of scarcities all round, there ought to be some check on the spending spree of industrial labour as it is thought necessary in others' cases. It is strange that no worthwhile savings plan is yet operating for workers in industry.

The present rise in prices is bad enough, but it would be worse if labour wages were linked automatically to every rise in the cost of living index, itself open to various objections. Besides, such a system would accentuate inflation, not counter it. Labour's agitation for higher wages is understandable, and it is unfortunate that more mandays have been lost in the first five months of this year than during the whole of 1963, but labour, too, has to realise that its interests are not something separate from those of society as a whole. The Central Labour Minister, therefore, did well in stressing the larger problems facing the country and urging labour to co-operate in raising production which alone can provide a lasting remedy against inflation. Mr. Sanjivayya also deserves to be complimented on resisting the pressure to implement the Bonus Commission's recommendations straightaway. This, he said, required the consideration of many issues and the Government had to give further thought to the matter before coming to a decision. On the closing day however, he promised to have the Government announce its decision by the next Independence Day. The Central Labour Minister's faith in Wage Board awards as the more useful means of securing the "share of labour in the fruits of its toil" is much too one-sided. If Mr. Sanjivayya knew how these awards are boosting industrial costs, itself a great factor in current inflation, he would feel compelled to revise his opinion. Since he does not know, or does not care

to know, he is about to set up wage boards for the engineering and fertiliser industries.

In the matter of fixing wages, industry's capacity to pay should be the main criterion, but not all wage boards prefer to go by it. Now that the Conference has agreed that part of workers' wages should be paid in kind—the non-cash element covering such essentials as rice, wheat substitutes, sugar, pulses, cooking medium and cloth, and these at cheaper rates than those ruling in the market—the wage boards should devise a formula which would do justice to employers and workers alike. The boards should also consider larger problems like holding the price line and increasing the country's exports against increasing competition. The Government's labour policy, unfortunately, has tended to make labour a pampered section of society. Everything has been done to ensure the security of its employment, while practically nothing is being done to enhance its productivity. And Mr. Sanjivayya has stated that a draft amendment to the Industrial Disputes Act is ready for introduction in the next session of Parliament, with a view to providing greater security of employment to workers.

No Private Monopoly in India

In a memorandum to the Monopolies Commission, the Indian Chamber of Commerce has pointed out that there is no monopoly in the private sector, but in the public sector there are already several including life insurance, airlines, telephones and export and import trade in some goods. If monopoly is harmful to public interest, it can be scarcely less so when it exists in the public sector. In fact, while private monopolies can be controlled by State action, there is no such restraining influence when the State itself is a monopolist. The Chamber has also drawn attention to the fact that a monopoly by itself is not harmful if this has arisen in the process of achieving economies of scale or in applying the benefits of modern technology to a line of manufacture. In the United States as well as in the U.K., the State intervenes only when a monopoly operates in a manner detrimental to public interest. In an under-developed economy particularly, the term monopoly is often a misnomer. Pioneering enterprises have to be started in fields hitherto left untapped, and therefore, one or a few units may be operating for some time because of the smallness of the market. But when the market widens, competitors come in. "The so-called monopoly, therefore, represents only a stage and an inescapable stage at that, in the early stages of industrial development of a country".

Referring to the concept of concentration of economic power, which is being used in a loose and imprecise sense in this country, the Chamber contends that there is really no such concentration in the private sector. Production is regulated by licensing under the Industries (Development and Regulation) Act; investment is regulated by the Capital Issues Control and management by the Company Law. In the case of the more important industries, prices are fixed by the Tariff Commission. Purchases and sales are regulated by strict provisions of the Company Law. In the circumstances, economic power is really "vested in the Government and not with private enterprise", the Chamber argues. It further points out that even according to official spokesmen, there is not a single group or house which controls even 3 to 4 percent of the entire output in major industries. It may be argued that there may be several independent undertakings producing small percentages of different items and functioning under one management. But apart from the fact that each of these companies is owned by a large number of shareholders, the management itself is subject to strict control under the Company Law. No managing agency house can manage more than ten companies, and no person can be the managing director of more than two concerns. By any other yardstick also, there is no concentration of economic power in private hands. For instance, there is not a single Indian company which finds a place in the list of 450 large undertakings in the world. Even of the 100 largest Indian companies, the total paid-up capital of 19 Government companies is much more than that of the 81 in the private sector. And among the topmost ten, six companies are in the public sector. The National Coal Development Corporation, for instance, has net tangible assets amounting to Rs. 72 crores, which exceeds the assets of all the private collieries put together.

At the personal level, the fiscal policies of the Government have been so framed that as much as 88 percent of some incomes is taken away by tax. Then there is a capital levy on all wealth in the form of wealth tax. In some cases, income tax and wealth tax together take away as much as 120 to 140 percent of a person's income. There are expenditure and gifts taxes to plug loopholes if any, and over and above these, the estate duty takes away 85 percent on estates exceeding Rs. 20 lakhs in value. These are measures which cannot make for concentration of economic power and wealth. There are yet others, such as controls and regulations, which do not allow restrictive practices to grow. In the circumstances, the Government ought really to be thinking about providing more incentives for the large and growing class of new entrepreneurs which has come up in the wake of economic development. It must also appreciate the logic of modern industrial growth. As the Mahalanobis Committee has itself pointed out, industrialisation has its own logic, and neither the economies of scale nor that of full use of scarce talent can be ignored with impunity. The Chamber draws attention to the fact that the trend throughout the world is that industrial units are becoming bigger; the process of merger of even bigger units to improve production techniques and to stand international competition is commonly observed in all fully developed and mature economies.

Benami Ownership of Shares

The latest issue of *Company News and Notes* contains an interesting discussion on *benami* ownership and take-over bids in shares which should attract attention since these two subjects constitute important problems in Indian company management. *Benami* ownership is deep-rooted in this country, so its abolition may dislocate trade and business without conferring counter-balancing advantages. In many cases, nominee holdings are harmless and tend to serve legitimate purposes. But strong arguments have been produced for the abolition of nominee ownership. Shares have been held *benami* for such purposes as tax evasion fees. *Benami* ownership has helped to obscure the real ownership. Unscrupulous directors have taken advantage of it to obtain inside information for speculative purposes. Furthermore, genuine shareholders have found it difficult to consult the real owners for joint action. The non-exercise of voting rights by banks and executor companies has enabled groups with small shareholdings to control companies. However, since the total abolition of *benami* holdings is not immediately desirable, stricter control over such ownership is necessary.

It has, therefore, been suggested that every transfer of share shall contain a declaration by the transferee stating whether or not he would be the beneficial owner of the shares. A declaration on *benami* ownership should be made by all existing shareholders who directly or indirectly control the beneficial ownership of more than 1 percent of the issued capital of the Company. Any changes concerning beneficial ownership should be communicated to the Company and also to the Registrar of Companies. The desirability of amending Section 153 of the Companies Act restricting the period of validity of blank transfers may be considered in this connection and a penalty for non-disclosure be imposed.

The importance of take-over bids has been appreciated in this country and abroad. The Jenkins Committee of the U.K. fully dealt with this problem in investigating company law reform. In spite of the misuse of take-over bids, they may confer positive economic advantages such as rationalisation of production, provided a take-over is *bona fide*. But it is necessary to ensure that take-over is *bona fide* by framing appropriate rules and regulations to check malpractices and undesirable concerning of shares.

Symposium on Science and Technology

The four-day symposium on "Science and the Nation", which began in New Delhi last Friday, rightly urged closer scientific collaboration between India and some of the Afro-Asian countries. Unfortunately, many countries in the region are still scientifically backward, so it is difficult to say how fruitful the collaboration among them will be. It was suggested at the concluding session of the symposium that scientific collaboration between these countries should include the exchange of books and scientific abstracts and the training of scientific and technical personnel from other countries. Dr. V. K. R. V. Rao, Member of the Planning Commission, strongly supported the idea that India should make scientists and technicians available to other developing countries. This is no doubt a laudable proposal, but how far India will be able to fulfil this obligation in spite of the current shortage of trained scientific and technical personnel, it is still difficult to say. An atomic scientist, however, gave details of an agreement under which India will assist some south-east Asian countries in using research reactors. The suggestion of the Philippines' delegate that an Asian science bulletin should be brought out is also welcome in principle, provided it encourages the spirit of research without treading the delicate ground of politics. Much of the discussion at the symposium was, however, restricted to generalities, and there was little scope for disagreement over the major conclusions reached. For example, nobody could disagree that there should be rapid electrification of the rural areas or that there should be greater co-ordination between irrigation and agriculture departments. The discussion at the symposium also stressed the need for minor irrigation projects and the increased production of fertilisers over which there could not arise any controversy. The symposium would have been a greater success if the discussion on such generalities were avoided and if greater attention was paid to the more important subjects on the agenda.

Under Mr. Nehru's leadership, the country has made considerable progress in the sphere of science and technology. But if the National Laboratories were not hamstrung by too much of red-tape, their contribution to industrial research would undoubtedly have been more remarkable. The junior scientists at these laboratories need more encouragement than they have received so far. As it happens, more importance is now attached to the number of papers a scientist publishes than to the quality of his work. There has also been complaints that senior scientists take credit for what their junior colleagues do. There is no wonder, therefore, that an atmosphere of frustration prevails. Under the circumstances, it is not surprising that qualified and talented scientists, who are working abroad, are unwilling to return to this country despite verbal exhortations from Ministers and the planners from time to time.

Suggestions were made in the past that research personnel engaged in the National Laboratories should be allowed to work as industrial consultants. This will promote a greater liaison between these laboratories and industry. Admittedly, the money spent by the latter on research is still too small, so the Central Minister for Heavy Engineering, Mr. T. N. Singh, recently suggested that the Government might have to impose a tax on industry for promoting research. This is a welcome proposal, but before the Government makes up its mind on the issue, it should see to it that the money already being set aside for either scientific or industrial research is properly utilised and that there is no scope of infructuous expenditure from the proceeds of the proposed taxation.

Staff Management in Banks

Inaugurating the first course on staff management in banks at the Bankers' Training College in Bombay last Sunday, Mr. P. C. Bhattacharyya, Governor of the Reserve Bank, said that the crucial problem before Indian banks was to equip themselves well in order to shoulder the increasing responsibilities arising from a developing economy The efficiency of banks can be improved if right people are recruited and trained in adequate numbers. It involves long-range planning of staff requirements; adoption of a scientific and systematic policy of recruitment, selection, training and placement; providing the staff with opportunities and scope for promotion and development; creating the right type of organisational set-up so as to ensure proper co-ordination, direction and control of their activities and lastly maintaining the right type of atmosphere so that apart from acquiring competence, they develop devotion to their work. So the new management course introduced in the Bankers' Training College will prove to be of particular importance to the entire banking industry. Efficient managerial resources, Mr. Bhattacharyya said, are very scarce, particularly in a developing country like India. Unfortunately, management studies have not been given that amount of importance that they deserve in the banking industry Even in advanced countries, it is only during the last few decades that a scientific study of the subject has been undertaken. In India also, it has received some attention only in recent years. Better staff management would not only contribute to profits, but would also enable banks to render useful service to customers and the community.

Mr. Bhattacharyya said that the Reserve Bank had taken a number of steps to promote the study of sound banking techniques, practices and procedures. The setting up of the Bankers' Training College for imparting training in practical banking to the supervisory staff of comemercial banks was the starting point. The college began with a senior course for the upper layer of the managerial staff But subsequently, in response to requests from banks, it started the intermediate course. Later on, in the context of commercial banks undertaking new activities such as offering term loans to industry and financing the foreign trade, two more courses were added, namely, the industrial finance course and the foreign exchange course. The college has now introduced a special course on staff management in banks in order to equip senior officers with the knowledge of modern management practices and human relations which, Mr. Bhattacharyya said, is necessary for analysing problems relating to banking personnel in "a scientific, objective and rational way."

Control on Cloth Prices

The views expressed by the representatives of the Bombay Retail Cloth Dealers Association and the Kanpur Kapra Committee on the proposed scheme of statutory control on cloth prices deserves the Government's consideration. It is a sound suggestion that "popular varieties" should be determined on the basis of either maximum demands or maximum sale and no other basis would be quite so realistic. It will be a tricky business to decide the 40 percent of total production of cloth on which statutory price control would be imposed, but in deciding this 40 percent—constituting the popular varieties—the views of the industry should be taken into account.

The proposed profit margins at 6 percent to 7 percent for wholesalers and 15 percent to 16 percent for retailers is inadequate in view of the rising costs, and as the trade representatives have pointed out, might encourage illegal practices. They have suggested a margin of 25 percent for retailers.

The proposed statutory price control on cotton textiles will undoubtedly create many difficulties. It is doubtful whether statutory price control will benefit either the consumer or the producer. Since there is at present no shortage of cotton cloth in the market, the suggestion made by Mr. Navnitlal Shah, president of the Federation of All-India Cloth Merchants Association, that the Government should completely decontrol cloth prices—at least as an experimental measure for a few months—deserves to be carefully considered by the authorities.

Cloth Output Up

The output of cotton textiles by Indian mills during June is provisionally placed at 415 million yards, compared with 384 million yards in the previous month and 396 million yards in June 1963. The June figure raises the total for the first six months of the current year to 2.473 million yards, compared with 2.408 million yards in the same period of last year. Yarn production in June at

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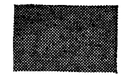
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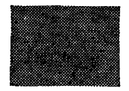




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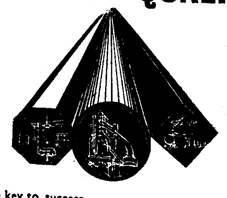
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160 million lbs is 2 million lbs less than in the preceding month, but compares very well with the June 1963 figure of 140 million lbs. The output of yarn for the six months of the year comes to 1,019 million lbs, against 951 million lbs in January-June 1963. The increase in production is welcome, but the improvement is too small to make any significant impact on the total availability of cloth and on prices which keep rising in any case because of the mounting production costs.

Cloth stocks with mills which had declined from 250,100 bales (of 1,500 yards each) in April to 238,400 yards in May are up again at 249,500 bales. Unsold stocks are down from 88,300 bales to 87,300 bales, while there has been an increase of 8,100 bales under "sold but delivery not taken" from 150,100 bales to 162,200 bales. Yarn stocks are down from 107,200 bales (of 400 lbs each) to 101,600 bales. Unsold stocks are lower at 51,200 bales, against 52,200 bales, and there is a decline of 4,600 bales under "sold but delivery not taken". While yarn stocks are somewhat on the high side, stocks of cloth are reasonably low. At the end of June 1963, cloth stocks with the mills stood at 311,200 bales, of which unsold stocks accounted for 150,800 bales.

New Companies in Eastern Region

Eighty-nine new limited companies, including one guarantee company, with a total authorised capital of Rs. 8.71 crores were incorporated in the eastern region comprising the States of West Bengal, Bihar, Orissa and Assam during the quarter ended June 1964. Eleven companies with a total paid-up capital of Rs. 11.83 lakhs went into liquidation, and the names of 16 companies with a total paid-up capital of Rs. 4.14 lakhs were finally struck off under the Companies Act, 1956, during the same period. As for the Statewise details, 76 companies with a total authorised capital of Rs. 7.67 crores were registered in West Bengal during the quarter. In Bihar, six companies with a total authorised capital of Rs. 38 lakhs were registered during the period In Orissa, three private companies with an authorised capital of Rs. 9.95 lakhs were registered during the quarter. In Assam one public company and three private companies with an authorised capital of Rs. 25.50 lakhs and Rs. 30 lakhs, respectively, were registered during the period.

4¾ PER CENT STATE GOVERNMENT LOANS, 1976.

	State	Amount (In crores of Rs.)	Issue Price per cent. Rs.
1.	Andhra Pradesh	11	99.50
2	Assam	3	99.50
3.	Bihar	4	99.50
4.	Gujarat	7	100.00
5	Kerala	4	99.50
6.	Madhya Pradesh	5	99.50
7	Madras	14	99.75
8.	Maharashtra	15	100.00
9.	Mysore	7	99.50
10.	Orissa	8	99.50
11.	Rajasthan	5	99.50
12.	Uttar Pradesh	10	99.75
13.	West Bengal	7	99.75

All loans, except Kerala Government's loan, will open for subscription on Monday, 24th August 1964 and close on Saturday, 29th August 1964 or earlier without notice as soon as subscriptions approximate to the amount of each issue. The Kerala Government's loan will open for subscription on Tuesday, 25th August 1964 and close on Monday, 31st August 1964 or earlier without notice as soon as subscriptions approximate to the notified amount. All the State Governments reserve their right to retain subscriptions upto ten per cent in excess of the notified amounts

The loans will be redeemable at par after 12 years i.e. 24th*/25th@ August 1976 and interest will be paid half-yearly on 24th*/25th @ February and 24th*/25th@ August each year.

Subscriptions may be in the form of CASH/CHEQUE in respect of all the loans.

Securities of 4% Bombay State Development Loan, 1964 and 4% Saurashtra State (Local Bodies Development) Loan, 1964 will be accepted AT PAR for conversion into the new loan of the Government of Maharashtra. Securities of 3% Madhya Pradesh Loan 1964, Madras Government 4% Loan 1964, 4% Uttar Pradesh Loan 1964 and 4% West Bengal Loan 1964 will also be accepted AT PAR for conversion into the new loans of the respective State Governments.

Interest on the securities of 4% Bombay State Development Loan, 1964, Madras Government 4% Loan 1964, 4% Uttar Pradesh Loan, 1964 and 4% West Bengal Loan, 1964 tendered for conversion will be paid at the rate of 4% per annum upto 31st July 1964. inclusive and at 4¾% per annum for the period 1st to 23rd August 1964 inclusive. Interest on the securities of 4% Saurashtra State (Local Bodies Development) Loan, 1964 and 3% Madhva Pradesh Loan, 1964 tendered for conversion will be paid at the rate of 4% and 3% upto and inclusive of 23rd August 1964 and 31st August 1964 respectively.

Applications for **all the loans** will be received at the offices of the Reserve Bank of India at Bangalore, Bombay (Fort and Byculla), Calcutta, Madras, Nagpur and New Delhi, the branch of the State Bank of India at Patna and the branch of the State Bank of Hyderabad at Hyderabad.

Applications will also be received **at other places within the respective States** as follows :

(i) Branches of the Subsidiary Banks of the State Bank of India conducting Government treasury work.

(ii) Branches of the State Bank of India at places where there is no branch of its Subsidiary Banks conducting Government treasury work.

(iii) Treasuries and Sub-Treasuries (except in the States of Assam and West Bengal) at places not served by the aforesaid branches.

Copies of the Notifications and Application Forms may be obtained at any Receiving Office.

Applicants tendering applications at the offices of the Reserve Bank of India at Bangalore, Bombay (Fort and Byculla), Calcutta, Madras, Nagpur and New Delhi will, in the event of oversubscription to the loan applied for, be given the option of transferring their cash refunds to any of the other State Government loans which may still be open for subscription. To avail themselves of this facility, the applicants should complete the "Special Option Form" copies of which can be obtained at any of the foregoing offices of the Reserve Bank of India and tender the form along with their applications.

* For other Loans

@ For Kerala Loan

TEA ACREAGE IN INDIA

FROM the interesting monograph prepared by Mr. J A. Robertson, we gather that the area under tea at the end of 1903 was 524,827 acres made up thus :—

	Acres
Sylhet and Cachar ...	133,576
Assam	204,702
Bengal	135,956
Madras and Travancore	31,627
Northern India ...	17,446
Burma	1,520
Total Acres	524,827

An addition of 85 percent has been made to the area under cultivation during the last 19 years made up thus :—

	Acres
1886-1890	60,892
1891-1895	70,890
1896-1900	106,770
1901-1905	2,340

It will be observed that the great extension was during the five years ended 1900, the years 1898 and 1899 being responsible for 68,400 acres. This is what has brought about the decline in prices for the tea then planted is now in full bearing. The net addition to the area during the last two years is only 60 acres, and if Tea garden agents will only leave well alone, the industry will come round, but to talk of it as moribund or as having received a death-blow is merely drivel. The industry is here, the capital embarked in it is over 12 millions sterling, and it has come to stay. Probably 90 to 95 percent of that capital belongs to persons resident out of India and consequently the Indian Tea industry is carried on presumably for their benefit, though the cream of the profits finds its way into the pockets of the management of these companies, and the return to shareholders in many instances is infinitesimal. The cost per acre of tea under cultivation averages £23 per acre, but this is a low average. We can fairly assume that £30 per acre is a reasonable price. The yield of tea has increased in more than double the ratio of the increase in the area planted. Taking 1885 as a starting point and 100 as representing the area and production then, we find that in 1903 the area had increased to 185 and the production to 292. The great increase in production was in 1899, when 24 million lbs. were made in excess of 1898. Last year the increase over 1902 was 20 million lbs and the outturn 208,709,571 lbs., was the highest on record. This wholesale extension has of course led to a smart fall in prices; Broken Pekoes realised in Calcutta in 1902 an average of 6 annas 1 pie against 11 annas 8 pie in 1894. Pekoes 5 annas 2¼ pie against 9 annas 4.4/5 pie and Pekoe Souchong 4 annas 3¼ pie against 7 annas 5/7 pie! Had not considerable economies been effected in the manufacture many concerns must have perished as it is old. expensively managed companies can make no return.

FROM

CAPITAL

11th August, 1904

A Ditcher's Diary

WHAT'S GOING ON IN NAGALAND? PERHAPS THE Government of India itself would give much to know the answer. Three more joined the many dead on Saturday, just when negotiations with the "hostiles" seemed imminent, with some hope of a settlement. Meanwhile, I find considerable criticism of the rôle Mr. Michael Scott may be playing. It is not pleasant to see a foreigner meddling in what is undoubtedly India's internal problem. Yet the estrangement between India and the Nagas was not getting better; and, as in several other spheres, India seemed to have lost the initiative. It is excruciatingly difficult to devise a correct as well as effective policy for the Nagas; it is all too easy to err both on the side of kindness and severity. And it is my impression that New Delhi's errors have been of both categories. Critics, however, would do well to remember that a mixture of charity and severity was the only possible policy; to be absolutist in these matters is either to be ineffective or inhuman. Again, it is not at all surprising that the policy has been misunderstood by many Nagas. Some think fighting will soften the Government of India's will; others are convinced that militancy will extract more concessions from New Delhi. The result of both is continued unrest. I shall reiterate my feeling that India has not yet been able to create a body of officials and others who are genuinely interested in the Nagas' way of life; there are few in the Government of India who are prepared to look at things from the Naga point of view—especially now that Dr. Verrier Elwin is no more. It is not easy for plainsmen to inspire confidence in secluded societies like the Nagas'; physical penetration is far easier than psychological penetration. But I believe that it can be done. The first thing to do is to shed that superior sneer that manifests itself on many faces at the sight of something unfamiliar; the temptation to call it quaint or uncivilised is strong. In spite of their simple minds, tribals are quick to detect this feeling of the outsider who, to them, looks like a foreigner who is by definition, suspect.

I NEVER WAS ENTHUSIASTIC ABOUT THE SO-CALLED Colombo Proposals on the Sino-Indian border dispute; I thought they were irrelevant and none of Ceylon's business anyway. But the latest proposals of Dr. N. M. Perera, the Finance Minister, affect the Indians in Ceylon very severely indeed; and New Delhi seems almost callous. But most of what Burma and Ceylon have done was surely foreseeable; unless the Indian missions in those countries were sleeping, the Government of India must have been warned of what was coming. Yet, is there the slightest evidence of any forethought as to how the problem was to be faced when it arose? The politics of the affair are complex enough; a variety of historical circumstances took a large number of Indians to places like British Guiana, East Africa, Fiji and, of course, Burma and Ceylon. They are now unwanted and being squeezed out through political, economic and other arbitrary measures. Yet the economics of the matter has received singularly little attention. The truth is that the economies of Ceylon and Burma have been steadily deteriorating in recent years. That the expulsion of economically productive Indian communities will worsen matters is not unknown to the respective Governments; but the local pressures are harder to resist than piteous appeals from expatriates. The answer to most problems of immigrants is—prosperity. In Switzerland every fifth worker is a foreigner; large numbers have been absorbed in Britain and Germany; France is still looking for workers from abroad, although recent reports of hopes for Indians were grossly exaggerated and led, I gather, to not a little embarrassment and overwork in the French consulates in India. If only Mrs. Bandaranaike and General Ne Win had not made such a mess of their economies, they would perhaps have welcomed the Indians in their countries. With plenty of rice about, there is no reason why Burma should be on the verge of a collapse. It is. Ceylon need not be poor either. It is. And all because the natural economic processes were distorted beyond recognition. Result: suffering for all.

ALL I CAN SAY IS THAT INDIA ASKED FOR WHAT SHE got in Tokyo. Admittedly, Mrs. Aruna Asaf Ali walked out of the conference against atom and hydrogen bombs in reasonably respectable company which included the Soviet Union; but, if she had not walked in in the first place, there would be no need to walk out later. It's as simple as that. And I do not believe that India would have lost anything by not being represented there—or, indeed, at a good few other get-togethers that I could name. To put it bluntly, international respect for India is on date very limited. Nor is the reason far to seek. It may seem terribly cynical to say so; but the fact is that the largest ingredient of one people's respect for another is fear, physical fear. And, after the manner in which the Chinese worsted the Indian forces in 1962, no country fears India. On the contrary, the apparent deference many countries in south-east Asia and elsewhere show China proceeds from sheer fear and nothing else. As long as this contrast continues, whatever the nature of India's confrontation with China, and whatever the place, the scales are heavily weighted against India. It's no use blaming T.T.K. today and Mrs. Asaf Ali tomorrow. What, then, does India do? Especially when conferences are held at a non-governmental level to which non-officials are invited over whom, in theory, the Government is supposed to have no control? When teachers or journalists go, as sometimes happens, despite the Reserve Bank of India, no great harm is done. They are not regarded as representatives of the Government of India. Mrs. Asaf Ali, I suspect, is, which may or may not be Mrs. Ali's fault. What, I think, the Government has to beware of is any unintended extension of India's commitments by parties not directly responsible to the Government. This has happened about Formosa; this has happened about communists going to all sorts of conferences. Quite unnecessarily. What New Delhi has to do is to make it clear what is official and what is not. Just as the Government of India is not, mercifully, responsible for what I am writing here, it should make clear that anyone going from India is not an ambassador of India.

IT IS DIFFICULT TO AVOID THE CONCLUSION THAT THE British Government has acted precipitately over Malta. I am not criticising the decision to grant independence; not, that is, if the Maltese want it, because an island of Malta's size cannot hope to provide its large population with a reasonable standard of living unless some protecting power is prepared to foot the bill. But it does seem to me that the way it has been done invites the kind of reaction which proved so disastrous in Zanzibar's case. Wherever Britain has handed over to the wrong people previously, the resulting "revolution", even where this has taken place through the ballot box as in Ceylon, has established circumstances that have been in nobody's true long-term interests, especially Britain's. The final step has been decided on, of course, because the British Government has suddenly found Malta useful again, and therefore worth taking a gamble on, whereas only a few years ago the island had been written off completely as a strategic base. Such a state of affairs, or so it was reckoned in London, weakened the bargaining power of the Maltese political Parties and increased their reliance on British charity. Now, with the old rôle of naval fortress transformed, for the time being, into that of an air staging-post, the estimate seems to be that the necessary few more years of tranquillity can best be gained by handing over internal power to a minority, though pliable, Maltese national government supported by British money paid over in consideration for the use of the landing facilities. So now it all depends on how strong that new government turns out to be. My guess is that it will not be strong at all, and that Britain, to its embarrassment, may have to take over responsibility again in a few years' time, as happened in British Guiana. All this forecasts rather a dim prospect for an island which joined the British Empire voluntarily over 150 years ago and has

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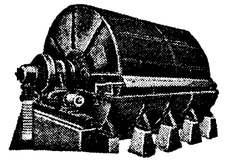
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served Britain well ever since. I could never wholeheartedly accept the reasons given for not incorporating Malta into Britain itself in the same way, for example, as the Andamans are a part of India or Hawaii one of the United States.

WHATEVER SIR CHARLES SNOW HAS TO SAY I always find of immense interest. His thesis that English education is altogether too polarised is one with which I entirely concur, and now that he has acknowledged the importance of the social sciences I find it impossible to disagree with his submission that all imparted knowledge should take full account of modern scientific thinking. So far I have only read the Press reports of what Sir Charles said recently in his first Tagore memorial lecture, but one point he appears to have raised does strike an odd note for anybody so convinced of the virtues of the scientific approach. I can only hope he has been wrongly quoted. To say, for instance, and without apparent qualification, that if poor countries are to be helped, the "accumulation of capital is essential", is to take a strikingly naïve view of the problems of underdevelopment. I shall not deny that the accumulation of the right kind of capital might, in some circumstances, help poor countries, but I do think it is important to make clear that this is only a small part of the solution to the overall problem. Far more important is the task of changing old social and economic habits, something which requires little capital but a good deal of education and persuasion. To take only the case of India: if productivity in agriculture could be doubled by the adoption of improved methods of cultivation and animal culture, the standard of living of the country could be increased by well over 50 percent with very little capital indeed. Looked at another way, all the aid in the world, if invested in unproductive capital resources, would not help India one bit, as experience with the five year plans is beginning to show. I am sure that Sir Charles realises this and that if he ever reads my words as carefully as I read his I run the risk of being dismissed as a quibbler. But I am saying all this because I do feel a most important principle is involved. Human thinking tends to follow the easiest path through the jungle of life's complications and realities, and at the moment the "conventional wisdom", as Professor Galbraith has called it, in the West on development is that if enough capital can be pumped into the poorer countries, everything will eventually be all right. In fact, it would be difficult to be more wrong; so often these days foreign capital is not a complement to the home-produced variety, it is a substitute for it, and leads government into policies of wasteful and ostentatious investment which could not be sustained if the resources had to be raised from their own people.

WHEN DISRAELI SAID THAT INCREASED MEANS AND increased leisure were the two civilisers of man, I am sure his thoughts must have been very different from the ideas that the Government in this country has on holidays. If Scotland is the land of cakes and Copenhagen the city of bicycles, someone may as well call India the land of holidays. Each State has its own set of public holidays, which are not necessarily observed as such by other States. The pride of place goes to Jammu and Kashmir which has 30 public holidays and 13 sectional ones. Second on the list comes Bengal (22 days) followed by Uttar Pradesh (21 days) and Rajasthan and Bihar (20 days). The Central Government itself has declared 16 public holidays and 12 restricted holidays, of which two may be availed of by its employees. And if perchance a holiday falls on a Sunday, a compensatory closure is often declared for the next working day. Considering the vastness of the country and the bewildering number of festivals and festivities it has, and the many great men and events whose memory has to be honoured, this is to an extent understandable. But in terms of man-days lost to the country the tally is huge. I think it is time that the number of holidays was cut and some uniformity was introduced. The number may be limited, say, to 20, of which 10 may be fixed by the Central Government as national holidays and the remainder left to the discretion of the States.

THE DITCHER

Guide for Investors

IMPERIAL TOBACCO EARNS LESS, PAYS LESS

THE Imperial Tobacco Co. of India Ltd has declared a final dividend of 2.5 percent, subject to tax, for the year ended March 1964. This, together with the two taxable interim dividends of 2 percent each, makes a total of 6.5 percent for 1963-64, against 8 percent for 1962-63. The yield amounts to 7.1 percent at the present price of Rs. 9.19 a share of Rs. 10 each. The net profit has amounted to Rs. 99.25 lakhs, against Rs. 1.80 crores, after providing Rs. 1.87 crores (against Rs. 2.62 crores) for taxation and other charges. The directors have also decided to declare a first taxable interim dividend of 2.5 percent for the year ended March 1965, against 2 percent for 1963-64. It has been mentioned that the Company's business was adversely affected by taxation, so a reduced dividend has been recommended. Prospects for the current year, however, justify the declaration of a larger interim dividend. The share transfer books of the Company will be closed from 5th to 24th September, 1964.

Birla Jute Maintains Dividend

THE Birla Jute Manufacturing Co. Ltd has repeated the taxable ordinary dividend of 15 percent for the year ended March 1964 At the present price of Rs. 33.44 a share, the yield amounts to 4.5 percent. The trading profit has amounted to Rs. 2.12 crores, against Rs. 2.07 crores for 1962-63. Depreciation is allocated Rs. 1.01 crores (against Rs. 67.43 lakhs), taxation Rs. 36 lakhs (against Rs. 60 lakhs) and development and rehabilitation reserve Rs. 2.24 lakhs (against Rs. 3.10 lakhs). General reserve absorbs Rs. 4 lakhs (against Rs. 30 lakhs). The carry-forward is Rs. 40,062, against Rs. 46,410 brought in.

Anglo-India Jute Repeats

THE profit of Anglo-India Jute Mills Co. Ltd has declined from Rs. 73.58 lakhs for 1962-63 to Rs. 35.66 lakhs for the year ended March 1964, after increasing depreciation from Rs. 15.13 lakhs to Rs. 23.47 lakhs. The taxable ordinary dividend of 12 percent has been maintained, absorbing Rs. 7.09 lakhs. The yield amounts to 7.5 percent at the present price of Rs. 160 a share of Rs. 100 each. Taxation absorbs Rs. 17.10 lakhs, but a sum of Rs. 38.10 lakhs was provided for taxation in 1962-63. Development rebate reserve is allocated Rs. 3.65 lakhs (against Rs. 6.40 lakhs) and revenue reserve Rs. 4.50 lakhs (against Rs. 9.84 lakhs). The carry-forward is Rs. 55,875, against Rs. 90,773 brought in.

The directors view the prospects for the current year with extreme caution. Although the crop forecast is satisfactory, export prospects for sacking continue to cause concern. The domestic demand for sacking is, however, encouraging. The offtake of hessian depends on U.S consumption which has so far not been encouraging. With no sign of recession in the U.S. economy—combined with the growing support of the Argentine and Russian markets—a steady demand is expected. The competition in the sacking markets has been aggravated by the development of jute industries in various consuming countries. The rapid expansion of the Pakistani jute industry and its ability to produce jute goods at cheaper costs pose a great threat to the Indian jute industry. Meanwhile, the production of carpet-backing cloth in India is more than adequate to meet the current overseas requirements. Although the abolition of the Working Time Agreement will tend to foster free competition within the industry and eliminate inefficient units, it is hoped that it will be possible in the near future to evolve a satisfactory method for ensuring a considerable adjustment of supply and demand. The Company has incurred considerable capital expenditure to increase the capacity for carpet-backing cloth and for installing electrical equipment at the mills. The subsidiary Company, Landale and Clark Ltd, has had a successful year and earned a profit of Rs. 8.67 lakhs. The preference dividend for the year ended May 1954 is proposed to be paid.

Bally Jute to Issue Rights

BALLY Jute Co. Ltd proposes to issue rights ordinary shares at par in the proportion of one new share for each one held in order to bring the paid-up capital of the Company in line with its assets and activities. The Company has reduced the taxable ordinary dividend from 25 percent to 20 percent for the year ended March 1964. The yield works out to 8.4 percent at the present price of Rs. 239 a share of Rs. 100 each. The trading profit has amounted to Rs. 26.28 lakhs, against Rs. 38.19 lakhs for 1962-63. Depreciation is allocated Rs. 10.48 lakhs (against Rs. 6.39 lakhs), taxation Rs. 4 lakhs (against Rs. 19.70 lakhs) and development rebate reserve Rs. 6.95 lakhs (against Rs. 18,409). A sum of Rs. 1 lakh has been transferred from general reserve. The carry-forward is Rs. 24,424, against Rs. 39,338 brought in.

Aluminium Industries Expands and Diversifies

THE directors of Aluminium Industries have announced a final dividend of 9 percent for the year ended March 1964, making a total of 18 percent for the year. The previous year's dividend was 15 percent. The higher dividend follows a rise in the profit for the year. According to preliminary figures, the profit for the year ended March 1964, after depreciation, amounts to Rs. 59,85,542 (against Rs. 55,39,720). With Rs. 47,916 brought forward, the total comes to Rs. 60,33,458. Out of this, development rebate accounts for Rs. 4,91,000 (against Rs. 69,250). A sum of Rs. 2,00,000 is transferred to general reserve (against Rs. 1,00,000). No amount is transferred to dividend equalisation reserve (against Rs. 2,00,000). Provision for taxation amounts to Rs. 30,00,000 (against Rs. 39,50,000). The proposed final dividend of 9 percent and the interim dividend account for Rs. 22,72,500 (against Rs. 15,00,000). The balance of Rs. 69,958 is carried forward.

During the year, the Company manufactured 11,750 tonnes of bare conductors and 11.04 million core metres of covered aluminium conductors while aluminium rod rolling and accessories production was maintained at usual levels. The Company experienced an acute shortage of raw materials, and this did not permit full utilisation of the capacity for the manufacture of high-tensile galvanised steel wire. But towards the end of the year, the availability was better.

As for sales, there was a satisfactory market for the Company's products. Considerable diversification of covered aluminium conductor production was effected to cater to the varying pattern of demand. The expansion of the covered aluminium conductor plant in Kundara and the construction of the new factory in Hyderabad were completed during the year. The factory in Hyderabad was inaugurated on 29th January, 1964. The construction of the plant for the manufacture of low voltage aluminium underground cable in Kundara is nearing completion. This is expected to be in production after two months. The import licence and foreign exchange for the expansion of the aluminium rod rolling mill in Kundara have been secured. This expansion work is expected to be completed in the third quarter of 1965. The bare conductor manufacturing facilities in Kundara and Hirakud are also being increased through the installation of suitable balancing equipment.

More from Gwalior Rayon

THE Gwalior Rayon Silk Manufacturing (Wvg) Co. Ltd has stepped up the dividend for the year ended March 1964 from 25 percent to 27.5 percent, that is, from Rs. 2.50 to Rs. 2.75 a share. The detailed preliminary report on the working of the Company shows that it has fared better than in the preceding year, in that both sales and gross profit are higher. But the improvement in profit is too small in relation to the increase in sales. The turnover has gone up from Rs. 13.20 crores to Rs. 16.21 crores, whereas the gross profit has recorded only a modest increase from Rs 4.27 crores to Rs. 4.34 crores. The profit margin, measured by the ratio of gross profit to sales, is down from 32.3 percent to 26.8 percent. Appropriations include depreciation Rs. 163.35 lakhs (against Rs. 83.89 lakhs), development rebate reserve Rs. 7.98 lakhs (against Rs. 112.36 lakhs), donation Rs. 1.07 lakhs (against Rs. 21.44 lakhs), preference share redemption reserve Rs. 15 lakhs (the same) and general reserve Rs. 2.336 crores (against Rs. 1.72 crores).

The tax liability of the Company for 1963-64 is placed at Rs. 1.25 crores, which, together with the previous years' arrears, amounts to Rs. 6.71 crores and this is to be paid out of the general reserve which amounts to Rs. 9.93 crores after including the sum allocated to it in 1963-64. The equity dividend of Rs. 68.75 lakhs (against Rs. 62.50 lakhs) and the preference dividend amounting to Rs.12.92 lakhs (the same) are also to be paid out of the general reserve. After allowing for tax provision and dividend liability, the general reserve stands reduced to Rs. 2.40 crores.

The output of staple fibre increased from 28.78 million kilograms to 29.67 million kilograms and the directors state that production would have been still higher but for an accident in one of the ancillary plants. The Government's decision allowing the Indian Cotton Mills Federation to import 8.3 million kilograms of staple fibre adversely affected the staple fibre market during the year, and the selling price of staple fibre had to be reduced which affected the margin on staple fibre output. The working of the weaving division, however, was very satisfactory.

The Company produced 7,500 tons of rayon grade pulp, all of which was consumed in the staple fibre factory. Besides, about 24,400 tons of paper pulp was also produced. It is expected that in the current year the output of rayon grade pulp will be considerably more, although, the respective production of rayon and paper grades of pulp will depend on the availability of suitable bamboos for each quality. It is stated that the production of rayon and paper grade pulp has resulted in the saving of foreign exchange to the extent of about Rs. 3 crores which is equivalent to about 85 percent of the total foreign exchange used for this project. The directors add that even though an industrial licence was granted about three years ago to the Company to manufacture rayon and other chemical plant machines, no appreciable progress has been made because of the delay in the granting of import licence for importing the necessary plant and machinery. It has been possible to manufacture some of the equipment for rayon and other ancillary plants and spare parts with the existing facilities and with whatever machines that could be procured from the domestic market.

The Company has purchased a cotton textile mill in Bhiwani with an installed capacity of 18,000 spindles and 286 looms. It has been licensed to increase its capacity further by 9,200 spindles. The working of this unit has been quite satisfactory. It has applied for a licence for the establishment of a polynosic staple fibre plant with a capacity of 50 tons a day and for PVA fibre plant with a capacity of 10 tons a day. The capital outlay on the polynosic fibre plant which, it is proposed, will be taken up first is estimated around Rs. 4 crores and negotiations are in progress for foreign collaboration.

Cochin Malabar Estates Maintains

A RISE in the profit and the maintenance of the dividend at 12 percent feature the trading results of the Cochin Malabar Estates Ltd for the year ended February 1964. The profit, before taxation, amounts to Rs. 10,13,193, against the previous year's Rs. 8,80,694. After deducting tax provision of Rs. 5,57,000 (against Rs. 4,68,500), there is a net profit of Rs. 4,56,193. Adding to this a sum of Rs. 28,851 brought forward from the previous year, and Rs. 15,000 transferred from general reserve, the total available for appropriation comes to Rs. 5,00,044. Out of this, a sum of Rs. 1,60,300 (against Rs. 25,000) is transferred to rehabilitation reserve. The dividend at 7.06 percent on preference shares, subject to deduction of tax, amounts to Rs. 7,999. The proposed dividend of 12 percent on ordinary shares (the same) will absorb Rs. 3,22,953, leaving a balance of Rs. 8,792 to be carried forward.

A total rubber crop of 1,132,759 kilograms was harvested during the year,

against 1,105,303 kilograms in the previous year. The all-in cost of production was Rs. 2.84 a kilogram, against Rs. 3.05 a kilogram. The average sale price was Rs. 3.41 a kilogram, against Rs. 3.48 a kilogram. The yield an acre has improved to 278 kilograms from the previous year's level of 254 kilograms. The percentage of earnings on equity capital has risen to 38 from the previous year's level of 33. The chairman, Mr. A. D. Bolland, says in his statement that the crop has been satisfactory and the young rubber areas brought into tapping during the year have shown satisfactory results. He adds that it will be difficult to reduce expenditure on the rehabilitation programme which the Company has launched to increase the yields. The cost of materials and stores continues to rise and the existing legislation governing the employment of labour places a very heavy burden on the Company.

Referring to the future prospects, the chairman says that the crop for 1964-65 is estimated at 1,088,708 kilograms. This anticipated reduction in crop is mainly due to the replanting programme which continues to reduce the area of yielding rubber trees. This trend will continue for a few more years, but once the replanted areas come into tapping, considerable improvement will occur.

Mettur Industries Cuts Dividend

THE directors of Mettur Industries Ltd have recommended a dividend of 15 percent for the year ended March 1964, against 20 percent in the previous year. According to preliminary figures, the profit for the year, before taxation, amounts to Rs. 30,18,427, against Rs. 29,31,837 in the previous year. With Rs. 10,434 brought forward, and Rs. 5,551 being the surplus on disposal of investments, and with Rs. 94,749 transferred from advertisement reserve, the total available for appropriation comes to Rs. 31,29,161. Out of this, the directors have provided Rs. 1,82,943 (against Rs. 1,98,042) for depreciation. Bonus amounted to Rs. 4,25,000 (against Rs. 4,43,500). Provision for gratuity amounts to Rs. 54,000 (against Rs. 54,000). Provision for additional bonus in previous years amounted to Rs. 1,27,894 (against Rs. 11,577). Provision for taxation amounts to Rs. 13,20,000 (against Rs. 13,45,000). A sum of Rs. 1,00,000 is transferred to general reserve. Development rebate accounts for Rs. 17,000 (against Rs. 20,925). The proposed dividend of 15 percent will absorb Rs. 9,00,000 (against Rs. 12,00,000). Loss on disposal of fixed assets amounts to Rs. 2,033 The balance of Rs. 291 is carried forward.

Kirloskar Oil Engines Pays More

THE directors of Kirloskar Oil Engines Ltd have stepped up the dividend for the year ended March 1964 from 12 percent to 16 percent, that is, from Rs. 1.20 to Rs. 1.60 a share. The dividend on participating perference shares has also been raised from 8 percent to 10 percent. Production and sales are said to be considerably higher though the figures are not mentioned in the preliminary report which shows a small setback in the gross profit from Rs 1.098 crores to Rs. 1.04 crores. The decline in profit is attributed to the rise in the cost of production and extra expenses for exporting the Company's products without any corresponding increase in the selling prices of engines. The increase in the dividend has been made possible by the larger disposable surplus because of the lower provision for taxation.

After providing Rs. 16.17 lakhs (against Rs. 13.50 lakhs) for depreciation, Rs. 3.79 lakhs (against Rs. 3.86 lakhs) for development rebate and Rs. 46 lakhs (against Rs. 61 lakhs) for taxation, the net profit amounts to Rs. 32.10 lakhs, against Rs. 24.99 lakhs in the preceding year. Allocations include general reserve Rs. 9.24 lakhs (against Rs. 10 lakhs), rehabilitation reserve Rs. 4 lakhs (the same), bad and doubtful debts Rs. 50,000 (against nil) and capital redemption reserve Rs. 5 lakhs (against nil). After providing for the proposed dividends which absorb Rs. 13.60 lakhs (against Rs. 11 lakhs), there remains a balance of Rs. 4.952 to be carried forward, against Rs. 28,996 brought in. The directors state that the Company's expansion programme is progressing satisfactorily, and is expected to gather momentum in the current year. The Company has negotiated a loan of Rs. 99 lakhs with the Industrial Finance Corporation of India to finance the expansion programme. The Rs. 10-paid share of the Company is currently quoted around Rs. 25, offering a gross return of about Rs. 6.8 percent.

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Mukand Iron Results Impress

THE Mukand Iron and Steel Works Ltd has maintained the dividend on ordinary shares at 12 percent—Rs. 1.20 a share—on the increased capital, with proportionate distribution of 24 paise a share on the new partly paid shares. The dividend on deferred shares has been raised from Rs. 29.94 to Rs. 37.43 a share. The Company's working results for the year ended March 1964, show a considerable improvement over the previous year's performance, in that the gross profit is up by nearly 37 percent from Rs. 72.86 lakhs to Rs. 1 crore, despite a decline in the sales from Rs. 6.50 crores to Rs. 6.21 crores. The increase in profit is attributed mainly to larger sales of steel castings. Sales of rolled products suffered a decline, but the Company could do better because of the considerably larger profit margin on steel castings.

Appropriations of the year's profit include depreciation Rs. 21.46 lakhs (against Rs. 15.25 lakhs), development rebate Rs. 2.55 lakhs (against Rs. 4.25 lakhs), taxation Rs. 38.50 lakhs (against Rs. 29.75 lakhs), bad and doubtful debts Rs. 5,943 (against Rs. 26,411), general reserve Rs. 30.44 lakhs (against Rs. 15.30 lakhs) and dividend reserve nil (against Rs. 15 lakhs). No provision has been made for gratuity which had received Rs. 3 lakhs in the preceding year. The write-backs amount to Rs. 75,640, against Rs. 12.81 lakhs in 1962-63. The proposed dividends absorbing Rs. 17.75 lakhs (Rs. 14.01 lakhs) are to be paid from general reserve.

The prospects for the current year are stated to be good and the dividend is expected to be maintained. The management has, however, sounded a note of caution as the supply position of billets continues to be unsatisfactory. The Company's project in Kalwe is said to be progressing well. Orders for plant and machinery have been placed with foreign suppliers and the entire installation of machinery is expected to be over by May 1965. The plant is likely to be commissioned by next July-August.

The Company had spent about Rs. 5 lakhs on this project by the end of 31st March. The total cost of the project is placed around Rs. 4.5 crores. The Company has started giving technical collaboration to various Indian engineering firms. Four such collaborations have been completed by now. It is exploring the possibility of supplying technical know-how to Malaysia, Kuwait and British East Africa. Mukand Iron exported rolled products worth Rs. 7.50 lakhs, mainly to Viet-Nam, during 1963-64. Exports during the current year are expected to be larger. Referring to the scheme for conversion of deferred shares into ordinary shares, the chairman stated that although the conversion might not attract capital gains tax under the new Finance Act, legal opinion was not very clear on this point because of certain technical flaws in the provisions. The directors are examining this issue very carefully.

Kirloskar Pneumatic Raises Dividend

KIRLOSKAR Pneumatic Co. Ltd has raised the dividend for the year to March 1964 from 10 percent to 12.5 percent—Rs. 10 to Rs. 12.50 a share—which is more than justified by the Company's impressive performance during the year. Sales have increased by nearly 72 percent from Rs. 1.67 crores to Rs. 2.88 crores and the gross profit has improved by about 77 percent from Rs. 27.18 lakhs to Rs. 48.13 lakhs. Allocations include depreciation Rs. 7.77 lakhs (against Rs. 4.60 lakhs), development rebate Rs. 2.25 lakhs (against Rs. 1.86 lakhs), taxation Rs. 23.50 lakhs (against Rs. 10.23 lakhs), bonus to employees Rs. 2.94 lakhs (against Rs. 1.62 lakhs), depreciation reserve Rs. 3.50 lakhs (the same), machinery replacement reserve Rs. 2 lakhs (the same) and general reserve Rs. 2 lakhs (against Rs. 50,000). Equity dividend absorbs Rs. 3.88 lakhs (against Rs. 2.13 lakhs) and preference dividend Rs. 14,838 (against Rs. 80,219), leaving a sum of Rs. 32,352 to be carried forward, against Rs. 18,511 brought in.

The preference dividend absorbs less because 9,107 out of 10,000 convertible preference shares have been converted into equity shares. The last date for exercising the option of conversion is 31st December, 1964. In May last the Company issued 15,090 equity shares of Rs. 100 each, and these were offered to existing shareholders at par. The issue was fully subscribed and that brought the issued capital to Rs. 50 lakhs The authorised capital of the Company, it is proposed, will be raised from Rs. 50 lakhs to Rs. 3 crores.

The directors state that the Company has made considerable progress in developing semi-scaled air-conditioning compressors. It placed on the market during 1963-64 two reciprocating stationary compressors, the largest machines of their types to be manufactured indigenously. It has also commenced the building of 600 c.f.m. portable rotary compressors. The Company has signed the technical assistance agreement with Westinghouse Brake and Signal Co. Ltd of the U.K. for the manufacture of air brake compressors suitable for the railways The Company has been licensed to manufacture power transmission equipment and negotiations are in progress for securing technical collaboration from the U.S.A.

Bajaj Electricals Fares Well

BAJAJ Electricals Ltd has maintained the dividend for the year ended 31st March, 1964, at 10 percent. The dividend, however, is payable on the increased capital, the rights shares issued in 1963 being entitled to a proportionate distribution of Rs. 1.25 a share. The dividend on deferred shares has been raised from Rs. 4.27 to Rs. 4.53 a share. The preliminary report on the working of the Company shows a small improvement over the previous year's performance. Sales have risen from Rs. 3.58 crores to Rs. 3.92 crores and the gross profit is higher at Rs. 28.25 lakhs, against Rs. 27.20 lakhs. Out of the total turnover of Rs. 3.92 crores (against Rs. 3.58 crores), lamps and lighting equipment account for Rs. 1.78 crores (against Rs. 1.57 crores) and fans Rs. 1.08 crores (against Rs. 1.14 crores). The provision for depreciation has been raised from Rs. 2.17 lakhs to Rs. 2.42 lakhs and for development rebate reserve from Rs. 13,000 to Rs. 32,000. Taxation accounts for Rs. 13.75 lakhs (against Rs. 14 lakhs). After setting aside a sum of Rs. 53,145 (against Rs. 32,026) for adjustments for previous years and writing off Rs. 65,182 (against Rs. 51,553), the balance of Rs. 10.58 lakhs has been transferred to general reserve. In the preceding year, the general reserve had been allocated Rs. 4.05 lakhs and a sum of Rs. 6 lakhs had been taken to the dividend reserve. The dividends for 1963-64 will absorb Rs. 6.36 lakhs (against Rs. 5.97 lakhs) and this is to be paid from the general reserve.

The directors state that there was an increase in the sales of lamps and lighting equipment, transformers and appliances. The production of fans by Matchwel Electricals was lower on account of non-availability of electrical stampings due to a strike in the suppliers' works and the production of electrical instruments was interrupted for a few months because a section of the instrument factory was shifted from Bombay to Poona. Accordingly, sales of these two items were lower. During 1963, Allied Lamp Exporters, in which the Company and its associate Hind Lamps are partners, exported about 900,000 of general lighting service lamps, 300,000 of miniature lamps and 75,000 fluorescent tubes. Prospects for the current year are considered to be more promising. The management is hopeful of achieving a sales turnover of about Rs. 5 crores in the current year, and to raise it to Rs. 10 crores in the course of next four years. Hind Lamps in which the Company has a 50-percent interest has received a manufacturing licence for substantial expansion of its production of standard type lamp caps and for the manufacture of miniature lamp caps. It has also applied for the expansion of the capacities for the manufacture of electric lamps and glass shells. The Company has received the Government's approval for the technical collaboration with Westinghouse Electric International of the U.S.A. for manufacturing electrical measuring instruments. The construction of the building for the new instrument factory in Poona is progressing satisfactorily.

Bararee Coke Pays More

BARAREE Coke Co. Ltd has produced satisfactory results for the year ended March 1964. The plant has been working satisfactorily and the output of low-ash-content hard coke has been maintained. The directors have mentioned that the regular maintenance and renovation programme would affect the production costs. The increased wages due to the recommendations of the wage board have also raised production costs. Although the demand for hard coke dropped temporarily following the shortage of pig iron, the sale of the high-quality products of the Company has met with good demand because of coke requirements for precision castings. The demand has arisen from internal and export markets. Since the grade of coal produced by the Company was decontrolled on 1st March, 1963, it has been possible to pass on to the consumers a part of the increased production costs. The output from the by-products flowing from the sulphate of ammonia and sulphuric acid plants, has been maintained at a reasonable level. The renovated boiler and new water filtration plants which are being installed, should help increase the steam generation capacity. So the efficiency of the old plant should improve. The Company has been investigating plans to expand and diversify activities.

The net trading profit has risen from Rs. 10.12 lakhs for 1962-63 to Rs. 13.46 lakhs for 1963-64, after providing Rs. 1.18 lakhs for depreciation. Bringing sums from various accounts, the total of available balance amounts to Rs. 14.19 lakhs. The taxable ordinary dividend has been increased from 15 percent to 20 percent which works out to a yield of 9.5 percent at the present price of Rs. 21.13 a share of Rs. 10 each. Taxation, including a sum of Rs. 1.89 lakhs for surtax on profits, absorbs Rs. 9.23 lakhs (against Rs. 7 lakhs), development rebate reserve Rs. 891 (against Rs. 120), deferred repairs reserve Rs. 1.50 lakhs (the same) and general reserve Rs. 1.05 lakhs (against Rs. 80,889).

Howrah Mills Modernises

IN their report for the year ended March 1964, the directors of Howrah Mills Co. Ltd say that stress is being given to quality control throughout the mill and to preshipment inspection of jute goods. Since the bulk of raw jute is fit for producing sacking, the embarrassment of the mills has been increased by the purchase quotas allocated to them for raw jute. The margin of profit on the manufacture of hessian and sacking has been shrinking due to increasing competition. It is encouraging, however, that more countries have started taking interest in Indian jute goods, so vigorous efforts should be made to develop the new markets, particularly for sacking. But it will be difficult to prevent the loss of more markets unless steps are taken to counteract the price advantage which is enjoyed by overseas competitors, especially the Pakistani mills. Some additions have been made to the machinery of the mill. The sewing capacity of the mill is being increased and applications have been made for licences to import more preparatory machinery. Orders will be placed for additional spinning frames to increase the mill's capacity for the production of non-standard fabrics. Additional godowns are being constructed to accommodate the increased stocks of raw jute.

The net profit has amounted to Rs. 40.61 lakhs, against Rs. 57.40 lakhs for 1962-63, after providing Rs. 9.29 lakhs for depreciation. The taxable ordinary dividend has been raised from 10 percent to 12½ percent, including an interim of 7.5 percent. The yield amounts to 4.7 percent at the present price of Rs. 15.94 a share of Rs. 10 each. Sums of Rs. 2 lakhs and Rs. 1 lakh have been transferred from debenture stock sinking fund reserve and labour superannuation and welfare reserve, respectively. Debenture stock sinking fund reserve is allocated Rs. 1 lakh (against Rs. 2 lakhs), taxation Rs. 24.62 lakhs (against Rs. 30 lakhs), development rebate reserve Rs. 57,263 (against Rs. 54,953) and general reserve Rs. 7.33 lakhs (against Rs. 84,335). Out of taxation, Rs. 2.47 lakhs has been provided for surtax on profits.

Phoenix Mills Pays the Same

ALTHOUGH the dividend has only been maintained at Rs. 20 a share (20 percent), the working results of the Phoenix Mills for the year ended March 1964 show a marked improvement over the previous year's performance. As against an increase of about 18 percent in the sales

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from Rs. 3.48 crores to Rs. 4.11 crores, the gross profit has gone up by about 41 percent from Rs. 37.74 lakhs to Rs. 53.38 lakhs. The profit margin —the ratio of gross profit to sales— has improved from 10.8 percent to 13 percent. This is attributed to reduction in labour costs because of the modernisation programme. The Company has successfully completed the scheme of four-looms system. After providing Rs. 13.54 lakhs (against Rs. 11.67 lakhs) for depreciation, Rs. 2.69 lakhs (against Rs. 5.77 lakhs) for development rebate, Rs. 19 lakhs (against Rs. 6.50 lakhs) for taxation, Rs. 14,000 (against Rs. 5.88 lakhs) for bonus for the previous year and Rs. 9.60 lakhs (the same) for dividends, there remains a balance of Rs. 5.30 lakhs to be carried forward. The Company added machinery worth Rs. 13.18 lakhs during 1963-64. Five single drive ring frames and 47 double-drive ring frames were installed during the year. Under its expansion programme, the Company proposes to install additional 29,000 spindles and undertake extension of the dye house. The Rs. 100-paid share of Phoenix Mills is quoted around Rs. 250, offering a gross return of about 8.6 percent.

Indian Guarantee Earns Less

INDIAN Guarantee and General Insurance Co. Ltd has earned a gross profit of Rs. 19.45 lakhs for 1963, against Rs. 28.49 lakhs for 1962. The drop in the profit is due to the increase in reserve in the marine department and because of the adverse experience in the fire and miscellaneous departments. General reserve has been raised by Rs. 3.90 lakhs to Rs. 6.50 lakhs. A taxable ordinary dividend of 6 percent has been declared.

In his chairman's statement at the recent annual general meeting, Mr. B. K. Kaul said that the Company was reconstituted from 1st January, 1960, as one transacting only reinsurance business. (A fuller version is printed on a later page in this issue of *Capital*.) The Company was considered as an "approved Indian reinsurer" under the law, so it receives statutory cessions. It is operating as a reinsurer in the Indian and international markets. In line with the adverse claims experience throughout the world, the fire department has not done well. The gross premium amounted to Rs. 8.46 crores, against Rs. 6.98 crores. The net premium income has improved by about 24 percent, compared with that for 1962. The increased claims cost has largely been due to unfavourable fire claims experience, combined with the adverse experience of foreign acceptances. Reserves in the fire and miscellaneous departments have been maintained at 50 percent while those of the marine department have been raised from 65 percent to 100 percent of the net premium income in 1963.

Wartyhully Estates Pays the Same

THE directors of Wartyhully Estates have maintained the dividend at 12 percent for the year ended March 1964, in spite of a net loss incurred for the year. The directors have been able to maintain the dividend by using the write-back under the head of excess provision for taxation in previous years. After providing for depreciation and all charges, including tax provision of Rs. 22,500, the year's working shows a loss of Rs. 12,686. This compares with the previous year's profit of Rs. 1,16,572, after providing Rs. 97,000 for taxation. The amount brought forward from the previous year is Rs. 36,874. Adding this amount to the sum of Rs. 3,12,931 being excess provision for taxation in previous years no longer required, there is a total of Rs. 3,49,805. After deducting the year's loss of Rs. 12,686 from this amount, there is a balance of Rs. 3,37,119. Out of this, the 5-percent interim dividend absorbed Rs. 60,000. A sum of Rs. 1,30,000 (against nil) is transferred to general reserve. The final dividend of 7 percent accounts for Rs. 84,000. The balance of Rs. 63,119 is carried forward.

General reserve now stands at Rs. 12,80,000, including the sum of Rs. 1,30,000 transferred out of the year's profit. The directors' report says that assessments under the Mysore Agricultural Income Tax Act which were pending, have been completed up to the assessment year 1961-62. As a result, an amount of Rs. 3,03,679 provided in those years for taxation, is no longer required. The amount has, therefore, been transferred to the profit and loss account. A total coffee crop of 158,200 tonnes (against 195,508 tonnes) was harvested during the year. This crop has been valued at Rs. 2.30 a point. The 1962-63 season's crop has been revalued at Rs. 2.30 a point. The 1964-65 crop has been estimated at 175 tonnes.

Nimar Textiles Share Offer

NIMAR Textiles Ltd which has been licensed to set up a mill in Khandwa (Madhya Pradesh) with a capacity of 25,000 spindles will soon be in the market to raise Rs. 42 lakhs in equity and preference shares. The project is estimated to cost Rs. 1.975 crores, of which Rs. 1.09 crores will be spent on plant and equipment. Machinery worth about Rs. 25 lakhs will need to be obtained from abroad. The cost of the project will be met by raising Rs. 70 lakhs of share capital, Rs. 70 lakhs by way of loan from the Industrial Finance Corporation and the rest by borrowing. The construction work of the mills has already begun and machinery has started arriving.

If all goes well, production will start by July 1965 and the mill will go into full production by about the beginning of 1966. The Company has an authorised capital of Rs. 3 crores consisting of Rs. 2.50 crores in equity shares of Rs. 100 each and Rs. 50 lakhs in 9.5 percent cumulative redeemable preference shares of Rs. 100 each. The issued capital comprises Rs. 56 lakhs in equity shares and Rs. 14 lakhs in preference shares. Out of this, the promoters, directors and their friends are taking up equity shares worth Rs. 28 lakhs. The balance of Rs. 28 lakhs of equity capital and Rs. 14 lakhs of preference shares are being offered for public subscription. The entire public issue has been underwritten. The subscription list is expected to open on 28th August. The board of directors includes Mr. T. P. Chakravarti (chairman), Mr. Lalchand B. Sethi, Mr. Pravinchandra M. Shah, Mr. M. D. Vora, Mr. N. S. Shah, Mr. R. V. Deshmukh, Mr. L. K. Panday and Mr. S. B. Bilimoria.

Struthers Wells (India): A New Venture

STRUTHERS Wells (India) Ltd is a new Company which has been formed to undertake the manufacture of chemical plants and equipment such as heat exchangers, evaporators, dryers, pressure vessels, etcetera, in collaboration with the reputed U.S. firm of Struthers Wells International Corporation, New York. The American firm will not only provide the technical know-how, but also participate in the capital of the Company. The chemical plants and equipment which are proposed to be manufactured are in great demand by the chemical, petro-chemical, fertiliser and refinery industries. The factory is being set up in Chinchwad, near Poona. The licensed capacity of this plant is placed around Rs. 4.50 crores worth of equipment. The factory is expected to go into production by the beginning of 1966. The project is estimated to cost Rs. 2.50 crores, of which Rs. 1.40 crores will be provided by share capital and the balance will be raised by borrowings.

The Company has an authorised capital of Rs. 1.50 crores comprising Rs. 1.17 crores in equity shares of Rs. 100 each and Rs. 33 lakhs in 9.3 percent preference shares of Rs. 100 each. The issued capital consists of Rs .1.07 crores in equity shares and Rs. 33 lakhs in prefence shares. Out of this, the promoters, directors and their friends are taking up equity shares of the value of Rs. 25 lakhs. The foreign collaborators will subscribe for equity shares worth Rs. 40 lakhs and the International Finance Corporation will take up equity shares of the value of Rs. 17 lakhs. The balance of equity shares worth Rs. 25 lakhs and preference shares of the value of Rs. 33 lakhs will be offered for public subscription. The Company is expected to enter the market some time in October or November. The project has been sponsored by Mr. N. H. Mapara, Mr. Rajkumarsing Hukamchand of Indore, Mr Parmanand Kejriwal and Mr. Sanwarmal Todi.

Universal Cables Shows Loss

UNIVERSAL Cables Ltd has incurred a loss of Rs. 8.27 lakhs for the year ended March 1964. After adding Rs. 21.79 lakhs for depreciation, the total loss has amounted to Rs. 30.05 lakhs. A sum of Rs. 4 lakhs has been transferred from general reserve. After bringing in Rs. 25.594, the net debit balance which is carried forward has been reduced to Rs. 25.80 lakhs.

Bagalkot Cement Resumes Payment

THE Bagalkot Cement Company fared reasonably well during 1963, and it was able to resume the payment of dividend after a break of three years. From what the chairman, Mr. Tulsidas Kilachand, stated at the Company's annual meeting on 31st July, the shareholders could expect still better results for the current year. Production during the first six months of 1964 has been 98 percent of the rated capacity, and it is expected to reach 100 percent for the year. That apart, the quality and supply of coal has been better and the mechanisation of both the quarry and transport will reduce costs. The chairman pointed out that much had been done towards improvement of the plant last year.

In addition to the intensive working of the 80 feet deep existing quarry which has already supplied over 1.5 million tonnes of limestones, the Company has opened a new quarry face which would meet stone requirements of even expanded cement capacity. Further, the installation of a belt conveyer would reduce the transport cost of limestone. The belt conveyer has been designed to convey limestone for an installed capacity of 500,000 tonnes of cement a year. Electric power from the Sharavathy grid will become available before the end of 1965, and this will offer relief to the Company's existing power plant which has been working continuously for the past eight years on a single boiler and a single turbine.

The chairman said that the increase of Rs. 2 a tonne in cement retention price allowed from July 1964 was totally inadequate to meet the actual increase in costs since the beginning of 1963. Moreover, out of this rise of Rs 2, the State Trading Corporation would receive 75 paise, leaving only Rs 1.25 a tonne for the cement producers. The cement industry has represented to the Government on this point. Replying to shareholders' questions, the chairman stated that the method of calculating depreciation had been changed from last year as the block had been sufficiently depreciated and it was also necessary to do so to pay a dividend to the shareholders. Mr. Kilachand said that compared with other units with similar capacities, the Company was not faring badly but profits would improve significantly only if the present capacity of 200,000 tonnes is raised to 400,000 to 500,000 tonnes. The management is considering how best to implement the expansion programme so that the shareholders do not suffer during the period of expansion.

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Rameshwara Jute Skips Dividend

RAMESHWARA Jute Mills Ltd has earned a trading profit of Rs. 13.73 lakhs for the year ended March 1964, against Rs. 20.68 lakhs for 1962-63. Depreciation absorbs Rs. 7.12 lakhs (against Rs. 10.64 lakhs), taxation Rs 3.31 lakhs (against Rs. 3.90 lakhs) and development rebate reserve Rs. 39,373 (against Rs. 2.28 lakhs). The usual preference dividends for five years up to March 1961 have been paid to absorb Rs. 3 lakhs. The ordinary dividend has again been passed. The carry-forward is Rs. 16,893, against Rs. 25,500 brought in.

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The Stock Markets

CLEARING SHARES RALLY ON SHORT-COVERING

Wednesday Evening.

THERE has been a slight improvement in the Calcutta stock market towards the close of the past week. The prices of selected clearing shares, in particular, have rallied mainly due to short-covering. The prices of some selected cash scrip have also improved because of good corporate news. Business, however, continues to be concentrated on clearing shares.

Turnover has tended to drop because operators are inclined to be cautious. Although the Government is keen on checking the rise in the prices of essential commodities, it remains to be seen whether the various official measures succeed in curbing inflationary pressures. Meantime, great concern has been expressed over the possibility of labour unrest in industry. Workers have started agitating for bigger pay to compensate them for the rise in the prices of various commodities. The interruption of work in banks is the most disconcerting feature. Clearing operations of the Calcutta banks have been greatly hindered since their staff are working "according to rule". Unless serious efforts are made to resolve the dispute between workers and management in banks, economic development will suffer.

Indian Iron are steady. The Company's pig iron output for July has declined from 99,003 tons to 74,440 tons and steel ingot production from 79,845 tons to 67,295 tons. The output of salable steel has, however, increased from 52,274 tons to 63,222 tons and despatches from 54,791 tons to 58,947 tons. The managing agents of the Company have stated that the production of iron has been smaller due to a fracture of the large bell rod of a furnace on 26th June, 1964. So no production is being obtained from that furnace. Meanwhile, continuous efforts are being made to bring it back to normal working. Among engineering shares, Indian Standard Wagon, Texmaco, Guest, Keen, Williams and Burn are steady. Jessop are sluggish. Scattered support is forthcoming for J. K. Steel and Britannia Engineering.

In the miscellaneous section, attention centres on clearing shares. Hindustan Motors are depressed due to disappointment over the maintenance of the dividend. Indian Cable are steady following the payment of a larger dividend. Dunlop Rubber enjoy influential support. Indian Aluminium and Indian Copper are steady. Imperial Tobacco have changed hands due to the payment of a smaller dividend. Alkali and Chemical, Union Carbide and Metal Box have met with support. Indian Oxygen, Associated Battery and British Paints are sluggish.

Among new shares, Hindustan Aluminium and Phillips Carbon have been bought. Electric company shares are neglected and stray business has been transacted in Calcutta Electric. Among managing agency shares, Martin Burn and Jardine Henderson have changed hands. Bank shares are neglected, and there has been a small turnover in United Commercial and United Bank of India. Paper shares are steady. Orient have gained on short-covering. Support has been extended to Seshasayee on prospects of improved working. Bengal and India Paper Pulp have been taken. Sugar shares are freely offered without attracting support. The outlook for profits of sugar companies during 1963-64 is considered discouraging. National Rubber Manufacturers' rights issue has been fully subscribed.

Birla are a prominent feature in jute shares and have improved on influential support. Turnover in jute shares has, however, tended to drop due to the growing concern about the rising price of raw jute. Since the prices of jute goods have risen much less than that of raw jute, the profits of jute mills have been squeezed. Scattered support has been forthcoming for Kinnison, Northbrook, Barnagore, Anglo-India, India, Ganges and Gourepore. Coal shares are sluggish and turnover has been small. Burrakur have been more or less maintained, while Equitable have tended to drop. Western Bengal and Central India have been done at lower prices. Investors are worried since the demand for coal has not yet improved.

Selected cotton mill shares are steady, although investors have been cautious. They are awaiting the announcement of the details about the partial control of cloth. J. K. Rayon have recovered on short-covering. Elgin have been sluggish, but Bharat Commerce have been steady. Dunbar and Jay Shree Textiles have met with support.

Tea shares have been transacted on a small scale and attention is largely confined to selected Assam and Dooars gardens. Investors have been disappointed because the average sale price realised so far during the current season has been smaller than that obtained during the corresponding period of 1963. Patrakola have retreated since interested buying in these scrip has almost ceased.

Government securities are steady, although turnover has been small. Investors seem to be conserving funds for buying the new State Government loans which will be issued towards the close of this month. The details of these new loans appear in the "Current News and Comment" section in this issue of *Capital*.

Bombay

NEW ACCOUNT OPENS ON STEADIER NOTE

GOOD CORPORATE NEWS HELPS SENTIMENT

Wednesday Evening.

THE Bombay stock market opened the new account on Monday on a steadier note. The prices of selected clearing scrip, in particular, have rallied on renewed support, combined with short-covering. Dalal Street has been impressed by the vigorous measures of the Central Government to check the rise in the prices of essential commodities. Prospects of increased wheat imports from the U.S.A. have been bullishly interpreted. Corporate news has, meanwhile, been encouraging.

Kirloskar Oil Engine has raised the ordinary dividend from 12 percent to 16 percent and Kirloskar Pneumatic has increased the ordinary dividend from 10 percent to 12 percent. Bajaj Electrical has repeated the taxable ordinary dividend of Rs. 12 a share and the working results have shown considerable improvement. Gwalior Rayon has increased the taxable ordinary dividend from Rs. 2.50 to Rs. 2.75 a share. Mukand Iron has produced satisfactory results for the year ended March 1964.

Trading has, nevertheless, been cautious since the improvement has not been backed by any follow-up support. Steel shares have been steady, but investors are inclined to await the publication of the results of the two steel companies for 1963-64. Tata Steel ordinary have closed at Rs. 156. Among engineering shares, Tata Engineering and Mukand Iron have been supported. Larsen and Toubro, Premier Construction and Alcock Ashdown have been steady. In motor-vehicle shares, Premier Automobiles have attracted support on hopes of a dividend, while Hindustan Motors have met with pressure.

Selected cotton mill shares have improved on replacement purchases. Century have gained on hopes of a higher dividend. Bombay Dyeing, Swadeshi, Kohinoor and Standard have been taken. Gokak, India United ordinary and Morarjee have improved. Investors have, nevertheless, been cautious, and they are not

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CALCUTTA

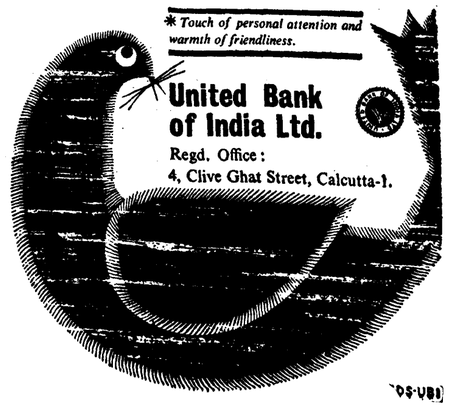
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United Bank of India Ltd.

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DS-UBI

willing to extend commitments until the details of the partial cloth control scheme are known.

In the miscellaneous section, sugar shares have been buoyant. Belapur have gained on a report that the Company has decided to sell one of its factories which has proved to be unprofitable for some time. Walchandnagar Industries and Phaltan have been steady. In steamship company shares, Scindia Steam have met with pressure, while Great Eastern Shipping have been maintained. In mining shares, Be Be Petrol have reacted on profit-taking. Shivrajpur Syndicate have been freely offered.

In chemical shares, Tata Chemical have been steady on reports of improved working, but Indian Dyestuff have been easier. Polychem have been barely steady. Among rayon shares, National Rayon have recovered on short-covering due to reports that imports of rayon yarn and tyre chord will be further restricted. Gwalior Rayon have been steady on a higher dividend. Voltas and Tata Oil have been supported. Bank shares have been fully steady, although turnover has been limited. Bank of India, Dena Bank and Bank of Baroda have been transacted. Electric company shares have been maintained. Support has been forthcoming for Ahmedabad and Tata Hydro.

Madras

ECONOMIC OUTLOOK RESTRICTS BUYING

GOOD PREFERENCE SCRIP IN DEMAND

Tuesday Evening.

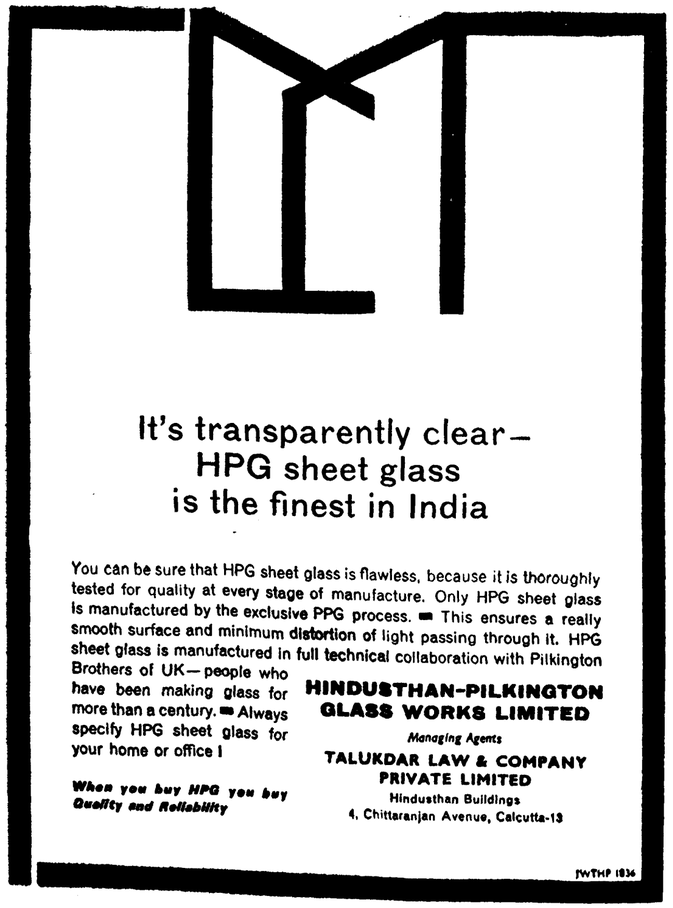
THE Madras stock market has been quietly steady, but turnover has shrunk considerably. Towards the close, there was a slight increase in activity in clearing shares due to steadier advices from the Bombay stock market. The prices of cash scrip have tended to drop in the absence of support. Investors have turned cautious due to the uncertain economic outlook. The growing food shortage has caused a great deal of concern. The possibility of the introduction of partial control on cloth in the near future has called for caution. Interest has been forthcoming for good preference shares, but turnover has been limited due to the paucity of sellers.

Business in Government securities has declined almost to a trickle due to the fact that new State Government loans will be issued towards the close of the current month. Bank shares are fully steady. Indian Overseas have been done at Rs. 145 and Indian at Rs. 155. Selected electric company shares have been bought. Vellore have been wanted at Rs. 15.62 and Salem-Erode at Rs. 14.37. Sugar shares have been sluggish. Deccan have been done at Rs. 11.60 and E.I.D. at Rs. 35.68. Cauvery have been steady at Rs. 100 and Mysore at Rs. 28.33. Travancore have been taken at Rs. 7.15 and Madura at Rs. 9.44.

Although the prices of selected tea shares have been maintained, those of coffee shares have tended to drop due to the uncertain outlook for exports. Blue Mountain have been sluggish at Rs. 2.24 and Cochin Malabar at Rs. 6.35. Consolidated Coffee have, nevertheless, been steady at Rs. 23.40. Ouchterlony have been done at Rs. 3.15 and Periakaramalai at Rs. 3.43. Business has passed in Nenmeny at Rs. 22.55 on the payment of a taxable ordinary dividend of 10 percent. United Nilgiri have come to hand at Rs. 23.40 on declaring a final taxable ordinary dividend of 11 percent. Balanoor have been taken at Rs. 12.12 on declaring a taxable ordinary dividend of 10 percent. Lucky Valley have been quoted at Rs. 11.75, Peermade at Rs. 20.50 and Thamarapally at Rs. 15.05. In coffee shares, Coffee Lands have dropped to Rs. 16.62, Savamalai to Rs. 4.32 and Lingapur to Rs. 5.17.

Textile shares have been barely steady. South India Viscose have dropped to Rs. 114 and Travancore Rayon have been quoted at Rs. 20.40. Lakshmi have been available at Rs. 130.25 and Madura at Rs. 33.70. Adoni have been steady at Rs. 8.78, but Anglo-French have been sold down to Rs. 142. Bangalore Woollen have been transacted at Rs. 268 and Buckingham at Rs. 274.50. Mettur Industries have been steady at Rs. 277.50 on paying a taxable ordinary dividend of 15 percent. Ramakrishna have changed hands at Rs. 199.40 and Ramnarayan at Rs. 85.

Among miscellaneous shares, Aluminium Industries have been done at Rs. 20.80 on paying a final taxable ordinary dividend of 9 percent, making 18 percent for the year. Ashok Leyland have been steady at Rs. 6.78. In cement shares, Dalmia have been bought at Rs. 12.50 and India at Rs. 5.47. Mettur Chemical have been fully steady at Rs. 14.30. Indian Steel Rolling have been quoted at Rs. 9.80 on delcaring a taxable ordinary dividend of 9 percent. F.A.C.T. have been steady at Rs. 5.52. Seshasayee Paper have attracted support up to Rs. 7.60 and Mysore Paper have been taken at Rs. 12.62. Standard Motors have been quoted at Rs. 10.12 and Tube Investment at Rs. 192. T. Stanes have been steady at Rs. 30.50 on declearing a taxable final ordinary dividend of 20 percent, making 30 percent for the year. Parry's Confectionery have been done at Rs. 2.96 and Spencer at Rs. 21.25. Madras Rubber have been stagnant at Rs. 11.37, while McDowell have attracted support up to Rs. 22.22. Binny have been wanted at Rs. 271.60, but Seshasayee Wire have been sold down to Rs. 10.



THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 33/56—35/97—33/31—35/81—(28/12).
Burrakur Coal—Rs. 15/75—15/75—15/69—15/75—(15/50).
Dunlop Rubber—Rs. 32/75—33/75—32/44—33/50—(31/00).
Guest, Keen, Williams—Rs. 23/12—23/44—22/94—23/25 (30/62).
Hindustan Motors—Rs. 17/97—18/06—17/75—17/91—(15/60).
Howrah Jute—Rs. 15/50 x.d.—15/87—15/37—15/87—(18/00).
Indian Aluminium—Rs. 30/06—31/19—30/00—30/81—(34/56)
Indian Copper—Rs. 3/30—3/36—3/25—3/33—(4/75).
Indian Iron—Rs. 24/36x.d.—24/82—24/24—24/62—(22/02).
Indian Cable—Rs. 36/12—36/19—36/12—36/12—(32/25).
Jaipur Udyog—Rs. 11/06 11/06—11/00—11/00—(11/25).
J. K. Cotton—Rs. 10/12—10/31—10/12—10/19—(10/62).
Kesoram Industries—Rs. 25/59 x.d.—26/19—25/37— x.d.—25/87—(20/00).
Orient Paper—Rs. 34/20—35/10—34/20—34/85—(33/80).
Orissa Cement—Rs. 12/09—12/09—11/87—11/87—(15/00).
Rohtas Industries—Rs. 11/25—11/44—11/19—11/25—(10/81).
Shree Gopal Paper—Rs. 24/87—24/91—24/87—24/87—(22/50).
Textile Machinery—Rs 25/90—26/30—25/75—25/95—(22/75).

GILT-EDGED

3 % Loan (1970-75)—Rs. 90/55—90/35—90/35—90/35
3 % „ (1986)—Rs. 64/00 S.T.—64/00—63/60—63/60.
3 % U.P. (1961-66)—Rs. 95/50—95/50—95/50 95/50
3½% Loan (1965)—Rs 100/05—100/05—100/05—100/05.
3½% „ (1967)—Rs 99/80—99/80—99/80—99/80.
3½% „ (1969)—Rs 98/10—98/10—98/10—98/10.
4 % „ (1973)—Rs 98/90—98 95—98/90—98/95.
4 % „ (1969) Rs 100/00—100/00—99/95—99/95
4 % „ (1970)—Rs. 99/03—99/15—99/00—99/00
4 % „ (1979)—Rs 98/20—98/20—98/20—98/20.
4 % West Bengal (1969)—Rs. 98/75—98/75—98/75—98/75.
4 % „ (1968)—Rs. 99/15—99/15—99/15 99/15.
4 % U.P. (1968)—Rs. 99/00—99/00—99/00—99/00.
4 % „ (1969)—Rs 98/70—98/70—98/65—98/65.
4 % „ (1967)—Rs. 99/50—99/50—99/50—99/50.
4½% Loan (1985)—Rs 100/25—100/25—100/25—100/25.
4½% U.P. (1974) Rs 99/25—99/25—99/25—99/25.
4½% „ (1972)—Rs 98/25—98/25—98/25—98/25.

BANKS

Allahabad (Pref.)—Rs. 94/00—94/00—94/00—94/00.
Hindusthan Commercial—Rs. 11/25—11/25—11/25 11/25—(13/25).
Punjab National—Rs. 19/94—20/12—19/94—20/12—(19/50).
United Bank of India (Rs 10/- paid)—Rs. 7/66—7/72—7/56—7/72—(7/25).
Do. (Conty. Rs. 20/-) (Rs. 10/- paid)—Rs. 7/12—7/12—6/94—7/00—(5/56).
United Commercial Rs. 70/50—70/50—70/00—70/00—(65/50).

TEXTILES

Bharat Commerce—Rs. 20/62—20/75—20/59—20/75—(19/19).
Bowreah—Rs. 23/06—23/06—23/06—23/06.
Do. ("B" Pref.)—Rs. 92/50—93/00—92/50—93/00.
Elgin—Rs 19/50 19/62—19/50—19/62—(17/62).
Jagatjit—Rs. 16/50—16/50—15/25—15/50.
Jaya Shree—Rs. 13/25—13/31—13/25—13/31—(13/56).
Mahalakshmi Fibres—Rs. 5/06—5/25—5/06—5/25.
New Victoria—Rs. 1/22—1/31—1/22—1/31—(1/31).
Swadeshi (P.O.)—Rs. 6/44—6/50—6/31—6/31—(7/19).

COALS

Burrakur (1st Pref.)—Rs. 101/00—101/50—101/00—101/50.
Borrea Rs 18/06—18/25—18/06—18/25.
Central India—Rs. 8/31—8/31—8/31—8/31—(9/56).
East India—Rs. 28/00—28/00—28/00—28/00—(31/87).
Khas Kajora—Rs. 14/25—14/25—14/25—14/25—(18/70)
New Manbhoom—Rs. 11/06 11/12—11/06—11/12—(16/00).
Rewa—Rs. 21/87—21/87—21/87—21/87.
Selected Satgram—Rs. 106/00—106/00—106/00—106/00.
Sendra—Rs 4/12—4/12—4/12—4/12—(5/75).
Western Bengal Rs. 8/62—8/81—8/62—8/81—(8/81).

JUTES

Bally—Rs. 235/00—235/00—235/00—235/00—(272/00)
Chitavalsah—Rs. 8/25—8/31—8/25—8/31—(10/00).
Dalhousie—Rs. 123/00—123/00—123/00—123/00.
Delta—Rs. 132/00 132/00—132/00—132/00—(140/50).
Empire—Rs. 14/12—14/12—14/12—14/12—(15/4)
Fort William—Rs. 21/81—21/87—21/75—21/75—(24/50).
Gourepore—Rs. 22/37—22/62—22/37—22/62 (25/25).
Ganges—Rs. 13/62—13/81—13/50—13/81—(13/56).
Gondalpara—Rs. 13/94—14/31—13/75—14/25—(15/62).
Hooghly (Pref.)—Rs. 12/87—13/12—12/87—13/12.
India—Rs. 15/25—15/25 15/25—15/25—(17/50)
Kamarhatty—Rs 154/00—156/00—154/00—156/00—(187/00)
Kinnison—Rs. 122/00—122/00—122/00—122/00—(135/00)
Kankinarrah—Rs 130/00—130/00—130/00—130/00
Lansdowne Pref.) Rs 86/00—87/50—86/00—87/00.
New Central—Rs 10/87—10/94—10/62—10/94—(12/62)
Do. (Pref.)—Rs. 90/00—90/25—90/00—90/25.
Nuddea—Rs 10/44—10/50—10/44—10/50.
Northbrook—Rs. 24/50—24/50 24/50—24/50—(28/25).
Presidency—Rs. 4/31—4/37—4/31—4/37—(4/56)
Reliance—Rs. 6/94—7/00—6/94—7/00—(9/37).
Shree Ambica (Pref.)—Rs. 96/00—96/00—96/00 96/00.

MININGS

Metal Corpn.—Rs. 6/15—6/25—6/06—6/06—(8/06).
Orissa Minerals—Rs. 19/69—19/75—19/69—19/75—(27/50).

CEMENTS

Ashoka—Rs. 6/75—6/75—6/66—6/66.
Dalmia (Bharat) (Defl.)—Rs. 3/06—3/06—3/06—3/06—(3/00).
Sone Valley—Rs. 4/00—4/12—4/00—4/12—(4/12).

CHEMICALS

Alkali & Chemical—Rs. 27/62—28/00—27/62—28/00—(34/37).
Chemicals & Fibres—Rs 12/69—13/19 12/69—13/09

ELECTRICS

Benares—Rs. 13/25—13/50—13/25—13/50—(12/44)
Calcutta—Rs. 14/81—14/81—14/62—14/75—(14/50).
Mirzapore—Rs. 7/50—7/62—7/50—7/62.
United Province—Rs. 165/00—166/00—165/00—166/00—(117/00).

ENGINEERINGS

Bhartia Electric Steel—Rs. 14/94—15/00—14/75—14/75—(13/94).
Britannia Eng.—Rs. 10/19—10/19—9/25—9/31—(10/25)
Binani Metals—Rs. 11/87—11/87—11/81—11/87—(9/50).
Burn & Co.—Rs. 265/00—263/00—263/00—264/00 x.d.—(572/00)
Calcutta Steel—Rs. 13/25—13/31—13/19—13/31—(13/56)
Dalmia Iron—Rs 11/19—11/19—11/06—11/19—(10/69)
Hindustan Wire—Rs. 9/25 S.T.—9/25—9/25—9/25.
Indian Iron (Pref.)—Rs. 82/00—83/50—82/00—83/00
Indian St. Wagon—Rs. 35/62—36/37—35/62—36/37—(29/87).
Industrial Containers—Rs. 22/31—22/37—22/31—22/37—(21/37).
Jessop & Co.—Rs. 21/25—21/25—20/94—21/19—(25/19)
J. K. Steel—Rs. 15/75—15/75—15/65—15/65—(13/75).
Kumardhubi—Rs. 5/25—5/31—5/12—5/31—(7/75).
Marshalls—Rs. 3/06—3/06—3/06—3/06—(2/12)
Machinery Mnfg.—Rs. 24/44—24/50—24/44—24/50—(21/25 S.T.).
Do. (Pref.)—Rs. 55/00—55/00—55/00—55/00.
National Iron & Steel—Rs 6/25—6/37—6/25—6/37—(4/62).
Raymon—Rs 4/25—4/25 4/25—4/25.
Sen-Raleigh—Rs 13/62—13/62—13/62—13/62—(14/50)
Steel Containers—Rs. 24/62 S.T.—24/87—24/56—24/62—(29/50).

INSURANCES

Concord of India—Rs. 9/12—9/25—9/06—9/25.
New Asiatic—Rs. 6/50—6/56—6/37—6/37—(7/69).

MISCELLANEOUS

Asiatic Oxygen—Rs. 9/94—10/00—9/87—9/94—(13/56).
Associated Battery—Rs. 22/94—23/00—22/81—22/81—(23/56).
Angelo Brothers—Rs 24/69—24/94—24/69—24/69—(22/69)
Aluminium Corpn. Rs 11/50—11/50—11/50—11/50—(12/87)
Associated Hotel—Rs. 10/50—10/50—10/50—10/50—(10/31)
Balmer Lawrie—Rs. 232/00—233/00—232/00—233/00—(253/00).
Bararee Coke Rs 21/81—21/87—21/75—21/75—(20/87)
B. I. Corpn —Rs. 9/75—9/75—9/37—9/75—(7/62)
Birds Investment—Rs. 9/00—9/00—9/00—9/00—(10/75)
Bhartia Commercial—Rs. 10/12—10/16—10/12—10/16.
British Paints—Rs. 22/12—22/50—22/12—22/50—(19/94)
Calcutta Safe Deposit—Rs. 7/69—7/81—7/69—7/81—(7/87).
Clive Row Investment—Rs. 8/25—8/25—8/19—8/25—(8/50).
Calcutta Tramways—Rs 10/50—10/50—10/50—10/50—(11/00).
Electric Construction—Rs. 13/25—13/31—13/25—13/25—(12/56)
East Anglia Plastics—Rs 7/12—7/19—7/00—7/19—(9/31).
Goodyear India—Rs. 22/81—22/81—22/81—22/81.
Gwalior Rayon—s. 39/00 41/25—39/00—41/25
General Tyres—Rs. 6/87—6/87—6/81—6/81.
Hindustan Aluminium—Rs. 12/06—12/44—12/00—12/25—(12/56).
Hindusthan Development—Rs. 3/62 S.T.—3/94—3/62—3/87—(4/06)
Hindusthan Twyfords—Rs. 12/19—12/31—12/12—12/31—(14/62).
Hindusthan Wire Products—Rs. 15/37—15/37—15/37—15/37.
Hindusthan Gas—Rs. 19/50—19/50—19/00—19/12
Indian Forge & Drop Stamping—Rs. 5/75—6/00—5/75—6/00.
Indian Tack & Nail—Rs. 9/62—9/62—9/19—9/37
Indian Oxygen—Rs. 23/37—23/62—23/25—23/62—(27/12).
Imperial Tobacco—Rs 9/09—9/31—9/09—9/22—(10/31).
India Carbon—Rs. 13/37 S.T.—13/81—13/37—13/69.
Indian Aluminium (Pref.)—Rs. 65/00—65/00—65/00—65/00
Jayshree Tea Industries—Rs. 14/12—14/16—14/12—14/16—(16/00).
Jardine Henderson—Rs. 76/50—77/00—74/00—76/50—(86/00).
Do. (Pref.)—Rs. 55/00—55/00—55/00—55/00.
J. K. Synthetics Rs. 11/75—11/75—11/75—11/75—(10/12).
Martin Burn—Rs 26/50—26/62—26/37—26/37—(26/50).
Metal Distributors—Rs. 9/12—9/25—9/06—9/25—(4/31).
National Tobacco (1st Pref.)—Rs. 66/50—66/50—66/50—66/50.
Do. (Ord.) Rs 11/37—11/37—11/37—11/37—(10/00).
National Pipes & Tubes—Rs. 27/81—28/06—27/81—28/00—(25/25).
National Insulated Cable—Rs. 24/75—25/87—24/75—25/62—(22/87).
National Rolling & Steel Ropes—Rs. 20/06—20/06—20/06—20/06—(19/44).
Philips India—Rs. 27/50—27/62—27/37—27/62—(27/37).
Phillips Carbon—Rs. 12/25—12/25—12/19—12/19—(15/94).
Rallis India—Rs 123/00—124/00 122/00—123/00—(112/00)
Shaw Wallace—Rs. 14/62—14/75—14/56—14/69—(16/19).
Sirsilk—Rs. 7/25—7/37—7/06—7/37—(8/81).
Tungabhadra—Rs. 9/37—9/44—9/37—9/44.
Union Carbide—Rs. 30/50—30/62—30/50—30/50—(39/29).
Universal Cables—Rs. 10/06—10/19—9/87—9/94—(9/35).
Universal Electrics—Rs. 7/19—7/19—7/19 7/19—(8/62).
Usha Martin Black—Rs. 14/44—15/12—14/44—15/12—(12/25).
Walford Transport—Rs. 2/94—3/00—2/91—3/00—(3/81).
Woolcombers of India—Rs. 11/31—11/56—11/31—11/56—(13/75).

OILS

Indo-Burma Petroleum—Rs. 20/66—20/81—20/62—20/81—(21/87).
Tide Water—Rs. 35/50—35/50—35/50—35/50—(27/12).

PAPERS

Bengal—Rs. 25/81—26/37—25/75—26/19—(26/00)
India Paper Pulp—Rs. 22/00—22/31—22/00—22/31—(16/62).
Orient (1st Pref.)—Rs. 92/50—92/50—92/50—92/50.
Seshasayee—Rs. 7/56—7/62—7/50—7/50.
Shree Gopal Paper (7% Pref.)—Rs. 98/00 x.d.—98/50—97/50—98/00.
Sirpur—Rs. 11/25—11/31—11/00—11/00—(11/56).
Straw Products—Rs. 8/75—8/75—8/62—8/72—(9/12).
Star—Rs. 8/25—8/25—8/25—8/25—(8/25).
Titaghur—Rs. 14/00—14/06—13/69—14/00—(15/56).
Do. (P.O.)—Rs 3/12—3/12—3/12—3/12—(3/87).
Do. (8% Pref.)—Rs. 116/50—116/50—116/50—116/50.

REAL PROPERTIES

Hindusthan Building—Rs. 3/12—3/12—3/12—3/12
Midnapore Zemindary—Rs 25/00—30/00—25/00—28/50—(10/00).

SAW MILL

Assam Saw—Rs. 2/72—2/72—2/56—2/56—(2/69).

SHIPPINGS

Bengal Assam Steam—Rs. 106/00—106/00—106/00—106/00—(131/00).
India Steamship—Rs 6/44—6/56—6/41—6/47—(6/19).
Port—Rs 13/87—13/94—13/87—13/94—(13/12).

SUGARS

Raza Buland—Rs. 10/06—10/06—10/06—1/06—(9/75).
Ramnugger Cane—Rs. 24/31—24/31—24/31—24/31—(26/12)
Shree Krishna Gyanoday—Rs. 7/69—7/75—7/62—7/62—(7/75).

TEAS

Bormah Jan—Rs 10/06—10/25 x.d.—10/06—10/25 x.d.—(14/25).
Banarhat (Pref.)—Rs 80/75—81/75—80/75—81/75.
Brooke Bond—Rs. 10/75—10/81—10/75—10/81—(11/50).
Dhelakhat—Rs. 20/25—20/37—20/25—20/37—(18/62).
Dhunseri—Rs. 10/00—10/00—10/00 10/00—(11/75).
Dibrugarh—Rs 27/75—27/87 x.d.—27/75—27/87 x.d.—(31/25).
Hasimara—Rs. 12/56—12/75—12/56—12/56—(13/25).
Hunuman—Rs. 10/19—10/19 10/19—10/19.
Huldibari—Rs. 12/31—12/31—12/19—12/19—(12/31).
New Dooars—Rs 161/00—161/00—161/00—161/00—(220/00).
Oodlabari—Rs. 14/00—14/00—14/00—14/00—(14/00).
Patrakola—Rs. 192/00—210/00—192/00—210/00—(120/00).
Rydak—Rs. 22/37—22/50—22/37—22/50—(24/25).

DEBENTURES

5 % Macneill & Barry—Rs. 77/50—77/50—77/50—77/50
4 % (1914/74) Calcutta Port Trust—Rs. 95/50—95/50 95/50—95/00.
4 % (1931-91) Calcutta Port Trust—Rs. 90/00—90/00—90/00—90/00.
6½% Dalhousie Properties—Rs. 77/00—77/00—77/00—77/00.

London

SHARES FIRM ON GOOD INVESTMENT DEMAND

GILT-EDGED IMPROVE

London, 5th August.

ALTHOUGH business was restricted by holidays and by the aftermath of the postal strike, the stock market maintained a firm undertone, thanks to a steady investment demand in which the institutions played a not unimportant part. On Thursday, sentiment was shaken by the announcement of the failure by a firm of stockbrokers which has led to a share problem, but confidence was soon restored and the steady upward trend in prices was resumed. Bank rate fears receded and buyers returned to gilt-edged with the result that prices made moderate progress. With Wall Street in a mood of indecision due to domestic and international political uncertainties, dollar stocks moved narrowly and with a tendency to drift lower. Take-over news was not lacking and textiles continued to be the main target. Courtaulds with their insatiable appetite gained several shillings and Lancashire Cotton and Fine Spinners and Doublers, the latest candidates, advanced in sympathy. Revised takeover talk boosted Monsanto Chemicals while Glaxo, Bats, Tube Investments and Associated Cement were the other leaders to go ahead. Fairly responded to good results. The Insurance shares rose steeply on the advance in fire insurance premiums.

SIMON-CARVES WINS CONTRACT

Simon-Carves Ltd, U.K., has obtained another important contract from Hindustan Steel Ltd. This contract is for the construction of an iron ore sintering plant at the Durgapur steel works on a "turn-key" basis. The plant will produce 5,000 tons of sinter a day and will be built to the design of Huntington, Heberlein and Co. Ltd, a U.K. subsidiary of Simon-Carves. Simon-Carves India Ltd will be responsible for carrying out the entire Indian portion of the work which will be approximately 60 percent in terms of the total value of the contract which amounts to Rs. 5 crores.

RESERVE BANK

ISSUE DEPARTMENT

(In 000's of Rupees)

	Week Ended 31-7-64	24-7-64	2-8-63
Liabilities—			
Notes a Banking Dept.	37,03,10	20,89,84	18,84,85
Notes in Circulation	24,19,41,48	24,43,76,16	22,15,13,94
Total Notes issued	24,56,44,58	24,64,66,00	22,33,98,79
Assets—			
A. Gold Coin and Bullion	1,17,76,10	1,17,76,10	1,17,76,10
Foreign Securities	85,45,69	85,45,69	92,26,14
Total of A	2,03,21,79	2,03,21,79	2,10,02,24
B Rupee Coin	1,07,52,83	1,05,76,50	1,19,64,79
Rupee Securities	21,45,69,96	21,55,67,71	19,04,31,76
Total	24,56,44,58	24,64,66,00	22,33,98,79

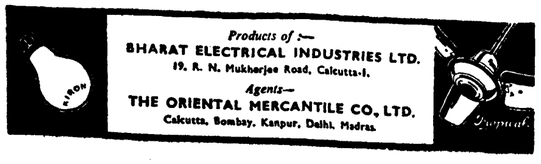
BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long Term Operations) Fund	86,00,00	86,00,00	73,00,00
National Agricultural Credit (Stabilisation) Fund	9,00,00	9,00,00	8,00,00
National Industrial Credit (Long Term Operations) Fund	10,00,00	10,00,00	...
Deposits—			
(a) 1 Central Govt.	1,14,63,24	76,87,50	1,21,16,37
2. State Govts.	19,17,89	17,02,68	32,79,01
(b) Banks :—			
(i) Scheduled Banks	1,00,54,93	95,96,46	80,66,44
(ii) State Co-operative Banks	2,76,28	7,21,10	1,96,92
(iii) Other Banks	1,34	3,96	10,19
(c) Others	1,95,42,42	1,90,38,01	2,04,63,77
Bills Payable	32,75,25	32,56,20	36,46,18
Other Liabilities	21,37,97	19,60,99	20,55,76
Total	6,76,69,32	6,30,56,90	6,64,34,64
Assets—			
Notes	37,03,10	20,89,84	18,84,85
Rupee Coin	9,62	4,86	2,96
Small Coin	4,96	4,44	2,39
National Agricultural Credit (Long Term Operations) Fund			
(a) Loans and Advances to :—			
(i) State Govts	28,30,13	28,30,28	27,16,59
(ii) State Co-operative Banks	12,76,02	12,85,59	10,37,81
(iii) Central Land Mortgage Banks	...	...	...
(b) Investment in Central Land Mortgage Bank Debentures	4,34,62	4,34,62	3,54,60
National Agricultural Credit (Stabilisation) Fund			
Loan and Advances to State Co-operative Banks	...	...	...
Bills Purchased and Discounted :—			
(a) Internal	...	...	...
(b) External	...	...	...
(c) Govt Treasury Bills	99,31,01	79,67,22	1,06,62,61
Balances Held abroad	8,52,63	7,36,53	5,98,19
Loans and Advances to Govt.	24,46,00	22,94,00	11,31,00
Loans and Advances to :—			
(i) Scheduled Banks	3,65,85	45,40	2,08,00
(ii) State Co-operative Banks	1,39,02,72	1,41,66,47	1,24,07,69
(iii) Others	2,09,69	2,10,44	1,55,80
Investments	2,90,04,00	2,83,08,61	3,27,10,80
Other Assets	26,98,97	26,78,60	25,61,35
Total	6,76,69,32	6,30,56,90	6,64,34,64

SCHEDULED BANKS

(In 000's of Rupees)

	Week Ended 24-7-64	17-7-64	26-7-63
(I) Demand Liabilities—			
(a) Demand Deposits :			
(1) From Banks	65,89,35	68,62,35	53,45,74
(2) From others	11,11,43,13	10,98,33,75	9,28,49,39
(b) Borrowing from Banks	32,42,41	40,58,42	22,20,34
(c) Other	69,98,42	67,42,86	65,03,64
(II) Time Liabilities—			
(a) Time Deposits :			
(1) From Banks	43,48,57	44,76,48	34,20,64
(2) From others	13,26,51,16	13,07,23,00	12,46,24,48
(b) Borrowing from Banks	15,49,10	19,73,25	22,43,14
(c) Others	11,89,77	12,12,67	10,20,54
(III) Borrowing from State Bank—			
(a) Demand Liabilities	8,29,46	8,24,72	4,53,21
(b) Time Liabilities	14,55,00	12,94,00	14,75,00
(IV) Borrowing from Reserve Bank	29,70	45,45	33,50
(V) Cash	62,76,94	61,05,63	51,44,89
(VI) Balances with the Reserve Bank	94,11,27	1,04,86,12	79,32,63
(VII) Balances with other Banks in current account	22,55,90	21,58,28	20,61,86
(VIII) Money at call and short notice	63,88,35	68,04,57	56,75,55
(IX) Investments in Central and State Govt. Securities	7,37,44,27	6,75,52,92	6,87,16,55
(X) Loans, Cash Credits and Overdrafts	15,05,26,53	15,37,40,94	12,72,14,07
(b) Due from Banks	8,22,25	8,73,62	8,05,68
(XI) Inland Bills purchased and discounted	1,62,25,35	1,67,03,02	1,52,44,95
(XII) Foreign Bills purchased and discounted	65,58,43	62,91,92	51,45,69
(XIII) Total of X, XI and XII	17,41,32,56	17,76,09,50	14,94,10,37



THE CALCUTTA MONEY MARKET

CALL RATE REMAINS FIRM

Wednesday, 5th August.

THE general level of advances has remained stationary in the Calcutta money market during the past week. There has been a slight fall in the credit given to the jute and sugar mills. But the requirements of the iron, steel and engineering industries are slightly up. The advances given to the cotton mills and to the foodgrains trade remain unchanged. In the interbank market, conditions have been tight and the call rate quotes 5¼ percent largely because banks are not certain about their clearing figures due to their employees' agitation.

The exchange market has been very active, with a good supply of both gunny and tea bills. The demand for remittances is moderate. In the London market, sterling has lost ground against all important currencies except the French franc and the deutschemark.

BULLION WAS QUIETLY STEADY IN Calcutta during the past week. Silver was quoted at Rs. 249.50. The price amounted to 129.3 cents in New York and 111⅛d in London.

The price of 14-carat gold was quoted at Rs. 72.

DURING THE WEEK ENDED 31ST JULY, Government of India Treasury bills for Rs. 53,20,25,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 4th August. The total amount offered was Rs. 4,25,00,000. Tenders at Rs. 99.415 percent were accepted in full and those at Rs. 99.400 percent were alotted 44 percent approximately. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.393 percent a ycar. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 10th August.

IT IS STATED THAT 91-DAY Intermediate Treasury bills will be sold from 5th August to 8th August at Rs. 99.416 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 29th July to 1st August amounted to Rs. 5,27,50,000.

DECLINES OF RS. 24.35 CRORES TO Rs. 2,419.41 crores in active notes and of Rs. 8.21 crores to Rs. 2,456.45 crores in the total note issue were notable features of the return of the Reserve Bank of India for the week ended 31st July, 1964. The currency contraction was covered by decreasing rupee securities by Rs. 9.98 crores to Rs. 2,145.70 crores in the paper currency reserve. Deposits of the Government of India rose by Rs. 37.75 crores to Rs. 114.63 crores and those of State Governments by Rs. 1.25 crores to Rs. 19.18 crores. Balances of scheduled banks at Rs. 100.55 crores showed a rise of Rs. 4.59 crores. Balances held abroad rose by Rs. 1.16 crores to Rs. 8.53 crores. Investments at Rs. 290.04 crores showed a rise of Rs. 6.95 crores. Loans to scheduled banks increased from Rs. 45.40 lakhs to Rs. 3.66 crores of which advances against usance bills amounted to Rs. 2.05 crores (nil). Ways and means advances stood at Rs. 24.46 crores, against Rs. 22.94 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 24th July, 1964, shows a rise of Rs. 6.16 crores to Rs. 647.40 crores in total deposits. Investments in Government securities are up by Rs. 37.86 crores to Rs. 269.25 crores, while other authorised investments remain unchanged at Rs. 9.44 crores. Advances, including loans, cash credits, overdrafts, and bills discounted and purchased have declined by Rs. 3.05 crores to Rs. 344.99 crores. Cash and balances are, in consequence, shown at Rs. 26.31 crores or Rs. 61 lakhs higher.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 24th July, 1964, shows Demand and Time liabilities at Rs. 1,279.73 crores (Rs. 32.42 crores on account of borrowings from banks) and Rs. 1,397.39 crores (Rs. 15.49 crores), compared with Rs. 1,270.89 crores (Rs. 30.47 crores) and Rs. 1,389.62 crores (Rs. 18.73 crores), respectively, in the previous week. Cash has risen by Rs. 16 lakhs to Rs. 62.77 crores, while balances with the Reserve Bank have declined by Rs. 6.89 crores to Rs. 94.11 crores. There is a rise of Rs. 58.42 crores to Rs. 737.44 crores in investments. Advances and bills discounted at Rs. 1,741.33 crores show a drop of Rs. 8.94 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.9 percent and 65.0 percent, against 6.1 percent and 65.8 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 7-8-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
7-8-64	10-11-64	2,00,00	Rs. 2.393%
31-7-64	3-11-64	2,00,00	Rs. 2.399%
24-7-64	27-10-64	2,00,00	Rs. 2.400%
10-7-64	13-10-64	2,00,00	Rs 2.500%
3-7-64	6-10-64	2,00,00	Rs. 2.994%
26-6-64	29-9-64	2,00,00	Rs. 2.995%
19-6-64	22-9-64	2,00,00	Rs. 3.000%
12-6-64	15-9-64	2,00,00	Rs. 3.000%
5-6-64	8-9-64	2,00,00	Rs. 3.000%
29-5-64	1-9-64	2,00,00	Rs. 3.000%
22-5-64	25-8-64	2,00,00	Rs. 3.000%
15-5-64	18-8-64	2,00,00	Rs 3.000%
8-5-64	11-8-64	2,00,00	Rs 3.000%

(Monthly Muturities 000's omitted)

August, 1964	6,00,00
September, 1964	10,00,00
October, 1964	6,00,00
November, 1964	4,00,00
Total	26,00,00

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
31-7-64	92,87,86	1,19,13
24-7-64	93,10,11	1,25,52
17-7-64	90,19,87	1,25,62
10-7-64	90,10,71	1,12,94

INDIAN GUARANTEE AND GENERAL INSURANCE COMPANY LTD.

CHAIRMAN, MR. B. K. KAUL'S ADDRESS

The following is the speech delivered by the Chairman, Mr. B. K. Kaul, I.C.S. at the Forty-Second Annual General Meeting of the Shareholders held on 28th July, 1964.

Gentlemen,

We are meeting under the gloom cast by the passing away of Shri Jawaharlal Nehru, Prime Minister of India since Independence. His death has plunged the nation in deep grief. An illustrious fighter for freedom, an outstanding Statesman, a world leader, he will always hold a prominent place in the hearts of his countrymen as the architect of a modern India. It is he who gave India a strong and stable Government for seventeen years and strove with all his might to banish poverty from amongst Indias millions. The greatness of Jawaharlal Nehru needs no further elaboration and the best tribute we can pay to our Departed Learder is to work hard and do our duty, as he would have wished us to do.

The Report, Account and Balance Sheet for the year ended 31st December, 1963 are already in your hands and, with your approval, I propose to take them as read. Before we proceed to consider adoption thereof, I would like to say a few words on some of the points which have a bearing on the working of your Company.

Approved Reinsurer

Your Company was reconstituted from 1st January, 1960 as a Company transacting reinsurance business only. In April 1961 your Company was approved by the Government of India as an "Approved Indian Reinsurer" under the provisions of the Insurance Amendment Act 1961, and receives statutory cessions under the provisions of that Act from all General Insurance business transacted in India by Insurers, both Indian and non-Indian.

In addition to receiving statutory cessions, the Company operates as a Reinsurer not only in the Indian Market but on an International basis. However, since it started operations in 1960, the results of fire business all throughout the world have been deteriorating steadily. For instance, in the U.K. the claim cost in 1963 amounted to almost £67,000,000 which is 20 per cent higher than 1962 which was the worst year up to then. The highest claims cost recorded till as late as 1958 in the U.K. was only £28,000,000. On the Continent, as well as in Canada and United States of America, the claims cost is also continuously rising.

As we transact reinsurance business only it is inevitable that we have to bear our share of the adverse claims experience all over the world, but fortunately for a large part of our operations we have escaped this disastrous experience on account of different methods of dealing with our reinsurances and surpluses.

Gross Premium

Turning now to the results of the year's working, the Company wrote a total gross premium of Rs. 8,46,46,469 (£6,348,485) as compared to Rs. 6,97,63,358 (£5,232,252) in 1962 and after fulfilling statutory obligations and making other retrocessions, a net premium of Rs. 3,28,63,678 (£2,464,776) as compared to Rs. 2,65,02,946 (£1,987,721) in 1962. The net premium income in 1963 shows a 24 percent increase over 1962. The net premium income in the Fire Department increased by Rs. 19,81,347 (£148,601), in the Marine Department Rs. 21,28,395 (£159,630), and in the Miscellaneous Insurance Department by Rs. 22,50,990 (£168,824).

Claims cost increased to 45.3 per cent from 41.1 per cent in 1962. Commission cost showed a slight increase to 31.9 per cent from 31.8 per cent and



Mr. B. K. Kaul

expenses of management remained stable at 1.2 per cent. The increase in the overall claims cost is due to several factors, mainly increase in All India Fire claims experience, adverse experience on our Foreign acceptances, increase in Motor Claims, and the fact that the year 1963 was the first full year in which the impact of claims of statutory cessions is reflected. In the Fire Department, claims cost increased from 29.8 per cent in 1962 to 31.4 per cent which, considering the experience of fire business world-wide, must be considered as very satisfactory, In the Marine Department the claims cost decreased to 60.1 per cent from 62.4 per cent in 1962 and in the Miscellaneous Insurance Department the claims cost increased from 39.0 per cent in 1962 to 48.4 per cent, giving an over-all claims cost of 45.3 per cent, against 41.1 per cent in 1962.

Whilst continuing to maintain reserves in the Fire and Miscellaneous Insurance Departments at 50 per cent, I am happy to report that in the Marine Department we have increased the reserves from 65 per cent to 100 per cent of the net premium income in 1963.

Our Investments as at 31st December, 1963 aggregate to Rs. 2,85,26,453 (£2,139,484) and the depreciation thereon was Rs. 3,61,862 (£27,140). This is adequately covered by the Investment Reserve. Considering the volume of Investments and that the major portion of our Investments were made during the second half of 1961 and 1962 when prices were comparatively higher as compared to the prices ruling on 31-12-1963, the depreciation is nominal.

As a result of the year's working the Departmental reserves have increased by Rs. 64,47,114 (£483,534) to Rs. 2,06,42,538 (£1,548,190) in 1963 as compared to Rs. 1,41,95,424 (£1,064,657) in 1962. The funds of the Company stand at Rs. 3,25,31,831 (£2,439,887) in 1963 compared to Rs. 2,47,57,550 (£1,856,816) in 1962 showing an increase of Rs. 77,74,281 (£583,071).

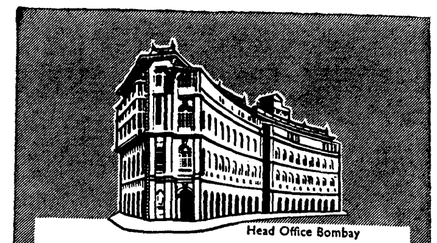
The Gross Profit

The gross profit of the Company before making provision for taxation amounted to Rs. 19,45,167 (£145,888) as against Rs. 28,48,755 (£213,657) for the year 1962. The fall in the profit is mainly due to increasing the reserves in the Marine Department from 65 per cent to 100 per cent of the net premium income besides the adverse experience in the Fire and Miscellaneous Insurance Departments. The General Reserve has been further augmented by an appropriation of Rs. 3,90,000 (£29,250) and now stands at Rs. 6,50,000 (£48,750).

Your Directors have recommended a Dividend at the rate of 6 per cent (subject to deduction of tax at prescribed rates) on the paid-up value of the shares which will absorb a sum of Rs. 6,06,000 (£45,450).

In conclusion I take this opportunity to express my thanks to our business connections both in India and abroad from whom we have received excellent support and co-operation. I would also like to thank the Management and the Staff of the Company for their loyalty and good work.

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



Head Office Bombay

SERVING THROUGH A NETWORK OF 140 OFFICES ALL OVER INDIA

DENA BANK

OUR OFFICES

MAHARASHTRA....56
GUJARAT.....69
DELHI.....4
WEST BENGAL.....3
MADHYA PRADESH..2
MADRAS.....2
MYSORE.....2
ANDHRA PRADESH..1
KERALA.....1

✳ New Offices will be opened shortly at INDORE, JAIPUR and PANJIM

DEVKARAN NANJEE BANKING CO. LTD.
Regd. Office : Devkaran Nanjee Buildings, 17, Horniman Circle, Fort, Bombay-1.
PRAVINCHANDRA V. GANDHI Managing Director

In CALCUTTA our 3 Offices at:
* Bhowanipore * Burra Bazar * Brabourne Road.

SOLVING THE FOOD PROBLEM THROUGH CONTROLS

(BY A SPECIAL CORRESPONDENT)

The present food crisis in the country is mainly the result of supply lagging behind demand, and not only because of "human sharks". The solution must, therefore, be sought in increasing food supplies, through imports if necessary, and, of course, through taking more vigorous measures to control population.

THIS writer has been noticing with considerable surprise the futile attempts that are being made to control the prices of foodstuff in this country, particularly in West Bengal. Most of the suggestions, reports of special committees and Governmental measures are based on certain imaginary "axioms". The prices of foodstuff in the free market are governed by the considerations of demand and supply, but unfortunately, the economic laws are assumed to have no application in India.

The demand for foodstuff has gone up due to several reasons, the chief among them being: (i) Increase in the quantity of money in circulation, (ii) a rapid increase in population.

Food supply has not been augmented to keep pace with the growing population or with the increased purchasing power, whether permanent of transitory. It should be quite easy to understand that under these circumstances, not only will the prices shoot up, but there will also not be enough food to go round. Public attention is being continually diverted by raising war cries against "black-marketeers", "profiteers", and the "human sharks". All attempts have, therefore, been directed towards controlling prices by introducing penal measures for bringing the black-marketeers to book.

Elasticity of Demand

It would be interesting to remember that there is a great elasticity of demand in India due to our poverty even for essential items like salt. If, therefore, the human sharks are raising the prices of foodstuff artificially for their own personal ends, the demand must decline. It would be reasonable to expect, therefore, that just before the beginning of the new harvesting season, the excess foodgrains withheld from the consumers to create artificial scarcity will be dislodged in the market at a cheap price.

We are all aware that this has not happened during the last several years to any appreciable extent. The conclusion, therefore, is irresistible that there is not enough to go round and everything said and done, these "profiteers" and "black-marketeers" and "human sharks" have been contributing, absurd though it may sound, to the social well-being by restricting consumption by raising the prices, thereby allowing the foodgrains to last for the whole year. The pity is that this really is not recognised and the truth is always sought to be obscured by finding some scapegoats. Anybody who tries to be honest about the whole situation perhaps will be labelled as a supporter of black-marketing, just as people who had pointed out the dangers of the impending Chinese aggression were labelled as warmongers by many of our leaders who have since been disillusioned.

There was some attempt quite recently to control fish prices by introducing penal measures for the sellers, for the buyers and even perhaps for the cold storage people. It has been consistently suggested that fish is withheld from the market and kept in the cold storage, but it has not occurred to anybody if and when this stored fish comes out in the market, there should have been a temporary glut, but we have never been able to get a plentiful supply of fish at any time. If it is suggested that when there is a big catch on any day, a part of it is kept in the cold storage to provide against future shortage, then every reasonable man will accept that this sort of withholding from the market is a service to the community.

It is amusing that the authorities from time to time try to fix the control prices for fish, mustard oil, etcetera, along with that for foodgrains. It does not occur to them that it is beyond human ingenuity to be able to calculate the correct prices with seasonal and local variations for these items so as to ensure a steady supply even if all the people follow a Gandhian philosophy of truth and honesty. The British public and tradesmen are reputed to be very nationalistic and honest in their outlook. Even then durnig the war period, when they would make any sacrifice to win the war, the authorities had to introduce a rationing system to cover even meat, eggs, butter, vegetable oil, etcetera.

Utility of Rationing

It was not possible to rely on the tradesmen and the consumers to supply a particular quantity per head and at a fixed price. If, therefore, it is the intention of the authorities to ensure a restricted (for there is not enough to go round) supply at a reasonable price to all consumers, there can be only one answer and that is rationing. With the present Governmental set-up, rationing in India will be fraught with great dangers and it is likely to fail. The Government will be taking on itself a grave responsibility of acquiring all the foodstuffs for distributing them throughout the country. Rationing only in industrial areas will mean that some privileged people living in the city areas will be assured of supplies, but villagers will be left to their lot in obscure parts of the country where they can die of hunger, without giving rise to publicity.

The two obvious ways of combating the food crisis are, (i) to arrange for increasing the production of foodstuffs, and (ii) restricting the growth of population. Both these have been neglected for all practical purposes. After 17 years of independence, we will be told that these suggestions are good, but it will take years to implement them. As a palliative, the import of foodstuff will help. Too much emphasis should not be put on the question of foreign exchange because the country is spending a huge amount of foreign exchange on capital projects, a number of which are not likely to be productive. If some items covered by the misconceived five year plans have got to be kept in abeyance, one might consider the sacrifice as the price the country has to pay for the apathy that the Government has shown to the vital problems of population and agriculture. The lead given by Mr. Lal Bahadur Shastri in offering to use an Indian-made car, if followed, may release foreign exchange for saving many lives with imported food.

Need for Family Planning

It may not be out of place to mention that had family planning methods been implemented over the past many years, it might have been easier to take in the migrants from Pakistan. The Hindu population in Pakistan is providing the Pakistani authorities a permanent field for creating problems, have a tendency to upset the Indian economy in several ways.

If the Government will take over the responsibility of distributing foodgrains in future, it will find out at a tremendous cost that it is not only human sharks, but powerful economic factors which are causing food scarcity in the country. It is easier to mismanage trade and industry with impunity than to be directly responsible for starvation deaths. The Government should try to solve the real difficulties rather than try to control hunger by legislation.

4¾ PER CENT MAHARASHTRA STATE DEVELOPMENT LOAN, 1976

ISSUE PRICE AT PAR

OPEN ON MONDAY, THE 24th AUGUST, 1964.

The loan will be closed as soon as the total amount of Rs. 15 crores has been subscribed and in any case not later than the close of business on the 29th August, 1964.

The applications for the loan will be received at—

(a) the offices of the Reserve Bank of India, Bangalore, Bombay (Fort & Byculla), Calcutta, Madras, Nagpur and New Delhi,

(b) the branch of the State Bank of India at Patna,

(c) the branch of the State Bank of Hyderabad at Hyderabad,

(d) the branches of the State Bank of Hyderabad conducting Government treasury work within the State of Maharashtra,

(e) the branches of the State Bank of India within the State of Maharashtra except at Bombay and Nagpur and at places covered by item (d),

(f) the Government treasuries and Sub-treasuries in the State of Maharashtra at places not covered by items (d) and (e).

Full particulars can be obtained at any of the offices mentioned above.

New Delhi

DRIVE TO BRING OUT HOARDED FOODGRAINS PLANNED

(FROM OUR NEW DELHI CORRESPONDENT)

AN intensive drive has been planned by the Central Government for bringing out hoarded foodgrains. The State Governments, meanwhile, are being advised to issue notifications under the Defence of India Rules to compel stockists to declare their holdings. The Government proposes to impose heavy penalties on defaulting traders as well as those who indulge in malpractices. Such notifications have already been issued by the Maharashtra and Andhra Pradesh Governments and the Delhi administration.

The Government also proposes to fix maximum prices for various foodgrains so that traders and big producers are left with no incentive to hold stocks in the hope of further rise in prices. The first step in this connection was taken on 31st July, when the Central Government promulgated two orders fixing the maximum wholesale and retail prices of rice in the four southern States of Andhra Pradesh, Madras, Mysore and Kerala. The wholesale ceiling and retail prices for rice and wheat in the other States are expected to be announced during the current month.

Meanwhile, the enforcement machinery is proposed to be strengthened in all the States so that the Government's policy of bringing out hoarded stocks can bear fruit. Fifty percent of the extra expenditure to be incurred by the State Governments in this connection will be borne by the Central Government.

For fixing the prices of foodgrains for the producer, wholesaler and the retailer for the 1964-65 agricultural year, an *ad hoc* committee has been set up under the chairmanship of Mr. L. K. Jha, Secretary to the Prime Minister. The committee has been asked to submit its report on rice prices before the next harvest in September. For fixing reasonable producer and consumer prices for the 1965-66 agricultural year and thereafter, a technical team is to be constituted shortly. It will study in detail the cost of production of foodgrains before giving its verdict on the reasonable producer and consumer prices to be fixed.

The proposed Foodgrains Trading Corporation is expected to start functioning from January next. It will be a wholly Government-owned commercial organisation registered under the Companies Act. There will be only one corporation for the whole of India to deal in both rice and wheat. It may, however, have branches in various parts of the country. The corporation will buy foodgrains from producers at fixed prices. Wholesalers will also be required to hand over their stocks to it, if the necessity arises, at the declared wholesale prices. In course of time, the Corporation is expected to handle the import trade in foodgrains. The Government also proposes to grant it the monopoly of moving foodgrains by rail. Private traders will, however, be allowed to move grains over shorter distances by road.

For augmenting food supplies, the U.S. Government has promised to ship to India during the next seven months 4 million tons of wheat and a substantial quantity of rice under P.L. 480 American shipping and port handling experts are also being sent for advising the Government of India on ways of speedier unloading, bagging and distribution of these grains.

The 4 million tons of wheat promised by the U.S.A. is out of the balance quantity which could not be imported by India under the P.L. 480 agreement of 1960 up to its expiry on 30th June, 1964. The promised rice supplies will be made available out of the new U.S. rice crop to be harvested this month. The quantity is understood to be 300,000 tons. The prospects of the U.S.A. continuing to supply substantial quantities of foodgrains to India during the next few years are rated high.

The U.S.A. has also offered to assist India in a big way in raising her agricultural production. American experts with long experience in the pricing of food products will be coming to New Delhi shortly to help the Central Government devise incentive prices for agriculturists. A consortium of fertiliser manufacturing companies of the U.S.A. has offered to set up five new fertiliser factories, each with a capacity to produce 200,000 tons of nitrogen nutrients a year. An American expert is also expected here in the near future for assisting the Government in developing and expanding the programme of aerial spraying against insects and plant diseases.

The U.S.A. has further promised to help with programmes designed to improve soil and water conservation, extension of area under hybrid maize and jowar and the expansion of beans and peas production. She has also offered 1,000 pedigreed bulls for cross-breeding of the Indian milch cattle.

AGRICULTURE

Talks on Raising Production

Several important recommendations dealing with measures to step up agricultural production have been made by the Conference of State Ministers of Community Development and Panchayati Raj held here last week.

The Ministers felt that in drawing up the village agricultural production plans, the approach should be selective, that is, only those practices should be included in the farm programmes which have already been accepted by agriculturists. The progressive farmers should be increasingly associated with the village agricultural production programmes. It was also suggested that a phased programme of demonstrations of improved agricultural practices should be drawn up by the State Governments. Specific responsibility should be fixed on various functionaries engaged in the community development programme for the timely supply of improved seeds, fertilisers, insecticides and other requisites of farming.

The programme of intensive development of fisheries and poultry also came up for discussion at the conference. The Ministers suggested that the improvement of coastal fisheries should receive attention. The facilities necessary for this purpose, namely, cold storages, ice plants, refrigerated transport and improved marketing facilities should be provided. During the fourth plan, all blocks which have water areas of over 200 acres should be brought under intensive pisciculture for which advance action in relation to the survey of water areas, construction of nurseries and training of fisheries personnel should be taken up immediately.

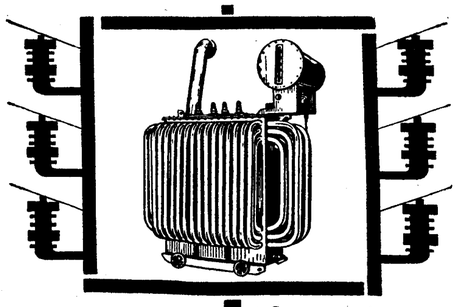
The State Ministers further recommended that the poultry schemes should be taken up as an integral part of the programmes of the State Departments of Animal Husbandry and adequate funds should be provided for the purpose in the departmental budgets. Another recommendation made was that at least Rs. 10,000 should be provided from the block budgets in each intensive block for loans to poultry farmers to supplement departmental funds. Specific targets for the formation of co-operatives of poultry farmers should be formulated in the intensive blocks as an essential part of the operational plan. Provision of a revolving fund to these co-operatives should be made a part of the poultry development programme to enable these societies to make outright payments for the eggs and birds received for marketing.

The Ministers devoted a considerable part of their discussions to the question of minor irrigation, excavation of field channels and rural electrification for agricultural purposes. It was agreed that the States, which had not so far introduced legislation, should do so to make the beneficiaries responsible for the excavation and maintenance of field channels. In view of the importance of the subject in the context of increasing agricultural production, the Ministers felt that if the beneficiaries failed to dig the field channels within the stipulated period, *panchayats* should be authorised to have the work executed and the expenditure realised from beneficiaries. For this purpose, funds should be placed at the disposal of *panchayats*. The strength of staff in the Irrigation Department for the survey of field channels should be increased, if necessary. Also, the rural works programme should be used for the excavation of field channels.

Since high priority has been accorded for the development of agriculture, the Ministers recommended that power for agricultural purposes—particularly for lift irrigation—should receive priority over others. The rates of power should be low and in States where higher rates prevail, they should be subsidised, the Central and the State Governments sharing the subsidy. Funds should be earmarked for meeting the cost of transmission lines for lift irrigation schemes. Power for agricultural purposes should be exempted from electricity duty.

The Ministers emphasised that the training of extension personnel was of basic importance in increasing their general and professional competence. Training camps for *gram sahayaks* were also considered necessary. The proposal to link short-duration *gram sahayak* camps with specialised training conducted by the Central Food and Agriculture Ministry was accepted. The training scheme for districts covered by the "intensive agricultural development programme" and the scheme envisaged for "intensive cultivation areas" were also endorsed.

The Ministers also considered the Central Food and Agriculture Ministry's suggestion for the establish-



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ment of panels of progressive farmers. It was recognised that such panels could provide practical and useful guidance to the block and district authorities in drawing up useful agricultural programmes. Members of the panels, the Ministers suggested, should be selected on the basis of their performance in achieving higher agricultural yields.

CEMENT

Plans for Raising Output

A massive rôle is envisaged for the proposed Cement Corporation of India in expanding the cement output during the fourth plan period. According to current thinking in official circles, the Corporation may be asked to set up as many as 20 to 25 cement manufacturing plants between 1966-67 and 1970-71 with a total annual capacity of about 5 million tonnes. This means that approximately half of the additional cement manufacturing capacity to be established in the fourth plan period will be in the public sector.

The Corporation is expected to be brought into existence by the end of next month. Besides undertaking the production of cement, it will be prospecting for cement-grade limestone in various parts of the country.

STEEL

Raising Production

According to indications available here, the expansion of output of the Tata Iron and Steel Works may materialise only to the tune of 2.5 million tonnes by 1970-71, against 3 million tonnes expected earlier.

To meet this shortfall, the view is gaining ground in official circles that both the proposed Goa-Hospet and Visakhapatnam-Bailadila plants should be set up up to the steel-making stage, maybe each with a capacity to produce 1 million tonnes of ingots a year. The big question mark, however, is the foreign exchange cost of the two plants.

With a view to reducing costs and stepping up production expeditiously, the Central Government is understood to be laying great emphasis on technological improvements in planning the advance action on the expansion of the steel industry during the fourth plan period. The first step in this direction was taken last week when a technical committee was set up under the chairmanship of Dr. B. R. Nijhawan, Director of the National Metallurgical Research Laboratory, to suggest improvements in blast furnaces.

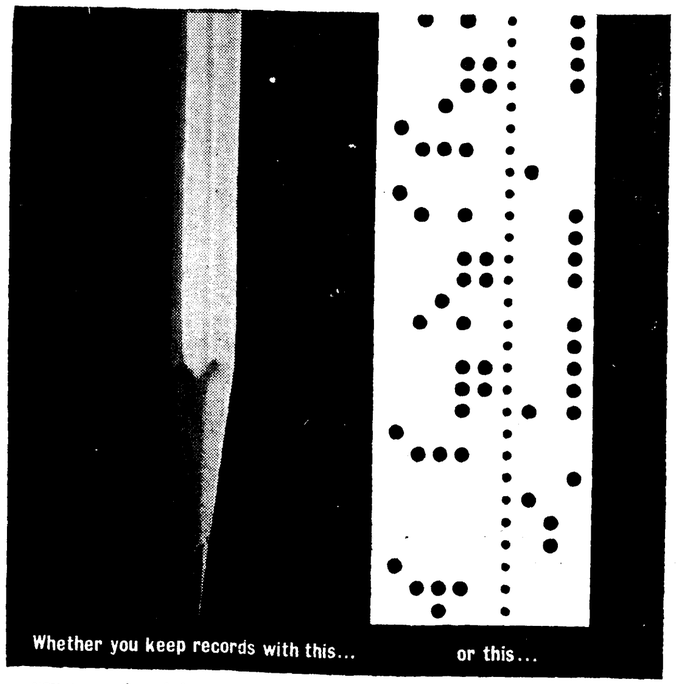
It has been estimated that technological improvements in blast furnaces can increase the production of pig iron by 1 million tonnes. This will go a long way in meeting the demand for pig iron in the fourth plan.

According to the tentative estimates prepared by the Planning Commission, the demand for pig iron will rise to around 4 million tonnes by 1970-71. Of this, the existing steel plants and the units already licensed in the private sector will be able to supply 1.75 million tonnes. In case 1 million tonnes of pig iron are available as a result of technological improvements, arrangements will have to be made only for 1.25 million tonnes of additional capacity during the fourth plan period.

The Government has also received the report of the delegation which was sent to Japan to study the various factors concerning capital and operational cost of steel plants in that country with a view to devising measures for effecting economy in the steel industry in India. The delegation is understood to have made far-reaching recommendations on the basis of its studies in Japan. Its suggestions will be taken into consideration while drawing up the final steel programme for the next plan.

Another aspect to which the Government is paying immediate attention is the supply of trained personnel for the fourth plan steel development programme. A committee, which was set up to study the requirements for construction, operation and maintenance of steel works, has submitted its report. The report will be shortly considered by the Steering Group on Steel.

In a statement issued last week, the Central Minister for Steel and Mines, Mr. N. Sanjiva Reddy, denied that any proposal was being considered by the Government to permit the participation of foreign investors in the expansion of the Indian steel industry. The Government, he said, had no intention of deviating from the principles embodied in the Industrial Policy Resolutions of 1956. The question of a shift in the Government's policy relating to the development of the steel industry in the public sector, therefore, did not arise.



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COAL

Using World Bank Credit

In view of the fact that the Rs. 16.67-crore credit made available by the International Bank for Reconstruction and Development for the expansion and modernisation of the Indian coal industry has not been fully utilised so far, the Central Ministry of Steel and Mines has decided to invite fresh applications from the industry for offering financial assistance out of these funds. This assistance will be available for new projects, expansion of the existing mines and the replacement of the equipment.

Fresh applications will be entertained up to the end of August 1964. Applications for new projects will be considered on merits, taking into account the need for development of such projects and the most suitable agency for undertaking the development schemes. These new projects will also require clearance of the World Bank. The request for such clearance will be made to the World Bank once the projects have been examined and approved by the Central Ministry of Steel and Mines.

U.K.

Credit Offered

The British Government has made available to India the first instalment of £10 million (Rs. 13.3 crores) out of the £30 million (Rs. 40 crores) credit promised by it under the aegis of the Aid-India Club last May. The credit is not tied to any development project and can be used for financing any current imports from Britain.

Including this £10-million credit, the total aid provided by Britain for India's economic development under the current plan amounts to £135 million. Of this, over £72 million has already been disbursed.

The U.K. Government has also informed the Government of India of its readiness to extend a loan of about £50 million for meeting the foreign exchange cost of expanding the capacity of the Durgapur steel works under the next plan from 1.6 million tonnes of ingots to 3 million tonnes of ingots. A formal agreement is proposed to be signed as soon as the terms and conditions of the loan are finalised.

Construction work under the expansion programme is expected to start early in 1966. The capacity of the Durgapur steel works is currently being expanded from 1 million tonnes of ingots to 1.6 million tonnes. The U.K. Government has provided £22 million for the current expansion programme.

OIL

Seismic Survey

The seismic survey for oil and gas reserves under the sea-bed along the Coromandel coast is expected to begin around the middle of this month when the Russian scientific ship *Akademik Arkhangelsky* arrives in Madras. About 60 Russian seamen and scientists will be manning this ship under the leadership of Dr. Yakov Malovitsky. Nearly ten Indian specialists are also expected to be associated with the survey work.

Investigations will initially begin in an area of 200-kilometre long and 30-kilometre wide up to a depth of 100 metres near the mouth of the Cauvery river. These will continue till the middle of October. After that, when the weather in this area becomes unfavourable, the Russian ship will go over to the Rann of Kutch for conducting a seismic survey there. It will return to the Coromandel coast again some time in March.

The seismic surveys both along the Coromandel coast and in the Rann of Kutch area are expected to be completed by October or November next year.

POWER

Fourth Plan Programme

Matters relating to development of power during the fourth plan period were considered at a meeting of the Planning Commission last week. The Commission concurred with the view of the Ministry of Irrigation and Power that the Centre should have a bigger hand in power generation in the future. The Central direction, it said, would ensure specialisation in power engineering and technology, besides fostering the standardisation of machinery, equipment and designing, which would lead to economy in generation costs.

The Commission favoured the establishment of an all-India electricity grid. It considered whether the Centre should set up extra high voltage lines for the transmission of bulk power in a region and for inter-connecting regional grids with the national grid. It expressed the view that the power-stations in a region should be operated in an integrated manner by establishing regional grids.

The Commission generally favoured efforts under the fourth plan towards redressing the lack of balance in the States in the *per capita* power generation and utilisation, but recognised that there were limits to such a remedial programme because the location of new power-stations would be determined by various factors which might not work in favour of reducing Statewise lack of balances. Besides, requirements being the main determining factor, new thermal plants will have to be established near the coalfields or washeries where inferior coal or middlings can be economically used.

The Planning Commission also discussed whether the small private electricity undertakings should be taken over by the State during the next plan. It was agreed that such undertakings should be acquired if they stood in the way of developing the country's power resources.

The Second Annual Power Survey Committee has recommended that the fourth plant target for the installed power generation capacity should be 25 million kilowatts—just double the installed capacity likely to be established by the end of the current plan. The committee has expressed the view that power development in the next few years will have to be rapid enough to support the high production targets proposed to be fixed under the fourth plan for the various electricity consuming sectors of the economy.

Referring to last year's growth in power resources of the country, the committee says that on an all-India basis, the load growth for the period April 1963 to March 1964 was only 625 megawatts, against the predicted growth of 1,079 megawatts. The "capability" added during 1963-64 was only 394 megawatts, against an anticipated addition of 1,070 megawatts. The projected increase in peak load for 1964-65 is placed at 1,566 megawatts.

The committee thinks that power supply will improve in most areas in the country by the end of the current plan period. The installed capacities which are expected to be available in the five regions during the current and the next three years are summarised in the table on the top of columns 3 and 4.

Region	1964-65	1965-66	1966-67	1967-68
			(In megawatts)	
Northern region				
(Jammu and Kashmir, Punjab, Rajasthan, U.P., Delhi, and Himachal Pradesh) ...	1,693	2,194	3,486	3,650
Western region				
(Gujarat, Madhya Pradesh and Maharashtra)	1,924	2,659	2,878	3,339
Southern region				
(Andhra Pradesh, Kerala, Mysore, Madras and Pondicherry)	2,259	3,131	3,901	4,351
Eastern region				
(Bihar, Orissa and West Bengal)	2,271	2,782	3,415	3,549
North-eastern region				
(Assam, Nagaland, Manipur N.E.F.A. and Tripura) ...	109	158	202	202

EXPORTS

Fourth Plan Target Revised

In order to end the recent controversy on the fixing of the fourth plan target for exports, a compromise is understood to have been arrived at between the Planning Commission and the Central Minister for Commerce, Mr. Manubhai Shah. As a result of this, the fourth plan export target may be fixed around Rs. 5,000 crores. This implies that exports in 1970-71 will have to be raised to about Rs. 1,150 crores from nearly Rs. 850 crores expected in 1965-66. The Commission had earlier suggested a target of Rs. 1,200 crores of exports in the last year of the fourth plan. Mr. Shah was of the opinion that exports in that year could not be expected at more than Rs. 1,100 crores.

To achieve the compromise target, some drastic changes are envisaged in the export policy. Some restraint may be put on the internal consumption of products having good export potential. The prices of such goods may be pegged high to discourage domestic consumption. The lever of excise duties may be used to attain the objective.

Foreign exchange allocations for the import of machinery and equipment for industries, the products of which can find good markets abroad, may also be increased. Furthermore, the public sector may go in for the manufacture of some selected consumer goods for export purposes.

The Central Ministry of Commerce has been asked to spell out the conditions, the creation of which will help increase exports to Rs. 5,000 crores during the fourth plan period.

TRANSPORT

Talks in Srinagar

At a meeting in Srinagar last week, the Transport Development Council endorsed the recommendation of the working group set up by the Central Ministry of Transport at the instance of the Planning Commission, that the allocation for road development under the fourth plan should be about Rs. 1,150 crores. The Council also approved the idea of setting up Road Planning Boards at the Centre and in the States for suggesting priorities and phasing road development programmes and for reviewing the progress periodically. It stressed the need for having an integrated road plan, for both the Central and State Governments, to meet the requirements of various sectors of the economy.

The Council recommended that a phased programme for road development should be drawn up after carefully fixing the priorities. There should be an economic justification for every scheme to be undertaken. The larger projects should be backed by cost benefit studies.

In view of the increasing number of heavy vehicles, the Council recommended the adoption of higher specifications for roads. It further

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Liabilities

	1963	April 12, 1962
	Rs.	Rs.
Capital	2,500	2,500
Reserves	7,032	6,656
Deposits	94,503	80,382
Other Liabilities	5,954	3,198
Contra A/cs.	10,940	7,958
Profit & Loss	699	790
	1,21,628	1,01,484

Assets

	1963	April 12, 1962
	Rs.	Rs.
Cash	33,993	27,992
Investment	160	120
Loan & Discts.	74,069	63,006
Contra A/cs.	10,940	7,958
Other assets	2,466	2,408
	1,21,628	1,01,484

stated that the road plan should be framed, keeping in view the requirements of the region as a whole, special attention being given to less developed areas such as Nagaland, Manipur and Assam, which are also border areas.

The Council also recommended priorities for various categories of roads and said that the national highway system should be adequately expanded to meet the requirements of the country's developing economy. As for the roads of inter-State importance, the Council suggested that the Centre should give financial help for constructing bridges near boundaries of the States, while the State Governments should build the required connecting road links to these bridges.

The need for setting up testing and control laboratories in the States and the establishment of a few full-fledged road research stations in various regions was also emphasised by the Council. It also recommended the creation of facilities for training technical personnel and the adoption of mechanised methods of construction on an increasing scale for ensuring roads of higher specifications for heavy traffic. According to another recommendation of the Council, proper assessment of road-making machinery on a national basis and steps to promote indigenous manufacture should be taken up.

To tackle the problem of strengthening the weak and old bridges and culverts, which is a big task requiring considerable finances, the Council suggested the drawing up of a crash programme to meet the minimum needs. Emphasising the urgency of development and proper maintenace of rural roads, the Council agreed that fair percentage of the State plan funds for roads should be earmarked for rural roads. Financial assistance, it suggested, should also be given by the Central Government.

To cover unregulated burrow pits along national and State highways, the Council urged the association of landscape architects in the design and lay-out of roads, so that the highways could be made as attractive as they usually are in foreign countries.

Simplification of Procedures

The Council pleaded for the simplification of the existing procedures to expedite the execution of road works. It noted that a working group had been appointed for the purpose and was expected to submit its findings within a few months.

As for road transport, the Council suggested the amendment of the Road Transport Corporation Act, 1950, to enable the constitution of corporations under it. The present company which had been incorporated to provide goods transport service in certain areas of Assam and West Bengal, the Council stated, should be converted into a corporation under the Road Transport Act and the field of its operations extended to inter-State routes in other parts of the country, if necessary.

The Council wanted that the limit of 300 miles recommended by the inter-State Transport Commission for unrestricted movement of oil tankers should be relaxed, if it could not be totally removed.

For assisting the development of tourism, the Council recommended that the State Government should finalise and notify by 31st October, 1964, rules under the Motor Vehicles Act, 1939, for countrywide operation by tourist vehicles without counter-signature of their permits by various regional and State Transport authorities. These rules, which would allow the grant of all-India permits for 50 tourist taxies and ten tourist buses by each State, should be based on orders already circulated for this purpose by the Central Transport Ministry.

COTTON TEXTILES

Controls Opposed

The representatives of the leading associations of wholesalers, semi-wholesalers and retailers of mill-made cotton cloth, who had been invited by the Central Ministry of Commerce for talks on cloth distribution, have generally expressed themselves against the institution of controls.

As for the stamping of prices—both ex-mill and retail—the general view of the associations was that if controls were to be introduced on popular varieties and if the balance of production was to remain outside these controls, it should not be necessary to stamp either ex-mill prices or retail prices on the non-controlled varieties. It would be enough if the name of the mill, the nature of construction, the type of the cloth and brand names, if any, were printed on the non-controlled varieties without any stamping of ex-mill or retail prices. They also represented that the retail and the wholesale trade should continue to participate fully in selling the controlled cloth as well as the non-controlled varieties. The view expreseed by the trade on the margin of retail sale to consumers over the ex-mill prices of controlled varieties was that the present margin of 18 percent over the ex-mill prices without excise duty was inadequate.

The official spokesmen are stated to have indicated that the Government would keep all these in mind before reaching the final decisions. The officials assured the representatives of the associations that for the distribution of the controlled varieties, the normal trade channels of wholesalers and retailers would be maintained as the quantities of the controlled varieties would be very large—nearly 2,000 million yards a year. Even after satisfying the requirements of co-operative societies and fair price shops, there would be very large quantities which the normal trade channels of wholesalers and retailers would be required to handle. With production control aiming at making adequate and larger quantities of popular mass consumption varieties, the trade would be handling the controlled popular varieties in the same manner as at present.

Stamping of Prices

As for the stamping of ex-mill prices and retail prices on non-controlled varieties of cloth, the Government spokeman emphasised that these varieties should also be sold to consumers in a satisfactory manner and that there would not be any need for stamping such prices on non-controlled varieties if the mills and the trade could make satisfactory arrangements for their sale.

The Government's policy to bring popular varieties like dhoties, sarees, long cloth and shirtings into the controlled sector, to the extent necessary, was reiterated by the Ministry officials. They point out that even with production and price controls, the mill industry should be in a position to produce adequate quantities of these popular varieties.

As for the distribution margin on the controlled popular varieties, it was explained by the officials that in view of the present situation, further enlargement of the margin was not feasible.

The Textile Commissioner is stated to be working out the production and price control measures for the popular varieties of cloth. These preliminaries are likely to be completed within the next few weeks after which the industry will be consulted for finalising all the technical matters concerning production and price controls. Steps are also being taken to appoint an advisory committee at the apex level consisting of all interests, namely, industry, trade, labour, consumers and others, to advise the Government on the efficient and smooth working of the controls.

SMALL INDUSTRIES

Programme under Fourth Plan

The Planning Commission is said to be in favour of encouraging small-scale industries during the fourth plan period at a much faster pace than has been the case hitherto. It is felt that although the third plan laid a good deal of emphasis on the development of small industries, in practice the process has not made sufficient headway. There still remains considerable bias in favour of the large-scale sector.

With a view to correcting this bias, the Commission is stated to be of the view that production of nearly 54 industries, including plastic goods, dyes, leather footwear, pressure cookers, bolts, nuts and screws, tape recorders, wire products, metal buttons, locks, lanterns, cycle pumps, cigarette lighters, microscopes for students and medical use, mechanical toys, paints and varnishes, pesticides, detergents, soaps, should be exclusively reserved for the small-scale sector.

The Commission is understood to have proposed an investment of Rs. 500 crores on the development of small-scale industries during the fourth plan. The annual rate of growth in this sector is expected to be stepped up from the present 4 percent to 8 or 10 percent.

MICA

Exports Prohibited

The Central Government has prohibited the export of all forms of mica (other than micanite and micanite products, fabricated mica parts and mica powder) unless the export consignment is accompanied by a certificate of inspection issued by the Mica Export Promotion Council in accordance with the Export of Mica (Inspection) Rules, 1964. The order came into force from 1st August, 1964.

The Government has also notified that the Council will be the agency for the inspection of mica before export. The Export of Mica (Inspection) Rules, 1964, have also been published. They prescribe the place of inspection, inspection fees and details of the procedure for inspection, as well as the issue of certificates of inspection thereafter.

If any person is grieved by the refusal of the Council to issue the certificate, he has a right to appeal within ten days of such refusal to an appellate authority appointed by the Government consisting of a panel of not less than three persons, whose decision on the appeal shall be final.

FOUNDRY-FORGE PLANT

Czech Machinery and Plant

The Central Government has signed a protocol with the Government of Czechoslovakia defining the scope of the second foundry-forge plant proposed to be set up in the public sector. In terms of the protocol, Czechoslovakia will supply the requisite machinery and equipment for the project and will also help in putting up the plant. The project will comprise a steel foundry and forge shop in Wardha and a branch plant for grey iron foundry to be located elsewhere.

The steel foundry will have a capacity to produce 12,000 tons of castings and 13,500 tons of ingots for forgings a year. The plant will manufacture moulds required by producers of cast iron pipes and steel castings needed in lorries, tractors and other industries. It will also add to the defence potential of the country.

INDIAN STANDARDS

Suggestions of Advisory Body

The Advisory Committee on Implementation of Indian Standards has recommended that Indian manufacturers entering into collaboration arrangements with foreign companies should adopt, wherever possible, Indian standards and raw materials. The Committee has noted that in some industrial units set up recently with foreign technical collaboration, foreign standards for raw materials, spare parts, design practices and even terms of measurements have been used in spite of the fact that corresponding Indian standards are available. The Committee has expressed the view that the existence of different standards for raw materials, spare parts, design practices, etcetera, is not conducive to organised methods of production, speedy industrialisation and economic progress.

DEVELOPMENT BANK

Shares of I.F.C. Transferred

All the shares of the Industrial Finance Corporation of India held by the Central Government and the Reserve Bank have been transferred to the Industrial Development Bank of India. Th transfer took place on 1st August. These shares comprise nearly 40 percent of the Rs. 7-crore share capital of the Corporation. The latter has also issued 2,692 additional shares in favour of the Industrial Development Bank. The Bank will thus hold 50 percent of the total share capital of the Corporation which will now stand at a little less than Rs. 8.35 crores.

With the present reconstitution of the share capital, the Corporation will be co-ordinating its activities closely with the Industrial Development Bank. The latter, it will be recalled, was established on 1st July, 1964, as a wholly-owned subsidiary of the Reserve Bank of India. It has an authorised capital of Rs. 50 crores, which, if necessary, would be increased to Rs. 100 crores. It will, among other things, co-ordinate the activities of bodies like the I.F.C. and State Finance Corporations which are providing financial assistance for industrial development of the country.

STORES SUPPLY

Official Seminar

The three-day seminar of the senior officers of the Supply Department, which concluded here on Friday last, decided that in cases where stores and material had to be imported, proper liaison should be maintained with the Chief Controller of Imports for obtaining the requisite licences in time. In cases where steel had to be issued for fabrication, liaison would be maintained with the producers and the Iron and Steel Controller.

It was disclosed at the seminar that the Progress Wing in the Directorate-General of Supplies and Disposals would be strengthened, so that a watch can be kept on orders placed and on the level of production by manufacturers.

London

ADVERSE U.K. TRADE BALANCE WEAKENS STERLING

(FROM OUR LONDON CORRESPONDENT)

DISAPPOINTING was how Mr. Heath, the Minister for Trade, described the United Kingdom trade figures for June If anything, it was an understatement, for they have given rise to some anxiety in business circles. After adjustment for seasonal factors, exports were down to £348 million, against £370 million in May while imports on the same basis were up to a record figure of £473 million, against £450 million in May. With little difference in re-exports, the trade deficit in balance of payment terms soared to £63 million, compared with £19 million in May.

As Mr. Heath reminded the National Production Advisory Council, the monthly trade figures have been very erratic this year. Exports in the second quarter of the year were 1 percent below the first quarter. In the first six months of 1964, they were 4 percent more than the average for last year. That is clearly not enough to support a growth of 4 percent a year in national production. Mr. Heath could only say that this was not good enough and claim that the "underlying trend" was still upward. Imports in the second quarter were 2 percent more than in the first quarter. In the first six months of the year, they were no less than 14 percent higher than the average for last year. The very high figures earlier in the year were believed to reflect a rush to build up industrial stocks for expanding production. But stockbuilding is supposed to have slowed down.

When the trade figures were announced, sterling dropped sharply in the exchange markets. After some official support, the sterling-dollar rate settled down at the lowest figure for three years. In the gilt-edged market, prices fell back to the lowest level of the year. Talk about the possibility of a higher Bank rate revived. Sterling's behaviour is being watched closely for any signs that confidence has been sapped by the June trade figures.

Recent Pressure

Recent pressure on sterling has largely reflected the tightening of money on the Continent and the shortage of dollars. Little evidence of speculative activity against the pound has been detected so far. But the ominous trade figures, coming when the election is no more than three months away, could well lead to nervousness among foreign holders of sterling. Talk of some early precautionary moves by the authorities is only natural in the circumstances.

Not surprisingly, a higher Bank rate is being canvassed again. The technical case against action at this stage is that market short-term rates are still below the ceiling and can be pushed up some way further before Bank rate need be raised. In policy terms, it is arguable that an increase in Bank rate would have an unnecessarily restrictive effect internally on an economy which is returning to balance of its own accord The International Monetary Fund has agreed to renew for a further year the $1,000 million standby credit for Britain. From 8th August, the British Government will, therefore, be able to draw on the new credit if necessary. No drawing is being made at present, but Mr. Maudling has repeatedly said that he would make use of the resources available from the I.M.F. to reinforce the reserves, rather than take precipitate action to restrict economic growth in Britain. The I.M.F. in announcing the agreement said that it was designed to assist the U.K in its efforts to overcome any temporary balance of payments difficulties without disrupting economic growth. It would thus contribute to sustaining confidence in the pound sterling.

The possibility that some financial strain may soon develop is also stressed in a report on the British economy issued in Paris by the Organisation for Economic Co-operation and Development. It is still too early to judge, says the report, whether the last Budget with its "moderately restrictive tax measures" will have been sufficient to stabilise economic growth at a sustainable rate. It was right that the British Government should avoid measures that might altogether end the expansionary phase. "But in the months ahead the Government should be prepared if necessary to make prompt use of the weapons it has at its disposal to dampen demand." The O.E.C.D. suggests that vigorous action should be taken to improve the competitive position of Britain. To achieve this competition will have to be stimulated and the rise in money incomes moderated. One method that has been found useful in Continental countries is "selective reductions in import tariffs."

Production Survey

The slowing down may well already be taking place. An enquiry among 500 small and medium-sized industrial firms shows that production is tending to level off and that this trend may become more marked in the second half of the year. That is the surprising upshot of the tenth production survey undertaken by the National Association of British Manufacturers. The general picture is still one of rising production, but fewer firms report expansion for the second quarter than for the first quarter, and still fewer expect output to go on rising in the third quarter of the year.

The results are yet another item of evidence in support of Mr. Maudling's recent suggestion that here are "built-in stabilising forces" at work in the economy. The firms to which the survey refers cover a wide range of industries from engineering and vehicles to textiles and clothing; chemicals, building materials, food, drink and tobacco and paper and printing Over four-fifths of the participating firms employ 500 people or fewer, although the survey includes 33 firms with over 2,000 employees. In the first quarter of the year, 56 percent of the firms said output was rising, and 37 percent said it was unchanged In the second quarter, 55 percent said it was rising and 40 percent unchanged The forecast for the third quarter shows 52 percent rising and 43 percent unchanged.

Questions as to home and export orders show a similar levelling off. In the first quarter, 64 percent of firms indicated that home orders were rising, while 26 percent showed no change from the previous quarter. In the second quarter, only 56 percent of firms said orders were rising and 34 percent said there had been no change. The export position was similarly somewhat less promising: 29 percent showed a rise, as against 33 percent in the first quarter, while 58 percent indicated no change, compared with 52 percent in the first quarter.

Costs Rise

In addition to the tendency of home and export orders to level off, production has been somewhat limited by shortages of labour, both skilled and unskilled. These have been reported from all regions, but particularly from the Midlands, London and to a less extent Yorkshire and Manchester. There have been some reports of lack of orders and also of lack of capital. In a limited number of cases, a lack of capacity has been reported. Some shortage of materials has emerged in the engineering and building industries in Yorkshire, Wales and the northern region.

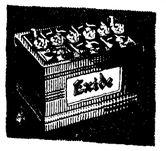
Costs have continued to rise, but this is less widely spread than in the previous quarter. Selling prices also seem to have steadied. Seventy-four percent report no change in prices, compared with 60 percent in the first quarter. In a comment on the figures, the Association suggests that there are "growing signs that further growth is likely to be limited by shortages of labour, by production capacity and by some shortages of materials." All of these may cause production to level off in the second half of the year, particularly in those areas where labour is relatively short.

According to this survey, labour shortage is particularly prevalent in the Midlands and in Yorkshire. The expansion in Scotland, Wales and the northern region may, therefore, continue unchanged. The tendency to level off seems to be most marked in the textile and chemical industries. In building materials and food, production is still rising strongly. As far as investment is concerned, the trend seems to be upward. Final results for the first quarter of 1964 show that industry's capital expenditure was 4 percent higher than in the previous quarter. This rise, though less than estimated from the provisional figures, confirms that the industrial investment cycle is now firmly on the upturn. It began to rise again in mid-1963 after falling since its 1961 peak.



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Commodity Markets

NORTH INDIAN TEA OUTPUT RISES

(BY A SPECIAL CORRESPONDENT)

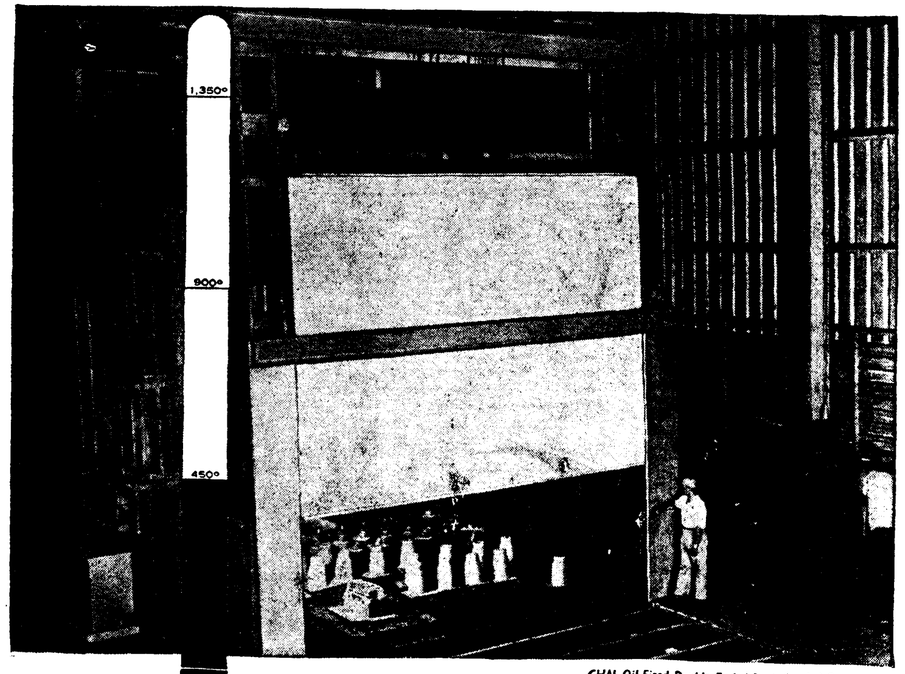
PRODUCTION continues to make satisfactory progress in north Indian gardens, and output up to 15th July, was 77.949 million kilograms, compared with 66.174 million kilograms in 1963.

In a recent issue a newspaper published an interesting article on tea with particular reference to the potential value of the estates in West Bengal. It pointed out that the planted area in this State exceeds the total planted acreage in south India. It then added: "Apart from collecting taxes, the State of West Bengal does not concern itself in any way about its huge resources of tea plantations in the State".

With reference to comparative yields, the article drew attention to the age of tea bushes and noted that south India enjoys comparatively newer plants, as only about 20 percent of the gardens have tea over 60 years of age. In the Dooars, the percentage is 35.47 and in Darjeeling 79.16 (figures based on a study made in 1953-54).

The Plantation Enquiry Committee has assessed the economic life of a tea bush at 60 years in the plains. In the hills, the life span is thought to be longer. This increased life could be due to the great depth to which the tap roots penetrate and possibly also to less severe strain from overplucking which must sometimes happen in the tropical conditions experienced in the plains, but whatever the life span in the Hills, replanting in the Darjeeling district is already an urgent problem. The article in question gives the estimated cost of renovating as between Rs. 4,000 and Rs. 6,000 an acre. The old tea has to be uprooted, the ground levelled, then terraced and replanted. This would apply to Terai, but hardly to Darjeeling as far as levelling is concerned.

When this correspondent was last in Darjeeling, most estates looked fairly green when viewed from the top of any hill. But if seen from a low elevation upwards, about half the soil will be found to have been eroded and the roots of perhaps a like proportion of the plants exposed. That replanting is an expensive business is not disputed, but nature appears to have done half the work of uprooting and surely modern gadgets are available in this scientific age to pull out what remains of these old stumps. All Darjeeling gardens were originally planted from China seeds. They still produce the finest tea in the world. Will replanting, if undertaken, be done with Assam indigenous, Manipori, etcetera? No doubt the new Tea Committee will go into these matters. Replanting is not a profitable project today. This brings one back to the benefits the West Bengal Government derives from its fortuitous interest in tea companies, namely, the agricultural income tax which yields Rs. 60 lakhs. Entry tax alone provides Rs. 1 crore.



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WSC-13

Jute

SPECULATIVE RISE IN PRICES CONTINUES

RAW jute and gunny prices have touched new peaks after violent fluctuations during the past week. The temporary shortage of raw jute has been one of the causes for the speculative spree. There has been a sharp decline in arrivals in Calcutta and in the agencies due to heavy rain and floods in Assam, northern Bengal and Bihar. Reports of some damage to the crop in these areas stimulated the hardening trend. Another factor was the continuance of the strike in East Pakistani jute mills. Although the strike has been formally called off, workers did not resume duty on the plea that their demands were not met. The firming up of fibre prices in Pakistan has also contributed to the rise in this country. In view of the higher prices and restricted offerings of fibre, mills have not been inclined to sell gunnies for short and near terms since they could not cover these sales by jute purchases. So gunny prices have hardened more in the spot market than in the hedge market. Business during the week has been confined to brisk short- and shipper-covering, scattered hessian bookings by the U.S.A. and cornsack purchases by Australia. The Government of India, as also the packers of foodgrains, sugar and cement have been practically out of the picture. Although most of the mills have sold heavily for all positions at the higher prices, their margins have been reduced due to the much higher rates they had had to pay for fibre while covering these sales. Overseas business has been small, although burlap prices have risen in New York in sympathy with the trend in Calcutta. The report that export shipments were high around 100,000 tonnes in July, due to the enhancement of the shipping freight from the 15th of that month was another bullish factor. Both mills and trade circles are worried over the hectic price movements.

Regulatory Measures

In order to arrest the speculative spree, the East India Jute and Hessian Exchange has imposed various restrictions on trading with the prior consent of the Forward Markets Commission. On Saturday, it was announced that trading during any day will be suspended whenever the prices of hessian and sacking for August and November deliveries ruled at or above Rs. 47.50 a 100 yards and Rs. 123 a 100 bags, respectively. In the case of Upper Assam White Bottoms for September, it is Rs. 34.25 a maund. The ceilings imposed on daily fluctuations above the closing levels of the previous day are 25 paise a 100 yards in hessian, 70 paise a 100 bags in sacking and 25 paise a maund in raw jute.

Special Margins Imposed

But these restrictions failed to produce the desired results and trading remained virtually suspended till midday on Tuesday when the authorities imposed special margin restrictions on trading. These prescribed that buyers will have to deposit a special margin of Rs. 24 a 100 yards when the price of hessian for August or November delivery ruled at or above Rs. 47.50. In the case of B Twills, the margin is Rs. 62 a 100 bags at or above Rs. 123.70 for the same deliveries; in Upper Assam White Bottoms for September the margin is Rs. 17 a maund at or above Rs. 34.75.

The special margins are payable on the net outstanding purchases of a member on his account or on account of his member and non-member clients separately for hessian and sacking without setting off the outstanding purchases in one delivery against the outstanding sales in another delivery and also for raw jute contracts. The amount of special margin will be refunded on the liquidation of the outstanding purchases and/or on the special margins being not required to be paid on application by a member. Since the enforcement of the restrictions, prices have reacted in the hedge market due to selling pressure from holders. In the spot gunny market too, prices have eased somewhat, although fibre prices still continue to be high. Fluctuations have narrowed down and the market has closed on an easier note.

THE JUTE MARKETS

Manufactured Goods: Buoyant conditions prevailed in the Calcutta gunny market during the past week. The spree was touched off by the flare-up in the hedge market which scaled new peaks almost every day due to hectic speculation. Offers of raw jute declined sharply and holders demanded higher and higher prices. Mills turned reserved and transacted business only when adequate premiums were offered to help them cover the extra fibre costs. Shorts and shippers turned panicky and sought to cover their open positions at higher prices. A squeeze was specially felt in goods for near and far delivery, and their prices rose disproportionately. Since the imposition of the special margins on Tuesday, prices softened in both spot and futures sections. Turnover was heavy and the undertone cautious but easier at the close.

Wednesday's quotations were as follows:

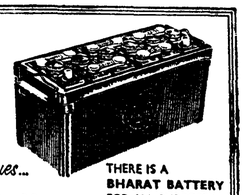
	Aug.	Sept.	Oct.-Dec.	Jan.-Mar.
40in. 7½oz.	35.50	35.75	36.00	36.35
40in. 8oz.	38.10	—	—	—
40in. 10oz.	47.00	47.25	47.85	48.25
B Twills	124.75	125.25	125.50	126.00
Cornsacks	133.50	133.00	129.00	129.00
Heavy Cees (Plain)	123.50	124.00	124.50	125.00
A Twills	149.50	150.00	150.50	151.00
Liverpools	138.50	139.00	140.00	140.50

Raw Jute: Firm conditions prevailed in the raw jute market during the past week. The steadiness stemmed from a sharp decline in arrivals in the terminal markets and in Calcutta as rivers were in spate in northern Bihar, Assam and northern Bengal. Rural roads too were in a bad condition. Besides, higher fibre prices in Pakistan were additional stimulants. Although it is still too early in the season to speculate on the size of the crop, a section of the trade held the view that the new crop would be lower in both India and Pakistan. They believed that with a decline in the carryover of fibre from the 1963-64 season, Indian mills would be facing difficulty in working their capacities at the maximum level and so they would have to pay higher prices for fibre. Such unrealistic crystal-gazing led to the speculative spree which pushed up prices in both the hedge and spot markets. Fibre offerings declined appreciably. In the course of a week, prices of Assam Bottoms ready, f.o.r., Calcutta, rose by about Rs. 2 a maund to Rs. 36, and of Northern Bottoms and Daissee Bottoms by about Rs. 1.50 a maund each to Rs. 35 and Rs. 37, respectively. Reluctantly though, the mills had to absorb all offers, further stimulating the upward price spiral. In the hedge market too, prices rose continuously after wide fluctuations. On Tuesday, there was a mild setback in the course of which the fluctuations narrowed down and easier conditions seemed to prevail in the market. Turnover was fair and the undertone very firm in the spot section and easier in the futures section at the close.

Wednesday's quotations were as follows:

	Landed at Mills (Basis Bottoms)		T.S.D. Minimum Prices	
	Current Prices			
	Rs. A Qtl.	Rs. A Md.	Rs. A Qtl.	Rs. A Md.
Assam-Agartala Jute	95.11	35.50	80.38	30.00
Northern Jute	93.77	35.00	79.04	29.50
Western Desal Jute	88.41	33.00	73.68	27.50
Selected Daissee	97.79	36.50	85.74	32.00
Assam-Agartala Tossa	97.79	36.50	83.05	31.00
Mesta:				
Assam-Northern	84.39	31.50	72.34	27.00
Local Daissee	84.39	31.50	72.34	27.00
Bihar Dist.	80.38	30.00	68.32	25.50

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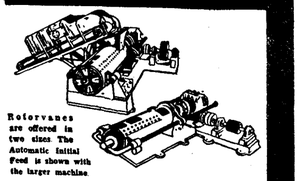
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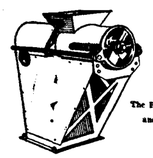
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THE PAKISTANI JUTE MARKETS

SHARP RISE IN FIBRE

(FROM OUR DACCA CORRESPONDENT)

THE fibre market in Pakistan during the last week was excited. Especially in the loose jute sector, prices rose in certain areas to as high as Rs. 33 for C Bottoms or Export Lightnings, which is roughly £95 f.o.b. —a price certainly not in step with the current trend in overseas markets. Despite this, buying continued at a tremendous pace. For overseas buyers, this high price being paid locally, must be hard to understand particularly as they could still pick up small lots as much as £10 lower.

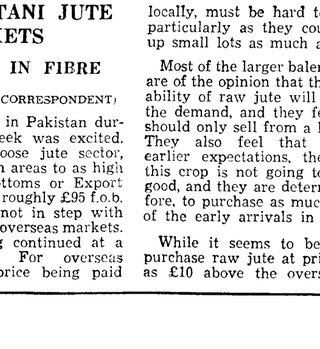
Most of the larger balers in Pakistan are of the opinion that the total availability of raw jute will be less than the demand, and they feel that they should only sell from a long position. They also feel that contrary to earlier expectations, the quality of this crop is not going to be so very good, and they are determined, therefore, to purchase as much as possible of the early arrivals in July-August.

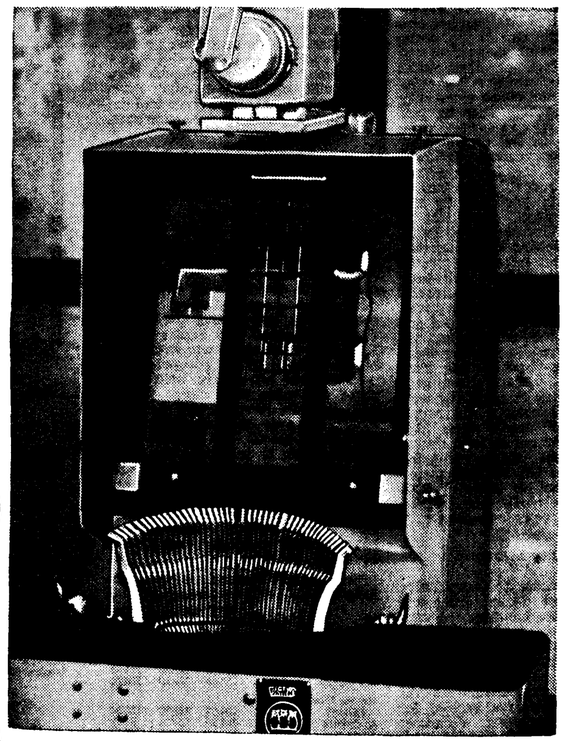
While it seems to be illogical to purchase raw jute at prices as much as £10 above the overseas market, this is not so ridiculous if one takes into consideration the belief that even Jat export lightnings may be scarce later in the season. Even now, more than 50 percent export hearts are appearing in all purchases. A fair percentage of S.M.R. is also coming in, particularly in the expensive area where the good jat jute is available.

In the pucca bale sector, there were some transactions in old crop Export Hearts, Output Tossa 2/3s and 4s, but the centre of attraction were cuttings, which were quoted in the February-March position as high as £58 f.o.b. Since there was a reluctance to deal in current crop long jute pucca bales, there was a fair amount of trading in kutcha bales of X Bottoms and C Bottoms. These X Bottoms or Balers' Bottoms, as they are called locally, correspond to a low uncut Export Heart. At present, there are buyers at Rs. 30 a maund and no sellers, and Rs. 30 a maund is approximately £18 a ton above minimum, which gives some idea of the state of the local market. Most balers were refusing to sell and were sitting out.

Registrations during the first half of July were higher than actually reported. They totalled 305,522 bales. These registrations are high and the second half of July will probably see a repetition of the trend.

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COMPANY AND PUBLIC NOTICES

THE NUDDEA MILLS COMPANY, LIMITED

NOTICE

NOTICE is hereby given that the Register of Members and Share Transfer Books of the Company will remain closed from 13th to 26th August, 1964, both days inclusive.

By Order of the Board,
MACNEILL & BARRY, LIMITED,
A. N. MITRA,
Secretary,
Managing Agents.

2, Fairlie Place,
Calcutta-1, 3rd August, 1964.

LODNA COLLIERY CO. (1920) LIMITED

NOTICE is hereby given that the Forty-third Annual General Meeting of Lodna Colliery Co. (1920), Limited, will be held at the Registered Office of the Company, No. 6, Lyons Range, Calcutta, on Monday, the 31st day of August, 1964, at 12-30 p.m. for the following purposes :—

1. To receive and adopt the Directors' Report and the audited Balance Sheet and Profit and Loss Account for the year ended 31st December, 1963.
2. To consider and declare a dividend in respect of the year ended 31st December, 1963.
3. To appoint Auditors and to fix their remuneration.

AS SPECIAL BUSINESS

4. To appoint a Director in place of Mr. C. N. Rodewald who retires from the Board and is eligible for re-appointment subject to compliance with Section 261 of the Companies Act, 1956, and in this connection to consider and, if thought fit, to adopt the following Resolution which will be proposed as a Special Resolution :—

"That Mr. C. N. Rodewald, a Director of Turner, Morrison & Co. Ltd., the Managing Agents of the Company, and as such Director, an associate, officer and employee thereof, be and is hereby re-appointed a Director of the Company whose period of office is liable to determination by retirement of directors by rotation".

(Special notice has been received by the Company to move this resolution as a Special Resolution in conformity with the provisions of Sections 190 and 261 of the Companies Act, 1956. The reasons which make the resolution necessary as set out in the special notice are (1) Turner, Morrison & Co. Ltd., are the Managing Agents of the Company and Mr. C. N. Rodewald a Director of the Managing Agents, is an associate, officer and employee thereof in terms of Section 261 (1) (f) of the Act, (2) the Managing Agents also being a body corporate holding the office or place of profit as aforesaid Mr. C. N. Rodewald is an officer and employee thereof in terms of Section 261 (1) (d) of the Act.

The Share Transfer Register of the Company will be closed from the 22nd to 31st August, 1964, both days inclusive.

Warrants for the dividend, when declared, will be forwarded in accordance with the registered instructions, but if no such instructions have been received, to the registered address of the Shareholders whose names appear on the Company's Register at the date of declaration. An Explanatory Statement is annexed to the convening notice issued to members of the Company.

By Order of the Board,
For and on behalf of
LODNA COLLIERY CO. (1920) LIMITED,
D. M. JAFFRAY,
Director.

Calcutta, 3rd August, 1964

Note : A member entitled to attend and vote at the Meeting is entitled to appoint a proxy, who need not be a member of the Company, to attend and vote in his stead.

THE IMPERIAL TOBACCO COMPANY OF INDIA LIMITED

THE Directors have today decided to recommend to the shareholders at the Annual General Meeting, to be held on 24th September, 1964, the payment of a final dividend for the year ended 31st March, 1964, of 2½% (subject to tax) which, together with the two interim dividends of 2% (subject to tax), makes a total of 6½% for the year (1963 8%).

The net profit for the year is Rs. 99,25,376 (1963 Rs. 1,80,23,592) after deducting all charges and expenses and after providing for taxation amounting to Rs. 1,87,45,944 (1963 Rs. 2,62,37,010).

The Directors also intend to declare a first interim dividend of 2½% (subject to tax) in respect of the year ending 31st March, 1965 (1964 2%).

The Company's business has been adversely affected by taxation measures in each of the last two Budgets and the Directors have considered it prudent to recommend a reduction in the final dividend. Prospects for the current year, however, warrant the declaration of a first interim dividend of 2½%.

The final dividend, if approved, and the interim dividend will be payable on 30th September, 1964 to the shareholders whose names appear on the register on 24th September, 1964. The share transfer books of the Company will be closed from 5th to 24th September, 1964, both days inclusive, and transfers received in order at the office of the Company's Registrars (Jardine Henderson Limited, 4 Clive Row, Calcutta 1) up to 4th September, 1964 will be in time to be passed for the payment of the dividends to the transferees.

By Order of the Board,
P. J. RICKETTS,
Assistant Secretary.

Virginia House,
37 Chowringhee,
Calcutta.
3rd August, 1964.

THE GOUREPORE COMPANY, LIMITED

NOTICE

NOTICE is hereby given that the Register of Members and Share Transfer Books of the Company will remain closed from 13th to 26th August, 1964, both days inclusive.

By Order of the Board,
MACNEILL & BARRY, LIMITED,
A. N. MITRA,
Secretary,
Managing Agents.

2, Fairlie Place,
Calcutta-1, 3rd August, 1964.

NAGA HILLS TEA COMPANY LIMITED

Comparative Statement of Tea Crop and Sales for the six month ended 30th June, 1964.

	1964	1963
Production	69.528	51.360
Sales	13.539	8.634
Av. Price	7.30	7.13

THE DHUNSERI TEA CO. LTD.

Comparative Statement of Tea Crop and Sales for the six month ended 30th June, 1964.

	Dhunseri T. E		Dhendai T. E.	
	1964	1963	1964	1963
Production	75,393	63,344	30,749	31,823
Sales	21,299	9,174	8,853	4,822
Av. Price	7.32	5.46	7.28	6.00

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Jagatjit Coton Textile Mills Ltd.	31-7-64	3 p.m.
Investment & Finance Co Ltd.	4-8-64	11 a.m.
General Investment & Trust Co. Ltd.	4-8-64	11-5 a.m.
Indian Copper Corporation Ltd	12-8-64	11-30 a.m.
Britannia Biscuit Co Ltd	20 8-64	10 a.m.
Howrah Mills Co. Ltd.	21-8-64	12-15 p.m.
Karanpura Collieries Ltd.	28-8-64	11 a.m.
Indian Aluminium Co. Ltd.	28-8-64	11-30 a.m
Lodna Colliery Co. (1920) Ltd.	31-8-64	12-30 p.m.

DIVIDENDS DECLARED OR PROPOSED.—Karanpura Collieries Ltd.—12 p.c. (o), subject to tax; Nuddea Mills Co. Ltd. —6 p.c. (f)(o), subject to tax; Gourepore Co. Ltd.—10 p.c. (f)(o), subject to tax; Anglo-India Jute Mills Co. Ltd.—12 p.c. (o), subject to tax; Imperial Tobacco Co. of India Ltd.—2½ p.c. (final), subject to tax for the year ended 31-3-64 and 2½ p.c. (1st Interim), subject to tax for the year ended 31-3-65.

HIDES AND SKINS

The market continued steady. Stocks were less than in the previous week.

Bazaar Sales
(Between 28th July and 3rd August, 1964)

Cowhides : Wet salted (Slaughtered 36,500 pcs. on the basis of Rs. 10 to Rs. 16.50 and Rs. 19.50 to Rs. 28.

Goatskins : Wet salted (Patna, Daissee, Kustia) 64,300 pcs. on the basis of Rs. 240 to Rs. 300, Rs. 320 to Rs. 330 and Rs. 370 to Rs. 380; Assam 13,000 pcs. on the basis of Rs. 190; Purneah 9,200 pcs. on the basis of Rs. 275; Pakur 14,000 pcs. on the basis of Rs. 235 to Rs. 250; Patna-Muzafferpore 24,000 pcs. on the basis of Rs. 230 to Rs. 260 and Purneah 4,000 pcs. on the basis of Rs. 460.

INDIGESTION?
TAKE
TWO RENNIES!

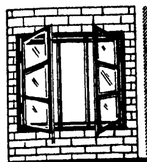


The superior antacid formulation of Digestif RENNIE Tablets quickly neutralises excess stomach acids...gives prompt relief.

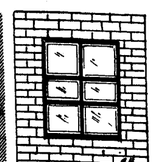
A NICHOLAS (N) PRODUCT

FOR
MACHINE TOOLS
AND
SPECIAL SWEDISH STEELS

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



RING UP 22-5257 GRAM: CECIGATECO
For STEEL ROLLING SHUTTERS, GRILES, RAILINGS, W.I.GATES, STEEL DOORS & WINDOWS.



THE CALCUTTA COLLAPSIBLE GATE CO. PRIVATE LTD
77, NETAJI SUBHAS ROAD. CALCUTTA-1

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock Exchange Associations and other sources.

Figures given after stroke (/) mean paise.

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BANKS

Wednesday, 5th August, 1964.

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 5-8-64 Rs.	29-7-64 Rs.	A year ago Rs.
Allahabad Bank P.	18	15	15	100	248/00	248/00	262/00
Bank of Baroda	17	16	16	50	98/00	97/50	89/00
Bank of India	20	20	18	50	103/00	104/00	111/00
Central Bank of India	20	20	20	25	49/50	49/00	57/70
Chartered Bank	15	15	15	£1	sh. 52/3	sh. 51/3	sh. 59/1½
Hindusthan Commercial	Nil	Nil	..	50	11/25	10/75	13/25
Hindusthan Mercantile	Nil	Nil	..	50	10/75	10/75	15/62
Hong Kong & Shanghai	sh. 15	sh. 16	sh. 16	HK$25	£21¾	£22½	£18¼
Indian Bank	15	14	..	100	155/00	155/00	161/00
Indian Overseas Bank	14	..	..	..	144/00	145/00	140/00
National & Grindlays Bank	14	16	14	sh 15	sh. 30/9	sh. 31/-	sh. 34/7½
Punjab National Bank	20	20	..	10	20/12	20/12	19/50
Union Bank of India	11 2/5	11 2/5	..	5	6/20	6/08	5/96
United Bank of India	6	6	7½	10	7/72	7/69	7/25
United Commercial Bank	12	12	12	50	70/00	69/25	65/50

JUTE MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 5-8-64 Rs.	29-7-64 Rs.	A year ago Rs.
Agarpara P.	2½	2½	12	10	8/81	8/81	9/94
Alexandra P.	15	42½	..	100	300/00	300/00	300/00
Alliance P	Nil	10	12½	100	124/00	124/00	125/00
Anglo-India P.	7	10	12	100	160/00	160/00	218/00
Auckland P.	12	Nil	15	100	129/00	129/00	145/00
Bally P	25	25	..	100	235/00	239/00	272/00
Barnagore P.	10	10	10	£5	223/00	223/00	199/00
Bengal P.	..		..	10	7/00	7/00	9/69
Birla P	15	15	15	10	35/81	33/44	28/12
Budge Budge P.	Nil	12	14	100	121/00	121/00	143/00
Calcutta P	..	..	..	10	4/12	4/12	8/12
Caledonian P.	5	..	..	100	145/00	145/00	189/00
Champdany P.	8	Nil	40-35*	10	20/50	20/50	20/44
Cheviot P	5	25	..	10	19/31	19/31	21/56
Chitvalsah P.	Nil	5	Nil	10	8/31	8/00	10/00
Clive P	..	..	..	10	8/00	8/00	10/25
Dalhousie P.	1	Nil	25	100	123/00	120/00	132/00
Delta P	Nil	12	7½	100	132/00	132/00	140/50
Empire P	7½	12½	15	10	14/12	14/19	15/44
Fort Gloster P.	10	12½	20	100	251/00	251/00	370/00
Fort William P.	22½	10	20	10	21/75	21/81	24/50
Ganges P	10	15	20	10	13/81	13/69	13/56
General Industrial	10	13	..	10	14/25	13/25	15/62
Gourepore P.	25	20	20	10	22/62	22/44	25/25
Hastings P.	6	6	6	100	128/00	128/00	128/00
Hooghly P.	20	7½	10	10	14/50	14/50	18/87
Howrah P.	10	Nil	10	10	15/87	15/94	18/00
Hukumchand P.	23 2/3	26 2/3	26 2/3	7½	19/50	19/50	19/50
Inida	12	8	22½	12½	15/25	15/87	17/50
Kamarhatty P.	Nil	20	20	100	156/00	158/00	187/00
Kanknarrah P.	Nil	15	15	100	130/00	128/00	131/00
Kelvin P	15	5	20	100	153/00	153/00	188/00
Khardah P.	5	12½	12½	10	17/00	17/00	18/75
Kinnison P	7	Nil	10	100	122/00	122/00	135/00
Lansdowne P.	Nil	Nil	Nil	100	92/50	92/50	87/00
Lawrence P.	15	10	10	100	102/00	102/00	100/00
Megna P.	12½	Nil	22	10	12/10	12/10	12/50
Naihati P	..	..	..	100	85/00	85/00	81/00
Naskarpara	..	..	..	10	6/00	6/00	9/06
National P	Nil	10	10	10	20/62	20/62	23/75
Nellimarla P	6	15	5	10	8/25	8/25	11/12
New Central P.	15	Nil	..	10	10/94	10/94	12/62
Northbrook P.	30	20	35	10	24/50	24/81	28/25
Nuddea	6	5	10	10	10/50	10/37	..
Presidency	6	10	10	5	4/37	4/31	4/56
Rameshwara P.	Nil	Nil	Nil	10	9/20	9/20	9/12
Reliance P	Nil	Nil	Nil	10	7/00	7/00	9/37
Samnuggar P	Nil	10	10	£1	10/50	10/50	10/50
Shree Ambica P.	6	Nil	..	10	30/00	30/00	25/00
Soorah P	25	25	..	10	19/25	19/25	22/75
Titaghur P.	Nil	13	..	£1	10/50	10/50	10/50
Union P	6	Nil	20	100	133/00	133/00	156/00
Victoria P.	Nil	10	10	£1	10/50	10/50	10/50
Waverley P.	30	60	30	1	7/94	7/94	8/62

* 1964

COAL COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 5-8-64 Rs.	29-7-64 Rs.	A year ago Rs.
Amalgamated	12½	15	..	10	21/00	21/06	24/56
Bengal P	21	19	16	100	228/00	228/00	274/00
Bengal Bhatdee	..	..	..	10	3/48	3/48	3/48
Bengal Nagpur	26	..	..	10	22/00	22/00	22/00
Bhaigora	..	..	..	10	3/87	3/87	4/84
Bharat Collieries P.	..	..	..	10	2/75	2/75	3/62
Bhulanbararee	..	..	..	10	10/00	10/00	11/94
Bokaro & Rampur	..	..	..	10	11/19	11/19	11/19
Borree P	15	15	15	10	18/25	20/25	23/87
Burrakur P.	13	13	13	10	15/75	15/75	15/50
Central India	10	10	..	10	8/31	8/44	9/56
Central Kurkend P.	..	..	..	10	3/44	3/44	3/87
Churulia	..	..	..	4	3/06	3/06	3/06
Dhemo Main	Nil	..	..	10	3/95	3/95	4/31
East Indian	15	20½	..	£1	28/00	28/00	31/87
Equitable P	10	10	10	10	20/50	20/50	24/00
Ghusick & Musli	Nil	Nil	Nil	10	13/87	13/87	14/25
Guzdar Kajora	..	..	..	10	2/47	2/47	2/44
Hurriladih	..	..	..	10	5/44	5/44	8/12
Karanpura Development	5 / 15	..	3 / 9	100 / 10F	9/12	9/12	10/75
Karanpura Collieries P.	10	10	10	10	12/50	12/50	15/00
Katras Jherriah	40	25	30	10	29/50	29/50	37/75
Khas Kajora P.	..	..	..	10	14/25	16/62	18/70
Mundulpur	..	..	..	10	2/69	2/69	2/69
Nazira	Nil	Nil	..	10	4/69	4/69	5/00
New Beerbhoom P.	10	12	10	10	16/56	16/56	19/25
New Manbhoom	9	12	..	10	11/12	11/25	16/00
North West	20	..	..	10 / 7½	19/75 / 18/00	19/75 / 18/00	19/75 / 18/00
Ondal P.	7½	..	..	10	13/50	13/50	13/50
Parasea P	1½	..	..	10	14/00	14/00	16/00
Pench Valley	10	10	..	10	17/44	17/44	17/31
Pure Sitalpur	..	..	..	10	8/00	8/00	9/00
Rangeegunge	17	17	..	10	13/12	13/12	15/12
Rewa	20	..	..	10	21/87	24/50	28/50
Samla	..	..	..	10	7/81	7/81	10/00
Searsole	Nil	Nil	..	2½	1/25	1/25	1/22
Seebpore P.	42 6/7	35 5/7	28 4/7	7	34/75	34/75	34/75
Sendra	3½	..	..	10	4/12	4/19	5/75
South Karanpura	Nil	Nil	2½	10	6/50	6/50	7/81
Standard	10	..	..	10	9/62	9/62	13/12
Union	..	..	..	10	10/25	10/25	11/12
Western Bengal	7½	9	..	10	8/81	8/75	8/81
West Jamuria	Nil	..	..	10	3/60	3/80	4/00

COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 5-8-64 Rs.	29-7-64 Rs.	A year ago Rs.
Basanti	..	..	..	10	12/06	12/06	11/50
Bengal Luxmi	..	..	..	40	30/00	30/00	30/00
Bengal Nagpur P.	Nil	..	..	10	2/44	2/44	3/06
Bharat Commerce	5	15	15	10	20/69	20/44	19/19
Birla Cotton	10	20	20	10	27/00	27/00	33/00
Bowreah P	10	20	15	10	23/06	23/31	21/50
Cawnpore Textile	7 1/5	10	10	5	6/85	6/85	6/06
Delhi Cloth & Genl P.	12	13	13-13*	25	48/50	26/25	26/25
Dunbar	20	20	15	10	26/25		
Elgin P.	11½	17½	17½-17½*	10	19/62	19/25	17/62
J K Cotton (Rayon) P.	12½	..	..	10	10/19	10/25	10/62
Jaya Shree	10	10	..	10	13/31	13/25	13/56
Muir P	..	..	..	100	63/00	63/00	90/75
New Victoria P.	Nil	..	..	2½	1/31	1/28	1/31
Orissa Textiles P.	Nil	Nil	..	10	7/00	7/00	9/00
Rampooria Cotton	3 / Nil	Nil	..	10 / 1	12/50 / 3/00	12/50 / 3/00	13/00 / 3/00
Swadeshi (Kanpur) P.	5 / 5.51	..	..	10O / 10PO	11/00 / 6/31	11/00 / 6/31	11/50 / 7/19

* 1963

BOMBAY COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 4-8-64 Rs.	28-7-64 Rs.	A year ago Rs.
Ahmedabad Advance P.	16	12	..	100	142/50	154/00	131/00
Apollo	Nil	Nil	..	2	1/60	1/60	1/96
Beharilal Ramcharan	Nil	Nil	..	100	136/00	136/00	76/00
Bombay Dyeing, etc.	14	14	14	25	59/50	57/60	60/70
Bradbury P	10	25	..	50	162/50	162/50	141/25
Century	30	30	..	100	620/00	612/00	524/50
Central India P.	Nil	Nil	Nil-Nil*	100	92/00	92/00	107/00
Coorla	11	11	..	100	170/50	169/00	150/00
Dawn	30	30	..	50	166/00	165/00	135/50
Edward Textiles	9	9	6	200	302/50	300/00	290/00
Elphinstone P.	18	22	18	50	97/00	97/00	95/00
Finlay	23	23	..	100	302/00	301/00	315/00
Gokak	14	18	..	100	177/50	178/00	159/00
Hindoostan	50	50	..	250	901/25	950/00	855/00
India United	8 / 13½	14 / 37½	.. / ..	10 / 1Dd	19/32 / 2/40	19/52 / 2/40	22/40 / 2/40
Indian	23 1/5	25	..	250	840/00	840/00	761/25
Indore Malwa United	8½	10	7½	100	210/00	210/00	192/00
Khatau Makanji P.	32	16	..	100	182/50	180/00	220/00
Kohinoor	15	18	..	100	326/25	325/00	310/50
Lakshmi Vishnu P.	5.7	6	Nil	100	90/00	90/70	89/00
Morarjee Goculdas P	21½	24	24-20*	100	270/00	269/00	371/00
Mysore Spg & Mfg P.	14	14	..	50	39/00	39/00	49/50
New City of Bombay	Nil	Nil	..	100	188/75	188/75	156/25
New Great Eastern P.	Nil	12	..	100	160/00	160/00	230/00
Phoenix	15	20	..	100	255/00	254/00	210/00
Sassoon & Alliance	Nil	Nil	..	10	10/24	10/24	11/00
Sassoon Spinning	17	20	10	10	38/00	38/00	46/50
Simplex	15	Nil	22-16*	50	135/50	135/50	121/00
Shree Niwas P.	18	20	14	100	247/00	245/50	237/00
Swadeshi P.	17	19	17	100	246/50	255/00	240/00
Swan	36	21 3/5	..	100	265/00	265/00	285/00
Tata	20	22	20	25	54/00	54/00	53/70
Western India	46 2/5	25	..	250	825/00	815/00	785/00

* 1963

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 4-8-64 Rs.	28-7-64 Rs.	A year ago Rs.
CEMENT							
ENGINEERING & METAL							
Associated Cement	12½	12	12	100	153/25	152/75	146/00
ELECTRIC LTG. POWER							
Ahmedabad Electricity	7	6	..	100	101/00	100/00	95/00
Andhra Valley Power P.	5½	5	5	1000	1,097/50	1,097/50	1,065/00
Bombay Suburban Elec.	8	8½	8½	100	108/50	107/00	104/25
Tata Hydro Elec. Power P.	5½	5	5	100	120/00	113/75	109/00
Tata Power P.	5½	5	5	1000	1,170/00	1,147/50	1,097/50
Alcock Ashdown	17	22½	..	100	289/00	281/00	285/00
Jost's Engineering	8	10	10—Nil*	50	47/00	47/00	60/00
Larsen & Toubro P.	12½	18	14—14*	10	21/32	21/20	22/88
Mackenzies	10	12	14	100	140/00	140/00	141/00
Premier Construction P.	43 1/3	33 1/3	..	30O / 33F	185/00	182/00	144/00
Tata Eng & Locomotive P.	12½	14½	14½-14½*	100	295/00	290/00	259/00
Tata Iron & Steel P.	9.1	10.36	10.36-11*	75O	156/25	154/75	139/50
INSURANCE COMPANIES							
British India General	..	..	..	10	14/00	14/00	12/20
Jupiter General P.	..	..	..	15	7/00	7/00	9/20
New India	38	38	..	15	45/25	46/00	52/00
Vulcan	20	20	..	10	16/24	16/24	17/24
MISCELLANEOUS							
Belapur Sugar	58	50	..	50	226/00	229/00	185/00
Bombay Burmah Trading	30	33	33-33 1/5*	25 / 20	56/50 / 42/50	55/70 / 42/00	60/70
Hindustan Lever	26	26	12	10	30/00	30/75	36/00
Industrial Invt Trust	6½	6½	..	100	76/70	75/00	74/00
Kemp (Chemists)	12½	12½	..	200	255/00	255/00	305/00
National Rayon	22	..	..	100	370/50	362/50	319/50
Scindia Steam Navign.	3	3	3	20	15/52	15/28	11/56
Shivrajpur Synd	80	Nil	..	10	17/52	17/00	20/00
Tata Chemicals P.	6	6½	6½—10*	10	18/80	18/72	16/60
Tata Oil P	23	23	23—22*	25	62/50	63/00	65/70
Voltas	13	14	14—14*	100	252/50	250/50	240/00
Western India Match	16	16	16	100	240/00	240/00	244/00

* 1963

TEA COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 5-8-64 Rs.	29-7-64 Rs.	A year ago Rs.
ASSAM GARDENS							
Amluckie	Nil	10	7½	10	16/00	16/00	20/00
Anandabag P.	30	32½	20	10	33/25	33/25	33/25
Baghmari	Nil	15	7½	10	11/00	11/00	14/00
Barduar Tea	..	..	..	5	5/50	5/50	5/50
Basmatia	35	25	20	10	18/06	18/06	27/25
Bateli	30	30	..	6	18/06	18/06	17/50
Betjan	40	45	30	10	29/00	29/00	28/75
Bishnauth	13	13	20	10	14/19	14/19	17/56
Bokakhat	Nil	12	13	10	13/12	13/12	13/70
Bormah Jan P.	15	15	15	10	10/25	10/94	14/25
Bor Pukhuri	Nil	Nil	10	10	10/00	10/00	10/75
Brooke Bond P.	15	10	7½—7½	10	10/81	10/69	11/50
Dejoo Valley	15	20	30	10	45/50	45/50	60/00
Dessai & Purbuttia	Nil	10	15	100	181/00	181/00	205/00
Dhelakhat	12½	10	..	10	20/37	20/31	18/62
Dhunseri P.	20	15	10	10	10/00	9/56	11/75
Dibrugarh	40	40	30	10	27/87	31/19	31/25
Dimakusi P.	25	20	25	10	25/19	25/19	31/87
Duffla ghur	25	25	30	10	26/12	26/12	27/50
East India	Nil	Nil	10	10	12/00	12/00	13/44
Gillapukri	25	20	15	10	27/56	27/56	25/44
Gohpur	Nil	5	20	10	14/69	14/69	15/19

‡ 1963

TEA COMPANIES—Contd.

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 5-8-64	29-7-64	A year ago
				Rs.	Rs.	Rs.	Rs.
Grob	6	6	6	5	7/05	7/06	7/69
Hoograjuli (Assam)	20	20	17	10	27/62	27/62	27/12
Hoolungooree	10	7½	20	100	168/00	168/00	195/00
Jutlibari	30	30	20	10	27/87	27/87	31/50
Kingsley Golaghat P.	35	35	..	100	125/00	125/00	140/00
Kotamullai P.	Nil	Nil	Nil	5	9/87	9/87	10/31
Krishnabehari	15	8	10	10	11/30	11/30	10/50
Kyang Tea	Nil	..	..	10	8/06	8/06	8/06
Ledo	Nil	Nil	Nil	10	11/00	11/00	13/75
Maud Tea & Seed	10	7½	7½	10	12/00	12/00	14/81
Methoni	5	14	20	10	13/25	13/25	16/19
Moheema	Nil	Nil	..	10	11/50	11/50	11/50
Mothola	30	30	35	100	507/00	507/00	507/00
Murphulani (Assam)	5 / 10.63	15 / 20.63	25 / 30.63	10	28/50 / 26/87	28/50 / 28/87	26/50 / 26/87
Naga Hills	10	10	10	10	21/25	21/25	22/25
Namburnadi	12	12	..	10	12/87	12/87	12/87
New Cinnatolliah	Nil	Nil	Nil	100	455/00	455/00	302/00
Rajgarh	40	13½	17½	10	18/56	18/56	21/37
Sapoi	22½	20	10	10	19/50	19/50	18/31
Seajull	22½	15	30	10	21/06	21/06	21/12
Teloijan	25	25	25	10	21/87	21/87	22/00
Tengpani	30	30	22½	10	36/50	36/50	35/00
Tezpore P.	20	12½	..	10	14/69	14/69	14/75
Tongani	Nil	Nil	..	10	5/12	5/12	7/00
Tyroon	10	15	25	10	27/37	27/37	33/00
CACHAR							
Arcuttipore	Nil	5	6	10	7/00	7/00	7/00
Baitakhal	2½	2½	..	10	7/75	7/75	6/37
Central Cachar	5	7½	5	100	73/00	73/00	82/00
Eastern Cachar	Nil	Nil	..	10	4/62	4/62	4/28
Kallinugger Khoreel	6	2	..	100	84/00	84/00	87/00
Hattikhira	Nil	8	Nil	10	7/75	7/75	9/12
Kunchanpore	Nil	Nil	..	10	6/00	6/00	6/00
Loobah	Nil	Nil	Nil	10	4/69	4/69	4/37
North Western	30	20	10	100	160/00	160/00	160/00
Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50
Roopacherra	Nil	10	Nil	10	9/94	9/94	13/62
Rungamattee	5	5	5	50	49/25	49/25	50/25
Sonai River	Nil	Nil	..	10	5/06	5/06	9/12
DARJEELING							
Bloomfield	Nil	..	..	10	3/25	3/25	3/12
Chamong	Nil	10	10	10	8/87	8/87	9/00
Darjeeling Tea & Chin.	30	30	30	100	197/00	197/00	197/00
Dilaram	8	4	..	100	102/50	102/50	102/50
Gielle	Nil	..	8 4/7-15*	10	17/25	17/25	11/69
Lingia P.	15	10	17½	10	14/00	14/00	14/56
Longview	12½	10	..	10	8/25	8/25	11/00
Margaret's Hope	15	15	15	10	11/81	11/81	11/37
Mim	22½	27½	27½	100	412/00	412/00	191/50
Nagri Farm	30	25	35	10	27/00	27/00	27/25
Okayti	25	25	25	100	300/00	300/00	600/00
Pashok	10	Nil	..	10	20/00	20/00	20/00
Poobong	Nil	Nil	5	10	10/12	10/12	7/19
Pussimbing P.	Nil	Nil	Nil	10	7/84	7/84	7/12
Rungleo Rungliot	35	20	7½	100	300/00	300/00	386/00
Seeyok	15	Nil	..	10	8/50	8/50	8/50
Singell	Nil	Nil	Nil	100	36/75	36/75	36/75
Singtom	2	Nil	2	10	3/50	3/50	3/50
Soom	50	40	40	10	39/00	39/00	32/75
Sungma	15	15	20	10	13/56	13/56	13/94
Teesta Valley	Nil	..	8 4/7-10*	10	13/44	13/44	11/75
Tukvar	Nil	Nil	..	10	3/50	3/50	7/00
DOOARS							
Banarhat P	22½	21	21	100	186/00	186/00	216/50
Baradighi	30	25	25	10	23/25	23/25	22/06
Bhatkawa	15	15	20	10	16/00	16/00	15/75
Birpara P.	17½	12½	17½	100	160/00	160/00	156/50
Carron	20	5	7½	100	117/00	117/00	145/00
Choonabhuti P.	32½	20	20	100	162/00	162/00	210/00
Ellenbarrie	5	5	10	100	173/00	173/00	184/00
Engo	60	30	40	100	136/00	136/00	136/00
Ethelbarl	5	5	7½	10	11/87	11/87	13/12
Gairkhata	25	20	11	10	16/12	16/12	21/50
Gopalpur	12	2	10	25	19/50	19/50	19/50
Hantapara P.	15	5	10	100	97/00	97/00	109/00
Hasimara P.	17	..	18—15*	10	12/56	12/69	13/25
Huldibari	22½	..	19 2/7-11*	10	12/19	12/37	13/31
Jaybirpara	10	Nil	Nil	10	8/94	8/94	10/69
Killcott	25	15	15	10	14/44	14/44	14/37
Manabarrie	10	6	10	10	59/50	59/50	59/50
Nagaisuree	25	15	15	100	165/00	165/00	140/00
New Dooars P.	35	20	14½	100	161/00	157/00	220/00
Oodlabari	12½	7½	..	100	14/00	13/75	14/00
Phaskowa	Nil	Nil	Nil	100	125/00	125/00	129/00
Rajabhat	Nil	Nil	6	10	10/12	10/12	12/12
Ranicherra	15	15	7½	10	12/00	12/00	12/75
Rydak	25	20	25	10	22/50	22/12	24/25
Sarugaon	40	40	40	10	36/25	36/25	36/25
TERAI							
Atal	5	..	..	10	5/37	5/37	8/75
Belgachi	20	20	..	10	23/12	23/12	22/50
Gungaram	20	12½	12½	100	110/00	110/00	131/00
New Chumta	15	..	12 6/7-20*	10	20/37	20/37	20/00
New Terai	22½	10	15	10	20/50	20/50	24/62
Paharagoomiah	20	20	2½	10	13/75	13/75	15/00
Putinbaree	14	14	..	10	55/00	55/00	45/00
Tirrihannah P.	60	60	60	10	49/00	49/00	49/00
CHITTAGONG							
Kodala	Nil	Nil	..	10	9/25	9/25	9/25
Kornafuli	Nil	Nil	..	10	9/75	9/75	9/31
Oodalcah	Nil	Nil	..	10	8/00	8/00	8/00
SYLHET							
Chundeccherra	Nil	Nil	Nil	10	29/75	29/75	26/00
Dauracherra	22½	22½	20	10	16/50	16/50	7/62
New Samanbagh P.	25	Nil	Nil	10	13/19	13/19	18/37
Patrakola	32½	40	15	100	210/00	195/00	120/00
Rajnagar	Nil	Nil	Nil	10	9/56	9/56	9/56
Teliapara	22½	22½	10	100	157/00	157/00	99/00

‡ Hectares

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MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 5-8-64	29-7-64	A year ago
				Rs.	Rs.	Rs.	Rs.
MININGS							
Burma Mines	2 3/5	Nil	Nil	3½S	0/44	0/44	0/44
Chrestien Mica Industries P.	15	12½	..	10O	10/19	10/19	10/40
Indian Copper Corporation	25	20	..	5Dd	6/53	6/53	6/87
Metal Corporation P.	27	27	..	2s	3/33	3/29	4/75
Orissa Mineral Development	Nil	..	..	10O	6/06	6/25	8/06
	36	28	20	10	19/75	19/87	27/50
CEMENT, LIME, SLATE, ETC.							
Ashoka Cement	7	7	7—7*	10	6/66	6/69	7/75
Assam Bengal Cement	..	..	..	10O	4/87	4/87	3/06
				1Dd	0/56	0/56	0/46
Bengal Potteries	15	..	..	2½	5/00	5/00	5/12
Bisra Stone Lime	30	30	10	..	18/62	18/62	35/00
Dalmia Cement (Bharat) P.	12	12	12	10O	12/69	12/69	12/12
				1Dd	3/06	2/75	3/00
Jaipur Udyog P.	6	8	8.36	10	11/00	11/00	11/25
Kumardhubi Fireclay & Silica P.	18	18	18	10	18/45	18/45	18/45
Orissa Cement P.	15	15	10	10	11/87	12/00	15/00
Reliance Firebricks & Pottery	22	15	10	10	22/75	22/75	22/75
Sone Valley Portland Cement‡	4	6	8	10	4/12	4/06	4/12
Sutna Stone & Lime	27½	30	35	10	28/31	28/31	25/12
CHEMICAL INDUSTRIES							
Alkali & Chemical Corpn. of (I)	12	15	15—15*	10	28/00	29/00	34/37
Bathgate & Co. Ltd. P.	Nil	Nil	..	5	0/84	0/84	0/84
Bengal Chemical & Pharm. P.	7	10	..	100	100/00	100/00	102/00
Calcutta Chemical P.	18	18	18	10	17/25	17/25	17/87
Frank Ross P.	..	..	..	6	3/19	3/19	2/19
Smith Stanistreet P.	25	25	25-22½*	5	13/69	13/69	12/23
ELECTRIC LIGHTING, POWERS							
Agra Electric Suply	11	11	11	100	125/00	125/00	118/00
Bareilly Electric Supply	11	11	11	10	12/00	12/00	14/37
Benares Electric Supply	11	11	11	10	13/50	13/00	12/44
Bhagalpur Electric Supply	8	10	8	8	6/34	6/34	5/75
Calcutta Electric Supply	7	7½	7½	£1	14/75	14/75	14/50
Cuttack Electric Supply	7½	10	10	10	11/37	11/37	11/87
Dishergarh Power Supply P.	10	10	10	100	86/00	86/00	88/00
Jhanshi Electric Supply	..	..	..	10	5/90	5/90	5/90
Jubbulpore Electric Supply	10	10	10	10	12/25	12/25	11/19
Mirzapur Electric Supply	..	..	..	..	7/62	7/50	12/00
Muzafferpore Electric Supply	12½	12½	12½	10	11/19	11/19	11/50
Muttra Electric Supply	..	..	..	10	11/06	11/06	11/12
Patna Electric Supply	10	10	10	10	10/44	10/44	10/50
Shahjahanpur Electric P.	6½	6½	6½	10	6/56	6/56	6/75
Sijua (Jharlah) Electric	10	9	9	10	8/58	8/58	8/25
United Provinces Electric	11	11	11	100	166/00	165/00	117/00
Upper Jumna Valley Electric	13½	13½	13½	11	22/00	22/00	16/00

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MISCELLANEOUS COMPANIES—Contd.

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 5-8-64	29-7-64	A year ago
				Rs.	Rs.	Rs.	Rs.
ENGINEERING & METAL							
Arthur Butler (Muzafferpore) P.	Nil	10	..	10	21/25	21/25	14/94
Bhartia Electric Steel	10	12½	15	10	14/75	14/75	13/94
Braithwaite India P.	25	14	20	10	33/62	33/62	29/50
Bridge & Roof	30	30	..	10	52/25	52/25	52/25
Britannia Building & Iron P.	Nil	Nil	..	10	3/20	3/20	3/50
Britannia Engineering P.	10	10	..	10	9/31	10/00	10/25
British India Electric Cons.	20	15	..	10	29/12	29/12	33/12
Burn P. (Engineering)	28½	28½	25	100	264/00	275/00	572/00
Calcutta Steel	15	15	12½-15*	10	13/31	13/75	13/56
Dalmia Iron	10	10	10	10	11/19	11/12	10/69
Guest, Keen, Williams	14	14	12	10	23/25	23/00	30/62
Hooghly Docking	Nil	12½	..	50	89/00	89/00	108/00
Indian Iron & Steel P.	16	16	16	10	24/62	25/58	22/92
Indian Malleable Casting	..	..	..	5O	6/00	6/00	6/00
				10d	2/06	2/06	1/44
Indian Standard Wagon P.	28½	28½	20-20*	10	36/37	35/50	29/87
Indian Steel & Wire Products	24	23	18	10O	33/50	33/50	39/00
Industrial Containers	10	10	..	10	22/37	22/50	21/37
Jay Engineering	17 3/20	15	10	10	17/19	17/19	20/75
J. K. Steel P	20	10	30	10	15/65	15/75	13/75
Jessop & Co. P.	8.58	8.58	10	10	21/19	20/75	25/19
Kumardhubi Engineering P.	11½	15	Nil-16⅔	3	5/31	5/25	7/75
Marshall Sons (India)	Nil	Nil	..	2	3/06	3/12	2/12
National Iron and Steel	Nil	Nil	..	10	6/37	6/37	4/62
Saran Engineering	10	12½	10	4	7/31	7/31	8/50
Steel Containers	20	20	..	10	24/62	24/56	29/50
Textile Machinery	10	..	17½	10	25/95	25/70	22/75
SUGAR BREWERIES, ETC.							
Balrampur Sugar	8	4	Nil	2½	1/69	1/69	2/00
Belsund Sugar	10	6 2/3	3 1/3	7½	7/62	7/62	8/25
Bharat Sugar P.	15	15	15	10	15/56	15/56	13/00
Carew (Sugar) P.	Nil	Nil	Nil	10	12/31	12/31	10/87
Cawnpore Sugar P.	Nil	Nil	Nil	10	9/00	9/00	9/81
Champaran Sugar	12	Nil	Nil	10	10/75	10/75	15/87
Durbhanga	Nil	5	..	10	8/37	8/37	8/12
New Savan Sugar and Gur	..	..	..	10	3/50	3/50	3/62
Purtabpur Sugar P.	..	..	..	10	9/12	9/12	11/50
Ramnugger Cane & Sugar P.	35	30	15	10	24/31	24/19	26/12
Raza Buland	10	10	10	10	10/06	10/12	9/75
Ryam Sugar P.	..	..	..	10	3/25	3/25	5/20
Samastipur Central Sugar	..	..	..	10	3/75	3/75	6/00
Shree Krishna Gyanoday Sugar P.	..	..	..	10	7/62	7/56	7/75
Shree Sitaram Sugar	..	..	..	10	8/00	8/00	7/12
Sitalpore Sugar	Nil	Nil	Nil	10	3/69	3/69	6/12
United Provinces	5	Nil	..	10	11/25	11/25	9/00
Upper Ganges Sugar P.	72½	72½	..	10	60/25	60/25	62/00
MISCELLANEOUS							
A Firpo (Restaurateur)	10½	5	..	10	5/90	5/90	5/90
Aluminium Corporation P.	12	12	5	10	11/50	11/19	12/87
Anderson Wright Ltd. P.	Nil	6	..	10	11/50	11/50	11/50
Angelo Bros.	28½	28	28	10	24/69	25/00	22/69
Assam Match	20	20	20	10	26/37	26/37	28/75
Assam Saw Mills & Timber	Nil	3	..	3	2/56	2/56	2/69
Associated Battery	15	15	15	10	22/81	23/00	23/56
Associated Hotels of India P.	10	10	15	10	10/50	10/31	10/31
Balmer Lawrie & Co.	25	25	22½	100	233/00	237/00	253/00
Bararee Coke	Nil	15	15	10	21/75	21/13	20/87
Birds Investments P.	10	10	..	10	9/00	9/00	10/75
Britannia Biscuit P.	30	25	21	10	37/75	37/75	42/25
British India Corporation P.	7	9	15	5	9/75	9/75	7/62
British Paints	15	10	15	10	22/50	22/25	19/94
Calcutta Silk Manufacturing P.	Nil	..	..	10	6/94	6/94	6/94
Clive Row Investment	7½	7½	8	10	8/25	8/19	8/50
Duncan Brothers & Co. Ltd P.	14	14	12	100	135/00	135/00	147/00
Dunlop Rubber Co. (India) P.	20	15	17½	10	33/50	32/50	31/00
Dyer Meakin (Breweries)	30	..	..	5	24/06	24/06	26/00
Eastern Investments Ltd. P.	14	12	10	100	101/00	101/00	107/00
Electric Construction	10	10	10	10	13/25	13/25	12/56
French Motor Car	20	..	..	20	31/75	31/75	35/12
Ganges Rope	20	20	20	100	278/00	278/00	236/00
General Investments Trust P.	5	5	5	75	43/00	43/00	43/00
Gillanders Arbuthnot & Co. Ltd. P.	11	11	11	10	15/06	15/06	13/87
Gladstone Lyall & Co. Ltd. P.	..	..	..	10	..	..	..
Godfrey Phillips (India) Ltd. P.	40	30	..	10	28/12	28/12	28/12
Great Eastern Hotel	6	..	..	250	236/00	236/00	225/00
Hindustan Aluminium P.	Nil	Nil	Nil	10	12/25	12/44	12/56
Hindustan Motors P.	12	12½	11½	10	17/91	17/87	15/69
Hindusthan Pilkington	12	Nil	Nil	10	15/00	15/00	16/31
Hindusthan Twyfords P.	Nil	Nil	Nil	10	12/31	12/12	14/62
Hoare Miller & Co. Ltd.	6	..	..	10	5/50	5/50	5/44
Imperial Tobacco	9	9	8	10	9/22	9/25	10/31
Indian Aluminium Co. Ltd. P.	15	17½	17½	10	30/81	30/00	34/56
Indian Cable P.	22½	22½	22½	10	36/12	36/25	32/25
Indian Oxygen	15	12	12	10	23/62	24/12	27/12
Indian Rubber Manufacturers P.	30	36	..	10	21/75	21/75	19/87
Indian Wood Products	30	30	25	10	27/75	27/75	28/50
Isaac Holdens	Nil	Nil	5	10	11/56	11/62	13/75
Investments and Finance P.	7½	7½	7½	100	55/00	55/00	55/00
J. K. Synthetics	3	Nil	10	10	11/75	11/81	10/12
James Wright P.	..	..	..	5O	2/75	2/75	2/75
	..	..	..	1Dd	00/43	00/43	00/43
Jardine Henderson Ltd P.	7	6	7	100	76/50	75/50	86/00
Jay Shree Industries P.	12½	..	..	10	14/16	14/00	16/00
Kesoram Industries P.	12	12	13	10	25/87	26/50	20/00
Macfarlane & Co.	..	..	..	50	4/75	4/75	7/00
	..	..	..	1Dd	1/81	1/81	2/19
Macneill & Barry Ltd. P.	8	7½	8½	100	95/00	95/00	93/50
Martin Burn Ltd. P.	27½	25	25	10	26/37	26/50	26/50
McLeod & Co. P.	15	18	..	100O	230/00	230/00	210/00
Metal Box Co. of India Ltd. P.	25	19	..	10	30/94	30/94	45/44
National Insulated Cable P.	25	25	18	10	25/62	24/00	22/87
National Pipe & Tubes P.	20	20	20	10	28/00	27/56	25/25
National Rolling & Steel Ropes	15	15	15	10	20/06	19/50	19/44
National Rubber P.	6½	8	10	10	11/25	11/25	10/69
National Tobacco P.	7	7	..	10	11/37	11/19	10/00
New India Investment Corpn.	..	..	..	75	54/00	54/00	65/00
Octavius Steel P.	7½	7½	..	100	..	..	..
Philips India	12	13	15	10	27/62	27/25	27/37
Publicity Society	75	75	50	4	25/00	25/00	22/62
Rallis India P	8½	8½	10	100	123/00	124/00	112/00
Rohtas Industries P.	10	8	9	10	11/25	11/25	10/81
Sirsilk P	..	..	..	10	7/37	7/31	8/81
Sen-Raleigh Industries P.	8	8	Nil	10	13/62	13/50	14/50
Shaw Wallace P.	15	7½	12½	10	14/69	14/56	16/19
Spencer's Hotel	2½	..	..	2	1/25	1/25	0/94
Union Carbide	18	12½	15	10	30/50	30/75	39/25
Walford Transport	30	30	..	1O	3/00	2/94	3/81
INSURANCE COMPANIES							
Concord of India	20	20	20	5	9/25	10/00	10/37
Hercules	26½	26½	..	10	23/50	23/50	22/56
Ruby General	13½	15⅞	..	8	11/19	11/19	9/25
Standard General	..	..	..	10	7/75	7/75	6/00
Triton	50	50	..	25	125/00	125/00	124/00
FLOUR MILLS							
Bengal	25	25	30	10	33/87	33/87	29/00
Delhi P.	..	..	..	10	14/00	14/00	14/00
Ganesh P.	..	..	..	12½	13/00	12/00	13/50
Hooghly	Nil	Nil	5	10	19/75	19/75	18/75
United	10	7½	10	10	27/81	27/81	27/81
OIL COMPANIES							
Attock Oil	13⅜	13⅜	..	£1	sh. 29/6	sh. 30/9	sh. 35/-
Burmah Oil P.	..	11½	12½	£1	sh. 54/6	sh. 53/9	sh. 61/4½
Indo Burmah Petroleum P.	25	22½	17½	10	20/81	20/56	21/87
Tide Water Oil	35	35	35	10	35/50	35/50	27/12
PAPER MILLS							
Bengal P.	27½	20	..	10	26/19	25/81	26/00
India Paper Pulp	13	12	15	10	22/31	22/12	16/62
Orient Paper P.	22½	22½	20	10	34/85	34/00	33/80
Shree Gopal Paper P.	17 6/7	17 6/7	17 6/7	10	24/87	24/94	22/50
Sirpur P.	8½	8½	5	10	11/00	11/50	11/56
Star Paper P.	Nil	Nil	Nil	10	8/25	9/06	8/25
Titaghur P.	13	13	13	2½PO	3/12	3/19	3/78
	20	10	10	10AO	14/00	14/06	15/56
	20	10	10	10BO	14/00	14/06	15/56
West Coast P.	7½	..	..	100	155/00	155/00	125/00
PRESSING COMPANY							
Camperdown	11	..	..	100	100/00	100/00	104/00
REAL PROPERTY STORAGE							
Bengal Bonded Warehouse	8	8	9	A50	1,250/00	1,250/00	1,050/00
				B62½	125/00	125/00	135/00
				C100	186/00	186/00	122/00
Calcutta Safe Deposit	..	..	..	D12½	45/00	45/00	14/15
	..	..	..	100	7/81	7/75	7/87
Humayan Properties P.	..	..	..	10O	11/00	11/00	11/00
	..	..	..	1Dd	2/10	2/10	2/15
Midnapore Zemindary P.	Nil	Nil	Nil	85	23/50	24/50	10/00
TRAMWAYS & STEAMER							
Bengal Assam Steamship P.	7½	10	10	100	106/00	128/00	131/00
Calcutta Landing & Shipping	7½	22	6	10	21/00	21/00	34/00
Calcutta Steam Navigation	Nil	Nil	Nil	10	8/00	8/00	8/25
Calcutta Tramways P.	5	5	5	£1	10/50	10/37	11/00
Fraser	..	..	..	10	8/94	8/94	10/00
India General Nav. Railway P.	..	..	..	£10	34/50	34/50	45/00
India Steamship P.	Nil	Nil	Nil	10	6/47	6/47	6/10
Port Shipping	Nil	..	..	10	13/94	13/75	13/12

*1964

SOUTH INDIA PLANTATION COMPANIES

NAMES	Dividends per cent 1959	1960	1961	Paid-up per Share Rs.	Latest Market Quotations as available until 29-6-64 Rs.	28-7-64 Rs.	A year ago Rs.
Amalgamated P.	7½	10	..	10	10/01	10/01	10/36
Anandam P.	15	15	..	10	14/50	14/25	14/19
Athimattam	Nil	Nil	..	2	1/20	1/20	0/78
Balanoor P.	15	15	12	10	12/12	12/12	12/00
Balmadies P.	7½	7½	..	2	1/80	1/85	1/65
Be Be P	5	Nil	5	5	2/30	2/30	2/07
Blue Mountain	12½	12½	10-10*	2	2/38	2/30	2/50
Chembra Peak	15	20	20-20*	2	4/70	4/77	4/45
Cochin Malabar P.	15	17½	20-20*	3	6/30	6/35	6/40
Coffee Lands P	25	6	..	10	17/65	16/85	15/00
Consolidated Coffee P.	25	20	..	10	22/25	23/40	18/20
Coonoor P.	20	17½	15-17½*	10	17/37	17/40	18/50
Coorg P.	20	20	..	2	4/85	4/85	5/15
Cottanad Plantation P.	15	10	..	10	9/50	9/30	9/31
Devashola (Nilgiri)	25	20	..	10	24/08	30/75	24/39
Devon P.	15	15	12	10	11/96	11/96	12/66
Emerald Valley	8	..	..	5	6/15	6/45	6/35
Gokul	9	10	..	2	2/03	1/91	1/76
Haileybury P.	12½	15	..	10	13/72	13/00	11/60
Kailas	20	22½	..	2	6/07	6/28	5/60
Kalasa Tea Produce	15	20	25	2	4/08	4/25	5/60
Kil Kotagiri P.	35	25	25	2	4/40	4/80	5/88
Lucky Valley	10	10	10	10	11/70	11/75	11/25
Malankara	16	15	..	10	16/37	16/37	15/44
Midland Rub & Prod P.	10	12½	12½	10	11/00	11/35	10/75
Nilgiri P.	5	8	..	10	9/00	9/00	8/80
Nonsuch	20	20	20	10	22/25	21/87	24/50
Ossoor	15	15	..	2	2/37	2/85	3/06
Ouchterlony	15	13	12	2	3/60	3/12	4/63
Parkside Neilgherry	27½	27½	22½-27½*	10	25/73	25/25	25/87
Peermade P.	22½	22½	25	10	21/25	20/50	20/77
Peninsular	20	20	..	10	21/25	21/25	20/70
Periakaramalai	12½	13½	20-12½*	2	3/43	3/43	3/75
Rajagiri Rub. & Prod P.	20	20	20	10	21/65	22/10	18/25
Rajendra P.	50	25	..	5	10/42	12/50	9/80
Swinton	7½	..	..	2	2/68	2/68	2/82
Teekoy P.	6	Nil	..	10	6/60	6/75	6/45
Thirumbadi	7	7	12	1	1/65	1/68	2/03
Travancore Rubber	10	13	..	10	11/12	11/35	9/66
Travancore Rub & Tea P.	7½	9	10	10	9/50	8/80	10/00
Tropical Plantations	8	8	..	25	19/65	19/65	18/20
Twyfords	10	10	..	10	9/20	9/00	8/25
United Nilgiri	19½	21	22	10	23/40	23/40	20/34
Vaikundam	25	30	..	10	35/10	35/50	29/45
Waterfall Estates P.	12½	12½	10—10*	2	2/28	2/28	2/30
Woodland P.	5	10	..	10	6/80	6/80	7/85

† Kgs. * 1962

SOUTH INDIA COTTON MILLS

NAMES	Dividends per cent 1959	1960	1961	Paid-up per Share Rs.	Latest Market Quotations as available until 29-6-64 Rs.	28-7-64 Rs.	A year ago Rs.
Bangalore W. C. Silk P.	10	10	18	100	253/50	268/00	233/00
Buckingham & Carnatic P.	10	10	18	100	267/00	274/00	263/50
Cambodia P.	Nil	9	..	10	8/85	8/85	12/37
Coimbatore Cotton	6	12	16	100	151/00	151/00	168/00
Coimbatore Spg. & Wvg.	..	..	..	50	115/50	115/50	68/50
Kothari Textiles P.	10	10	8	10	8/87	8/87	9/30
Lakshmi	12	20	30—25*	50	131/00	130/25	141/00
Madura	12½	15	15	15	33/25	33/70	31/25
Mettur Industries	25	30	30-22½*	100	277/50	277/50	264/00
Palani Andavar P.	..	..	..	10	202/75	193/15	202/75
Vasanta P.	16	20	..	100	234/00	234/00	276/00

* 1962

SOUTH INDIA SUGAR MILLS

NAMES	Dividends per cent 1959	1960	1961	Paid-up per Share Rs.	Latest Market Quotations as available until 29-6-64 Rs.	28-7-64 Rs.	A year ago Rs.
Andhra P.	20	..	..	10	13/55	13/55	17/36
Cauvery P.	Nil	6	8	100	97/50	97/50	107/00
Deccan Sugar	25½	25½	12—18*	5	11/20	11/60	9/65
E.I.D.—Parry	28 4/7	21 3/7	21 3/7-28 3/7*	£1	34/00	35/68	39/00
Indian Sugar P.	12½	14	10—8*	10	9/10	9/10	9/00
Jeypore P.	10	8	..	10	16/50	16/50	15/25
K. C. P.	15	..	..	10	24/00	24/00	23/90
Kothari	..	Nil	Nil-Nil*	10	6/70	6/60	6/95
Mysore	30	30	30—30*	10	28/33	28/33	47/75
Travancore P.	10	10	..	10	7/20	7/15	7/40
United Breweries	60	60	60—25*	10	33/00	33/00	95/00

* 1962

SOUTH INDIA MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1959	1960	1961	Paid-up per Share Rs.	Latest Market Quotations as available until 29-6-64 Rs.	28-7-64 Rs.	A year ago Rs.
Aluminium Industries	12½	15	..	10	20/00	20/12	18/00
Andhra Cement P.	10	10	10	10	9/53	9/85	9/60
Ashok Leyland	8	8	..	5	6/50	6/78	7/35
Binny	10	12½	..	100	271/60	271/60	300/00
Brunton & Co.	Nil	..	..	10	4/00	4/40	5/10
Enfield P.	5	5	..	10	10/50	10/00	8/97
India Cement P.	9	11	9—12*	5	5/65	5/46	5/65
Indian Steel Rolling P.	7	..	..	10	9/90	9/80	11/00
Mettur Chemical Industrial P.	8½	12½	12½-13½*	10	14/05	14/26	12/65
Mysore Chem. & Fert.	5	10	10	10	7/87	7/90	7/75
Mysore Chemical Mfgs. P.	20	20	..	10	16/70	16/70	17/75
Mysore Lamp P.	16	20	..	10	30/00	30/00	34/10
Mysore Paper	12½	15	15	10	12/50	12/62	13/60
Mysore Tobacco	12½	10	..	10	12/00	11/25	9/85
Parrys Corl	20	30	..	1	2/95	2/97	3/45
Spencer (Provisions)	18	18	18—18*	10	21/65	21/20	21/05
Standard Motors P.	9	9	..	10	10/12	10/12	11/62
T. Stanes P.	27½	32½	..	10	30/50	30/50	29/05
Textool	15	15	..	100	142/00	150/00	145/75
Tube Investments	10	10	10	100	201/00	192/00	235/00

* 1962

LIGHT RAILWAY AND ROPEWAY COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 1-7-64 Rs.	29-7-64 Rs.	A year per Rs.
Ahmedpur Katwa	1.90	1.90	1.75	100	24/87	24/87	29/00
Arrab Sasaram	5	5	5	100	31/62	31/62	27/00
Bankura Damoodar	1.90	1.90	1.75	100	24/87	24/87	30/00
Burdwan Cutwa	1.90	1.90	1.75	100	24/87	24/87	29/00
Chaparmukh Silghat	2.90	2.90	2.80	100	35/00	35/00	45/00
Cherra Chhatak Ropeway	9	12	12	5	4/62	4/62	5/75
Darjeeling Ropeway	..	..	..	10	8/50	8/50	9/00
Dehri Rohtas	17	20	15	10	11/50	11/75	13/81
Futwan Islampur	1.90	1.90	1.90	100	28/70	28/70	28/70
Howrah Amta (P)	6	5	4½	100	34/00	34/00	40/50
Howrah Sheakhala	6	5	4½	100	39/00	39/00	45/00
Katakhal Lala Bazar	3.50	3.10	1.90	100	41/00	41/00	41/00
Shahdara (Delhi)	6	3	..	100	52/00	52/00	40/50

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DIMINISHING PROSPECTS OF THE KENNEDY ROUND

It has not been possible for some time to rank particularly highly the prospects of success in the "Kennedy Round" of the G.A.T.T. The history of the proceedings so far has been one of persistent retreat from the original "across-the board" principle for cutting tariffs as envisaged by President Kennedy. The primacy of the political considerations involved was established at an early stage, and these, together with the complications concerning trade in agricultural products and disparties in existing tariffs on industrial imports, to say nothing of "non-tariff" barriers to trade, have all along imparted an air of improbability to the deliberations which have now been in train, off and on, for over a year. Until recently, however, there has been some slight hope that progress of a kind might be achieved provided agreement could be reached on the "disparities" issue, the key factor here being accepted as the attitude of France. Now, and with the negotiating teams seemingly bogged down over the disparity complications, the onus of modest success or complete failure may be switching to the shoulders of West Germany. Whether or not this is welcome to the French—or even perhaps planned for by them—is of little interest to those countries, including the underdeveloped ones, who were hoping for at least some progress at Geneva.

It is difficult to decide to what extent Dr. Erhard's refusal to agree on an agricultural policy for the Common Market is due simply to election expediency or to the desire for greater Atlantic unity. Certainly West Germany is moving towards closer political and military links with the United States, and away from those established with France during the Adenauer era. The logical extension of such a policy is closer economic ties as well, probably involving Britain, but more certainly excluding the French. The West German Chancellor must know well enough that the existing structure of the European Community is not yet strong enough to survive any major rupture between his country and France, so the presumption must be that his actions will be directed to fall well short of provoking an outright split. Nevertheless, with the French insisting on a satisfactory agricultural policy as the price for conceding progress in the Kennedy Round, and perhaps of remaining in the Common Market as well, and with the foreign policy of the two countries drawing steadily further apart, it would be surprising if Chancellor Erhard were able to calculate the situation as finely as the circumstances obviously require. The best that can be hoped for would seem to be a protracted holdup, at least until the picture clears, in the various activities in which France and West Germany are at present co-operating. The worst is a speedy end to them all.

Ruling out for the time being the possibility that West Germany will go to the length of inviting the break-up of the European Community, the consequences of its present, more positive, policies are still likely to be felt in the numerous international fields of economic co-operation. The prospect is not a pleasant one. An unconscious inkling of this was probably behind some of the desperation shown at the U. N. Conference on Trade and Development held recently in Geneva. Certainly much of the exasperation currently felt by the underdeveloped members of the G.A.T.T. with the usefulness of this organisation to them can be traced to a realisation of the disproportionate extent to which its progress depends on the political attitudes of a few major participants. If the long post-war period of Franco-West German honeymoon is now drawing to an end, it is possible to predict considerable disruption in, and even slower progress for, existing international aid and trade bodies.

The position is further complicated by the apparent swing to the right which is now taking place in the United States. This might, or might not, fit in with any plans Dr. Erhard has for closer ties with his leading ally. Probably not, because at least so far the Chancellor appears to be seeking something in the nature of President Kennedy's "grand design" rather than a new right-wing link-up. It is doubtful whether Dr. Erhard would personally go along with a Goldwater policy of greater militancy towards the East; the chief danger is that he might not be able to help himself once he has weakened his links with France and formed a special relationship with the U.S.A. What Dr. Erhard must remember, if he is in fact seeking closer transatlantic ties, is that President Kennedy is dead, that the spirit of Atlantic unity which he sponsored is weakening, and that the risks of being drawn into a new ultra-nationalistic alliance against communism are growing. At present West Germany appears to be perched on a razor's edge, on either side of which the trend is towards greater nationalism, both political and economic. Whichever way she falls in pursuit of the international liberalism for which Dr. Erhard stands, she seems likely to be disappointed. This is true even if President Johnson is returned to the White House in November; the impact of Goldwaterism is bound to be to push any Administration, even a Democratic one, towards the right. All of which bodes ill for rapid progress in any of the existing ventures in liberal international economics.

There is, of course, some chance that Goldwaterism may persuade Chancellor Erhard that Dr. Adenauer was right after all, and that close links with France are more reliable than with the United States, and therefore worth paying a high price for. Such price, at least in the economic field, must include agreement on a Common Market agricultural policy, in which case France would not be quite so strongly tempted to wreck the Kennedy Round. But all this is hypothetical, and it might now be too late to reverse the trend of events, especially when the agricultural vote probably holds the key to the next election in West Germany. The Chancellor's hands may be more tied than he knows as he weighs the advantages of revamping the policies of the Adenauer era. Developments in the U.S.A. could by now have predestined his course of action for him.

A complete breakdown at Geneva would have serious consequences for the West. Without

necessarily diminishing the flow of international trade, it would certainly impose a sharp brake on its much-desired expansion. For the underdeveloped countries it would be a vindication, a justification of the despair which has been accumulating in recent years on the subject of the G.A.T.T. It is unlikely that the Action Programme could be preserved and proceeded with if the Kennedy Round were to collapse. So the entire burden of expanding trading opportunities for the poorer countries would fall on the shoulders of the U.N. Conference and its continuing organisation. Little has been heard of this since the Conference officially closed in June, and certainly nothing has been done to further the policies laid down. A swing to the right in the U.S.A. would probably have a direct impact on these too, along with international development schemes generally. Which all adds to the responsibilities that will fall on the new organisation and its secretary-general. Such considerations did not creep into the recent deliberations in Geneva—an interesting reflection on the rapidity with which the Goldwater star has risen. But they now have to be taken fully into account in formulating a concerted approach to the problems discussed at the Conference. The West German attitude towards aid and trade programmes has never been overwhelmingly helpful, so it is fortunate that Dr. Erhard's new departures do not appear to threaten any serious change for the worse.

The negotiators in the Kennedy Round are due to have their proposals for the first stage of tariff cutting ready by November, although no action is expected on them before next May at the earliest. It is not yet clear when serious discussion will begin on the Action Programme, or if in fact it will take place at all unless some success is recorded in other matters. There is considerable scope for prevarication on the part of any one of the main negotiators who might feel inclined to resort to it, and that without actually shouldering responsibility for an outright break. Accordingly, it will be difficult to judge what the position is from time to time; the main guide will probably remain the state of the relationship between the Common Market and the U.S.A. with the West Germans holding the key. This is far from satisfactory for the underdeveloped members of the G.A.T.T., and it will be the task of the new continuing organisation of the U.N. Conference to make the fact clear. The secretariat suggested at the Commonwealth Prime Ministers' Conference in London recently might also be useful in this respect, provided it comes into being in the first place.

The most likely consequence of a breakdown of the Kennedy Round, and perhaps the most distressing, would be the end of the G.A.T.T. as a truly international organisation. It was possible to predict a short time ago that the main purpose of the Kennedy Round was to prevent the Common Market from growing into a high-tariff, inward-looking monolithic trading bloc. With the future so uncertain it is not easy at this stage to say that this is now the way the Common Market is heading. The dissolution of the European Community altogether seems a more likely possibility if the present trends continue. What can be said with some certainty is that circumstances are changing now with increasing rapidity, and that although the Kennedy Round would appear to be an almost inevitable casualty, there is a good chance that it may not be the only one among the present selection of international bodies and organisations dedicated to increasing world trade and assisting the flow of development aid. It is perhaps fortunate at this juncture that the primary goods exports of the developing countries should, on the whole, be buoyant.

NEW CLOTH CONTROL MOVE

IT is quite some time since the Cotton Textiles Consultative Board recommended that up to 40 percent of the cloth supplied by mills should be subject to price and production control. Uncertainty continues about how exactly the scheme of partial control is going to be implemented. The Government is still busy finalising the details, but the delay is quite understandable. The Board itself had indicated that it would take at least three months before the partial control scheme could be enforced. The industry, however, seems considerably perturbed by the latest reports from New Delhi that the earlier proposal to select a cross-section of varieties has been rejected, and that the Government has decided to control fully the four most essential items, namely, *dhotis, sarees,* shirtings and long cloth, which between them constitute nearly 43 percent of the total mill cloth production. The official view appears to be that a restricted group of varieties will ensure stricter control and will enable the Government to direct the mills to increase production of that variety which is found scarce at a given time. Since the production of the major items of everyday use is proposed to be controlled and subjected to official directives, the scope for mills and the trade to derive an undue advantage from the decontrol of 60 percent of production will be greatly reduced. The selection of a cross-section consisting of some 150 varieties as proposed earlier, would have proved a blessing for the industry as the cross-section might have included many varieties which are not very essential, and mills eventually would have been in a position to charge higher prices for essential varieties in the non-controlled category. It remains to be seen if the revised scheme will succeed in keeping cloth prices under check. Much will, of course, depend on how carefully the scheme is implemented.

The cotton mill industry seems considerably agitated over the new official move. In his address to the recent annual meeting of the Indian Cotton Mills Federation, the chairman, Mr. Ramnath A. Podar, has warned that any attempt by the Government to clamp controls on isolated categories of cotton textiles will not only result in loss of production, but also create an unbalance between demand and supply to the detriment of the consumer. Mr. Podar says that the scheme, to which the representatives of the industry agreed to give a trial, visualised control being extended to a cross-section of the entire production, so that on the one hand, the consumer gets all types of his requirements from the pool of controlled varieties and on the other, all units of the industry contribute the same proportion of their production for the civilian market. But the Government is now thinking of bringing under control all *dhoties, sarees,* shirtings and long cloth, and since these items bear a different percentage ranging from nil to 100 to the total production of each mill, such a scheme of control would not only be inquitous to the mills, but would also adversely affect production. When the production patterns vary from one unit to another, it is well-nigh impossible to devise a scheme of partial control which would affect all the units in the industry to about the same extent. The new scheme proposed by the Government has much to commend itself. But there is considerable substance in the other point made by Mr. Podar that if the new proposals have been framed with the idea of eliminating the simultaneous supply of controlled and non-controlled *dhotis, sarees,* shirting and long cloth, the scheme will not fulfil this purpose, as these very items are also being produced by the decentralised sector which will remain outside the partial control scheme.

Much else of what the Federation chief has stated in his address seems all too familiar. He says that the textile situation would have been very different if the weaving capacity of the mill sector had not been frozen at the level of 200,000 looms for nearly 25 years. Additions of modern equipment which normal growth would have brought about would have made mills more competitive which would, in turn, have helped exports. The mill industry has been made to suffer from stagnation on the weaving side in the name of encouragement for the handlooms, whereas the real beneficiary has been the powerloom sector. Pointing out that there were indications that the Powerloom Enquiry Committee was thinking in terms of a continued freeze on the mill sector, Mr. Podar has cautioned that if instead of strengthening the mill sector, the Government adopted any such policy it would lead to a further worsening of the textile situation, both from the point of view of internal supply and exports. Referring to the permission recently given to mills to increase their spindles and looms by a certain percentage, he says that if the Government is really serious it cannot overlook the need for allowing machinery imports because the indigenous production of textile machinery is far short of the industry's requirements.

As for man-made fibres, Mr. Podar conceded that they had a bright future and a vast potential in their own right, but he added that it would be wrong to force the pace of their expansion with the idea that they could substitute cotton. He said that the production of cotton textiles would increasingly tend to concentrate in countries growing their own cotton and that international trade in cotton textiles would also be dominated by such countries. He felt convinced that with the largest area in the world devoted to cotton, India had a bright future in the international markets as a major cotton-producing country. Of course, it would all depend on how far cotton production is stepped up.

INFORMING THE SHAREHOLDERS

ALTHOUGH considerable improvement in corporate management has taken place in recent years, some malpractices still continue to afflict the working of many joint stock companies. No doubt the Companies Act contains comprehensive measures to check malpractices, but it is now being realised that it is not possible to eliminate them altogether by mere legislation. The Company Law Board has, therefore, been asked to undertake research for suggesting further reforms in company law. Judging from the experience of advanced countries, it appears that it is not possible to safeguard the interests of shareholders by mere legislation unless they are themselves more vigilant about their rights.

In countries like the U.K., the U.S.A. and Europe, good management has been ensured because companies have taken active steps to keep their shareholders informed about all developments. This has usually been done by issuing periodical reports. Company managements in India have done little so far to acquaint the shareholders about the latest developments relating to their companies. There has also been little public relations to promote close liaison between management and shareholders. The majority of Indian shareholders do not take any interest in their companies; they are satisfied as long as they get good dividends.

The address delivered by Mr. T. T. Krishnamachari, Central Finance Minister, at the concluding session of the conference on the promotion of research in corporate management and finance, held recently in New Delhi, has stimulated much interest. The Minister said that the Government was considering amending the Companies Act for compelling companies to provide more exhaustive information to shareholders about their financial operations. The balance-sheet of a company, Mr. Krishnamachari said, should be a true indicator of its financial position. But the drawing up of a correct balance-sheet, by itself, will not be of much help unless companies acquaint their shareholders with all developments from time to time. At present, most of the companies merely issue annual reports and accounts which are rather cryptic. Furthermore, shareholders are kept in the dark in the period between the issue of one annual report and another. Only a few companies have adopted the practice of issuing monthly or quarterly reports relating to production. In the absence of adequate information, cases are not rare when inside information of a company is used by interested persons to manipulate share prices. It is, therefore, time that active steps were taken to persuade companies to issue in advance reports relating to developments, so that nobody can take advantage of such information to the detriment of other shareholders. It may be difficult to compel companies to do so by means of mere legislation. It is, therefore, necessary to develop a healthy convention relating to company management by persuasion, public relations and mobilising public opinion.

The Central Finance Minister has also hinted at the possibility of placing further restrictions on private limited companies in order to remove malpractices. The need to restrain abuses is not questioned But it should be borne in mind that the main purpose of a private limited company is to allow small business men to enjoy the advantage of limited liability without much bother and expenses. Since a private company is not allowed to raise capital from the public, it is meant to be managed with capital subscriptions from only a few individuals. The question of safeguarding the public interest does not arise in the case of such a company. A private company combines the ownership of capital with management. Since these companies are usually formed by persons with limited resources, their working should be freed from the restrictions to which public limited companies are subjected. Many private companies cannot afford to maintain the elaborate staff required to comply with the provisions of the Companies Act. Although there is some logic in placing restrictions on the size of these companies, there is no point in trying to hamstring them by more elaborate legislation.

Current News and Comment

Selling Sugar in a Falling Market

There has been a sharp drop in the international price of sugar. It has declined to £30 from £103 a tonne since the beginning of 1964. The earlier fears of a big shortage in world sugar markets have not materialised. The prospect of a bumper beet crop in Europe, combined with increased production in several countries, has brought world supplies in close balance with demand. In any case, there is no likelihood of any great shortage developing in the near future, and, therefore, the price is likely to drop rather than harden. From India's point of view, the decline is not welcome. Even at the higher level of world prices, exports from this country have had to be made at a loss. As domestic production costs are far too high, any export can only be made at much below the production cost.

The loss on exports is being subsidised. The export target for 1963-64 has been cut to 300,000 tonnes from 350,000 tonnes due to the fact that production during the 1963-64 season will not be more than 2.6 million tonnes, against the original target of 3.3 million tonnes. But the Government is keen to boost sugar exports in the 1964-65 season. Considering the recession in the international price and high production costs, it will not be worth while to push up exports. This apart, the internal supply has fallen far too short of requirements. As a result, the consumers have had to go without sufficient supplies of sugar and have had to pay exorbitant prices.

The decision of the Centre to appoint a commission of enquiry for investigating the price and the distribution system for the sugar season commencing on 1st November, 1964, has not created much impression. Since the problems of the sugar industry have been fully discussed and are well known, it is difficult to understand how the proposed enquiry will serve any useful purpose. What is needed is to produce more sugar, and not to initiate further discussion and debate.

Whether production during 1964-65 will increase according to expectations, depends on the measures which are being adopted. It is time to encourage the production of more and better cane. Considering that the price of cane has now been raised to a fairly remunerative level, there is no reason why the cultivators should not feel encouraged to produce more cane and of the right variety. The yield can be increased, if suitable irrigation facilities are provided. The application of modern fertilisers can be of great help in improving the yield from each acre, which is very poor in this country at the moment. The quality also needs to be improved. It is unfortunate that the State Governments concerned have not given to cane cultivation the attention which it deserves. Although they have been collecting large amounts of money through various imposts for cane development, only small sums have so far been spent for the purpose.

The shortfall in sugar production during the past couple of years has been due mainly to inadequate cane supplies. These have been largely diverted to the manufacture of *gur* and *khandsari.* Unless active measures are taken to stop the diversion, it will be difficult to ensure an adequate supply of cane to sugar factories, particularly to those in northern India. In the meantime, business in sugar shares has dropped to a trickle, and buyers are difficult to attract even after discounting present prices. This lack of interest is solely due to the poor outlook for the industry. During 1963-64, the bulk of sugar companies, particularly in northern India, are expected to show poor results. Apart from the fact that their production costs are high, their profits have suffered due to lower output which in turn has raised unit costs. Under the present circumstances, most of the sugar companies will find it difficult to announce a good dividend. The price of sugar is already high enough. So there is virtually no scope for raising it further. What is necessary is to reduce production costs by improving the operational efficiency of sugar factories. The bulk of the equipment is old. Unless the sugar mills are modernised and their processes rationalised, their working will not improve. There are also many small factories which need to be amalgamated into larger and viable units.

Tea Production and Export Prospects

In his speech at the annual general meeting of the Tea Association of India in Calcutta last week, Mr. A. S. Bam, chairman of the Tea Board, said that production had been lower in both 1962 and 1963 because of unfavourable weather conditions in north-eastern India which accounts for over 75 percent of the total tea output in the country. Production in north-eastern India during the current year is expected to exceed 600 million lbs. Unfortunately, the output in south India up to the end of June this year has been lower than that during the same period of last year by 18 million lbs. This has been due to the late arrival of monsoon as a result of which extensive areas under tea had to be left unplucked. Conditions in the south have now improved and by the end of the year the shortfall may be made up to some extent. Mr. Bam said that production in south India during the current year might be more or less of the same quantity as in 1963. This will mean that total production in India during the current year will be around 800 million lbs. The sub-group on tea appointed by the Planning Commission revised the original figures for production and export from 900 million lbs and 610 million lbs to 830 million lbs and 530 million lbs, respectively. The tea industry should make all possible efforts to achieve these targets. Exports from India recorded a steady increase from 426 million lbs in 1960 to 455 million lbs in 1961, 472 million lbs in 1962 and 493 million lbs in 1963. During the past two years, exports have, therefore, increased at an average rate of 20 million lbs a year in spite of lower production. Considering this trend, Mr. Bam said, it was expected that exports during 1965 would be at least 530 million lbs.

The Tea Board chairman said that the different loan schemes run by the Tea Board had come in for comment on grounds of high rate of interest and rigorous terms and conditions. Continuous efforts are, however, being made by the Board to make these schemes as attractive as possible. The rate of interest on the plantation finance loans and the hire-purchase loans have been revised so that the effective rate for both types of loans is 6 percent. Mr. Bam assured planters that the Tea Board would try to liberalise the conditions further. A fresh scheme of Rs. 1 crore has been sanctioned by the Government of India for providing loans under the plantation finance scheme for the sinking of tubewells, construction of bunds and other minor irrigation works. An individual tea estate may obtain for this purpose a loan of up to Rs. 1 lakh. Referring to promotional measures, Mr. Bam said that the Board had persuaded France to set up a Tea Council. As for the European Economic Community, the prospects for increased consumption of tea are brighter now following the suspension of import tariff from 1st January, 1964.

In his address, Mr. S. R. Daga, president of the Association, welcomed the revision of the production and export targets for the third plan. But he urged the Government to grant bigger tax concessions to the industry. In the last Central Budget, rebates of corporation tax equivalent to 10 percent of the income tax plus supertax and 20 percent on surtax were allowed to the industry. But as only 40 percent of the industry's profits is taxable to Central income tax, and the balance of 60 percent is taxed as agricultural income by the States, the relief has been reduced to only 4 percent on income tax plus supertax and 8 percent on surtax. Mr Daga suggested that the rate of relief should be increased to 25 percent on income tax plus supertax and 50 percent on surtax to enable the industry to enjoy similar relief as other specified industries. Furthermore, after the abolition of the export duty on tea, the burden of excise duty has been made heavy. He urged the Government to take urgent steps to arrange for the refund of excise duty at least on teas exported.

The Importance of Neyveli Power

The completion of the first stage of the Neyveli thermal power project opens a new chapter in the history of energy generation in the south. With a total generating capacity of 250 MW to begin with, this will be the first major source of thermal power in the State of Madras, but that is not its only significance. Its importance lies in the fact that it will be able to supply power, using local lignite, throughout the year unhampered by seasonal factors, which affect the generation of hydro electricity leading to regular power cuts for industry. The power situation in Madras during last summer, for instance, was difficult, so difficult in fact that there was a complete stoppage for a week or so of supplies for industries on high-tension lines. It is, therefore, a wise decision to raise the capacity of the Neyveli power plant to 400 MW during the third plan itself. In the fourth plan period, the capacity will be further raised to 600 MW, which will make it one of the largest power stations in India, next only to the projected Santaldih super thermal power plant in West Bengal with a capacity of 1,000 MW. But if the capacity could be raised to 1,000 MW as is the latest reported move, then it would equal the West Bengal project in generation capacity.

As more than one authority have estimated, the energy requirements of Madras will go up to 2,000 MW in the fourth plan. (Incidentally, this is also the anticipated level of demand for power in West Bengal in the same period.) According to the tentative schemes, drawn up by the Madras Government, power generation in the State will be augmented by the installation of two thermal power stations, one in Ennore with an installed capacity of 300 MW and another in Tuticorin with a capacity of 100 MW; through an atomic power station in Kalpakkam with a capacity of at least 400 MW; by another 150 MW from sundry sources, and through expansion of the Neyveli plant to 600 MW. All these add up to about 1,500 MW. It will, therefore, be necessary to raise the capacity of the last-named to the level of 1,000 MW, for which the State Government has already made a move.

As is well-known, the Neyveli project is multi-purpose in character. Apart from power generation, the integrated project includes a fertiliser

and a briquetting plant. Work on these is in an advanced stage, and the units are expected to go into production by the middle of next year. The Rs. 29-crore briquetting plant is one of the largest in the world. At the full-production stage, it will turn out about 35,000 tonnes of carbonised lignite briquets for use as domestic fuel. Among the by-products, there will be phenols, cresols, xylenols, tar and middle oil. Another use for lignite will be in making steel from the high grade iron ore available in Salem. Technical tests on lignite as a possible fuel in ferrous metallurgy conducted abroad, have shown hopeful results, and the State Government is making rigorous efforts to push the steel project through.

Learning the Hard Way

The collapse of Mr. John Bloom's Rolls Razor Company is not the only big financial failure in postwar Britain, but it is the most sensational, because Mr. Bloom himself was so widely publicised and because his aggressive direct selling had introduced his products (particularly washing machines) into so many homes. Other big organisations, moreover, are involved in the collapse, including Barclays Bank, as one of the major creditors; and many small investors have suffered serious losses on Rolls Razor shares bought somewhere between their peak price of 48s late last year and their "throwaway" price around 6d after the crash. So the Secretary for Industry and Trade, Mr. Edward Heath, agreed readily to parliamentary demands for an investigation into the Company's affairs by the U.K. Board of Trade.

Some months will, presumably, elapse before the findings of this investigation are published, and in the meantime the City is considering the implication of the affair. The mechanism of the Stock Exchange itself has been criticised in the country at large, and a large part of the business community, as well as the City, is concerned with the question whether banks should be as liberal as Barclays was in granting advances. Merchant banking is involved in a different capacity: Kleinwort Benson has had the unenviable task of advising Rolls Razor and has been embarrassed by incorrect rumours that it was arranging a salvaging operation.

The background of the trouble is unusually interesting. Mr. Bloom saw possibilities of large-scale trade in domestic appliances at prices that could be considerably reduced by eliminating the retailers' considerable margin. The novelty was not in the principle but in the scale of operations. Having confirmed the one and partly developed the other, Mr. Bloom acquired Rolls Razor, which he built rapidly into a business that the stock market valued, at the shares' peak price, at approximately £13 million. Mr. Bloom had already turned his attention to continental Europe (whence he derived some of the products that he sold) when he ran into trouble at home.

There were errors of calculation and of policy in the management of Rolls Razor, but they were not the main cause of its collapse. The essential problem was in those margins that Mr. Bloom intended to exploit. His own costs of selling, which involved national advertising and generous commissions accorded to an army of travelling representatives, were ultimately not much less than the costs of distribution through the traditional system; and traditional retailers were persuaded to reduce their margins. Mr. Bloom had little room for manœuvre in the matter of price; and one of his major suppliers, Pressed Steel (now a major creditor of Rolls Razor), could not continue production at the prices that Rolls Razor could afford to pay. Powerful competitors reduced their prices. Rolls's sales declined, so that its unit costs were excessive.

There are two important lessons in this story. One is that in modern conditions it is very difficult to challenge successfully the orthodoxy of big companies. The other is that big companies, and their methods, are not made fully efficient until they are challenged by a vigorous unorthodox intruder. In a particular range of products (washing machines), Mr. Bloom proved that prices were too high. It is a disturbing thought that normal competition among big companies had not reduced them to economic levels. The British economy needs an occasional injection of men like Mr. John Bloom; but his failure will discourage others.

What the authorities—the Council of the Stock Exchange and the Board of Trade—could reasonably demand is full and prompt information—at the least, informative half-yearly statements—on the trade and profits of all "quoted" companies. In this matter of obligatory information, London is far behind New York (although in advance of most European centres), and only comparatively few British companies provide adequate information voluntarily.

Grace Period for Hoarders

The Prime Minister, Mr. Lal Bahadur Shastri, has warned hoarders of foodgrains that the Government would not hesitate to adopt "radical measures" against them if they were thought essential for solving the food problem. He has reportedly asked the State Chief Ministers to give a two-week grace period to traders to bring out concealed stocks and to allow them to sell the foodgrains in the open market at a reasonable price. After the end of the grace period, Mr. Shastri said, firm measures would be taken against hoarders. But he hoped that the trade would be sensible and would so conduct itself that the measures contemplated at present would not become necessary. The quantity of hoarded grains must be substantial, as has been recently pointed out by Mr. C. Subramaniam, Central Food Minister. But the hoarders apparently feel that the Government machinery is much too weak and inefficient to bring out the hoarded stocks. The threat to hoarders may not mean much unless the Government is prepared to take strong action. This apart, hoarders are well aware that the existing penal laws still contain loopholes. Mr. Shastri has not indicated whether the Government is thinking of plugging them before taking "radical measures" against hoarders and blackmarketeers. The prevalence of corruption is another basic weakness in the Government. Mr. Shastri has admittedly used strong language to threaten the hoarders, but people in this country will recall that Mr. Morarji Desai, the former Central Finance Miniser, did much the same thing to bring out hoarded gold stocks, but his threats, much to his dismay, proved ineffective.

The Prime Minister has appealed to Opposition parties to co-operate with the Government in putting an end to their agitational approach. But only time will show whether his advice will be heeded. The law and order situation has already become critical in some parts of the country. Although the "Gujarat Bundh" agitation has subsided for the time being, some leftist parties have staged a "Maharashtra Bundh Day." Mr. Dange, meanwhile, is planning to stage a million-strong demonstration as well as a general strike. True, the agitational approach will not help relieve the food scarcity. Rather, it will aggravate the law and order problem, giving less time and opportunity to the Government to ease the food shortage. It is a pity that the Opposition parties are planning to stage demonstrations without co-operating with the Government in fighting anti-social elements. The strikes will cost the nation heavily in terms of production loss and aggravate the shortages.

Without naming the States, Mr. Shastri frankly said that the situation in some of them was "rather acute". But he appeared to be optimistic when he said that in spite of tremendous difficulties, it would be possible to tackle the "baffling problem". He added that the coming lean months—August and September—were going to be a difficult period. But both rice and wheat are being imported in large quantities to cope with it. Admittedly, much of the success of official measures will depend on a strong and efficient enforcement machinery. Mr. Shastri was not unaware of the problem, for he said: "Enforcement has to be strict. The States are to be careful and vigilant. If the District Magistrate is alert, he can stop many of the evils". But it is necessary to ensure that political pressures are not brought to bear on efficient and honest administrators.

CORRESPONDENCE

TALKS ON SCIENCE AND TECHNOLOGY

(To The Editor of "Capital")

Sir,

I was glad to go through your notes on "Symposium on Science and Technology" on page 200 in *Capital* of 6th August.

Was it at all necessary to have such a big international conference to decide that scientific literature of the Afro-Asian countries should be exchanged? I think it would have been much better if, instead of a big multi-purpose (or no-purpose) conference, half-a-dozen smaller conferences on different specific topics could be arranged. The collaboration between scientists in the region would then have been better promoted. I do not know how much costly foreign exchange has been spent in this scientific *mela*.

Your comments on National Laboratories are rather too brief and sweeping. We had given some thought to this subject as the enclosed memorandum of our Institute will indicate.

Instead of trying to establish greater liaison between the laboratories and industry, is it not much better to have some of these laboratories, which are directly related to specific industries in their sphere of research, put under the corresponding Ministry? In such an arrangement, the Ministry and the industry will be more directly interested in such research institutions and it would not be necessary for laboratory officials to beg for merciful doles for their experiments. Before Mr. T. N. Singh and his colleagues think of imposing a new tax on industry, let them give a thought to this proposal. It seems to me that the Council of Scientific and Industrial Research, with its network of laboratories involving many disciplines, has become a cumbersome machinery with an added pinch of vested interest. Possibly a little scientific deflation might do it good.

Yours, etc.,
K. K. Sinha,
Director, Institute of Political and Social Studies

Calcutta, 7th August.

THE JUTE INDUSTRY

WE published in our last issue the results of the working of our local Jute Mills for the last eighteen months, and our readers will have observed that the industry has been steadily improving and is now in a very prosperous condition. But it may be as well to sound a slight note of warning, because we notice that the shares are being rushed up by leaps and bounds, and we anticipate the inevitable reaction later on. The present position is very analogous to that which obtained some nine years ago. The year 1895 marked a period of unusual prosperity and large dividends were the order of the day. Fort Gloster, which has been so much in evidence of late, paid 20 per cent that year, the Budge Budge 18 per cent, the Howrah Mills 20 per cent., Kamarhatty 22½ per cent., and as a result, just at this time of the year, a number of new Jute Mills were projected, the Standard, the National, the Alliance, and the Anglo-India, while extensions were in contemplation in many of the existing mills When the production of the new mills began to be felt there was a decline in the profits, and as a result in 1896 one of the local mills passed its dividend and in 1897 this was followed by four more An improvement set in in 1898, and the mills are now, as we have before observed, working to a large profit But extensions in progress are considerably larger than those in 1895, and we feel that there may be a pinch before the production of those extensions is satisfactorily worked off. That the industry is on a firm and safe basis we have no doubt whatever, but it must expect the usual ups and downs At the present moment we have some 16,000 odd looms at work, but 3,000 looms are in course of erection or in contemplation, and investors would be well advised to stand aside at the present moment and take advantage of the ruling rates to realise their profits, and certainly to refrain from purchases at the present inflated prices.

FROM
CAPITAL
18th August, 1904

A Ditcher's Diary

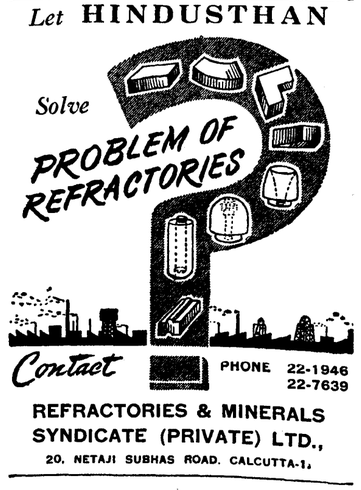
At home or abroad, between now and November, President Johnson can do nothing—including literally, doing nothing—which will not invite the charge that he is electioneering. To say this is not to dismiss the very real doubts surrounding U.S. action last week in the Gulf of Tonkin. The Americans have only their very own Central Intelligence Agency to thank if reports of attacks against U.S. personnel here, there and everywhere are believed the more readily in Washington than in most other capitals. Neither Hanoi nor Peking can expect much friendliness around here; indeed, I have in the last few days seen a few happy faces because the Chinese are being punished at least somewhere. The satisfaction had better be quiet; only on Monday Mr. Chavan ruefully disclosed that Washington is distinctly cool towards Indian requests for modern aircraft. If one is an anti-communist one will find it not at all difficult to justify every bit of American action against the North Vietnamese. If, however, I were an American, I would be dismayed at the extent of "instant" anti-Americanism that can be unleashed the world over at very short notice. Yes, there were demonstrations in Dacca too. Having suggested here more than once that India's military and political involvements require urgent reappraisal, I have earned the right to submit it to Washington that, for all the might of America's war-making machine, the U.S.A. should also have another look at its international commitments. The late unlamented Diem is no longer there; but many Americans must already have begun to wonder just how much of an improvement General Khanh is. To say that the Americans are getting the Asians to fight their battle is to oversimplify matters, obliging communist propaganda in the process. On the other hand, I have seen no independent journal in which the word "advisers" is not within inverted commas when the reference is to those thousands of Americans in South Vietnam. I am not very good at reading public opinion: how the Americans will vote in November I simply haven't a clue. But democracy is not worth having if it means that President Johnson has to out-Goldwater Goldwater to stay in the White House.

Of all the tributes that have ever been paid to Sir Winston Churchill, the one I think he will cherish most is Mr. Harold Macmillan's description of him as England's greatest parliamentarian. Mr. Macmillan, himself no mean exponent of the parliamentary game, was speaking on the occasion of Sir Winston's retirement from the House of Commons. It was also Mr. Macmillan's, but that is another story. I consider the designation a good one, because to anybody unfamiliar with what constitutes a good parliamentarian the least explicable feature of Sir Winston's long political career must have been when he reverted willingly—although of course, not without regret—from his position as Britain's supreme warlord to that of just another front-bench member of His Majesty's Opposition. It is supposed to be a feature of great men that they rarely know when to die: that they often insist on carrying on long after their peak of greatness has passed, with consequent damage to the historical image they had planned for themselves. I have heard this said of Sir Winston; but I think such comment forgets the true meaning of the term parliamentarian. Sir Winston was Britain's Prime Minister during the war; he was only incidentally her leader. Before that he had been many other things, and afterwards he was more again. But service to Parliament and what it stood for always came first, before the calls of Party loyalty or of personal ambition. One M.P. once wittily remarked that although he himself had been a member of his Party longer than Sir Winston, he had not been one as often. Indeed, it is doubtful whether anybody during Britain's long parliamentary history has been anything quite as often as Sir Winston. So many national leaders throughout the world—although not yet in India I am glad to say—owe their survival to antidemocratic devices designed to substitute for the public adulation which originally swept them to power. Of all Britain's Prime Ministers since Walpole, Sir Winston was probably in the best position, round about 1945, to emulate such behaviour. But he wisely resisted any temptations he might have had and waited until the swing of the political pendulum elevated him once again to high office. Such is the mark of the true democrat and the true parliamentarian. I cannot imagine it happening, say, with Mr. Khrushchev.

Our legislatures are so morbidly touchy that it is hazardous in the extreme to write almost anything critical about them; a journalist is up for contempt before he has said Jack Robinson. So let us forget the M.L.A.s of the West Bengal Legislative Assembly and talk instead of a body of ordinary folk who have behaved on the streets of Calcutta in a manner recently witnessed somewhere west of Esplanade and east of the Hooghly. From time to time I have seen reports of extensive arrests made by the Anti-Rowdy section of the Calcutta Police. This section would almost certainly have gone into action in a big way; and all of us would have said, "Time too". But I can see a certain amount of satisfaction in two places. One, the Corporation of Calcutta. Two, the various examination halls of Calcutta where delinquents destroy stationery and furniture in addition to their own future and others' because the question papers are "stiff", meaning that they have not read a thing. These latter categories can well claim now that, so far as public misbehaviour is concerned, there is very little to choose between one section and another. With due respect now to the West Bengal Legislative Assembly, it has to be pointed out that neither side of the House covered itself with glory in recent goings-on leading to the *sine die* adjournment. This plague-on-both-your-houses attitude is all right as far as it goes; but it goes farther and breeds the most dangerous kind of cynicism among the public. If this sort of thing continues to be indulged in indefinitely by the ruling Party in competition with the Opposition, all political activity will be held in complete public contempt. Politicians the world over have worked hard to create and sustain the notion that a man goes into politics only to feather his own nest. Now, then, is the time to recall the cynicism that prevailed in the Weimar Republic in Germany and the Fourth Republic in France; nobody believed that the politicians were there to serve the public that had elected them. And what happened? The most idiotic reaction to a phenomenon abroad is the smug "It can't happen here". The warning is as much for the ruling Party as for the Opposition; both may be smothered before they know what's happening to them.

To many a matronly miss life becomes a marry chase. So indeed it became for Denise Darvel, a Parisian novelist, who decides to marry for the most unexpected reason in Alan Melville's *Dear Charles*. The title-bearer of this sparkling comedy is an old oil painting bought by Denise and on which she had conferred, besides a local habitation and a name, the status of father for her three children born out of wedlock. In a scene replete with humour, she reveals the truth to her grown-up children and tells them about her decision to marry one of the three real fathers. In the second scene the three fathers come and the responsibility for choosing her husband is left to the children. The third scene brings the climax which is as disappointing—to the fathers, I mean—as it is surprising. The Dramatic Club of Calcutta made a chic presentation of this comedy last week at the New Empire in aid of St. James's Church Centenary Fund. The play had a talented cast and was light and racy. As with most drawing-room comedies, its success was mainly due to the exploitation of dialogue for characterisation and atmosphere. Sheila Maunder as Denise, the mother who must marry, gave a competent performance. A tricky script, which could easily fall flat under too cautious or careless acting was given remarkable animation, zest and sparkle by her. John Comyn, Adi Dalal and Basil Gill as the three widely dissimilar fathers did their parts well. In particular, the performance of Dalal





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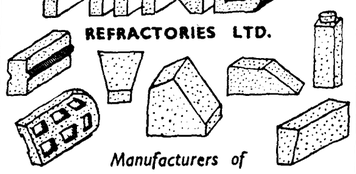
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as Jan did much to liberate the humour of the comedy, and he was no doubt helped in this by the dialogue. Terence Rochford, as the doctor friend of the family, added some spice to the situations by his deft acting. *Dear Charles* is certainly among the more enjoyable comedies I have attended.

THE RECEPTION ACCORDED TO PRESIDENT TOMAZ OF Portugal during his recent visit to Mozambique must have surprised many people. I admit it did me. Of course, there have been previous incidents where representatives of a metropolitan power have been fêted with enthusiasm one year only to be expelled at bayonet point the next; I remember something of the sort in *Algeria*. The fact is that mobs are fickle, and in the event their reactions count for little. But if the Portuguese were out to impress the world with how popular they are in Mozambique, I suppose they have achieved their object. Just as long as they are not seeking to imply by this that their stay in Africa will be a permanent one. For such demonstrations are really irrelevant to the progress of de-colonisation. Few liberations start in the hearts of the people; the majority result from the ambitions of individuals and the ability of the few to persuade the many that their natural grievances in life have a simple explanation. Irrelevant, too, is the legal status of Mozambique as an integral part of metropolitan Portugal; such a device did not protect Goa. My guess is that "liberation" will come to that part of Africa when the neighbouring African powers have found some suitable Mozambiquian—if that is the correct word to use—whom they can back as a future national leader with their own arms and money. When such a person is found, then the cheering for President Tomaz will be seen as the unimportant, if quaint, little piece of nonsense that it was. If this sounds to be rather a cynical attitude to take towards what has now become the sacred process of de-colonisation in Africa, I cannot deny it. After some years of experience of what it means for the people concerned, and how it is brought about by outside powers largely for their own purposes, I cannot accept that any other point of view is justified.

NORTHERN RHODESIA'S ALICE LENSHINA, "THE prophetess", fascinates me. She cures me of the superior notion that sophisticated societies have lived down man's desire for a messiah. The prophetess's disciples have done some pretty ghastly things, virtually unthinkable in most other climes. But John Hatch of the *New Statesman* tells us that one of her commandments is, "Thou shalt not take part in politics". Politics for the most part being what they are in most of Africa today, I find Lenshina's commandment almost sensible. She has apparently heard of Sir Winston Churchill; it is unlikely still that she is familiar with the writings of Lenin. This last-named once said something to the effect that not to have a philosophy could itself be a philosophy and I am not sure that Lenin did not apply the dictum to politics. I shall accordingly assume that Lenshina is intensely political but just does not like Mr. Kenneth Kaunda's *United National Independence Party*. Let us imagine now that Lenshina has abjured violence and is prepared to contest elections. It is easy to see what her "platform" will be. Black God is stronger than White God. Now black man is superior to the white man. Now make these two laws stand on their heads; and there you have a platform the Americans will soon be very familiar with. The Africans' drum is no match for combined operations by radio, Press and television; but I do not know that decibels make any significant difference to the sensibility or otherwise of a proposition. I think it was Arthur Koestler who once argued that 90 percent of what we call the political animal is composed of the subconscious, the world of the dream, the ductless glands, the autonomous nervous system, the id. In Lenshina I thus see a potential election winner; it will surprise me not at all if Madison Avenue sends a couple of psychiatrists and other "experts" to Lenshina's Lumpa Church in Landawzi to learn a trick or two.

THE DITCHER

Guide for Investors

INDIAN IRON REPORT IMPRESSES INVESTORS

(BY A SPECIAL CORRESPONDENT)

THE price of Indian Iron has fluctuated widely during the past week or so because of various economic and political uncertainties. Investors, meantime, have been impressed by the good performance of the Company for the year ended March 1964. The steadiness has been reinforced by the growth prospect for the shares, as has been outlined by Sir Biren Mookerjee in his chairman's statement which has been circulated to shareholders along with the report and accounts for 1963-64. (A fuller version is printed on a later page in this issue of *Capital*.) The balancing of plant project to increase the steel-making capacity of the Burnpur works by some 300,000 tonnes a year has been undertaken. To finance it, the Company has taken a loan of Rs. 16.21 crores. When this scheme is completed, the second phase of the expansion will be considered. Preliminaries have already been taken up with the Government of India and the World Bank. The second phase of the project will raise the production capacity by a further 700,000 tonnes a year. So the capacity will be raised by 1 million tonnes when the two projects are completed. Additional finance will also have to be raised for modifying and improving the existing plants and for meeting other expenses on capital account.

These considerations have led the directors to plough back a substantial amount from the profit for 1963-64. Sir Biren has indicated the willingness of the management to reward the shareholders by issuing bonus shares through the capitalisation of reserves from time to time. But the Company has been restrained from doing so by the heavy taxes imposed on bonus shares. In fact, it is almost impossible to issue bonus shares except by capitalising share premium account under the present policy of the Government. The chairman indicated that in order to help the shareholders, the Company was thinking of paying an interim dividend for the current year, in addition to a final dividend which would be declared at the usual annual general meeting.

The Company has already reached its rated output cappacity. But steps have been taken to increase production by adopting new techniques with the aid of research. Measures have also been adopted to improve operational efficiency. Since the quality of raw materials, particularly of coking coal, limestone and iron ore has deteriorated, intensive research has been undertaken to use these raw materials more economically. The steel-making processes are also being improved with the aid of research. Waste products have been successfully used and the Company is producing building bricks and mortar out of blast furnace slag. Due to import restrictions, the Company has started manufacturing many engineering spare parts. Rolls for the works are also being produced. The Kulti foundries have been modernised and expanded, and new machine shops have been attached to these foundries. The order-book for the Kulti foundries has been satisfactory, but the output for the current year depends on an adequate supply of foundry-grade pig iron.

Commenting on the partial decontrol of steel, Sir Biren said that the system of retention prices for steel had now been abolished. The new prices which have been given to the producers contain a differential between the tested and the untested categories. It is yet too early to assess the adequacy of the revised planning arrangements under the Joint Plant Committee. The retention of control by the Government over certain categories of steel has done little to restrain the black market in items which are in short supply. The Company has suffered a loss of income because the retention prices for earlier years were fixed below the rates recommended by the Tariff Commission. Sir Biren said that it has been difficult to find out any approved basis under which the future prices of steel would be adjusted in relation to productive capacity, capital block and working costs.

Higher Costs Reduce Tata Steel Profit

THE preliminary report on the working of the Tata Iron and Steel Company for the year ended March 1964, released along with the announcement of an increase in the dividend from Rs. 11 to Rs. 12 a share, suggested that although both sales and profit were higher, the performance was far from encouraging. For despite an increase of nearly Rs. 11 crores in the sales from Rs. 99.65 crores to Rs. 110.44 crores, the pre-tax profit had registered only a small increase from Rs. 14.51 crores to Rs. 16.47 crores, and much of this rise had been due to the fortuitous addition to revenues of Rs. 85 lakhs written back from excess provisions made in the previous year.

Reviewing the Company's operations during 1963-64, the directors state in their report that the year ended with a record production of over 1.5 million tonnes of salable steel, showing an increase of about 6.7 percent over the previous year's figure of 1.4 million tonnes. The output of iron rose by 2.6 percent from 1.76 million tonnes to 1.81 million tonnes, and that of steel ingots by 5.2 percent from 1.8 million tonnes to 1.89 million tonnes. What is more, the increase in production was achieved despite various difficulties relating to raw materials and operating conditions at the plant. But the financial results are somewhat disappointing. The operating profits for the year are not significantly more than the previous year's mainly because the higher earnings from increases in despatches, amounting to 84,000 tonnes, were largely offset by increases in costs.

These cost rises resulted principally from increases in railway freight rates, higher cost of coal supplies from the Government's Bhojudih washery and factors such as statutory increases in provident fund contributions, the interim relief granted by the Steel Wage Board and various duties, cesses and royalties on stores and materials. No increase in retention prices was granted until the end of the year, and this offset only a part of the cost increases beyond the Company's control.

An increase in prices was sanctioned by the Government only from March 1964. The prices of controlled categories were raised by an average of Rs. 11 a tonne, whereas the prices of decontrolled categories, representing 45 percent of the Company's production, were raised by an average of Rs. 30 a tonne. Apart from the delay in announcing the higher price which caused considerable loss of revenue to the Company, the increase in the prices of controlled varieties is stated to have been substantially less than expected on the basis of an announcement made by the Central Minister of Steel. To overcome the difficulties and loss of production caused mainly by the deterioration in the quality of coal and iron ore, a number of inter-related schemes, known as "balancing schemes", have been formulated with the approval of the Government of India and in consultation with the technical study team of the World Bank. These are estimated to cost about Rs. 25 crores of which approximately half will be in foreign exchange which is to be obtained in the form of a further loan from the World Bank.

These balancing schemes include mine development and ore beneficiation programme at a cost of Rs. 13.4 crores, and installation of a new battery of coke ovens including a by-products plant involving an outlay of Rs. 6.6 crores. The new battery will not only provide the extra coke required as a result of the higher ash content of coke, but will also ensure adequate supplies of coke in future when coke oven batteries are shut down in turn for rebuilding. The other relatively smaller schemes included in the programme will provide auxiliary facilities required to sustain and improve production in various units of the plant. These will ensure regular supplies of ore and limestone to the blast furnaces from the stockpiles.

Referring to further expansion that the Company is being requested by the Government to undertake, the chairman, Mr. J. R. D. Tata, says that the scheme contemplates the installation of the necessary facilities for making, in the first instance, an additional one million tons of ingot steel to be rolled into sheets and strip in a continuous or semi-continuous strip mill. (The full text of the chairman's speech appears on another page in this issue of *Capital*). The Company expects to appoint a firm of consulting engineers shortly to prepare a detailed project report which should be received in about eight months after their appointment. While only preliminary estimates have been made, the indications are that the cost of this further expansion would be of the order of Rs. 170 crores, of which probably a little more than half would be in foreign exchange.

The chairman says that the most difficult problem will be that of finance, particularly as this project will be super-imposed on a programme already in hand for expanding and modernising the Company's ore mines, building a battery of coke ovens, adding some equipment to S.M.S. 3 and doing a few other things at a cost of about Rs. 25 crores and on the project for increasing the output of Jharia collieries by 1 million tons of washed coal at an estimated cost of about Rs. 30 crores. The chairman, however, finds no cause for alarm at the prospect of such large commitments. The recently completed two-million ton programme and the results achieved in the form of increased dividends and reserves are an indication of the benefits and added strength which accrue to the Company and its shareholders from expansion resulting in lower costs, better utilisation of total assets and increased productivity.

Mr. Tata has assured the shareholders that the directors will sanction a further expansion only if they are thoroughly satisfied that the project is technically and economically sound and that it can be undertaken on terms wholly fair to the shareholders. Referring to the recent amendment to the Companies Act empowering the Government unilaterally to convert into shares loans advanced by it to the joint stock companies, Mr. Tata says that the Company has made strong representations to the Government with whom discussions have been held and are still continuing towards "what I hope will be an equitable and mutually satisfactory solution".

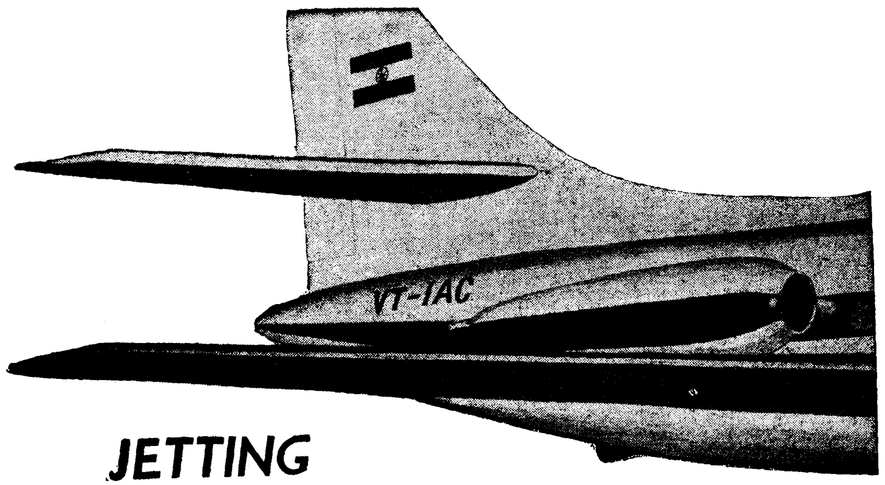
The financial position of the Company is strong. Against a paid-up capital of Rs. 38.05 crores, of which equity capital amounts to Rs. 27.55 crores, the Company has reserves and surplus amounting to Rs. 50.25 crores. Secured and unsecured loans have dropped to Rs. 47.26 crores from a high of Rs. 64.07 crores two years ago. The gross block has increased from Rs. 195.88 crores to Rs. 200.37 crores over the year, while the net block has declined from Rs. 103.32 crores to Rs. 100.15 crores. The net worth an ordinary share works out to Rs. 197, compared with Rs. 179 a year ago. The net earning of an ordinary share comes to Rs. 29.60, against Rs. 24.26 at the end of the preceding year. The debt-equity ratio is 0.44 to 10.

Macneill and Barry Jute Mills Repeat

THE results of the Macneill and Barry group of jute mills—The Nuddea Mills Co. Ltd and the Gourepore Co. Ltd—for the year ended March 1964, have been published. The directors have pointed out that although the price support scheme for raw jute has been successful in maintaining the minimum price of fibre, the move has impaired the efficiency with which the raw material-buying activity of mills is conducted. The jute buffer stock is a costly proposition which has added about Rs. 2 a maund to the mills' consuming price of the raw material.

Commenting on the increased production costs, they have pointed out that the cost of power has risen at a time when it is essential to hold down costs to meet the rising competition from Pakistani mills. Since the production of jute goods by Indian and Pakistani mills has overtaken demand, the prices have dropped. Fibre rates have tended to rise, and the profit margins of mills have been shrinking. The prospects, therefore, are not so encouraging as they were a year ago.

During 1963-64, trading conditions were favourable, although the margin of profit has been reduced. Nuddea Mills have earned a profit of Rs. 20.45 lakhs for 1963-64, against Rs. 39.44 lakhs for 1962-63, after transferring Rs. 10.35 lakhs (against Rs. 8.49 lakhs) to depreciation. The taxable ordinary dividend of 10 percent, including an interim of 4 percent, has been repeated, which works out to a yield of 9 percent at the present price of Rs. 11.12 a share of Rs. 10 each. Taxation is allocated Rs. 10.40 lakhs (against Rs. 17.45 lakhs), development rebate reserve Rs. 79,920 (against Rs. 4.93 lakhs) and general reserve Rs. 2.50 lakhs (against Rs. 7.25 lakhs). The carry-forward



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is Rs. 20,062, against Rs. 13,111 brought in. Orders have been placed for the installation of 40 wide looms to produce jute backing for the tufted-carpet industry. The first batch of these looms went into production in the month of July 1964, and this unit is expected to make a significant contribution to the Company's earnings.

The profit of Gourepore Co. has amounted to Rs. 65.24 lakhs, against Rs 74.10 lakhs, after providing Rs. 21.81 lakhs (against Rs. 14.75 lakhs) for depreciation. The taxable ordinary dividend of 20 percent, including an interim of 10 percent, has been repeated. The yield amounts to 8.7 percent at the present price of Rs. 23 a share of Rs. 10 each. Taxation absorbs Rs. 30.10 lakhs (against Rs. 37.80 lakhs) and surtax on profits Rs. 6·15 lakhs. In 1962-63, a sum of Rs. 9.30 lakhs was allocated to super profits tax. Development rebate reserve absorbs Rs. 3.94 lakhs (against Rs. 4.83 lakhs) and general reserve Rs. 13 lakhs (against Rs. 6 lakhs). The carry-forward is Rs. 41,505, against Rs. 28,659 brought in. There are now 124 broad looms to produce carpet-backing. Although America has been the principal market for the cloth, progress has been made in developing markets in other parts of the world.

More from Karanpura Collieries

THE Karanpura Collieries Ltd has increased the taxable ordinary dividend from 10 percent to 12 percent for the year ended 29th February, 1964. The yield amounts to 9.6 percent at the present price of Rs. 12.50 a share of Rs. 10 each. The profit has improved from Rs. 10.02 lakhs for 1962-63 to Rs. 14.55 lakhs for 1963-64, after providing Rs. 2.35 lakhs (against Rs. 2.22 lakhs) for depreciation. Taxation absorbs Rs. 7.63 lakhs (against Rs. 5.71 lakhs), super profits tax relating to the previous year Rs. 10,000 (against Rs. 1.03). A sum of Rs. 1.29 lakhs (against Rs. 50,000) has been provided for statutory development rebate reserve before arriving at the profit figure.

The carry-forward is Rs. 1,971, against Rs. 9,997 brought in. Raisings were higher at 265,945 tonnes, compared with 320,083 tonnes, and despatches rose from 276,844 tonnes to 315,956 tonnes. Although wagon supplies improved, stocks rose. The expansion of the siding to take full rakes of box wagons and the installation of the weighbridge have been completed. The equipment under the World Bank loan has arrived, and the bulk of it have been installed or are in the course of installation.

Calcutta Tramways Raises Dividend

THE ordinary shares of Calcutta Tramways Co. Ltd have been sluggish around Rs. 10.50 in spite of a higher dividend declared for the year ended December 1963. A taxable ordinary dividend of 6 percent, against 5 percent for 1962, has just been announced. It absorbs £42,000 and works out to a yield of 6.3 percent at the present price of Rs. 10·50 a share of £1 each. The revenue has amounted to £193,185, after transferring £100,000 to renewals and replacement account. Taxation absorbs £118,000 and debenture interest £18,826. In accordance with the agreement between the Government of West Bengal and the Company, a sum of £56,359 has been credited to shareholders' account. Debenture stock redemption is allocated £9,652 and preference dividend £7,656. A sum of £2,949 has been brought forward on shareholders' account. The annual general meeting will be held in London on 8th October, 1964.

Share Offer by Selected Satgram Collieries

SELECTED Satgram Collieries Ltd will soon issue fresh capital of Rs. 30 lakhs divided into ordinary shares of Rs. 100 each for Rs. 20 lakhs and preference shares of Rs. 100 each for Rs. 10 lakhs. When the issue is subscribed, the Company's share capital will amount to Rs. 70 lakhs dividend into Rs. 60 lakhs of ordinary shares and Rs. 10 lakhs of preference shares. The new shares will be offered to the existing shareholders in the proportion of one new ordinary share for every two held and one new preference share for every four ordinary shares held. The shares which are not subscribed by the existing shareholders will be later offered to the public through prospectus.

A part of the issue has been underwritten, it is reliably learnt, by the Life Insurance Corporation of India. Negotiations are proceeding for further underwriting by various financial institutions. In 1962, the directors decided to offer ordinary rights shares for Rs. 30 lakhs. But the issue was postponed because of the uncertain conditions in the capital market. Proceeds of the issue will be used for setting up an engineering works and to expand the New Majri colliery in Maharashtra. A licence has been obtained to increase the output of the colliery to 25,000 tonnes a month. The present production of the colliery is about 15,000 tonnes a month.

Kailas Rubber Does Well

THE working of the Kailas Rubber Co. Ltd for the year ended February 1964, has resulted in a profit of Rs. 3,67,180, after providing for depreciation and all charges and also Rs. 2,90,000 for taxation. The net profit for the previous year amounted to Rs. 3,59,687, after providing for depreciation and all charges and also Rs 2,90,000 for taxation. With the balance of Rs. 22,903 brought forward, the total available for appropriation comes to Rs. 3,91,083.40. Out of this, the interim dividend of 15 percent has absorbed Rs. 1,77,855. The final dividend of 15 percent will absorb Rs. 1,77,855. The balance of Rs. 35,373 is carried forward. During the year, 40 acres in Kutikul estate have been replanted with Malayan clonal rubber seeds. The rubber crop for the year amounted to 456,137 kilograms. The estimated rubber crop for 1964-65 is put at 421,000 kilograms.

Bonus from Polychem

THE working results of Polychem Ltd for the year ended March 1964, show an impressive improvement over the previous year's performance. The turnover, inclusive of excise duty, is up by about 36 percent from Rs. 2.01 crores to Rs. 2.73 crores, and the gross profit has shot up by as much as 130 percent from Rs. 38.43 lakhs to Rs. 88.12 lakhs. The ratio of gross profit to sales has improved substantially from 18.5 percent to 32.2 percent. The dividend has just been maintained at 15 percent, but the directors have proposed the issue of bonus shares in the ratio of three bonus shares for every seven equity shares held. This will be done by capitalising the share premium account amounting to Rs. 24 lakhs. The bonus issue is subject to the sanction of the Controller of Capital Issues.

After providing Rs. 56.47 lakhs (against Rs. 6.30 lakhs) for depreciation, Rs. 27.33 lakhs (against Rs. 2.44 lakhs) for development rebate and nil (against Rs. 17 lakhs) for taxation, the net profit amounts to Rs. 4.32 lakhs, against Rs. 29.69 lakhs in the preceding year. After transferring Rs. 6 lakhs (against nil) from dividend equalisation reserve, Rs. 27,000 (against nil) from dividend reserve, writing back a sum of Rs. 96,140 (against nil) being the excess provisions made in the previous years and taking credit for Rs. 83,250 (against Rs. 21,561) being the tax recovered from dividend on preference shares, the disposable surplus comes to Rs. 12.39 lakhs. From this, a sum of Rs. 63,000 has been set aside for tax on dividend in the previous year and Rs. 4,602 have been provided for capital reserve. After transferring Rs. 11.75 lakhs to general reserve, there remains a surplus of Rs. 6,016 to be carried forward, against Rs. 9,857 brought in. The proposed dividends on preference and equity shares, absorbing Rs. 11.73 lakhs, are to be paid out of the general reserve account.

The directors state that, during the year, the work on the two projects, namely, styrene monomer plant and the alcohol distillery, was completed, and both the plants have been in regular production. The products made in both these plants are said to conform to the standard specifications. The expansion of the polystyrene plant which was completed last year has added further flexibility and capacity for the simultaneous increased production of both general purpose as well as high impact grades of polystyrene. Now that the basic raw material styrene monomer is being manufactured in its plant, the Company is no longer dependent on imports for any of its raw materials. It is now in a position not only to meet the demand of its products fully, but will also be able to maintain adequate stocks of all grades of polystyrene at important consuming centres. Since the close of the year, the Company has repaid on capital account Rs. 10.13 lakhs to the Industrial Finance Corporation of India, thus making a total repayment of Rs. 20.19 lakhs.

Western India Spinning Pays More

THE directors of the Western India Spinning and Manufacturing Co. Ltd have stepped up the final dividend for the year ended March 1964 from Rs. 40 to Rs. 45 a share of Rs. 250, making a total of Rs. 69 a share, against Rs. 64 a share paid in the previous year. This follows the marked improvement in the Company's gross profit from Rs. 21.81 lakhs to Rs. 32.28 lakhs. The 50 percent increase in the profit has been achieved with only a small increase in the sales from Rs. 3.40 crores to Rs. 3.56 crores. Apparently, the Company is enjoying the benefit of rationalisation and modernisation schemes. It might be noted here that the management of the mills has changed hands from Thackerseys to Messrs Pratap Shoorji Vallabhdas and Dilipsinh Shoorji Vallabhdas since December 1963.

According to the preliminary report, the provision for depreciation has been raised from Rs. 10.79 lakhs to Rs. 12.23 lakhs, while allocation to the development rebate reserve is lower at Rs. 1.10 lakhs, against Rs. 2.53 lakhs. The provision for taxation is appreciably higher at Rs. 11 lakhs, against Rs. 4.25 lakhs. After making these allocations, the net profit is shown at Rs. 7.97 lakhs, compared with Rs. 4.24 lakhs in 1962-63. The preference dividend absorbs Rs. 84,000 (the same) and equity dividend accounts for Rs. 6.52 lakhs, against Rs. 6.14 lakhs. The directors state that the Company has started manufacturing superfine cloth and also terelyne cotton textiles under the new management. The rationalisation and modernisation programme is under way. The Company has been liecensed to install 5,428 new spindles. New machinery worth Rs. 6.02 lakhs was received during 1963-64, and orders for additional machinery worth Rs. 50,000 have been placed. The Rs. 250-paid share of the Company is quoted nominally around Rs. 825.

Sayaji Mills Fares Well

THE Sayaji Mills Ltd reports highly encouraging results for the year ended March 1964. The turnover has gone up by nearly 40 percent from Rs. 6.19 crores to Rs 8.62 crores, and the gross profit also has risen by about 40 percent from Rs. 60.21 lakhs to Rs. 86.65 lakhs. The directors have recommended a higher gross dividend of Rs. 25 plus Rs. 1 by way of bonus a share. In the preceding year, the Company had paid Rs. 8 as gross dividend, and declared a one-for-20 bonus issue which, however, was rejected by the Controller of Capital Issues.

Appropriations of the year's profits include depreciation Rs. 29.95 lakhs (against Rs. 18.95 lakhs), development rebate Rs. 9.86 lakhs (against Rs. 3.73 lakhs), taxation Rs. 21.50 lakhs (against Rs. 20 lakhs), donations Rs. 41.159 (against Rs. 95,296) and general reserve Rs. 21.62 lakhs (against Rs. 13.04 lakhs). After making these allocations, there remains a nominal surplus of Rs. 681 to be carried forward, against Rs. 550 brought in. The proposed dividend is to be paid out of the general reserve. The Company spent Rs. 59.38 lakhs on additions to fixed assets during 1963-64, compared with Rs. 1.18 crores in the preceding year. The Company has plans to spend a further sum of Rs. 2.50 crores on expansion, modernisation and rehabilitation during the next four years. The Company's mills in Bombay exported cloth worth Rs. 1.34 crores during 1963-64.

Premier Cable Share Offer

THE Premier Cable Company Ltd which proposes to undertake the manufacture of 18 million core yards of P.V.C. cables and 270 miles of plastic insulated power cables a year in Karukutty (Kerala State) will soon be in the market to raise Rs. 52 lakhs in equity and preference shares through public subscription. The project is estimated to cost Rs. 1.20 crores, which will be met by the issue of share capital of Rs. 70 lakhs and by a loan of Rs. 50 lakhs from the Industrial Finance Corporation. The construction of the factory is in progress. The Company has been granted two import licences for import of plant and machinery, worth Rs. 11 lakhs from West Germany and Rs. 31.18 lakhs from East Germany. Orders for these have already been placed.

The Company has entered into a technical collaboration agreement with VEB-Kabelwerk Oberspree of East Germany (formerly controlled by A.E.G.). The foreign collaborators will be given a lump-sum fee of



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Rs. 10.50 lakhs, and there will be no royalty to be paid by the Indian firm.

The Company has an authorised capital of Rs. 1 crore made up of Rs. 75 lakhs in equity shares of Rs. 10 each and Rs. 25 lakhs in 9.3 percent redeemable cumulative preference shares of Rs. 100 each. The issued capital comprises Rs. 48 lakhs in equity shares, and Rs. 22 lakhs in preference shares. Out of these, the promoters, directors and their friends have taken up equity shares worth Rs. 18 lakhs. The balance of equity capital of Rs. 30 lakhs and preference shares worth Rs. 22 lakhs are being offered for public subscription. The entire public issue has been underwritten.

The subscription list will open on 18th August and will close on the 28th or earlier, but not before 20th August. P.V.C. insulated power cables are fast replacing the conventional paper insulated cables. At present, there is a sizable shortage of power cables in the country and the demand is growing. The board of directors includes Mr. P. C. Periwal, Mr. Muthia Annamalai Chidambaram, Mr. B. G. Bangur, Mr. Basudev Somani, Mr. Charles G. Gorton, Mr. Sohanlal Mohta and Mr. Hanuman Mall Periwal.

Minerva Mills Disappoints

MINERVA Mills Ltd reports disappointing results for 1963, and the dividends on ordinary and preference shares have had to be skipped. In 1962, the Company had paid a dividend of Rs. 3.50 a share. Despite a rise in sales from Rs. 1.70 crores to Rs. 2.05 crores, the Company has incurred a loss of Rs. 70,477, against a profit of Rs. 1.96 lakhs after providing Rs. 8,513 (against Rs. 4.45 lakhs) for depreciation, Rs. 40,000 (the same) for managing agents' remuneration and nil (against Rs. 1.37 lakhs) for development rebate. After adjusting the sum of Rs. 8,714 brought forward, there remains a debit balance of Rs. 61,763 which has been adjusted against the uncommitted reserves amounting to Rs. 72,327, leaving a balance of Rs. 10,564 to be carried forward.

The directors state that the work of installing the bulk of new machinery under the N.I.D.C. scheme led to considerable dislocation of operations during the first half of 1963. Furthermore, because of the reduction in the actual users' quota for superfine cotton, the number of spindles operating on superfine yarn had to be reduced during the year from 50 percent to 25 percent of the total spindles. Besides, the prices of superfine yarn were reduced in February 1963 under the voluntary price control scheme. The N.I.D.C. scheme, which is now almost fully implemented, has resulted in the transformation of the mills from an obsolete unit into a modern one. Renovation is still continuing.

Greaves Cotton Pays the Same

GREAVES Cotton and Co. Ltd has maintained the dividend for the year ended March 1964 at 12 percent. The brief preliminary report on the Company's working results shows a fair improvement over the previous year with both sales and profit setting new records. The increase in profit, however, is much smaller compared with the rise in sales. The turnover has gone up by nearly 40 percent from Rs. 7.84 crores to Rs. 10.93 crores, while the profit has risen by hardly 11 percent from Rs. 54.53 lakhs to Rs. 60.48 lakhs. The figures about depreciation and development rebate have not been released by the Company. The tax liability is estimated at Rs. 28.50 lakhs, against Rs. 23 lakhs in the preceding year. Dividends on equity and preference shares will absorb Rs. 19.78 lakhs.

The directors propose to provide for the payment of tax and dividends from the general reserve which has been allocated Rs. 61.25 lakhs, against Rs. 54.50 lakhs in the previous year. The Company's subsidiary and associated companies are reported to have shown satisfactory results with both turnover and profits recording considerable improvement. The Company's own manufacturing divisions, namely, cone and tube plant and diamond drilling bits have shown substantial improvement contributing significantly to the Company's turnover and profitability. The current year's working continues to indicate satisfactory progress so far. The Rs. 100-paid share of Greaves Cotton is quoted around Rs. 174, offering a gross return of about 6.8 percent.

Project Costs of Camphor and Allied Rise

CAMPHOR and Allied Products Ltd, which commenced production of camphor on 29th April after detailed testing of the process equipment, has produced about 50 tons of camphor till date. The directors state in their third annual report for the nine-month period ended 31st December, 1963, that barring unforeseen events, the Company will be able to produce about 350 tons before the end of 1964. Its product is stated to have been received well in the market and in view of the arrangements already made for the sale of its entire production, the directors do not visualise sales difficulties. The capital cost of the camphor project including the allocation of pre-operative expenses to be capitalised is estimated to increase to Rs. 1.50 crores, as against the original estimate of about Rs. 1.15 crores. The directors attribute the increase in the capital cost mainly to delay in the completion of the project, consequent capitalisation of the increased expenditure during construction and general rise in the price level.

Referring to the industrial licence granted to the Company for the manufacture of formic acid, the directors state that the Company has received two proposals for obtaining know-how. Both these proposals are being considered and the management will accept whichever proposal is found to be more advantageous. The Company has submitted an application for the import of necessary capital goods. Considerable preliminary work is said to have been done for the scheme to manufacture various chemicals based on the Company's by-products. The Government has already granted the letter of intent for the manufacture of these chemicals. The Company's accounts for the nine-month period ended December 1964, show a loss of Rs. 26.890 after transferring Rs. 11.38 lakhs to the "expenditure during construction account", and after adjusting Rs. 9,285, as excess provision for taxation. Adding this loss to the balance of Rs. 65.256 brought forward from the last year's account, the total deficit of Rs. 92.146 is being carried forward. The Rs. 100-paid share of Camphor and Allied Products is available at around Rs. 82.

Progress of Simco Meters

THE third annual report of the directors of Simco Meters for the year ended March 1964, says that in addition to the sterling loan of £1,37,500 (equivalent to Rs. 18,33,330) sanctioned by the Commonwealth Development Finance Company Ltd, London, the Company has also availed itself of a medium-term loan of Rs. 6.67 lakhs from a commercial bank. The accounts disclose a loss of Rs. 3,31,484 for the year ended March 1964, after porviding full depreciation of Rs. 1,80,871. The payment of royalty to the collaborators, Messrs Denis Ferranti Meters Ltd of the United Kingdom, has been provided for. The accounts, however, do not include Rs. 4,81,000, being the Company's claim for development rebate, for which a reserve will have to be created in subsequent years out of profits.

The directors hope that with the successful establishment of regular commercial production of single phase meters now and the introduction of polyphase meters, for which there is a great demand and less competition, into the market, the coming year will produce better results. The working of the factory during the year was satisfactory. By about the beginning of June, four technicians from the collaborators' factory arrived to assist the Company in trial production. But due to the low levels in hydel reservoirs, high-tension power supply was suspended from 20th June, 1963 to 5th July, 1963 The factory commenced trial production only later and has produced till 31st March, 1964, 19,710 meters. At the time of the report, the factory has exceeded its rated capacity of 200 single phase meters a day. The daily average production has exceeded 350 single phase meters.

Raghuvanshi Mills Repeats Dividend

THE Raghuvanshi Mills Ltd reports encouraging results for the year ended March 1964. As against an increase of a little over 7 percent in the sales from Rs. 2.32 crores to Rs. 2.49 crores, the gross profit has gone up by about 25.8 percent from Rs. 28.65 lakhs to Rs. 36.02 lakhs. The performance looks fairly impressive when viewed against the background of rising costs in the textile industry. The dividend has been maintained at 12 percent.

Appropriations include depreciation Rs. 11.10 lakhs (against Rs. 8.34 lakhs), development rebate Rs. 1.39 lakhs (against Rs. 1.38 lakhs), taxation Rs. 15.36 lakhs (against Rs. 10.75 lakhs), general reserve Rs. 70,000 (the same), gratuity reserve Rs. 50,000 (the same), goodwill Rs. 8,000 (against Rs. 6,930) and dividend reserve Rs. 5.10 lakhs (the same). After making some minor adjustments, there remains a small balance of Rs. 3,488 to be carried forward, against Rs. 3,621 brought in. The dividend is to be paid out of the dividend reserve. The directors state that the Company has been continuing its programme of progressive modernisation of its plant and machinery. Additions to fixed assets made during the year amounted to Rs. 12.25 lakhs, and at the end of the year further commitments for more machinery were of the order of Rs. 24.30 lakhs.

It is hoped that when all these new machinery would be installed and put into commission, the working of the mills would show a considerable improvement and it would be better placed to face competition and increase in the cost of production. The Company exported during the year considerably in excess of its quota under the obligatory scheme of exports. It has received permission to install 6,788 more spindles and it has been further licensed to install another 4,000 spindles. Orders have already been placed for the supply of these spindles which are expected to be delivered in about two years. On the completion of the installation of these spindles, the total spindleage of the mills will rise to 44,000.

Velimalai Rubber Maintains

FOR the year ended February 1964, the Velimalai Rubber Co. Ltd has earned a pre-tax profit of Rs. 1,60,818.39 compared with the previous year's profit of Rs. 1,62,702.54. With the amount of Rs. 6,425.31 brought forward, the total comes to Rs. 1,67,243.70. Out of this, the provision for taxation amounts to Rs. 55,000 (against Rs. 55,000). A sum of Rs. 40,000 is transferred to debenture redemption reserve (against Rs. 40,000), and Rs. 4,742.43 is transferred to Rubber Replanting Reserve (against Rs. 2,138.60). The 7 percent preference dividend subject to deduction of tax amounts to Rs. 17,500. The proposed ordinary dividend of 7 percent (the same) will absorb Rs. 42,000. The balance of Rs. 8,001.27 is carried forward.

A rubber crop of 221,220 kilograms was harvested, against 215,817 kilograms in the previous year. The tea crop harvested amounted to 17,555 kilograms, against 20,667 kilograms for the previous year. The Company has now completed the process of replacing the tea area by rubber. The net average prices realised were 306.59 paise a kilograms for rubber and 397.64 paise a kilogram for tea, against 322.13 paise a kilogram for rubber and 354.80 paise a kilogram for tea.

The directors state that the Company's coconuts and pepper have been a good source of income, enabling it to maintain the profits in spite of increased costs and decreased sale proceeds of rubber. The estimated rubber crop for 1964-65 is put at 205,000 kilograms.

Clarion-McCann Advertising

THE Government of India has sanctioned the collaboration agreement between Clarion Advertising Services Private Ltd, the largest Indian owned advertising agency, and McCann-Erickson Corporation of the U.S.A., a leading international advertising agency. The former was formed as a co-operative venture by the staff of a well-known British advertising agency which closed down its head office in Calcutta in 1956. Due to the collaboration agreement, Clarion will now have direct access to reliable world-wide marketing information and facilities through McCann-Erickson's 75 offices in 32 countries.

Export advertising through the new agency will save India foreign exchange because 50 percent of the commission earned by the firm will be retained in this country. Clarion will continue to manage the new Company which will be called Clarion-McCann Advertising Services Private Ltd. The American Company will hold 49 percent of the shares in the new concern. The agreement opens a new opportunity for Indian exporters, and brings the latest techniques of advertising and marketing into this country.

New Capital Issues

SEVEN companies including four Central Government undertakings, have been authorised to raise

fresh capital totalling Rs. 17.74 crores. Of these, one company is issuing bonus shares, four are issuing equity shares and two equities plus preference shares. Two companies involve foreign collaboration. One of them is offering part of its shares to the public by prospectus. The consent of the Controller of Capital Issues is valid for 12 months in all cases excepting one where it is valid only up to 7th April. The following are the details:

Heavy Electricals (India) Ltd, Bhopal, a public sector undertaking, will be issuing further capital of Rs. 9 crores divided into 90,000 equity shares of Rs. 1,000 each for cash at par. The capital will be used for civil engineering works, purchase of machinery and plant, training of engineers, etcetera.

Indian Drugs and Pharmaceuticals Ltd, a Government of India undertaking, is to issue capital of Rs. 5.20 crores divided into 52,000 equity shares of Rs. 1,000 each to be issued for cash at par. The capital will be utilised for financing the drugs and surgical instrument plants.

Bharat Earth Movers Ltd, Bangalore, in the public sector, is to issue capital of Rs. 1 crore divided into 10,000 equity shares of Rs. 1,000 each to be subscribed privately for cash at par. The money will be used for the manufacture of heavy earth moving equipment and rail coaches.

National Buildings Construction Corporation Ltd, Delhi, a Central Government undertaking, is to issue capital of Rs. 26 lakhs divided into 2,600 equity shares of Rs. 1,000 each for cash at par. The capital will be used for construction of buildings, roads and other civil works throughout India.

Sandur Manganese and Iron Ores Private Ltd, Bangalore, is to issue capital of Rs. 68,47,500 consisting of equity capital of Rs. 52,47,500 and 9.3 percent preference capital of Rs. 16 lakhs. Equity shares of the value of Rs. 17 lakhs (consisting of Rs. 2 lakhs for consideration other than cash against technical know-how and Rs. 15 lakhs for cash) will be issued to Societe Anonyme D' Applications De-Chimle Industrial and Societe Commercielle De-Mines Mineralise and Betaux of Belgium respectively. Out of the above, such numbers of shares of each kind as would qualify the scrip to be listed on the recognised stock exchange will be issued to the public by prospectus. The money will be used for the manufacture of pig iron.

Engine Valves Ltd, Madras, will be issuing further capital of Rs. 32,22,800 (including Rs. 4 lakhs raised under the exemption order) divided into 25,000 equity and 7,228 cumulative redeemable preference shares of Rs. 100 each carrying dividend at the rate of 9.1 percent a year, for cash at par. Out of the issue, equity shares of the value not exceeding Rs. 14 lakhs will be offered to Farnborough Engineering Company Ltd, Birmingham, or their parent company against supply of plant and machinery to be imported. The money will be used for financing expansion of the manufacture of valves.

Associated Cement Companies Ltd, Bombay, which was given consent on 8th April to the capitalisation of share premium not exceeding Rs. 1,19,21,800 and issue bonus shares has now been permitted to capitalise Rs. 1,27,16,600 from the share premium and issue bonus shares to the existing shareholders. The consent is valid up to 7th April, 1965.

THIS ANNOUNCEMENT IS NOT A PROSPECTUS.

Persons interested in full details are requested to obtain copies of the prospectus which are available from the Registered Office of the Company or from the Offices of the Company's Underwriters, Brokers and Bankers.

THE SUBSCRIPTION LISTS WILL OPEN AT THE COMMENCEMENT OF THE BANKING HOURS ON 18TH AUGUST, 1964, AND WILL CLOSE AT THE END OF BANKING HOURS ON 28TH AUGUST, 1964, OR EARLIER AT THE DISCRETION OF THE DIRECTORS, BUT NOT EARLIER THAN CLOSE OF BANKING HOURS ON 20TH AUGUST.

THE PREMIER CABLE COMPANY LIMITED

(Incorporated on 10th of April, 1962 under the Companies Act, 1956). Registered Office: 14/15, Block F, Connaught Place, New Delhi-1.

SHARE CAPITAL
Authorised:

7,50,000 Equity shares of Rs. 10/- each	Rs.	75,00,000
25,000 Redeemable cumulative preference shares of Rs. 100/- each	Rs.	25,00,000
	Rs.	1,00,00,000

Present Issue:

4,80,000 Equity shares of Rs. 10/- each	Rs.	48,00,000
22,000 Redeemable cumulative preference shares of Rs. 100/- each carrying dividend @ 9.3% free of Company's tax, but subject to deduction of tax at source at prescribed rates	Rs.	22,00,000
	Rs.	70,00,000

Out of the present issue the Directors, Promoters and their friends and relatives have subscribed for 1,80,000 Equity shares of Rs. 10/- each on which payment has been received as follows:

(a) **Fully Paid Shares:**

7 Equity shares of Rs. 10/- each	Rs.	70
(b) **Partly Paid Shares:** 1,79,993 Equity shares of Rs. 10/- each on which Rs. 5/- per share has been paid up	Rs.	8,99,965
	Rs.	9,00,035

Now offered at par for Public Subscription for cash:

3,00,000 Equity shares of Rs. 10/- each	Rs.	30,00,000
22,000 Redeemable cumulative preference shares of Rs. 100/- each carrying dividend @ 9.3% free of Company's income tax, but subject to deduction of tax at source at the prescribed rates	Rs.	22,00,000
	Rs.	52,00,000

UNDERWRITERS

The entire public issue of 3,00,000 Equity shares of the face value of Rs. 30,00,000/- and 22,000 Preference shares of the face value of Rs. 22,00,000/- has been underwritten by Kerala State Industrial Development Corp., Life Insurance Corporation, Industrial Finance Corporation of India, Industrial Credit & Investment Corp. of India, United Commercial Bank Ltd., New India Assurance Co. Ltd., and M/s. Raja Ram Bhasin & Co.

DIRECTORS

SHRI PRAYAG CHAND PERIWAL, Forbesganj (Purnea), Bihar, Industrialist, Managing Director: Periwal Co. (P) Ltd. Director: Shree Mahabir Industries (P) Ltd., E. Sefton & Co. (P) Ltd., and other companies.

SHRI MUTHIA ANNAMALAI CHIDAMBARAM, Adyar House, Madras, Industrialist, Chairman: South India Steel & Sugars Ltd., Southern Industrial Corp. Ltd., Automobile Products of India Ltd. Director: Indian Aluminium Co. Ltd., Machinery Manufacturers' Corp. Ltd., Ratnakar Shipping Co. Ltd., Southern Tubes Ltd., Asiatic Oxygen Ltd., Fiberglass Pilkington Ltd. and other companies.

SHRI BENU GOPAL BANGUR, 14, Netaji Subhas Road, Calcutta, Industrialist, Director: The Bengal Paper Mills Co. Ltd., Shri Madhusudan Mills Ltd., Assam Hardboards Ltd., Shalimar Rope Works Ltd., Hindustan Wire Products Ltd. and other companies.

SHRI BASUDEV SOMANI, Shreeniwas House, Waudby Road, Fort, Bombay, Industrialist, Director: The Shreeniwas Cotton Mills Ltd., The Advance Insurance Co Ltd., Citric India Ltd., Assam Hardboards Ltd., The East India Cotton Association Ltd. and other companies.

SHRI CHARLES G. GORTON, 82 St. Saviour's Road, Croydon Surrey (UK), Industrial Consultant.

Alternate Director (to Mr. Charles G. Gorton), SMT. DURGA DEVI PERIWAL, Sriganganagar, (Rajasthan), Industrialist, Director: P. H. Periwal Bros. (P) Ltd., Bayunandan Rice & Oil Mill (P) Ltd.

SHRI SOHANLAL MOTHA, 55, Jamnalal Bajaj St., Calcutta, Businessman, Managing Director: Rajtilak Industries (P) Ltd., Director: West Bengal Stores Ltd. and other companies.

SHRI HANUMAN MALL PERIWAL, Managing Director, Forbesganj (Purnea), Bihar, Industrialist, Managing Director: Shree Mahabir Industries (P) Ltd., Director: Mirzapur Electric Supply Co. Ltd., Rajtilak Industries (P) Ltd. and other companies.

MANAGING DIRECTOR

Shri H. M. Periwal has been appointed as Managing Director of the Company for a period of five years.

AUDITORS

Singhi & Company, Chartered Accountants, Calcutta, New Delhi.

SOLICITORS TO THE ISSUE

Messrs. Orr, Dignam & Co., National Insurance Bldg., Parliament Street, New Delhi.

BANKERS TO THE ISSUE

The United Commercial Bank Ltd., 2, India Exchange Place, Calcutta. The Central Bank of India Ltd., Mahatma Gandhi Road, Bombay-1. The Bank of India Ltd., 70/80, Mahatma Gandhi Road, Bombay.

BROKERS TO THE ISSUE

BOMBAY

1. M/s. Harkisondass Lukhmidass, Stock Exchange Bldg., 5th Floor, Apollo Street, Fort, Bombay-1.
2. M/s. Lewis & Jones, Bank of Baroda Bldg., Apollo Street, Fort, Bombay-1.
3. M/s. S. Ramdas, Agakhan Bldg., Dalal Street, Fort, Bombay-1.
4. M/s. Chimanlal J. Dalal, 107, Stock Exchange New Bldg., Dalal Street, Fort, Bombay-1.
5. M/s. P. R. Subramanyam & Sons, 70-A, Stock Exchange Bldg., Apollo Street, Fort, Bombay-1.

DELHI

1. M/s. Raja Ram Bhasin & Co., A-320 Defence Colony, New Delhi-3.
2. M/s. Harbans Singh Mehta & Co., 33, Regal Building, Parliament Street, New Delhi-1.
3. M/s. M. R. Dhawan & Co., 4/8, Asaf Ali Road, New Delhi-1.
4. M/s. Raj Paul Chadha & Co., Delite Cinema Bldg., Asaf Ali Road, New Delhi-1.

CALCUTTA

1. M/s. Place, Siddons & Gough (P) Ltd., 6, Lyons Range, Calcutta-1.
2. M/s. G. M. Pyne, Allahabad Bank Bldg., 14, India Exchange Place, Calcutta-1.
3. M/s. Sadasukh Kabra & Co., 2, India Exchange Place, Calcutta-1.
4. M/s. Sohanlal Pachisia & Co., 9, India Exchange Place, Calcutta-1.

MADRAS

1. M/s. Maconochie & Co., Post Box No. 291, Mercantile Bank Bldg., Madras-1.
2. M/s. Paterson & Company, Post Box No. 48, 32/33, Linghi Chetty St., Madras-1.
3. M/s. Kothari & Sons, Post Box No. 267, Oriental Bldgs., Armenian Street, Madras-1.

BANGALORE

1. M/s. Lokkur & Company, Post Box No. 631, Kempegowda Road, Bangalore-9.
2. M/s. P. R. Subramanyam & Sons, Shree Siva, 24, Fourth Street, Benson Cross Street, Bangalore-6.

AHMEDABAD

1. M/s. Chinubhai Chimanlal Dalal, Fatehbhai's Haveli, Ratnapole, Ahmedabad.

EXISTING & PROPOSED ACTIVITIES OF THE COMPANY

The Company plans to manufacture immediately 18 million crore yards of P.V.C. cables and 270 miles of Plastic Insulated Power Cables per annum.

P.V.C. Insulated Power Cables are fast replacing the conventional paper insulated cables throughout the world and in India also.

At present there is a sizable shortage of Power Cables, demand of which is expected to increase still further because of the various power projects under execution. In the Kerala State itself where the factory will be located several power projects like Panniar Pampa, Idukki are under execution.

TECHNICAL COLLABORATION

The Company has entered into a technical collaboration agreement with M/s. VEB Kabelwerk Oberspree of German Democratic Republic (formerly controlled by AEG), who were established 65 years ago and are reputed to be one of the leading cable manufacturers in Europe.

The agreement shall be in force for 10 years. The collaborators shall train 10 Indian personnel in their factories and the Company shall also be entitled to use their Trade Mark and benefit of the improvements made in production techniques by the collaborators. They shall be paid a total sum of Rs. 10,50,000/-; no royalty is payable.

LOCATION

The factory shall be located at Karukutty in the State of Kerala.

IMPORT OF MACHINERY

The Company has been granted two import licences for import of plant and machinery, worth Rs. 11 lacs from West Germany and Rs. 31.18 lacs from German Democratic Republic. Orders for these have already been placed.

CAPITAL LAYOUT

The capital cost of the project is estimated to be about Rs. 1.20 crores, which shall be met out as below:—

Share capital ..	Rs.	70 lacs
Loan from Industrial Finance Corp. ..	Rs.	50 lacs
	Rs.	1.20 crores

MINIMUM SUBSCRIPTION

The minimum subscription on which the Directors will proceed to allotment is shares of the value of Rs. 52 lacs, being the whole of the present issue.

PROSPECTUS AND APPLICATION FORMS

Application forms along with copies of the prospectus can be had from the Registered Office of the Company and from the Bankers, Underwriters and Brokers, whose names are mentioned above.

Application for shares must be for minimum 25 Equity shares or multiples thereof and for a minimum of 5 Preference shares or multiples thereof.

The Stock Markets

SHARES CLOSE STEADY AFTER EARLIER NERVOUSNESS

Wednesday Evening.

THE Calcutta stock market has been fairly steady during the past week. The earlier nervousness caused by disturbing developments in south-east Asia has vanished to a large extent. Operators are, however, restrained by economic and political uncertainties. Lyons Range is inclined to await the outcome of the various measures which the Government proposes to take to check inflationary pressures. Although the tripartite conference on the bank dispute will be held on Thursday, the working of banks continues to be interrupted. The settlement of the dispute between the management and workers of the State Bank of India has given rise to the hope that the grievances of other bank employees will be resolved satisfactorily. Mr. Lal Bahadur Shastri's statement to the effect that plan priorities should be revised on a more realistic basis has created a good impression.

Disturbances along the Indo-Pakistani border have, however, called for caution. The clearing on Wednesday passed off smoothly. The carry-forward charges have shown little change, compared with those of the previous settlement. Indian Iron are fairly steady due to a good report. In his statement circulated to the shareholders of the Company, the chairman, Sir Biren Mookerjee, pointed to the growth prospects for the shares. The first stage of further expansion to raise the production capacity by 300,000 tonnes has already been undertaken. The second phase to increase the capacity by a further 700,000 tonnes will be taken up in due course. Details of the projects have been dealt with in the "Guide for Investors" section in this issue of *Capital*.

Engineering shares attract little interest, and prices have on the whole tended to drop slightly. In the miscellaneous section, Indian Copper have been steady on expansion prospects, as was outlined by the Company's chairman in his address at the annual general meeting held on Wednesday. Not only is the electrolytic plant expected to start operating from 1965, but the Company has also been given a licence to expand copper production and to manufacture sulphuric acid. It is proposed to build a new smelter with a bigger capacity. Dunlop Rubber have attracted scattered support. India Steamship have been freely offered due to the passing of the dividend. National Insulated Cable have met with scattered buying. Hindusthan Twyford have gained on replacement purchases Alkali and Chemical and Union Carbide are sluggish. Among electric companies, U.P. Electric have improved on renewed support. In managing agency shares, Martin Burn are steady. There has virtually been no interest in bank and insurance shares. Among paper shares, Orient have retreated due to the disappointment over the maintenance of the dividend. Seshasayee Paper have improved on replacement buying. Scattered support has been extended to India Paper Pulp and Bengal Paper.

Birla are a prominent feature in jute shares and the scrip have risen substantially after intermittent profit-taking. Interested buying has contributed to the steadiness. Business in other jute shares has been cautious. Union, Kinnison and Anglo-India have been transacted. Ganges have hardened on rumours of a good dividend. The sharp rise in the price of raw jute has made the investors cautious. Coal shares have been neglected and stray business has passed in Burrakur, Central India and Western Bengal.

Selected cotton mill shares have been about steady on the prospect that there will be a more abundant supply of raw cotton during the current year. J. K. Rayon, Bharat Commerce and Dunbar have been bought. There has been limited turnover in tea shares and attention has centred on good Assam and Dooars gardens.

Government securities are quietly steady. The 3 percent Conversion Loan 1986 has been quoted around Rs. 63.50. Turnover has been restrained since the investors seem to be conserving funds for subscribing to the forthcoming State Government loans. The interruption of work in banks has been partly responsible for the lack of institutional support.

Tata Steel Output

Messrs Tata Industries Private Ltd, managing agents for the Tata Iron and Steel Company Ltd, report that the approximate production of iron and steel at the steel works in Jamshedpur during July 1964 was: iron 162,500 metric tonnes; steel ingots 161,800 metric tonnes and salable steel 130,000 metric tonnes.

Bombay

SHARES STEADY, BUT TURNOVER FALLS

MOVE TO CHANGE PLAN PRIORITIES WELCOMED

Wednesday Evening.

THE Bombay stock market has been steady during the past week, although turnover has shrunk considerably. Interest is largely confined to clearing shares, while the prices of cash scrip have tended to drop in the absence of support. The earlier weakness arising out of the disturbing developments in south-east Asia has almost vanished. Dalal Street is impressed by the keenness of the Prime Minister to tackle the problems of food shortage and inflation. The proposal to reduce Government expenditure and to reorder plan priorities has been bullishly interpreted.

Meanwhile, corporate news has also been good. Greaves Cotton has repeated the dividend. Indian Dyestuff proposes to issue rights shares in the ratio of one new share for every 14 held, at par, to raise funds for expansion. Larsen and Toubro will also issue rights shares at par and debentures to obtain funds for expansion.

Tata Steel ordinary have closed around Rs. 155 and investors have been busy examining the financial implications of the proposed expansion. Tata Engineering have attracted support. Premier Construction, Mukand Iron and Larsen and Toubro have been steady. In motor-vehicle shares, Premier Automobiles have been bought on hopes of improved working results. Hindustan Motors have met with pressure, particularly from outside sources.

Selective cotton mill shares have hardened on replacement purchases. Turnover has, nevertheless, been limited because investors are inclined to await the details of the partial control on cloth. Century, Bombay Dyeing, Kohinoor and Svadeshi have recovered on short-covering. Interest has been taken in Gokak, Standard and Morarjee. India United ordinary and Tata Mills have been steady.

In the miscellaneous section, cement shares have been steady. Associated Cement and Digvijay have changed hands. Sugar shares have been quiet. Belapur have reacted due to profit-taking. In mining shares, Be Be Petrol have lost on profit-taking. In steamship company shares, Scindia Steam have recovered on short-covering.

Chemical shares have been steady. Support has been forthcoming for Tata Chemical and Indian Dyestuff. Polychem have been sluggish. Among rayon shares, National Rayon have been supported on prospects of expansion. Voltas and Tata Oil have been taken. Despite limited turnover in bank shares, prices have been fully steady. Dena Bank and Central Bank have been transacted. In

HINDUSTHAN GENERAL INSURANCE SOCIETY LIMITED

FOR SERVICE & SECURITY

Chairman:
Dr. N. N. LAW, M.A., Ph.D.

Managing Director:
Mr. P. N. TALUKDAR, M.A. (Cantab)

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RESERVE FUND & OTHER RESERVES: OVER RS. 3 CRORES
DEPOSIT AS AT 31.12.63 RS. 190 CRORES

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electric company shares, Ahmedabad and Tata Hydro have been maintained.

Madras

SHORTAGE OF FUNDS CUTS ACTIVITY

GOOD PREFERENCE SCRIP IN DEMAND

Tuesday Evening.

THE Madras stock market has been steady during the past week. Turnover has, however, declined. Business, particularly in clearing shares, has shrunk due to the lack of support from outside centres. The restoration of the power cut has helped sentiment, but investors are cautious because of the shortage of funds and the still uncertain economic outlook. Interest has been shown in good preference shares, but sellers have been difficult to locate.

Government securities are sluggish in view of the forthcoming State Government loans. Bank shares have been fully steady, and Indian Bank have been done at Rs. 155 on declaring an interim taxable ordinary dividend of 7½ percent, including a bonus of 2½ percent. In electric company shares, Cochin State have changed hands at Rs. 12.75 and South Madras at Rs. 12.12. Sugar shares have tended to drop. Deccan have been available at Rs. 11.60 and E.I.D. at Rs. 35.50. Travancore have been transacted at Rs. 7.27 and India at Rs. 9.10. Madura have come to hand at Rs. 9.44 and K.C.P. at Rs. 24.

In the planting section, selected tea and coffee shares have met with support, while rubber shares have been freely offered. Blue Mountain have dropped to Rs. 2.20 and Cochin Malabar to Rs. 6.35. Consolidated Coffee have been steady at Rs. 23.60 and Ouchterlony at Rs. 3.15. Periakaramalai have come to hand at Rs. 3.45. Kailas have been done at Rs. 6.28 on declaring a taxable final ordinary dividend of 15 percent. Midland have been transacted at Rs. 11.30 on declaring a taxable ordinary dividend of 10 percent. Mysore Coffee have been taken at Rs. 4.22 on paying a taxable ordinary dividend of 6 percent. Lingapur have been supported at Rs. 5.17 on declaring a taxable final ordinary dividend of 5 percent. Kalasa have been taken at Rs. 4.25 on paying a final taxable ordinary dividend of 7½ percent. Parkside have been done at Rs. 25.25, Peermade at Rs. 20.50, Rajendra at Rs. 12.35 and Badra at Rs. 2.90.

In textile shares, South India Viscose have weakened to Rs. 114 and Travancore Rayon to Rs. 19.62. Lakshmi have been about steady at Rs. 130.25 and Madura have been done at Rs. 33.70. Buckingham has been quoted at Rs. 274.50 and Bangalore Woollen at Rs. 267.50. Loyal have been steady at Rs. 39.75 and Mettur at Rs. 277.50. Vijayakumar have changed hands at Rs. 150 and Radhakrishna have been done at Rs. 26.60.

In miscellaneous shares, Aluminium Industries have hardened to Rs. 21.15 and Ashok Leyland to Rs. 6.70. Dalmia Cement have been quoted at Rs. 12.50, but India Cement have been easier at Rs. 5.47. Mettur Chemical have been fully steady at Rs. 14.40, but F. A. C. T. have reacted to Rs. 5.15. Seshasayee Paper have been bought up to Rs. 7.60 and Mysore Paper have changed hands at Rs. 12.62. Enfield have been done at Rs. 10 and Madras Machine Tool have been transacted at Rs. 96.50 on declaring a taxable ordinary dividend of 5 percent. Business has passed in Mysore Stoneware around Rs. 11.57 on paying a taxable ordinary dividend of 12½ percent. Parry's Confectionery have been steady at Rs. 2.96 and Spencer at Rs. 21.25. Textool have come to hand at Rs. 150.50, while Madras Rubber have been weak at Rs. 11.37. Binny have been steady at Rs. 271.60, while Standard Motors have been freely offered down to Rs. 9.64.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 35/62—38/62—35/37—37/87—(28/75).
Burrakur Coal—Rs. 15/69—16/00—15/69—16/00—(15/62).
Dunlop Rubber—Rs. 33/12—33/87—33/00—33/37—(31/25).
Guest, Keen, Williams—Rs. 23/12—23/25—23/00—23/00—(31/25)
Hindustan Motors—Rs. 17/81—17/91—17/69—17/91—(16/09).
Howrah Jute—Rs. 15/75—16/00—15/75—16/00—(18/12).
Indian Aluminium—Rs. 30/50—31/19—30/50—31/12—(34/81).
Indian Copper—Rs. 3/30—3/33—3/25—3/31—(4/80).
Indian Iron—Rs. 24/38—24/62—24/26—24/54—(22/36).
J. K. Cotton—Rs. 10/19—10/31—10/00—10/12—(10/75).
Jaipur Udyog—Rs. 10/87—11/00—10/87—11/00—(11/37).
Kesoram Industries—Rs. 25/62—26/12—25/44—25/87—(21/00).
Orient Paper—Rs. 34/60—34/70—34/10—34/20—(34/00).
Orissa Cement—Rs. 11/87—11/94—11/81—11/81—(14/00).
Rohtas Industries—Rs. 11/25—11/28—11/12—11/19—(11/31).
Shree Gopal Paper—Rs. 24/75—24/75—24/75—24/75—(22/25).
Textile Machinery—Rs. 25/95—26/05—25/70—25/80—(23/35).

GILT-EDGED

3 % Loan (1986)—Rs. 63/60—63/60—63/55—63/55.
3 % „ (1966-68)—Rs. 98/50—98/50—98/50—98/50.
3 % „ (1970-75)—Rs. 90/25—90/75—90/25—90/75.
3½% „ (1966)—Rs. 100/00—100/00—99/90—99/95.
3½% „ (1967)—Rs. 99/85—99/85—99/85—99/85.
3¾% „ (1968)—Rs. 98/90—99/90—98/90—99/85.
4 % „ (1969)—Rs. 99/95—99/95—99/80—99/80.
4 % „ (1970)—Rs. 99/10—99/10—99/00—99/05.
4 ½ „ (1979)—Rs. 98/10—98/10—98/10—98/10.

BANKS

Punjab National—Rs. 20/00—20/00—19/94—20/00—(19/50).
United Bank of India (Rs. 10/- paid)—Rs. 7/62—7/69—7/50—7/59—(7/37).
Do. (Conty Rs. 20/-) (Rs. 10/- paid)—Rs. 6/90—7/00—6/90—6/97—(6/12).

TEXTILES

Bharat Commerce—Rs 20/69—20/75—20/62—20/75—(19/19).
Bowreah—Rs. 23/25—23/25—23/25—23/25—(21/75).
Do. ("A" Pref.)—Rs. 110/50—110/50—110/50—110/50.
Cawnpore—Rs. 6/75—6/81—6/75—6/81—(6/00).
Dunbar—Rs. 26/12—26/50—26/12—26/50—(26/12).
Elgin—Rs. 19/44—19/62—19/44—19/62.
Jagatjit—Rs. 15/37—15/62—15/00—15/50.
Jaya Shree—Rs. 13/19—13/25—13/19—13/25—(13/50).
New Victoria—Rs. 1/31—1/31—1/25—1/28—(1/37).
Do. (Pref.)—Rs. 2/12—2/19—2/12—2/19.
Shree Madhusudan—Rs. 12/00—12/00—12/00—12/00.
Swadeshi (P.O.)—Rs. 6/37—6/44—6/37—6/44—(7/00).

COALS

Amalgamated—Rs. 21/50—21/50—21/50—21/50—(25/50).
Bengal—Rs. 230/00—232/00—229/00—230/50—(260/00).
Bharat—Rs. 2/90—2/90—2/90—2/90.
Burrakur (2nd Pref.)—Rs. 6/25—6/25—6/25—6/25.
Central India—Rs. 8/25—8/25—8/06—8/12—(9/50).
East Indian—Rs. 27/87—27/87—27/87—27/87—(31/87).
Karanpura Collieries—Rs. 12/50—12/62—12/50—12/62—(15/00).
Khas Kajora—Rs. 14/12—14/19—14/12—14/19—(18/70).
Raneegunge—Rs. 13/19—13/19—13/06—13/06—(15/12).
Western Bengal—Rs. 8/75—8/87—8/75—8/87—(8/87).
West Laikdih—Rs. 5/12—5/50—5/12—5/50.

JUTES

Agarpara—Rs. 8/94—9/06—8/94—9/06.
Auckland—Rs. 127/00—127/00—127/00—127/00—(145/00).
Barnagore—Rs. 222/00—222/00—222/00—222/00—(199/00).
Bally (Pref.)—Rs. 111/00—111/00—111/00—111/00.
Champdany—Rs. 21/50—21/56—21/50—21/56—(20/87).
Chitavalsah—Rs. 8/12—8/25—8/12—8/25—(10/00).
Dalhousie—Rs. 122/00—122/00—122/00—122/00—(132/00).
Ganges—Rs. 14/00—14/69—13/75—14/56—(13/50).
Do. (Pref.)—Rs. 110/00—111/00—110/00—111/00.
Gourepore—Rs. 22/50 S.T.—23/00—22/50—23/00—(25/25).
Do. (Pref.)—Rs. 91/00—91/00—90/50—91/00.
Hastings—Rs. 126/00—126/00—126/00—126/00—(128/00).
Do. (Pref.)—Rs. 89/00—89/00—89/00—89/00.
Hooghly (Pref.)—Rs. 13/19—13/25—13/19—13/25.
Hukumchand (Pref.)—Rs. 100/50—100/50—100/00—100/00.
India—Rs. 15/25—15/25—15/25—15/25—(17/50).
Kankinarrah—Rs. 128/00—128/00—128/00—128/00—(125/00).
Do. (Pref.)—Rs. 76/00—76/00—76/00—76/00.
Kelvin—Rs. 140/00—140/00—140/00—140/00—(188/00).
Kamarhatty—Rs 157/50—157/50—157/50—157/50—(187/00).
Khardah—Rs. 16/94—17/12—16/94—17/12.
Lawrence (7% Pref.)—Rs. 98/00—98/00—98/00—98/00.
Megna—Rs. 12/50—12/56—12/50—12/50—(12/50).
New Central—Rs. 10/75—11/00—10/75—10/87—(12/37).
Do. (Pref.)—Rs. 90/00—90/50—89/50—90/50.
Nuddea—Rs. 11/00—11/12—11/00—11/12.
Northbrook—Rs. 24/87—25/00—24/87—25/00.
Presidency—Rs. 4/25—4/44—4/25—4/34—(4/56).
Reliance—Rs. 7/25—7/25—7/25—7/25—(9/37).
Do. (Pref.)—Rs. 115/00—115/00—115/00—115/00.
Union—Rs. 138/00—138/00—138/00—138/00.

MININGS

Chrestien Mica—Rs. 10/31—10/37—10/31—10/37—(10/40).
Metal Corpn.—Rs. 6/12—6/19—6/06—6/19
Orissa Minerals—Rs. 20/00—20/00—20/00—20/00—(27/12).

CEMENTS

Ashoka—Rs. 6/78—6/87—6/78—6/87—(7/75).
Assam Bengal (Defd.)—Re. 0/62—0/69—0/59—0/69—(0/46).
Dalmia (Bharat)—Rs. 12/56—12/56—12/37 12/44—(12/25).
Sone Valley—Rs. 4/06—4/12—4/06—4/12—(4/25).

CHEMICALS

Alkali & Chemical—Rs. 27/50—27/62—27/50—27/62—(31/81).
Bengal Chemical—Rs. 108/00—108/00—108/00—108/00—(102/00).
Chemicals & Fibres—Rs. 13/12—13/19—12/75 c t S.T.—13/19.

ELECTRICS

Benares—Rs. 13/50—14/81—13/50—14/87—(12/37).
Calcutta—Rs. 14/75—14/81—14/75—14/81—(14/62).
Cuttack—Rs. 12/00—12/06—12/00—12/06—(11/87).
Jubbulpore—Rs. 12/19—12/31—12/19—12/31—(11/19).
Shahjahanpur—Rs. 7/44—7/50—6/50—6/84—(6/75).
United Provinces—Rs. 164/00—170/00—164/00—170/00—(117/00).

ENGINEERINGS

Britannia Eng.—Rs. 9/37—9/50—9/31—9/40—(10/37).
Bharat Ball Bearing—Rs. 10/12—10/31—10/12—10/19.
Bhartia Electric Steel—Rs. 14/81—14/87—14/81—14/81—(13/50).
Burn & Co.—Rs. 266/00—266/50—266/00—266/50—(572/00).
Do. (7% Pref.)—Rs. 114/00—114/00—114/00—114/00.
Binani Metals—Rs. 11/75—11/75—11/69—11/75.
Calcutta Steel—Rs. 13/25—13/25—13/00—13/00—(12/87).
Dalmia Iron—Rs. 11/25—11/25—11/19—11/25—(10/69).
Hindusthan Wires—Rs. 9/75—9/75—9/31—9/31—(10/12).
Indian Standard Wagon—Rs. 35/75—35/75—35/75—(29/87).
Indian Iron & Steel (Pref.)—Rs. 85/50—86/50—85/50—85/00—(84/50).
J. K. Steel—Rs. 15/37—15/56—15/44—15/56.
Jay Eng.—Rs. 17/00—17/00—16/94—16/94.
Jessop & Co.—Rs. 20/81—21/12—20/81—20/87—(24/87).
Kumardhubi—Rs. 5/25—5/25—5/06—5/12—(7/62).
Marshalls—Rs. 3/12—3/12—3/00—3/00—(2/16).
Raymon Eng.—Rs. 4/25—4/56—4/19—4/50.
Sen-Raleigh—Rs. 13/37—13/50—13/37—13/50—(14/50).

INSURANCES

India Trade & General—Rs. 11/00—11/00—11/00—11/00
New Asiatic—Rs. 6/44—6/62—6/44—6/50.
Ruby General—Rs. 11/31—11/44—11/25—11/25—(9/28).

MISCELLANEOUS

Aluminium Corpn.—Rs. 11/50—11/75—11/37—11/75—(13/19).
Angelo Brothers—Rs. 24/75—24/75—24/62—24/62—(23/00).
Amalgamated Development—Rs. 50/00—50/00—50/00—50/00—(51/00).
Asian Refractories—Rs. 11/44—11/44—11/44—11/44.
Associated Battery—Rs. 22/94—23/00—22/94—23/00.
British India Corpn.—Rs. 9/75—10/25—9/62—10/25—(7/62).
British Paints—Rs. 22/50—22/50—22/50—22/50—(19/94).
Bharat Nidhi—Rs. 5/37—5/37—5/37—5/37—(5/00).
Cambay Investment—Rs. 96/00—96/00—96/00—96/00.
Calcutta Tramways—Rs. 10/50—10/62—10/25—10/62—(11/00).
Clive Row Investment—Rs. 8/19—8/31—8/19—8/31—(8/72).
Dr. Paul Lohmann—Rs. 8/50—8/56—8/12—8/12.
Electric Construction—Rs. 13/25—13/50—13/12—13/37—(12/50).
English Electric—Rs. 13/69—13/69—13/50—13/56.
General Tyres—Rs. 7/06—7/06—6/94—6/94—(7/56).
Gillanders Arbuthnot—Rs. 15/19—15/19—15/19—15/19—(14/00).
Goodyear India—Rs. 21/50—21/75—21/50—21/50—(30/00).
Gwalior Rayon—Rs. 40/50—40/50—40/50—40/50—(42/50).
Hindustan Aluminium—Rs. 12/12—12/28—12/12—12/25—(12/50).
Hindusthan Twyfords—Rs. 12/75—13/31—12/75—13/00 S.T.—(14/62).
Hindusthan Development—Rs. 3/75—3/75—3/75—3/75—(4/12).
Hindusthan Gas—Rs. 19/19—19/19—19/19—19/19.
Imperial Tobacco—Rs. 9/19—9/19—8/94—8/94—(10/50).
Indian Oxygen—Rs. 23/50—23/69—23/37—23/69—(27/12).
Indian Wood Products—Rs. 27/44—27/69—27/44—27/62—(29/25).
Jardine Henderson—Rs. 76/50—77/50—76/50—77/50—(87/50).
Do. (Pref.)—Rs. 55/50—55/50—55/50—55/50.
Jayshree Tea Industries—Rs. 14/12—14/25—14/12—14/25—(16/50).
J. K. Synthetics—Rs. 11/69—11/81—11/69—11/81—(9/94).
Kishore Trading—Rs. 59/00—59/00—59/00—59/00.
Martin Burn—Rs. 26/31—26/31—25/75—26/00—(26/50).
National Insulated Cable—Rs. 25/44—26/00—25/37—25/87—(23/00).
National Pipes & Tubes—Rs. 28/00—28/12—27/94—28/12—(25/25).
National Tobacco—Rs. 11/44—11/50—11/37—11/37—(10/12).
Do. (2nd Pref.)—Rs. 57/50—58/00—57/50—58/00.
National Rolling—Rs. 21/25—21/37—21/12—21/12.
Phillips Carbon—Rs. 12/12—12/31—12/12—12/31.
Shaw Wallace—Rs. 14/81—14/81—14/56—14/69—(16/31).
Do. (Pref.)—Rs. 56/75—56/75—56/75—56/75.
Shree Ganga Cold Storage—Rs. 10/25—10/25—10/25—10/25.
Universal Cables—Rs. 9/94—10/06—9/87—10/06—(9/37).
Usha Martin Black—Rs. 14/75—14/87—14/75—14/87.
Woolcombers of India—Rs. 11/40—11/50—11/31—11/50—(13/75).

PAPERS

Ashok—Rs. 4/97—5/00—4/97—5/00.
Ballarpur—Rs. 17/12—17/31—17/12—17/31.
Bengal—Rs. 26/12—26/25—26/06—26/12—(26/25).
India Paper Pulp—Rs. 22/19—22/37—22/00—22/31—(17/00).
Orient (1st Pref.)—Rs. 93/00—93/00—93/00—93/00.
Sirpur—Rs. 11/09—11/25—11/06—11/19—(11/50).
Star—Rs. 8/50—8/62—8/50—8/62—(8/87).
Seshasayee—Rs. 7/44—7/50—7/41—7/50—(6/69).
Titaghur—Rs. 13/75—13/81—13/56—13/75—(15/50).
Do. (Pref.)—Rs. 3/31—3/34—3/19—3/25.

REAL PROPERTIES

Hindusthan Buildings—Rs. 3/12—3/12—3/12—3/12.
Humayan Properties—Rs. 10/94—11/00—10/87—11/00—(11/00).
Midnapore Zemindary—Rs. 27/00—27/00—27/00—27/00—(10/00).
Sahu Property—Rs. 2/62—2/62—2/56—2/56.

SHIPPINGS

India General Nav.—Rs. 33/75—34/50—33/75—34/50—(45/00).
India Steamship—Rs. 6/44—6/56—6/37—6/50—(6/22).
Do. (Pref.)—Rs. 62/75—62/75—62/75—62/75.
Port—Rs. 14/69—14/69—14/69—14/69.

SUGARS

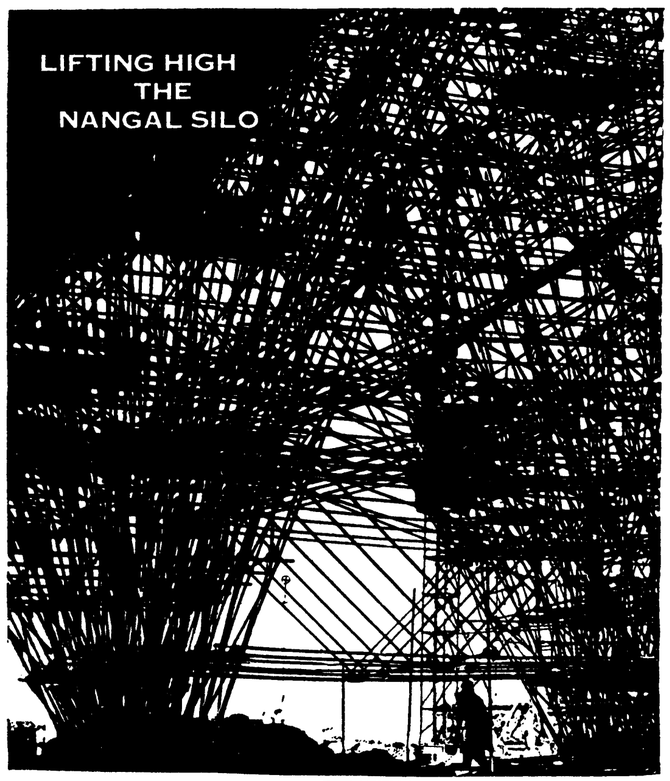
Carew & Co.—Rs. 12/31—12/31—12/31—12/31—(10/87).
Champaran—Rs. 10/75—10/81—10/53—10/53—(15/87).
Darbhanga—Rs. 8/25—8/25—8/25—8/25—(8/12).
Shree Krishna Gyanoday—Rs. 7/75—7/81—7/69—7/75—(7/12).
Tulsipur—Rs. 4/00—4/00—4/00—4/00.

TEAS

Bormah-Jan—Rs. 10/12—10/19—10/06—10/06—(14/25).
Brooke Bond—Rs. 10/50—10/62—10/44—10/56—(11/50).
Eastern Cachar—Rs. 4/44—4/56—4/44—4/56.
Grob—Rs. 6/81—6/87—6/81—6/87.
Hanuman—Rs. 10/12—10/12—10/12—10/12.
Jaybirpara—Rs. 8/44—8/50—8/44—8/50—(10/69).
Lingia—Rs. 13/06—13/37—13/06—13/37—(14/56).
Mim—Rs. 419/00—419/00—419/00—419/00.
Nagri Farm—Rs. 27/62—27/62—27/44—27/50—(27/25).
North Western Cachar—Rs. 140/00—140/00—140/00—140/00.
Patrakola—Rs. 208/00—208/00—208/00—208/00—(125/50).
Rydak—Rs. 22/31—22/44—22/31—22/44—(24/25).
Rungliee Rungliot—Rs. 289/00—290/00—289/00—290/00.
Sungma—Rs. 12/12—12/12—12/12—12/12.
Teesta Valley—Rs. 12/87—13/00—12/62—12/75—(12/00).
Teliapara—Rs. 158/00—158/00—158/00—158/00—(99/00).
Tezpore—Rs. 13/62—13/69—13/62—13/69—(14/75).

DEBENTURE

6½% Dalhousie Properties—Rs. 77/50—77/50—77/50—77/50.



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London

SHARES KEEP STEADY ON POLL RESULTS

TURNOVER RESTRICTED BY HOLIDAYS

London, 12th August.

IN spite of the upheaval in international affairs, the stock market gave an extremely good account of itself over the past week, and see-sawing movements left prices little changed on balance. With many investors on holidays, business was on the small side and, therefore, the all too many emergencies that arose did not produce the scale of selling that might have been expected. Helping sentiment was the smaller-than-expected fall in the gold reserves and also the latest political opinion polls which showed the Conservatives more favourably placed. Gilt-edged held fairly steady and if anything were slightly higher, but in the foreign market, Greek bonds were marked down following the shock news from Cyprus. Dollar stocks usually followed transactions which were somewhat erratic. A feature in equities was the marked strength of shipping shares, which was touched off by excellent statements from P. and O. and Furness Withy. Tobacco shares went ahead on the rise in cigarette prices, but other leading stocks moved narrowly. Insurance policies moved up, but the gains were not held. In gold shares, the finance issues were wanted at one time, but prices ran back later. Political developments in East Africa did not help coppers, and tins reflected the situation in North Viet-nam and weakened almost daily. British petroleum went ahead on the news of the oil strike, but the market as a whole was quiet. Rubbers also lost ground.

HIDES AND SKINS

The market showed little change. Stocks of hides were higher, but those of skins were less than in the previous week.

Bazaar Sales

(Between 4th and 10th August, 1964)

Cowhides: Wet salted (Ord) 24,000 pcs. on the basis of Rs. 8.25 to Rs. 9.62 and Rs. 10.75; Wet salted (Slaughtered) 34,500 pcs. on the basis of Rs. 10.50 to Rs. 16.50 and Rs. 19.50; Wet salted (Ord) 3,000 pcs. on the basis of 52 Paise per lb.

Goatskins: Wet salted (Patna, Daissee, Kustia) 67,500 pcs. on the basis of Rs. 240 to Rs. 270, Rs. 310 to Rs. 330 and Rs. 370 to Rs. 380; Wet salted (hekilled) on the basis of Rs. 4 and (shekilled on the basis of Rs. 3.75 a piece; Purneah-Kissenganj 19,600 pcs. on the basis of Rs. 265 to Rs. 275; Pakur 8,000 pcs. on the basis of Rs. 245; Purneah-Kissenganj 2,000 pcs. on the basis of Rs. 465 to Rs. 500.

Bazaar Stocks

(10th August, 1964)

Cowhides: Wet salted 74,800 pcs.

Goatskins: Wet salted (Patna, Daissee, Kustia, Killed) 71,500 pcs; Assam-Dinajpur 67,000 pcs; Muzaffer-pore-Patna - Pakur - Purneah - Kissenganj 234,000 pcs.

RESERVE BANK

ISSUE DEPARTMENT

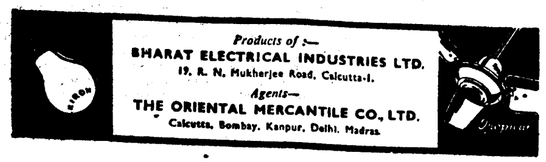
(In 000's of Rupees)	Week Ended 7-8-64	31-7-64	9-8-63
Liabilities—			
Notes in Banking Dept.	5,98,55	37,03,10	10,83,08
Notes in Circulation	24,58,83,41	24,19,41,48	22,46,93,44
Total Notes Issued	24,68,91,96	24,56,44,58	22,57,76,52
Assets—			
A. Gold Coin and Bullion	1,17,76,10	1,17,76,10	1,17,76,10
Foreign Securities	85,45,69	85,45,69	90,26,14
Total of A	2,03,21,79	2,03,21,79	2,08,02,24
B. Rupee Coin	1,04,89,71	1,07,52,83	1,18,42,52
Rupee Securities	21,60,80,46	21,45,69,96	19,31,31,76
Total	24,68,91,96	24,56,44,58	22,57,76,52

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long Term Operations) Fund	86,00,00	86,00,00	73,00,00
National Agricultural Credit (Stabilisation) Fund	9,00,00	9,00,00	8,00,00
National Industrial Credit (Long Term Operations) Fund	10,00,00	10,00,00	...
Deposits—			
(a) 1 Central Govt.	83,04,68	1,14,63,24	1,01,43,99
2. State Govts.	26,56,72	19,17,89	24,25,89
(b) Banks :—			
(i) Scheduled Banks	94,83,38	1,00,54,93	84,24,62
(ii) State Co-operative Banks	2,42,73	2,76,28	2,13,15
(iii) Other Banks	1,37	1,34	2,21
(c) Others	1,89,58,38	1,95,42,42	2,04,24,31
Bills Payable	34,76,51	32,75,25	25,35,00
Other Liabilities	21,16,18	21,37,97	18,68,39
Total	6,42,39,15	6,76,69,32	6,26,37,56
Assets—			
Notes	9,98,55	37,03,10	10,83,08
Rupee Coin	5,34	9,62	3,72
Small Coin	5,18	4,96	2,64
National Agricultural Credit (Long Term Operations) Fund			
(a) Loans and Advances to :—			
(i) State Govts.	28,29,51	28,30,13	27,16,59
(ii) State Co-operative Banks	12,68,15	12,76,02	10,34,28
(iii) Central Land Mortgage Banks	...	...	...
(b) Investments in Central Land Mortgage Bank Debentures	4,34,62	4,34,62	3,54,60
National Agricultural Credit (Stabilisation Fund) Loans and Advances to State Co-operative Banks	...	...	...
Bills Purchased and Discounted :—			
(a) Internal	...	...	...
(b) External	...	...	...
(c) Govt. Treasury Bills	...	...	...
Balances Held abroad	1,11,69,35	99,31,01	1,27,22,91
Loans and Advances to Govt.	8,19,66	8,52,63	5,09,03
Loans and Advances to :—	16,88,00	24,46,00	9,65,00
(i) Scheduled Banks	3,40,85	3,65,85	3,17,25
(ii) State Co-operative Banks	1,43,47,80	1,39,02,72	1,29,36,39
(iii) Others	2,32,69	2,06,69	1,76,80
Investments	2,75,88,38	2,90,04,00	2,74,48,58
Other Assets	25,11,07	26,98,97	23,66,69
Total	6,42,39,15	6,76,69,32	6,26,37,56

SCHEDULED BANKS

(In 000's of Rupees)	Week Ended 31-7-64	24-7-64	2-8-63
(I) Demand Liabilities—			
(a) Demand Deposits :			
(1) From Banks	64,74,57	65,89,35	52,12,49
(2) From others	11,09,29,48	11,11,43,13	9,39,86,56
(b) Borrowing from Banks	24,47,11	32,42,41	28,67,46
(c) Other	73,73,48	69,98,42	63,34,27
(II) Time Liabilities—			
(a) Time Deposits :			
(1) From Banks	41,87,41	43,48,57	36,29,63
(2) From others	13,28,48,95	13,26,51,16	12,21,72,09
(b) Borrowing from Banks	16,83,66	15,49,10	19,36,83
(c) Others	12,22,06	11,89,77	10,72,23
(III) Borrowing from State Bank—			
(a) Demand Liabilities	6,98,95	8,29,46	4,56,39
(b) Time Liabilities	16,58,96	14,55,00	14,00,00
(IV) Borrowing from Reserve Bank	1,99,90	29,70	2,04,50
(V) Cash	63,06,68	62,76,94	49,61,88
(VI) Balances with the Reserve Bank	95,48,15	94,11,27	81,47,62
(VII) Balances with other Banks in current account	22,57,01	22,55,90	20,51,73
(VIII) Money at call and short notice	67,34,35	63,88,35	59,31,35
(IX) Investments in Central and State Govt. Securities	7,61,35,67	7,37,44,27	6,92,00,56
(X) (a) Loans, Cash Credits and Overdrafts	14,95,38,62	15,05,26,53	12,74,23,03
(b) Due from Banks	8,32,79	8,22,25	8,06,45
(XI) Inland Bills purchased and discounted	1,65,36,13	1,62,25,35	1,62,93,37
(XII) Foreign Bills purchased and discounted	69,13,15	65,58,43	50,90,41
(XIII) Total of X, XI and XII	17,38,30,69	17,41,32,56	14,96,13,26



THE CALCUTTA MONEY MARKET

CALL RATE CONTINUES FIRM

Wednesday, 12th August.

THERE has been a small decrease in the general level of advances in the Calcutta money market during the past week. The decrease has been brought about by the slight fall in the credit given to the cotton and jute mills. Advances to sugar factories, the iron, steel and engineering units, and to the foodgrains trade remain almost unchanged. In the interbank market, conditions have eased slightly but the call rate quotes around 4¼ percent.

The exchange market has been fairly active, with a good supply of tea and gunny bills. The demand for remittances is moderate. In London, sterling remains weak against all important currencies except the Belgian franc and the Danish krone.

BULLION WAS STEADY IN CALCUTTA during the past week on fresh support induced by various rumours. Silver was quoted at Rs. 256.35 and 14-carat gold at Rs. 72. Silver fetched 112¼d in London and 129.3 cents in New York.

DURING THE WEEK ENDED 7TH AUGUST, Government of India Treasury bills for Rs. 138,41,75,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 11th August. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.400 percent were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.400 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 17th August.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 12th August to 14th August at Rs. 99.416 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 5th August to 8th August amounted to Rs. 3,53,25,000.

THERE WERE RISES OF Rs. 39.52 crores to Rs. 2,458.93 crores in active notes and of Rs. 12.47 crores to Rs. 2,468.92 crores in the total note issue, according to the return of the Reserve Bank of India for the week ended 7th August, 1964. The currency expansion was adjusted by increasing rupee securities by Rs. 15.10 crores to Rs. 2,160.80 crores in the paper currency reserve. Deposits of the Government of India dropped by Rs. 31.79 crores to Rs. 83.04 crores, while those of State Governments rose by Rs. 7.39 crores to Rs. 26.57 crores. Balances of scheduled banks at Rs. 94.83 crores showed a decline of Rs. 5.72 crores. Their loans from the Reserve Bank dropped from Rs. 3.66 crores to Rs. 3.41 crores, of which advances against usance bills amounted to Rs. 1.15 crores (Rs. 2.05 crores). Balances held abroad at Rs. 8.20 crores showed a drop of Rs. 33 lakhs. Investments declined by Rs. 14.16 crores to Rs. 275.88 crores. Ways and means advances stood at Rs. 16.88 crores, against Rs. 24.46 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 31st July, 1964, shows a rise of Rs. 35 lakhs to Rs. 647.75 crores in total deposits. Investments in Government securities are up by Rs. 18.98 crores to Rs. 288.23 crores, while other authorised investments remain unchanged at Rs. 9.44 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have declined by Rs. 34 lakhs to Rs. 344.65 crores. Cash and balances are, in consequence, shown at Rs. 32.14 crores or Rs 5.83 crores higher.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 31st July, 1964, shows Demand and Time liabilities at Rs 1,282.25 crores (Rs. 34.47 crores on account of borrowings from banks) and Rs. 1,399.42 crores (Rs. 16.84 crores), compared with Rs. 1,279.73 crores (Rs. 32.42 crores) and Rs. 1,397.39 crores (Rs. 15.49 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have increased by Rs. 32 lakhs and Rs. 1.37 crores to Rs. 63.09 crores and Rs. 95.48 crores, respectively. There is a rise of Rs. 23.92 crores to Rs. 761.36 crores in investments. Advances and bills discounted at Rs. 1,738.21 crores show a drop of Rs. 3.12 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.9 percent and 64.8 percent, against 5.9 percent and 65 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 14-8-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
14-8-64	17-11-64	2,00,00	Rs. 2.400%
7-8-64	10-11-64	2,00,00	Rs. 2.383%
31-7-64	3-11-64	2,00,00	Rs. 2.399%
24-7-64	27-10-64	2,00,00	Rs 2.400%
10-7-64	13-10-64	2,00,00	Rs 2.500%
3-7-64	6-10-64	2,00,00	Rs. 2.394%
26-6-64	29-9-64	2,00,00	Rs. 2.935%
19-6-64	22-9-64	2,00,00	Rs. 3.000%
12-6-64	15-9-64	2,00,00	Rs. 3.000%
5-6-64	8-9-64	2,00,00	Rs 3.000%
29-5-64	1-9-64	2,00,00	Rs 3.000%
22-5-64	25-8-64	2,00,00	Rs. 3.000%
15-5-64	18-8-64	2,00,00	Rs 3.000%

(Monthly Muturities 000's omitted)

August, 1964	4,00,00
September, 1964	10,00,00
October, 1964	6,00,00
November, 1964	6,00,00
Total	26,00,00

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
7-8-64	97,61,30	...
31-7-64	92,87,26	1,19,13
24-7-64	93,10,11	1,25,52
17-7-64	90,19,87	1,25,52

THE TATA IRON AND STEEL COMPANY LIMITED

STATEMENT OF THE CHAIRMAN

The following statement by Mr. J. R. D. Tata, Chairman of the Tata Iron and Steel Company Limited, dealing with the Company's working for the year ended March 31, 1964, has been issued to the shareholders. The Annual General Meeting of the Company will be held on Thursday, September 3, 1964 at 4-30 p.m. at the Birla Matushri Sabhagar, 19, Marine Lines, Bombay-1.

To the Members,

As this review comes to you only a bare two months after the death of Jawaharlal Nehru, it is fitting that it should begin with a tribute to his memory and an expression of our grief at his passing. In every age, a few men are born destined to shape the course of history and it was fortunate for our country that at one of the most critical turning points of its history, one of his heroic stature was there to lead it.

After Gandhiji led us to freedom, Jawaharlal undertook the prodigious task of changing the outlook, beliefs and way of life of hundreds of millions of people steeped in ignorance, poverty and despair; giving them faith in themselves and showing them that with education, hard work, modern ideas and methods and the application of science and industry, they could build a new and better life for themselves and their children. Many years must still pass before Jawaharlal Nehru's dream of a modern industrialised India comes true, but he lived to see the success of the greatest and boldest experiment in parliamentary democracy the world has ever known. If through all the emergencies and crises, which it had to face and surmount over these seventeen years, India has clung so tenaciously to the democratic way of life and remains today a nation of free people, we owe it mainly to him.

The Steel Works and the city of Jamshedpur held a special place in the thoughts of Jawaharlal Nehru for, long before other steel plants were built in the country, they were to him the symbol and the promise of a new India. In 1958, on the occasion of our Golden Jubilee, while dedicating the Jubilee Park, which the Company presented to the citizens of Jamshedpur, he said "I have come here because this great Steel Works and the city of Jamshedpur have become symbolic of the growth of Indian industry.....but the biggest reason of all is to pay homage to the memory of Jamsetji Tata." It is appropriate to recall these words today since this year marks the 125th anniversary of the birth of Jamsetji Tata and the 60th anniversary of his death. Referring to Jamsetji's courage and vision, he said "It is right that we should honour his memory and remember him as one of the big founders of modern India." The great heart that paid this gracious tribute is now stilled, but, as his biographer has said, "India will remember Jawaharlal as the man who saw the vision big and tried, with all his faith and will, to make it great."

As we mourn the passing of Jawaharlal, our thoughts, sympathy and good wishes turn to the dedicated man who has taken on the heavy burden of leading the country. The unanimous choice of Lal Bahadur Shastri as Prime Minister and the smooth transition to the new regime have given proof of the maturity and soundness of our parliamentary democracy. I am sure that shareholders will join me in assuring Prime Minister Shastri of the full support and co-operation of the Company in whatever way it may be called upon to help in the further development of India's steel industry.

The Year's Results

The Company made satisfactory progress during the year under review and reached the production target of 1.5 million tons of finished steel while the output of steel ingots fell short of the 2 million ton target by only 5%.

On the financial side, however, the results of the year's operations were somewhat disappointing. Although the profit before taxes was nearly Rs. 2 crores higher than in the previous year, much of the excess was due to the fortuitous addition to revenues of Rs. 85 lakhs written back from excess provisions made in previous years. Discounting this item, the profit was only marginally higher than in the previous year in spite of the substantial increase in sales and the ratio of profit before taxes to sales was 14.2% as against 15.4% in the previous year. The slight deterioration in profit per ton was due, as stated in the Directors' Report, to a rise in costs uncompensated by a corresponding increase in retention prices. Increases in prices were sanctioned by Government only from March 1964, although the increases in costs beyond the Company's control which such escalation in prices is intended to cover had taken place much earlier. The delay caused the Company the loss of a substantial amount of revenue and therefore of profit during the year. Furthermore, as stated in the Directors' Report, the price increases from March 1964 in categories of steel over which price control has been retained after partial decontrol, were substantially less than expected on the basis of an announcement made by the Minister of Steel in that month.

Shareholders will have noticed the six-fold increase in taxes this year. Whereas in the previous year the bulk of the profit was absorbed, for tax purposes, by arrears of development rebate, there was no similar set-off this year as all such arrears have been fully made up. The provision for taxes would, in fact, have been Rs. 2.70 crores larger but for the higher depreciation allowed under the reducing balance method of calculation adopted by the tax authorities than under the straight line method followed by us. I am sure, you will approve of the Directors' decision to set aside this saving in tax to a deferred taxation reserve for the reasons explained in the Directors' Report.

As against the increase of Rs. 6.65 crores in the provisions for taxes, including deferred taxation, as compared to last year, the allocation to the development rebate reserve is as much as Rs. 7.70 crores less than in the previous year. Taking into account all the variations between the two years' allocations and provisions and last year's transfers of Rs. 3.84 crores from reserves, the final balance available for disposal was larger this year by Rs. 3.12 crores.

As you are aware, our general reserves were heavily depleted by transfers to profit during the last few years to compensate for the exceptionally large amounts set aside for special reasons towards additional depreciation and arrears of development rebate. In the interests of the shareholders, it is necessary that we should build up these general reserves again whenever possible after paying reasonable dividends. Your Directors have, therefore, set aside Rs. 2.75 crores to General Reserve No. 1 this year and at the same time were able to recommend an increase of Re. 1 in the dividend on Ordinary shares.

Impact of Inflation

A matter of much concern to us as to all engaged in industry has been the continuous increase in costs, year after year, not only in steel but in almost every single product made or grown in India. Although the accelerating rise in the cost of living index during the last year has been principally due to soaring food prices, themselves due to insufficient production combined with a greatly increased purchasing power, the cost of all industrial products, including those which, like steel, do not depend on agricultural raw materials, has continued to rise relentlessly with no sign of abatement in sight.

Steel provides a striking example of the marked deterioration in the country's cost/price structure. Whereas until 1955 Indian steel was amongst the cheapest in the world, it has become one of the costliest although the basic elements which make up the total manufacturing costs have not materially changed in relation to those of other countries. At the end of 1963, the average price of the common categories of steel in India was more than two and a quarter times the 1948 price, one of the largest single elements of increase being in respect of excise duty which increased no less than fifteen times from Rs. 5 to Rs. 75 per ton. Actually the full incidence of excise duties and other taxes on the final price of steel is much greater than that as practically every item which goes into the making of steel, including fuel, power, raw materials and stores, is itself subject at one or more stages of production to its own excise duties and other taxes. In addition to the growing burden of direct taxes of one sort or another, freight rates charged by the Indian Railways are today four to five times what they were fifteen years ago.

The damage caused by rising costs to the economy and to the country's long-term plans of development cannot be exaggerated. Not only does the resulting decline in the purchasing power of the rupee cause severe hardship to every family in the country, but increases in costs have a number of other dire consequences. For instance, they have already rendered uncompetitive in world markets almost every exportable Indian product other than tea and jute, thus severely restricting our earnings in foreign exchange; they have inflated expenditure under the country's development plans and this, in turn, has necessitated, apart from further additions to our already crushing burden of taxation, a further rise in deficit financing, aggravating inflationary pressures and leading to still higher costs and prices, a vicious circle indeed.

While appreciating the magnitude and complexity of the problems involved and the grievous burden of additional Defence expenditure since last year, I venture to suggest that the deterioration in our price structure is largely due to our forcing the pace of economic development beyond the country's capacity in physical and financial resources. The inflationary effect of spending too much too quickly has been aggravated in our case by the fact that so much of the total expenditure has been incurred on unproductive civil administration and on costly long-term projects which can add to the national income only after long gestation periods and which, even when completed, produce little for the consumer.

Unfortunately, there seems to be no recognition as yet of the need for a reappraisal of resources and priorities in our planning. From the tentative figures recently announced for the Fourth Plan period it would seem that the remedies for our present ills are thought to lie in still larger plans involving still heavier doses of taxation, deficit financing and foreign borrowings.

Special Advance

You will, no doubt, expect me to make some reference in this Statement to the recent amendment to the Companies Act empowering Government unilaterally to convert into shares loans advanced by them to joint stock companies, and to the discussions which we and the Indian Iron and Steel Company have been having with Government in regard to the repayment of our respective special advances.

We have viewed the passing of the above amendment with deep concern, not only because of its potentially grave impact on the Company and its shareholders, but also because of the arbitrary and unfair nature of the measure and of its disregard of past undertakings in so far as the two Steel Companies are concerned. The scheme for the special advances of Rs. 10 crores made by Government to each of the two main producers towards the cost of their modernization and expansion programmes was formulated in consultation with a World Bank Mission in 1952 and, as memories on the subject seem to be short, I feel it necessary to review once again the genesis and history of these advances.

From the end of the war until the mid-fifties, the retention prices allowed by Government to the steel producers were fixed at levels far below import prices, on the unrealistic basis of a gross return of 8% on block, from which had to be provided profit sharing bonus, Managing Agents' commission and taxes, leaving only about 3½% for dividends and reserves. This price scheme had disastrous consequences for it left virtually nothing in the hands of the industry for rehabilitation and modernisation, leave alone expansion, and made it impossible to attract any fresh capital. As a result, the country had to spend immense amounts in foreign exchange every year on imported steel, which could have been saved if Government had followed a more realistic price policy.

When Government finally accepted the need for modernising and expanding the country's steel industry, we urged that our prices should be raised by Rs. 100 per ton which we undertook to apply exclusively, after taxes, to the modernisation and expansion of the plant. Even with this increase, our average retention price would at that time have been about half the price of imported steel. This modest and perfectly sound proposal was turned down by Government who, instead, decided to increase selling prices without raising retention prices. The funds generated by this increase to the consumer, which would normally and legitimately have accrued to the producers, was taken to an equalisation fund, from which the special advances were made to the two Companies. As I pointed out at that time, this amounted to lending us our own money. This was, in fact, recognised, at least by implication, in the terms of the special advances which made it clear that they were no loans in the ordinary sense, for the advances were to have no fixed maturity date and were to be repaid with interest only if and when a special element was added to the normal retention prices specifically for that purpose. In their 1962 inquiry into the steel industry, the Tariff Commission were specifically asked by Government to recommend a

special element in the retention prices towards the future repayment of the advances and interest thereon from July 1958. The Commission recommended Rs. 8 per ton, Government, for reasons of their own which I have not been able to understand to this day, changed their mind and announced in Parliament and elsewhere that they were considering other means of recovering these advances, including their conversion into shares. It was presumably in pursuit of this objective that the extra-ordinary amendment to the Companies Act mentioned earlier was passed in December 1963. Whether the real purpose was actually to convert the advances into shares or merely to induce the Companies, under the threat of such conversion, to repay them in abrogation of the terms of the agreements between the Government and the Companies, has never been made clear to us. We naturally made strong representations to Government with whom, I am glad to say, discussions have been held and are still continuing towards what I hope will be an equitable and mutually satisfactory solution.

While not relevant to this particular issue. I may mention that we have protested with equal earnestness against another amendment of the Companies Act recently introduced by Government, which is in breach of the spirit if not the letter of the Constitution. Under this amendment, the voting rights attached to shares of joint stock companies held in trust are to pass to a Public Trustee, who incidentally, has still to be appointed by Government. This measure, which has at one stroke disenfranchised every trustee shareholder in the country, except in the case of trusts of less than Rs. 5 lakhs, is an extra-ordinary piece of legislation which illustrates the present tendency to disregard the rights of individual citizens and a growing readiness to rely on compulsion in enforcing Government's will on the people. Although it is now part of the law of the land, it has not yet been put into actual operation as the appointment of the Public Trutee has still to be notified. I hope, even at this late stage, that some convention or "modus vivendi" will be established whereby, in practice, the voting rights of trustee shareholders will be left undisturbed except when they are abused or where the Public Trutee has grounds to apprehend the misuse of such rights by the trustees.

Further Expansion

In my Statement last year, I mentioned the possibility that our Company might be called upon to undertake a further large-scale expansion of capacity at Jamshedpur during the Fourth Five-Year Plan. Government have, indeed, requested us to undertake such expansion and further progress has been made in the examination of the project. The scheme, as it has now emerged from such a study and from discussions with Government, contemplates the installation of the necessary facilities for making, in the first instance, an additional million tons of ingot steel to be rolled into sheets and strip in a continuous or semi-continuous strip mill.

We expect to appoint a firm of consulting engineers shortly to prepare a detailed project report which should be received in about eight months after their appointment. While only preliminary estimates have been made, the indications are that the cost of this further expansion would be of the order of Rs. 170 crores of which probably a little more than half would be in foreign exchange.

As I hinted last year, the most difficult problem will be that of finance, particularly as this project will be super-imposed on a programme already in hand for expanding and modernising our ore mines, building a battery of coke ovens, adding some equipment to SMS 3 and doing a few other things, at a cost of about Rs. 25 crores and on the project for increasing the output of our Jharia Collieries by a million tons of washed coal at an estimated cost of about Rs. 30 crores.

There is no need for alarm at the prospect of such large commitments. The recently completed Two Million Ton Programme and the results before you in the form of increased dividends and reserves are an indication of the benefits and added strength which accrue to the Company and its shareholders from expansion resulting in lower costs, better utilisation of total assets and increased productivity. At this early staged, I can only repeat that your Directors will sanction a further expansion only if they are thoroughly satisfied that the project is technically and economically sound and that it can be undertaken on terms wholly fair to the shareholders.

Communal Disturbances

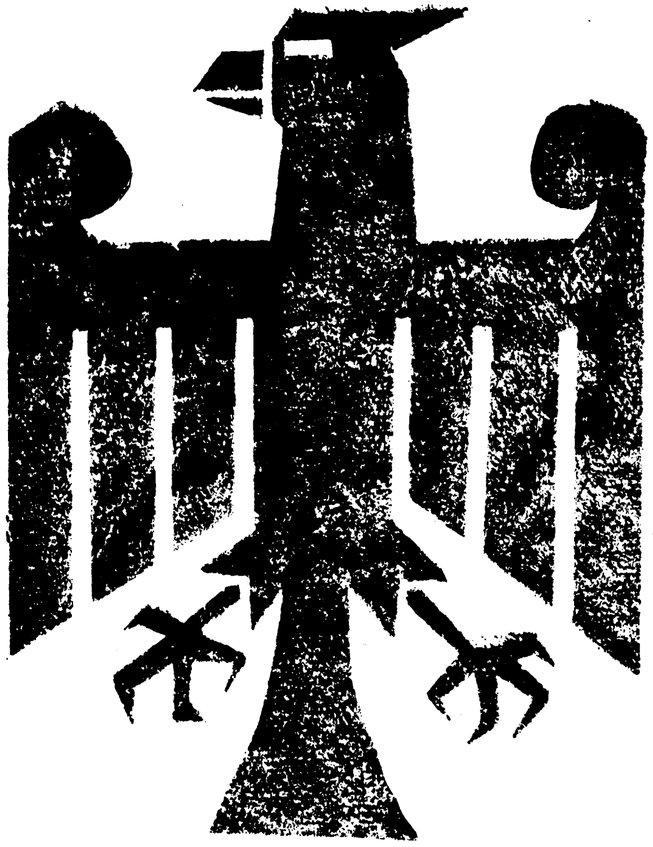
The Directors' Report contains a brief factual reference to the tragic events which overtook Jamshedpur in March this year and which, in addition to the loss of valuable life, brought great misery and hardship to thousands of innocent men, women and children. This explosion of communal violence was all the more shocking for having occurred at Jamshedpur which, for over a half century, had established an exemplary record of peace and harmony, maintained unsullied even in the darkest days of 1947.

It is poor consolation to know that the troubles were least pronounced in the Steel Plant and in the areas inhabited by the Steel Company's employees. This was to be expected as a large proportion of our present employees consists of second and third generation citizens of all communities who were born in Jamshedpur, went to school together and form a mature and stable cosmopolitan community. These elements conducive to happy relations between communities are lacking among the newer industries of Jamshedpur, most of whose employees have come from outside the city and, being younger, are more easily swayed by troublemakers.

The lesson to be learnt from this tragic episode is the need for continuous vigilance and sustained action in

COUNTRIES WE EXPORT TO (5)

WEST GERMANY
HAS PURCHASED IN 1963
100,000 PAIRS
OF FOOTWEAR FROM
Bata INDIA



the promotion and maintenance of good relations amongst the various communities as well as for a strong civil administration endowed with the necessary authority and the will to take firm and instant action in emergencies. Although the local Government authorities, including the Police, no doubt did their best to bring the situation under control, they were at first overwhelmed by the suddenness and magnitude of the events which offered evidence of having been deliberately planned.

One of the possible causes for the situation having gone out of hand for a while is the fact that Jamshedpur, although the second largest city in the State of Bihar and perhaps the most vital industrial centre in the whole country, is still administratively treated as a sub-division of a district, the headquarters of which are in a small neighbouring town. As a result, the law enforcement machinery is inadequate for dealing with serious emergencies. We have, therefore, urged that early consideration be given to the possibility of upgrading Jamshedpur to an administrative status commensurate with its importance to the State and to the country and with the magnitude of the problems and the task of administering it.

As stated in the Directors' Report, the Company, along with sister concerns at Jamshedpur, took quick and effective steps to provide relief and rehabilitation to the families of the affected communities. Although not relevant to this review, I think, shareholders may be interested to know that, recognising the similar misery and hardship suffered by thousands of refugee families from across the country's borders, the Steel Company, along with Telco and the Tata Trusts, are planning to undertake a programme of relief at one or more refugee camps in Bihar.

Sir Jehangir Ghandy

It is customary for me to end my annual statement to the shareholders with an expression of thanks to the officers, supervisory staff and workers at Jamshedpur and elsewhere for their contribution during the year to the further progress made by the Company. Now that I am no longer inhibited by his membership of the Managing Agents Firm. I should like to pay a special tribute to my old friend and colleague, Sir Jehangir Ghandy, who retired as Director-in-Charge of the Steel Company at the end of the year under review. "Joe" Ghandy, as he has always been known to those who have worked with him, joined the Steel Company as a trainee in 1917, nearly 47 years ago, and left for the U.S.A. eighteen months later for advanced post-Graduate studies. He returned to Jamshedpur in 1921, and has been there ever since. From the start, he showed such exceptional ability and drive that it took him only nine years to be put in charge of the whole plant as General Superintendent and another eight years to become the first, as well as the youngest, Indian General Manager. Since 1946, he was in charge of the Company's affairs at Jamshedpur, first as Resident Director of the Managing Agents, and then as Director-in-Charge. To him goes a major share of the credit for the progress and growth of the Company over the last thirty years.

Sir Jehangir Ghandy achieved prominence and countrywide recognition in various fields of national endeavour and was closely associated with many of the country's leading technical institutions; but it is as an outstanding Engineer-Administrator and for his unparalleled services to this Company and to the Indian steel industry as a whole that he will be remembered and for which we all owe him a deep debt of gratitude.

Although no longer concerned with the day-to-day conduct of the Company's affairs, Sir Jehangir, happily, continues his connection with the Company as a member of its Board, as a Director of Tata Sons and as Chairman of three important enterprises associated with the Steel Company at Jamshedpur. I am sure shareholders will wish to join me in thanking him for all he has done for the Company over these four decades and more, and in wishing him many years of good health and happiness.

The work and responsibilities of Sir Jehangir at Jamshedpur are now shared by two Resident Directors of the Managing Agents, Mr. S. K. Nanavati, in charge of Operations, and Mr. R. S. Pande, in charge of Administration. Mr. Nanavati retired as General Manager of the Company in September last year on his joining the Board of the Managing Agents' Firm after a brilliant career with the Steel Company covering a period of over 29 years, and was succeeded as General Manager by Mr. G. Kumar.

Mr. Pande had a distinguished record of service with Government prior to joining the Steel Company in 1958 as Director of Personnel. He was appointed Agent in April 1959 and retired from the Company's service on 1st April this year when he joined the Board of Tata Industries.

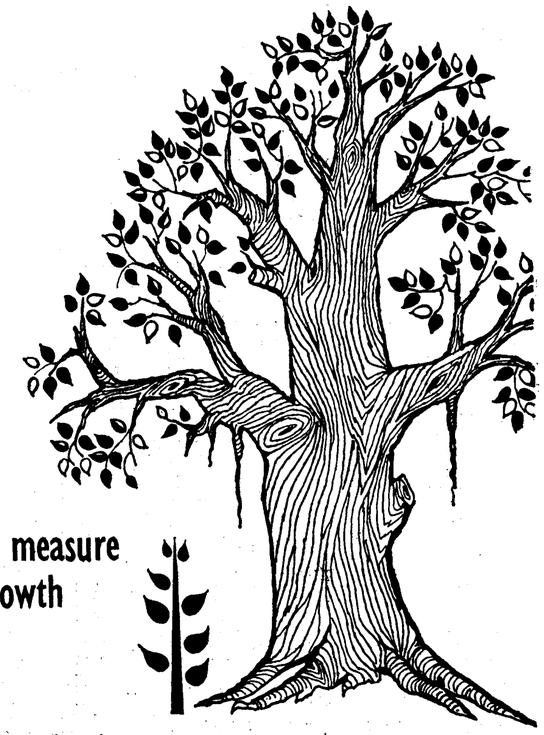
The Company's operations are safe in the hands of this strong and experienced team backed by a group of able and devoted officers.

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

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One way would be to compare figures. The Bank of Baroda began in 1908 with a single office in Baroda. Now it has as many as 210 branches in India and abroad. And deposits exceed Rs. 140 crores.

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THE INDIAN IRON & STEEL COMPANY LIMITED

CHAIRMAN, SIR BIREN MOOKERJEE'S STATEMENT

The following statement by Sir Biren Mookerjee, Chairman of the Indian Iron & Steel Co. Ltd. dealing with Company's working for the year ended 31st March, 1964, has been issued to shareholders. The Annual General Meeting of the Company will be held on Tuesday, the 8th September, 1964, at 3 p.m. at the Registered Office of the Company, 12, Mission Row, Calcutta-1.

Before dealing with the affairs of the Company, I would refer to the national tragedy we have experienced in the death of our late Prime Minister, Pandit Jawaharlal Nehru on the 27th May, 1964 and would give public expression on behalf of the Board of Directors and all members of the Company to our feeling of profound sorrow at the passing of one who played a leading part in the attainment of freedom by our Country and who since the achievement of independence, guided in so able a manner on the home and international fronts the destinies of India through the momentous events of the past seventeen years. His memory will remain with us always.

Operations

From the figures given in your Directors' Report it will be seen that production of steel during the year under review has again approximated to the rated capacity of the Plant. This position barring untoward events it is hoped to maintain, but having reached the plant capacity as it stands under present working conditions no improvement in production of any magnitude can be looked for except to such extent as the introduction of new techniques may render possible. To this end intensive research continues to be carried out by your Company's technical staff into the beneficiation of raw materials, improvement of blast furnace operational conditions and added use of oxygen in the Melting Shop. I will refer to this matter of research in greater detail at a later stage in this Statement.

Accounts

Those shareholders who are unfamiliar with the provisions of the Income-tax Act and the Companies Act may find difficulty in fully understanding the reasons which have necessitated the raising of the provision for depreciation from Rs. 3,40,18,269 for the previous year to Rs. 4,40,25,006 for the year under review and I should, therefore, perhaps supplement the brief technical explanation given in the Report by your Directors.

Section 205 of the Companies Act provides that no dividend shall be paid by a Company for any year except out of the profits for that year arrived at after providing for depreciation. Certain alternative bases are then laid down for computation of the provision for depreciation that chosen by your Company being stated in Section 205 (2) (b) as provision "in respect of each item of depreciable asset, for such an amount as is arrived at by dividing 95% of the original cost thereof to the Company by the specified period in respect of such asset." The term "specified period" is then defined in the following words—"specified period in respect of any depreciable asset shall mean the number of years at the end of which at least 95% of the original cost of that asset to the Company will have been provided for by way of depreciation if depreciation were to be calculated in accordance with the provisions of Section 350." Section 350 then provides that depreciation shall be taken at the rate specified for the assets by the Income-tax Act and the rules made thereunder for the time being in force as normal depreciation "including therein extra and multiple shifts allowance."

Referring back to Section 205 (2) (b), it will now be appreciated that 95% of the original cost of assets is a definite unvariable amount but that the factor by which this amount is to be divided in order to arrive at the amount of depreciation to be provided, namely the "specified period", is by reason of Section 350 dependent upon the Income-tax rates of depreciation applicable from time to time. If these rates are increased then the more quickly will 95% of the original cost of the assets be covered, the shorter will be the "specified period" by which the 95% of the original cost of the assets has to be divided and the greater in consequence the amount of depreciation that has to be provided against profits. This is the position for the year under review where it has been announced that the income-tax depreciation rates that will be applicable in respect of that year are to be increased by the re-introduction of triple shift allowance with consequent increase in the depreciation provision made in the Profit & Loss Account.

Dividend

In view of the magnitude of the amount, some comment will no doubt be expected from me regarding the sum of Rs. 5.43 crores set aside to General Reserve from the profits of the year in relation to the amount proposed to be distributed as dividend. It is perhaps appropriate that I should therefore list the very heavy loan liabilities outstanding at the 31st March, 1964 in respect of the completed Expansion Schemes together with the finance that has to be found for the further Schemes to which reference has been made in your Directors' Report. These are :—

	Rs. crores
World Bank Loans :	
1953 Extensions ...	7.18
1955 Extensions ...	5.31
Government of India Loan Collieries Development Project ...	4.61
Balancing of Plant Project	23.19
	16.21
Total ...	56..50

Following upon completion of the Balancing of Plant Project which, as you are aware, will increase the steel-making capacity of the Burnpur Works by some 300,000 tonnes of crude steel per annum, our plans are that implementation of the second phase of further expansion shall be put in hand and preliminary steps towards this end have already been taken with Government and the World Bank. This second phase of expansion would give added capacity of approximately a further 700,000 tonnes per annum, the two Projects together therefore covering the raising of our present capacity by some 1,000,000 tonnes of crude steel per annum. The phasing of this further 1,000,000-tone expansion into two parts follows our policy that no individual expansion project should be of such magnitude as to impose too great an immediate financial burden on the Company or impair the dividend position to the detriment of the interests of the shareholders but rather that expansion should be gradual, each stage being followed by a period of consolidation before the undertaking of the next. No firm estimate of the cost of the second phase of the further expansion can be made until decision is taken as to what form the end products will take, this being dependent upon the future requirement of the country, but the cost will naturally be of very great magnitude and constitutes therefore a major factor in an appreciation of the financial requirements of the Company.

Additionally, finance has to be found for expenditure on capital account in connection with the modification and improvement of the existing plants, the provision of additional housing and amenities for staff and workers together with the large general capital expenditure that must constantly be incurred in every efficient and expanding organisation. Viewed in this light, the necessity for the ploughing back of profits not only for the year under review but also for the future will, I trust be clearly apparent.

In compensation in some measure for the restriction of dividend so caused it would normally have been the desire of your Directors to capitalise from time to time by the issue of bonus shares a portion of the reserves of the Company which are already out of all proportion to the share capital. It is a matter of regret to them that such a course is however impracticable under present taxation principles involving, as it would, heavy liability for tax both on the Company and on the shareholders and is, in fact, impossible under the current policy of Government which it is understood is to permit bonus issues solely out of any share premium account.

As possibly of some assistance to the shareholders in the spread of their income, I would however say that I am considering recommending to my Board that for the current and future years an on-account distribution of profits should be made by way of declaration of an interim dividend during the course of the year, the balance of dividend only then being left for declaration in the normal course at the Annual General Meeting.

Research and Development

The steady deterioration during the last ten years in the quality of the primary raw materials, particularly coking coal and limestone for pig iron production, has presented a serious challenge to the Company's technical staff but thanks to the operational research carried out by them capacity production from our Blast Furnaces has been achieved and is being maintained. As examples of some of the problems with which we are faced, the ash content of our coking coal currently averages about 19% compared with 16% ten years ago, but what is worse is the wide range between the maximum and minimum ash content at 24% and 14% respectively. Similarly, the effective lime content of the present-day limestone varies between 30% and 45%. The quality of our iron ore too has been adversely affected by increasing demand and mechanisation of the Iron Ore Mines. Nevertheless, these are the raw materials with which our country is endowed and we have to learn, and learn, quickly, how to use them to better advantage to enable us to produce iron and steel efficiently, both from a productive and economic point of view.

A large part of the solution lies in raw material preparation which, if we are to avoid merely blindly copying what others have done or are doing, calls for more and more expenditure on operational research. To take a specific case—raw material preparation includes crushing to an optimum maximum size and restricting the minimum size to give an aggregate best acceptable to the process. From this procedure in the case of iron ore, a large quantity of undersize material will accrue to become an expensive discard unless steps are taken to convert it into a useful material.

The most well known, long-standing and orthodox way of doing this is by sintering, a process which has resulted in improved blast furnace practice. We, ourselves, however have never accepted that this expensive process is necessarily the best solution to the problem in relation to Indian iron ore and have consequently refrained from any hasty decision that would commit us to the very heavy capital expenditure involved. That this has been the prudent course is borne out by modern research which has suggested that other forms of agglomeration could be capable of producing better results with Indian iron ore than the sintering process.

Over the past few years your Company has accordingly been carrying out extensive research with its own iron ore in an effort to find the best way of utilising the undersize ore which as a result of crushing and screening is accruing at our Ore Mines. I am happy to say that this research has shown much promise so much so that our own findings involving a combination of direct reduction, magnetic separation and agglomeration have been confirmed on reference by us for test by an independent overseas research organisation. The product obtained in our Pilot Plant is of high purity and is likely to have in the future a great influence on the operation and efficiency of Indian blast furnaces. Sufficient information has now been obtained to enable the engineers to design the appropriate plant.

We have also investigated the questions of humidity control and fuel injection in relation to the operation of the Blast Furnaces, the increased use of oxygen in the steelmaking processes and the possibility of future production of such a standard grade of iron as would enable us eventually to eliminate the rather costly and wasteful intermediate Bessemerising process that under present conditions is necessary for purification of the hot metal before charge to the Melting Shop Furnaces Suitable inclusion towards this ultimate latter end has in consequence been made in the Collieries Development and Balancing of Plant Schemes.

The utilisation of waste products has also been engaging our attention. For instance, we have been producing for a number of years building bricks and mortar manufactured from waste blast furnace slag.

Import restrictions on engineering spares has forced us into developing manufacturing techniques for which we more often than not are ill-equipped. The recurring expense of importing rolls for our Rolling Mills, for instance, is a serious drain on the country's foreign exchange resoures. Here, although not having been granted a licence to manufacture rolls for the purpose of selling, we have as a result of experiments carried out at our Kulti Foundries and with the help of the British Rollmakers Corporation, been able successfully to manufacture rolls for our 18" Mill which have proved to be equal to, if not better than, those imported. For this size of roll we can now support ourselves, saving approximately Rs. 13 lakhs per annum in foreign exchange. The factor limiting our ability to produce rolls in greater numbers and in larger sizes is the capacity of our existing Foundry and Machine Shop at Kulti which we hope to enlarge in course of time so that we may be able to cover also the roll requirements of the Merchant Mill and Sheet Bar and Billet Mill.

Miscellaneous engineering spares previously imported are now regularly being produced by our associated Companies within the Martin Burn Organisation for consumption at Burnpur resulting in a considerable and recurring foreign exchange saving. We have also been able within this Organisation to secure the manufacture to our specifications of items of capital plant for which we had previously to look to foreign suppliers. As examples, these cover such diverse items as Hot Metal Ladles, Ingot Casting Cars, Ladle Cranes, Bessemer Converter Shells, Hot Metal Transfer Cars and Bogies, Ground Charges, Slag Ladle Carriages, Special Type Discharge Wagons, Coke Quenching Cars, Acid Tanks and Acid Vats, the total value over the past nine years approximating to some Rs. 50 lakhs.

Kulti Foundries

Modernisation and expansion has been carried out of the Non-Ferrous Foundry and the Steel Foundry at your Kulti Works and an additional Annealing Furnace for the latter installed. New Machine Shops have been attached to these two foundries and the pressure on the main Machine Shops relieved to this extent.

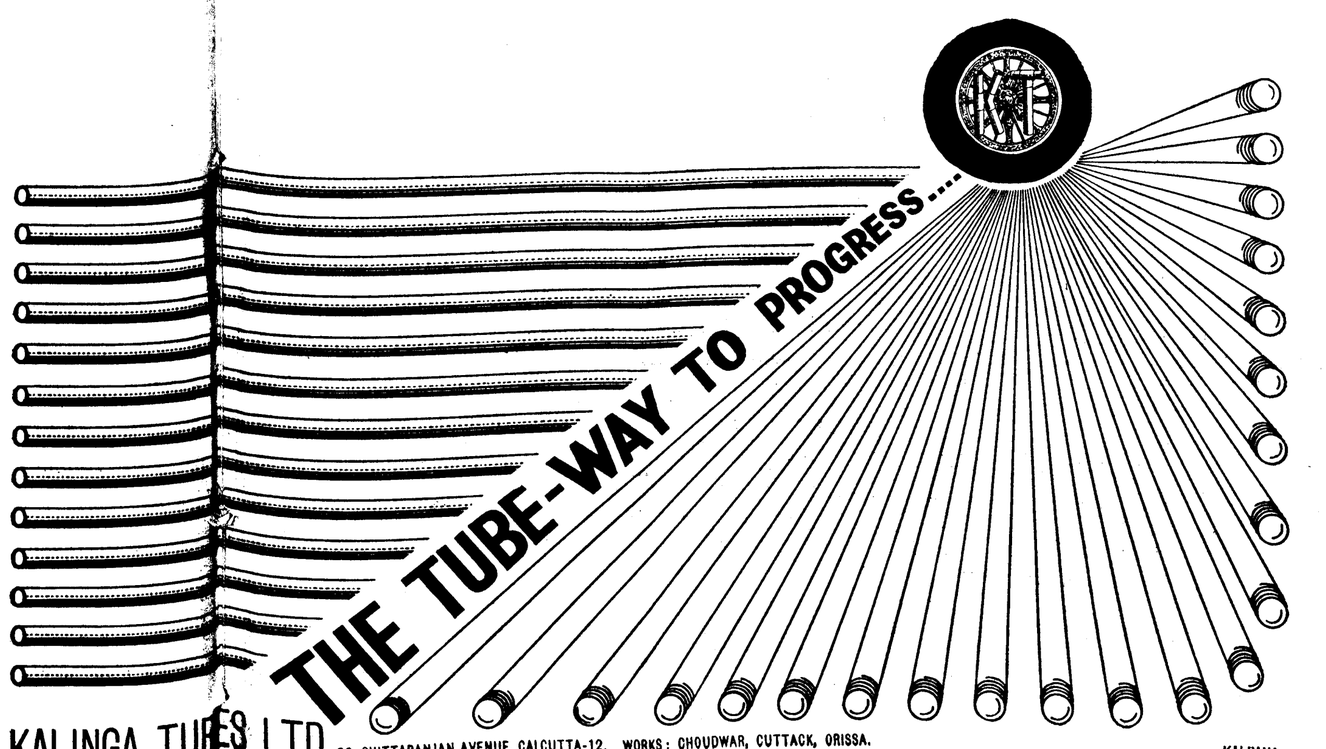
The order position continues to be satisfactory but output for the current year remains dependent upon adequacy of the supplies of foundry grade pig iron.

During the year loss was suffered by the death of Mr. S. N. Gupta, the Works Deputy General Manager (Commercial) who had charge of Kulti. Mr. R. G. da Costa, a Mechanical Engineer of wide experience, has since been appointed and has assumed charge as Deputy General Manager (Kulti).

Decontrol

In my Statement last year I indicated that Government were considering decontrol of the distribution and prices of steel and that it had been arranged that the producers should submit joint concrete proposals for the setting up and operating of a Joint Organisation following upon decontrol and for the prices that should become effective at the date of decontrol. Representatives of the producers met on several occasions at various levels to discuss and work out joint proposals but unanimity was not able to be achieved and ultimately the producers

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in the private sector were asked to put up their views independently of the public sector. Accordingly, your Company jointly with the Tata Company submitted a memorandum on the 7th November 1963 suggesting the formation of an Iron & Steel Board. The memorandum contained details as to the functions of the proposed Iron & Steel Board together with recommendation regarding the prices to be effective on decontrol. These suggested prices were based on a block of Rs. 1,500/- per tonne of saleable steel as being more truly representative of present-day conditions than the figure of Rs. 1,176/- per tonne adopted by Government in the last fixation of retention prices. The proposed prices on this basis were about Rs. 35/- per tonne higher than the retention prices excluding the assessed increased incidence in respect of freight equalisation.

Matters rested at this stage until unilateral decision was taken by Government regarding the planning of production and control and the pricing and distribution of Iron & Steel, the principles of which were conveyed to the representatives of your Company and those of the Tata Company who were called to meet the Minister for Steel in Delhi on the 26th February 1964. The salient features of Government's decision were as follows :—

(1) Statutory control over the price and distribution of all categories of steel except pig iron, ingot moulds and bottom plates, billets and tin bars, plates. sheets, wide strips, skelp, tin plates, hoops and their respective defectives would be abolished with effect from 1st March, 1964.

(2) Indents for categories of iron and steel which continued to be controlled would require to be supported by quota certificates as hitherto.

(3) A Joint Plant Committee would be constituted with an accredited representative from each of the Steel Plants and with the Iron & Steel Controller as its Chairman. A representative of the Railway Board would also be a member of the Joint Plant Committee. This Committee would be entrusted with the task of (a) the planning of production both of controlled and decontrolled categories ; (b) the announcement and listing of prices of the decontrolled categories of steel and (c) the administration of the freight equalisation fund for both the controlled and decontrolled categories.

(4) Government would set up a high level steel priority committee which would determine priority ranking in relation to bulk allocations of steel.

(5) Re-rollers would be virtually made free from all control, as also would stockists and retailers in the case of all decontrolled items.

The decision of Government followed the general recommendation of the committee appointed by Government in September 1962 on decontrol of steel and popularly known as the Raj Committee.

Simultaneously with the decision of partial decontrol of steel, Government announced increases in the Excise Duty mainly to compensate the loss of surcharge with the abolition of the equalisation fund with effect from the 1st March 1964. The average rise in the Excise Duty calculated on your Company's 1963-64 output of steel is about Rs. 18/- per tonne. The selling prices for the decontrolled categories announced by the Joint Plant Committee, and the prices directly notified by Government for the controlled categories, include an element of Rs. 62/- per tonne on account of freight equalisation to cover the distribution of steel to consumers at all rail head stations throughout India at a uniform price. The system of retention prices has been abolished and the new prices to producers have a differential of Rs. 45/- per tonne between the 'tested' and the 'untested' categories, which under the new arrangements is now retained in full by the producers as against Rs. 10/- per tonne only under the old system of retention prices.

Owing to force of circumstances the prices announced by the Joint Plant Committee had of necessity to be based on the previous retention prices adjusted for excise duty and additional freight, the effective increase to the producers arising therefore almost wholly from the additional realisation in respect of tested materials. The prices of the decontrolled categories were later revised from the 13th April 1964 in partial compensation of increases in production costs not reflected in the previous retention prices.

The average increase in the case of your Company on the decontrolled categories of steel forming nearly 60% of the total output is of the order of Rs. 30/- per tonne on the basis of the product mix and the proportion of 'tested' to 'untested' steel achieved in the year 1963-64. In the case of the controlled categories, the effective increase has been of the order of Rs. 4/- per tonne only on account of reduction in the net price of billets and the assumption by Government of an incorrectly high percentage of 'tested' galvanised sheets in working out the prices despite the fact that on protest the price of untested billets was revised upward by Rs. 15/- per tonne from 30th May 1964. On the basis of our production for 1963/64 the over-all average increase in respect of our total output of controlled and decontrolled categories of steel is approximately Rs. 20/- per tonne, effective in successive stages of Rs. 10/-, Rs. 8/- and Rs. 2/- per tonne from the 1st March 1964, the 13th April 1964 and the 1st June 1964 respectively.

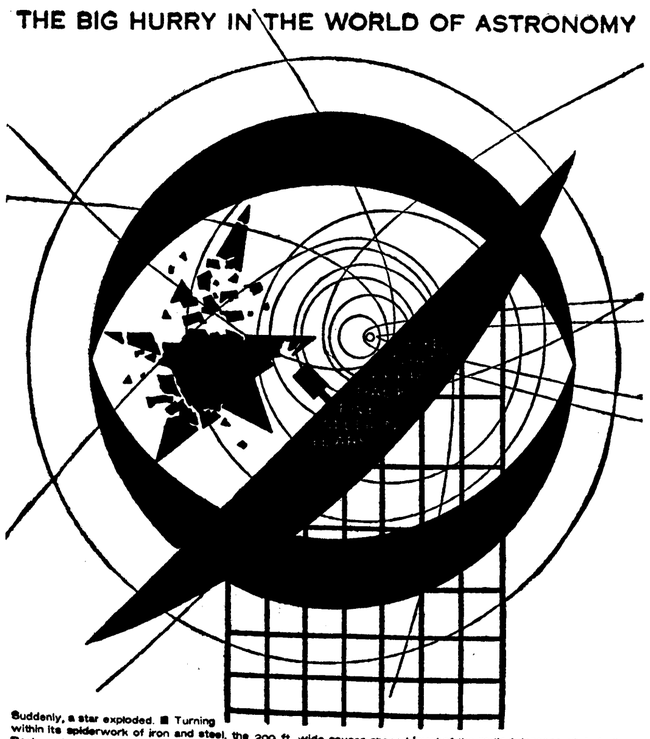
It is too early yet to assess the adequacy of the revised planning arrangements under the Joint Plant Committee and I would only say at this juncture that the retention of control by Government over certain categories of steel, particularly in the case of sheets, has done little to curb the activities of the black market in the items in short supply.

On the financial side, we have grounds for dis-satisfaction inasmuch that the cut imposed by Government on the retention prices recommended by the Tariff Commission for the two years ended the 31st March 1962 and continuing up to the date of revision of prices under the above arrangements together with certain interim increases in production costs have remained uncompensated and that funds to this extent have been denied to the Company which would otherwise have been available against the heavy capital expenditure on staff housing, modernisation and expansion with which we are faced. We are also unaware of the reasons for non-acceptance of the prices put forward to Government under the joint proposals of the Tata Company and ourselves and by reason of the somewhat *ad-hoc* nature of determination of the prices now current are also unware of any approved basis for future adjustment of these prices in relation to productive capacity, capital block and working costs.

Acknowledgements

In conclusion, I would express on behalf of the Board of Directors our appreciation of the services rendered by the General Manager, Mr. J. McCracken, his executive heads and the entire staff and workers of the Company whose efforts have contributed so largely to the results that have been achieved.

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



Suddenly, a star exploded. ■ Turning within its spiderwork of iron and steel, the 200 ft. wide saucer-shaped 'eye' of the radio telescope at Jodrell Bank looked deep into black space and recorded : the star had exploded FIVE MILLION YEARS AGO ! ■ Peering so deep into space as to question time itself such radio telescopes are revealing to us the breathtaking, even frightening, dimensions of space and time, gathering astronomical data that are making space travel a fast nearing reality ■ Into the fashioning of the 2000 ton Jodrell giant went the most advanced technique and knowledge of welding and gas cutting. ■ It is this precise knowledge of industrial gas and its diverse applications that Indian Oxygen affords Indian industry.

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New Delhi

Mr. SHASTRI URGES ECONOMY IN GOVERNMENT SPENDING

(FROM OUR NEW DELHI CORRESPONDENT)

THE Prime Minister is reported to have addressed a letter to Central Ministers urging them to avoid commitments on new projects in the field of heavy industries and concentrate on the expeditious completion of schemes already being implemented. New projects for increasing agricultural production will only be allowed to be taken up. A second look at defence expenditure has also been urged for avoiding waste. Mr. Shastri has also advocated the slowing down of cultural activities. He has suggested that the Central Finance Minister and the Deputy Chairman of the Planning Commission should make a fresh assessment of projects and programmes for which funds are being allocated now or will be allocated next year. The Prime Minister thinks that the consolidation of past gains should take precedence over new schemes and that the fourth plan should be drawn up realistically on the basis of third plan performance. He has called for full support for the Central Finance Minister's proposal to cut Central Government expenditure by Rs. 70 crores. He feels that public-sector undertakings should yield returns commensurate with their investments. The return to the community from these projects, the Prime Minister thinks, has so far been totally inadequate in comparison to the tax burden the community has been called upon to bear during the past decade.

FOODGRAINS

Threat to Hoarders

With a view to securing the co-operation of the Opposition parties for bringing down food prices, the Prime Minister, Mr. Lal Bahadur Shastri, held discussions last week with the leaders of the Opposition groups in Parliament. He appealed to them to refrain from the agitational approach to the food problem at this juncture.

Addressing a Press conference after the meeting, the Central Minister for Food and Agriculture, Mr. C. Subramaniam, said that although there were *differences of opinion* concerning the Government's food policy, the Opposition leaders, by and large, *agreed* with the measures taken by the Government to control the situation. The consensus at the meeting was that food zones should be abolished. Mr. Subramaniam said that while the zonal system was proposed to be continued till the next harvest to avoid further complications, the Government would think about its reconstitution or its ultimate abolition, if the situation so requires.

The Opposition leaders, however, were sharply divided on the need for going in for State trading in foodgrains. While Mr. Dahyabhai Patel of the Swatantra Party was opposed to State trading, the communist leader, Mr. A. K. Gopalan, said that the proposed Foodgrains Trading Corporation was no substitute for State trading.

The other suggestions made by the Opposition leaders to tackle the food problem included the *regulation of* bank credits, abolition of sales tax on foodgrains and vigorous efforts to curb Government expenditure. They also suggested the reclamation of wastelands, ravines and the long stretches of land along the railway tracks for growing more food. Some members expressed concern over the diversion of the cultivated area from under foodgrains to cash crops, particularly sugarcane, and criticised the Government for providing higher prices for cane. The part played by unaccounted money in encouraging hoarding also figured prominently in the discussions.

Concern over Price Spiral

In a communication addressed to State Chief Ministers, the Prime Minister has expressed grave concern over the deterioration in the price situation. He has advised the State Governments that with a view to bringing out hoarded foodstocks, they may not take penal action for the next two weeks if any trader or stockist dishoards any stocks of foodgrains not previously declared. At the expiry of the two-week period, firm action should be taken in dealing with the defaulters.

In the present difficult situation, the Prime Minister thinks that there is no alternative to import cereals as *quickly as possible*. Arrangements have already been made to import during the next few months 4 million tons of wheat and 300,000 tons of rice from the U.S.A., 71,000 tons of rice from Pakistan and 10,000 tons of rice from Thailand. Substantial quantities out of these imports will be available during the current month itself. Negotiations are also being carried on for importing 60,000 tons of rice from Cambodia and another 50,000 tons from Thailand. The impact of these imports should begin to be felt by *the end of this month.*

But the situation can ease considerably if the people in the cities enforce a greater discipline on themselves. The Prime Minister has suggested that the larger hotels and retaurants, which serve a wide variety of dishes, should cut down their consumption of rice and wheat. Those who are non-vegetarians should also curtail their consumption of cereals. Similarly, it will be good to cut out from meals, rice at least for one month especially *in areas* like Punjab, Delhi, Uttar Pradesh, Rajasthan and Madhya Pradesh.

The Prime Minister has also urged State Government officials to be firm in implementing the price policy and has suggested that they should frequently go round and find out for themselves if the items of daily consumption are being sold at prices fixed by the Government. The Prime Minister has also emphasised that the bigger cities like Calcutta, Bombay, Madras and *Delhi* have to be dealt with in a special way. If necessary, "we should be prepared to introduce rationing in these cities."

Special Task for Panchayats

For easing the situation in the rural areas, the Prime Minister has suggested that *panchayats* should take upon themselves a special responsibility under the present circumstances. Each village *panchayat* should keep an eye on every man in the village to see that there is no starvation. *Panchayats* should also be in a position to know with whom stocks are available. They should use persuasive methods to bring out the stocks.

The Prime Minister has appealed to the surplus food producing States to keep the all-India picture in view and not to enforce restrictions and measures from their own narrow point of view.

Detailing the measures, such as the setting up of the Foodgrains Trading Corporation and a commission to suggest producer and consumer prices, the Prime Minister has asked the State Chief Ministers not to spare *any pains to step up food production.* He has also expressed himself in favour of fixing the prices of such commodities as cloth, vegetable oils, sugar, matches, kerosene, tea, soap and *vanaspati.* He has also stressed the need for setting up of as many consumer co-operative societies as possible.

FOURTH PLAN

Resources Reassessed

After a reassessment conducted by the experts of the Planning Commission on the resources that may be available for financing the fourth plan, it is felt that an investment of the order of about Rs. 11,000 crores will be feasible in the public sector during the period. With an investment of about of Rs. 7,000 crores in the private sector, the total investment component of the fourth plan may be about Rs. 18,000 crores.

Balances from current revenues, it is expected, will yield about Rs. 1,900 crores during the fourth plan period. Another Rs. 900 crores to Rs. 925 crores may be available from the surpluses of public-sector enterprises at the present prices. The contribution of the railways may amount to about Rs. 450 crores. The market borrowing programmes may yield nearly Rs. 1.600 crores and small savings, including annuity deposits, about Rs. 1.200 crores. A sum of Rs. 500 crores may be forthcoming from provident fund accounts. Miscellaneous capital receipts may be of the order of Rs. 775 crores to Rs. 800 crores. It is assumed that the economy will be able of take in deficit financing to the tune of Rs. 500 crores. Assistance from friendly foreign countries may be of the order of Rs. 2,500 crores to Rs. 2,600 crores. The remaining financial resources, it is thought, can be conveniently raised from additional taxation. Slightly larger contributions may also be expected from the public-sector enterprises.

The figure of Rs: 2,500 crores to Rs. 2,600 crores of external assistance is net, excluding about Rs. 700 crores that may be available under P.L. 480 and Rs. 300 crores anticipated to be the net inflow of foreign capital. In addition, aid will be required for re-financing the repayments of the loans maturing during the fourth plan period. Interest payments on foreign loans already contracted for have, however, been taken into account in arriving at the Rs. 2,500 crores or Rs. 2,600 crores foreign aid figure.

BOKARO

Steel Team from Russia

A fairly large team of steel experts from Russia, headed by Mr. A. Goubert, chairman of the Gipromez, the Soviet enterprise handling exports of metallurgical plants and equipment and specialising in setting up steel plants, is expected here shortly for further investigation and detailed discussion on the proposed Bokaro steel plant. This was disclosed by Mr. N. N. Wanchoo, Secretary to the Central Ministry of Steel, on his return from Russia. The Gipromez experts are understood to have proposed some significant changes in the Dastur report on the Bokaro plant in the light of the latest Russian techniques of steel production.

The Wanchoo mission, which included Mr. K. M. George, Managing Director of the Bokaro Steel Ltd, and Mr. M. N. Dastur of Dastur and Company, Central Government's Indian technical consultants for Bokaro, is stated to have impressed upon the Russian authorities the anxiety of the Government of India to complete the first 1.5-million-tonne stage of the steel plant on a priority basis so that it can start production by the end of 1968. The Russian authorities are stated to have agreed to the proposal.

The Wanchoo mission is also believed to have urged Russia to explore the possibilities of providing at the Bokaro steel works the continuous casting process of steel production. This process, which is the latest Russian technique for steel-making, eliminates the traditional blooming and slabbing mills and thus helps in saving nearly Rs. 20 crores in the cost of setting up a steel plant. The technique also reduces the wastage of steel when it is rolled into products from about 15 percent through the conventional method to about 5 percent.

The Russian authorities have expressed their desire to assume full responsibility for the designing of the plant and for supervision of its construction. If this is not done, they say, it will be difficult to guarantee the completion of the plant according to schedule as also its performance. They have also stressed the need for using 100-percent sinter for steel manufacture at the Bokaro plant. Russia has agreed to the fullest utilisation of the available Indian capacity to fabricate steel-making equipment.

To initiate preparatory work at the Bokaro plant, orders for the purchase of over Rs. 1-crore worth of earth-moving and construction equipment from Russia are proposed to be placed shortly. This equipment is expected to start coming in the last quarter of 1964 or carly 1965.

The Central Government is expected to sign a formal contract with Russia in the middle of October defining the scope of the Bokaro steel plant. The supply agreement will be signed early next year. It is only then that the estimated cost of the project can be known.

The Wanchoo mission also had discussions with the Russian authorities on the fourth plan expansion programme of the Bhilai steel plant which would raise its capacity from 2.5 million to 3 million or 3.5 million tonnes of ingots a year.

The Indian delegation also visited Czechoslovakia and explored the possibilities of further Czech collaboration in the Indian heavy engineering industry, particularly for the manufacture of electric equipment for steel production. It is possible that part of the equipment required for the Bokaro plant may be imported from Czechoslovakia through Russia, as was done in the case of the Bhilai steel works.

Steel Sections Rationalised

The Government of India has accepted the recommendations of the *ad hoc* committee constituted in August 1963, for selecting rationalised sections to which the rolling of steel

could be restricted. It has been decided to limit the number of structural steel sections rolled by the main producers to 153. Special sections such as crossing sleepers, bearing plate bars, telegraph channels, and sheet piling sections will, however, continue to be rolled by main producers to meet specific demands. At present, the main producers roll about 300 sections, while the number of such sections included in the relevant Indian standards is about 516.

As it will take some time for the existing rolls to wear out and for designs using these structural sections to be changed, it has been decided that the change-over to the rationalised sections will take place from 1st January, 1965.

The main producers have been asked to take all possible steps to ensure that all the rationalised steel sections are made available to consumers in sufficient quantities and in time. The Central and State Government departments have also been requested to modify and base all their designs on these rationalised sections.

All consumers of steel will place indents from 1st January, 1965, on the basis of these sections, and imports of steel sections not included in the rationalised scheme will not be allowed on the ground that the structures were designed to use the other sections.

U.S.A.

New Loans Offered

Four new loans totalling $62.3 million (Rs. 29.7 crores) have been made available by the U.S. Government for India's economic development. The largest of these credits is for a sum of $50 million (Rs. 23.8 crores). It can be used for financing maintenance imports from the U.S.A. The commodities, the import of which can be financed from this loan, are steel, lubricants, machinery and machinery parts, sulphur, rubber, tyre cord, carbon black, caustic soda, insecticides, chemicals and various components and other materials needed to boost industrial production. With this loan, the total untied assistance made available by the U.S.A. during the current plan period now amounts to $735 million (Rs. 350 crores).

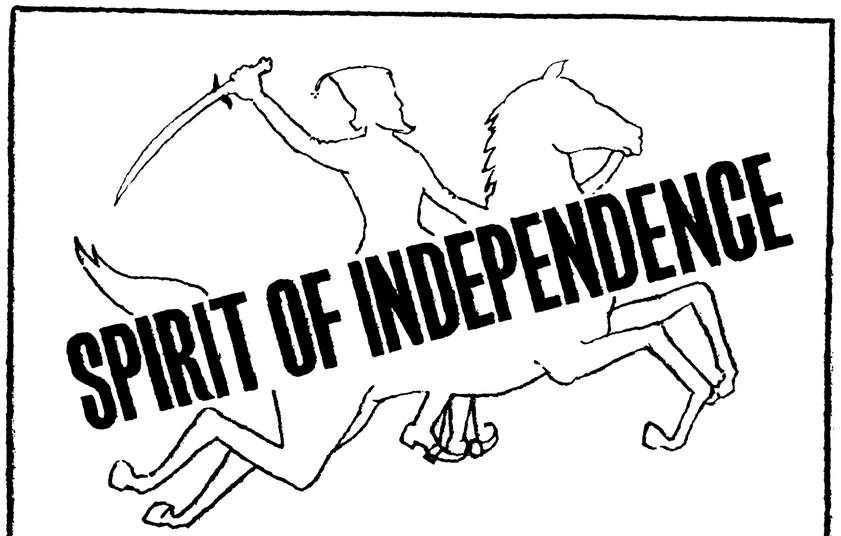
The second loan is for a sum of $7.2 million (Rs. 3.4 crores). It is to be used for purchasing 25 broad-gauge 26,000 horse-power diesel locomotives by the Railway Board for use on the Dhond-Manmad and Dhond-Sholapur-Wadi sections of the Central Railways in Maharashtra. This is the sixth credit provided by the U.S.A. for dieselisation of the Indian railways.

The third loan for $3.1 million (Rs. 1.5 crores) is meant for financing the foreign exchange cost of installing the eighth 89,100-kilowatt generator in Sharavathi. Credits to the tune of Rs. 47.3 crores have already been provided by the U.S.A. for financing the project.

The fourth loan is for $2 million (Rs. 1 crore). It is to be used for financing the services of U.S. consulting firms and individual experts who will provide assistance to the agencies of the Government of India and private firms. This is the first loan of its kind provided by the U.S. Government.

All these four loans are being routed through the U.S. Agency for International Development. They are repayable in dollars over a period of 40 years, with no repayments called for during the first ten-year grace period. Like all the other loans routed through the U.S.A.I.D., the new loans carry interest at the rate of three-quarters of 1 percent a year during the grace period and 2 percent a year for the remaining 30 years.

Six new grants, totalling $1,801,000, have also been announced by the Ford Foundation for assisting India's family planning projects and for the provision of electronic data processing equipment to three Indian institutions. The beneficiaries of these grants are: (1) Gandhigram (Madras) $465,000; the Institute of Obstetrics and Gynaecology (Madras) $182,000 the American Public Health Association $171,000; the University of Bombay $226,000; the University of Delhi $371,000; and the Indian Agricultural Research Institute (Pusa) $386,000.



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ELEGANT

WEST GERMANY

Credit for I.C.I.C.I.

The Industrial Credit and Investment Corporation of India (I.C.I.C.I.) has obtained a further line of credit of 10 million deutschemarks from the Kreditanstalt for Wiederaufoau (K.F.W.) of West Germany.

The new credit is in addition to the two loans aggregating 25 million deutschemarks which the I.C.I.C.I. has already obtained from the organisation. It forms part of the assistance committed by West Germany under the aegis of the Aid-India Club for 1963-64.

In addition, the I.C.I.C.I. has obtained so far five credits, aggregating $(U.S.) 90 million from the World Bank and another line of credit of $5 million from the U.S. Agency for International Development. The total foreign currency resources available with the I.C.I.C.I. thus amount to $(U.S.)104 million.

MADRAS REFINERY

Decision Delayed

The Central Government's decision on the collaboration offers for the Madras refinery has been delayed further. The decision is expected to be taken when the Central Minister for Petroleum and Chemicals, Professor Humayun Kabir, returns from his European tour.

The delay in arriving at the decision has been occasioned by some modifications effected by the Burmah Oil Company and Shell International in their proposals. The revised offer of the B.O.C.-Shell International, Professor Kabir disclosed on the eve of his departure for Rome, was "extremely attractive".

The main modification effected by the Burmah Oil Company and Shell International in their original proposals is that they will be prepared to associate the Central Government with all crude purchases to be made abroad for the Madras refinery. This should imply that if the Government of India is able to negotiate suitable crude supplies for the Madras venture on rates more competitive than the B.O.C.-Shell International, it will be welcome to bring in this crude. The Burmah Oil Company and Shell International have already agreed to process at the proposed Madras refinery any crude oil that may be found by the Oil and Natural Gas Commission, if it succeeds in its oil exploration and prospecting programme in the Middle East.

The Burmah Oil Company and Shell International are understood to have also agreed that the products of the Madras refinery will be marketed by the Indian Oil Company. They have, however, asked for some safeguards for the existing oil distribution business of Burmah-Shell.

The real tussle for putting up the Madras refinery now appears to be between the B.O.C.-Shell International and the National Iranian Oil Company. The Government of India wants the N.I.O.C. to reduce its crude price further. No reply to this, however, has yet been received from the Iranian Company. A representative of the N.I.O.C. is expected in New Delhi for further discussions in the next few days. Meanwhile, the Government is understood to be anxious that the construction work on the Madras refinery should start by December this year.

The decision on the proposed Haldia refinery is expected to be taken early next year. The construction of the refinery is proposed to be taken up by October 1965.

During his current visit to the Continent, Professor Kabir will be visiting the United Kingdom, France, Italy, Czechoslovakia and Rumania. He will be exploring the possibilities of securing financial and technical assistance for the development of petroleum, petro-chemical and fertiliser industries in India.

BARAUNI REFINERY

Gasoline and Kerosene

The first 1-million-tonne refining unit of the Russian-built Barauni refinery started turning out aviation gasoline and kerosene last week. The quality of these products is stated to be satisfactory. The refinery at present is said to be working to a capacity of about 2,000 tonnes of crude a day, yielding products worth Rs. 2 lakhs.

The refinery has been designed for a throughput capacity of 2 million tonnes, capable of expansion to 3 million tonnes. The second 1-million-tonne unit is expected to go on stream in the next three or four months. The expansion to a capacity of 3 million tonnes is expected to be completed by 1965-66. The refinery will also have a lubricating oil manufacturing plant which is expected to be commissioned by April-May next year.

INDO-AFRICAN TRADE

Analysis by Commerce Ministry

A recent analysis made by the Central Commerce Ministry of the Indo-African trade has revealed that India's exports of cotton textiles and jute goods to African countries have suffered a serious setback during the past few years. The fall in textile exports is attributed to two main factors: firstly, the growth of indigen-

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ous industry in the importing countries, and secondly the fast changing tastes. Exports of jute goods have gone down due to keen competition from Pakistan.

The Ministry, however, feels that the damage can be undone and exports of these two traditional items increased substantially if exporters concentrate on the supply of processed and finished cloth to the African markets and the jute industry improves the quality of its products and brings down prices to levels competitive with Pakistan. At present, African countries import from India only such portions of their jute goods requirement as cannot be made available by Pakistan.

It is pointed out that in spite of the remarkable increase in the domestic production of cloth in Africa, nearly 60 percent of the total requirements of the continent are still imported. The population of Africa, which stood at 254 million in 1960, is expected to go up to about 325 million by 1970. On the basis of the present *per capita* consumption of 19.5 yards, the total requirements of the African people will be of the order of 6,340 million yards by the end of this decade. Africa, therefore, offers great scope for Indian textiles, provided the right type of cloth is exported.

There is a good market for Indian green tea in various African countries. Recently, India secured a token order for the export of 250 tons of green tea to Morocco. The Ministry feels that if this order is executed satisfactorily, it should help open up a big market in Africa for the commodity.

There is also considerable scope for further increasing the export of engineering goods to Africa, which have steadily gone up from Rs. 1.46 crores in 1961 to 1.72 crores in 1962 and to Rs. 2.4 crores in 1963.

COMPANIES ACT

Tax on Excess Profits

In accordance with Section 349 of the Companies Act, 1956, the Company Law Board has decided to notify the surtax chargeable under Section 4 of the Companies (Profits) Surtax Act, 1964, as being in the nature of a tax on excess or abnormal profits.

Accordingly, in computing their net profits for the financial years ended on or after 8th August, 1964, the companies concerned will be required to deduct the surtax chargeable under Section 349 of the Companies Act. 1956. This section lays down the manner in which the net profits of a company are to be determined for the purposes of computing the remuneration of the managing agents, managing directors, etcetera.

SPAIN

Pact on Atomic Energy

The Government of India will soon sign a collaboration agreement with Spain to develop atomic energy for peaceful purposes. The collaboration, however, is proposed to be of a limited nature. It will cover the sale of nuclear equipment, co-operation in prospecting atomic resources and exchange of unclassified data and scientific personnel between the two countries.

India has already signed similar agreements with Denmark, Sweden, Poland and the United Arab Republic. Some small quantities of uranium concentrate have been imported by India from Spain in the recent past on "normal commercial terms."

FERTILISERS

New Expert Body Planned

The Central Ministry of Food and Agriculture will soon appoint a committee of technical experts to go into the existing system of distribution and marketing of fertilisers for agricultural purposes and to suggest improvements. The decision to this effect was taken at last week's meeting of the Agricultural Production Board in view of the constant complaints that cultivators find it difficult to get fertilisers when they need them the most.

The committee will also make recommendations about the effective ways of promoting the use of fertilisers on a large scale during the fourth plan period. Besides economists and other technical experts, the committee will include an expert in co-operative marketing.

DEARNESS ALLOWANCE

Probe by Independent Body

The Government of India has decided to set up an independent body consisting of a single person to examine the amount of dearness allowance that should be paid to Central Government employees as compensation for the rise in prices.

The last increases in the rates of dearness allowance announced by the Government early in May were calculated to ensure at the minimum of each pay slab up to Rs. 300, roughly 75 percent neutralisation of the total rise of 20 points in the average price index since 1st July, 1959. It has been represented by certain associations of employees that this increase is not adequate. In terms of statements made on behalf of the Government in Parliament in August 1960, the Government had agreed to 50-percent neutralisation of the increase in prices and, if necessary, to the appointment of an impartial body to consider what portion, if any, of the other 50 percent should be neutralised. As employees are not satisfied with the substantially higher increases given them from time to time, the Government has decided to appoint an independent person to go into the matter and report quickly



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The name of the person appointed will be announced shortly.

THERMAL DESIGNS

New Organisation

A thermal designs organisation is expected to start functioning in the Central Water and Power Commission in about a month's time. This will not only help accelerate progress on thermal designs but is also expected to save a good deal of foreign exchange. Some of the staff necessary for the organisation has already been sanctioned.

There are about 30 thermal stations now under construction in India with an installed capacity of 4 million kilowatts. The country is paying as much as Rs. 6 crores, two-thirds of it in foreign currency, for the designs. For further power development, it is proposed to take up another 30 stations with an installed capacity of 6 million kilowatts and half of these have already been sanctioned. It is, therefore, felt that in order to save expenditure on the designs of the new projects as much as possible and also to conserve foreign exchange, it is necessary to establish a thermal designs organisation. So far, the Central Water and Power Commission has only been giving general assistance in designing thermal stations.

SUGAR

Enquiry Body Set Up

The Government of India has appointed a commission of enquiry to go into the determination of price and distribution of sugar and the policy on the licensing of new sugar factories and the expansion of the existing ones. The Commission has been appointed under the Commissions of Enquiry Act.

Dr. S. R. Sen, Adviser (Programme Administration), Planning Commission, is the commission's chairman. The other members of the commission are: Mr. S. C. Choudhuri, Economic and Statistical Adviser, Ministry of Food and Agriculture; Mr. N. Krishnan, Chief Cost Accounts Officer, Central Ministry of Finance; Mr. S. C. Gupta, Director, National Sugar Institute, Kanpur; and Dr. Dharam Narain, Institute of Economic Growth, Delhi University. Dr. P. K. Mukherjee, Deputy Economic and Statistical Adviser in the Central Ministry of Food and Agriculture has been appointed the member-secretary of the commission.

The commission has been asked to submit an interim report by the end of this month concerning the determination of the price of sugar. This will form the basis of the Central Government's sugar policy for the next crushing season.

NEWSPRINT

Advisory Body

The Central Government has formed a 17-member committee to advise it on matters relating to the import and allocation of newsprint and printing machinery for newspapers and other such matters. The Deputy Minister for Information and Broadcasting, Mr. C. R. Pattabhiraman, has been appointed chairman of the committee.

Six of the members of the committee are officials, three nominees of the Indian and Eastern Newspaper Society, two nominees of the Indian Languages Newspapers' Association and five non-officials nominated by the Government. The chairman has been given powers to co-opt some more members if he thinks it necessary.

The term of membership of non-official members is two years from the date of appointment, but the retiring members will be eligible for re-appointment. The committee will ordinarily meet twice a year.

The members of the committee are: Mr. G. N. Sahi, of the *Hindustan Times*, New Delhi; Mr. D. M. Harris, of the *Statesman*, Calcutta; Mr. C. G. K. Reddy, of the *Hindu*, Madras; Mr. D. S. Katdare, of the *Vasant*, Bombay, Mr. Uma Shankar Dikshit, M.P.; Mr. A. D. Mani, M.P.; Mr. R. K. Khadilkar, M.P.; Mr. K. R. Pattabiram of the *Deccan Chronicle*, Secunderabad; Mr. M. Yunus, of the *Shama*, New Delhi; a representative of the Ministry of Commerce; a representative of the Ministry of Industry and Supply; a representative of the Department of Economic Affairs, Ministry of Finance; a representative of the State Trading Corporation; the Registrar of Newspapers for India; and Deputy Secretary, Ministry of Information and Broadcasting, in-charge of Press matters, who will also be the secretary of the committee.

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IMPACT OF U.S. TRADE EFFORT ON U.K. EXPORTS

(FROM OUR LONDON CORRESPONDENT)

LAST week, it was necessary to record the reactions caused by the adverse showing of the June trade returns. One big factor underlying the widening of Britain's trade gap this year is the growing competitiveness of American industry. Success for the United States in its efforts to reduce the deficit was bound to have an adverse effect on other countries' balance of payments. The U.K. Board of Trade's analysis of trade trends in the first half-year leaves little doubt that this accounts, in part, for both the sluggishness of our exports and the steep rise in imports in recent months. The figures for the six months show that exports to the United States have been declining since the end of 1963. At the same time, imports from North America, which had already begun to move up early in 1963, rose substantially in the first half of this year.

Fortunately, while British exports to North America have been going down, sales to western Europe have bounced up. In the first half-year, they were 4 percent (£6 million a month) more than in the second half of 1963, and 9 percent more than a year earlier. Exports to the Common Market have risen again in the past six months after being flat in the second half of 1963. Exports to France and Italy have, not surprisingly, dropped. But sales to West Germany have picked up well. Exports to the Netherlands and Belgium have risen substantially, and sales to the E.F.T.A. countries are still growing strongly. The sterling area has also contributed a further modest increase in sales.

On the export side, in fact, the analysts can find no real cause for gloom. The seasonally adjusted average for the first six months of the year works out at £354 million, which is 2 percent more than in the second half of 1963 and 7 percent above the first half. Moreover, the U.K. Board of Trade says that the small fall between the first and second quarters should not be taken to indicate that exports have stopped growing. It makes the important point that the wide month-by-month changes in the export total can be traced in large part to irregular deliveries of engineering goods, many of which are sold in big units of high value. Significantly, the value of these exports in June was perceptibly below the first half-year's average. The fastest growth in exports this year has come in chemicals, metals, and textiles. Exports of motor-cars and some other finished manufactures are also up. But machinery exports have shown no change and ship exports have fallen.

Higher Import Bill

Ships have also played a part in pushing up the import bill. The arrival of two big tankers, each valued at about £6 million, helped to swell the January and March figures. But the chief reason for the much higher cost of imports so far this year is the heavier intake of industrial material. While the rise began early last year, imports of materials in the first half of 1964 cost 12 percent (£20 million a month) more than in the second half and 26 percent more than in the first half of 1964. Higher prices were one important reason: but much more of the increase was due to heavy stockpiling, and it is something that the figures for industrial material imports still show a slowing down in the rate of growth.

If there is any evidence at all that the imports of finished goods may be on the point of slackening, the U.K. Board of Trade does not mention it. This is rapidly becoming a key test of the competitive ability of British industry. Imports of finished manufactures in the first half of the year were 23 percent (£14 million a month) more than in the previous half-year and 32 percent (£17 million a month) more than a year earlier. Moreover, of this figure of £17 million, £11 million was accounted for by capital goods. Imports of machinery and instruments were rising strongly at the end of 1963, and this continued in the first six months of 1964," the Board of Trade comments.

The answer must be either that British industry is slow to respond to rising demand or that it is being beaten on price (and, perhaps more important, quality) by foreign competitors. In either case, the implications are disturbing. Repeated talk of inflation on the Continent may have done a disservice to British industry by leading it to suppose that competition would lessen. The fact is that West German prices have been kept down, while the United States has been gaining ground on everyone in the past two years, with wage rises contained within the growth of productivity.

Measures to Boost Exports

What is Britain doing to counteract the slowing down of the export effort which is having this unfortunate effect on her trade balance? A new "ginger group" organisation to try to improve Britain's exports was announced in the House of Commons shortly before it recessed. At the centre of the organisation will be a new body, the British National Export Council. Linked with it will be bodies operating in specific areas of the world, including America, Canada, and Europe. The first chairman of the new Council, Sir William McFadzean, at present chairman of the Export Council for Europe, described its job as "to try to inspire, guide, jerk-up and make people go into exports."

Making the announcement in the Commons, Mr. Edward Heath, Secretary for Trade, gave the new Council four tasks: (1) Initiate, guide, and inspire export efforts in all markets. (2) Advise on the formation of bodies to foster British exports in particular areas of the world. (3) Provide a means of coordination between such bodies and of Britain's export effort generally. (4) Provide the necessary finance and services for that purpose.

Mr. Heath said that three new bodies would be formed to continue and develop the work formerly carried out in Canada, America, and Latin America by the Western Hemisphere Export Council, which has been dissolved. Two bodies already in existence, the Export Council for Europe and the Council for Middle East Trade would continue, and other new bodies would be formed as the need arose. Lord Watkinson, former Defence Minister and now the group managing director of Schweppes, will form the body for America. The body for Canada will be formed by Mr. Peter Allen, a deputy chairman of I.C.I., and the one for Latin America by Sir Berkeley Gage, former Ambassador in Peru.

The new Council, which is being sponsored by the Federation of British Industries, the National Association of British Manufacturers, the Association of British Chambers of Commerce, the T.U.C. and the City Financial Advisory Panel on Exports, will be financed jointly by industry and the Government. It will consist of 15 to 20 members.

Only Canada among the Commonwealth countries is specifically dealt with by one of the bodies linked to the new Council. In the Commons, Mr. Heath said that as far as the other parts of the Commonwealth were concerned, there were the Commonwealth Chambers of Commerce. After Mr. Harold Wilson had urged Mr. Heath not to wait passively for a recommendation from the new Council about the Commonwealth, Mr. Heath said that the new body would co-ordinate all the activities of the Commonwealth in advising the Government on the setting up of other bodies in individual areas of the world.

At a Press conference later, Mr. Heath said that he expected the new Council to advise him whether bodies were required for other parts of the world, including the Commonwealth. Sir William FcFadzean, the new chairman, said that the Council's first priority would be to review the whole world situation. "Once the Council gets going we must look at markets where we are not doing as well as we think we should be doing. There are parts of the world that need a tonic—but I wouldn't like to go further than that today." Lord Watkinson said of the American market: "We have got to do a lot better in what is a tough and extremely difficult market". Sir William, the chairmen of the other bodies, and all the members will be unpaid. The staff of the new Council will consist of six people—including three typists.

Need for Cautious Expansion

Whether this attempt to boost exports will be productive of the anticipated results will depend to a large extent on the economic climate generally, and it is advisable to remember in this connection that some slowing down in the rate of U.K. growth is now called for if a return to excess demand and balance of payments difficulties is to be avoided, according to the Organisation for Economic Co-operation and Development. In the report on its economic survey of the United Kingdom, the O.E.C.D. says that, with appropriate private demand management, a notably higher rate of growth than in the past decade should be achieved. The following are the conclusions of the survey:

(A) The response of the economy to last year's reflationary measures has been so lively that some slowing-down in the rate of growth is now called for if a return to excess demand and to balance of payments difficulties is to be avoided.

(B) It is still too early to judge whether the moderately restrictive tax measures in the last Budget will prove to be all that is required to stabilise the growth rate at a sustainable level. It was appropriate that the Government should avoid measures that risked totally ending the expansionary phase. But in the months ahead, the Government should be prepared, if necessary, to make prompt use of the weapons it has at its disposal to dampen demand.

(C) Although it is unlikely, in view of the rates of increase in gross national product and imports which would be required, to prove possible fully to reach the targets for the period 1961-66, with appropriate private demand management a notably higher rate of growth than during the last decade should be achieved:

(D) Much depends, however, upon an improvement in the relative competitive position of the United Kingdom, which would take some of the strain off the balance of payments. To achieve this will require vigorous action to stimulate competition and to moderate the rise in money incomes.

(E) Successful demand management calls for more varied and flexible instruments for stabilising demand. Improved information on the economic situation and prospects would also be useful.

(F) Measures are required to improve the flexibility of the economy. Areas where changes are most urgent are: pricing policies in industry, collective bargaining, labour mobility and apprenticeship.

The report does not altogether avoid the contradiction between calling for steady long-term growth and for stricter short-term "demand management." "It is more important to keep the economy growing at a steady and rapid rate," it states, "as implied by the 4 percent target, than to achieve precise quantitative targets ... and if it should prove necessary to accept for the time being a smaller current balance of payments surplus than the one aimed at for 1966, so that the growth rate can be maintained, it would seem appropriate, from both a national and an international point of view, to give priority to growth."

On the other hand, the report points to the severe strain on the construction industry because of a sharp rise in private investment now being superimposed on steeply rising public investment. It points with concern to the recent rate of wage increases and to the higher cost of basic materials to manufacturing industry. "The problems confronting economic policy-making in the U.K.," appear to look no simpler when considered from across Channel than they must seem in Whitehall.

BOOKS RECEIVED

The Journal of Industry and Trade. May 1964. (Issued by the Directorate of Commercial Publicity, Ministry of International Trade, Government of India, New Delhi. Annual subscription Rs. 12; single copy Re. 1, pages 753-988.)

Income-tax Vs. Foreigner. By P. L. Jaitly. (Published by National Investment and Finance, Nicholson Road, Delhi 6. Price Rs. 1.50, pages 59.)

Jute

BUFFER STOCKS TO BE RELEASED

REVIEWING the present market situation last Monday the Committee of the Indian Jute Mills Association has expressed concern over the unwarranted steep rise in the price of raw jute, and its effects on the finished goods market. In view of the fact that cheapness and price stability are necessary for the successful promotion of jute goods sales against substitute materials, it says that both these essentials have been placed in jeopardy by the recent developments in the market.

The Committee suggested an urgent assessment of the availability of raw jute during the current season. There is nothing in the situation justifying the behaviour witnessed in the market during the past few days. With production continuing at existing levels, it is likely that some further decline in the carry-forward of jute at the end of the season may take place. The Committee does not feel that this will be of such dimensions as to create a shortage.

It seems that the present excitement is the result of fears in Pakistan of a reduced crop in that country. In the context of India's competitive position with Pakistan, it is unfortunate that the Pakistani situation should have been allowed to influence sentiment in India and spark off speculative sprees here.

Release of Buffer Stocks

One of the reasons for establishing a jute buffer stock has been to meet a situation of this kind, and it is now expedient to tap these reserves. The Jute Commissioner has agreed to release the buffer stocks presently held by the industry and defer the date of their replacement from November to February 1965. This will help offset the slowness of new crop arrivals due to seasonal factors. As a further measure to prevent unduly heavy purchases for speculative reasons, the Committee says that consultations are taking place with the Jute Commissioner about the need for introducing maximum jute purchase quotas related to the stocks and undelivered balances of individual mills.

The Committee has deplored the opportunity lost to the industry to make purchases of fibre from Pakistan at reasonable rates. Had the Government of India acted on the industry's advice to provide the minimum allocation of foreign exchange necessary for imports at the right time, the industry would not have been placed in a position where, because of current price levels in Pakistan, it finds itself unable to operate in that market. The industry has thus been deprived for the time being of a source of supply, which for certain high grades and cuttings, is of the very greatest importance.

This situation is a repetition of what has taken place regularly during the past few seasons despite the industry's representations to the authorities. The Committee has hoped that with this most recent example of the results of inaction, the Government would, without further delay, put the necessary foreign exchange at the disposal of the Jute Commissioner to be used in consultation with the industry.

The Committee feels that should the price situation in Pakistan continue, it would not be unreasonable for the industry to expect the Indian Government to subsidise such additional imports from Pakistan as may become necessary in order to ensure that the industry's overseas customers can obtain their finished goods at a price which will retain their confidence.

Unfair Pakistani Competition

An earnest appeal to the Government of India to help the jute industry meet the State-subsidised competition from Pakistani mills was made by Mr. D. Duncan-Smith in Calcutta last Tuesday. In his chairman's speech at the annual meeting of the Calcutta Jute Fabrics Shippers Association, Mr. Duncan-Smith said that with its long experience and knowledge of world markets, the industry was well equipped to meet any fair competition. But it could not be expected to compete with subsidies provided by another Government. So it is for the Indian Government to devise ways and means for coping with the problem. He said there was no use adopting an ostrich-like policy and hoping that the Pakistani industry would cease to grow, when indications were that encouraged by its recent successes, it would continue its fast expansion. He hoped that ultimately Indian and Pakistani industries would reach a form of working agreement, both in relation to raw materials and finished products, so as to avoid chronic surplus capacity and over-production in their mutual interests.

Speaking on the trend of exports during 1963-64, the chairman said that there was considerable improvement over the previous years. Exports of hessian rose by 61,000 tonnes, but sacking dropped by 7,700 tonnes. In hessian, there was a sharp spurt in the offtake by Russia, the Argentine, the U.S.A. and to a lesser extent by Canada. But western Europe and some smaller markets took less of the fabric. In sacking, Indian gunnies suffered the biggest losses in Africa and western Europe. In spite of an overall increase in Australian consumption of heavy goods to around 81,000 tonnes, India could not regain the ground she lost in 1962-63 when her exports sagged to 34,300 tonnes from 60,400 tonnes for the previous year. India's loss meant a gain for Pakistan and for the 11-month period ended May 1964, the latter shipped 38,620 tonnes to east and west Africa, against about 12,600 tonnes by the former during the same period. Explaining the increase in world gunny consumption during the past year, Mr. Duncan-Smith said that the failure of the grain harvest in Russia and other east European countries stimulated big wheat purchases from Canada, the U.S.A. and Australia, indirectly raising the offtake of jute bags.

Need to Improve Quality

The chairman expressed satisfaction over the trend of raw jute production and prices during the past two seasons. Although India had practically attained quantitative sufficiency in the fibre, there remained a lot to be done concerning quality. For stepping up the quality of the end-product, the industry must get good raw material at a reasonable price. The Pakistani industry had a clear advantage in this matter. In fact, the quality of Indian finished goods had suffered due to the poor quality of the raw jute received by mills. He referred to the adequate supply of the fibre at reasonably stable prices during the past two seasons which helped mills to operate economically.

Serving Foreign Customers

With their long experience in overseas trade, Indian shippers of jute fabrics are pre-eminently in a position to render efficient "after-sales service" to their overseas customers. Admitting the need for arranging a quicker settlement of claims, Mr. Duncan-Smith said that the cumbersome arbitration clause in the existing contract form, which was drawn up long ago, did not appear suitable for the more advanced markets now. He suggested that reports from competent inspectors about the quality of goods should be accepted by both shippers and mills, and disputes be settled promptly.

The second hurdle to a quick settlement was the financial settlement on the basis of the factual report. Quite often, Calcutta shippers were not aware of the use to which the fabric or bag was to be put by overseas consumers. Sometimes it was found that they intended the bags or the fabric to carry a commodity entirely unsuitable for the specification of the bags indented and shipped. In these cases arbitration was necessary to arrive at an agreement about the financial settlement. He referred to the delay in securing the permission of the Reserve Bank to remit the rebates agreed upon to overseas buyers, and suggested that the Bank should streamline the procedure in order to help the industry to create goodwill among foreign customers.

Sharp Spurt in Gunny Stocks

Mills reporting to the I.J.M.A. have shown a sharp increase in the closing stocks of gunnies from 126,300 tonnes at the end of June to 135,200 tonnes at the end of July. Sacking stocks rose by 7,700 tonnes to 52,900 tonnes, carpet-backing by 1,000 tonnes to 22,400 tonnes and hessian by 700 tonnes to 45,900 tonnes, while miscellaneous goods declined by 500 tonnes to 14,000 tonnes. At the end of July 1963, the stocks were 104,200 tonnes —32,500 tonnes of hessian, 53,100 tonnes of sacking, 8,300 tonnes of carpet-backing and 10,300 tonnes of other goods. Market circles did not appear to be much worried about the rise in heavy goods stocks for it seemed to be a usual feature at this time of year. Mills were used to keeping such stocks ready for meeting the demand from the seasonal industries. Besides, substantial lots of July delivery cargo against huge Government tenders for B Twills could not be cleared due to the bottleneck at Calcutta part.

THE JUTE MARKETS

Manufactured Goods: Erratic conditions marked trading in the Calcutta gunny market during the past week. With the imposition of margins on hedge trading, speculators diverted their attention to the spot market and induced mills to book orders in both hessian and sacking for all positions up to January-March at high prices. Overseas orders were few and far between. There was some business with the U.S.A. in hessian. Cambodia had invited a tender for 5,000 bales of B Twills for August delivery. The U.K. too had booked moderate lots of gunnies. The Government of India entered the market with a tender for 4,000 bales B Twills for August-September delivery. Shippers had to cover their ready and near-term open positions at higher prices. The publication of the stock figures at the end of July showing an increase of 8,900 tonnes over the figures for the previous month produced only a temporary setback due to the interest taken by speculators. Towards the close the market eased somewhat with the emergence of more mills as keen sellers for all positions at the higher levels. In the hedge markets, bulls turned cautious and carried on trading without inviting margin penalties. There was sizable liquidation in both hessian and sacking partially erasing top gains. But bears covered their open positions at the dips absorbing all offers. Turnover was moderate in the spot market and fair in the hedge market, and fluctuations were wide in both. The closing undertone was easier.

Wednesday's quotations were as follows:

	Aug.	Sept.	Oct.-Dec.	Jan.-Mar.
40in. 7½oz.	36.00	36.25	36.50	37.00
40in. 8oz.	38.75	—	—	—
40in. 10oz.	47.75	48.00	48.60	49.50
B Twills	131.50	132.00	132.50	134.00
Cornsacks	136.50	136.00	135.00	136.00
Heavy Cees (Plain)	130.00	130.50	131.00	132.00
A Twills	157.00	158.00	159.00	160.00
Liverpools	144.00	145.00	146.50	148.00

Raw Jute: Buoyant conditions prevailed in the raw jute market in

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spite of an increase in daily arrivals to around 70,000 maunds. Upcountry roads continued to be in a bad condition and prevented the movement of the fibre from the interior markets in appreciable lots. Brisk speculative support induced by runaway fibre prices in Pakistan made sellers reserved. Mills became nervous and sought to book offers of higher-grade fibre. Sentiment did not ease even after the announcement on Tuesday that the Jute Commissioner had released the entire J.B.S.A. stocks to the industry for immediate use. He also agreed to defer their replacement from November to February when plentiful fibre supplies would be available in India. In the hedge market, Upper Assam White Bottoms for September ruled firm due to hectic bull-squeeze and closed around the pre-margin levels after wide fluctuations. Turnover was small in the spot market and fairly heavy in the hedge market, and the undertone was exceptionally firm at the close.

Wednesday's quotations were as follows:

	Landed at Mills (Basis Bottoms)			
	Current Prices		T.S.D. Minimum Prices	
	Rs. A Qtl.	Rs. A Md.	Rs. A Qtl.	Rs. A Md.
Assam-Agartala Jute	107.17	40.00	80.38	30.00
Northern Jute	104.49	39.00	79.04	29.50
Western Desal Jute	99.13	37.00	73.68	27.50
Selected Daeisee	111.19	41.50	85.74	32.00
Assam-Agartala Tossa	108.51	40.50	83.05	31.00
Mesta : Assam-Northern	93.77	35.00	72.34	27.00
Local Daissee	95.11	35.50	72.34	27.00
Bihar Dist.	92.43	34.50	68.32	25.50

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

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

Description	Quantity
1. Gunny Bags	
(a) Hessian	
9,994 tonnes	(9,836 tons)
2,68,67 thousand metres	(2,93.8 lakh yds.
1,88.3 lakh nos.	
(b) Sacking	
44,865 tonnes	(44,157 tons)
9,73.13 thousand metres	(10,64.2 lakh yds.)
4,96.3 lakh nos.	
2. Gunny Cloth	
(a) Hessian	
39,146 tonnes	(38,528 tons)
13,16.22 thousand metres	(14,39.4 lakh yds.)
(b) Sacking	
1,558 tonnes	(1,533 tons)
33,72 thousand metres	(36.9 lakh yds.)
3. Carpet-backing	
8,168 tonnes	(8,039 tons)
62,13 thousand metres	(68.0 lakh yds.)
4. Other Manufactures	
13,942 tonnes	(13,722 tons)
5. Total Production (All kinds)	
1,17,673 tonnes	(1,15,815 tons)

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

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

Description	31st July, 1964		30th June, 1964		Increase over (+) or decrease from (−) last month		31st July, 1963	
	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)
Hessian cloth and bag	14,81.51 (16,20)	45.9 (45.2)	14,53.39 (15.89)	45.2 (44.5)	+28.12 (+31)	+0.7 (+0.7)	10,51.74 (11.50)	32.5 (32.0)
Sacking cloth and bag	11,78.12 (12,88)	52.9 (52.1)	10,10.26 (11.05)	45.2 (44.5)	+1,67.86 (+1,83)	+7.7 (+7.6)	11,73.18 (12.83)	53.1 (52.3)
Carpet-backing	1,79.13 (1,96)	22.4 (22.0)	1,72.79 (1.89)	21.4 (21.0)	+6.34 (+7)	+1.0 (+1.0)	64.80 (71)	8.3 (8.2)
Others		14.0 (13.8)		14.5 (14.3)		−0.5 (−0.5)		10.3 (10.1)
Grand Total (000 Tonnes/Tons)		1,35.2 (1,33.1)		1,26.3 (1,24.3)		+8.9 (+8.8)		1,04.2 (1,02.6)

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

Summary			
	(000 metres and 00,000 yds.)		
	July '64	June '64	July '63
Hessian	15,84.89 (17.33)	14,46.43 (15.82)	15,20.44 (16.63)
Sacking	10,06.85 (11.01)	8,91.14 (9.75)	9,22.72 (10.09)
Carpet-backing	62.13 (68)	59.98 (66)	65.64 (72)
	(000 tonnes and tons)		
	July '64	June '64	July '63
Hessian	49.1 (48.4)	44.3 (43.6)	45.8 (45.1)
Sacking	46.4 (45.7)	41.2 (40.6)	43.0 (42.3)
Carpet-backing	8.2 (8.0)	7.9 (7.8)	8.2 (8.1)
Others	14.0 (13.7)	13.6 (13.4)	11.9 (11.7)
Grand Total	1,17.7 (1,15.8)	1,07.0 (1,05.4)	1,08.9 (1,07.2)
Hours worked	216.0	200.0	216.0

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NGB/46C

THE PAKISTANI JUTE MARKETS

STEADY RISE IN FIBRE

(FROM OUR DACCA CORRESPONDENT)

PRICES in all sectors continue to rise, and it is perhaps appopriate to review the situation in this context.

Towards the end of the last season, it was generally felt that the 1964-65 crop had been well sown and sown early, and up to May, had enjoyed ideal growing conditions. From this it appeared that the supply of jute would be about the same as, in the previous year, and naturally the price trend was expected to be more or less the same. There were also reports that as the growers had received better prices for white than for tossa, less tossa would have been sown. This would result in a slight easing of the white prices and might make it slightly easier to set Outport Tossa 2/3 without raising the price too high. There was, in fact, every reason to believe that there would be another buyers' market.

In mid-June it became apparent that heavy rains had delayed the ripening and, therefore, the harvesting of the crop. A late crop early sown, produces poor quality fibre. The next step was the news of the carryover, which contrary to expectations, was negligible. This bullish factor was accentuated by continuous unseasonal heavy rains, which damaged the growing jute, badly affected the young tossa jute and eventually because of the high level of the rivers, has resulted in early harvesting of the midland crop thus reducing its quantity outturn.

The reduction in export duty and the lowering of the E.P.C., both of which represented considerable economies for the balers, a large proportion of which could easily have been passed on to the buyers, had no effect whatsoever on the market. At present, there is a crop which due to the above-mentioned reasons, is some 500,000 bales to 600,000 bales less than the previous crop, and since the carry-

over is also some 500,000 to 600,000 bales less than the previous carryover, there is a reduction in the supply of some 1.1 million bales. Most balers are bullish and are buying heavily. Some small balers sold speculatively early in the season, and are now trying to cover, thus further exciting the market.

The striking mills, which had been out of the market for nearly a month, are beginning to buy again, which will push the market up even further. The middle men, encouraged by the daily rise in prices, had been sitting back for a few days before bringing in more jute, and that explains why the arrivals have fallen off, further increasing the demand. As a final touch, the U.S. naval actions in the Gulf of Tonkin has encouraged people to talk of a second Korea. In fact, there is now one of the strongest bull markets the jute trade has seen since the Korean War.

Under such circumstances, one must try to keep a clear head and see if there are any bear factors at all. These, although existing, are weak. There is the remote possibility that 1963-64 carryover was larger than indicated. Dundee, the largest buyer, was fairly well stocked last season. The mills in Pakistan will have reduced their consumption by approximately 100,000 bales due to the strike. Under present conditions, it is hard to see how any of these factors can really bring prices down anywhere near the level they were at the beginning of the season.

In the loose market, the condition of the arrivals in most places is bad. The quality of the fibre is poor, much of it being weak and dazed. In Mymensingh and Ashuganj and to a lesser extent in Chandpur where the inherent qualities of the jute make it more able to withstand the ravages of excessive water, prices as much as £6 a ton higher are being paid than in other baling stations. Encouraged by the continual rise in prices, arrivals have fallen off.

Another reason for the reduction in arrivals is that the floods have caused the growers to turn to harvesting the midland crop early. This early harvesting will result in shorter jute, but possibly of slightly better quality as it will be immature. Another example of the strength of the market is that everywhere sellers are insisting that the balers should pay separately for S.M.R. in loose purchases, and the level of this is some £5 or £6 a ton above the price of Export Hearts of the last season.

In the pucca bale market, the difficulty is not to settle prices but to find a seller. Cuttings forward have been down at a parity of £69 f.o.b. Old crop Outport Tossa 4s have changed hands at approximately £82 10s f.o.b. and Export Hearts new crop at £91. The cost of an Export Lightning for any position from August to November ranges from £95 f.o.b. to £99 10s f.o.b. depending upon the market. These ridiculous prices are encouraged by one large baler recently entering the market blindly, and by the resumption of buying by the mills, who were on strike.

Even the overseas buyers, immediately after the holiday period, have been shaken into paying some realistic prices. They are beginning to realise that against the cheap offers which they had taken up, very little jute of the right standard will materialise. The London agents who bought cheap instead of waiting to take a profit, are very wisely unloading not only the jute but the responsibility of cheap and probably unsafe buying. The more reliable balers are either not offering at all or else keeping their prices well above the cost price, which very few buyers are prepared to meet.

The Pakistan Jute Association Committee has pushed up in the last few days the P.J.A. prices rather more rapidly than even the market justifies, on the ground that it is better to do this than to continue raising E.P.C.s by one or two pounds here and there daily.

It is interesting to note here below the changes in E.P.C. prices since the beginning of the season:

	1st July £	7th August £
Export Firsts ...	91	99
Export Lightnings	80	90
Export Hearts ...	69	78
Dacca Tossa 5 ...	105	118
Dacca Tossa 6/Dundee Tossa 4 ...	91	100
Dundee Tossa 2/3	100	113
Outport Tossa 2/3	83	88
Outport Tossa 4 ...	73	78
S.N.C./D.T.C. ...	50	60
N.C./T.C.	42	54
Cut Ropes	38	50
Habijabi ...	40	50
S.M.R.	50	60
Mesta A	75	82
Mesta B	67	74
Mesta C	59	66
Mesta Cuttings ...	41	51

These prices are all f.o.b. 90 days sight and from the look of things, both E.P.C.s and the market will have to go a good deal higher before coming down again.

ORWO FILMS IMPORTED AGAINST RUPEES

Films and other photographic materials produced by WEB Filmfabrik, Wolfen (East Germany), the factory which has been manufacturing the famous Agfa films, are now being marketed under the trade name of "Orwo". The materials will be sold in India by two new organisations—by Orwo Private Ltd in western and northern India and by Orwo Films Eastern Unit in eastern and southern India. Orwo products are imported into India on rupee-payment basis.

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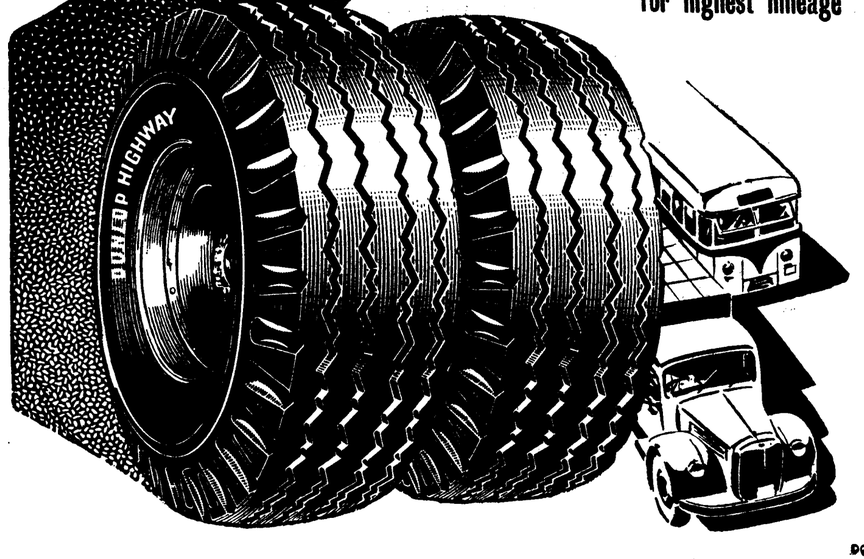
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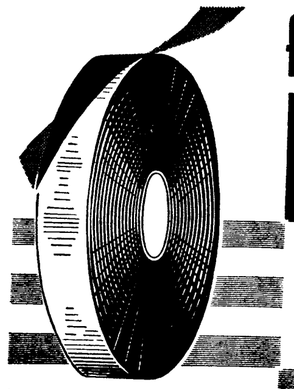
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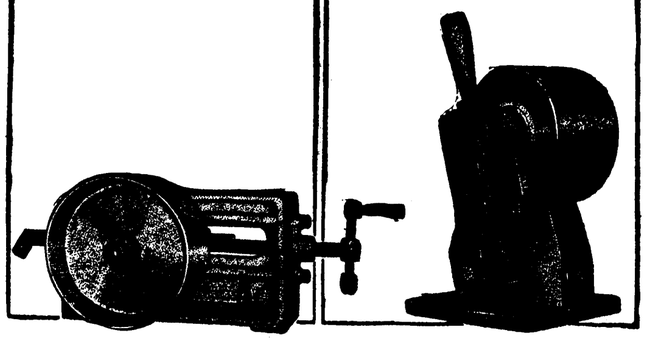
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Books

IMPORTANCE OF TECHNOLOGY

World of Opportunity. (Published by the United Nations, New York. Price $(U.S.) 6, pages 267.)

This is the first of eight volumes of a report on the U.N. conference on the application of science and technology for the benefit of the less developed areas. The report contains details of discussions held as also papers contributed at the conference. The style is non-technical to make it easily readable.

The key to progress is to be found in science and technology. On it depends all development and future well-being of the under-developed countries. The latter have to foster science if they are to overcome poverty, malnutrition and disease.

The first volume starts with an assessment and appraisal of the world's natural features. It shows that these can become wasting assets by misguided human interference without full realisation of the consequences. At the same time, by careful planning and the application of science, these can be harnassed to the service of man. The inventory of natural resources includes human beings, although it is recognised that human "reasourcefulness" is more important than human "resources". The report classifies these resources and examines in detail how the objective can be achieved by their planned and efficient use towards economic advancement.

The report goes on to discuss the revolution of rising expectations and that of science and technology. The two belong together, because with science has come awareness; at the same time the fulfilment of these expectations lies in science. Constitutional freedom has come to many nations, but this is not by itself any guarantee of welfare and equality. Political inequality is passing away but in its place there is the inequality between the haves and the have-nots. These enormous disparities between the peoples of the world are a problem not only for the poorer nations but for the world as a whole. One of the primary objectives of the conference has been to consider ways and means of closing the gap between the rich and the poor countries; between potential wealth in natural and human resources of the less developed countries, and the poverty of their ordinary people.

Part 2 of the first volume contains a report of the work done in the sessions of the conference. The various aspects discussed are the development of natural resources (mainly water, mineral and energy resources) and human resources which constitute the real hope for the future. Also considered at length is agriculture in its various aspects, industry and the strategy that should be employed for its development, transport, health and nutrition, social problems of rural development and urbanisation, and finally the organisational planning and the programmes for economic development, as also the scientific and technological policies to be adopted for this purpose. The importance of international co-operation and the training of technical personnel is also dealt with.

The achievement of the conference has been not only to bring scientists and technologists together in an awareness of the tremendous powers for good or ill they collectively weild, but also in creating a partnership in human endeavour. The report discusses the practical methods to achieve the goal. A comprehentive index is provided to facilitate reference.

Commodity Markets

ORIENTATION OF WORK IN RUBBER ESTATES NEEDED

(FROM OUR SOUTH INDIAN CORRESPONDENT)

WORK orientation has become a pressing necessity in the rubber planting industry of south India. This industry was established in the early years of this century. During the past 40 years, most of the rubber grown was from ordinary seedlings. Most of the workers were familiar with and accustomed to deal with a tree population greatly depleted by casualties and producing a small quantity of rubber. Their work attitudes belong to that era. Their attitude has not advanced to take account of the new type of trees that stand in most estates now.

The chairman of the Mundakayam Planters Association, Mr. George John, said while addressing the recent annual meeting of this body that the work orientation required to deal with new production techniques and new opportunities of earning had to be conveyed to labour. Today the labour was so militant that any change in work methods could not be introduced without adequate preparation and training and the creation of a favourable climate of public opinion. Unfortunately, it had not been possible to achieve this, largely because only the employers had been able to recognise the meaning of the changes in production facilities. During the past year, a number of incidents had taken place to highlight this particular aspect of the problem. In one area where workers were offered increasing opportunities for earning more by introducing the ladder system, they were willing to accept the extra task. It was the labour unions which intervened and obstructed the workers from taking advantage of the increased earning. Not only the producers and workers, but also the nation had suffered as a consequence, Mr. George John said.

In certain other areas, production had been impeded because unions did not want workers to accept a larger number of trees for tapping, although the tappers were relieved of the work of carrying their crop from the fields to the factory. In fact, the workers would not have working longer hours, but they would have been using the same number of hours more productively. The whole scheme was thwarted because unions felt that this would weaken their bargaining position. Although we were confronted with this problem of unions becoming an active agency for the prevention of changes which were so desirable, we as a progressive industry, should work to seek their co-operation, he said, and added that they were not dealing with the 1930 rubber plants any longer. Scientific research and field experiments had produced a new kind of rubber tree capable of producing several times more than its ancestors. "We ought to keep with the changes that these trees have brought about", he said.

CASHEW

Bonus Issue Settled

The cashew processing industry in Kerala has escaped this year from the usual labour unrest on the question of bonus. This thorny problem has been settled through negotiations, and labourers will be getting 7½ percent bonus this year. The distribution of Rs. 30 lakhs required for this purpose would be completed before the Onam festival in the third week of this month.

Even in spite of the undisturbed functioning of the processing factories ensured by the peaceful settlement of the bonus question, it does not appear that the production of cashew kernal will reach last year's record of 2.3 million cases of 50 lbs each. A shortfall of about 200,000 cases is forecast by the processors in Quilon. Their reason is that the quality of raw nuts received from Africa this year was poor.

Export, on the other hand, is on the high side. According to the Cashew Export Promotion Council, India could export as much as 25,000 tonnes of processed cashew kernels worth about Rs. 11.76 crores during the first half of 1964. This was a record performance for the cashew processing industry in this country. The U.S.A. with an import of over 13,000 tonnes was the main buyer. East European countries together imported over 6,000 tonnes. Exports to other countries like the U.K., Canada and Australia also were maintained. Cashew shell oil exports also registered a fair increase both in quantity and value. Exports during this period amounted to about 7,000 tonnes which was double the quantity exported during the first half of last year. Foreign exchange earned through cashew shell oil export was to the tune of about Rs. 1 crore, against Rs. 40 lakhs of the corresponding period of 1963. The main buyers were the U.S.A., U.K. and Japan.

SPICES

Export Earnings Rise

According to the latest available report from the Spices Export Promotion Council in Ernakulam, India's export earning on spices during the first four months of 1964 was to the tune of Rs. 7.1 crores, representing an increase of Rs. 1.6 crores over that of the corresponding period of 1963. Black pepper, cardamom, chillies, ginger, turmeric and minor spices like fennel seed, aniseed, cassia and mace, have contributed to the larger export earning. Some 8,688,227 kilograms of black pepper valued at Rs. 2.7 crores were exported from India during the period under review. Cardamom export amounted to 9,46,940 kilograms worth Rs. 1.3 crores. Ginger exports came to 2,395,132 kilograms, valued at Rs. 72 lakhs.

TEA

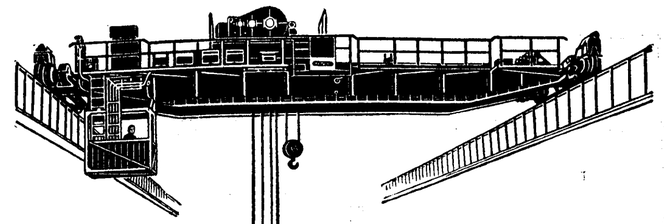
Output and Exports Rise

(BY A SPECIAL CORRESPONDENT)

THE north Indian crop up to 31st July, 1964, was 226,577,310 lbs, compared with 195,629,157 lbs on the same date a year ago. It will be noted that the lead is maintained, and there is an increase over the past month. The tea districts have since suffered from flooding which appears to be rather more serious than usual. This may restrict plucking temporarily, but teas continue to be despatched by factories as boats and river steamers can bring down pproduce for sale and export. Offerings todate remain on the low side; approximately 41,000 packages were advertised at Sale No. 11.

Bright liquoring teas met with a good general demand, with a renewed enquiry for Assam Orthodox types and C.T.C. were definitely firmer. Darjeeling with flavour sold well.

Calcutta auctions to the end of July disposed of leaf tea amounting to 11,987,362 kilograms at Rs. 6.07 a kilogram, against 10,526,674 kilograms at Rs. 6.36 a kilogram a year ago. The average price at Sale No. 11 was Rs. 6.20 a kilogram, against



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Rs. 6.43 a kilogram a year ago. To-date dust teas have sold for Rs. 5.06 a kilogram, against Rs. 5.20 a kilogram, but dusts made a better showing at today's levels. Current prices at Rs. 5.14 a kilogram this season compare with Rs. 5.05 a kilogram in 1963.

Export figures from 1st to 27th July make satisfactory reading at approximately 27 million lbs this year, compared with 21.71 million lbs in 1963. As usual, the U.K. heads the list of importers at 20.75 million lbs, against 15.60 million lbs a year ago. The U.S.A. shows an upward crawl.

In the U.K. little is heard about tea being a sound refresher and a diet drink, whereas in the U.S.A., that is one of its advantages. The Americans are very weight-conscious and it is recorded that the soft drink industry is going ahead fast on diet drinks and that the U.S. population is consuming 227 bottles a head a year These diet drinks use saccharine in place of sugar. Iced tea contains useful tonic effects if sweetened with sugar substitutes.

Very heavy sums are said to be spent on advertising Pepsi Cola, Royal Crown, Coca Cola and Canada Dry drinks, and one can only hope the Tea Council of America can keep on increasing its propaganda as the coffee suppliers are also working on campaigns to increase their share of consumer markets.

Edible Oil from Tea

The Chief Minister of West Bengal, Mr. P. C. Sen was recently shown a laboratory method of extracting edible oil, which can be used as a cooking medium from tea seed, and he is convinced that there are good prospects of it being produced on a commercial scale in West Bengal. As old plants yield seed, the Government may have to ask planters to retain such plants and expand their gardens to accommodate new plants. If necessary, the Government will secure the land for this purpose. Mr. Sen told reporters last week that oil from tea seed might relieve to a considerable extent West Bengal's dependence on other States for the supply of mustard oil. He said that the oil tasted well and had the potentiality of replacing mustard oil as a cooking medium in the State.

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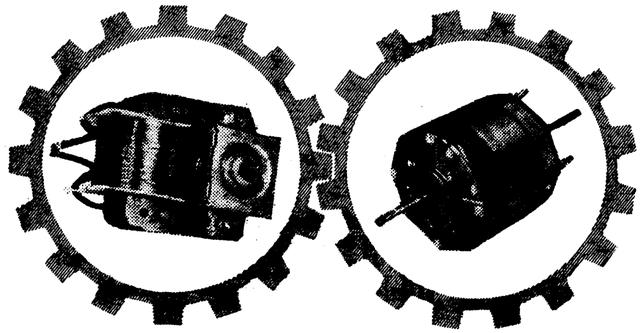
Higher Wage Claims by Labour

IN his address from the chair at the latest annual meeting of the Shevaroy Planters' Association, held recently in Yercaud, shevaroy Hills, Mr. M. S. P Rajes, said that the Wage Board for Coffee Plantation Industry suggested the payment of wages to the workers on the Shevaroys at Rs. 1.50 a man a day, and Rs. 1.26 a woman a day, but the wages for the workers on the Shevaroys was being paid according to the agreement entered into with the labour union. There was also a move to increase the wages for the workers as a second and final increase. Any further increase would do injury to this industry, Mr. Rajes warned. The lower selling price and higher production costs rendered the industry incapable of shouldering the further burden and unless the yield was increased and the cost of production reduced, without affecting the general efficiency of the estates, it might not be possible to increase the wages.

The issue of labour bonus for 1963-64 was a major issue and important policy decision had to be taken in the light of the recommendation of the Bonus Commission. The major question was whether industry-wide *ad hoc* settlements could be continued in future or whether bonus to be paid unitwise, according to the Bonus Commission formula, as finally to be approved by the Government of India. The recommendations of the Commission appear to have far-reaching consequences which may seriously affect the industry. Suitable and proper representations have been made to the Government of India by the Association of Planters of the State of Madras, Coonoor and the United Planters' Association of Southern India, Coonoor, so far as the plantations are concerned and the United Planters' Association of Southern India will take necessary action in this matter.

In order to ensure proper cultivation of coffee, it is essential that shade trees among the coffee plantations should be regulated periodically by cutting and removing some of the overgrown trees. According to the recent amendments made by the Government to the Madras Hill Stations (Preservation of Trees) Act, 1965, only the cutting or pruning of the branches of any tree for the purpose of producing proper shade for coffee plants is permitted. But according to the recommendations of the officials of the Coffee Board Research Department, several trees are to be removed to lessen the shade in order to increase the yield. On the representation made by the Association of Planters of the State of Madras, Coonoor, the Government was now agreed to consider the question of exempting the planted area from the provisions of the Act and the estates concerned have also applied to the Government requesting exemption from the operation of the Act.

In spite of the efforts taken by this Association and by the public, the Madras Electricity Board has not so far taken any action for the extension of electricity to the Coffee estates and the villages. Shevaroy Hills is a very backward area which has been declared by the Government as a tribal block with sufficient funds to elevate the conditions of the villages, and as such the extension of electricity is a vital need to improve the economic conditions of the backward villages. As electricity is required for the villages and for the several agricultural operations in the coffee estates, the Electricity Board should take immediate action for the extension of electricity to the interior parts of Shevaroy Hills.

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COMPANY AND PUBLIC NOTICES

THE INDIAN CABLE COMPANY LIMITED

NOTICE

NOTICE is hereby given that the Forty-fifth Annual General Meeting of the Shareholders of The Indian Cable Company Limited will be held at the Registered Office of the Company, 9, Hare Street, Calcutta on Friday, the 25th September, 1964 at 3 p.m. for the following purposes:

1. To receive and adopt the Directors' Report and Audited Balance Sheet and Profit and Loss Account for the year ended 31st March, 1964.
2. To declare a Dividend.
3. To appoint a Director in the place of Mr. M. A. Sreenivasan who retires by rotation and who has attained the age of 65 years, and to consider and, if thought fit, to pass the following resolution of which a special notice, as required by Section 281 of the Companies Act, 1956, has been received by the Company:

   "Resolved that Mr. M. A. Sreenivasan, a Director of the Company, who retires by rotation and who attained the age of 65 years on 20th September, 1962, be and is hereby re-appointed a Director of the Company and that the age limit prescribed by Section 280 of the Companies Act, 1956, shall not apply to him."

To appoint Auditors and fix their remuneration.

AS SPECIAL BUSINESS

5. To consider and if thought fit to pass with or without modifications the following resolutions:

(a) **As an Ordinary Resolution.**

(i) "That Mr. Aroon Kumar Basak who vacates his seat as Additional Director of the Company at this meeting be appointed a Director of the Company."

(ii) "That subject to the approval of the Central Government Mr. Aroon Kumar Basak be appointed a Deputy Managing Director of the Company for a period of five years with effect from 16th January, 1964, on the remuneration and subject to the terms and conditions contained in the Agreement dated 24th January 1964, made between the Company and Mr. Basak and submitted to this meeting, or on such other remuneration and terms and conditions (not being more favourable to Mr. Basak) as may be approved by the Central Government and agreed to by the Board of Directors of the Company and Mr. Basak."

(b) **As an Ordinary Resolution.**

(i) "That Mr. Jan Hormusji Faramji Manekshaw who vacates his seat as Additional Director of the Company at this meeting be appointed a Director of the Company."

(ii) "That subject to the approval of the Central Government Mr. Jan Hormusji Faramji Manekshaw be appointed a Deputy Managing Director of the Company for a period of five years with effect from 16th January, 1964, on the remuneration and subject to the terms and conditions contained in the Agreement dated 24th January, 1964, made between the Company and Mr. Manekshaw and submitted to this meeting, or on such other remuneration and terms and conditions (not being more favourable to Mr. Manekshaw) as may be approved by the Central Government and agreed to by the Board of Directors of the Company and Mr. Manekshaw".

(c) **As an Ordinary Resolution.**

"That subject to the approval of the Central Government Mr. Ronald Bowyer be re-appointed a Deputy Managing Director of the Company for a period of five years with effect from 1st April, 1964, on the remuneration and subject to the terms and conditions contained in the draft Agreement submitted to this meeting and signed by the Chairman for the purpose of identification, or on such other remuneration and terms and conditions (not being more favourable to Mr. Bowyer) as may be approved by the Central Government and agreed to by the Board of Directors of the Company and Mr. Bowyer."

(d) **As an Ordinary Resolution.**

"That subject to the approval of the Central Government Dr. William James John Curry be appointed Managing Director of the Company with effect from 3rd April, 1964 to 31st March, 1966 on the remuneration and subject to the terms and conditions contained in the draft Agreement submitted to this meeting and signed by the Chairman for the purpose of identification, or on such other remuneration and terms and conditions (not being more favourable to Dr. Curry) as may be approved by the Central Government and agreed to by the Board of Directors of the Company and Dr. Curry."

(e) **As a Special Resolution.**

"That Article 44 of the Company's Articles of Association be deleted and substituted by the following new Article:

44. No fee will be chargeable for registration of transfers. probates, letters of administration, certificates of death or marriage, power of attorney or other instruments."

(f) **As a Special Resolution.**

"That Article 14(2) of the Company's Articles of Association be altered by inserting in the first sentence and between the words "additional certificates" and "the Company" the following words—

'of any denomination other than 100 shares'."

The Share Transfer Books of the Company will be closed from 10th September, 1964 to 25th September, 1964 both days inclusive.

The dividend that may be declared at this Meeting will be payable on or after 9th October, 1964 to Shareholders registered on the Company's Books on 25th September, 1964 or their mandatees.

On behalf of the Board,

A. K. BASAK,
Deputy Managing Director.

9, Hare Street,
Calcutta
24th July, 1964.

Note: A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a Member of the Company.

(An Explanatory Statement as required by Section 173 (2) of the Companies Act is being sent to all members.)

(Situation Vacant)
CAMBRIDGE UNIVERSITY, ENGLAND

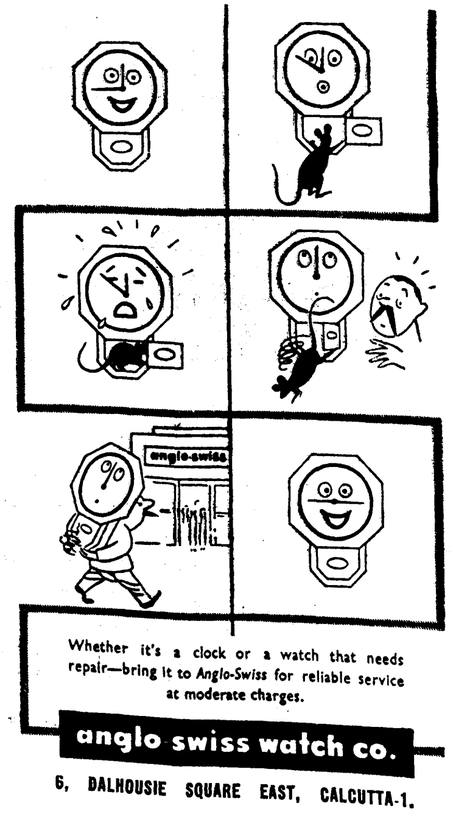
SOUTH ASIAN ECONOMICS

THE Economics Faculty of Cambridge University wish to appoint an Assistant Lecturer in South Asian Economics. The candidate appointed should be a person who has had direct experience of economic conditions and problems in some regions of South Asia and should possess a degree in economics and be otherwise suitably qualified. The appointment would be for 3 years, with possible extension to a total of 5 years. The appointment would be on the scale £1,200—£1,570. Applications (one copy only) giving full details of the candidate's career and the names of three referees should be sent to **Posner, Economics Faculty, Sidgwick Avenue, Cambridge, England,** as soon as possible and in any case so as to arrive not later than 30th November. The starting date of the appointment would be not earlier than 1st June, 1965, and could be later than that date.

BOOKS RECEIVED

A Search for Practical Action: United Nations Conference on Trade and Development, Geneva, 23rd March-15th June 1964 (Published by the United Nations, New York. Prices 25 cents, pages 29.)

Towards a New Trade Policy For Development. (Published by the United Nations, New York. Price $1.50, pages 125.)



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THE INDIAN IRON AND STEEL COMPANY LIMITED

NOTICE

NOTICE is hereby given that the Annual General Meeting (being the Forty-Seventh Ordinary General Meeting) of the Company will be held at the Registered Office, No. 12, Mission Row, Calcutta, at 3 p.m. on Tuesday, 8th September, 1964, for the following purposes:

1. To receive and adopt the Audited Accounts for the year ended 31st March, 1964, and the Directors' and Auditors' Reports thereon.
2. To declare a dividend for the year ended 31st March, 1964, on the Ordinary Share Capital. The dividend if sanctioned will be paid on or after the 9th September, 1964.
3. To appoint a Director in place of Maharajadhiraja Sir U. C. Mahtab Bahadur of Burdwan, who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Maharaja Sir Pratap Chandra Bhanj Deo of Mayurbhanj who retires by rotation and is eligible for re-appointment.
5. To appoint Auditors and fix their remuneration.

As Special Business

6. To consider and, if thought fit, to pass with or without modification the following Resolution of which Special Notice has been received oy the Company and is hereby given to the members:

RESOLVED: That the appointment as a Director made by the Managing Agents in terms of Article 108 of the Articles of Association of the Company, of Sir Biren Mookerjee who has since attained the age of 65 years, be and is hereby approved and that the age limit laid down in Section 280 of the Companies Act, 1956, shall not apply to him.

7. To appoint a Director in place of Mr. John McCracken who retires by rotation and being eligible offers himself for re-appointment and to consider, and if thought fit, to pass the following resolution as a Special Resolution in respect of which a Special Notice as required by Sections 190 and 261 of the Companies Act, 1956, has been received by the Company and is hereby given to the members:

RESOLVED: That pursuant to the provisions of Sections 261 and 314 and other relevant provisions of the Companies Act, 1956, Mr. John McCracken, who retires by rotation and who is the General Manager of the Company's Works, be and is hereby re-appointed a Director of the Company and that consent be and is hereby accorded to his continuing to hold an office of profit as General Manager of the Company's Works including the enjoyment by him of all such benefits and perquisites as are or shall be admissible to all other overseas recruited staff of the Company of non-Indian origin.

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

By Order of the Board,
MARTIN BURN LIMITED,
F. G. LIVERSEDGE,
Managing Director,
Managing Agents.

Registered Office,
12, Mission Row,
Calcutta-1.
12th August, 1964.

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

THE MALAYALA MANORAMA

(Estd: 1888)

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THE CALCUTTA TRAMWAYS COMPANY LIMITED

(Incorporated in England)

THE Directors of The Calcutta Tramways Company Limited announce that subject to final audit, the result of the working for the year ended 31st December, 1963, was as follows:—

The Revenue for the year after transferring £100,000 to Renewals and Replacements Account was ...		£193,185
Against this has been debited:—		
Provision for Indian Income Tax	£118,000	
Debenture Interest	£ 18,826	£136,826
Leaving a balance of		£ 56,359
In accordance with the Agreement dated 30th August, 1951, between the Governor of the State of West Bengal and the Company, the above balance has been credited to Shareholders' Account		£ 56,359
There has been debited:—		
Debenture Stock Redemption	£ 9,652	
Preference Dividend, less Tax	£ 7,656	
Proposed Ordinary Dividend at 6% free of tax ...	£ 42,000	£ 59,308
Utilising from amounts brought forward on Shareholders' Account		£ 2,949

The Annual General Meeting will be held in London at twelve o'clock noon on 8th October, 1964, on which day warrants for the Ordinary Dividend, if sanctioned, will be posted.

The Ordinary Share Transfer Books will be closed from 8th to 21st September, 1964, inclusive.

By Order of the Board,
E. H. GASKELL,
Acting Agent.

P.4 Mission Row Extension,
Calcutta—7th August, 1964.

INDIAN COPPER CORPORATION LIMITED

(Incorporated in England)

THE following are the returns for the quarter ended 30th June, 1964:—

Ore Milled	Kgs. 113,707,000	S/T	125,339	
Average Grade	2.251%			
Refined Copper produced ...	„ 2,480,000	L/T	2,441	
Refined Copper issued to Mines & Works	„ 28,148	„	28	
Rolled Brass produced	„ 2,152,677	„	2,119	
Y. M. Circles produced	„ 136,000	„	134	
Rolled Copper produced	„ 33,002	„	32	

The results of development work carried out on the properties of the Corporation during the quarter under review are as follows:—

	Footage Developed.	Footage Sampled.	Footage Payable.
Mosaboni	864 (263.3 M)	403 (122.9 M)	245 (74.8 M)
Badia	82 (24.9 M)	82 (24.9 M)	82 (24.9 M)
Surda	920 (280.5 M)	785 (239.3 M)	481 (146.6 M)
Pathargora	667 (203.2 M)	667 (203.2 M)	103 (31.3 M)

By Order of the Board,
GILLANDERS ARBUTHNOT & COMPANY LIMITED,
Managing Agents.

Gillander House,
Netaji Subhas Road,
Calcutta.
Dated 27th July, 1964.

DELTA IRRIGATION PROJECT

TENDER CALL NOTICE

THE last date for submission of tenders for the supply of spare parts for AILSA CRAIG MARINE DIESEL ENGINES, Model RFR4 and RF4 is hereby extended up to 17th September, 1964. All other conditions remain unchanged.

Sd/-B. MISRA,
Superintending Engineer,
Delta Irrigation Circle,
Keshari Nagar, Bhubaneswar-1.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Britannia Biscuit Co. Ltd.	20-8-64	10 a.m.
Howrah Mills Co. Ltd.	21-8-64	12-15 p.m.
Karanpura Collieries Ltd. ..	28-8-64	11 a.m.
Indian Aluminium Co. Ltd.	28-8-64	11-30 a.m
Lodna Colliery Co. (1920) Ltd. ..	31-8-64	12-30 p.m.
Indian Iron & Steel Co. Ltd. ..	8-9-64	3 p.m.
Indian Cable Co. Ltd.	25-9-64	3 p.m.

DIVIDENDS DECLARED OR PROPOSED.—Karanpura Collieries Ltd.—12 p.c. (o), subject to tax; Nuddea Mills Co. Ltd.—6 p.c. (f) (o), subject to tax; Gourepore Co. Ltd.—10 p.c. (f) (o), subject to tax; Anglo-India Jute Mills Co. Ltd.—12 p.c. (o), subject to tax; Indian Iron And Steel Co. Ltd.—17 p.c. (o), including a special cash bonus of 1 p.c., subject to tax.

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock Exchange Associations and other sources.

Figures given after stroke (/) mean paise.

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Wednesday, 12th August, 1964.

BANKS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 12-8-64 Rs.	5-8-64 Rs.	A year ago Rs.
Allahabad Bank P.	18	15	15	100	248/00	248/00	262/00
Bank of Baroda	17	16	16	50	98/00	98/00	88/00
Bank of India	20	20	18	50	102/50	103/00	108/00
Central Bank of India	20	20	20	25	49/50	49/50	55/20
Chartered Bank	15	15	15	£1	sh. 51/6	sh. 52/3	sh. 58/10½
Hindusthan Commercial	Nil	Nil	..	50	11/25	11/25	13/25
Hindusthan Mercantile	Nil	Nil	..	50	10/75	10/75	15/62
Hong Kong & Shanghai	sh. 15	sh. 16	sh. 16	HK$25	£21½	£21½	£16½
Indian Bank	15	14	..	100	155/00	155/00	161/00
Indian Overseas Bank	14	..	..	..	144/00	144/00	143/75
National & Grindlays Bank	14	16	14	sh 15	sh.31/-	sh. 30/9	sh. 35/-
Punjab National Bank	20	20	..	10	20/00	20/12	19/50
Union Bank of India	11 2/5	11 2/5	..	5	6/20	6/20	5/92
United Bank of India	6	6	7½	10	7/59	7/72	7/37
United Commercial Bank	12	12	12	50	70/00	70/00	66/50

JUTE MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 12-8-64 Rs.	5-8-64 Rs.	A year ago Rs.
Agarpara P.	2½	2½	12	10	9/06	8/81	10/00
Alexandra P.	15	42½	..	100	300/00	300/00	300/00
Alliance P	Nil	10	12½	100	124/00	124/00	128/00
Anglo-India P.	7	10	12	100	160/00	160/00	218/00
Auckland P.	12	Nil	15	100	127/00	129/00	145/00
Bally P	25	25	..	100	235/00	223/00	272/00
Barnagore P.	10	10	10	£5	222/00	223/00	199/00
Bengal P	..	..	..	10	7/00	7/00	9/69
Birla P	15	15	15	10	37/87	35/81	28/75
Budge Budge P.	Nil	12	14	100	121/00	121/00	135/00
Calcutta P	..	..	..	5/12	5/12	5/12	8/12
Caledonian P.	5	..	..	100	145/00	145/00	189/00
Champdany P.	5	Nil	40-35*	10	21/56	20/50	20/87
Cheviot P	5	25	..	10	19/31	19/31	21/12
Chitvalsah P.	Nil	5	Nil	10	8/25	8/31	10/00
Clive P	..	..	..	10	8/00	8/00	10/25
Dalhousie P.	1	Nil	25	100	122/00	123/00	132/00
Delta P	Nil	12	7½	100	132/00	132/00	140/50
Empire P	7½	12½	15	10	14/12	14/12	15/44
Fort Gloster P.	10	12½	20	100	251/00	251/00	355/00
Fort William P.	22½	10	20	10	21/75	21/75	24/50
Ganges P	10	15	20	10	14/56	13/81	13/50
General Industrial	10	13	..	10	14/25	14/25	15/62
Gourepore P.	25	20	20	10	23/00	22/62	25/25
Hastings P.	6	6	6	100	126/00	128/00	128/00
Hooghly P.	20	7½	10	10	14/50	14/50	18/87
Howrah P.	10	Nil	10	10	16/00	15/87	18/12
Hukumchand P.	28 2/3	26 2/3	26 2/3	7½	19/50	19/50	20/37
Inida	12	8	22½	12½	15/25	15/25	17/50
Kamarhatty P.	Nil	20	20	100	157/50	156/00	187/00
Kankinarrah P.	Nil	15	15	100	128/00	130/00	125/00
Kelvin P	15	5	20	100	140/00	153/00	188/00
Khardah P.	5	12½	12½	10	17/12	17/00	18/75
Kinnison P.	7	Nil	10	100	122/00	122/00	135/00
Lansdowne P.	Nil	Nil	Nil	100	92/50	92/50	87/00
Lawrence P.	15	10	10	100	102/00	102/00	100/00
Megna P.	12½	Nil	22	10	12/50	12/10	12/50
Naihati P.	..	..	..	100	85/00	85/00	81/00
Naskarpara	..	..	..	10	6/00	6/00	9/06
National P	Nil	10	10	10	20/62	20/62	23/25
Nellimarla P	5	15	5	10	8/25	8/25	11/06
New Central P.	15	Nil	..	10	10/87	10/94	12/37
Northbrook P.	30	20	35	10	25/00	24/50	28/25
Nuddea	6	5	10	10	11/12	10/50	..
Presidency	6	10	10	5	4/34	4/37	4/56
Rameshwara P.	Nil	Nil	Nil	10	9/20	9/20	9/12
Reliance P	Nil	Nil	Nil	10	7/25	7/00	9/37
Samnugger P.	Nil	10	10	£1	10/50	10/50	10/50
Shree Ambica P.	6	Nil	..	10	30/00	30/00	25/00
Soorah P	25	25	..	10	19/25	19/25	21/00
Titaghur P.	Nil	13	..	£1	10/50	10/50	10/50
Union P	6	Nil	20	100	138/00	133/00	156/00
Victoria P.	Nil	10	10	£1	10/50	10/50	10/50
Waverley P.	30	60	30	1	7/94	7/94	8/16

* 1964

COAL COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 12-8-64 Rs.	5-8-64 Rs.	A year ago Rs.
Amalgamated	12½	15	..	10	21/50	21/00	25/50
Bengal P	21	19	16	100	230/50	228/00	260/00
Bengal Bhatdee	..	..	..	10	3/48	3/48	3/48
Bengal Nagpur	26	..	..	10	22/00	22/00	22/00
Bhalgora	..	..	..	10	3/87	3/87	4/84
Bharat Collieries P.	..	..	..	10	2/90	2/75	3/50
Bhuliandararee	..	..	..	10	10/00	10/00	11/94
Bokaro & Rampur	..	..	..	10	11/19	11/19	11/19
Borrea P	15	15	15	10	18/25	18/25	23/87
Burrakur P.	13	13	13	10	16/00	15/75	15/62
Central India	10	10	..	10	8/12	8/31	9/50
Central Kurkend P.	..	..	..	10	3/44	3/44	3/87
Churulia	..	..	..	4	3/06	3/06	3/06
Dhemo Main	Nil	..	..	10	3/95	3/95	4/31
East Indian	15	20½	..	£1	27/87	28/00	31/87
Equitable P	10	10	10	10	20/50	20/50	24/00
Ghusick & Muslia	Nil	Nil	Nil	10	13/87	13/87	14/25
Juzdar Kajora	..	..	..	10	2/47	2/47	2/44
Kurriladih	..	..	..	10	5/44	5/44	8/12
Karanpura Development	6	..	3	10O	9/12	9/12	10/75
	15	..	9	10F			
Karanpura Collieries P.	10	10	10	10	12/62	12/50	15/00
Katras Jherriah	40	25	30	10	29/50	29/50	37/75
Khas Kajora P	..	..	..	10	14/19	14/25	18/70
Mundulpur	..	..	..	10	2/65	2/69	2/69
Nazira	Nil	Nil	..	10	4/69	4/69	5/00
New Beerbhoom P.	10	12	10	10	16/56	16/56	19/25
New Manbhoom	9	12	..	10	11/12	11/12	14/50
North West	20	..	..	10	19/75	19/75	19/75
				7½	18/00	18/00	18/00
Ondal P.	7½	..	..	10	13/50	13/50	13/50
Parasea P	1½	..	..	10	14/00	14/00	16/00
Pench Valley	10	10	..	10	17/44	17/44	17/31
Pure Sitalpur	..	..	..	10	8/00	8/00	8/00
Rangeegunge	17	17	..	10	13/06	13/12	15/12
Rewa	20	..	..	10	12/87	21/87	28/50
Samla	..	..	..	10	7/81	7/81	10/00
Searsole	Nil	Nil	..	2½	1/25	1/25	1/22
Seebpore P.	42 6/7	35 5/7	28 4/7	7	34/75	34/75	34/75
Sendra	½	..	..	10	4/12	4/12	5/75
South Karanpura	Nil	Nil	2½	10	6/50	6/50	8/12
Standard	10	..	..	10	9/62	9/62	13/12
Union	..	..	..	10	10/25	10/25	11/12
Western Bengal	7½	..	..	10	8/87	8/81	8/87
West Jamuria	Nil	9	..	10	3/60	3/60	4/00

COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 12-8-64 Rs.	5-8-64 Rs.	A year ago Rs.
Basanti	..	..	..	10	12/06	12/06	11/50
Bengal Luxmi	..	..	..	40	30/00	30/00	30/00
Bengal Nagpur P.	Nil	..	..	10	2/44	2/44	3/06
Bharat Commerce	5	15	15	10	20/25	20/69	19/19
Birla Cotton	10	20	20	10	27/00	27/00	33/00
Bowreah P.	10	20	15	10	23/25	23/06	21/75
Cawnpore Textile	7 1/5	10	10	5	6/81	6/85	6/00
Delhi Cloth & Genl P.	12	13	13-12½*	25	48/69	48/50	40/81
Dunbar	20	20	15	10	26/50	26/25	26/12
Elgin P.	11½	17½	17½-17½*	10	19/62	19/62	17/62
J. K. Cotton (Rayon) P.	12½	..	..	10	10/12	10/19	10/75
Jaya Shree	10	10	..	10	13/25	13/31	13/50
Muir P.	..	..	..	100	63/00	63/00	90/75
New Victoria P.	Nil	..	..	2½	1/28	1/31	1/37
Orissa Textiles P.	Nil	Nil	..	10	7/00	7/00	9/00
Rampooria Cotton	3	Nil	..	10	12/50	12/50	13/00
Swadeshi (Kanpur) P.	Nil	Nil	Nil	1	3/00	3/00	2/00
	5	..	..	10O	11/00	11/00	11/50
	5.51	..	..	19PO	6/44	6/31	7/00

* 1962

BOMBAY COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 11-8-64 Rs.	4-8-64 Rs.	A year ago Rs.
Ahmedabad Advance P.	16	12	..	100	144/50	142/50	131/00
Apollo	Nil	Nil	..	2	1/60	1/60	1/94
Behartial Ramcharan	Nil	Nil	..	100	135/50	136/00	78/00
Bombay Dyeing, etc.	14	14	14	25	59/30	59/50	60/20
Bradbury P.	10	25	..	50	162/50	162/50	139/50
Century	30	30	..	100	617/50	620/00	517/00
Central India P.	Nil	Nil	Nil-Nil*	100	90/50	92/00	104/00
Coorla	11	11	..	100	170/50	170/50	150/00
Dawn	30	30	..	50	168/00	168/00	136/50
Edward Textiles	9	9	6	200	292/50	302/50	290/00
Elphinstone P.	18	22	18	50	96/00	97/00	94/00
Finlay	23	23	..	100	302/00	302/00	312/00
Gokak	14	18	..	100	178/00	177/50	156/00
Hindoostan	50	50	..	250	901/25	901/25	855/00
India United	8	14	..	10	19/32	19/32	22/40
	13½	37½	..	1Dd	2/40	2/40	2/50
Indian	23 1/5	25	..	250	840/00	840/00	761/25
Indore Malwa United	8½	10	7½	100	210/00	210/00	192/00
Khatau Makanji P.	32	16	..	100	185/00	182/50	212/50
Kohinoor	15	18	..	100	325/00	326/25	303/50
Lakshmi Vishnu P.	5.7	6	Nil	100	90/00	90/00	89/00
Morarjee Goculdas P	21½	24	24-20*	100	266/00	270/00	370/00
Mysore Spg. & Mfg P.	14	14	..	50	38/50	39/00	50/00
New City of Bombay	Nil	Nil	..	100	188/75	188/75	156/25
New Great Eastern P.	Nil	12	..	100	160/00	160/00	201/00
Phoenix	15	20	..	100	253/00	255/00	207/00
Sassoon & Alliance	Nil	Nil	..	10	10/24	10/24	11/00
Sassoon Spinning	17	20	10	10	38/00	38/00	46/50
Simplex	15	Nil	22-10*	50	135/00	135/50	121/00
Shree Niwas P.	18	20	14	100	248/00	247/00	231/00
Svadeshi P.	17	19	17	100	259/00	246/50	235/00
Swan	36	21 3/5	..	100	285/00	265/00	285/00
Tata	20	22	20	25	53/70	54/00	53/70
Western India	46 2/5	25	..	250	825/00	825/00	785/00

* 1963

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 11-8-64 Rs.	4-8-64 Rs.	A year ago Rs.
CEMENT ENGINEERING & METAL							
Associated Cement	12½	12	12	100	155/75	153/25	144/00
ELECTRIC LTG., POWER							
Ahmedabad Electricity	7	6	..	100	101/25	101/00	95/30
Andhra Valley Power P.	5½	5	5	1000	1,107/50	1,097/50	1,065/00
Bombay Subarban Elec.	8	8½	8½	100	108/50	108/50	104/50
Tata Hydro Elec. Power P.	5½	5	5	100	119/00	120/00	110/75
Tata Power P.	5½	5	5	1000	1,175/00	1,170/00	1,127/50
Alcock Ashdown	17	22½	..	100	281/00	289/00	279/00
Jost's Engineering	8	10	10—Nil*	50	47/00	47/00	59/50
Larsen & Toubro P.	12½	18	14—14*	10	21/40	21/32	22/75
Mackenzies	10	12	14	100	140/00	140/00	141/00
Premier Construction P.	43 1/3	33 1/3	..	30O	189/00	185/00	140/50
				31F			
Tata Eng & Locomotive P.	12½	14½	14½-14½*	100	294/50	295/00	254/00
Tata Iron & Steel P.	9.1	10.36	10.36-11*	75O	155/00	156/25	138/00
INSURANCE COMPANIES							
British India General	..	..	..	10	12/52	14/00	12/20
Jupiter General P.	..	..	..	15	7/00	7/00	9/20
New India	38	38	..	15	45/50	45/25	52/50
Vulcan	20	20	..	10	16/24	16/24	17/24
MISCELLANEOUS							
Belapur Sugar	58	50	..	50	221/50	226/00	186/00
Bombay Burmah Trading	30	33	33-33 1/5*	25	56/10	56/50	59/50
				20	42/00	42/50	45/50
Hindustan Lever	26	26	12	10	30/00	30/00	36/25
Industrial Invt. Trust	6½	6½	..	100	76/80	76/70	73/00
Kemp (Chemists)	12½	12½	..	200	255/00	255/00	252/00
National Rayon	22	..	..	100	368/00	370/50	312/50
Scindia Steam Navign.	3	3	3	20	15/72	15/52	11/48
Shivrajpur Synd.	80	Nil	..	10	17/00	17/52	20/00
Tata Chemicals P.	6	6½	6½—10*	10	18/80	18/80	16/48
Tata Oil P.	23	23	23—22*	25	62/70	62/50	65/20
Voltas	13	14	14—14*	100	251/00	252/50	237/00
Western India Match	16	16	16	100	239/50	240/00	239/00

* 1963

TEA COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 12-8-64 Rs.	5-8-64 Rs.	A year ago Rs.
ASSAM GARDENS							
Amluckie	Nil	10	7½	10	16/00	16/00	20/00
Anandabag P.	30	32½	20	10	33/25	33/25	33/25
Baghmari	Nil	15	7½	10	11/00	11/00	14/00
Barduar Tea	..	..	..	5	8/50	8/50	8/50
Basmatia	35	25	20	10	18/06	18/06	27/25
Bateli	30	30	..	5	18/06	18/06	17/50
Betjan	40	45	30	10	29/00	29/00	28/75
Bishnauth	13	13	20	10	14/19	14/19	17/56
Boksirhat	Nil	12	12	10	13/12	13/12	13/70
Bormah Jan P.	15	15	15	10	10/06	10/25	14/25
Bor Pukhuri	Nil	Nil	10	10	10/00	10/00	10/75
Brooke Bond P.	15	10	7½—7½‡	10	10/56	10/81	11/50
Dejoo Valley	15	20	30	10	45/50	45/50	60/00
Dessai & Purbuttia	Nil	10	15	100	181/00	181/00	205/00
Dhelakhat	12½	10	..	10	20/37	20/37	18/81
Dhunseri P.	20	15	10	10	10/00	10/00	11/75
Dibrugarh	40	40	30	10	27/87	27/87	31/25
Dimakusi P.	25	20	25	10	25/19	25/19	41/87
Duffiaghur	25	25	30	10	26/12	26/12	27/50
East India	Nil	Nil	10	10	13/00	12/00	13/44
Gillapukri	25	20	15	10	27/56	27/56	25/44
Gohpur	Nil	5	20	10	14/69	14/69	15/19

‡ 1963

TEA COMPANIES—Contd.

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 12-8-64 Rs.	5-8-64 Rs.	A year ago Rs.
Jrob	6	6	6	5	6/87	7/06	7/69
Joograjuli (Assam)	20	20	17	10	27/62	27/62	27/12
Joolungooree	10	7½	20	100	168/00	168/00	195/00
Jutlibari	30	30	20	10	27/87	27/87	31/50
Kingsley Golaghat P.	35	35	..	100	125/00	125/00	140/00
Kotamullai P.	Nil	Nil	Nil	5	9/87	9/87	10/31
Krishnabehari	15	8	10	10	11/30	11/30	10/50
Kyang Tea	Nil	..	..	10	8/06	8/06	8/06
Leeko	Nil	Nil	Nil	10	11/00	11/00	13/75
Maud Tea & Seed	10	7½	7½	10	12/00	12/00	14/81
Methoni	5	14	20	10	13/25	13/25	16/19
Moheema	Nil	Nil	..	10	11/50	11/50	11/50
Mothola	30	30	35	100	507/00	507/00	507/00
	5	15	25	10	26/50	26/50	26/50
Murphulani (Assam)	10.63	20.63	30.63	10	26/87	26/87	26/87
Naga Hills	10	10	10	10	21/25	21/25	22/25
Namburnadi	12	12	..	10	12/87	12/87	12/87
New Cinnatolliah	Nil	Nil	Nil	100	455/00	455/00	302/00
Rajgarh	40	13½	17½	10	18/56	18/56	21/37
Sapoi	22½	20	10	10	19/50	19/50	18/31
Seajuli	22½	15	20	10	21/06	21/06	21/12
Seloijan	25	25	25	10	21/87	21/87	22/00
Sengpani	30	30	22½	10	36/50	36/50	35/00
Sezpore P.	20	12½	..	10	13/69	14/69	14/75
Songani	Nil	Nil	..	10	5/12	5/12	7/00
Tyroon	10	15	25	10	27/37	27/37	33/00
CACHAR							
Arcuttipore	Nil	5	6	10	7/00	7/00	7/00
Baitakhal	2½	2½	..	10	7/75	7/75	6/37
Central Cachar	5	7½	5	100	73/00	73/00	85/00
Eastern Cachar	Nil	Nil	..	10	4/56	4/62	4/28
Kallinugger Khoreel	6	2	..	100	84/00	84/00	87/00
Hattikhira	Nil	8	Nil	10	7/75	7/75	9/12
Kunchanpore	Nil	Nil	..	10	6/00	6/00	6/00
Loobah	Nil	Nil	Nil	10	4/69	4/69	4/37
North Western	30	20	10	100	140/00	160/00	160/00
Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50
Roopacherra	Nil	10	Nil	10	9/94	9/94	13/62
Rungamattee	5	5	5	50	49/25	49/25	50/25
Sonai River	Nil	Nil	..	10	5/06	5/06	9/12
DARJEELING							
Bloomfield	Nil	..	..	10	3/25	3/25	3/12
Chamong	Nil	10	10	10	8/87	8/87	9/00
Darjeeling Tea & Chin.	30	30	30	100	197/00	197/00	197/00
Dilaram	8	4	..	100	102/50	102/50	102/50
Gielle	Nil	..	8 4/7-15*	10	17/25	17/25	11/69
Lingia P.	15	10	17½	10	13/37	14/00	14/56
Longview	12½	10	..	10	8/25	8/25	11/00
Margaret's Hope	15	15	15	10	11/81	11/81	11/37
Mim	22½	27½	27½	100	419/00	412/00	191/50
Nagri Farm	30	25	35	10	27/50	27/00	27/25
Okayti	25	25	25	100	600/00	600/00	600/00
Pashok	10	Nil	..	10	20/00	20/00	20/00
Poobong	Nil	Nil	5	10	10/12	10/12	7/19
Pussimbing P.	Nil	Nil	Nil	10	7/84	7/84	7/12
Rungliee Rungliot	35	20	7½	100	290/00	300/00	386/00
Secyok	15	Nil	..	10	8/50	8/50	8/50
Singell	Nil	Nil	Nil	100	36/75	36/75	36/75
Singtom	2	Nil	2	10	3/50	3/50	3/50
Soom	50	40	40	10	39/00	39/00	32/75
Sungma	15	15	20	10	12/12	13/56	13/94
Teesta Valley	Nil	..	8 4/7-10*	10	12/75	13/44	12/00
Tukvar	Nil	Nil	..	10	3/50	3/50	7/00
DOOARS							
Banarhat P.	22½	21	21	100	186/00	186/00	216/50
Baradighi	30	25	25	10	23/25	23/25	22/19
Bhatkawa	15	15	20	10	16/00	16/00	16/56
Birpara P.	17½	12½	17½	100	160/00	160/00	156/50
Carron	20	5	7½	100	117/00	117/00	145/00
Choonabhuti P.	32½	20	20	100	162/00	162/00	210/00
Ellenbarrie	5	5	10	100	173/00	173/00	184/00
Engo	60	30	40	100	136/00	136/00	136/00
Ethelbari	5	5	7½	10	11/87	11/87	13/12
Gairkhata	25	20	11	10	16/12	16/12	21/50
Gopalpur	12	2	10	25	19/50	19/50	20/00
Hantapara P.	15	5	10	100	97/00	97/00	109/00
Hasimara P.	17	..	18—15*	10	12/56	12/56	12/75
Huldibari	22½	..	19 2/7-11*	10	12/19	12/19	13/31
Jaybirpara	10	Nil	Nil	10	8/50	8/94	10/69
Killcott	25	15	15	10	14/44	14/44	14/37
Manabarrie	10	6	10	10	59/50	59/50	59/50
Nagaisuree	25	15	15	100	165/00	165/00	140/00
New Dooars P.	35	20	14½	100	161/00	161/00	220/00
Oodlabari	12½	7½	..	100	14/00	14/00	13/19
Phaskowa	Nil	Nil	Nil	100	125/00	125/00	129/00
Rajabhat	Nil	Nil	6	10	10/12	10/12	12/12
Ranicherra	15	15	7½	10	12/00	12/00	14/00
Rydak	25	20	25	10	22/44	22/50	24/25
Sarugaon	40	40	40	10	36/25	36/25	36/25
TERAI							
Atal	5	..	..	10	5/37	5/37	8/75
Belgachi	20	20	..	10	23/12	23/12	22/50
Gungaram	20	12½	12½	100	110/00	110/00	131/00
New Chumta	15	..	12 6/7-20*	10	20/37	20/37	20/00
New Terai	22½	10	15	10	20/50	20/50	24/62
Pahargoomiah	20	20	2½	10	13/75	13/75	13/00
Putinbaree	14	14	..	10	55/00	55/00	45/00
Tirrihannah P.	60	60	60	10	49/00	49/00	49/00
CHITTAGONG							
Kodala	Nil	Nil	..	10	9/25	9/25	9/25
Kornafuli	Nil	Nil	..	10	9/75	9/75	9/81
Oodaleah	Nil	Nil	..	10	8/00	8/00	8/00
SYLHET							
Chundeecherra	Nil	Nil	Nil	10	29/75	29/75	26/00
Dauracherra	22½	22½	20	10	16/50	16/50	7/56
New Samanbagh P.	25	Nil	Nil	10	13/19	13/19	18/37
Patrakola	32½	40	15	100	208/00	210/00	125/50
Rajnagar	Nil	Nil	Nil	10	9/56	9/56	9/56
Teliapara	22½	22½	10	100	158/00	157/00	99/00

‡ Hectares

* 1963

MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 12-8-64 Rs.	5-8-64 Rs.	A year ago Rs.
MININGS							
Burma Mines	2 3/5	Nil	Nil	31S	0/44	0/44	0/44
Chrestien Mica Industries P.	15	12½	..	10O	10/37	10/19	10/40
	25	20	..	5Dd	6/53	6/53	6/87
Indian Copper Corporation	27	27	..	2s	3/31	3/33	4/80
Metal Corporation P.	Nil	..	..	10O	6/19	6/06	8/06
Orissa Mineral Development	36	28	20	10	20/00	19/75	27/12
CEMENT, LIME, SLATE, ETC.							
Ashoka Cement	7	7	7—7*	10	6/87	6/66	7/75
Assam Bengal Cement	..	..	..	10O	4/87	4/87	3/06
				1Dd	0/69	0/56	0/46
Bengal Potteries	15	..	..	2½	5/00	5/00	5/44
Bisra Stone Lime	30	30	10	..	18/62	18/62	35/00
Dalmia Cement (Bharat) P.	12	12	12	10O	12/44	12/69	12/25
				1Dd	3/06	3/06	3/00
Jaipur Udyog P.	6	8	8.36	10	11/00	11/00	11/37
Kumardhubi Fireclay & Silica P.	18	18	18	10	18/45	18/45	18/45
Orissa Cement P.	15	15	10	10	11/81	11/87	14/00
Reliance Firebricks & Pottery	22	15	10	10	22/75	22/75	22/75
Sone Valley Portland Cement	4	6	8	10	4/12	4/12	4/25
Sutna Stone & Lime	27½	30	35	10	28/31	28/31	35/12
CHEMICAL INDUSTRIES							
Alkali & Chemical Corpn. of (I)	12	15	15—15*	10	27/62	28/00	31/81
Bathgate & Co. Ltd. P.	Nil	Nil	..	5	9/84	9/84	9/84
Bengal Chemical & Pharm. P.	7	10	..	100	108/00	100/00	102/00
Calcutta Chemical P.	18	18	18	10	17/25	17/25	17/87
Frank Ross P.	..	..	..	6	3/19	3/19	2/19
Smith Stanistreet P.	25	25	25-22½*	5	13/69	13/69	12/25
ELECTRIC LIGHTING, POWERS							
Agra Electric Suply	11	11	11	100	125/00	125/00	118/00
Bareilly Electric Supply	11	11	11	10	12/00	12/00	12/50
Bhagalpur Electric Supply	11	11	11	10	13/62	13/50	12/37
Calcutta Electric Supply	8	10	8	8	6/34	6/34	5/75
Cuttack Electric Supply	7	7½	7½	£1	14/87	4/75	14/62
Dishergarh Power Supply P.	7½	10	10	10	12/06	11/37	11/87
Jhanshi Electric Supply	10	10	10	100	86/00	86/00	88/00
Jubbulpore Electric Supply	..	..	..	10	5/90	5/90	5/90
Mirzapur Electric Supply	10	10	10	10	12/31	12/2-	11/19
Muzafferpore Electric Supply	..	..	..	..	7/62	7/62	12/00
Muttra Electric Supply	12½	12½	12½	10	11/19	11/19	11/50
Patna Electric Supply	..	..	..	10	11/06	11/06	11/12
Shahjahanpur Electric P.	10	10	10	10	10/44	10/44	10/50
Sijua (Jharlah) Electric	6½	6½	6½	10	6/84	6/56	6/75
United Provinces Electric	10	9	9	10	8/58	8/58	8/50
Upper Jumna Valley Electric	11	11	11	100	170/00	166/00	117/00
	13½	13½	13½	11	22/00	22/00	15/06

* 1963

MISCELLANEOUS COMPANIES—Contd.

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 12-8-64	5-8-64	A year ago
				Rs.	Rs.	Rs.	Rs.
ENGINEERING & METAL							
Arthur Butler (Muzafferpore) P.	Nil	10	..	10	21/25	21/25	14/94
Bhartia Electric Steel	10	12½	15	10	14/81	14/75	13/50
Braithwaite India P.	25	14	20	10	33/62	33/62	29/56
Bridge & Roof	30	30	..	10	52/25	52/25	52/25
Britannia Building & Iron P.	Nil	Nil	..	10	3/20	3/20	3/50
Britannia Engineering P.	10	10	..	10	9/40	9/31	10/37
British India Electric Cons.	20	15	..	10	29/12	29/12	33/12
Burn P. (Engineering)	28½	28½	25	100	266/50	264/00	372/00
Calcutta Steel	15	15	12½-15*	10	13/00	13/31	12/87
Dalmia Iron	10	10	10	10	11/25	11/19	10/69
Guest, Keen, Williams	14	14	12	10	23/00	23/25	31/25
Hooghly Docking	Nil	12½	..	50	89/00	89/00	108/00
Indian Iron & Steel P.	16	16	16	10	24/54	24/62	22/36
Indian Malleable Casting	..	..	..	50	6/00	6/00	6/00
				10d	2/06	2/06	1/81
Indian Standard Wagon P.	28½	28½	20-20*	10	35/75	36/37	29/87
Indian Steel & Wire Products	24	23	18	10O	33/50	33/50	39/00
Industrial Containers	10	10	..	10	22/37	22/37	21/37
Jay Engineering	17 3/20	15	10	10	16/94	17/19	20/94
J. K. Steel P	20	10	30	10	15/56	15/65	14/00
Jessop & Co. P.	8.58	8.58	10	10	20/87	21/19	24/87
Kumardhubi Engineering P.	11½	15	Nil-16⅔	3	5/12	5/31	7/62
Marshall Sons (India)	Nil	Nil	..	2	3/00	3/06	2/16
National Iron and Steel	Nil	Nil	..	10	6/37	6/37	4/69
Saran Engineering	10	12½	10	4	7/31	7/31	8/50
Steel Containers	20	20	..	10	24/62	24/62	29/50
Textile Machinery	10	..	17½	10	25/80	25/95	23/35
SUGAR BREWERIES, ETC.							
Balrampur Sugar	8	4	Nil	2½	1/69	1/69	2/00
Belsund Sugar	10	6 2/3	3 1/3	7½	7/62	7/62	8/25
Bharat Sugar P.	15	15	15	10	15/56	15/56	13/00
Carew (Sugar) P.	Nil	Nil	Nil	10	12/31	12/31	10/87
Cawnpore Sugar P.	Nil	Nil	Nil	10	9/00	9/00	9/81
Champaran Sugar	12	Nil	Nil	10	10/ 53	10/75	15/87
Durbhanga	Nil	5	..	10	8/25	8/37	8/12
New Savan Sugar and Gur	..	..	..	10	3/50	3/50	3/62
Purtabpur Sugar P.	..	..	..	10	9/12	9/12	11/50
Ramnugger Cane & Sugar P.	35	30	15	10	24/31	24/31	26/12
Raza Buland	10	10	10	10	10/06	10/06	9/75
Ryam Sugar P.	..	..	..	10	3/25	3/25	5/00
Samastipur Central Sugar	..	..	..	10	3/75	3/75	6/00
Shree Krishna Gyanoday Sugar P.	..	..	..	10	7/75	7/62	7/12
Shree Sitaram Sugar	..	..	..	10	8/00	8/00	7/12
Sitalpore Sugar	Nil	Nil	Nil	10	3/69	3/69	6/12
United Provinces	5	Nil	..	10	11/25	11/25	9/00
Upper Ganges Sugar P.	72½	72½	..	10	60/25	60/25	62/00
MISCELLANEOUS							
A Firpo (Restaurateur)	10½	5	..	10	5/90	5/90	5/90
Aluminium Corporation P.	12	12	5	10	11/75	11/50	13/19
Anderson Wright Ltd. P.	Nil	6	..	10	11/50	11/50	11/50
Angelo Bros.	28½	28	28	10	24/62	24/69	23/00
Assam Match	20	20	20	10	26/37	26/37	28/75
Assam Saw Mills & Timber	Nil	3	..	3	2/56	2/56	2/69
Associated Battery	15	15	15	10	23/00	22/81	23/75
Associated Hotels of India P.	10	10	15	10	10/50	10/50	10/31
Balmer Lawrie & Co.	25	25	22½	100	233/00	233/00	248/00
Bararee Coke	Nil	15	15	10	21/75	21/75	20/87
Birds Investments P.	10	10	..	10	9/00	9/00	10/75
Britannia Biscuit P.	30	25	25	10	37/75	37/75	42/25
British India Corporation P.	7	9	15	5	10/25	9/75	7/62
British Paints	15	10	15	10	22/50	22/50	19/94
Calcutta Silk Manufacturing P.	Nil	..	..	10	6/94	6/94	6/94
Clive Row Investment	7½	7½	8	10	8/31	8/25	8/72
Duncan Brothers & Co. Ltd. P.	14	14	12	100	135/00	135/00	147/00
Dunlop Rubber Co. (India) P.	20	15	17½	10	33/37	33/50	31/25
Dyer Meakin (Breweries)	30	..	..	5	24/06	24/06	26/00
Eastern Investments Ltd. P.	14	12	10	100	101/00	101/00	106/00
Electric Construction	10	10	10	10	13/37	13/25	12/50
French Motor Car	20	..	..	20	31/75	31/75	35/12
Ganges Rope	20	20	20	100	278/00	278/00	236/00
General Investments Trust P.	5	5	5	75	43/00	43/00	43/00
Gillanders Arbuthnot & Co. Ltd. P.	11	11	11	10	15/19	15/06	14/00
Gladstone Lyall & Co. Ltd. P.	..	..	..	10	..	..	..
Godfrey Phillips (India) Ltd. P.	40	30	..	10	28/12	28/12	28/12
Great Eastern Hotel	6	..	..	250	236/00	236/00	225/00
Hindustan Aluminium P.	Nil	Nil	Nil	10	12/25	12/25	12/50
Hindustan Motors P.	12	12½	11½	10	17/91	17/91	16/09
Hindusthan Pilkington	12	Nil	Nil	10	15/00	15/00	15/81
Hindusthan Twyfords P.	Nil	Nil	Nil	10	13/00	12/31	14/62
Hoare Miller & Co. Ltd.	6	..	..	10	5/50	5/50	5/44
Imperial Tobacco	9	9	8	10	8/94	9/22	10/50
Indian Aluminium Co. Ltd. P.	15	17½	17½	10	31/12	30/81	34/81
Indian Cable P.	22½	22½	22½	10	36/12	36/12	33/12
Indian Oxygen	15	12	12	10	23/69	23/62	27/12
Indian Rubber Manufacturers P.	30	36	..	10	21/75	21/75	19/87
Indian Wood Products	30	30	25	10	27/62	27/75	29/25
Isaac Holdens	Nil	Nil	5	10	11/50	11/56	13/75
Investments and Finance P.	7½	7½	7½	100	55/00	55/00	55/00

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 12-8-64	5-8-64	A year ago
				Rs.	Rs.	Rs.	Rs.
J. K. Synthetics	3	Nil	10	10	11/81	11/75	9/94
James Wright P.	..	..	..	5O	2/75	2/75	2/75
	..	..	..	1Dd	00/43	00/43	00/43
Jardine Henderson Ltd P.	7	6	7	100	77/50	76/50	87/50
Jay Shree Industries P.	12½	..	..	10	14/25	14/16	16/50
Kesoram Industries P.	12	12	13	10	25/87	25/87	21/00
Macfarlane & Co.	..	..	..	50	4/75	4/75	7/00
	..	..	..	1Dd	1/81	1/81	2/19
Macneill & Barry Ltd. P.	8	7½	8½	100	95/00	95/00	93/50
Martin Burn Ltd. P.	27½	25	25	10	26/00	26/37	26/50
McLeod & Co. P.	15	18	..	100O	230/00	230/00	210/00
Metal Box Co. of India Ltd. P.	25	19	..	10	30/94	30/94	45/50
National Insulated Cable P.	25	25	18	10	25/87	25/62	23/00
National Pipe & Tubes P.	20	20	20	10	28/12	28/00	25/25
National Rolling & Steel Ropes	15	15	15	10	21/12	20/06	18/69
National Rubber P.	6½	8	10	10	11/25	11/25	10/81
National Tobacco P.	7	7	..	10	11/37	11/37	10/12
New India Investment Corpn.	..	..	..	75	54/00	54/00	65/00
Octavius Steel P.	7½	7½	..	100	..	..	..
Philips India	12	13	15	10	27/62	27/62	27/37
Publicity Society	75	75	50	4	25/00	25/00	22/62
Rallis India P.	8½	8½	10	100	123/00	123/00	112/00
Rohtas Industries P.	10	8	9	10	11/19	11/25	11/31
Sirsilk P	..	..	..	10	7/37	7/37	8/94
Sen-Raleigh Industries P.	8	8	Nil	10	13/50	13/62	14/50
Shaw Wallace P.	15	7½	12½	10	14/69	14/69	16/31
Spencer's Hotel	2½	..	..	2	1/25	1/25	0/94
Union Carbide	14	12½	13	10	30/50	30/50	38/75
Walford Transport	30	30	..	1O	3/00	3/00	3/81
INSURANCE COMPANIES							
Concord of India	20	20	20	5	9/25	9/25	10/37
Hercules	26½	26½	..	10	23/50	23/50	22/56
Ruby General	13½	15½	..	8	11/25	11/19	9/28
Standard General	..	..	..	10	7/75	7/75	6/00
Triton	50	50	..	25	125/00	125/00	124/00
FLOUR MILLS							
Bengal	23	23	30	10	33/87	33/87	29/00
Delhi P.	..	..	..	10	14/00	14/00	14/00
Ganesh P.	..	..	..	12½	13/00	13/00	13/50
Hooghly	Nil	Nil	5	10	19/75	19/75	19/75
United	10	7½	10	10	27/81	27/81	27/81
OIL COMPANIES							
Attock Oil	13½	13½	..	£1	sh. 28/-	sh. 29/6	sh. 34/9
Burmah Oil P.	..	11½	12½	£1	sh. 54/9	sh 54/6	sh. 62/6
Indo Burmah Petroleum P.	25	22½	17½	10	20/81	20/81	21/87
Tide Water Oil	35	35	35	10	35/50	35/50	27/12
PAPER MILLS							
Bengal P.	27½	20	..	10	26/12	26/19	26/25
India Paper Pulp	13	12	15	10	22/31	22/31	17/00
Orient Paper P	22½	22½	20	10	34/20	34/85	34/00
Shree Gopal Paper P.	17 6/7	17 6/7	17 6/7	10	24/75	24/87	22/25
Sirpur P.	8½	8½	5	10	11/19	11/00	11/50
Star Paper P.	Nil	Nil	Nil	10	8/62	8/25	8/87
Titaghur P.	13	13	13	2½PO	3/25	3/12	3/87
	20	10	10	10AO	13/75	14/00	15/50
	20	10	10	10BO	13/75	14/00	15/50
West Coast P.	7½	..	..	100	155/00	155/00	125/00
PRESSING COMPANY							
Camperdown	11	..	..	100	100/00	100/00	104/00
REAL PROPERTY STORAGE							
Bengal Bonded Warehouse	8	8	9	A500	1,250/00	1,250/00	1,050/00
				B62½	125/00	125/00	135/00
				C100	186/00	186/00	122/00
				D12½	45/00	45/00	14/19
Calcutta Safe Deposit	..	..	..	100	7/81	7/81	7/87
Humayan Properties P.	..	..	..	10O	11/00	11/00	11/00
	..	..	..	1Dd	2/10	2/10	2/15
Midnapore Zemindary P.	Nil	Nil	Nil	85	27/00	28/50	10/00
TRAMWAYS & STEAMER							
Bengal Assam Steamship P.	7½	10	10	100	106/00	106/00	131/00
Calcutta Landing & Shipping	7½	22	6	10	21/00	21/00	34/00
Calcutta Steam Navigation	Nil	Nil	Nil	10	8/00	8/00	8/25
Calcutta Tramways P.	5	5	5	£1	10/62	10/50	11/00
Fraser	..	..	..	10	8/94	8/94	10/00
India General Nav. Railway P.	..	..	..	£10	34/50	34/50	46/00
India Steamship P.	Nil	Nil	Nil	10	6/50	6/47	6/22
Port Shipping	Nil	..	..	10	14/69	13/94	13/37

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INTRODUCING REALISM IN PLANNING

IT calls for an extraordinary degree of insulation from *reality* to ignore the elephant that has strolled into the drawing-room. But it is precisely in such a purblind exercise that the experts in Yojana Bhavan are now engaged. The worsening price situation has given a big jolt to everyone in the country, to politicians and people alike. But to the planners it has caused the least concern, and they are busy as ever visualising a grandiose investment of Rs. 20,000 crores or Rs. 22,000 crores during the fourth plan. The present critical situation is mostly the result of the Government's gargantuan spending programme in *utter disregard* of the real resources of the economy. The outlays on defence and development have been stepped up sharply from Rs. 1,443 crores in 1961-62 to over Rs. 2,400 crores last year and to about Rs. 2,850 crores this year. True, the stagnation in agriculture has also been responsible for the spurt in *prices*, but basically the price crisis has stemmed from an investment programme which has been out of all proportion to the country's real resources. However, this harsh fact has not prevented the planners from pursuing their essays in gigantism. Among the many airy principles to emerge from the ivory towers in Yojana Bhavan is the decision to determine the size of the plan in the light of the country's needs without regard to the resources available. Although there is nothing new in this approach—the earlier plan periods have in fact witnessed this economic version of a toad swelling itself to size of ox and its consequences—it is surprising that it should be continued in spite of the critical situation in which the country has been placed.

While the planners are preoccupied with their grandiose target-setting exercises with faith derived, no doubt, from the unremitting fecundity of the Security Press, it is reassuring to hear the earth-bound suggestions of the Prime Minister, Mr. Lal Bahadur Shastri. In a letter to his colleagues in the Cabinet, he has suggested postponing some heavy industrial projects on which work has not started and making a fresh assessment of the projects and programmes for which funds are to be allocated during the remainder of the third plan period. While making it clear that he is *not* suggesting a permanent shift in emphasis, he has said that attention should be concentrated only on those projects which will be immediately productive. He is also convinced of the need for a vigorous pruning of public expenditure. In fact, the Central Finance Minister, Mr. T. T. Krishnamachari, had already decided to cut non-plan expenditure by about Rs. 70 crores, but Mr Shastri obviously feels that a cut in plan outlay is equally important He has pointed out that the Government's policies should be geared to meeting the immediate needs of the *common man such as* food, clothing, shelter, medical facilities and employment opportunities. In suggesting a change in emphasis, albeit temporary, from heavy industries to quick-yielding projects in the remainder of the third plan period, Mr. Shastri has adopted a bold and realistic stand.

It is a basic defect of Indian planning that heavy industry in the public sector has claimed an unduly large share of the nation's limited resources. Because of their long gestation periods heavy industries are slow to yield results, and this tardiness has been worsened by the inefficient and dilatory ways of the public sector. Meanwhile, the large sums of "created" money pumped into the economy without a matching rise in output have accentuated the inflationary pressures. Mr. Shastri has candidly pointed out that the return to the community for the investments made at great sacrifice is "totally inadequate". The pressure on prices has also necessitated the imposition of self-defeating restraints on the economy. The net result is that the growth of real national income, *per capita*, in this country is among the slowest in the world, perhaps even slower than what it would have been had there been no planned development. A shift in the investment emphasis from heavy industry in the public sector to agriculture and consumer goods industries in the private sector will bring about a more equitable distribution of resources between the present and the future. In concrete terms, such a shift in emphasis will mean that the people will be better fed, clothed and housed, and there will be an increase in national savings, which can pave the way for economic growth.

The time has come when the country has no choice left between the alternatives of stability and growth. Under present circumstances, priority has to go to price stability rather than to growth. In a sense, there is no inherent contradiction between the two, and a balance between them can be achieved. But with the conditions obtaining in India, where bureaucratic controls constrict growth as much as production, the dichotomy between stability and expansion becomes real. An important argument adduced in favour of heavy industry is that it is indispensable for self-sustaining growth. While there is some substance in this point, it has to be borne in mind that their import-saving potential can be easily exaggerated. Experience shows that, by and large, the more industrially advanced a country is, the larger is its need for imported raw materials and other goods. In the case of India herself, the need for *maintenance imports* has vastly increased in the wake of planned development.

While a shift from heavy industry to quick-yielding consumer goods industries is welcome, the process itself is fraught with difficulties. As Mr. Shastri has rightly indicated, the projects on which a start has already been made cannot be called off. Some of the big projects for which foreign exchange has been arranged only recently or has not yet been found will perforce spill over into the fourth plan period. Barring these, the choice of schemes for postponement will be difficult. Since the stepping up of farm production is vital, it is obvious that the fertiliser projects cannot be stayed. It is also clear that infrastructure schemes like power and transport cannot be deferred since that will mean hampering the working of the existing industries. Then there are special projects like steel expansion, which are sacrosanct in the eyes of the Govern-

ment. Pruning thus becomes a delicate and, in in some ways, an invidious job. The Deputy Chairman of the Planning Commission, Mr. Asoka Mehta, has in fact pointed out that a fundamental change in the development programme could not be envisaged, although he agrees that "some limited rephasing in the economy is always possible." However, this need not conflict with Mr. Shastri's pragmatic plea for a selective pause in the execution of new projects and for consolidation of the schemes already in progress.

WORRIES OF CEMENT PRODUCERS

THE cement industry in India, which will be completing 50 years in October 1964, can look back on its achievement with a measure of pride. True, the production of cement continues to be considerably short of the country's requirements, but to be able to produce at the rate of 96 percent of capacity in the face of several difficulties is a creditable performance. Actual capacity and production at the close of the third plan period are unlikely to exceed 11.5 million tonnes and 11 million tonnes, respectively, representing 77 percent and 85 percent of the targets. This will mean a shortfall of 3.5 million tonnes and 2 million tonnes in relation to the targeted capacity and production. But it is the Government and not the industry which is mainly responsible for these shortfalls. In his presidential address at the recent annual general meeting of the Cement Manufacturers Association, Mr. Dharamsey M. Khatau rightly said that the industry could have given a much better account of itself had the Government shown a more sympathetic understanding of its problems. The industry's growth, like that of certain other key units, has been stifled by the Government's unrealistic pricing policies. The World Bank Mission drew New Delhi's attention to this matter and said that the coal and cement industries had both been experiencing difficulty in attracting capital for development in recent years due to the unrealistic price policy. Another reason given by Mr. Khatau for the stalemate in the industry's expansion programme is the experiment in granting licences for additional capacity to newcomers with no experience of the industry. Instead of allowing the existing units to expand in all possible ways, the Government has adopted a doctrinaire approach in granting licences to new aspirants, but many of these licences have had to be revoked as the parties failed to implement their projects.

A shortfall in the output of an essential commodity like cement leads to great dislocation and delay in the execution of important national projects, inflates overall costs, tempts irresponsible agencies freely to indulge in adulteration and causes a host of adverse chain reactions. It is, therefore, only proper that the Government should allow reasonable adjustment in the price of cement and help the industry to expand output and accelerate the overall growth of the economy. The producers have already submitted a representation to the Government suggesting measures to quicken the development of the industry. These suggestions include an increase in the development rebate, granted in terms of the income tax provisions, from 20 percent to 40 percent, a more rational basis for granting production incentives, a higher price for additional production achieved by the expansion of the existing plants or the setting up of new plants and a realistic retention price. Mr. Khatau said that the industry's plea for higher development rebate had not been conceded. The question of granting a more realistic production incentive is still receiving the Government's attention. The latter has agreed to allow a higher price for production resulting from expansion of the present plants and new plants at Rs. 77.75 a tonne. But it is doubtful whether the Government will take a realistic view of the retention prices payable to producers.

Mr. Khatau has referred to various reports about the Government's intention to decontrol cement partially, establish a cement corporation to set up 31 new units in the public sector and to assist the existing plants in expanding their capacity. It is strange that the Government should not have cared to consult the industry on these matters. Conditions in the capital market have been far from favourable for a long while and the position of various priority industries, including cement, has been worsened by the Government's constricting pricing policy. This has created a climate for the public sector to enter the industry. Undoubtedly, the Government can always finance the setting up of public-sector units. But the important question that one has to ask is whether it would not be more advisable to rectify the defects in the price structure and liberalise the development rebate which would improve the investment climate, facilitate the growth of new ventures and accelerate the expansion of the existing units than to start new units in the public sector.

One must ask whether in the long run it would not be cheaper and more economical to allow the present units to expand production. Surprisingly enough, the Government is contemplating the import of five new units involving a huge outlay of foreign exchange when the existing plants are not allowed foreign exchange for obtaining all their requirements of maintenance equipment and spares. Mr Khatau suggested that if the Government must import such complete units, they should be placed at the disposal of the existing manufacturers. The latter have the know-how, the requisite technical personnel and the experience to work them efficiently. He has also urged that the imported units should conform to accepted standards both in size and type with due consideration to the development of the young cement machinery manufacturing industry operating in the country.

Referring to the proposed import of 500,000 tonnes of cement in order to tide over the present shortage, Mr. Khatau recalled how the country could have secured an additional 1 million tonnes of cement if only the Government had accepted the industry's plea, made some two years ago, to make available blast furnace slag—a waste product of steel plants—for manufacturing cement. Some of the units in the industry were then even prepared to set up plants for the manufacture of slag cement. While welcoming the Government's decision to revise partially the formula for packing charges, Mr Khatau stated that the price of old bags assumed still remained unchanged. He urged the Government to revise the basis for arriving at the price of old bags with reference to the trend of the market rates.

Mr. Khatau's view that the fourth plan target of 23 million tonnes is over-ambitious will be widely endorsed. Cement production in the last year of the current plan is unlikely to exceed 11 million tonnes. This means that over the 15-year period covered by the three plans, all that is being achieved is an increase of a little over 8 million tonnes—from 2.7 million tonnes to 11 million tonnes. As for the fifth plan target of 36 million tonnes, it is much too premature to talk about it. A better perspective of the target for the fifth plan can be had only when the working of the industry during the fourth plan is assessed. It is surprising that the industry should not have at all been consulted while formulating the targets. It is only proper that a realistic appraisal be made of the prospective demand for cement in consultation with the industry, and steps be devised to attain the targeted capacity. Meanwhile, the industry's decision to set up a research laboratory on a co-operative basis to carry on research in the technology of cement and its uses will be greatly welcomed. Negotiations are in progress between the Government of Punjab and the Cement Research Institute of India—the body set up to look after the project—for a suitable site in Punjab. An outline of the research programme has been drawn up, and it is hoped that the research laboratory will commence work in the near future.

SQUEEZE IN COMPANY PROFITS

THE study of the finances of Indian joint-stock companies published in the July issue of the *Reserve Bank of India Bulletin* confirms the general analysis of the causes which have led to the depression in the capital market. It is based on the working results of 1,333 selected medium and large public limited concerns (with paid-up capital of more than Rs. 5 lakhs) for 1962-63. Although sales and gross profits of these companies were higher in 1962-63 than in 1961-62, the after-tax profits fell for the second year in succession, because the increase in profits was inadequate to offset the further dose of taxation. The proportion of tax provision to pre-tax profits rose substantially from 43.3 percent in 1961-62 to 50.6 percent in 1962-63. Net profits dropped by Rs. 5.7 crores, compared with a decline of only Rs. 1.5 crores in the previous year.

The impact of heavier taxation was more on dividends than on retained profits. The average rate of dividends dropped from 10.9 percent to 9.9 percent. Apart from the decline in the total sum available for dividends, there was also an increase in the paid-up capital during the year. As Company managements have adopted the policy of not cutting retained profits as far as possible in view of the urgent need for modernisation, expansion and diversification, they have been unable to pay good dividends. That has aggravated the depression in the capital market. In the circumstances, the need for raising dividends has become more urgent. Not only has the policy of dearer money resulted in the hardening of interest rates, the investors have also suffered income losses, along with others, because of the fall in the purchasing power of money. As the cost of living keeps rising, they naturally expect companies to compensate them for the loss of value in their incomes.

The rate of growth of assets as well as capital formation declined during 1962-63. It amounted to 8 percent to 10 percent. It is significant that external sources provided about 31.5 percent of the total funds of companies, compared with 44.6 percent in 1961-62. The contribution from the capital market, particularly in the form of new issues as a proportion of the total external finance, dropped from 26 percent in 1961-62 to 16 percent in 1962-63. The trend has deteriorated since and the response to new issues during recent months has been poorer. The bulk of these issues have been taken up by the underwriters themselves. The prices of most of the new shares are now quoted below par. The poor outlook will hurt the economy because many new issues will be floated in the coming months.

Considering the poor response from investors, it was a move in the right direction to increase the equity-debt ratio of companies from the present level of 1 : 2. Although new financing institutions, like the Development Bank, have been set up to enlarge borrowing facilities, loans by themselves will not solve the basic problem. Apart from imposing recurring liabilities in the form of interest and capital repayments, loans cannot play the same rôle as equity capital. The total gross assets of the 1,333 companies increased by Rs. 367.3 crores to Rs. 4,065.6 crores during 1962-63. Their gross profits rose by Rs. 23 crores to Rs. 254 crores, out of which the tax provision amounted to 50.6 percent, dividends 31.3 percent and retained profits 18.1 percent.

The improvement in sales and gross profits during 1962-63 was due to many favourable developments. Because of the Chinese aggression towards the close of 1962, companies were asked to increase their output to comply with defence requirements. They also produced more to meet development needs. Industrial activity was assisted by increased supplies of raw materials, power, fuel and transport. Many industries succeeded in using a greater part of their installed capacities. New capacity was also installed in response to the rising demand. As a result, the index of industrial production rose by 8 percent in 1962-63 (against 6.5 percent in 1961-62) although it was still short of the average target set under the third plan.

Judging from current indications, however, it looks as if the activity in the private sector was restrained by the stagnation in agricultural production, combined with restrictions on imports of raw materials and spare parts. Consequently, several commodities continued to be in short supply. The working of the cotton textile and sugar industries, in particular, was adversely affected by the shortage as well as high prices of raw materials and components. The most discouraging factor was the general rise in the production costs of all industries. Although the prices of many manufactured goods were raised, the increase did not compensate the producers fully. The Government raised the prices of controlled commodities like coal, cement and steel, but the increase fell short of the rise in production costs. The margin of profit in industries, therefore, declined from 10.2 percent in 1961-62 to 10.1 percent in 1962-63.

Current News and Comment

Lower-grade Collieries on Bad Days

Lower-grade coal producers are passing through bad days. Their difficulties arise mainly from overproduction for which they are at least partly responsible. In spite of the relaxation of control over distribution for the lower grades, the producers have not been able to turn the corner, for according to them, the wagon supply by the railways is still much too restricted. Whatever be the reason, pithead stocks with them have accumulated abnormally, and at one time in recent months, it was close on 3 million tons. The producers have naturally been moving New Delhi to do something about their grievances, and they feel "hurt" that the additional 9 million tons of non-coking coal which is to be raised during the remaining period of the third five year plan, will be of the higher grades entirely. In a memorandum submitted recently to the Central Minister for Steel and Mines, the Indian Colliery Owners Association of Dhanbad has pointed out that the current lack of balance between suply and demand arises from the fact that the use of coal has not been scientifically planned. As the Assessment of Resources Committee, appointed by the Government in 1963 to investigate the resources and the consumption pattern, has found, selected grades form only 2 percent of the total estimated reserves of 51,312 million tons, as against which their consumption by various users is 26 percent of the total. The medium grades (Grades I and II, both coking and non-coking) are only 7 percent of the reserves (against 62 percent of the total consumption). Lower grades form by far the biggest proportion at 91 percent, while only 12 percent of the total consumption is accounted for by these grades. These findings have been corroborated by all other committees which studied the coal problem before and after the 1963 committee went into the matter.

The Association has impressed on the Minister the necessity for "a thorough recasting of the schedule of gradewise allocations for various industries and changing the very pattern of consumption on a realistic basis in the light of the proved reserves." It gives some specific instances of the use of higher grades of coal where, in its opinion, lower grades would do just as well. A considerable quantity of Grade I coal, for example, was allowed to be used for brick-burning in 1963. These not only restrict the uses of lower grade coal, but also amount to a waste of a scarce national resource. Another competitor for the lower grades is the washery middling which is now being produced in large quantities.

The Association has drawn the Minister's attention to the report of the *Ad Hoc* Committee on Non-coking Coal, which was constituted recently to study the pattern of coal utilisation in the country. After a careful study of all the relevant data, the Committee has recommended that the basis of planning requires immediate reconsideration as well as reassessment of the grades and their allocation for consumption. According to the memorandum, the Committee even said that the unplanned output from the lower-grade collieries had not only been fully absorbed, but substantially more quantities would be required in future also. For instance, the demand for lower-grade coal in the countryside (in the shape of soft coke) could be very large, provided the Government followed a suitable policy for encouraging its consumption. As the study by the National Council of Applied Economic Research has shown, immense quantities of cow dung, firewood and vegetable wastes are being used as domestic fuel which could be used as manure for the nationally more useful purpose of raising food production. The Director-General of the Council has pointed out that the amount of cow dung burnt in India can produce, if used as manure, about 9 million tons of foodgrains every year, which means that "the loss is roughly equivalent to burning 12 Sindris every year."

F.I.C.C.I. View on Monopolies

Several business associations have submitted memoranda to the Monopolies Commission pointing out that there is no monopoly in the private sector in India. The latest from the Federation of Indian Chambers of Commerce and Industry considerably reinforces the case. The F.I.C.C.I. memorandum does not elaborately deal with the issues of concentration of wealth and economic power. This it has already done in a separate booklet as a rejoinder to the Mahalanobis Committee report. In the present case, it concentrates on monopolies and restrictive practices which are the main items of the Monopolies Commission's terms of reference. The working definition of a monopoly in the countries where the State has already taken measures to curb such practices, the F.I.C.C.I. points out, is that a seller or manufacturer must control at least one-third of the total output. Among important industries in India, only a few, notably, matches and cement, control more than this proportion. But that does give them monopoly power, for their freedom to charge any price is effectively curtailed by rigorous State regulation. Apart from exercising both direct and indirect control over private enterprise, the State itself has entered industry and trade in a big way. It is already a dominant partner in basic industries like iron and steel, fertilisers, machine tools, and participates substantially in yet others like ship-building, coal, drugs, cables, newsprint, electricity and insurance. In fact, the Government has secured absolute monopoly power in industries like aircraft, air services, life insurance, telephones, D.D.T. and the railways. These have led to a situation where the public ownership of the nation's reproducible tangible wealth has increased from 17 percent in 1950 to 25 percent in 1961. By the end of the third plan, the contribution of the public sector will have increased from less than 2 percent to nearly 25 percent in organised manufacturing industries, and from less than 10 percent to nearly 33 percent in mineral production.

Monopolies and restrictive practices grow in conditions of comparative plenty, and not while shortages are persisting. The growth and development of Indian industries have proceeded strictly according to plan targets. These have put restrictions not only on the growth of specific industries but also on the unit size, the number of manufacturers, types of commodities and processes of manufacture, all of which are important for determining the market structure. There may be fields where only a small number of industries exist. But this is due to their pioneering nature and the limited size of the market, not because of any deliberate attempt to prevent new entrants from coming in. Indeed, in certain lines, where the elasticity of supply is high and that of demand low, only large firms reaping economies of scale and employing high-level technology can be viable. These must not be confused with monopoly power. Further development will necessarily bring in more producers by the very assertion of the forces of individual enterprise, it is pointed out.

Discussing the logic of industrial development in the Indian context, the F.I.C.C.I. forcefully argues that such regulations and controls as the State now exercises over private enterprise, are already a serious deterrent to further economic progress. At all levels, industrial and business activity is strictly controlled. In fact, this makes any statistical measurement of concentration ratios almost irrelevant to the issues. Functionally, business management is so hamstrung by various legislative enactments and administrative regulations governing industrial development that the entrepreneur's economic power has really shifted to the State. The Central Finance Minister has himself admitted that controls "in their actual implementation often impede the operation of those very forces which might make for the elimination of the shortages and introduce some degree of competition." For this reason, the Government has been reviewing the operation of controls over a number of sectors in the country for some time now, and it has come to the conclusion that gradual and orderly relaxation of some of the controls would be in the interest of stimulating economic growth. If this is really the Government's policy, no further regulation of industrial growth is called for. "An objective analysis will lead to the conclusion that even the prevailing legal and administrative regulations cannot give rise to restrictive practices or to monopolistic control, but have, on the other hand, rendered economic power of entrepreneurs ineffective, let alone permit any concentration," the F.I.C.C.I. memorandum concludes.

Raw Materials for Small Units

The Central Minister for Industry and Supply, Mr. H. C. Dasappa, called for a new aproach for the development of small-scale industries while opening a two-day meeting of the Small-Scale Industries Board in New Delhi last week. The Minister made some constructive suggestions for accelerating the progress of small-scale industries, such as the proper use of capacities already created in different lines after a careful expert assessment; exploration of the possibilities of meeting defence requirements and the production of such goods which can be exported for earning a larger amount of foreign exchange. Admittedly, the progress of these industries would have been more satisfactory if they were not faced with an acute shortage of essential raw materials. As it happens, Mr. Dasappa assured the small entrepreneurs that the growth of small-scale industries, which depended on scarce raw materials, would have to be promoted on a regulated and selective basis. It is necessary to see that the available foreign exchange is put to maximum use and that new entrepreneurs have not to face difficulties in procuring raw materials. Mr. Dasappa said that he did not envisage any rigid system of licensing for small-scale units, but it would be necessary to have screening committees at the State or Central levels. These bodies should scrutinise applications for setting up units dependent on scarce raw materials. The Minister hoped that once the schemes were aproved by the committees, the small industries concerned should be assured of raw material supplies for one-shift working. The growth of the small-scale industries using non-scarce raw materials will, however, continue to be free.

Some such procedure, as suggested by the Minister, is necessary because the present system of allocation of raw material resources for small industry leaves much to be desired. There is no official machinery, for example, to ensure that the raw materials are equitably distributed between large and small industries, although the Ford Foundation team, it will be recalled, urged the Government to remove this defect. It is, therefore, pleasing to note that the Government has appointed the Lokanathan Committee to determine the equitable distribution of raw materials between large and small industries. But since the Committee will consist of representatives of both the sectors,

it is to be hoped that their conflicting claims and interests will not retard its activities. As for the ancillary industries, their progress so far has not come up to expectations. Mr. Dasappa did not refer to this problem in detail, but only said that "measures should be devised to induce each large-scale undertaking, both in the public and private sectors, to examine its production and purchase programmes so as to farm out components to competent, small-scale units." Many ancillary industries are unable to produce components of the required quality and specifications, so large-scale industries, by and large, are unwilling to place orders with them. But the progress of ancillary industries would undoubtedly have been greater if the Government gave them more impetus for their growth.

It is true that small industries have received a fillip during the last ten years. There are at present over 57,000 such units which have been registered with the various State Directorates of Industries. The number of non-registered small-scale factories, which avail themselves of the facilities from the Central Small Industries Organisation, has been estimated at about 200,000 to 250,000. Even the limited data available on the production and employment potential of small industries shows that the gross value of their output is about Rs. 1,400 crores or about 31 percent of the total output of the industrial sector. Small-scale industries, it is pleasing to note, are now increasingly participating in the Government's stores purchase programme. The experience of their development during the past decade has shown that given a certain amount of initial assistance, they do not take long to become viable and self-reliant.

Bonus Report Criticised

The Council of Indian Employers has made a representation to the Central Labour Ministry asking for an opportunity to put forward its further views on the Bonus Commission's report before the Government takes a final decision. The Council, which has been constituted by the Employers Federation of India and the All-India Organisation of Industrial Employers, opposes the Commission's recommendation concerning the minimum bonus as being wrong both in principle and practice. The minimum bonus, it says, is nothing but an indirect increase in wages. Moreover, when a unit makes a loss, the question of bonus should not arise at all. The Commission's report has undoubtedly raised large issues of principle and policy. But if its recommendations are implemented without considering the consequences, not only will production costs rise, but capital formation in industry will also be retarded. The Council has rightly pointed out that the payment of bonus based on profits puts a premium on those who shirk hard work and is entirely at the cost of the consumer For achieving greater efficiency, it would have been proper to replace it by a system of bonus related to the productivity of workers. Supporting the minute of dissent submitted earlier by the employers' representative to the Commission, the Council has stated that the rate of return on both capital and reserves should be higher than the 7 percent prescribed by the Commission. Furthermore, the Commission should have provided a suitable percentage of the available surplus as a prior charge for rehabilitation. According to the Council, all corporate taxes, which are levied at present or might be imposed in future, should first be deducted before the available surplus for the payment of bonus is worked out.

The Council has argued that the Commission's principal recommendation is to grant to workers the major portion of the surplus of industries after deducting certain prior charges. This will produce adverse consequences by discouraging investment, reducing employment and real wages and retarding production. The Council has reminded the Government that the former Central Labour Minister, Mr G. L. Nanda, assured employers that the Commission's recommendations would not be implemented straightaway, but that the question would have to be considered afresh, independent of the report.

4¾ PER CENT MAHARASHTRA STATE DEVELOPMENT LOAN, 1976 ISSUE PRICE AT PAR

OPEN ON MONDAY, THE 24th AUGUST, 1964

THE loan will be closed as soon as the total amount of Rs. 15 crores has been subscribed and in any case not later than the close of business on the 29th August, 1964.

The applications for the loan will be received at—

(a) the offices of the Reserve Bank of India, Bangalore, Bombay (Fort & Byculla), Calcutta, Madras, Nagpur and New Delhi,

(b) the branch of the State Bank of India at Patna,

(c) the branch of the State Bank of Hyderabad at Hyderabad,

(d) the branches of the State Bank of Hyderabad conducting Government treasury work within the State of Maharashtra,

(e) the branches of the State Bank of India within the State of Maharashtra except at Bombay and Nagpur and at places covered by item (d),

(f) the Government treasuries and Sub-treasuries in the State of Maharashtra at places not covered by items (d) and (e).

Full particulars can be obtained at any of the offices mentioned above.

HOME RULE FOR SCOTLAND

THE judgment of the House of Lords in the great Scottish Ecclesiastical Case is one that may well revive an urgent demand for Home Rule for Scotland in all that concerns her own internal affairs. When the crisis termed the Disruption came in 1843, which split the Established Church of Scotland in Twain, the seceders from that State Church came out solely on the ground that they wished independence in all matters pertaining to spiritual things within their Church. They formed themselves into the Free Church of Scotland, and although, when they came out (save in this one, but to them, all important matter of spiritual independence) they were at one with the State Church in matters of worship and doctrine and Confession of Faith, they possessed the inherent right—indeed that was the *raison d'être* of their existence as a separate church—to alter or modify their Confession as they believed the spirit of Truth gave them enlightenment to do so. And as a matter of fact modifications have been made. In this realm they differ entirely from the position of the State Church of Scotland. The Confession of the State Church is embodied in an Act of Parliament and the Clergy and Office bearers of that Kirk are tied neck and heels to that Confession unless they can get that unspiritual instrument, the British Parliament, to slacken the bonds for him. Meantime Tim Healy and the Roman Catholic Members of Parliament, and all the other motley mixture of brewers and Barristers and Soldiers and merchants who belong to various churches or no churches at all and who make up the House of Commons are the absolute masters, dictating to the State Church of Scotland what they are, and what they are not to believe, if they are to remain within the pale of that Kirk. Not so very long ago, there was a movement to try and get their Confession of Faith revised, but an astute ecclesiastical lawyer advised them to "let sleeping dogs lie", or else they might get more than they bargained for.

FROM

CAPITAL

25th August, 1904

A Ditcher's Diary

A CORRESPONDENT ONCE WROTE TO *The Times* TO say that although it is quite possible to overcall one's hand in bridge, it is physically impossible to overplay one's hand. I am no authority on bridge, auction or contract. The phrase does seem, on closer examination, somewhat dubious. I have been wondering whether President Soekarno has not in fact overplayed his hand against Malaysia. He has indeed got away with a great deal of impudence in the past; on occasion India has found herself obliged to support him, not always on merit but simply because his adversary was white and European. This time it is a different kettle of fish; it is now Asian against Asian. The fact that India's differences with China remain unresolved will no doubt be the reason for some to tell Djakarta where it gets off; that Malaysia fully supported India against China is an additional factor. New Delhi must take all this into consideration; but I can see no semblance of justification for Indonesia's antagonism to Malaysia. India, I think, should say so in plain language. If the Bandung spirit, such as it was, has evaporated, it is certainly not India's fault; China remains fully guilty. Next to be blamed is Indonesia's own Dr. Soekarno. It may well be a good idea for all concerned to give up the pretence that there is anything still left of Afro-Asian solidarity. That done, it may again be possible to discuss issues and decide policies not on the basis of Asian or European claims but strictly on merit. Aspects of Malaysia may not appeal to some Indians; but, surely, aspects of Dr. Soekarno are even less appealing. Even as Nigeria has called the bluff of the ambitious Dr. Nkrumah of Ghana, some comparable operation against Dr. Soekarno seems inevitable as well as desirable. Are there any illusions left in New Delhi that Djakarta, if adequately appeased, will extend some support to India against China? The memory of the Asian Games incidents must still be sharp in many Indian minds. I am suggesting that India will fare no better, and Indonesia will be no fairer, in any continuing Asian political game.

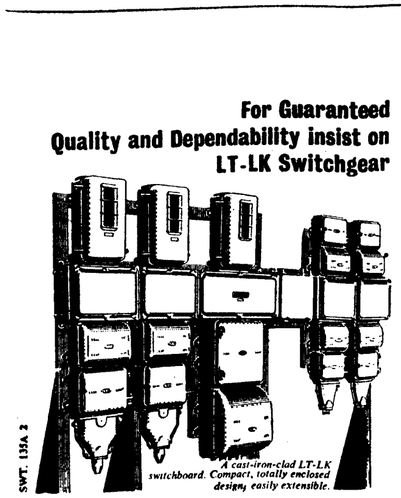
IT IS NOT FOR THE PRESS TO COMPLAIN THAT THE speeches made in New Delhi and the State capitals on Independence Day did not have a great deal new to say; the newspapers were not very original either on the occasion. Prices, food and unity; oh, I'm bored. And yet, what else is there? On prices, I am beginning to wonder whether the Government is very serious about doing anything much. The high prices fill some pockets; and from those pockets come the funds for the Party that sustains the Government. This is not a very original observation, I know; but I have not yet seen a convincing refutation of the charge. On food, I think the Government is reasonably earnest; yet official and political thinking seems confined to imports and P.L. 480. To meet immediate needs imports are of course essential; but in 17 years of independence this country has shown astonishingly little enterprise in increasing food production. I hear of a row between the Ministry of Food and that of Community Development. There is little to show that Mr. Shastri has yet addressed himself to these problems of his Government. Concern over the Prime Minister's health equals the country's sympathy for him; if, however, controls are to be effective, there must first be an effective Government in New Delhi. There isn't; and only Mr. Shastri could make his Government effective. I get the impression that he has not yet made himself felt. His reputation for persuasiveness is great; this can be a handicap. All his colleagues and perhaps not a few of the officials are simply waiting to be persuaded; they have to be told, sometimes perhaps a little abruptly, even perhaps rudely. Of all that talk of collective leadership we have had our fill; the Prime Minister now needs to be Prime Minister, even if it means making a few enemies here and there.

THE LIFT WAS THERE AFTER ALL. THE PRIME Minister climbed to the ramparts of the Red Fort on his own and allowed himself to be drenched. Still I will give him only two cheers and no more. First, Mr. Shastri must find out the overenthusiastic official responsible for the installation of that lift at the expense of the taxpayer—and then punish him. Since that scandal in Parliament over certain Ministers' water and power bills, ministerial ostentation has been less conspicuous. Good; but there is a lot more to be done in that direction. Those who are really earnest about living simply, as Mr. Shastri obviously is, should look into the rôle of officials and their wives in setting the pace of life in New Delhi. It is they, rather than the Ministers, who are responsible for the philosophy that your importance is to be measured by the size and location of your bungalow, the country of origin of your car, the number of saris your wife and daughters are able to sport. And how do you go about getting those things? First you corrupt your Minister into accepting luxuries you are seeking for yourself and your family. The rest is easy; the Minister grants similar luxuries for yourself. Precedents have by then been set; and the Deputy Minister does not care to go to office until there has been installed the secretariat table he has been told he is entitled to by virtue of his position in the Government. Work is irrelevant. It is bad enough when Secretaries secure favours from Ministers through flattery. But the taxpayer has a right to complain when flattery takes the shape of an expensive, temporary and eventually unused lift at the Red Fort. To some it may seem that I am making a lot of fuss over a lift. Not at all. It is in these apparently small things that the whole approach of a Government is symbolised. I do not greatly admire austerity for its own sake; Ministers are entitled to comfort. A very different thing is ostentation, which is plain vulgarity, indulged in by only those whose minds are empty and have only things to show.

IT IS NOT VERY OFTEN THAT I HAVE KNOWN THE pleasure of finding myself in agreement with Mr. Jayaprakash Narayan; even now the agreement is more in principle than in detail. Yes; I am talking about his recent statement that a settlement be sought with China on the basis of leasing out Aksai Chin. I am not good enough at reading maps precisely to judge the validity of the offer; but Mr. Narayan at least gives some evidence that he is concerned over the issue. The spokesman of the Ministry of External Affairs has already spoken—and given evidence that thinking in New Delhi has made no progress at all beyond the barren Colombo proposals. The fate of a plan, for anything, is in the final analysis dependent upon its acceptability; and, except in principle which can mean exactly nothing, China has not accepted the Colombo proposals. Why, then, pathetically cling to them? I have no means of knowing that Peking will accept Mr. Narayan's suggestion, which is not altogether new. But why not find out? If New Delhi has other ideas on early accommodation with China, why has nobody heard of them? Mr. Shastri did indeed refer to the problem in his Independence Day piece but chose to say nothing beyond the country's dignity and honour, which are important enough, without being remotely concrete on a specific question. The time has come also to ask whether the emergency is going to be a permanent feature of life in India. It suits some people, I am sure; but it simply does not suit a democracy that claims to have come of age. There is constant nudging from London and Washington for an Indo-Pakistani settlement; this is also one of the bees in Mr. Narayan's bonnet. This would indeed be desirable. But if I were asked to award priorities, I would unhesitatingly say that a *détente* with China seems at once more urgent and possibly more attainable.

WHENEVER I HAVE BEEN SCOLDED BY SOMEBODY because what I have said in this diary has contradicted some well-thought-out official line, or has threatened a particular vested interest, my stock answer has always been: journalists are not

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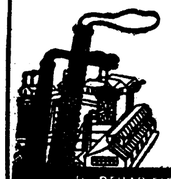
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diplomats. I am willing to concede that there are occasions when a journalist must be diplomatic. But otherwise his duties begin and end with collecting news, publishing it within the limits set by the law and his own professional conscience, and subsequently commenting on it. They certainly do not include behaviour calculated to further the interests of politicians, business organisations, or, for that matter, the journalist's own country. And if they are discharged conscientiously, they involve quite enough responsibility for any one man. Having delivered myself of that little sermon, I now feel more free to admit that there might be exceptions. Such as a journalist using what contacts he has to help prevent a world thermo-nuclear war. This is no wild supposition; according to an article by Mr. Roger Hilsman, former Director of Intelligence and Research in the U.S. State Department, published in a recent issue of *Look*, this is what actually happened during the Cuban incident to Mr. John Scali, a correspondent of the American Broadcasting Corporation. Mr. Scali, who at the time was accredited to the State Department, was approached by a contact of his in the Soviet Embassy in Washington, referred to in the article as Mr. X, with a proposed plan for the solution of the crisis and a request that he should convey it to his friends in the State Department. This he did, and, according to Mr. Hilsman, it was subsequently accepted. It is certainly gratifying that any member of my profession should play what the State Department has euphemistically called, "a useful and responsible rôle", in an affair of such historical significance. Mr. Scali deserves the gratitude of all mankind, and I am sure that under similar critical circumstances he, or any other journalist, would be only too willing to oblige again if able to do so. But before journalists become accepted in the minds of a desperate humanity as having great promise in the rôle of international fixers, may I draw attention to what I said earlier—to the fact that by temperament and training we are not fitted to become established substitutes for the more conventional channels of diplomacy.

THE DECISION OF THE GROUP MANAGEMENTS controlling the *Daily Express* and the *Daily Mail*, two of Britain's leading morning newspapers, to co-operate in the publication of a weekly colour supplement, is being acclaimed in Fleet Street as a victory for goodwill and enlightened self-interest. To me it looks more like a triumph for the lion in his plans for lying down with the lamb. I wonder if Fleet Street would so readily have accepted the arrangement as innocuous if Lord Beaverbrook had still been alive. For this is not a union of equals. The *Express* has almost double the circulation of the *Mail*—which it is rumoured has been ailing financially for years—and at the moment is expanding faster. What, therefore, could be more natural when the *Mail* finally—and inevitably some say—decides something must be done about its predicament, than that it should "co-operate" with the *Express* for all other issues as well? All of which might be very cosy for the financial interests involved, but nevertheless represents a further contraction in opportunities for the employees and a narrowing in the choice of daily reading matter for the British public. It would also constitute an all-too-convenient method of presenting the authorities, who have been increasingly concerned in recent years about the concentration of ownership in the Press, with a happy little *fait accompli* which it would be impossible to unscramble under any pretext acceptable to a democratic electorate. Oh yes, very convenient indeed. There is good reason to believe that this spread of colour in Britain's newspaper industry will bring about even more consolidation than what has been promised. It is an expensive business producing a multi-coloured supplement, although the rewards are correspondingly large, and to bring out over 6 million copies of a single issue, as will be necessary in the *Express-Mail* joint venture, requires a considerable amount of plan and organisation. The fashion was set two years ago by the *Sunday Times* and is soon to be followed by the *Observer* and the *Daily Telegraph*. I cannot see them all making an equal success of it.

Guide for Investors

INDIAN IRON TO MAKE SPUN IRON PIPES

IN the latest report of the Indian Iron and Steel Co. Ltd for the year ended March 1964, the directors say that the I.I.S.C.O.-Stanton Pipe and Foundry Co. Ltd has been incorporated to manufacture spun iron pipes and ancillaries in collaboration with Stanton and Staveley Ltd of the U.K. A suitable site has been selected in Ujjain, Madhya Pradesh. A licence has been obtained to import plant and equipment, and construction work at the site is expected to begin within the next three or four months. The implementation of the collieries development project has been undertaken. The total cost of the project is estimated at Rs. 23.19 crores, of which the foreign exchange expenditure will amount to Rs. 8.73 crores.

The profit of the Company has increased from Rs. 9.12 crores for 1962-63 to Rs. 11.52 crores for 1963-64, after providing Rs. 4.40 crores (against Rs. 3.40 crores) for depreciation. The taxable ordinary dividend has been increased from 16 percent to 17 percent, including a special cash bonus of 1 percent. The yield amounts to 6.7 percent at the present price of Rs. 25.22 a share of Rs. 10 each. Taxation is allocated Rs. 3.87 crores (against Rs. 3.56 crores). Referring to the replacement of the super profits tax by surtax on profits, the directors say that there is no liability of the Company to the latter tax in relation to the profit for 1963-64. Development rebate reserve absorbs Rs. 8.44 lakhs (against Rs. 22.14 lakhs) and general reserve Rs. 5.43 crores (against Rs. 3.64 crores). A larger transfer to reserve has been justified in view of the substantial funds required to finance the various expansion projects. The Burnpur works has attained the installed capacity. The production of ingot steel rose by 24,747 tonnes to 1.03 million tonnes. The output of the Kulti foundries was affected by the shortage of pig iron, so it declined by 8,706 tonnes to 215,653 tonnes. Despatches of salable steel amounted to 808,393 tonnes, against 797,960 tonnes. The working has been affected by the decline in the quality of coal supplied.

Growth Prospects for Indian Copper

THE shares of Indian Copper Corporation Ltd have been steady around Rs. 3.26 due to the growth prospects for the shares. These were outlined by Mr. S. C. Gladstone in his chairman's address (a full text is printed on a later page in this issue of *Capital)* at the annual general meeting of the Company held in Calcutta last week. Although the construction of the electrolytic plant has been delayed by various difficulties beyond the control of the Company, it is expected to begin operating from 1965. The working, however, depends on the supply of blister copper which has to be imported from the U.S.A. It is short of blister copper for the time being. It was originally thought that the copper would be imported from Africa. The Company has been permitted to manufacture 260 tonnes of nickel sulphate as a by-product of the electrolytic plant.

Steps have been taken to produce it early in 1966. An industrial licence has also been obtained to increase the production of copper and to manufacture sulphuric acid. A new smelter with a larger capacity is proposed to be built. New equipment for developing mines will be installed. A concentration plant, an additional grinding plant and a new crushing plant will be installed. The total cost of the projects has been estimated at £2,875,000 which will be obtained in the form of bank overdrafts, foreign exchange loans and a debenture issue. When the new smelter is set up, the output of copper is expected to rise to 12,130 tonnes for the first year; and to 12,950 tonnes in the second. A quantity of 100 tonnes of sulphuric acid will be produced daily.

The output of copper dropped by 199 tonnes to 9,582 tonnes in 1963 largely because of deterioration in coal supplies and poor working conditions. The rolling mills produced 9,376 brass sheets and circles. Since zinc is used in these products and it has to be obtained by utilising U.S. aid, the outlook should be assessed carefully. This apart, the sale of brass sheets and circles to the utensil industry has been restricted. The export of kyanite dropped from 27,682 tonnes to 18,792 tonnes. The demand for kyanite has fallen due to the growth of synthetics and because of poor market conditions. The recession in the steel industry has contributed to the decline in demand.

The outlook for the current year is better because up to July 1964, exports have amounted to 13,000 tonnes. They will rise to about 17,000 tonnes by August 1964. Mr. Gladstone mentioned that the high level of international price of copper may not be sustained for long. It should settle down to a reasonably lower level considering that there is a close balance between supply and demand relating to copper. The profit of the Company has amounted to £1,384,875 for 1963, against £1,351,771 for 1962. The taxable ordinary dividend of 12 percent has been paid on the increased share capital. The yield amounts to 4.9 percent at the present price. Taxation is allocated £821,855, depreciation £170,000, general reserve £26,597. A sum of £21,694 has been provided for the kyanite decretal amount.

Larsen and Toubro Sales and Profit Up

THE preliminary report on the working of Larsen and Toubro Ltd for the year ended March 1964 shows that the Company has done exceedingly well during the year. Sales rose by about 41 percent from Rs. 5.82 crores to Rs. 8.20 crores and other income increased by about 24 percent from Rs. 70.73 lakhs to Rs. 87.74 lakhs. The gross profit rose impressively by about 68 percent from Rs. 70.25 lakhs to Rs. 1.18 crores. Every division of the Company contributed significantly to the increase in sales and really remarkable is the fact that there was a reduction in the cost of production in spite of a rise in the cost of labour, raw materials, power, etcetera.

In his statement to shareholders which has been circulated along with the directors' report, the chairman, Mr. H. Holck-Larsen, says that the improved results were the cumulative effect of careful planning, judicious investment, proper budgeting and efficient execution of the Company's development plans over the previous years. The chairman's speech holds out the promise of a bright future. Mr. Larsen says that "with our wide range of activities, our long experience in the engineering field, our worldwide contacts with leading manufacturers of plant and machinery, and the recognised ability and outstanding team-spirit of our staff and workers, I feel confident of our future growth and strength."

Speaking about the Company's performance during 1963-64, the chairman says that the output from the Company's workshops in Powai increased by 62 percent over that of 1962-63. This significant rise means that the production has more than trebled in three years. All manufacturing units in Powai operated with increased efficiency and have either reached or exceeded their production targets. The general workshop in Powai was fully occupied with the fabrication and assembly of plant and equipment for the chemical, pharmaceutical and food processing industries and cooling towers. The switchgear factory increased the production of switchgears, motor starters, control and instrument panels and kerbside petrol dispensing and metering pumps. Production of switchgear equipment exceeded the target and the factory requires a further expansion to meet the increasing demand of our high quality products. The contract business of the Company has been fairly satisfactory.

The Company's subsidiaries are making satisfactory progress. Alu Capsules Ltd, a wholly-owned subsidiary, which initially manufactured bottle capsules from aluminium foil, has extended its activities and now also manufactures press tools, jigs, fixtures, plastic and bakelite moulds and dies for pressure die castings in collaboration with Interfonda Ltd of Switzerland. Christensen-Longyear (India) Ltd, 51 percent of whose capital is owned by Larsen and Toubro, manufactures drilling equipment and diamond drill bits in collaboration with two reputed American firms. As sole selling gents of this subsidiary, Larsen earned a commission of Rs. 6.57 lakhs during 1962-64. The civil engineering and constructing business of Engineering Construction Corporation Ltd showed a substantial increase during the year ended September 1963. The future working of this subsidiary is expected to show improvement. The production and sales of another subsidiary —Indian Crown Cork Co. Ltd—also showed an improvement. The associate companies continued to progress according to expectations and there was a steady increase in the Company's income from selling agency commission and dividends.

Sales of Audco India Ltd, showed a steady rise during 1963-64 and plans are in hand to widen the range of products. The production of Eutectic Welding Alloys of India Ltd is expected to commence towards the end of this year. The Company was scheduled to start production during 1963-64, but it could not do so due to the delay in the receipt of import licences and difficulty in the procurement of indigenous raw materials. Sales of Utkal Machinery Ltd are expected to rise during 1964-65 which will increase Larsen and Toubro's commission. As for the dividend, the chairman says that it will take some years.

Speaking about development and future prospects, the chairman says that the expansion of Larsen and Toubro between 1960-61 and 1963-64 resulted in a doubling of the Company's equity capital from Rs. 80 lakhs to Rs. 1.65 crores, whereas production, sales and profits before tax have almost trebled. The forecast of production and sales for the three years, 1964-65 to 1966-67, also shows an encouraging rise. To meet the financial requirements, the Company has prepared a comprehensive three-year plan, which visualises that the increased financial resources required will be raised by issuing additional shares, arranging further medium and long-term loans and securing adequate banking facilities.

A beginning has been made by the proposed issue of 660,000 equity shares of Rs. 10 each at a premium of Rs. 2 a share which will fetch Rs. 79.20 lakhs. The Company also proposes to issue debentures of about Rs 1 crore some time towards the end of

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the current year. It is likely to issue further rights shares in 1966-67. During the current year, the Company has obtained from the State Bank of India additional cash credit facilities. The additional finance and increases in current assets will provide for the necessary expansion in the existing business, such as increasing the production capacity of Powai workshops, establishing additional facilities for sales and servicing of "caterpillar" equipment, and improving and expanding the workshop in Madras.

Indian Dyestuff Disappoints

THE preliminary report on the working of the Indian Dyestuff Industries Ltd for the year ended March 1964 shows that the Company has fared badly during the year. In spite of an increase of about 8 percent in the sales from Rs. 2.39 crores to Rs. 2.58 crores, the gross profit is down by nearly 16 percent from Rs. 52.18 lakhs to Rs. 43.80 lakhs. Apparently, the profit margin has been further squeezed by the rising costs of production and lower realisation for the Company's products due to competition. The dividend, however, has been maintained at 7 percent—Rs. 7 a share. The directors have been obliged to withdraw as much as Rs. 17.42 lakhs from the reserves, compared with Rs. 6 lakhs in the preceding year for the purpose of dividend payment. The directors have also decided to issue 15,000 equity shares of Rs. 100 each at par to existing equity shareholders in the ratio of one new share for every 14 equity shares held.

Originally, the Company had reserved 75,000 equity shares of Rs. 100 each for its foreign collaborators, A.C.N.A. of Italy, to be allotted to them, against the supply of plant and machinery. Out of these 75,000 shares, the foreign collaborators have taken up about 60,000 shares and the balance is being offered to the other shareholders. Out of the year's profit of Rs. 43.80 lakhs (against Rs. 52.18 lakhs), the directors have allocated Rs. 32.76 lakhs (against Rs. 16.18 lakhs) for depreciation, Rs. 9.97 lakhs (against Rs. 20.62 lakhs) for statutory development rebate and Rs. 1.07 lakhs (against Rs. 3.58 lakhs) for managing agents' commission. No provision is made for taxation which accounted for Rs. 4.30 lakhs in the preceding year.

Equity and preference dividends will absorb Rs. 17.43 lakhs (against Rs. 15.77 lakhs) and this is being paid by withdrawing Rs. 10.83 lakhs from the general reserve and Rs. 6.59 lakhs from the development rebate reserve. After making various appropriations, there remains a surplus of Rs. 1,801 to be carried forward, against Rs. 3,006 brought in. The Rs. 100-paid share of Indian Dyestuff which had touched a high of Rs. 362.50 earlier in the year is currently quoted around Rs. 260.

Jardine Henderson Repeats

THE ordinary shares of Jardine Henderson Ltd have been sluggish around Rs. 75 due to the maintenance of the taxable ordinary dividend at 7 percent for the year ended March 1964. The yield amounts to 9.3 percent at the present price of Rs. 75 a share of Rs. 100 each. The usual interim preference dividend for 1964-65 has also been declared. The pre-tax profit for 1962-63 has amounted to Rs. 44.78 lakhs (against Rs. 41.88 lakhs). The Company has also realised a profit of Rs. 3.91 lakhs on investments. Taxation is allocated Rs. 17.24 lakhs (against Rs. 17.12 lakhs) and general reserve Rs. 13.24 lakhs (against Rs. 12.67 lakhs). Goodwill to the extent of Rs. 1.68 lakhs has been written off.

Orient Paper Maintains

THE ordinary shares of Orient Paper Mills Ltd have reacted to Rs. 33.55 due to disappointment over the repetition of the taxable ordinary dividend of 20 percent for the year ended March 1964. The stock market had earlier marked up the price on hopes of a larger dividend. The yield amounts to 6 percent at the present price. The profit has amounted to Rs. 51.77 lakhs, against Rs. 51.84 lakhs for 1962-63, after providing Rs. 50.40 lakhs (against Rs. 60.45 lakhs) for depreciation, Rs. 75,000 (against Rs. 2.50 lakhs) for development rebate reserve, Rs. 47 lakhs for taxation (against Rs. 70 lakhs) for deferred taxation reserve and Rs. 25 lakhs (against Rs. 15 lakhs) for general reserve. A sum of Rs. 93,457 has also been brought in.

India Paper Pulp Expanding

THE ordinary shares of India Paper Pulp Ltd have been steady around Rs. 22.31 because of growth prospects. During the year ended March 1964, paper output rose by 995 tonnes to 16,636 tonnes, compared with that for 1962-63, and there has been a further increase in pulp production. The rise in paper production is attributable to modifications to the No. 3 paper-making machine while the installation of the forced circulation plant has resulted in the higher pulp production. It is expected that the production of paper and pulp will show a small rise during the current year. A substantial increase will not take place until the installation of the jute sticks pulp plant is completed and production is started in April 1965. When the latter plant is commissioned, the pulp-making capacity will rise to about 23,000 tonnes a year, so corresponding increases are being effected in the paper-making capacity. The Company has obtained a licence to increase the latter to 19,000 tonnes and an application has been submitted to the Government to increase the capacity by a further 4,000 tonnes. When the necessary modifications are made to the plants, speciality papers, which are now in short supply, will be manufactured. The alterations to the No. 3 paper-making machine will be completed by the middle of 1965, but the full benefits of expansion will not be obtained until 1967.

The cost of the expansion schemes has been estimated at Rs. 1.60 crores. It has been decided to raise funds amounting to Rs. 40 lakhs by issuing 7-percent debentures to finance expansion. It is also proposed to obtain further credit facilities from the Industrial Credit and Investment Corporation of India to meet the foreign exchange expenditure of the projects. The Company has decided to issue 352,800 bonus shares by capitalising the share premium account. Although the production of paper and pulp rose in 1963-64, the consequent reduction in indirect production costs was more than offset by the rise in prices of raw materials and wages. The rise in the profit has almost entirely been due to the increased sale of celex—a by-product of the Company. In spite of the substantial rise in production costs, the selling prices of paper are still lower than what they were in 1959. Although the Company has so far been able to offset the steadily rising costs by larger production and the development of celex, it has not been able to provide necessary funds for expansion and rehabilitation.

The profit has amounted to Rs. 42.51 lakhs for 1963-64, against Rs. 40.65 lakhs for 1962-63, after transferring Rs. 13.50 lakhs (against Rs. 13.87 lakhs) to depreciation. A taxable ordinary dividend of 15 percent, including an interim of 5 percent, has been maintained. The yield amounts to 6.7 percent at the present price. Taxation, including Rs. 1.90 lakhs for surtax on profits, is allocated Rs. 22.40 lakhs (against Rs. 22 lakhs), development rebate reserve Rs. 73,252 (against Rs. 2.85 lakhs) and general reserve Rs. 6 lakhs (against Rs. 2.75 lakhs). The carry-forward is Rs. 43,578, against Rs. 28,615 brought in.

Kesoram Industries Raises Dividend

KESORAM Industries and Cotton Mills Ltd has increased the taxable ordinary dividend from 13 percent to 15 percent for the year ended March 1964. The yield works out to 5.6 percent at the present price of Rs. 26.87 a share of Rs. 10 each. The trading profit has risen from Rs. 1.98 crores to Rs. 2.58 crores. Depreciation is allocated Rs. 95.28 lakhs (against Rs. 82.49 lakhs), taxation Rs. 53 lakhs (against Rs. 8 lakhs) and development rebate reserve Rs. 4.78 lakhs (against Rs. 39.21 lakhs). General reserve absorbs Rs. 55 lakhs (against Rs. 22 lakhs) and dividend reserve Rs. 37.50 lakhs (against Rs. 40 lakhs). The proposed dividends will be paid out of the latter reserve.

The directors take an optimistic view of the outlook. The modernisation and expansion of the textile unit are in progress. During 1963-64, a sum of Rs. 11.23 lakhs was spent for modernisation. The Company is increasing the installed capacity to the extent of 7½ percent in spindles and 10 percent in looms. It is proposed to install a new unit at Budge-Budge, near Calcutta, for the purpose. The two rayon units have worked satisfactorily because of improved production techniques and better operational efficiency. The rayon industry, it is pointed out, is facing difficulty in the matter of caustic soda supplies. The transparent paper plant has done well. But the industry has found it difficult to compete with other products manufactured by different processes which enjoy a lower excise duty than the transparent paper plant. The moisture-proofing, printing and bag-making plants have begun production. The installation of the second casting machine has been undertaken, and it may start producing in the current year. A factory to manufacture spun pipes and fittings is being constructed in Bansberia, near Calcutta. The bulk of imported equipment have arrived at the site. It is expected that the plant will go into production in the near future. The licence to import equipment for the steel tube project has not yet been secured. The issue of 17,500 debentures carrying a fixed interest of 7 percent has been fully subscribed.

India Cements Sales and Profit Up

A substantial increase in sales by more than Rs. 70 lakhs and an impressive rise of about Rs. 21 lakhs in the profit feature the working results of India Cements Ltd for the year ended March 1964. The report says that during the year, production at the Sankarnagar factory amounted to 465,166 tonnes of clinker and 494,601 tonnes of cement. It will be recalled that the directors in their last report said that the new factory in Sankaridrug, Salem district, was expected to commence production in September 1963. There was, however, slight delay in commencing production. The kiln was commissioned during the first week of November 1963 and the erection of the cement mill was completed by January 1964. Commercial production of cement started from the first week of February 1964. The working of this unit has been satisfactory. The report adds that work on the expansion of the Sankari unit has already been taken on hand. Firm orders for plant and machinery have been placed. It is expected that the expanded unit would go into production in the latter half of 1965. With the completion of this expansion programme, the rated capacity of the factories both in Sankarnagar and Sankaridrug would be of the order of 900,000 tonnes of cement a year.

The directors state that there has been a steady increase in the cost of production of cement on account of the increase in the price of coal, freight on movement of all goods, and the surcharge on electricity. The Company has, however, been able to provide for the full development rebate reserve of Rs. 40,72,125 for the new unit at Sankaridrug out of the profits of the Company, after setting aside dividend to the preference shareholders amounting to Rs. 2,77,639 and a dividend at 6 percent a year to the equity shareholders amounting to Rs. 20,97,845. In view of the full and substantial provisions under the statutory reserve for development rebate, no separate allocation has been made towards reserve for rehabilitation, modernisation and development. The Company has provided depreciation on the straight line method in accordance with Section 205(2) (b) of the Companies Act, 1956, for the Sankari unit instead of on the written-down value method, which continues to be adopted in relation to the Sankarnagar unit.

Total cement sales for the year amounted to Rs. 4,65,85,923 (against Rs. 3,95,06,397). The net profit of the Company for the year amounts to Rs. 69,95,280, after providing Rs. 41,14,183 for depreciation. The previous year's net profit was Rs. 42,83,281, after providing Rs. 37,00,993 for depreciation. Adding to the year's net profit a sum of Rs. 1,46,643 brought forward from the previous year and Rs. 85,755 transferred from development and rehabilitation fund, the total available for appropriation amounts to Rs. 72,27,678. Out of this, a sum of Rs. 40,72,125 (against Rs. 35,000) is transferred to development rebate reserve. Donations amounted to Rs. 1,77,343 and income tax and super tax relating to previous years to Rs. 3,26,891. Expenses relating to previous years amounted to Rs. 7,459. The preference dividend at 7.5-percent grossed up, that is, Rs. 8.325 a share of Rs. 100 each, absorbs Rs. 2,77,639. The proposed ordinary dividend takes Rs. 20,97,845 (against Rs. 26,74,835). Capital reserve gets Rs. 75,000 and investment reserve Rs. 100,000 (against nil). The balance of Rs. 93,376 is carried forward.

Gillapukri Tea Reduces Dividend

THE Gillapukri Tea and Seed Co. Ltd has earned a profit of Rs. 89,461 for the year ended December 1963, against Rs. 49,047 for 1962, after providing Rs. 70,930 (against Rs. 72,083) for depreciation. The taxable ordinary dividend has been reduced from 13 percent to 12.5 percent to absorb Rs. 62,970. The yield works out to 4.5 percent at the present price of Rs. 27.56 a share of Rs. 10 each.

Taxation is allocated Rs. 34,000 (against Rs. 20,000) and development rebate reserve Rs. 1,862 (against Rs. 1,572). A sum of Rs. 7,046 has been

written back from unclaimed dividends. The carry-forward is Rs. 2,446, against Rs. 4,482 brought in. The crop amounted to 327,853 kilograms, against 319,932 kilograms. The amount of tea seed produced was 12,740 kilograms, against 5,180 kilograms. The crop in 1964 has been estimated at 400,000 kilograms and the output has amounted to 65,293 kilograms up to 30th June, 1964.

A Good Year for Bengal Chemical

BENGAL Chemical and Pharmaceutical Works Ltd has done well during the year ended March 1964. Both sales and profits have been higher than those of 1962-63. The Company has maintained the taxable ordinary dividend at 10 percent. In his chairman's address at the annual general meeting in Calcutta last Friday, Dr. B. N. Ghose said that in spite of the Company's encouraging performance, the working has been interrupted by an acute shortage of industrial alcohol and rectified spirit. (A fuller version is printed on a later page in this issue of *Capital*). Since the expansion schemes of the Company have already been completed, it will be necessary to transfer a substantial sum to development rebate reserve during the current year, so it will have its effect on the profit.

The Company has made good progress in the field of heavy chemicals. The new alum plant is now under trial run and is expected to begin production in the near future. An industrial licence has been obtained for manufacturing sodium aluminate, stannate, naphthenates and other products. Export prospects for heavy chemicals are considered encouraging, and the Company has been negotiating to export a large quantity of alumino ferric. The installation of an additional sulphuric acid plant with a daily capacity of 50 tonnes has made progress. It is expected to start production by the end of the current financial year. The Company's business in road tar has been hindered by the shortage of crude coal tar, so efforts are being made to make alternative arrangements. The Company has obtained an industrial licence to manufacture 16 tonnes of caffeine a year. So the plants have been expanded to attain the production target. But the supply of tea waste, which is the chief raw material, has been inadequate.

The Company will soon sell anti-snake-bite syrum and tetanus toxoid. Negotiations are continuing with some foreign firms for the production of the new items. The Company is trying to explore markets in south-east Asia, Middle East and Africa. Dr. Ghose said that the export of surgical cotton wool had dropped due to keen competition from other countries. The difficulty has been aggravated because the import entitlements from the export of surgical cotton wool have been cut. Commenting on the price control order of drugs, the chairman said that it had been difficult to adjust the prices of various products in line with production costs which had steadily moved up due to the rising prices of raw materials.

Less from Hoograjuli Tea

THE Hoograjuli (Assam) Tea Co. Ltd has reduced the taxable ordinary dividend from 12½ percent to Rs. 12.5 percent to absorb Rs. 62,500. The yield amounts to 4.5 percent at the present price of Rs. 27.62 a share of Rs. 10 each. The profit has dropped from Rs. 1.53 lakhs for 1962 to Rs. 1.37 lakhs for 1963, after providing Rs. 83,017 (against Rs. 81,525) for depreciation. Taxation absorbs Rs. 65,00 (against Rs. 77,000) and development rebate reserve Rs. 6,650 (against Rs. 1,760). The carry-forward is Rs. 7,836, against Rs. 9,295 brought in. The crop rose from 345,217 kilograms to 350,876 kilograms. The crop has amounted to 72,718 kilograms up to 30th June, 1964.

Okayti Tea Maintains

OKAYTI Tea Co. Ltd (a Darjeeling garden) has earned a profit of Rs. 35,702 for the year ended December 1963, against Rs. 2.15 lakhs for 1962, after transferring Rs. 31,972 (against Rs. 27,225) to depreciation. The taxable ordinary dividend of 25 percent has been maintained which offers a yield of 4.2 percent at the present price of Rs. 600 a share of Rs. 100 each. Taxation absorbs Rs. 24,000 (against Rs. 1.05 lakhs) and development rebate reserve Rs. 2,300. A sum of Rs. 70,000 has been transferred from revenue reserve. The carry-forward is Rs. 3,675, against Rs. 3,663 brought in. The crop amounted to 105,012 kilograms, against 99,371 kilograms. But the average sale price dropped from Rs. 10.07 to Rs. 7.81 a kilogram. The crop for 1964 has been estimated at 120,000 kilograms at a cost of Rs. 8 lakhs.

A. P. Paper Mills to Enter Market

PRESIDING over the extraordinary general meeting of the West Coast Paper Mills in the absence of its chairman, Mr. G. L. Bangur, Mr. G. D. Somani stated that the Company's investment of Rs. 66 lakhs in the equity capital of the Andhra Pradesh Paper Mills Ltd, a joint venture of the Government of Andhra Pradesh and West Coast Paper, would prove to be quite profitable. West Coast has at present large liquid resources for which there seems no better opportunity of investment than the proposed scheme. The Company could not take up the rayon pulp project as it was considered riskier, and it was not possible to undertake any further big expansion of West Coast in the immediate future because of the premature flowering of bamboo in that region. Mr. Somani stated that from its investment in the new venture, West Coast will get about 6 percent initially and later, about 12 percent instead of the present 3 percent on its liquid resources.

The shareholders have been assured that West Coast's profitability will not be adversely affected in any way. The current working of the Company is reported to be satisfactory and by the time it would be required to invest the full amount of Rs. 66 lakhs, it would have generated enough funds so that no borrowings would be necessary to meet this obligation in stages. The chairman has pointed out that the Company would receive technical fee enough "to cover the interest part of the investment even during the construction period, during which no dividend would be available." He is of the view that there would be considerable capital appreciation of the proposed investment in the course of the next two or three years.

The new Company, namely, Andhra Pradesh Paper Mills, is likely to enter the capital market by the end of the current year with a public issue of Rs. 1.16 crores, consisting of Rs. 66 lakhs in equity shares of Rs. 100 each and Rs. 50 lakhs in 9.3 percent cumulative redeemable preference shares of Rs. 100 each. The Company has an authorised capital of Rs. 5 crores made up of Rs. 3.75 crores in equity shares and Rs. 1.25 crores in preference shares. The issued capital comprises equity shares worth Rs. 2 crores and preference shares worth Rs. 1 crore. Of the issued capital, one-third will be taken up by the Andhra Pradesh Government, one-third by West Coast and the balance wil be offered to the public. Of the preference capital of Rs. 1 crore, the State Government is taking up Rs. 50 lakhs. The balance of Rs. 50 lakhs will be offered for public subscription. The total capital outlay on the project is estimated at Rs. 7 crores, which will be met from the capital of Rs. 3 crores, a loan of Rs. 1.5 crores from the State Government, borrowings of Rs. 1.5 crores from financial institutions and Rs. 1 crore by deferred payment credit facilities.

The import component is placed at Rs. 3 crores. Empacel of France will supply plant and equipment on a package deal basis. The Company's plant which is to be set up in Rajahmundry (Andhra Pradesh) will have a licensed capacity of 60 tons of paper a day. Together with the existing capacity of 10 tons a day of the small plant, the total licensed capacity will be 70 tons a day. But the promoters expect to start production with a rated capacity of 100 tons a day. The plant and equipment of the new paper mill have already arrived at the site and commercial production is expected to begin by about the middle of 1966. The Andhra Pradesh Government has allocated 100,000 tonnes of bamboos sufficient to produce 100 tonnes of paper a day for which a royalty of Rs. 5 a tonne will be paid. The project is stated to have been planned on the lines of West Coast Paper Mills and the price paid for machinery is said to be quite economical, about Rs. 1 crore cheaper than current prices.

Mettur Industries Pays Less

METTUR Industries Ltd has not fared well during the year ended March 1964, but its working results are not as disappointing as the cut in the dividend from 20 percent to 15 percent would seem to suggest. The gross profit has registered only a modest fall from Rs. 28.10 lakhs to Rs. 27.64 lakhs, but the decline has occurred even though the sales are higher at Rs. 1.85 crores, against Rs. 1.70 crores. The profit margin has been squeezed by the all-round increase in the cost of production, but the Company might not have fared badly but for the loss of production of about 286,000 metres of cloth because of the power cut.

After providing Rs. 2.54 lakhs (against Rs. 2.50 lakhs) for managing agents' commission, Rs. 1.83 lakhs (against Rs. 1.98 lakhs) for depreciation, Rs. 17,000 (against Rs. 20,925) for development rebate and Rs. 13.20 lakhs (against Rs. 13.51 lakhs) for taxation, there remains a surplus of Rs. 9.90 lakhs which is about the same as in the preceding year. The directors have set apart Rs. 1 lakh for the general reserve. In the previous year, a sum of Rs. 1.75 lakhs had to be transferred from this reserve to provide for the payment of the dividend. The proposed dividend absorbs Rs. 9 lakhs (against Rs. 12 lakhs), leaving a small sum of Rs. 291 to be carried forward, against Rs. 10,434 brought in.

The directors have struck an optimistic note about the outlook for coming years due to the implementation of the rehabilitation programme. The Company took advantage during 1963-64 of the permission given by the Government for the installation of additional spindles and looms. It is hoped that during the current year, additional two spinning frames and 48 looms will go into operation. Orders have been placed for the conversion of the Company's existing spinning plant into a modern system, which will increase the production of yarn. The cloth produced by the Company continues to be in good demand.

Good Outlook for P. and O.

PENINSULAR and Oriental Steam Navigation, the £290-million shipping group headed by Sir Donald Anderson, is making a one-for-three scrip issue and forecasts a maintained total dividend of 10 percent on the enlarged capital—an effective increase of 2½ percent. The trading surplus for the first six months of 1963-64 is up by £2 million and that for the second half is expected to be "a little better" than for the corresponding period of 1962-63. This news is particularly encouraging as only four months ago, Sir Donald told shareholders that the next dividend increase would have to be preceded by "more definite evidence than we have now of the trend of profits." The board must now have this evidence.

But any profits projection is complicated by the fact that this is the first time the P. and O. has given an indication of its half-year trading results. Simply to halve last year's total pre-tax surplus of £4.2 million for purposes of comparison, would be an over-simplification. The big passenger liner business on the Australia-U.K. run is in the August-November period, and certain sections of the freight trade have seasonal fluctuations. But the improvement in P. and O's fortunes seems to have been widely spread throughout the passenger and freight trades with bigger cargoes helping load factors.

Since the group has yet to feel the benefits of its more efficient Far Eastern freight service, which now calls at Rotterdam, the phrase "a little better" could well turn out to be accountants' jargon rather than an indication that the rate of advance achieved in the first six months has begun to flag. P. and O.'s pre-tax profits could thus top £7 million this year, and even without tax refunds (which will bring in less than last year's £1.6 million), earnings on the enlarged capital could exceed 27 percent. Before the scrip issue, which involves capitalisation of £10,784,863 of reserves, the authorised capital is to be increased from £40 million to £50 million. The issue is stated to be another step towards reducing the disparity between the issued capital and the capital actually employed in the business. P. and O. shares have been a firm market on the London Stock Exchange both before and after the announcement.

More from Chembra Peak Tea

A SUBSTANTIAL rise in the profit and a higher dividend of 25 percent feature the working results of Chembra Peak Estates for the year ended March 1964. The record tea crop, improved tea and coffee prices and the C.T.C. manufacture introduced in the Company's Elstone factory have contributed to the year's better results. The profit before taxation is Rs. 10,11,099, compared with the previous year's net profit of Rs. 6,05,922. After deducting the tax provision of Rs. 4,50,000 (against Rs. 3,15,000), the net profit comes to Rs. 5,61,099. Adding to it a sum of Rs. 22,758 being the surplus brought forward from the previous year and Rs. 54,996 being excess tax provision in previous years written back, the total available for appropriation comes to Rs. 6,38,853.

Out of this, a sum of Rs. 100,000 is transferred to general reserve (against nil), and Rs. 75,000 is transferred to dividend equalisation reserve (against nil). Contingent reserve gets Rs. 25,000 (against nil). A sum of Rs. 82,300 is transferred to development rebate reserve (against Rs. 14,000). A sum of Rs. 3,55,000 is transferred to dividend reserve. Out of this reserve, the directors have recommended the payment of a dividend of 25 percent (against 20 percent) which will absorb Rs. 3,50,025. The balance of Rs. 1,553 is carried forward.

The tea crop for the year amounted to 851,234 kilograms (against 836,263 kilograms. All-in-cost of production amounted to Rs. 3.62 a kilogram (against Rs. 3.51 a kilogram), but the average sale price realised was higher at Rs. 4.55 a kilogram, against Rs. 4.07 a kilogram. The coffee crop for the year amounted to 179,209 tonnes, against 172,569 tonnes. The coffee crop is valued at Rs. 2.25 a point. The estimated tea crop for 1964-65 is put at 870,000 kilograms and the coffee crop is estimated at 200 tonnes.

No Take-over of Nedeem Tea

AFTER having reached a peak of 27s 3d at the height of the recent struggle for control of the Nedeem Tea Company, the shares have suffered a substantial drop. In the circumstances, it was only proper that the directors should issue a full statement explaining the situation, for the Company has paid no ordinary dividend since 1954, yet the directors rejected a share offer from K. C. Sethia (1944) and recommended other shareholders to do likewise. The bidder holds 27½ percent of the preference stock and 23½ percent of the equity and its offer was conditional on majority control.

The Nedeem directors now disclose that with the support of two others, they are in a position to stop the bid going through. One large holder giving them support and helping them to secure more than 50 percent opposition to the offer is Walter Duncan and Goodricke, whose Octavius Steel and Co. subsidiary acts as secretaries to the Nedeem Company. The directors say that earnings for 1963 are expected to show a "small increase," contrary to the general trend of Dooars experience. They are convinced that the more positive association with Duncan and Goodricke will provide the surest protection for shareholders in the long run. Both preference and ordinary shares carry votes.

Paper Mill Plant Pays Maiden

THE Paper Mill Plant and Machinery Manufacturers Ltd reports encouraging results for the year ended March 1964. Sales have gone up from Rs. 42.42 lakhs to Rs. 52.94 lakhs, and the gross profit has recorded an impressive rise from Rs. 4.19 lakhs to Rs. 12.31 lakhs. Improved results have made it possible for the directors to declare a maiden dividend of 6 percent. Appropriations include depreciation Rs. 2.44 lakhs (against Rs. 2.42 lakhs), development rebate Rs. 3,000 (against Rs. 2,000), preliminary expenses, brokerage, etcetera, Rs. 70,000 (against nil), taxation Rs. 1.60 lakhs (nil), general reserve Rs. 85,000 (against nil) and special reserve Rs. 2.65 lakhs (against nil). Dividend absorbing Rs. 2.28 lakhs is to be paid out of the special reserve. The allocations have been made after adjusting the previous year's net loss of Rs. 3.09 lakhs. The directors state that during 1963-64, orders of the value of Rs. 45 lakhs were executed. The total value of orders on hand is around Rs. 60 lakhs. Further orders worth about Rs. 1.28 crores are under negotiation.

Surat Electricity Pays Slightly More

THE Surat Electricity Company Ltd reports encouraging results for the year ended March 1964. In spite of restrictions and the acute power shortage, the sale of energy increased by 13.98 percent from 61.12 million kWh to 69.67 million kWh. Larger sales of energy were due mainly to the unprecedented spurt in the installation of powerlooms in the city of Surat and the revival of activity in the jari industry. Earnings from the sale of energy rose from Rs. 1.126 crores to Rs. 1.265 crores, and the gross profit increased from Rs. 24.15 lakhs to Rs. 25.85 lakhs. The total dividend has been raised from Rs. 8.50 to Rs. 9 a share. Appropriations include depreciation Rs. 6.12 lakhs (against Rs. 6.01 lakhs), development rebate Rs. 1.30 lakhs (against Rs. 3.17 lakhs), taxation Rs. 7.21 lakhs (against Rs. 7.82 lakhs), other reserves Rs. 2.89 lakhs (against Rs. 47,000), preference dividend Rs. 42,000 (the same) and equity dividend Rs. 6.30 lakhs (against Rs. 5.95 lakhs).

In his statement to shareholders accompanying the directors' report, the chairman, Mr. A. N. Haksar, says that the Company proposes to install a third receiving station with a capacity of 15,000 kVa to meet the growing demand for power. The land for this purpose has been purchased and efforts are being made for the purchase of plant and equipment. The capital required for this expansion is proposed to be secured through bank borrowings. The construction of industrial estates in the Company's area of supply, the coming into being of housing colonies and requests for extension of distribution lines into the adjoining villages indicate fair prospects of increasing demand for power in the coming years. The Company will receive additional firm bulk supply of 6,000 kVa when the Dhuvaran power station of the Gujarat Electricity Board goes into commercial operation. If the restrictions on power consumption in its area of supply are then relaxed, the Company will have a sizable increase in its turnover.

Outlook for Globe Auto Electricals

THE Rs. 100-paid share of Globe Auto Electricals Ltd is currently quoted around Rs. 77. From what the Company's managing director, Mr. Ratilal Zatakia, told newsmen in Bombay on 10th August, the shareholders can take a reasonably optimistic view of the future outlook. The Company has started production of all the Marelli and Prestolite items and the turnover for the year ended September 1964, is expected to be around Rs. 20 lakhs. Mr. Zatakia stated that the Company would enter the stage of profitability in October 1964 with a monthly output valued around Rs. 4 lakhs to Rs. 5 lakhs. The turnover for 1964-65 is estimated around Rs. 50 lakhs.

The products of the Company, namely, ignition coil, distributor, windshield wiper, voltage regulator, alternator, dynamo and starting motor, have been accepted as original equipment by leading vehicle manufacturers in India, including the Ministry of Defence. The Company has developed a small economic alternator for passenger cars and its production is likely to start before the end of the current year. It has obtained an industrial licence for the manufacture of ignition switches and production is likely to start shortly, within a few months.

The Company has formulated plans to import balancing machinery worth Rs. 5 lakhs with a view to achieving 90 percent indigenous content in production by 1965, and the Company is hopeful of getting the requisite foreign exchange for the purpose. It proposes to raise an additional rupee capital of Rs. 5 lakhs from institutional investors, promoters and friends. Mr. Zatakia indicated that the Government would ban the import of all auto-electrical goods from the next licensing period. This would help indigenous manufacturers considerably. Referring to the World Bank team's visit to the Company's plant, Mr. Zatakia said that the team was greatly impressed by the rise in the indigenous content of the products.

Everest Refrigerants Share Offer

EVEREST Refrigerants Ltd which proposes to undertake the manufacture of various gases and chemicals in collaboration with Technical Enterprises Inc., New York, is entering the market to raise Rs. 25 lakhs through the issue of equity and preference shares. The Company has been licensed to manufacture annualy 1,200 tons of fluorchloromethane gas like freon, 1,155 tons of hydrofluoric acid, 1,980 tons of carbon tetrachloride, 990 tons of aluminium fluoride and 4 million cans of aerosol composition. Fluorochloromethan gases are essential items in air-conditioning and refrigeration and they are also useful in aerosols which is a push-button device to dispense insecticides, cosmetics and pharmaceutical products with ease and efficiency. Hydrofluoric acid and carbon tetrachloride to be produced by the Company will be used largely for captive consumption. Since the items proposed to be manufactured by the Company are at present being imported, the Company will have no difficulty in marketing its products.

The project is estimated to cost Rs. 1.20 crores, and it will be financed by the issued capital of Rs. 60 lakhs and a loan of Rs. 60 lakhs approved by the U.S.A. acting through the Agency for International Development. The Company has already been sanctioned a loan of Rs. 27.5 lakhs from the D.L.F. to meet the bulk of foreign exchange requirements. The balance of foreign exchange needs will be met by the investment of Rs. 10 lakhs in equity capital by the foreign collaborators. The Company has received import licences for capital goods and it has opened the letter of credit. Shipment of capital goods has commenced. The plant is expected to start production by about the middle of 1965 and full production is likely to be achieved in about three years after the start of initial production. The factory will be located in Andheri, Bombay. When in full production, tre Company will have a turnover of about Rs. 2 crores; sales in the first year of production will be around Rs. 1.40 crores. The Company has an issued capital of Rs. 60 lakhs comprising Rs. 48 lakhs in equity shares of Rs. 10 each and Rs. 12 lakhs in 9.3 percent cumulative redeemable preference shares of Rs. 100 each. Out of this, the promoters, directors and their associates have taken up equity shares worth Rs. 19 lakhs and preference shares worth Rs. 6 lakhs. The foreign collaborators are taking up equity shares of the value of Rs. 10 lakhs.

The balance of equity shares worth Rs. 19 lakhs and preference shares of the value of Rs. 6 lakhs are now being offered for public subscription. The list will open on 24th August and will close on 29th or earlier but not before 27th August. The entire public issue has been underwritten. The board of directors includes Mr. D. M. Khatau (chairman), Mr. Harshavadan J. Shah, Mr. M. B. Nanavati, Mr. R. J. Chinai, Maharaja Virendrasingh N. Chowan of Chhota Udepur, Mr. Alexander Redniss, Mr. S. R. Vakil, Mr. R. K. Patra, Mr. Mahendra J. Shah, Mr. S. M. Nanavati, Dr. V. K. Sahu and Mr. R. H. Pandit.

New Capital Issues

FIVE companies have been authorised to raise fresh capital exceeding Rs. 15.45 crores. Of these, one is issuing bonus shares and four are floating equities. Three companies will offer part of their share capital to the public by prospectus. Two of them involve foreign collaboration. The consent of the Controller of Capital Issues is valid for 12 months in all cases. The following are the details:

Tata Oil Mills Company Ltd, Bombay, is to issue Rs. 35,03,750 bonus capital in 140,150 equity shares of Rs. 25 each, to be issued as bonus shares on capitalisation of share premium account. The bonus shares will be issued in the proportion of one for every three equity shares held.

National Organic Chemical Industries Ltd, Bombay, is to issue share capital of Rs. 10 crores in equity shares of Rs. 100 each for cash at par. Of this, shares of the value of Rs. 3.34 crores will be subscribed in sterling by Shell International Chemical Company Ltd, U.K. and out of the balance, Rs. 3.40 crores approximately will be subscribed by the Mafatlal group, their friends and associates and the balance Rs. 3.26 crores will be offered to the public by prospectus. The capital will be used in establishing a naphtha cracker unit and the manufacture of organic and inorganic chemicals at the Thana-Belapur area of Maharashtra.

Polyolefins Industries Ltd, Bombay, will be issuing capital of Rs. 3.60 crores in equity shares of Rs. 100. All the shares will be issued for cash at par and Rs. 1.20 crores will be subscribed in deutschemark currency by Farbwerke Hoechst A.G., West Germany; Rs. 1,17,60,000 will be offered to the public by prospectus and the balance Rs. 1,22,40,000 will be subscribed privately. The money will be used in the manufacture of high density polyethylene, polyethylene products and Zieglar Catalysts.

Chowgule Steamships Ltd, Goa, is to issue further capital of Rs. 1 crore divided into 100,000 equity shares of Rs. 100 each to be issued privately for cash at par. The capital will be used in meeting the Company's commitments in acquiring ships.

Tractors and Bulldozers Ltd, Baroda (a private Company converted into a public one on 19th January 1964), engaged in the manufacture of Zetor diesel agricultural tractors, is to issue further capital of Rs. 50,00,000 in equity shares of Rs. 100 each, for cash at par. Out of this issue, approximately Rs. 35 lakhs will be offered to the public by prospectus. The capital will be used for financing expansion of the existing activities of the Company.

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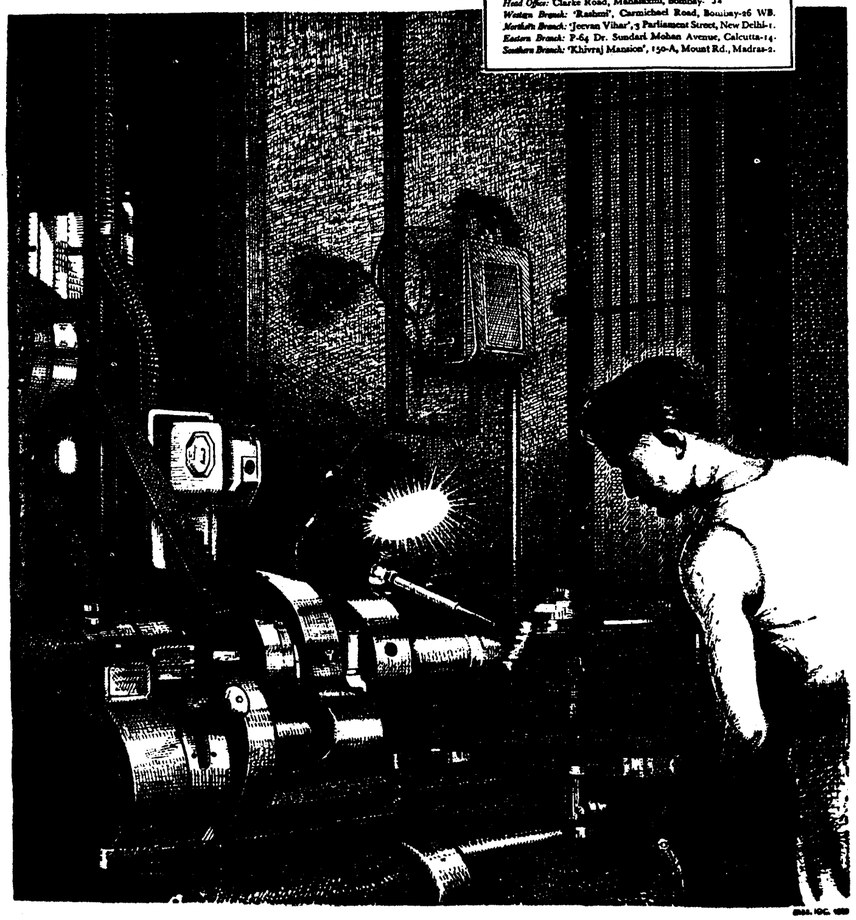
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The Stock Markets

SHARE PRICES RISE UNDER THE LEAD OF INDIAN IRON

Wednesday Evening.

THE Calcutta stock market has welcomed the report of the Indian Iron and Steel Co. Ltd for the year ended March 1964 by marking up the price of the scrip. The prospect of an interim dividend from the Company during the current year has influenced sentiment. The Company will henceforth pay an interim dividend, in addition to the final dividend which will be declared at the annual general meeting. In sympathy with Indian Iron, the prices of several selected scrip have forged ahead in a fresh buying spree. There has also been a great deal of short-covering in clearing shares, and turnover in them has been fairly heavy. Selected cash scrip have also improved mainly because of the shortage of sellers.

The good response to the units of the Unit Trust and the decision to increase the price of the units seem to have been bullishly interpreted. Lyons Range thinks that with a bigger flow of funds into the units, the Unit Trust will take greater interest in industrial equities. In fact, it is believed to have bought a fair parcel of industrial shares during the past few days.

The stock market is inclined to think that the Government will soon provide incentives to stimulate activity in the capital market, although it is difficult to find any basis for such hopes. Corporate news has, on the whole, been encouraging.

Although the Prime Minister, Mr. Lal Bahadur Shastri, has made a realistic approach to planning by pointing out that it is time to reconsider plan priorities, it remains to be seen whether he will succeed in convincing the Congress Party of his views. In any case, the Indian economy has run into serious difficulties. Unless vigorous measures are taken forthwith to check inflation, stresses and strains in the country will be aggravated.

Indian Iron have gained considerably. Selected engineering shares like Texmaco, Burn and Indian Standard Wagon enjoy support. Clearing shares are prominent in the miscellaneous section. Kesoram Industries have responded to a good report and Dunlop Rubber, Indian Copper and Indian Aluminium have been supported. Rohtas and Jaipur Udyog have met with scattered buying. Associated Battery and British Paints have improved. Interest has been shown in National Rolling Mills and British India Corporation. In managing agency shares, Jardine Henderson are sluggish due to the maintenance of the dividend. In electric companies, U.P. Electric have improved on steady support. Among new shares, Hindusthan Twyfords and Hindustan Aluminium have been bought. Aluminium Corporation have risen on paying a higher dividend. Among paper shares, Orient have gained and India Paper Pulp have been steady on expansion prospects. Seshasayee Paper have improved on a good report.

Birla have been in the limelight in the jute section and have gained considerably after intermittent profit-taking. Ganges, Anglo-India, Kinnison, Northbrook and India have been supported. Coal shares are dull and have fluctuated narrowly. Burrakur, Central India and Western Bengal have been bought. Selected cotton mill shares are steady. J.K. Rayon have recovered on short-covering. Bharat Commerce, Dunbar and Elgin have changed hands. Stray business has been transacted in selected Assam and Dooars gardens. Teliapara have met with support. Scattered interest has been shown in Patrakola.

Government securities are dull and quiet because investors have conserved funds to subscribe to the forthcoming State Government loans. The 3 percent Conversion Loan 1986 has been quoted around Rs. 63.30. The prices of short- and medium-dated stocks have been about maintained, but there have been few sellers.

Bombay

SUPPORT FOR EQUITIES FROM INSTITUTIONS

EXPANSION PROSPECTS LIFT STEEL

Wednesday Evening.

THERE has been a substantial improvement in the tone of the Bombay stock market during the past week. Prices of selected shares have recovered smartly under the lead of steel shares on fresh support, combined with short-covering. Dalal Street is hopeful that the Government will soon take measures to revive confidence in the capital market. Operators have been encouraged by better institutional support for equities during the past few days. The Unit Trust of India, it is believed, has bought industrial equities. It is likely to buy more shares since the funds of the Trust are steadily increasing.

Tata Steel ordinary have improved to Rs. 162.50 due to prospects of expansion. Selected engineering shares have met with replacement purchases. Tata Engineering, Cooper Engineering and Premier Construction have been taken. Alcock Ashdown, Mukand Iron and Larsen and Toubro are steady. In motor-vehicle shares, Premier Automobiles have gained on improved working. Hindustan Motors have enjoyed support from outside sources.

Selected cotton mill shares have recovered on replacement buying. Century, Bombay Dyeing, Kohinoor and Svadeshi have been in the limelight. Morarjee, Standard and India United ordinary have improved. Investors are inclined to take a fairly encouraging view of the outlook for the current year because there may be a bigger supply of cotton during the current season.

In the miscellaneous section, cement shares have attracted support. Associated Cement and Digvijay have gained. Sugar shares are, however, sluggish. Belapur and Walchandnagar Industries have been barely steady. In steamship company shares, Scindia Steam have recovered on short-covering. Chemical shares are steady, and support for Tata Chemical has been forthcoming. Polychem have nevertheless lost on profit-taking. Rayon shares are buoyant. National Rayon and Gwalior Rayon have improved. Mining shares are quiet, and Shivrajpur Syndicate have been sold freely. Bombay Burmah, Voltas and Tata Oil have attracted support. West Coast Paper have been taken on prospects of diversification of activity.

In spite of limited turnover in bank shares, prices have been maintained. Bank of India and Central Bank have been transacted. In insurance shares, New India Assurance have improved. Electric company shares have been steady. Some business was transacted in Ahmedabad Electric and Tata Power.

Madras

MARKET IMPROVES ON BOMBAY ADVICES

INVESTORS STILL CAUTIOUS

Tuesday Evening.

THE tone of the Madras stock market has improved during the past week following firmer advices from Dalal Street. Turnover has, however, been small because investors have tended to keep commitments light in view of the uncertain economic outlook. It remains to be seen how the Government tackles the growing food shortage problem and the rise in prices. The imposition of further restrictions by the Reserve Bank on bank advances against foodgrains has called for caution.

In Government securities, there have been few transactions in view

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of the forthcoming State Government loans. In spite of interest in good preference shares, turnover has been small because sellers have been few.

In the planting section, attention has centred on selected tea and coffee shares. Blue Mountain have been done at Rs. 2.23 and Cochin Malabar at Rs. 6.43. Consolidated Coffee have changed hands at Rs. 23.50 and Ouchterlony at Rs. 3.15. Periakaramalai have been transacted at Rs. 3.43. Midland have fetched Rs. 11.30 on declaring a taxable ordinary dividend of 10 percent. United Nilgiri have been bought at Rs. 23.10 on paying a final taxable ordinary dividend of 11 percent. Nelliampathy, Nonsuch and Peermade have been steady. Nilgiri have been taken at Rs. 9 on declaring a taxable ordinary dividend of 7½ percent. In coffee shares, Mysore, Rajendra and Swinton have been maintained.

Bank shares have been fully steady. Canara have been done at Rs. 81 and Indian Overseas at Rs. 143. In electric company shares, Negapatam have attracted support up to Rs. 11.12 and West Coast have been done at Rs. 13.50. Sugar shares have been sluggish. Deccan have been transacted at Rs. 11.65 and E.I.D. at Rs. 35.35. Mysore have been quoted at Rs. 28.33 and K.C.P. at Rs. 24. Travancore have been taken at Rs. 7.35 and Andhra at Rs. 13.55.

In textile shares, South India Viscose have reacted to Rs. 114.50 and Travancore Rayon to Rs. 19.75. Lakshmi have been taken at Rs. 130.50 and Madura at Rs. 33.85. Sarvaraya have been steady at Rs. 10.25 on declaring a taxable ordinary dividend of 9 percent. Tirupati have been done at Rs. 10.12 on paying a taxable ordinary dividend of 7½ percent. Anglo-French have been steady at Rs. 142, Ramnarayan at Rs. 85 and Ranga Vilas at Rs. 50.50. Bangalore Woollen have come to hand at Rs. 269 and Mettur at Rs. 277.50.

In the miscellaneous section, Aluminium Industries have been maintained at Rs. 21.35 and Ashok Leyland at Rs. 6.65. In cement shares, Dalmia have been done at Rs. 12.45 and India at Rs. 5.52. Mettur Chemical have improved to Rs. 14.45. Seshasayee Paper have been steady at Rs. 7.53 and Mysore Paper at Rs. 12.50. Kirloskar Electric have gained at Rs. 19 on prospects of a rights issue. Mysore Electrical Industries have been taken at Rs. 168 on paying a taxable ordinary dividend of 12 percent and Mysore I.T.L. have been quoted at Rs. 6.92 on declaring a taxable ordinary divedend of 11 percent. W.I. Plywoods have changed hands at Rs. 215 on paying a taxable ordinary dividend of 16 percent. Parry's Confectionery have gained at Rs. 2.90 and Spencer have been steady at Rs. 21.25. Textool have been quoted at Rs. 152 and T. Stanes at Rs. 30.50.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 37/75—38/69—36/56—38/50—(28/37).
Burrakur Coal—Rs. 16/25—16/50—16/12—16/44—(15/50).
Dunlop Rubber—Rs. 33/81—43/62—33/62—34/56—(31/25).
Guest, Keen, Williams—Rs 23/25—25/06—23/19—24/87—(31/19).
Hindustan Motors—Rs. 17/31 x.d.—18/00—17/25—17/91—(16/22).
Howrah Jute—Rs. 16/12—16/31—16/06—16/25—(18/06).
Indian Aluminium—Rs. 31/50—32/12—31/50—32/00—(34/87).
Indian Cable—Rs. 36/50—36/50—36/50—36/50—(33/00).
Indian Copper—Rs. 3/22 x.d.—3/65—3/22 x.d.—3/62—(4/81).
Indian Iron—Rs. 24/94—26/32—24/94—26/32—(22/54).
Jaipur Udyog—Rs. 11/12—11/37—11/12—11/31—(11/44).
J. K. Cotton—Rs. 10/19—10/87—10/12—10/75—(10/56).
Kesoram Industries—Rs. 26/31—27/87—26/19—27/81—(20/87).
Orient Paper—Rs 33/20 x.d.—34/45—33/20 x.d.—34/30—(33/90).
Orissa Cement—Rs. 12/00—12/12—11/94—12/12—(14/06).
Rohtas Industries—Rs. 11/31—11/81—11/31—11/75—(11/19).
Textile Machinery—Rs. 26/10—27/65—26/10—27/65—(23/20).

GILT-EDGED

2½% Behar Zemindary (1 Collected)—Rs 51/00—51/00—51/00—51/00
3 % Loan (1970/75)—Rs. 90/35—90/35—90/15—90/30.
3 % „ (1986)—Rs. 63/25—63/95—63/20—63/27.
3 % „ (1966-68)—Rs. 98/53—98/53—98/45—98/50.
3½% „ (1965)—Rs. 100/05—100/05—100/05—100/05.
3½% „ (1966)—Rs. 100/00—100/00—100/00—100/00.
3¾% „ (1967)—Rs. 99/85—99/85—99/80—99/80.
3¾% „ (1968)—Rs. 99/85—99/90—99/85—99/85.
4 % „ (1969)—Rs. 99/75—99/75—99/60—99/60.
4 % „ (1970)—Rs. 99/05—99/15—99/00—99/05.
4 % „ (1972)—Rs. 98/88—98/88—98/88—98/88
4 % „ (1980)—99/00—99/00—97/90—97/90.
4½% „ (1986)—Rs. 100/10—100/13—100/10—100/13.
4 % Madras (1969)—Rs. 98/40—98/40—98/40—98/40.
4¼% Madras (1974)—Rs. 98/70—98/75—98/70—98/75.
4¾% Loan (1989)—Rs. 100/10—100/15—100/03—100/03
4½% West Bengal (1974)—Rs 99/60—99/60—99/60—99/60
4½% U.P. (1974)—Rs. 98/75—98/75—98/75—98/75.

BANKS

Hindusthan Commercial—Rs. 10/25—10/50—10/25—10/50—(13/25).
United Bank of India (Rs 10 Paid)—Rs. 7/56—7/66—7/50—7/66—(7/37).
United Commercial—Rs 70/00—70/00—69/50—70/00—(65/50).

RAILWAYS

Dehri Rohtas—Rs. 11/19—11/19—11/19—11/19—(13/94).
Howrah Sheakhala—Rs. 36/00—36/50—36/00—36/50—(45/00).

TEXTILES

Bharat Commerce—Rs. 21/00—21/00—20/87—20/87—(19/00).
Elgin—Rs. 19/50—20/00—19/50—20/00—(17/37)
Jagatjit—Rs. 15.25—15/25—15/12—15/12.

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Jaya Shree—Rs. 13/25—13/25—13/19—13/19—(13/87).
Mahalakshmi Fibres—Rs. 5/25—5/62—5/25—5/62.
Muir Mills (Pref.)—Rs. 98/00—98/50—98/00—98/50.
New Victoria—Rs. 1/25—1/31—1/25—1/28—(1/37)
Rampooria (Defd.)—Rs. 3/50—4/25—3/50—4/25—(2/00).
Victoria—Rs. 17/12—17/12—17/00—17/00.

COALS

Amalgamated—Rs. 21/37—21/37—21/37—21/37—(25/00).
Bengal—Rs. 236/00—236/00—235/00—235/00—(280/00).
Burrakur (2nd Pref.)—Rs. 6/37—6/37—6/37—6/37.
Bhalgora—Rs. 4/37—4/37—4/37—4/37—(4/84).
Central India—Rs. 8/50—9/00—8/50—9/00—(9/56)
Karanpura Collieries—Rs. 12/81—13/00—12/81—13/00—(15/00).
Katras Jherriah—Rs. 26/00 x.d.—28/12—26/00—28/12—(29/50).
South Karanpura—Rs. 6/12—6/12—6/06—6/06—(8/12).
Shree Mahakali—Rs. 3/62—3/69—3/56—3/56.
Union—Rs. 10/25—10/25—10/25—10/25—(11/12).
Western Bengal—Rs. 8/75—8/81—8/62—8/72—(8/81).

JUTES

Agarpara—Rs. 9/12—9/12—9/12—9/12—(10/19).
Alliance (Pref.)—Rs. 73/00—73/00—73/00—73/00.
Anglo-India—Rs. 176/00—182/00—175/00—182/00—(232/00).
Auckland—Rs. 128/00—128/00—128/00—128/00
Do. (2nd Pref.)—Rs. 61/00—61/00—61/00—61/00.
Birla (2nd Pref.)—Rs. 98/00—98/00—98/00—98/00.
Caledonian—Rs. 140/00—140/00—140/00—140/00.
Champdany—Rs. 21/25—21/25—21/12—21/19.
Cheviot—Rs. 20/00—20/00—20/00—20/00.
Chitavalsah—Rs. 8/12—8/19—8/12—8/19—(9/75).
Delta—Rs. 140/00—140/00—140/00—140/00.
Gondalpara—Rs. 14/69—15/00—14/69—15/00—(13/81).
Ganges—Rs 14/56—14/87—14/50—14/81—(14/56).
Gourepore—Rs. 22/87—23/00—22/87—23/00—(25/25).
Do. (Pref.)—Rs. 91/00—91/00—91/00—91/00
Hooghly (Pref.)—Rs. 13/19—13/25—13/19—13/25—(11/12).
Kelvin (Pref.)—Rs. 97/50—97/50—96/50—96/50.
Megna—Rs. 12/50—12/56—12/50—12/56.
Lansdowne (Pref.)—Rs. 87/00—87/00—87/00—87/00.
Lawrence—Rs. 102/00—102/00—102/00—102/00—(100/00).
Northbrook—Rs. 24/87—24/87—24/81—24/81—(28/25).
New Central—Rs. 11/00—11/37—11/00—11/37—(12/44).
National—Rs. 19/44—19/50—13/44—19/50—(23/25).
Nuddea—Rs 11/12—11/25—11/12—11/25
Presidency—Rs. 4/37—4/56—4/31—4/50—(4/62).
Rameshwara—Rs. 7/50—7/56—7/50—7/56—(9/50).
Reliance (Pref.)—Rs. 114/75—115/00—114/75—115/00—(118/00).
Soorah—Rs. 18/69—18/81—18/56—18/81—(21/00).
Waverley—Rs. 8/50—8/50—8/37—8/44.

MININGS

Bisra Stone Lime—Rs. 18/37—18/37—18/37—18/37
Metal Corpn.—Rs. 6/19—6/19—6/06—6/06—(8/12).

CEMENTS

Ashoka—Rs. 6/81—6/94—6/75—6/97—(7/75).
Bengal Potteries—Rs. 4/25—4/25—4/25—4/25—(5/25).
Dalmia (Bharat)—Rs. 12/56—12/75—12/56—12/56—(12/37).
Sone Valley—Rs. 4/12—4/12—4/00—4/09—(4/12).

CHEMICALS

Alkali & Chemical—Rs. 27/75—27/87—27/50—27/87—(31/81).
Chemicals & Fibres—Rs. 13/37—13/94—13/19—13/56.

PUBLIC UTILITIES

Benares—Rs. 13/87—13/94—13/87—13/94—(12/37).
Calcutta—Rs. 14/69—14/87—14/62—14/81—(14/62)
Do. (Pref.)—Rs. 8/15—8/31—8/15—8/31.
Mirzapore—Rs. 6/94—7/00—6/94—7/00—(12/00).
Patna—Rs. 10/44—10/50—10/44—10/50—(10/50).
Sijua Jherriah—Rs. 9/50—9/62—9/50—9/62—(8/50).
U.P.—Rs. 177/00—178/00—175/00—177/00—(117/00)

ENGINEERINGS

Bharat Ball Bearing—Rs. 10/44—10/62—10/44—10/62.
Binani Metal—Rs. 11/81—12/00—11/75—12/00—(9/37).
Britannia Eng.—Rs. 9/37—9/50—9/37—9/50—(9/69).
Bhartia Electric Steel—Rs. 14/75—14/75—14/69—14/75—(13/50).
Braithwaite & Co. (Pref.)—Rs. 110/00—111/00—110/00—111/00.
Burn & Co.—Rs. 275/00—288/00—275/00—288/00—(572/00).
Bharat Elect. Steel—Rs. 14/75—14/75—14/75—14/75.
Calcutta Steel—Rs. 13/19—13/19—13/19—13/19—(13/00).
Dalmia Iron—Rs 11/25—11/25—11/19—11/19—(10/75).
Escorts (Pref.)—Rs. 94/00—94/00—94/00—94/00.
Hindusthan Wires—Rs. 9/75—9/75—9/69—9/75.
Hooghly Docking—Rs. 76/00—76/00—76/00—76/00—(108/00).
Indian Iron (Pref.)—Rs 86/00—86/50—86/00—86/50—(84/50).
Indian Standard Wagon—Rs. 36/75—37/00—36/25—37/00—(30/06).
Indian Steel & Wire Pro.—Rs 28/00—28/12—28/00—28/12—(39/00).
Jessop & Co.—Rs. 20/87—21/31—20/87—21/19—(24/00).
J. K. Steel—Rs. 15/50—15/50—15/44—15/44—(14/00).
Jay Eng.—Rs 17/25—17/62—17/25—17/62—(20/50).
Kumardhubi—Rs. 5/25—5/41—5/19—5/41—(8/31).
Machinery Mnfg.—Rs. 24/44—24/69—24/44—24/69—(21/50).
Do. (Pref.)—Rs. 54/00—55/00—54/00—55/00
National Iron & Steel—Rs. 6/31—6/31—6/22—6/22—(4/62).
Raymon—Rs. 4/56—4/56—4/56—4/56.
Saran Eng.—Rs 8/06—8/06—8/00—8/00—(8/50)
Sen-Raleigh—Rs 13/62—13/69—13/62—13/69—(14/50).

INSURANCES

Concord of India—Rs. 9/06—9/31—9/00—9/25—(10/37).
New Asiatic—6/62—6/62—6/62—6/62.
Ruby General—Rs. 11/56—11/56—11/56—11/56—(9/31).
Triton—Rs. 127/00—127/00—127/00—127/00—(124/00)

MISCELLANEOUS

Aluminium Corpn.—Rs. 11/62—12/78—11/62—12/75—(13/50).
Associated Battery—Rs. 22/87—23/00—22/81—23/00—(24/00).
Associated Hotels—Rs. 6/94—8/00—6/94—8/00—(10/31).
Do. (Pref.)—Rs. 49/00—49/00—49/00—49/00
Angelo Brothers—Rs. 24/62—25/06—24/62—25/00—(22/87).
Asiatic Oxygen—Rs. 9/81—9/81—9/78—9/78.
Bararee Coke—Rs. 22/12—22/12—22/00—22/12—(20/87).
Bharat Nidhi—Rs. 5/62—5/62—5/56—5/56.
B. I. Corpn.—Rs. 10/12—10/25—9/94—10/19—(7/69).
Bhartia Commercial—Rs. 10/12—10/44—10/12—10/44.
Britannia Biscuits—Rs. 37/50—37/62—37/50—37/62—(42/25).
British Paints—Rs. 22/50—22/75—22/50—22/75.
Calcutta Tramways—Rs. 10/75—10/87—10/56—10/69—(10/81).
Clive Row—Rs 8/40—8/40—8/40—8/40.
Dyer Meakin Breweries—Rs. 23/50—23/50—22/19—23/19—(26/00).
Dr. Paul Lohmann—Rs. 8/06—8/19—8/06—8/19.
East Anglia Plastics—Rs. 7/00—7/00—7/00—7/00
Electric Construction—Rs. 13/12 s.t.—13/44—13/12—13/44—(12/62).
English Electric—Rs. 13/62—13/87—13/56—13/62—(13/62).
Eastern Investment—Rs. 101/00—101/00—101/00—101/00—(106/00).
Fort Gloster Industries (2nd Pref.)—Rs 70/00—70/00—70/00—70/00.
Gillanders Arbuthnot—Rs. 15/00—15/25—14/75—14/81—(14/19).
Goodyear India—Rs 21/50—21/81—21/50—21/81—(30/50).
General Tyres—Rs. 6/69—6/87—6/62—6/75.
Gwalior Rayon—Rs. 40/40—40/40—40/40—40/40—(44/00).
Hindustan Aluminium—Rs 12/31—12/69—12/25—12/56—(12/56).
Hindusthan Development—Rs. 3/81—3/94—3/69—3/94
Hindusthan Twyford—Rs. 13/25—13/75—13/19—13/75—(14/62).
Hilla Tea—Rs. 7/00—8/50—7/00—8/50.
Hindusthan Pilkington Glass—Rs. 12/94—13/50—12/81—13/50—(15/81).
Imperial Tobacco—Rs. 8/81—9/19—8/81—9/00—(10/62).
Indian Rubber Mnfg.—Rs. 21/62—21/75—21/62—21/75—(19/87).
Indian Oxygen—Rs. 24/00—24/00—23/62—23/75.
Jardine Henderson—Rs. 74/00—75/00—74/00—75/00—(86/00).
Do. (Pref.)—Rs. 55/50—57/50—55/50—57/00
J. K. Synthetics—Rs. 11/44 s.t.—11/81—11/44—11/75—(10/12).
Jayshree Tea Industries—14/19—14/31—14/12—14/31—(16/00).
Martin Burn—Rs. 25/37—25/37—25/37—25/37—(26/50)
Marwar Trading—Rs 164/00—164/00—164/00—164/00.
National Insulated Cable—Rs. 26/06—26/37—26/00—26/37—(22/56).
National Rolling & Steel Ropes—Rs 21/31—21/56—21/25—21/56—(18/69).
National Rubber Mnfg.—Rs. 10/94—11/06—10/94—11/06—(10/56).
National Tobacco—Rs. 11/19—11/19—11/19—11/19
New India Investment—Rs. 58/00—60/00—58/00—60/00.
Philips India—Rs. 27/50—27/62—27/37—27/37—(27/37).
Rohtas Industries ('A' Pref.)—Rs. 107/00—107/00—107/00—107/00.
Ralli India—Rs. 122/00—123/00—122/00—123/00—(112/00).
Sirsilk—Rs. 6/94—6/94—6/69—6/94—(8/94)
Shaw Wallace—Rs. 14/56—14/62—14/56—14/62—(16/31).
Do. (Pref.)—Rs 56/25 s.t.—56/50—56/25—56/50.
Union Co.—Rs. 82/00—82/00—82/00—82/00.
Union Carbide—Rs. 30/00—30/25—30/00—30/25—(38/69).
Usha Martin—Rs. 14/50 s.t.—14/75—14/50—14/75—(13/00).
Universal Cables—Rs 10/00—10/06—9/94—10/00—(9/31).
Universal Elect.—Rs. 7/12—7/19—7/06—7/15.
Walford Transport—Rs. 3/06—3/06—2/94—3/00—(3/81).

OIL

Indo-Burma Petroleum—Rs. 20/81—20/87—20/69—20/69—(21/12).

PAPERS

Bengal—Rs. 26/12—26/44—26/12—26/31—(26/31)
Ballarpur—Rs 17/44—17/62—17/44—17/62—(16/12).
India Paper Pulp—Rs. 22/37—22/44—22/19—22/19.
Shree Gopal (2nd Pref.)—Rs. 99/50—99/50—99/50—99/50.
Seshasayee—Rs. 7/44—7/50—7/44—7/50—(7/50)
Star—Rs. 8/50—8/50—8/00—8/00—(8/87)
Sirpur—Rs. 11/12—11/50—11/12—11/50—(11/50).
Straw Products—Rs 8/50—8/69—8/50—8/56—(9/12).
Titaghur—Rs 13/81—13/87—13/75—13/81—(16/00).
Do. (P.O.)—Rs. 3/31—3/37—3/31—3/37—(3/87)
West Coast—Rs. 164/00—164/00—164/00—164/00.

SHIPPINGS

India Steamship—Rs. 6/44—6/56—6/37—6/50—(6/12).
Port Shipping—Rs. 14/81—15/25—14/81—15/25—(13/62).

REAL PROPERTIES

Humayan Properties (Pref.)—Rs. 6/62—6/87—6/62—6/87.
Midnapore Zemindary—Rs. 27/00—32/00—27/00—32/00—(10/37).

SUGARS

Balrampur—Rs. 1/75—1/81—1/80—1/81—(2/00).
Belsund—Rs. 7/62—7/62—7/62—7/62—(8/25).
Cawnpore—Rs 9/31—9/75—9/31—9/62—(9/75)
Carew—Rs. 12/25—12/25—12/25—12/25.
Champaran—Rs. 11/00—11/00—11/00—11/00.
New India—Rs. 30/00—30/00—30/00—30/00.
Do. (Pref.)—Rs. 101/00—101/00—101/00—101/00.
Purtabpore (Pref.)—Rs. 13/50—13/50—13/44—13/44.
Ryam—Rs. 4/00—4/00—4/00—4/00—(5/20).
Raza Buland—Rs. 10/00—10/12—10/00—10/12—(9/75)
Shree Krishna Gyanoday—Rs. 7/75—7/75—7/75—7/75.
Do. (6% Pref.)—Rs. 62/00—62/00—62/00—62/00.
Shree Sitaram—Rs. 7/25—7/28—7/25—7/28—(7/12).
Tulsipur—Rs. 4/00—4/00—4/00—4/00.
United Provinces—Rs. 12/00—12/00—12/00—12/00—(9/00).

TEAS

Bishnauth—Rs. 13/75—13/75—13/69—13/69—(17/56).
Bateli—Rs. 16/87—17/06—16/87—17/06—(17/50)
Brooke Bond—Rs. 10/25—10/44—10/25—10/37—(11/50).
Dauracherra—Rs. 15/25—15/25—15/12—15/19—(7/56).
Dejoo Valley—Rs. 40/00—40/00—40/00—40/00—(60/00).
Gungaram—Rs 120/00—121/00—120/00—121/00—(131/00).
Grob—Rs 6/69—6/69—6/62—6/62—(7/69).
Hanuman—Rs. 10/12—10/12—10/12—10/12.
Huldibari—Rs. 12/12—12/31—12/12—12/31—(13/31).
Karnafuli—Rs. 10/00—10/06—10/00—10/06.
Kotamullai—Rs. 10/00—10/00—10/00—10/00
Lackatoorah—Rs. 15/56—15/56—15/56—15/56
Mothola—Rs. 425/00—425/00—425/00—425/00—(507/00).
New Samanbagh—Rs. 15/50—15/50—15/50—15/50
Poobong—Rs. 10/50—10/50—10/50—10/50—(7/19).
Patrakola—Rs. 208/00—209/00—208/00—209/00—(125/50)
Phaskowa—Rs. 121/00—121/00—121/00—121/00
Sungma—Rs. 12/31—12/31—12/31—12/31—(13/94).
Tongani—Rs. 5/00—5/00—5/00—5/00—(7/00).
Tezpore—Rs. 13/19—13/31—13/12—13/31—(14/25).
Teliapara—Rs. 160/00—175/00—160/00—175/00—(99/00).
Tyroon—Rs. 25/00—25/00—24/75—24/87.

DEBENTURE

5½% Dehri Rohtas Rly.—Rs. 92/00—92/00—92/00—92/00.

London

POLL RESULT BOOSTS INDUSTRIALS

GILT-EDGED RISE

London, 19th August.

THE stock market made further progress prior to the week-end, but quieter and easier conditions developed afterwards. On balance however, the market gave quite a good account of itself and many gains were recorded on the week. The pre-weekend advance carried the *Financial Times* industrial ordinary index to a new all-time peak, but there was some reaction subsequently. While Cyprus and the Far East situations were restraining influences, the market was dominated by domestic politics in view of the approaching general election which is only about two months ahead. A public opinion poll indicating that the Labour Party's lead in the election stakes had been virtually eliminated was mainly responsible for the rise which took the index to its new peak. There was a large option business in steels and properties. Leading industrials moved up prior to the week-end, but the gains were substantially reduced later. Many good features appeared elsewhere in industrials following good company news or favourable Press comment. Gilt-edged improved to show small gains on the week. Mining sections moved within narrow limits with the firmness of leadzincs the best feature. Sharp rises in B.P. and Burmah provided the features in oils. Rubbers displayed features in oils.

RESERVE BANK

ISSUE DEPARTMENT

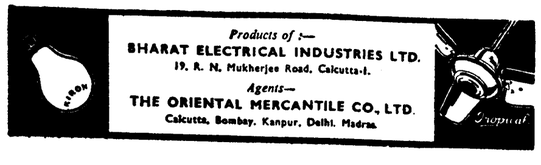
(In 000's of Rupees)	Week Ended 14-8-64	7-8-64	16-8-63
Liabilities—			
Notes in Banking Dept.	16,25,31	9,98,55	12,26,77
Notes in Circulation	24,52,96,57	24,58,93,41	22,36,43,42
Total Notes issued	24,69,21,88	24,68,91,96	22,48,70,19
Assets—			
A. Gold Coin and Bullion	1,17,76,10	1,17,76,10	1,17,76,10
Foreign Securities	85,45,69	85,45,69	90,26,14
Total of A	2,03,21,79	2,03,21,79	2,08,02,24
B Rupee Coin	1,05,12,13	1,04,89,71	1,19,36,19
Rupee Securities	21,60,87,96	21,60,80,46	19,21,31,76
Total	24,69,21,88	24,68,91,96	22,48,70,19

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long Term Operations) Fund	86,00,00	86,00,00	73,00,00
National Agricultural Credit (Stabilisation) Fund	9,00,00	9,00,00	8,00,00
National Industrial Credit (Long Term Operations) Fund	10,00,00	10,00,00	...
Deposits—			
(a) 1 Central Govt.	68,79,89	83,04,08	57,35,72
2. State Govts.	23,20,81	26,56,72	16,54,54
(b) Banks :—			
(i) Scheduled Banks	1,13,45,60	94,83,38	86,78,89
(ii) State Co-operative Banks	2,31,29	2,42,73	1,78,87
(iii) Other Banks	1,68	1,37	4,86
(c) Others	1,88,56,63	1,89,58,38	2,03,12,28
Bills Payable	30,35,31	34,76,51	33,23,72
Other Liabilities	21,81,12	21,16,18	19,09,55
Total	6,38,52,43	6,42,39,15	5,83,98,43
Assets—			
Notes	16,25,31	9,98,55	12,26,77
Rupee Coin	4,56	5,34	2,65
Small Coin	5,36	5,18	2,68
National Agricultural Credit (Long Term Operations) Fund			
(a) Loans and Advances to :—			
(i) State Govts.	28,29,50	28,29,51	27,16,59
(ii) State Co-operative Banks	12,59,53	12,68,15	10,28,78
(iii) Central Land Mortgage Banks	...	...	...
(b) Investment in Central Land Mortgage Bank Debentures	4,39,95	4,34,62	3,34,60
National Agricultural Credit (Stabilisation Fund Loan and Advances to State Co-operative Banks	...	...	...
Bills Purchased and Discounted :—			
(a) Internal	...	...	...
(b) External	...	...	...
(c) Govt Treasury Bills	...	...	...
Balances Held abroad	1,25,32,20	1,11,69,35	1,04,17,46
Loans and Advances to Govt.	8,79,73	8,19,66	4,27,63
Loans and Advances to :—	19,20,27	16,88,00	12,99,95
(i) Scheduled Banks	1,89,30	3,40,85	31,80
(ii) State Co-operative Banks	1,43,97,38	1,43,47,80	1,29,23,26
(iii) Others	2,32,69	2,32,69	1,62,30
Investments	2,50,00,79	2,75,88,38	2,54,41,34
Other Assets	25,35,96	25,11,07	23,62,62
Total	6,38,52,43	6,42,39,15	5,83,98,43

SCHEDULED BANKS

(In 000's of Rupees)	Week Ended 7-8-64	31-7-64	9-8-63
(i) Demand Liabilities—			
(a) Demand Deposits :			
(1) From Banks	66,62,63	64,74,57	52,37,11
(2) From others	11,04,45,91	11,09,20,48	9,40,33,96
(b) Borrowing from Banks	34,11,80	34,47,11	26,88,63
(c) Others	78,81,02	73,73,48	66,25,09
(ii) Time Liabilities—			
(a) Time Deposits :			
(1) From Banks	40,61,36	41,37,41	33,71,80
(2) From others	13,35,03,71	13,28,48,95	12,21,20,85
(b) Borrowing from Banks	16,03,56	16,83,86	18,06,57
(c) Others	12,36,64	12,22,06	10,61,83
(iii) Borrowing from State Bank—			
(a) Demand Liabilities	6,23,33	6,98,95	4,70,12
(b) Time Liabilities	17,40,00	16,58,96	14,40,00
(iv) Borrowing from Reserve Bank	4,03,36	1,99,90	3,11,25
(v) Cash	64,72,46	63,06,68	51,49,81
(vi) Balances with the Reserve Bank	96,35,56	95,48,15	87,43,30
(vii) Balances with other Banks in current account	22,52,55	22,57,01	19,89,90
(viii) Money at call and short notice	66,67,85	67,34,35	50,95,36
(ix) Investments in Central and State Govt. Securities	7,64,20,81	7,61,35,67	7,16,13,18
(x) (a) Loans, Cash Credits and Overdrafts	14,98,11,33	14,95,38,62	12,73,41,59
(b) Due from Banks	8,24,82	8,32,79	9,08,43
(xi) Inland Bills purchased and discounted	1,69,85,23	1,65,36,13	1,63,47,63
(xii) Foreign Bills purchased and discounted	68,94,53	69,13,15	50,65,82
(xiii) Total of X, XI and XII	17,45,16,01	17,38,20,69	14,96,63,37



Money

THE CALCUTTA MONEY MARKET

SLIGHT DECREASE IN ADVANCES

Wednesday, 19th August.

THERE has been a slight decrease in the general level of advances in the Calcutta money market during the past week. This is due to the slight fall in the credit given to the iron, steel and engineering industries, and to the foodgrains trade. Advances to cotton, jute and sugar mills remain unchanged. In the interbank market, conditions are easy, and the call rate has been marked down to 1 percent.

The exchange market has been moderately active, but the supply of tea and gunny bills is considerably less than last week. The demand for remittances is poor. In London, sterling has lost further ground against all important currencies except the Danish krone.

BULLION WAS STEADY IN CALCUTTA during the past week. Silver was quoted around Rs. 248.25. The price amounted to 112⅛d in London and 129.3 cents in New York.

In sympathy with silver gold was steady and the price of 14-carat rose to Rs. 74 a 10 grammes.

DURING THE WEEK ENDED 14TH August, Government of India Treasury bills for Rs. 84,55,00,000 were sold in favour of the Reserve Bank.

TENDERS FOR Rs. 2 CRORES OF 91-day Government of India Treasury bills were opened on 18th August. The total amount offered was Rs. 4 crores. Tenders at Rs. 99.400 percent were allotted 50 percent. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.4 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received in Kanpur up to the close of business on 29th August 1964, and at other centres up to the close of business on 31st August.

IT IS STATED THAT 91-DAY INTERmediate Treasury bills will be sold from 19th August to 29th August at Rs. 99.416 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 12th August to 14th August amounted to Rs. 8,55,75,000.

ACTIVE NOTES DROPPED BY Rs. 5.96 crores to Rs. 2,452.97 crores, according to the return of the Reserve Bank of India for the week ended 14th August, 1964. The total note issue was Rs. 30 lakhs larger at Rs. 2,469.22 crores. So, notes held in the Banking Department were Rs. 6.26 crores bigger at Rs. 16.25 crores. Deposits of the Government of India declined by Rs. 14.24 crores to Rs. 68.80 crores and those of State Governments by Rs. 3.36 crores to Rs. 23.21 crores. Balances of scheduled banks at Rs. 113.46 crores showed a rise of Rs. 18.63 crores. Balances held abroad rose by Rs. 60 lakhs to Rs. 8.80 crores. Investments at Rs. 250.01 crores showed a drop of Rs. 25.87 crores. Loans to scheduled banks declined from Rs. 3.41 crores to Rs. 1.89 crores of which advances against usance bills amounted to Rs. 50 lakhs, against Rs. 1.15 crores. Ways and means advances stood at Rs. 19.20 crores, against Rs. 16.88 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 7th August, 1964, shows a rise of Rs. 51 lakhs to Rs. 648.26 crores in total deposits. Investments in Government securities are up by Rs. 1.88 crores to Rs. 290.11 crores, while other authorised investments remain unchanged at Rs. 9.44 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have risen by Rs. 19 lakhs to Rs. 344.84 crores. Cash and balances are, in consequence, shown at Rs. 25.73 crores or Rs. 6.41 crores less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 7th August, 1964, shows Demand and Time liabilities at Rs. 1,284.01 crores (Rs. 34.12 crores on account of borrowings from banks) and Rs. 1,404.05 crores (Rs. 16.04 crores), compared with Rs. 1,282.25 crores (Rs. 34.47 crores) and Rs. 1,399.42 crores (Rs. 16.84 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have increased by Rs. 1.63 crores and Rs. 8 lakhs to Rs. 64.72 crores and Rs. 95.56 crores, respectively. There is a rise of Rs. 2.85 crores to Rs. 764.21 crores in investments. Advances and bills discounted at Rs. 1,745.16 crores show a rise of Rs. 6.95 crores. The ratios to total liabilities of cash and balances and of advances and discounts are, in consequence, shown at 6 percent nad 64.9 percent, against 5.9 percent and 64.8 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 21-8-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
21-8-64	24-11-64	2,00,00	Rs. 2.400%
14-8-64	17-11-64	2,00,00	Rs. 2.400%
7-8-64	10-11-64	2,00,00	Rs. 2.393%
31-7-64	3-11-64	2,00,00	Rs. 2.399%
24-7-64	27-10-64	2,00,00	Rs. 2.400%
10-7-64	13-10-64	2,00,00	Rs. 2.500%
3-7-64	6-10-64	2,00,00	Rs. 2.994%
26-6-64	29-9-64	2,00,00	Rs. 2.995%
19-6-64	22-9-64	2,00,00	Rs. 3.000%
12-6-64	15-9-64	2,00,00	Rs. 3.000%
5-6-64	8-9-64	2,00,00	Rs. 3.000%
29-5-64	1-9-64	2,00,00	Rs. 3.000%
22-5-64	25-8-64	2,00,00	Rs. 3.000%

(Monthly Maturities 000's omitted)

August, 1964	2,00,00
September 1964	10,00,00
October, 1964	6,00,00
November, 1964	8,00,00
Total	26,00,00

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
14-8-64	95,36,60	93 15.80
7-8-64	97,61,30	
31-7-64	92,87,06	1,19,13.00

THE BOMBAY GAS COMPANY LIMITED

CHAIRMAN, MR. N. K. JALAN'S ADDRESS

The following is the address by the Chairman, Mr. N. K. Jalan at the Annual General Meeting of The Bombay Gas Company Limited on Tuesday the 18th August, 1964.

Gentlemen,

I have pleasure in welcoming you to the Annual General Meeting and to present to you the Balance Sheet and the Annual Accounts, together with your Directors Report, for the year ended 31st December, 1963. These have been in your hands for some time now and, with your permission, we may take them as read.

Company Incurs Substantial Losses

You would have found that the Accounts for the year 1963 reveal a very poor and disappointing financial result of the working of the Company, entailing a very heavy and abnormal loss of Rs. 10.31 lakhs compared with a loss of Rs 1 92 lakhs for 1962. The principal factors responsible for this further substantial increase in the Company's loss to the tune of some Rs. 8.39 lakhs were (a) increase in cost of coal and freight charges by Rs. 3.37 lakhs, (b) Emergency Risk Insurance, being Rs. 1.53 lakhs against nil in 1962, (c) interest on overdraft, etc., and (d) other general increases and incidence of annual increase in total staff and labour payments, etc. Your Directors regret that owing to this extremely unsatisfactory financial result of the operation of the Company, no dividend can be paid to the stockholders for the year under review, this being the second consecutive year for which the Company has been unable to declare a dividend. We need hardly point out that this is bound to produce further unfavourable reaction on the already depressed investment market of the country.

The current year's (i.e., 1964) working is going to be affected still more adversely on account of substantial increases in cost under several items. Thus, the increase in railway freight/surcharge from 1st April, 1964, and increase in cost of coal from 5th June, 1964, together with the full impact of the rise in the cost of coal sanctioned earlier in 1963, are estimated to cost an additional amount of Rs. 4.52 lakhs. Secondly, as per the Lakdawala Committee's recommendations regarding increases in the dearness allowance of workers and staff and as sanctioned by the Maharashtra Government with effect from 1st January, 1964, the annual salaries and wages expenditure would increase by Rs. 2.10 lakhs. Thirdly, the projected minimum bonus as per the recommendations of the Central Bonus Commission, which are currently under the active consideration of the Government of India, when applied to the existing level of wages and salaries, without taking into consideration the effect of time-scale increment as per Awards, etc., would add a further amount of Rs. 1.54 lakhs to the total expenditure. Fourthly, time-scale increment of wages and salaries would cost Rs. 95,000 per year. These items, together with the increased impact of certain other statutory increases in the course of 1963, fully operative in 1964, increases in municipal rates/taxes etc., would account for an increased expenditure of over Rs. 10 lakhs in 1964 above that of 1963. On this basis, the total loss from the Company's operations in the current year (1964) would come to the alarming figure of well over Rs. 20 lakhs.

The paid up capital of the Company is Rs. 40 lakhs and there is a Reserve of Rs. 12.61 lakhs, out of which Rs. 9.50 lakhs has already been eaten up on account of the heavy loss incurred during 1963. With the currently running rate of loss of Rs. 20 lakhs per annum, by the end of the present year, practically the whole of the Reserves and fully one-half of the paid up capital of the Company would have gone. It would be easily appreciated that, with its capital and Reserves drastically depleted to the extent of Rs. 30 lakhs, or by almost 60 per cent of the total, it will just not be possible for the Company to carry on any longer.

The Accounts of the Company are also independently audited every year by the Government Auditors. According to the Reports of the Deputy Director of Government Commercial



Mr. N. K. Jalan

Audit, the Company had incurred deficits in what is considered to be reasonable return in 1959, 1960, 1961 and 1962, the deficit for 1962 having been as high as 162 per cent. And on the basis of the financial results of the Company's working in 1963, the percentage of deficit, according to the methods adopted by the Director of Government Commercial Audit, would be 5.3 times as high, i.e., 860 per cent of the reasonable return. In this connection, it may be pointed out that for purposes of calculating reasonable return for 1961 and 1962, the Deputy Director of Government Commercial Audit, under instructions from the Government, arbitrarily and drastically reduced the capital base of the Company from that used for the immediately preceding two years, i.e., 1959 and 1960. Thus, whereas the capital base used for 1959 was £875,396 (Rs. 1.17 crores), the capital base used for 1961 was taken at only £269,213 (i.e., Rs 35.90 lakhs), which meant an unjustifiable reduction in the capital employed by about 70 per cent. Again, whereas, in the earlier two years of 1959 and 1960, the rate of return on capital was taken at 8.9 per cent, the rate taken for 1961 and 1962 was 7.5 per cent. On this account, whereas the amount of reasonable return for 1959 was estimated at £77,910 (i.e., Rs. 10.30 lakhs), the corresponding figure of reasonable return for 1962 was only £21,302 (i.e., Rs. 2.84 lakhs). Had the capital base and the rate of return thereon for 1962 been calculated under the same principles and methods as had been applied for the years 1959 and 1960, the figure of deficit for 1962 would have become much higher than what it is shown to be.

Prima Facie Case for Increase of Gas Price

These recurring and rapidly mounting shortfalls in what the Deputy Director of Government Commercial Audit has determined to be reasonable return on the capital employed by the Company, for four successive years, 1959 to 1962, at long last convinced the Government that there was a strong prima facie case for an increase in the price of gas and a high-power Gas Advisory Committee was appointed on the 16th February, 1963, to go into the question of a reasonable price for gas. At the instance of the Committee, experts of the Finance Department of the Government carried out a thorough examination of the Accounts of the Company and confirmed that the current rate for gas was clearly and definitely uneconomic in the sense of not even covering the bare costs of production and distribution of gas, with the result that the Company was running at a loss. Subsequently, in August, 1963, the Advisory Committee held detailed discussion with the Company's representatives and, apparently, the Committee, also, was convinced that there was a clear and strong case for an increase in the price of gas.

Appointment of Gas Advisory Committee

The Committee would have submitted its findings and recommendations to the Government by 31st October, 1963, being the date of expiry of its term of office, i.e., after eight and a half months from the date of its appointment.

As indicated in the earlier paragraphs, due to continuous rises in the costs of production and distribution of gas, the Company's financial condition was fast deteriorating and the Company made urgent representations to Government for an early sanction of a reasonable rise in the price of gas. And, full five months after the submission of the Advisory Committee's Report, the Government wrote a letter to the Company on 31st March, 1964, in which the Government asked for a "binding undertaking" to implement an expansion programme in the event of a reasonable increase in gas price. In reply to this letter, the Company solemnly re-affirmed the undertaking that had been already given in the course of its several representations, to implement a programme of expansion designed to give 15,000 to 20,000 new gas connections within a period of 3 to 4 years, in the event of an early and adequate rise in the price of gas.

Consumers Enthusiastic for new Gas Connections with moderate increase of price—Company takes preliminary steps

In the light of the foregoing developments, the Company had been led to anticipate a rise in the price of gas. And it proceeded to circularise some 3000 applicants for gas connections on its waiting list to the effect that if they were still interested in receiving gas connections, the Company would survey their premises and prepare and furnish estimates of costs of fittings, labour, etc., The Company received an immediate and enthusiastic response from over 1500 would-be consumers, and several hundred citizens got their premises surveyed and promptly deposited the estimated costs of fittings, etc. In the circulars issued to the applicants for new gas connections, it had been clearly pointed out that these essential preliminaries were being carried out to facilitate the immediate installation of gas connections without allowing any loss of time, in the event of an increase in gas price being sanctioned by Government. The very fact that over 1500 applicants for new gas connections eagerly responded to the Company's circular by requesting the Company to survey their premises while a majority of them promptly deposited with the Company the estimated costs of fittings, etc., would go to show very clearly that the members of the public were ready and willing to pay an adequately increased price for gas to receive new gas connections. Information regarding these important preliminary steps for giving new gas connections, was duly communicated to the Government.

Government's Mysterious Silence on the Gas advisory Committee's Report

The Government having appointed, under Section 5 of the Bombay Gas Supply Act, 1939, a Gas Advisory Committee to go into the question of a fair and reasonable price for gas, and the said Committee having duly submitted its recommendations to the Government in this behalf, we are advised that the Government were required under Section 6 of the same Act, to make rules prescribing, in accordance with the recommendations of the Advisory Committee, the limits of prices which the Company may charge. It is a matter of great regret and surprise that, even eighteen months after the date of the appointment of the Advisory Committee and over nine months after the receipt of the Committee's Report in this bahalf, and in spite of our repeated representations pointing out the financial difficulties through which the Company had been passing, the Government has not yet seen fit to sanction the gas price increase to which the Company is specifically entitled in law and equity.

Established Principles of price Fixation

In the matter of price control, it is a well-recognised principle or convention that control prices of commodities and services should cover (a) all indisputable cost increases, (b) a moderate return on the capital employed, and (c) reasonable surplus for Reserves. In a number of important cases, such control prices sometimes include also a substantial element intended to contribute partially towards the cost of expansion. This principle has been honoured in India over a wide field of price control, more or less continuously, ever since control was instituted during the Second World War. It has also been honoured by and large in all the advanced and developing countries. In India, in accordance with this principle, practically all control prices, such as those of iron and steel, cement, coal, sugar, etc., have gone up several times. Thus, for instance, in the case of a basic commodity like steel, the control price of which had been fixed at Rs. 393 per ton from 1st February, 1956, was raised to Rs. 474.59 per ton, i.e., by Rs. 81.59 or 21% with effect from 31st March, 1960, and again to Rs. 522.50 per ton, i.e., increased by Rs. 47.91 or 10% with effect from September, 1962, the total increase within the period of 6½ years being 31%. With effect from 29-2-64, several items of steel, viz., structurals, light bars, heavy bars, rails, blooms and hoe-bars were decontrolled and the authority for the fixation of their prices was given to the Joint Plant Committee comprising the Iron & Steel Controller and representatives of all the steel producers in the public and private sectors. Immediately, the prices of most categories were raised, the increase in the case of untested rails being from Rs. 655 to Rs. 710 per tonne or 8.4% and tested rails from Rs. 694 to Rs. 755 per tonne or 8.8%. With effect from 1st March, 1964, the prices of several categories of iron and steel, such as Pig Iron Grade 1, Ingot Mould 1 tonne and below, billet, tin bars, skelp, black sheet, G. C. sheet, plates, R. R. strips, C. R. sheets, cotton baling hoops, jute baling hoops, etc., which are still under control, were also raised. Thus, for example, the price of pig iron grade 1 was raised from Rs. 246 to Rs. 282 per tonne or by about 15% ingot mould, 1 tonne and below, from Rs. 148 to Rs. 223 per tonne or 50.7%. The price of untested tin bars was raised from Rs. 473 to Rs. 547 per tonne or by 16% and tested tin bars from Rs. 503 to Rs. 592 per tonne or by 17%. (The above prices are inclusive of excise duties.) As regards coal, the cost of coking coal, inclusive of freight, as

supplied to the Bombay Gas Co., was increased from Rs. 47.36 per tonne in 1957 to Rs. 56.73 per tonne in 1961, to Rs. 59.67 in 1962, to Rs. 63.31 in 1963, and to Rs. 68.13 in the early part of 1964, the total increase during the last seven years being Rs. 20.77 per tonne or 43.86%. In Bombay itself, the Tata Hydro Electric Co. raised the rate for electricity by levying a surcharge of 10.5% from 1st July, 1962, and again by 26.4% with effect from 1st May, 1963, on account of increase in the cost of coal, freight, etc. It may also be noted that in the same city of Bombay, the municipal assessment of cotton mills was raised on the basis of quinquennial valuation from Rs. 3 in 1933 to Rs. 7 in 1958 per 100 sq. ft. of processing block, i.e., by 133 per cent in 25 years; and from Rs. 2 in 1933 to Rs. 6 in 1958 per 100 sq. ft. of non-processing block, i.e., by 200 per cent in a period of 25 years. It may be mentioned that the increased rates of 1958 were imposed in spite of general public protest. The Maharashtra State Electricity Board itself, after the takeover of the Poona Electric Supply Co., raised the rate for electricity in Poona per unit from 13 nP to 31 nP, i.e., by 138% on account of rise in cost. The Oriental Gas Co. of Calcutta, which was taken over by Government in 1960, has recently increased the effective price for gas by approximately 35 per cent in an indirect manner on the plea of improvement in quality. It is pertinent to mention that this Company had already before raised the rate for town's gas from Rs. 4 per '000 cubic feet in 1945 to Rs. 5.75 per '000 cubic feet in 1948, i.e., by 43.75 per cent. Thus, in the case of the Oriental Gas Co., the increase in the price of gas over a period of 19 years has been about 95 per cent. Incidentally, it may be mentioned that the nationalisation of the Oriental Gas Co. of Calcutta, instead of improving the quality of service and reducing the price for gas, has, on the country, led to a substantial increase in the price of gas on the one hand and serious deterioration in the quality of service to the consumers on the other, and, consequently, there has been much public criticism and resentment at the arbitrary manner in which the increased charges for gas are billed. The B.E.S.T. undertaking of the Bombay Municipality, with effect from 21st April, 1963, has raised the minimum bus fare from 7 nP to 10 nP, i.e., by 43 per cent. It is also reported that the same undertaking is presently contemplating further increases in bus fare. During the last six years (1958-64), in the city of Calcutta, the bus and tram fares have been raised twice, first in 1958 on the recommendation of a Commission of Inquiry and just recently, with effect from 29th April, 1964, on accont of rise in the cost of maintenance and service, and the public of Calcutta have accepted these two rises without any protest whatsoever. On this latest occasion, the lowest tram fare in Calcutta was raised from 6 nP to 7 nP per ticket, i.e., by 17%. Likewise, Delhi Transport Undertaking is reported to have also recently increased the bus fares by 50 to 80 per cent. It may also be mentioned that the Bombay Municipality, within a period of 8 years, from 1948 to 1956, has raised water charges per '000 gallon from Re. 1 to Rs. 1.50, i.e., by 50 per cent. It will be noted that these are very essential commodities and services affecting the pockets of even the poorest working class people.

Consumers do not Grudge reasonable increase in Gas price

The claim of the Bombay Gas Company to an adequate increase in the price of gas is based on the well-recognised economic principle or convention mentioned above. It is, also, as explained earlier, based specifically on the Company's legal right under the Bombay Gas Supply Act, which is the obverse of its legal obligation under that Act to supply gas at such control price as may be fixed by Government from time to time in accordance with the recommendations of the Gas Advisory Committee. Such being the case, it is difficult to understand the reasons or the motives which may be weighing with the Government in taking no action, or, at any rate, in going slow in dealing with, the Company's well-proven case for an adequate increase in the price of gas. The spokesmen of the Government have sometimes suggested that the consumers of gas, by and large, being lower middle-class people, a rise in the price of gas would hit them hard and provoke resistance. Such a view would be altogether ill-founded and unsound, for, by far the largest number of consumers of town's gas reside in such aristocratic localities as Malabar Hill, Marine Drive, Cumballa Hill, Cuffe Parade, Fort, etc., or are flourishing business units in different parts of the City. At a time when even the poorest classes are under compulsion to bear the heavy burden of rising prices of essential commodities and services, like electricity, transport, etc., it is most unreasonable to hold that a moderate increase in the current price of gas, which, by the way, was fixed as long ago as in 1949 and which, incidentally, is somewhat lower than what it had been in 1926, would inflict an excessive burden on the rich and prosperous individuals who are priviledged to live in those expensive areas and who have enjoyed the advantage of subsidized gas price over the years. That there is no substance at all in this view regarding the burden of an increase in gas price on the consumers, would be crystal-clear from the fact that, according to available information, there are at the present time in the city of Bombay itself over 104,000 consumers of Liquid Petroleum Gas with the trade names of 'Burshane' and 'Mobilflame', with another 64,000 consumers of this bottled gas being located in other parts of Maharashtra and certain parts of Gujarat (i.e., old Bombay State), who readily buy this Liquid Petroleum Gas at nearly 4 times the price of town's gas. It is altogether anomalous, unjust and inequitable to hold that a moderate increase in the present town's gas price of Rs. 3.94 per unit consumed by some 18,000 rich and prosperous consumers including modern, luxurious hotels and big industrial units, would be an excessive burden to them while in the very same city of Bombay hundreds of thousands of consumers, many of them being in the Middle-Income brackets, are eagerly and spontaneously buying and consuming Liquid Petroleum Gas at a higher price of around Rs. 16 per unit, without causing any complaint or unfavourable comments in any quarters including the general public and the Government. In this connection, it is interesting to note that at the present time ESSO Oil Company is reported to be enlisting 2,000 new consmers every month in the Bombay city itself and that in the city of Calcutta, where the supply of Burshane was started on 1st July, 1964, the registration of new consumers of this bottled gas is proceeding at the rate of 400-500 per day. In this connection, it would be quite proper and pertinent to raise the question whether it was not a patently and grossly discriminating policy on the part of the Government to peg down, most rigorously and inflexibly, the control price of town's gas to Rs. 3.94 per '000 cubic feet over a period of almost two decades despite enormous increases in all important costs and prices during the time, while, at the same time, freely allowing two Oil Companies to sell a substitute for piped town's gas, namely, Liquid Petroleum Gas, at almost four times the price of town's gas, namely, Rs. 16 or more per equivalent unit in terms of thermal power to over 168,000 consumers of middle-income bracket groups in the self-same city of Bombay and in certain contiguous areas of Maharashtra and Gujarat, the unjust discrimination being in effect applied against the Bombay Gas Co., which has been rendering a good service to the city of Bombay, continuously for almost two decades, by supplying piped gas, the most convenient form of fuel, at a rate which is by far the cheapest rate in any part of the world including the most advanced countries of modern times. It may also be pertinently asked whether it is not extremely anomalous and paradoxical that, whereas the rate for electricity in greater Bombay has been increased by 37.1 per cent in the course of only 2 years, which certainly hit hard many millions of consumers of lower-income groups, the Government of Maharashtra is found to show such excessive solicitude for the 18,000 consumers of town's gas belonging to the upper-income bracket groups, that they appear to have firmly resolved that not even a moderate increase be granted in the price of town's gas however justifiable it might be in law and equity and by considerations of indisputable and well-proven increases in the costs of production and distribution of gas.

Company has made Substantial Expansion of Supply

The present management carried out substantial expansion of production and increased gas supply by 64 per cent from 988,242,300 cft. in 1946 to 16,13,887,000 cft. in 1963. New gas connections came to 3,430, out of which 2,500 were given in 1957-58, in response to an assurance informally given by the then Ministers concerned to the effect that if the Company carried out expansion and gave new gas connections, the Government would favourably consider the question of an increase in the price of gas. The Company, in good faith, carried out this substantial expansion programme. In this connection, it may also be pointed out that, had the average consumption of gas per consumer remained unchanged at the level of 1946, the expanded gas supply would have sufficed to add some 9,000 new gas connections to the 14,831 in existence at 1946. However, while the Company invested a considerable amount on this occasion to give new gas connections and thus fulfil its part of the informal understanding, the Government gave no price increase whatsoever. This was also an important instance of unfair and inequitable treatment received by the Company at the hands of the Government.

We invested in 1946 a very large amount of money to acquire the assets of the Bombay Gas Co., from its foreign owners. This fact was admitted by the First Gas Advisory Committee headed by Sir Navroji J. Wadia, a retired Judge of the Bombay High Court. Since then, the Company has put back into the undertaking some Rs. 70 lakhs of which about Rs. 17.31 lakhs was spent as lately as in 1962 and 1963 to provide some ancillary facilities, such as complete re-sheeting of a gas-holder, setting up an elevated purifier box and enlarging the gas mains at important places, etc., with a view to facilitating the flow of larger gas supplies proposed to be immedi-

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Director General — Shri Bhekh Bahadur Thapa.

Acting General Manager — Shri Ananda Bhakta Rajbhandary.

Telegrams — "Nepaluxmi," Telephones: 11185 & 11337.

Liabilities *Assets*

	1963	April 12, 1962		1963	April 12, 1962
	Rs.	Rs.		Rs.	Rs.
Capital	2,500	2,500	Cash	33,993	27,992
Reserves	7,032	6,656	Investment	160	120
Deposits	94,503	80,382			
Other Liabilities	5,954	3,198	Loan & Discts.	74,069	63,006
Contra A/cs.	10,940	7,958	Contra A/cs.	10,940	7,958
Profit & Loss	699	790	Other assets	2,466	2,408
	1,21,628	1,01,484		1,21,628	1,01,484

this case, also, the Compay put back into the undertaking these large sums in perfect good faith in the intentions of the Goveernment to give a fair deal to the Company. And we are shocked to learn that Government now propose to forsake all considerations of justice and fair play in dealing with the Company.

The Company's fixed assets, recently revalued by the wellknown surveyors Messrs. IBCON (P) Ltd., in the light of present-day market prices of such assets and after providing for full depreciation, stand at Rs. 3.19 crores, as at 31-12-1963.

Company's Dividend Policy has been Conservative

It is sometimes held against the Company that it had distributed high dividends in the past. The actual facts are as under:

Average annual dividend during 1947-52 ... 7.12%
Average annual dividend during 1953-56 ... 12.50%
Average annual dividend during 1957-62 ... 3.52%
1962—Substantial loss and no dividend.
1963—Much heavier losses and no dividend.

The above percentages of dividends are on the basis of the paid-up capital of Rs. 40 lakhs as shown in the Company's books. Actually, however, the present management had paid, as mentioned above, a much larger amount in acquiring the valuable assets of the undertaking from the foreign stockholders. This high acquisition price was based on the then ruling market price of the stock of the Company. In relation to the cost of acquisition of the assets of the Company, the dividends would be as follows:

Average annual dividend during 1947-52 ... 2.49%
Average annual dividend during 1953-56 .. 4.38%
Average annual dividend during 1957-62 ... 1.23%

And it is obvious that these effective dividend rates were much too low by any standard and these figures would completely demolish the wrong impression that the Company had indulged in paying excessively high dividends for certain years in the past.

With an Economic Price for Gas, the Company will Readily Improve Workers' Remuneration and Amenities

One of the direct and devastating effects of the continuance of an uneconomic price for a prolonged period has been that the Company's finances are so crippled that it has not been possible for the Company to bring about any upward wage revision, or to give any bonus to its employees, for the past several years. Today, there is acute unrest among the workers, and great dissatisfaction among the members of the staff on this account, which is an extremely unfavourable trend even in normal times, and more so at the present juncture. The workers have preferred a claim for the payment of bonus for the year 1962, and their "Charter of Demands" claiming several benefits, is pending before the Conciliator. Similarly, the Company's Staff Association has put in a claim for upward revision of salaries, and for other benefits. If these claims are allowed, it would be an unbearably heavy burden on the present slender resources of the Company. In this connection, it would be pertinent to point out that the Government's directive to industrial units to pay higher dearness allowance to employees pursuant to the recommendations of the Lakdawalla Committee has also imposed a very heavy financial burden on the Company to the tune of over Rs. 2 lakhs per year. The issue of a Notice in this behalf by the Company notifying to the employees its intention to discontinue paying the re-adjusted dearness allowance caused considerable unrest among the employees, who waited in deputation on the Labour and Industries Ministers, and in consequence the Government have referred the matter for adjudication to an Industrial Tribunal. The Government has been stoutly advocating industrial peace and better understanding between management and labour, and very rightly so. An adequate increase in gas price, and a consequent improvement in its financial position, would enable the Company to consider favourably the claims of the employees for better terms during the present times of economic stress and mounting costs of living.

Ill-Conceived and Ill-Timed Nationalisation or Municipalisation Talk—the Prime Minister's Grave Warning and Wise Advice regarding Priorities

In response to a very recent personal representation to the Government, earnestly pleading for an immediate and adequate rise in the price of town's gas, we were informally given to understand that Government were presently considering the question of nationalising or municipalising the Bombay Gas Company. The question of nationalisation or municipalisation is a question of high policy. It may, however, be pointed out that, according to the Industrial Policy Resolution, dated 30th April, 1956, carbonisation of coal is included in Schedule B. In the said Resolution it is mentioned that, while, with a view to accelerating their future development, the State will increasingly establish new undertakings in the industries in Schedule B, at the same time, private enterprise will also have the opportunity to develop in this field, either on its own or with the State participation. It can be reasonably argued that, since there is already a well-established, experienced and efficient private sector unit of gas industry in the Bombay city, it is entitled to be allowed to continue to render its service to the Bombay city under suitable economic conditions. This point of view derives special support from the fact that the Union Government, in accordance with the Industrial Policy Resolution cited above, has recently given a licence for the installation of a coke oven plant in the Maharashtra State, in the private sector, the licensee being Messrs. Shanta Bros. Private Ltd. Town's gas, however, is relatively low in the scale of priorities for nationalisation with a view to carrying through rapid expansion and providing for substantially wider availability. There are several other items which have much higher priority from the point of view of social welfare-cum-economic development, such as adequate supply of drinking water in the towns and villages, road transport, electricity, slum clearance, working and middle-class housing and state-wide health services with hospitals—all of which would involve development on a colossal scale, entailing huge capital outlays and employment of large numbers of top level administrative personnel. When these high-priority items have been taken care of, say, within a period of four or five years, it would then be appropriate time for Government to review the question of taking over relatively low-priority items like town's gas. It would be partinent to point out that many of the huge capial-intensive enterprises in the public sector, according to the findings of the Estimates and Public Accounts Committees of Parliament, have failed to show any conspicuous success in respect of planning, programming, executing and financing. On the contrary, there have been far too many cases of lack of proper programming and phasing and of absence of efficient operation, with the result that there has been colossal wastage of money, material and manpower, and the return on the huge investments has been extremely poor and disappointing, being, for instance, as low as 2.5 per cent, in 1962-63, even after ignoring the huge losses sustained by Hindustan Steel Ltd. In this connection, we do hope that all parties, concerned with the economic progress and social welfare of the country, will give serious heed to the wise advice and timely warning that has been recently given by our beloved Prime Minister, Shri Lal Bahadur Shastri, regarding the imperative need of applying stricter standards of priorities in our development plans and programmes. In the undoubtedly grave situation of a developing crisis which the country faces, the Prime Minister rightly says, "It is imperative that Government policies in the immediate future should be geared to meeting the requirements of the common man. . . ." The Prime Minister goes on to say, "What is needed at the present time is not the launching of new projects but ensuring that those already in execution are completed expeditiously, giving a good return to the community". The Prime Minister, also wisely points out that "the people should feel that the additional burden they carried during the last few years has brought tangible results to them. So far such returns have been totally inadequate and not commensurate with investments made at great sacrifice and with a rising tax burden."

The proposal for the municipalisation of the Bombay Gas Co., was mooted long ago. But, by requiring the Company to undertake an expansion programme, by setting up a Gas Advisory Committee, by demanding a "binding undertaking" from the Company, and by allowing the Company to proceed with important preliminary steps for giving new gas connections, the Government had clearly indicated that the question of municipalisation had been put off by a few years and that, in the meantime, the Bombay Gas Co. would be allowed to continue and that, as clearly implied by the very fact of the appointment of a Gas Advisory Committee, the Company would be given a rise in the gas price if recommended by the Advisory Committee.

We have taken great pains to nurture the Company for the last eighteen years. We invested very large amounts in acquiring the former British-owned Company and in developing it over all these years. We have effected all-round improvement in its efficiency. The quality of its service would compare very favourably with that of any other public utility concern in this country, including even the largest Electric Supply Undertakings in Bombay, Calcutta and elsewhere. By taking over the Company at a huge capital expenditure, we have saved year after year, over this long period, substantial amounts of foreign exchange which would have been otherwise remitted abroad by way of transfer of profits. We have also completely Indianised the managerial and technical staff, thereby also saving considerable amounts of foreign exchange. And we still hope that, in consideration of these substantial contributions to the national economy, Government would give us that justice and fair deal to which we are clearly and definitely entitled.

Plant and Machinery

During the year we have added plant, machinery and equipment worth Rs. 2.50 lakhs, including one additional Holmes Commersville Station Meter having a capacity of 6 million cu. ft. per day, one Sternette Compressor unit for oil refrigeration and one 100 KW Germanium Rectified set.

Appreciation

Before I conclude, I would like to express our warmest appreciation to the workers, the staff and officers for their wholehearted co-operation and specially to Shri S. Chowdhary, your General Manager & Secretary, and Shri A. S. Rao, your Deputy General Manager, for their invaluable services.

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

4¾% Orissa Government Loan, 1976.

Issue Price Rs. 99.50 percent.

Opens on the 24th August, 1964.

APPLICATIONS for the Loan will be received at (a) the Offices of the Reserve Bank of India, Bombay (Fort and Byculla), New Delhi, Madras, Nagpur and Bangalore. (b) the branch of the State Bank of India at Patna, (c) the branch of the State Bank of Hyderabad at Hyderabad (d) the branches of the State Bank of India located in the State of Orissa, and (e) the Government non-banking Sub-Treasuries in the State.

Full particulars can be obtained at any of the Offices mentioned above.

INDIAN COPPER CORPORATION LIMITED

CHAIRMAN, MR. S. C. GLADSTONE'S ADDRESS

The following is the address delivered by Mr. S. C. Gladstone, Chairman of Indian Copper Corporation Ltd. at the Annual General Meeting of the Company for the year ended 31st December, 1963 held on the 12th August, 1964.

Gentlemen,

The Report of your Directors and the Accounts for the year ended 31st December, 1963 have been in your hands for several weeks. Fortunately, the restrictions imposed in 1963 by the Government of India under the Defence of India Rules, which prohibited the publication of the Accounts, have now been relaxed.

This is the first time that I have had the privilege of addressing you, but before I begin my review I should like to pay tribute to the late Prime Minister, Pandit Nehru. After leading the freedom movement for many years, he became the first Prime Minister of independent India in August, 1947 and for 17 years he never spared himself in the service of the country. He will undoubtedly go down in history as one of India's greatest men.

Your Chairman last year, Mr. J. W. Easson, who left India on retirement in March this year, has been connected with the Company for 29 years and has been your Chairman for the last two years. I am sure that you would all like to join me in wishing him a happy retirement, which has been so well earned.

I will now give you a general review of the affairs of your Company during 1963.

General Review

During the first nine months of last year there was ample copper to meet world demands and the price remained steady at about £234 per ton. In the last quarter of that year demand began to overtake supply, but it was not until the New Year that prices began to rise. In spite of increased production and sales the price on the London Metal Exchange, which had been steady since June, 1961, rose to around £300 per ton where it has since remained.

At the present time production capacity probably just about balances the world demand and but for industrial disputes the price could be expected to recede to between £240 and £250.

The shortage of copper, especially in the U.S.A., has had a most unfortunate effect on your Company in as much as the new Electrolytic Refinery is based on the import of Blister Copper. It was originally intended to import Blister Copper from Africa, but as a result of the foreign exchange shortage the Government of India have only been able to allow us a licence to import from the U.S.A. and at the present time Blister Copper is not available from this source.

Working Review

The production of copper in 1963 was 9,582 metric tonnes, a small decrease of 199 tonnes compared to the previous year due to a number of factors such as the deterioration in the quality of coal and operating conditions.

In the middle of 1962, as a result of the acute shortage of good quality coal, the Coal Controller reduced our quota of Selected 'A' coal by 50% and substituted coal of inferior quality for the balance of our requirements. Inevitably this has had a significant effect on the efficiency of your smelter.

Your Company's Rolling Mill produced 9,376 tonnes of Brass Sheets and Circles during 1963 and for this imported Zinc is required. Import licences for Zinc are now based on value and are financed by U.S. AID and thus the high price of this metal in world markets, and particularly in the U.S.A., has resulted in a substantial reduction in the tonnage that can be purchased. The Government of India have also imposed restrictions on the sale of Brass and Copper Sheets to the Utensil Industry, our traditional and principal consumers. The effect of these restrictions began to be felt in the second half of 1963 and the burden this year will be heavier.

Mining exploration at your Surda and Patharghora Mines continued, but a serious breakdown of the main Compressor restricted development work at the main Mine at Mosaboni. In spite of the most energetic efforts, it took eight months to obtain an import licence and procure spare parts for this machine, during which time all available compressed air was used to maintain production and development was at a standstill. In spite of this, our reserves increased by over 2,000 tonnes, which is satisfactory, and I am pleased to say that the Compressor was put back into operation in January 1964.

Electric supplies were adequate throughout the year, but pig iron and coke for the Foundry and cement were in very short supply. Thanks to a better supply of wagons, despatches showed some improvement resulting in a decrease in stock of finished products.

The financial results of your Company for 1963 were satisfactory considering the rise in prices in the wake of the Emergency. Labour costs and the expenses of mining at greater depths continue to mount; nevertheless, the successful results reflect credit on all concerned.

During the year under review labour relations were generally good and a dispute over the payment of profit sharing bonus was settled in Conciliation proceedings. Towards the end of the year, however, the Unions submitted fresh demands for very substantial increases in wages, which cannot be justified. I regret to report that while negotiations were in progress the Works Union recently called a three-day protest strike to bring pressure to bear in support of their demands. Negotiations are still in progress.

Kyanite

Exports of Kyanite fell from 27,686 tonnes in 1962 to 18,797 tonnes due to competition from synthetics and poor market conditions. The recession in the steel industry abroad in 1962 led to a reduced demand for Kyanite in the following year. At the same time there was a big improvement in the supply of railway wagons to carry the ore from your Mines to the docks, which encouraged your customers to reduce their stocks. This has led to a temporary fall in exports, but I am happy to say that up to the end of July over 13,000 tonnes had been exported and by the end of this month the figure will approach 17,000 tonnes.

Electrolytic Plant

When your Directors' Report was written in May this year, it was predicted that the new Refinery would be completed in September this year, but I regret to report that there have been further serious delays since that date.

There have been many delays in the construction schedule chiefly due to a shortage of essential materials such as cement, roofing sheets and steel and the failure of most suppliers of indigenous plant to keep to promised delivery dates. Much of this can be traced to the Emergency created by the Chinese invasion in November, 1962. There has also been pilferage in the Calcutta Docks. All this is completely outside our control and although everything is being done to speed the work on the final stages of the plant, it is anticipated that production will not commence before the New Year. This will, of course, depend on the supply of Blister Copper to which I have referred earlier.

Your Company has also been licensed to produce 260 tonnes of Nickel Sulphate, which will be a bye-product of the Electrolytic Plant. Foreign exchange has been arranged and the final details of technical know-how are now being negotiated. It is hoped to start production in the first quarter of 1966.

Expansion Plans

Your Company has been granted an Industrial Licence to expand production of copper and to produce Sulphuric Acid as a bye-product and negotiations for foreign exchange loans are far advanced. The present Smelter is now over 30 years old and has for some time been operating at well above its designed capacity. No plant can be expected to remain at peak efficiency after so many years service. It will, therefore, be necessary to instal a new Smelter of larger capacity and of a type that will allow the recovery of waste gases in the form of Sulphuric Acid.

At Surda new equipment is required to allow for development in depth and also a Concentration Plant. Additional grinding plant is required at your Works and a new Crushing Plant at your Mosaboni Mine to deal with the increased capacity. It is expected that after this new equipment has been installed, production of copper will rise to 12,130 tonnes during the first year of operation of the new Smelter and to 12,950 tonnes during the second year. Sulphuric Acid will be produced at the rate of 100 tonnes a day.

The total cost of this plant will be £2,875,000, which, it is planned, will be financed by Bank overdrafts, foreign loans and a Debenture Issue.

Accounts

The profit for the year before providing for Taxation, Depreciation and Reserves amounts to £1,384,875, as compared with a profit in 1962 of £1,351,771. Income Tax and Super Tax on profits, however, amounted to no less than £821,855, partly because of the Bonus Issue in 1963 and the new tax on dividends. Your Directors have decided to place £170,000 to Depreciation and £98,000 to General Reserve. £26,597 is allotted to Development Rebate Reserve and £21,694 to provision for Kyanite Decretal Amount.

There is a balance available of £247,299 and your Directors are recommending that the same amount as last year, i.e. £246,834, equivalent to a Dividend of 12%, subject to tax, on the new capital of the Company should be distributed, leaving a balance of £465 to be carried forward.

Staff

It remains for me to thank the General Manager, Mr. N. A. B. Hill, and the Staff and Workers, both at the Mines and the Works. I am sure that you would all wish me to thank them for their exertions on your behalf which have led to yet another successful year.

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

ECONOMIC RESEARCH

- is an essential part of modern commerce. But it is
- not always easy to obtain. The ordinary business
- house does not usually possess the records, statistics
- and archives which are the raw material of research.

- CAPITAL'S RESEARCH & STATISTICAL DEPARTMENT
- has a long record of service to Chambers of Commerce,
- Industrial Associations and private business concerns.
- It does not undertake trade inquiries, but its facilities
- and advice are available for all kinds of research
- proper into the problems of Indian commerce
- and industry.

- CAPITAL'S RESEARCH & STATISTICAL DEPARTMENT
- has constructed and maintains a number of cost of living
- indices for various classes and communities in India
- and Pakistan. It offers the industrialist and business
- house its experience in

  - consumer market surveys
  - industrial prospecting
  - readership analysis
  - economic indices
  - business research.

P.O. Box 14, Calcutta-1, or 5, Mission Row, Calcutta, India.

BENGAL CHEMICAL & PHARMACEUTICAL WORKS LTD.

CHAIRMAN, DR. B. N. GHOSE'S SPEECH

The following is the speech delivered by Dr. B. N. Ghose, chairman, Bengal Chemical & Pharmaceutical Works Ltd., at the Sixtyfourth Annual General Meeting of the Company held on 14th August, 1964 in Calcutta.

Gentlemen :

It is a great pleasure for me to extend to you all on behalf of the Board of Directors as well as on my own a hearty welcome to this 64th Annual General Meeting of your Company.

Gentlemen, we are meeting here today under the shadow of a national gloom. The sudden death of our first Prime Minister, Pandit Jawahar Lall Nehru, has created a void in the national and political life of India, which it will be very difficult to fill. A towering personality and a Champion of World Peace Pandit Nehru was one of the greatest sons of the soil. So, before I take up the business on the agenda to-day may I request you all to rise in reverence to the memory of our late beloved Prime Minister and stand in silence for two minutes to pay our respectful homage to the departed soul.

Gentlemen, The Annual Report and Accounts for the year ended 31st March, 1964, have been in your hands for some time past, and with your permission I take them as read.

Shortage of Raw Materials

The performances of your Company despite various difficulties it had to encounter during the year under review are encouraging although the net operating results are below our expectations. But for the acute shortage of industrial alcohol, rectified spirit and special denatured spirit during the latter half of 1963, which are essential raw materials in pharmaceutical industries, we could report better turn-over this year with a corresponding increase in profits. To ensure smooth and uninterrupted working in the pharmaceutical industries it is considered a matter of paramount importance to see that effective steps are taken by authorities concerned to maintain adequate supplies of alcohol so vital for such industries. We must admit here that the Excise Authorities of West Bengal helped the industries of the State substantially by exercise of their good offices and eased up the acute situation by their sincere efforts in the right direction.

The trading results of your Company for the year ended 31st March, 1964, are on the whole satisfactory notwithstanding the fact that we continued to be confronted with troubles relating to procurement of raw materials, problems of transport, interrupted supplies of power and rising costs in a number of directions. I am sure you will agree with me that with the reduction of all these factors as far as possible which have direct impact on the trading activities of any industrial and manufacturing concern, your Directors will be in a position to report more satisfactory results in years to come.

Your directors recommend maintenance of the same dividend @ 10% on all classes of Ordinary Shares as in the last year and propose to carry forward a sum of Rs. 1,00,000/- to General Reserves No. II after providing for all prior charges. I would like to add here that the completion of the various expansion schemes of the Company this year will necessitate the transfer of a substantial amount to Development Rebate Reserve next year which will have its reflection on the profits of the Company.

Steady Progress

The overall business in the field of Heavy Chemicals in your Company shows a sign of steady progress, the sales during the year under review having increased substantially over the last year's figure. I as glad to report that the new Alum Plant is almost completed and it is now under trial run. We do hope the new Alum Plant will go into production very soon. You will be glad to learn that the Government of India have granted your Company Industrial Licence to carry on business for the manufacture of Sodium Aluminate, Stannate, Naphthenates, etc. The export potentialities of some of the products of the Heavy Chemicals Section of your Company are now being studied and negotiations to export a large quantity of Alumino Ferric are going on.

The installation of an additional 50 ton/day Sulphuric Acid Plant at Panihati is steadily progressing and we hope this plant will start production by the end of this financial year.

Regarding your Company's business in Road Tar, it may be recalled that I struck a note of pessimism in my review last year. The difficulties in procuring Crude Coal Tar continued during the year as before. This set-back in the Tar Distillation Industry has substantially affected our business in the by-products of Coal Tar. Nevertheless efforts are being made for alternative arrangements to meet the situation.

Gentlemen, there is a sweeping allegation gaining currency that pharmaceutical industries are making excessive profits. I may be allowed to say that any one with adequate knowledge of the cost economics of the manufacture of pharmaceuticals and drugs would hardly subscribe to this wrong view. In my humble opinion the cost factors which are taken into consideration in determining the selling prices of drugs, viz. overhead, labour charges, distribution costs, sales promotion including advertisement, research expenses, quality control and other business costs which should be added to the cost of raw materials in arriving at a correct pricing policy, are presumably ignored completely when such reckless allegations are levelled against pharmaceutical industries.

Drug Price Control

Drug Price Control was introduced under the Defence of India Rules from November, 1963 and its enforcement with retrospective effect from April, 1963 has landed the pharmaceutical industries in practical difficulties in fixing the prices of drugs manufactured by them commensurate with the prevailing costs. It is pitifully interesting to note in this connection that while there is no check in prices of raw materials and other essential commodities the Price Control Order of drugs is being enforced. It has of late been a problem to us to adjust prices of our finished medicines on the basis of the costs of raw materials which are daily mounting by leaps and bounds. The pharmaceutical industries will be grateful if the Government revise their fiscal policy and withdraw various levies by way of Excise Duties, Sales Tax, Octrois etc. on drugs, pharmaceutical and medicinal preparations. You will be surprised to note that Government undertakings also have enhanced the prices of raw materials which are essential components of our manufactured products. This upward trend in the prices has resulted in the poor profitability in respect of certain items.

I reported to you last year that we have taken up in hand certain development programmes. Your Company is one of the pioneers in India in the field of manufacture of Caffeine. I am glad to report that Industrial Licence for manufacture of 16 tonnes of Caffeine annually has been obtained from the Central Government and our plants have been expanded accordingly to reach the production target. But unfortunately, the supply of Tea Waste, the principal raw material for manufacture of Caffeine, is too inadequate to meet the increased demand.

You will be glad to note that the services of a well-known Bacteriologist and Immunologist is being utilised by the Company in its Biology Department for researches in various directions. As a step towards our declared policy of expansion the Company will soon market Anti-snake-bite serum and Tetanus toxoid. The utilities and the market potentialities of these two products are too obvious to need any emphasis. Your Company is also under negotiation with some foreign firms for introduction of new items.

We are trying to explore various markets in South East Asia and Middle East and African countries. Our exports of Surgical Cotton Wool have suffered a setback due to severe competition from other countries. We had previously been able to meet this competition to some extent from the import entitlements obtained under the special Export Promotion Scheme against our exports of the item.

Import Entitlements

Unfortunately the import entitlements have been suspended by Government presumably because no imported materials are required for manufacture of the products. We are unable to accept this contention as substantial entitlements have been granted under the Special Export Promotion Scheme on exports of many other items which require no imported materials for production. For example import licences are granted against exports of Drugs & Pharmaceuticals irrespective of the contents of the products being imported or not. Our numerous representations that Surgical Cotton Wool falls under this category have not met with any satisfactory response though considerable time has elapsed. We feel also that Government should recognise that the gain to the country is greater when wholly indigenous products are exported and exports of this category should be encouraged by extending full benefits under the Scheme. The Government of India have not yet decided to include this export in the granting of Import Licences under the Export Promotion Scheme. If the entitlement is granted against this export we can import Essential Oils, Aromatic Chemicals, etc. to cover our shortfalls for such raw materials due to drastic cut in our usual Import Licences.

In an attempt to further promote its sales in Delhi and adjacent areas your Company cancelled its previous arrangements with the distributors and opened on 1-4-64 a Depot of its own at Delhi for distribution of its products. Of course, this is an experimental measure in this direction and if it proves economical, we have in our mind to have similar measures in other parts of India as well.

The Company's business at its branch factories at Bombay and Kanpur is progressing satisfactorily. In this connection I may inform you that a strip of land of our Bombay Factory has been acquired by Greater Bombay Municipal Corporation under Town Planning Scheme. Besides, loss of land the Company has to pay an additional amount of Rs. 4000/- and odd by way of betterment fee to the Bombay Municipal Corporation. Further, this acquisition of land has also necessitated partial re-planning of the said Factory and reconstruction of its compound wall and passage-ways resulting in substantial amount of capital expenditure.

The Accounts

I will now turn to analyse more salient points in the Profit & Loss Accounts for the year under review. You must have noticed in the Accounts forwarded to you that there has been a decrease by more than Rs. 4½ lacs under the head "consumption of raw materials". The increase in profit has been effected by revision of the terms to our customers resulting in savings to the Company and strict control of purchase. You will also notice that Development Rebate Reserve which has been charged to Profit & Loss Account has been much less this year. These are amongst others, the contributory factors for an increase in profits by over Rs. 5 lacs against an increase in sales by about Rs. 7 lacs.

Gentlemen, I am thankful to you for giving me a patient hearing. The progress that your Company has made in its trading activities during the year 1963-64 despite multifarious difficulties should not give all concerned a feeling of complacency. In these days of economic struggles and keen competition the rule of "Survival of the fittest" should always be borne in mind. The management of your Company has accordingly been wedded to such policies as would, in all probability, lead the Company to greater prosperity in the usual course of its business in future.

Finally, I conclude with an expression of gratitude to my colleagues for their co-operation, advice and mature guidance. My thanks are also due to the members of the staff at all levels without whose sincere efforts the satisfactory results would not have been possible. I also acknowledge with thanks the patronage of the members of the medical profession, our customers, stockists and distributors.

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

HEARTBURN?
TAKE
TWO RENNIES!



The superior antacid formulation of Digestif RENNIE Tablets quickly neutralises excess stomach acids...gives prompt relief.

A NICHOLAS (N) PRODUCT

ANNOUNCEMENT

THIS IS NOT A PROSPECTUS BUT ONLY AN ANNOUNCEMENT OF THE PROPOSED ISSUE OF CAPITAL. PERSONS INTERESTED MAY OBTAIN COPIES OF THE PROSPECTUS FROM THE COMPANY'S REGISTERED OFFICE, BANKERS, BROKERS AND UNDERWRITERS.

THE MYSORE ELECTRO CHEMICAL WORKS LTD.

(Incorporated as a Public Limited Company under the Mysore Companies Act, 1938)

REGISTERED OFFICE: Rajajinagar, Industrial Suburb, Yeshwantpur, Bangalore-22.

POSTAL ADDRESS: P.B. No. 1022, Malleswaram, Bangalore-3.

EXISTING AND PROPOSED ACTIVITIES OF THE COMPANY

The Company is already manufacturing various types of Storage Batteries for Motor cars, Trucks Forklifts, Motor cycles and Scooters and for Defence Services, etc., under the name and style of "MEC" Batteries.

The quality of the Batteries manufactured has satisfied rigorous consumer standards and has been approved by the Indian Standards Institution.

By reason of the considerable increase in the demand for Storage Batteries in various fields including Defence and Communication requirements of the country, the company has launched a programme of expansion of its present capacity to manufacture various types of batteries. Apart from the manufacture of the Automobile Batteries, Traction Batteries, Heavy Duty Batteries, Aircraftt Batteries, Stationary Batteries, etc., the company will also be taking up the manufacture of specialized batteries for Electronic Flashes, Transistorised and Electronic Equipments and Wireless Sets.

With the completion of the expansion scheme the Company will also be self sufficient with regard to the requirements of Hard Rubber Containers and Lead Oxide which are now being procured from other sources.

The expansion and development of Road Transport, Railways, Telegraph and Telephone Systems and Electronic Equipments in our country under the Five Year Plans has enlarged the demand for Storage Batteries of various sizes and descriptions. The requirements of the Defence Department have also increased considerably. The prospects for export of batteries are also very bright. As such the Directors of the Company have every hope that under the present arrangements made for the expansion of the factory with West German Collaboration the Company will be able to earn sufficient profits in a short time and pay reasonable dividends to the Shareholders early.

LOCATION OF THE FACTORY

The factory is situated in the fast developing area of the Industrial Suburb of Rajajinagar, Yeshwantpur, Bangalore. The Company has necessary land in possession for the proposed expansion.

COLLABORATORS:

M/s Accumulatoren Fabrik Sonnenschein, G.m.b.H., West Germany.

M/s. Semperit, Vienna, Austria.

SHARE CAPITAL

AUTHORISED CAPITAL:

1.	10,000—9.3% Redeemable Cumulative Preference Shares of Rs. 100/- each	Rs. 10,00,000.00
2.	3,65,671 Equity Shares of Rs. 10 each	Rs. 36,56,710.00
3.	68,658 "A" class Equity Shares of Rs. 5/- each	Rs. 3,43,290.00
		Rs. 50,00,000.00

ISSUED & SUBSCRIBED CAPITAL:

1,00,000 Equity Shares of Rs. 10 each	Rs. 10,00,000.00

PAID UP CAPITAL:

68,658 Equity Shares of Rs. 10/- each reduced to Rs. 5/- each	Rs. 3,43,290.00

PRESENT ISSUE:

i. 2,00,000 Equity Shares of Rs. 10 each	Rs. 20,00,000.00
ii. 5,000—9.3% Cumulative Preference Shares of Rs. 100/- each (Subject to Tax)	Rs. 5,00,000.00
	Rs. 25,00,000.00

Out of the present issue, the 5,000—9.3% Redeemable Cumulative Preference Shares of Rs. 100/- each are set apart for allotment in favour of Messrs. Accumulatorenfabrik Sonnenschein G.m.b.H., of West Germany, the Technical Collaborators of the Company:

1,00,000 Equity Shares of Rs. 10/- each will be allotted to the Directors and their friends.

THE BALANCE NOW OFFERED AT PAR FOR PUBLIC SUBSCRIPTION:

1,00,000 EQUITY SHARES OF Rs. 10/- EACH.

TERMS OF PAYMENT

On application	Rs. 5/-	per Share
On allotment	Rs. 5/-	per Share

THE EQUITY SHARES HEREIN OFFERED FOR PUBLIC SUBSCRIPTION ARE FULLY UNDERWRITTEN BY—

INDUSTRIAL FINANCE CORPORATION OF INDIA, NEW DELHI.

APPLICATIONS

Copies of the application forms and Prospectus can be obtained from the Registered Office of the Company or from the Brokers, Bankers and Underwriters listed herein.

LOAN CAPITAL

The Mysore State Finance Corporation has been pleased to sanction a loan of Rs. 14.30 lacs to meet a part of the Capital requirements of the expansion project of the Company.

TECHNICAL COLLABORATION

The Company is already having Collaboration arrangements with M/s. Accumulatorenfabrik Sonnenschein G.m.b.H., West Germany for both technical collaboration and participation in the Company's Share Capital. M/s. Accumulatorenfabrik Sonnenschein G.m.b.H. are a leading firm of Battery Manufacturers in West Germany for more than 50 years and have considerable experience in the manufacture of various types of Lead Acid Storage Batteries and Accumulators of special types, such as, those used in Electronic Flashes, Transistorised and Electronic Equipments, Wireless sets, etc. They now operate two large Factories in West Germany. They enjoy a very strong Domestic market and export their products to more than 100 countries.

They have agreed to subscribe for the full issue of Preference Capital, partly by supply of machinery and partly in cash.

Further the Company has also received Government of India's sanction for entering into an agreement with Messrs. Semperit, Austria for technical collaboration to manufacture Hard Rubber Containers for batteries. M/s. Semperit are well known manufacturers of Tyres and Battery Containers, in Europe.

BOARD OF DIRECTORS

1. **Sri N. KRISHNA IYER**, M.A., B.L., Chairman, Advocate, Brindavan, Kottayam. Director: Travancore Cements Ltd., etc.
2. **JANAB ABDULLARHOY M. BHAGAT**, 10, Sembudoss Street, Madras-1. Director: Aluminium Industries Limited, Andhra Cement Co. Ltd., Tubes & Malleables Ltd., etc.
3. **Sri N. RAMACHANDRAN**, M.A., B.L., 5, Nandanam Extension Chamiers Road, Madras-35. Director: Modern Housing Construction & Properties Limited, etc.
4. **Janab HUSENY J. BHAGAT**, 10, Sembudoss Street, Madras-1. Director: Andhra Cements Co. Ltd., etc.
5. **Sri K. VENKATACHALAM**, B.Sc., B.E., Bangalore-1.
6. **Sri LACHHMANDAS S. MANKANI**, 3-4-849, Barkatpura, Hyderabad.
7. **Sri K. NEELAKANTA IYER**, B.Com., 4/4, Crescent Road, High Grounds, Bangalore-1. Director: Cardamom Marketing Co. (Travancore) Ltd., etc.

LEGAL ADVISOR

Sri S. G. SUNDARASWAMY, Advocate, Bangalore-9.

AUDITORS

Sri S. R. MANDRE, M.A., B.Com., F.C.A., F.S.A.A. (Lond.), Chartered Accountant, M/s. S. R. Mandre & Co., 97, Gandhinagar, Bangalore-9.

MANAGING DIRECTOR

Sri K. NEELAKANTA IYER, B.Com., 4/4, Crescent Road, High Grounds, Bangalore-1.

UNDERWRITERS

M/s. Industrial Finance Corporation of India, Reserve Bank Buildings, Parliament Street, New Delhi Rs. 10,00,000/-

BANKERS TO THE ISSUE

1. M/s. State Bank of India, Post Box No. 511, Bangalore-2.
2. M/s. State Bank of Travancore, Post Box No. 34, Trivandrum
3. M/s. Canara Bank Limited, Post Box No. 1007, Nichi Buildings, Malleswaram Circle, Bangalore-3.
4. M/s. Allahabad Bank Limited, 85-A, Kempegowdae Road Extension, Bangalore-9
5. M/s. Syndicate Bank Limited, 53, Gandhinagar, Bangalore-9.
6. M/s. Indian Overseas Bank Limited, Kempagowda Road, Bangalore-9
7. M/s. Devkaran Nanjee Banking Co. Limited, Kempegowda Road, Bangalore-9.

NOTE: Application forms and copies of the Prospectus are available from the above offices of the Bankers and their existing main branches at the following places:

State Bank of India:

Madras, Bombay, Calcutta, Cochin, Ahmedabad, Amritsar, Bangalore, Baroda, New Delhi, Coimbatore, Hyderabad, Indore.

State Bank of Travancore:

Trivandrum, Cochin, Ernakulam, Coimbatore, Alwaye, Madurai, Palghat, Trichinopoly, Trichur, Madras, Kottayam, Calicut.

Canara Bank Limited:

Bombay, Madras, Calcutta, New Delhi, Hyderabad, Bangalore, Mysore, Coimbatore, Trivandrum, Erode, Davangere, Hubli, Alwaye Madurai, Mangalore, Nagpur, Palghat, Secunderabad, Vijayawada, Trichur, Panjim Goa, Poona, Trichinopoly, Bellary, Cochin.

Allahabad Bank Limited:

Bombay, Calcutta, Madras, New Delhi, Old Delhi, Ahmedabad, Hyderabad, Bangalore, Nagpur, Agra, Aligarh, Allahabad, Bhopal, Kanpur, Jullundur City, Patna, Chandigarh.

Syndicate Bank Limited:

Bombay, Calcutta, Madras, Bangalore, Hyderabad, Baroda, Secunderabad, Vijayawada, Erode, Mysore, Davangere, Hubli, Trichur, Ernakulam, Coimbatore, Mangalore, Trichinopoly, Bellary.

Indian Overseas Bank Limited:

Bangalore, Bombay, Calcutta, Madras, Coimbatore, Madurai, New Delhi, Trichinopoly, Vijayawada, Cochin.

Devkaran Nanjee Banking Co. Limited:

Bombay, Bangalore, Madras, Hyderabad, Poona, Nagpur, New Delhi.

BROKERS TO THE ISSUE

BOMBAY:
1. M/s. Lewis & Jones, Bank of Baroda Building, Apollo Street Bombay-1.
2. M/s. P. R. Subramanyam & Sons, 70-A, Stock Exchange Building, Apollo Street Bombay-1.
3. M/s. Merwanjee Bomanjee Dalal, Allahabad Bank Building, Apollo Street, Bombay-1.

BANGALORE:
1. M/s. P. R. Subramanyam & Sons, Benson Cross Road, Bangalore-6.
2. M/s. Lokkur & Company, P B No. 631, Bangalore-9.

CALCUTTA:
1. M/s. Place, Siddons & Gough, Pvt. Limited, 6, Lyons Range, Caelcutta-1.
2. M/s. Murarka Brothers, 7, Lyons Range, Calcutta-1.
3. M/s. Kishanchand Junjunwala, 7, Lyons Range, Calcutta-1.
4. M/s. Sohanlall Pachisia & Co., 9, India Exchange Place, Calcutta-1.
5. M/s. Brijnath Khandelwal & Co., 13, India Exchange Place, Calcutta-1.

HYDERABAD:
1. M/s. P. B. Afzulpurkar, Sultan Bazaar, Hyderabad.

MADRAS:
1. M/s Chitra & Co., 322/323, Linghi Chetty Street, Madras-1
2. M/s. Paterson & Co., 32/33, Linghi Chetty Street, Madras-1.
3. M/s. Dalal & Co., P. B. No 149, 362 N. S. C. Bose Road, Madras-1.

NEW DELHI:
1. M/s. B. P. Mehta & Co., Connaught Place, Connaught House, New Delhi
2. M/s. Harbans singh Mehta & Co., 33, Regal Buildings, Parliament Street, New Delhi.
3. M/s. Raj Paul Chadha & Co., Delite Cinema Building, Asaf Ali Road New Delhi.
4. M/s. P. S. Khambete & Company, M-45, Connaught Circus New Delhi-1

THE SUBSCRIPTION LIST WILL OPEN AT THE COMMENCEMENT OF BANKING HOURS ON THE 17TH DAY OF AUGUST, 1964 AND WILL CLOSE AT THE CLOSE OF BANKING HOURS ON THE 31ST DAY OF AUGUST, 1964 OR EARLIER AT THE DISCRETION OF THE DIRECTORS AS SOON AS THE SUBSCRIPTIONS APPROXIMATING TO THE AMOUNT ISSUED HERE ABOVE TO THE PUBLIC HAVE BEEN RECEIVED BUT NOT EARLIER THAN 27TH DAY OF AUGUST, 1964.

New Delhi

SCREENING OF PROJECTS STARTED ON ECONOMY DRIVE

(FROM OUR NEW DELHI CORRESPONDENT)

VARIOUS Ministries at the Centre are understood to have initiated action on the screening of projects on which fresh commitments can be postponed by a year or so in terms of the recent communication of the Prime Minister, Mr Lal Bahadur Shastri, to his colleagues in the Central Cabinet.

But the selection of projects which can be postponed is a very arduous job requiring the utmost care, lest wrong choice should create complications at a later stage as happened after the 1958 reappraisal of the second plan schemes. Seven or eight projects for which foreign exchange has either been arranged only recently or has not yet been found will automatically spill over to the fourth plan. Included in these are the Bokaro steel plant, the heavy plate and vessels works, the organic chemicals project, the Khetri copper smelting project, the Amjhore pyrites project and the Madhya Pradesh aluminium plant. But some of the projects, for example, the Bokaro scheme and the Khetri copper smelter, are of such vital importance to the economy that work on them has to go on at any cost. The same is the case with some of the fertiliser and oil projects and the expansion programmes of various public-sector enterprises such as the Bhilai, Rourkela and Durgapur steel works, Hindustan Machine Tools, heavy electricals and engineering projects.

Advance action on the important fourth plan projects in the field of power, *transport and heavy* and basic industries cannot also be postponed arbitrarily. But actual implementation in some cases may not take place after the preliminary paper work has been finalised.

Cut in Central Expenditure

If the aim is to effect a reduction of only about Rs. 70 crores or Rs. 80 crores in the Central Government expenditure this year, the objective may well be achieved without upsetting the progress in the field of public-sector industries. If earnest efforts are made to reduce waste and unproductive expenditure, it may not be necessary to postpone some of the essential projects. The organic chemicals scheme, Amjhore pyrites plant and the Madhya Pradesh aluminium unit, may, however, be postponed. The two coal briquetting schemes recently added to the third plan may also be postponed, if necessary.

The proper course of screening the projects which can be postponed is, however, to have a clear idea of what is to be attempted during the fourth plan period and then to work back so as to eliminate expenditure on the undue augmentation of capacity both in the public and private sectors. A good deal of saving in Government expenditure can also be effected if efforts are made to consolidate the achievements in the fields of community development and *Panchayati Raj*. Indiscriminate expansion of these activities can well be held in abeyance for a year or two.

CAPITAL ISSUES

New Underwriting Agency

The resources for underwriting new capital issues should be considerably strengthened if the proposal to use some of the P.L. 480 counterpart funds for this purpose materialises. A concrete scheme to give effect to this idea, it is understood, is being prepared. If all goes well, a new agency either to underwrite directly new capital flotations or to provide refinance to the existing agencies engaged in this task, may be established by next month.

It is proposed to place initially at the disposal of the new agency Rs. 10 crores or Rs. 15 crores out of the P.L. 480 counterpart funds. Since this money belongs to the American taxpayer, priority will be given to the underwritting of new issues of Indo-U.S. ventures. Surplus funds would, of course, be used for underwriting other issues.

The agency is envisaged to function on a no-profit-no-loss basis. It will charge a nominal fee for its services. The administration of the agency is proposed to be vested in a board on which India will be suitably represented.

The unsold blocks of the underwritten shares will be held by the proposed agency for such periods as the public in India is unable to absorb them. Any profit accruing from the sale of these shares to the public will be put into the revolving fund for further use. All Indo-U.S. ventures in which Indian private capital is to be associated will be eligible for securing underwriting facilities from the new agency. Safeguards will be provided against the sale of the unsold blocks of underwritten shares by the agency to a few selected individuals. Unsold shares will be put in the market for public subscription and a stipulation may be made that no individual should acquire these shares beyond a specified limit.

The agency will supplement and not supplant the existing underwriters. It will maintain the fullest liaison with the other underwriters.

U. S. A.

New Business Team Expected

As a follow-up measure to the Galloway delegation which visited India in April at the invitation of the Indian Investment Centre, the U.S. Department of Commerce has sponsored a seven-member investment and industrial development commission to visit this country early next spring. The commission will consist of five top business men in such industries as chemicals, plastic and synthetic fibres, machine tools, fabricated metal products, materials handling machinery and equipment and printing machinery, and two U.S. Commerce Department officials —one to serve as the director of the commission and the other its trade development officer.

Unlike the Galloway delegation whose main concern was to study the investment climate in India in general, the proposed commission will discuss with Indian entrepreneurs specific collaboration offers on behalf of the U.S. companies interested in investing in India. It will also invite collaboration proposals from Indian entrepreneurs and put them, on its return to the U.S.A., before American industrialists.

The commission is expected to arrive in New Delhi on 27th February, 1965—just on the eve of the presentation of the 1965-66 Central Budget so that it can negotiate, on behalf of U.S. industrialists, collaboration offers in the light of the latest taxation proposals. It will remain in this country up to 27th March, 1965. During its one-month tour, it will visit Bombay, Calcutta and Madras for discussions and negotiations with prominent Indian business houses, trade and industrial organisations.

Business information centres will be established in each of the above-mentioned cities where the members of the commission will meet Indian business men interested in the proposals made by the U.S. firms or in presenting business offers of their own.

STEEL

Equipment from Consortium

The Anglo-American consortium of steel equipment manufacturers, which was formed last year with the object of supplying machinery, on commercial credit, for the Bokaro steel plant, will be sending a negotiating team to India in the middle of next month for talks with the Central Government. The discussion will centre on Anglo-American collaboration in setting up the fifth public-sector steel plant during the fourth plan period, either in the Goa-Hospet or the Visakhapatnam-Bailadila area.

Steel machinery manufacturers of three other countries—France, Poland and Japan—have also showed interest in supplying equipment for the fifth public-sector steel plant. Discussions with them may be held after the talks with the Anglo-American consortium team.

Scientific Innovations at Bhilai

The Bhilai steel plant is stated to have developed several scientific innovations to tackle the problems of production, construction and maintenance. These innovations are expected to go a long way in increasing productivity, reducing cost and in better utilisation of indigenous raw materials and skill.

The following are some of the important innovations: (1) development of a coke blend incorporating 10 percent to 20 percent inferior (unwashed) coal; (2) a sinter containing more fluxes which gives more iron at much lower coke rates; (3) use of surplus gases from blast furnaces and coke ovens as open-hearth fuel; and (4) speedy repair of open-hearth bottoms within two hours lasting for 100 heats, against the usual 5 to 6 hours lasting for only 20 to 30 heats.

The plant has also adopted various modern construction and maintenance techniques to suit its requirements.

AFRICA

Industrial Collaboration

Two delegations of Indian industrialists—instead of one already agreed to between the Central Ministry of Commerce and the Federation of Indian Chambers of Commerce and Industry—may be sent to Africa for studying the scope of setting up medium-sized industrial units there in which the Indian industrialists will co-operate with the African entrepreneurs. One of these delegations will visit the English-speaking areas in east Africa and the other west African countries, including Nigeria and Ghana, which are mostly French-speaking.

A third delegation of small-scale industrial machinery manufacturers is also proposed to be sent to Africa to explore the possibilities of African collaboration in setting up some small-scale units there for the production of such commodities as pencils, chalk, and small bulbs. It is said that great opportunities exist for establishing such small industrial undertakings in most of the newly-independent African countries.

As far as medium-sized industries are concerned, three countries—Uganda, Liberia and Sierra Leone—have already shown interest in seeking Indian collaboration for setting up sugar-producing factories. Four African Governments—Liberia, Sierra Leone, Northern Rhodesia and Nyasaland—have indicated the possibilities for establishing cotton blanket manufacturing units.

Among the other industries in which African countries have shown interest are engineering (air-conditioning equipment, bicycles, etcetera), cotton textiles, glass, paints and varnishes, razor blades, fertilisers, and concrete pipes. Establishment of some units in these lines of manufacture have already been agreed to between the Indian industrial houses and the African countries. Clearance for them has also been given by the Government of India.

The Central Government allows Indo-African partnership ventures on the condition that the Indian subscription to the equity capital of these enterprises is in the form of machinery, equipment, technical know-how, etcetera, to be exported from here.

NEWSPRINT

Larger Role for Public Sector

Disappointed at the performance of the private sector in augmenting the pulp and newsprint manufacturing capacity, the Central Government is said to be thinking in terms of entrusting a major portion of this development work during the fourth plan period to the public sector.

The demand for newsprint is expected to go up to about 300,000 tons by 1970-71. It is proposed to achieve self-sufficiency in the commodity by the end of the fourth plan period. It is, therefore, felt that the 1970-71 capacity target for newsprint manufacture should be fixed at 330,000 tons. By the end of the current plan period, only 30,000 tons of capacity will be available. The gap between the fourth plan requirements and the available capacity in 1965-66 is proposed to be filled through the expansion of the Nepa mills, implementation of the already licensed projects in the private sector and the setting up of a second newsprint manufacturing plant in the public sector.

As for paper and paper board, the demand is expected to rise to 1.2 million tons by the end of the fourth plan, against the actual likely production of 650,000 tons in 1965-66. To achieve production corresponding to the anticipated demand at the end of the fourth plan, a capacity target of 1,500,000 tons has been proposed.

Although the capacity licensed for the manufacture of paper, board and

newsprint during the third plan was in excess of the demand estimates for 1965-66, the implementation of many a licensed project has been retarded by financial difficulties and uncertainty concerning the availability of cellulosic raw materials.

To overcome the shortage of raw material, it is proposed to blend at least up to 20 percent long-fibre pulp with bagasse pulp. Since bamboo resources are also in short supply in the country, the new paper mills will have to be based substantially on bagasse as the source of pulp production.

To meet the demand of long-fibre pulp, two or three central pulp plants with a daily capacity of 300 tons or 400 tons each would be established in the public sector in areas richly endowed with bamboo resources.

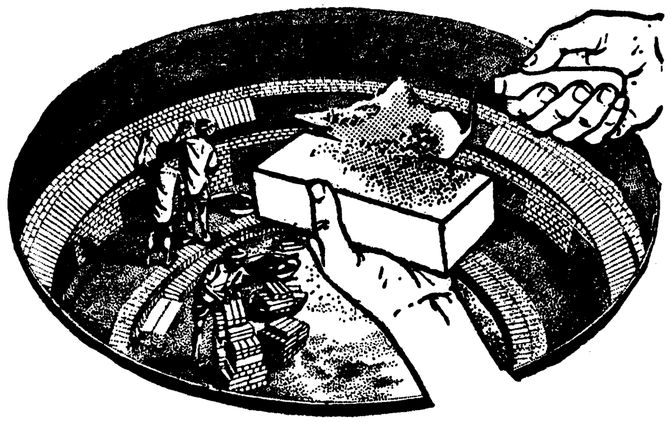
SUGAR MACHINERY

Manufacture of Complete Plant

The Central Ministry of Industry reportedly thinks that the various sugar machinery manufacturers should be allowed to fabricate complete plants. This is now considered necessary for introducing an element of competition in this line of manufacture.

With a view to reducing manufacturing costs, the Government earlier was in favour of sugar plant manufacturers undertaking the production of only those parts and components for which their machinery and equipment was most suited. Manufacturers, however, had opposed this on the ground that their foreign collaborators would not accept the suggestion of a common production programme with a view to standardising some of the parts and components for using them in plants of different makes.

The sugar machinery manufacturers, it is learnt, have developed adequate production facilities for the fabrication and supply of complete plants They are also assisting in the development of ancillary industries for securing some of the parts needed by them.



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COTTON TEXTILES

Second Wage Board Set Up

The Government of India has announced the setting up of the second wage board for the cotton textile industry to consider the question of a further revision of the wage structure While making its recommendations, the wage board shall keep in view (1) the recommendations of the first wage board for the industry and the Government's decisions on them; (2) the principles of fair wages as set forth in the report of the Committee on Fair Wages; (3) the needs of the industry in a developing economy, including the need for maintaining and promoting exports; (4) the various elements of labour costs (excepting bonus), apart from wages; (5) the requirements of social justice; (6) the need for adjusting wage differentials in such a manner as to provide incentive to workers for advancing their skill; and (7) the desirability of extending the system of payment by results. In applying the system of payment by results, the wage board shall keep in view the need for fixing a minimum (fall-back wage) and also the necessity to safeguard against overwork and undue speed.

The wage board shall also consider the demands for the introduction of a gratuity scheme on an industry-wise basis. The board will consist of Mr. K. Bhimasankaram, retired Judge of the Andhra Pradesh High Court (chairman); two independent members—Mr. Tulsidas S. Jadhav, M.P., and Professor M. B. Desai; two representatives of employers—Mr. D. C. Kothari and Mr. Surottam P. Hutheesing; and two representatives of workers—Mr. G. Ramanujam and Mr. A. N. Buch. The headquarters of the wage board will be located in Hyderabad.

FOODGRAINS

Talks of Farm Economists

The panel of agricultural economists, constituted recently to advise the Central Minister for Food and Agriculture for solving the food problem, held its first meeting here last week. It decided to conduct four important studies. The first study will deal with the behaviour of foodgrain prices during the current season and the rôle played by bank credit in the foodgrains trade so that action may be taken to avoid the recurrence of a steep rise in foodgrain prices. The second study will relate to the various aspects of the trade in rice, wheat and other foodgrains with the object of preparing the ground for the proposed Foodgrains Trading Corporation. The third study is proposed to be made for finding out how an incentive price for foodgrains influences their production, wages of agricultural labour, marketable surpluses, etcetera. The aim of the fourth study will be to assess the efficiency of the present system of collection of statistics.

The panel felt that the main idea behind ensuring remunerative prices for foodgrains and other farm products should be to provide an incentive for increasing production through the use of agricultural inputs like seeds, fertilisers and irrigation and the application of pesticides as a prophylactic measure.

Distribution of Improved Seeds

Some significant changes have been proposed by the experts of the Planning Commission in the programme of multiplication and distribution of improved seeds during the fourth plan period. It has been suggested that no new seed farms need be set up during the next plan and

that efforts be concentrated on the expansion of the existing farms and provision of necessary physical facilities for them, such as irrigation, seed storage, fencing, land development, cattle sheds, implements and equipment for cultivation and testing and treatment of seeds. It has been further recommended that the multiplication of improved seeds should be taken up in compact areas around the existing seed farms and that this work should be directly supervised by the staff located at the seed farms. The third crucial suggestion made is that the distribution of certified seeds from Government and institutional seed stores, including co-operative stores, should be banned, area by area, in a phased manner. A comprehensive seed law should be enacted and enforced in the interest of seed certification and seed control.

The other suggestions made by the experts include the strengthening of the technical administrative arrangements for the supervision of multiplication, testing, treatment, certification, purchase, storage and distribution of improved seeds. Research programmes, it was suggested, should be accelerated for evolving improved varieties with desirable characteristics, particularly high absorption capacity for fertilisers.

KANDLA

Free Trade Zone

At a meeting held here last week under the chairmanship of Mr. D. S. Joshi, Secretary to the Central Ministry of Commerce, the Advisory Committee on the Kandla Free Trade Zone decided to set up a selection committee for the allotment of plots to applicants for setting up industries inside the zone.

The committee will consist of Mr. D. S. Joshi (chairman) and the representatives of the Central Ministry of Commerce, Ministry of Finance (Department of Economic Affairs), Ministry of Industry and Supply, Director-General of Technical Development, the Planning Commission, the Kandla Port Trust, the Gujarat Government and the Chief Controller of Exports and Imports. It will hold its first meeting towards the end of September.

Applications for the allotment of plots in the free trade zone will be received up to 31st December, 1964. The allottees will be required to start construction within a few months of the allotment of plots. They will be expected to commence production within a specified period.

A total area of 1,386,000 square metres is being developed in the zone for the present. Out of this, an area of 268,650 square metres is being reserved for industries requiring very big plots. Out of the remaining area, it is proposed to carve out 67 plots of 1,650 square metres each, 36 plots of 2,475 square metres each and 82 plots of 4,070 square metres each. Provision is also being made for constructing 20 sheds for small industrialists and exporters who may prefer to hire accommodation instead of building their own sheds. A railway station and a marshalling yard will be provided within the zone. Residential buildings will not be allowed inside the zone, but ancillary industries such as printing press for publicity and the manufacture of packaging materials will be allowed. Sufficient flat land is available for the future expansion of the zone. Since the area has hard murram and substratum, the structures will require only ordinary foundations.

Lease of land to industrialists and exporters will be granted for a term of 30 years commencing from the date on which possession of land is offered to the lessees. Leases for shorter or longer periods will be considered for special reasons. The annual rate of ground rent payable by the lessees will be 50 paise a square metre. The ground rent will be payable in advance each year. The rate may be revised every ten years from 1st October, 1964, subject to the condition that the increase, if any, shall not be more than 50 percent of the existing ground rent on any particular revision. The rent will be so fixed as to enable the zone to function on a no-profit-no-loss basis.

Power Supply

The Government of Gujarat has already made arrangements for the supply of sufficient electricity to the zone. Electric energy will be provided by the Gujarat Electricity Board by about June 1965, from its Kandla thermal power-house which is being expanded to meet the full requirements of industries. The Kandla Port Trust will be in a position to supply sufficient water to the zone by the end of this year. Industries which require huge quantities of water cannot be accommodated unless brackish water obtained from tube-wells within the zone can be used. For other industries, adequate supplies through pipelines connected to a high service reservoir will be provided. The present water supply is from tube-wells. With the sinking of additional tube-wells and the laying of the pipeline, the additional supply is expected to be 3 million gallons a day.

Reasonable rates for the supply of water and electricity will be fixed by the State Government from time to time. The rates for the supply may vary according to the requirements of different industries.

The basic idea for setting up the zone is to provide for the maximum relaxation of the Customs documentation and paper control so that the activities in the zone may have more advantages than are available in bonded warehouses or in the system of manufacture in bond. The extent of relaxation would, however, be governed by reasonable safeguards against malpractices. The following are the safeguards:

(1) That all the imports from the free trade zone do reach the zone;

(2) that exports from the zone are really exported from the country;

(3) that all foreign exchange earnings are credited to the foreign exchange pool; and

(4) that nothing goes into the Customs territory for home consumption without a valid import licence and the payment of Customs duty.

Imports into the zone intended for re-export as "entrepot" trade will not be debarred. The stockpiling of important items of imports for subsequent distribution into the country may also be permitted in special cases. Although industries which are set up in the zone will be expected to export their entire production, certain percentage as wastage, to be fixed industrywise and which cannot be avoided, will be allowed in special cases under certain conditions. For goods diverted for internal consumption, the distribution will be done by a Government-nominated body after the payment of Customs duty.

A list of articles like diamonds, precious stones, gold, watches and narcotics, which can be smuggled into the country comparatively easily, will be circulated and the import of such articles into the zone will be completely banned.

No Quota Restriction

While normally no quota restriction will apply to the import of commodities into the zone, it will, however, be necessary to maintain proper accounts and submit periodical returns of stocks lying with the licensees in the zone which will have to be filed with the Customs authorities to enable the Government to satisfy itself that all the articles imported into the zone from abroad are properly accounted for.

In the case of an excisable commodity sent free of duty to the zone, which is subsequently returned without being utilised in the manufacture of some exportable commodity, the duty payable on that commodity would be at the rate which is in force on the date on which duty is paid, in terms of rule 9-A of the Central Excise Rules, 1944. In addition, if such a commodity is converted into some other manufactured product, as for instance if unmanufactured tobacco is taken to the zone and returned to the country as cigarettes, Customs duty would be payable on these cigarettes as if they are being imported into the country from some other country.

The zone will be administered directly by the Central Ministry of Commerce through an administrator. The general rules framed for the registration and licensing of industrial undertakings will be applicable to the industries established in the zone. These industries will be entitled to tax concessions like development rebate as applicable to similar industries elsewhere in India. They will be subject to the normal income tax laws and rules applicable to similar industries elsewheree in India and other regulatory industrial, labour and security rules.

The proceeds of all exports from the zone will be credited to India's foreign exchange pool. The import of raw materials or semi-processed or fully manufactured goods into the zone will be permitted ordinarily on the understanding that they will be paid for through exports or from the foreign exchange holdings abroad or foreign exchange borrowed from a bank or national of another country. Indian business men settled abroad, either acting on their own or in conjunction with Indian partners residing in India, can set up industries in the zone.

SMALL INDUSTRIES

New Body Set Up

Addressing the concluding session of the two-day conference of the Small-scale Industries Board, the Central Minister for Industry and Supply, Mr. H. C. Dasappa, announced the decision of the Government of India to set up a seven-member committee to determine the allocation of raw materials to large and small-scale industries on an equitable basis.

The committee will be headed by Dr. P. S. Lokanathan. Its other members will be: Mr. A. R. Bhatt, president of the Federation of the Associations of Small Industries; Mr. G. L. Bansal, Secretary-General of the Federation of Indian Chambers of Commerce and Industry; Mr. S. S. Kumar, Director-General of Technical Development; Dr. D. K. Malhotra, Joint Secretary, Planning Commission; Mr. Merani, Development Commissioner for Small-scale Industry in the Ministry of Industry and Supply and Mr. S. V. S. Sharma, Secretary of the Small-scale Industries Board. Mr. Sharma will also act as the secretary of the committee. The committee will not only determine the allocation of raw materials, but will also ensure proper use of the allocations.

Mr. Dasappa also said that he would discuss with the Central Finance Minister the possibility of raising the foreign exchange allocation for the import of raw materials for small-scale industries. The present allocation of Rs. 14 crores for this purpose is inadequate.

The Central Minister for Commerce, Mr. Manubhai Shah, who also addressed the conference, wanted the small-scale sector to concentrate on exports. There was considerable scope for exporting the products of the small-scale sector. Certain case studies, namely, umbrellas, bicycles and bangles, he said, had indicated that the small-scale sector could export more. He felt that export houses could be organised in the small-scale sector.

It was revealed at the conference that the National Small Industries Corporation had resumed entertaining fresh applications for the import of machinery. Efforts were being made to allocate further funds to the Corporation so that they could accept applications for imported machinery of the order of Rs. 2 crores a year. It was also disclosed that the Life Insurance Corporation had agreed to advance long-term loans to co-operative societies or joint-stock companies for constructing industrial estates. Necessary formalities had been completed and nine industrial estates had been recommended for assistance from the L.I.C. by the respective State Governments.

List of Reserved Industries

Details are now available of the 54 industries, the further expansion of which is favoured by the Planning Commission only in the small-scale sector, at least during the fourth plan period. The following are the industries:

All wire products such as wire nails, hob nails, panel pins, handout tacks, horse shoe nails (sheets); wire brushes and fibre brushes; metal buttons and badges; square, hexagonal and welded wire mesh; expanded metal; steel furniture; weights and measures; beam scales; barbed wire; machine screws; wood screws; ordinary bolts and nuts; builders' hardware; all types of locks; ball points and refills; press buttons and snap fasteners; shoe eyelets; stoves, lanterns, blow lamps and burners; spray paint guns; mechanical toys; collapsible tubes; flexible tubes (metal); cycle pumps; garmet hook and eyes; cigarette lighters; rivets of all types; student and medical type microscope; spectacles hinges and frames; garment buckles; hand numbering machines; postal franking and cheque writing machines; pressure cookers; spring washers; machine shop vices; diamond tools; steel wool; wood wool; tape recorders; mechanical gramophones; hearing aids; house and industrial wiring accessories; hair clippers; all plastic processed products as decided by the Licensing Committee in its meeting held on 23rd December, 1962: (i) bottle caps, buttons, lamps shades, etcetera, produced by the compression moulding technique; (ii) plastic articles manufactured from plastic sheets rods, or tubes by the fabrication technique, including the technique of vacuum forming, (iii) polyethylene films (films with a thickness of less than 1 millimetre) and products made from the film such as bags, etcetera; (iv) mono filaments from polyolefurs; (v) blow-moulded containers and other similar products manufactured by the blow-moulding technique; (vi) finished products manufactured from expanded (foamed) polystryrene leads; (vii) spectacle frames from sheets by the fabrication technique or by injection moulding; (viii) manufacture of polyster sheets from buttons and the processing of these sheets so produced to manufacture buttons; dyes: (i) azodyes (ii) basic dyes (iii) all processed dyes such as stabilised azoics, indigosols, vat dyes paste, pigment paste, pigment emulsions; paints and varnishes—dry distempers, red lead, red oxide, aluminium paints, bitumen paints to I.S.

specification, wagon blacks, graphite paints, all paste paints. All pesticide formulations; detergent formulations; laundry soap; leather footwear; sports goods; paper conversion products; glass products which may be made by the batch process; fire chemicals; and formulated perfumery compounds.

Common Production Programmes

Besides this reservation, common production programmes are favoured in the following 26 industries: electrical and electronic measuring and indicating instrument; electric motors; record players and changers; bicycles and their components; cameras, enlargers and projectors; radios and their components; public address equipment; plant protection equipment like sprayers, and dusters; pressure and vacuum gauges; water meters; A.A. conductors; plastic processed products (excluding those decided by the Licensing Committee to be reserved exclusively for development in the small-scale sector in its meeting held on 23rd December, 1962); dyes (excluding those reserved for development in the small-scale sector); paints and varnishes (excluding those reserved for development exclusively in the small-scale sector); soap, excluding laundry soap; detergents; food industries; leather tannery; pharmaceuticals and drugs; glass and ceramics; cosmetics and perfumes; industrial rubber products; synthetic resins; synthetic driers; printing inks; and inorganic pigments.

Illustrative List

The National Small Industries Corporation has published an illustrative list of 99 industries which have scope for development in the small-scale sector. The list includes a number of light engineering industries, such as small tools and hand tools, instruments, electrical goods and appliances and non engineering industries such as rubber and plastic goods, glass, ceramics and cement products, leather and leather goods, chemicals, paper and paper products and food processing industries.

The Corporation has also brought out a comprehensive directory of machines available with it for prospective small-scale industrialists on hire-purchase terms. Details of the facilities from the Corporation and the various service institutes and extension centres, which are available to small industrialists, are outlined in the directory. The latter also gives an account of various measures taken by the Corporation for the development of ancillaries, industrial co-operatives and small industries in rural areas. An index of suppliers has been added so that those interested in buying machines may refer to suppliers concerned.

INDUSTRIAL UNDERTAKING RULES

Draft Amendments

The Central Ministry of Industry and Supply has notified, for eliciting comment, some draft amendments to the Registration and Licensing of Industrial Undertaking Rules. The amendments are intended to give effect to certain modifications in the application forms recommended by the Industries Development Procedures Committee (popularly known as the Swaminathan Committee) and approved by the Government.

The draft amendments will be finalised after 10th September, 1964, after examining the comments and suggestions received from the parties concerned.

COMPANIES ACT

Exemption Granted

The Government of India has granted exemption from certain provisions of the Companies Act, 1956, to non-profit associations engaged in the promotion of art, commerce, science, religious charity and any other useful object which are licensed under Section 25 of the Act. This follows several requests received from chambers of commerce and other trade associations seeking the desired concession.

The exemptions relate to Sections 193, 259 and 292 of the Companies Act. They are expected to facilitate the functioning of the non-profit making associations.

As a result of the exemptions granted under Section 193, minutes may now be recorded within 30 days of the conclusion of every meeting in case of companies where the articles of association provide for confirmation of minutes by circulation. Under Section 292, matters referred to in Clauses (c), (d) and (e) of subsection (i) may be decided by the board by circulation, instead of at a meeting. There will be complete exemption from Section 259.

INDO-PAK TRADE

Protocols Signed

Details are now available of the two trade protocols signed between India and Pakistan on 17th July, 1964. Under the first protocol, Pakistan is to supply to India rice worth Rs. 3.65 crores in exchange for coal worth Rs. 2 crores, biri leaves worth Rs. 40 lakhs, spices excluding chillies, ginger, cloves and turmeric worth Rs. 45 lakhs, limestone worth Rs. 10 lakhs, umbrella fittings worth Rs. 12 lakhs, stone boulders worth Rs. 10 lakhs, crude drugs worth Rs. 12 lakhs, and specified railway equipment worth Rs. 36 lakhs.

All payments for sales and purchases under this special arrangement shall be made by Pakistan and India in non-convertible Indian rupees from special accounts to be opened by the National Bank of Pakistan and the State Bank of India.

The other protocol provides for the exchange of fresh fruits between India and Pakistan to the extent of Rs. 50 lakhs for each country on a self-balancing basis. A special non-convertible Indian account is to be opened by the National Bank of Pakistan and the State Bank of India, New Delhi, for this purpose.

Further information needed by traders on arrangements under the two protocols can be obtained from the Chief Controller of Imports and Exports and from the State Bank of India.

RUSSIA

More Credit Wanted

The Government of India, it is understood, has requested the Russian Government for granting further credits during the fourth plan for importing Soviet oil equipment, contract surveys for oil, etcetera. It has been suggested that Rs. 10 crores out of the unused Russian credits might be utilised for advance measures for the fourth plan projects. Russia has also been approached for supplying specially equipped helicopters for oil exploration in difficult areas.

Importing Fruit Juice

Russia will import 500 tons of mango and other fruit juices from India. A contract to this effect was signed here last week between the Russian trade organisation, V/O Prodintorg, and the State Trading Corporation of India. This is the second contract signed by Russia for the purchase of Indian fruit juices. The first such pact was signed in Moscow last year. Negotiations are continuing for the purchase by Russia of additional quantities of mango and other fruit juices from India.



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U.K. EXPORTERS OPTIMISTIC ABOUT TRADE PROSPECTS

(FROM OUR LONDON CORRESPONDENT)

THIS week there is yet another contribution to the export puzzle —why are exports sticky when all business men say export orders are rolling in splendidly? This time a sample of U.K. merchants engaged in foreign trade report to the Association of British Chambers of Commerce. The firms who replied to the enquiries account for an annual turnover of about £445 million—just under 7 percent of total U.K. exports and about 3½ percent of U.K. imports in 1963.

The importance of merchants in foreign trade varies a great deal in different trades. In textile and clothing, where they play a substantial part, the survey covers 28 percent of U.K. exports and over 17 percent of imports (of textile materials). This is the eighth enquiry of this kind undertaken by the Association. Its upshot is that "the degree of optimism about both the general business situation and exports is not very different from that expressed four months ago." In the export trade, merchants report little change in the rate of orders received over the past four months, and about half of them say that prices have risen. In the coming four months, more firms expect export business to increase than to decline, and about a third think prices will rise still further.

Some increase in business is expected by every trade group covered. As for different export markets, all trades report improving prospects in Australasia, and all except textiles and clothing remain confident of doing well in west European markets. There is no sign of revival in India, Pakistan and Ceylon, and trade in south-east Asia is, of course, affected by the Indonesia-Malaysia dispute. Two interesting contrasts emerge. Textile and clothing, the biggest single group in the sample, reports worsening export prospects in all markets except Africa and Australasia. Exporters of engineering products, on the other hand, take a more optimistic view than they did four months ago in all markets except Africa and the Indian sub-continent. In general, prospects in North America are believed to be unchanged, but those in Central and South America have improved.

On the import side, more merchants expect a further rise than a fall in arrivals, and a majority also expect new import orders to increase. The main exception is the textile materials group which forecasts a drop in imports. The following are some of the statistics of the survey. Asked: "Do you feel more, or less optimistic about exports than you did four months ago?" 23 firms said "more," 18 said "less" and 59 "unchanged." Replies to a question on likely export orders in the next four months were: up 26, same 56, down 18. The last three figures are almost precisely the same in a forecast of imports in the next four months. No doubt merchants nowadays form only a modest part of the country's trading force, but as far as the survey goes, it fits in with the tenacious official belief that the "underlying trend" of exports is upwards, whatever the monthly returns may say.

British Aid Helps

The British Government's recent statement that aid to developing countries depends primarily on the U.K.'s balance of payments is strongly criticised in a report published by the Overseas Development Institute. Much of the aid, the report states, returns directly to Britain and in no way represents a loss to the balance of payments. Britain, as a major exporting nation, stands to gain from other donors' increased aid. The level of that aid is influenced by British aid policy, so that increased British aid can be expected to bring extra export earnings financed not only by British aid, but also by that of other donors.

This argument is supported by World Bank figures. Betwen 1945 and June 1963, Britain's contributions to the World Bank have totalled a little more than £113 milion. Imports from Britain financed by World Bank loans have amounted to £217 million. The basis of the argument is that aid from developed countries will be used in turn to buy goods or services from the developed countries. Britain stands to gain along with the rest if all the developed countries increase their aid to developing countries.

The report, financed by the Nuffield Foundation and prepared by Mr. Athole Mackintosh and Mr. Andrzej Krassowski with the help of Miss Juliet Clifford, goes through recent aid figures in some detail, and concludes that "the apparent outflow of £140 million in bilateral aid in 1962-63 could well have disguised a net gain of £30 million," and that even on the most unfavourable assumptions, the loss in terms of reserves was hardly more than 10 percent of total aid. The pamphlet illustrates the close relation between those countries which receive British bilateral aid and those which, among developing countries, are Britain's major customers. It argues in general, however, against "tied" aid, for the purchase only of British goods, since Britain would be a major loser if other donors similarly tied their aid.

The authors draw attention to the way terms of British aid get worse when colonies become independent. They write that well over half of British aid to independent countries (including Commonwealth countries) is in the form of Export Credits Guarantee Department loans, tied to British exports. These create a growing debt burden, such that gross aid to India, for instance, will have to be nearly doubled by 1966-67 if India's net receipts are to remain at their present level. If future debt-service commitments are taken into account, the authors continue, the "real" value of total British aid is reduced to about half its nominal value.

Direct overseas investments by British companies are estimated by the Board of Trade at a book value of £3,600 million. Including accumulated depreciation for fixed assets, the amount rises to nearly £4,500 million. Current market values are, of course, in many cases much higher. Moreover, the figure excludes oil, insurance and banking—three industries in which British companies have particularly large investments abroad. Clearly, Britain has rebuilt its overseas investments on a large scale since the sales and losses which reduced the pre-war total during the war years. Well over half the investments are in the overseas sterling area—a total of nearly £2,000 million. Much the biggest single component is the investment in Australia, which is estimated at £522 million. Next comes South Africa with £269 million and India with £256 million. Malaya follows with £126 million. Net assets of direct investment in North America just exceed £1,000 million, of which £672 million are in Canada. The figure for Europe is £362 million of which almost £250 million is in the Common Market. Manufacturing industries account for the great bulk of the holdings, but agriculture (including plantations) and mining together make up about a fifth.

U.K. Investment

The estimates of book values are for the end of 1962. Other Board of Trade estimates indicate that the U.K.'s stake in direct company investments abroad is being steadily increased year by year. Between 1960 and 1963, annual additions varied only from £209 milion to £247 million. Last year, almost half the new investment of £223 million was financed by unremitted profits. Altogether, in each year since 1959, the total earnings of private direct investment were bigger than the new amounts invested. In 1963, when the figures for the first time included insurance earnings, the figure rose to £312 million. Only oil now remains excluded from the annual figure.

Per contra, direct investment by overseas companies in the U.K. rose in 1963 to £150 million, returning roughly to the level of 1959 after three years in which investment (omitting the exceptional Ford deal of 1961) has been running at a lower level. About half the foreign investment was financed by reinvested profits: in most years the new investment was roughly equal to the earnings of the companies concerned from their U.K. activities. The Board of Trade Journal, which contains the new estimates in some detail, makes this comment: "On the basis of these figures there is no evidence that American investment—which is thought to have exceeded £100 million in 1963—has been diverted away from the United Kingdom.

The total net asset value of all overseas-owned businesses in the U.K. —excluding oil, insurance and banking—at the end of 1962 is estimated at £1,500 million or, including depreciaion, at £1,870 million. Of the former figure, £1,081 million is accounted for by U.S. companies established in Britain, and £234 million by companies in western Europe, of which the Common Market makes up only £92 million.

British Research

The British Government is spending more than £2 million a year on research for the developing countries. An outline of its scope is given in a White Paper just issued by the Department of Technical Co-operation—*Research Assistance for the Developing Countries* available from H.M. Stationery Office.

Africa and the West Indies are the areas in which the main effort is concentrated, but the range of activity

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is wide—from bilharzia research in Tanganyika to studies in animal nutrition and on cocoa in the West Indies and soil surveys in Sarawak. More than one-third of the money is spent in Britain on research in home-based institutions. The report points out that the Anti-Locust Research Centre in London, with its new laboratories and specially designed breeding rooms, has become the main establishment in the world for advice and information on locust and grasshopper research and control.

The Tropical Products Institute, also in London, gives advice to countries all over the world on new uses for tropical products, market surveys, new ways of processing tropical crops, and preventing damage to crops from various natural causes. Other comparable research centres in Britain include the Tropical Stored Products Centre in Slough, the Tropical Pesticides Research Unit in Porton, the tropical section of the Road Research Laboratory at Harmondsworth, and the tropical division of the Building Research Station in Garston, Watford.

British shipowners who have traditionally operated services to and from Karachi face crippling competition as a result of the decision of the new Pakistan National Shipping Line to increase its fleet from seven to 34 ships by the end of next year. Pakistan will try to capture at least half the trade, and plans to run services to all parts of the world. Ships are being sought from many countries, including Britain. Some are being bought second-hand and others are being specially built. The line's new flagship, the *Abasin*, 5,500 tons, is now on her maiden voyage from London to Pakistan.

Stock Exchange Turnover

In order to assist the monetary authorities in their study of the financial system and its working, the London Stock Exchange undertook some time ago to obtain turnover figures from members. From the beginning of September stockbroking firms are being asked to supply the Stock Exchange Council with daily details of business done. Returns are to be submitted by noon of the following day, showing separate figures for purchases and sales and the number of bargains in five major categories of security. These are British Government securities, local authority loans, overseas government securities, other fixed interest stocks, and equities.

The returns will be collated under conditions of secrecy and the aggregates passed in confidence to the Bank of England and Central Statistical Office within 24 hours. At the end of each month, the monthly totals will be published by the Stock Exchange. It is also proposed eventually to obtain an analysis of bargains according to category of client, but this will not begin for some months. In a letter to senior Partners, Lord Ritchie of Dundee, the Stock Exchange Council's chairman, says that each broker firm will be allocated a code number which will be changed every three months. The returns will bear no other identification and will be destroyed immediately. Only the Council secretary and his assistant will know the codes.

BOOKS RECEIVED

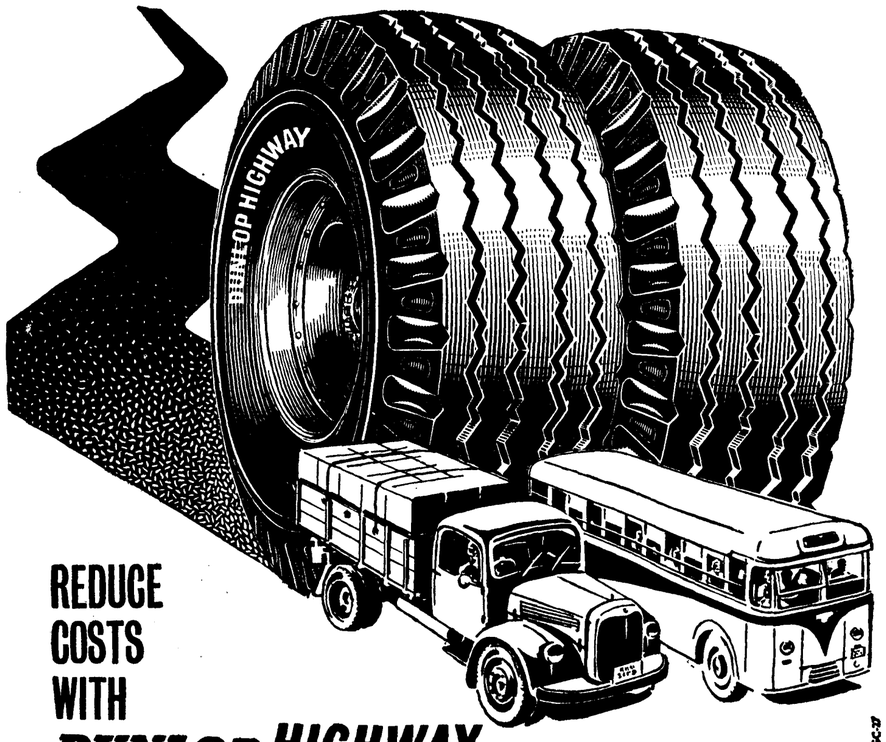
Cargo Liabilities and Immunities of Air Carriers. By V. N. C. Narichania. (Published by V. N. C. Narichania for V. N. C. Narichania and Co. 22 Sir Phirozshah Mehta Road. Bombay 1. Price Rs. 10, pages 268.)

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Jute

I.J.M.A. URGES GOVERNMENT TO HELP INDUSTRY

WORRIED about the alarming loss of sacking markets to Pakistan, the Indian Jute Mills Association has appealed to the Central Government "to come to the industry's aid so that a concerted effort can be made to win back lost markets and to ensure that India obtains a fair share of any rise in world demand." An I.J.M.A. delegation, led by Mr. R. H. Morrison, has been discussing the problems facing the industry with the appropriate ministries in New Delhi since Monday. It is likely to make concrete suggestions for devising suitable reliefs to the industry, without infringing the G.A.T.T. fair trade practices, to help it meet the unfair competition from Pakistani mills. The fixing of the targets for jute goods production and exports in the fourth plan will also figure on the agenda.

A Press note issued by the I.J.M.A. in Calcutta during the week-end says that the sharp increase in stocks during July emphasises the need for immediate action to avert a situation which will be detrimental to the country and the industry. Local conditions have, no doubt, contributed to the big rise in sacking stocks. But industry circles feel that it will not be possible to achieve the export targets without stimulating overseas demand, particularly for sacking. The I.J.M.A. deplores the inordinate delay on the part of the Government in extending positive assistance to the industry to counteract the advantages offered by Pakistan to her mills.

Pakistani Industry Expanding

The Press note says that the Pakistani industry has already been operating at a level of 325,000 tons a year, or about 25 percent of India's production. Besides, the plans in various stages of implementation in that country will raise the capacity by 20 percent over the next 18 months. "In striking contrast to the fluctuating fortunes of the Indian industry", continues the Press note, "the Pakistani jute mills have enjoyed uninterrupted prosperity since their very inception". It has enabled them to build up great corporate strength. The fact that the Pakistani Government is ready to pay an additional subsidy of 10 percent, even under such conditions of prosperity, can only be seen as a measure of its resolve to expand at the cost of the Indian industry, the note says. What is needed at the moment is a "boldly conceived plan of assistance to the industry to help it achieve the desired objective."

Margins for T.S.D. Contracts

In order to arrest unhealthy speculation in raw jute and gunnies in the spot market as well, the East India Jute and Hessian Exchange has imposed margins for trading in T.S.D. contracts from 13th August. *Bona fide* export commitments and Government tenders have been exempted from the margins. Besides, no margin is payable by a member of the Jute Goods Dealers Panel or the Jute Goods Manufacturers Panel up to specified limits under certain conditions.

Every member of the Association is required to pay margins on the total of the outstanding long transactions in gunnies due for delivery in August, September, October-December, January-March and April-June and for all varieties of raw jute, including cuttings and mesta for August and September deliveries whenever their respective closing rates rule at or above the following maxima:

Constructions	Price ceilings	Margin rates
Hessian (100 yards)		
40in. 10oz. ...	Rs. 52.00	Rs. 13.00
	Rs. 54.00	Rs. 27.00
40in. 7½oz. ...	Rs. 39.50	Rs. 10.00
	Rs. 41.50	Rs. 20.00
Sacking (100 bags)		
B Twills ...	Rs. 138.00	Rs. 35.00
	Rs. 143.00	Rs. 71.00
Australian Cornsacks	Rs. 143.00	Rs. 36.00
	Rs. 148.00	Rs. 74.00
Heavy Cees ...	Rs. 138.00	Rs. 35.00
	Rs. 143.00	Rs. 71.00
Raw Jute (A maund)		
Assam Bottoms ...	Rs. 37.50	Rs. 9.50
	Rs. 39.50	Rs. 19.50

T.S.D. contracts in jute goods constructions other than those mentioned above, providing for options to tender any of the above types, or providing for options to be declared at a subsequent date, will also be subject to the deposit of margins at rates specified for the particular constructions.

Sharp Rise in Gunny Output

Working at the maximum level for 216 hours in July, against 200 hours in the previous month, mills reporting to the I.J.M.A. show a sharp increase in gunny production from 107,000 tonnes to 117,700 tonnes. The output of hessian rose by 4,800 tonnes to 49,100 tonnes, of sacking by 5,200 tonnes to 46,400 tonnes, of carpet-backing by 300 tonnes to 8,200 tonnes and of miscellaneous goods by 400 tonnes to 14,000 tonnes. The mills worked at the same level for the same 216 hours during July 1963, producing 108,900 tonnes of jute goods—45,800 tonnes of hessian, 43,000 tonnes of heavy goods, 8,200 tonnes of carpet-backing and 11,900 tonnes of other goods.

Fall in U.S. Burlap Consumption

The consumption of burlap in the U.S.A. has declined from 69.5 million yards in June to 64 million yards in July. The country used 68 million yards a year ago. The total offtake for the seven months ended July 1964 has also dropped to 500.3 million yards from 531.7 million yards for the comparable period of 1963. The monthly average so far in 1964 is 71.47 million yards, against 75.95 million yards last year. U.S. stocks rose during July from 285.8 million yards to 300 million yards. Of these, 152 million yards, against 156.8 million yards, were spot stocks and 148 million yards, against 129 million yards, were afloat. They were 297 million yards—176 million yards spot and 121 million yards afloat—at the end of July 1963. At the July level of consumption, the stocks will last 4.69 months. The corresponding stock duration on the same basis a year ago was 4.36 months.

Statistics of U.S. burlap imports show that the total offtake of hessian for the six months ended June 1964 has declined by 17.71 percent to 487.9 million yards from 593.4 million yards for the corresponding period of 1963. Imports from India dropped by about 20 percent from 509.2 million yards to 406.9 million yards, and from other countries from 31.5 million yards to 27.5 million yards. Those from Pakistan, however, showed a fractional increase from 52.7 million yards to 53.5 million yards.

Industry circles in Calcutta attribute the drop in U.S. offtake to the gradual shift to the use of paper and synthetic packaging materials. The big "ventilation advantage" offered by gunny packaging has been negatived with the introduction of woven or perforated kraft paper bags, which allow contents like potatoes to get air during storage and transit. Paper bags are not subject to such fluctuations in prices and supplies as hessian bags.

THE JUTE MARKETS

Manufactured Goods: Erratic conditions marked trading in the Calcutta gunny market during the past week. In spite of the imposition of heavy margins on trading in T.S.D. contracts, the market could not recover from the effects of the bull pressure prevailing during the two previous weeks. Open market transactions declined appreciably and prices fluctuated within narrow permissible limits without attracting penal margins. But bulls remained active on the kerb liquidating their outstanding long positions. As a result, kerb prices gradually dropped considerably. Excepting scattered hessian transactions with the U.S.A. and the U.K., overseas business was negligible in the spot market. Shippers and shorts, however, were obliged to cover their open positions for ready and near delivery at higher prices. The publication of the higher production figures for July did not have any effect on sentiment. In the hedge market, sacking for August and November continued to be firm gaining daily by the permissible fluctuations after which official trading in these were suspended for the day. Hessian also moved in the same way till the week-end. From Monday, hessian for August and November suffered a mild setback on reports of a decline in U.S. burlap consumption and an increase in American stocks during July. On Tuesday, reports of a sharp decline in fibre prices in Pakistan softened spot gunny prices by about Rs. 2 in heavy goods and about Re. 1 in 40in. 10oz. hessian from the day's top levels. Trade circles believed that the drastic action so far taken by the authorities would help restore normal conditions in the market in a couple of weeks. Fluctuations were wide. Turnover was heavy in the hedge market, and moderate in the spot market. The undertone was hesitant at the close.

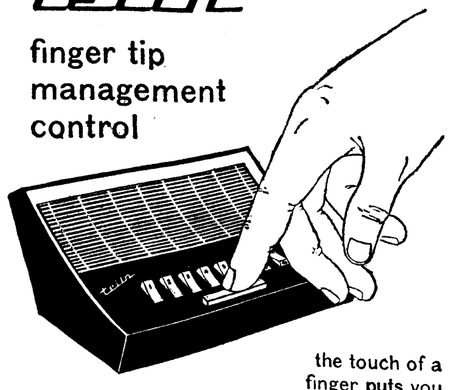
Wednesday's quotations were as follows:

	Aug.	Sept.	Oct.-Dec.	Jan.-Mar.
40in. 7½oz.	36.40	36.50	36.75	37.00
40in. 8oz.	39.00	—	—	—
40in. 10oz.	48.25	48.50	48.75	49.25
B Twills	132.25	132.50	133.00	134.00
Cornsacks	135.50	136.00	135.50	136.00
Heavy Cees (Plain)	132.00	131.50	132.00	133.00
A Twills	158.50	159.00	160.00	160.50
Liverpools	146.50	147.50	148.00	149.00

Raw Jute: Steady conditions prevailed in the raw jute market during the past week in spite of a gradual increase in upcountry arrivals and reports of a sharp decline in fibre prices in Pakistan. Agency prices continued to rule above Calcutta parity levels due to the reluctance of holders to extend commitments at prevailing prices. Sellers in Calcutta also became cautious in view of the upcountry trend. Mills were keen on replenishing their stocks as the 560,000 bales of raw jute held by the Jute Buffer Stock Association at the end of June had already been absorbed by mills. But the prevailing high prices of raw jute made it difficult for them to offer gunnies at prices which the market could afford to pay. All offers of better-grade fibre around the existing levels for ready and near delivery positions were absorbed. In the hedge market, Upper Assam White Bottoms for September continued to rule firm, the price gaining daily by the permissible fluctuation of 25 paise. Turnover was moderate and the undertone

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steady at the close. Prices of Assam Bottoms for September softened appreciably on the kerb on long liquidation by tired bulls.

Wednesday's quotations were as follows:

	Landed at Mills (Basis Bottoms)			
	Current Prices		T.S.D. Minimum Prices	
	Rs. A Qtl.	Rs. A Md.	Rs A Qtl.	Rs. A Md.
Assam-Agartala Jute	109.85	41.00	117.89	44.00
Northern Jute	107.17	40.00	115.21	43.00
Western Desal Jute	101.81	38.00	109.85	41.00
Selected Daissee	115.21	43.00	123.25	46.00
Assam-Agartala Tossa	112.53	42.00	120.57	45.00
Mesta : Assam-Northern	99.13	37.00	107.17	40.00
Local Daissee	99.13	37.00	107.17	40.00
Bihar Dist.	95.11	35.50	103.15	38.50

THE U.K. JUTE MARKETS

FIBRE PRICES RISE BUT BUYERS HOLDING OFF

(FROM OUR DUNDEE CORRESPONDENT)

SINCE the beginning of this month, prices of raw jute in Pakistan have risen by £30 to £40 a ton. The main reason for this is the fear that the crop will not produce sufficient fibre to meet demand. Flooding has also taken place in the growing areas, but this should not reduce the quantity of jute available, although it may spoil the quality of the fibre.

There is no doubt that a certain amount of panic buying has taken place and this has helped to force prices to a very much higher level. Imports of loose jute from upcountry in Pakistan into baling stations are very small and shippers are finding it difficult to obtain supplies. With a late crop and the Pakistani mills taking regular supplies, no stocks are accumulating. Some shippers are remaining out of the market until they have actual stocks of raw jute.

Dundee spinners have shown a small interest at the higher level of values, but generally they are refusing to pay the prices asked until the position becomes more stable. Offers being made in Dundee are scarce and irregular. Export Lightnings range from £125 to £140 and Export Hearts from £125 to £138, c.i.f. U.K., for September-October shipment. Grade Tossa-4 ranges from £135 to £144, Outport Tossa-2/3 from £125 to £138, and Outport Tossa-4 from £115 to £120, September-October. Cuttings are named at £87 for N.C.

The Siam jute market is also much dearer with prices at £93 for grade A, at £89 for grade B and at £85 for grade C, delivered mill Dundee for November-January shipment.

The Calcutta goods market was dearer, but there was some easing of the position during the past few days. Quotations were at 78s 11d for 40in. 10 oz. and at 59s 7d for 7½oz. a 100 yards c. and f., U.K., for August shipment, at 79s 3d and 60s September and at 80s 1d and 60s 4d October-December. B Twills were at 221s 3d, 222s and 223s 6d for the respective shipment periods.

A substantial business took place in yarns and cloth at Dundee before the rise in raw material prices. Producers are now well placed for delivery several months. So far spinners have increased their yarn prices by only 58d a lb which is eual to about £5 a ton. On the other hand, they are unwilling to transact further business until more is known about the raw material position.

THE PAKISTANI JUTE MARKETS

RAPID RISE IN FIBRE

(FROM OUR DACCA CORRESPONDENT)

WITHIN the last month and a half, the price of the lowest grade of loose jute has risen from Rs. 24 a maund to Rs. 46 a maund and at the present rate, by the time this despatch is printed, the price may even be Rs. 10 higher. Most balers, particularly the larger ones, continue to buy loose jute as if every maund available might well be the last bit of jute to be seen this season. Naturally the sellers, taking full advantage of this undisguised eagerness, have been raising prices by as much as 10 percent daily. Since even such daily increases in prices has not dampened the enthusiasm of the buyers, the brokers and *beparis* have taken to withholding the jute for a few days in the expectation of still higher prices.

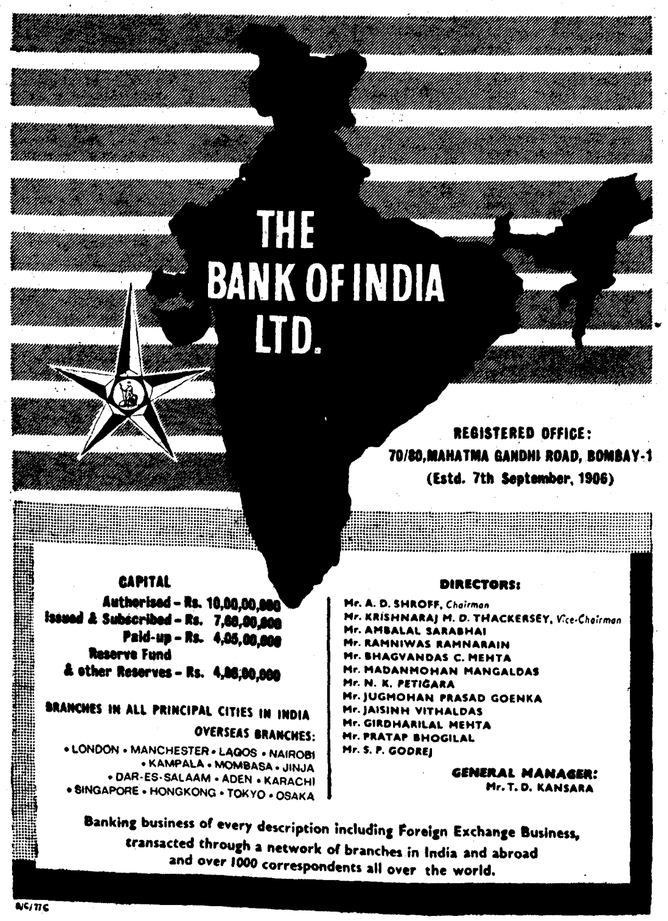
There is no doubt that a level of prices has been reached, which can neither be paid for by the overseas buyer nor, for that matter, by many of the local buyers. As far as the former is concerned, there comes a time when it is cheaper either to stop the mills or to buy substitute fibres. In the case of local buyers, there are definite limits to their finances and when 20,000 bales, which is not a large quantity, cost the baler £200,000, it is not difficult to appreciate that the baler must stop buying. One has also to remember that any sterling credits overseas will be difficult to get out of the London agents in a season like this.

Furthermore, it takes practically two months after a baler has bought his jute before he can get his money back by exporting. The excitement continues mainly because two big balers are still covering their short position. Others, who want to continue buying, are having to pay these high prices or sit out. With the market rising at this speed, it takes a lot of courage even for a baler, who has a long position to stop buying and wait for lower prices. Nevertheless, logically it is impossible for these prices and these rises to be maintained and if overseas buyers pay even the new E.P.C. prices, now would appear to be the time to sell.

A recent survey of the crop in the Mymensingh and north Bengal areas did not show very much damage from floods. That is to say, there are no indications that large quantities of jute have gone under water or been swept away as was the case three seasons ago. There are, however, indications that in some areas, rice was sown in the jute field which is a positive sign of reduced sowings. The vast areas flooded confirm reports of excessive water, which will definitely affect the quality of the crop, and to a lesser extent, the outturn possibly by another 5 percent. What appears to be most tragic is the damage to the quality, firstly by excessive water and secondly, by receding floods which leaves hard-centred jute. With the present high standard of Export Hearts, this will even reduce the outturn of Export Hearts and will force some buyers to start purchasing S.M.R. To take S.M.R. from any one except from highly reputable balers is an extremely risky business.

Unfortunately, the Faridpur crop, which up to July was the best sown and which gave every indication of producing excellent jute, has suffered the worst from flooding. Since this is a tossa area, which cannot stand much water, this means that the quality of hard district tossa will once again be poor. In pucca bales, the rise in prices has not been so sharp as in loose jute. The latest report in cuttings is that business has been done at £95 f.o.b. Little business is reported in other pucca bales because there are no sellers.

From overseas high prices are reported, but very little about actual business. To report the current E.P.C. values is impossible since they are out of date within 24 hours. To push Export Hearts up by £23 in two days as has happened is unprecedented. Meantime, "Korean" prices have been exceeded, and flood waters in the towns of Dacca and Narayanganj are creating a sentiment of flood damage to the crop which exceeds the facts of the case.



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Banking business of every description including Foreign Exchange Business, transacted through a network of branches in India and abroad and over 1000 correspondents all over the world.

A/C/77C

Commodity Markets

MADRAS CONSIDERING TAX RELIEF FOR TEA

(FROM OUR SOUTH INDIAN CORRESPONDENT)

THE Madras Government is considering the question of giving relief for tea under the agricultural income tax. This was disclosed last week by Mr R. Venkataraman, Madras Minister for Industries, while addressing the annual conference of the Association of Planters of the State of Madras, held in Coonoor last week. The Governor of Madras, Mr. Jaya Chamaraja Wadiyar, who inaugurated this conference has urged planters to devote increasing attention to improving the quality of plantation products, particularly tea, so as to enable Indian tea to hold its own amid the stiff competition in the world markets. Quality improvement was even more important than stepping up production. The chairman of the Association, Mr. M. R. M. Punja, made a bitter complaint against the unbearable tax burden on the industry and said that unless the industry had the capacity of generating and ploughing back substantial resources of its own, credit would not be forthcoming and loans could not be serviced. He pointed out that the various institutional credit facilities which existed or were being proposed could only supplement and not substitute for the inherent financial soundness of the industry itself. "Before one thinks of facilities for credit, one should ensure the creditworthiness of the industry", he added.

Mr. Punja said that the Central Commerce Minister, Mr. Manubhai Shah's recent announcement that replanting expenditure would be allowed as a legitimate charge in the assessment of *income tax* was encouraging and suggested for the consideration of the Government that the field assets in the form of stands of tea, coffee and rubber were in no way different from the plant and machinery in other industries and were, therefore, entitled to depreciation. He noted with satisfaction that Madras was the first State to give the lead in the matter of the depreciation element in the case of rubber as recommended by the Tariff Commission. He pleaded for similar gestures in the case of tea and coffee also. The increase of tax burden on a static industry might in due course result in the reduction of revenues from a long-term point of view. Therefore, it would be fiscal prudence to aim at increasing the gross tax revenues by ensuring the expansion of production.

Rationalisation of the excise duty was another demand of Mr. Punja. He said that the Nilgiris was the only district in south India which had to pay a penalty for its quality, as it fell in Zone IV, notwithstanding that a considerable proportion of the production in the district was common tea and was no different from the teas produced in Zones I and II, which were paying lower rates of excise. He also pleaded for a drawback on excise duty on exported teas for encouraging exports. As regards sales tax, the 5 percent levied on teas exported from Cochin continued to be a handicap in the way of enhancing exports as it added to the costs, and thereby affected hte competitive position of Indian tea.

Mr. Venkataraman felt that the internal market would stand the levy of a 5-percent sales tax. However, he agreed that there was a case for reduction in the case of exported tea. He asked the Association to submit concrete proposals to the Centre which was now considering a reduction in the rate of levy of sales tax on exports. Mr. Venkataraman said that he was sympathetic to the demand of reclassification of excise zones, as common teas should not pay the same high rate as quality tea. He welcomed concrete proposals for differentiation.

Mr. Punja referred to the "virulence" of *panchayat* house tax which had risen to an "intolerable degree", and said that the recommendation of the Working Group on Housing for exempting the workers' houses provided by the employer free of rent as a statutory obligation should receive the immediate consideration of the State Government. The tax levied on the electricity produced by tea and rubber factories with their own generators. particularly during the times of power crisis or in response to the appeal of the Electricity Board for co-operation was. he pointed out, iniquitous and unnecessarily added to costs. He appealed to the Minister to grant the industry total exemption from this unjustified impost. The chairman stated that factors other than tax which added to the costs of production were the welfare commitments such as housing and medical facilities for estate workers. The time had come when. as recommended by the Working Group on Housing, a helping hand from the Government by way of a subsidy and long-term adherence to the standards for housing would go a long way in enabling the industry to better its performance. he said.

Referring to the forest legislation of the Madras Government; he said that restrictions have now spread even to the felling of shade trees in planted areas in the course of routine agricultural operations. He appealed to the Government to end the uncertainties by denotifying all the reserve lands of plantations without further delay. In cases. where estates had put up proposals for extending their planted area. the specified lands should be denotified forthwith and permission granted to proceed with clear-felling. Unless the restrictive forest laws were placed on a rational footing, the production of tea and coffee in the Nilgiris. Shevaroys and Anamallais would be greatly retarded. he added.

The Minister said by way of reply that the Government would not give any general exemption in the case of plantations. Every case would be judged on merit. The Government, he said, was interested in improving plantations as well as preserving forest which was only 17 percent of the area of the State. As for *panchayat* taxation, the Minister said that the Government had no power to interfere and suggested that the planters should discuss this problem with the *panchayats*.

The chairman said that so far as the State of Madras was concerned, the production figures of the three main plantation crops registered a further climb along the vertical axis of the graph. Tea production touched 44 million kilograms in 1963, against 41 million kilograms in 1962. The corresponding figures for rubber were 3,169 tonnes in 1963, compared with 2,567 tonnes in 1962. Only in the case of coffee, there was a fall. production in 1963 being 7.710 tonnes, against 8,185 tonnes in 1962. But this was in keeping with the cyclical variation which was so characteristic of coffee. However, the planters had a bad luck with a long spell of severe frost towards the close of 1963, and early this year, followed by prolonged drought, unparalleled in recent memory. Production of tea is already lagging behind by 9.3 million kilograms in south India for the six months ended June 1964. Mr. Punja hoped that this was only a temporary setback.

Co-operative Tea Factory Opened

The Industries Minister, Mr. Venkataraman, inaugurated formally last week in Kundah on the Nilgiris a co-operative tea factory, first of its kind in India. The Kundah Industrial Tea Manufacturing Society, under whose aegis this factory was set up last year, has now a membership of 140 small tea growers in the Kundah Firka. This factory has been started for the benefit of the large number of small tea growers on the Nilgiris. The directors claim that they were able to pay 80 paise a kilogram of green leaf and sometimes 90 paise to small growers who supplied green leaves to this factory for the manufacture of tea, against 40 to 50 paise a kilogram paid by privately owned factories in the locality. They were also able to export 107,628 kilograms manufactured in this factory to countries like the U.K., Egypt and Russia during 1963-64 and earn foreign exchange worth Rs. 6 lakhs. Besides, 80 percent of the members of the society are paying a sum of Rs. 500 a month for the cumulative deposit scheme of the Government of India. The factory started working from September 1963.

Irregular Price Trend at Tea Auctions

A Special Correspondent writes: With a small increase in the offerings of north Indian teas in Calcutta and London, some slight irregularity in demand was noticed in both centres. In Calcutta, the tone was reported hesitant at the opening, then firmer in mid-sale but again easier at the close, but some good prices were recorded for the best teas and Darjeelings sold readily.

The London sale included only 5,037 chests from north India, and prices were inclined to be easier except for good Assams which met with a useful enquiry, but Dooars teas were irregular, while Africans were also occasionally easier. Colombo reported a serious fall of from 20 to 30 pice; said to be caused by the decision of the Iraqi Government to restrict tea imports. Iraq imports about 9,000,000 dinars worth of tea every year.

The 11th August Sale at Cochin followed normal lines with low mediums and mediums fetching prices round last year's level, but good mediums were lower and Nilgiri B.O.P. fetched Rs. 4.75 to Rs. 7 this year against Rs. 5.20 or Rs. 9. in 1963. At the 13th August sale in Calcutta 31,669 chests of dusts were advertised for sale. There was a fair demand, but at considerably lower levels. The price range was Rs. 4.20 to Rs. 6.00 with a few good Assam C.T.C. dusts fetching up to Rs. 6.50 a kilogram.

During July, weather conditions in many districts were too wet, and floods affected plucking. Nevertheless production moved ahead again to show a surplus of round 30.5 million lbs at the end of the month. Immediate prospects are reported fair in upper Assam and fair to good in central and lower Assam. Cachar is experiencing difficult climatic conditions, but in central Dooars, the outlook is good and similar hopes hold good in western areas, but in east Dooars, prospects remain fair, Terai is producing below normal, and in Darjeeling, abnormally wet weather was reported, but prospects remain fair.

Since independence tea from Indonesia shipped to Europe has been mostly sold through Hamburg and Antwerp, but it is possible that the old selling agencies with Amsterdam may be revived. The Amsterdam interests are said to have approached the India. Tea Board's representative in Brussels with a suggestion to ship a portion of Indian production to Holland for disposal. The Dutch know and understand tea and might help develop. Italian and Swiss interests are also reported to have made a reference to the Tea Board for advice in promotional campaigns, and Indian tea will be made available at the Brussels food fair in October and again in Paris in November.

That is the point one hopes the recently appointed Tea Committee will be able to deal with. But Mr. Punja had further advice to offer. He noted "the increase of the tax burden on a static industry must in due course result in reduction of revenue. Therefore, it would be fiscal prudence to aim at increasing the gross tax revenues by ensuring the expansion of production." Rationalisation of excise duty on tea was also overdue. The 5 percent tax levied on tea exports from Cochin was a handicap to the expansion of exports.

In the 6th issue of *Capital*, there is a reprint from its issue of 11th August, 1904, relating to costs and production. The matter is of live interest today. Firstly, the area planted on 31st December, 1963 was 524,827 acres. Now it is 334.093 hectares. Approximately 801.000 acres. Between 1884 to 1903, the planted area was increased by 85 percent. The five year period 1896-1900 witnessed extension of approximately 106,770 acres. The cost was from £23 to £30 an acre. Today it is Rs. 4.000 to Rs. 6,000, in Darjeeling. The above extensions began to produce full crops by 1904 with a consequent fall in commodity prices, but this correspondent seems to remember the low price level as being due, in part, to stocks being released in the U.K. at end of the Boer War.

The above facts have a bearing on present planning. If with short labour supply the extensions recorded could be planted out labour can easily do better today, but costs rule out any private extensions on a grand scale. The money will have to be found in India whereas in 1904, 90 to 95 percent of capital in tea belonged to non-residents.

Under the heading of "Finance for Tea Industry" a Calcutta daily publishes another essay on this subject. It says, "Under the plan, the industry will be required to produce an additional 250 million lbs, raising the country's target to 1,000 million lbs. Estimating the yield at 1,000 lbs an acre, the new area that should be brought under tea comes to 250,000 acres. At Rs 4,000 an acre, the cost of planting would be Rs. 100 crores". Today to spend Rs. 100 crores on tea development will merely add to inflation. It cannot produce the goods for years and if ever financed on these fantastic lines will spell losses, not profit.

It is not easy to forecast what the Tea Committee will recommend because of the simple fact that if tea is to remain a profitable industry, the Government will have to assist by lending cheap money, reducing taxation, refunding excise on exports and arranging for cheaper river transport. Meantime, it is doubtful if internal consumption is keeping pace with the population increase.

COMPANY AND PUBLIC NOTICES

JARDINE HENDERSON, LIMITED

Notice of Annual General Meeting

NOTICE is hereby given that the eighteenth annual general meeting of the members of the above-named company will be held at the registered office of the Company, No. 4, Clive Row, Calcutta-1, on Tuesday, the 29th day of September, 1964 at 11-15 A.M. for the following purposes :—

1. To receive and consider the Audited Accounts for the year ended 31st March, 1964, the Balance Sheet as at that date and the Reports of the Board of Directors and Auditors thereon.
2. To confirm the dividends already paid on the Preference Shares and to declare a dividend on the Ordinary Shares of the Company.
3. (a) To appoint a Director in place of Mr. D. Fordwood who retires at the forthcoming annual general meeting.

(b) To appoint a Director in place of Mr. I. F. Morriss who retires at the forthcoming annual general meeting.

(c) **(As special business)** To appoint a Director in place of Sir Asoka K. Roy who retires by rotation at the forthcoming annual general meeting and in this connection to consider and if thought fit to pass the following resolution of which special notice as required by section 281 of the Companies Act, 1956 has been received by the Company, viz :—

"That in accordance with the provisions of section 281 of the Companies Act, 1956, Sir Asoka K. Roy who has attained the age of 78 years and who retires from the Board at this time be and is hereby re-appointed a Director of the Company whose period of office will be liable to determination by retirement of Directors by rotation and it is hereby specifically declared that the age limit of the Directors prescribed by section 280 of the said Act shall not apply to him and that he be remunerated by way of a fee of Rs. 600/- for each meeting of the Board attended subject a maximum in the aggregate of Rs. 6,000/- per annum."

4. To appoint Auditors and to fix their remuneration.

Notice is also given that the Share Transfer Books of the Company will be closed from 16th September to 29th September, 1964, both days inclusive.

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

By Order of the Board,

JARDINE HENDERSON, LIMITED,

Sd. C. EVANS,

Secretary.

4, Clive Row,
Calcutta-1,
13th August, 1964.

Note : 1. The dividend if approved will be payable on and after 23rd October, 1964 to those members whose names are registered in the books of the Company on 29th September, 1964.

2. **The explanatory statement required to be annexed to the notice convening the general meeting pursuant to the provisions of section 173 of the Companies Act, 1956 is being forwarded to the members.**

GOVERNMENT OF UTTAR PRADESH

Finance Department

Dated Lucknow, August 4, 1964

PRESS NOTE

4½ per cent Uttar Pradesh State Development Loan, 1976

The Government of Uttar Pradesh are floating a loan of Rs. 10 crores in order to finance development schemes particularly those relating to electricity, irrigation and industries. The loan will open for subscriptions on August 24, 1964 and will close on August 29, 1964, unless closed earlier. The main terms of the loan are that the issue price will be Rs. 99.75 for every Rs. 100 of the loan applied for ; the loan will have a currency of 12 years from August 24, 1964, and will be repaid at par on August 24, 1976 ; the loan will carry interest at the rate of 4½ per cent per annum from August 24, 1964 payable half-yearly on February 24 and August 24, the payments being subject to tax under the Income Tax Act, 1961. Subscriptions for the loan can be made in the form of cash or cheque or securities of 4 per cent Uttar Pradesh Loan, 1964 and will be received at the branches of the State Bank of India in Uttar Pradesh, the Government treasuries and sub-treasuries in the State of Uttar Pradesh where there is no branch of the State Bank of India, the offices of the Reserve Bank of India at Bombay, Calcutta, New Delhi, Madras, Nagpur and Bangalore, the branch of the State Bank of India at Patna and the branch of the State Bank of Hyderabad at Hyderabad.

Full details of the terms of the loan are contained in Finance Department notification no. B1—3054/X—88-64, dated August 4, 1964, copies of which, along with the application form, are obtainable at the receiving offices mentioned above.

2. Financial position of the Government of Uttar Pradesh—

Revenue position—During the years 1959-60 to 1962-63, the Revenue receipts and expenditure were as follows :

(Figures in lakhs of rupees)

	Revenue Receipts	Revenue expenditure	Surplus (+)
1959-60	12,955	12,816	+139
1960-61	14,835	14,431	+404
1961-62	15,399	15,111	+288
1962-63	19,000	18,867	+133

The Accounts for 1963-64 have not yet been finally closed, but the indications are that the year might close with a revenue surplus of about Rs. 10 crores.

Balances in the Reserve Funds—The balances at the credit of the various Reserve Funds at the end of 1963-64 were Rs. 65.40 crores of which a sum of Rs. 54.84 crores is invested in Government securities.

Debt position—The total debt of the Government of Uttar Pradesh as on March 31, 1964 was about Rs. 406.59 crores consisting of Rs. 331.63 crores as loans received from the Government of India, Rs. 64.75 crores on account of open market loans, Rs. 9.31 crores representing loans from the Agricultural Credit Fund of the Reserve Bank of India and from the Life Insurance Corporation of India, etc., and a sum of Rs. 90 lakhs in respect of issue of U. P. E. E. Act Bonds. There are Sinking Funds for the public loans (both Liquidation and Depreciation) and the balance at the credit of these Funds which amounted to Rs. 27.40 crores on March 31, 1964 is invested mostly in Government of India securities. A sum of Rs. 16.83 crores—mostly invested—is also available in the Sinking Fund built up for the amortisation of loans obtained from the Government of India which are repayable in lump sum. Besides the above debt of Rs. 406.59 crores, the State Government also issued Zamindari Abolition Compensation Bonds and Rehabilitation Grant Bonds, the outstanding balance of which on March 31, 1964 amounted to Rs. 81.40 crores.

Assets of the Government—Against the outstanding debt of Rs. 406.59 crores there are assets in the shape of the Ganga, Yamuna and Sarda Canals, various other canals and the State Tube-wells, Government Cement Factory, Government Precision Instruments Factory, Government Bus Services and Rihand Electricity Scheme, in which a total sum of about Rs. 321.44 crores has been invested. Another asset is the balance due to Uttar Pradesh Government on account of loans and advances made amounting to about Rs. 194.31 crores. Besides these, there are a large number of buildings and roads for which no separate capital accounts are maintained.

MACHINERY WANTED

DIESEL Engines in good running order two each 250 HP or Four each 125 HP offers stating make, year of manufacture and speed to Box 4812 "CAPITAL", P.O. Box 14, Calcutta-1.

DELTA IRRIGATION PROJECT

TENDER CALL NOTICE

Sealed Quotations are invited to be received by the undersigned upto 3-00 P.M. on the 20th September, 1964 for the supply of 400 (Four hundred) square metres of 12 m.m. thick Expansion Jointing material. The tenderers should supply sample along with their tenders. Tenders will be opened at 3-30 P.M. on the above date in the presence of the tenderers or their authorised agents.

The authority reserves the right to reject and or all tenders without assigning any reason thereto.

Sd/- B. Misra

Superintending Engineer
Delta Irrigation Circle
Keshari Nagar, Bhubaneswar-1

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Britannia Biscuit Co. Ltd. ..	20-8-64	10 a.m.
Howrah Mills Co. Ltd.	21-8-64	12-15 p.m
Karanpura Collieries Ltd. ..	28-8-64	11 a.m.
Indian Aluminium Co. Ltd. .	28-8-64	11-30 a.m.
Lodna Colliery Co. (1920) Ltd. ..	31-8-64	12-30 p.m.
Indian Iron & Steel Co. Ltd.	8-9-64	3 p.m.
Indian Cable Co. Ltd.	25-9-64	3 p.m.
Jardine Henderson. Ltd. .	29-9-64	11-15 a.m

DIVIDENDS DECLARED OR PROPOSED.—Okayti Tea Co. Ltd.—25 p.c. (o), subject to tax ; Mettur Industries Ltd.—15 p.c., subject to deduction of tax ; Minerva Mills Ltd.—Nil ; Surat Electricity Co. Ltd.—6 p.c. (o)(f), subject to tax ; India Paper Pulp Co. Ltd.—Re. 1 per share (o)(f), (Gross) ; Kesoram Industries & Cotton Mills Ltd.—15 p.c. (Gross) (o) ; Gopalpur Tea Co. Ltd.—Re. 1 per share, subject to tax ; Attock Oil Co. Ltd.—1s 8d per £1 of stock (f), free of income tax ; Gingia Tea Co. Ltd.—20 p.c., less tax.

HIDES AND SKINS

The market was quietly steady. Stocks of hides were higher, but those of skins were less than in the previous week.

Bazaar Sales

(Between 11th August and 17th August, 1964)

Cowhides : Wet salted (Ord.) 7,000 pcs. on the basis of Rs. 8.25 to Rs. 9.75 ; Wet salted (Slaughtered) 33,000 pcs. on the basis of Rs. 10.50 to Rs. 16.50 and Rs. 19 to Rs. 28 ; Wet salted (Ord.) 1,500 pcs. on the basis of 52 paise a lb.

Goatskins : Wet salted (Patna, Daissee, Kustia) 24,300 pcs. on the basis of Rs. 230 to Rs. 260, Rs. 320 to Rs. 340 and Rs. 370 to Rs. 380 ; Wet salted (he-killed) on the basis of Rs. 4 and (she-killed) on the basis of Rs. 3.75 a piece ; Assam-Dinajpur 24,000 pcs. on the basis of Rs. 285 ; Purneah-Kissenganj 20,500 pcs. on the basis of Rs. 260 to Rs. 270 ; Purneah-Kissenganj 10,100 pcs. on the basis of Rs. 460 to Rs. 465.

Bazaar Stocks

(17th August, 1964)

Cowhides : Wet salted (Ord.) 86,600 pcs.

Goatskins : Wet salted (Patna, Daissee, Kustia, Killed) 60,000 pcs. ; Assam-Dinajpur 77,000 pcs. ; Muzaffarpore-Patna - Pakur - Purneah-Kissenganj 2,22,000 pcs.

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock Exchange Associations and other sources.

Figures given after stroke (/) mean paise.

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Wednesday, 19th August, 1964.

BANKS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 19-8-64 Rs.	12-8-64 Rs.	A year ago Rs.
Allahabad Bank P.	18	15	15	100	248/00	248/00	262/00
Bank of Baroda	17	16	16	50	95/00	98/00	84/50
Bank of India	20	20	18	50	102/00	102/50	108/50
Central Bank of India	20	20	20	25	49/50	49/50	56/50
Chartered Bank	15	15	15	£1	sh.52/6	sh. 51/6	sh. 58/3
Hindusthan Commercial	Nil	Nil	..	50	10/50	11/25	13/25
Hindusthan Mercantile	Nil	Nil	..	50	10/75	10/75	15/62
Hong Kong & Shanghai	sh. 15	sh. 16	sh. 16	HK$25	£21¾	£21½	£18¾
Indian Bank	15	14	..	100	155/00	155/00	161/00
Indian Overseas Bank	14	..	..	..	143/00	144/00	144/50
National & Grindlays Bank	14	16	14	sh 15	sh. 30/9	sh.31/-	sh. 35/3
Punjab National Bank	20	20	..	10	20/00	20/00	19/50
Union Bank of India	11 2/5	11 2/5	..	5	6/24	6/20	5/92
United Bank of India	6	6	7½	10	7/66	7/59	7/37
United Commercial Bank	12	12	12	50	70/00	70/00	65/50

JUTE MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 19-8-64 Rs.	12-8-64 Rs.	A year ago Rs.
Agarpara P.	2½	2½	12	10	9/12	9/06	10/19
Alexandra P.	15	42½	..	100	300/00	300/00	300/00
Alliance P	Nil	10	12½	100	124/00	124/00	132/00
Anglo-India P.	7	10	12	100	182/00	160/00	232/00
Auckland P.	12	Nil	15	100	128/00	127/00	145/00
Bally P	25	25	..	100	235/00	235/00	272/00
Barnagore P.	10	10	10	£5	222/00	222/00	199/00
Bengal P.	..	..	..	10	7/00	7/00	9/69
Birla P	15	15	15	10	38/50	37/87	28/37
Budge Budge P.	Nil	12	14	100	121/00	121/00	135/00
Calcutta P	..	..	..	10	8/12	8/12	8/12
Caledonian P.	5	..	..	100	140/00	145/00	180/00
Champdany P.	5	Nil	40-35*	10	21/19	21/56	20/94
Cheviot P	5	25	..	10	20/00	19/31	21/12
Chitvalsah P.	Nil	5	Nil	10	8/19	8/25	9/75
Clive P	..	..	..	10	8/00	8/00	9/62
Dalhousie P.	1	Nil	25	100	122/00	122/00	140/00
Delta P	Nil	12	7½	100	140/00	132/00	140/50
Empire P	7½	12½	15	10	14/12	14/12	17/00
Fort Gloster P.	10	12½	20	100	251/00	251/00	375/00
Fort William P.	22½	10	20	10	21/75	21/75	24/50
Ganges P	10	15	20	10	14/81	14/56	14/56
General Industrial	10	13	..	10	15/00	14/25	13/81
Gouripore P.	25	20	20	10	23/00	23/00	25/25
Hastings P.	6	6	6	100	126/00	126/00	128/00
Hooghly P.	20	7½	10	10	14/50	14/50	20/00
Howrah P.	10	Nil	10	10	16/25	16/00	18/06
Hukumchand P.	28 2/3	26 2/3	26 2/3	7½	19/50	19/50	20/37
Inida	12	8	22½	12½	15/25	15/25	17/50
Kamarhatty P.	Nil	20	20	100	157/00	157/50	190/00
Kanknarrah P.	Nil	15	15	100	128/00	128/00	125/00
Kelvin P	15	5	20	100	140/00	140/00	167/00
Khardah P.	5	12½	12½	10	17/12	17/12	18/75
Kinnison P.	7	Nil	10	100	122/00	122/00	135/00
Lansdowne P.	Nil	Nil	Nil	100	92/50	92/50	87/00
Lawrence P.	15	10	10	100	102/00	102/00	100/00
Megna P.	12½	Nil	22	10	12/56	12/50	13/31
Naihati P.	..	..	..	100	85/00	85/00	81/00
Naskarpara	..	..	..	10	8/00	6/00	9/06
National P.	Nil	10	10	10	19/50	20/62	23/25
Nellimarla P.	6	15	5	10	8/25	8/25	11/44
New Central P.	15	Nil	..	10	11/37	10/87	12/44
Northbrook P.	30	20	35	10	24/81	25/00	28/25
Nuddea	6	5	10	10	11/25	11/12	..
Presidency	6	10	10	5	4/50	4/34	4/62
Rameshwara P.	Nil	Nil	Nil	10	9/20	9/20	9/12
Reliance P	Nil	Nil	Nil	10	7/56	7/25	9/50
Samnugger P.	Nil	10	10	£1	10/50	10/50	10/50
Shree Ambica P.	6	Nil	..	10	30/00	30/00	35/00
Soorah P	25	25	..	10	18/81	19/25	21/00
Titaghur P.	Nil	13	..	£1	10/50	10/50	10/50
Union P	6	Nil	20	100	138/00	138/00	160/00
Victoria P.	Nil	10	10	£1	10/50	10/50	10/50
Waverley P.	30	60	30	1	8/44	7/94	8/16

* 1964

COAL COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 19-8-64 Rs.	12-8-64 Rs.	A year ago Rs
Amalgamated	12½	15	..	10	21/37	21/50	25/00
Bengal P	21	19	16	100	235/00	230/50	260/00
Bengal Bhatdee	..	..	..	10	3/48	3/48	3/48
Bengal Nagpur	26	..	..	10	22/00	22/00	22/00
Bhalgora	..	..	..	10	4/37	3/87	4/84
Bharat Collieries P.	..	..	..	10	2/90	2/90	3/50
Bhutanbararee	..	..	..	10	10/00	10/00	11/94
Bokaro & Rampur	..	..	..	10	11/19	11/19	11/19
Borreo P	15	15	15	10	18/25	18/25	23/87
Burrakur P.	13	13	13	10	16/44	16/00	15/50
Central India	10	10	..	10	9/00	8/12	9/56
Central Kurkend P.	..	..	..	10	3/44	3/44	3/87
Churulia	..	..	..	4	3/06	3/06	3/06
Dhemo Main	Nil	..	..	10	3/95	3/95	4/31
East Indian	15	20	..	£1	27/87	27/87	30/00
Equitable P.	10	10	10	10	20/50	20/50	22/87
Ghusick & Muslia	Nil	Nil	Nil	10	13/87	13/87	14/25
Guzdar Kajora	..	..	..	10	2/47	2/47	2/44
Hurriladih	..	..	..	10	5/44	5/44	8/12
Karanpura Development	5 / 15	.. / ..	8	10O / 10F	9/12	9/12	10/75
Karanpura Collieries P.	10	10	10	10	13/00	12/62	15/00
Katras Jherriah	40	25	30	10	28/12	29/50	37/75
Khas Kajora P.	..	..	..	10	14/19	14/19	18/70
Mundulpur	..	..	..	10	2/69	2/69	2/69
Nazira	Nil	Nil	..	10	4/69	4/69	5/00
New Beerbhoom P.	10	12	10	10	16/56	16/56	19/25
New Manbhoom	9	12	..	10	11/12	11/12	14/50
North West	20	..	..	10 / 7½	19/75 / 18/00	19/75 / 18/00	19/75 / 18/00
Ondal P.	7½	..	..	10	13/50	13/50	13/50
Parasea P.	1½	..	..	10	14/00	14/00	16/00
Pench Valley	10	..	..	10	17/44	17/44	17/37
Pure Sitalpur	..	..	..	10	8/00	8/00	8/00
Rangeegunge	17	17	..	10	13/06	13/06	14/87
Rewa	20	..	..	10	21/87	12/87	28/50
Samla	..	..	..	10	7/81	7/81	10/00
Searsole	Nil	Nil	..	2½	1/25	1/25	1/22
Seebpore P.	42 6/7	35 5/7	28 4/7	7	34/75	34/75	34/75
Sendra	3½	..	..	10	4/12	4/12	5/00
South Karanpura Standard	Nil / 10	Nil	2½	10	6/06	6/50	8/12
Union	..	..	..	10	9/62	9/02	13/12
Western Bengal	7½	9	..	10	10/25	10/25	11/12
West Jamuria	Nil	..	..	10	8/72	8/87	8/81
				10	3/60	3/60	4/00

COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 19-8-64 Rs.	12-8-64 Rs.	A year ago Rs.
Basanti	**	**	**	10	12/06	12/06	11/50
Bengal Luxmi	..	..	..	40	30/00	30/00	29/00
Bengal Nagpur P.	Nil	..	..	10	2/44	2/44	3/06
Bharat Commerce	5	15	15	10	20/87	20/75	19/00
Birla Cotton	10	20	20	10	27/00	27/00	33/00
Bowreah P.	10	20	15	10	23/25	23/25	21/75
Cawnpore Textile	7 1/5	10	10	5	6/81	6/81	6/00
Delhi Cloth & Genl P.	12	13	13-13*	25	48/69	48/69	40/91
Dunbar	20	20	15	10	26/50	26/50	26/12
Elgin P.	11½	17½	17½-17½*	10	20/00	19/62	17/37
J. K Cotton (Rayon) P.	12½	..	..	10	10/75	10/12	10/56
Jaya Shree	10	10	..	10	13/19	13/25	13/87
Muir P	..	..	**	100	63/00	63/00	90/75
New Victoria P.	Nil	..	**	2½	1/28	1/28	1/37
Orissa Textiles P.	Nil	Nil	**	10	7/00	7/00	9/00
Rampooria Cotton	3	Nil	..	10	12/50	12/50	13/00
Swadeshi (Kanpur) P.	Nil	Nil	Nil	1	4/25	3/00	2/00
	5	**	..	10O	11/00	11/00	11/50
	5.51	**	**	10PO	6/44	6/44	7/00

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BOMBAY COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 18-8-64 Rs.	11-8-64 Rs.	A year ago Rs.
Ahmedabad Advance P.	16	12	**	100	144/50	144/50	136/00
Apollo	Nil	Nil	..	2	1/70	1/60	1/90
Beharilal Ramcharan	Nil	Nil	..	100	136/50	135/50	78/00
Bombay Dyeing, etc.	14	14	14	25	59/50	59/30	60/20
Bradbury P.	10	25	..	50	162/50	162/50	139/50
Century	30	30	..	100	627/50	617/50	519/00
Central India P.	Nil	Nil	Nil-Nil*	100	90/50	90/50	105/00
Coorla	11	11	..	100	171/00	170/50	150/00
Dawn	30	30	..	50	168/00	168/00	135/00
Edward Textiles	9	9	6	200	292/50	292/50	290/00
Elphinstone P.	18	22	18	50	96/00	96/00	95/00
Finlay	23	23	..	100	307/00	302/00	312/00
Gokak	14	18	..	100	181/00	178/00	155/00
Hindoostan	50	50	..	250	901/25	901/25	855/00
India United	8	14	..	10	19/40	19/32	23/00
	13½	37½	..	1Dd	2/38	2/40	2/54
Indian	23 1/5	25	..	250	840/00	840/00	761/25
Indore Malwa United	8½	10	7½	100	210/00	210/00	192/00
Khatau Makanji P.	32	16	..	100	185/00	185/00	216/25
Kohinoor	15	18	..	100	326/25	325/00	304/00
Lakshmi Vishnu P.	5.7	6	Nil	100	90/00	90/00	90/50
Morarjee Goculdas P.	21½	24	24-20*	100	266/00	266/00	368/00
Mysore Spg & Mfg. P.	14	14	..	50	38/50	38/50	48/00
New City of Bombay	Nil	Nil	..	100	188/75	188/75	156/25
New Great Eastern P.	Nil	12	..	100	160/00	160/00	201/00
Phoenix	15	20	..	100	256/00	253/00	205/00
Sassoon & Alliance	Nil	Nil	..	10	10/24	10/24	11/00
Sassoon Spinning	17	20	10	10	37/75	38/00	46/50
Simplex	15	Nil	22-16*	50	135/00	135/00	121/00
Shree Niwas P.	18	20	14	100	255/00	248/00	232/00
Swadeshi P.	17	19	17	100	261/50	259/00	235/00
Swan	36	21 3/5	..	100	268/00	265/00	285/00
Tata	20	22	20	25	53/70	53/70	53/70
Western India	46 2/5	25	..	250	825/00	825/00	785/00

* 1963

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 4-8-64 Rs.	11-8-64 Rs.	A year ago Rs.
CEMENT ENGINEERING & METAL							
Associated Cement	12½	12	12	100	158/25	155/75	144/00
ELECTRIC LTG., POWER							
Ahmedabad Electricity	7	6	**	100	101/75	101/25	95/20
Andhra Valley Power P.	5½	5	5	1000	1,110/00	1,107/50	1,068/75
Bombay Subarban Elec.	8	8½	8½	100	111/00	108/50	104/50
Tata Hydro Elec. Power P.	5½	5	5	100	110/50	119/00	110/50
Tata Power P.	5½	5	5	1000	1,192/50	1,175/00	1,112/50
Alcock Ashdown	17	22½	**	100	285/00	281/00	275/00
Jost's Engineering	8	10	10—Nil*	50	47/00	47/00	59/50
Larsen & Toubro P.	12½	18	14—14*	10	21/88	21/40	22/64
Mackenzies	10	12	14	100	140/00	140/00	141/00
Premier Construction P.	43 1/3	33 1/3	**	30O	191/00	189/00	137/50
				31F			
Tata Eng. & Locomotive P.	12½	14½	14½-14½*	100	302/00	294/50	257/00
Tata Iron & Steel P.	9.1	10.36	10.36-11*	75O	161/25	155/00	137/50
INSURANCE COMPANIES							
British India General	**	**	**	10	12/52	12/52	12/20
Jupiter General P.	..	..	**	15	7/00	7/00	9/20
New India	38	38	**	15	45/50	45/50	52/50
Vulcan	20	20	**	10	16/24	16/24	17/24
MISCELLANEOUS							
Belapur Sugar	58	50	**	50	224/00	221/50	184/50
Bombay Burmah Trading	30	33	33-33 1/5*	25	55/90	56/10	59/10
				20	42/50	42/00	45/50
Hindustan Lever	26	26	12	10	31/00	30/00	36/25
Industrial Invt Trust	6½	6½	..	100	76/80	76/80	73/00
Kemp (Chemists)	12½	12½	..	200	255/00	255/00	252/00
National Rayon	22	..	..	100	377/50	368/00	313/50
Scindia Steam Navign.	3	3	3	20	15/72	15/72	11/84
Shivrajpur Synd.	80	Nil	..	10	17/24	17/00	19/52
Tata Chemicals P.	6	6½	6½—10*	10	18/92	18/80	16/04
Tata Oil P.	23	23	23—22*	25	63/50	62/70	65/20
Voltas	13	14	14—14*	100	256/50	251/00	236/50
Western India Match	16	16	16	100	240/00	239/50	239/00

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TEA COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 19-8-64 Rs.	12-8-64 Rs.	A year ago Rs.
ASSAM GARDENS							
Amluckie	Nil	10	7½	10	16/00	16/00	20/00
Anandabag P.	30	32½	20	10	33/25	33/25	16/50
Baghmari	Nil	15	7½	10	11/00	11/00	14/00
Barduar Tea	..	..	..	5	8/50	8/50	8/50
Basmatia	35	25	20	10	18/06	18/06	27/25
Bateli	30	30	..	5	17/06	18/06	17/50
Betjan	40	45	30	10	29/00	29/00	28/75
Bishnauth	12	12	20	10	13/69	14/19	17/56
Bokakhat	Nil	12	12	10	13/12	13/12	13/70
Borrmah Jan P.	15	15	15	10	10/06	10/06	14/25
Bor Pukhuri	Nil	Nil	10	10	10/00	10/00	10/75
Brooke Bond P.	15	10	7½—7½‡	10	10/37	10/56	11/50
Dejoo Valley	15	20	30	10	40/00	45/50	60/00
Dessai & Purbuttia	Nil	10	15	100	181/00	181/00	205/00
Dhelakhat	12½	10	..	10	20/37	20/37	18/81
Dhunseri P.	20	15	10	10	10/00	10/00	11/75
Dibrugarh	40	40	30	10	27/87	27/87	31/25
Dimakusi P.	25	20	25	10	25/19	25/19	21/87
Duffla ghur	25	25	30	10	26/12	26/12	27/50
East India	Nil	Nil	10	10	12/00	12/00	13/44
Gillapukri	25	20	15	10	27/56	27/56	23/44
Gohpur	Nil	5	20	10	14/69	14/69	15/19

‡ 1963

TEA COMPANIES—Contd.

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 19-8-64 Rs.	12-8-64 Rs.	A year ago Rs.
Grob	6	6	6	5	6/62	6/87	7/69
Hoograjuli (Assam)	20	20	17	10	27/62	27/62	27/12
Hoolungooree	10	7½	20	100	168/00	168/00	195/00
Jutlibari	30	30	20	10	27/87	27/87	31/50
Kingsley Golaghat P.	35	35	..	100	125/00	125/00	140/00
Kotamullai P.	Nil	Nil	Nil	5	10/00	9/87	10/31
Krishnabehari	15	8	10	10	11/30	11/30	10/50
Kyang Tea	Nil	..	..	10	8/06	8/06	8/06
Ledo	Nil	Nil	Nil	10	11/00	11/00	13/75
Maud Tea & Seed	10	7½	7½	10	12/00	12/00	14/81
Methoni	5	14	20	10	13/25	13/25	16/19
Moheema	Nil	Nil	..	10	11/50	11/50	11/50
Mothola	30	30	35	100	425/00	507/00	507/00
Murphulani (Assam)	5	15	25	10	26/50	26/50	26/50
	10.63	20.63	30.63	10	26/87	26/87	26/87
Naga Hills	10	10	10	10	21/25	21/25	22/25
Namburnadi	12	12	..	10	12/87	12/87	12/87
New Cinnatolliah	Nil	Nil	Nil	100	455/00	455/00	302/00
Rajgarh	40	13½	17½	10	18/56	18/56	19/00
Sapoi	22½	20	10	10	19/50	19/50	18/31
Seajuli	22½	15	30	10	21/06	21/06	21/12
Teloijan	25	25	25	10	21/87	21/87	22/00
Tengpani	30	30	22½	10	36/50	36/50	35/00
Tezpore P.	20	12½	..	10	13/31	13/69	14/25
Tongani	Nil	Nil	..	10	5/00	5/12	7/00
Tyroon	10	15	25	10	24/87	27/37	33/00
CACHAR							
Arcuttipore	Nil	5	6	10	7/00	7/00	7/00
Baitakhal	2½	2½	..	10	7/75	7/75	6/37
Central Cachar	5	7½	5	100	73/00	73/00	85/00
Eastern Cachar	Nil	Nil	..	10	4/56	4/56	4/28
Kallinugger Khorcel	6	2	..	100	84/00	84/00	87/00
Hattikhira	Nil	8	Nil	10	7/75	7/75	9/12
Kunchanpore	Nil	Nil	..	10	6/00	6/00	6/00
Loobah	Nil	Nil	Nil	10	4/69	4/69	4/37
North Western	30	20	10	100	140/00	140/00	160/00
Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50
Roopacherra	Nil	10	Nil	10	9/94	9/94	13/62
Rungamattee	5	5	5	50	49/25	49/25	50/25
Sonai River	Nil	Nil	..	10	5/06	5/06	9/12
DARJEELING							
Bloomfield	Nil	..	..	10	3/25	3/25	3/12
Chamong	Nil	10	10	10	8/87	8/87	9/00
Darjeeling Tea & Chin.	30	30	30	100	197/00	197/00	197/00
Dilaram	8	4		100	102/50	102/50	102/50
Gielle	Nil	..	8 4/7-15*	10	17/25	17/25	11/69
Lingia P.	15	10	17½	10	13/37	13/37	14/56
Longview	12½	10	..	10	8/25	8/25	11/00
Margaret's Hope	15	15	15	10	11/81	11/81	11/37
Mim	22½	27½	27½	100	419/00	419/00	191/50
Nagri Farm	30	25	35	10	27/50	27/50	27/25
Okayti	25	25	25	100	600/00	600/00	600/00
Pashok	10	Nil	..	10	20/00	20/00	20/00
Poobong	Nil	Nil	5	10	10/50	10/12	7/19
Pussimbing P.	Nil	Nil	Nil	10	7/84	7/84	7/12
Rungliee Rungliot	35	20	7½	100	290/00	290/00	386/00
Seeyok	15	Nil	..	10	8/50	8/50	8/50
Singell	Nil	Nil	Nil	100	36/75	36/75	36/75
Singtom	2	Nil	2	10	3/50	3/50	3/50
Soom	50	40	40	10	39/00	39/00	32/75
Sungma	15	15	20	10	12/31	12/12	13/94
Teesta Valley	Nil	..	6 4/7-10*	10	12/75	12/75	12/00
Tukvar	Nil	Nil	**	10	3/50	3/50	7/00
DOOARS							
Banarhat P.	22½	21	21	100	186/00	186/00	216/50
Baradighi	30	25	25	10	23/25	23/25	22/19
Bhatkawa	15	15	20	10	16/00	16/00	16/56
Birpara P.	17½	12½	17½	100	160/00	160/00	156/50
Carron	20	5	7½	100	117/00	117/00	145/00
Choonabhuti P.	32½	20	20	100	162/00	162/00	210/00
Ellenbarrie	5	5	10	100	173/00	173/00	184/00
Engo	60	30	40	100	136/00	136/00	136/00
Ethelbari	5	5	7½	10	11/87	11/87	13/12
Gairkhata	25	20	11	10	16/12	16/12	21/50
Gopalpur	12	2	10	25	19/50	19/50	20/00
Hantapara P.	15	5	10	100	97/00	97/00	109/00
Hasimara P.	17	..	18—15*	10	12/56	12/56	12/62
Huldibari	22½	..	19 2/7-11*	10	12/31	12/19	13/31
Jaybirpara	10	Nil	Nil	10	8/50	8/50	10/69
Killcott	25	15	15	10	14/44	14/44	14/37
Manabarrie	10	6	10	10	59/50	59/50	59/50
Nagaisuree	25	15	15	100	165/00	165/00	140/00
New Dooars P.	35	20	14½	100	161/00	161/00	220/00
Oodlabari	12½	7½	..	100	14/00	14/00	13/19
Phaskowa	Nil	Nil	Nil	100	121/00	125/00	129/00
Rajabhat	Nil	Nil	6	10	10/12	10/12	12/12
Rantcherra	15	15	7½	10	12/00	12/00	14/00
Rydak	25	20	25	10	22/44	22/44	24/25
Sarugaon	40	40	40	10	36/25	36/25	36/25
TERAI							
Atal	5	..	..	10	5/37	5/37	8/75
Belgachi	20	20	..	10	23/12	23/12	22/50
Gungaram	20	12½	12½	100	121/00	110/00	131/00
New Chumta	15	..	12 6/7-20*	10	20/37	20/37	20/00
New Terai	22½	10	15	10	20/50	20/50	24/62
Pahargoomiah	20	20	2½	10	13/75	13/75	15/00
Putinbaree	14	14	..	10	55/00	55/00	45/00
Tirrihannah P.	60	60	60	10	49/00	49/00	49/00
CHITTAGONG							
Kodala	Nil	Nil	..	10	9/25	9/25	9/25
Kornafuli	Nil	Nil	..	10	10/06	9/75	9/31
Oodaleah	Nil	Nil	..	10	8/00	8/00	8/00
SYLHET							
Chundeecherra	Nil	Nil	Nil	10	29/75	29/75	26/00
Dauracherra	22½	22½	20	10	15/19	16/50	7/56
New Samanbagh P.	25	Nil	Nil	10	15/50	13/19	18/37
Patrakola	32½	40	15	100	209/00	208/00	125/50
Rajnagar	Nil	Nil	Nil	10	9/56	9/56	9/56
Teliapara	22½	22½	10	100	157/00	158/00	99/00

‡ Hectares

* 1963

MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 19-8-64 Rs.	12-8-64 Rs.	A year ago Rs.
MININGS							
Burma Mines	2 3/5	Nil	Nil	3½S	0/44	0/44	0/44
Chrestien Mica Industries P.	15	12½	..	10O	10/37	10/37	10/40
	25	20	..	5Dd	6/53	6/53	6/87
Indian Copper Corporation	27	27	..	2s	3/62	3/31	4/81
Metal Corporation P.	Nil	..	..	10O	6/06	6/19	8/12
Orissa Mineral Development	36	28	20	10	20/00	20/00	27/12
CEMENT, LIME, SLATE, ETC.							
Ashoka Cement	3	3	7—7*	10	6/97	6/87	7/75
Assam Bengal Cement	**	**	**	10O	4/87	4/87	3/06
				1Dd	0/69	0/69	0/46
Bengal Potteries	15	..	..	2½	4/25	5/00	5/25
Bisra Stone Lime	30	30	10	..	18/37	18/62	35/00
Dalmia Cement (Bharat) P.	12	12	12	10O	12/56	12/44	12/37
				1Dd	3/06	3/06	3/00
Jaipur Udyog P.	6	8	8.36	10	11/31	11/00	11/44
Kumardhubi Fireclay & Silica P.	18	18	18	10	18/45	18/45	18/45
Orissa Cement P.	15	15	10	10	12/12	11/81	14/06
Reliance Firebricks & Pottery	22	15	10	10	22/75	22/75	22/75
Sone Valley Portland Cement	4	6	8	10	4/09	4/12	4/12
Sutna Stone & Lime	27½	30	35	10	28/31	28/31	35/12
CHEMICAL INDUSTRIES							
Alkali & Chemical Corpn. of (I)	12	15	15—15*	10	27/87	27/62	31/31
Bathgate & Co. Ltd. P.	Nil	Nil	..	5	0/84	0/84	0/84
Bengal Chemical & Pharm. P.	7	10	..	100	108/00	108/00	102/00
Calcutta Chemical P.	18	18	18	10	17/25	17/25	17/87
Frank Ross P.	..	..	..	6	3/19	3/19	2/19
Smith Stanistreet P.	25	25	25-22½*	5	13/69	13/69	12/23
ELECTRIC LIGHTING, POWERS							
Agra Electric Suply	11	11	11	100	125/00	125/00	118/00
Bareilly Electric Supply	11	11	11	10	12/00	12/00	12/50
Benares Electric Supply	11	11	11	10	13/94	13/62	12/37
Bhagalpur Electric Supply	8	10	8	8	6/34	6/34	5/75
Calcutta Electric Supply	7	7½	7½	£1	14/81	14/87	14/62
Cuttack Electric Supply	7½	10	10	10	12/06	12/06	11/87
Dishergarh Power Supply P.	10	10	10	100	86/00	86/00	88/00
Jhanshi Electric Supply	..	..	..	10	5/90	5/90	5/90
Jubbulpore Electric Supply	10	10	10	10	12/31	12/31	11/19
Mirzapur Electric Supply	..	..	..	..	7/00	7/62	12/00
Muzafferpore Electric Supply	12½	12½	12½	10	11/19	11/19	11/50
Muttra Electric Supply	..	..	..	10	11/06	11/06	11/12
Patna Electric Supply	10	10	10	10	10/50	10/44	10/50
Shahjahanpur Electric P.	6½	6½	6½	10	6/84	6/84	6/75
Sijua (Jhariah) Electric	10	9	9	10	9/62	8/58	8/50
United Provinces Electric	11	11	11	100	177/00	170/00	117/00
Upper Jumna Valley Electric	13½	13½	13½	11	22/00	22/00	15/06

* 1963

MISCELLANEOUS COMPANIES—Contd.

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 19-8-64	12-8-64	A year ago
				Rs.	Rs.	Rs.	Rs.
ENGINEERING & METAL							
Arthur Butler (Muzaffarpore) P.	Nil	10	..	10	21/25	21/25	14/94
Bhartia Electric Steel	10	12½	15	10	14/75	14/81	13/50
Braithwaite India P.	25	14	20	10	33/62	33/62	29/56
Bridge & Roof	30	30	..	10	52/25	52/25	52/25
Britannia Building & Iron P.	Nil	Nil	..	10	3/20	3/20	3/50
Britannia Engineering P.	10	10	..	10	9/50	9/40	9/69
British India Electric Cons.	20	15	..	10	29/12	29/12	33/12
Burn P (Engineering)	28½	28½	25	100	288/00	266/50	572/00
Calcutta Steel	15	15	12½-15*	10	13/19	13/00	13/00
Dalmia Iron	10	10	10	10	11/19	11/25	10/75
Guest, Keen, Williams	14	14	12	10	24/87	23/00	31/19
Hooghly Docking	Nil	12½	..	50	76/00	89/00	108/00
Indian Iron & Steel P.	16	16	16	10	26/32	24/54	22/54
Indian Malleable Casting	..	..	..	50	6/00	6/00	6/00
				10d	2/06	2/06	1/81
Indian Standard Wagon P.	28½	28½	20-20*	10	37/00	35/75	30/06
Indian Steel & Wire Products	24	23	18	100	28/12	33/50	39/00
Industrial Containers	10	10	..	10	22/37	22/37	21/37
Jay Engineering	17 3/20	15	10	10	17/62	16/94	20/50
J. K. Steel P	20	10	30	10	15/44	15/56	14/00
Jessop & Co. P.	8.58	8.58	10	10	21/19	20/87	24/00
Kumardhubi Engineering P.	11½	15	Nil-16⅔	3	5/41	5/12	8/31
Marshall Sons (India)	Nil	Nil	..	2	3/00	3/00	2/16
National Iron and Steel	Nil	Nil	..	10	6/22	6/37	4/62
Saran Engineering	10	12½	10	4	8/00	7/31	8/50
Steel Containers	20	20	..	10	24/62	24/62	29/50
Textile Machinery	10	..	17½	10	27/65	25/80	23/20
SUGAR BREWERIES, ETC.							
Balrampur Sugar	8	4	Nil	2½	1/81	1/69	2/00
Belsund Sugar	10	6 2/3	3 1/3	7½	7/62	7/62	8/25
Bharat Sugar P.	15	15	15	10	15/56	15/56	13/00
Carew (Sugar) P.	Nil	Nil	Nil	10	12/25	12/31	10/75
Cawnpore Sugar P.	Nil	Nil	Nil	10	9/62	9/00	9/75
Champaran Sugar	12	Nil	Nil	10	11/00	10/53	15/87
Durbhanga	Nil	5	..	10	8/25	8/25	8/12
New Savan Sugar and Gur	..	..	..	10	3/50	3/50	3/62
Purtabpur Sugar P.	..	..	..	10	9/12	9/12	11/50
Ramnugger Cane & Sugar P.	35	30	15	10	24/31	24/31	26/50
Raza Buland	10	10	10	10	10/12	10/06	9/75
Ryam Sugar P.	..	..	..	10	4/00	3/25	5/20
Samastipur Central Sugar	..	..	..	10	3/75	3/75	6/00
Shree Krishna Gyanoday Sugar P.	..	..	..	10	7/75	7/75	7/12
Shree Sitaram Sugar	..	..	..	10	7/28	8/00	7/12
Sitalpore Sugar	Nil	Nil	Nil	10	3/69	3/69	6/12
United Provinces	5	Nil	..	10	12/00	11/25	9/00
Upper Ganges Sugar P.	72½	72½	..	10	60/25	60/25	62/00
MISCELLANEOUS							
A Firpo (Restaurateur)	10½	5	..	10	5/90	5/90	5/90
Aluminium Corporation P.	12	12	5	10	12/75	11/75	13/50
Anderson Wright Ltd. P.	Nil	6	..	10	11/50	11/50	11/50
Angelo Bros.	28½	28	28	10	25/00	24/62	22/87
Assam Match	20	20	20	10	26/37	26/37	28/75
Assam Saw Mills & Timber	Nil	3	..	3	2/56	2/56	2/50
Associated Battery	15	15	15	10	23/00	23/00	24/00
Associated Hotels of India P.	10	10	15	10	8/00	10/50	10/31
Balmer Lawrie & Co.	25	25	22½	100	233/00	233/00	248/00
Bararee Coke	Nil	15	15	10	22/12	21/75	20/87
Birds Investments P.	10	10	..	10	9/00	9/00	10/75
Britannia Biscuit P.	30	25	21	10	37/62	37/75	42/25
British India Corporation P.	7	9	15	5	10/19	10/25	7/69
British Paints	15	10	15	10	22/75	22/50	19/94
Calcutta Silk Manufacturing P.	Nil	..	..	10	6/94	6/94	6/94
Clive Row Investment	7½	7½	8	10	8/40	8/31	8/75
Duncan Brothers & Co. Ltd. P.	14	14	12	100	135/00	135/00	147/00
Dunlop Rubber Co. (India) P.	20	15	17½	10	34/56	33/37	31/25
Dyer Meakin (Breweries)	30	..	..	5	23/19	24/06	26/00
Eastern Investments Ltd. P.	14	12	10	100	101/00	101/00	106/00
Electric Construction	10	10	10	10	13/44	13/37	12/62
French Motor Car	20	..	..	20	31/75	31/75	35/12
Ganges Rope	20	20	20	100	278/00	278/00	236/00
General Investments Trust P.	5	5	5	75	43/00	43/00	43/00
Gillanders Arbuthnot & Co. Ltd. P.	11	11	11	10	14/81	15/19	14/19
Gladstone Lyall & Co. Ltd. P.	..	..	..	10			
Godfrey Phillips (India) Ltd. P.	40	30	..	10	28/12	28/12	28/12
Great Eastern Hotel	6	..	..	250	236/00	236/00	225/00
Hindustan Aluminium P.	Nil	Nil	Nil	10	12/56	12/25	12/56
Hindustan Motors P.	12	12½	11½	10	17/91	17/91	16/22
Hindusthan Pilkington	12	Nil	Nil	10	13/50	15/00	15/81
Hindusthan Twyfords P.	Nil	Nil	Nil	10	13/75	13/00	14/62
Hoare Miller & Co. Ltd.	6	..	..	10	5/50	5/50	5/37
Imperial Tobacco	9	9	9	10	9/00	8/94	10/62
Indian Aluminium Co. Ltd. P.	15	17½	17½	10	32/00	31/12	34/87
Indian Cable P.	22½	22½	22½	10	36/50	36/12	33/00
Indian Oxygen	15	12	12	10	23/75	23/69	27/00
Indian Rubber Manufacturers P.	30	36	..	10	21/75	21/75	19/87
Indian Wood Products	30	30	25	10	27/62	27/62	29/12
Isaac Holdens	Nil	Nil	5	10	11/50	11/50	14/56
Investments and Finance P.	7½	7½	7½	100	55/00	55/00	55/00
J. K. Synthetics	3	Nil	10	10	11/75	11/81	10/12
James Wright P.	..	..	..	50	2/75	2/75	2/75
	..	..	..	1Dd	00/43	00/43	00/43
Jardine Henderson Ltd. P.	7	6	7	100	75/00	77/50	86/00
Jay Shree Industries P.	12½	..	..	10	14/31	14/25	16/00
Kesoram Industries P.	12	12	13	10	27/81	25/87	20/87
Macfarlane & Co.	..	..	..	50	4/75	4/75	7/00
	..	..	..	1Dd	1/81	1/81	2/19
Macneill & Barry Ltd. P.	8	7½	8½	100	95/00	95/00	93/50
Martin Burn Ltd. P.	27½	25	25	10	25/37	26/00	26/50
McLeod & Co. P.	15	18	..	100	230/00	230/00	210/00
Metal Box Co. of India Ltd. P.	25	19	..	10	30/94	30/94	45/50
National Insulated Cable P.	25	25	18	10	26/37	25/87	22/56
National Pipe & Tubes P.	20	20	20	10	28/12	28/12	25/25
National Rolling & Steel Ropes	15	15	15	10	21/56	21/12	18/69
National Rubber P	6½	8	10	10	11/06	11/25	10/56
National Tobacco P	7	7	..	10	11/19	11/37	10/12
New India Investment Corpn.	..	..	..	75	60/00	54/00	65/00
Octavius Steel P.	7½	7½	..	100	..	..	..
Philips India	12	13	15	10	27/37	27/62	27/37
Publicity Society	75	75	50	4	25/00	25/00	22/62
Rallis India P.	8½	8½	10	100	123/00	123/00	112/00
Rohtas Industries P.	10	8	9	10	11/75	11/19	11/19
Sirsilk P	..	..	..	10	6/94	7/37	8/94
Sen-Raleigh Industries P.	8	8	Nil	10	13/69	13/50	14/50
Shaw Wallace P.	15	7½	12½	10	14/62	14/69	16/31
Spencer's Hotel	2½	..	..	2	1/25	1/25	0/94
Union Carbide	18	12½	15	10	30/25	30/50	38/69
Walford Transport	30	30	..	10	3/00	3/00	3/81
INSURANCE COMPANIES							
Concord of India	20	20	20	5	9/25	9/25	10/37
Hercules	26½	26½	..	10	23/50	23/50	22/56
Ruby General	13½	15½	..	8	11/25	11/25	9/31
Standard General	..	..	..	10	7/75	7/75	6/00
Triton	50	50	..	25	127/00	125/00	124/00
FLOUR MILLS							
Bengal	25	25	30	10	33/87	33/87	29/00
Delhi P.	..	..	..	10	14/00	14/00	14/00
Ganesh P.	..	..	..	12½	13/00	13/00	13/50
Hooghly	Nil	Nil	5	10	19/75	19/75	19/75
United	10	7½	10	10	27/81	27/81	27/81
OIL COMPANIES							
Attock Oil	13½	13½	..	£1	sh. 29/3	sh. 28/-	sh. 34/9
Burmah Oil P.	..	11½	12½	£1	sh. 56/4½	sh. 54/9	sh. 64/4½
Indo Burmah Petroleum P.	25	22½	17½	10	20/69	20/81	21/12
Tide Water Oil	35	35	35	10	35/50	35/50	27/12
PAPER MILLS							
Bengal P.	27½	20	..	10	26/31	26/12	26/31
India Paper Pulp	13	12	15	10	22/19	22/31	16/50
Orient Paper P	22½	22½	20	10	34/30	34/20	33/00
Shree Gopal Paper P.	17 6/7	17 6/7	17 6/7	10	24/75	24/75	22/25
Sirpur P.	8½	8½	5	10	11/50	11/19	11/50
Star Paper P.	Nil	Nil	Nil	10	8/00	8/62	8/87
Titaghur P.	13	13	13	2½PO	3/37	3/25	3/87
	20	10	10	10AO	13/81	13/75	16/00
	20	10	10	10BO	13/81	13/75	16/00
West Coast P.	7½	..	..	100	164/00	155/00	125/00
PRESSING COMPANY							
Camperdown	11	..	..	100	100/00	100/00	104/00
REAL PROPERTY STORAGE							
Bengal Bonded Warehouse	8	8	9	A500	1.250/00	1,250/00	1,050/00
				B62½	125/00	125/00	135/00
				C100	186/00	186/00	122/00
				D12½	45/00	45/00	14/19
Calcutta Safe Deposit	..	..	..	100	7/81	7/81	7/87
Humayan Properties P.	..	..	..	10O	11/00	11/00	11/00
	..	..	..	1Dd	2/10	2/10	2/15
Midnapore Zemindary P.	Nil	Nil	Nil	85	32/00	27/00	10/37
TRAMWAYS & STEAMER							
Bengal Assam Steamship P.	7½	10	10	100	106/00	106/00	135/00
Calcutta Landing & Shipping	7½	22	6	10	21/00	21/00	34/00
Calcutta Steam Navigation	Nil	Nil	Nil	10	8/00	8/00	8/25
Calcutta Tramways P.	5	5	5	£1	10/69	10/62	10/81
Fraser	..	..	..	10	8/94	8/94	10/00
India General Nav. Railway P.	..	..	..	£10	34/50	34/50	45/00
India Steamship P.	Nil	Nil	Nil	10	6/50	6/50	6/12
Port Shipping	Nil	..	..	10	15/25	14/69	13/62

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MASSIVE PUBLIC OUTLAYS CAUSE INFLATION

THE Reserve Bank's *Report on Currency and Finance* for 1963-64 provides a strong statistical, although verbally mute, indictment of the Government's prodigal financial and fiscal policies, which have landed the country in the morass of inflation. If the economy has produced more bad news than goods, the fault lies mainly with the Government's unrealistic fiscal and financial policies on the one hand and extravagant spending programmes on the other. The outstanding feature of the economic scene, says the Reserve Bank report, has been the strong and persistent pressure on the price level, the rise in the wholesale price index being much larger than in any year since the commencement of planning in 1951, except in 1955-56. It adds that the accentuation of inflationary pressures during the year was basically the outcome of the widening gap between aggregate demand and supply. The situation during the months following the period covered by the Reserve Bank report has been worse still. The rise in prices since April 1964 has been even bigger than the increase during the whole of 1963-64. During the four months from April to July this year the wholesale price index has shot up by about 15 points (base year 1952-53 equals 100), as against a rise of only 12 points during 1963-64.

On the supply side, production has stagnated both in the farms and factories. Agricultural output failed to respond to the Government's pep talk and grandiose schemes, while industrial production, particularly of consumer goods, showed only a nominal improvement. In brief, there is now only scarcity to distribute. On the demand side, population has been expanding merrily at an annual rate of 2.3 percent or 2.4 percent, which means that some 10 million new mouths have to be fed every year. The Government, on its part, has been assiduously engaged in eroding the value of the rupee by indulging in an unrestrained spending spree, largely financed by the Security Press. The Central Government's expenditure in 1963-64 is likely to shoot up by Rs. 723 crores, and the situation is aggravated by the fact that it comes in the wake of an almost equally large rise of Rs. 684 crores in the preceding year. Similarly, the States' outlay in 1963-64 is expected to jump by Rs. 342 crores on top of a rise of Rs. 200 crores in 1962-63.

The massive outlays on wasteful and unproductive schemes and the huge investments on public-sector projects which have offered poor returns, have had the effect of pumping a large amount of money into the economy without a corresponding increase in production. This has amounted to concealed deficit financing, which in its direct, recognisable form has, by itself, far exceeded the limits of prudence. The State Governments too have indulged in reckless expenditure and in the process taken unsecured overdrafts on a grand scale from the Reserve Bank; these overdrafts have ultimately gone to swell the volume of deficit financing. In the wake of such mammoth public outlays, a price crisis is only inevitable. Obviously, the Planning Commission could not have exerted a moderating influence on the Government since that august body has in the first instance provided the inspiration for the reckless outlays by setting grandiose targets. In the circumstances, only the Reserve Bank, as the country's chief monetary authority, could have given the Government a counsel of moderation and sobriety. It is not known whether such advice was indeed given or whether the Bank has remained, like any other department of the Government, a passive onlooker of the developing crisis. A former Governor of the Reserve Bank in fact did fear that serious differences could develop some day between the Bank and the Government over the latter's budgetary policy, in particular, its light-hearted recourse to huge deficit financing.

Belatedly, the Central Finance Minister has decided to cut non-development expenditure by Rs. 70 crores, but in the context of the magnitude of the Budget this is more a token gesture than a serious attempt at slashing public expenditure. There is considerable scope for curtailing development outlay too. Indeed, to make any perceptible impact on prices the total Central outlay, to begin with, will have to be brought down to at least last year's level, a step which will entail the slashing of development and defence expenditure by about Rs. 400 crores. Equally important, deficit financing will have to be halted immediately. The State Governments too should cut their outlays drastically and accept an austerity programme. These are the basic requirements of any policy which seeks to curb the inflationary pressures in the economy. The Reserve Bank obviously cannot be unaware of these imperatives and it is to be hoped that it will have the courage to spell them out to the Government.

The Reserve Bank report observes with an air of smug satisfaction that the Central Budget has refrained from effecting any major increase in indirect taxes in order that inflationary pressures are not accentuated. While this may be true of the current year's Budget, it cannot be gainsaid that the cumulative burden of indirect taxes levied in past years has already sent a big wave of cost inflation through the economy. Central levies on commodities alone have risen from Rs. 300 crores to Rs. 980 crores between 1955-56 and 1963-64, while State taxes have increased from Rs. 350 crores to Rs. 950 crores during the period. These increases have greatly added to industrial costs and prices.

Again, the Reserve Bank has patted the Central and State Governments on their backs for initiating "bold programmes of resource mobilisation" in order to contain the inflationary consequences of huge budgetary outlays. While taxation may have an anti-inflationary impact, the Reserve Bank's thinking seems to miss certain vital points. First, it cannot be seriously contended that a certain sum of money mopped up as tax will exactly offset the economic effect produced by it when it was first put in circulation. Second, the disinflationary effect of taxation will depend largely on how the proceeds are spent. If they are spent on unproductive schemes or slow-yielding projects—as they indeed have been—they will only add to

the pressure on prices. The Reserve Bank report says, with evident approval, that the Central Budget "seeks through concessions and incentives to infuse confidence in the capital market." Obviously, this stands forcefully contradicted by what has happened in the wake of the Budget. The present state of the stock markets and the failure of many good new issues clearly shows how far the Budget has succeeded in this aim. The Government's tax policy has, in fact, depressed the capital markets and queered the pitch for new industries.

Referring to the banking situation, the Reserve Bank feels happy in the thought that in spite of the wide seasonal swings in credit the position was "more comfortable than in 1962-63" because of the substantial accretion to bank resources. So the banking system was not only able to meet the greatly enhanced credit demands but was also able to build up its investment portfolio and cash reserves. It is pertinent to point out that the increase in bank resources was by no means the result of any conscious effort on the part of the Reserve Bank or the banks themselves. Nor was it the outcome of the buoyancy of the economy. It was solely an incidental benefit flowing from massive Government disbursements to the corporate sector. This was reflected in the shape of a much bigger increase in demand deposits than in term deposits.

FOURTH PLAN EXPORT TARGET

THE woolly debates on the question of exports in the fourth plan have been carried a step forward by the Board of Trade deciding in favour of a target of Rs. 5,100 crores at its meeting in New Delhi last week. The Central Ministry of Commerce and the Planning Commission engaged themselves in a wordy duel over the subject some time ago. The former stuck to a target of Rs. 5,100 crores, which has now been endorsed by the Board of Trade, while the Planning Commission wanted the target to be fixed at Rs. 5,300 crores. Since the gap between the two targets is only marginal, the whole controversy has been a waste of time. This apart, there is no point in attaching any serious significance to either of the targets, since they cannot be realistic if fixed without a clear knowledge of the likely developments during the fourth plan period. Since the outline of the latter has not yet been finally decided upon, it is too early to assess the export prospects.

The fourth plan export target seems to be completely divorced from realities. Judging from the export earnings during the past few years, it does not look as if the target is likely to be attained. Exports during 1963-64 were no doubt buoyant; during the first quarter of 1964-65 they have further improved but at a slower pace. But India will have to make tremendous efforts if she is to attain the target of Rs. 850 crores by 1966. In spite of the improvement in exports during the past year or so, they still constitute a very small fraction of the national income. The recent deliberations of the Board of Trade are nevertheless interesting because the Board has focussed attention on some fundamental principles which need to be adopted for promoting exports. But it is feared that most of the principles preached will be kept in cold storage as was done previously. It is an unexceptionable principle that the export policy must be integrated and co-ordinated with a country's economic development. Furthermore, the State Governments must be expected to help in implementing the country's export policy. The export of tea, for example, has been hindered by the irrational policies of the State Governments of Assam and West Bengal; the high rate of agricultural income tax of the Assam Government and the octroi levied by the Government of West Bengal have seriously affected tea exports.

On a careful scrutiny of the composition of India's exports, one is likely to be sceptical about the realisation of the target recently fixed. The bulk of India's exports consist of agricultural commodities. But not only has agricultural production in recent years been poor, but it still continues to be a gamble on the monsoons. An important reason for the buoyancy of exports is that the terms of trade for agricultural commodities have been favourable during the past couple of years or so. Whether the trend will continue depends on the pattern of world trade. Although efforts are being made to increase the range of exportable industrial products, the progress is likely to be much slower than expected. Besides, India will find it a hard task to get a foothold in export markets by ousting her competitors. If the export of industrial products is to be promoted, it will be essential to focus greater attention on the price, quality and after-sales service. Many Indian commodities are, in fact, being priced out of foreign markets due to their high prices and poor quality. It is unfortunate that although several institutions have been set up and large sums of money have been spent, no tangible result has so far been achieved in reducing production costs and in improving quality. Although the Government of India is believed to have set up a department to reduce production costs, nobody hears about its activities. The Planning Commission has also established a cost reduction cell, but it does not seem to have done any useful work so far.

The Board of Trade has called for restraint on consumption for promoting exports. Although exportable surpluses are essential for this purpose, the present time is inopportune for austerity. As it is, the bulk of the people are not having even the minimum essentials of civilised existence such as food, clothing and shelter. So any rise in exports will have to be backed by an increased production of agricultural as well as industrial commodities. Vigorous measures must, therefore, be taken to step up production at all levels. Although the Government has given incentives to export-oriented industries from time to time, their beneficial effects have been greatly neutralised by frequent changes and shifts in policies. So it is essential to initiate policies on a long-term basis in order to help industries to undertake export production programmes.

The lack of proper policies has been responsible for the loss of substantial exports in many instances. Because of domestic shortages, the export of vegetable oils has had to be stopped. Confidence of overseas customers is shaken unless continuity in supplies to foreign markets is assured. Again, sugar exports have had to be cut because the Government has miserably failed to stimulate production. Since it is planned to step up iron ore exports to 25 million tonnes by 1970-71, strenuous efforts will have to be made to effect corresponding improvements in mining, transport and port facilities. The export of marine products cannot be pushed as long as the bulk of the installed capacity in the refrigeration industry remains idle due to the shortage of equipment and raw materials. Again attention will have to be concentrated on raising traditional exports like jute and tea which are the major earners of foreign exchange. Admittedly, the development of the tea industry has been hamstrung by heavy taxes. The export of jute goods, particularly of sacking, has been threatened by the increasing competition from Pakistani mills. The danger is the greater because the Government of Pakistan is likely to grant a further subsidy of 10 percent to its mills for promoting exports. Since the Pakistani industry already enjoys the advantages of cheap fibre and the export voucher scheme, it is necessary to strengthen the competitive position of Indian manufacturers. This will necessitate the grant of financial assistance, particularly for the manufacture of sacking in which competition is most formidable.

IMPROVING THE TERMS OF TRADE

THERE are both psychological and statistical inconsistencies in a world where most countries imagine that their balance of payments is or will soon be in deficit. The notable exception is West Germany, whose surplus is formidable but not big enough to cause deficits everywhere else. In fact, the West German surplus is a problem in the European Economic Community rather than in the world in general; and even in West Germany bankers have recently warned again of threatening inflation. The reduction of the U.S. deficit is worrying many countries; but it is still a deficit, of considerable proportions. It is difficult to find the surpluses that are the aggregate counterpart of all the real or imagined deficits. The fact remains that many countries are worried by the problem, and are contemplating, if they have not already enforced, remedial action. The question which methods of regulation or adjustment are most effective and least harmful is being debated again.

One method that bankers firmly reject (they rejected it again at a recent international financial discussion in Oxford, England) is devaluation of currencies. Certainly, competitive devaluation would be useless and chaotic. But some economists regret that for individual countries, the adjustment of the currency is not recognised as a quick and simple method of realigning prices. The idea that the devaluation of the currency will only aggravate the problem is untenable in view of the rehabilitation of the French economy after the devaluation of the franc at the end of 1958. However, it is undeniable that this method causes serious disturbance if it is used extensively.

Economic management is the preferred alternative. But there are sharp differences of opinion on this method of regulating the balance of payments. Should the balance be adjusted directly by controlling external trade, or indirectly by controlling internal demand? If the latter, should demand be regulated directly by taxation (or even more positive controls), or indirectly by interest rates and the supply of credit? In some minds, the restriction of imports is almost as objectionable as devaluation of currencies. Certainly, if it becomes competitive, it strangles world trade. But there are important differences in methods of controlling imports; and even Britain's liberal-minded Chancellor of the Exchequer, Mr. Reginald Maudling, has recognised (in his Budget speech this year) that it may be better to restrict imports than to restrict the whole economy.

The conventional methods of restricting imports—raising basic tariffs, applying quotas, and licensing—are not readily acceptable when the developed nations are trying to promote, in international negotiations, the principle of free trade. But an additional levy on imports, by a tariff surcharge, would be more obviously temporary in character and could be flexible in operation. It would require the approval of the G.A.T.T., which should be forthcoming, as the G.A.T.T. recognises the principle of import restriction in emergencies. The best-known example of the levy is Canada's applied a year or two ago. Canada imposed three rates, 5 percent, 10 percent, and 15 percent. A country such as Britain, where this idea has recently been discussed, might be even more selective, exempting entirely raw materials and basic foods and discriminating among processed products in favour of those most useful in her export industries.

It should be frankly admitted that the immediate purpose of such a levy is to eliminate or reduce the price advantage of imported goods, and in certain cases to reduce demand for inessential goods that are not made locally. But local industry should be firmly warned that the additional protection was a by-product of a particular financial situation and that it would be removed as soon as that situation was adjusted. Britain, for instance, needs more, not less, foreign competition to force her industries to reduce their costs. On the other hand if she can readily produce at home some of the goods that have rather alarmingly increased her import bill this year, she may feel that importing these goods is an unnecessary extravagance

In this method of control, certain principles should be observed. One is that the goods against which an importing country discriminates should be exports of developed, not of developing countries. Another is that international specialisation in capital goods is generally beneficial and that a policy of substituting inferior home-produced equipment for imported special-purpose equipment would be short-sighted. On the other hand, manufactured industrial materials such as chemicals and steel vary between countries more in price than in quality, and a slight increase in average material costs arising from a levy would not be disastrous.

Almost any restraint on international trade must be regretted in principle, of course, but in a difficult situation it is necessary to compromise. This particular compromise, the levy, incorporates at least one good principle, flexibility. If this virtue must be excluded from the system of exchange rates, it is the more necessary in other economic functions. Some people, whose opinions must be respected, will persist in their belief that the proper way to curtail a country's imports is to cut its total demand, but in a world which demands continuous growth such ideas are decreasingly popular. In Britain, where the choice may be obligatory within a year, or half a year, if the growth of imports of manufactured goods continues, it would seem rather perverse to reduce the total demand by, say, £1,000 million in order to economise, say, £250 million of imports.

Current News and Comment

Payments Crisis in Cotton Futures

Trading in cotton futures in Bombay came to a standstill on 19th August because of the payments crisis resulting from the failure of a leading bear operator to meet his commitments. Efforts at a negotiated settlement having failed, the East India Cotton Association was obliged to declare a member broker as a defaulter on 21st August. The broker was stated to have a short position in the August contract to the tune of 23,400 bales, and his liabilities were said to be of the order of Rs. 12 lakhs. That a payments crisis should have overtaken the cotton futures market in spite of the penal margin to bring about a reduction in the volume of outstanding business in the maturing contract, might seem somewhat surprising. But it might not perhaps be wrong to suggest that the market would not have got into serious difficulties if the Forward Markets Commission had not discriminated against the bulls by fixing different rates for bulls and bears for the payment of margin.

The Commission's action encouraged bears to keep their sales alive in the fond hope that the margin of Rs. 75 a bale at above Rs. 750 would force bulls to liquidate their positions, thereby bringing about a fall in prices. But these expectations were completely belied; instead of reducing their commitments, Bulls chose to pay the margin. The bears then tried to depress the market by issuing huge tenders even by delivering cotton of very doubtful quality, which is evident from the rejection of a large number of lots in survey and appeal. A prominent bull operator held his grip tight notwithstanding the penal margin, and record tenders amounting to 21,050 bales had been issued by 19th August. The maturing contract which had been quoted around Rs. 740 at the beginning of the month was bid up to Rs. 780 in unofficial dealings on 20th August. Bears lost far more than they were prepared for. And when one prominent bear chose to default, it precipitated a payments crisis—the first of its kind in many years.

The view is widely shared that the crisis could have been easily averted if the Board of the East India Cotton Association had exercised vigilance over the operations of its members who are required to submit lists of their outstanding business regularly. But when the Board members have themselves a huge stake in the market as bulls and bears, it is not possible for the Board to act in a manner which would be in the best interests of the trade. The Forward Markets Commission cannot escape the blame for allowing the situation to worsen because it is represented on the Board, and it is possible for the Government director to have, if he cares to, a reasonably good idea of the market situation. To have allowed a payments crisis to develop even when fluctuations in the August contract have been relatively small does little credit to the market authorities.

Free Export for Bengal Deshi

The Government of India has decided to allow free licensing of Bengal Deshi cotton for export during the 1964-65 season. Export will be allowed on shipping bills accompanied by the usual certificate from the Appeal Committee. However, in order to watch the progress of exports, shippers will be required to register their sales with the Joint Chief Controller of Imports and Exports, Bombay. The new policy is realistic, in that it removes individual ceilings and there will be no need for bank guarantees. This will help a smoother flow of export business. How export business will actually develop will, of course, depend to a great extent on the competitive strength of the Indian Deshi cotton. Fortunately, the preliminary reports indicate that the new Deshi crop will be better than the previous season's output. This will mean a larger exportable surplus. The performance during the current season has not been as promising as was generally expected. Sales up to about the middle of August, are placed around 227,000 bales. It seems doubtful whether total shipments by the end of August would exceed 260,000 bales. It is possible that in the event of a larger exportable surplus, the Government might have to provide some relief in export duty and sales tax in order to make Indian cotton more attractive for the overseas buyers.

Along with the announcement of export policy for Bengal Deshi, the Government has also announced a 100 percent quota for mills to make the purchase of Indian cotton equivalent to consumption during the current season. A stipulation has, however, been made for the compulsory purchase of Cambodia A and/or B cotton to the extent of 7½ percent of the consumption of Indian cotton during the 1963-64 season. This stipulation is applicable only to mills which have been using these varieties of cotton during the three seasons ended 31st August, 1964. Every mill is required to complete its purchases as early as possible of the entire quantity of indigenous cotton so allowed and in any case, not later than July 1965. The textile industry is pleased with the Government's decision allowing liberal allocation of indigenous cotton quotas. Normally, only quarterly quotas were being issued which led to all sorts of difficulties. If the new cotton crop turns out to a bumper one, the textile industry will have nothing to complain about the procurement of its raw material, and it might not be unreasonable to expect a moderate improvement in cloth production in the year ahead.

Poor Growth in Industrial Output

The industrial production figures for May 1964, released by the Central Statistical Organisation, show a discouraging drop for the second month in succession. The index has declined from 166.5 in April 1964 to 162.3 in May 1964 (base year 1956 equals 100). It is smaller by about 7.4 percent, compared with the index of 174.3 in January 1964. Compared with the figure of 161.9 in May 1963, the index in May this year shows only a fractional increase of 0.25 percent. There is no doubt that output since the beginning of 1964 has been poor and has fallen much below the third plan target. Against the average targeted rise of about 11.1 percent a year, the index went up by 6.5 percent in 1961-62, by 8 percent in 1962-63 and by 9.4 percent in 1963-64.

The decline has largely been due to a fall in the production of a wide range of industrial goods, such as coal, cigarettes, textiles, paper, rubber products, chemicals, fertilisers, paints, iron and steel, cement, copper and transport equipment. Even the index for electricity, which has usually been buoyant so far, has risen fractionally from 293.4 in March 1964 to 295.6 in May 1964. Although the indices for June and July have not yet been published, it is feared that they may not show much improvement. The fact that industrial production has been sluggish while farm output has stagnated, is a disturbing pointer to the unsatisfactory trends in the economy. Apart from various difficulties relating to supplies of raw materials, spare parts and transport, industrial production has been discouraged by fiscal disincentives. In view of heavy taxation, the majority of industries have been unable to plough back sufficient funds into the business to finance modernisation, expansion and diversification of activities. The near-term outlook is being viewed cautiously due to the growing labour unrest following the sharp rise in the prices of essential commodities.

More on Monopolies

Since the appointment of the Monopolies Commission, there has been a steady flow of publications explaining why private monopolies cannot grow in India. The latest to come on the subject is a study by the Economic and Scientific Research Association, Calcutta. Although a good deal of the ground in the study has been covered already, its usefulness lies in providing a more detailed analysis of the Indian industrial structure. It says that most industries have more than six firms, but there are some which have only a limited number. A list of 20 important consumer goods industries and another of 16 producer goods having not more than six units each, is furnished in the annexures. Due to the limited number of units operating in each of these industries, it is possible that one or the other of them may command one-third or more of the market—the sense in which a monopoly is regarded as possible according to British norms. But a close examination of the list, says the study, will show that, if only a few units exist in a particular industry, it is because of one of the following reasons: (i) There is only a limited market for the commodity produced, as in the case of domestic refrigerators: or the growth of the industry is limited by natural factors such as availability of mineral ores, as in the case of copper. (ii) They are industries which have only recently been started in India to meet the needs of a wide and established market hitherto depending on imports; typewriters, for instance. (iii) They are comparatively new industries to India, and a demand for the products has still to be built up (for example, linoleum, synthetic detergents). (iv) They are industries which, by their very nature, do not admit of a large number of units because of the huge capital outlay involved and the comparatively limited market; (motor-cars, aluminium, etcetera). (v) They are public-sector industries, such as, industrial explosives and newsprint. In most of these industries which are open to private enterprise, more units may be expected to come into being as demand increases. There is, therefore, no qestion of monopolising in the sense of preventing other units from coming in.

A brief account of monopoly legislation in other countries is also given in an annexure. The countries covered are the U.K., West Germany, the U.S.A., France, Holland, Belgium and Italy. From this it is seen that there is no objection to monopolies as such, but only when they go against public interest are they objectionable. For example in the U.K., as one enquiry revealed, nearly two-thirds of cigarettes and tobacco consumed were supplied by Imperial Tobacco, while Gallahars supplied nearly all the remainder. The investigators saw nothing contrary to the public interest in this situation as such, on the other hand, competition between these big two was fierce. There are, however, certain features in the U.S. anti-trust law, which makes it somewhat extreme and unbalanced. The study aruges that the U.S. authorities do not sufficiently realise that competition among a few big producers can be no less real than among a large number of small units; (2) that competition is only a means to the attainment of social good and there can be no justification for sacrificing the interest of the consumer in order to preserve competition: (3) that vertical integration of industry can promote

stability and increase efficiency and is not, in itself, objectionable; and (4) that any sort of legislative regulation of monopoly will lead to the subordination of economic considerations to the legal ones.

Control on Rice Trade

At a time when the Government of India and the State Governments have decided to introduce full-scale rationing and State trading in foodgrains, the demand of the Calcutta Rice Mills Association for withdrawing controls and allowing free movement of foodgrains throughout the country is likely to fall on deaf ears. But there is no denying that the Association's views on the Government's policy have elements of truth, which cannot be overlooked in the context of the prevailing situation in the country. Many may agree with the view, for example, that there is really no shortage of foodgrains in India; and if there is any, it is not of such magnitude as to justify the present high prices of foodgrains. The present rice scarcity, to all intents and purposes, has been artificially created by hoarders and speculators with the help of unaccounted money, which has seemingly played a large rôle in boosting prices. Because of the use of unaccounted money, the Reserve Bank's credit curbs have not been effective in bringing out the hoarded foodgrains. It is evident that the Government has been unable to take any serious step against the use of unaccounted money in the foodgrains trade. But there is some substance in the Association's view that if the zonal system had worked properly, the country would not have been faced with a food crisis. West Bengal, for example, has been tagged to Orissa. But instead of allowing free movement of rice and paddy between West Bengal and Orissa, restrictions have been imposed by the latter on such movement.

The Association has complained that while free movement of paddy and rice from Orissa has been hindered, even the quantities promised by that State to West Bengal this year has not been made available; the actual supply to this State amounted to 84,000 tons of rice, against the promised quota of 300,000 tons. The rice mills in Calcutta, according to the Association, were unable to procure paddy in required quantities because of the restrictions imposed by the Orissa Government on the movement of paddy from that State. The Association says that Orissa is now exploiting the difficult food situation in West Bengal. Orissa rice of common quality, which is far inferior to Bengal common quality, is now selling at the rate fixed for Bengal superfine variety. But in fixing the blame on Orissa, the Association seems to have taken a one-sided view of the matter. Orissa herself was anxious to avert a food shortage and a rise in grain prices in the State. So it would be wrong to blame her if she had to impose restrictions on the movement of foodgrains. Furthermore, Orissa objected to the price unilaterally fixed by West Bengal for her common-quality rice.

The Association has rightly expressed concern over the move for State trading in foodgrains and for setting up mills in the public sector. It says that mills in the private sector have more than sufficient capacity to meet the requirements of the country. The cry for nationalising the rice mills, or starting new ones in the public sector is, according to the Association, unwarranted. It has been raised to divert the attention of the public from the "miserable failure" of the Government on the agricultural front. Whether State trading in foodgrains will be an effective substitute for a free market, time alone can show. But there is no doubt that in the absence of a well-equipped administrative machinery, State trading will lead to corruption, inefficiency and bungling. So the Government should seriously consider the issues involved before it introduces State trading in January.

The Ravage of Floods

With the onset of the monsoon, certain parts of India have again been affected by floods. There have been reports of damage, particularly in Assam and Bihar. According to recent information, about 3.5 million acres have been affected in seven States, including Assam, Bihar, Punjab and Delhi and nearly 35,000 residences damaged in Bihar, U.P. and Punjab. Earlier indications were that the impact of floods had not been increasing, in fact, in areas like those of the Brahmaputra and Kosi, where control measures had been taken, there was definite improvement in the position. The floods of 1963 were said to be less severe than those of the previous year. But whether this encouraging trend will be sustained this year and enable a more firm assessment to be made of the measures taken over the decade, it is perhaps too early to say. It is still the middle of the flood season.

Since the inception of a national flood control policy in 1954, considerable technical data of the rivers concerned have been collected. More than 200 gauging stations have been established in the various river basins to observe levels and discharges. Aerial photography of over 40,000 square miles has been completed: topographic surveys of river basins over 1,000 miles of river length have been undertaken. Silt and sediment load of the rivers have been measured at selected stations where discharges have also been observed. Thus, during the decade 1954-1964, most of the necessary data have been collected to enable a scientific approach to the problem of planning flood control on a long-term basis. The physical achievement during the period has also been considerable. A total length of 3,900 miles of new embankments has been constructed and about 800 miles of existing embankments have been raised and strengthened. Over 1,000 miles of drainage channels have been excavated and schemes have been completed for the protection of 60 towns in different parts of the country. Also, 4,376 villages, usually subject to inundation, have been raised above flood level so as to be free from the recurring havoc. About 7 million acres of area, usually subject to flood damage, already enjoys immunity. Additional benefits will accrue as a result of the works now under way and which will be completed by the end of the third plan. Assuming that an additional area of 5 million acres would thus benefit, the total area likely to enjoy flood protection by the end of the third plan may be reckoned at 12 million acres. A sum of nearly Rs. 61 crores was spent on flood control works during the first two plans, and over Rs. 83 crores will be spent during the third plan period.

CORRESPONDENCE
DEPRECIATION AND DEVELOPMENT

(To The Editor of "Capital")

Sir,

There is a tendency among companies to exhibit losses needlessly in their working results and to disturb the equanimity of shareholders. Section 205 of the Companies Act 1956, lays down that no dividend shall be declared or paid by a company for a financial year except out of the profits of the company for that year arrived at after providing for depreciation. It further lays down that if any company has not provided for depreciation in any financial year or years which falls or fall after the commencement of the Companies Amendment Act 1960, it shall, before declaring or paying any dividend for any financial year, provide for such depreciation out of the profits of the financial year or out of the profits of any other previous financial year or years. It will be seen from the above that when there is no profit to be divided among the shareholders, the question of accounting for depreciation in the annual accounts does not arise. To do so is merely adding to the figures in the balance-sheet and does not make any one the wiser or richer. A reduction is shown in the value of the block and an addition to the loss in working on the same side of the balance-sheet.

Development rebate is a reduction allowed from the net profits prior to assessment of income tax, at 25 percent or 20 percent on the plant or machinery installed, and this deduction will not be allowed unless an amount equal to 75 percent of the rebate allowed is actually debited to the profit and loss account and credited to the reserve fund. It will thus be noted that where a company has made no profit in any year, the question of assessment of tax does not arise; much less of claiming any development rebate and crediting it to a reserve fund. To account for any development rebate in such circumstances is another piece of book-keeping, showing a liability under development fund on one side, and an equal amount under loss on the other.

The result of these accounting juggleries is that a naive shareholder gets a wrong impression of a company's financial position. When recurring losses are shown for several years and a mounting loss on the assets side, he begins to despair, and although he may not commit bodily suicide, he does so financially by trying to sell his shareholdings even at a loss. In such circumstances, can a certificate recorded by the auditors appointed by the shareholders on their behalf that the accounts and the balance sheet *give a true and fair view* of the Company's affairs be accepted as satisfactory and a fulfilment of their duty to shareholders?

The Government has laboriously built up the Companies Act, 1956—a tome of over 600 Sections. But has it done its duty in this matter? When the propriety of accounting for depreciation in the above circumstances was referred to the Government, it first ruled that depreciation should be provided for in the accounts irrespective of the fact whether the Company had earned profits or incurred losses. Later, however, it relented and accepted that a note in the profit and loss accounts to the effect that no provision has been made for depreciation, and a mention of the quantum of depreciation computed in the manner provided in the Act, will suffice. As for development rebate, the authorities expressed the view that they saw no objection to a company showing the provision for development rebate in its profit and loss account and that by doing so, it did not contravene and of the provisions of the Companies Act.

This view is, however, surprising, for if depreciation which is unavoidable is not required to be shown in the profit and loss account and a note at the foot of the account will suffice in the eye of the law, where is the sense in requiring that development rebate, which is after all optional and may be forgone by a company—though no sensible concern will do so—should be shown in the accounts?

Yours etcetera,
K. V. IYER

Madras,
22nd August.

THE TATA RESEARCH INSTITUTE

WITH the death of Mr. J. N. Tata there passed away the noblest and the greatest of India's sons. He was a philanthropist in the truest and the best sense of the word. He loved India as few Indians have loved her, with the passionate devotion of a son for his mother, from whom he has received all his gifts and whom it is the main business of his life not only to honour and love, but also to serve. Mr. Tata was endowed with the highest qualities of the mind and of the heart. He was a great traveller and he had stored in his capacious memory the facts that he had discovered in his travels throughout the world He had seen nations rise from small beginnings and advance towards a high level of excellence. Like other great men he was a seer, that is to say, he saw visions of the future He dreamt a dream in which he saw India, equipped as she was with material resources of all kinds, take a high place among nations. He believed that the sons of India, trained in Western methods, would utilise her resources for the good of the country and elevate her from the dregs of poverty; famine and plague would be no more, and men and women would live contented lives under the British Flag. The great philanthropist made up his mind to translate his dream into reality. He sought no honours for himself either from Government or from the public. With the help of a representative committee and of an enthusiastic Secretary he submitted to Lord Curzon, when he first landed in Bombay, a rough scheme for the establishment of an institute for training young men in Western methods of scientific research and offered a munificent sum, namely, thirty lakhs of rupees, in furtherance of his project.

FROM

CAPITAL

1st September, 1904

A Ditcher's Diary

For years now one of my persistent themes has been the irrelevance of ideology in the shaping of political affairs; the more a politician talks about idealism the more I suspect him. This is why I got by heart what Mr. Krishna Menon told the Hyderabad Press Club on Monday: "The Congress has neither a Left wing nor a Right wing. Only there are some self-seeking people and those who are less so. There are some who believe in astrologers and others who believe in fertilisers. Some are modern while others are not so". The phrasing is not particularly felicitous; the contrast between astrologers and fertilisers is unclear; to be modern may not be a virtue by itself. It is to be doubted whether Mr. Menon will accept it as a compliment; but it is true that the late Mr. John Foster Dulles once divided mankind on very similar lines—the modernists and the fundamentalists. But that is beside the point. Mr. Menon's statement is welcome because here a Congressman is not only having a dig at identifiable colleagues but also exposing the present character of the Congress Party. I say this without Mr. Menon's cynicism, for I have never considered self-seeking a mortal sin. What, then, do Congressmen, all politicians of any party, seek? Office. Why? For power or profit. I have no objection at all. Within the rules, both ambitions are legitimate. The first rule to be laid down is that the search for either be open and public. What breeds political cynicism, a dangerous disease, is the pretension of most politicians that power and profit are the last things they covet; and this hypocrisy is nowhere greater than in India. (Mr. Menon is not a bad practitioner at all in this.) Why can't politics become another profession, another career? The public would not mind paying politicians if the services they rendered were obvious to their master, the public. These services should not begin and end with the making of speeches. In the Soviet Union technicians hold cabinet posts; out of the Government, they get other jobs. Mr. Menon is a good and unusual example; he has resumed his legal practice. I wonder if he is as happy as he could be.

Fleet Street has no monopoly of the silly season. In Calcutta on Monday the *Statesman* gave us its vision of the Calcutta Corporation running the Calcutta Tramways: free rides for Councillors and a special tram-car for the Mayor which holds up all cars behind and presents a visiting V.I.P. with large crowds on the streets. Jolly good exercise, I thought, and capable of endless embellishment. One of these days the Corporation should make a take-over bid for the Government of West Bengal; there is more money, plus patronage, for somebody to distribute. (Who may this somebody be? No names, no pack-drill.) It really is intolerable that the Calcutta Port Trust should be administered by the Government of India; surely our Corporation is competent to take care of the port with its usual efficiency? The day may not be far off when the Corporation will want to control all the industries in Greater Calcutta. As this process continues and all else is at a standstill, the citizens will attain something very like *nirvana;* the spiritually inclined can ask for no more. Then it will no longer be necessary to criticise the Corporation for its total failure in performing the most elementary functions of a municipality such as provision of water, clean streets and sewerage. But it has become tiresome to make fun of our Councillors. On occasions it pays a criminal to pass for a clown; and some in the Corporation are apparently content to be laughed at rather than stoned. There is one respect in which the Corporation's *take-over of the State Government might make* sense. Because the districts return the larger number of M.L.A.s in the general elections, the major political Party has a tendency to pamper the countryside at the expense of the metropolis; this might be reversed if the Corporation controlled Writers' Building instead of the latter controlling the former. As I write this piece, on Tuesday morning, it is raining outside; and already I can see the water level rising in the streets around my office. And it is not raining fish or straw; soon there will be mud.

Saigon's ten-day wonder is already at an end, not a day too soon. When General Khanh set up his régime the other day, I wrote here that the American people might already be wondering *whether the General was a great improvement on* the late Diem. The Buddhists and students in Saigon have done the wondering more promptly. Already, I find, a U.S. Senator is quoted as saying that he does not want "an African Vietnam in the Congo". Well, the parallel is not at all inapt. *And I am inclined to the view that in both continents* the U.S. State Department is being "too clever by half". To the Americans it may be self-evident that to resist communism is sacred and all else secondary; not so to all countries in Asia and Africa. I am not for a moment suggesting that the Chinese are angels; they obviously are up to a great deal of mischief on an international scale, as the Soviet Union too is realising. Nor is it suggested that surrender of countries to China is not enlarging the danger that China potentially is to the whole world. But where even Senator Goldwater is right in criticising U.S. policy is that it lacks direction. In the U.S.A. itself it has been said more than once that in Vietnam the Central Intelligence Agency was working as a parallel State Department. In the Congo American planes and pilots were seen; the Chinese said so and the State Department denied it Only a few days later it was apologetically admitted in Washington that the C.I.A. had indeed been busy in the Congo. President Johnson should seriously ask himself whether this duality of control, such as it is, is worthy of the great power the U.S.A. has become. It is possible that the C.I.A. has already become too big a monster for Frankensteins in Washington to suppress; but the President should be seen to make an attempt. The fact that Mr. Edgar Hoover is still being used by the President for assignments in the south makes me wonder whether the lessons of the Bay of Pigs have been learnt by all. The lessons of the Plain of Jars were no different.

A correspondent writes from London to say how much the summer tourist season there suffers these days from the virtual absence of the colourful Indian *sari.* No doubt, a few are to be seen, but they are chiefly worn by Pakistani women and somehow the brightest coloured ones appear to have been left at home. Which he considers a great pity, because this is perhaps Britain's best summer for some years and there has been just enough sunshine to do them justice. Temperatures in Britain have indeed been a little higher than usual and my correspondent, who lived in Calcutta for a number of years and whose recollections, or so I suspect, are not as reliable as he thinks they are, says he finds London in the 80s (Fahrenheit, of course) far more uncomfortable than Calcutta ever was at 110 degrees. Well, it is said that pain has no memory. He also tells me that this year tourists are finding that London is not the cheap city it used to be. The price of food is still reasonable, although the service is not. But underground and taxi fares are up, and the cost of hotel accommodation is now abreast of that in New York and only just behind Paris. In France, of course, the Government is beginning to do something positive about the problem of over-charging, which is hardly surprising following a year in which the tourist trade fell by 20 percent largely due to this single factor. As one who has always believed that the French would add substantially to their national reputation for honesty and straightforwardness simply by relieving the tourist of his wallet at the point of entry and putting him back on his plane or boat, I can understand what has been happening. Now, so my correspondent tells me, the British Government is considering measures to protect the tourist from a fleecing. I do not think myself that any are necessary yet; the weather is still by far the greatest deterrent to anybody planning a holiday in Britain. On that subject, my correspondent remarks rather cynically, neither of the main Parties



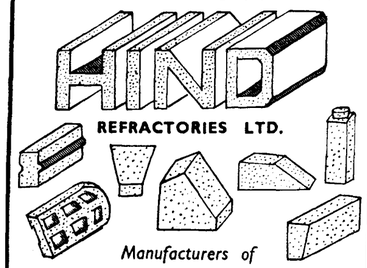
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contesting the general election has yet got round to making any promises. Thus, the weather is now the last aspect of Britain's traditional life for which reform is not planned.

THIS HAS INDEED BEEN AN OUTSTANDING MONTH FOR all marvellers at man's stupidity towards man. Primarily, of course, I am referring to those two grizzly anniversaries, the beginning of the first World War and the erection three years ago of the Berlin wall. Of course, from an academic point of view, the interesting one among these events is the Berlin wall. I could never understand what prompted the Russians to approve the erection of that wall in the first place; like the Berlin blockade, its obvious purpose was immediately defeated, and since then it has survived only as the best possible tribute to the attractions of West Germany's affluent democracy. Now it is unlike the Russians to insist on providing their opponents with a permanent propaganda weapon of this kind, one maintained at the communist world's expense. The speed with which they abandoned the blockade when they saw their mistake was proof enough of that. So one can only conclude that the Russians have little to do with it: that the wall is now entirely the responsibility of the East German authorities who insist on retaining it for reasons of their own. And that is where the interesting bit comes in. What possible reasons can there be? True, the drain of skilled labour to the West has been staunched, which I suppose is an important gain for a tottering economy. But surely there are ways this aim could be achieved, particularly in a communist autocracy such as East Germany is, without advertising to the world a government's lack of faith in its own ability to retain the loyalty of its citizens. What, then, are the real reasons? There I must confess I do not know. The Berlin wall will remain for me the perfect enigma, a baffling symbol of the twisted motives which can prompt a country to damage itself without apparent hope of any offsetting benefits.

I REMEMBER WRITING IN THIS DIARY SOME YEARS ago about Vladimir Nabokov's *Lolita*; I remember too the many requests I received from friends who wanted to borrow the copy I had borrowed from another friend who had acquired the two-volume Olympia Press edition in Paris. These circuitous manœuvres are unnecessary for Nabokov's *Pale Fire*, which I have just finished reading. It has none of the prurient appeal of the earlier work; it is not easy to read but, I think, is well worth the effort. It's a curious book; it has an introduction which is never convincing; then follow four cantos of verse, couplets. Finally there is the commentary where sustained imitation of the jargon of American literary criticism ceases to be *funny after a few pages*. But the kind of mind Nabokov reveals in the book is astonishingly complicated and hence very interesting. That Nabokov collects butterflies has, I suppose, some effect on his style. That he is a White Russian in exile since the revolution must have shaped his attitudes considerably; he has not yet come to terms with America. What, however, fascinates me most is his experiment with the English language; the way he coins words, puts new meaning into *clichés*. He writes of "the farmhouse between Goldsworth and Wordsmith." Well, he is a wordsmith himself—in a way even Joyce wasn't. Arthur Koestler once made the point that only a foreigner could discover the imagery behind what has since become a *cliché*. I also like the gentle cynicism behind Nabokov's attitude to just about anything; he writes, "while snubbing gods, including the big G". But *Pale Fire*, for all its light touches here and there, is a serious work which I shall re-read when I have the time. Let me quote another bit:

> My God died young. Theolatry I found
> Degrading, and its premises unsound.
> No free man needs a God, but was I free?

Nabokov is in his sixties; yet there is about his writing a freshness, a verve that many younger might envy. Somewhere in the book he speaks of "not text, but texture". Texture is what Nabokov gives.

THE DITCHER

Guide for Investors

ENCOURAGING PROSPECTS FOR T. E. L. C. O.

THE Tata Engineering and Locomotive Company did farely well in the year ended March 1964, and it is expected to do much better in the current year. During 1963-64, the Company's turnover increased from Rs. 43.64 crores to Rs. 51.51 crores and the gross profit increased from Rs. 5.50 crores to Rs. 6.65 crores. Replying to shareholders' questions at the Company's annual meeting last week, the chairman, Mr. J. R. D. Tata, stated that sales in the first four months of the current year are around Rs. 20 crores, compared with Rs. 51.5 crores in the entire previous year. The Company has started producing 1,500 lorries a month from the beginning of August, which will further boost the turnover.

The Company is actively engaged in stepping up its production capacity. The second stage of the expansion programme, involving an outlay of Rs. 19 crores to Rs. 20 crores, will raise the production capacity to 24,000 lorries from the present 18,000 lorries. The target will be reached in 1966-67 and the full benefit of this expansion will be reflected in the financial results for 1967-68. Mr. Tata stated that the *management would not consider any* diversification of activity until the second phase of the expansion programme has been completed. Referring to exports, the chairman pointed out that the Company is losing about Rs. 6,000 to Rs. 7,000 a lorry on its exports, but the loss is compensated to a large extent by the export incentives which enable the Company to import certain raw materials and these raise the Company's productivity. Exports during the first three months of the current year are placed at Rs. 3.40 lakhs.

The chairman informed the shareholders that the Company had received the Government's permission to issue rights shares in the proportion of one new share for every five held at a premium of Rs. 30 a share. The Company's proposal visualised a rights issue at a premium "not exceeding Rs. 50 a share." The rights issue made by the Company in 1963 was at a premium of Rs. 50. The Government's decision to allow rights issue at a lower premium, which seems very fair, reflects a helpful change in the official attitude as the capital market is still in poor shape.

The chairman has assured the shareholders that the management would consider the issue of bonus shares by capitalising the share premium account at the appropriate time, not in the distant future perhaps. The share premium account will amount to around Rs. 1.60 crores after the proposed rights issue at a premium of Rs. 30. The Company would issue bonus shares when it is certain of maintaining the dividend on the increased capital. The other information provided by the chairman in reply to shareholders' questions was that the L.I.C. held 55,000 equity shares of the Company and the Unit Trust of India held 4,500 shares. The exact surtax liability for 1963-64 is Rs. 1.62 lakhs, against which Rs. 2 lakhs have been provided. At present, there are 80,000 T.E.L.C.O. lorries on the roads.

Ganges Manufacturing Maintains

THE Ganges Manufacturing Co. Ltd has earned a trading profit of Rs. 63.80 lakhs for the year ended March 1964, against Rs. 90.84 lakhs for 1962-63. Depreciation has been increased from Rs. 6.61 lakhs to Rs. 12.23 lakhs. A sum of Rs. 7.11 lakhs has been transferred to development rebate (against Rs. 3.28 lakhs). Taxation, including Rs. 21,621 for surtax on profits, absorbs Rs. 18.50 lakhs (against Rs. 51 lakhs) and general reserve Rs. 19.57 lakhs (against Rs. 18.92 lakhs). A sum of Rs. 6.50 lakhs has been written back from taxation provision which is no longer required. A taxable ordinary dividend of 20 percent has been maintained which offers a yield of 13.5 percent at the present price of Rs. 14.81 a share of Rs. 10 each.

The directors say that the Company's working results are satisfactory, especially when the prices of jute goods dropped while those of fibre rose. There was also an increase in wages as a result of the Wage Board's recommendations. Since the Working Time Agreement was abolished on 1st February, 1964, there has been a slight increase in output.

Aluminium Corporation to Increase Share Capital

THE Aluminium Corporation of India Ltd has increased the taxable ordinary dividend from 5 percent for 1962-63 to 9 percent for 1963-64. The yield amounts to 7.1 percent at the present price of Rs. 12.75 a share of Rs. 10 each. The gross profit has risen from Rs. 46.78 lakhs for 1962-63 to Rs. 63.38 lakhs for 1963-64. Depreciation is allocated Rs. 23.70 (against Rs. 16.20 lakhs) and development rebate reserve Rs. 12.71 lakhs (against Rs. 12.39 lakhs). Taxation, relating to previous years, absorbs Rs. 1.27 lakhs (against Rs. 2.27 lakhs). A sum of Rs. 25.39 lakhs (against Rs. 17 lakhs) has been transferred to general reserve, raising it to Rs. 53.7 lakhs. A sum of Rs. 11.56 lakhs has been set aside for bonus to workers for 1957-58. The carry-forward is Rs. 22,287.

The expansion programme of the integrated plant has reached the final stage. The alumina plant has been expanded and new additions have helped to treble the capacity. The new melting shop and the extrusion plant have attained full production. The cable plant to manufacture A.C.S.R. conductors and the new rolling mills have started operating. The foil plant is likely to be completed in the near future and production will start shortly. It is interesting that the expansion schemes have been completed with the maximum use of indigenous equipment involving a small expenditure of foreign exchange. The cost of the projects will amount to about Rs. 5 crores. The Company raised Rs. 31.25 lakhs by issuing rights ordinary shares in 1961. The Company proposes to issue further share capital for Rs. 42.81 lakhs to meet deferred payments, repayment of loans and to reduce bank borrowings. It is proposed to issue 25,000 cumulative preference shares of Rs. 100 each, carrying a fixed dividend of 9.3 percent free of company tax but subject to the usual tax deduction at source, and 178.125 ordinary shares of Rs. 10 each at par. The new issues will be offered to existing holders of the ordinary shares in the ratio of one preference share for every 47 ordinary shares held, and one equity share for every seven ordinary shares held.

Bombay Gas Incurs Heavy Loss

THE Bombay Gas Co. Ltd has produced disappointing results for 1963 and has incurred a heavy loss of Rs. 10.31 lakhs, compared with one of only Rs. 1.92 lakhs for 1962. So the Company has been forced to pass the dividend for the second year in succession. In his address at the Company's annual general meeting last week, Mr. N. K. Jalan, chairman, referred to the depressing outlook for the current year. (A fuller version of the speech was printed in last week's *Capital*.) The loss has occurred because of the all-round rise in production costs. The price of gas has meanwhile been pegged down to an uneconomic level for several years. Mr. Jalan hinted that the loss in the current year might amount to Rs. 20 lakhs or so. The Government of Maharashtra appointed a high-powered Gas Advisory Committee to investigate the question of a reasonable price for gas. The findings of the Committee have not yet been published, but there are reasons to think that the present price has been found to be uneconomic.

The Government indicated to the Company that it would consider increasing the price of gas if Bombay Gas were to undertake an expansion programme. Although the Company has undertaken to expand the capacity substantially, the Government has not yet sanctioned a higher price to the Company. Judging from all indications it looks as if the Company is entitled to an increase in the price of gas in law and equity. It may be mentioned in this context that the Oriental Gas Company of Calcutta, which was taken over by the Government in 1960, has recently increased the effective price for gas by about 35 percent in spite of its poor service to consumers.

Mr. Jalan said that the consumers in Bombay were unlikely to resist a reasonable increase in the price of gas. This is because a large number of people have been using liquid petroleum gas by paying a much higher price than that charged by the Bombay Gas Company. Meantime, the Company has been informally given to understand that the Government of Maharashtra is considering the question of nationalising or municipalising the Company. Bombay Gas has been efficiently running the service. So there is no point in nationalising it under the present circumstances. This apart, it is difficult to understand how the Government can think of taking over a concern which has been incurring substantial losses.

New Manbhoom Coal Loses

THE New Manbhoom Coal Co. Ltd has incurred a loss for the year ended March 1964 since the steel industry did not consume sufficient coking coal. The Government had earlier instructed the coal companies to increase their production to meet the demand for the steel industry, but the expansion of the latter did not materialise according to expectations. As a result, the output of coking coal has had to be restricted. The Company has reduced its raisings from 16,000 tonnes to 11,000 tonnes a month and large stocks of coal have accumulated at the pithead. The directors think that this unfavourable development will continue for a few more months. Afterwards, the demand for coking coal will increase. The quality of coal produced by the Compnay has been upgraded and has fetched higher prices.

The loss has amounted to Rs. 38,384, after providing Rs. 83,553 (against Rs. 64,432) for depreciation. Development rebate reserve is allocated Rs. 51,373 (against Rs. 16,981). Bringing in Rs. 26,173 and making other adjustments, a debit balance of Rs. 66,880 has been carried forward. The dividend has been passed, but a taxable ordinary dividend of 12 percent was paid for 1962-63. Raisings dropped from 169,792 tonnes to 162,395 tonnes and despatches from 157,131 tonnes to 138,077 tonnes.

Good Results from Tata Hydel Group

THE Tata hydel electric group—comprising Tata Hydro, Tata Power and Andhra Valley—reports highly encouraging results for the year ended March 1964. The combined revenue of these three Companies shows an increase of about 45.5 percent over the previous year, from Rs. 11.03 crores to Rs. 16.03 crores. The total profit after providing for managerial remuneration and depreciation has gone up by as much as 80 percent from Rs. 2.24 crores to Rs. 3.99 crores. Although the rise in equity earnings is somewhat lower because of higher prior charges—the tax liability is appreciably higher—earnings on a share have improved sizably in each case and this has encouraged the *management* to step up the final dividend by 1 percent from 6 to 7 percent so as to make a total of 10 percent, against 9 percent, including a bonus of 1 percent, in 1962-63.

According to the preliminary figures released by the Companies along with the announcement of final dividends, the revenue from power supply of the Tata Power Co. Ltd has risen from Rs. 5.56 crores to Rs. 8 crores, that of Andhra Valley Power Supply Co. Ltd from Rs. 3.16 crores to Rs. 4.57 crores, and that of Tata Hydro-Electric Power Supply Co. Ltd from Rs. 2.31 crores to Rs. 3.46 crores. The pre-tax profit of Tata Power is up from Rs. 1.304 crores to Rs. 2.266 crores, that of Andhra Valley from Rs. 56.97 lakhs to Rs. 1.032 crores and that of Tata Hydro from Rs. 59.21 lakhs to Rs. 1.123 crores.

After bringing in the previous year's surplus and making adjustments for previous years, the directors of Tata Power have allocated Rs. 90.59 lakhs (against Rs. 50.48 lakhs) for taxation, Rs. 10.77 lakhs (against Rs. 5.60 lakhs) for contingencies, Rs. 34 lakhs (against Rs. 7.50 lakhs) for general reserve, Rs. 15 lakhs (against Rs. 7 lakhs) for debt redemption reserve, Rs. 39.36 lakhs (against Rs. 34.20 lakhs) for dividend reserve, Rs. 2.44 lakhs (against Rs. 2.69 lakhs) for development reserve, Rs. 7.17 lakhs (against Rs. 0.34 lakhs) for tariffs and dividends control reserve and Rs. 7.17 lakhs (against Rs. 2.58 lakhs) for consumers' benefit account. The interim dividend on preference and ordinary shares absorbs Rs. 18.72 lakhs (the same). The final distribution on preference and ordinary shares absorbing Rs. 39.34 lakhs (against Rs. 34.18 lakhs) is to be paid out of the dividend reserve.

Appropriations of Andhra Valley's profit after bringing in the previous year's surplus and making adjust-

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ments for previous years include taxation Rs. 31.98 lakhs (against Rs. 8.42 lakhs), contingencies reserve Rs. 6.35 lakhs (against 3.62 lakhs), arrears of depreciation Rs. 1.18 lakhs (against Rs. 1.18 lakhs), write-offs Rs. 93,000 (against Rs. 66,000), development reserve Rs. 1.61 lakhs (against Rs. 3.68 lakhs), tariffs and dividend control reserve Rs. 3.53 lakhs (against Rs. 1.14 lakhs), general reserve Rs. 14.10 lakhs (against Rs. 1.72 lakhs), debt redemption reserve Rs. 6.60 lakhs (against nil), dividend reserve Rs. 22.93 lakhs (against Rs. 19.90 lakhs) and interim dividends Rs. 10.81 lakhs (the same). Final dividends absorbing Rs. 22.92 lakhs (against Rs. 19.89 lakhs) are to be paid out of the dividend reserve.

Allocations of Tata Hydro's profits after bringing in the previous year's surplus and making adjustments for previous years, include taxation Rs. 43.44 lakhs (against Rs. 22.79 lakhs), contingencies Rs. 5 lakhs (against Rs. 2.55 lakhs), general reserve Rs. 4.50 lakhs (against nil), dividend reserve Rs. 19.93 lakhs (against Rs. 17.60 lakhs), arrears of depreciation Rs. 27.000 (the same), write-offs of intangible assets and other expenditure Rs. 1.35 lakhs (against Rs. 75,000), development reserve Rs. 12.18 lakhs (against Rs. 1 lakh), tariffs and dividend control reserve Rs. 2.96 lakhs (against Rs. 12,000), consumers' benefit account Rs. 2.96 lakhs (against Rs. 12,000) and interim dividends Rs. 10.32 lakhs (the same). Final dividends absorbing Rs. 19.92 lakhs (against Rs. 17.32 lakhs) are to be paid out of the dividend reserve.

Periakaramalai Tea and Produce Earns More

THE directors of Periakaramalai Tea and Produce Co. Ltd have recommended a dividend of 13½ percent for the year ended March 1964. The Company declared a dividend of 15 percent for the previous year which included a golden jubilee interim dividend of 2½ percent. According to the preliminary figures, the profit for the year, before taxation, amounts to Rs. 20,40,349 (against Rs. 14,67,409). After deducting the tax provision of Rs. 10.46,449, which includes Rs. 34,449 being the taxation relating to previous years (against Rs. 7,80,000 for the previous year), the net after-tax profit comes to Rs. 9,93,900. With Rs. 58,308 brought forward, the total available for appropriation comes to Rs. 10,52,208. Out of this, Rs. 51,289 (against Rs. 17,500) is transferred to development rebate reserve. A sum Rs. 1 lakh (against nil) is accounted by retirement gratuity. A sum of Rs. 9 lakhs is transferred to general reserve. The balance of Rs 919 is carried forward. The directors have recommended the payment of a 13½-percent dividend out of general reserve, absorbing Rs. 7,82,309.

Indian Dyestuff Diversifies

THE preliminary report on the working of Indian Dyestuff Industries showed that the Company had fared badly during the year ended 31st March, 1963. In spite of an increase of some 8 percent in the sales from Rs. 2.39 crores to Rs. 2.58 crores, the gross profit declined by about 16 percent from Rs. 52.18 lakhs to Rs. 43.80 lakhs. The directors have had to withdraw a substantial amount from the reserves in order to maintain the dividend at 7 percent. In their full report which strikes an optimistic note about the prospects for the current year, the directors state that the Company's sales during 1963-64 were adversely affected in the first few months due to serious competition created by liberalised imports of dyes, but sales improved later when market conditions got stabilised.

However, the production cost increased because the Company had to purchase the essential raw materials at higher prices. But judging from the results of the first three months of the current year, the directors feel that the working of the current year will improve substantially since the benefits resulting from the expansion programme will be fully realised during the year. In addition to the manufacture of intermediates like beta-amino anthroquinone and benzan, production of new dyes such as violets, magenta, etcetera, has started and the production of the rest of the dyes under the expansion programme will be established before the end of the year. Moreover, the production of sulphuric acid and oleum is also scheduled to begin towards the end of the year.

The Company has received preliminary data of the technical know-how from the collaborators A.C.N.A. of Italy for the manufacture of 1,000 tonnes a year of anthraquinone. The Company has not been able to take further steps towards implementing this manufacturing programme on account of the delay in the clearance of capital goods licence for the import of plant and equipment. The directors expect to receive the import licence shortly. The Company has been given a letter of intent for the manufacture of several inorganic chemicals and necessary steps are being taken to manufacture aluminium chloride, caustic soda, caustic potash and chlorine in the first instance. Since the close of the last financial year, the Company has placed orders for machinery and equipment worth Rs. 3.83 lakhs for its expansion programme.

Dawn Mills Maintains Dividend

THE Dawn Mills Ltd reports fairly encouraging results for the year ended March 1964. The dividend, however, has been maintained at 30 percent—Rs. 15 a share of Rs. 50. According to the preliminary figures, sales are up by about 20 percent from Rs. 2.15 crores to Rs. 2.56 crores, and the gross profit has gone up by nearly 29 percent from Rs. 31.11 lakhs to Rs. 40.07 lakhs. After providing Rs. 9.37 lakhs (against Rs. 6.48 lakhs) for depreciation and development rebate and Rs. 17.99 lakhs (against Rs. 14.50 lakhs) for taxation, the net profit amounts to Rs. 9.90 lakhs, compared with Rs. 7.74 lakhs in the preceding year. The entire amount has been transferred to the general reserve, out of which dividend amounting to Rs. 8.40 lakhs will be paid. In the preceding year, a sum of Rs. 11.40 lakhs was transferred to the dividend equalisation reserve and the dividend was paid out of this reserve. The Rs. 50-paid share of Dawn Mills is currently quoted around Rs. 167, offering a gross return of about 9.6 percent.

Bradbury Mills Repeats

THE Bradbury Mills Ltd has maintained the dividend for the year ended March 1964 at 30 percent. The preliminary report shows that the Company has not fared well. For even though sales have been almost maintained—they are in fact slightly better at Rs. 2.32 crores, against Rs. 2.27 crores—the gross profit is down by nearly 17 percent from Rs. 17.80 lakhs to Rs. 14.75 lakhs. After providing Rs. 6 lakhs (against Rs. 5.12 lakhs) for depreciation and development rebate and Rs. 3.50 lakhs (against Rs. 3.75 lakhs) for taxation, the net profit amounts to Rs. 4.52 lakhs, compared with Rs. 8.11 lakhs in the preceding year. The directors have provided a sum of Rs. 1.99 lakhs (against Rs. 4.40 lakhs) for arrears of bonus and transferred Rs. 2.50 lakhs to the general reserve. The dividend on equity shares amounting to Rs. 3 lakhs (the same) and on preference shares amounting to Rs. 1.47 lakhs (the same) will be paid out of the general reserve.

In the preceding year, a sum of Rs. 5 lakhs had been transferred to dividend equalisation and the dividends were paid out of this reserve. After making various appropriations, there remains a surplus of Rs. 24,000 to be carried forward, against Rs. 21,000 brought in. The Rs. 50-paid share of Bradbury Mills is quoted around Rs. 162.50, offering a gross yield of about 9.4 percent.

Mettur Chemical Profit Rises

THE working of the Mettur Chemical and Industrial Corporation Ltd for the year ended March 1964 bears the full impact of the expansion from 20 tons to 40 tons capacity in the caustic soda section. A fresh impetus in sales and a marked improvement in profit are the highlights of the working results of the year. The directors' report says that caustic soda production reached an all-time high of 12,700 tons, which is the rated capacity of the expanded 40-ton plant. Correspondingly, liquid chlorine production also increased substantially. The output of bleaching powder, for which a third plant was commissioned during the year, was maintained at about 6,900 tons. The output of vegetable oil products as well as of other chemicals was maintained at satisfactory levels.

As for further expansion, the directors state that the creation of a further 20-ton capacity for caustic soda making 60 tons in all in the existing factory premises itself, by installing 60 additional Hooker cells and auxiliary equipment, has been achieved. The plant was brought into commission in March 1964. Substantial progress has also been made in the setting up of the second factory to produce 60 tons a day of rayon grade caustic soda. The construction work is making rapid progress. As for plants for the manufacture of organic chemicals, satisfactory arrangements have now been made for obtaining technical collaboration. It is expected that the first stage of the expansion programme at the new factory can be put on stream by the end of the current financial year. Further share capital to the extent of Rs. 60 lakhs worth of equities and Rs. 30 lakhs worth of 9.3-percent preference shares, was issued to existing shareholders as rights. Apart from the issue of share capital for expansion, the Company executed the trust deed for the rupee-*cum*-dollar subloan totalling Rs. 1.367 crores from the Industrial Finance Corporation.

The net profit for the year amounts to Rs. 40,49,636, after providing Rs. 15,99,734 for depreciation and Rs. 2,30,347 for managing agents' remuneration. This compares with the previous year's net profit of Rs. 29,82,180, after providing Rs. 16,32,651 and Rs. 1,62,893, respectively. With the amount of Rs. 11,631 brought forward from the previous year, the total comes to Rs. 40,61,267. Out of this, the provision for taxation amounts to Rs. 14,10,00 (against Rs. 7,50,000). A sum of Rs. 4,62,000 is transferred to developmnet rebate reserve (against Rs. 2,50,000). The interim preference dividend at 3 percent has absorbed Rs. 78,000. The interim ordinary dividend at 6¼ percent amounted to Rs. 8,74,882. The final preference dividend at 3 percent amounts to Rs. 78,000. The preference dividend on 9.3 percent new preference shares for two months amounts to Rs. 23,250. The final dividend of 6¼ percent on old ordinary shares and dividend on new ordinary shares at an annual rate of 12½ percent for two months on the paid-up value of Rs. 5 a share, amounts to Rs. 9,37,383. The balance of Rs. 12,185 is carried forward. The total equity dividend for the year is maintained at 12½ percent, despite the increased capital.

Western India Plywoods Raises Dividend

THE working results of the Western India Plywoods Ltd for the year ended March 1964 are encouraging. Sales and profits have improved over those of the previous year. The dividend is raised to 16 percent from 15 percent. The profit for the year amounts to Rs. 23,37,370, after providing Rs. 48,998 for depreciation, and Rs. 83,691 for development rebate. This profit compares with the previous year's figure of Rs. 20,90,582, after providing Rs. 42,476 for depreciation and Rs. 73,863 for development rebate. With the amount of Rs. 9,200 brought forward, the total comes to Rs. 23,46,570. Out of this, the provision for taxation amounts to Rs. 12,00,000 (against Rs. 12,51,616). A sum of Rs. 30,000 is transferred to general reserve (against Rs. 50,000). A sum of Rs. 300,000 is transferred to dividend equalisation reserve (against nil). A sum of Rs. 2,50,000 is transferred to the reserve for the Industrial Finance Corporation of India loan repayment (against Rs. 2,50,000).

The preference dividend at 7.8 percent amounts to Rs. 48,165. The proposed ordinary dividend of 16 percent will absorb Rs. 5,03,392. The balance of Rs. 15,013 is carried forward. Total sales for the year amounted to Rs. 1,28,75,333 (against Rs. 1,05,74,642). The Company has been granted income tax relief under Section 84 of the Act. Appropriate relief has also been passed on to shareholders for tax deductions, while paying dividends to them last year. Income tax relief under this head would be available in the current year also. Arrangements for doubling the Company's capacity in the hardboard plant are nearing completion. The plywood plant is also being modernised at a cost of about Rs. 6 lakhs.

Indian Steel Rolling Repeats

THE working results of the Indian Steel Rolling Mills Ltd for the year ended March 1964, are satisfactory in spite of the closure of the mills for over 20 days on account of the power cut, heavy rain and cyclone. This stoppage resulted in considerable loss of production, which accounts for the lower turnover. But it has been possible to maintain the profits at last year's level in spite of the lower turnover, on account of better performance of the wire plant. The profit for the year amounts to Rs. 10,06,606.83, after providing Rs. 3,01,532 for depreciation and Rs. 100,000 for technical assistance remuneration. The profit for the previous year was Rs. 9,85,120, after providing Rs. 2,61,216 for depreciation and Rs. 100,000 for technical assistance remuneration. With the balance of Rs. 19,483.22 brought forward, Rs. 1,55,174.03 being the amount transferred from repairs and renewals reserve, and Rs. 278.48 being excess provision written back, the total available for appropriation comes to Rs. 11,81,542.56. Out of this, the provision for taxation amounts to Rs. 4,26,000 (against Rs. 6,20,000). A sum of Rs. 1,50,000 is trans-

reserve (against Rs. 43,000). A sum of Rs. 1,03,207.39 is transferred to general reserve (against nil). The preference dividend at 7.15 percent amounts to Rs. 35,746.43. The ordinary dividend at 9 percent (the same) will absorb Rs. 4,39,072.20. The balance of Rs. 27,385.29 is carried forward.

As for modernisation and expansion, the directors' report says that the new re-heating furnace is now in full operation, and is yielding good results. It is expected that during the current year, production will substantially increase as a result of the operation of this new furnace. Modernisation and improvements to the existing 10in. and 14in. mills have been taken up, and the replacement equipment ordered is being received. It is expected that the new 16in. mill for roughing down larger-sized ingots will go into commission during the current financial year.

Referring to the continuous wire rod mill, the report says that the I.C.I.C.I had agreed to advance the necessary foreign exchange and the rupee finance required for the project. All formalities have been completed in connection with this loan for Rs. 25 lakhs. Orders have been placed for the machinery and the mill is expected to be delivered before June 1965. With the installation of the mill, it will be possible for the mills to produce 6 millimetre rounds in larger quantities, which will be of very great help to the Company in diversifying production. The continuous wire rod mill will also be able to produce both coir and cotton haling hoops.

Progress of Hindusthan Twyfords

HINDUSTHAN Twyfords Ltd has produced satisfactory results for the year ended March 1964. In December 1963, the big tunnel kiln came into production. Output amounted to 1,720 tonnes, against a rated capacity of 5,400 tonnes. The quality of the products has been satisfactory. The Company has begun to produce for the first time in India vitreous china sanitaryware. The directors have pointed to the slow offtake in view of the sluggish progress of house-building. So there is now a buyers' market for the products manufactured by the Company. During the current year the plant will run at about "half-speed."

Sales rose from Rs. 3.89 lakhs to Rs. 45.98 lakhs. The gross profit has amounted to Rs. 19.97 lakhs, out of which depreciation absorbs Rs. 12.23 lakhs and development rebate reserve Rs. 1.03 lakhs. Bringing in a loss of Rs. 11.51 lakhs, the debit balance has been reduced to Rs. 5.11 lakhs.

Hindustan Wires Maintains

IN their latest report for the year ended March 1964, the directors of Hindustan Wires Ltd say that the Company has received import licences of Rs. 35 lakhs under the yen credit, and the shipment of equipment has begun. The expansion programme of the Company, including the manufacture of tyre bead wires, should be completed during the current year. So the profit and and sales are expected to improve considerably. The Company has started producing high-tensile wires for prestressed concrete, and its results will be reflected in the current year.

The profit has amonted to Rs. 10.87 lakhs for 1963-64, against Rs. 10.16 lakhs for 1962-63, after increasing depreciation from Rs. 1.45 lakhs to Rs. 2.45 lakhs. A taxable ordinary dividend of 6 percent has been maintained which works out to a yield of 6.2 percent at the present price of Rs. 9.75 a share of Rs. 10 each. Development rebate reserve is allocated Rs. 3 lakhs (against Rs. 3.93 lakhs), general reserve Rs. Rs. 5 lakhs (against Rs. 4 lakhs) and taxation Rs. 5,000. The carry-forward is Rs. 14,354, against Rs. 32,525 brought in. Sales rose from Rs. 87.16 lakhs to Rs. 1.09 crores, including process charges which amounted to Rs. 1.42 lakhs. In spite of power failures and restrictions, a higher level of output was attained. The Company was sanctioned additional power in March 1964, so it is expected that production will improve during the current year. The output of high carbon and other specialised wires has risen with effect from 1st Mach, 1964. The distribution and price control on wire rods has been lifted. This will enable the Company to earn a reasonable margin of profit on the finished products.

Kadambini Tea Pays More

THE Kadambini Tea Co. Ltd (a Dooars garden) has earned a profit of Rs. 6.40 lakhs for the year ended March 1964, against one of Rs. 2.47 lakhs for 1962-63, after transferring Rs. 2.64 lakhs (against Rs. 2.20 lakhs) for depreciation. The taxable ordinary dividend has been increased from 8.33 percent to 13.33 percent. The yield works out to 13.33 percent at the present price of Rs. 15, which is the par value of the share. Development rebate reserve absorbs Rs. 30,500, taxation Rs. 2.85 lakhs and reserves Rs. 1.20 lakhs. The carry-forward is Rs. 91,067, against Rs. 1.20 lakhs brought in. The crop rose from 1.10 million kilograms to 1.12 million kilograms.

K.C.P. Cement Machinery for Orissa Project

THE K.C.P. Ltd, Madras, which has entered into an agreement with the Industrial Development Corporation of Orissa Ltd, Bhubaneswar, for the supply and erection of a cement plant with a capacity of 1,200 tons a day in Bargarh, Sambalpur district, has made satisfactory progress in manufacturing and despatching a major part of the machinery for the project. Roughly two-thirds of the machinery and equipment is of indigenous origin and the balance is being imported from France. About 1,100 tons of imported machinery and euipment arrived in Madras recently. The fabrication of the balance of indigenous machinery is going on at the works of the K.C.P Ltd in Madras. The cement factory in Bargarh is expected to go into production by the end of 1965.

A Good Year for Seshasayee Paper

THE report of the Seshasayee Paper and Boards Ltd for the year ended March 1964, states that the entire plant came into continuous and full operation in July 1963. A 15-day test run was carried out in August 1963 to assess the capacity and performance of the equipment individually and collectively. On the successful completion of the test run, the installation was formally taken over by the Company and the suppliers were relieved from their obligations under the contract. During the year, 16,800 tonnes of writing and printing paper were produced. It is encouraging to note that this was possible during the very first year of production in spite of the teething troubles and shutdowns for check-up, which are incidental to a project of this magnitude.

The directors add that the rated capacity of 1,500 tonnes a month was reached in the very first month of trial operations. Thereafter, production has been consistently in excess of capacity and reached a peak of 1,860 tonnes in January 1964. As for raw materials, the report says that the Company has adequate stocks of all raw materials and chemicals. The directors except to draw bagasse from the Pugalur sugar factory in about three months for a continuous production of bagasse pulp. Out of 16,800 tonnes of paper made during the year, 16,700 tonnes were sold. The directors have expressed satisfaction over the granting of a rebate of 15 percent in the excise duty by the Government of India. It is reported that the request for a suitable readjustment of the selling price of paper to offset the increase in working costs is still being considered.

The working results for the year show a turnover of Rs. 2.95 crores. The trading result for the year, after meeting the interest charges, shows a profit of Rs. 6,19,017. The surplus after adjustment of the loss carried over from last year is Rs. 2,08,480. Depreciation calculated under the straight-line method amounting to Rs. 16,08,738 for 1962-63 and Rs. 30,00,529 for 1963-64 has yet to be provided. During the year, the directors have returned the first instalment of the principal of Rs. 5 lakhs to the Industrial Credit and Investment Corporation of India, and Rs. 14 lakhs to the P.L. 480 Funds.

Bajaj Auto Does Better

THE preliminary report on the working of Bajaj Auto Ltd for the year ended March 1964, shows an improvement over the previous year's performance, in that both sales and gross profit are higher. The rise in profit, however, is small in relation to the increase in sales. The turnover has gone up by nearly 30 percent from Rs. 1.403 crores to Rs. 1.839 crores, while the gross profit is up by about 10.6 percent from Rs. 26.87 lakhs to Rs. 29.71 lakhs. The directors have postponed the decision concerning the dividend, but when declared it will be paid out of the general reserve. In the previous year, the Company paid at the rate of Rs. 10 a share on the fully-paid shares and Rs. 7 a share on the partly-paid shares.

The provision for depreciation has been raised from Rs. 8.56 lakhs to Rs. 11.41 lakhs, but development rebate reserve gets less at Rs. 2.84 lakhs, against Rs. 7.40 lakhs. Taxation accounts for Rs. 5 lakhs, against Rs. 3.86 lakhs. After writing back excess provisions amounting to Rs. 1,205 (against Rs. 78,792), the directors have transferred Rs. 10.46 lakhs (against Rs. 2.89 lakhs) to general reserve. In the preceding year, a sum of Rs. 5.20 lakhs had been transferred to the dividend reserve, out of which the 10 percent dividend absorbing Rs. 5.19 lakhs was paid.

Share Offer from Batala Engineering

THE Batala Engineering Co. Ltd, a subsidiary of Mukand Iron and Steel Works Ltd, is offering 73,636 equity shares of Rs. 10 each at par for public subscription. The entire public issue has been underwritten. The list will open on 28th August and will close on 10th September or earlier, but not before 2nd September. The Company, which is currently engaged in the manufacture of machine tools, particularly planing machines and lathes, re-rolling of wire rods, mild steel bars, flats and squares from billets procured from the main steel plant and of meehanite castings, has launched major expansion schemes at an estimated capital investment of Rs. 1.62 crores. The expansion programme includes the setting up of a new factory in Balabgarh to manufacture open side hydraulic planers and geared head lathes, modernisation of machine tools and foundry and re-rolling mills in Batala and manufacturing of wood working machinery at Batala.

The Company has secured the collaboration of two Italian firms, Soc. Graziano and Co for geared head lathes and Officeina Meccanica Favretto for open-side hydraulic planing machines. Negotiations are in progress for securing technical collaboration of Machinenfabrik Zuckermann of Austria for the manufacture of wood working machinery. The project cost of Rs. 1.62 crores, it is proposed, will be met by the issued capital of Rs. 7.36 lakhs, further issue of shares worth Rs. 22.64 lakhs, loan of Rs. 15 lakhs from the N.I.D.C., loan of Rs. 45 lakhs from the I.F.C. which is under negotiation, bank borrowings of Rs 38 lakhs and temporary loans of Rs. 34 lakhs. The further issue of capital is likely to be made after about one-and-a-half years. The Government of India has approved in principle import licence application for equipment worth Rs. 39.36 lakhs, subject to availability of a foreign exchange loan of Rs. 22.05 lakhs from the Industrial Finance Corporation of India.

Mr. Jayant H. Shah, managing director of the Company, told newsmen in Bombay on 17th August that the Company's working during the first seven months of the current year was better than in the previous accounting period of nine months ended December 1963. The profit for these seven months is expected to be higher than during the preceding nine-month period. Mr. Shah said that the Company would be able to maintain the 11.5 percent dividend on the increased capital. On the completion of the project in about two years' time, the Company's sales would be around Rs. 1.85 crores, of which Rs. 1.50 crores will be accounted for by machine tools.

Hind Rectifiers Pays More

THE increase in the dividend from 5 percent to 8 percent for the year ended March 1964 by Hind Rectifiers Ltd, is fully justified by the Company's improved performance during the year. The turnover has risen by nearly 53 percent from Rs. 26.06 lakhs to Rs. 40.08 lakhs, whereas the gross profit has more than doubled from Rs. 3.32 lakhs to Rs. 7.92 lakhs. Appropriations include depreciation Rs. 1.65 lakhs (against Rs. 1.08 lakhs), development rebate Rs. 70,139 (against Rs. 14,861), taxation Rs. 2.56 lakhs (against Rs. 55,000) and general reserve Rs. 2.52 lakhs (against Rs. 12,000). In the preceding year, a sum of Rs. 60,000 had been transferred to the dividend reserve out of which 5 percent dividend absorbing Rs. 52,470 was paid. After writing back excess provisions amounting to Rs. 27,932 (against nil), the directors have used Rs. 15,000 (against Rs. 15,827) to write off capital issue expenses. The dividend for 1963-64 will absorb Rs. 1.48 lakhs, and it is to be paid out of the general reserve. The Company expects to maintain satisfactory increase in sales during the current year. The capacity of the selenium plant is being increased. Import licence under U.K. credit (the Kipping Loan) has been received. The Company has received an industrial licence for the extension of the range of sillicon diodes. Westinghouse Brake and Signal Company has agreed in principle to supply the necessary machinery and accept payment in the form of fully-paid equity shares. The Company has entered into a technical collaboration agreement with English Electric Co. of the U.K. for the manufacture of rectifiers' assemblies required for electric locomotives and suburban trains. The Government of India's approval is awaited.

Coorla Spinning Pays the Same

THE Coorla Spinning and Weaving Co. Ltd has maintained the dividend for the year ended March 1964 at Rs. 11 a share. The working results of the Company, however, show a considerable improvement over the previous year's performance. Against a rise of about 10 percent in the sales, the gross profit is up by nearly 25 percent from Rs. 16.59 lakhs to Rs. 20.70 lakhs. After providing Rs. 7.10 lakhs (against Rs. 6.15 lakhs) for depreciation, Rs. 94,000 (against Rs. 52,000) for development rebate and Rs. 7.25 lakhs (against Rs. 6 lakhs) for taxation, the net profit amounts to Rs. 5.41 lakhs, against Rs. 3.92 lakhs in the preceding year. A sum of Rs. 1.88 lakhs (Rs. 44,000) has been transferred to the general reserve, and Rs. 26,649 (against nil) have been provided for development reserve. The proposed dividend will absorb Rs. 2.86 lakhs. After making some minor adjustments, there remains a surplus of Rs. 40,785 to be carried forward, against Rs. 5,342 brought in. The Company spent Rs. 5.23 lakhs on new machinery during the year 1963-64.

C.I.M.M.C.O. to Run Hind Cycles

AN extraordinary general meeting of the Hind Cycles is being convened on 7th September at Nagda to approve of the directors' proposal to let out the undertaking of the Company on lease to the Central India Machinery Manufacturing Co. Ltd. (C.I.M.M.C.O.). The lease will be for a period of three years on an annual rent or compensation of Rs 25 lakhs. All rent and outgoings concerning the factory premises during the term of the lease will be paid by the lessees; services of workmen and staff will be continued without break of service and raw materials and stores will be taken over on payment at the prevalent market value; spare parts and goods in progress will be taken over at cost price and finished products at the current list price less dealers' commission. The directors state that the working of Hind Cycles in the past has not yielded sufficient profits with the result that it has not been possible to pay dividends even to the preference shareholders.

The Central India Machinery Manufacturing Co. is engaged in the manufacture of various types of machinery and engineering goods and is interested in utilising the factory and facilities of the Company for continuing to manufacture bicycles and also undertaking the manufacture of other products. It is understood that C.I.M.M.C.O. has received fairly large orders from the Government and some of the work might be executed through the workshops of Hind Cycles. The Rs. 100-paid share of Hind Cycles is quoted nominally around Rs. 75. The Company is in arrears of preference dividend for 1961-62 and 1962-63, and arrears of depreciation amount to Rs. 11.45 lakhs.

Central India Machinery Results Impress

THE Central India Machinery Manufacturing Co. Ltd reports excellent results for the year ended March 1964. Sales have risen by about 45 percent from Rs. 3.42 crores to Rs. 4.94 crores, the gross profit has shot up by as much as 80 percent from Rs. 35.59 lakhs to Rs. 64.12 lakhs and the dividend has been raised from 7.5 percent to 10 percent. Allocations include depreciation Rs. 21.66 lakhs (against Rs. 16.07 lakhs), development rebate Rs. 2.94 lakhs (against Rs. 5.37 lakhs), taxation Rs. 6.50 lakhs (against nil), general reserve Rs. 18 lakhs (against Rs. 17.50 lakhs) and dividend reserve Rs. 15 lakhs (against Rs. 15.50 lakhs). The proposed dividends absorbing Rs. 14.03 lakhs have to be paid out of the dividend reserve.

The auditors of the Company have pointed out that the provision for depreciation amounting to Rs. 21.66 lakhs is inadequate and the directors state that they have not been able to provide more because of insufficient profits to meet the full liability for depreciation. The arrears of depreciation calculated in accordance with Section 205 (2) of the Companies Act amount to Rs. 41.84 lakhs. The directors point out that the automatic looms manufactured in technical collaboration with Enshu of Japan are being well received in the market, but the demand has fallen short of expectations on account of the restrictions by the Government on installation of automatic looms.

The production capacity of the Gwalior factory, therefore, is being used only partially and this has adversely affected the profit of the Gwalior unit. The order position for plain looms also continues to be discouraging on account of the restrictive policy of the Government in the matter of installation of plain looms. The progress of the calender bowl plant in Gwalior and the shuttle factory at Bombay is, however, satisfactory and the high-speed winding machines manufactured in collaboration with a West German firm continue to be well received. The production at the Company's wagon and structural shop division in Bharatpur continues to be satisfactory. The construction work of the steel casting factory is progressing well and the directors expect it to go into production some time during the current year.

Calicut Spinning to Issue Shares

THE Calicut Modern Spinning and Weaving Mills Ltd is a new venture in Kerala State. The Kerala State Industrial Development Corporation has underwritten Rs. 4.5 lakhs worth of shares, apart from giving deferred payment guarantee for Rs. 22.65 lakhs. The mill is erected in Ramanattukara, very near Calicut, and the construction of buildings is expected to be completed by next September, and the erection of machinery is likely to commence from October. The factory is expected to go into full production with 12,000 spindles by the beginning of 1965. The buildings have been designed to house 25,000 spindles. The blow-room and preparatory machinery ordered for, are also for feeding 25,000 spindles. After the erection of the first stage of 12,000 spindles, and commencing production, orders will be placed for a further 13,000 spindles, licence for which has also been received, and thus the mill will be brought to an economic unit of 25,000 spindles.

The cost of the first stage of 12,000 spindles, with blow-room and preparatory machinery to feed 25,000 spindles, is Rs. 64.65 lakhs. This is largely met by (a) share capital of Rs. 20 lakhs, out of which the promoters, directors and friends have already provided Rs. 10.5 lakhs, leaving the balance of Rs. 9.5 lakhs offered to the public, fully underwritten (b) a medium-term loan of Rs.

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lakhs from a bank, and (c) a deferred payment guarantee of Rs. 22.65 lakhs sanctioned by the Kerala State Industrial Development Corporation, and (d) a short-term deposit of Rs. 2 lakhs from any institution.

The capital cost of the second stage, that is, expansion by a further 13,000 spindles, is placed at about Rs. 20 lakhs, and this will be met by ploughing back the development rebate, depreciation in the first two years of working, etcetera.

Kerala Spinners to Raise Capital

KERALA Spinners Ltd has received the consent of the Controller of Capital Issues for Rs. 40 lakhs worth of equity shares. The Company will enter the market with its issue for equity share capital before the end of the current year.

The Company is registered in Kerala for setting up a spinning mill with a licensed capacity of 25,000 spindles. The Kerala Government and the Kerala State Industrial Development Corporation are actively participating in the venture. Land measuring 25 acres has been purchased and the plan for building has been finalised. An order for indigenous machinery valued at Rs. 23 lakhs has already been placed with Texmaco. For importing machinery from abroad, the Company is carrying on negotiations in Japan, and orders will be placed soon.

At a recent meeting, the board of directors has been finalised with Mr. Devji Rattansey, chairman of the Union Bank of India Ltd, Bombay, as the chairman of the Company. The eight other directors are Mesrs D. P. Kejriwal, Nandlal More, Abdul Salam and R. C. Warrior (Managing Director and Development Commissioner, respectively, of the Kerala State Industrial Development Corporation), Bhagawatiprasad Goenka, Nand Kishore Ruia, Hariram Singhal and B. N. Mehta.

Mohini Mills Pays Less

THE Mohini Mills Ltd has reduced the dividend for the year 1963 from 11 percent to 7.5 percent. This follows the Company's disappointing performance during the year. Despite an increase of about 14 percent in the sales from Rs. 2.30 crores to Rs. 2.62 crores, the gross profit is down by nearly Rs. 12 crores from Rs. 15.77 lakhs to Rs. 13.87 lakhs. After providing Rs. 86,580 (against Rs. 1.12 lakhs) for the managing agents' commission, Rs. 5.01 lakhs (against Rs. 4.62 lakhs) for depreciation, Rs. 19,061 (against Rs. 20,304) for development rebate reserve and Rs. 4 lakhs (against Rs. 5 lakhs) for taxation, there remains a surplus of Rs. 3.60 lakhs, against Rs. 4.83 lakhs in the preceding year. A sum of Rs. 65,000 has had to be transferred from the dividend reserve for the payment of the reduced 7.5-percent dividend. The dividend absorbs Rs. 4.25 lakhs (against Rs. 5.13 lakhs), leaving a balance of Rs. 10,319 to be carried forward, against Rs. 10,082 brought in.

New Capital Issues

SIX companies have been authorised to raise fresh capital aggregating Rs. 5.13 crores. Of these, two are issuing debentures, three are issuing equities and one equities plus redeemable preference shares. One company is offering part of its shares for public subscription by prospectus. The consent of the Controller of Capital Issues is valid for 12 months in all cases. The following are the details:

The Tata Engineering and Locomotive Company Ltd, Bombay, is to issue 200,000 equity shares of Rs. 100 each for cash at a premium of Rs. 30 a share. The shares will be offered to the existing equity shareholders of the Company in the proportion of one for every five equity shares held. The capital will be used on the expansion programme in the manufacture of diesel vehicles.

The Tata Mills Ltd, Bombay, is to issue Rs. 81,85,950 capital—Rs. 60 lakhs in 5 percent (1966-71) debenture stock, and Rs. 21,85,950 in equity shares of Rs. 25 each. The money will be used for modernisation and renovation programme of the Company.

The Choregale and Company Ltd, Mormugao Harbour, is to issue further capital of Rs. 2 crores divided into 200,000 equity shares of Rs. 100 each to be issued for cash at par. The money will be used for the payment of advances made by the directors.

The Madanapalle Spinning Mills Ltd, a Company incorporated in Andhra Pradesh, will be issuing capital of Rs. 30 lakhs divided into 40,000 equity shares of Rs. 50 each and 10,000 redeemable preference shares of Rs. 100 each, to be issued for cash at par. Of this issue, such number of shares of each kind as would qualify for listing on recognised stock exchanges would be offered for public subscription by prospectus. The capital will be used for financing the setting up of a new spinning mill in Madanapalle in Andhra Pradesh. This is in supersession of an earlier consent dated 26th July, 1963.

The Gauhati Bank Ltd, Gauhati (Assam), is to issue further capital of Rs. 6,38,100 divided into 127,620 shares of Rs. 5 each for cash at par.

Kadoari and Sons Ltd, Madras, is to issue debentures of Rs. 15 lakhs carrying interest at 7 percent a year which will rank *pari passu* to the existing first mortgage debentures of Rs. 30 lakhs. The capital will be used for the purchase of additional rotary printing machine and for working capital.

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The Stock Markets

GOOD CORPORATE NEWS CHEERS LYONS RANGE

Wednesday Evening.

THE Calcutta stock market has been fairly buoyant during the past week, although share prices have reacted slightly towards the close due to profit-taking. Activity has, however, been largely confined to clearing shares. Investment support is cautious in view of various uncertainties. Turnover shrunk considerably towards the close due to settlement on Wednesday. It passed off smoothly and carry-forward charges are slightly higher than those on the previous occasion. In view of the sharp rise in the prices of clearing shares during the past few days, there has been a great deal of short-covering. Any further improvement in the trend is, therefore, likely to take place at a slower pace.

Lyons Range has been cheered by several favourable developments. Corporate news is good. Tata Engineering, for example, will issue rights shares at a reasonable premium. The management of the Company has also hinted that it will issue bonus shares and maintain the dividend on the increased capital in due course. The good response to the units of the Unit Trust of India is being bullishly interpreted. The market hopes that the Life Insurance Corporation and the Unit Trust will buy a fair amount of ordinary shares in the near future.

It is reliably learnt that the U.S. Goverment has indicated its willingness to use P.L. 480 funds for stimulating activities in the capital market. In addition to extending financial assistance to Indo-U.S. ventures, the funds are likely to be used for underwriting new issues. Whether a new institution will be set up for the purpose or the funds will be routed through existing financing institutions has not yet been settled. In any case, the news is encouraging, particularly since a large number of new shares are quoting below par. The performance of several new companies has been disappointing and they have not progressed according to their plans. In order to revive confidence, it is essential that new industrial schemes should be approved only after a close scrutiny of their feasibility has been made.

After an earlier rise, Indian Iron have slipped back towards the close, but there is little selling pressure. Selected engineering shares like Guest, Keen, Williams, Texmaco, Indian Standard Wagon. Burn and Jessop have been supported. Scattered interest in Kumardhubi, Jay Engineering and Indian Steel and Wire Products has been shown.

In the miscellaneous section, interest centres on clearing scrip. Indian Copper have been a steady feature due to the rise in the international price of copper. Kesoram Industries, Hindustan Motors, Dunlop Rubber and Indian Aluminium have attracted support. Rohtas, Jaipur Udyog and Indian Cable have also improved. Indian Oxygen, Alkali and Chemical and Union Carbide have gained. Managing agency shares like Martin Burn and Jardine Henderson have been sluggish. In electric companies, U.P. Electric have improved on sustained support. Among new shares, Hindusthan Twyfords have been steady on a good report. Hindustan Aluminium have also improved. Selected paper shares have been steady. Orient, Seshasayee, India Paper Pulp and Ballarpur have changed hands. Bank shares have been neglected. Sugar shares are being freely offered without attracting buyers.

Birla are again prominent among jute shares. Support has been forthcoming for Ganges, Kinnison, Kelvin, Anglo-India and Barnagore. Turnover has, nevertheless, been restrained because of the growing uncertainty over the marketing of jute goods, particularly of sacking. Despite limited interest, selected coal shares are quotably higher. Burrakur, Central India and Western Bengal have risen. Cotton mill shares have been selectively bought. J. K. Rayon, Bharat Commerce and Elgin have been steady. Tea shares are being dealt in cautiously due to the poor marketing outlook for the commodity. Stray business in Assam and Dooars gardens has been transacted. Some Pakistani gardens have attracted support due to interested buying.

Government securities are dull and prices, particularly of long-dated loans, have tended to drop. The 3 percent Conversion Loan 1986 has been quoted around Rs. 63.20. The new State Government loans floated last Monday have met with good response. Five loans were fully subscribed and their lists closed on the opening day. In spite of the encouraging support, some of these loans are being quoted at a slight discount.

Bombay

NEW ACCOUNT STARTS IN CHEERFUL MOOD

TURNOVER CONCENTRATED ON CLEARING SCRIP

Wednesday Evening.

THE Bombay stock market started the new account last Monday in a cheerful mood. Prices, particularly of clearing shares, have sharply risen on replacement buying, combined with brisk short-covering. Turnover has largely been concentrated on clearing scrip, but selected cash shares have also met with support.

Dalal Street has taken an encouraging view of the seriousness with which the Government has started tackling the food problem. It is also thought that the Government may formulate the fourth plan on a more realistic basis. The first Press conference held by Mr. Swaran Singh, Central Foreign Minister, has created a good impression. Corporate news has also been excellent. Investors have been encouraged by the news that Tata Engineering will issue rights ordinary shares at a small premium of Rs. 30 a share, instead of Rs. 50 a share as was reported earlier. Mr. J. R. D. Tata, chairman of the Company, has hinted the possibility of issuing bonus shares in the future.

Tata Steel ordinary have been in the limelight and have closed at Rs. 162.75. Selected engineering shares are buoyant. Tata Engineering have improved on reports of better worknig during the current year. Mukand Iron, Standard Engineering and Larsen and Toubro have attracted support. In motor-vehicle shares, Hnidustan Motors and Premier Automobiles have gained. Cotton mill shares have improved all round. Century, Bombay Dyeing, Kohinoor and Standard have risen. Interest has been taken in Morarjee, India United ordinary and Svadeshi.

Miscellaneous shares have also moved up in sympathy with the general trend. In cement shares, Associated and Digvijay have been prominent. In steamship company shares, Scindia Steam have improved on short-covering. Chemical shares have been fully steady. Tata Chemical, Indian Dyesutff and Polychem have gained. Sugar shares have been selectively bought. Belapur and Walchandnagar Industries have been steady. Mining shares have been neglected. Be Be Petrol have been sluggish. Rayon shares have met with strong support due to the prospect of a reduction in the import duty on rayon yarns. Bombay Burmah have improved on replacement purchases. Voltas and Tata Oil have been steady.

Turnover in bank shares has been limited. Bank of India and Central Bank have changed hands. Electric company shares have gained on the payment of higher dividends by the Tata group of companies. Tata

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FOR SERVICE & SECURITY

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Managing Director:
Mr. P. N. TALUKDAR, M.A. (Cantab)

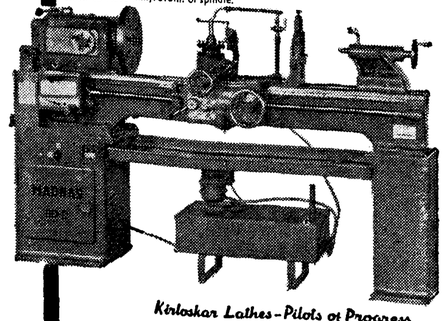
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Hydro and Tata Power have been transacted at higher prices.

Madras

SHARE PRICES REMAIN STEADY

BUSINESS BROADENS ON GOOD BOMBAY ADVICES

Tuesday Evening.

THE Madras stock market has been very steady during the past week. Business in both clearing and cash shares has broadened following good advices from Dalal Street. Operators are inclined to believe that the Government may soon give incentives to stimulate activity in the capital market.

Turnover in Government securities is negligible because of subscriptions for the new State Government loans. Bank shares are sluggish. Indian Overseas have been done at Rs. 145.50 and Syndicate Bank "A" shares at Rs. 143.50. Interest in electric company shares has shrunk. West Coast are available at Rs. 13.50 and Vellore at Rs. 15.62. In sugar shares, Deccan have slipped back to Rs. 12, but E.I.D. have been maintained around Rs. 35.75. Travancore have hardened to Rs. 7.65 and Mysore to Rs. 28.33. Madura have been done at Rs. 9.44 and India at Rs. 9.10.

In the planting section, Blue Mountain have changed hands at Rs. 2.27, Cochin Malabar at Rs. 6.51, Consolidated Coffee at Rs. 23.55, Ouchterlony at Rs. 3.20 and Periakaramalai at Rs. 3.43. Woodland have been transacted at Rs. 6.90 on paying a taxable ordinary dividend of 5 percent. Talayar have been done at Rs. 1.93 on declaring a taxable ordinary dividend of 5 percent. Amalgamated Coffee have attracted support up to Rs. 10.01 on paying a taxable ordinary dividend of 10 percent. Nilgiri have been steady at Rs. 9, Nonsuch at Rs. 29.87, Peermade at Rs. 20.62 and Ossoor at Rs. 2.72.

Among textile shares, South India Viscose have risen to Rs. 116 and Travancore Rayon to Rs. 20.50. Lakshmi have been bought at Rs. 131 and Madura at Rs. 34.50. Tirupati have changed hands at Rs. 117.20. The Company proposes to increase the preference dividends from 8.93 percent to 9.5 percent. Bangalore woollen have been done at Rs. 269 and Bunckingham at Rs. 275. Business has passed in Mettur at Rs. 277, in Ramnarayan at Rs. 85 and in Ramakrishna at Rs. 199.40.

In the miscellaneous section, Aluminium Industries have hardened to Rs. 21.65 and Ashok Leyland to Rs. 6.75. In cement shares, Dalmia have been steady at Rs. 12.55 and India at Rs. 5.52. Mettur Chemical have been quoted at Rs. 14.55. Seshasayee Paper have attracted support up to Rs. 7.53 and Southern Structurals have been transacted at Rs. 10.28. The Company proposes to issue further redeemable cumulative preference shares with rights to convert them into ordinary shares. These shares will be issued as rights shares to the existing shareholders in the proportion of one share for every four held. Parry's Confectionery have risen to Rs. 2.97 on declaring a second interim taxable ordinary dividend of 10 percent. T. Stanes have been bought up to Rs. 30.50 on paying a final taxable ordinary dividend of 20 percent. Kirloskar Electric have gained at Rs. 18.75 on prospects of a rights issue. Mysore Tobacco have been taken at Rs. 11.50 on declaring a taxable ordinary dividend of 11 percent.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 38/00—38/75—37/31—37/62—(29/12).

Burrakur Coal—Rs. 16/62—17/12—16.50—17/12—(15/87).

Dunlop Rubber—34/75—34/75—33/87—34/06—(31/37).

Guest, Keen, Williams—Rs. 24/75—25/00 S.T.—24/25—24/87—(31/37).

Hindustan Motor—Rs. 17/97—18/37—17/75—18/31—(16/50).

Howrah Jute—Rs. 16/31—16/44—16/31—16/37—(18/00).

Indian Aluminium—Rs. 32/06—32/75—31/62—32/69—(35/56).

Indian Cable—Rs. 36/50—36/69—36/12—36/19—(33/50).

Indian Copper—Rs. 3/54—3/72—3/46—3/65—(4/74).

Indian Iron—Rs. 26/46—26/84—26/14—26/50—22/94).

J. K. Cotton—Rs. 10/69—11/37—10/69—11/37—(11/06).

Jaipur Udyog—Rs. 11/25—11/44—11/25—11/37—(10/62).

Kesoram Industries—Rs. 27/81—28/00—27/56—27/75—(21/69).

Orient Paper—Rs. 34/30—35/15—34/00—34/60—(34/40).

Orissa Cement—Rs. 12/19—12/25—12/00—12/00—(14/00).

Rohtas Industries—Rs. 11/75—11/75—11/44—11/44—(11/50).

Shree Gopal Paper—Rs. 25/00—25/50—25/00—25/50.

Textile Machinery—Rs. 27/60—27/65—26/30—27/45—(23/40).

GILT-EDGED

2½% U.P. Zemindary Compensation Bonds (Collected up to 30-6-64)—Rs. 45/50—45/50—45/50—45/50.

2¾% Loan (1976)—Rs. 83/00—83/15—83/00—83/15.

3 % „ (1986)—Rs. 63/50 S.T.—63/50—63/20—63/20.

3 % „ (1966-68)—Rs. 98/45—98/45—98/45—98/45.

3 % „ (1970-75)—Rs. 90/30—90/30—90/20—90/23.

3½% „ (1965)—Rs. 100/05—100/05—100/00—100/00.

3½% „ (1966)—Rs. 100/00—100/00—100/00—100/00.

3½% „ (1969)—Rs. 98/00—98/00—98/00—98/00.

3½% „ (1968)—Rs. 99/00—99/00—99/00—99/00.

4 % „ ((1969)—Rs. 99/55—99/55—99/55—99/55.

4 % „ (1970)—Rs. 99/00—99/03—99/00—99/03.

4 % „ (1972)—Rs. 98/75—98/75—98/75—98/75.

4 % U.P. (1967)—Rs. 99/40—99/40—99/40—99/40.

4½% „ (1974)—Rs. 98/70—98/70—98/70—98/70.

4½% „ (1970)—Rs. 98/85—98/85—98/85—98/85.

4½% Loan (1986)—Rs. 100/10—100/10—100/10—100/10.

4½% „ (1973)—Rs. 100/00—100/00—100/00—100/00.

4¾% „ (1989)—Rs. 100.00—100/05—100/00—100/03.

4½% „ (1972)—Rs. 100/13—100/13—100/13—100/13.

4½% West Bengal (1974)—Rs. 99/50 S.T.—99/50—99/50—99/50.

BANKS

Punjab National—Rs. 20/37—20/44—20/37—20/44.

United Bank of India (Rs. 10/- paid)—Rs. 7/56—7/62—7/50—7/50—(7/37).

RAILWAY

Howrah Amta—Rs. 40/00—40/00—40/00—40/00.

TEXTILES

Bharat Commerce—Rs. 21/00—21/50—21/00—21/44.

Bowreah—Rs. 23/56—23/87—23/50—23/87—(21/88).

Do. ("A" Pref.)—Rs. 110/00—110/00—109/00—109/00—(114/00).

Cawnpore—Rs. 6/62—6/62—6/62—6/62—(6/00).

Dunbar—Fs. 27/50—27/56—27/50—27/56.

Elgin—Rs. 20/12—20/12—19/94—20/06—(17/37).

Jaya Shree—Rs. 13/37—13/69—13/37—13/69—(13/69).

Mahalakshmi Fibre—Rs. 5/62—5/69—5/62—5/69.

Muir—Rs. 59/75—60/00—59/75—60/00—(90/75).

New Victoria—Rs. 1/31—1/34—1/22—1/22—(1/41).

Rampooria—Rs. 13/00—14/12—13/00—14/12—(13/00).

Do. (Defd.)—Rs. 4/12—4/12—4/12—4/12.

Shree Madhusudan (Pref.)—Rs. 61/00—61/25—61/00—61/25.

Swadeshi (P.O.)—Rs. 6/50—6/50—6/50—6/50—(6/94).

COALS

Bengal—Rs. 238/00—244/00—236/00—244/00—(264/00).

Bhalgora—Rs. 4/19—4/25—4/19—4/25—(4/94).

Bharat—Rs. 2/65—2/65—2/65—2/65—(3/53).

Central India—Rs. 8/94—9/53—8/94—9/44—(9/94).

Equitable—Rs. 20/37—20/50—20/37—20/50—(23/25).

Karanpura Collieries—Rs. 13/37—13/50—13/37—13/50—(15/44).

South Karanpura—Rs. 6/25—6/56—6/25—6/56—(8/12).

Sendra—Rs. 4/12—4/12—3/94—4/06—(5/00).

United—Rs. 11/50—12/00—11/50—12/00.

Do. (Pref.)—Rs. 80/00—80/00—80/00—80/00.

Western Bengal—Rs. 8/87—9/37—8/87—9/25—(9/00).

JUTES

Agarpara—Rs. 9/25—9/25—9/19—9/19—(10/31).

Anglo-India—Rs. 200/00—210/00—190/00—202/00—(233/00).

Auckland (2nd Pref.)—Rs. 60/00—60/00—60/00—60/00—(57/00).

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Alliance—Rs. 108/00—119/00—108/00—119/00—(130/00).

Do. (Pref.)—Rs. 71/00—71/00—71/00—71/00—(72/50).

Bally—Rs. 245/00—246/00—241/00—241/00—(272/00).

Budge Budge—Rs. 128/00—133/00—128/00—133/00—(139/50).

Barnagore—Rs. 224/00—226/00—224/00—226/00—(199/00).

Calcutta (Pref.)—Rs. 65/00—65/00—65/00—65/00.

Champdany—Rs. 21/31—21/50—21/25—21/44—(21/87).

Cheviot—Rs. 20/00—20/00—19/94—19/94—(21/50).

Dalhousie—Rs. 124/00—125/00—124/00—125/00—(153/00).

Empire (Pref.)—Rs. 91/00—91/00—91/00—91/00—(96/00).

Fort William—Rs. 21/75—21/87—21/69—21/87—(24/50).

Gourepore—Rs. 22/75 S.T.—23/12—22/75—23/00—(26/19).

Ganges—Rs. 14/81—14/94—14/62—14/62—(15/69).

Hooghly—Rs. 14/37—14/44—14/37—14/44—(20/00).

Howrah ("A" Pref.)—Rs. 92/50—92/50—92/00 x.d.—92/00 x.d.—(91/00).

India—Rs. 15/50—15/69—15/44—15/56—

MISCELLANEOUS

Aluminium Corpn.—Rs. 12/69—12/81—12/56—12/81—(14/00).

Do. (5% pref.)—Rs. 67/00—67/00—66/00—66/00—(62/00).

Angelo Brothers—Rs. 25/12—25/25——25/00—25/06—(23/81).

Associated Battery—Rs. 23/00—23/44—22/87—23/44—(23/81).

Associated Hotels—Rs. 8/50—8/50—8/44—8/44—(10/31).

Do. (Pref.)—Rs. 54/00—55/00—54/00—55/00—(54/00).

Asiatic Oxygen—Rs. 9/75—9/81—9/75—9/81—(13/62).

American Refrigerators—Rs. 9/81—9/85—9/81—9/85.

Asian Refractories—Rs. 11/50—11/50—11/50—11/50.

B. I. Corpn.—Rs. 10/06—10/31—9/94—10/31—(7/69).

British Paints—Rs. 22/69—22/69—22/50—22/50—(19/94).

Bararee Coke—Rs. 23/00—23/12—22/62—22/69—(20/87).

Birds Investment—Rs. 8/75—8/75—8/75—8/75—(10/75).

Balmer Lawrie—Rs. 237/00—237/00—235/00—235/00—(248/00).

Bharat Nidhi—Rs. 5/56—5/56—5/44—5/50.

Bhartia Commercial—Rs. 10/12—10/12—10/12—10/12.

Calcutta Tramways—Rs. 10/62—10/87—10/62—10/75—(10/81).

Clive Row Investment—Rs. 8/40—8/50—8/34—8/34—(8/75).

Dr. Paul Lohmann—Rs. 10/00—10/00—10/00—10/00—(11/50).

East Anglia Plastics—Rs. 7/06—7/06—7/06—7/06.

Electric Construction—Rs. 13/25—13/81—13/25—13/81—(12/50).

English Electrics—Rs. 13/94—14/25—13/94—14/25.

Fort Gloster (2nd Pref.)—Rs. 69/50—69/50—69/50—69/50—(65/50).

Do. (Ord.)—Rs. 252/00—252/00—252/00—252/00—(375/00).

Gillanders Arbuthnot—Rs. 14/81—14/81—14/81—14/81—(14/19).

Goodyear India—Rs. 21/75—21/75—21/50—21/56—(31/00).

Godfrey Phillips—Rs. 22/00—22/00—22/00—22/00—(28/12).

General Tyres—Rs. 6/69—6/75—6/56—6/62.

Great Eastern Hotel—Rs. 248/00—252/00—248/00—252/00—(225/00).

Hindustan Aluminium—Rs. 12/56—12/94—12/44—12/69—(12/81).

Hindusthan Pilkington Glass—Rs. 13/44—14/00—13/44—13/75—(15/81).

Hilla Tea Estate—Rs. 10/00—10/00—10/00—10/00.

Hindusthan Twyfords—Rs. 13/62—13/75—13/62—13/75—(14/06).

Do. (Pref.)—Rs. 105/00—105/00—105/00—105/00.

Hindusthan Development—Rs. 3/50—3/69—3/44—3/69—(4/12).

Hindusthan Nat. Glass—Rs. 6/15—6/18—5/75—5/75.

Hindustan Gas—Rs. 19/56—19/56—19/44—19/44.

India Carbon—Rs. 13/87—13/87—13/56—13/87—(18/00).

Imperial Tobacco—Rs. 8/94—9/00—8/75—8/81—(10/12).

Indian Oxygen—Rs. 23/94—24/87—23/94—24/62—(27/00).

Indian Tack & Nail—Rs 9/44—9/50—9/44—9/50.

Jardine Henderson—Rs. 76/50—76/50—75/00—75/00—(85/50).

Do. (Pref.)—Rs. 57/00—57/00—57/00—57/00—(55/50).

Jay Shree Tea Industries—Rs. 14/31—14/37—14/25—14/37—(16/00).

J. K. Synthetics—Rs. 11/81—12/25—11/81—12/25—(10/12).

Kettlewell Bullen (1st Pref.)—Rs. 59/50—60/00—59/00—59/00—(60/00).

Do. (2nd Pref.)—Rs. 61/50—61/50—61/00—61/00.

Martin Burn—Rs. 26/50—26/62—26/50—26/50—(26/56).

Metal Distributors—Rs. 9/12—9/31—9/06—9/31.

Metal Box—Rs. 29/62—29/87—29/62—29/69—(46/50).

National Pipes & Tubes—Rs. 28/19—28/25—28/19—28/25—(24/69).

National Tobacco—Rs. 11/44—11/44—11/25—11/25—(11/62).

Do. (2nd Pref.)—Rs. 58/50—58/50—58/50—58/50—(57/50).

National Rubber Mnfg.—Rs. 11/00—11/06—10/81—11/00—(10/37).

National Insulated Cable—Rs. 26/06—26/31—26/00—26/25—(22/44).

National Rolling & Steel Ropes—Rs. 21/19—21/62—21/19—21/62—(20/59).

New India Investment—Rs. 62/00—63/00—62/00—63/00—(65/00).

Phillips Carbon—Rs. 13/19—14/19—13/19—14/19.

Philips India—Rs. 27/62—27/75—27/62—27/75—(26/00).

Publicity Society—Rs. 24/50—25/06—24/50—25/06—(22/62).

Rohtas Industries ("A" Pref.)—Rs. 107/50—107/50—107/25—107/25—(99/50).

Sirsilk—Rs. 7/00—7/12—7/00—7/00—(8/94).

Star Co.—Rs. 85/00—85/00—85/00—85/00.

Union Carbide—Rs. 29/75—31/75—29/75—31/50—(38/75).

Usha Martin Black—Rs. 14/72—14/81—14/69—14/69.

Universal Cables—Rs. 10/25—10/25—9/87—9/94—(10/00).

Universal Electrics—Rs. 7/12—7/19—7/12—7/19—(8/50).

Walford Transport—Rs. 3/00—3/03—2/94—2/97—(3/62).

Woolcombers of India—Rs. 11/44—11/62—11/44—11/56—(14/75).

PAPERS

Bengal—Rs. 26/50—26/62—26/37—26/44—(26/06).

Ballarpur—Rs. 17/31—17/44—17/31—17/44.

India Paper Pulp—Rs. 22/50—22/75—22/50—22/69—(17/62).

Orient (1st Pref.)—Rs. 93/00—93/00—93/00—93/00.

Seshasayee—Rs. 7/62—7/66—7/50—7/66—(7/06).

Sirpur—Rs. 11/62—11/81—11/56—11/56—(11/56).

Star—Rs. 8/50—9/00—8/50—9/00—(8/87).

Do. (3rd Non-Convertible Pref.)—Rs. 88/00—88/00—88/00—88/00.

Straw Products—Rs. 8/56—8/69—8/44—8/62—(9/25).

Titaghur—Rs. 13/87—14/00—13/75—13/75—(16/12).

REAL PROPERTIES

Hindusthan Building—Rs. 3/06—3/12—3/06—3/12—(3/62).

Humayan Properties (Pref.)—Rs. 7/00—7/00—7/00—7/00—(6/81).

Midnapore Zemindary—Rs. 33/50—34/50—32/50—32/50—(10/37).

OIL

Indo-Burma Petroleum—Rs. 20/69—20/69—20/69—20/69—(21/19).

INSURANCE

New Asiatic—Rs. 6/75—6/87—6/75—6/87.

SHIPPINGS

India Steamship—Rs. 6/44—6/62—6/31—6/37—(7/06).

Port Shipping—Rs. 15/25—17/06—15/50—17/06—(14/44).

SAW MILL

Assam Saws—Rs. 2/44—2/44—2/44—2/44—(2/50).

SUGARS

Belsund—Rs. 8/12—8/12—8/12—8/12—(8/25).

Bharat—Rs. 14/50—14/50—14/50—14/50—(13/00).

Carew & Co.—Rs. 12/25—12/31—12/25—12/31—(10/94).

Cawnpore (Pref.)—Rs. 115/00—116/00—115/00—116/00—(104/50).

Champaran—Rs. 10/87—10/87—10/87—10/87—(15/87).

Dharbhanga—Rs. 8/50—8/50—8/50—8/50—(8/12).

Shree Krishna Gyanoday—Rs. 7/69—7/81—7/62—7/81—(7/31).

Kelvin—Rs. 140/00—140/00—140/00—140/00—(175/00).

Khardah—Rs. 17/75—17/75—17/75—17/75—(18/00).

Lawrence—Rs. 103/00—105/00—103/00—105/00—(121/00).

Megna—Rs. 12/50—12/81—12/50—12/81—(13/94).

New Central—Rs. 11/25—11/31—11/25—11/25—(12/69).

Nuddea—Rs. 11/12—11/50—11/12—11/25.

Northbrook—Rs. 24/62—25/06—24/62—25/06.

Presidency—Rs. 4/62—4/66—4/50—4/50—(5/25).

Reliance—Rs. 7/31—7/31—7/19—7/25—(10/44).

Rameshwara—Rs. 7/62—7/75—7/62—7/75—(9/19).

Union—Rs. 140/00—141/00—140/00—141/00—(170/00).

MININGS

Chrestien Mica (Pref.)—Rs. 38/87—38/87—38/87—38/87—(40/00).

Karanpura Development—Rs. 9/06—9/12—9/06—9/12—(10/75).

Metal Corpn.—Rs. 6/12—6/22—6/06—6/22—(7/94).

CEMENTS

Ashoka—Rs. 7/03—7/03—7/00—7/00—(7/44).

Assam Bengal (Defd.)—Re. 0/69—0/69—0/59—0/59—(0/46).

Bengal Potteries—Rs. 4/31—4/31—4/31—4/31—(5/15).

Dalmia (Bharat)—Rs. 12/62—12/62—12/50—12/50—(12/31).

Do. (Pref.)—Rs. 8/37—8/37—8/37—8/37—(8/06).

Kalyanpur Lime & Cement—Rs. 110/00—110/00—110/00—110/00.

Sone Valley—Rs. 4/12—4/12—3/94—4/03—(4/28).

CHEMICALS

Alkali & Chemical—Rs. 28/19—28/50—28/19—28/50—(32/00).

Bengal Chemical—Rs. 102/00 x.d.—102/00—102/00—102/00—(102/00).

Chemicals & Fibres—Rs. 14/12—14/94—14/00—14/87.

Kanoria—Rs. 7/25—7/25—7/25—7/25—(5/00).

PUBLIC UTILITIES

Bhagalpore—Rs. 6/50—6/56—6/50—6/56.

Calcutta—Rs. 14/87—15/00—14/75—14/91—(14/65).

Do. (Pref.)—Rs. 8/25—8/31—8/12—8/19—(8/19).

Mirzapore—Rs. 7/25—7/50—7/25—7/50—(12/00).

United Provinces—Rs. 177/00—189/00—177/00—189/00—(117/00).

Upper Jumna—Rs. 22/50—22/50—22/37—22/44—(15/06).

ENGINEERINGS

Bharat Ball Bearing—Rs. 10/56—10/75—10/37—10/62—(12/50).

Burn & Co.—Rs. 285/00—288/00—284/00—288/00—(572/00).

Bhartia Elec. Steel—Rs. 14/81—14/87—14/75—14/81—(13/50).

Britannia Eng.—Rs. 9/44—9/44—9/44—9/44—(9/81).

Binani Metals—Rs. 12/00—12/06—12/00—12/06—(9/50).

Calcutta Steel—Rs. 13/50—13/62—13/44—13/62—(12/87).

Dalmia Iron—Rs. 11/31—11/37—11/19—11/19—(10/81).

Hooghly Docking—Rs. 80/00—80/00—80/00—80/00—(108/00).

Hindusthan Wires—Rs. 9/69—9/75—9/69—9/75.

Indian Iron (Pref.)—Rs. 85/00—86/50—85/00—86/00—(84/50).

Indian St. Wagon—Rs. 36/37—38/25—36/37—38/25—(30/37).

Jay Eng.—Rs. 17/50—17/81—17/50—17/81—(20/87).

Jessop & Co.—Rs. 21/25—21/37—21/00—21/19—(24/75).

J. K. Steel—Rs. 15/94—16/25—15/94—16/19—(14/19).

Kumardhubi—Rs. 5/44—5/50—5/35—5/40—(8/94).

Machinery Mnfg.—Rs. 24/69 S.T.—25/00—24/69—25/00—(22/12).

Marshalls—Rs. 3/06—3/06—3/06—3/06—(2/50).

National Iron & Steel—Rs. 6/25—6/25—6/19—6/19—(4/75).

Saran Eng.—Rs. 8/62—8/69—8/50—8/56—(8/50).

FLOUR MILL

Bengal—Rs. 33/87—33/87—33/87—33/87—(29/00).

INSURANCE

New Asiatic—Rs. 6/75—7/25—6/75—7/25.

TEAS

Birpara—Rs. 142/50—143/00—141/50—142/00—(156/50).

Banarhat—Rs. 185/00—186/00 c.r.—185/00—186 c.r.—(216/00).

Brooke Bond—Rs. 10/75—10/87—10/75—10/81—(12/06).

Bishnauth—Rs. 14/25—14/25—14/19—14/19—(17/56).

Choonabhutti—Rs. 174/00—176/00—174/00—176/00—(210/00).

Dhelakhat—Rs. 20/25—20/37—20/25—20/37—(18/81).

East India—Rs. 10/56—10/69—10/56—10/69—(13/44).

Eastern Cachar—Rs. 4/62—4/94—4/62—4/94—(4/50).

Grob—Rs. 6/50—6/62—6/50—6/62—(7/94).

Hanuman—Rs. 10/25—10/25—10/25—10/25.

Hasimara—Rs. 13/56—13/81—13/37—13/81—(12/62).

Joonktoolie—Rs. 16/12—16/12—16/06—16/06.

Karnafuli—Rs. 10/50—10/50—10/50—10/50—(9/31).

Lackatoorah—Rs. 14/12—14/25—14/12—14/25.

Nagaisuree—Rs. 140/00—141/00—140/00—141/00—(140/00).

New Dooars—Rs. 165/00—166/00—164/00—164/00—(220/00).

New Samanbagh—Rs. 18/00—19/12—18/00—19/00.

Oodlabari—Rs. 13/81—13/94—13/75—13/75—(13/19).

Patrakola—Rs. 207/00—209/00—194/00—201/00—(125/50).

Pussimbing—Rs. 7/62—7/87—7/62—7/87—(7/12).

Poobong—Rs. 10/50—10/50—10/37—10/50—(7/19).

Rajabhat—Rs. 10/00—10/06—10/00—10/06—(12/12).

Singtom—Rs. 3/12—3/25—3/12—3/25—(3/50).

Sungma—Rs. 12/25—12/37—12/12—12/12—(13/94).

Teliapara—Rs. 178/00—180/00—178/00—180/00—(99/00).

Tyroon—Rs. 24/75—24/94—24/75—24/75—(31/00).

Teesta Valley—Rs. 12/75—12/75—12/75—12/75—(12/00).

Tezpore (Pref.)—Rs. 7/25—7/25—7/25—7/25—(7/06).

DEBENTURES

6½% Bengal Coal—Rs. 99/00—99/00—99/00—99/00—(100/00).

5½% Burmah-Shell—Rs. 93/00—93/00—93/00—93/00—(92/00).

6½% Bengal Paper (Convertible) Notes—Rs. 250/00—250/00—250/00—250/00.

London

U.K. ECONOMIC OUTLOOK UNSETTLES SHARES

GILT-EDGED STEADY DESPITE WEAK STERLING

London, 26th August.

UNSETTLED condtions were experienced in the stock market over the past week. Although a certain amount of selective buying went on at times, the general trend of prices was towards lower levels. Sentiment was upset at one period by the latest survey of the National Institute of Economic Research with its forecast of a balance of payments crisis, and although the Chancellor of the Exchequer in a week-end statement refuted this (at the same time admitting that exports were disappointing), the market remained in a lethargic mood. Weakness in sterling as a result of economic uncertainties and the latest trade figures were, of course, not helping, but gilt-edged stood the strain fairly well.

Equities see-sawed narrowly, but the market was not without its good features. Rootes Motors were in demand and B. M. C. were wanted on consideration of the group's new car with Rolls Royce engine. Output of the group is still booming. Dollar stocks continued to reflect Wall Street trends which was usually easier. Canadian stocks found good support and shares of the banks were well favoured. Gold shares fluctuated narrowly in very quiet trading. Sea Diamonds went ahead at one time in response to Press comment. Coppers eased and other base metal shares drifted lower, although tins showed some improvement latterly. Oils were again disappointing with B. P. losing ground after their recent rise. Rubbers and teas were on the dull side.

RESERVE BANK

ISSUE DEPARTMENT

(In 000's of Rupees)	Week Ended 21-8-64	14-8-64	23-8-63
Liabilities—			
Notes in Banking Dept.	22,06,02	16,25,31	27,43,21
Notes in Circulation	24,23,81,64	24,52,96,57	22,08,73,56
Total Notes Issued	24,45,87,66	24,69,21,88	22,36,16,77
Assets—			
A. Gold Coin and Bullion	1,17,76,10	1,17,76,10	1,17,76,10
Foreign Securities	85,45,69	85,45,69	89,46,14
Total of A	2,03,21,79	2,03,21,79	2,07,22,24
B Rupee Coin	1,06,77,91	1,05,12,13	1,21,82,77
Rupee Securities	21,35,87,96	21,60,87,96	19,07,11,76
Total	24,45,87,66	24,69,21,88	22,36,16,77

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long Term Operations) Fund	86,00,00	86,00,00	73,00,00
National Agricultural Credit (Stabilisation) Fund	9,00,00	9,00,00	8,00,00
National Industrial Credit (Long Term Operations) Fund	10,00,00	10,00,00	...
Deposits—			
(a) 1. Central Govt.	78,24,17	68,79,89	65,04,46
2. State Govts.	13,09,21	23,20,81	15,19,02
(b) Banks :—			
(i) Scheduled Banks	1,22,15,84	1,13,45,60	99,74,75
(ii) State Co-operative Banks	4,75,01	2,31,29	1,80,99
(iii) Other Banks	3,62	1,68	5,15
(c) Others	1,87,90,42	1,88,56,83	1,60,25,23
Bills Payable	35,74,42	30,35,21	33,46,94
Other Liabilities	22,26,87	21,81,12	19,44,77
Total	6,54,19,56	6,38,52,43	5,61,01,31
Assets—			
Notes	22,06,02	16,25,31	27,43,21
Rupee Coin	3,68	4,56	2,90
Small Coin	5,47	5,36	3,18
National Agricultural Credit (Long Term Operations) Fund			
(a) Loans and Advances to :—			
(i) State Govts.	28,29,51	28,29,50	27,16,58
(ii) State Co-operative Banks	12,48,73	12,59,33	10,25,31
(iii) Central Land Mortgage Banks	..	..	...
(b) Investment in Central Land Mortgage Bank Debentures	4,39,95	4,39,95	3,54,60
National Agricultural Credit (Stabilisation) Fund			
Loans and Advances to State Co-operative Banks	...	...	...
Bills Purchased and Discounted :—			
(a) Internal	...	...	...
(b) External	...	...	...
(c) Govt Treasury Bills	...	...	...
Balances Held abroad	1,32,67,85	1,25,32,30	91,44,90
Loans and Advances to Govt.	13,00,12	8,79,73	8,35,36
Loans and Advances to :—	25,76,83	19,20,27	17,86,00
(i) Scheduled Banks	1,84,05	1,89,30	37,45
(ii) State Co-operative Banks	1,38,40,42	1,43,97,38	1,25,98,55
(iii) Others	2,48,19	2,32,69	1,61,30
Investments	2,47,28,02	2,50,00,79	2,23,31,10
Other Assets	25,40,72	25,35,96	23,61,77
Total	6,54,19,56	6,38,52,43	5,61,01,31

SCHEDULED BANKS

(In 000's of Rupees)	Week Ended 14-8-64	7-8-64	16-8-63
(I) Demand Liabilities—			
(a) Demand Deposits :			
(1) From Banks	68,45,66	66,62,63	52,02,97
(2) From others	11,08,99,27	11,04,45,91	9,57,39,10
(b) Borrowing from Banks	33,92,32	34,11,80	28,46,75
(c) Other	77,09,70	78,81,02	69,24,94
(II) Time Liabilities—			
(a) Time Deposits :			
(1) From Banks	38,62,57	40,61,36	34,27,92
(2) From others	13,39,48,47	13,35,03,71	12,22,41,59
(b) Borrowing from Banks	15,47,06	16,03,56	16,75,16
(c) Others	12,68,58	12,36,64	10,72,89
(III) Borrowing from State Bank—			
(a) Demand Liabilities	6,40,62	6,23,33	5,61,65
(b) Time Liabilities	18,15,00	17,40,00	15,61,50
(IV) Borrowing from Reserve Bank	2,36,80	4,03,36	31,80
(v) Cash	65,11,43	64,72,48	59,07,51
(vi) Balances with the Reserve Bank	1,06,51,98	95,55,56	84,57,31
(vii) Balances with other Banks in current account	24,46,70	22,52,55	19,55,56
(viii) Money at call and short notice	63,72,80	66,67,85	54,88,31
(ix) Investments in Central and State Govt. Securities	7,54,88,48	7,64,20,81	7,30,47,91
(x) (a) Loans, Cash Credits and Overdrafts	15,01,32,86	14,98,11,33	12,09,30,29
(b) Due from Banks	8,51,20	8,24,92	10,02,62
(xi) Inland Bills purchased and discounted	1,67,46,79	1,69,85,23	1,63,96,70
(xii) Foreign Bills purchased and discounted	68,51,80	68,94,53	47,96,41
(xiii) Total of X, XI and XII	17,45,82,65	17,45,16,01	14,91,26,02

Products of :—
BHARAT ELECTRICAL INDUSTRIES LTD.
19, R. N. Mukherjee Road, Calcutta-1.
Agents—
THE ORIENTAL MERCANTILE CO., LTD.
Calcutta, Bombay, Kanpur, Delhi, Madras.

THE CALCUTTA MONEY MARKET

CALL RATE RISES SHARPLY

Wednesday, 26th August.

THERE has been a slight decline in the general level of advances in the Calcutta money market during the past week. This has been brought about by the small decrease in the credit given to sugar mills and to the foodgrains trade. Advances to cotton and jute mills, and to the iron, steel and engineering industries remain unchanged. In the interbank market, some tightness has developed because of the demand for funds to subscribe for the State loans. So the call rate rose sharply from ½ percent to 4 percent and has closed at 3¼ percent.

The exchange market has been quiet, with a moderate number of gunny bills and poor supply of tea bills. The demand for remittances is moderate. In the London market, sterling has weakened further against all currencies with the exception of the Dutch guilder.

BULLION WAS STEADY IN CALCUTTA during the past week. Silver rose from the previous week's level of Rs. 248.25 to Rs. 255.50, quoted today. The price was quoted at 112¼d in London and at 129.3 cents in New York.

In sympathy with silver, gold was quietly steady and the price of 14-carat fluctuated between Rs. 74 and Rs. 74.24 a 10 grammes.

DURING THE WEEK ENDED 21ST August, Government of India Treasury Bills for Rs. 37,25,50,000 were sold in favour of the Reserve Bank.

IT IS STATED THAT 91-DAY INTERmediate Treasury bills sold from 19th August to 22nd August amounted to Rs. 12.90 crores only.

THERE WERE DECLINES OF Rs. 29.15 crores to Rs. 2,423.83 crores in active notes and of Rs. 23.34 crores to Rs. 2,445.88 crores in the total note issue according to the return of the Reserve Bank of India during the week ended 21st August, 1964. The currency contraction was covered by reducing rupee securities of the paper currency reserve by Rs. 25 crores to Rs. 2,135.88 crores. Deposits of the Government of India rose by Rs. 9.44 crores to Rs. 78.24 crores, while those of State Governments dropped by Rs. 10.12 crores to Rs. 13.09 crores. Balances of scheduled banks at Rs. 122.16 crores showed a rise of Rs. 8.70 crores. Balances held abroad rose by Rs. 4.20 crores to Rs. 13 crores while investments at Rs. 247.28 crores showed a decline of Rs. 2.73 crores. Loans to scheduled banks dropped from Rs. 1.89 crores to Rs. 1.84 crores, of which advances against usance bills amounted to Rs. 20 lakhs (Rs. 50 lakhs). Ways and means advances stood at Rs 25.77 crores, against Rs. 19.20 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 14th August, 1964, shows a rise of Rs. 4.56 crores to Rs. 652.82 crores in total deposits. Investments in Government securities are down by Rs. 15.01 crores to Rs. 275.10 crores, while other authorised investments remain unchanged at Rs. 9.44 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have increased by Rs. 1.38 crores to Rs. 346.22 crores. Cash and balances are, in consequence, shown at Rs 31.60 crores or Rs. 5.87 crores higher.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 14th August, 1964, shows Demand and Time liabilities at Rs. 1,288.47 crores (Rs. 33.92 crores) on account of borrowings from banks and Rs. 1,406.47 crores (Rs. 15.47 crores), compared with Rs. 1,284.01 crores (Rs. 34.12 crores) and Rs. 1,404.05 crores (Rs. 16.04 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have increased by Rs. 39 lakhs and Rs. 9.96 crores to Rs. 65.11 crores and Rs. 105.52 crores, respectively. There is a drop of Rs. 9.32 crores to Rs. 754.88 crores in investments. Advances and bills discounted at Rs. 1,745.83 crores show a rise of Rs. 67 lakhs. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 6.3 percent and 64.8 percent, against 6 percent and 64.9 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 4-9-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
4-9-64	7-12-64	2,00,00	.....
21-8-64	24-11-64	2,00,00	Rs. 2.400%
14-8-64	17-11-64	2,00,00	Rs. 2.400%
7-8-64	10-11-64	2,00,00	Rs. 2.393%
31-7-64	3-11-64	2,00,00	Rs. 2.399%
24-7-64	27-10-64	2,00,00	Rs. 2.400%
10-7-64	13-10-64	2,00,00	Rs. 2.500%
3-7-64	6-10-64	2,00,00	Rs. 2.994%
26-6-64	29-9-64	2,00,00	Rs. 2.995%
19-6-64	22-9-64	2,00,00	Rs. 3.000%
12-6-64	15-9-64	2,00,00	Rs. 3.000%
5-6-64	8-9-64	2,00,00	Rs. 3.000%
29-5-64	1-9-64	2,00,00	Rs. 3.000%

(Monthly Maturities 000's omitted)

September, 1964	10,00.00
October, 1964	6,00.00
November, 1964	8,00.00
December, 1964	2,00.00
Total	26,00.00

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
21-8-64	91,60.68	1,02.52
14-8-64	95,36.60	93,15.80
7-8-64	97,61.30	.....

ANALYTICAL
Consulting and Technical Chemists Soil Water, (including Bacteriological), Minerals, Oils, Fertilizers, Sheilac, Foods and Drugs—Gold and Silver assayers.
R. V. BRIGGS & CO. PRIVATE LTD.
16, Old Court House Street. (West End Watch Co., Top Floor).

NEW STANDARD ENGINEERING CO. LTD.

CHAIRMAN, MR. R. G. SARAIYA'S SPEECH

The following is the Speech delivered by the Chairman, Mr. R. G. Saraiya at the Annual General Meeting of the Company held at Carroll Road, Bombay 13 on Wednesday, 26th August 1964.

Passing away of Nehru

Before I turn to review the operations during the past year, I must give expression to our deep sense of grief and loss over the passing away of Shri Jawaharlal Nehru. It is now about three months since death removed him from our midst, but our feeling of loss still persist. He was the one man, who above all others played an outstanding role in holding the Indian people together in troubled and difficult times and securing for them the gains of progress with stability at home together with respect and recognition abroad. He is now no more at the helm, and if our ship of state is to steer clear of troubles and dangers ahead, we have above all to pull together. Our national solidarity could be the best homage that we could pay to his memory.

The audited statements of Accounts for the year 1963-64, together with the Directors' Report, have been in your hands for some time and, with your permission, I shall take them as read.

New Directors

I should like to extend here a special welcome to our two new Directors, Shri S. P. Mehta and Shri Prabhu V. Mehta. As you have seen from the Agenda, they were both co-opted as Directors by the Board and seek election at your hands in this Meeting. Shri S. P. Mehta is an eminent Advocate of the Bombay High Court, who is particularly known all over the country as an authority on Tax matters. With his deep study of industrial and technical problems, Shri Prabhu Mehta has carved out for himself a position of leadership in the business community, despite his young years. He was President of the All-India Manufacturers' Organization last year, and held his office with distinction. The Board of Directors has already profited from their advice and guidance, and I am sure their continued association with us will be of great help to the Company.

Pace of Progress

I am glad to report that during the year under review, the Company continued to show good progress in its operations as well as development. Sales reached the record level of Rs. 2.40 crores as against Rs. 1.83 crores in the previous year. Against the increase of only Rs. 21 lakhs in 1963, sales showed an appreciable increase of Rs. 57 lakhs during the past year. It is a matter of satisfaction that your Company has been able to register such a marked rate of increase of over 30%, even at increasingly higher levels of operations, especially in the midst of expansion and development.

Increase in Costs

The year under review has witnessed a steady pressure of an all round increase of costs. With the increase in prices of materials such as steel, pig iron, coke, electric motors, etc., there has also been an increase in wages, dearness allowance, bonus and other benefits to labour. To this has been added statutory increase in customs duty, central sales-tax, employers' contributions for Provident Fund, ESIC, etc. It has not been possible to offset fully this rise in costs by increased productivity or higher prices for our products, with the result that gross profits have not shown the same rate of increase as in the case of sales and output. However, your Company's profit performance can also be looked upon as satisfactory. As against Rs. 22.88 lakhs in the previous year, the gross profits in the year under report were Rs. 26.87 lakhs. The corresponding figures for net disposable profit after Depreciation, Development Rebate and Taxation are Rs. 7.73 lakhs and Rs. 10.05 lakhs respectively. With this increase in profits, your Directors have thought it fit after careful consideration to recommend Silver Jubilee bonus dividend @ 1% on Equity Shares, while maintaining the previous year's Equity and Preference dividends each @ 9%. With the increase in dividend distribution of Rs. 1.11 lakhs, it has also been possible to transfer Rs. 2.75 lakhs to General Reserve as against Rs. 75,000/- only in the previous year.

The fixed assets of the company increased during the year by Rs. 15.88 lakhs as against increase of Rs. 46.03 lakhs, Rs. 25.99 lakhs and Rs. 29.44 lakhs in the previous three years. As you will see from this, there is some slowing down of the tempo of development particularly in the past year. While this is to some extent due to a deliberate policy of phased expansion and delay in issue of import license for Foundry machinery, it also reflects the general problem of finding funds for development. I propose to revert later in this Speech to the consideration of this important problem, which not only affects your Company's development, but also threatens the growth of our national economy.

Silver Jubilee Celebrations

This is the Silver Jubilee year of your enterprise, which started as far back as 1939 as a proprietory concern founded by Shri J. V. Patel our Managing Director, and which has blossomed out after many phases of expansion, into a Public Limited Company in its present form over five years ago. A Souvenir Brochure entitled "25 years of Service to Industry" was issued to mark this historic occasion. It was released formally by Shri S. G. Barve, Minister for Industries, Government of Maharashtra, at a small, informal function, held at our Goregaon Works on 25th January, 1964. Copies of this Brochure have been sent to you all as well as distributed amongst our many friends and associates, at home and abroad. We have received heartening messages of congratulation from some of our share holders and well-wishers, to whom we are deeply grateful for their words of encouragement.

The Directors' Report has reviewed in some detail the Company's operations during the past year, with special reference to progress of foreign collaboration and development at Goregaon, to which there is little that remains to be added. I should like to mention here the publication of our House Magazine entitled "We in NSE" which was first issued under the name of "NSE Sandesh" on 1st October, 1953. Four numbers have also been published in abilingual edition of English and Marathi. It is proposed to enlarged the scope of this new publication and to make its issue more frequent so that the benefit of this forum of communication and self-expression can reach all the ranks of our employees.

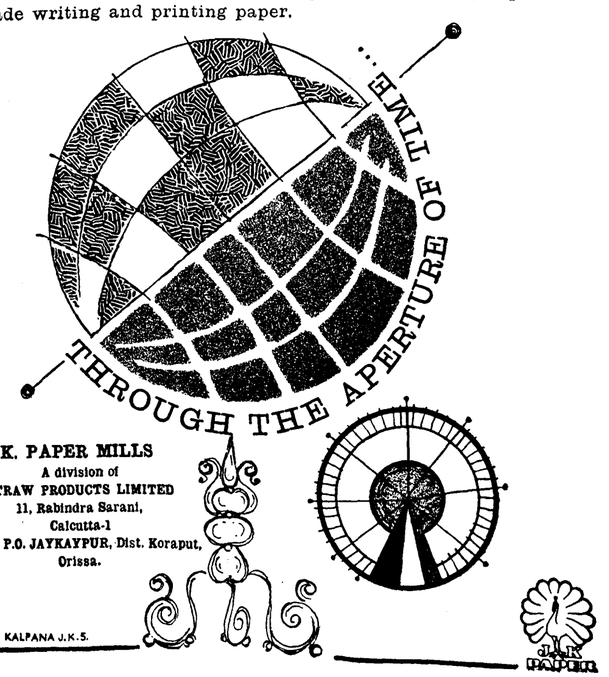
Labour Problems

This brings me to the outlook for the Company in the current year. In line

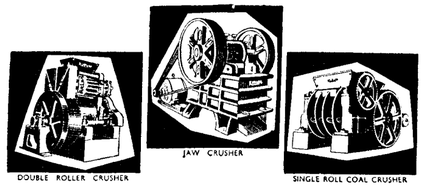
Sir Isaac Newton held that gravity is a force, whereas Einstein regarded it as a property of space, which he believed was curved. But they had one thing in common. Both the Law of Gravitation and the Theory of Relativity were put down on papers for the consumption of knowledge-hungry world.

The world's first paper was made by the wasp for nesting purposes. The Egyptians manufactured Paper by cutting strips from the stem of the Papyrus plant-moistening them and laying them flat.

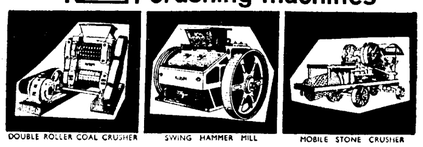
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with the rising levels of production during the past year, and the previous years, we have set for ourselves higher targets for 1964-65. Unfortunately the progress of the first quarter in the current year was marred by labour trouble which culminated in a strike paralysing operations in one Department for over a month and in the entire works for ten days. Reference has already been made in the Directors' Report to the strike, which was pending at the time the Report was signed. The strike was precipitated by the Management's chargesheet against one of the workers for misbehaviour. I am glad to report that the strike has now been called off, and the dispute has been referred to an Industrial Court through the good offices of the conciliation machinery of the State Government. Now that the matter has been amicably settled with the workers and the Union, I do not wish to prolong the controversy.

However, I cannot help making here some general observations concerning the present labour situation in the country. While times are undoubtedly difficult owing to, what may be called the growing pains of development, as indicated by rising prices, there is no need for acts of indiscipline, acts of intimidation and sometimes even violence and sabotage as part of the methods employed to redress real or imaginary grievances. These activities may in course of time not only retard our economic growth but also pose a challenge to our national stability and integrity. There may be legitimate differences between labour and management, and there may even be room for strikes. But every thinking section of the community must unequivocally condemn some of the methods which have been recently adopted in an increasing measure by a section of the workers in various institutions both in the public and the private sector.

Lack of Funds

Before I conclude, I should like to turn to the other serious problems faced by industry at present in general, and by your Company in particular. This is the problem of finding adequate funds for further development. As you no doubt are aware, your Company has been well established for the manufacture of engineering goods. It has gained considerable management and engineering experience and built up a corps of trained personnel which is capable of handling much further development of your industry. It has resources in land, power and water supply which are also capable of further development. As a proof of the growing potential of your Company, we are receiving almost every month proposals for collaboration for entry into further lines of manufacture, and your Company has turned down several proposals owing to lack of funds.

Apathy among Investors

This brings me to the problem of the complete apathy of the capital market towards new issued and stagnation, if I may use term, in the Stock market. In spite of some concessions made in the last Budget by the Finance Minister, the investment and taxation climate of the country is such that it is almost impossible to attract funds to new ventures. It is desirable that there is considerable rethinking on the taxation front by the Government of India. It is not merely doling out of one concession or the other to the Corporate Sector, but the creation of a climate favourable to generation and accumulation of savings in the community, which is most important. With heavy Governmental expenditure on the one hand, and rising prices on the other, the individual who has ultimately to bear the brunt of taxation is not able to find the wherewithal for investment in new industry. I realise that the Finance Minister has an extremely difficult role to play between the needs and the clamours of realising social objectives and the basic discipline required for economic growth. It is, however, possible to carry social objectives to a point which will defeat the main objective and spread poverty instead of prosperity, if economic growth is not achieved, if agricultural and industrial production is not increased and there is a general climate of stagnation and frustration. I do trust that the authorities will before long undertake measures to restore the climate of confidence, so that it may be worthwhile on the part of the individual to save and invest.

I am sure you would like to join me in thanking our Managing Director, staff and workers who have worked loyally and diligently for the satisfactory working of the Company during the year.

I have now pleasure in moving the adoption of the audited Statements of Accounts and Directors' Report for the year ended 31st March, 1964.

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



Yet, it would be wrong to think that Metal Box scientists are concerned only with basic developments in packaging. They work all the time with customers to solve individual packaging problems...help suppliers to develop improved materials.

And their discovery of many indigenous substitutes for imported raw materials helps save valuable foreign exchange. As does the work of the Metal Box Technical Development Division. Metal Box have designed and built in India can-closing and bottle-sealing machinery that used to be imported and cost the country a pretty penny.

Metal Box spend about Rs 10 lakhs every year on Research and Technical Development. That's a lot of money—but it pays rich dividends to the Company as well as the nation. Take just one instance. Enterprising packers in Kerala have won growing export markets for canned prawns in recent years. Metal Box know-how and the world-wide acceptability of Metal Box containers have helped to make this export success possible.

Yes, research is at the root of all progress.

Acid-resistant lacquer for prawns? No!

To keep prawns eatable, cans must be coated with a sulphur-resistant lacquer. It's plum cans which need one that is acid-resistant. Anyone can tell you that—anyone at the Metal Box Research Division.

Scientists attached to this Division help create the *right* package for every product... make certain that the *right* finishes are developed to preserve the contents and protect the package.

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New Delhi

HOME MINISTER HOLDS TALKS ON UNACCOUNTED MONEY

(FROM OUR NEW DELHI CORRESPONDENT)

THE Central Home Minister, Mr. Gulzarilal Nanda, held discussions last week with bankers, economists, industrialists and some retired income tax officers on the question of black money and its rôle in accentuating the inflationary pressures. It was claimed that the amount of unaccounted money circulating in the country was much larger than was presumed. Unaccounted money, it was pointed out, formed a large part of advances against foodgrains and helped traders in indulging in hoarding and black marketing. Discussions held by the Central Home Minister were, however, inconclusive.

The meeting did not discuss how unaccounted money was generated and whether it was a new development. It will be recalled that various schemes to bring out unaccounted money were discussed some ten years ago, and a high official of the Central Ministry of Finance had evolved a fresh scheme some five months ago. It is strange that it was the Central Home Minister and not the Minister for Finance who held these discussions. The issue, to all intents and purposes, is linked with the evasion of taxes. There is no denying that some formula under which taxes could be realised without victimising the evaders of taxes may bring out this hoarded wealth and thereby normalise the economic life of the country.

The economic consequences of the Gold Control Act should also be considered. One view here is that unaccounted money was previously invested in gold. But the Act has made this almost impossible, so unaccounted money is now being invested in commodities.

A look at the July issue of the *Reserve Bank of India Bulletin* (pages 918-19) should reveal some of the causes of inflation. The unsecured (clean) advances by scheduled banks rose from Rs. 196.09 crores in May 1962 to Rs. 274.83 crores in May 1964. During the same period, their advances against *gur* increased from Rs. 2.87 crores to Rs. 5.20 crores. During June 1964, advances by the Reserve Bank to the State co-operative banks had increased by Rs. 20 crores, the total outstanding on 26th June, 1964, being Rs. 145.17 crores. It may be the policy of the Reserve Bank to increase the finances of the State co-operative banks, but the question which needs looking into is whether this money was used to encourage the farmer to hoard foodgrains.

Issuing Warnings

The Central Ministers in general and the Home Minister in particular have been issuing warnings to anti-social elements. Side by side, the Federation of Indian Chambers of Commerce and Industry has lodged a protest against police raids on some foodgrain godowns in Delhi. The F.I.C.C.I. says: "Today, there are forces sedulously to magnify alleged misdeeds on the part of the business community, and the authorities will be doing great injustice if they lend support to these forces, even unwittingly, for that would dislocate normal business and disrupt the democratic way of living".

In contrast, saner counsel was given to the socialist workers by the Deputy Chairman of the Planning Commission, Mr. Asoka Mehta. Speaking recently in Bhopal, he said: "There is, no cause for despair, much less for panic. The resources of our people are rich enough to shore up the difficulties but that requires a new social discipline and a renewed unity among the people. The political workers, particularly those who claim to be socialists, have to be in the forefront of the new efforts, because it is their dreams that are threatened today. The administration has to be made to discover efficiency and integrity. In the post-Nehru era, events have so shaped themselves that each one of us, the humblest among the political workers, has a vital rôle to play in restoring to our economy vitality and direction. The dedicated efforts at stepping up agricultural output and evoking social discipline demand of us our best. The challenge is there for all to see; the response has to begin with us".

ELECTRONICS

Manufacture of Components

The Central Ministry of Industry has been given the responsibility of developing the electronic industry, including the manufacture of components. A high level committee is likely to be appointed to work out the plan of development.

MANAGEMENT SEMINAR

Talks on Industrial Location

The Indian Institute of Management held a three-day seminar here last week, with Mr. T. Swaminathan in the chair, to discuss the problems of the location of industry. As a follow-up action, it is expected that an objective philosophy will emerge, which should help plan the location of industry on a scientific basis.

MACHINE TOOLS

Fourth Plan Programme

The machine tool manufacturers held a meeting here last week to review the performance of the third plan targets and to consider advance action for the fourth plan. Difficulties and requirements of individual manufacturers were ascertained at the meeting with a view to rendering them maximum assistance. Suggestions were put forward for developing the manufacture of accessories, ancillaries and hydraulic and electronic control equipment. It was recognised that the quickest progress in this field was likely to be made in the public sector.

COAL

Fourth Plan Targets

Tentative targets of coal production in the private sector during the fourth five year plan as well as the additional output for the remaining two years of the current plan have been indicated to the coal industry by the Central Ministry of Steel and Mines. According to the targets, the private sector is required to produce 5.14 million tonnes of additional coal in the remaining period of the third plan and 76.49 million tonnes during the fourth plan period.

The Planning Group on Coal has provisionally estimated the total demand by 1970-71 at 136.46 million tonnes. This is likely to go up by another 3 million tonnes on account of coal requirements for power.

The Government has asked the industry to go ahead with the formulation of its programme, particularly in relation to production under the fourth plan. The units which have to make contribution to the additional output in the fourth plan, have been called upon to furnish detailed year-wise plans supported by necessary blueprints.

The industry has also been told that individual units, which are to contribute towards additional production by depillaring operations when the central ropeways start functioning, should initiate advance action on the installation of sand-stowing equipment, etcetera, so that full use is made of the ropeways and the desired quantities of additional coking coal are produced in ime.

According to a rough assessment made by the Ministry, the total capital outlay by the private sector for the proposed programme will be Rs. 48.30 crores, of which about Rs. 14.74 crores will be for additional production of coking-coal and Rs. 33.56 crores for the maintenance of production.

The industry has been urged to make an assessment of the financial implications of the programme and has been asked to offer its comments on the assesment made by the Ministry. Also, they are to intimate to the Ministry the manner in which the additional resources are expected to be obtained by it for the necessary investment.

It has also been impressed upon the industry that it should make a realistic assessment of machinery and equipment—indigenous as well as imported—that will be needed during the fourth plan, both for the maintenance of production and for expansion and new development.

It has been assessed that the private sector should be able to raise an additional quantity of 10.67 million tonnes of coking coal during the fourth plan period, of which 1.42 million tonnes will be from the third plan schemes. This estimate is based on the offers made by the private sector in 1963 which have been found to be technically feasible.

Coking Coal Requirements

The requirements of coking coal, including those of iron and steel and



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merchant cokeries, at the end of the fourth plan has been assessed at 46.05 million tonnes. The private sector is expected to produce 15.31 million tonnes of coking coal in 1965-66.

It is further estimated that the total production of non-coking coal, including blendable coal, for 1963-64 was 47.62 million tonnes. The requirements during 1965-66 have been assessed at 60-64 million tonnes, including 1 million tonnes of blendable coal for metallurgical industries. To meet this additional requirement of 13.02 million tonnes during the next two years, the private sector is required to produce an extra quantity of 4.40 million tonnes over the level of 1963-64.

It has also been stated that for the time being, Grade HH coking coal, which is surplus to the requirements of steel plants, should continue to be allowed to be used for non-metallurgical purposes. This surplus is estimated to be about 1.70 million tonnes, provided the industry does not further increase the production of this grade of coal. About 2.10 million tonnes is likely to come from the existing stocks of good quality non-coking coal.

The additional requirements of non-coking coal in 1970-71 work out to 28.40 million tonnes. Out of this, the private sector's share is 7.02 million tonnes. The additional new capacity of the private sector under the fourth plan is 3.95 million tonnes.

The production of blendable coal in the private sector during 1963-64 was about 2.50 million tonnes. This level of production is likely to be maintained during the remaining period of the current plant.

The requirtments of blendable coal for metallurgical industries at the end of the fourth plan have been assessed at 6.68 million tonnes, of which 3.24 million tonnes is likely to be produced in the public sector and the balance, namely, 3.44 million tonnes in the private sector. The private sector's share of the additional production of blendable coal during the fourth plan is estimated at 740,000 tonnes.

EXPORTS

Fourth Plan Targets

The export targets for the fourth five year plan were considered by the Board of Trade at its meeting held here last week under the chairmanship of Mr. Manubhai Shah, Central Minister of Commerce. There was a general consensus that, taking into consideration the export possibilities in the various agricultural and industrial sectors and the prevailing economic conditions, it would be reasonable to set a target of Rs. 5,100 crores for the five years of the fourth plan with the export earnings in the last year of the plan at Rs. 1,100 crores. The Board resolved that efforts should be made to achieve these figures and that work should continue for promoting even larger exports.

The Board felt that the achievement of the target would call for an integrated and co-ordinated policy designed to ensure that the required quantities of commodities become available for export even if this might involve a certain measure of restraint on domestic consumption or a certain amount of discipline. Furthermore, a high degree of co-ordination among the different Ministries of the Government of India as also between the Government of India and the State Governments would be required so that an integrated policy could be evolved and carried out without interruptions and breaks. It was also felt that in achieving the export targets, the various public-sector undertakings should play a definite rôle.

The Board was concerned to observe that the inflationary pressures that were developing in the economy might come in the way of larger exports. It suggested, therefore, that energetic measures would have to be taken to achieve some degree of price stabilisation with a view to reducing costs and making Indian exports competitive in the world markets. "In this matter, certain policy inputs and certain degree of co-ordination and advance action in certain export-oriented sectors would have to be initiated without delay."

The Board reiterated the view that increased agricultural and industrial production was vital to the promotion of exports. It regretted that the export of certain items like vegetable oils had to be banned suddenly on account of scarcity conditions prevailing in the domestic market. It was strongly of the view that continuity in supplies for export was absolutely essential for maintaining India's export markets. Abrupt stoppage of exports seriously affects the confidence of foreign buyers resulting in loss of goodwill and markets abroad. With a view to ensuring adequate supplies for export, the agricultural and industrial sectors should be given adequate assistance.

Long-term Planning

The Board stressed the need to ensure the continuance of export promotion policies over a reasonably long period of time so that the trade could plan its exports on a long-term basis. No major changes, it said, should be made in the export promotion policies during the currency of the plan period.

The Board also noted that among certain sections of the public, there appeared to be misconceptions concerning the effect of exports on the domestic situation. It was felt that there was need for educating the public about the vital rôle of exports in the economy and the marginal nature of the impact of exports on domestic availability and domestic prices in relation to all exports products.

These periodical exercises are, by and large, fruitless. An examination of the agenda papers, for example, should show that the Central Ministry of Commerce has worked up targets in terms of what are called traditional exports. The small booklet by the Indian Institute of Foreign Trade admits that the first inadequacy hindering the export trade is the lack of market research and area survey. About Rs. 18 lakhs have been budgeted for financing the activities of the Institute, which has produced beautifully printed market survey reports on such export items as Indian sports goods in Australia, printed and embroidered fine fabrics in Malayasia, cashewnuts in Switzerland, and canvas shoes in Canada. No attempt has yet been made to appraise the pattern of demand, say, in western or eastern Europe, in 1972. Eastern Europe is mentioned here because even the communist countries are becoming quality conscious and will not accept sub-standard goods as they had been doing so far. It may be added here that the American business men, who visited India last spring, repeatedly urged their counterparts in India to carry out market research. They were told that such a luxury was not needed, because India being an expanding, closed and protected market, even sub-standard goods could be sold, earning profits for their manufacturers.

The Board felt that there was need for educating the public about exports and the "marginal nature of impact of exports on domestic availability and domestic prices." It regretted that the export of certain items, such as vegetable oils, had to be banned suddenly on account of the scarcity conditions prevailing in the domestic market. It claimed that "abrupt stoppage of exports seriously affected the confidence of foreign buyers resulting in the loss of goodwill and markets abroad."

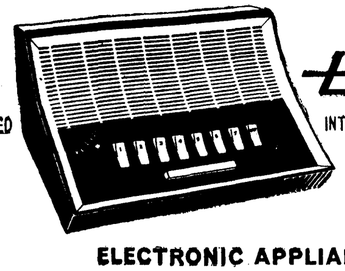
Two issues are involved in these assertions. It is not the Board but the Government of India which has to balance the relative importance of confidence of foreign buyers and of the Indian masses. Even the foreign buyer will not trade with a country seething with discontent. The second aspect of the problem is of equal importance. Sugar and edible oils form an integral part of the cost of living indices. Dearness allowance is linked to cost of living and any increase in cost of living is followed by a demand for a balancing increase in the dearness allowance. The wholesale price index of sugar and *gur* and edible oils as on 1st August, 1964, was 206.2 and 206.9, respectively, compared with 193.6 and 150.8, respectively, on 27th July, 1963. There should not be any surprise, therefore, that dearness allowance had to be increased, the high prices of sugar and edible oils being its contributory cause.

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INCOME TAX

Exemption for Foreigners

The Central Finance Ministry has outlined the conditions under which foreign professors, teachers and research workers are eligible for exemption from income tax permissible under the Finance Act, 1964. It has also clarified the benefits available to them under this provision of the Act.

To be eligible for the exemption, a professor or a teacher employed in a university or an education institution in India must not be a citizen of India and he should not have been resident in this country in any of the four financial years immediately preceding the financial year in which he arrived in this country. Furthermore, his contract of service must be approved by the Government of India before or within one year of the commencement of his services.

In the case of professors and teachers whose service started before 1st April, 1964 the Central Government's approval must be obtained before 1st October, 1964.

Exemption in the case of research workers will be subject to two conditions, namely, (i) the Central Government's approval to the research scheme is obtained before 1st October of the relevant assessment year, namely, before 1st October, 1964, for the current assessment year 1964-65, and (ii) the emoluments for undertaking the research work is payable or paid directly or indirectly by a foreign Government or any institution or association or other body established outside India.

According to the benefits provided under the Finance Act, a professor or a teacher will not be required to pay tax on the remuneration received by him or due to him during the 36 months commencing from the date of his arrival in India. When he continues to remain in employment in India after the expiry of this period and the tax on his income chargeable under the head "salaries" is paid by the university or the educational institution concerned to the Central Government, the tax so paid for a period not exceeding 24 months will also not be treated as his taxable income.

A foreign research worker will not be required to pay tax on any sum due to or received by him during the 24 months commencing from the date of his arrival in India for undertaking the research work.

Requests for the Central Government's approval of the contract of service in the case of professors and teachers, and for the Central Government's approval to the research scheme in the case of research workers should be addressed to the Secretary, Central Ministry of Education, New Delhi.

The Ministry of Education has prescribed a *pro forma* for this purpose and applications seeking the Government's approval should be made in that *pro forma*. Copies of the *pro forma* are available from the Ministry of Education.

Requests for approval should be made sufficiently in advance so that the Government's decision may be communicated before the due date.

GOVERNMENT ACCOMMODATION

Rules Outlined

No Government employee owning a residential house situated in Delhi within 16 kilometres of the place of duty will be allotted Government accommodation. An employee already in occupation of such accommodation, will not be eligible for its continued retention. This decision has been taken by the Central Ministry of Works and Housing in view of the acute shortage of Government accommodation.

It has also been decided that if, after Government accommodation has been allotted to an employee, he becomes the owner of a house either in his own name or in the name of any other person or a member of his family becomes the owner of a house, such employee will notify that fact to the Director of Estates within a period of seven days from the date he or any member of his family becomes the owner. He is required to either surrender the Government accommodation within that period or pay the standard or pooled rent, whichever is higher, under the rules.

If the Government employee fails to inform the Director of Estates, his allotment will deem to have been cancelled with effect from the day he or a member of his family becomes the owner of a house.

An employee, who has been allotted Government accommodation before 20th July, 1964, and became the owner of a house after such allotment but before that date, has been allowed to retain the accommodation allotted to him by the Government. This will be subject to the fact that the employee pays the standard or pooled rent, whichever is higher, for that accommodation, with effect from 20th July, 1964. Also, he has to pay rent or damages or both for that ac-

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ASPY

commodation for the period prior to 20th July, 1964.

PALAM AIRPORT

New Terminal Area Planned

It is proposed to develop a new terminal area and to construct a new terminal building, south of the new jet runway at Palam airport. Plans for this building are being prepared.

To tide over the period until the new building is ready, additions and alterations are being carried out to the existing building. This work, estimated to cost about Rs. 8.73 lakhs, is progressing.

Palam airport, which was being jointly used by the Indian Air Force and the Civil Aviation Department, has been criticised for some time for its lack of proper terminal facilities. The building, for example, has had no accommodation for Customs, health, and immigration authorities. The joint control of the airport and the uncertain position about its ultimate ownership hindered the construction of a new airport terminal building so far. This uncertainty has now been removed by the Government's decision to develop Palam airport as an international airport under civilian control.

EAST GERMANY

Trade Team Arrives

A trade delegation from East Germany, led by Mr. Kurt Epperlein, Deputy Minister of the Ministry of Foreign Trade, has arrived here for talks with the Central Commerce Ministry for a long-term trade arrangement. The present arrangement, signed in 1959, was extended last year and expires in 1965. The delegation includes 12 members representing various Ministries of the East German Government.

The delegation has started talks for the new long-term trade arrangement with a Commerce Ministry delegation, led by Mr. D. S. Joshi, Secretary to the Ministry.

NEPAL

Indian Exhibition Planned

It has been decided by the Government of India to organise an Indian exhibition in Kathmandu, capital of Nepal. It will start in the fourth week of November and last approximately one month.

A wide range of goods, including capital goods, equipment, light engineering goods and consumer goods of all categories and types, which India can offer, will be displayed at the exhibition. The social, economic and industrial developments taking place in India under the five year plans as also the efforts in the field of science, technology and allied subjects will be displayed at the exhibition.

CEMENT INDUSTRY

Raising Productivity

The allocation of increased foreign exchange, standardisation of kilns, introduction of statistical quality control, mechanisation of quarries and improved working conditions are some of the major recommendations made by the productivity study group on the cement industry. The study group was appointed by the National Productivity Council for increasing the productivity in the cement industry.

According to the study group, the *per capita* consumption of cement in India is low, compared with some other countries, as is evident from the following table:

Country	Per capita consumption (In kilograms)
India	18
Switzerland	386
U.S.A.	272
Germany	295
France	204
Italy	191
U.K.	204

The productivity of the Indian workman in the cement industry, compared with his counterpart in the western countries, is also low. Man-hours a tonne of cement produced in various countries of the world are shown in the following table:

Country	Man-hours a tonne
U.S.A.	1.50
Belgium	1.51
Japan	1.75
U.K.	1.82
Germany	2.20
India	10.15

Among the important recommendations of the study group are: introduction of preventive maintenance; rehabilitation of old plants; provision of good quality coal; collection and feeding back of kiln chimney dust, which is otherwise wasted; correction of E.S.I. rules with a view to reducing labour absenteeism; training of labour; greater use of peace rate and incentive systems; and linking bonus to production.

SHIPPING CORPORATION

Radio Equipment for Vessels

The Shipping Corporation of India has had 11 of its cargo vessels equipped with V.H.F. radio equipment manufactured and installed by Associated Electrical Industries' marine communications department. Six of the vessels—plying between India and Britain—had been fitted with the equipment at ports in Britain. The remaining five had the equipment fitted at Indian ports. The radio equipment would be used for port control, docking, and ship-to-shore and ship-to-ship communications.

U.K.

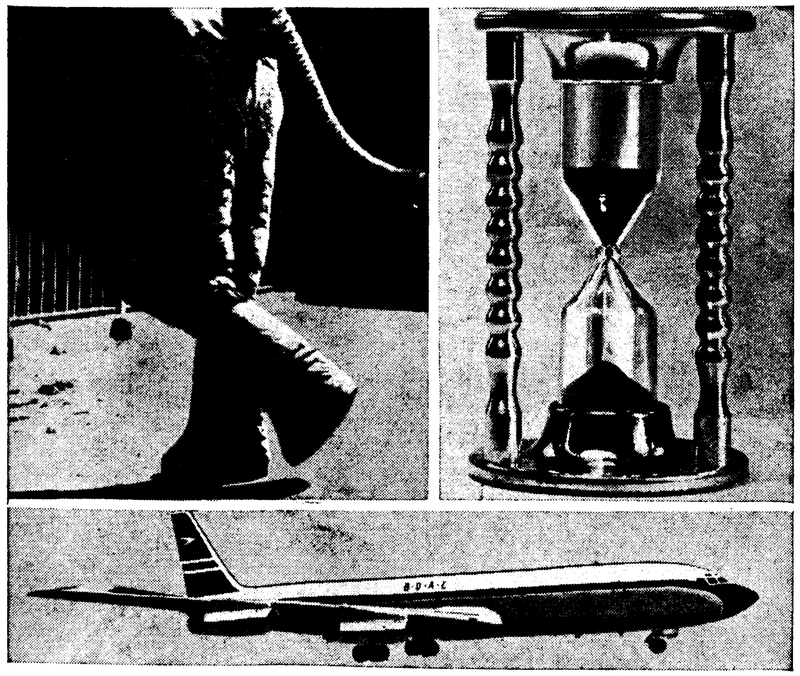
Two Economists in India

Professor A. K. Cairncross, Economic Adviser to the U.K. Government, will visit Delhi from 25th to 27th August *en route* to Kuala Lumpur, where he is to attend the Commonwealth Finance Ministers' meeting as a member of the British delegation.

While in Delhi, Professor Cairncross will meet the Central Finance Minister, Mr. T. T Krishnamachari, members of the Planning Commission, and Government economists.

The head of the London School of Economics, Sir Sydney Caine, is also arriving here to stay with the Vice-Chancellor of Delhi University, Sir Chintaman Deshmukh.

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OUTLOOK FOR U.K. BALANCE OF PAYMENTS DETERIORATES

(FROM OUR LONDON CORRESPONDENT)

IT is not usual for this despatch to deal with the economic outlook for three successive weeks, but the present departure from the normal pattern is excusable on the grounds that the subject is of special importance under present circumstances. Also, there have been two somewhat significant developments that call for comment. The first of these is a gloomy forecast from the National Institute of Economic and Social Research. Its *Economic Review* published the other day says that the balance of payments deficit is growing fast and could well be as high as £500 million for 1964, with at least another £300 million in 1965—unless the Government intervenes.

Analysing the state of the British economy, the *Review* suggests that the slowing down in recent months was largely temporary. In the second half of the year, demand is likely to rise again at about 4 percent a year, and unemployment to decline further. Exports may increase a little more, but imports will continue to rise more rapidly. By the end of the year, the "yawning gap" in the balance of payments will compel the Government—any government—to take some action. "It must either take measures which deal directly with the balance of payments, or it must deflate and face the prospect of another period of stagnation."

What is meant with dealing directly with the balance of payments, the Institute does not explain. It might be import controls, or it might be large-scale international borrowing. But as the writers point out, loans have to be repaid, and they can see no hope that Britain's payments balance will at any foreseeable time swing automatically back from deficit to surplus.

While the industrial production index has not moved since January, the Institute states, the total national output seems to have risen quite sharply in the first quarter and probably went up a little further in the second. Exports failed to rise in the second quarter, and an abnormally big increase in retail prices held back consumers' expenditure. From mid-year on, the prospect is for a 4 percent rise in national output—less than the 5 percent previously forecast by the Institute because the outlook for exports now seems less favourable. Unemployment, after a slight rise in July and probably August, should still be moving down slowly. As for other elements of demand, consumers' expenditure in real terms should from now on rise at some 3½ to 4 percent a year. Retail prices should rise more slowly, and incomes will continue to go up rapidly.

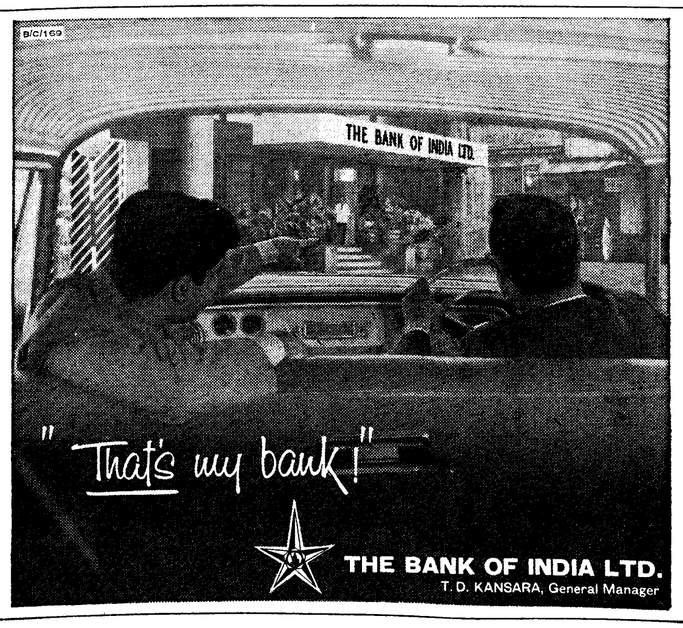
Total fixed investment is expected to go on rising at much the same rate as in 1963. Private manufacturing investment is probably increasing quite sharply. Public investment must also still be rising, although more slowly than last year. House building may be held at the high level of the first half of 1964 by a shortage of bricks. Stockbuilding, although it may not rise much further, is unlikely to fall much either. The general conclusion is that expansion will be resumed in the second half of this year, but the old sterling problem will soon compel the Government to put on the brakes again.

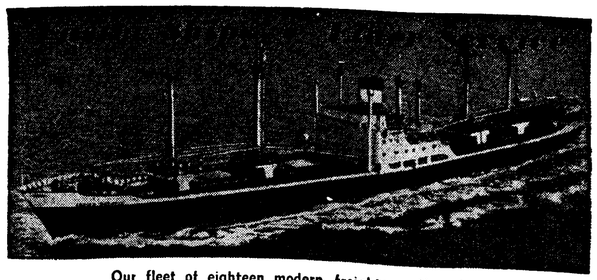
Trade Returns

On the day following the publication of this rather gloomy picture of the immediate outlook for the economy came the July trade returns, which had been eagerly awaited. In one way, they lend some support to the Institute's forecast of a balance of payments crisis towards the end of the year—this was in the rather disappointing export performance. So far from showing the increase expected, exports plus re-exports, at £344 million, were £16 million lower than in June and at the lowest level since January. On the other hand, the Institute's expectation that stockbuilding would continue—which would imply a rise in imports—is apparently not being realised. At all events, at £431 million, the total import bill was £43 million lower than in June. Mainly as a result of this, the trade gap, measured by the excess of imports over exports, was cut last month from the all-time peak of £114 million in June to £87 million, a £27-million improvement.

The postal strike had some effect on both sides of the July trade figures, but the Board of Trade believes that the impact was small. It estimates that after allowing for freight and insurance, which is largely paid for in the U. K. itself, the real payments deficit in July was £39 million, against £62 million in June. This deficit, which was at a monthly average of only £4 million in 1963, rose to £36 million a month in the first quarter and £45 million a month in the second quarter. The July figure of £39 million does not show much change of trend.

In the last three months, May to July, exports were 3 percent less than in the previous three months, February to April. In the first seven months of the year, they were 3 percent higher than the average for 1963. Imports have been running at about the same average rate in the last three months as in the previous three months, but in the whole period





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January to July they were no less than 13 percent up on the average for 1963. The export figures have given rise to some puzzlement as well as disappointment in the Board of Trade and the Federation of British Industries. The F.B.I. spokesman said of them: "They are not consistent with the expectations shown by the F.B.I.'s recent surveys of industrial trends, nor can they be reconciled with the buoyancy of business activity and employment except on the footing of very serious overheating in the home market, which the available evidence does not indicate. The F.B.I. will immediately put in hand a pilot survey among large industrial exporters to see if light can be thrown on these discrepancies."

Industrial Output

Another set of official figures which seems not to fit in with the confident statements of industrialists is the index of industrial production. The Central Statistical Office has announced that after allowing for seasonal factors, the index for June has remained unchanged at 126 for sixth months running. This figure refers to all industries including construction and utilities. For manufacturing alone, the June figure is 127 and this has varied only between 127 and 128 since January. A six-month plateau in industrial output does suggest some conflict with the unprecedented level of civil employment announced recently and the official view that the economy is still expanding too fast. Could the figures be wrong?

Ministers have been optimistic about British export prospects ever since last autumn. World trade in manufactures has, in fact, been very active and other countries, particularly the United States and West Germany, have been able to increase their exports substantially. But although industrial firms have been reporting good and rising export orders all this year, the monthly trade returns have shown exports levelling off after the 1963 improvement. Some officials think the reason may be that the weight of export orders has been shifting towards capital goods which take a long time to produce. Others begin to question whether British goods are as competitive abroad as was widely believed last year, when costs and prices had been held steady here while inflation was rampant on the Continent.

Mr. Maudling, the Chancellor of the Exchequer, is about to return to the Treasury after his holiday and no doubt will make a dispassionate appraisal of the narrowing trade gap situation. He has come in for some criticism from both Mr. Callaghan and Mr. Brown over the dangers inherent in the deficit. The Chancellor has already made it plain that fears of electoral unpopularity will not deter him from any restrictive action which he considers essential. On the other hand, he is not the man to panic over figures which, after all, are an improvement on those of the previous month. He is more likely to take the view that there is nothing amiss which a really determined export drive cannot cure. This was probably the advice which Mr. Heath, Secretary for Industry and Trade, gave the Prime Minister when he saw him at 10, Downing Street, on his return from holiday, and there may be some significance in the fact that the same night, Sir Alec flew back to Scotland to resume his interrupted holiday.

Economic Failings

Believing that a large part of the U.K.'s external economic failings at present are only temporary, the *Guardian* cnosiders what the Chancellor ought to do if he is in fact obliged to take some avoiding action. The choice, it says, must be affected by estimates of major improvements in industry, which by next year or the year after may have boosted efficiency by more than the Institute's trends suggest. The Government should have better information on this than the Institute.

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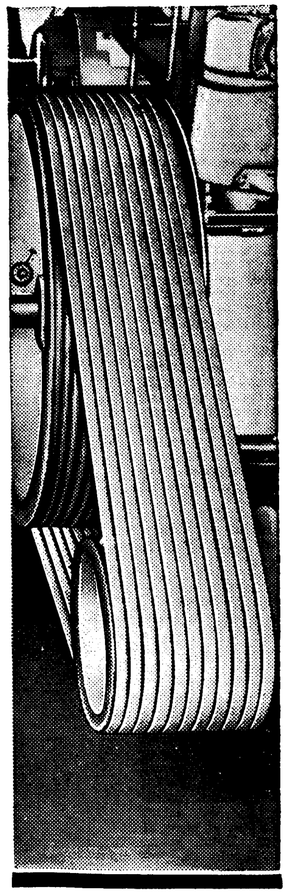
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Jute

SPECULATIVE FACTORS PUSH UP FIBRE PRICES

THE speculative spree started earlier has been gathering strength, and prices are rising in spite of the imposition of drastic restrictions on trading in the hedge market and in T.S.D. contracts. This is rather inexplicable as the statistical position is sound; Indian mills have purchased more jute in July and during the preceding two months than they did in the comparable months of 1963. So the sort of crystal-gazing which has led to a rise of Rs. 2.50 a maund in the hedge market for Upper Assam White Bottoms, September delivery, and around Rs. 4 a maund in the spot market during the six days from 20th August is completely unjustified.

Jute circles in Calcutta believe that a large number of strong holders have been operating in the interior markets. Lifting the daily arrivals in the agencies, they have spread the scare of a poor crop in order to get bigger prices. The failure of the Pakistani crop can have but little effect on the Indian industry. No doubt, India may have to pay a higher price for Pakistani long jute and cuttings, but Pakistani fibre is a small fraction of the indutry's total fibre requirements; so the overall cost can rise by only a small percentage. Even if the Indian crop turns out to be small, it will not be far below the official expectation of eight million bales since the loss or deterioration suffered by the early crop in north Bengal, north Bihar and lower Assam valley during the May-June floods, has been made good by the bumper crop in the Daissee districts. Reports from the Tossa belt too are encouraging. There is no dearth of retting water.

Sound Statistical Position

A scrutiny of the statements of raw jute arrivals in Calcutta and the mill stations and purchases by mills reporting to the I.J.M.A. reveals a sound statistical position. During July 1964, deliveries of raw jute amounted to 338,000 bales, against 238,000 bales for the corresponding month of 1963. Of these, 12.000 bales (against 25.000 bales) were from Pakistan and 326.000 bales (against 213,000 bales) were from upcountry centres in India. During July 1964, Indian mills purchased 457,000 bales, against 379,000 bales during the corresponding month a year ago. Of these, 50.000 bales (against 5.000 bales) were from Pakistan and 407,000 bales (against 374.000 bales) from Indian sources. Hence, even though Pakistani fibre deliveries were lower this July, the shortfall will be made up by higher deliveries during subsequent months.

A comparison of the figures for the three months from May to July for the two years also tells the same story. During the period this year, fibre arrivals in Calcutta and mill stations totalled 995,000 bales, against 917.000 bales in the corresponding months of 1963. Of these. 38.000 bales (against 55.000 bales) were of Pakistani origin and 957,000 bales (against 862.000 bales) of Indian origin.

Total purchases during the three months from May to July this year amounted to 897,000 bales, against 960,000 bales—70.000 bales (against 43.000 bales) from Pakistan and 827.000 bales (against 917,000 bales) from India. The bigger purchases of Indian jute last year were due to the sluggish trend persisting in the market from the very beginning of the jute season, which prompted the Jute Commissioner to issue a compulsory purchase quota of 440,000 bales for July 1963.

Two Expert Bodies Set Up

The Government of India has set up two expert bodies last week to advise it on various matters affecting the jute industry and trade. The first, the Jute Textiles Consultative Board is a 12-member body with the Central Commerce Minister as its chairman; the Deputy Minister of Commerce is its deputy chairman and the Jute Commissioner is the member-secretary. The other members are: the Secretary and Additional Secretary, Ministry of Commerce, the chairman and three representatives of the I.J.M.A., a representative of the Calcutta Jute Fabrics Shippers Association, a nominee of the Central Ministry of Food and Agriculture and a representative of labour in the jute industry.

Defining the scope of the Board, an official resolution says that the Government would endeavour, as far as possible, to consult the Board generally on all important matters concerning the jute industry, particularly in regard to production, distribution and exports of jute goods, imports and exports of raw jute and matters relating to the development of and research in the industry, as also the procurement of raw materials, machinery and accessories. The Board will have a life of two years in the first instance.

The second body set up is the Jute Export Promotion Advisory Committee. It has been formed to help the jute industry overcome the severe competition it has been facing from other producing countries, as also from new substitutes entering the world market. The Committee will maintain intimate contacts between the Government and the industry, make recommendations on the best ways of expanding exports to traditional and non-traditional markets, arouse interest among manufacturers in the expansion of overseas sales, advise the Government on measures of export assistance and in the evolution and implementation of export promotion schemes. It will also co-ordinate the exports of jute goods, enforce quality control in collaboration with the industry and shippers and give any other assistance to exporters as may be necessary. It will have powers to set up sub-committees and expert panels to deal with special problems relating to the development of gunny exports.

The Jute Commissioner will be the chairman of the Committee. Other members may include the Joint Secretary in the Central Ministry of Commerce, four representatives of the I.J.M.A., and the chairman and a representative of the Calcutta Jute Fabrics Shippers Association. This body will also have a life of two years in the first instance. The headquarters of the Committee will be in Calcutta. Both the bodies will hold their first session in Calcutta on 9th September.

Despatches of Gunnies Rise

A seasonal increase in internal consumption from 24,500 tonnes in June to 27.200 tonnes in July and a minor rise in the export offtake from 80.300 tonnes to 80,700 tonnes helped raise the total despatches of gunnies from 104,800 tonnes to 107.900 tonnes, from the mills reporting to the I.J.M.A. The rise in exports of hessian from 42,900 tonnes to 44,700 tonnes was about offset by the decline in the exports of sacking from 19,200 tonnes to 19,000 tonnes, in carpet-backing cloth from 7,700 tonnes to 7,000 tonnes and in the other goods from 10,500 tonnes to 10,000 tonnes. In internal consumption, sacking showed an increase from 17,800 tonnes to 19 300 tonnes, hessian from 3,300 tonnes to 4,100 tonnes and miscellaneous goods from 3,400 tonnes to 3,800 tonnes.

As for the total offtake, the maximum increase was registered in hessian from 46,200 tonnes to 48,800 tonnes, followed by heavy goods from 37,000 tonnes to 38,300 tonnes. The offtake of other goods declined by 100 tonnes to 13,800 tonnes and of carpet-backing cloth by 700 tonnes to 7,000 tonnes.

In July 1963, the total offtake was 100,500 tonnes—45,900 tonnes of hessian, 36.800 tonnes of sacking, 6,300 tonnes of carpet-backing and 11,500 tonnes of other goods. Exports absorbed 81,000 tonnes—42,700 tonnes of hessian, 22,600 tonnes of sacking, 6,300 tonnes of carpet-backing and 9,400 tonnes of other goods. Internal consumption totalled 19,500 tonnes—3,200 tonnes of hessian, 14,200 tonnes of sacking and 2,100 tonnes of miscellaneous goods.

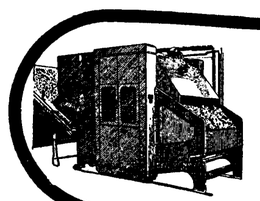
THE JUTE MARKETS

Manufactured Goods: Buoyant conditions prevailed in the Calcutta gunny market during the past week in spite of the imposition of penal margins, limits on price fluctuations and suspension of trading. The buying spree was triggered by rumours of a sharp decline in Pakistani and Indian crops and the prevalence of high prices for fibre in the upcountry markets. Early in the week a rumour circulated that China had concluded a big deal with Pakistan for gunnies inducing the belief here that the heavy commitments already made by that country would help divert further overseas orders to India. Reports from major overseas markets indicated that prices of spot goods fluctuated moderately in sympathy with the trend in Calcutta. In New York, spot and afloat burlap prices hardened from 12.10 cents to 12.40 cents a yard during the short period. Overseas buyers generally remained on the sidelines and were not inclined to enter the markets until prices subsided to more reasonable levels. Loading in the Calcutta port was normal for this time of year. In view of the hardening trend, the Committee of the East India Jute and Hessian Exchange reviewed the position and allowed a relaxation of the daily fluctuation limits for hedge trading from Monday with the prior consent of the Forward Markets Commission. Barring the Indian Government tender for about 5,000 bales of B Twills for early September delivery and scattered hessian business with the U.S.A. for ready and near positions, short- and shipper-covering continued to sustain the markets. But mills booked a fair volume of business at the higher levels, although they were reluctant to extend commitments indiscriminately in view of the continued spurt in fibre prices. In the hedge market, fluctuations were within the permissible limits and trading was suspended immediately after opening in accordance with the restrictions. Trading in sacking and hessian for August was closed from Monday. All outstanding transactions were settled uneventfully. On Tuesday, the market suffered a mild setback on reports of a decline in fibre prices, inducing profit-taking by bulls. As a result, the top gains were partially erased. Turnover was moderate in the spot

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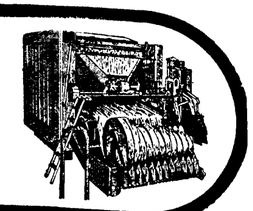
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market and fair in the hedge market, and the undertone steady at the close.

Wednesday's quotations were as follows:

	Aug.	Sept.	Oct.-Dec.	Jan.-Mar.
40in. 7½oz.	36.90	37.15	37.35	37.60
40in. 8oz.	39.50	—	—	—
40in. 10oz.	48.80	49.20	49.65	50.10
B Twills	138.50	139.50	140.00	141.00
Cornsacks	142.50	143.50	143.00	143.50
Heavy Cecs (Plain)	138.50	138.50	139.00	140.00
A Twills	169.50	170.50	172.00	173.00
Liverpools	153.50	154.50	155.00	157.50

Raw Jute: Firm conditions prevailed in the raw jute market during the past week despite an increase in daily arrivals to about 100,000 maunds in the agencies. Holders were demanding a premium over the current levels on fears of a lower crop. Up-country prices ruled above Calcutta parity levels and sellers in Cossipore also became hesitant. Even a drop in Pakistani fibre prices failed to produce any reaction on the market. Mills were reluctant to book orders at such high levels. Routine transactions were reported done in available lots of selected-grade fibre at the prevailing levels. On Monday speculative buying upset the trend and the price of Assam Bottoms, ready f.o.r., Calcutta, rose to Rs. 47 a maund. Next day the market suffered a reaction on profit-taking. In the hedge market, the price of Assam Bottoms for September rose daily within the permissible limits and touched Rs. 39.17 a maund on Tuesday. Trading was automatically suspended everyday in terms of the restrictions imposed by the East India Jute and Hessian Exchange. Turnover was moderate, and the undertone steady at the close.

Wednesday's quotations were as follows:

	Landed at Mills (Basis Bottoms) Current Prices Rs. A Qtl.	Rs. A Md.	T.S.D. Minimum Prices Rs. A Qtl.	Rs. A Md.
Assam-Agartala Jute	117.89	44.00	125.92	47.00
Northern Jute	115.21	43.00	123.25	46.00
Western Desal Jute	109.85	41.00	117.89	44.00
Selected Daissee	123.25	46.00	131.28	49.00
Assam-Agartala Tossa	120.57	45.00	128.60	48.00
Mesta: Assam-Northern	109.85	41.00	117.89	44.00
Local Daissee	109.85	41.00	117.89	44.00
Bihar Dist.	107.17	40.00	115.21	43.00

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THE U.K. JUTE MARKETS

FIBRE SOFTENS

(FROM OUR DUNDEE CORRESPONDENT)

THE rise in raw jute prices in Pakistan appeared to have halted during the past week. There were instances where sellers were willing to accept a good deal less than previously, but prices were still very high. As imports of loose jute from up-country in Pakistan increase, there is bound to be a certain amount of reaction in values. The feeling is that a very large proportion of the recent increase in prices of raw jute was due to panic buying.

Offers being made in the U.K. were very irregular, due to secured parcels being offered at well under shippers' prices. A small amount of business took place with Dundee spinners at the higher levels, but it is unlikely that bulk buying will take place until the position becomes more stable. Dundee spinners are holding fair stocks of raw material and it must be remembered that registered sales of raw jute to the U.K. were over 220,000 bales during July.

Offers of raw jute being made in Dundee were very irregular, with the lowest rates at £150 for Export Firsts, at £135 for Export Lightnings and at £128 for Export Hearts, c.i.f. U.K., for September-October shipment. Grade Tossa-4 was named at £150 and Dacca Tossa-6 at £155. There were sellers of Outport Tossa-2/3 at £135 and of Outport Tossa-4 at £129, for October-November shipment. Cuttings were also tending easier at £102 for S.N.C. and at £93 for N.C., September-October.

Although prices of Siam jute have risen, the increase is small when compared with prices of Pakistani jute. Some business took place in Siam jute and offers were at £102 for grade A, at £95 for grade B and at £85 for grade C, delivered mill Dundee for November-December shipment.

THE PAKISTANI JUTE MARKETS

FIBRE FALLS BACK

(FROM OUR DACCA CORRESPONDENT)

THE predicted turn in the market came. As is usual in such cases, the drop was as sudden as the rise. In loose jute, the price for Export Hearts had gone as high as £163 a ton f.o.b. in certain areas. The highest price paid for Cuttings had been £104 a ton f.o.b.

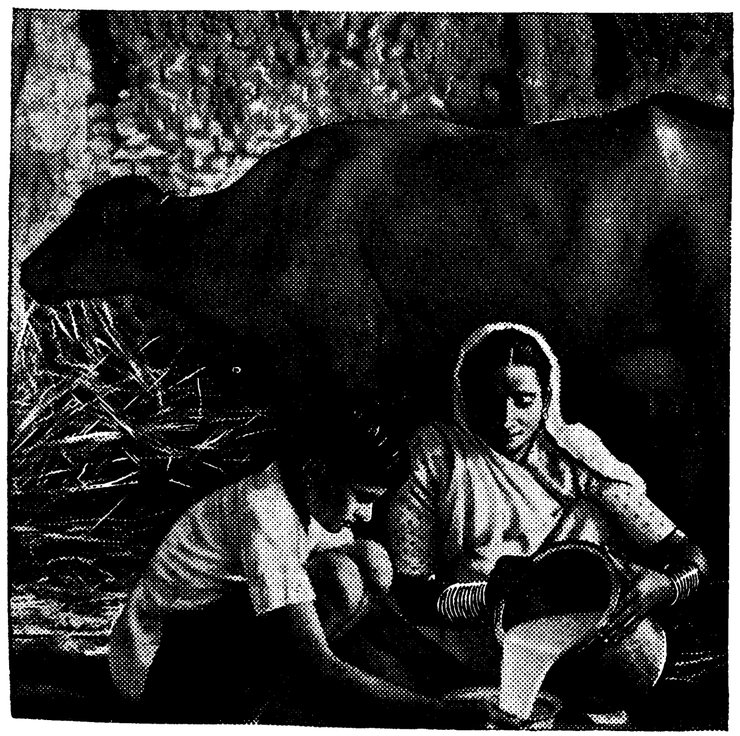
In the loose market, the fact that buyers continued to compete blindly to get the jute available, had pushed up prices by £50 a ton over a period of three days. This had encouraged sellers, who had been holding on to their jute to bring it in since it was obvious that these prices would not last.

The pucca bale market has followed the loose market downwards more in the absence of buyers than in the drop in prices, although there has been a fairly severe drop. Mills are largely the holders of high-priced goods, so these goods are not likely to come into the market with the drop.

The overseas buyers, although not over-stocked, have managed to reduce the rise successfully, helped by resellers who had bought cheap early in the season. Many of these cheap purchases will either be unfulfilled or unsatisfactory in delivery, but this bad effect will not be felt until much later in the season. In the meantime, with the fall in prices, even the reputable balers have come out as sellers at prices below replacement value, but they are finding few buyers.

A survey of what is known as the western area, has shown little or no damage from floods and fairly extensive harvesting. Since this is the area which supplies Narayanganj, which is the sentimental heart of the market, this will have a bearish effect. What must be remembered, however, is that the crop is undoubtedly short and even though E.P.C. levels may encourage substitutes and reduce overseas consumption, the fact remains that it is unlikely that supply will be equal to demand.

Jute goods have also risen to levels which tempted the mills some weeks ago to sell. The highest level in sacking still shows a loss even on today's market.



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Commodity Markets

MYSORE STATE LAND TAX WORRIES PLANTERS

(FROM OUR SOUTH INDIAN CORRESPONDENT)

THE Mysore Government's proposed revision of land tax is agitating the planting community. The revision is on the basis of the Land Revenue Act passed by the State Legislature early this year. This Act has fixed the land tax rate at one-sixteenth of the gross produce value.

What has now happened is that the Commissioner for Survey and Settlement has directed his officers to apply the rule of one-sixteenth of the gross produce value in fixing the new rates. It is said that in the case of one district, the settlement officer fixed a tax which increased the existing rate by 100 percent and the same officer surveying another district has enhanced the rate by 3,700 percent. It does not appear that there had been any review of these rates before they were published for public opinion. Once they are published, the inevitable involvement of political factors makes a rational approach to the question of revising the rate with realism and justice almost impossible. It is said that the settlement officer has taken no account of the existence of the Agricultural Income Tax and the extractions made under this Act from the same income which he took for the purposes of computing the land rates.

In previous settlements, it was a practice to take the average price for a period of 20 years for the purpose of computing the gross produce value an acre. In this case, the average taken is for a period of five years and the rates now fixed would rule for a period of 30 years. The new rates were derived by the simple method of computing the rates on the basis of one-sixteenth of the gross produce value without taking into account the multiplicity of other taxes that are paid from the same income. Land tax is a primary charge on the land and, therefore, a charge on production. It will have to be paid whether a crop in a particular year fails or not.

The *Planters' Chronicle*, official organ of the United Planters' Association of Southern India, says while commenting on this issue editorially, that the burden cast by the new levy is not only onerous and harsh, but also patently unjust and from the long-term point of the State resources, self-defeating. "The procedure followed in Mysore and the principles involved in the fixation of the new rates are matters of significance to a much wider public than the planters directly affected. If it can happen in Mysore, it could with impunity happen in Assam, West Bengal, Kerala or Madras or for that matter in any other State", the journal adds.

COFFEE

World Crop Forecasts

If the current forecasts relating to the world coffee crop come true, the supply position is going to be tight for some time to come, and the prices are bound to rule high. The 1964-65 crop is placed at 52,613,000 bags by the U.S. Department of Agriculture in its first estimate of the crop. This represents a 20 percent fall from the 1963-64 crop which is now in the market. As in the past two or three seasons, Brazil mainly accounts for this fall with her crop falling to less than half of the 1963-64 output. That country which is the largest world producer of coffee has not recovered from the adverse effects of frost, drought and fire that hit her coffee plantations some time ago. Her 1963-64 crop itself was very much less than the normal on account of the very same factors.

India which produces only a very small fraction of the world crop had a really good harvest in 1963-64, the actual receipts in the Coffee Board's pool went up to as much as 67,989 tonnes to the end of last month. The corresponding receipt into the pool from the previous season's crop was only 54,964 tonnes. Unfortunately, the weather this year has been very unfavourable with a prolonged drought up to the middle of June last. This might adversely affect the standing crop. At this stage, it is not possible to forecast the crop with any accuracy. The Coffee Board has, however, placed the crop at 67,500 tonnes tentatively.

Absence of blossom showers and occurrence of inadequate showers during this season has brought home to several planters the importance of maintaining optimum shade and the usefulness of sprinkler irrigation equipment which could have easily come to the aid of planters in ensuring their crop in spite of uncertain weather conditions. There are instances where overhead irrigation has been of immense help in ensuring a good crop. The Coffee Board chairman, Mr. Sitaram Reddy, urged the planters to equip themselves with the sprinkler irrigation equipment in the course of his address to the recent meeting of the Coffee Board. He assured that the applications received from the planters for import of sprinkler irrigation equipment would be recommended to the Government by the Board.

CASHEW KERNEL

Prices Soar

Prices of cashew kernel continue to soar and the latest quotation is 70 U.S. cents a lb. This is said to be the highest in recent years and perhaps the highest on record. At present, both the U.S.A. and Russia are active buyers in the Indian market. The undertone of the market is very firm and exporters think that there are possibilities of prices going up further. Raw nut market also is equally strong. The new African crop is now commanding Rs 980 to Rs. 1,020 a ton, depending on variations in quality. The new crop from Africa is expected to reach India by November.

Export of the processed kernel is ahead of the last year figure. During the first half of 1964, as much as 25,000 tonnes worth Rs. 11.76 crores were exported. This was a record performance for the cashew processing industry in India. In spite of this good performance, it is doubtful whether this year's export will be as big as last year's in terms of quantity in view of the possible shortage in the production of cashew kernel. Some processing interests in Quilon are expecting a shortfall of about 200,000 cases of 50 lbs each. They anticipate this shortage in the light of the poor quality of the raw nuts received from Africa.

TEA

Offerings at Auctions Increase

(BY A SPECIAL CORRESPONDENT)

TEA supplies are rolling into Calcutta port for sale and export, and the offerings at the auction held on 17th August totalled 66,066 chests. On 19th August, a further 30,000 packages of Dusts were offered for sale. With the larger crop from the north and a further increase in the offering for the next five or six months in prospect, it is not surprising to read that, except for quality, ordinary rains teas are meeting with an irregular demand here and in Cochin. The best C.T.C.'s were sought after and the better type Assam Brokens and Fannings sold well, but Orthodox B.O.P. and Fannings were easier. Darjeelings sold readily round last rates. On 19th August, Dusts were easier, while conditions in Cochin remained much the same as reported last week.

U.K. tea stocks in warehouses for the week ended 14th August, totalled 114.9 million lbs, against 114.4 million lbs a week ago, but there were over 20 million lbs to be landed. The week's deliveries were just over 9 million lbs. Of the total afloat, Calcutta accounts for a little over 2 million lbs, but Cochin figures account for over 3 million lbs. The average price was 49.08d, compared to 47.43d a week ago, and 50.41d a year ago. These averages are for all teas sold during the week, of which supplies from north India remain comparatively small, although the industry is nearly half way through this year's plucking season.

At a time when the Government and the tea industry are understood to be examining what can be done to reduce production costs and expand exports, it is disappointing to note the raising of Indian Airlines Corporation's freight rates in the Calcutta-Agartala sector on 15th August. This was strongly criticised by Mr. Sachindralal Singh, Chief Minister of Tripura, at Dum Dum airport last week. He urged that the rates should be lowered for the sector, in view of Tripura's peculiar geographical situation. Mr Singh said that the State depended to a large extent on air services for the supply of essential commodities to and from Calcutta. But business men were now reluctant to book frieghters in view of the increased expenditure. This had hit Tripura economically.

He said the tea industry was the worst affected. Out of about 3 million kilograms of tea to be supplied to Calcutta so far, only about 200,000 kilograms could be sent.

An I.A.C. source in Calcutta admitted that the freight rates in the Calcutta-Agartala sector had been raised to 54 paise a kilogram on 12th July, and were again increased to 60 paise a kilogram on 15th August. The latest increase was because of the rise in the operational expenses. The flying time between Calcutta and Agartala had been increased by about 10 minutes following certain restrictions imposed recently by the Government of Pakistan on the flight of Indian aircraft over the former's territory.

It will be noted that the distributing trade in the U.S.A. expects a good business this year, and the methods of advertising may interest local blenders. But they admit being optimistic. Export figures to the U.S.A. compare as follows:

	(In metric tons)
1961 ...	42,603
1962 ...	43,665
1963 ...	36,876 (Provisional)

Current figures, however, make better reading.

MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA

(Base: August 1939)

THE Middle Class Cost of Living Indices, by groups, have now been brought up to July 1964. As compared with June, the July index for Food shows a rise of 8 points. The indices for Fuel & Lighting, Clothing and Miscellaneous remain unchanged at 308, 609 and 331 points, respectively.

Combining all the factors, the Middle Class Cost of Living Index for Calcutta shows that the cost of living increased by 5 points during July 1964.

Middle Class Cost of Living Index Number for Calcutta. Prices in August 1939 = 100

Groups	Weights	GROUP INDICES July 1963	Aug 1963	Sept. 1963	Oct. 1963	Nov. 1963	Dec. 1963	Jan. 1964	Feb. 1964	Mar. 1964	April 1964	May 1964	June 1964	July 1964
Food ...	53.6	591	598	606	608	598	591	584	576	583	595	599	608	616
Fuel and lighting ...	4.4	308	308	308	308	308	308	308	308	308	308	308	308	308
Clothing ...	12.4	602	602	609	609	609	609	609	609	609	609	609	609	609
Miscellaneous ...	29.6	317	317	317	317	321	321	321	321	321	321	331	331	331
Combined index ...	100.0	499	502	507	509	505	501	497	493	497	503	508	513	518

Compiled and constructed by the Statistical Department of "Capital".

COMPANY AND PUBLIC NOTICES

THE NATIONAL INSULATED CABLE CO. OF INDIA LIMITED

NOTICE

NOTICE is hereby given that the Twenty-second Annual General Meeting of the Members of The National Insulated Cable Co. of India Ltd., will be held at the Registered Office of the Company, NICCO HOUSE, Hare Street, Calcutta, on Thursday the 24th September, 1964 at 11 A.M. to transact the following business:—

1. To receive and adopt the Directors' Report and the Audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 1964.
2. To declare Dividend.
3. To appoint a Director in place of Dewan Dina Nath, who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Shri Sailendra Chandra Sen, who retires by rotation and is eligible for re-appointment.
5. To appoint Auditors of the Company and Branch Auditors for Delhi Office and fix their remuneration.
6. **AS SPECIAL BUSINESS** to consider and if thought fit to pass the following Resolutions with or without modifications as Ordinary Resolutions:—

(a) RESOLVED that the continuance of the Sole Selling Agency arrangement with Messrs. Emberuman & Co., as reconstituted, for the sale of the Company's products within the State of Mysore for the period commencing from 1st November, 1963 till 31st March, 1966, subject to termination by three calendar months' notice on either side upon the terms and conditions as recorded in the Agreement dated 28th February, 1964, made between the Company of the One Part and the said Sole Selling Agents of the Other Part be and is hereby approved.

(b) RESOLVED that the continuance of the Sole Selling Agency arrangement with Messrs. Chimanlal Vadilal & Co., (Agency Department), as reconstituted, for the sale of the Company's products within the State of Maharashtra with the exception of Vidarbha portion of the former Madhya Pradesh merged with Maharashtra, the whole of the State of Gujarat and the Union Territories of Goa, Daman and Diu, for the period commencing from 24th April, 1963 till 31st March, 1966 subject to termination by three calendar months' notice upon the terms and conditions as recorded in the Agreement dated 4th May, 1964 made between the Company of the One Part and the said Sole Selling Agents of the Other Part be and is hereby approved.

(c) RESOLVED that the revision in the rates of commission payable to the under noted Sole Selling Agents of the Company, (1) from 2% to 2½% on sales of Cables & Winding Wires under the D.G.S. & D. Rate Contract in case where the Agent's godown is recognised as a Rate Contract Depot and he procures the orders and executes them and (2) from 1½% to 1¾% payable to the said Agents in case an Agent procures the orders and the same are executed by the principles direct or by any other Agent as may be authorised by them, with effect from 1st April, 1964 till the unexpired period of the Sole Selling Agency arrangements with them, i.e., 31st March, 1966, as recorded in the respective Supplemental Agreements dated 31st July, 1964 made between the Company of the One Part and each of the said Sole Selling Agents of the Other Part, in connection therewith be and is hereby approved:—

1. M/s. Chimanlal Vadilal & Co., (Agency Department)
2. M/s. Vishnu Trading Corporation Private Ltd.
3. M/s. Duke & Co.,
4. M/s. R. K. Varma & Co.,
5. M/s. Keshav Agencies,
6. M/s. P. Nateson & Co. Ltd.
7. M/s. Emberuman & Co.
8. M/s. Associated Engineering Corpn. Private Ltd.

The Share Transfer Books of the Company will remain closed from 11th September to 24th September, 1964, both days inclusive.

By Order of the Board,
FOR THE NATIONAL INSULATED CABLE CO. OF INDIA LTD.,
FOR ASSOCIATED INDUSTRIAL DEVELOPMENT CO. (PRIVATE) LTD.,
S. C. ROY,
Director,
Managing Agents.

Registered Office:
NICCO HOUSE,
Hare Street,
Calcutta-1.
The 7th August, 1964.

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

The Dividend, if declared, will be paid to those Members whose names appear in the Register of the Company on 24th September, 1964 or their mandatees and the Dividend Warrants will be posted from 8th October, 1964, onwards.

An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of Items Nos. 6 (a), 6 (b) and 6 (c) has been appended to the Notice of the Meeting and is being forwarded to the Members of the Company.

To All Members:

And in particular to:

Shri Raja Ram, H. H. Princess Abida Sultan, Sm. Allu F. Dastur, Shri P. R. Kavasji, Sm. Banoobai Framroze Pavri, Shri B. K. Nehru, Sm. Rattu P. Mehta, Brigadier C. R. Mangat Rai, Mr. Thomas Radley, Shri K. F. Sanjana, Mr. Arthur Winfield Lilley, Shri B. P. Yadev, Maj. Genl. P. S. Chowdhury, Shri Fali B. Jilla, Miss. Shirin Minocher Kotwal, Shri Nazirali Qassimali Jairazbhoy, Shri J. N. Marolia and Mrs. Pervin Firoze Cowasji.

THE BIRLA JUTE MANUFACTURING COMPANY LIMITED

NOTICE is hereby given that the Annual General Meeting of the Shareholders of the Company will be held at the Registered Office of the Company at 15, India Exchange Place, Calcutta-1, on Monday, the 28th September, 1964, at 4-00 P.M. for the following purposes:—

1. To receive and consider the Report of the Directors and to pass the audited accounts of the Company for the year ended 31st March, 1964.
2. To declare Dividends on Preference, Second Preference and Ordinary Shares.
3. To elect Director in place of Shri J. M. Goenka, who retires by rotation, but, being eligible, offers himself for re-election.
4. To appoint Auditors and to fix their remuneration.
5. As special business to consider and, if thought fit to pass, with or without modification, the following Resolutions:—

(i) **As Ordinary Resolution:**

"RESOLVED that Shri Rasiklal Naneklal Dalal, a Director of the Company who ceases to hold office under Article 138 of the Company's Articles of Association, be and is hereby re-appointed a Director of the Company."

(ii) **As Special Resolution:**

"RESOLVED that Shri Brijratan S. Mohatta, a Director of the Company who is an associate of the Managing Agents under the Companies Act, 1956, who ceases to hold office under Article 138 of the Company's Articles of Association, be and is hereby re-appointed a Director of the Company liable to retire by rotation."

(iii) **As Ordinary Resolution:**

"RESOLVED that the authorised capital of the Company be increased to Rs. 6,00,00,000 (Rupees Six crores) by the creation of 20,00,000 further ordinary shares, being equity shares, of Rs. 10 each and that the conditions contained in the Company's Memorandum of Association be deemed as altered accordingly."

(iv) **As Special Resolution:**

"RESOLVED that the provisions of the Articles of Association of the Company be altered in the manner following, that is to say that in Article 4 the words and figures 'At the date of the adoption of these Articles the share capital of the Company is Rs. 4 crore divided into 20,00,000 Ordinary Shares of Rs. 10/- each, 25,000 7½% (subject to Income Tax) Cumulative Preference Shares of Rs. 100/- each and 1,75,000 2nd Preference Shares of Rs. 100/- each.' be deleted and the following words and figures be substituted therefor:

"The Share capital of the Company is Rs. 6,00,00,000 divided into 40,00,000 Ordinary Shares of Rs. 10 each, 25,000 7½% (subject to income-tax) Cumulative Preference Shares of Rs. 100 each and 1,75,000 Second Preference Shares of Rs. 100 each.'"

The Register of Members and Share Transfer Books of the Company will remain closed from the 10th September, 1964 to the 28th September, 1964, both days inclusive.

By Order of the Board,
Per Pro: BIRLA BROTHERS PRIVATE LIMITED,
G. MAKHARIA,
Managing Agents.

Registered Office:
15, India Exchange Place,
Calcutta-1.
Dated, the 29th July, 1964.

N.B. (i) The Directors have recommended the following dividends for the year subject to deduction of tax under the I.T. Act, 1961:—

On Preference Shares @ 7.5% per annum (increased by 11% under the Preference Shares (Regulation of Dividends) Act, 1960, and after deducting Company's Income-tax).

On Second Preference Shares @ 7.86% per annum.

On Ordinary Shares @ Rs. 1.50 per share.

If dividends on shares as recommended by the Directors are declared at the Meeting, THE DIVIDENDS WILL BE PAYABLE TO THE REGISTERED SHAREHOLDERS whose names are on the Company's Register on the 28th September, 1964, or to their order or to their Bankers. No application need be sent for dividends, as relative dividend warrants will be posted to such shareholders.

(ii) A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

(iii) AN EXPLANATORY STATEMENT IN RESPECT OF THE ABOVE ITEMS OF SPECIAL BUSINESS IS BEING FORWARDED TO THE MEMBERS OF THE COMPANY ALONG WITH THE CONVENING NOTICE OF THE MEETING.

BALLY JUTE COMPANY LIMITED

NOTICE is hereby given that the Annual General Meeting of the Shareholders of the Company will be held at the Registered Office of the Company at 15, India Exchange Place, Calcutta on Monday the 28th September, 1964 at 3-00 P.M. for the following purposes:—

1. To receive and consider the Report of the Directors and to pass the audited accounts of the Company for the year ended 31st March, 1964.
2. To declare dividends on Preference and Ordinary Shares.
3. To elect Directors in place of Shri M. P. Birla and Shri Arvind C. Dalal who retire by rotation, but being eligible, offer themselves for re-election.
4. To appoint Auditors and to fix their remuneration.
5. As special business to consider and, if thought fit, to pass, with or without modification, the following Resolutions:—

(i) **As Ordinary Resolution:**

"RESOLVED that subject to the approval of the Central Government and the terms of such approval Messrs. Birla Brothers Private Ltd., be and are hereby re-appointed Secretaries & Treasurers of the Company as and from 1st April, 1965, for the period, at the remuneration and upon terms and conditions set forth in the draft agreement placed before the meeting and initialled for the purpose of identification by the Chairman of the Board and that the Directors of the Company be and are hereby authorised to enter into an agreement with Messrs. Birla Brothers Private Ltd., in terms of the said draft subject to any modification thereof as may be agreed upon between the Directors of the Company and Messrs. Birla Brothers Private Ltd., for the purpose of complying with any modifications required or conditions imposed by the Central Government in granting their consent aforesaid."

(ii) **As Ordinary Resolution:**

"RESOLVED that the consent of the Company be and is hereby accorded to the Board of Directors for borrowing moneys in excess of paid-up Capital and free reserves of the Company that is to say reserves not set apart for any specific purpose upto a sum not exceeding in aggregate Rs. 1 crore outstanding at any one time and that such borrowings shall be exclusive of the temporary loans obtained or to be obtained by the Company from its bankers in the ordinary course of business."

(iii) **As Ordinary Resolution:**

"RESOLVED that the authorised Capital of the Company be increased to Rs. 1,00,00,000 (Rupees one crore) by the creation of 60,000 further Ordinary Shares being Equity Shares of Rs. 100 each and that the conditions contained in the Company's Memorandum of Association be deemed as altered accordingly."

(iv) **As Special Resolution:**

"RESOLVED that the provisions of the Articles of Association of the Company be altered in the manner following, that is to say that in Article 4 the words and figures "At the date of the adoption of these Articles, the Capital of the Company is Rs. 40,00,000 divided into 20,000 Ordinary Shares of Rs. 100 each and 20,000 Preference Shares of Rs. 100 each," be deleted and the following words and figures be substituted therefor:

"The Share Capital of the Company is Rs. 1,00,00,000 divided into 80,000 Ordinary Shares of Rs. 100 each and 20,000 Preference Shares of Rs. 100 each."

The Register of Members and Share Transfer Books of the Company will remain closed from the 10th September, 1964 to the 28th September, 1964, both days inclusive.

By Order of the Board,
Per Pro: BIRLA BROTHERS PRIVATE LIMITED,
G. MAKHARIA,
Secretaries & Treasurers.

Regd Office:
15, India Exchange Place,
Calcutta-1.
Dated, the 29th July, 1964.

N.B. (i) The Directors have recommended the following dividends for the year subject to deduction of tax under the Income-tax Act, 1961:

On Preference Shares @ 10% per annum, and

On Ordinary Shares Rs. 20/- per share.

If dividends on shares as recommended by the Directors are declared at the meeting, THE DIVIDENDS WILL BE PAYABLE TO THE REGISTERED SHAREHOLDERS whose names are on the Company's Register on the 28th September, 1964 or to their order or to their Bankers. No application need be sent for dividends, as relative dividend warrants will be posted to such shareholders.

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

iii) The Registered Shareholders of the Company, whose names appear on the Company's Register on the 28th September, 1964, will be entitled to the offer and allotment of any Right Shares which the Directors may decide to make in that behalf in due course.

iv) AN EXPLANATORY STATEMENT IN RESPECT OF THE ABOVE ITEMS OF SPECIAL BUSINESS IS BEING FORWARDED TO THE MEMBERS OF THE COMPANY ALONG WITH THE CONVENING NOTICE OF THE MEETING.

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED

NOTICE

NOTICE IS HEREBY GIVEN that the Twenty-ninth Annual General Meeting of the Shareholders of The Indian Steel & Wire Products Limited will be held at its Registered Office, No. 7, Wellesley Place, Calcutta-1, on Tuesday, the 29th September, 1964, at 11-30 A.M. to transact the following business:

1. To receive and adopt the Directors' Report and Audited Balance Sheet, Manufacturing, Trading and Profit & Loss Account and Profit & Loss Appropriation Account of the Company for the year ended 31st March, 1964.
2. To declare dividend.
3. To appoint a Director in place of Sardar Ajaib Singh, who retires by rotation and is eligible for re-election. In this connection to consider and, if thought fit, to pass the following resolution of which special notice as required by Section 261 of the Companies Act, 1956, of intention to move it as a special resolution for the reason that the said Sardar Ajaib Singh is a member and director of Indra Singh & Sons Private Ltd and therefore "an Officer and associate of the Managing Agents" has been received by the Company and is hereby given to the members:

As Special Resolution:

"RESOLVED that pursuant to Section 261 of the Companies Act, 1956, Sardar Ajaib Singh, a Member, Director, Officer and associate of Indra Singh & Sons Private Ltd, the Managing Agents of the Company, be and is hereby re-elected a Director of the Company."

4. To appoint a Director in place of Mr. B. B. Ghose, who retires by rotation and being eligible, offers himself for re-election.
5. To appoint Auditors for the Current year and to fix their remuneration.

The Transfer Books of the Company will be closed from 9th September, 1964 to 29th September, 1964, both days inclusive.

By Order of the Board of Directors,
INDRA SINGH & SONS PRIVATE LTD.,
A. SINGH,
Director,
Managing Agents.

Registered Office:
7, Wellesley Place,
Calcutta-1.
21st August, 1964.

Note:—(1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and upon a poll to vote instead of himself and that a proxy need not be a member of the Company.

(2) The relevant Explanatory Statement in respect of item No. 3 of the Notice of the Annual General Meeting to be held on 29th September, 1964, has been/will be sent to the shareholders as required by Section 173 of the Companies Act, 1956.

(3) If the dividend on shares, as recommended by the Directors, is passed at the meeting, the payments will be made on or after the 8th October, 1964, to those shareholders whose names are on the Company's Registers on the 29th September, 1964, or to their mandatees.

SIJUA (JHERRIAH) ELECTRIC SUPPLY CO. LTD.

AT a meeting of the Board of Directors held on Thursday, the 20th August, 1964, the following Dividend was recommended for declaration at the Annual General Meeting to be held on 29th September, 1964, to be paid for the year ended 31st March, 1964, subject to deduction of Tax.

On Ordinary Shares at the rate of Ninety Paise per Share.

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

Registered Office,
Chartered Bank Buildings,
Calcutta, 20th August, 1964.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Karanpura Collieries Ltd	23-8-64	11 a.m.
Indian Aluminium Co Ltd.	28-8-64	11-30 a.m
Lodna Colliery Co (1920) Ltd	31-8-64	12-30 p.m.
Indian Iron & Steel Co. Ltd.	8-9-64	3 p.m.
National Insulated Cable Co. of India Ltd.	21-9-64	11 a.m.
Indian Cable Co. Ltd	25-9-64	3 p.m.
Bally Jute Co. Ltd.	28-9-64	3 p.m.
Birla Jute Manufacturing Co. Ltd.	28-9-64	4 p.m.
Jardine Henderson Ltd.	29-9-64	11-15 a.m
Indian Steel & Wire Products Ltd.	29-9-64	1-30 a.m.

DIVIDENDS DECLARED OR PROPOSED.—Hindusthan Twyfords Ltd.—Nil; New Manbhoom Coal Co. Ltd.—Nil; Mettur Chemical & Industrial Corporation Ltd.—12½ p.c. (o), subject to tax; Tide Water Oil Co. (India) Ltd.—70 P per share (o), subject to tax; Sijua (Jherriah) Electric Supply Co. Ltd.—90 P per share (o), subject to tax; Birla Jute Manufacturing Co. Ltd.—Rs. 1.50 per share (o), subject to tax.

HIDES AND SKINS

The market was steady. Stocks of skins were higher but those of hides were less than in the previous week.

Bazaar Sales

(Between 18th and 24th August 1964)

Cowhides: Wet salted (Ord) 10,000 pcs. on the basis of Rs. 7 to Rs. 9.37 and Rs. 10; Wet salted (Slaughtered) 44,000 pcs. on the basis of Rs. 10.50 to Rs. 16.50 and Rs. 19.50 to Rs. 28; Wet salted 2,000 pcs. on the basis of 70 paise a lb.

Goatskins: Wet salted (Patna, Daissee, Kustia) 85,000 pcs. on the basis of Rs. 250 to Rs. 300; Rs. 340 to Rs. 360 and Rs. 395 to Rs. 415; Wet salted (he-killed) on the basis of Rs. 4 and (she-killed) on the basis of Rs. 3.75 a piece; Assam 22,500 pcs. on the basis of Rs. 185.

Bazaar Stocks

(24th August, 1964)

Cowhides: Wet salted 77,400 pcs;

Goatskins: Wet salted (Patna, Daissee, Kustia, Killed) 65,500 pcs; Assam-Dinajpur 76,000 pcs; Muzaffarpore - Patna - Pakur - Purneah - Kissenganj 2,29,000 pcs.

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued In 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations 26-8-64 Rs.	A year ago Rs.
	BANK					
1901	Allahabad Bank (May Nov.)	13.00	6	100	94/00	96/50
	COALS					
1896-97	Borrea (June Dec.)	4.00	6½	100	84/00	84/00
1901-19	Burrakur (Jan July)	22.98	7	100	99/00	93/00
1946	Burrakur (June Dec.)	4.50	6T	10	6/37	6/00
1895	Equitable (May Nov.)	4.00	6	100	90/00	80/00
1931	Khas Kajora (March Sept.)	1.93	5	10	9/00	9/00
1920	New Beerbhoom (Jan. July)	2.00	7	10	10/62	10/25
1898-00	Ondal (June Dec.)	2.00	5½	100	85/00	85/00
	COTTONS					
1902	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	77/00	70/00
1884	Bangalore (Jan. July)	6.00	6	100	92/59	98/44
1938	Basanti (Oct.)	5.00	6½	10	7/06	7/19
1898	Bengal-Nagpur (Apr. Oct.)	3.00	7	100	48/00	48/00
1900	Bowreah "A" (Apr. Oct.)	6.00	8	100	109/00	114/00
1900	Bowreah "B" (6) (1) (Apr. Oct.)	6.00	7	100	88/00	88/00
1919	Bradbury "B" (Jan. Dec.)	14.85	7	50	60/50	60/50
1920	Buckingham & Carnatic (Jan. July)	21.30	7½	100	111/10	109/00
1928	Cambodia (July)	1.00	7	100	68/85	83/63
1912	Central India (Apr. Oct.)	50.00	5	500	416/25	416/25
..	Delhi Cloth & General (Oct.)	20.00	4½	25	16/63	16/63
1912	Elgin (May Nov.)	11.00	8	100	111/00	113/00
1943	Elgin "B"	10.00	5	10	6/44	6/50
1919	Elphinstone (May Nov.)	25.00	7T	100	78/00	75/00
1919	Kesoram (June Dec.)	20.00	7	100	106/00	107/50
1925	Khatau Makanji (Nov.)	10.00	6	100	90/00	83/00
1937	Kothari (Nov.)	12.00	6	10	7/23	7/75
1900	Muir (Feb. Aug.)	30.00	6	100	98/50	122/00
1913	New Great Eastern (Mar.)	8.00	5½	200	120/00	107/00
1920	New Victoria (Apr. Oct.)	16.06	6	r	2/19	2/52
1933	Palani Andavar (Mar.)	2.00	7	50	115/45	115/45
1935	Svadeshi (Bombay) (May)	15.00	5	100	86/00	86/00
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	62/50	71/00
1931	Vasanta (Apr. Oct.)	3.00	6½	100	79/70	86/14
1909	Vishnu (Apr.)	16.00	7	500	390/00	405/00
	JUTES					
1927	Agarpara (Jan. July)					
1905	Alexandra (Feb. Aug.)	10.00	7	100	95/50	96/50
1895	Alliance (March Sept.)	9.00	7	100	94/25	85/50
1917	Anglo-India (May Nov.)	15.00	6	100	71/00	72/50
1909	Auckland (July Jan.)	40.00	7	100	99/50	99/00
1945	Auckland (July Jan.)	10.00	5½	100	71/00	77/00
1918	Bally (Jan. July)	15.00	4½	100	60/00	57/00
1896	Barnagore (Oct. Dec.)	20.00	7	100	111/00	111/00
1940	Bengal (June Dec.)	£200	5T	£5	42/00	38/00
1919	Birla (June Dec.)	10.00	5½	100	70/00	70/00
1894	Budge Budge (May Nov.)	23.64	7½T	100	79/50	78/50
1934	Calcutta (Jan. July)	9.00	7	100	95/00	90/50
1915	Caledonian (June Dec.)	6.00	6½	100	60/00	59/00
1919	Cheviot (June Dec.)	10.00	7	100	92/00	93/00
1928	Chitavalsah (Mar. Dec.)	10.00	7	100	96/00	98/00
1900	Clive (First) (May Dec.)	5.00	7	100	89/00	89/00
1905	Clive "A" (Second) (May Dec.)	8.00	6	100	57/00	69/00
1903-13	Dalhousie (July Jan.)	8.00	7	100	63/00	63/00
1897	Delta (June Dec.)	11.76	7	100	90/00	93/00
1912	Empire (Jan. July)	5.00	6	100	74/50	64/75
1890-93	Fort Gloster (Jan. July)	10.00	7	100	91/00	96/00
1948	Fort Gloster (2nd)	14.00	7	100	111/00	111/00
1911	Fort William (May Nov.)	7.00	5	100	69/50	65/50
1916	Ganges (June Dec.)	10.00	7	100	115/00	115/00
1895-04	Gourepore (June Dec.)	6.00	8	100	111/00	106/00
1935	Hastings (Aug. Feb.)	26.50	6	100	91/00	91/00
1913	Hooghly (July)	25.00	6	100	89/00	91/50
1890	Howrah (Jan. July)	11.76	10	10	13/25	11/12
1903-06	Howrah "A" (Jan. July)	8.75	7	100	92/50	90/50
1919	Hukumchand (June Dec.)	17.50	7	100	92/00	91/00
1898-04	Kamarhatty (Apr. Oct.)	40.00	7	100	100/00	100/00
1900	Kanknarrah (Apr. Oct.)	16.00	6	100	76/00	81/00
1935	Kedarnath (Jan. July)	10.00	6	100	76/00	81/50
1907	Kelvin (Mar. Sept.)	2.00	7	100	90/50	90/00
1895-09	Khardah (May Nov.)	10.00	7	100	96/00	100/00
1900-13	Kinnison (July Jan.)	9.00	6	100	74/00	77/50
1905	Lansdowne (July Jan.)	15.00	7	100	96/50	98/00
1912	Lawrence "A" (July Jan.)	15.00	7	100	87/00	99/00
1906-07	Lawrence "B" (July Jan.)	5.00	7	100	95/00	95/00
1905-06	Naihati (July Jan.)	10.00	6½	100	71/00	70/50
1945	Naihati (July Jan.)	7.50	7	100	115/00	112/00
1917	National (May Nov.)	10.00	4½	100	90/00	82/00
1939	Nellimarla (Apr. Oct.)	5.00	7	100	95/50	87/00
1915	New Central (Jan. July)	5.00	6	100	71/00	76/00
1908-09	Northbrook (July Jan.)	33.00	7	100	90/50	92/00
1935	Rameshwara (Jan. July)	15.00	7	100	74/00	75/50
1906-12	Reliance (Jan. July)	7.00	6	10	12/25	12/31
1928	Shree Ambica (Mar. Sept.)	20.00	7	100	115/00	119/00
1920	Soorah (Feb. Aug.)	11.70	7½	100	96/00	90/00
1901-02	Union (July Jan.)	10.00	7	100	104/00	96/00
1918	Waverley (Mar. Sept.)	6.00	7	100	98/50	98/50
		7.50	5	50	40/00	40/00
	MISCELLANEOUS					
1937	Alkali & Chemical (Mar. Sept.)	31.00	5	100	85/00	87/50
1938	Aluminium Corpn (Oct.)	20.00	6	100	93/50	93/50
1944	Aluminium Corpn (Oct.)	20.00	5	100	66/00	62/00
1949	Anderson Wright (Dec.)	20.00	4½	100	66/62	66/62
1917	Andhra Valley Power (May Nov.)	49.34	7T	1,000	996/25	1,025/00
1919	Arthur Butler (Mar.)	1.30	7	10	10/00	12/00
1916	Asstd. Hotels of India (Mar. Sept.)	21.67	7T	100	55/00	54/00

Year of Issue	NAMES	Amount Issued In 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations 26-8-64 Rs.	A year ago Rs.
1895	Bengal Assam Steamship (Nov.)	3.00	7	60	57/50	47/00
1926	Bengal Chemical (Aug.)	6.25	7½	10	11/81	12/12
1889	Bengal Paper Mill (Mar. Sept.)	2.00	7	50	51/00	46/50
1928	Bengal Paper Mill "A" (Mar. Sept.)	4.00	7	100	98/00	98/00
1936	Birds Investments (Dec.)	24.00	5½T	100	52/50	52/25
1962	Braithwaite & Co.	40.00	9T	100	111/00	107/00
1918	Britannia Biscuit (Feb. Aug.)	15.00	8	10	11/00	11/00
1920	British India Corporation (Feb.)	81.00	8	100	109/50	106/50
1995-99	Burn Eng. (1st & 2nd) (Feb. Aug.)	13.00	7	100	114/00	115/50
1903-5	Burn Engineering (Feb. Aug.)	15.00	6	100	103/00	103/00
1909-11	Calcutta Electric Supply (Mar. Sept.)	£1,900	5	£1	8/19	8/19
1937	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	70/50	70/00
1906	Calcutta Tramways (Jan. July)	£250	5T	£1	8/25	8/25
1938	Carew & Co (Jan.)	8.00	6½	100	73/50	72/00
1905-24	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	116/00	104/50
1940	Chrestien Mica Industries Ltd.	30.00	5½T	100	38/87	40/00
1937	Dalmia Cement (Bharat)	35.00	5	10	8/37	8/06
1916	Delhi Flour Mills (Oct.)	90.00	7T	100	101/00	101/00
1935	Deshergarh Power Supply "A" (Jan.)	16.00	5	100	69/50	72/00
1940	Duncan Brothers & Co Ltd	45.00	4	100	57/00	56/50
1926	Dunlop Rubber "First" (Jan. July)	30.00	8	100	102/00	104/75
1936	Dunlop Rubber "Second" (Apr.)	40.00	5½T	100	65/00	68/00
1897	East India Distilleries (Jan. July)	£200	7	20st	15/64	18/90
1908	General Investment & Trust (Feb. Aug.)	1.00	5	100	56/00	56/00
1947	General Investment & Trust (Feb. Aug.)	1.00	6T	100	48/00	48/00
1946	Gillanders Arbuthnot (Apr. Oct.)	25.00	5T	100	53/00	55/00
1946	Gladstone Lyall & Co. Ltd.	15.00	6T	100	60/00	60/00
1948	Godfrey Phillips India Ltd.	30.00	5½T	100	59/75	60/75
1940	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	62/00	62/00
1940	Gwalior Sugar (Dec.)	5.00	7	100	62/00	62/00
1936	Humayan Properties Ltd (Nov.)	12.00	6	10	7/00	6/81
1936	Indian Aluminium (Mar. Sept.)	40.00	5T	100	65/00	66/75
1927	Indo Burma Petroleum (Jan. July)	50.00	7T	100	65/87	76/00
1899	India General Navg. & Railways	£244	6	£10	83/50	65/00
1923	Indian Cable Co. (Nov.)	12.88	6	10	31/75	31/75
1918	Indian Standard Wagon (Aug. or Sept.)	19.66	7	100	112/00	116/50
1936	Indian Iron & Steel	2,69.95	5	100	86/00	84/50
1936	Investment and Finance (Feb. Aug.)	2.00	5	100	48/00	69/00
1935	Investment and Finance (Feb. Aug.)	2.00	6T	100	42/00	60/00
1937	James Wright (Jan. July)	1.30	6	60	14/00	14/00
1937	Jardine Henderson Ltd.	50.00	5½T	109	57/00	55/50
1941	Jessop & Co	10.00	5	100	76/25	75/50
1915	Kumardhubi Engineering (June)	12.00	5	100	72/00	68/00
1915	Martin Burn Ltd.	30.00	5	100	80/25	87/00
1946	McLeod & Co.	10.00	5T	100	43/50	44/50
1930	McLeod & Co.	40.00	5	100	59/75	59/75
1936	Mettur Chemical & Industrial (Sept.)	20.00	6	10	8/23	9/25
	Metal Box Co. of India Ltd.	30.00	6T	100	75/00	77/50
1938	Mysore Chemical Mfg. (Sept.)	2.00	6	10	6/73	7/83
1942	National Tobacco (June Dec.)	25.00	5	100	66/50	66/50
1944	National Tobacco (Jan. Dec.)	20.00	4½	100	58/50	57/50
1917	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	99/50	99/50
1935	Premier Construction "First" (Apr.)	10.00	6½T	100	74/00	72/00
1936	Premier Construction "Second" (Apr.)	15.00	6½T	100	77/00	75/00
1922	Purtaboore (Sugar) (Oct.)	8.00	10	10	13/44	10/56
1936	Ramnugger Cane & Sugar (Aug.)	4.00	6	100	82/00	82/00
1933-36	Rohtas Industries (April)	20.00	7	100	107/25	99/50
1935	Rohtas Industries "B" (April)	86.00	4½	100	58/00	57/00
1944-48	Shaw Wallace & Co. Ltd.	75.00	6T	100	56/50	55/75
1936	Shree Gopal Paper	7.50	7	100	98/00	103/00
1936-38	Shree Krishna Gyanoday Sugar "A" (Oct.)	6.00	6	100	62/00	62/00
1937	Shree Krishna Gyanoday Sugar "B"	12.00	5	100	45/00	70/00
1918	Smith Stanistreet (Chemists) (Nov.)	5.00	10	50	74/50	62/50
1933	South Behar Sugar (Oct.)	5.00	9	100	20/50	20/50
1897	Spencer & Co "A" (Provisions) (Jan. July)	23.20	6½T	10	6/61	6/58
1923	Spencer & Co "B" (Provisions) (Jan. July)	36.80	8½T	10	9/59	9/50
1936	Star Paper (Apr. Oct.)	10.00	5	100	68/50	65/90
1925	Surat Electricity (April)	5.00	6½	100	102/50	104/00
1939	Tata Chemicals (Nov.)	60.00	5	100	93/50	93/50
1910	Tata Hydro Electric Power (Sept. Mar.)	89.28	7	100	99/50	103/00
1906	Tata Iron & Steel (First) (Nov.)	75.00	6T	150	126/25	127/50
1918	Tata Iron & Steel (Second) (May)	6,93.82	7½T	100	108/00	103/50
1919	Tata Power (May Nov.)	86.97	7½	1,000	1,020/00	1,050/00
1928	Titaghur Paper Mills (Mar. Sept.)	11.50	8	100	116/50	117/00
1936	Titaghur Paper Mills "2nd" (Mar. Sept.)	15.00	4½	100	64/25	66/50
1934	Vellore Electric (Sept. Mar.)	1.25	6	10	5/78	6/25
	TEAS					
1903	Amluckie (May Nov.)	75.00	7	10	21/96	21/96
1901	Banarhat (Jan.)	4.00	6½	100	81/75	91/00
1900	Birpara (Jan.)	1.00	8	100	104/00	104/00
1947	Brooke Bond Estate India Ltd.	35.00	6T	100	55/00	56/00
1914	Choonabhutti (Jan.)	2.00	6½	100	90/50	90/50
1901	Dimakusi (June Dec.)	70.00	8	10	9/50	9/50
	Dhunseri	1.20	10	10	7/00	7/00
1894	Gielle (Sept.)	2.00	6	100	59/50	60/00
1901	Hantapara (Jan.)	50.00	8	100	89/84	89/84
1904	Hasimara (Mar.)	3.00	7	100	83/00	86/50
1897-99	Kingsley Golaghat (Dec.)	2.40	6	100	85/00	85/00
1929	Moheema (May Nov.)	3.20	6	10	4/75	5/21
1907	New Dooars (Jan.)	2.00	6½	100	87/00	91/00
1903	New Samanbagh (Nov.)	1.00	8	100	90/50	90/50
1888	Okayti (Dec.	50.00	7	100	84/50	84/50
1914	Peermade (July)	1.50	6	100	73/30	82/77
1916	Pussimbing (Jan.)	2.06	7	100	93/00	89/50
1909	Sonai River (May)	1.00	8	100	66/00	66/00
1932	Tezpore (Jan.)	2.06	8	10	7/25	7/06
1922	Tirrihannah (May Nov.)	1.00	10	10	11/46	11/46

BANKS

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

Paid-up Capital Ordinary Rs.	Reserve & other Funds Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 26-8-64 Rs.	19-8-64 Rs.	A year ago
67,50,000	1,33,55,000	24.28,10.621	26.41.432	4,67,637	12	Allahabad Bank P.	18	15	15	100	248/00	248/00	262/00
2,00,00,000H	2,44,93,760	45,38,16,085	75,00,247	2,96,969	12	Bank of Baroda	17	16	16	50	95/00	95/00	83/00
4,05,00,000H	4,86,00,000	50,72,83,602	1,25,00,000	4,19,847	12	Bank of India	20	20	18	50	103/00	102/00	104/50
2,63,01,800H 52,50,000	5,53,41,648	91,06,63,918	1,89,26,426	91,510	12	Central Bank of India	20	20	20	25	50/50	49/50	53/50
£6,600,000	£7,900,000	£208,379,848	£1,069,378	£574,024	12	Chartered Bank	15	15	15	£1	sh. 53/00	sh. 52/6	sh. 58/6
1,25,00,000H	10,00,000	3,70,50,489	9,68,909	17,401	12	Hindusthan Commercial	Nil	Nil	..	50	10/50	10/50	13/25
50,00,000H	3,10,000	1,52,63,057	2,11,49,462	52,289	12	Hindusthan Mercantile	Nil	Nil	..	50	10/75	10/75	15/62
HK$79,046,125	HK$240,000,000	HK$3,117,934,633	HK$47,716,320	HK$5,511,638	12	Hong Kong & Shanghai	sh. 15†	sh. 16†	sh. 16†	HK$25	£21⅝	£21¾	£18 3/16
71,79,795 16,60,000	75,44,583	20,13,31,335	15,25,151	143,787	12	Indian Bank	15	14	..	100	157/00	155/00	161/00
75,00,000	78,36,660	14,65,60,072	43,80,498	2,22,933	12	Indian Overseas Bank	14	..	..	100	146/00	143/00	144/50
£5,703,000	£5,400,000	£131,367,034	£679,318	£357,227	12	National & Grindlays Bank	14	16	14	sh. 15	sh. 30/9	sh. 30/9	sh. 35/9
1,99,63,820	2,36,56,382	79,55,83,097	1,13,83,168	15,20,907	12	Punjab National Bank	20	20	..	10	20/44	20/00	19/31
1,00,00,000	70,00,000	20,95,66,501	18,58,992	1,39,907	12	Union Bank of India	11-2/5	11 2/5	..	5	6/28	6/24	5/80
2,68,84,370	1,00,30,000	31,22,05,273	26,39,808	4,15,814	12	United Bank of India	6	6	7½	10	7/50	7/66	7/37
2,79,66,812	3,20,00,000	49,86,00,180	76,42,869	75,941	12	United Commercial Bank	12	12	12	50	70/00	79/00	69/00

† Per share

JUTE MILLS

Paid-up Ordinary Capital Rs.	No. of Looms	Net Block Account Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 26-8-64 Rs.	19-8-64 Rs.	A year ago Rs.
60,00,000	879	1,06,68,526	83,91,980	3,06,760	32.27,075	8.246	3	79	Agarpara P.	2½	2½	12—12*	10	9/19	9/12	10/31
6.00,000	446	30.57.138	21.01.100	6,26,077	22,41.118	32.706	12	165	Alexandra P.	15	42½	..	100	300/00	300/00	300/00
30.00.000	2.561	57,64.872	26.04.850	5,25.867	18.38.975	1,05.589	5	165	Alliance P.	Nil	10	12½	100	119/00	124/00	130/00
59,04,900	1,264	1,41,77,325	1,15,30,000	71,28,938	35,65,975	55,895	8	63	Anglo-India P.	7	10	12	100	202/00	182/00	233/00
40,00,000	810	74.93.222	32.04.394	5.13.154	39.08.352	1.752	3	21	Auckland P.	12	Nil	15	100	128/00	128/00	142/00
20,00,000	959	57.59.081	35.02.335	12.05.050	13.67.235	60.074	8	22	Bally P	25	25	..	100	241/00	235/00	272/00
£275,000	1,889	£410.423	£9.73.990	£1,82.998	£5,10.306	£1,341	3	128	Barnagore P.	10	10	10	£5	226/00	222/00	199/00
45.00.000	600	29.61.854	15.46.700	8.93.663	5,85.851	1,33.355	6	235	Bengal P.	..	..	..	10	7/00	7/00	9/37
1,59,56,210	1,373	5,92.74.980	8,88.65.994	95.53.646	1,39.85.792	46.410	3	22	Birla	15	15	15	10	37/62	38/50	29/12
36,00,000	991	46,08,736	20,48,440	16.71.597	43.23.494	35,907	10	2	Budge Budge P.	Nil	12	14	100	133/00	121/00	139/50
7,47,380	602	12.59.648	4.17.958	1.73.320	61.970	48.461	6-12	62	Calcutta P	..	..	..	10	8/12	8/12	8/12
18,00,000	616	38.26.710	28.17.882	36.75.352	1.72.996	11.777	11	440	Caledonian P.	5	..	..	100	140/00	140/00	180/00
29,58,200	1,400	76.11.573	1,01,10,201	4.04.567	30.87.988	30.261	3	304	Champdany P.	5	Nil	40—35*	10	21/44	21/19	21/87
38,58,750	1,131	67.05.590	72.45.112	12.64.351	41.57.638	1,02,122	11	2	Cheviot P	5	25	..	10	19/94	20/00	21/50
30,15,000	500	51.15.293	36.54.850	16.26.307	—480.984	—410,550	7	165	Chitavalsah P.	Nil	5	Nil	10	8/19	8/19	10/06
16,00,000	959	13.80.489	25.12.433	1.35.556	1.51.574	18.647	8	318	Clive P	..	..	..	10	8/00	8/00	9/62
31,49,200	766	53.32.179	21.35.995	4.07.539	22.78.348	3.316	3	21	Dalhousie P.	1	Nil	25	100	125/00	122/00	153/00
56,00,000	1,599	1,12,10.485	74,12,967	3,45.236	37.84.549	23.475	11	2	Delta P.	Nil	12	16	100	140/00	140/00	149/00
15,00,000	500	41.34.892	42.21.700	9.25.844	15.13.538	84.695	6	185	Empire P.	7½	12½	15	10	14/12	14/12	17/31
63,00,000	1,884	1,86.60.226	1.23.68.695	8.78.531	88.00.061	4.532	3	138	Fort Gloster	10	12½	20	100	252/00	251/00	375/00
21,00,000	1,014	89.78.908	39.25.515	2.10.063	33.89.018	6,051	3	234	Fort William P.	22½	10	20	10	21/87	21/75	24/50
84,32,100	1,709	1,38.06.625	77.96.303	3.39.780	84.23.155	16.267	3	367	Ganges P	10	15	20	10	14/62	14/81	15/69
43,20,000	607	1,30.91.315	46.54.205	1.29.361	21.04.959	9,681	12	359	General Industrial	10	13	14	10	15/00	15/00	13/94
48,00,000	1,394	1,34.74.293	82,53,423	48.11.745	65,24,022	41,505	3	19	Gourepore P.	25	20	20—20*	10	23/00	23/00	26/19
40,00,000	1,078	89.70.576	1,13.65.042	60.69.113	42.85.744	4.954	3	234	Hastings P.	6	6	6	100	128/00	126/00	128/00
16,80,000	720	32.20.357	44.86.659	2.59.301	9.22.006	4.294	3	356	Hooghly P.	20	7½	10	10	14/44	14/50	20/00
65,62,500	1,940	62.81.418	51,91,579	14,93,084	40,60,622	..	8	128	Howrah P.	10	Nil	10-12½*	10	16/37	16/25	18/06
52,50,000	2,272	1,36.00.000	1.26.22.000	22.50.131	87.88.996	5,058	3	35	Hukumchand P.	28¾	26⅔	26⅔	7½	19/50	19/50	18/00
87,30,000	790	1.23 75.753	93.65.745	36.02.644	58.75.996	4.811	3	355	India	12	8	22½	12½	15/56	15/25	16/94
43,20,000	1,787	48.38.710	36.84.700	8.25.320	43.90.084	..	12	128	Kamarhatty P.	Nil	20	20	100	157/00	157/00	189/00
54,00,000	1,527	43.79.575	16.53.308	4.87.955	45.55.022	..	12	128	Kanknarrah P.	Nil	15	15	100	128/00	128/00	125/00
28,00,000	703	1,27.62.408	72.61.800	15.66.004	32.65.397	94.936	5	165	Kelvin P	15	5	20	100	140/00	140/00	175/00
54,00,000	1,530	93.03.019	73.68.631	6.07.972	42.70.729	3.379	3	382	Khardah P.	5	12½	12½	10	17/75	17/12	18/00
48,00,000	1,250	79.54.389	49.03.577	25.23.275	44.01.751	12.641	3	106	Kinnison P.	7	Nil	10	100	122/00	122/00	135/00
24.48.000	931	29.67.596	1.30.000	12.43.413	13.51.372	4.687	3	21	Lansdowne P.	Nil	Nil	Nil	100	92/50	92/50	115/00
28,00,000	840	20.00.065	14.09.475	45.59.844	12.94.083	664	3	21	Lawrence P.	15	10	10	100	105/00	102/00	121/00
81,65,200	1,294	1,68.99.178	1.32.00.037	6.94.617	1.07.37.567	37.681	3	355	Megna	12½	Nil	22	10	12/81	12/56	13/94
29,98,900	615	76.99.875	12.04.575	2.94.057	10.35.634	—13.08.719	3	101	Naihati P.	..	..	..	100	85/00	85/00	100/00
20,00,000	425	10.79.854	15.55.000	26.11.429	3.36.343	17.816	1-10	107	Naskarpara	..	..	..	10	6/00	6/00	9/06
35,00,000	852	2,82.38.827	97.30.449	23.86.188	28.36.819	4.576	10	378	National P.	Nil	10	10	10	19/50	19/50	23/25
26,25,000	816	35.16.713	36.29.172	14.01.935	4.40.187	35.230	7	165	Nellimarla P.	6	15	5	10	8/25	8/25	11/31
2,56,00,000	1,765	3.08.96.118	2,42.19.122	26.20.231	—18.53.066	15.530	3	335	New Central P.	15	Nil	..	10	11/25	11/37	12/69
16,79,880	567	54.75.607	56.86.689	4.76.913	33.32.174	1.076	3	21	Northbrook P.	30	20	35	10	25/06	24/81	30/00
66,79,500	1,092	97,24,747	61,30.745	7,56,539	20,44,821	20,062	3	19	Nuddea	6	5	10—10*	10	11/25	11/25	..
25,00,000	400	24.42.457	13.65.554	8.76.427	7.59.908	17.103	7	165	Presidency	6	10	10	5	4/50	4/50	5/25
20,00,000	305	43.92.723	5.27.128	97.402	17.07.297	25.500	3	166	Rameshwara P.	Nil	Nil	Nil	10	7/75	9/20	9/19
49,50,000	1,276	54.87.001	6.89.145	40.06.508	10.48.066	..	8	128	Reliance P	Nil	Nil	Nil	10	7/25	7/56	10/44
£600,000	2,013	£1,602.126	£1,398.262	£285.022	£197.841	£2,892	12	64	Samnugger P.	Nil	10	13	£1	10/50	10/50	10/50
30,00,000	911	47.47.618	15.81.656	27.81.388	2.13.128	3.184	3-9	61	Shree Ambica P.	6	Nil	..	10	30/00	30/00	35/00
14,00,000	401	21.82.940	17.16.854	14.69.644	15.77.802	26.425	12	166	Soorah P	25	25	..	10	18/81	18/81	22/00
£600,000	1,794	£1,631.120	£1,276.938	£347.424	70.811	£3.525	12	64	Titaghur P.	Nil	13	10	£1	10/50	10/50	10/50
85,98,600	1,326	50.79.284	42.63.667	13.52.676	31.60.784	603	3	21	Union P.	6	Nil	20	100	141/00	138/00	170/00
£400,000	1,331	£1,372.172	£1,002.577	£193.286	£48.412	£1,951	12	64	Victoria P.	Nil	10	10	£1	10/50	10/50	10/50
2,50,000	465	7.64.459	9.70.000	15,49.934	9,93.458	57,655	5	165	Waverley P.	30	60	30	1	8/44	8/44	8/16

* 1964

COAL COMPANIES

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

Paid-up Capital Ordinary Rs.	Net Block Account Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	Mg Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 26-8-64 Rs.	19-8-64 Rs.	A year ago Rs.
35.50.000	63.11.689	29.51.550	3.20.032	26.78.634	11.461	12	236	Amalgamated	12½	15	12½	10	21/37	21/37	24/50
1,20.00.000	4.10.81.913	2,88.23.173	30.83.212	62.75.084	1.03.409	10	2	Bengal P	21	19	16	100	244/00	235/00	264/00
4.49.350	4.37.882	1.30.132	91 796	43.397	4.471	10	2	Bengal Bhatdee	..	..	..	10	3/48	3/48	3/48
2.25.000	3.06.216	6.45.835	5.19.015	1.55.638	16.129	12	368	Bengal Nagpur	26	..	..	10	22/00	22/00	22/00
15.97.000	23.27.321	4.87.308	63.982	2.62.417	21.275	12	..	Bhalgora	..	..	..	10	4/25	4/37	4/94
40,00.000	67 23.620	2.75.000	31.19.681	11.80.816	2.120	9	152	Bharat Collieries P.	..	..	..	10	2/65	2/90	3/53
7.15.000	14 96 845	11.02.672	64.329	−3.06.406	−4.92.536	6	335	Bhulanbararee	..	..	..	10	10/00	10/00	11/94
16.00.000	38 87 275	16 18 636	7 185	1.21 936	−79 196	12	362	Bokaro & Ramgur	..	..	..	10	11/19	11/19	11/19
7.50.000	29.24.890	29.11.605	7.46.652	9.32.707	6.037	12	106	Borrea P	15	15	15	10	20/25	20/25	23/87
90.92.480	2,64.32.234	1,60.36.371	32.82.964	41.00.007	10.459	6	21	Burrakur P.	13	13	13	10	17/12	16/44	15/87
49.97.000	52.82.086	17.16.188	22.06.173	6.54.717	11.486	3	166	Central India	10	10	9	10	9/44	9/00	9/94
8.00.000	18.69.439	12.97 490	98.040	6.357	214	12	..	Central Kurkend P.	..	..	..	10	3/44	3/44	3/87
6.00.000		1.55.159	6.05.672	63.165	7,043	12	106	Churulia	..	..	..	4	3/06	3/06	3/06
16.00 000	25.01 305	Nil	19 429	−6 45.261	−5.39.034	12	444	Dhemo Main	Nil	..	..	10	3/95	3/95	4/50
£384,000	£965,323	£728,338	£523,814	£346,799	..	4	128	East India	15	20⅝	20⅝	£1	27/87	27/87	30/00
29.63 700	1.36.20.784	1,22.22.090	33.81.520	14.35.632	1.57.517	12	19	Equitable P	10	10	10	10	20/50	20/50	23/25
15.00,000	22.69.942	71,060	31.302	7.080	−6.48.937	3	307	Ghusick & Muslia	Nil	Nil	Nil	10	13/87	13/87	14/25
6.50.000	4.21.847	Nil	12.025	10.670	−14.706	12	20	Guzdar Kajora	..	..	..	10	2/47	2/47	2/44
8,00.000	6.43.022	..	16.702	−10.172	−3.65.025	12	393	Hurriladih	..	..	..	10	5/44	5/44	8/12
15.00.000O 6.00.000F	26.00.237	29.37.098	36.07.570	94.026	1,570	12	21	Karanpura Development	6 15	3 9	3 9	10O 10F	9/12	9/12	10/75
20.00.000	37.05.428	12.43.807	4.29.578	10.53.244	9.997	3	21	Karanpura Collieries P.	10	10	10	10	13/50	13/00	15/44
14.90.460	23.78.946	20,19.953	9,49.954	14.96.787	22.818	1	2	Katras Jherriah	40	25	30—36[illegible]	10	28/12	28/12	33/75
1.38.400	6.75.000	95.000	11.80.294†	49 776	1.918	6-12	337	Khas Kajora P.	..	..	..	10	14/19	14/19	18/31
6.65.750	5.95 833	Nil	9.780	−1.60.535	−16.47.497	3	372	Mundulpur	..	..	..	10	2/69	2/69	2/69
7.48.240	3.39.261	56.489	7.29 802	1.15.573	74 711	12	347	Nazira	Nil	Nil	..	10	4/69	4/69	5/00
81 97 210	88.87.936	46.16.139	4.45.645	17.86.837	15.709	10	2	New Beerbhoom P.	10	12	10	10	16/56	16/56	19/25
10,00,000	9,95.526	5,88,691	2,18,906	4,01,658	26,173	3	202	New Manbhoom	9	12	12	10	11/12	11/12	15/25
1 15.000 1.57.500	7.05.719	4.31.409	40.364	1.44.042	15.045	12	441	North West	20	..	..	10 7½	19/75 18/00	19/75 18/00	19/75 18/00
4.50.000	1.94 347	12.52.534	22.90.175	−20.571	..	12	447	Ondal P.	7½	7½	5	10	13/50	13/50	13/50
8.34 000	23.69 066	1.52.212	4.78.984	1.79.344	589	12	207	Parasea P.	1½	..	..	10	14/00	14/00	16/00
15.75.000	35,65,358	28.41.125	4,50,609	11,01.623	6,304	3	236	Pench Valley	10	10	12½	10	17/44	17/44	17/50
2.50.000	[illegible]	[illegible]	[illegible]	[illegible]	18 [illegible]81	6-12	5	Pure Sitalpur	..	..	..	10	8/00	8/00	8/00
33,59,300	60,92,876	43.85.000	28.608	13.57.708	22,375	3	370	Raneegunge	17	17	17	10	13/06	13/06	15/06
13.50.000	42.14.846	32.96.490	4.30.299	19.16.691	8.453	12	236	Rewa	20	10	15	10	21/87	21/87	28/50
37.50.000	74.38.430	38.61.070	1.69.086	12.37.914	26.993	12	48	San[illegible]a	..	..	..	10	7/81	7/81	10/00
2.50.000	4.47.534	74.281	10.748	−19.279	−4.27.396	1	353	Searsole	Nil	Nil	..	2½	1/25	1/25	1/22
2.80.000	13.16.067	14.49.316	7,39.416	4.60.584	16.284	12	2	Seebpore P.	42 6/7	35 5/7	28 4/7	7	34/75	34/75	34/75
8.00.000	4.203	4.54.648	13 04 570	78 390	1.540	12	106	Sendra	3½	..	..	10	4/06	4/12	5/00
17.50.000	32.03.711	11.77.056	36.734	1.89.147	3.001	8	21	South Karanpura	Nil	Nil	2½	10	6/56	6/06	8/12
8.00.000	1.30.001	15.48.969	26.78.255	1.84.925	38.908	12	106	Standard	10	..	..	10	9/62	9/62	13/12
2.50.000	4.36.300	3.23.000	36.660	1.37 973	1.77.952	12	..	Union	..	..	..	10	10/25	10/25	11/12
49.98.000	70.93,123	13,86.684	13.28.761	11.36.233	32.575	3	166	Western Bengal	7½	9	9	10	9/25	8/72	9/00
7,00.000	26.06.335	Nil	47.091	−6.51.403	−6.23.711	12	444	West Jamuria	Nil	..	..	10	3/60	3/60	4/00

* 1961

COTTON MILLS

Paid-up Capital Ordinary Rs.	Number on Spindle	Looms	Net Block Account Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	Mg Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 26-8-64 Rs.	19-8-64 Rs.	A year ago Rs.
15.00.000	14.108	356	14 06 683	3.15.002	12.59.541	26.012	41.532	12	49	Basanti P.	..	..	..	10	12/06	12/06	11/44
7.11.280	36.000	932	17.17.120	2.20.369	30.842	3.66.177	47.818	3	47	Banga Luxmi	..	..	..	40	30/00	30/00	29/00
27.00.000	31.476	624	17.77.373		93.872	−6.24.150	−6.86.163	12	223	Bengal Nagpur P	..	..	..	10	2/44	2/44	3/06
50.00.000	..	..	1.66.35.360	49.94.800	52.56.090	28.04.759	17.588	12	394	Bharat Commerce P.	15	15	..	10	21/44	20/87	20/12
99.95.950	38.764	992	60.94.300	1.21.02 78[illegible]	53.37.204	39.77.025	1,67.525	8	22	Birla Cotton	20	20	..	10	27/00	27/00	30/25
83.60.000	43.136	841	1.13.15.319	45.62.881	2.74.548	14.72.717	7.833	12	138	Bowreah P	20	15	15	10	23/87	23/25	21/88
30.00.000	22.000	510	40.26.405	68.61.034	5.45.176	9.97.828	11.228	12	25	Cawnpore Textiles	10	10	Nil	5	6/62	6/81	6/00
6,38,36,225	1.97.348	3.307	9.79.20.896	8.21.37.642	91.82.065	2.15.43.296	1.46.548	6	238	Delhi Cloth & Genl P.	13	13	13	25	50/94	48/69	40/97
88.00.000	43.049	518	65.71.796	61.81.868	1.65.881	25.16.474	36.763	12	138	Dunbar	20	15	17½	10	27/56	26/50	26/19
63,00.000	54,000	1,200	1.20.30.927	2.33.36.673	87.18.503	41.89.328	5.435	9	389	Elgin P.	17½	17½	17½	10	20/06	20/00	17/37
8.25.00 000	..	..	3.48 97.571	56.34.321	85.50.730	19 28 764	1.22 795	12	158	J. K. Cotton (Rayon) P.	..	..	..	10	11/37	10/75	11/06
73,77,250	6.272	202	1,35.97.000	51.88.685	4.20.764	43.21.513	12.265	12	22	Jaya Shree	10	10	10	10	13/69	13/19	13/69
30.00.000	38.000	1,825	47 44.548	52.19.401	92.65.055	18 77 941	−7.77.294	12	208	Muir P	..	..	..	100	60/00	63/00	90/75
35.11.563	78.848	1,367	47.49 840	3.96.960	1.09.256	12.73.361	−63.55.495	12	237	New Victoria P.	..	..	..	2½	1/22	1/28	1/41
48.00.200	..	..	1.08.10.352	78.144	2.34.188	12.34 741	−22.17.524	3	390	Orissa Textiles P.	Nil	..	..	10	7/00	7/00	9/00
29.47.750O 5,00.000Dd	23.196	795	15.49.229	80.773	2.37.475	3.38.087	..	6	4	Rampooria Cotton	Nil Nil	.. Nil	.. ..	10 1	14/12 4/12	12/50 4/25	13/00 3/00
17.50.000O 1,87,50,000Po	1,14,836	2,077	4,48,79,351	2,63,83,071	2,15,81,189	76,20,241	5,044	12	333	Swadeshi (Kanpur) P.	.. ..	.. ..	.. ..	100 10PO	11/00 6/50	11/00 6/44	11/50 6/94

TEA COMPANIES

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

Paid-up Capital Ordinary Rs.	Net Block Accounts Rs.	Reserve & other Funds Rs.	Area Hectares	Outturn and Average Price per Kg realised for crop 1962 Kgs.	Rs.	Kgs.	1963 Rs.	Estimate 1964 Kgs.	Net Profits including taxation Rs.	Accounts closed	Mg Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 26-8-64 Rs.	19-8-64 Rs.	A year ago Rs.
												ASSAM							
4.45.700	18.16.361	..	368	4.13.012	5.67	3,93,565	5.12	4,47,900	..	12	165	Amluckie P.	10	7½	5	10	16/00	16/00	16/50
7,00.000	12,87,737	8,53,082	520	3,01,064	6.71	3,05,534	6.38	3,37,500	1,57,003	12	88	Anandabag P.	32½	20	12½	10	33/25	33/25	20/00
5,50,000	18,46,941	..	..	3.20.928	5.99	2,92,672	5.74	3.62.900	..	12	165	Baghmari	15	7½	Nil	10	11/00	11/00	13/56
1,80,000	..	..	..	..	..	..	..	..	..	12	349	Barduar Tea	..	..	..	6	8/50	8/50	8/50
7,65,000	19,19,779	10,58,955	164	2,86,800	6.60	2,38,500	6.40	2,90,000	93,901	12	2	Basmatia	25	20	7½	10	18/06	18/06	27/25
4,95,900	6,83,583	..	..	3,35,928	4.25	4,12,342	4.34	4,12,000	..	12	345	Bateli	30	30	30	5	17/06	17/06	17/50
6,40,000	12,45,706	12,30,747	510	4,05,929	6.66	3,77,284	6.20	4,24,600	3,19,017	12	88	Betjan	45	30	25	10	29/00	29/00	29/19
33,00,000	39,79,551	18,42,000	2,566	15,17,589	6.71	14,55,468	6.20	15,61,600	3,64,100	12	279	Bishnauth	13	20	7½	10	14/19	13/69	17/56
6,00,000	11,68,235	5.03,003	..	2,09,073	7.12	..	..	..	2,62,960	12	202	Bokakhat	12	13	..	10	13/12	13/12	13/70
7,50,000	13,90,224	11,90,375	..	3,00,721	5.85	..	..	..	3,94,885	12	165	Bormah Jan P.	15	15	..	10	10/06	10/06	13/25
4,50,000	7,46,000	1,66,688	243	2,58,733	6.32	2,50,399	5.71	2,72,700	−61,009	12	279	Bor Pukhuri	Nil	10	Nil	10	10/00	10/00	10/75
35,00,000	68,93,654	15,66,180	..	13,51,189‡	5.27	..	..	..	9,51,721	6	127	Brooke Bond	10	7½	7½	10	10/81	10/37	12/06
1,20,000	9,24,434	9,31,522	..	2,00,496	5.90	..	..	..	2,85,668	12	165	Dejoo Valley	20	30	..	10	40/00	40/00	60/00
8,40,000	15,03,068	10,10,142	558	5,97,724	6.12	4,74,509	6.22	5,33,773	3,36,682	12	128	Dessai & Parbuttia	10	15	12½	100	181/00	181/00	205/00
17,53,440	24,29,411	..	..	6,22,165	2.96	2,94,761	6.64	3,26,545	..	12	214	Dhelakhat	10	8	10	10	20/37	20/37	18/81
7,00,000	20,59,002	8,86,030	562	5,54,691	5.45	6,16,178	5.55	6,20,000	3,01,110	12	365	Dhunseri P.	15	10	10	10	10/00	10/00	11/75
4,50,000	17,18,470	16,36,695	..	3,01,917	6.68	..	..	..	5,86,443	12	165	Dibrugarh	40	30	..	10	27/87	27/87	31/25
4,73,400	10,40,300	9,72,100	266	2,97,513	6.44	3,74,657	6.13	3,37,500	4,70,171	12	279	Dimakusi P.	20	25	30	10	25/19	25/19	21/87
7,00,620	14,67,400	15,89,500	273	4,03,594	6.70	4,02,568	6.34	4,36,000	2,46,743	12	279	Dufflaghur	25	30	20	10	26/12	26/12	27/50
10,00,000	20,23,880	8,76,500	497	4,94,612	6.30	4,58,567	5.85	5,17,000	−2,38,981	12	279	East India	Nil	10	Nil	10	10/69	12/00	13/44
5,03,760	14,00,556	6,32,810	242	3,19,832	..	..	..	..	49,047	12	354	Gillapukri	20	15	..	10	27/56	27/56	25/44
6,76,000	12,41,500	7,48,500	228	2,59,394	7.44	..	..	..	4,74,030	12	279	Gohpur	5	20	..	10	14/69	14/69	15/19
23,29,085	56,04,055	36,07,741	1,059	10,39,276	6.17	10,04,928	6.09	10,80,000	45,819	12	202	Grob	6	6	3	5	6/62	6/62	7/94
5,00,000	11,67,377	7,55,258	..	3,45,217	..	..	..	..	1,67,965	12	354	Hoograjuli	20	17½	..	10	27/62	27/62	27/12
8,70,000	16,05,713	26,50,646	310	2,78,400	6.64	2,58,600	6.62	76,061	2,90,000	12	2	Hoolungoorie	7½	20	15	100	168/00	168/00	195/00
9,00,000	20,42,643	11,69,455	804	5,33,423	6.50	4,92,625	6.23	5,57,700	2,73,921	12	88	Jutlibari	30	20	14	10	27/87	27/87	31/50
2,40,000	..	..	..	..	..	..	..	..	..	12	236	Kingsley Golaghat P	35	..	..	100	125/00	125/00	140/00
1,80,000	21,94,612	1,77,500	517	4,88,346	4.97	5,86,302	4.63	5,60,000	1,75,587	12	63	Kotamullai P.	Nil	Nil	Nil	5	10/00	10/00	10/31
5,00,000	10,88,222	3,29,728	353	1,66,356	6.02	1,47,651	6.17	1,80,000	64,621	12	41	Krishnabehari	8	10	6	10	11/30	11/30	10/50
2,00,000	..	..	..	..	..	..	..	..	..	12	236	Kyang Tea	..	..	..	10	8/06	8/06	8/06
6,50,000	16,02,991	9,85,234	270	2,81,500	5.30	3,00,600	5.06	3,00,000	28,762	12	63	Ledo	Nil	Nil	Nil	10	11/00	11/00	13/75
8,00,000	11,99,968	1,30,508	275	2,10,642	5.26	..	..	..	1,25,716	12	..	Maud Tea & Seed	7½	7½	..	10	12/00	12/00	14/81
10,00,000	16,18,885	14,63,370	262	3,74,221	7.12	3,50,854	6.39	5,90,000	2,25,877	12	202	Methoni	14	20	11	10	13/25	13/25	16/19
4,80,000	..	..	..	..	..	..	..	..	1,26,539	12	..	Moheema	Nil	..	..	10	11/50	11/50	11/50
1,50,000	3,91,923	14,90,825	183	1,22,745	..	1,79,058	..	..	..	12	138	Mothola	30	35	35	100	425/00	425/00	507/00
1,75,000O 2,00,000Po	15,71,082	9,67,447	165	1,71,400	8.41	1,69,500	6.82	2,00,000	1,89,528	12	2	Murphulani (Assam)	15 20.63	25 30.63	17½ 23.13	10 10	26/50 26/87	26/50 26/87	26/50 26/87
4,00,000	13,49,106	12,81,235	220	3,26,748	5.10	3,04,796	..	3,40,000	2,18,849	12	143	Naga Hills	10	10	10	10	21/25	21/25	22/25
5,35,000	..	..	..	..	..	..	..	..	..	12		Namburnadi	12	..	..	10	12/87	12/87	12/87
5,00,000	4,52,000	8,28,237	311	2,96,696	7.64	3,29,182	5.59	3,10,900	1,91,821	12	63	New Cinnatolliah	Nil	Nil	5	100	455/00	455/00	302/00
6,00,000	15,30,769	7,94,922	170	2,30,700	6.35	1,99,100	5.84	2,30,000	1,58,579	12	2	Rajgarh	13½	17½	12½	10	18/56	18/56	19/00
13,50,000	25,76,607	4,53,937	..	6,04,795	..	..	..	..	1,40,864	12	354	Sapoi	20	10	..	10	19/50	19/50	13/31
2,49,000	6,64,400	7,35,000	213	2,07,643	7.36	2,01,112	6.63	2,17,800	1,26,915	12	279	Seajuli	15	30	25	10	21/06	21/06	21/12
5,98,000	17,86,091	15,24,544	..	3,90,802	5.61	..	..	..	5,06,871	12	88	Teloijan	25	25	..	10	21/87	21/87	22/00
8,00,000	12,89,565	7,46,597	490	3,38,378	6.81	3,40,080	6.52	3,73,787	2,56,410	12	88	Tengpani	30	22½	12	10	36/50	36/50	35/00
19,82,880	36,21,344	24,74,580	2,112	23,01,040*	2.62	25,21,280*	2.41	23,40,000*	8,41,736	12	236	Tezpore	12½	12½	12½	10	13/31	13/31	14/44
7,50,000	..	..	..	..	..	..	..	..	..	12	95	Tongani	Nil	..	..	10	5/00	5/00	7/00
5,20,000	35,17,473	30,30,165	..	6,51,147	5.76	..	..	..	7,11,074	12	165	Tyroon	15	25	..	10	24/75	27/87	31/00
												CACHAR							
3,00,000	..	..	..	1,39,861	4.03	..	..	..	..	12	..	Arcuttipore	5	6	..	10	7/00	7/00	7/00
4,00,000	..	..	..	..	..	..	..	..	..	12	35	Baitakhal	2½	..	7½	10	7/75	7/75	7/69
11,00,000	12,50,663	9,58,809	310	3,15,866	4.92	3,30,923	4.85	3,77,000	2,79,622	12	128	Central Cachar	7½	5	..	100	73/00	73/00	85/00
7,00,000	..	..	..	..	..	..	..	..	..	12	383	Eastern Cachar	Nil	..	..	10	4/94	4/56	4/50
4,50,000	3,31,773	2,80,000	..	..	..	..	..	..	−54,506	12	384	Kallinugger Khoreel	2	..	..	100	84/00	84/00	87/00
12,60,000	19,62,879	14,26,438	943	5,80,232	3.97	6,63,197	4.45	6,70,000	45,217	12	202	Hattikhira	8	Nil	Nil	10	7/75	7/75	9/12
3,60,000	..	..	..	..	..	..	..	..	..	12	63	Kunchunpore	Nil	..	..	10	6/00	6/00	6/00
5,63,690	5,28,079	1,57,990	231	1,51,283	4.26	1,71,112	4.63	1,65,000	59,885	12	202	Loobah	Nil	Nil	Nil	10	4/69	4/69	4/44
12,60,000	22,28,419	11,42,054	2,221†	5,18,387	4.33	..	..	..	6,13,497	12	..	North Western	20	10	..	100	140/00	140/00	160/00
2,59,050	6,14,069	1,01,916	239	2,13,805	4.21	2,25,257	4.63	2,30,000	68,688	12	202	Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50
2,60,000	6,82,449	2,92,663	..	1,95,018	4.62	..	..	..	−1,73,960	12	165	Roopacherra	10	Nil	..	10	9/94	9/94	9/62
5,25,000	12,50,875	12,23,600	316	2,79,277	4.46	2,93,522	4.34	12,87,000	80,082	12	63	Rungamattee	5	5	5	50	49/25	49/25	50/25
4,00,000	..	..	..	..	..	..	..	..	..	12	..	Sonai River	Nil	..	..	10	5/06	5/06	9/12
												DARJEELING							
3,99,750	..	..	..	..	..	..	..	..	..	12	101	Bloomfield	..	..	..	10	3/25	3/25	3/12
2,79,900	3,72,700	1,55,000	165	77,090	8.74	..	..	..	51,557	12	279	Chamong	10	10	..	10	8/87	8/87	9/00
3,75,900	..	..	..	3,13,229	5.63	..	..	..	..	12	139	Darjeeling Tea	20	30	..	100	197/00	197/00	197/00
2,00,000	..	..	..	..	..	..	..	..	..	12	200	Dilaram	4	..	..	100	102/50	102/50	102/50
2,00,000	6,39,479	3,58,163	..	1,37,275	7.58	..	..	..	1,97,231	2	74	Gielle P.	..	8 4/7	15	10	17/25	17/25	11/69
7,00,000	10,17,300	2,75,676	428	3,11,895	7.70	3,07,000	7.37	3,22,000	2,75,870	12	279	Lingia P.	10	17½	15	10	13/37	13/37	14/56
10,32,000	..	..	..	..	..	..	..	..	..	12	95	Longview	10	..	..	10	8/25	8/25	11/00
4,00,000	5,16,891	5,85,879	..	1,77,960	8.18	..	..	..	2,23,445	12	165	Margaret's Hope	15	15	..	10	11/81	11/81	10/87
1,59,000	4,35,272	3,84,726	187	1,08,800	8.99	1,05,600	6.94	1,10,000	−49,706	12	2	Mim	27½	27½	Nil	100	419/00	419/00	491/50
2,99,900	19,18,100	16,26,000	279	2,14,750	9.03	2,07,707	7.66	2,23,900	3,42,887	12	279	Nagri Farm	25	35	35	10	27/50	27/50	27/25
4,00,000	3,93,839	3,21,500	205	99,331	10.07	..	..	..	2,40,000	12	390	Okayti P.	25	25	..	100	600/00	600/00	600/00
3,30,000	..	..	..	..	..	..	..	..	..	12	..	Pashok	Nil	..	..	10	20/00	20/00	20/00
3,00,000	4,55,324	1,77,500	194	1,22,495	6.65	1,12,874	6.44	1,20,000	34,269	12	63	Poobong	Nil	5	Nil	10	10/50	10/50	7/19
2,05,000	5,15,133	2,27,703	570	1,16,997	5.95	95,502	5.81	1,26,000	15,481	12	361	Pussimbing P.	Nil	Nil	Nil	10	7/87	7/84	7/12
1,40,000	4,97,834	5,63,000	138	85,234	6.64	86,726	7.21	95,000	2,834	12	63	Runglee Rungliot	20	7½	5	100	290/00	290/00	386/00
3,00,000	..	..	..	..	..	..	..	..	..	12	385	Seeyok	Nil	..	..	10	8/50	8/50	8/50
6,25,000	7,48,893	10,816	..	1,38,742	6.51	..	..	..	47,720	12	398	Singell	Nil	Nil	..	100	36/75	36/75	36/75
9,00,000	..	..	..	1,23,431	6.92	..	..	..	..	12	101	Singtom	Nil	2	..	10	3/25	3/50	3/50
4,50,000	5,56,200	5,68,100	224	1,60,068	8.53	1,58,073	7.82	1,57,800	2,22,529	12	279	Soom	40	40	30	10	39/00	39/00	32/75
6,25,000	13,51,854	13,02,062	..	1,89,392	9.58	..	..	..	..	12	165	Sungma	15	20	..	10	12/12	12/31	13/94
3,20,000	9,98,901	8,67,133	..	2,03,428	6.16	..	..	..	..	2	74	Teesta Valley	..	8 4/7	10	10	12/75	12/75	12/00
12,00,000	..	..	..	..	..	..	..	..	..	12	..	Tukvar	Nil	..	..	10	3/50	3/50	7/00

† Acres   * lbs.   ‡ 1963

TEA COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Area Hectares	Outturn and Average Price per Kg. realised for crop 1962		1963		Estimate 1964	Net Profits including taxation	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 26-8-64	19-8-64	A year ago
Rs.	Rs.	Rs.		Kgs.	Rs.	Kgs.	Rs.	Kgs.	Rs.							Rs.	Rs.	Rs.	Rs.
												DOOARS							
27,00,000	70,10,677	32,43,960	1,052	14,84,400	4.86	14,09,900	5.15	15,15,600	8,20,033	12	2	Banarhat P.	21	21	17	100	186/00	186/00	216/00
12,00,000	29,84,113	24,11,835	436	6,66,481	5.13	6,59,963	4.93	..	4,47,910	12	128	Baradighi	25	25	15	10	23/25	23/25	22/15
9,00,000	19,19,630	30,59,434	..	7,00,569	4.38	..	..	..	5,74,606	12	63	Bhatkawa	15	20	..	10	16/00	16/00	16/50
9,00,000	26,52,759	23,52,500	586	6,69,958	5.01	6,79,448	4.71	6,70,000	3,87,508	12	63	Birpara P.	12½	17½	10	100	142/00	160/00	156/50
6,00,000	12,57,708	10,38,000	244	2,80,187	4.70	2,68,883	4.30	2,95,000	—37,664	12	63	Carron	5	7½	Nil	100	117/00	117/00	145/00
9,00,000	25,37,049	14,59,389	365	5,21,400	4.69	4,00,700	5.07	52,50,000	84,373	12	2	Choonabhutti P.	20	20	7½	100	176/00	162/00	184/00
3,00,000	5,93,417	6,45,000	197	2,25,971	4.59	2,34,951	4.42	2,10,000	98,827	12	63	Ellenbarrie	5	10	7½	100	173/00	173/00	136/00
1,20,000	3,71,713	3,31,056	266	1,63,195	3.85	1,62,151	4.11	1,70,000	63,192	12	397	Engo	50	40	30	100	**136/00**	136/00	**13/12**
4,90,000	9,33,182	71,548	..	2,64,339	..	..	..	..	..	12	354	Ethelbari	5	7½	..	10	**11/87**	**11/87**	**21/66**
7,50,000	15,18,748	10,75,265	872	5,04,794	5.46	4,69,544	5.18	5,15,320	1,13,960	12	88	Gairkhata	20	11	7	10	16/12	19/50	20/00
14,00,000	27,81,035	19,25,521	425	5,85,748	..	..	..	..	2,00,689	12	387	Gopalpur	2	10	..	25	19/50	97/00	109/00
36,00,000	54,86,904	43,81,500	1,051	13,74,053	4.76	14,23,297	4.52	14,00,000	5,98,697	12	63	Hantapara P.	5	10	7½	100	97/00	97/00	12/62
64,00,000	70,47,491	75,82,749	..	30,66,464	5.78	..	..	..	30,07,101	3	74	Hasimara	..	18	15	10	13/81	12/56	13/31
16,50,000	26,67,650	17,26,078	..	6,99,826	4.51	..	..	..	2,06,848	2	74	Huldibari	..	19 2/7	11	10	12/31	12/31	13/31
7,00,000	8,95,117	5,13,133	246	1,88,900	5.59	..	..	..	—61,500	12	2	Jaybirpara	Nil	Nil	..	10	8/50	8/50	10/69
13,50,000	32,41,680	36,28,241	598	8,24,799	4.59	7,89,297	4.47	8,00,000	3,21,929	12	63	Killcott	15	15	10	10	14/41	14/44	14/37
2,00,000	14,67,422	5,58,176	..	2,53,887	..	..	..	..	88,065	12	354	Manabarrie	6	10	..	10	**59/50**	**59/50**	**59/50**
9,60,000	22,35,359	24,09,000	477	5,07,732	4.76	4,67,868	4.62	4,90,000	—12,429	12	63	Nagaisurce	15	15	5	100	141/00	165/00	140/00
14,00,000	36,15,282	21,01,728	471	6,40,900	5.10	5,90,200	5.01	6,75,000	—73,566	12	2	New Dooars P.	20	14½	Nil	100	164/00	161/00	220/00
6,40,000	13,89,457	6,58,184	292	3,26,073	3.55	3,49,153	4.42	3,51,500	8,839	12	363	Oodlabari	7½	Nil	7½	100	13/75	14/00	13/19
2,50,000	3,90,597	3,37,500	126	1,26,816	4.64	1,24,721	4.39	1,30,000	—20,200	12	63	Phaskowa	Nil	Nil	Nil	100	121/00	121/00	**129/00**
6,00,000	9,17,349	11,90,872	..	3,91,886	4.70	3,68,115	4.70	3,66,500	1,16,562	12	165	Rajabhat	Nil	6	6	10	10/06	10/12	**12/12**
7,65,000	17,57,543	17,47,050	..	4,76,526	5.07	..	..	..	1,63,000	12	165	Ranicherra	15	7½	..	10	12/00	12/00	12/25
14,92,800	37,15,740	31,72,862	756	9,78,337	5.44	10,22,018	5.23	..	8,09,998	12	128	Rydak	20	25	25	10	22/44	22/44	24/27
3,46,000	13,81,974	12,21,580	279	3,30,009	1.76	3,79,500	4.65	..	3,25,246	12	44	Sarugaon	40	40	40	10	36/25	36/25	36/31
												TERAI							
4,50,000	..	..	..	..	..	..	..	..	..	12	101	Atal	..	..	..	10	5/37	5/37	8/75
5,00,000	..	..	..	..	..	..	..	..	..	12	345	Belgachi	20	..	..	10	23/12	23/12	22/50
13,44,000	23,77,632	28,63,000	665	7,22,909	4.63	8,02,864	4.73	7,50,000	4,38,359	12	63	Gungaram	12½	12½	10	100	121/00	121/00	131/00
3,00,000	6,69,527	9,72,507	..	2,95,710	4.54	..	..	..	2,25,077	2	74	New Chumta	..	12 6/7	20	10	20/37	20/37	24/62
7,20,000	..	..	..	3,33,644	4.04	..	..	..	..	12	139	New Terai	10	15	..	10	20/50	20/50	23/00
11,70,000	..	..	..	4,71,480	4.15	..	..	..	..	12	139	Pahargoomiah	20	2½	..	10	13/75	13/75	15/00
1,00,000	..	..	..	..	..	..	..	..	..	12	63	Putinbaree	14	..	..	10	55/00	55/00	**45/00**
2,20,000	..	..	..	3,84,347	5.05	..	..	..	..	12	165	Tirrihannah P.	60	60	..	10	**49/00**	**49/00**	**49/00**
												CHITTAGONG							
1,25,000	..	..	..	..	..	..	..	..	..	12	139	Kodala	Nil	..	..	10	9/25	9/25	**9/25**
2,40,000	..	..	..	..	..	..	..	..	..	12	139	Kornafuli	Nil	..	..	10	10/50	10/06	9/31
2,00,000	..	..	..	..	..	..	..	..	..	12	139	Oodalcah	Nil	..	..	10	**8/00**	**8/00**	**8/00**
												SYLHET							
3,00,000	13,56,430	20,59,293	667	2,14,907	7.92	2,32,138	7.61	2,54,012	6,06,230	12	..	Chundeecherra	Nil	Nil	Nil	10	29/75	29/75	26/06
6,00,000	10,31,611	23,60,801	236	2,03,538	8.17	2,33,393	6.87	2,18,000	6,63,292	12	63	Dauracherra	22½	20	Nil	10	15/19	15/19	7/94
5,59,930	13,08,299	20,08,800	1,108	11,48,080	3.34	11,40,560	2.74	1,10,400	7,46,754	12	236	New Samanbagh P.	Nil	Nil	Nil	10	19/00	15/50	**18/37**
36,00,000	65,96,023	1,80,01,644	1,799	17,98,140	8.16	19,04,713	6.83	18,87,000	58,03,923	12	63	Patrakola	40	15	Nil	100	201/00	209/00	125/50
3,20,000	4,21,718	1,48,642	740†	4,24,800†	3.23	..	..	..	4,07,821	12	236	Rajnagar	Nil	Nil	..	10	9/56	9/56	9/50
9,00,000	21,89,888	38,62,827	485	3,69,737	8.08	3,75,942	6.80	4,17,000	6,87,001	12	63	Teliapara	22½	10	Nil	100	180/00	157/00	**99/00**

† Acre

MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 26-8-64	19-8-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
								MININGS							
£2,369,796	..	£218,681	£2,781,590	£12,559	£174,204	12	153	Burma Mines	Nil	Nil	..	3½S	0/44	0/44	0/44
30,00,000O	37,08,889	32,54,468	34,05,355	15,96,846	13,914	12	312	Chrestien Mica Industries P.	12½	..	..	10O	10/37	10/37	10/40
15,00,000Dd									20	.	..	5Dd	6/53	6/53	6/87
£1,371,300	£1,758,381	£225,873	£755,274	£1,057,163	£72,310	12	66	Indian Copper Corporation	27	.	..	2s	3/65	3/62	4/74
50,00,000	51,72,031	10,43,352	53,971	5,66,976	14,41,622	3	343	Metal Corporation P.	..	..	..	10O	6/22	6/06	7/94
20,00,000	46,05,415	67,67,431	55,46,956	13,17,757	38,801	6	*21	Orissa Mineral Development	25	20	..	10	20/00	20/00	27/12
								CEMENT, LIME, SLATE, ETC.							
59,90,843	1,58,98,785	17,06,000	2,33,036	4,97,991	10,914	3	331	Ashoka Cement	7	7	7	10	7/00	6/97	7/44
43,14,900O	41,51,412	21,43,429	29,64,072	1,70,813	6,44,675	3	60	Assam Bengal Cement	..	..	..	10O	4/87	4/87	3/06
70,976Dd												1Dd	0/59	0/69	0/46
55,23,146	98,02,889	19,77,396	66,723	24,46,663	1,703	12	155	Bengal Potteries	..	..	..	2½	4/31	4/25	5/15
40,00,000	73,55,750	28,31,137	3,76,724	23,10,445	50,122	3	21	Bisra Stone Lime	50	10	..	10	18/37	18/37	35/00
1,73,49,650O	1,87,13,180	1,43,86,260	2,06,26,145	1,06,24,610	..	12	123	Dalmia Cement (Bharat) P.	12	12	12	10O	12/50	12/56	12/31
5,00,000Dd												1Dd	3/06	3/06	3/00
2,50,00,000	5,94,43,463	94,05,545	5,54,170	65,02,100	4,94,598	3	335	Jaipur Udyog P.	3	8.30	..	10	11/37	11/31	10/62
30,00,000	89,55,197	56,55,899	6,48,783	21,48,526	25,499	12	21	Kumardhubi Fireclay & Silica P.	12	18	..	10	**18/45**	**18/45**	**18/45**
2,25,00,000	3,77,58,590	1,36,03,808	30,93,905	98,75,491	..	12	362	Orissa Cement P.	15	16	..	10	12/00	12/12	14/00
6,00,000	20,07,006	21,78,065	17,41,738	4,85,806	30,441	2	223	Reliance Firebricks & Pottery	15	10	..	10	**22/75**	**22/75**	22/75
75,00,000	63,28,018	44,95,600	5,26,119	12,18,128	6,195	12	337	Sone Valley Portland Cement	6	8	8	5	4/03	4/09	**4/28**
12,04,570	31,17,215	13,90,910	2,60,870	8,80,262	5,375	12	9	Sutna Stone & Lime	30	35	25	10	**28/31**	**28/31**	35/12

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 26-8-64	19-8-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
								CHEMICAL INDUSTRIES							
62.00.000	8.04.72.738	2,26,33,273	3,46,012	1,10,87,234	5,671	9	121	Alkali & Chemical Corpn. of (I)	15	15	15	10	23/50	22/87	32/00
2,48,00,000A															
20.00.000	17,39,281	15,681	11,245	—88,949	—9,86,991	12	442	Bathgate & Co. Ltd P.	Nil	..	..	5	0/84	0/84	0/84
15.00.000O	76,41,344	68,84,605	21,11,440	18,06,053	1,30,717	3	245	Bengal Chemical & Pharm P.	10	..	..	100	102/00	108/00	102/00
11.08.900A															
22,54,700B															
15,00,000	36,34,102	22,82,883	19,49,050	12,04,892	6,978	6	377	Calcutta Chemical P.	18	18	..	10	17/25	17/25	17/87
4 95,000	99,022	Nil	41,554	72,146	2,560	2	129	Frank Ross P	..	..	..	6	3/19	3/19	2/19
20,00,000	13,61,137	17,67,251	7,35,789	13,17,366	19,167	6	191	Smith Stanistreet P.	25	25	22½	5	13/69	13/69	12/25
								ELECTRIC LIGHTING, POWERS							
19,99,600	1,18,31,088	51,52,883	23,86,788	2,30,678	13,612	3	32	Agra Electric Supply	11	11	11	100	125/00	125/00	118/00
8,00,000	33,64,320	16,30,275	6,14,845	1,45,861	1,852	3	32	Bareilly Electric Supply	11	11	11	10	12/00	12/00	12/50
17,00,000	1,05,78,889	54,27,530	13,74,815	3,49,029	5,522	3	32	Benares Electric Supply	11	11	11	10	13/94	13/94	12/37
5,91,360	15,65,473	8,07,902	2,70,659	1,36,558	41,730	3	202	Bhagalpur Electric Supply	10	8	..	8	6/56	6/34	6/50
£4,262,646	£21,040,641	£10,815,240	£173,698	£1,599,019	£100,524	3	90	Calcutta Electric Supply P.	7½	7½	..	£1	14/94	14/81	14/65
6,60,040	..	..	..	..	..	3	202	Cuttack Electric Supply	10	10	..	10	12/06	12/06	11/87
43,20,000	68,77,439	35,90,169	34,91,713	14,12,931	48,905	3	2	Dishergarh Power Supply P.	10	10	10	100	86/00	36/00	88/00
5,34,640	17,29,086	96,513	95,409	65,283	3,590	3	168	Jhansi Electric Supply	..	..	..	10	5/90	**5/90**	**5/90**
22,49,550	70,77,611	29,85,246	5,14,229	2,97,774	3,286	3	32	Jubbulpore Electric Supply	10	10	10	10	12/31	12/31	11/19
4,95,000	6,70,324	2,24,149	1,09,770	46,495	39,015	3	258	Mirzapur Electric Supply	..	..	..	9	7/50	7/00	**12/00**
5,82,390	24,50,815	6,87,284	3,48,986	2,22,292	22,259	3	202	Muzafferpore Electric Supply	12½	12½	..	10	**11/19**	**11/19**	11/50
6,99,700	13,47,574	1,14,377	2,15,991	83,664	18,988	3	329	Muttra Electric Supply	..	..	..	10	**11/06**	**11/06**	**11/12**
35,97,380	98,50,374	48,67,675	3,95,468	12,96,460	1,27,547	3	202	Patna Electric Supply	10	10	..	10	10/50	10/50	10/50
9,10,000	8,77,208	2,86,692	3,19,022	1,58,667	17,201	3	202	Shahjahanpur Electric P.	6¼	6¼	..	10	6 84	6/84	7/25
16,80,000	24,13,949	16,03,685	9,75,497	4,58,680	3,975	3	21	Sijua (Dherriah) Electric	9	9	..	10	9/62	9/62	8/50
56,00,000	2,78,66,926	80,13,213	29,14,259	4,35,432	9,311	3	32	United Provinces Electric	11	11	11	100	189/00	177/00	117/00
5,00,000	20,91,859	12,25,993	7,11,286	48,760	1,934	3	32	Upper Jumna Valley Electric	13½	13½	13½	10	22/44	22/00	15/66
								ENGINEERING & METAL							
6.00.000	17,68,727	7,28,551	3,76,395	8,30,823	4,14,416	12	300	Arthur Butler (Muzafferpore) P.	Nil	10	..	10	21/25	21/25	14/94
50.00.000	41,22,015	56,58,221	3,98,490	44,22,016	2,263	12	31	Bhartia Electric Steel	10	12½	15	10	14 81	14/75	13/50
00.00.000	2,22,25,340	1,40,28,433	27,21,380	1,24,47,705	..	12	289	Braithwaite & Co. (India) P.	25	14	20	10	33/62	33/62	29/75
12.00.000	72,34,505	58,62,090	6,74,545	23,90,816	..	12	24	Bridge & Roof	30	30	30	10	52/25	52/25	52/25
19.88.670	33,56,748	1,09,796	1,86,939	1,80,146	—611,196	12	192	Britannia Building & Iron P.	Nil	Nil	..	10	3/20	3/20	4/75
1.00.00.000	1,24,97,389	52,95,465	1,14,787	24 17 175	5,115	12	165	Britannia Engineering P.	10	10	..	10	9/44	9/50	9/81
25.00.000	33,60,837	23,97,576	14,403	22,04,192	..	12	24	British India Electric Cons.	20	15	15	10	29/12	29/12	33/12
1,68,00,000	3,72,24,252	2,29,82,397	67,36,942	97,05,514	..	4	32	Burn P (Engineering)	28½	28½	25—15*	100	288/00	288/00	572/00
1,00.00.000	63,22,965	22,70,823	23,44,551	52,92,495	1,57,572	3	437	Calcutta Steel	15	15	12½-15*	10	13/62	13/19	12/87
80.00.000	1,25,35,558	43,00,000	1,84,809	26,72,847	6,868	9	434	Dalmia Iron	10	10	10	10	11/19	11/19	10, 81
3,32,18,740	6,68,87,945	5,12,05,807	2,59,97,968	2,17,43,217	..	12	227	Guest Keen Williams	14	14	12	10	24/87	24/87	31/37
17,50,000	18,91,774	11,04,000	21,473	3,81,335	3,237	12	32	Hooghly Docking	Nil	12½	10	50	80/00	76/00	108/00
2,44,08,990	59,94,26,612	41,05,47,562	5,88,65,054	11,51,21,913	..	6	32	Indian Iron & Steel P.	16	16	16—17*	10	26/50	26/32	22/94
3.85.000O															
54.000Dd	11.52 812	14.001	1.82.994	—4.15 836	—4.03.294	8	223	Indian Malleable Casting	..	..	..	5O	6/00	6/00	6/00
77.97.000	58.96.726	1,25.90.911	58.71.000	1.79.18.463	..	6	32	Indian Standard Wagon P.	28½	28½	20-20*	1D	2/06	2/06	1/31
16.79,740O	3,43 55 519	3,41 31,025	1,54.09 567	—57,25 817	6.022	3	122	Indian Steel & Wire Products	24	23	18	10O	28/12	28/12	39/00
12.00.070	7,13,344	5,39.415	3,634	17,25,389	.	12	24	Industrial Containers	10	10	..	10	22/37	22/37	21/37
1,51,87,197	2,85,54,325	1,36,61,953	15,13,085	41,24,528	4,896	8	445	Jay Engineering	17 3/20	15	10	10	17/81	17/62	20/87
40.00.000	59,72,635	35,85 700	10,46,860	20,45 860	86,647	6	132	J. K. Steel P.	20	10	30	10	16/19	15/44	14/19
2,04.00.000	4,03,12,353	3,00,16,258	77,10,062	1,47,51,086	64,915	10	290	Jessop & Co P.	8.58	8.58	10	10	21/19	21/19	24/75
27.64.800	65.86.747	65.04.900	4.81 457	34.49.008	3.146	11	21	Kumardhubi Engineering P.	11½	15	16⅔	3	5/40	5/41	8/94
10.50.000	3.10,043	19.18.004	4.98.040	1.69,624	—16.90,253	6	170	Marshall Sons (India)	Nil	Nil	Nil	2	3/06	3/00	2/50
49.96.000	61,94,985	13.58.398	3.83.036	2.56,716	—4.42 917	3	192	National Iron and Steel	Nil	Nil	..	10	6/19	6/22	4/75
6.00.000	9.79.466	20.52.302	2.49 725	5 14 476	13.304	8	25	Saran Engineering	10	12½	10	4	8/56	8/00	8 50
14.00.070	11.26.150	15.36.386	2.31.497	13.63.971	..	12	24	Steel Containers	20	20	17½	10	24/62	24/62	29 50
150.00.000	2,73,21,766	61,37,433	13,28,341	52,01,525	62,642	12	22	Textile Machinery	10	12½	..	10	27/45	27/65	25.40
								SUGAR BREWERIES ETC.							
14.00.000	17.74.143	10.85.375	21 121	—1.66 279	—1.53.368	6	371	Balrampur Sugar	8	4	Nil	2½	1/31	1/81	1/95
29.23.537	27,33,655	11.43 842	8.71.871	—30.816	2,237	9	234	Belsund Sugar	10	6⅔	9	7½	8/12	7/62	8/25
15.00.000	8.17.746	22.06.086	17.96.173	5.98.492	9.429	6	316	Bharat Sugar P.	15	15	15	10	14/50	15/56	13/00
32.00.000	48.01.728	55.23.048	4.75.535	58.20.900	133	6	89	Carew (Sugar) P.	Nil	Nil	Nil	10	12/31	12/25	10,94
30,00,000	98.13.767	58.73.563	6.92.990	—16.68.824	—42 63.672	10	25	Cawnpore Sugar P.	Nil	Nil	Nil	10	9/62	9/62	9/75
18.00 000	29.70.913	47.91 301	1.37.198	—49.013	—8,50.783	4	25	Champaran Sugar P.	Nil	Nil	Nil	10	10/87	11/00	13/87
38,01.380	25.88.250	31.90.540	1.79.345	4.77.197	1.97.076	8	395	Durbhanga	Nil	5	..	10	8.50	8/25	8/12
11.00.000	6.45.722	3.75.000	10.90.564	95 437	52.205	6	140	New Savan Sugar and Gur							
9.00.000	19 47 931	23.02.870	2.05 743	2.86 458	4.006	10	400	Purtabpur Sugar P	..	..	..	10	3/50	3/50	4/44
16 59.820	41.61 410	57.86.996	6.074	26.41.178	3.047	8	1	Ramnugger Cane & Sugar P.	..	..	..	10	9/12	9/12	11/50
65.00.000	57.79.829	44.91.845	20,03,707	19.78.012	10.419	10	92	Raza Guland	35	30	15	10	24/31	24/31	26/50
3.00.000	4.06.238	1.72.778	3.77.84t	4.24.492	13.209	6	25	Rvam Sugar P.	10	10	10	10	10/12	10/12	9/75
11 99.000	22,10.161	18.54.087	2,09.185	—2,24.407	—2.20.853	6	..	Samastipur Central Sugar	..	..	..	10	4/00	4/00	5/25
39.99.000	67,63.905	25.93.624	21.94.758	16,75,658	34.778	7	335	Shree Krishna Gyanoday Sugar P.	..	..	..	10	**3/75**	**3/75**	6/00
7.94.500	13.54.858	11.65.175	11.16.368	1.90.057	7.991	6	140	Shree Sitaram Sugar	..	..	..	10	7/81	7/75	7/31
9.99.950	20.47.130	68.548	66.643	—7.18.697	—7.19.847	6	94	Sitalpore Sugar	..	..	..	10	7/28	7/28	**7/12**
									Nil	Nil	Nil	10		**3/69**	**6/12**
16.00.000	42,22,843	19,40,304	2,03,163	—11,15,414	—9,17,147	8	341	United Provinces					12/00	12/00	9/00
8.00.000	90,57,769	67,09,675	9.18.326	37,10,125	25,765	6	316	Upper Ganges Sugar P.	5	Nil			60/25	**60/25**	62/00
									72½	72½	..	10			

* 1964

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary Rs.	Net Block Accounts Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net profits including taxation Rs.	Carry forward Rs.	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share Rs.	Latest Market Quotations as available until 26-8-64 Rs.	19-8-64 Rs.	A year ago Rs.
								MISCELLANEOUS							
8,00,000	3,65,800	2,09,907	5,89,590	1,44,140	2,623	10	85	A Firpo (Restaurateur)	10½	5	..	10	5/90	5/90	5/90
93,75,000	5,89,85,976	2,48,84,621	3,09,108	30,58,004	11,965	3	132	Aluminium Corporation P.	12	12	5	10	12/81	12/75	14/00
20,00,000	42,19,493	17,50,000	53,08,486	4,79,403	25,172	12	382	Anderson Wright P.	Nil	6	6	10	11/50	11/50	11/50
30,00,000	16,96,720	44,23,928	21,81,674	26,48,673	2,17,061	8	268	Angelo Bros.	28½	28	28	10	25/06	25/00	23/81
30,00,000	23,93,699	43,10,024	16,21,703	25,26,521	18,162	12	274	Assam Match	20	20	20	10	26/37	26/37	28/00
13,99,998	20,06,639	20,17,850	6,814	1,70,203	94,397	9	348	Assam Saw Mills & Timber	Nil	3	..	3	2/44	2/56	2/50
1,18,00,000	54,61,855	98,34,917	67,73,791	53,69,644	7,978	8	391	Associated Battery	15	15	15	10	23/44	23/00	23/81
20,00,000	1,41,96,365	57,08,103	7,65,347	2,25,357	4,66,650	3	204	Associated Hotels of India P.	10	10	10	10	8/44	8/00	10/31
80,01,400	50,84,811	1,26,93,234	1,02,37,288	47,75,572	..	12	386	Balmer Lawrie & Co.	25	25	22½	100	235/00	233/00	248/00
12,00,000	5,56,579	15,08,889	7,13,214	14,18,987	..	3	128	Bararee Coke	Nil	15	15—20	10	22/69	22/12	20/87
44,00,000	..	9,27,823	68,58,981	2,87,091	50,926	9	160	Birds Investments P.	10	10	..	10	8/75	9/00	10/75
68,95,530	1,33,47,478	1,00,95,705	6,42,608	92,16,110	745	3	50	Britannia Biscuit P.	30	25	21—21*	10	37/62	37/62	42/25
3,25,00,000	92,71,518	2,59,58,217	1,52,24,566	2,20,29,077	23,545	12	33	British India Corporation P.	7	9	15	5	10/31	10/19	7/69
50,00,000	22,64,569	49,02,959	5,98,751	38,24,033	2,226	12	392	British Paints	15	10	15	10	22/50	22/75	19/94
5,00,000	6,83,781	1,65,739	1,54,429	2,63,717	5,201	3	213	Calcutta Silk Manufacturing P.	Nil	..	..	10	6/94	6/94	6/94
1,38,80,000	..	14,77,612	1,78,11,400	14,89,102	2,75,442	12	2	Clive Row Investment	7½	7½	8	10	8/34	8/40	8/75
1,08,00,000	27,30,517	1,26,67,000	2,75,14,550	41,14,029	22,124	12	169	Duncan Brothers & Co. P.	14	14	12	100	135/00	135/00	147/00
4,50,00,000	6,45,91,744	6,23,00,650	26,09,266	3,27,69,401	..	12	96	Dunlop Rubber Co. (India) P.	20	15	17½	10	34/06	34/56	27/00
27,56,355	1,31,99,222	1,76,30,095	24,30,790	1,00,50,837	12,604	3	116	Dyer Meakin (Breweries)	30	..	..	5	23/19	23/19	31/37
76,89,000	..	65,11,801	1,78,16,453	13,76,534	1,51,252	12	21	Eastern Investments P.	14	12	10	100	101/00	101/00	106/00
60,93,400	95,80,000	34,47,000	14,32,081	29,35,962	21,399	10	388	Electric Construction P.	10	10	10	10	13/81	13/44	12/50
30,00,000	28,94,555	27,25,508	19,90,852	15,65,118	2,10,371	3	51	French Motor Car	20	..	..	20	31/75	31/75	35/12
14,00,000	19,96,247	19,89,048	71,342	14,62,346	6,552	12	19	Ganges Rope	20	20	20	100	278/00	278/00	236/00
2,25,000	..	76,065	5,16,267	51,428	4,826	2	21	General Investment & Trust P.	5	5	5	75	43/00	43/00	43/00
65,00,000	31,77,135	58,42,190	1,57,85,100	30,47,005	15,471	3	105	Gillanders Arbuthnot & Co. P.	11	11	11	10	14/81	14/81	14/19
40,00,000	17,69,681	7,21,344	36,90,302	5,43,666	8,524	12	209	Gladstone Lyall & Co. P.	..	..	..	10	..	..	
40,00,000	32,95,341	35,10,500	91,044	34,34,324	2,446	12	310	Godfrey Phillips (India) P.	40	30	20	10	22/00	28/12	28/12
30,00,000	43,74,366	17,66,560	1,60,432	1,09,512	794	3	225	Great Eastern Hotel	6	..	..	250	252/00	236/00	225/00
5,99,15,000	12,12,97,991	1,57,327	36,27,386	4,65,783	—1,90,67,933	12	438	Hindustan Aluminium P.	Nil	Nil	Nil	10	12/69	12/56	12/81
8,07,66,250	8,43,03,252	3,24,89,610	4,52,97,214	3,50,00,432	3,043	3	22	Hindustan Motors P.	12	12½	11½	10	18/31	17/91	16/50
1,80,00,000	2,50,71,989	44,59,689	19,50,134	11,58,982	—12,90,310	10	..	Hindusthan Pilkington	12	Nil	Nil	10	13/75	13/50	15/81
39,88,550	86,39,248	Nil	1,22,648	—12,14,232	—11,50,824	3	211	Hindusthan Twyfords P.	Nil	Nil	Nil	10	13/75	13/75	14/06
30,20,000	23,35,537	16,00,000	24,48,098	8,91,968	86,500	12	294	Hoare Miller & Co.	5	..	..	10	5/50	5/50	5/50
15,16,00,000	8,60,23,900	10,67,60,544	1,25,08,131	4,46,29,511	8,29,429	3	325	Imperial Tobacco	9	9	8	10	8/81	9/00	10/12
6,00,44,460	13,31,09,732	5,02,72,274	1,30,56,534	3,74,31,246	4,12,610	12	293	Indian Aluminium P.	15	15½	17½	10	32/69	32/00	35/56
2,48,65,450	1,86,02,399	3,35,26,675	90,27,691	1,56,84,867	21,521	3	34	Indian Cable	22½	22½	22½	10	36/19	36/50	33/50
3,64,00,000	5,80,31,205	2,05,01,886	32,59,129	1,40,40,263	35,587	9	366	Indian Oxygen	15	12	12	10	24/62	23/75	27/00
8,27,970	8,82,919	12,42,783	10,99,551	12,01,372	53,791	3	223	Indian Rubber Manufacturers P.	30	36	..	10	21/75	21/75	19/87
20,00,000	3,08,827	29,55,665	1,44,979	17,93,931	3,056	9	88	Indian Wood Products	30	30	25	10	27/62	27/62	29/25
79,78,310	81,32,468	22,85,500	6,19,214	21,27,050	17,347	12	63	Isaac Holdens	Nil	Nil	5	10	11/56	11/50	14/75
5,00,000	..	3,15,956	11,39,628	1,17,622	12,910	2	21	Investments and Finance P.	7½	7½	7½	100	55/00	55/00	55/00
1,23,00,000	1,51,51,941	36,00,000	1,25,80,918	26,30,706	30,393	6	439	J. K. Synthetics	3	Nil	10	10	12/25	11/75	10/12
5,87,500C	2,28,843	Nil	5,88,281	—1,19,242	—1,18,804	12	281	James Wright P.	..	..	..	50	2/75	2/75	2/75
1,17,500D									..	..	..	1Dd	00/43	00/43	00/43
2,00,00,000	61,16,247	87,10,720	5,34,83,359	41,88,190	..	3	39	Jardine Henderson P.	7	6	7	100	75/00	75/00	85/50
1,09,33,290	2,45,94,981	72,53,990	9,89,540	36,94,613	41,622	12	22	Jay Shree Industries P.	12½	12½	10	10	14/37	14/31	16/00
1,99,94,325	8,77,31,151	4,34,03,080	55,33,798	1,07,12,489	26,969	3	22	Kesoram Industries P.	12	12	13	10	27/75	27/81	21/69
6,34,000C	3,17,363	6,02,958	8,21,617	—14,078	—4,849	3	133	Macfarlane & Co.	..	..	..	50	4/75	4/75	1/00
66,000Dd									..	..	..	1Dd	1/81	1/81	3/19
1,50,00,000	1,08,42,842	1,10,08,357	3,08,97,102	45,30,173	40,503	12	334	Macneill & Barry P.	8	7½	8½	100	95/00	95/00	93/50
1,47,12,250	69,29,198	1,38,23,546	2,13,42,011	91,60,378	1,289	9	309	Martin Burn Ltd. P.	27½	25	25	10	26/50	25/37	26/50
47,12,000	18,46,593	90,33,368	2,73,18,501	25,28,932	..	12	282	McLeod & Co P.	15	18	..	100	230/00	230/00	210/00
3,22,00,000	3,39,11,209	2,96,70,151	44,50,023	1,54,09,781	2,480	3	167	Metal Box Co. of India P.	25	19	18	10	29/69	30/94	46/50
1,35,00,000	90,71,426	1,24,32,234	6,55,304	62,89,944	38,785	3	7	National Insulated Cable P.	25	25	18	10	26/25	26/37	22/44
30,00,000	23,65,847	38,90,300	12,33,457	30,79,310	19,484	9	7	National Pipes & Tubes P.	20	20	20	10	28/25	28/12	24/69
40,00,006	34,43,104	43,03,065	14,39,946	30,01,359	10,564	6	7	National Rolling & Steel Ropes	15	15	15	10	21/62	21/56	20/50
50,00,000	68,13,665	21,55,713	14,06,275	22,44,262	58,629	12	375	National Rubber P.	6½	8	10	10	11/00	11/06	10/37
79,97,000	74,92,596	1,29,48,132	33,63,433	26,23,104	3,26,438	12	79	National Tobacco P.	7	7	8	10	11/25	11/19	11/63
23,31,600	1,014	13,02,891	9,90,509	6,26,956	40,375	12	35	New India Investment Corpn.	..	..	..	75	63/00	60/00	65/00

* 1964

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary Rs.	Net Block Accounts Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts Closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 26-8-64 Rs.	19-8-64 Rs.	A year ago Rs.
								MISCELLANEOUS (Contd.)							
60,00,000	6,27,241	59,20,402	91,23,845	14,28,049	24,342	12	321	Octavius Steel P.	7½	7½	..	100	..	..	..
2,30,00,000	2,57,91,597	1,13,85,086	37,59,800	1,65,57,208	43,297	12	364	Philips India	12	12	15	10	27/75	27/37	26/00
2,86,200	53,496	6,12,800	1,02,081	4,43,784	48,408	3	145	Publicity Society	75	75	50	4	25/06	25/00	22/62
3,25,00,000	1,04,34,519	67,80,570	1,53,00,153	73,34,623	5,962	8	332	Rallis India P	84	8½	10	100	123/00	123/00	113/00
6,00,00,000	7,93,37,818	3,87,81,885	1,16,91,228	1,22,07,255	4,305	8	335	Rontas Industries P.	10	8	9	10	11/44	11/75	11/50
94,27,380	5,55,68,835	Nil	14,04,497	6,80,253	37,513	9	72	Sirsilk P	..	..	..	10	7/00	6/94	8/94
1,35,00,000	2,41,71,538	86,99,991	20,94,175	11,62,162	4,301	9	376	Sen Raleigh Industries P.	8	8	Nil	10	13/69	13/69	14/50
75,00,000	96,97,751	69,54,952	1,85,84,497	58,21,689	3,55,748	12	278	Shaw Wallace P.	15	7½	12½	10	14/62	14/62	16/31
3,00,000	1,33,174	23,169	80,501	17,483	1,736	12	111	Spencers Hotel	2½	..	..	2	1/25	1/25	0/65
2,80,00,000	5,43,90,903	3,80,54,275	42,48,951	2,68,66,630	1,93,008	12	301	Union Carbide	18	12½	15	10	31/50	30/25	38/75
10,51,000	7,73,634	30,76,582	11,34,568	10,01,022	21,687	12	195	Walford Transport	30	30	27	10	2/97	3/00	3/62
								INSURANCE COMPANIES							
13,50,000	7,94,162	12,60,000	1,56,64,497	10,02,726	25,429	12	174	Concord of India	20	20	20	5	9/25	9/25	10/37
24,00,000	1,36,130	1,19,24,652	1,28,63,865	11,01,955	21,084	12	248	Hercules	26½	26½	26½	10	23/50	23/50	22/56
32,00,000	22,25,063	1,49,05,006	1,63,93,712	28,55,873	..	12	88	Ruby General	13½	15½	15½	8	11/25	11/25	9/19
6,00,000		21,82,[illegible]	92,80[illegible]	[illegible],993	12,241	12	..	Standard General	..	..	..	10	7/75	7/75	6/00
5,75,000	16,150	77,88,770	1,05,97,904	8,24,867	[illegible]	12	89	Triton	60	50	50	25	127/00	127/00	124/00
								FLOUR MILLS							
12,00,000	4,12,000	31,52,123	9,74,078	13,79,503	..	12	24	Bengal	25	25	30	10	33/87	33/87	29/00
5,60,000	6,51,040	2,47,038	2,17,808	1,05,473	1,26,880	10	97	Delhi P.	..	..	..	10	14/00	14/00	14/00
48,80,137	47,18,433	77,72,310	56,85,368	53,61,767	4,07,398	9	175	Ganesh P.	..	..	..	12½	12/56	13/00	13/19
9,00,000	4,40,285	4,52,302	17,475	4,58,269	1,45,883	12	236	Hooghly	Nil	Nil	5	10	19/75	19/75	19/75
5,00,000	2,81,809	8,41,748	1,08,638	3,16,243	8,262	11	236	United	10	7½	10	10	27/81	27/81	27/81
								OIL COMPANIES							
£2,900,001	£2,366,123	£1,875,442	£1,080,797	£1,537,436	£168,520	12	249	Attock Oil	13½	13 1/3	..	£1	sh 27/6	sh 29/3	sh 35/6
£94,002,159	£28,669,445	£26,020,826	£118,296,989	£24,063,315	£1,241,331	12	52	Burmah Oil P.	..	11½	12½	£1	sh 56/4½	sh 56/4½	sh 63/7½
1,00,00,000	63,60,473	1,10,69,746	3,07,80,407	52,60,638	1,79,343	12	249	Indo Burmah Petroleum P.	25	22½	17½	10	20/69	20/69	21/19
6,00,000	3,08,556	9,90,737	3,38,958	5,47,290	23,403	10	2	Tide Water Oil	35	35	35	10	35/50	35/50	27/12
								PAPER MILLS							
68,44,348	3,75,21,799	99,96,950	4,43,746	3,52,330	..	12	436	Bengal P	27½	20	20	10	26/44	26/31	26/06
38,20,000	1,16,27,906	90,40,934	1,10,010	40,85,122	28,615	3	2	India Paper Pulp	13	12	15	10	22/69	22/19	17/62
1,90,87,250	6,87,00,000	57,39,270	1,08,97,842	1,40,08,528	93,457	3	22	Orient Paper P	22½	22½	20	10	34/60	34/30	34/40
1,25,81,920	3,30,51,371	3,08,30,792	1,23,87,315	1,29,79,069	43,420	12	140	Shree Gopal Paper P.	17 6/7	17 6/7	18	10	25/50	24/75	22/25
2,73,19,050	4,28,25,108	94,29,176	63,90,889	2,93,680	1,08,791	6	22	Sirpur P	8½	8½	5	10	11/56	11/50	11/56
1,00,00,000									Nil	Nil	Nil	10	9/00	8/00	8/87
10,00,000A	4,04,77,968	8,52,085	2,98,345	34,96,055	10,37,344	9	86	Star Paper P.							
1,37,500PO									13	13	13	2½PO	3/37	3/37	3/87
3,00,000AO	4,87,90,174	3,15,32,295	20,74,443	—20,620	15,112	3	106	Titaghur P.	20	10	10	10AO	13/75	13/81	16/12
1,04,80BO									20	10	10	10BO	13/75	13/81	16/12
50,00,000O	4,95,97,051	65,00,000	1,73,752	58,44,196	17,196	6	373	West Coast P.	7½	..	..	100	164/00	164/00	125/00
								PRESSING COMPANY							
4,30,000	1,81,531	1,45,000	5,34,786	65,294	24,928	7	326	Camperdown	11	..	..	100	100/00	100/00	104/00
								REAL PROPERTY STORAGE							
10,00,000A												A50	1,250/00	1250/00	1,050/00
1,25,000B	14,69,599	8,53,120	3,54,870	1,24,262	8,212	6-10	73	Bengal Bonded Warehouse	8	8	9	B62½	125/00	125/00	135/00
2,00,000C												C10	186/00	186/00	122/00
25,000D												D12	45/00	45/00	14/15
1,42,150	11,68,346	6,23,135	33,823	81,259	3,142	3	6	Calcutta Safe Deposit	..	..	..	100	7/81	7/81	7/87
00,00,780O									..	..	..	10O	11/00	11/00	11/00
1,00,000D	19,85,088	9,01,590	13,43,272	3,61,779	1,33,593	9	132	Humayun Properties P.	..	..	..	1Do	2/10	2/10	2/15
79,90,000	8,080	Nil	13,10,942	—74,850	—19,01,272	4	4	Midnapore Zemindary P.	Nil	Nil-Nil*	Nil	85	32/50	32/00	10/37
								TRAMWAYS & STEAMER							
20,00,000	40,37,049	33,73,558	9,90,121	5,76,314	54,558	10	2	Bengal Assam Steamship P.	7½						
5,25,000	4,66,783	7,61,818	9,53,643	79,944	17,786	10	89	Calcutta Landing & Shipping	7½	10	10	100	106/00	106/00	135/00
12,50,000	47,23,178	14,01,984	1,02,898	63,719	—11,281	6	195	Calcutta Steam Navigation	Nil	22	6	10	21/00	21/00	34/00
£700,000	£2,889,537	£1,565,916	£315,682	£153,252	£2,006	12	18	Calcutta Tramways P	5	Nil	Nil	10	8/00	8/00	8/25
6,06,880	3,97,987	3,56,108	53,440	1,35,098	—635	3	139	Fraser & Co	..	5	5	£1	10/75	10/69	10/81
£655,587	£1,970,808	£432,854	£419,913	—£80,988	—£84,854	6	131	India General Nav & Railway P.	4,47,50,000	..	..	10	8/94	8/94	10/00
4,47,50,000	15,60,63,417	1,57,29,564	1,17,13,241	—30,02,498	..	3	291	India Steamship P.	Nil	Nil	Nil	10	34/50	34/50	45/00
14,06,220	13,34,804	74,870	7,951	—62,391	—4,09,486	12	..	Port Shipping	Nil	..	..	10	6/37	6/50	7/06
													17/06	15/25	14/44

BOMBAY COTTON MILLS

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

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 25-8-64	18-8-64	A year ago
Rs.	Spindles	Looms	Rs.	Rs.	Rs.	Rs.	Rs.							Rs	Rs.	Rs.	Rs.
40,00,000	48,652	1,016	1,28,56,156	46,70,828	20,69,878	10,39,741	26,620	..	269	Ahmedabad Advance P.	12	..	..	100	143/00	144/50	140/00
50,00,000	48,254	896	20,17,010	9,99,960	10,78,394	1,49,501	2,24,486	12	229	Apollo	Nil	..	..	2	1/78	1/70	1/92
40,00,000	41,135	980	43,32,511	11,42,781	4,76,501	1,42,728	..	3	350	Beharilal Ramcharan	Nil	..	..	100	137/00	137/00	79/00
2,50,98,000	2,03,942	4,911	5,87,37,535	3,82,76,018	47,87,842	62,56,837	67,586	12	199	Bombay Dyeing, etc.	14	14	..	25	60/00	59/90	60/00
10,00,000	35,052	848	32,07,778	34,59,612	5,45,173	10,89,180	1,37,996	3	262	Bradbury P.	25	..	..	50	162/50	162/50	139/50
1,27,75,700	1,18,296	2,760	4,98,32,541	1,26,81,469	25,80,077	30,66,350	9,53,042	12	22	Century	30	..	..	100	642/50	627/50	529/50
46,87,500	1,15,188	2,062	2,99,18,629	10,75,722	15,14,712	3,59,289	—40,19,762	6	269	Central India P.	Nil	Nil	Nil	100	96/50	90/50	111/00
26,00,000	24,916	719	37,34,829	32,52,434	1,01,653	1,46,029	1,28,751	3	68	Coorla	11	..	..	100	170/50	170/50	144/00
28,00,000	43,512	..	33,97,504	29,03,230	5,19,246	23,98,267	2,06,873	12	262	Dawn	30	..	..	50	167/50	171/00	290/00
34,00,000	49,164	920	74,35,701	43,13,002	1,86,928	—9,41,122	—9,38,834	12	260	Edward Textiles	9	6	..	200	300/00	292/50	95/00
2,98,63,675	47,700	886	1,36,80,735	56,02,280	2,57,709	10,62,512	12,247	12	69	Elphinstone P.	22	18	18	50	99/00	97/50	312/00
60,00,000	63,212	784	85,32,658	71,62,852	16,838	4,09,432	37,155	12	241	Finlay	23	..	..	100	305/00	307/00	156/50
39,04,700	77,966	..	19,75,309	43,25,176	23,64,706	12,85,523	85,195	12	56	Gokak	18	..	..	100	182/50	181/00	855/00
12,00,000	40,856	1,116	64,14,595	68,13,239	10,75,932	4,27,954	5,195	3	305	Hindoostan	50	..	..	250	901/25	901/25	22/72
2,00,00,000	2,48,870	6,498	4,41,45,022	3,84,70,022	31,82,629	1,32,22,197	5,89,816	12	15	India United	14	..	..	10	19/60	19/40	2/56
60,00,00,000											37½	..	..	1Dd	2/46	2/38	
9,00,000	47,824	1,202	75,60,490	61,57,161	4,26,274	..	..	3	305	Indian	25	..	..	250	840/00	840/00	761/25
50,00,000	50,074	1,426	74,72,293	26,00,000	26,71,578	4,58,532	8,880	12	103	Indore Malwa United	10	7½	..	100	211/00	210/00	195/00
59,85,000	65,260	1,514	1,07,21,545	82,79,165	25,00,707	16,87,297	38,751	6	149	Khatau Makanji P.	16	..	..	100	183/75	185/00	220/00
1,00,00,000	1,20,504	1,846	1,76,50,904	1,36,17,072	20,69,195	65,91,664	9,095	12	146	Kohinoor	18	18	21	100	337/50	326/25	308/50
89,50,000	49,880	1,369	1,72,98,220	72,37,399	5,89,295	—72,073	—18,72,653	12	83	Lakshmi Vishnu P.	6	Nil	3	100	90/00	90/00	90/50
51,75,000	71,652	1,620	2,44,04,458	78,75,201	1,68,667	33,39,748	..	6	104	Morarjee Goculdas P.	24	24	20	100	268/00	266/00	366/00
39,68,250	50,480	500	55,13,433	39,56,794	22,08,037	2,05,250	Nil	2	261	Mysore Spg & Mfg P.	14	..	..	50	38/25	38/50	48/00
24,00,000	45,944	432	23,52,760	7,45,700	10,79,000	15,67,753	8,436	12	..	New City of Bombay	Nil	..	..	100	188/75	188/75	156/25
30,00,000	46,884	1,029	22,27,098	25,72,444	27,32,568	12,48,697	153	12	..	New Great Eastern P.	12	..	..	100	160/00	160/00	201/00
48,00,000	54,244	728	53,94,222	35,02,899	1,54,21,523	21,027	27,380	12	119	Phoenix	20	..	..	100	255/00	256/00	217/00
10,00,000	9,520	277	13,17,804	2,78,222	9,963	3,22,456	—1,07,771	12	257	Sassoon & Alliance	Nil	..	..	10	10/36	10/36	11/00
80,60,000	96,488	2,127	2,80,93,686	1,62,43,024	12,70,360	41,26,788	673	12	339	Sassoon Spinning	20	10	20	10	38/00	37/75	46/50
60,48,000	49,840	1,258	1,19,42,498	50,19,415	1,34,242	32,70,817	9,856	3	379	Simplex	Nil	22	16	50	135/00	135/00	124/00
1,00,00,000	77,436	1,640	1,62,20,494	86,36,202	95,49,874	35,49,582	51,723	12	327	Shree Niwas P.	20	14	8–9*	50	257/00	255/00	229/50
1,00,00,000	65,040	2,000	1,96,83,714	1,42,81,829	24,73,107	35,08,617	8,176	12	269	Svadeshi P.	19	17	..	100	265/00	261/50	241/00
36,00,000	40,328	549	56,94,838	71,73,339	7,774	4,20,551	26,062	12	341	Swan	21 3/5	..	..	100	268/00	268/00	385/00
65,57,875	63,248	1,800	2,12,86,475	1,12,83,538	11,32,192	20,80,953	1,422	12	269	Tata	25	..	..	25	56/00	53/70	54/20
12,00,000	45,508	1,308	62,07,441	12,11,933	31,81,227	52,10,985	8,027	3	205	Western India	25	..	..	250	826/25	825/00	785/00

* 1964

BOMBAY MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including Taxation	Carry Forward	Accounts closed	Mg. Agents Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 25-8-64	18-8-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
								CEMENT							
19,06,68,750	28,49,18,158	12,76,85,523	5,86,09,994	5,14,17,628	68,243	7	66	Associated Cement	12	12	12	100	162/00	158/25	145/75
								ELECTRIC LTG POWER							
8,74,77,100	11,61,05,785	1,36,05,785	30,82,878	78,42,903	638			Ahmedabad Electricity	6	..	..	100	102/50	101/75	95/60
3,02,77,000	9,34,77,781	1,23,89,917	32,52,570	52,28,395	36,154	3	146	Andhra Valley Power P.	5	5	..	1000	1,192/50	1,110/00	1,067/50
1,75,00,000	3,95,16,553	1,21,07,263	17,22,888	39,87,421	3,370	3	267	Bombay Subarban Elec.	8½	8½	..	100	113/00	111/00	104/50
2,39,99,975	7,17,76,350	1,39,56,841	51,65,971	60,68,806	27,536	3	146	Tata Hydro Elec. Power P.	5	5	..	100	125/50	120/00	110/50
8,15,36,000	17,59,03,832	3,61,11,341	57,28,753	1,22,80,113	29,988	3	267	Tata Power P.	5	5	..	1000	1,267/50	1,192/50	1,115/00
								ENGINEERING & METAL							
33,42,200	17,06,292	44,16,374	1,54,08,311	5,79,666	1,35,820	12	268	Alcock Ashdown	22½	..	..	100	295/00	285/00	277/00
14,75,050	7,99,713	4,61,618	2,25,568	—24,763	—33,604	3	115	Jost's Engineering	10	10	Nil	50	47/00	47/00	59/50
1,65,00,000	1,36,83,136	1,15,74,779	1,09,19,945	48,29,564	11,978	3	351	Larsen & Toubro P.	18	14	14	10	23/20	21/88	22/80
11,00,000	1,03,70,225	3,45,914	..	..	1,016	7	283	Mckenzies	12	14	..	100	140/00	140/00	141/00
2,50,000O	5,834	1,00,53,052	1,79,52,042	3,35,178	59,102	12	284	Premier Construction P.	33 1/3	..	..	30O	195/00	191/00	138/50
1,31,250F												31F			
7,99,97,300	17,30,38,018	5,09,28,017	13,84,385	3,61,61,616	14,962	3	269	Tata Eng & Locomotive P.	14½	14½	14½	100	320/50	302/00	251/00
37,55,67,699	1,03,32,39,005	42,98,94,270	10,44,14,243	10,55,68,012	32,096	3	269	Tata Iron & Steel P	10.36	10.36	11	750	162/00	161/25	140/75
								INSURANCE COMPANIES							
20,00,000	..	23,84,913	95,96,033	4,24,629	1,18,606	12	297	British India General	..	..	..	10	12/52	12/52	12/20
18,74,940	25,01,134	2,88,61,155	2,61,49,442	38,951	4,65,316	12	55	Jupiter General P.	..	..	..	15	7/00	7/00	9/20
1,42,42,125	23,46,782	3,80,68,899	9,41,74,741	92,81,220	44,28,397	12	179	New India	38	..	38	15	45/50	45/50	62/70
15,99,270	..	29,41,860	59,86,789	6,05,803	3,81,242	12	255	Vulcan	20	..	20	10	16/24	16/24	17/24
								MISCELLANEOUS							
70,49,650	41,70,604	1,23,53,608	1,09,82,038	67,94,850	3,00,263	9	62	Belapur Sugar	50	..	58	50	226/00	224/00	185/50
1,83,50,000												25	56/20	55/90	60/00
84,00,000	3,34,19,072	2,76,00,447	1,67,73,491	1,13,92,935	2,25,985	5	285	Bombay Burmah Trading	33	33	33-1/5	20	42/25	42/50	45/50
8,24,36,000	6,05,91,322	4,82,83,719	47,53,662	4,30,51,407	..	12	91	Hindustan Lever	26	12	14	10	32/00	31/00	36/00
99,99,250	3,754	20,08,796	1,44,31,515	8,91,490	30,418	12	299	Industrial Invt Trust	6½	..	6½	100	76/80	76/80	73/00
11,99,900	13,82,967	7,84,142	14,05,223†	58,232	16,942	†	67	Kemp (Chemists)	12½	..	12½	200	263/75	263/75	260/00
4,41,12,100	7,40,36,031	2,03,71,166	27,33,067	1,69,61,608	4,41,151	12	352	National Rayon	..	..	22	100	386/50	377/50	317/50
12,27,98,680	25,25,08,055	11,58,24,547	11,18,89,983	48,75,907	3,82,649	(	198	Scindia Steam Navign.	8	8	8	20	16/12	15/72	11/80
21,00,000	47,55,927	61,15,000	3,17,297	—3,40,349	—23,63,858	11	146	Shivrajpur Synd	Nil	Nil	Nil	10	17/00	17/24	19/00
3,02,33,815	6,33,84,424	1,44,04,272	23,87,449	89,88,449	3,923	6	269	Tata Chemicals P.	6½	6½	10	10	19/40	18/92	16/00
1,05,05,475	2,21,88,319	1,25,42,386	47,75,468	50,73,815	1,187	3	269	Tata Oil P.	23	23	22	25	63/00	63/50	60/00
2,55,00,000	1,37,35,974	3,64,27,137	85,33,891	1,78,87,313	Nil	8	360	Voltas	14	14	14	100	268/00	258/50	237/50
2,75,00,000	2,77,62,199	2,98,63,675	1,60,81,755	1,16,48,391	44,408	12	274	Western India Match	16	16	16	100	241/50	240/00	238/50

SOUTH INDIA PLANTATION COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Acreage	Outturn and Average Price per kg/lb realised for crop		Net Profits	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1960	1961	1962	Paid-up per share	Latest Market Quotations as available until 25-8-64	18-8-64	A year ago
Rs.	Rs.	Rs.		Lbs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
6,75,000	16,06,067	1,50,000	1,992	7,996cwt	9.68	1,19,757	3	401	Amalgamated P.	10	..	..	10	10/01	10/01	10/36
8,50,000	12,57,795	5,72,253	878	1,12,000	1.48	70,011	12	402	Anandam P.	15	..	..	10	14/25	14/25	14/19
8,25,000	6,09,131	1,50,000	402	1,28,902	1.47cts	3,501	2	403	Athimattam	Nil	..	..	2	1/20	1/20	1/06
10,98,990	13,96,078	4,83,841	1,630	225 168†	4.34	4,11,298	3	287	Balanoor P.	15	12	..	10	11/32	12/12	11/30
3,00,000	3,94,072	2,05,000	319	1,07,785†	8.2	1,11,970	5	404	Balmacies P.	7½	5	Nil—5*	2	1/85	1/85	1/65
17,32,230	13,36,710	3,36,253	977	4,89,231	1.65cts	43,110	5	270	Be Be P.	Nil	..	..	5	2/35	2/35	2/03
64,00,000	1,23,45,152	25,11,425	1,329	8,53,764†	4.81	12,37,848	6	141	Blue Mountain	12½	10	10—10*	2	2/27	2/23	2/50
14,00,100	27,98,388	14,46,380	4,586	8,36,263†	3,15	6,16,055	3	210	Chembra Peak	20	20	20	2	4/77	4/77	4/33
36,91,270	48,15,737	19,60,914	8,050	11,05,303†	..	8,80,694	2	210	Cochin Malabar P.	17½	20	20—12*	3	6/51	6/43	5/86
82,50,000	39,31,709	30,58,661	2,710	19,48,320	..	8,71,249	6	405	Coffee Lands P.	6	..	..	10	16/75	16/75	14/65
71,55,000	1,15,74,494	63,44,278	7,001	60,81,120	..	25,60,562	6	406	Consolidated Coffee P.	20	..	..	10	23/55	23/55	17/35
6,66,730	21,85,500	13,90,424	411	4,52,382	2.25	56,592	9	203	Cooncoor P.	17½	15	17½-17½*	10	17/40	17/40	18/35
4,80,000	10,36,449	4,76,798	432	3,53,883	1.52	1,19,880	3	407	Coorg P.	20	..	..	2	4/85	4/85	5/15
6,00,000	11,82,508	2,17,761	1,026	1,57,785	1.47	46,942	3	12	Cottanad Plantation P.	10	..	..	10	9/30	9/30	9/31
6,00,000	9,89,831	4,80,155	345	3,25,310†	2.66	1,25,313	12	212	Devashola (Nilgiri)	20	..	..	10	30/65	30/65	24/39
6,74,650	9,14,944	3,31,040	450	1,38,386†	4.26	1,36,712	3	287	Devon P	15	12	..	10	11/00	11/96	11/96
7,50,000	3,38,852	1,26,500	197	1,12,936†	2.66	28,121	12	408	Emerald Valley	..	..	..	5	6/75	6/75	6/35
4,50,000	3,64,462	20,000	278	32,830	..	40,424	12	409	Goku	10	..	..	2	2/02	2/00	1/76
35,00,000	42,82,150	17,77,500	1,465	17,21,550	2.04	2,13,414	12	410	Haileyburia P.	15	..	..	10	12/85	12/85	11/25
11,85,700	28,02,058	10,77,705	1,528	9,59,804	1.67	3,60,461	2	402	Kailas	22½	..	..	2	6/46	6/40	5/60
6,00,000	11,83,359	8,86,159	465	2,92,200†	4.64	4,14,877	3	210	Kaisaa Tea Produce	20	25	..	2	4/25	4/25	4/15
27,17,076	27,90,278	9,40,446	741	4,46,673	5.17	5,88,691	10	210	Kil Kotagiri P.	25	25	..	2	5/15	5/15	5/65
5,00,000	9,11,259	1,21,604	267	305,757	2.31	96,485	12	203	Lucky Valley	10	10	..	10	11/75	11/75	11/55
15,50,000	17,31,286	4,85,241	1,691	6,70,174	1.48	2,09,136	3	411	Malankara	15	..	..	10	16/25	16/25	16/00
40,50,000	74,75,217	14,33,242	4,013	740,800†	4 47	13,89,961	3	270	Midland Rub & Prod P.	12½	12½	..	10	11/35	11/30	11/25
14,06,250	33,53,804	4,45,346	1,587	9,98,598	2.90	1,80,000	3	402	Nilgiri P.	8	..	..	10	9/00	9/00	9/55
23,10,000	24,28,291	11,02,621	1,057	7,29,105†	2.92	16,62,532	t	14	Nonsuch	20	20	20—20*	10	21/87	21/87	23/87
6,50,000	1,07,191	3,11,464	510	1,35,230†	..	1,41,776	3	210	Ossoor	15	..	..	2	2/72	2/77	3/38
19,45,980	34,53,676	25,53,533	1,498	4,77,573	4 84	6,27,924	10	210	Ouchterlony	13	12	..	2	3/20	3/15	4/40
14,88,960	27,02,359	17,22,983	579	4,13,064†	2.74	7,70,117	6	203	Parkside Neilgherry	27½	22½	27½—25*	10	25/25	25/25	25/82
17,00,000	27,36,576	12,82,318	1,563	10,83,565†	4.20	11,29,838	12	8	Peermade P	22½	25	..	10	20/62	20/50	20/90
6,00,000	1,90,316	4,35,530	1,167	1,83,268	1.50	1,65,244	2	259	Peninsular	20	..	..	10	21/25	21/25	20/70
97,94,880	78,72,019	20,68,711	2,074‡	23,46,900	3.88	13,16,964	3	210	Periakaramalai	13½	20	12½ 15*	2	3/43	3/43	3/55
13,50,000	48,44,469	13,58,959	952†	845,000†	3.16	8,05,161	6	270	Rajagiri Rub & Prod P.	20	20	20—21½*	10	22/10	22/10	18/60
2,00,000	3,14,567	1,53,963	711	3,320cwt	1.32	1,18,791	8	412	Rajendra P.	25	..	..	5	12/35	12/35	9/80
1,25,000	1,90,373	15,000	216	..	..	43,141	3	413	Swinton	12½	..	..	2	2/68	2/68	2/82
10,00,000	20,71,084	2,48,373	1,454	4,30,695	1.51	63,263	3	172	Teekoy P.	Nil	..	..	10	6/75	6/75	6/60
9,15,300	13,14,493	10,80,000	2,227	2,45,549†	3.76	1,27,943	9	210	Thirumbadi	7	12	..	1	1/71	1/71	1/96
6,00,000	8,51,402	46,742	1,307	2,23,794	3.21	80,950	12	414	Travancore Rubber	13	..	..	10	10/35	10/35	9/66
41,00,000	72,63,801	12,63,584	2,535‡	12,19,484†	..	10,61,172	12	9	Travancore Rub & Tea P.	9	10	10	10	8/68	8/75	9/00
80,00,000	23,48,701	1,36,000	3,028	6,38,402	1.00	2,02,762	12	271	Tropica Plantation	8	..	..	25	19/65	19/65	19/15
35,75,000	24,78,11	16,00,000	1,267	9,63,293	2.16	1,00,000	12	410	Twyfords	10	..	..	10	9/00	9/00	8/25
31,32,280	30,03,223	17,04,089	3,638	8,28,976†	5.11	12,85,658	3	250	United Nilgiri	21	22	..	10	23/10	23/10	21/75
8,80,010	9,26,838	2,82,051	952	4,94,400	1 50	2,20,096	12	115	Vaikundam	30	..	..	10	35/50	35/50	29/45
47,25,000	78,06,431	21,33,765†	2,214‡	13,41,277†	3.77	15,22,472	6	157	Watertall Estates P.	12½	10	10—10*	2	2/30	2/30	2/23
9,93,000	12,64,809	6,35,454	971	1,65,429	1.78	88,225	3	416	Woodland P.	10	..	..	10	6/90	6/90	7/85

‡ Hectares † Kgs. * 1963

SOUTH INDIA COTTON MILLS

Paid-up Capital Ordinary	Number on Spindles	Looms	Net Block Account	Reserve & other Funds Premium & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1960	1961	1962	Paid-up per share	Latest Market Quotations as available until 25-8-64	18-8-64	A year ago
Rs.			Rs	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
11,50,000	46,240	1,157	1,13,35,197	2,05,37,607	29,35,225	1,33 49,220	8,778	12	445	Bangalore W. C. Silk P.	10	18	18—24*	100	269/00	269/00	231/00
19,78,000	1,20,288	2,758	3,98,78,769	4,24,41,649	32,42,332	1,00,04,894	34,777	12	445	Buckingham & Carnatic P.	10	18	18—18*	100	275/50	274/50	264/00
30,00,000	28,000	..	22,72,375	31,406	36,302	1,68,513	42,421	12	433	Cambodia P	9	18	..	10	8/30	8/30	12/37
15,99,600	13,864	..	14,98,712	39,35,014	3,68,859	20,95,517	..	12	188	Coimbatore Cotton	12	..	..	100	151/00	151/00	167/00
10,76,900	2,832	407	47,91 212	7,98,681	22,227	—7,52 342	—10,23,340	†	46	Coimbatore Spg & Wvg.	..	16	₹	50	115/50	115/50	63/50
17,20,000	30,512	200	1,08,14,489	23,10,438	10,00,190	5,62,227	31,244	12	141	Kothari Textiles P.	10	₹	8-6*	10	8/40	8/40	9/30
16,50,000	1,10,800	—	2,04,58,691	1,02,72,660	64,27,750	66,04,914	25,194	3	186	Lakshmi	20	25	20*-20†	100	131/00	132/25	130/50
5,02,480	5,00,000	..	5,13,24,237	5,09 41,668	1,06,32,123	1,01 11,071	59,354	12	108	Madura	15	30	..	10	34/20	33/85	30/50
10,00,000	24,252	605	16,80,682	28,23,200	45,78,074	23,62,309	10,434	3	29	Mettur Industries	30	30	15—15*	15	193/15	193/15	202/75
4,00,000	20,137	Nil	1,36,608	6,00,000	24,24,908	1,39,437	2,687	12	30	Palani Andavar P.	..	..	..	10	234/00	234/00	276/00
11,00,000	48,974	270	43,85,330	43,50,000	11,97,728	16,77,243	91,696	12	47	Vasanta P.	20	..	..	100			

‡ Hectares † 1964 * 1963

SOUTH INDIA SUGAR MILLS

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

Paid-up Capital Ordinary Rs.	Net Block Account Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net profits Rs.	Carry forward Rs.	Accounts closed	Mg. Agts. Secretaries, etc.	NAMES	Dividends per cent 1960	1961	1962	Paid-up per share Rs.	Latest Market Quotations as available until 25-8-64 Rs.	18-8-64 Rs.	A year ago Rs.
30,00,00	62,64,264	26,55,000	5,52,400	10,92,779	22,959	9	417	Andhra P.	..	..	..	10	13/55	13/55	17/36
40,00,000	80,62,883	12,61,424	1,58,472	13,46,266	1,40,987	6	218	Cauvery P.	6	8	..	100	99/50	99/50	107/00
39,84,000	80,95,449	50,28,500	10,91,223	29,00,521	9,587	5	218	Deccan Sugar	25‡	12	18—18*	5	12/40	11/65	9/90
£1,127,700	£3,463,073	£2,075,782	£414,795	£648,473	£21,999	9	319	E.I.D -Parry	21 3/7	21 3/7	28 3/7	£1	35/75	35/35	38/50
63,97,650	39,62,680	15,44,848	64,64,375	12,35,437	69,501	9	418	Indian Sugar P.	14	10	8—8*	10	9/10	9/10	8/50
12,45,572	1,22,66,623	18,99,861	1,51,052	5,99,416	2,090	6	419	Jeypore P.	8	..	..	10	16/50	16/50	15/25
10,52,200	2,87,27,773	1,23,75,000	31,53,982	20,76,426	91,745	6	420	K C P.	..	..	..	10	24/00	24/00	23/90
79,98,000	1,40,86,784	Nil	3,14,482	—16,486	—1,26,762	6	141	Kothari	Nil	Nil	Nil—Nil*	10	6/60	6/60	6/90
21,79,280	69,98,950	1,19,98,416	46,28,924	1,22,390	4,559	6	264	Mysore	30	30	30—30*	10	28/33	28/33	47/75
30,00,000	35,93,381	11,41,000	10,12,037	4,88,902	1,46,735	4	218	Travancore P.	10	..	..	10	7/65	7/35	7/35
25,00,000	45,92,397	91,28,520	73,43,307	34,22,332	..	3	320	United Breweries	60	60	25—Nil*	10	33/00	33/00	35/00

*1963

SOUTH INDIA MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary Rs.	Net Block Account Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net profits Rs.	Carry forward Rs.	Accounts closed	Mg. Agts. Secretaries, etc.	NAMES	Dividends per cent 1960	1961	1962	Paid-up per share Rs.	Latest Market Quotations as available until 25-8-64 Rs.	18-8-64 Rs.	A year ago Rs.
1,00,00,000	86,99,116	39,83,750	10,36,603	19,80,945	1,52,818	3	421	Aluminium Industries	13	..	..	10	21/80	21/35	16/95
71,03,170	76,52,046	10,34,008	6,28,302	11,87,102	2,761	12	16	Andhra Cement P.	10	10	9*-9†	10	10/05	10/00	9/55
3,02,67,658	1,59,93,383	25,63,610	1,84,694	30,01,343	20,076	12	422	Ashok Leyland	8	..	..	5	6/80	6/65	7/25
1,00,00,000	17,47,081	49,33,435	2,75,867	19,86,813	4,39,222	12	423	Binny	12½	..	..	100	269/00	269/00	297/00
7,50,000	5,45,587	56,538	41,650	93,226	—1,46,143	12	270	Brunton & Co.	..	..	..	10	4/40	4/40	5/03
24,99,000	40,82,511	3,52,644	62,051	3,35,186	4,810	12	424	Enfield P.	5	..	..	10	10/15	10/00	9/00
2,24,44,750	3,21,08,642	66,66,496	73,60,475	51,28,679	1,38,608	3	425	India Cement P.	11	9	12	5	5/52	5/52	5/55
23,82,732	16,92,196	2,50,222	93,924	2,16,808	2,977	12	230	Indian Steel Rolling P.	..	..	..	10	10/10	10/12	11/00
1,40,00,000	1,39,97,059	37,48,801	36,09,251	29,82,180	11,631	3	253	Mettur Chemical Industries P.	12½	12½	13¾-18¾*	10	14/70	14/45	12/75
24,81,220	12,69,939	10,47,778	17,48,674	8,48,641	8,514	3	233	Mysore Chem. & Fert.	10	10	..	10	7/90	7/90	7/75
8,00,000	5,20,889	4,52,189	2,18,413	2,33,791	85,187	3	151	Mysore Chemical Mfgs. P.	20	..	..	10	16/70	16/70	17/75
6,56,250	5,13,585	9,38,696	6,374	1,23,899	3,146	3	426	Mysore Lamp P.	20	..	..	10	30/00	30/00	30/00
25,00,000	55,50,342	37,12,500	2,43,664	14,29,395	36,663	3	226	Mysore Paper	15	15	..	10	12/50	12/50	13/85
10,00,000	7,56,329	3,16,884	29,32,342	75,422	622	3	201	Mysore Tobacco	10	..	..	10	11/50	11/25	9/85
10,00,000	6,54,848	8,02,000	2,60,194	4,84,835	1,51,607	3	218	Parry's Conf.	30	..	..	1	2/97	2/90	3/25
40,00,000	82,50,079	1,03,14,883	40,58,627	23,52,432	10,74,117	6	221	Spencer (Provisions)	18	18	18	10	21/25	21/25	20/12
47,00,000	86,53,610	20,65,000	51,902	7,85,966	3,869	12	427	Standard Motors P.	9	..	..	10	10/15	10/00	11/62
11,58,300	5,95,547	14,04,007	16,66,624	4,19,707	41,732	9	7428	T Stanes P.	32½	..	..	10	30/25	30/50	29/05
39,84,460	42,58,650	13,07,759	26,027	6,92,616	932	4	429	Textool	15	..	..	100	152/00	152/00	154/00
2,50,00,000	4,24,61,684	2,14,79,630	72,21,483	85,33,091	50,510	7	430	Tube Investments	10	10	10-10*	100	185/00	185/00	208/00

†1964 *1963

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary Rs.	Gross Block Account Rs.	Reserve & other Funds Rs.	Net Earnings Rs.	Carry Forward Rs.	Accounts closed	Mg. Agts. Secretaries, etc.	NAMES	Dividends per cent 1960	1961	1962	Paid-up per share Rs.	Latest Market Quotations as available until 26-8-64 Rs.	19-8-64 Rs.	A year ago Rs.
17,24,000	18,02,732	12,576	—2,52,424	..	3	165	Ahmedpur Katwa	1.90	1.90	1.75	100	24/87	24/87	26/00
21,69,300	35,00,464	6,11,706	2,54,450	1,030	3	32	Arrah Sasaram	5	5	5—4*	100	31/62	31/62	27/00
34,00,000	35,33,840	21,816	—4,66,034	..	3	165	Bankura Damoodar	1.90	1.90	1.75	100	24/87	24/87	30/00
17,80,000	20,25,854	10,772	—3,07,176	..	3	165	Burdwan Cutwa	1.90	1.90	1.75	100	24/87	24/87	29/00
31,00,000	28,10,290	46,916	1,59,749	2,620	3	32	Chaparmukh-Silghat	2.90	2.90	2.80-2.40*	100	35/00	35/00	40/00
4,75,000	1,48,268	5,33,389	1,35,796	3,691	3	296	Cherra Chhatak Ropeway	9	12	12	5	4/62	4/62	5/75
2,47,650	2,28,169	59,790	42,389	4,003	3	101	Darjeeling Ropeway	..	..	..	10	8/50	8/50	9/12
40,00,000	49,60,137	14,51,000	19,14,361	35,951	3	335	Dehri Rohtas	17	20	15	10	11/19	11/19	13/94
11,49,700	16,09,728	2,500	26,271	806	3	32	Futwah Islampur	1.90	1.90	1.90-1.80*	100	28/70	28/70	28/70
16,00,000	49,11,910	12,56,213	1,82,293	6,372	3	32	Howrah Amta (P)	6	5	4½—4*	100	40/00	34/00	46/00
6,00,000	13,68,352	5,29,960	90,311	2,342	3	32	Howrah Sheakhala	6	5	4½—4*	100	36/50	36/50	45/00
5,91,100	11,74,348	15,024	73,560	160	3	165	Katakhal Lala Bazar	3.50	3.10	1.90	100	41/00	41/00	41/00
15,00,000	61,42,583	16,81,057	19,411	Nil	3	32	Shahdara (Delhi)	6	3	Nil-Nil*	100	52/00	52/00	52/00

*1963

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

1. Anderson Wright Ltd.—7, Wellesley Place, Calcutta.
2. Andrew Yule & Co., Ltd.—8, Clive Row, Calcutta.
3. S. N. Beri—6. Middle Road, Hastings, Calcutta
4. Hazareemull, Heeralall—148, Cotton Street, Calcutta.
5. Amritlal Ojha & Co., Ltd.—"Security House" Netaji Subhas Road, Calcutta.
6. Alcock, N. C.—Hulisdrof Mills, Colombo.
7. Associated Industrial Development Co (Private) Ltd.—"Nicco House", Hare Street, Calcutta-1.
8. Agarwala, S. L.—Indian Insurance Building, O'd Cantonment Road, Dehra-Dun.
9. Aspinwal & Co. (Travancore) Ltd.—Chavadi Parambu North Commercial Canal Road, Alleppy.
10. Aryan Planter Agency—P-12, Chowringhee Square, Calcutta.
11. Allum Bharucha & Co.—214, Hornby Road Bombay.
12. Associated Planters Private Ltd.—25, General Patters Road, Madras.
13. Antony, M. K —Alleppey
14. Harrison And Crossfield Ltd.—Cochin.
15. Agarwal & Co.—E. D Sassoon Building, Dougall Road, Ballard Estate, Bombay
16. V. Ramkrishna—Ramkrishna Bldgs., 38, Mount Road, Madras-6.
17. Amte & Co.—Hubli.
18. B. M. Krishan—Sri Jayachamaraja Wadiyar Road, Bangalore-2
19. Macneill and Barry Ltd.—2, Fairlie Place, Calcutta
20. Ojha Brothers Ltd.—Security House, Netaji Subhas Road Calcutta
21. Bird & Co (Private) Ltd.—Chartered Bank Buildings Calcutta
22. Birla Bros Private Ltd.—8, India Exchange Place Calcutta
23. Babulal & Co. Ltd.—13, Syed Salley Lane Calcutta.
24. Balmer Lawrie & Co., Ltd.—21, Netaji Subhas Road Calcutta.
25. British India Corporation Ltd.—Sutherland House Kanpur
26. R. L. Thompson—Agraharam Road, Bangalore-2
27. Bengal Textile Agency Ltd.—11, Clive Row Calcutta
28. Swadeshi Enterprises Ltd.—41, Chowringhee Road Calcutta.
29. Beardsell, W A & Co Private Ltd.—Second Line Beach, Madras.
30. Bhagvatakshmi & Co—Delhi Road, Udamalpet Dt Coimbotore
31. Rameshwar Tantia—1 & 2, Old Court House Street, Calcutta
32. Martin Burn Ltd.—12, Mission Row, Calcutta
33. K M Wilcox—Sutherland House, Kanpur
34. Sir John Brown—9, Hare St., Calcutta.
35. Ramdutt Ramkissendas—9, Brabourne Road Calcutta
36. Bajoria & Co.—27, Brabourne Road, Calcutta
37. Birla, L. N —8, Royal Exchange Place, Calcutta
38. Birla, B M —"India Exchange", Calcutta-1
39. John Valentine Jardine Paterson—4, Clive Row Calcutta
40. Bhargava, R. K —Mohalla Masjid Bagh Badshanagar
41. Biharilal Lahoty—161-1, Mahatma Gandhi Road, Calcutta.
42. W H Brady & Co., Ltd.—Brady House, 12.-14, Veer Nariman Road, Bombay-1
43. Brijlal Bilasvai & Co.—Aga Khan Buildings Dalal Street, Fort, Bombay.
44. Punam Chand Batia—19, Circular Garden Reach Road Calcutta.
45. Chakravarti Sons & Co.—22, Canning Street, Calcutta.
46. G L Purushotnam Naidu—24, Krishnaswamy Mudaliar Road Coimbatore.
47. Chetty R K S. & Bros.—Singanallur, Coimbatore-5
48. S. R Poddar—33, Netaji Subhas Road, Calcutta
49. Calcutta Agency Ltd.—24, Netaji Subhas Road, Calcutta
50. Chanda, A. P.—15 Taratola Road, Calcutta
51. Shoobridge, F. G.—234-3, Lower Circular Road, Calcutta
52. W E Eadle—175, West George Street, Glasgow C.2.
53. Cement Agencies (Private) Ltd.—121, Queen's Road Fort Bombay
54. Consolidated Elec Agencies—17B, Elphinstone Circus Fort Bombay
55. K S R Iyer—Imperial Bank Buildings Bank Street Fort Bombay.
56. Chinoy, B M & Co., Ltd —Radio House, Apollo Bunder Bombay.
57. Cumberbatch & Co.—Colombo.
58. Cowasjee Jehangir & Co., Ltd.—Ready Money Mansion, Churchgate Street, Fort, Bombay
59. N. K. Jalan—Kamini Chamber, 32, Nicol Road, Ballard Estate, Bombay.
60. Chandrie & Co., Ltd.—Madras.
61. Bagaria More Co., Ltd.—5, Clive Row, Calcutta.
62. Dayaram & Sons—9, Old Court House Street, Calcutta
63. Duncan Brothers & Co., Ltd.—31, Netaji Subhas Road, Calcutta.
64. Duff Thomas & Co.—2 and 3, Clive Row Calcutta
65. Dass Bros.—29, and 30, Strand Road, Calcutta
66. A. K. Das—15, Netaji Subhas Road, Calcutta
67. Day P. F—Anderson's House, Bishopsgate, London, E.C.2.
68. Hari Brothers Private Ltd.—Scindia House New Delhi.
69. Dadabhoy Sir M. B.—Kampte Road, Civil Lines, Nagpur
70. N. D. Bangur—14, Netaji Subhas Road, Calcutta.
71. B. C. Roy—Hindusthan Building, 4, Chittaranjan Avenue, Calcutta.
72. Duffs, J. C. & Co., Ltd.—National Bank Buildings, Netaji Subhas Road, Calcutta
73. C. C. Dey—25, Netaji Subhas Road, Calcutta
74. Davenport & Co. Private Ltd.—6, Church Lane, Calcutta
75. Desai, R. M.—14, Nicol Road, Ballard Estate, Fort, Bombay.
76. Dodwell & Co., Ltd.—Glennie Street, Slave Island Colombo
77. Darragh Small & Co., Ltd.—Alleppey.
78. Dadabhoy B A & Co.—Hacq House, Sir Phirozeshah Mehta Road, Bombay.
79. B. N Elias & Co. Private Ltd.—1 and 2, Old Court House Corner, Calcutta.
80. Eastern Corpn. Ltd.—7, Wellesley Place Calcutta
81. Ebeling, A F.—Rawalpindi.
82. Poddar, P. L.—135, Canning Street, Calcutta
83. Pratapsingh Mathuradas—9, Wallace Street Fort, Bombay
84. S B. Industrial Development Co., Ltd.—12, Old Court House Street, Calcutta.
85. A Firpo, Jr—18/2, Chowringhee, Calcutta.
86. Forbes, Forbes, Campbell Ltd.—Forbes Buildings, Home Street, Fort, Bombay.
87. S. V. S. Iyer—88C, Old Prabhadevi Road, Bombay-28
88. Gillanders Arbuthnot & Co., Ltd.—Clive Buildings, Netaji Subhas Road, Calcutta.
89. Gladstone Lyall & Co., Ltd.—4, Fairlie Place Calcutta
90. H. C. Bowker—"Victoria House", Calcutta.
91. P. L. Tandon—India House, Fort Street, Bombay
92. Govan Bros. (Rampur) Private Ltd.—4, Scindia House New Delhi.
93. Govan Bros Ltd —Malhotra Buildings, Queensway New Delhi
94. R. N Datta—93-A, Dharamtalla Street, Calcutta
95. Daga & Co., Ltd.—9, Royal Exchange Place Calcutta
96. M L. Bexon—57B, Free School Street, Calcutta-16
97. Govan, R G & Co.—Scindia House, Connaught Circus, New Delhi.
98. Turnbull R W.—P-4, Mission Row Extension Calcutta
99. Abinash Chandra Das—Jalpaigurl.
100. Guha, Nalini Kumar—18/11/1-B Raja Raj Ballav Street Calcutta
101. Purushottamlall—5, Clive Row, Calcutta
102. George, A V & Co., Ltd.—Ancherll Bank Bldgs., Kottayam, Travancore.
103. Kundila, G Seksaria—139, Meadow Street Fort Bombay
104. Gopikisan Piramal—Dr. Ambedkar Road Parel Bombay-12
105. John Whittion Easson—Gilliander House Netaji Subhas Road Calcutta.
106. F W Heilgers & Co (Private) Ltd.—Chartered Bank Buildings, Calcutta.
107. Howrah Trading Co., Ltd.—8, Dalhousie Square East Calcutta
108. A & F Harvey Ltd —Pandyan Building West Vell Street Madural.
109. Holmes Wilson & Co. Ltd.—"Stephen House' Calcutta
110. R G Khanna—Solan Brewary, Simla.
111. Hotel (Control) Private Ltd.—4 & 4/1, Wellesley Place Calcutta
112. Glass L O H —Bilbao House, 36, New Broad Street London E.C.2
113. B P Khaitan—14, Netaji Subhas Road, Calcutta
114. Harrison & Crossfield Ltd.—Calcutta.
115. I V Braddeley—The Great Social Buildings Sir Phirozeshah Mehta Road, Fort, Bombay.
116. K. G. Khanna—Solan Brewery (H.P.).
117. Hari Sons—Avlur (Cochin State).
118. Hormusjee Sons & Co.—605, Girgaum Road, Dhobi Talao, Bombay-2.
119. Ramnarayan Sons Ltd.—Bombay.
120. Industrial Financing Co.—63, College Street, Calcutta.
121. Imperial Chemical Industries (India) Private Ltd.—34, Chowringhee, Calcutta.
122. Indra Singh & Sons Private Ltd.—7, Wellesley Place Calcutta.
123. Hari Brothers Private Ltd.—Scindia House, New Delhi
124. R. Raja Rao—Honnawal Road, Shimoga
125. Iyer, I R. Anantharam & Bros. Ltd.—Pushpagiri, Trichur
126. N Sirur & Co. Private Ltd.—70, Forbes Street, Fort, Bombay.
127. J. P Hannay—2, Metcalfe St., Calcutta.
128. Jardine Henderson Ltd.—4, Clive Row, Calcutta
129. S. S. Bhimwal—7, Chowringhee Road, Calcutta
130. Jhajharia Bros. Ltd.—138, Harrison Road Calcutta.
131. Jain, N. K & Co. Ltd.—"Devashram", Arrah, Shahabad
132. J. K. Industries (Private) Ltd.—7, Council House Street, Calcutta
133. James & Co Ltd.—25, Netaji Subhas Road, Calcutta
134. Jute Industries Ltd.—4, Lyons Range, Calcutta
135. John, V. C.—Kottayam, Travancore State.
136. Jones, H. Edwin—Oriental Building, Bombay Elec House, Ahmedabad
137. John, Kurian—Kottayam, Travancore State.
138. Kettlewell Bullen & Co Ltd—21, Strand Road, Ca cutta
139. Kilburn & Co Private Ltd.—4, Fairlie Place, Calcutta
140. Karamchand Thapar & Bros. Private Ltd.—Thapar House, 25, Brabourne Road Calcutta-1
141. Kothari & Sons Agency Private Ltd.—Armenian Street, Madras
142. R. Suryanarayan Rao—Channapatna, Mysore State
143. S L. Dhanuka—P-15, Bentinck Street, Calcutta
144. Khaitan, D & Sons—14, Netaji Subhas Road, Calcutta
145. P. S. Nilkantan—1, Waterloo Street, Calcutta
146. Killick Industries Ltd.—Mome Street, Fort Bombay.
147. Kanga, R. D.—Electric House, Post Fort, Bombay.
148. Kurian John—Alleppey.
149. Khatau Makanji & Co.—6 Ballard Road Fort Bombay.
150. Killick, A. S.—2-6, 2nd Line Beach, Madras
151. S. Ramanathan—Chiekbanavar P.O., Bangalore Dt
152. Broken Hill Secretariat Ltd.—31, Dover Street, London E.C.2
153. Low H V & Co Private Ltd.—3, Synagogue Street Calcutta.
154. Lomas, J E. W.—19, St. Swithin's Lane, London E.C.4
155. Bharat Ram Bhagat & Co.—45, Tangra Road, Calcutta.
156. Hind Agents Ltd.—Indu House, 15, Dougall Rd. Ballard Estate Bombay.
157. Kothari Menta & Co Private Ltd.—Armenian Street Madras
158. Padampat Singhania—Kamala Tower, Kanpur.
159. Lala Gurusharan Lall—Guraru Dist., Gaya
160. Lovelock & Lewes—4, Lyons Range, Calcutta.
161. Lohia, D. D.—173, Harrison Road, Calcutta.
162. G E Solomon—Dare House, Parry's Corner, Madras
163. Mackinon Mackenzie & Co Private Ltd.—16 Strand Road, Calcuta
164. L R Anantaram Iyer & Bros Ltd.—Pushpagiri Trichur
165. McLeod & Co Ltd —8, Netaji Subhas Road Calcutta
166. Hindusthan Investment Corporation Ltd.—15, India Exchange Place, Calcutta.
167. B. Barker—Barlow House, 59C, Chowringhee Road Calcutta
168. Moona Lall & Sons—120/1, Civil Lines, Jhansi
169. K. P. Goenka—31, Netaji Subhas Road, Calcutta.
170. Marshalls (Direction) Private Ltd.—33/1, Netaji Subhas Road, Calcutta.
171. W. E Maiden—P.O. Lohat, Dist, Darbhanga
172. East India Agencies Private Ltd.—Palai Kerala State
173. Moulton G S & Co (India) Ltd.—11 and 12, Esplanade Mansions, Calcutta.
174. N. M. Cole—3, Clive Row, Calcutta.
175. Satya Narain Gupta—Subzimandi, Delhi.
176. Moton & Co.—Maung Pauley Street, Rangoon
177. H. B Marshall—1, Humayan Place, Calcutta.
178. Madura & Co. Ltd.—Cochin.
179. A. D. Shroff—New India Assurance Bldgs., Mahatma Gandhi Road, Fort, Bombay
180. Mafatlal Gagalbhai & Sons—Rustam Bldgs., 29, Churchgate Street, Fort, Bombay.
181. Murphy, C.—Rampart Row, Fort, Bombay.
182. Menta, Chunilal V. & Co. Ltd.—Queen's Mansions, Prescott Road, Bombay
183. Sir V. N. Chandavarkar—Standard Buildings Hornby Rd., Fort Bombay.
184. Mysore Industrial Development Co.—33 Gandhinagar Bangalore City
185. Mascarenhas B M.—Platform Road, Bangalore City.
186. Naidu, G. Kuppuswamy & Co.—Pappanaikenpalayam Coimbatore.
187. Best & Co. Ltd.—The Hyderabad Laminated Products Ltd., Secunderabad-3
188. R. Beema Naidu & Co.—Singanallur, Coimbatore.
189. Naidu, A. G. Guruswamy & Co.—Peelamedu, Coimbatore.
190. Naidu, P S Govindaswami & Sons—Coimbatore
191. H Roychowdhuri—18, Convent Road, Entally, Calcutta
192. B. D Agarwalla—Stephen House, 4, Dalhousie Square, Calcutta.
193. Kesarmal Manocha—529/1, Hall Bagh, Amritsar.
194. G. V Swaika—"Pollock House", 12B, Brabourne Road Calcutta.
195. A. Maiti—71, Park Street, Calcutta.
196. Srinivasan, S. D.—7, Council House Street, Calcutta
197. Narainclas Lachmandas Ltd.—Raipurwa Kanpur
198. Dharamsey M. Khatau—Scindia House, Daugall Road, Ballard Estate, Bombay.
199. Nowrosjee Wadia & Sons (Private) Ltd.—Neville House, Ballard Estate, Bombay
200. Doodanwala & Sons—5, Muktaram Babu Street, Calcutta-7
201. R. Arunachalam—17, Richmond Road, Bangalore-1
202. Octavius Steel & Co., Ltd.—14, Old Court House Street, Calcutta
203. Matheson Bosanquet & Company Ltd.—Belmount, Coonoor Nilgiris.
204. Oberoi Hotels (India) Private Ltd.—17, Chowringhee, Calcutta
205. Oakley Bowden & Co. Ltd.—15, Armenian Street, Madras.
206. Ogale Glass Works Ltd.—43, Gandhinagar, Bangalore City
207. Deepchand Kishenlal—25, Netaji Subhas Road, Calcutta
208. Indian Textile Syndicate Ltd.—Kanpur.
209. E R Elliot Lockhart—4, Fairlie Place, Calcutta
210. Peirce Leslie & Co., Ltd.—8/222, Beach Road, Calcutta, Kerala
211. B L. Somany—2, Wellesley Place, Calcutta
212. P G Krishna Iyer—Mount Pleasant, Coonoor Nilgiris.
213. Poddar, K N.—37, Vivekananda Road, Calcutta.
214. James Warren & Co., Ltd.—21, Chowringhee Road Calcutta.
215. Parkins Ltd—Kottalam.
216. Parkin, O. & Co.—26, Apollo Street, Fort, Bombay
217. L. C. Kanol—P-8, Mission Row Extension, Calcutta.
218. Parry & Co., Ltd.—Dare House, Parry's Corner, Madras
219. India Sugar Agencies Ltd.—Mangalore.
220. Price, R. G N.—National Bank Bldgs., Madras.
221. Z R. Irani—1/153, Mount Road, Madras.
222. Chrestien Mica Industries Ltd.—4, Lyons Range Calcutta.
223. R. N. Agarwala—4, Lyons Range, Calcutta
224. Lohia Brothers Ltd.—138, Canning Street Calcutta.
225. Roy, B. K.—1, 2 and 3, Old Court House Street, Calcutta.
226. M D Shivananjappa—Kampegowda Road, Bangalore 9.
227. W Morrice—41, Chowringhee Road, Calcutta-16.
228. Ramnarain, Sons Ltd.—Bank Street, Fort Bombay
229. Rajputna Textile (Agencies) Ltd.—Delisle Road Chenchpoka Bombay.
230. Rajam C.—Oriental Bldgs., Armenian Street, Madras.

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

231. Ramamurthy, A.—Ravakhada (Orissa), Koraput Dist.
232. Ratnams Ltd.—Pugalur, Trichinopoly.
233. T. Shamanna—1129, Vani Vilasa Road, Mysore.
234. Bangur Bros. Ltd.—14, Netaji Subhas Road Calcutta.
235. Soorajmull Nagarmull—8, Dalhousie Square East, Calcutta.
236. Shaw Wallace & Co., Ltd.—4/5, Bankshall Street, Calcutta.
237. Srivastava, J. P. & Sons—Kanpur.
238. Bharat Ram Charat Ram & Co. Private Ltd.—Bara Hindu Rao, Delhi.
239. A. R. Kalairaja Chettiar—Coimbatore.
240. A. K. T. K. M. Narayanan Nambootiripad—Kallai Malabar.
241. Singh, Ranjit—Lucknow.
242. N. L. Roy & Co.—9, Royal Exchange Place, Calcutta.
243. Shyamlal Agarwal—9, Dalhousie Sq. East, Calcutta
244. Sovaram Keshavdeo—15, Netaji Subhas Road, Calcutta
245. Dr. B. N. Ghose—6, Ganesh Avenue, Calcutta-13.
246. Sundaren, S.—Indian Mercantile Chambers, Nicol Road, Bombay.
247. Singhania Padampat—Kamala Tower, Kanpur
248. E. K. Srinivasan—16, Hare Street, Calcutta.
249. Steel Bros. & Co., Ltd.—Gillanders House, Netaji Subhas Road, Calcutta.
250. T. Stanes & Co.—Coimbatore.
251. Southern India Plantations Agency Ltd.—Coonoor
252. Saha, Banubullav—18/11/1B, Raja Raj Ballav Street Calcutta.
253. R. B. Pradhan—Empire House, 214, Hornby Road, Bombay
254. Sindia, M. Ramchandra Rao—3rd Road, Chamarajpet, Bangalore City.
255. Setalvad, J. C.—73, Oppo. Churchgate Station Fort, Bombay.
256. Scindia Steam Navigation Co., Ltd.—Ballard Estate, Bombay.
257. Ramnath A. Podar—Podar Chambers, Parsee Bazar St., Fort, Bombay.
258. Swedish Match Co.—Nicol Road, Ballard Estate, Bombay
259. S. Ramashramony Aiyer—Trivandrum.
260. Purannal Bubha Sons—Indu House, Dougall Road, Ballard Estate, Bombay.
261. N. Sirur & Co. Private Ltd.—70, Forbes Street Fort, Bombay.
262. Ramnarayan Sons Ltd.—Bank Street, Fort, Bombay.
263. Seshasayee Bros. Private Ltd.—Mettur Dam, R.S.
264. V. Venugopal Naidu—Sir Jayachamaraja Wadiyar Road, Bangalore-2.
265. Shree Hanuman Invt. Co. Ltd.—173, Harrison Road, Calcutta.
266. Talukdar, B. S.—Amlasadarpur, Nadia, West Bengal.
267. Tata Hydro-Elec. Agency, Ltd.—34, Bruce Street, Bombay.
268. Turner Morrison & Co., Ltd.—6, Lyons Range, Calcutta.
269. Tata Industries Private Ltd.—Bombay House, Bruce Street, Fort, Bombay.
270. Thomas, A. V. & Co., Ltd.—Alleppey.
271. Thomas, P. T.—Kottayam, S. India.
272. Thomas, M. K. & Co., Ltd.—Trivandrum.
273. Tayabjee, O. S.—159, Gunfoundry Rd., Hyderabad (Deccan).
274. A. Hydari and S. Gothberg—Indian Mercantile Chambers, Nicol Road, Ballard Estate, Bombay.
275. United Eastern Agencies—Bombay House, Bruce Street, Fort, Bombay.
276. United Agencies Ltd.—Punalur.
277. Villiers Private Ltd.—F-3, Clive Buildings Calcutta.
278. S. M. Smith—4, Bankshall St., Calcutta.
279. Williamson Magor & Co., Ltd.—4, Mangoe Lane, Calcutta.
280. Whitman, M). M. C.—Mayo Road, Rawalpindi.
281. N. K. Jhajharia—22, Chittaranjan Avenue, Calcutta.
282. C. Hockley—3, Netaji Subhas Road, Calcutta.
283. P. R. Jhunjhunwala—Sewrie, Bombay-15.
284. Walchand & Co., Ltd.—Ballard Estate, Fort Bombay.
285. Wallace & Co.—9, Wallace Street, Bombay.
286. Wilkinson, A.—117/119, Esplanade Road Bombay.
287. Young India Agencies Private Ltd.—175/1, Mount Road, Madras-2.
288. Dass Group Private Ltd.—29, Strand Road, Calcutta.
289. B. L. Mathur—4, Clive Row, Calcutta-1.
290. K. S. Basu—63, Netaji Subhas Road, Calcutta.
291. Lionel Edwards (Private) Ltd.—21, Old Court House Street, Calcutta.
292. R. N. Jhunjhunwalla & Co., Ltd.—9, Ezra Street, Calcutta
293. A. J. Zulliq—31, Chowringhee Road, Calcutta.
294. R. L. Rampuria—5, Fairlie Place, Calcutta.
295. Premnath & Sons, Ltd.—New Delhi.
296. S. N. Tantia—1 & 2, Old Court House Corner, Calcutta
297. F. H. Menta—Mehta House, Apollo Street, Bombay.
298. L. S. Vaidyananthan—Oriental Buildings, Bombay.
299. Kishore M. Premchand—61, Apollo Street, Fort, Bombay
300. North Bihar Trading Co. (Private) Ltd.—11, Brabourne Road, Calcutta.
301. J. W. L. Russell—1 & 3, Brabourne Road Calcutta-1.
302. Mitra Mondal—Khatauli, Dt. Muzaffarnagar.
303. G. S. Shroff—2, Hardinge Avenue, New Delhi
304. James Finlay & Co., Ltd.—2, Netaji Subhas Road, Calcutta.
305. Thakersey Mooljee & Co.—18, Apollo Street, Fort, Bombay
306. Jatia Brothers Ltd.—21, Rupchand Roy Street, Calcutta.
307. Bhatter's Agency Ltd.—18, Netaji Subhas Road Calcutta.
308. The Hyderabad Constructions Co., Ltd.—Kothagudium Collieries, Singareni, P.O., Deccan.
309. T. Leslie Martin—12, Mission Row, Calcutta.
310. D. S. Barron—Chakala, Andheri P.O., Bombay
311. Pyne & Sons—23A, Netaji Subhas Road, Calcutta
312. Ram Kumar Agarwalla & Sons—4, Lyons Range, Calcutta.
313. Bullion Co., Ltd.—7, Canning Street, Calcutta
314. Brooke Bond India Ltd.—2, Metcalfe Street, Calcutta.
315. Anderson Wright (Ramgarh) Ltd.—7, Wellesley Place Calcutta
316. The Cotton Agents Private Ltd.—14, Radha Bazar Lane Calcutta-1.
317. Bird & Co. (Pakistan) Ltd.—Narayangani.
318. Shree Krishna Investment Co. Ltd.—1-B, Halwasiya Road, Calcutta.
319. B. V. R. Iengar—Dare House, Parry's Corner, Madras.
320. F. W. J. Penn—32, Grant Road, Bangalore-1.
321. B. Ghosh—14, Old Court House Street, Calcutta
322 Messrs. Tata Sons Ltd.—New India Assurance Buildings Mahatma Gandhi Road Fort, Bombay-1.
323. Anderson Wright & Co.—7, Wellesley Place, Calcutta.
324. Indo Corporation Private Ltd.—5, Swinhoe Street, Calcutta-19
325. Brian Granger Pearson—Virginia House, 37 Chowringhee, Calcutta.
326. B. L. Pyne—14, India Exchange Place, Calcutta.
327. Marwar Textiles (Agency) Ltd.—Waudby Road Fort, Bombay-1.
328. John Taylor & Sons (India) Ltd.—Mysore Gorgram South India.
329 Sri G. D. Bhagat—15, Shib Thakur Lane, Calcutta
330. Mahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.
331. N. L. Roy & Sons—Canning Street, Calcutta.
332. A. D. Mango—16, Hare Street Calcutta.
333. Mungturam Jaipuria—Swadeshi House, Civil Lines Kanpur.
334. H. Mackay Tallack—2, Fairlie Place, Calcutta.
335. Sahu Jain Ltd.—11, Clive Row, Calcutta.
336. Tulsidas Killachand—Scindia House, Dougall Road Bombay
337. Beriwala & Co.—63, Netaji Subhas Road, Calcutta.
338. D. R. Sons Ltd.—Hornby Road, Fort, Bombay
339. M. G. Investment Corpn. Ltd.—Mafatlal House, Backbay Reclamation, Bombay-1.
341. N. L. Kanoria—India Exchange, Calcutta-1.
342. O. N. Chatterjee—2, Royal Exchange Place, Calcutta.
343. Indra Singh—135, Canning Street, Calcutta-1.
344. V. J. Pilani—Victoria Bunder, Colaba.
345. The National Tea Corporation—130, Cotton Street Calcutta
346. Seshasayee Brothers (Travancore) Ltd., —Eloor Factory, Alwaye.
347. Tantia Brothers Private Ltd.—1 & 2, Old Court House Corner, Calcutta.
347. M. D. Jatan—62, Ballygunge Circular Road, Calcutta-19
349. Seth Sohanlal Murarka—19, Circular Garden Reach, Calcutta-23.
350. K. Agarwal—Empire House, Dr. Dadaboy Naoroji Road Fort, Bombay.
351. L. & T. (Management) Private Ltd.—I. C. House, Dougall Road, Ballard Estate, Bombay.
352. Chinai And Co. Private Ltd.—Sadhana Rayon House, Dr. Dadabhai Naoroji Road, Bombay-1.
353 N. K. Jhajnaria—14, Netaji Subhas Road, Calcutta
354 L. C. Kanor—P-8, Mission Row Extension, Calcutta.
355. T. R. Jalan—16, Strand Road, Calcutta.
356. R. Bajoria—10, Clive Row, Calcutta.
357. A. K. Jain—11, Clive Row, Calcutta
358. I. P. Goenka—14, Old Court House Street, Calcutta-1.
359. G. D. Kothari—15, India Exchange Place, Calcutta.
360. R. E. S. Faiyarkhan—Volkart Building, 19, Graham Road, Bombay-1.
361. N. K. Bose—85, Netaji Subhas Road, Calcutta
362. Dalmia Agencies Private Ltd.—Rajgangpur (Orissa).
363. C. L. Nahata—14, Old Court House Street, Calcutta.
364 W. A. C. H. Bosschaart—7, Justice Chandra Madhab Road, Calcutta-20.
365. S. L. Dhanuka & P. L. Dhanuka—5, Mission Row Calcutta.
366. A. K. Sen—48/1, Diamond Harbour Road, Calcutta-27.
367. Lakshmipat Singhania—7, Council House Street Calcutta
368 Kalyanji Mavji & Company—14, Netaji Subhas Road, Calcutta.
369. P. L. Batla—7, Canning Street, Calcutta
370. Pannalal Saraogi—8, Lyons Range, Calcutta-1.
371. G. L. Saraogi—56, Sir Harisam Goenka Street, Calcutta-7.
372. H. K. Newar—9, Brabourne Road, Calcutta.
373. C. L. Maheswari—Shreeniwas House, Waudby Road, Fort, Bombay
374. Talukdar Law & Co. Private Ltd.—4, Chittaranjan Avenue Calcutta-13.
375. K. N. Mookerjee—Leslie House, 19, Chowringhee Calcutta-13.
376. K. D. Ganguli—Mercantile Building, Lalbazar Calcutta.
377. K. C. Dass & B. Maitra—35, Panditia Road, Calcutta-20.
378. R. N. Goenka—18-A, Brabourne Road, Calcutta.
379. S. R. Damani—30, Clerk Road, Bombay-11.
380. British India Corporation Ltd.—Sutherland House, Kanpur.
381. A. K. Jain—Dalmianagar, Bihar.
382. B. P. Kedia—7, Wellesley Place, Calcutta-1.
383. W. H. G. Baird—9, Brabourne Road, Calcutta
384. Punam Chand Batia—19, Circular Garden Reach Road Calcutta-23.
385. G. P. Kanoria—5, Clive Row, Calcutta.
386. D. N. Jalan—McLeod House, 3, Netaji Subhas Road, Calcutta
387. Shibendra Sankar Sarbadhyaksha—Jalpaiguri
388. A. V. Birla—9, Kaliprasanna Singhee Road, Calcutta-2
389. British India Corporation Ltd.—Kanpur
390. T. Ratan—16/3, Chowringhee Road, Calcutta-13.
391. R. M. Cox—59C, Chowringhee Road, Calcutta-20.
392. R. A. Godwin—32, Chowringhee Road, Calcutta-16.
393 Khatau M. Shethia—14, Netaji Subhas Road, Calcutta-1
394. B. M. Birla—India Exchange, Calcutta-1
396. D. Manson—21, Netaji Subhas Road, Calcutta
397. N. M. Bhuwalka—135, Canning Street, Calcutta
398. Hoare Miller & Co., Ltd.—5, Fairlie Place Calcutta.
399. B. Patnaik & Co. Private Ltd.—P.O. Chowdwar Cuttack
400. R. K. Kanoria—9, Brabourne Road, Calcutta-1
401. K. V. Venkitasubramoney Iyer—Seetagundy Estate, Sitharkunda P.O., Palghat Dist. Kerala State
402. A. V. George & Co., Ltd.—Ancheril Bank Buildings, Post Box 1, Kottayam, Kerala State.
403. Mathew Sebastian—Thodupuzha, Kerala State
404. Planting Agencies Private Ltd.—Oriental Buildings, Armenian Street, Madras-1
405. The Consolidated Coffee Estates (1943) Ltd.—Pollibetta Coorg
406. C. I. Machia—Pollibetta, S. Coorg.
407. Srinivas Agencies—Coimbatore-2.
408. K. N. Krishna Iyer—22, Royapettah High Road Madras-14.
409. Yong India Agencies Pvt. Ltd.—Monbarna Bldgs. K. K. Road, Kottayam (Kerala State)
410. Parkins Private Ltd.—Kottayam.
411. Johnsons Estates & Agenies (Private) Ltd.—Malankara Bldgs., Kodimatha, Kottayam Kerala.
412. Associated Planters (Pvt.) Ltd.—25, General Patters Road, Madras-2
413. J. R. Motishaw—Mercantile Bank Building, 16, First Line Beach, Madras-1.
414. K. V. Mathew—Kottayam, Kerala State.
415. K. Ramachandran—Patton Palace, P.O. Trivandrum-4
416. N. Kunjukrishna Pillai—T. C. 6/750, Patton Palace, P.O. Trivandrum-4.
417. Rango Rao & Co.—Venkatarayapuram, Tanuku, West Godavari Dist., Andhra Pradesh.
418. The India Sugar Agencies Private Ltd.—139 Meadows Street, Fort, Bombay-1.
419. R. S. Industrial Corporation Private Ltd.—Rayagada, Koraput Dist., Orissa State
420. V. Ramakrishna Sons (Private) Ltd.—38 Mount Road, Madras-6.
421. Seshasayee Brothers (Travancore) Pvt. Ltd.—1, Ceramic Factory Road, Kundala (Kerala)
422. Sir A. Ramaswamy Mudaliar—Ennore, Madras.
423. P. J. M. Leigh—7, Armenian Street, Madras-1.
424. K. R. Sundaram Iyer—Tiruvottiyur, Madras-19
425. Essen Private Ltd.—175/1, Mount Road, Madras-2
426. J. L. D'sa—Old Furnkur Road, Malleswaram Bangalore-12
427. The Standard Motor Co. (India) Pvt. Ltd.—29 Mount Road Madras-2.
428. E. H. Stanes—6/33, Race Course Road, Coimbatore-1.
429 Balasundaram & Co.—Satyamangalam Road, Ganapathy P.O., Coimbatore-6.
430. A. M. M. Arunachalam—52/53, Jehangir Street Madras-1.
431. J. M. Parsons—2, Fairlie Place, Calcutta-1
432. Mahabir, S. J. B. Rana—1, Humayan Place, Calcutta.
433. G. N. Sam & Co.—Senthottam, Sowripalyam P.O. Coimbatore-4.
434. G. Kejriwal—Rajgangpur, Dist. Sundergarh Orissa State
435. D. L. Ghosh & Co. (Agents) Private Ltd.—11, Government Place East, Calcutta
436 N. D. Bangur—14, Netaji Subhas Road Calcutta.
437. R. N. Bhotika—4, Old Court House St., Calcutta.
438. Birla Gwalior Private Ltd.—Industry House, 159, Churchgate Reclamation, Bombay-1.
439. R. S. Baipai—Kamala Tower, Kanpur.
440. R. L. Jatia—9, Brabourne Road, Calcutta-1
441. S. K. Agarwalla—24, Netaji Subhas Road Calcutta-1
442. S. P. Bhoumick—17, 18 & 19, Old Court House Street, Calcutta
443. Madan Mohan Lall Shri Ram Ltd.—D.C.M. Premises Bara Hindi Rao, Delh-6.
444. T. R. Jalan—2, Brabourne Road, Calcutta-1
445. A. D. Galloway—7, Armenian Street, Madras-1
446. Talukdar Law & Co. Private Ltd.—Hindusthan Bldg., Calcutta-13
447. Pran Prashad—Chartered Bank Bldgs.,

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Lynx Machinery
Madhya Pradesh Industries
Mahalakshmi Mills
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TOKYO MEETING: A BRAVE NEW ROLE FOR I.M.F.

THIS year's Fund-Bank meeting, to be held in Tokyo next week, could prove to be the most important since the war, particularly so far as it concerns the development of the International Monetary Fund. Such a statement is not intended to imply that any decision more significant than that existing quotas be increased, is likely to be made in the meeting. This was presaged some time ago, and it is doubtful whether action on the questions facing the Fund, as distinct from various analyses of them, will go further for the time being. The main point to recognise, however, is that the move to increase quotas is in the nature of a rearguard action, a gesture on the part of those who still counsel orthodoxy, towards those who are urging that the Fund be immediately transformed into something more suited to dealing with the world's growing liquidity problems. There is still considerable resistance to overcome before any such transformation can take place, in particular among the creditor members of the "Paris Club" group of ten countries, and it may be some years yet before this is reduced to the point where radical reform can be undertaken. But the writing is on the wall. The need for action to improve international liquidity is becoming increasingly recognised, and the key rôle which the I.M.F. must play is now widely accepted. Thus, despite the probable avoidance of any really radical decisions at Tokyo this year, the meeting could go down in history as marking the watershed between the growing movement for progress and reform in world liquidity matters, and the still entrenched forces of reaction.

Compared with those of the I.M.F., this year's annual deliberations on the World Bank's affairs promise little of lasting significance. Under its new President, Mr. George Woods, the Bank is feeling its way into new fields of international lending and will, no doubt, go on doing so. This is all very satisfactory, and is unlikely to encounter much unfavourable criticism in Tokyo. It is still too early to visualise the future work of the Bank developing along any other lines, at least under its present organisational set-up. Yet changes may be on the way for the Bank too, although so far they appear on the horizon as no larger than a man's hand. For instance, there is a clear need to link any ambitious scheme for improving world liquidity with the problem of expanding development aid. And what better institution could be employed for doing this than the World Bank? But such development is a long way ahead, although it would be surprising if Mr. Woods does not already have it firmly in the forefront of his plans for the future.

It has been obvious for some years now that if international trade is to expand at the rate required to ensure continued prosperity in the developed world and rapid economic growth in the underdeveloped, a large and sustained increase in world liquidity is unavoidable. Among the various ways in which this could be secured, a revaluation of the prevailing gold price has already been firmly ruled out by the United States. The alternative, therefore, is an expansion of the world's credit supply. This has in fact been taking place steadily over the past few years, but through a series of makeshift expediencies which cannot hope permanently to answer the need. At present this is where opinions differ. For instance, a number of important nations still take the view that present facilities are adequate, and that any increase would only encourage world inflation and reckless national housekeeping. There is some substance in this somewhat spartan approach to the problem, but it is difficult to accept it as anything but an example of "sour grapes" thinking evoked by the fact that perhaps the first main beneficiaries of any improved system of world liquidity would be Britain and the United States. Some European countries, France in particular, are unable to forget that when their own need for credit facilities to bolster up flagging balances of payments was at its greatest, the United States, then at its peak as the world's creditor, was reluctant to offer anything other than stern advice and a measure of aid for which the recipients were expected to be duly grateful. It will be many years before this is forgotten in some corners of Europe.

There is nothing to suggest, however, that once having made their point, the opponents of change will not eventually yield to reason provided they are given sufficient time. This is what appears to be happening at the moment; even among the most intractable members of the Paris Club the truth is beginning to dawn that current arrangements cannot be expected to work indefinitely. The present bewildering range of "swap" and "co-operation" facilities has filled a difficult gap between the dethronement of the dollar as the world's most suitable reserve currency, and the provision of an adequate alternative. But this stop-gap system cannot be expected to go on expanding at the pace required to accommodate world trade; besides, it takes no account of the growing needs of the underdeveloped countries. The conversion of the United States to this point of view some time ago was the beginning of wisdom. Since then opinion has gradually been changing under the impact of various suggestions for reform such as the Triffin and the Baruch plans. There can be no denying that international opinion on monetary matters has not yet travelled anywhere near as far as the acceptance of these blueprints would require. But that time may not now be too far away.

Probably the main advocate of reform in Tokyo this year will be Britain. That country has been increasingly active in recent years in pushing world monetary opinion towards changes. The motives are not at all unselfish. Sterling is the most favoured international currency after the dollar, yet the vulnerability of the British domestic economy continues to restrict the scope of the pound, and this is once again giving cause for anxiety. Britain's balance of payments is now moving sharply into deficit, and the impact on the sterling area's reserves, the facilities available to support the pound, is at present cushioned only by the increased earnings of other members. When this factor ceases to operate, as it is expected to do in the fairly near future, the drain on the

reserves can possibly be sustained only if Britain is able to draw on credit from international sources. It is highly unlikely that the swap facilities available will be sufficient to bridge what is hoped will be a temporary gap, but which might persist for at least a couple of years, and the only alternative—now that the United States is no longer in a position to perform the kind of operation which helped Italy back on its feet some months ago—is resort to the I.M.F. This appears disarmingly simple. But it must be remembered that the rules which cover borrowing from that source can often have inconvenient consequences for the borrower's internal economy.

The current plight of Britain highlights the inadequacies of the I.M.F., given its present organisation, as a source of increased international liquidity. There is reason to believe that the main reason why Britain's balance of payments is moving so rapidly into deficit is that bouts of internal restraint stretching back over the past 12 years have so discouraged modern, cost-saving investment in Britain's economy, that her goods are now no longer competitive in world markets. The remedy, or so it is maintained, would be to follow a sustained programme of economic growth which would eventually secure the modernisation of British industry. Yet the application of the I.M.F. rules would lead only to another period of economic stagnation such as has proved so damaging in the past. There is every reason to believe such rules will not be applied with full vigour. Nevertheless, they remain as a distinct threat to Britain's continued prosperity and a persistent discouragement to any other country which might find itself in a similar position.

The discipline which usually goes with I.M.F. borrowing can be especially irksome to an underdeveloped country, for whom continued economic growth might be a matter of political life and death. That is why so many recent plans for increasing world liquidity have been linked to the provision of development aid. The one proposed by Mr. Maxwell Stamp is perhaps the most ambitious, but that put forward recently by the Japanese economist, Mr. Kojima, is undoubtedly the most ingenious. What such plans chiefly have in common is the provision that increases in world liquidity should first be made available to the underdeveloped countries, perhaps through allocation by the World Bank, who would then put them into circulation by using them for payment against development goods. The idea is sound enough; indeed, it involves nothing more novel than what is already embodied in many existing international aid plans. What it would do, however, is ease the strain which these so often impose on donor countries' balances of payments. Fears that it would also inevitably lead to over-ambitious and inflationary schemes among the recipient countries themselves are probably beside the point; there is no evidence that the lack of it at present results in any excessive caution.

So the opportunities facing the I.M.F. in the future are both far-reaching and challenging. There is still considerable opposition to overcome, although, fortunately, and contrary to what was feared when he was appointed, the Fund's new Director, M. Paul-Pierre Schweitzer, appears to have been among the first to grasp that things cannot remain permanently as they are. It is to be hoped that new ideas concerning the Fund's future rôle will receive a thorough airing in Tokyo. It is important that world opinion be alerted as soon as possible to the problems which lie ahead. Progress must of necessity be slow. But it will be quicker if discussion is rapidly lifted beyond the circle of a few academic economists, to the realm of the practical administrator who will be called upon to put any new schemes into operation. This year's meeting in Tokyo could be the start of that important process.

BONUS DECISION UNREALISTIC

IF the Bonus Commission's recommendations were utterly lacking in economic realism, the Government of India's decision on them is by no means an improvement. The old anomalies and inconsistencies remain, although in a somewhat attenuated form. Obviously political expediency has got the better of economic common sense and the Commission's manifestly untenable recommendations have been accepted, though with some modifications. But this is not to say that the Government's move has in any way served to placate labour since its representatives have, predictably enough, reacted to it strongly. The communist leader, Mr. Dange, now foresees "a wave of disputes and strikes". In fact, bonus has been one of the most prolific causes of industrial disputes, and it appears that it will continue to be so in spite of the Government's misdirected attempt to purchase peace.

The modifications made by the Government are mainly three. Firstly, all direct taxes and fiscal concessions to industry, including the surtax and the development rebate, will be taken into account in determining the "available surplus" out of which bonus will be distributed. But strangely enough, industry's legitimate claim for rehabilitation has been ignored. This is a vital need since rehabilitation and modernisation are indispensable for industrial growth. After frittering away 60 percent of the available surplus on distributing bonus, the balance will be too small to take care of the needs of modernisation and expansion—particularly when replacement costs are soaring—and the several other purposes for which corporate reserves are absolutely necessary.

The second modification relates to the rate of return on capital to be allowed as a prior charge in calculating the available surplus. This will be (a) the actual rate payable in the case of preference capital and (b) 8.5 percent on the paid-up equity capital and 6 percent on reserves, as against 7 percent and 4 percent respectively, recommended by the Bonus Commission. In the case of banks, the rate will be only 7.5 percent and 5 percent respectively. These are just small mercies which do not go far enough. It is difficult to see how the liberalised rate of return accords with the current trends in the capital market. When even preference capital cannot be raised by offering less than 9 percent and interest rates are going up, it is unrealistic in the extreme to suggest that risk capital be remunerated at 8.5 percent. Indeed, the Government itself is expecting a return of 10 percent on some of its investments in the public sector. Equity investment will become unattractive for investors in these circumstances. The third modification, however, has some merit in that it will help lessen the inflationary impact of the bonuses. The Government has decided that beyond a certain maximum, bonus should be paid in the form of securities and not in cash; the nature and extent of such investment is to be decided by negotiations or t partite discussions.

From the above modifications it is clear that while a small attempt has been made to accommodate the employers' point of view, the incongruities implicit in the Bonus Commission's proposals still remain. The Commission's stand that bonus is "sharing by the workers in the prosperity of the concern in which they are employed" does not quite hitch in with its recommendation to distribute a minimum bonus of 4 percent of the total basic wages and dearness allowance or Rs. 40 (whichever is higher) even in years when a concern suffers losses. The incidence of a minimum bonus will be particularly hard on labour-intensive industries like plantations. In the case of the tea industry, for instance, the minimum bonus will severely hit many of the marginal gardens, which are not necessarily small in size. Particularly in Darjeeling and Cachar districts, there is a danger of some gardens having to close down in the cold weather in order to save on labour costs. The tea industry has hitherto been distributing a percentage of profits as bonus, but to compel it to pay bonus even when it makes no profit will greatly hamper the export drive—something which the country can ill afford in view of the industry's position as a major foreign exchange earner. The Government, in fact, had assured the industry that it would be consulted before a decision is taken in the matter, but this has obviously not been done. As it is, the bonus formula will throw a heavy burden on many tea companies since they are under-capitalised on paper. It will work unfairly as between one company and another and as between one labour force and another.

There is considerable substance in the contention of Mr. N. H. Tata, president of the Employers' Federation of India, that in accepting the recommendation on minimum bonus, a straight increase in wages has been given to all industrial workers, something which could be done only if justified by the wage boards, which have been specifically set up for this purpose in various industries. Mr. Tata rightly says that it is inappropriate to grant a straight increase in wages and call it bonus after having defined it as a share in profits. It is obvious that the bonus decision will seriously affect corporate development by diverting the greater part of companies' resources for immediate consumption by workers. In particular, it will hurt those industries whose products are subject to price control. In the case of others, the bonus costs may be made up through an increase in prices, but this will tell on the cost of living and the competitive strength of their products. Furthermore, the distribution of large sums of money for immediate consumption by labour will add to the pressure on prices.

PROTECTION TO DYESTUFFS

THE Indian dyestuff industry has been enjoying protection for the last nine years and it has made substantial progress during this period. There were only eight units producing dyes in 1954 when the industry first came under protection, but now there are 21 units in the organised sector, and some 120 small-scale units. The total capacity of the industry, which was 2,022 tonnes in 1954, rose to 13,625 tonnes in 1962, and the figure for 1964 is placed around 21,300 tonnes. In this, the share of the protected sector in 1964 is mentioned at 12,496 tonnes. Between 1954 and 1964, the capacity of the organised sector increased from 2,022 tonnes to 9,584 tonnes. The growth of the small-scale industry seems to be more remarkable: its capacity was reported to be negligible in 1954, but it rose to 3,979 tonnes in 1962 and shot up further to 11,722 tonnes in 1964. The big rise in the capacity of the small-scale sector during 1962 and 1964 is not due to emergence of new units. The data relating to the period before 1962 had been unreliable and it was only in 1962 that the Directorate of Small Industries conducted a proper survey of the capacity in this sector.

The production of dyestuffs during the last decade has shown a steady rise from a mere 674 tonnes in 1953 to 7,104 tonnes in 1961 and 8,689 tonnes in 1963. Of the total production in 1963, protected dyes accounted for 4,520 tonnes, and non-protected dyes for 4,169 tonnes. Production in the small-scale sector, which was negligible in 1954, increased to 1,427 tonnes in 1961 and 3,055 tonnes in 1963, while production in the organised sector rose from 674 tonnes in 1953 to 5,677 tonnes in 1961 and 5,634 tonnes in 1964. These figures indicate that whereas the utilisation of installed capacity in 1963 was around 60 percent in the organised sector, the figure for the small-scale units was much lower around 26 percent. The large volume of idle capacity in the small-scale sector is presumably attributable to the difficulties which the smaller units have to face in securing raw material supplies.

The production of dyestuffs has, no doubt, increased by more than ten times during the last nine years and the industry has also started production of some intermediates. The quality of the indigenous product is, by and large, considered satisfactory. However, most of the intermediates and many varieties of dyes still continue to be imported. With the increasing domestic demand for dyes and the slow progress in the sphere of manufacture of intermediates, the dyestuff industry has still a long way to go to achieve self-sufficiency. Since protection granted to the industry is due to expire at the end of the current year, the Tariff Commission has been asked to examine whether protection should be continued beyond 31st December, 1964. All sections of the industry have pleaded for continuing protection for many more years. Manufacturers have argued that when the dyestuff industry is protected even in such advanced countries as the U.S.A. and the U.K., the need for protection to the infant industry in this country is very strong.

The Tariff Commission's public enquiry commenced on 28th August. After reviewing the progress of the industry since 1954, the chairman, Mr. M. P. Pai, stated that since the dyestuff industry occupied an important place in the whole organic chemical industry, its growth would not only contribute to strengthening of the national economy, but would also help in the technical progress of the organic chemical industries as a whole. The enquiry that the Commission is now conducting will be a comprehensive one. It will cover all the four categories of the protected dyes and the seven categories of non-protected dyes. In addition, the Commission will examine the question of granting protection to two intermediates, namely, beta amino anthraquinone and benzanthrone. Mr. Pai has urged that for further development, the dyestuff industry should concentrate on the enhancement of its productive efficiency and quality control, production of intermediates, technical research for new dyes and coordinated growth. He also asked the industry to ensure that its products reached consumers readily and at reasonable prices. Referring to future expansion, the Tariff Commission chairman said that expansion licences had been granted to existing units for a total capacity of 6,022 tonnes. Apart from this, four new units in the organised sector had been licensed with a capacity of 602 tonnes. The small-scale sector has also been granted a capacity of 1,266 tonnes. The total capacity for the fourth plan would be around 29,000 tonnes.

Mr. Pai felt that the licensed capacity might well exceed the projected demand. The consumption of dyestuffs which was 11,688 tonnes in 1961, declined to 11,276 tonnes in 1962 and still further to 10,629 tonnes in 1963. Manufacturers attributed the decline to the shift in demand in favour of better dyes which were lighter in weight and pointed out that it was erroneous to estimate demand in terms of tonnes. They also criticised the Government's import policy as erratic. They suggest a progressive import ban as more and more items are manufactured within the country. The representatives of the small-scale manufacturers have urged that in future no unit should be licensed in their sector without the consent of the Directorate of Small Industries.

Current News and Comment

State Loans Fully Subscribed

As was to be expected, the response to the State Government loans floated last week was good. Thirteen State Governments received subscriptions amounting to Rs. 109.70 crores for the 4.75 percent 1976 loans offered for a total amount of Rs. 100 crores. The States are entitled to keep subscriptions equivalent to 10 percent in excess of the notified amounts. Five State loans were over-subscribed and their lists closed on the very first day. The rest were fully subscribed within the scheduled time.

Support has largely come from commercial banks, the State Bank of India and the Life Insurance Corporation. Semi-Government agencies like port trusts, the State Financial Corporations and apex co-operative banks have also extended substantial support. Five of the 13 States offered conversion facilities. Conversion subscriptions have amounted to Rs. 3.87 crores, against outstanding maturities for Rs. 20.96 crores. Conversion applications for the Maharashtra loan has amounted to Rs. 1.07 crores, against outstanding maturities for Rs. 5.86 crores; for the Uttar Pradesh loan to Rs. 1.02 crores, against outstanding maturities for Rs. 5.82 crores; for the Madras loan to Rs. 1.09 crores, against outstanding maturities for Rs. 5.25 crores; for the Madhya Pradesh loan to Rs. 21 lakhs, against outstanding maturities for Rs. 2.03 crores; and for the West Bengal loan to Rs. 48 lakhs, against outstanding maturities for Rs. 2 crores.

Although the total size of the loans is fairly heavy, it does not seem to have strained the money market overmuch. After rising sharply when the lists opened, the call rate has now slipped back. The absorption of the loans by the money market was facilitated by the return of large funds to the banking system during the current slack season. Deposits of scheduled banks have risen by Rs. 212.11 crores to Rs. 2,720.02 crores since the beginning of the present slack season.

Despite the good response to the loans, there was some amount of persuasion and pressure by various State Government to secure subscriptions. As a result, most of the new loans are being dealt in at discounts ranging from 10 paise in the case of the Maharashtra loan issued at par to Rs. 1.50 in the case of the loans issued at Rs. 90.50. The market expects that the selling pressure will increase in the coming weeks. But commercial banks and the Life Insurance Corporation are believed to be keen on buying these loans at a discount. The banking community is eager to invest in Government securities for two reasons. Firstly, the increased liquidity requirements have to be complied with by the middle of September. Secondly, Government securities provide a suitable outlet for the large volume of funds flowing into banks during the slack season.

Failure of Food Planning

The F.I.C.C.I. conference on agricultural development and economic progress, held last week in New Delhi, provided a forum for the exchange of views between the Government and the Federation's representatives, on some of the pressing economic problems of the day, especially those relating to food production and prices. The Central Food Minister, Mr. Subramaniam, who inaugurated the conference, differed sharply with Mr. S. L. Kirloskar, vice-president of the Federation, about the basic causes of the current rise in food prices. While the latter attributed them to such factors as the rapid increase in population, rising incomes and standards of living, redistribution of income through fiscal devices and the high level of public expenditure, the former was of the view that the hoarding and manipulations of unscrupulous traders were entirely responsible for the crisis, "aided and abetted by substantial sums of unaccounted money." The Food Minister gave examples of countries where the State has already taken a firm control over the food distribution arrangement. In Japan, the Government is a monopoly trader in rice. In Australia, the Wheat Board handles the trade in wheat, while in the United States, the Commodity Credits Corporation plays an important rôle in stabilising market prices. Therefore, the Government of India is justified in stepping into the trade in order to ensure an adequate supply of food at reasonable prices. The Food Minister also declared that the newly created foodgrains trading corporation would have sufficient resources to give advances to cultivators to help increase their output and at the same time it will bind them to sell their produce to the Corporation only. Also, it would be invested with sufficient powers to acquire stocks from wholesale traders at declared prices.

Whatever may be the justification for the Government to take these measures, there is no denying the fact that the serious increase in food prices in recent months is basically due to a fundamental lack of balance between food supply and demand. Mr. Kirloskar was right in criticising economic planning for its failure to raise food production in the country in step with the growing demand. In spite of 13 years of planning, the country has made no worthwhile progress in agriculture; in fact, food production over the past few years has stagnated. Moreover, the Government's zonal distribution policies, by hampering the free movement of foodgrains, have aggravated the shortage, especially in deficit States. Mr Kirloskar criticised the administrative restrictions which prevent the free flow of foodgrains even within the zones themselves. Mr. Subramanian has already taken some steps to modify the system, but there are still many defects which stand in the way of greater mobility of supplies. As Mr. Kirloskar pointed out, without adequate supplies, it would be impossible to stabilise prices, and the supplies can increase only when there is greater production.

The present agricultural policy of the Government has not produced the desired result as priorities have been mixed up. The relative importance of alternative solutions has not been carefully weighed, with the result that disaproportionate attention is being given to matters having less immediate relevance to the basic problem. For example, land reforms, community development and *panchayati raj* may be socially necessary measures, but their contribution to increasing food production has not been very significant. On the other hand, such physical factors as irrigation, fertilisers, soil conservation and waterlogging are not being given the attention due to them. Mr. Kirloskar suggested that the Government should now concentrate on these latter to get quicker results. Return from these is directly measurable, and it is possible to plan farm production with a higher degree of accuracy on the basis of these factors. The Government is no doubt trying to expand the irrigation acreage, but there is reason to suspect that it is not being done on economic considerations alone. A significant question, which Mr. Kirloskar asked in this context, is whether the distribution of water has been done on the basis of maximising output. He wondered whether water supply had not been more thinly spread so as to include wider areas under irrigation.

Fertiliser consumption in the country is low too—about 3 lbs an acre, that is, about 1 percent of what Japan consumes. The production target of 1 million tons set under the third plan has no chance of being achieved. It might at best be 600,000 tons by the end of 1965-66. Considering that a ton of fertilisers produces nearly ten times as much of foodgrains, steps should be taken to increase the output of the farmer as fast as it can be done. A better balance in the crop pattern also needs to be secured. This will not be possible as long as the Government's policy is guided by short-term considerations only. Mr. Kirloskar suggested that a more comprehensive policy should be formulated to achieve a consistent pattern of cropping. Such a policy should be realistic and be based on the needs of agriculture; above all, it must provide enough incentive for the farmer to produce more. From this point of view, farming needs to be treated as an industry, not in the sense of being capital-intensive, but as Mr. Kirloskar emphasised, a form of enterprise which would be "ruled by the spirit of entrepreneurship and the motive to make the maximum gain from the available resources."

Housing under the Fourth Plan

In fixing the targets for various sectors under the fourth plan, the Planning Commission is paying some attention to housing. But the report of the working group it recently appointed to study the question in detail makes dismal reading. According to the expert body, there is little prospect of the acute housing shortage being removed during the fourth plan period even if the total outlay for housing, as recommended by the group, is ultimately accepted. By the end of the third plan, the country's requirement—taking into account the backlog of the second plan—is estimated at 8 million houses. But since the net addition during the period is not likely to exceed 1.5 million houses, the net shortage at the beginning of the fourth plan is estimated at 6.5 million houses. This suggests that the fourth plan housing target should be fixed still higher; but the gap between promise and performance being what it is under the third plan, the working group is obviously unwilling to fix an unrealistic target The additional fourth plan requirement of houses, the working group has estimated, is 12 million, against the target envisaged by it at 7,150,000 houses. Even on a conservative estimate, the country will, therefore, have a shortage of 10 million houses at the end of the fourth plan. This is undoubtedly a desperate situation, especially since food, clothing and housing constitute the bare necessities for living, le

lone decent living. But considering the various difficulties in fixing an ambitious target, the working group has recommended an investment of Rs. 700 crores for housing schemes under the fourth plan. Time alone can show whether it is realistic in assuming that the Life Insurance Corporation will contribute Rs. 150 crores and the provident funds Rs. 100 crores in fulfilling this target.

As it is, housing schemes have been retarded, not only by the shortage of money but also by the lack of materials. The country is facing an acute shortage of cement which has held up the progress of many essential projects in both private and public sectors. The shortage of building materials has led to high prices, although the planners have assured the prospective house-builders from time to time that the price of bricks would be reduced by more than 75 percent if mechanical brick plants are installed in various parts of the country. But little or nothing has been done to fulfil that promise. So the growing population of the country faces an acute housing shortage, which has encouraged rack renting, growth of slums and overcrowding and insanitary conditions in much of the urban areas. Unfortunately, the Government has failed to take adequate steps to prevent any of these developments. Nor has it taken any positive steps to promote housing co-operatives for middle-class people and to develop new areas to house the growing population. The shortage of building materials apart, the assistance from the L.I.C. and the provident funds is difficult to obtain, mainly because of the procedural formalities involved in getting the money in time.

In spite of the lip-service paid by the planners to rural housing from time to time, the progress in this sphere, to all intents and purposes, has been disappointing. The working group has calculated that of the 12 million houses required under the fourth plan, 4 million will be needed in the urban areas and 8 million in the villages. In addition, there is a large deficit from the previous plans to be made up in both urban and rural areas. The working group visualises that investment in the private sector is expected to rise to Rs. 1,870 crores in the fourth plan from Rs. 1,350 crores in the third. But it is not difficult to foresee that much of the investment planned in both private and public sectors under the fourth plan will be confined to urban areas, leaving little for the rural sector which has all along been the cinderella in official housing programmes.

I.F.C. to Relax Curbs on Loanee Firms

The chairman of Industrial Finance Corporation has assured the committee of the Indian Merchants Chamber during the course of his informal discussions in Bombay last week that the provision prohibiting the loanee concerns from declaring a dividend of more than 8 percent without the prior consent of the Corporation will be soon modified. He agreed with the president of the Chamber, Mr. Dhirajlal Maganlal, that looking to the needs of the capital market, the present limit was low. Mr. Baksi added that the provision was "a historical legacy and out of tune with reality." But he was quick to point out that while the Corporation was planning to relax this provision, it could not open the door wide for dividends. Referring to various other points raised at the meeting, Mr. Baksi said that it was not possible for the Corporation to reduce the rate of interest on its loans.

The Corporation borrowed at a rate of 5 percent, and it could not afford to charge less than 7½ percent if it were to stay in business. As for the suggestion that the Corporation should play a more dynamic rôle in the country's industrialisation by taking a more active interest in the underwriting of public issues and direct subscription to such issues—the total assistance by the Corporation on these two counts so far adds up to no more than Rs. 9.48 crores—the I.F.C. chairman pointed out that it was doing its bit. The Corporation could only afford a measure of help as it could not undertake the risk of locking up funds in underwriting business. It had after all to operate with borrowed funds. Moreover, there were other Government-sponsored institutions which were engaged in underwriting operations.

Further massive underwriting could affect the voting rights of promoters very considerably. In any case, there could be no substitute for a good entrepreneur and promoter. He urged that the companies should give greater importance to equity capital and not rely much on preference capital. Mr. Baksi dispelled apprehensions that the setting up of the Industrial Development Bank would in any way adversely affect the status and functions of the Industrial Finance Corporation. On the contrary, the Corporation's link with the Bank would open up interesting possibilities, and the interests of the industrial community would be served much better. Mr. Baksi appealed to the chamber to exert its influence in making the Corporation's Rs. 6-crore bond issue a success. (The list for this loan will open on 15th September.) He regretted that the Corporation could not make more foreign exchange loans available as its line of credit was restricted.

In his welcome speech, the president of the Indian Merchants Chamber had urged that the Corporation should exhibit a greater degree of initiative and drive so as to play a more dynamic rôle in the industrialisation of the country. He also pleaded for larger foreign exchange loans. Mr. Dhirajlal Maganlal had also expressed the view that the underwriting operations of the Corporation were inadequate, looking to the rate of industrial development and the need for capital formation. However, he did not hesitate to acknowledge the valuable assistance rendered by the Corporation which amounts to nearly Rs. 202 crores, and the net assistance after allowing for cancellations and withdrawals is of the order of Rs. 164 crores. It is significant to note that the total cost of the projects which have come to fruition as a result of the Corporation's assistance is of the order of Rs. 433 crores or roughly 30 percent of the total net investment in the organised industries in the private sector since the attainment of independence.

Difficulties of Fabricators

Speaking at the annual general meeting of the Structural Fabrication Section of the Indian Engineering Association in Calcutta on Friday, Mr. M. Dhar, chairman, said that the supply of steel had improved during the current year, although manufacturers were still concerned over quality. The immediate need, however, is to ensure that they are distributed to fabricators in balanced amounts and that deliveries are properly phased. Many structural fabricators, Mr. Dhar said, were now facing acute handling and production problems arising from the excess stocks of steel. These stocks have accumulated because of the shortage of matching sections without which the work of fabrication cannot proceed. Towards the end of last year, the Structural Fabrication Panel produced a report showing the extent to which the unmatched stocks had accumulated, resulting in an acute congestion in the yards of fabricators and locking up of working capital. As a result of the representations made by the Association, the Government has agreed to grant some financial relief in the form of larger "on account" payments against Government contracts. In spite of this, some "physical difficulties" remain, and the loss to the nation represented by these unmatched stocks of steel and construction delays in important projects must be extremely heavy.

As a result of unbalanced deliveries of steel, a critical situation has developed, since some major fabricators have stocks which are equivalent to 18 months' consumption. When it is considered that stockyards in the U.K. and other countries are usually designed to accommodate not more than six months' requirements of raw steel, it will be possible to realise the magnitude of the difficulties which Indian fabricators are now facing. There is an urgent need to work out a programme of phased deliveries by agreement between steel producers and their clients. Another problem concerning steel supply relates to quality. The Association has made several representations to the Central Steel Ministry and to producers, and it is to be hoped that the situation will soon improve. Meanwhile, structural fabrication work is being hampered by a number of serious defects in supplies of indigenous steel. Among these, Mr. Dhar referred to the presence of laminations, irregular composition since the carbon content does not come within the specified range, and variations in the general dimensions and profiles of steel sections outside the specified tolerances. Fabricators are also finding it difficult to obtain steel material of specific length to suit their individual requirements. Furthermore, standard lengths seem to be more difficult to obtain than previously. The result is that an undue proportion of steel supplies has to go as scrap; the percentage of waste has shown a marked increase in recent months. This inevitably adds to the cost of fabrication and to some extent offsets the gains achieved through the increased output of steel.

World Population Increasing

The world's population is increasing by almost 63 million a year—an increase larger than the combined population of France and Czechoslovakia. By mid-1962, there were about 3,135 million people, and this figure was growing at an average rate of 2.1 percent a year, the highest world population growth yet observed. The fastest growing region in the world is middle America—including the Caribbean—where, since 1958, the population grew at an annual rate of 2.9 percent. But the largest regional increase in absolute numbers was in east Asia, where there were 74 million more people in 1962 than in 1958. These figures are given in the U.N. *Demographic Yearbook 1963*, issued recently. Covering almost 250 geographic areas, the compilation deals with international statistics on area, population, birth, death, marriage and divorce. For the first time, the *Yearbook* also shows figures on the numbers of the various tribes in several newly independent African nations. In addition to ethnic composition, the present issue features data, according to censuses held between 1955 and 1963, on literacy, language, religion, and the age and sex composition of urban and rural population, country of birth, country of citizenship, level of education, school attendance, fertility and other statistics.

At least 20 percent of the inhabitants of the world now live in mainland China. Although the U.N. Statistical Office does not have a current official estimate of the size of the population in mainland China, semi-official estimates placed the number at 670 million to 680 million in 1958. Mid-1962 estimates of nine other countries with very large populations are: India, 449 million; Russia 221 million; United States, 187 million; Indonesia, 98 million; Pakistan, 97 million; Japan, 95 million; Brazil, 75 million; Federal Republic of Germany, 55 million; and United Kingdom, 53 million. Approximately two-thirds of the world's population live in these ten largest countries. Measured by area, the ten largest countries in descending order of size are Russia, Canada, China (mainland), United States, Brazil, Australia, India, Argentina, Sudan and Algeria.

GROWING SISAL-HEMP

THE cultivation of fibre plants in India has been agitating the planting and commercial communities for some years. Rhea, plantain and aloe have been planted and small consignments have been sent home, brokers' valuations obtained which, if favourable, have caused an extension to be made of the plantation, or, if unfavourable, the experiments have been dropped; or some fibre has been obtained from a wild source, it has been prepared and sent to the market and when the supply has become exhausted, another product is taken up as a possible source of profit. This erratic exploitation of produce in our experience has happened in many cases. Sisal-Hemp is one of the fibres which has been the subject of much experiment and of numerous enquiries which have left the matter of cultivation in a more or less indefinite state. We, therefore, welcome fresh from the City Press, Calcutta, a business like pamphlet on "Sisal-Hemp Culture in the Indian Tea Districts," by Mr. H. H. Mann, M.Sc., Scientific Officer of the Indian Tea Association, and Mr. James Hunter, Manager of the Dauracherra Fibre Estate. The editorial combination results in scientific observation accurately recorded, and conclusions of an experienced planter drawn up and summarised with a wide knowledge of the requirements and capabilities of the tea planting districts. The pamphlet is clearly written and is excellently illustrated with numerous figures of the plants and of fibre extracting machinery.

FROM

CAPITAL

8th September, 1904

A Ditcher's Diary

SOME 15 YEARS AGO THERE WAS A MEETING OF THE All India Congress Committee; and, for the feature then called "Current Coin", I wrote a paragraph and headed it "The Lost Weekend". Comment on the last A.I.C.C. session in New Delhi could equally aptly be so described. Those to whom the Kamaraj Plan made sense last year have decided to stick to it; those to whom it did not make sense then, as to this scribe, it still seems a lot of hokum. Some of the supporters of the plan went out of office because, for their own reasons, they wanted to go out; the others sacrificed, like goats in Kalighat, are openly resentful. The A.I.C.C. also discussed, I find, the food problem; the debate's contribution to thinking on the subject could hardly have been smaller. Let me put it this way: the A.I.C.C. is now a useless body, more or less like the Calcutta Corporation. Decisions are taken by three or four people; and then they are only occasionally enforced. Even more useless and enormously wasteful are the annual sessions of the Congress Party. All these get-togethers are supposed to be in aid of democracy, while the truth is that democracy has nothing to do with them. Every decision is the child of conflicting pressures from groups on whom the least decisive pressure is the people's. The recent verdicts on Mr. Khadiwala in Madhya Pradesh and Mr. Ram Ratan Gupta in Uttar Pradesh have shown what goes on in the name of ascertaining public opinion on men and affairs. All this will, no doubt, appear very summary and drastic; but I do think that hypocrisy has gone on too long. Democracy is simply not working all right; it is definitely being manipulated at every level. This is why I am thoroughly unimpressed by the continuing extension of what is called *Panchayati Raj*; that too is being manipulated in most places. Maybe this morning I got up on the wrong side of the bed; but the Indian polity today fills me with no less gloom than the Indian economy does. Neither is getting better; and the Congress Party's responsibility is great. The A.I.C.C. showed no awareness of it.

NOTHING BREAKS THE HEART OF "SHOW BIZ" SO much as popular indifference; and my first reaction to reports of raids on film artistes' houses for black money was that they were, perhaps, part of the elaborate gimmick in aid of a film now showing in Calcutta. I understand that the legality of these much publicised searches may soon be questioned; it is certainly extraordinary how a maid-servant was reportedly given her Rs. 300 and how the grandmother of an actress was let off with what was said to be her locker. Nor does it seem wholly convincing that some artistes' houses were raided and others' were not because the Enforcement Directorate did not have adequate personnel. That the film industry handles a lot of unaccounted money is not doubted; but then so do many others and the Government knows it. If I were one of the persons affected, my defence would be, "Your Honour, all right, I have made a good deal of money. I am prepared also to concede, purely for argument's sake and no more, that I may not have paid income-tax on every rupee I earned. (Incidentally, sir, some of my income may not be taxable at all.) I may now be permitted to submit that I made my money by entertaining people and not by starving them which, I understand, is another widely adopted way of making money". I find that the raids have now ceased. Well, I strongly suspect that somebody is getting away with something; and the somebody may be the Government itself. Mr. Nanda's Sadachar Samiti has recently been under criticism by some Congressmen themselves, perhaps for reasons not very difficult to guess; but the people must wonder whether there is not in progress something that a contemporary recently called a "conspiracy of noise". Raids on film artistes were assured of the widest advertisement. Advertising over, what next—if anything? A conspiracy of silence? I rather suspect so. If a certain amount of black money has gone into films, no less has gone into the less entertaining business of politics; and, in spite of Mr. Krishnamachari's talk of icebergs and all that, I just cannot see what the Congress can do about it—short of a revolution. And revolution, ladies and gentlemen, is not on the agenda.

SOMEBODY IN THE MINISTRY OF EXTERNAL AFFAIRS in New Delhi seems to have learned a new word; and he cannot help using it in or out of context. The word is "preposterous", which I found in the Ministry's statements in Tuesday morning's papers on both Pakistan on India's atomic bomb and China on its military posts in Ladakh. Chesterton once said about something that he had not prejudices but post-judices. I will grant that, at the moment, I am not favourably disposed towards the External Affairs Ministry; the new Minister has not yet settled down and the officials, I suspect, are ruling the roost. These officials have a vested interest in the rigid positions they have taken *vis-à-vis* China and Pakistan; after all, they have burnt not a little midnight oil preparing elaborate memoranda on India's rights here, there and everywhere; these theses are their children. To introduce the slightest flexibility is, for them, professional suicide; letting oneself down. This is not peculiar to the Indian bureaucracy; I have not the slightest doubt that in Peking and Rawalpindi there are civil servants equally jealously sticking to their guns. If, therefore, Messrs Shastri, Ayub Khan and Chou En-lai are serious about breaking the deadlocks confronting them, they must, as politicians, find a way of circumventing their respective bureaucracies. We have all heard of the managerial revolution; what may have happened even more surely is a bureaucratic revolution in which real power has passed from the Minister to the Secretary. Ministers can be up to all sorts of mischief; they frequently are. But they are, in the final analysis, responsible to Parliament and/or Party. But officials? I cred Peking and Pindi with nothing but malevolence but if New Delhi wants to wear a differer "image", it has gone about it very inepti Although New Delhi is never chary of sending ou Ministers and officials to all parts of the worl on the slightest pretext, how come that nobod has yet brought home the news that in man countries some Indian attitudes and claims ar considered—yes, that's the word, "preposterous"

BY NOW EVERYBODY MUST KNOW THE JOKE ABOU the owner of a Rolls-Royce who asked the manu facturers what its engine power was and receive the answer: "adequate". It is the kind of stor which fits the Rolls-Royce image, and it loses n strength from the fact that it may well have bee true. It is a fact that although the Company ha usually shown few inhibitions about revealing th cubic capacity of its motor-car engines, it has no until now been willing to disclose their powe output. There could be an unkind explanation fo this: a comparison of power and capacity gives clue to efficiency and performance. But it is mor likely, Rolls being Rolls, that the aim has merel been to avoid vulgar comparisons with othe manufacturers in a field where, as any schoolbo can tell you, Rolls have always been supreme, supreme, and inevitably will remain supreme But a few sentences back I used the words "unti now". Yes, at last Rolls have relented. The nev Vanden Plas Princess R, the product of thre years' technical collaboration between Britis Motor Corporation and Rolls-Royce, embodies a all-aluminium, six-cylinder, four-litre Rolls-Royc engine which produces 175 b.h.p. at 4,800 r.p.m Thus, the secret is out; and whatever claims th famous Rolls-Royce engines may have, superio performance is obviously not one of them. Th smaller capacity 3.4 litre engine which powers th Jaguar Mark 11 produces in excess of 210 b.h.p But no doubt Rolls-Royce can offer compensatin advantages, of which consistency, reliability smoothness, silence and longevity are in the bes traditions of the breed. This is the first time tha Rolls have descended into the popular price range too. The Princess R sells for under £2,000, a use ful level so far as taxation is concerned, compare with the standard Rolls-Royce saloon at anything from about £7,000. It is obviously designed for among other things, competition with the Mer cedes-Benz. Hitherto, perhaps, the British ca ranking closest to the Mercedes has been th

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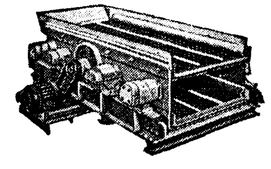
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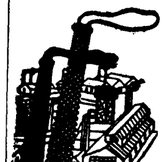
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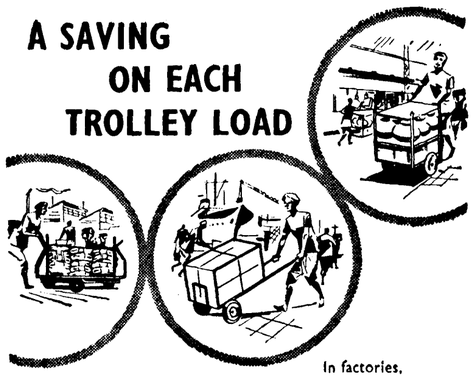
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Rover, though lacking, of course, the dazzling performance guaranteed by the famous German name. I predict the Princess R will enjoy a good reception among those status seekers who can neither afford a Rolls-Royce or Bentley, nor find accommodation for one if they could. What distresses me is that we are unlikely to see much of the new model over here. *Capital* has always prided itself on its association with Rolls-Royce motor-cars. We were privileged to be the last newspaper in India to carry their advertisements.

NOWADAYS, IF YOU ARE LOOKING FOR CRITICISM OF socialist economics, the place to turn to is the Soviet Union. When Mr. Khrushchev told President Eisenhower, as he then was, that the United States taxed its business men too heavily, I thought I had just about heard everything. But now we have a leading Russian economist, Academician V. Trapeznikov, urging in a recent issue of *Pravda* that the customary "norms" be dropped as the basis for judging performance in Soviet industry, and that substituted for it should be—well guess: yes, you have it, "profits". Of course, they are not the nasty kind of profits which are wrung from the oppressed workers in private monopolistically-controlled capitalist industry. These are communist profits, which might seem to be the same thing to the uninitiated, being, presumably, wrung from the oppressed workers in public monopolistically-controlled industry, but are really quite different. So, too, with the interest that Academician Trapeznikov suggests should be charged on Soviet industrial capital; again that must in no way be confused with the sort of thing which is paid by blood-sucking capitalist industry. Those, like myself who have never been able to follow communist jargon through its tortuous hair-splitting, will no doubt arrive at the wholly erroneous conclusion that profit is profit under whatever system it accrues. They might even go further and decide that the wheel has just about turned full circle, and that whatever differences now exist between communism as practised in Russia, and capitalism as operated elsewhere, are more apparent than real and certainly not worth arguing or fighting over.

AFTER PLAYS FROM TENNESEE WILLIAMS AND Shakespeare earlier this year, the Amateurs staged Christopher Fry's *A Phœnix Too Frequent* and Jean Anouilh's *Antigone* at the Hindi High School auditorium last week. Both were produced by Kamal Bhagat, and presented in each half of the show. Fry emphasises that the human desire (of women, in the play) to live is a much stronger force than the wish to die. And in his hands as a great master of wit and satire, the theme becomes not only convincing but highly enjoyable. Dynamene (Devika Singh), widow of Verilius, is preparing to die at the tomb of her dead husband; Doto, her loyal though slightly mischievious maid (Pam Gustavus-Jones), keeps company. At such a time, Tegeus, a soldier (Rajen Brijnath), accidentally stumbles into the place, and as it happens, Dynamene falls in love with him. After a little mental conflict as to the choice, she finally prefers life to death, that is, prefers Tegeus to death in the burial ground. Devika Singh made a good Dynamene indeed, while Pam Gustavus-Jones and Brijnath gave her excellent support. The Sophoclean tragedy, of which Anouilh's *Antigone* is only a modern version, was more serious stuff. Here, no such problem of life and death, but of death alone, because Antigone (Junie Bose) is convinced that she must die for the sake of burying her dead brother's body even though her uncle, king Creon (Vimal Bhagat) has forbidden it, the penalty for violation being death. The ruthless king argues and argues with her to give up the resolution, alternatively philosophising and chastising, but to no purpose. Such a dramatic situation demands a high standard of skill, and both Vimal Bhagat and Junie Bose were equal to the exacting requirements of their respective rôles, although the Anouilh dialogue, no doubt, helped them. *Antigone*, I must say, was a memorable performance by the Amateurs, and I would love to see more of such performances.

THE DITCHER

Guide for Investors

COPPER SHARES ENJOY GOOD INVESTMENT SUPPORT

(BY A SPECIAL CORRESPONDENT)

THE shares of Indian Copper Corporation Ltd have enjoyed good support due to several favourable developments. The growth prospects for the shares are being rated high because the electrolytic plant of the Company is expected to begin operations in the near future. This apart, the Company has received a licence from the Government to increase copper output substantially. The improvement in the price of the shares is also due to the general upward movement in all clearing scrip. For the time being, operators are entertaining bullish ideas because the Government may soon take measures to stimulate activity in the capital market.

The main reason for the rise in copper shares is the steep increase in the international price of the metal. It is being quoted around £376 a ton on the London Metal Exchange, which is more than £100 above the price at which various producers have agreed to sell copper since the beginning of 1964. After fixing the price at the beginning of 1964, manufacturers raised it only once by £8 a ton in spite of the rising trend in the price quoted on the London Metal Exchange. The disparity between the producers' price and that of the Exchange is due to the fact that consumption requirements have been much more than the supplies made available by manufacturers. In fact, supplies have tended to decline while the demand has steadily risen.

Since there was a cutback in output during the lean years, supplies have proved inadequate. Meantime, production has been hampered by labour troubles in the U.S.A. and Chile. Apart from political disturbances in northern Rhodesia, the two principal manufacturers there have been unable to meet their contractual liabilities due to a railway strike. Although manufacturers have been eager to hold the price of copper down to discourage substitution, particularly by aluminium, the agreement to maintain the price has now been violated. Anaconda, the U.S. producer, has alread raised its price by £16 to £260 a ton. The Company's decision to raise the price can be traced back to pressure from the Chilean Government for better returns.

Although commentators are predicting a copper surplus which will be as far-reaching in its depressing effects as the current shortage, it looks as if the squeeze will continue in the short-term. Since aluminium prices have risen and substitution is a costly process, the demand for copper is expected to remain buoyant. Meantime, there is no prospect that disturbances will end in the copper-producing regions. So the possibility of marketing the metal at lower prices and in sufficient quantities is remote. Copper will, therefore, remain a costly metal for some months to come. But the investors in Indian Copper Corporation shares will do well to take a sober view about the rising international price because the domestic price does not necessarily improve in line with the international one. Although the Company is at present the only worthwhile producer of copper, it regulates the price heavily. The international price, however, indicates that during the rest of 1964, the price of copper realised by the Company will be fully steady. An important factor contributing to its profitability is the production of brass sheets. The outlook for the latter should be assessed carefully because zinc for manufacturing them has been rendered costlier, since the bulk of it has to be procured from the U.S.A. This apart, the supply is not adequate due to the foreign exchange shortage.

Birla Jute Debenture Issue

THE Birla Jute Manufacturing Co. Ltd is offering 20,000 registered debentures of Rs. 1,000 each carrying interest of 7 percent. (The details of the issue have been printed on a later page in this week's issue of *Capital*). The debentures will be redeemed during 1975-77 and are secured by a Trust deed. The lists open next Wednesday. All aplications are to be made along with the full money for the debentures applied for. The issued capital of the Company amounts to Rs. 2.85 crores, divided into ordinary shares for Rs. 1.60 crores, and the rest consists of preference shares.

The Company has diversified activities. It began with the production of jute goods: it commenced the production of staple fibre yarn in 1957, calcium carbide in 1954 and cement in 1959. The oxygen and dissolved acetylene gas plants were put into commission in August 1964. It has taken steps to set up a second cement plant in Rajasthan. The jute mills, the calcium carbide factory, the staple fibre spinning plant and the oxygen and dissolved acetylene gas plants are situated in Birlapur, near Calcutta. The cement plant is situated in Satna, Madhya Pradesh. The proposed second cement plant will be built in Chittorgarh, Rajasthan. The construction of the plants has begun, and it should commence production by March 1966. The debentures are expected to prove attractive, considering that they are fully secured by the assets of the Company and the interest liability on account of the debentures is adequately covered by the earnings of Birla Jute. The Company has had a very good performance over many years and satisfactory dividends have been paid. The ordinary shares of the Company have recently been very active in the stock market due to influential support. After rising sharply, they have reacted due to profit-taking.

More from National Insulated Cable

THE profit of the National Insulated Cable Co. of India Ltd has improved from Rs. 61.15 lakhs for 1962-63 to Rs. 1 crore for the year ended March 1964, after increasing depreciation from Rs. 8.82 lakhs to Rs. 10.24 lakhs and providing Rs. 36,900 (against Rs. 1.75 lakhs) for development rebate reserve. The increased profit has been due to several factors. Firstly, the Company had large stocks of raw materials which were brought earlier at lower prices. Secondly, production has been concentrated on more remunerative types of output to ensure a better margin of profit. Thirdly, sales rose from Rs. 4.01 crores to Rs. 4.50 crores. The taxable ordinary dividend has been increased from 18 percent to 20 percent, which works out to a yield of 7.5 percent at the present price of Rs. 26.69 a share of Rs. 10 each. Taxation absorbs Rs. 61.25 lakhs (against Rs. 38.90 lakhs), taxation for the previous year Rs. 1.67 lakhs (against Rs. 57,359), general reserve Rs. 6 lakhs, dividend equalisation reserve Rs. 2 lakhs and bad and doubtful debts reserve Rs. 2 lakhs. The carry-forward is Rs. 40,361, against Rs. 21,708 brought in.

A new aluminium fine wire drawing machine imported from the U.K. has been installed. Additional domestic equipment has also been installed. This has helped to increase the output. The supply of electric power has improved. The directors, however, take a cautious view of the outlook for the current year in view of the increase in raw material prices. They think that it may be difficult to maintain the high profit ratio. Competition has increased since many new cable-manufacturing units have been set up.

Hindustan Motors Maintains

IN their report for the year ended March 1964, the directors of Hindustan Motors Ltd say that the demand for passenger motor-cars has increased considerably. At the present rate of production, the delivery of cars booked now will take three years. There is little possibility of increased production until the supplies of indigenous and imported components and raw materials improve. It is necessary to allocate more foreign exchange to motor-car manufacturers and ancillary industries. The sale of lorries is keeping pace with production. The Company has made good progress in increasing the indigenous content of its cars and lorries. With the installation of more machinery, the Company is likely to reach the target of 90 percent in indigenous components. The installation of all machinery should be completed by the end of 1964.

But the directors regret that it has not been possible to maintain the supply of spare parts to customers due to the foreign exchange shortage. The Company is expecting a loan of $23 million from the U.S. Agency for International Development to import equipment from increasing its lorry production capacity to 15,000 a year. Negotiations are proceeding for further loans from the general currency area. The heavy engineering division has made satisfactory progress. It has produced cranes, excavators, bulldozers, dumpers, etcetera. Orders for cranes have been booked for more than one-and-a-half years. A.I.D. has sanctioned a loan of $2.95 million to import equipment for the manufacture of shovels. The Company has applied to the Government for sanctioning foreign exchange to import equipment for the production of cranes and for the expansion of the steel structural shop of the heavy engineering division. It is proposed to install a steel foundry shop to make the Company self-sufficient in steel castings The construction of the shop has begun. It is also proposed to manufacture machine tools with foreign collaboration.

Sales rose from Rs. 29.29 crores for 1962-63 to Rs. 32.56 crores for 1963-64. But the margin of profit has tended to drop due to rising production costs. The net profit has declined from Rs. 3.40 crores to Rs. 2.62 crores after increasing depreciation from Rs. 71.50 lakhs to Rs 1.06 crores and development rebate reserve from Rs. 9.75 lakhs to Rs. 30 lakhs. A taxable ordinary dividend of 11½ percent has been maintained, which works out to a yield of 6.3 percent at the present price of Rs. 18.28 a share of Rs. 10 each. Taxation absorbs Rs. 1.43 crores (against Rs. 2.23 crores), general reserve Rs. 25 lakhs (the same) and dividend reserve Rs. 93.09 lakhs (against Rs. 93.13 lakhs). The proposed dividends will be paid out of the latter reserve. The carry-forward is Rs. 13,299, against Rs. 3,043 brought in.

The directors say that the working has been interrupted by non-availability of necessary licences for raw materials and components in time. The cost of production has steadily risen due to the increase in the prices of raw materials, indigenous components and wages.

Rights from Bally Jute

IN their latest report for the year ended March 1964, the directors of Bally Jute Co. Ltd say that the Company has installed 50 broad looms to produce carpet-backing cloth. It is proposed to increase these looms to 75 during 1964-65, provided market conditions remain favourable. The directors think that the paid-up capital of the Company is small in relation to the assets, so it is proposed to offer further ordinary shares for Rs. 20 lakhs as rights shares to the existing shareholders at par in the ratio of one new share for each share held. They are also considering further diversifying the activities of the Company. The existing ordinary share capital amounts to Rs. 20 lakhs, dividend into ordinary shares of Rs. 100 each.

The trading profit has dropped from Rs. 38.19 lakhs for 1962-63 to Rs. 26.28 lakhs for 1963-64. Depreciation is allocated Rs. 10.48 lakhs (against Rs. 6.39 lakhs), taxation Rs. 4 lakhs (against Rs. 19.70 lakhs) and development rebate reserve Rs. 6.95 lakhs (against Rs. 80,409). The taxation ordinary dividend has been reduced from 25 percent to 20 percent, which works out to a yield of 8.3 percent at the present price of Rs. 241. The carry-forward is Rs. 24,424, against Rs. 39,338 brought in. The decline in the profit has largely been due to the drop in prices of jute goods while the price of fibre has been maintained at a high level. The accumulation of jute goods following sluggish buying by overseas countries has also contributed to the reduced profit.

Anil Hardboards Repeats

THE preliminary report on the working of Anil Hardboards Ltd for the year ended March 1964, shows a fair improvement over the preceding year's performance. Sales are up by about 10.7 percent from Rs. 89.82 lakhs to Rs. 99.42 lakhs, and the gross profit has gone up by nearly 10.5 percent from Rs. 27.54 lakhs to Rs. 30.44 lakhs. The dividend has been maintained at 9 percent, but whereas the whole of the dividend paid in 1962-63 was free of tax, having been paid out of the Section 84 profit reserve, the dividend for 1963-64 is exempt from tax only to the extent of 5 percent.

Thus the net dividend works out to 8.2 percent, compared with 9 percent in the previous year. Appropriations of the year's profits include depreciation Rs. 16.66 lakhs (against Rs. 16.10 lakhs), development rebate reserve Rs. 4.12 lakhs (against Rs. 4.03 lakhs), taxation Rs. 3.10 lakhs (against Rs. 49,000), general reserve Rs. 2.65 lakhs (against Rs. 49,303) and Section 84 profit reserve Rs. 2.38 lakhs (against Rs. 5.32 lakhs). A sum of Rs. 17,672 has been provided for writing off preliminary expenses. Preference dividend absorbing Rs. 99,300 and equity dividend amounting to Rs. 4.31 lakhs are to be paid out of the general reserve and Section 84 profit reserve.

The directors point out that the Company received substantial orders from the Defence Department, the Indian Railways and the All India Radio. It also secured large orders for exports, a substantial quantity of which was despatched to the Middle East. The Company's hardboard factory worked practically to full capacity and the insulation board mills also worked satisfactorily except during the period June to October, when production was affected by the shortage of bagasse, the stocks of which were burnt down by fire. The Company's acoustic tiles and the printed boards have been well received and the directors expect an all-round further improvement in sales during the current year. The second plant for the hardboard mill is likely to go into production shortly.

The Company has received an industrial licence for the manufacture of mineral wool (12,000 tonnes a year) and mineral wool boards and acoustic tiles. Collaboration agreements with Conversion Development Corporation, U.S.A., and Baldwin-Ehret-Hill of the U.S.A. for the manufacture of fire-proof mineral fibre boards and granulated mineral wool, respectively, have been approved by the Government of India and the necessary import licences are expected shortly. Production of these boards and tiles is expected to start early next year.

New Standard Engineering Silver Jubilee

NEW Standard Engineering Co. Ltd is celebrating its silver jubilee this year. It has done well for 1963-64. Sales rose from Rs. 1.83 crores in 1962-63 to Rs. 2.40 crores for 1963-64, but the rise in profit has been restrained by rising production costs. The gross profit has amounted to Rs. 26.87 lakhs, against Rs. 22.88 lakhs. A taxable ordinary dividend of 9 percent has been maintained, and a silver jubilee bonus of 1 percent on ordinary shares has been recommended. Fixed asets rose by Rs. 15.88 lakhs, against in increase of Rs. 46.08 lakhs in the previous year. In his chairman address at the recent annual general meeting of the Company in Bombay, Mr. R. C. Saraiya said that the slow development is attributable to a deliberate policy of phased expansion and delay in the issue of import licences for the foundry. The problem of finding funds for development is also a restraining factor. (A fuller version of the speech was printed in last week's *Capital*.) Since the Company is a well-established unit in the engineering industry, it is capable of further development, provided necessary funds are available. In fact, it has been receiving many proposals for foreign collaboration. Commenting on the sluggish capital market, the chairman thinks that the investment climate should be improved by modifying the fiscal system to encourage the growth of savings and investment.

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Poysha Industrial Expanding

PRESIDING at the recent annual general meeting of Poysha Industrial Co. Ltd, Mr. M. R. Ruia chairman, referred to the improvement in production during 1963-64. (A fuller version of the speech is published on a later page in this issue of *Capital*.) The output of containers rose by more than 18 percent. After providing Rs. 8.58 lakhs (against Rs. 2.95 lakhs) for taxation, the profit has risen from Rs. 2.11 lakhs for 1962-63 to Rs. 4.26 lakhs. Staff reorganisation has begun to yield good results. So the working during the current year is expected to be more satisfactory.

The expansion programme is making satisfactory progress. The new factory near Thana, Maharashtra State, is likely to be completed before the end of 1965. The Cochin factory will be constructed in Mamala, near Ernakulam. It will be situated near the new oil refinery. The site for the factory at Ghaziabad is being selected. Kaira Cane Company, an associate, has selected land, near Anand, to build a factory. A modern automatic printing plant for the Bombay factory has been imported. The Government of India has sanctioned a second automatic body-maker line for the Bombay factory. When these expansion schemes are completed, the Company will be an important producer of cane in this country. It has also produced various types of cylinders for the defence department.

Commenting on the supply of tinplate, the chairman pointed to the need to make it more regular. It is proposed to increase the capital from Rs. 25 lakhs to Rs. 1.10 crores. Since negotiations with financing institutions are progressing well, the Company will obtain the necessary funds for modernisation and expansion. The subsidiary Company, Colrige, has done well and a fair profit has been earned in 1963-64. Commenting on the cane-manufacturing industry, Mr. Ruia said that tinplate is facing rising competition from materials like aluminium, paper and plasties. So foreign countries have started manufacturing thin tinplate to meet the competition. They are also producing tinplate foil. Although it is proposed to manufacture electrolytic tinplate in Rourkela, is time that attention was given to producing thin tinplate and tinplate foil in this country. If these new products are manufactured, tin cans will be produced at smaller costs and the industry will succeed in meeting the competition from substitutes.

Sutlej Cotton Mills Repeats

SUTLEJ Cotton Mills Ltd has maintained the taxable ordinary dividend at 85.7 percent for the year ended March 1964. At the present price of Rs. 92.50 a share of Rs. 10 each, the yield amounts to about 10 percent. The gross profit has risen from Rs. 25.79 lakhs for 1962-63 to Rs. 34.16 lakhs. Depreciation is allocated Rs. 18.58 lakhs (against Rs. 8.65 lakhs), taxation in Pakistan Rs. 7 lakhs (against nil), doubtful debts Rs. 50,000 (against nil) and development rebate reserve Rs. 12 lakhs (against Rs. 6.54 lakhs). After bringing in Rs. 22,663 and Rs. 17 lakhs written back from taxation provision, the directors have appropriated Rs. 12.85 lakhs to pay the dividends A credit balance of Rs. 45,213 has been carried forward.

Attock Oil Profit Falls

THE Attock Oil Co. Ltd has earned a gross profit of £1.7 million for the year ended December 1963, against a profit of £1.8 million for 1962. Depreciation is allocated £263,127 (against £278,549) and taxation £825,485 (aganst £907,991). General reserve absorbs £125,000 (against £175,000). An interim dividend of 1s a £1 of stock was paid earlier. The final dividend of 1s 8d has been declared which will be paid on 1st September, 1964. Crude oil production rose from 2.30 million barrels to 2.37 million barrels. Pakistan Oil Fields Ltd, a subsidiary Company, produced 307,552 million barrels, against 182,166 million barrels.

The refinery has worked satisfactorily and continues to process all crude oil produced by the Pakistan Oil Fields Ltd and Pakistan Petroleum Ltd, in addition to the production from wells belonging to the parent Company. The gas pipelines have been sold to Sui Northern Gas Pipe Lines Ltd for Rs. 45 lakhs and the transaction will be dealt with in the 1964 account. It has been pointed out that the Government of Pakistan has again increased the development surcharge payable on the sale of various products reflecting a deduction in the cost of landed imported supplies. This will depress further the sales revenue of the Company. Representations have been made to the Government of Pakistan for relief in the matter of royalty payment.

Debentures from Dishergarh Power Supply

DISHERGARH Power Supply Co. Ltd has earned a profit of Rs. 20.80 lakhs for the year ended March 1964, compared with one of Rs. 14.13 lakhs for 1962-63, after increasing depreciation from Rs. 2.93 lakhs to Rs. 3.13 lakhs. A taxable ordinary dividend of 10 percent has been maintained. The yield amounts to 11.6 percent at the present price of Rs. 86 a share of Rs. 100 each. Taxation is allocated Rs. 12.92 lakhs (against Rs 5.78 lakhs), contingency reserve Rs. 60,128 (against Rs. 26,999), tariffs and dividend control reserve Rs. 24,200, consumers rebate Rs. 24,200, development reserve Rs. 77,211 (against Rs. 15,491) and general reserve Rs. 6 lakhs (against Rs. 7.25 lakhs). The carry-forward is Rs. 45,007, against Rs. 46,905 brought in.

The Company sold 157 million units, compared with 150 million units in the previous year. There was a general improvement in supplies of power from the Damodar Valley Corporation and supplies were also raised from the Rihand project. But the offtake from consumers other than collieries was restricted by Government orders. The installation of the new 5-megawatt turbo-alternator set and the 40,000-lb-hour boiler is progressing. But it is not expected that the turbo-alternator will come on load until October 1964 and the boiler until early 1965 due to the delay in the shipment of some parts. The commencement of supplies from the West Bengal State Electricity Board has been delayed and is unlikely to begin until early 1965. It has been decided to issue 7 percent debentures for Rs. 30 lakhs to finance the expansion programme. The issue is likely to be made during the next few months.

Central India Coal-fields Pays More

CENTRAL India Coal-fields Ltd has increased the taxable ordinary dividend from 9 percent to 10 percent for the year ended March 1964. The yield amounts to 10.7 percent at the present price of Rs. 9.37 a share of Rs. 10 each. The profit has risen from Rs. 3.15 lakhs for 1962-63 to Rs. 6.70 lakhs for 1963-64, after providing Rs. 3.46 lakhs (against Rs. 3.11 lakhs) for depreciation and Rs. 3 lakhs for taxation. The sum of Rs. 3.40 lakhs was transferred to taxation reserve in 1962-63. Development rebate reserve is allocated Rs. 2.12 lakhs (against Rs. 2.25 lakhs) and taxation for the previous year Rs. 65,000. The carry-forward is Rs. 20,778, against Rs. 11,486 brought in.

Raisings dropped slightly to 339,540 tonnes. Production from the Pure Chirimiri Colliery stopped due to its closure. The Orient colliery was declared as a gassy mine, so production was restricted. The accumulation of stocks at pitheads also hindered production. The directors have taken steps to replace the loss in output by raisings from other sources. Despatches amounted to 316,245 tonnes.

Premier Tyres Fares Better

THE fourth annual report of Premier Tyres Ltd, which covers a period of 15 months—January 1963 to March 1964—shows a considerable improvement over the previous year's performance though the working results leave much to be desired. The results for the two periods are not strictly comparable as the accounting period has been changed from December to March. The turnover has risen from Rs. 25.69 lakhs to Rs. 3.82 crores as the 15-month period represents the first full period of commercial production. With excise duty taking away Rs. 127.88 lakhs and raw materials accounting for another Rs. 1.86 crores, the Company's working results for 1963-64 show a gross profit of no more than Rs. 21.63 lakhs.

The ratio of gross profit to sales works out to merely 5.6 percent. In the previous year, however, the Company had suffered a loss of Rs. 15.70 lahks. After providing Rs. 20.25 lakhs (against Rs. 19.18 lakhs) for depreciation, the results for 1963-64 show a profit of Rs. 88,488, against a loss of Rs. 35.29 lakhs in the previous year. Adjusting this small surplus against the loss of Rs. 58.28 lakhs brought forward from the previous period, there remains a debit balance of Rs. 57.40 lakhs to be carried forward.

No provision has been made for development rebate during 1963-64. Apart from the huge outstanding loss, preference dividend is in arrears to the tune of Rs. 13.38 lakhs. The shareholders of Premier Tyres will, therefore, have to wait for quite some time before their investment begins to bear fruit. The current year's working, however, is reported to be considerably better than in 1963-64. The directors look forward to larger sales and higher profit in future. The Company is now working on two shifts at about 70 percent of the rated capacity. The factory's daily turnover is placed around 600 tyres as against the rated capacity of 800 tyres. Full capacity is expected to be reached within a few months. The Company is trying to explore the possibilities of selling its tyres abroad and a fairly good start is reported to have been made. It has been able to market its tyres in South-East Asian countries and some Middle-East countries. The Rs. 100-paid share of Premier Tyres is currently quoted around Rs. 80.

Midland Rubber Produce Maintains

THE directors of the Midland Rubber and Produce Co. Ltd have recommended a dividend of 10 percent (the same) on equity shares for the year ended March 1964. A substantial increase in the tea crop, lower cost of production and higher tea prices provide the encouraging features of the year's working. The profit for the year amounts to Rs. 9,94,509, after providing Rs. 1,03,675 for depreciation and Rs. 72,479 for managing agents' remuneration. The profit for the previous year amounted to Rs. 2,98,044, after providing Rs. 90,335 for depreciation and Rs. 50,000 for the managing agents' remuneration. With Rs. 1,229 brought forward from the previous year, the total available for appropriation comes to Rs. 9,95,738. Out of this, the directors have provided Rs. 4,50,000 (against Rs. 90,000) for taxation. A sum of Rs. 16,000 (against Rs. 2,000) is transferred to development rebate reserve. And Rs. 11,182 (against nil) is transferred to reserve for bad and doubtful debts. The preference dividend at 6 percent, tax-free (gross 6.4 percent), amounts to Rs. 1,10,080. The equity dividend at 10 percent amounts to Rs. 4,05,000. The balance of Rs. 3,475 is carried forward.

The total tea crop for the year amounted to 816,800 kilograms (against 673,700 kilograms). The yield an acre has risen considerably to 653 kilograms, against 539 kilograms. The cost of production a kilogram amounted to Rs. 3.21, against Rs. 3.87. The average sale price of tea amounted to Rs. 4.52 a kilogram, against Rs. 4.33 a kilogram. The rubber crop amounted to 443,648 kilograms (against 412,536 kilograms). During the year, the Company has been able to secure 101,800 kilograms over the estimate. Rubber production has been satisfactory because of the implementation of the replantation programme. The estimated tea crop for 1964-65 is placed at 800,000 kilograms at Rs. 2.90 a kilogram. The rubber crop is estimated at 420,000 kilograms for 1964-65. The directors say that the south-west monsoon has not been favourable, resulting in a loss of crop during the first quarter of the current year. It is, however, hoped that this will not seriously affect the overall production.

Manabarrie Tea Profit Falls

MANABARRIE Tea Co. Ltd (a Dooars garden) has earned a profit of Rs. 13,736 for the year ended December 1963, against Rs. 88,005 for 1962, after providing Rs. 70,860 (against Rs. 53,373) for depreciation. Development rebate reserve is allocated Rs. 7,525 (against Rs. 15,456). A taxable ordinary dividend of 10 percent has been maintained, which works out to a yield of 1.7 percent at the present price of Rs. 59.50 a share of Rs. 10 each. The carry-forward is Rs. 18,776, against Rs. 8,108 brought in. The crop dropped from 253,887 kilograms to 246,001 kilograms. The Company's Assam unit produced 87,666 kilograms of green leaf teas. The new plantation programme has made progress, and 87.82 hectares have been completed. The crop for 1964 has been estimated at 250,000 kilograms.

Burma Mines Passes Dividend

BURMA Mines Ltd has earned a profit of £10,242 for the year ended December 1963, against £12,559 for 1962. Taxation absorbs £4,062 (against £4,150), leaving a balance of £180,384 to be carried forward. Since there was again no dividend on the holding in Burma Corporation (1951) Ltd, which constitutes the Company's main investment, the directors have passed the dividend. During the 15 months ended September 1963, Burma Corporation (1951) Ltd earned a net profit of £204,671. So the debit balance was reduced to £146,348. The estimated results for the six months ended March 1964, confirm that the profitable operations are continuing. In view of the prevailing levels of metal prices, it is reasonable to assume that when the Corporation's present financial year ends on 30th September, 1964, a substantial operating profit will have been earned. But any operating profit will be almost entirely mopped up by the current penal scale of Burma taxation which rises rapidly to more than 99 percent. "In view of this, the very remarkable improvement in the fortunes of the Corporation will solely benefit only one of the joint partners, namely, the Burma Government." the directors have pointed out in their report.

Cuttack Electric Supply to be Wound up

THE Cuttack Electric Supply Co. Ltd will soon be wound up voluntarily, and an extraordinary general meeting of the Company has been called to pass the necessary resolution for the purpose. The valuation of the assets taken over by the Orissa State Electricity Board amounts to Rs. 29.01 lakhs. Out of this, Rs. 3.10 lakhs will go towards meeting certain liabilities of the Government of Orissa and Rs. 3.10 lakhs will be adjusted towards security deposits of consumers. Out of a balance of Rs. 23.79 lakhs, the Company has received Rs. 16.71 lakhs for the year ended March 1964 and Rs. 4.46 lakhs in June 1964. There is a balance of Rs. 2.62 lakhs due from the Orissa State Electricity Board. The sum of Rs. 1.44 lakhs has been withheld on account of the demand made on the Board by the income tax authorities and Rs. 1.18 lakhs have been withheld on account of the demand made by the Cuttack Electricity undertaking's employees for gratuity bonus, leave bonus, etcetera. Since the income tax authorities have withdrawn their demand, the sum of Rs. 1.44 lakhs should be refunded by the Electricity Board. As for Rs. 1.8 lakhs, the Company has accepted liability up to Rs. 35,792 and has claimed the refund of Rs. 82,208. The Company has received only Rs. 2.28 lakhs from the Orissa State Electricity Board on account of the outstanding book debts, but the total book debts unpaid amount to Rs. 1.06 lakhs. The Company has received an on account payment of Rs. 2 lakhs towards interest on the compensation money of Rs. 2.14 lakhs.

There is a total income of Rs. 2.35 lakhs for the year ended March 1964. After meeting all expenses, the profit has amounted to Rs. 1.71 lakhs. After adding Rs. 3.47 lakhs, the receipt from the profit on the sale of the undertaking and Rs. 23,415 for the sale of electricity and providing Rs. 1.06 lakhs for doubtful debts reserve, there is a balance of Rs. 2.64 lakhs. A sum of Rs. 3.41 lakhs has been transferred from general reserve. After bringing in a loss of Rs. 70,178 and providing Rs. 6.37 lakhs for taxation, there is a balance of Rs. 66,004. The directors have declared a taxable ordinary dividend of 10 percent.

Mahalaxmi Mills Makes Profit

THE Mahalaxmi Mills Ltd (Bhavnagar) reports encouraging results for the year ended March 1964. Sales have improved from Rs. 1.56 crores to Rs. 1.83 crores, and the Company has made a profit of Rs. 6.22 lakhs whereas in the previous year, it had incurred a huge loss of Rs. 23.54 lakhs. After providing Rs. 5.21 lakhs (against nil) for depreciation and Rs. 6,266 (against Rs. 17,270) for donation, the year's working shows a net profit of Rs. 59,416, against a net loss of Rs. 24.07 lakhs. The past losses stand at Rs. 24.16 lakhs at the end of March 1964. No dividend is being paid for preference shares.

Bombay Oxygen-Permanent Magnets Link-up

AN extraordinary general meeting of the shareholders of Bombay Oxygen Corporation Ltd has been convened on 28th September to approve the management's proposal for taking over the sole selling agency of Permanent Magnets Ltd by making an investment of Rs. 15 lakhs. Bombay Oxygen would buy 5,000 shares of Permanent Magnets at Rs. 300 a share, as against the prevailing market rate of Rs. 100 from the present sole selling agency firm, namely, Shamun (Private) Ltd belonging to the Ruia House. Mr. Madanmohan R. Ruia, chairman of Bombay Oxygen, who is also the chairman of Permanent Magnets, told newsmen on 27th August that the proposed investment of Rs. 15 lakhs would give a return ranging from 10 percent to 24 percent in the course of next four years.

It might be mentioned here that Shamun (Private) Ltd which is controlled by Mr. Madanmohan R. Ruia, had purchased, some four months ago, 5,225 shares of Permanent Magnets at Rs. 300 a share as against the then prevailing market price of about Rs. 150 a share. These shares had been purchased from Mr. Kantilal M. Desai, the founder of the Company. Mr. Ruia stated that Permanent Magnets was now doing reasonably well. Its sales during the first eight months of the current year are placed at Rs. 14 lakhs, compared with Rs. 6.51 lakhs in 1963. The turnover is expected to rise to Rs. 31.50 lakhs in 1965, Rs. 42 lakhs in 1966, Rs. 52.50 lakhs in 1967 and Rs. 63 lakhs in 1968. The Company is expected to pay a maiden dividend of about 6 percent in 1966. After allowing for an interest of 8 percent on the proposed investment of Rs. 15 lakhs, the Company would be in a position to have a net income of 10 to 24 percent from the commission on sales of magnets and dividends. Mr. Ruia said that since Bombay Oxygen had no bank borowings at present, it would not be difficult to secure a loan of Rs. 15 lakhs from banks.

The chairman did not anticipate any difficulty in obtaining the Government's sanction for the proposed investment. Whether the shareholders would approve of the purchase of the shares of Permanent Magnets at the exorbitant price of Rs 300 a share when they are available at par in the market, remains to be seen. Referring to the current working of Bombay Oxygen, Mr. Ruia stated that the Company was now showing satisfactory progress. The oxygen plant has been working at 50 percent capacity while the acetylene plant is working in full swing. Sales in 1964 are estimated around Rs. 25 lakhs, against Rs. 2.68 lakhs in 1963. Sales are expected to show a substantial increase in 1965. The Company has made a deal with another firm to sell its oxygen and two of its four plants would be shifted to Lonavala by 1966 where the factory of the other firm is located. Bombay Oxygen is likely to take up the manufacture of liquid oxygen and nitrogen. The chairman is likely to visit Austria shortly to buy valves and cylinders.

Chase Bright Steel Does Well

THE Rs. 10-paid share of Chase Bright Steel which had touched a low of Rs. 5.40 earlier in the year, is currently quoted around Rs. 7.16. These shares have been attracting some attention recently on a favourable reassessment of the Company's prospects. The working results for the year ended March 1964 show a considerable improvement over the previous year. The turnover has increased from Rs. 48.82 lakhs to Rs. 80.29 lakhs, and on this, it has made a gross profit of Rs. 4.79 lakhs, against a mere Rs. 4.217 in the preceding year. After setting off the loss of previous years amounting to Rs. 3.66 lakhs and providing Rs. 1 lakh for development rebate reserve, a sum of Rs 12,947 is carried forward. No provision has been made for depreciation and the arrears computed on the straight-line method amount to Rs. 4.19 lakhs.

The increase in the Company's turnover during 1963-64 reflects increased production, notwithstanding the shortage of raw materials. The Company has had to import its requirements under barter licences, against the export of minerals, which cost the Company an extra Rs. 4.60 lakhs on the import of raw materials. A good demand exists for the Company's products in the external markets, especially on the Continent and in West Asia and a small beginning in exports has been made. The directors expect the Company's turnover during the current year to exceed Rs. 1 crore. The Company has been permitted to increase its capacity from 6,000 tonnes to 12,000 tonnes a year on a two-shift basis.

Indian Bright Steel, a subsidiary of Chase Bright, proposes to set up its plant for the manufacture of bright bars in Madras, instead of Bombay as originally licensed. The Company is negotiating for loans for the project from the Madras Industrial Investment Corporation and a leading bank. The directors hope that the Company will be able to start production in the near future. After providing Rs. 1,112 (against Rs. 4,304) for depreciation, the Company's accounts for 1963-64 show a loss of Rs. 37,063, against Rs. 34,848 in the previous year. Including the deficit brought forward, the total debit balance of Rs. 91,449 is being carried forward.

More from Bombay Cycles

BOMBAY Cycles and Motor Agency Ltd has raised the dividend for the year ended March from 12.5 percent to 15 percent. This follows the Company's improved performance during the year. Despite a setback in the sales from Rs. 2.28 crores to Rs. 2.20 crores, the gross profit is higher at Rs. 5.52 lakhs, against Rs 3.34 lakhs in the preceding year. Sales declined mainly because of the reduction in supplies of lorries, Fiat cars and Air-temp room air-conditioners. Appropriations include depreciation Rs. 1.30 lakhs (against Rs. 1.32 lakhs), development rebate Rs. 645 (against Rs. 12,376),

taxation Rs. 2.34 lakhs (against Rs. 1.10 lakhs) and general reserve Rs. 49,000 (against nil). After writing back a sum of Rs. 2,244 from the development rebate reserve, the directors have provided Rs. 1.20 lakhs (against Rs. 1 lakh) for the payment of the proposed dividend, leaving a balance of Rs. 11,178 to be carried forward, against Rs. 30,964 brought in.

Madhya Pradesh Industries Maintains

THE Madhya Pradesh Industries Ltd has maintained the dividend on the equity shares at 10 percent for the year ended March 1964. The results for the year are encouraging. The Company's sales have increased to Rs. 18,14,712 from Rs. 15,59,018 in the previous year. It also earned higher additional income from its investments, that is, Rs. 4,12,274, against Rs. 2,91,411. The profits have gone up to Rs. 6,06,810 from Rs. 4,64,365. A sum of Rs. 20,188 has been provided for depreciation, against Rs. 22,553 while development rebate reserve takes Rs. 499, against Rs. 1,734. Taxation for previous years accounts for Rs. 62,041, against nil, while Rs. 2,00,000 have been provided for taxation against Rs. 1,75,000 in the previous year. A sum of Rs. 1,00,000 has been transferred to general reserve, against Rs. 1,51,000.

The circumstances under which the manganese trade had to operate during the year were difficult and unfavourable. The selling price of manganese ore further slumped by about 10 percent whereas there was an increase in the wage rates and costs all round. The internal consumption of manganese ore has increased due to the emergence of the ferro-manganese industry. A further rise is expected with the increase in production of ferro-manganese as a result of the rise in steel production in India.

CONTIN FINANCE & MINING CO. LTD.

CHAIRMAN'S REVIEW

The eighth annual general meeting of Contin Finance and Mining Co. Ltd., was held on August 26, 1964, in London.

Mr. W. J. C. Richards, Chairman, presided, and the following is an extract from his Statement circulated with the Report and Accounts for the year ended 30th June, 1964 :—

Political and economic forecasts and fears have influenced stock markets throughout the year. Generally, confidence has been at a low level and our operations have been guided by caution. The group net profit for the year is £1,767 down but it is sufficient to justify our recommendations to distribute the same dividend as last year.

Money in Burma

The money we have in Burma has been referred to year after year and it must now be stated that during the past year the likelihood of getting it remitted has receded. The Revolutionary Council, which is now the Government of Burma, has only permitted remittances having special characteristics, and these have been very few. Money is not blocked in Burma because Burmese foreign balances are inadequate, but as a point of policy in the Burmese Way to Socialism which the Revolutionary Council has adopted. As a result of a Court award to former employees of Consolidated Tin Mines of Burma our balance in Burma has been reduced by £6,156 leaving a balance of £20,522. The application has been passed by the Government Departments concerned and it is in order, but the Exchange Control Department's power to pass applications for the return of capital has suspended. The reduced balance is carried as an asset in the accounts of the subsidiary company, and the written down cost of the subsidiary company in the Balance Sheet of the parent company is less than the net value of the subsidiary's securities and cash excluding the balance of funds in Burma.

The Balance Sheet continues to be strong and it shows a surplus in cash and Treasury Bills which it is intended to reinvest more profitably as soon as a suitable opportunity occurs.

The report and accounts were adopted.

In September 1957, shareholders of The Consolidated Tin Mines of Burma Limited became entitled to shares in Contin Finance and Mining Company Limited, under a reconstruction scheme. A number of the registered shareholders of The Consolidated Tin Mines of Burma Limited could not be traced, and their shares in Contin Finance and Mining Company Limited, are now vested in Trustees for C.T.M.B. Shareholders at Alderman's House Bishopsgate, London, E.C.2. to whom any enquiries should be addressed.

Kemp and Co. Repeats

KEMP and Co. Ltd has maintained the dividend for the year ended 31st March 1964 at 10 percent—Rs. 20 a share of Rs. 200. The Company has done better than in the preceding year. Sales are up by about 19 percent from Rs. 15.65 lakhs to Rs. 18.67 lakhs and the gross profit has risen by nearly 24 percent from Rs. 3.05 lakhs to Rs. 3.79 lakhs. After providing Rs. 77,585 (against Rs. 74,454) for depreciation, Rs. 2,800 (against Rs. 2,300) for development rebate and Rs. 1.65 lakhs (against Rs. 1.17 lakhs) for taxation, the net profit amounts to Rs. 1.34 lakhs, against Rs. 1.12 lakhs in the preceding year. The proposed dividend will absorb Rs. 1.20 lakhs, leaving a sum of Rs. 15,464 to be carried forward, against Rs. 11,196 brought in. The Rs. 200-paid share of Kemp and Co. is currently quoted around Rs. 263.75.

Asian Electronics Share Offer

ASIAN Electronics Ltd which proposes to undertake the manufacture of electronic components in technical collaboration with a well-known Yugoslav firm will soon be in the market to raise Rs. 15 lakhs through public subscription for the Rs. 50-lakh project. The Company has been licensed to produce 12 million pieces of carbon film resistors and 7.5 million pieces of styroflex capacitors which is estimated to meet about 20 percent of the country's present requirements. The plant which is to be set up in Thana (Bombay) has been desgined to produce a minimum of 12 million pieces of carbon film resistor, 10 million pieces of styroflex capacitor and 60 million pieces of ceramic core. The Company will start with the basic components such as carbon film resistors, styroflex capacitors, cores, etcetera, in the first phase, and it proposes to produce various types of electronic instruments in the second phase and ultrasonic instruments in the third.

Most of the raw materials required for the manufacture of products which the Company proposes to undertake are available from indigenous sources, and the imported component is estimated hardly around 5 percent to 8 percent of the total value of the raw materials. The promoters hope to be able to export the Company's products. Marketing the Company's products within the country is unlikely to present any difficulty as domestic requirements are at present being met largely from imports. The components which the Company will be producing will meet the vital needs of a wide assortment of industries producing instruments used in radio, television, electronic measuring, telephone exchanges, radar, computers, nuclear counting systems, radiation survey meters, detectors, electronic timers, etcetera.

Avtomacija of Ljubljana, Yugoslavia, which is collaborating in the venture is an associate of internationally-reputed firm of I.S.K.R.A. The erection of the Company's plant in Thana is expected to start in the first quarter of 1965, and production is likely to commence by about the middle of the year. The project is estimated to cost about Rs. 50 lakhs, of which some Rs. 38 lakhs will be spent on machinery and installations. The cost of the project, it is proposed, will be met by the issue of capital amounting to Rs. 30 lakhs, medium-term loan of Rs. 15 lakhs and bank borrowings to the tune of Rs. 5 lakhs.

The Company has issued equity shares worth Rs. 7,38,500. The present issue consists of 22,615 equity shares of which the promoters, directors and their associates are taking up 7,615 equity shares. The remaining 15,000 equity shares are now being offered for public subscription. The list will open on 7th September.

Rane (Madras) Pays More

THE directors of Rane (Madras) Ltd have stepped up the equity dividend to 17½ percent for the year ended March 1964 from the previous year's level of 15 percent. The profit for the year is substantially higher than that of the previous year. According to the preliminary figures, the profit, before depreciation and taxation, amounts to Rs. 11,53,689, against Rs. 8,84,271. Out of this, depreciation provision gets Rs. 3,32,715 (against Rs. 2,11,417). Development rebate amounts to Rs. 1,29,378 (against Rs. 55,453). Provision for taxation amounts to Rs. 3,00,000 (against Rs. 2,75,000). After deducting the above provisions, there is a net profit of Rs. 3,91,596. With Rs. 8,309 brought forward, the total available for appropriation comes to Rs. 3,99,905. Out of this, the preference dividend at 9 percent on "A" preference shares absorbs Rs. 15,925. The preference dividend at 7.8 percent on 6-percent preference shares accounts for Rs. 14,832. The proposed equity dividend of 17½ percent will absorb Rs. 2,14,480. A sum of Rs. 1,50,000 (against Rs. 1,25.000) is transferred to general reserve. The balance of Rs. 4,668 is carried forward.

Mysore Stoneware Pipes Earns More

THE profit of the Mysore Stoneware Pipes and Potteries Ltd for the year ended March 1964 has recorded an improvement over the previous year. The rise in sales is another notable feature. The net profit for the year amounts to Rs. 75,530, after providing Rs. 80,651 for depreciation and Rs. 1,20,000 for taxation. The previous year's net profit was Rs. 23,136, after providing Rs. 76,951 for depreciation and Rs. 25,000 for taxation. With Rs. 190 brought forward, the total available for appropriation comes to Rs. 75,720. Out of this, the proposed dividend at 12½ percent (against 12½ percent) will absorb Rs. 75,000. The balance of Rs. 720 is carried forward. Sales for the year amounted to Rs. 15,46,777 (against Rs. 12,19,144).

The directors' report says that coal supply improved considerably during the year. So there were no holdups in production. The production of pipes and sales during the year were the highest in the history of the Company. Mysore Stoneware Pipes is continuing to use furnace oil in place of coal, although trials are still inconclusive.

The report adds that despite the competition in the market for stoneware pipes and firebricks, the demand for pipes is brisk, and the Company has large indents on hand and is booked for a few months in advance. The building construction for the expansion in the output of stoneware pipes was completed about 18 months ago and the kilns and plants are being maintained well. With the incentive production bonus scheme and the increased capacity of the plant, the director expect better results in the years to come. The Company is continuing its experiments for making white glazed sanitaryware in the pilot plant. In order to commemorate the occasion of the silver jubilee of the Company, the directors have recommended that a sum of Rs. 60.000 be capitalised from the share premium account and one bonus share for every ten shares held be issued to the shareholders.

Lynx Machinery Pays Maiden

LYNX Machinery Ltd has declared a maiden dividend of 2.5 percent —25 paise a share of Rs. 10—for the year ended March 1964. Although modest, the dividend is greatly welcome because the shareholders have suffered heavily by way of depreciation of their investments. The Rs. 10-paid share is currently quoted around Rs. 6.56; it was available around Rs. 4.24 a few weeks earlier. The Company's working results for 1963-64 hold out the promise of a better days ahead. The turnover has risen from Rs. 37.95 lakhs to Rs. 73.71 lakhs and the gross profit has gone up from Rs. 2.74 lakhs to Rs. 8.17 lakhs. After providing Rs. 87,575 (against Rs. 4.38 lakhs) for depreciation, Rs. 1.50 lakhs (against nil) for development rebate reserve and Rs. 72,000 (against nil) for taxation, the Company has made a net profit of Rs. 5.08 lakhs, whereas it had incurred a loss of Rs. 1.64 lakhs in the preceding year.

After adjusting the losses brought forward from the previous years, there remains a surplus of Rs. 1.87 lakhs. The proposed maiden dividend absorbs Rs. 1.50 lakhs, leaving a sum of Rs. 36,884 to be carried forward. The directors state that the Company's performance during 1963-64 would have been much better, but for the labour strike for one and a half months. The Company made considerable progress in the manufacture of cranes. It has recently put Lister engines in the market. The Company has received a licence for manufacturing marine diesel engines and the project is under consideration.

The working of the building machinery division has been satisfactory and in spite of increasing competition, the Company has been able to expand its sales of concrete mixers and concrete vibrators. The Company has been successful in negotiating with the State Government for supply and installation of an iron ore handling plant for Rs. 2.93 crores in conjunction with a foreign Company. The construction work of the Company's new factory in Calcutta has started. With the new factory coming into operation in course of time, the Company's activity will expand considerably and the directors look to the future with confidence.

The Stock Markets

FAIR TURNOVER IN CLEARING SHARES, SELLERS RESERVED

Wednesday Evening.

THE undertone of the Calcutta stock market has been steady during the past week. Turnover in clearing shares has been fair, while the prices of selected cash scrip have hardened mainly due to the reluctance of holders to sell at current low levels. The prices of clearing shares have, on the whole, been maintained despite profit-taking at every bulge.

Lyons Range has been impressed by good corporate news. A number of companies have earned larger profits and declared bigger dividends. But the investors think that current dividends are not sufficiently attractive because of soaring interest rates. Operators are also encouraged by rumours that the Government may soon provide incentives to stimulate activity in the capital market. But the more sober elements in the stock market think that no such measure is likely at least until the next Budget.

Towards the close, activity has been restrained because of the disappointment over the acceptance of the Bonus Commission's recommendations by the Government. Although the recommendations have been slightly modified, their implementation will hinder industrial development. The most damaging recommendation of the Commission relates to the payment of a minimum bonus whether a company makes profit or not. This apart, the Government's acceptance does not take into account the differences between industries and between regions. Anyway, the most likely result of the move will be that companies will be left with virtually little funds to finance replacements or modernisation.

The good response to the Unit Trust units, combined with the further increase in the price of the units, has caused optimism. It is felt that the Trust and the Life Insurance Corporation will soon buy ordinary shares. In fact, the Unit Trust has already bought a fair number of good equities. The growing shortage of funds is, however, an important restraining factor. The recent raids by the Government to bring out "unaccounted money" have caused some nervousness.

Indian Iron have held up well despite profit-taking. Selected engineering shares like Guest, Keen, Williams, Texmaco, Indian Standard Wagon, Jessop and Burn have been supported. J. K. Steel have improved on influential buying. Interest has been shown in Jay Engineering and Indian Steel and Wire Products. Among cotton mill shares, J. K. Rayon are steady. Elgin, Bharat Commerce and Dunbar have also gained. Despite a small turnover, selected coal shares like Bengal, Burrakur and Central India have improved.

Clearing scrip are prominent in the miscellaneous section. Hindustan Motors enjoy influential support. Jaipur Udyog has repeated the dividend in spite of a smaller profit. Indian Copper are steady due to the rise in the international price of the metal. Indian Aluminium, Dunlop Rubber and Indian Cable enjoy support. Union Carbide, Alkali and Chemical and Associated Battery have risen. Among new shares, Hindusthan Twyfords are a prominent feature due to a good report. Hindustan Aluminium have also hardened.

National Insulated Cable have been supported on increasing the dividend. Midnapore Zemindary have been fancied on prospects of diversification of activities. British India Corporation and Indian Oxygen have been steady. In managing agency shares, Martin Burn and Balmer Lawrie have changed hands. In electric companies, U.P. Electric have been bought. Bank shares are dull. Stray business in United Commercial and United Bank has been transacted. In paper shares, Orient have been active. Support has been forthcoming for Seshasayee, Bengal and India Paper Pulp. Titaghur have been sold on a disappointing dividend.

Birla Jute have retreated in jute shares due to profit-taking. Support has been extended to Ganges, Barnagore, Anglo-India and New Central. Investors are cautious because of the disappointing dividends declared by the Bird-Heilgers group of companies. Small business has been done in tea shares. Attention has centred on Assam and Dooars gardens. Some Pakistani gardens have also been bought by interested parties.

Government securities are steady, but turnover has been small. The 3 percent Conversion Loan 1986 has been quoted around Rs. 63.50. The good response to the State Government loans which were recently floated has been welcomed, although most of these loans are being quoted at a slight discount.

Bombay

SHARE PRICES FALL TOWARDS CLOSE

SETTLEMENT RESTRAINS ACTIVITY

Wednesday Evening.

THE Bombay stock market has been steady during the past week, although attention has largely been confined to clearing scrip. Towards the close, activity has been restrained and share prices have tended to fall because of the settlement on Wednesday. The market will be closed on Thursday and Friday. The flow of excellent corporate news has contributed to the renewed buying spree. There has also been brisk short-covering. Although turnover in cash scrip is small, some of them have improved smartly. Synthetics and Chemicals, for instance, have gained substantially on reports of good working.

Dalal Street has been cheered by the prospect that the Life Insurance Corporation and the Unit Trust of India will soon buy equities on a fair scale. Since the response to the sale of units by the Trust is encouraging, it is likely to invest large sums in equities. Operators have also been encouraged by the observations made by the Prime Minister, Mr. Lal Bahadur Shastri, on planned development. If expenditure on various projects, which are unlikely to be productive in the near future, is postponed, the economy should be stimulated. The decision of the Industrial Finance Corporation to liberalise the payment of dividends by borrowing companies is being bullishly interpreted. The offer of debentures for Rs. 6 crores by the Corporation has been welcomed because industries will enjoy the advantage of greater borrowing facilities.

Tata Steel ordinary have closed at Rs. 162.75. In engineering shares, Tata Engineering, Premier Construction, New Standard Engineering and Larsen and Toubro have been supported. Among motor-vehicle shares, Hindustan Motors and Premier Automobiles have been steady.

Selected cotton mill shares have improved all round. Century, Kohinoor, Svadeshi and Standard have recovered on replacement purchases. Interest in Bombay Dyeing has been shown after a long interval. India United ordinary, Morarjee and Gokak have gained.

In the miscellaneous section, cement shares have been steady. Associated Cement and Digvijay have been taken. In sugar shares, Belapur and Walchandnagar Industries have attracted support. In chemical shares, Tata Chemical are steady, but Polychem have reacted on profit-taking. Mining shares have been subdued. Be Be Petrol have reacted on profit-taking. Among rayon shares, National Rayon have improved, as have

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FOR SERVICE & SECURITY

Chairman and Managing Director :

Mr. P. N. TALUKDAR, M.A. (Cantab)

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INDUSTRIAL FINANCE CORPORATION OF INDIA

4¾% BONDS 1976

PAYMENT OF INTEREST & REPAYMENT OF PRINCIPAL GUARANTEED BY THE GOVT. OF INDIA

AMOUNT OF ISSUE: Rs. 6,00,00,000

Issue Price Rs. 99.25 Per cent.

REDEEMABLE AT PAR ON THE 15TH SEPTEMBER, 1976.

The Bonds are approved securities under the Indian Trusts Act, the Insurance Act and the Banking Companies Act and are also eligible for grant of advances to scheduled Banks by the Reserve Bank of India. They are on the approved list of securities of the State Bank of India.

Subscriptions will be received in cash or by cheques at the branches of the Reserve Bank of India at Bombay, Calcutta, Madras, New Delhi, Nagpur and Bangalore from Tuesday, the 15th September, 1964 but the list will be closed without notice as soon as the total subscriptions amount to Rs. 6 crores and in any case not later than the close of business on Monday, the 21st September, 1964. The Corporation reserves the right to retain subscriptions received upto 10% in excess of the sum of Rs. 6 crores.

Copies of the prospectus and application forms can be had from the offices of the Reserve Bank of India as also from the Head Office of the Corporation at Reserve Bank Building, 6, Parliament Street, New Delhi and its Branches at Liberty Building, 8, Marine Lines, Bombay-1, 23,-Rajendranath Mukherjee Road, Calcutta-1 and Keshav Bagh, 38, Whites Road, Royapettah, Madras-14.

Arrangements will be made for listing of these Bonds at the Bombay, Calcutta and Madras Stock Exchanges.

Brokerage will be paid at the rate of 6 Paise per Rs. 100/- to recognised banks and brokers on allotments made in respect of applications for the Bonds bearing their stamp.

NEW DELHI
Dated 24th August, 1964.

A. BAKSI
CHAIRMAN

DA-43 (203)/64.

Gwalior Rayon. Bombay Burmah, Voltas and Tata Oil have been supported.

Despite small turnover in bank shares, prices have been maintained. Bank of Baroda and Dena Bank have changed hands. Electric company shares have been steady. Tata Hydro, Tata Power and Bombay Suburban have changed hands.

Madras

OUTSIDE SUPPORT LIFTS SHARES

BUSINESS CONFINED TO CLEARING SCRIP

Tuesday Evening.

THERE has been an improvement in the Madras stock market during the past week largely due to the increased support from outside centres. Business has, however, been confined to clearing shares, although they have reacted slightly towards the close in response to profit-taking. Among cash scrip, attention has largely centred on selected planting and miscellaneous shares. Government securities have been dull, but the market has shown interest in good preference shares and debentures.

Small business has passed in bank shares. Indian Overseas have come to hand at Rs. 147 and Syndicate Bank at Rs. 143.50. In electric company shares, Karaikkal are quoted at Rs. 10.25 on declaring a taxable ordinary dividend of 10 percent. Tinnevely Tuticorin have been bought at Rs. 14 on paying a taxable ordinary dividend of 10 percent. Sugar shares have shown mixed trends. Travancore have been supported up to Rs. 7.65 on declaring a taxable ordinary dividend of 7½ percent. E.I.D. have retreated to Rs. 35 and Deccan have been dull at Rs. 12.35. Madura have come to hand at Rs. 9.44 and Andhra have been transacted at Rs. 13.55.

In the planting section, Blue Mountain have lost at Rs. 2.30, but Cochin Malabar are steady at Rs. 6.51. Consolidated Coffee have been about maintained around Rs. 23.42 and Ouchterlony have been done at Rs. 3.20. Periakaramalai have come to hand at Rs. 3.45. Malankara have been taken at Rs. 16.25 on declaring a taxable ordinary dividend of 16 percent. Business has passed in Kalpetta at Rs. 12.80 on the payment of a taxable ordinary dividend of 12½ percent. Kurchermala have been done at Rs. 5.07 on declaring a taxable ordinary dividend of 5 percent. Rajendra have been steady at Rs. 12.35 on declaring a taxable ordinary dividend of 25 percent. Interest has been taken in Thamarapally at Rs. 15.25 in Nonsuch at Rs. 21.87 and in Swinton at Rs. 2.68.

In textile shares South India Viscose have retreated to Rs. 118.50 and Travancore Rayon to Rs. 20.50. Lakshmi are available at Rs. 131 and Madura at Rs. 34.70. Bangalore Woollen are quoted at Rs. 270 on declaring an interim taxable dividend of 10 percent. Buckingham have been done at Rs. 275.50. Cannanore have changed hands at Rs. 97 on declaring a taxable ordinary dividend of 8 percent. Sarvaraya have changed hands at Rs. 10.25 on paying a taxable ordinary dividend of 9 percent. Business has passed in Mettur at Rs. 277.50 in Rajalakshmi at Rs. 85 and in Tirupati at Rs. 10.12.

Among miscellaneous shares, Aluminium Industries have hardened to Rs. 22.65 and Ashok Leyland to Rs. 6.80. Mettur Chemical have been bought up to Rs. 14.85. In cement shares, Dalmia are available at Rs. 12.55 and India at Rs. 5.52. Seshasayee Paper are steady at Rs. 7.53 and Standard Motors at Rs. 10.15. Binny have been bought up to Rs. 269 on declaring a taxable interim ordinary dividend of 10 percent. Marikar have improved to Rs. 74 on declaring a taxable ordinary dividend of 20 percent. Kirloskar Electric have risen to Rs. 19.25 and Parry's Confectionery have been done at Rs. 2.97. T. Stanes are quoted at Rs. 30.25 and Textool at Rs. 152.50.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 36/56 x.d.—36/87—35/50—36/50—(30/25).
Burrakur Coal—Rs. 17/12—17/31—17/12—17/12—(16/19).
Dunlop Rubber—Rs. 34/25—34/50—33/75—33/75—(32/62).
Guest, Keen, Williams—Rs. 25/12—25/31—24/56—24/62—(32/56).
Hindustan Motors—Rs 18/62—18/66—18/16—18/25—(17/00).
Howrah Jute—Rs. 16/25—16/37—16/12 s.t. 16/31—(18/37).
Indian Aluminium—Rs. 32/69—33/00—32/50—32/56—(35/87).
Indian Copper—Rs. 3/70—3/70—3/52—3/55—(4/82).
Indian Iron—Rs. 26/82—26/84—26/12—26/50—(23/64).
Indian Cable—Rs. 34/50 x.d.—34/81 x.d.—34/50—34/62—(33/50).

J. K. Cotton—Rs. 11/44—11/75—11/09—11/50—(11/06).
Jaipur Udyog—Rs. 11/37—11/44—11/37—11/37—(10/94).
Kesoram Industries—Rs. 27/81—27/94—27/34—27/75—(23/69).
Orient Paper—Rs. 34/70—34/75—34/05—34/50—(34/80).
Orissa Cement—Rs. 12/00 s.t.—12/12—12/00—12/06—(13/81).
Rohtas Industries—Rs. 11/50—11/62—11/06—11/19—(11/44).
Shree Gopal Paper—Rs. 25/56—25/75—25/53—25/69—(23/37).
Textile Machinery—Rs. 27/20—27/30—26/80—26/95—(23/85).

GILT-EDGED

U.P. Zemindary Rehabilitation Grant Bond (10 Collected)—Rs. 33/10—33/10—33/10.
3 % Govt. Paper—Rs 62/75—62/75—62/75—62/75
3 % Loan (1986)—Rs. 63/25—63/60—63/25—63/60.
3 % ,, (1970-75)—Rs. 90/23—90/23—90/20—90/20.
3 % ,, (1966-68)—Rs. 98/37—98/55—98/37—98/55.
4 % ,, (1969)—Rs. 99/45—99/45—99/45—99/45.
4 % ,, (1970)—Rs. 99/00—99/05—99/00—99/05.
4 % ,, (1973)—Rs. 98/90—98/95—98/90—98/95.
4 % ,, (1972)—Rs. 98/65—98/65—98/65—98/65.
4 % Madras (1967)—Rs. 99/40—99/40—99/40—99/40.
4 % U.P. (1969)—Rs. 97/95—97/95—97/95—97/95.
4½% ,, (1986)—Rs. 100/10—100/10—100/10—100/10.
4½% ,, (1989)—Rs. 100/00—100/03—100/00—100/03.

BANKS

Bank of Baroda—Rs. 95/00—95/00—95/00—95/00.
Hindusthan Commercial—Rs. 10/37—11/50—10/37—11/50—(13/25).
United Bank of India (Rs. 10/- paid)—Rs. 7/31 s.t.—7/69—7/31—7/66—(7/31).
United Commercial—Rs. 71/50—72/25—71/50—72/25

TEXTILES

Bowreah—Rs. 24/37—24/50—24/25—24/50.
Bharat Commerce—Rs. 21/31—21/44—21/31—21/37—(20/44).
Cawnpore—Rs. 6/62—6/75—6/56—6/75—(6/19).
Dunbar—Rs. 28/00—28/12—28/00—28/12—(25/19).
Elgin—Rs. 20/12—20/50—20/12—20/37—(18/75).
Jaya Shree—Rs. 13/75—14/31—13/62—14/31—(14/44).
Jagatjit—Rs. 15/50—15/87—15/25—15/25.
Nuir—Rs. 60/00—60/50—60/00—60/50.
Mahalakshmi Fibres—Rs. 5/69—5/69—5/69—5/69.
New Victoria—Rs. 1/31—1/31—1/22—1/25—(1/44).

COALS

Amalgamated—Rs. 21/06—21/19—21/06—21/19—(24/50)
Bengal—Rs. 244/00—262/00—244/00—261/00—(274/00)
Bhulanbararee—Rs. 10/00—10/00—10/00—10/00—(11/94).
Central India—Rs. 9/44—9/44—9/31—9/44—(9/94)
East Indian—Rs. 28/25—28/25—28/25—28/25
Equitable—Rs 21/50—21/50—21/50—21/50
Karanpura Collieries—Rs 13/75—13/87—13/75—13/81 s.t.—(15/00)
Chas Kajora—Rs 13/25—13/25—13/25—13/25—(18/12)
New Beerbhoom—Rs 17/00—17/00—17/00—17/00—(19/25).
Tewa—Rs 21/62—21/62—21/62—21/62.
Jendra—Rs. 4/00—4/06—4/00—4/06—(5/00).
Western Bengal—Rs 9/37—9/44—9/19—9/37—(9/25).

JUTES

Agarpara—Rs. 9/12—9/25—9/12—9/25—(10/50).
Anglo-India—Rs 198/00—200/00—196/00—197/00—(237/00)
Auckland—Rs 131/00—132/00—130/00—131/00—(146/00).
Barnagore—Rs 236/00—236/00—236/00—236/00—(199/00).
Caledonian—Rs 140/00—140/00—140/00—140/00—(180/00).
Cheviot—Rs. 20/50—20/50—20/50—20/50—(22/25)
Chitavalsah—Rs. 9/25—8/31—8/00—8/06—(10/06).
Calcutta (Pref.)—Rs. 67/00—67/00—63/00—63/00.
Champdany—Rs. 21/69—21/87—21/69—21/81—(22/75).
Dalhousie—Rs. 124/00—124/00—124/00—124/00.
Fort William—Rs. 22/25—22/25—22/25—22/25—(24/50).
Ganges—Rs 14/56—14/94—14/56—14/87—(15/62).
Gourepore (Pref.)—Rs. 85/00 x.d.—85/00—85/00—85/00.
Hooghly (Pref.)—Rs. 13/37—13/50—13/19—13/50.
India—Rs. 15/19—15/44—15/19—15/44—(16/94).
Kinnison (Pref.)—Rs. 102/00—102/00—102/00—102/00.
Kanknarrah—Rs. 128/00—128/00—128/00—128/00.
Lawrence—Rs. 108/00—108/00—107/00—107/00.
Megna—Rs. 12/87—13/00—12/81—13/00—(14/44).
New Central—Rs. 11/25—11/37—10/94—11/25—(12/56).
Northbrook—Rs. 25/37—25/50—25/37—25/50.
Presidency—Rs. 4/56—4/62—4/50—4/50—(5/44).
Rameshwara (Pref.)—Rs. 13/94—14/00—13/75—13/81.
Reliance—Rs. 7/81—7/81—7/81—7/81—(10/19)
Union—Rs. 139/00—140/00—139/00—140/00—(171/00).

MININGS

Bisra Stone Lime—Rs. 17/56—17/75—17/56—17/75—(35/00).
Karanpura Development—Rs. 9/00—9/12—9/00—9/12—(10/75).
Metal Corpn.—Rs 6/31—6/62—6/25—6/56—(8/25)
Sutna Stone Lime—Rs. 26/00—27/00—26/00—27/00—(35/12).

CEMENTS

Ashoka—Rs 7/06—7/25—7/06—7/25—(7/56).
Bengal Potteries—Rs. 4/12—4/50—4/00—4/50—(5/12).
Dalmia (Bharat)—Rs 12/56—12/62—12/50—12/56—(12/31)
Sone Valley—Rs 4/03—4/06—3/87—4/00—(4/47).

CHEMICALS

Alkali and Chemical—Rs 29/00—29/31—28/75—29/12—(32/50).
Bengal Chemical—Rs 102/00—102/50—102/00—102/50—(102/00).
Chemicals and Fibres—Rs 14/69—15/06—14/69—15/06
Phosphate—Rs. 175/00—175/00—175/00—175/00.

ELECTRICS

Benares—Rs. 13/25—13/25—13/25—13/25.
Calcutta—Rs. 15/00—15/12—14/94—15/12—(14/69).
Do. (Pref.)—Rs. 8/31—8/37—8/31—8/35—(8/25)
Shahjahanpur—Rs. 6/62—6/62—6/62—6/62—(7/25).
United Provinces—Rs 189/00—190/00—187/00—188/00—(117/00)
Upper Jumna—Rs 25/25—25/37—25/25—25/37—(15/06).

ENGINEERINGS

Binani Metals—Rs. 12/31—12/31—12/31—12/31—(9/56).
Braithwaite and Co.—Rs 32/50—33/00—32/50—33/00—(29/94).
Britannia Eng.—Rs 9/12—9/19—9/00—9/75—(10/25).
Bhartia Elec. Steel—Rs. 14/81—15/00—14/81—14/94—(13/50).
Burn and Co.—Rs 289/00—290/00—288/00—288/00—(542/00).
Calcutta Steel—Rs. 13/75—14/06—13/62—13/69—(12/87)
Dalmia Iron—Rs 11/19—11/31—11/19—11/31—(10/75).
Hindusthan Wires—Rs 9/75—9/75—9/75—9/75—(10/25).
Indian St. Wagon—Rs. 38/00—38/25—37/75—38/25—(31/00).
Indian Iron and Steel (Pref.)—Rs. 86/00—88/00—86/00—88/00—(84/50).
Industrial Containers—Rs 25/25—25/75—25/25—25/75—(21/37)
Indian Steel and Wire Pro.—Rs. 30/87—31/00—30/87—31/00—(39/00)
Jessop and Co.—Rs. 21/19—21/56—21/12—21/37—(25/12).
J. K. Steel—Rs. 16/25—17/37—16/25—17/37—(14/19).
Jay Eng.—Rs. 18/00—18/12—17/94—18/12—(20/87).
Kumardhubi—Rs 5/56—5/75—5/50—5/72—(9/00).
Machinery Mnfg.—Rs. 25/37—25/50—25/37—25/50—(23/12).
Do (Pref.)—58/50—58/50—58/50—58/50.
Marshalls—Rs. 3/06—3/06—3/00—3/06—(2/62).
National Iron and Steel—Rs. 6/19—6/37—6/19—6/37.
Raymon Eng.—Rs. 5/12—5/19—5/06—5/06.
Saran Eng.—Rs. 9/06—9/06—9/00—9/00—(8/50).
Steel Containers—Rs. 24/50—24/56—24/31—24/31—(29/50).
Textile Machinery (2nd Pref.)—Rs. 62/00—62/00—62/00—62/00.
Wellman Incandescent—Rs. 11/75—12/00—11/50—11/87.

INSURANCES

New Asiatic—Rs 7/50—7/81—7/50—7/69—(7/81).
Ruby General—Rs. 11/69—11/69—11/62—11/62.

MISCELLANEOUS

Aluminium Corpn.—Rs. 12/75—13/50—12/69—13/26—(14/25)
Associated Hotels—Rs. 9/00—9/56—9/00—9/56—(10/31).
Do. (Pref.)—Rs. 54/00—55/00—54/00—55/00.
Albion Plywood—Rs. 6/87—6/94—6/81—6/81.
Angelo Brothers—Rs. 25/12—25/19—24/87—25/19—(23/75).
Associated Battery—Rs. 23/25—25/06—23/25—24/94—(23/81).
Asiatic Oxygen—Rs. 9/87—10/00—9/81—10/00
American Refrigerator—Rs. 9/85—9/85—9/85—9/85.
Bharat Nidhi—Rs. 5/44—5/50—5/44—5/50—(5/62).
B.I. Corpn.—Rs. 10/47 s.t.—10/75—10/37—10/75—(7/87).
Bararee Coke—Rs. 22/69—22/75—22/69—22/75 c.d.—(21/37).
Britannia Biscuits—Rs. 36/75—36/87—36/56—36/87—(41/00).
British Paints—Rs. 22/62—22/87—22/56—22/87—(19/56)
Balmer Lawrie—Rs 238/00—238/00—235/00—235/00—(246/00).
Clive Row Investment—Rs. 8/44—8/50—8/44—8/44—(8/81).
Dr. Paul Lohmann—Rs. 8/31—8/37—8/19—8/19.
Eastern Investment—Rs. 102/00—102/00—102/00—102/00—(106/00)
East Anglia Plastics—Rs. 7/25—7/31—7/06—7/06
Electric Construction—Rs 13/62—13/87—13/56—13/87—(12/87).
English Electric—Rs. 14/37—14/81—14/06—14/81—(14/00).
Gillanders Arbuthnot—Rs. 14/87—14/87—14/81—14/87—(14/37)
Goodyear India—Rs. 21/75—22/12—21/69—22/12
Ganges Rope—Rs. 250/00—252/00—250/00—252/00—(236/00)
Fort Gloster Industries—Rs. 259/000—262/00—259/00—262/00—(373/00).
Hindustan Aluminium—Rs. 12/81—13/94—12/75—13/94—(13/06).
Hindusthan Development—Rs. 3/69—3/69—3/56—3/69—(4/10).
Hindusthan Nat. Glass—Rs. 5/50—5/50—5/50—5/50
Hindusthan Twyfords—Rs. 14/00—15/12—14/00—15/06—(14/00).
Hindusthan Gas—Rs. 19/50—19/62—18/37—18/50 x d.—(22/00).
Hindusthan Pilkington Glass—Rs 14/00—14/37—14/00—14/37—(15/81).
Hilla Tea—Rs 4/00—4/00—4/00—4/00.
Imperial Tobacco—Rs. 8/75—8/87—8/69—8/75—(10/50).
Indian Tack and Nail—Rs. 9/25—9/37—9/15—9/15—(11/75).
Indian Oxygen—Rs 25/44—25/50—25/44—25/50—(26/00).
Inchek Tyres—Rs. 6/69—6/75—6/69—6/75
India Carbon—Rs. 14/12—14/62—14/06—14/62—(18/62).
Indian Rubber (Pref.)—Rs 62/00—62/00—62/00—62/00.
Jardine Henderson (Pref.)—Rs. 60/00—60/00—60/00—60/00
Jay Shree Tea Industries—Rs 14/25—14/69—14/25—14/50—(16/19)
J. K. Synthetics—Rs 12/19—13/31—12/12—13/00—(10/50)
Jaipur Investment—Rs 102/00—102/00—102/00—102/00.
Kettlewell Bullen (2nd Pref.)—Rs 62/00—62/00—62/00—62/00
Martin Burn—Rs 26/50—27/19—26/50—27/00—(27/00).
Metal Box—Rs. 29/81—30/62—29/75—30/62—(49/37).
Metal Distributors—Rs. 9/12—9/19—8/94—9/00—(4/40).
National Tobacco—Rs. 11/56—12/06—11/56—12/06—(11/69).
National Insulated Cable—Rs. 26/50—26/87—26/50—26/87—(22/62)
National Pipes and Tubes—Rs. 28/00—28/06—28/00—28/06.
Philips India—Rs. 28/25—28/50—28/25—28/50—(26/00).
Phillips Carbon—Rs. 14/00—14/12—13/81—13/81—(16/12).
Rohtas Industries ('A' Pref.)—Rs. 107/50—108/00—107/50—108/00.
Rallis India—Rs. 129/75—129/75—125/00—126/00—(121/00).
Sirsilk—Rs. 7/37—7/50—7/19—7/25—(9/00).
Shaw Wallace—Rs. 15/00—15/06—14/75—14/87—(16/69).
Shree Ganga Cold Storage—Rs. 10/25—10/25—10/25—10/25.
Union Carbide—Rs. 32/00—33/00—32/00—33/00—(39/25).
Universal Cables—Rs. 10/12—11/37—10/12—11/37—(10/12).
Universal Electrics—Rs. 7/37—7/87—7/37—7/87—(9/00).
Usha Martin Black—Rs. 14/81—15/06—14/75—15/06.
Woolcombers of India—Rs. 11/50—11/62—11/37—11/50—(15/62)
Walford Transport—Rs 3/00—3/06—2/94—3/06—(3/62).

OIL

Tide Water—Rs. 37/00—37/00—37/00—37/00—(27/12).

PAPERS

Bengal—Rs. 26/50—26/87—26/50—26/87—(25/94).
Ballarpur—Rs. 17/31—17/75—17/31—17/56—(17/12).
Sirpur—Rs. 11/62—12/50—11/50—12/37—(11/94).
Straw Products—Rs. 8/50—9/50—8/50—9/37—(9/12)
Seshasayee—Rs. 7/75—7/75—7/56—7/69—(7/12).
Titaghur—Rs. 13/75—13/75—12/75—12/87—(16/37).

REAL PROPERTY

Midnapore Zemindary—Rs. 34/50—35/00—33/50—33/75—(10/37).

SHIPPINGS

India Steamship—Rs. 6/37—6/53—6/37—6/47—(6/75).
Port Shipping—Rs. 17/00—17/62—17/00—17/69—(14/37).

SUGARS

Balrampur—Rs. 1/72—1/72—1/72—1/72—(1/95).
Darbhanga—Rs. 8/31—8/37—8/25—8/25—(8/12).
Raza Buland—Rs. 10/00—10/00—10/00—10/00—(9/60).
Shree Krishna Gyanoday—Rs. 7/75—7/94—7/69—7/87—(7/56).
Tulsipur—Rs. 3/94—4/06—3/94—4/06.

TEAS

Baitakhal—Rs. 6/81—6/81—6/81—6/81—(7/69).
Baradighi—Rs. 20/94—21/12—20/94—21/12—(22/19).
Brooke Bond—Rs. 10/87—11/00—10/81—10/94—(12/06).
Bor Pukhuri—Rs. 10/25—10/37—10/25—10/37—(10/75)
Banarhat—Rs. 172/00—174/00—172/00—174/00—(216/00).
Bishnauth—Rs. 14/25—14/37—14/25—14/37—(17/56).
Dhelakhat—Rs 20/31—20/37—20/31—20/37—(18/81)
Dimakusi—Rs. 22/81—23/12—22/81—23/12—(21/87)
Do. (Pref.)—Rs 8/25—8/25—8/25—8/25.
Grob—Rs 6/56—6/62—6/56—6/62—(7/50).
Huldibari—Rs 11/50—11/62—11/44—11/62—(12/94)
Hasimara—Rs 13/69—13/75—13/62—13/62—(12/50).
Joonktoolie—Rs 16/19—17/75—16/19—17/75
Kornafuli—Rs 11/00—11/00—11/00—11/00—(9/31)
New Samanbagh—Rs 20/50—20/50—20/25—20/37—(18/37).
Patrakola—Rs 201/00—201/00—201/00—201/00—(125/50)
Passimbing—Rs. 7/56—7/75—7/56—7/62—(7/12)
Rydak—Rs 22/50—22/62—22/50—22/62—(24/25).
Sungma—Rs. 12/12—12/19—12/06—12/19—(14/31)
Teesta Valley—Rs. 12/69—12/81—12/69—12/81.
Tezpore (Pref.)—Rs. 7/37—7/37—7/37—7/37.

DEBENTURES

5½% Alexandra Jute—Rs. 91/50—91/50—91/50—91/50.
6½% Bengal Paper (Convertible) Notes—Rs. 250/00—250/00—250/00—250/00

BEFORE YOU BUY...

Quality garments or fabrics offered to you as made from 'TERYLENE' Polyester Fibre

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'TERYLENE' Polyester ICI Fibre

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ICI

Issued by
IMPERIAL CHEMICAL INDUSTRIES (INDIA) PRIVATE LIMITED

IWT-ICI. 2929

RESERVE BANK

	Week Ended		
ISSUE DEPARTMENT (In 000's of Rupees)	28-8-64	21-8-64	30-8-64
Liabilities—			
Notes in Banking Dept.	37,67,42	22,06,02	32,05,13
Notes in Circulation	23,90,12,15	24,23,81,64	21,91,07,14
Total Notes issued	24,27,79,57	24,45,87,66	22,23,12,27
Assets—			
A. Gold Coin and Bullion	1,17,76,10	1,17,76,10	1,17,76,10
Foreign Securities	85,45,69	85,45,69	89,46,14
Total of A	2,03,21,79	2,03,21,79	2,07,22,24
B. Rupee Coin	1,08,69,55	1,06,77,91	18,92,20,60
Rupee Securities	21,15,88,23	21,35,87,96	1,23,69,43
Total	24,27,79,57	24,45,87,66	22,23,12,27
BANKING DEPARTMENT			
Liabilities—			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long Term Operations) Fund	86,00,00	86,00,00	73,00,00
National Agricultural Credit (Stabilisation) Fund	9,00,00	9,00,00	8,00,00
National Industrial Credit (Long Term Operations) Fund	10,00,00	10,00,00	...
Deposits—			
(a) 1. Central Govt.	96,21,27	78,24,17	73,90,19
2. State Govts.	19,43,79	13,09,21	10,22,48
(b) Banks :—			
(i) Scheduled Banks	91,90,99	1,22,15,84	86,94,91
(ii) State Co-operative Banks	2,94,95	4,75,01	2,13,52
(iii) Other Banks	6,67	3,62	5,86
(c) Others	1,60,66,25	1,87,90,42	1,59,82,13
Bills Payable	46,30,43	35,74,42	38,59,28
Other Liabilities	24,22,52	22,26,87	20,43,38
Total	6,31,76,87	6,54,19,56	5,58,11,75
Assets—			
Notes	37,67,42	22,06,02	32,05,13
Rupee Coin	5,10	3,68	3,25
Small Coin	5,62	5,47	3,58
National Agricultural Credit (Long Term Operations) Fund			
(a) Loans and Advances to :—			
(i) State Govts.	28,29,50	28,29,51	27,16,59
(ii) State Co-operative Banks	12,47,98	12,48,73	10,23,90
(iii) Central Land Mortgage Banks	..	...	...
(b) Investment in Central Land Mortgage Bank Debentures	4,39,95	4,39,95	3,54,60
National Agricultural Credit (Stabilisation) Fund			
Loan and Advances to State Co-operative Banks	...	...	...
Bills Purchased and Discounted :—			
(a) Internal	...	...	...
(b) External	...	...	...
(c) Govt Treasury Bills	1,52,84,07	1,32,67,85	65,19,02
Balances Held abroad	10,14,71	13,00,12	5,05,86
Loans and Advances to Govt.	21,93,00	25,76,83	18,23,00
Loans and Advances to :—			
(i) Scheduled Banks	2,05,85	1,84,05	81,45
(ii) State Co-operative Banks	1,41,91,71	1,38,40,42	1,27,68,89
(iii) Others	2,33,19	2,48,19	1,76,05
Investments	1,91,66,60	2,47,28,02	2,22,28,01
Other Assets	25,92,17	25,40,72	24,02,42
Total	6,31,76,87	6,54,19,56	5,58,11,75

SCHEDULED BANKS

	(In 000's of Rupees) Week Ended		
	21-8-64	14-8-64	23-8-63
(i) Demand Liabilities—			
(a) Demand Deposits :			
(1) From Banks	66,11,89	68,45,66	51,74,39
(2) From others	11,25,34,15	11,08,99,27	9,60,10,35
(b) Borrowing from Banks	35,16,55	33,92,32	23,81,23
(c) Other	75,12,14	77,09,70	65,45,63
(ii) Time Liabilities—			
(a) Time Deposits :			
(1) From Banks	40,25,35	38,82,57	34,02,56
(2) From others	13,46,96,03	13,39,48,47	12,35,96,17
(b) Borrowing from Banks	15,73,20	15,47,06	19,83,68
(c) Others	15,32,61	12,68,58	10,67,27
(iii) Borrowing from State Bank—			
(a) Demand Liabilities	8,68,16	6,40,62	5,35,35
(b) Time Liabilities	20,20,00	18,15,00	16,51,00
(iv) Borrowing from Reserve Bank	1,77,87	2,36,80	38,20
(v) Cash	63,60,79	65,11,43	53,94,90
(vi) Balances with the Reserve Bank	1,11,76,75	1,05,51,98	95,02,72
(vii) Balances with other Banks in current account	23,00,55	24,46,70	20,81,80
(viii) Money at call and short notice	69,79,95	63,72,80	54,07,11
(ix) Investments in Central and State Govt. Securities	7,75,11,29	7,54,88,48	7,45,84,38
(x) (a) Loans, Cash Credits and Overdrafts	14,86,54,22	15,01,32,86	12,56,22,64
(b) Due from Banks	9,69,31	8,51,20	10,89,82
(xi) Inland Bills purchased and discounted	1,65,98,57	1,67,46,79	1,61,66,73
(xii) Foreign Bills purchased and discounted	67,35,16	68,51,80	49,93,07
(xiii) Total of X, XI and XII	17,29,57,26	17,45,82,65	14,78,72,36



Products of :—
BHARAT ELECTRICAL INDUSTRIES LTD.
19, R. N. Mukherjee Road, Calcutta-1.
Agents—
THE ORIENTAL MERCANTILE CO., LTD.
Calcutta, Bombay, Kanpur, Delhi, Madras.


Money

THE CALCUTTA MONEY MARKET

CALL RATE RISES FURTHER

Wednesday, 2nd September.

THERE has been a moderate decline in the general level of advances in the Calcutta money market during the past week. This is due to the slight fall in the credit given to jute and sugar mills, and to the iron, steel and engineering industries. Credit for cotton mills and for the storage of foodgrains remains almost unchanged. In the interbank market, conditions are tight, and the call rate has risen further to 5½ percent mainly because of the need for making tax payments.

The exchange market has been inactive, with a poor supply of tea and gunny bills. The demand for remittances has been moderate. In London, sterling has weakened appreciably against all important currencies.

SILVER REACTED IN CALCUTTA DURING the past week. The price declined from Rs. 255.50 to Rs. 255, quoted a kilogram today. The price fetched 112⅛d in London and 129.3 cents in New York.

In spite of the easier trend in silver, gold was steady and the price of 14-carat advanced from Rs. 74.25 to Rs. 74.50.

DURING THE WEEK ENDED 28TH August, Government of India Treasury bills for Rs. 53,31,25,000 were sold in favour of the Reserve Bank.

TENDERS FOR Rs. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 1st September. The total amount offered was Rs. 4 crores. Tenders at Rs. 99.400 percent were allotted 50 percent. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.400 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 7th September.

IT IS STATED THAT 91-DAY INTERmediate Treasury bills will be sold from 2nd September to 5th September at Rs. 99.416 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 24th August to 29th August amounted to Rs. 2 crores.

THERE WERE DECLINES OF Rs. 38.70 crores to Rs. 2,390.12 crores in active notes and of Rs. 18.08 crores to Rs. 2,427.80 crores in the total note issue, according to the return of the Reserve Bank of India for the week ended 28th August, 1964. The currency contraction was adjusted by reducing rupee securities by Rs. 20 crores to Rs. 2,115.88 crores in the paper currency reserve. Deposits of the Government of India rose by Rs. 17.97 crores to Rs. 96.21 crores and those of State Governments by Rs. 6.35 crores to Rs. 19.44 crores due to good tax collection. Deposits of scheduled banks at Rs. 91.91 crores showed a drop of Rs. 30.25 crores. Balances held abroad declined by Rs. 2.86 crores to Rs. 10.14 crores. Investments at Rs. 191.67 crores showed a decline of Rs. 55.61 crores. Loans to scheduled banks rose from Rs. 1.84 crores to Rs. 2.06 crores of which advances against usance bills amounted to Rs. 20 lakhs (the same). Ways and means advances stood at Rs. 21.93 crores, against Rs. 25.77 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 21st August 1964, shows a rise of Rs. 18.20 crores to Rs. 671.02 crores in total deposits. Investments in Government securities are up by Rs. 15.03 crores to Rs. 290.13 crores, while other authorised investments remain unchanged at Rs. 9.44 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have fallen by Rs. 6.72 crores to Rs. 339.50 crores. Cash and balances are, in consequence, shown at Rs. 35.38 crores or Rs. 3.78 crores higher.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 21st August, 1964, shows Demand and Time liabilities at Rs. 1,301.75 crores (Rs. 35.17 crores on account of borrowings from banks) and Rs. 1,418.27 crores (Rs. 15.73 crores), compared with Rs. 1,288.47 crores (Rs. 33.92 crores) and Rs. 1,406.47 crores (Rs. 15.47 crores), respectively, in the previous week. Cash has declined by Rs. 1.50 crores to Rs. 63.61 crores, while balances with the Reserve Bank have increased by Rs. 6.25 crores to Rs. 111.77 crores. There is a rise of Rs. 20.23 crores to Rs. 775.11 crores in investments. Advances and bills discounted at Rs. 1,729.57 crores show a decline of Rs. 16.26 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 6.4 percent and 63.6 percent, against 6.3 percent and 64.8 percent.

THE DIRECTORS OF NATIONAL AND Grindlays Bank Ltd have declared an interim dividend for the current year of 7 percent, less income tax at 7s 9d in the £, payable on 9th October, 1964.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 4-9-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
4-9-64	7-12-64	2,00.00	Rs. 2.400%
21-8-64	24-11-64	2,00.00	Rs. 2.400%
14-8-64	17-11-64	2,00.00	Rs. 2.400%
7-8-64	10-11-64	2,00.00	Rs. 2.393%
31-7-64	3-11-64	2,00.00	Rs. 2.399%
24-7-64	27-10-64	2,00.00	Rs. 2.400%
10-7-64	13-10-64	2,00.00	Rs. 2.500%
3-7-64	6-10-64	2,00.00	Rs. 2.994%
26-6-64	29-9-64	2,00.00	Rs. 2.995%
19-6-64	22-9-64	2,00.00	Rs. 3.000%
12-6-64	15-9-64	2,00.00	Rs. 3.000%
5-6-64	8-9-64	2,00.00	Rs. 3.000%

(Monthly Muturities 000's omitted)

September, 1964	8,00.00
October, 1964	6,00.00
November, 1964	8,00.00
December, 1964	2,00.00
Total	24,00.00

CLEARING HOUSE RETURNS

Rs. (thousand)

Week	Calcutta	Bombay
28-8-64	.....	1,13,52.03
21-8-64	91,60.68	1,02,52.63
14-8-64	95,36,60	93,15.80

ANNOUNCEMENT REGARDING THE PROPOSED ISSUE OF DEBENTURES.

This is NOT a Prospectus. Persons interested in full details may obtain copies of the Prospectus from the Registered Office of the Company or from the Bankers, Underwriters and Brokers named hereinafter.

THE BIRLA JUTE MANUFACTURING COMPANY, LIMITED

(Incorporated on 25th August, 1919 under the Indian Companies Act, 1913).

Registered Office : 15, India Exchange Place, Calcutta-1.

EXISTING AND PROPOSED ACTIVITIES OF THE COMPANY

The main activities of the Company consist of the production of Jute goods (including hessian goods, sackings, carpets and carpet backing cloth), Staple Fibre Yarn and the manufacture of Calcium Carbide, Cement, Oxygen Gas and Dissolved Acetylene Gas. The Company commenced its activities with the production of the Jute goods ; it commenced production of Staple Fibre Yarn in 1957. Calcium Carbide in 1954 and Cement in 1959. The Oxygen and Dissolved Acetylene Gas Plants of the Company were put into commission in August, 1964. In order to increase its production of Cement the Company has taken steps to set up its second Cement Plant in Rajasthan.

LOCATION OF THE FACTORY

The Company's Jute Mills, Calcium Carbide Factory, Staple Fibre Spinning Plant and Oxygen and Dissolved Acetylene Gas Plants are all situate at Birlapur, Budge Budge, in West Bengal, about 17 miles south of Calcutta. The existing Cement Plant of the Company is located at Satna in Madhya Pradesh.

The Company is setting up its second Cement Plant at Chittorgarh in Rajasthan, where sufficient land for this purpose has been acquired on 99 years' lease from the Rajasthan Government. The construction work of the Plant is in progress and it is expected that this Plant will be put into commission by March, 1966.

BOARD OF DIRECTORS:

1. **Shri Lakshmi Niwas Birla,** (Ex-Officio), Industrialist, 3/1 Raja Santosh Road, Alipore, Calcutta **Managing Director of :** Birla Brothers Private Ltd. **Director of :** Jiyajeerao Cotton Mills Ltd. The New Asiatic Insurance Company Ltd. Central India Coalfields Ltd. Hind Cycles Ltd. Hindustan Motors Ltd. and other companies. **Committee Member of :** The Federation of Indian Chambers of Commerce & Industry.
2. **Shri Hira Lall Somany,** Merchant, 13, Gurusaday Road, Calcutta-19. **Director of :** Kesoram Industries & Cotton Mills Ltd. Hindusthan National Glass Manufacturing Co. Ltd. Longview Tea Co. Ltd. and other companies.
3. **Shri Girdhardas Kothari,** Merchant, 41, Ballygunge Circular Road, Calcutta-19 **Director of :** Hind Construction & Engineering Co. Ltd. The Birla Cotton Spinning & Weaving Mills Ltd. The United Commercial Bank Ltd. and other companies.
4. **Shri Jugmohan Prasad Goenka,** Merchant, 145, Muktaram Babu Street, Calcutta. **Director of :** Textile Machinery Corporation Ltd. Octavius Steel & Co. Ltd. Central Cotton Mills Ltd. and other companies.
5. **Shri Prabhu Dayal Himatsingka,** Solicitor, 11, Queens Park, Calcutta-19 **Director of :** The Birla Cotton Spinning & Weaving Mills Ltd. Jaya Shree Textiles & Industries Ltd. Kesoram Industries & Cotton Mills Ltd. and other companies.
6. **Shri Rasiklal Maneklal Dalal,** Share and Stock Broker, Vasant Vilas, Babulnath Road, Bombay-7 **Director of :** The Arvind Mills Ltd. The Raipur Mfg. Company Ltd. The Nutan Mills Ltd. and other companies.
7. **Shri Brijratan S. Mohatta,** Merchant, "Ratnakar" (4th Floor), Narayan Dabholkar Road, Malabar Hill, Bombay-6 **Director of :** B. R. Herman and Mohatta (India) Private Ltd. The Malwa Vanaspati & Chemical Co Ltd. Mohatta & Heckel Ltd.
8. **Shri Madhav Prasad Birla,** (Ex-Officio), Merchant & Industrialist, 18, Gurusaday Road, Ballygunge, Calcutta **Managing Director of :** Birla Gwalior Private Ltd. **Director of :** Bally Jute Company Ltd. Universal Cables Ltd. Hindustan Aluminium Corporation Ltd. The United Commercial Bank Ltd. Rameshwara Jute Mills Ltd. and other companies.

SHARE CAPITAL

AUTHORISED :	
20,00,000 Ordinary Shares of Rs. 10 each ..	Rs. 2,00.00.000
25,000 7½% (subject to Income-tax) Cumulative Preference Shares of Rs. 100 each	Rs. 25,00,000
1,75,000 Second Preference Shares of Rs. 100 each	Rs. 1,75,00.000
	Rs. 4.00.00,000
ISSUED :	
16,03,690 Ordinary Shares of Rs 10 each ..	Rs. 1,60,36.900
25,000 7½% (subject to Income-tax) Cumulative Preference Shares of Rs. 100 each	Rs. 25,00,000
1,00,000 7.86% Redeemable Cumulative Second Preference Shares of Rs. 100 each	Rs. 1,00.00.000
	Rs. 2.85,36,900
SUBSCRIBED AND PAID UP :	
6,98,231 Ordinary Shares of Rs. 10 each fully paid up in cash	Rs. 69,82,310
8,97,390 Ordinary Shares of Rs. 10 each allotted as fully paid up Bonus Shares by Capitalisation of Revenue Reserve	Rs. 89,73,900
23,642 7½% (subject to Income-tax) Cumulative Preference Shares of Rs. 100 each fully paid up in cash	Rs. 23,64,200
*1,00,000 7.86% Redeemable Cumulative Second Preference Shares of Rs. 100 each fully paid up in cash	Rs. 1,00.00.000
	Rs. 2.83,20,410
Add : Forfeited Shares (amount originally paid-up)	Rs. 1.03,850
	Rs. 2.84,24,260

*Note : Redeemable Cumulative Second Preference Shares are redeemable at par on the expiry of 12 years from the date of issue, or earlier as may be decided by the Directors on giving six calendar months' notice.

PRESENT ISSUE FOR CASH AT PAR

20,000 Registered DEBENTURES (1975/77) of Rs. 1,000 each, bearing interest at the rate of 7% per annum and payable in full on application (to be secured by a Trust Deed) .. .. .. Rs. 2,00,00,000

TRUSTEES FOR THE DEBENTURES

1. **Shri K. R. Srinivasan,** Executive Director (Investment), Life Insurance Corporation of India, "Yogakshema". Foreshore Road, Bombay-1.
2. **State Bank of India,** 1, Strand Road, Calcutta-1.

AUDITORS

Messrs. H. P. Khandelwal & Co., Chartered Accountants, 1/B, Old Post Office Street, Calcutta-1

BANKERS

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N.B.—The whole issue has been fully underwritten.

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APPLICATIONS

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THE SUBSCRIPTION LIST WILL OPEN AT THE COMMENCEMENT OF BANKING HOURS ON 9TH SEPTEMBER, 1964 AND WILL CLOSE AT THE CLOSE OF BANKING HOURS ON 15TH SEPTEMBER, 1964 or EARLIER AT THE DISCRETION OF THE DIRECTORS, BUT NOT BEFORE THE CLOSE OF BANKING HOURS ON 11TH SEPTEMBER, 1964.

POYSHA INDUSTRIAL COMPANY LIMITED

SPEECH OF THE CHAIRMAN, MR. M. R. RUIA

The following is the address of the Chairman, Mr. M. R. Ruia, delivered at the 7th Annual General Meeting of the Company held on Monday the 24th August, 1964.

I am glad to report that the year 1963-64 has been a satisfactory year in most respects. Even in the existing factory at Bombay, with all its limitations, we have been able to show a distinct improvement in production, by increased efficiency and a certain amount of rationalisation. Our production of containers increased by no less than 18% over last year's, and a substantial proportion of it was open top sanitary cans used mostly in the food preservation industry, the balance being general line cans for various industries like oils, paints, vanaspati, confectionery, etc. This performance must be regarded as quite satisfactory in relation to our resources. The very fact that, even after providing, among other things, Rs. 8.58 lakhs for taxation as against Rs. 2.95 lakhs in 1962-63, the profits for 1963-64 amounted to Rs. 4.26 lakhs as against Rs. 2.11 lakhs in the preceding year, is a measure of our striking improvement. The staff reorganisation already initiated has begun to produce results, and I am sure the performance during the current year will be even more satisfactory. I may mention that this will probably be the last year in which we shall function throughout the year in the present factory in Bombay, as we expect to move into the new modern factory near Thana before the end of 1965

Expansion Programme

We have not been idle regarding our expansion programme. We have now acquired a total area of 33 acres of valuable land for our factory near Thana from the Maharashtra Industrial Development Corporation. Tenders are being invited for the construction of the new factory buildings on the basis of plans and lay-outs prepared by our architects. We hope to begin construction soon after the monsoon, and shall complete it as speedily as possible.

The land for the Cochin factory, comprising about ten acres, has also been bought at Mamala near Ernakulam, and we are now studying the plans for the factory buildings and installation of the plant. The site is a good one, about a mile, as the crow flies, from the new Oil Refinery complex.

The actual site for the new factory at Ghaziabad has also been selected after personal inspection of the Uttar Pradesh Industrial Estate, and we are now negotiating the detailed terms of the purchase.

I may also mention that the requirements of our Associate, Kaira Can Company, which has been created solely to meet the needs of the Kaira District Co-operative Milk Producers' Union at Anand, have been receiving full attention. As there were difficulties in the procurement of land for this Company through the State Government our Associate carried on private negotiations and has succeeded in selecting a suitable site (about 10 acres) near Anand. The plans for the factory buildings are also under preparation.

As regards the plant, a modern automatic printing plant has already been imported for our Bombay factory and is now awaiting installation at the new factory at Thana. I am also glad to report that we have at last succeeded in getting permission from the Government of India for a second automatic bodymaker line for our Bombay factory, the absence of which has been a bottleneck in production there. The new equipment will enable quick changeovers from one can diameter to another, without appreciable loss of time, and we shall also be in a position to manufacture containers of larger diameters. The Government have also agreed to the importation of all the plant and machinery we had selected for the factories at Cochin and Ghaziabad, and we expect the import licences to be issued shortly.

The Kaira Can Company has already placed orders with American suppliers for the machinery required, and we expect the equipment to reach India some time before the end of this year.

Construction of New Factories

The present year and the next will, therefore, be a very active year for our Company, involving the construction of four new factories for ourselves and our Associate, and the installation of up-to-date plant in each of them. When they start production, we shall get rid of our present strategic disadvantage in having only one important manufacturing centre at Bombay, and having to bear the handicap of long transport and high packing costs to various markets in distant parts of India. We shall, like the major producer of cans in this country, be in the happy position of catering for regional markets from the regional plants.

I mentioned in my last review the new developments regarding receipt of orders for various types of cylinders, etc., from the Defence Departments. We have made much progress in this respect, and were able to secure substantial orders, a considerable part of which has already been executed.

Our share in the present export drive has continued to expand, and I am glad to report that during 1963-64 about Rs. 20 lakhs worth of goods were exported in our containers. The beginning of the present year has already shown further remarkable progress in this direction, and new export markets have been created.

I must mention one point in connection with the availability of our present raw material, namely tinplate. While on the whole we had a slightly better, though still not an adequate supply of tinplate for our manufacturing requirements, the disturbing feature has been that arrivals have not been following any regular pattern. We get very large quantities of tinplate in some months, followed by a lean period, including some months with no arrivals at all. This absence of a proper phasing militates against any sensible planning of our whole manufacture throughout the year, and causes our customers considerable inconvenience. I do not know what the Government can do in the present circumstances to help us out of this condition of a relatively hand-to-mouth existence; but any long-range programme by them involving the proper staggering of indigenous production, as well as of imports, would be a real boon to us.

You will be interested to see from the relevant Balance Sheet and Profit and Loss Account annexed to this report that our wholly-owned subsidiary, Colrige, has also had a successful year. The sales in 1963-64 exceeded Rs. 6 lakhs, and the previous loss has been converted into a sizeable profit.

Future Activities

A word regarding our future activities. You will observe from the Directors' Report that the capital is going to be increased from Rs. 25 lakhs to Rs. 110 lakhs. We have carried on detailed negotiations with important financing agencies like the Industrial Credit and Investment Corporation of India, Kerala State Industrial Development Corporation. Industrial Finance Corporation, Life Insurance Corporation, the U.P. State Industrial Corporation, and certain Banks, for foreign exchange or rupee loans, or underwriting facilities. I am confident that these negotiations will soon fructify and that we shall shortly be fully armed at every point to embark on our scheme of modernisation and expansion, at the end of which we and our Associate will have four modern plants, combining the latest Continental and American techniques, and located at strategic centres, to enable us to cater for the greater part of India, besides contributing our tangible share to Indian exports.

All this has been possible as the result of combined team-work at all levels. Our staff have fully co-operated, and our relations with labour continued to be harmonious. I am happy to convey my thanks to them on your behalf.

Finally, I feel I should take the opportunity to refer to a topic which will be of paramount importance to the Can manufacturing industry in this country within a decade or two. As you are well aware, tinplate has been facing increasing competition from other materials like aluminium, paper, plastics, etc., and has had to adapt itself to meet this competition. The enormous impact of aluminium as a package material on the American beer can manufacture industry first made American tinplate producers seriously think of a modified tinplate to meet this formidable challenge; and "thin tinplate", otherwise known as "double cold reduced tinplate" was expressly created to meet the challenge. A survey of current tinplate manufacture in the United States reveals that this particular variety of tinplate is now developing very rapidly and that almost all producers, including the "Big Three", have now started large-scale manufacture of this type. Another recent development is tinplate "foil" which has a paper-thin gauge of two-thousands of an inch. We, in this country, cannot afford to stand still while all these modifications are going on in the largest tinplate producing country in the world, whose practices and methods are bound to have a controlling effect on tinplate manufacture elsewhere. Many other countries outside America (e.g., the U.K. and Japan) have also taken up the manufacture of thin tinplate and are likely to take up the manufacture of tinplate foil also. All of India's tinplate production at present is hot-dipped, which is already outmoded (less than 3% of the total manufacture of tinplate in the U.S.A. is of this variety today), and I note that a beginning is to be made in Rourkela in the manufacture of electrolytic tinplate. This is good so far as it goes. Unless, however, the Government take a long-range view, and modify the Rourkela programme in the Fourth Plan and take steps now for the manufacture of at least a certain percentage of thin tinplate and tinplate foil, I am afraid we will be hopelessly outclassed in the not too distant future. The same consideration applies to the proposed new plant at Bokaro. I would earnestly request the Government to give this matter serious thought and arrange for a progressive increase in the manufacture of these two new varieties which have a great bearing on reducing the cost of tin cans and will enable our industry to face competition from containers made of other materials, not only in India but as regards exports also. An ancillary suggestion I would also make is that during the period in which this manufacture is being started in this country, imports should be allowed of tangible quantities of these two new varieties of tinplate to enable us to try them out on our plants and get ready in time to cope with full-scale production when the need arises. This need, I repeat, will be on us within possibly a decade.

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

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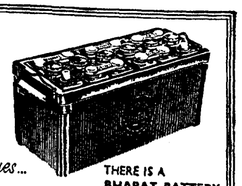
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New Delhi

NEW WORLD BANK TEAM TO STUDY RESULTS OF PLANNING

(FROM OUR NEW DELHI CORRESPONDENT)

THE president of the World Bank, Mr. George Woods, spent a busy and useful week in Delhi during which "the content and direction of economic progress made by India" were discussed. According to reports, he assured the Prime Minister, Mr. Lal Bahadur Shastri, that the World Bank would continue to assist economic development in India in every possible way by rendering expert advice and by offering loans for sound development projects.

Mr. Woods said in a Press conference that a World Bank mission would arrive in India in the third week of September. It will stay in this country for nine to 12 months. It will make a detailed study of the Indian economy and the impact of three five-year plans on its growth. The study will include the use of foreign aid and the potentialities of development in the private sector. The team will be headed by Mr. Bernard Bell.

Larger Assistance

Mr. Woods also stated that the Bank was devising means to facilitate larger assistance to the private sector in the developing countries. This will be done through an amendment of the Bank's charter to enable it to lend funds to the International Finance Corporation—an affiliate of the Bank—without Government guarantee.

The Bell mission, it is expected, will study during the first six months the implementation of the third plan with special reference to agricultural stagnation and the continuous rise in prices. In the remaining period of its stay in India, it will study the fourth plan, which should be ready by then.

The Central Finance Minister, Mr. T. T. Krishnamachari's statement in July that it would be unrealistic to provide for an expenditure of more than Rs. 18,000 crores under the fourth plan, and the Prime Minister, Mr. Lal Bahadur Shastri's emphasis on meeting such requirements of the common man as food, shelter, medical facilities and employment opportunities, have deflated the earlier claims made by the Perspective Planning Division of the Planning Commission which placed the fourth plan outlay at Rs. 22,000 crores. The presence in India of the Bell mission during the preparatory stages of the fourth plan should have a further sobering influence on the Commission.

Mr. Woods has made it clear that the rôle of the World Bank will continue to be that of an adviser. The Bank will not dictate, which should mean it will dictate neither to India nor to other aid-giving countries. It should, therefore, be clear that the Government of India would pay due attention to the advice of the World Bank and, in particular, to that of the Bell mission.

One basic question on the appraisal of the third plan could be what steps, if any, were taken by the Government to remove the causes which had impeded its progress, as shown by the mid-term appraisal of the Commission. It was, for instance, pointed out that multiplicity of agencies hinged to an employment-oriented economy had led to agricultural stagnation. Various committees, for example, have pointed to the deficiencies of the Central Ministry for Community Development. Instead of taking any definite action, another departmental committee has been set up to reiterate what has already been stated earlier. Menwhile, what is needed is not committees, but a definite action to streamline the administration dealing with agriculture.

The Heavy Engineering Project

The Heavy Engineering Corporation in Ranchi should provide another example where speedy decision could have been taken. It is a Rs. 225-crores project in the public sector included in which are the following: foundry-forge project Rs. 100 crores, heavy machine-building project Rs. 43 crores, coal-mining machinery project in Durgapur Rs. 32 crores, and heavy machine tool project Rs. 20 crores. The Corporation is managed by a board of directors, some part-time and some functional. In addition, each project has a general manager.

There was a disastrous fire in the machine-building factory in January last. The causes and responsibility for the fire have since been enquired into by a judge of the Allahabad High Court. Although the report on the enquiry has not yet been published, indications available here suggest that divided leadership at the top had badly affected the discipline in the factory. It should be a matter for some concern that when Congress leaders are devoting their time and energy towards national integration, provincial considerations often triumph over efficiency and discipline in some public undertakings.

Some questions might be asked in this context. Firstly, why the well-merited process of decentralisation, introduced in the management of Hindustan Steel, has not yet been introduced in the Ranchi project, making the four general managers independent in day-to-day administration? And is there any justification for tying up the coal-mining machinery project in Durgapur with the other three projects in Ranchi?

It should be conceded that if the World Bank were to evoke the interest of the aid-giving countries to contribute liberally to the financing of the fourth plan, it should be satisfied that the public-sector projects were well managed. Then again, questions are often asked about the final cost and the delay in commissioning a public-sector project. One might also ask whether any serious analysis has been made to ascertain whether the original cost of a project and the time-schedule for its commissioning were correct. It should be a fascinating study to make such an analysis of the various river valley projects on which rosy pictures, not only of irrigation but also of navigation, were painted, all assuring a fair return on the capital. Any realistic analysis shall have to take into consideration the various bottlenecks, such as transport, power, technical personnel, foreign exchange, congestion at ports, labour troubles and the time-lag in importing plant and machinery.

It is emphasised here that there was no desire to delay or put aside any project which was being commissioned. The imperative necessity of stepping up production, including the productivity of labour, has been emphasised. Meanwhile, what the Prime Minister has urged is wise spending of the hard-earned money of the taxpayer. Similarly, expenditure on feasibility studies on projects to be included in the fourth plan will not be curtailed, the idea being to keep the blueprints of all projects ready, some of which could be taken up during the fourth plan if circumstances favoured their commissioning.

BONUS REPORT

Decision Taken

The Government of India has accepted the Bonus Commission's recommendations, subject to certain modifications relating to prior charges on the gross profits before amounts available for distribution are computed. Such prior charges include direct taxes and fixed percentages of return on capital as well as provision of reserves. The Commission's formula is applicable also to public undertakings which compete with the private sector.

Existing agreements between managements and their employees providing for a large amount of bonus will not be disturbed, but whenever a dispute arises the Commission's formula will prevail.

The modifications introduced by the Government are: (1) In computing the "available surplus", all direct taxes for the time being in force will be deducted as prior charges. Tax concessions given to industry to provide resources for development will also be accepted as prior charges. Steps are to be taken to ensure by law that the amounts involved in such concessions are used for the purposes for which they are given.

(2) The rate of return on capital to be allowed as a prior charge deductible before calculating available surpluses should be, (a) the actual rate payable on the preference share capital; (b) 8.5 percent, taxable, on paid-up equity capital, and in the case of banks 7.5 percent; and (c) 6 percent on reserves—in the case of banks 5 percent.

(3) The Government considered it desirable that beyond a certain maximum, the bonus should be paid in the form of securities, instead of in cash. This matter is to be discussed and decided by negotiations with the parties concerned, including labour organisations, and, if necessary, by tripartite discussions. Suitable legislation is to be promoted to give effect

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Liabilities

	1963 Rs.	April 12, 1962 Rs.
Capital	2,500	2,500
Reserves	7,032	6,656
Deposits	94,503	80,382
Other Liabilities	5,954	3,198
Contra A/cs.	10,940	7,958
Profit & Loss	699	790
	1,21,628	1,01,484

Assets

	1963 Rs.	April 12, 1962 Rs.
Cash	33,993	27,992
Investment	160	120
Loan & Discts.	74,069	63,006
Contra A/cs.	10,940	7,958
Other assets	2,466	2,408
	1,21,628	1,01,484

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to the proposals which have been accepted by the Government.

A consequential modification relates to the giving of retrospective effect to the decision. "In cases where any retrospection has been settled through agreement or by a decision having been given, the matter would not be reopened." In other cases, where a dispute is raised or is pending, it will be related to the accounting year ending on any date in the calendar year 1962. In all other cases, it will be related to the calendar year 1963.

Broad Features

The broad features of the Commission's formula are as follows: The "available surplus" from out of which bonus will be paid should be arrived at after deducting from the gross profits the following prior charges: (a) depreciation as admissible under the Income Tax Act; (b) income tax and super tax; and (c) return at the actual rate payable on the preference share capital and at 4-percent on reserves.

Sixty percent of this "available surplus" should be distributed as bonus subject to a minimum equivalent of 4 percent of the annual basic wages and dearness allowance, or Rs. 40 whichever is higher, and a maximum equivalent of 20 percent of the annual basic wages and dearness allowance. The payment should be in cash. Where the amount to be allocated as bonus exceeds the maximum of 20 percent of the earnings, the excess up to a further limit of 20 percent is to be carried forward to be "set on" in the succeeding years up to a period of the next four years. Similarly, where there is no "available surplus" or the amount of the "available surplus" allocable as bonus is a sum less than 4 percent of the annual earnings, the whole of the amount 4 percent or the amount necessary to make up 4 percent, as the case may be, should be carried forward and "set off" in the succeeding years up to a period of four years.

Case of New Concerns

The formula will apply to those public-sector undertakings which are not departmentally run and which compete with private-sector establishments. For this purpose, if not less than 20 percent of the gross aggregate of the sales turnover of a public-sector undertaking consists of sales of services or products which compete with the sales of services or products by units in the private sector that undertaking will be deemed to be competitive with the private sector.

Where in particular undertakings, employers and units have adopted or may adopt in future, annual bonus linked with production or productivity in substitution of bonus based on profits, the Commission's formula will have no application. Similarly, where industrywise agreements already exist, the parties are at liberty to renew the agreements with such modifications, if any, as may be agreed to by them.

The formula will not apply to new concerns until they have recouped all their early losses including all arrears of normal depreciation admissible under the Income Tax Act, subject to a time-limit of six years.

The Commission recommended that its proposals should apply to all bonus matters relating to the accounting year ending on any day in the calendar year 1962 other than those cases in which settlements have been reached or decisions have been given.

One member of the Commission representing the private-sector employers had differed from the main recommendations of the Commission on some points of detail. His view was that in calculating the "available surplus," direct taxes like super-profits tax and suitable allowance for rehabilitation should also be included as prior charges and that the rate of return on capital as a prior charge should not be less than 8.5 percent for paid-up capital and 6 percent of reserves. He had further suggested that in the case of certain industries like jute, plantations, coal and other mines, the limits of minimum and maximum should be fixed at 2 percent and 10 percent of the year's basic wages and dearness allowance, against limits of 4 percent and 20 percent in the case of other industries.

MR. R. N. CHETTUR

Mr. R. N. Chettur has been appointed as a managing director of the State Bank of India. Mr. Chettur succeeds Mr. B. Mukerji. Mr. Chettur joined the Imperial Bank of India as a probationary assistant in 1929; he has served at various offices of the bank and has held senior appointments. He was agent, Rangoon branch, deputy secretary and treasurer, and secretary and treasurer of Madras Circle. Since February 1962, he has been the secretary and treasurer of Bombay Circle until his appointment as managing director.

THAILAND IMPORTS INDIAN ELECTRODES

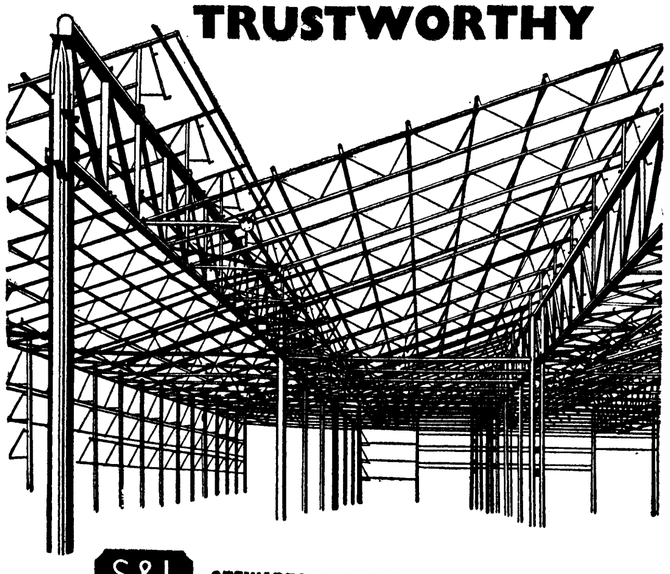
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London

BRITAIN FACING A MANPOWER SHORTAGE

(FROM OUR LONDON CORRESPONDENT)

BETWEEN 1963 and 1968, the working population of the United Kingdom will be increasing more slowly than in recent years, while continued growth of employment is expected in both the manufacturing and services sectors, offset to some extent by a continued net decline in the rest of the economy. Total manpower resources are likely, therefore, to be no more than adequate during the period. In the following five years up to 1973, the growth of the working population is again expected to slow down very substantially, and the strain on manpower resources may well be even more severe.

These are the main conclusions of the first report of the Ministry of Labour's Manpower Research Unit, set up a year ago by the then Minister. The text of the report—"The Pattern of the Future"—which was prepared with the assistance of the Ministry's Statistics Department and in consultation with other Government departments and the National Economic Development Office, is to sketch the pattern of employment in the United Kingdom as it has been developing during the past decade and as it is likely to develop in the foreseeable future. It is essentially a study of total manpower resources at the national level and their future distribution, the aim being to give a broad assessment of the main trends in employment. "While this is a necessary first step—in the process of manpower planning, it is no more than a first step," says the report. "Technological progress is constantly altering the occupational structure of the labour force and creating demands for new types of skill." This means that automation and every other means of getting the most out of the labour force is going to be vital over the next ten years. Economically speaking, the fear of a shortage of workers will be stronger than the fear of a shortage of work.

The report paints a broad portrait of a new manpower scene, showing the rise of the "white-collar" worker, a decline in the numbers of young people at work, an increase of married women, and radical changes in the balance of employment between manufacturing and service industries. It emphasises that while the forecasts made represent a careful assessment of the probabilities, they must be regarded as tentative and subject to revision in the light of later knowledge, and, in the case of the employment forecasts, of alternative methods which are being explored.

Here are some of the conclusions of the report as far as the next five years are concerned: (1) as total manpower resources will be no more than adequate to meet the needs of an expanding economy, the efficient and flexible use of manpower will continue to be of the greatest importance. (2) Employment opportunities for women may expand slightly more quickly than those for men and the number of single women and girls available for employment is expected to decline. Employers will, therefore, need increasingly to encourage part-time working and to facilitate the employment of married women. (3) The continued rise in the proportion of "white-collar" workers in manufacturing industry will have important implications in the fields of education and training.

Longer-term Prospects

Turning to longer-term prospects, these are summarised as follows: (4) With a labour force which will be growing at a much slower rate than the total population, efficient manpower utilisation will become even more essential if the task of maintaining and raising the general standard of living is to be successfully achieved. (5) The development of automation and other forms of advanced technology—indeed of any methods whereby productivity can be raised—will assume increasing importance and will to some extent be stimulated by the very fact of labour shortage. (6) The falling off in the number of young people entering the labour market—accentuated by the raising of the school leaving age in 1970—will call for adjustments, while at the same time, making for a less adaptable labour force. Some types of work at present performed mainly by young people may need to be reallocated and arrangements for apprenticeship reviewed. (7) The continued rise in the number of married women, who are themselves relatively immobile, will enhance the need for mobility among the rest of the working population, and measures to facilitate the employment of married women will have to be even more widely adopted.

In a survey of our future manpower resources, the report says that between 1953 and 1963, the working population of the U.K. increased faster than the total population—by 0.7 percent a year, against 0.6 percent a year. During the next decade the total population is expected to increase at about the same rate and the working population very much more slowly—by between 0.3 and 0.4 percent a year. Most of the increase in the working population will come in the next five years. In the longer term, the rate of growth of the working population will probably increase again, but it is expected to remain below the present rate throughout the seventies.

The report points out that the rising birth rate, longer full-time education, earlier marriage and the increased expectation of life in retirement have been combining to increase the "economically dependent groups" of the population. It is expected that this increase will be steadily maintained throughout the sixties, and indeed for many years to come. Until recently, the increase in the numbers of "economically dependent groups" has been more than matched by the increase in the working population. But between 1958 and 1963—in spite of unusually large numbers of school leavers and of immigrants—the additions to the working population have barely kept pace with the rising numbers of those outside it. In the next five years, it is expected that they will fall short by a considerable margin, and after that, the gap will widen, so that in the decade 1963-73, the estimated increase among those at work will be only one-third of the increase in the rest of the population. "These trends mean that the growing volume of goods and services which will be needed to maintain and raise our general standard of living will have to be produced with relatively few extra people at work."

Working Population

In past years, the increase in the working population has contributed substantially to the overall growth of the economy. Over the next decade at least, the same rate of growth will be needed in order to keep pace with the increase in the total population. By contrast, the U.K.'s manpower resources are expected to grow much more slowly than in recent years. "Clearly, therefore, productivity will need to grow at a faster rate if the present rate of improvement in living standards is to be maintained, let alone speeded up." A comparison of rate of growth of working population in the U.K. with those of certain other European countries and of the U.S.A. shows that in recent years the working population of the U.K. has been growing faster than that of France, but much more slowly than that of West Germany, and during the 1960's, it is expected to grow at a rather slower rate than that of the E.E.C. countries as a whole. But the most marked contrast is between the European countries and the U.S.A. Over the decade 1953-63, the latter's working population increased twice as fast as that of the U.K. and the rate is accelerating. Over the next decade, the rate of increase expected in the U.S.A. is more than four times that expected in Britain and appreciably higher than that expected in the E.E.C. countries.

The report attempts to forecast future employment trends in the different groups of industries and the distribution of manpower between broad sectors of the economy. After a survey of the main industrial groups, the report concludes that there may be significant changes of trend in some industries. Employment in chemicals and in iron and steel, which have been on a rising trend over the past ten years, may tend to level off. The rate of growth in several other expanding sections—food, drink and tobacco, the large engineering group, including vehicles, and the paper industries—may be rather slower than in recent years. On the other hand, the decline in the textiles and clothing group may be somewhat moderated, while over a wide range of industries representing a substantial proportion of manufacturing employment no major changes of trend are foreseen. On balance, the effect is one of a slight slackening in the overall rate of growth of the numbers employed in manufacturing industry, but no marked change of trend, for the next few years at least.

White-collar Workers

Although the report is not in general concerned with changes in occupational structure, it does draw attention to the steady rise in the proportion of "white-collar" workers in manufacturing industry. The increase in numbers of these workers accounted for about five-sixths of the total increase in the sector between 1953 and 1963. If this trend continues, "white-collar" workers will represent one quarter of the labour force in manufacturing by 1968. There may, however, be some slowing down in their rate of increase; in some parts of this field, the introduction of computers is likely to have an increasing impact in the longer term.

A review of trends in the services sector indicates that in most cases employment is likely to continue to rise rapidly. The largest increases are expected in health and education services and in distribution—although in the latter case, this represents some slowing down of the rate of growth. Marked increases are also expected in certain of the miscellaneous services, such as motor repairing and garages, and hairdressing. In financial services the rapid growth of business is expected to outweigh staff savings over the next five years from the introduction of computers, although these may have greater effect on this comparatively small sector of service employment in the longer term. An increase is also expected in employment in public administration. The continued declines expected in employment in transport services and in private domestic employment are offsetting factors, but the net effect for the services sector as a whole is one of continuing rapid growth.

The report makes these points on the remaining four groups in the economy. *Agriculture:* In general, employment over the whole sector—agriculture, forestry and fishing—seems likely to continue to decline over the next few years as it has done in the recent past. *Mining:* Little change is to be expected in the recent declining trends of employment over the industry as a whole. *Construction:* The very heavy demands with which the construction industry will be faced during the next five years will not merely sustain employment at its present level, but will require a sizable increase in the labour force, even allowing for substantial and continuing rises in productivity. The supply of skilled labour is likely to be a problem. *Public Utilities:* The accelerating growth of demand for electricity—and the further expansion plans to meet it—suggest that employment will continue to increase in spite of technological changes and economies of scale.

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LAW ON STOCK TRANSFER IN U.K.

By Bimalendu Sen Gupta

The United Kingdom has recently passed the Stock Transfer Act with a view to introducing a much simpler, uniform and speedy process of dealing with the transfer of stocks and shares. The Government of India should closely watch the working of the new transfer system in Britain and introduce changes in India to plug the existing loopholes.

WITH the rapid increase in the volume of transactions in shares and securities in the Stock Exchange and outside, the need for introducing a much simpler, uniform and speedy process of dealing with transfer was felt in the United Kingdom. A City Committee was formed for the purpose with representatives from the Stock Exchange and various other bodies, including a professional institution who in turn set up an advisory committee to go into the question in detail and to submit their recommendations. On the basis of their report containing various recommendations which suggested a radical change in the age-long system followed in relation to the transfer of shares and their registration in the U.K., the Stock Transfer Act, 1963, was passed. This new piece of legislation is very brief in context, having only a few clauses.

In India, there is the Companies Act which is largely identical in form and effect to the English Companies Act. The concept of company legislation owed its origin in the U.K. Any changes made in the company law and procedure in one country are looked into with interest by the other. In that perspective, the Stock Transfer Act, 1963, calls for a close study and the advantages and disadvantages of the new system need a careful analysis.

Two Instruments

The Act has introduced and prescribed two instruments of transfer—one called stock transfer form and the other broker's transfer form. The uses of these forms are restricted to the purposes for which they are designed, and these are discussed in detail in the next few paragraphs. The Act mainly applies to (1) fully-paid shares of companies incorporated under the Companies Act and (2) the Government securities with certain exceptions. It overrides all provisions in the articles of association of companies which require the use of any particular form of instrument for transfer, but does not restrict the right of the companies to refuse registration of any transfer on grounds other than the form to be used for transfer.

Every transaction in shares involves two parties—the seller who is described in the instrument of transfer as transferor and the buyer as transferee. Prior to the new legislation, signatures of both these parties on the instrument, commonly known as the transfer deed, duly attested by witnesses in each case were essential requisites. But the Act dispenses with the necessity for attestation of transferor's signature by a witness, for a transferee to sign at all and (except in the case of corporate bodies having a common seal) for a transfer in the form of deed. The evidence of identification as to the parties in the transaction is, however, provided by the stock brokers or other agents by impressing their rubber stamps on the transfer instruments. To give effect to all these changes, the two new forms, namely, stock transfer form and broker's transfer form, have been introduced.

The suitability of stock transfer form is found in all transactions whether through Stock Exchange or outside but the use of a broker's transfer form is restricted to the transactions through Stock Exchange involving the sale of a holding to more than one party. The issue of one stock transfer form to cover several broker's transfer forms eliminates the need for seller to sign more than once in relation to any single transaction. In case of transaction outside Stock Exchange, the stock transfer form is executed by the transferor after it is completed stating the details of the share or stock transferred, the parties to the transaction and the consideration in figures only. Thereafter, the transaction is identified by the stock broker or other agent by impressing his rubber stamp in the respective space provided in the form.

Stock Transfer Form

In case of Stock Exchange transactions, a stock transfer form is filled in by the selling broker covering the entire sale concluded. Thereafter, procedure varies according to the circumstances. If the transaction involves the sale of all the shares covered by the certificate/s to one buyer, the transferor puts his signature in the form which is then identified by the selling broker by inserting his rubber stamp. The form is stamped by the Inland Revenue and delivered to the buying broker for entering the transferee's particulars under rubber stamp and submitting the same to the company for registration.

But if the shares mentioned in any certificate are sold in part, the certification becomes necessary and this is done by the Stock Exchange or by the company, where necessary. In conjunction with the stock transfer form, the broker's transfer form is used when the shares covered by the certificate/s is sold to more than one buyer. As stated earlier, one stock transfer form may cover several broker's transfer forms and each buying broker thus may be in possession of a transfer form for enabling registration expeditiously in his client's name. The selling broker cancels the lower part of the stock transfer form and on its reverse inserts the particulars of the broker's transfer forms issued by him. The broker's transfer forms are then stamped by the Inland Revenue and certified normally by the Stock Exchange who retains the stock transfer form and the certificate for forwarding to the company. The certified broker's transfer forms are then delivered to the respective buying brokers for completion concerning the details of the transferee and submission to the company for registration.

The advantages of the new system as envisaged under the Act outweigh the disadvantages. Besides the uniformity secured in the design and the contents of the transfer instruments, the elimination of the issue of several instruments in favour of different buyers removes botheration on the part of the transferor. As certification can be done by the Stock Exchange, early delivery of transfer instruments to the buying-brokers is possible. The absence of transferee's signature on the transfer form simplifies and reduces the Registrar's work as it does not provide any scope to the company for verification of the transferor's signature unless the transferor is the original holder of the shares. Furthermore, the new system enables the buying broker to lodge the transfer documents with the company without sending them to the client and there the time taken in the movement of the documents through a buyer is saved.

Recording the Particulars

The above changes are not free from criticism. Any incorrectness in recording the particulars of the transferee in the instruments by his broker cannot be detected by the former as he does not at all receive the documents for his inspection or signature. After he executes the contract, there is no opportunity for him to know what is happening at different stages up to the time of his receiving the certificate. Furthermore, until the transferee's particulars are entered in the instrument, the transfer form becomes a bearer form and carries with it all the disadvantages of a bearer document. As the transfer instrument need not be taken to the transferee, the Registrar's Office may be flooded at a time with a large number of instruments immediately after the close of the accounts day in the Stock Exchange. Another defect is that the new system provides an opportunity to an unscrupulous broker to obtain temporary financial accommodation against the security of the stocks by inserting his nominee's details in the instrument instead of the real transferee's.

Although the Act has received a warm welcome in the United Kingdom, it is early to suggest any change in the existing laws and procedure in India with a view to adopting a similar transfer system. The success of this statute depends chiefly on the efficient working of the Stock Exchanges and their brokers in close co-operation with other parties concerned in the buying and selling of shares and securities. Our Stock Exchanges should, therefore, be conscious of the increased responsibilities contemplated in the new transfer system introduced in the U.K., and assess how far they are in a position to shoulder such responsibilities if a similar system is introduced in India at any future date. In view of the incorporation of a large number of companies in India every year and the expansion taking place in the corporate sector, any change to simplify and expedite the transfer work deserves consideration. The Government of India should, therefore, closely watch the working of the new transfer system in the U.K., and give its active consideration, as and when conditions permit, to introduce the changes in the transfer system too after plugging loopholes as far as possible.



Commodity Markets

U.P.A.S.I. CHIEF CRITICISES BONUS DECISION

(FROM OUR SOUTH INDIAN CORRESPONDENT)

THE president of the United Planters' Association of Southern India, Mr. J. R. Henshaw, said that the Government's decision on the Bonus Commission's recommendations was a "significant revelation of how political pressures much more than economic common sense can triumph in issues of such vital importance". He said this in the course of his address to the latest annual conference of this premier planting body of south India. The fears expressed by business leaders at the time the Bonus Commission was appointed had been justified. He said the Commission did not understand the peculiar features of the planting industry; nor did it apply its mind to the consequences of carrying out its recommendations on the progress or stability of this industry. He warned that an industry starved of the resources necessary for progress was not the one to provide stable employment with progressive wages.

Mr. Henshaw warned that the cumulative burden of competing taxation from the Centre and the States was starving the plantation industry of the resources so desperately needed, and until this problem was tackled, progress, despite all their efforts, would be limited. He said the mainspring of increased production was the grower's own estimate of his prospect in terms of his own financial security. He said that the capacity of the industry to expand had been considerably weakened over the past 12 years due to a progressive diminution of resources and this in turn had been on account of increased costs of labour and supplies and to a complicated variety of tax measures introduced by different authorities.

Referring to agricultural income tax rates, he said that the Constitution had provided for the reservation of agricultural income for State taxes. But the basic principle should have been laid down, so that one who depend on an agricultural income did not have to pay more than the tax the same amount of non-agricultural income would be subjected to pay under the Central income tax. He complained that the agricultural income tax rates of certain States far exceeded the Central rates and none of the concessions of rebates, deductions and incentives extended by the Centre were available under these taxes.

The U.P.A.S.I. president said that the field assets were entitled to depreciation, and because the depreciation was not provided for tea and coffee, it lowered the ability of the industry to find the necessary resources. It was in recognition of this fact that the Tariff Commission allowed depreciation for the rubber tree.

As for expenditure on labour welfare, made obligatory under the Plantations Labour Act, Mr. Henshaw said that capital diverted to fulfil such obligations under the Act now formed a large portion of the fixed assets of planting companies. This capital was not an investment as there was no financial return on it, and it had to come out of current savings. He said the industry should be given a 50 percent rebate on resources diverted for welfare expenditure.

Referring to the abolition of the export duty, Mr. Henshaw said, that the position had been made worse by the abolition, as the excise duty had been enhanced and made non-refundable when the tea was exported. By this means, the Government made up its loss on revenue, but made the producer pay the excise duty before the sale of the tea was effected. Referring to the notified land tax rates in the various districts of Mysore, the president said that in some cases, the increase was 38-fold from Rs. 2 to Rs. 76 an acre at one stroke, without a care as to what other taxes the same acre already bears, or the permanent injury which it would cause to the industry. He said that every sound principle governing taxation seem to have been thrown to the winds for raising more revenue immediately.

Dealing with what he termed a serious problem confronted by the industry, Mr. Henshaw said that planting in its structure and growth differed quite markedly from manufacturing industries. Not only that this industry was long established, but also because the capital of many of these companies was historical in nature and did not reject the current values of the assets. Being a farm holding, the steady improvement made in expanding the acreage, improving the stand and extending the handling capacity by a slow and long process of reinvestment of savings were not reflected in the equity capital, which in most cases, had remained practically unchanged. By relating dividends to equity capital, which was outdated and unreal, the return had always been judged wrongly. Recent efforts by some of the companies to get a truer valuation of their assets at work and refixation of their equity capital had been turned down as if such a procedure was somehow objectionable on the part of companies. Many small companies found it difficult to be heard in Delhi, however just their case. It might be recognised that the present method of calculating return on equity capital could only be fair if the equity capital itself was fixed in terms of the actual capital at work. He said that the more stringent the control exercised by the authorities, the more important it was that they possessed the attitude for justice and a proper understanding of the particular problems of the planting industry.

Referring to another serious problem, Mr. Henshaw said that with a low capitalisation and heavy taxation, most planting companies presented a vulnerable section of industrial enterprise. The share values were so much out of line with the market value of the properties owned by them and their true worth that they were easiest victims for cornering. He also objected to the indiscriminate elimination of managing agencies purely on the ground that the capital of the companies concerned was less than Rs. 10 lakhs. He said that the planting industry had always been in need of the services of agencies on the coast both to maintain their supplies and market their produce and to do a variety of other jobs necessary for the plantation.

By rejecting the application for extension of managing agencies, even where according to Company Law the shareholders had voted for such continuance, many planting companies who were in need of managing agency services were being deprived of them. He said the equity capital in the planting industry was only a very small part of the total part really at work and that to terminate agencies against the wishes of the shareholders, would be a needless and purposeless blow. He appealed to the Company Law Board to make a study of the special features of this industry and to devise the controls in such a manner as to have some relevance to the particular case and offered the willing assistance of associations of producers, in any study that the Board might wish to make.

Scientific Agriculture

The U.P.A.S.I. president claimed that the success of agriculture in the country would depend upon scientific agriculture with modern management and advocated approach to farming as a business. He said that competent management and a rational and scientific approach to the problems of the field and the plants were required. He added that since 1947, with an increase of only 11 percent in the area under tea south India produced 98 million lbs more, the production of coffee increased from 11,900 tonnes in 1947 to over 67,000 tonnes last season and rubber production from 16,713 tonnes in 1947 to 37,200 tonnes last year.

Referring to land reform measures aimed at a ceiling for personal holdings, Mr. Henshaw said: "To the community the most productive use of the land is more important. Inefficiently used land, however well distributed among the population, is not of much value in economic progress. During the past 20 years of great resurgence of national economies, unemployment was the least and agricultural progress was the most, precisely in those countries where farm holdings expanded and the number of persons engaged in agriculture fell most markedly".

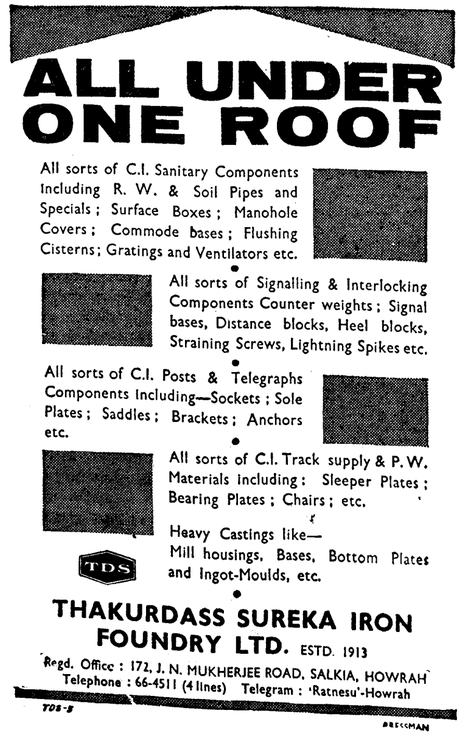
The president described the long interest the U.P.A.S.I. had bestowed on scientific research and said that in the last few years, the Association had been doing its utmost to enlarge the tea scientific research work. He reported that the sub-station in Vandiperiyar was complete and working, and in the Nilgiris the Department was doing intensive work in the development of high-yielding quality clones, while the main station in the Anamallais, the construction of which had been progressing, was expected to be functioning some time this year. He said attention was being given to improve the quality of tea as well.

Mr. Henshaw said: "The one fatal thing to progress and our competitiveness in the world market is to deny producers the opportunity to experiment with new equipment and machinery developed elsewhere". On the marketing of coffee, Mr. Henshaw said that the U.P.A.S.I. was gratified in the Government agreeing to the resumption of open auction for export sales and he hoped that the Board would give careful consideration to its suggestion for optional export quota, so that the quality of coffee might be improved by the individual grower having an interest in export under his own name.

LEMONGRASS OIL

S.T.C. Handling of Trade

There is a feeling in the market that in order to save India's lemongrass oil export trade from total extinction, the State Trading Corporation should adopt a more flexible price policy. The S.T.C. is now purchasing lemongrass oil from producers in Kerala at a fixed price of Rs. 11 a kilogram. This is part of a price



support scheme introduced by the Central Government early last year with a view to helping the producers who were threatened with a major slump.

The price at which the S.T.C. is lifting lemongrass oil stock from the producers is the "minimum" fixed by the Central Government. It is said that the world price is about 10 percent less than this "minimum" so much so there is some difficulty in getting foreign buyers for Indian lemongrass oil, although it is renowned for its quality. The Indian lemongrass oil has been facing severe competition from cheap oils as well as synthetic substitutes. It is suggested that in order to enable the Indian oil to hold its own in the world market, the Indian Government and the S.T.C. should revise their present "rigid" policy and make it more "flexible".

It is said that the S.T.C. which entered the market at the instance of the Government of India had suffered a loss of about Rs. 30 lakhs last year on lemongrass oil trade. It had to procure almost 80 percent of last year's production at the price of Rs. 13.75 a kilogram in view of the reluctance on the part of the private trade of buy oil from the producers at this prescribed "minimum" price. There was difficulty in finding foreign buyers at this rate so much so by the end of the year, there was a huge accumulation of stocks with the S.T.C. One estimate places the carryover stock to 1964 at as high a figure as 750 tons. The S.T.C. was reluctant to buy up stocks this year, but it had to enter the market again at the orders of the Government. The Government, on its part, had revised the "minimum" down to Rs. 11 a kilogram to make it more in parity with the world price. Both the Government and the S.T.C. have made an appeal to the producers to cut their output in view of the large carryover from the last season's crop. The present expectation is that production will not exceed 1,000 tons this year, against 1,700 tons of 1964. Even then, it is feared that the total supply will be more than what India can export.

The S.T.C. has been procuring oil through three established exporters in Kerala. Some other exporters seem to be very unhappy about this arrangement.

It is alleged that the S.T.C. had turned down certain buying offers from abroad on the ground that the prices quoted were "uneconomic". In the absence of an export "floor" price, a section of the exporters object to the summary rejection of these offers and the prompt approval of some others. Their demand is that the S.T.C. should permit all exports starting from Rs. 11 and above a kilogram and that the S.T.C. should function as a purely stabilising influence in the internal market. This section of the exporters says that the S.T.C.'s entry in the export of lemongrass oil has since shrunk from 1,250 tons to about 700 tons a year. The reason for this, according to them, is that the foreign buyers have not taken kindly to the S.T.C.'s intrusion into the trade. They consider the fixing of any minimum export price as holding them to ransom. They have also voiced the fear that in accordance with certain international conventions, legal proceeding cannot be instituted against a Government corporation in the event of disputes or default of contracts. It is alleged that there were occasions in the past when the S.T.C. had failed to fulfil some of the contracts and annoyed some of the foreign buyers.

There is also the complaint that the present procurement price of Rs. 11 a kilogram is not an economic price as far as the producers are concerned. The cost of production of A grade lemongrass oil for which this price is given, works out to Rs. 13.75 a kilogram, according to certain estimates. This section of the exporters go to the extent of saying that the S.T.C.'s entry in the lemongrass oil trade has benefited neither the producers nor the cause of export promotion.

TEA

Big Scale Expansion of Tea Output in Kenya

A Special Correspondent writes: To current supplies, Kenya proposes to add more in the future. Tea growing is to be expanded with a $2.8 million (Rs. 1.5 crores) loan from the International Development Association. This will extend the area under tea by 14,400 acres—a 25 percent increase over the present acreage. According to local statistics, East Africa has about 67,400 hectares of planted land, but that covered Tanganyika, Uganda, Nyasaland, Mozambque and South Rhodesia as well as Kenya which is clearly in the lead with production in Africa. They produce 40 million lbs of tea a year, that is 2½ percent of the world production. It has almost unlimited land, with soil and climate suitable for tea.

The I.D.A. loan is specifically for tea growing, and will cover only a part of the total cost of a $4.9 million. An almost equal sum is required to set up ten tea processing factories, which are to be financed half by the Kenya Government and half by the Commonwealth Development Finance Company. Most of the aid programmes are intended to help the small holders, who account for only one-fifth of the total acreage.

According to reports, the vice-chairman of the Pakistan Tea Board has said that the total area under tea in that country would rise to 90,000 acres by 1965. Under the third plan, the acreage was likely to increase by 28,500 acres to 118,500 acres. Addressing a meeting of the reconstituted Tea Board, the vice-president said that tea production had increased considerably since 1952. It went up from 52.27 million lbs in 1952-53 to 58.46 million lbs in 1961-62. He also forecast a record crop output of 60 million lbs for the current year. The consumption figure had also gone up considerably during the past 11 years. It now stood at 52 million lbs, rising at the rate of 2.1 million lbs annually.

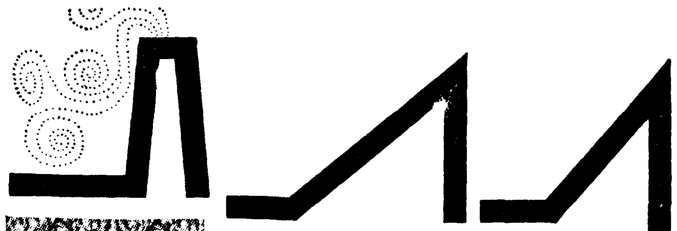
It will be seen that Ceylon, Africa and Pakistan intend to expand in a big way. India has already lost its predominant position in world production, and there is no hope of improving the position until financial facilities are made available at reasonable cost.

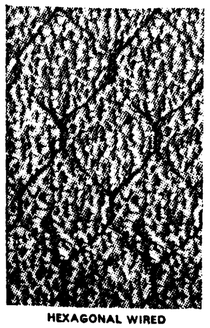
With another 63,377 packages up for sale on 24th August and more to follow in the coming months, the demand for leaf teas eased, although there was a good general enquiry and a few of the best Assams sold well, but medium B.O.P. from the Dooars received much less support. On Wednesday, Dust offerings amounted to 34,606 chests, but the demand slackened as the sale progressed. At Cochin quality was generally well maintained with Nilgiri teas showing useful manufacture. Fannings were sought after around last prices.

Colombo advices show a strong demand for B.O.P. fannings. Quality was well maintained from western areas, but others were often inferior to recent offerings. Plainer sorts were easier, but the lowest qualities met with an improving enquiry in some cases.

NEW MARKETING ASSOCIATION FORMED

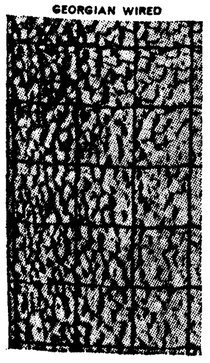
The formation of the Indian Marketing Association, devoted to marketing practice, research and education, has just been announced in Bombay. The president of its executive committee is Mr. Shivaram Nair. The Association has been organised with the help and co-operation of the American Marketing Association and the International Marketing Federation. The main objective of the I M A. is the promotion of scientific marketing.





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Jute

SPECULATION CURBED: FIBRE PRICES DECLINE

THERE has been a reversal of the upward trend in gunny and raw jute prices, thanks to the timely measures taken by the Jute Commissioner, the East India Jute and Hessian Exchange and the Forward Markets Commission. Speculators have now been restrained. Since the imposition of drastic margins on outstanding long positions in hedge and T.S.D. trading in hessian, sacking and raw jute, more than Rs. 20 lakhs have been collected as deposits by the E.I.J.H.E. A large number of speculative deals were not formally reported, but were squared up in kerb trading by the bulls, helping a decline in prices.

Meanwhile, the Pakistani jute market has softened with an increase in the daily arrivals. Pakistani mills have already booked fair lots of the fibre to continue production right up to November. So they were not showing much interest in fresh purchases. Indian mills also had bought 92,000 bales of long jute and cuttings from Pakistan during the first six weeks of the current season, against a total offtake of 93,000 bales during the 1963-64 season. The exporters booked sales amounting to 1.15 million bales in overseas markets during the same period.

With fair progress in the sowing of *Aman* paddy, farmers are almost free. The feeder roads have dried up. So daily arrivals of fibre have been improving. Speculators have been less aggressive and growers are inclined to accept lower rates. Mills have deemed it advisable to carry on production with their existing stocks. They have refrained from making panicky purchases, and were even agreeable to lift jute according to the maximum quota system. These steps have helped reduce the price of the fibre by more than Rs. 4 a maund during the week. In view of the upward trend in the prices of essential commodities, it is reported that the authorities may soon raise the floor price of raw jute in consultation with the industry and other interests.

The gunny market too has been behaving well. Violent fluctuations have been held in check and prices have gradually come down to more realistic levels. The overseas buyers, the Government of India and internal bulk consumers are still waiting on the side-lines expecting normal trading conditions. Actual transactions have been few and far between in view of the higher levels. Burlap prices have also softened after narrow fluctuations in the New York market in sympathy with the trend in Calcutta.

Fibre Supplies will be Adequate

Addressing a Press conference in Calcutta on 26th August, Mr. G. C. L. Joneja, the Jute Commissioner, stated that the authorities were alive to the situation and were taking appropriate measures in consultation with the industry and the trade to arrest the speculative activities, which had pushed up prices. He reiterated that the Government was keen on maintaining the goodwill and the continued custom of overseas buyers, and so had taken drastic steps to curb unwarranted speculation. About the crop, he said that despite natural setbacks, it would be safe to estimate it around 7.2 million bales. Including the carry-forward of 2.8 million bales from the previous season, the total availability would be 10 million bales. This would be sufficient to run the installed capacities at the present level of maximum production, which would absorb some 8 million bales. Another satisfactory aspect of this year's crop, according to Mr. Joneja, is the appreciable improvement in the quality of fibre produced in Assam and West Bengal.

Meanwhile, the Committee of the I.J.M.A. has reviewed the market situation. It says in a Press statement that mills may have to make some adjustment in production to conserve fibre supplies. But it has assured overseas buyers that the stocks of gunnies held in Calcutta are adequate to meet any foreseeable demand. The stocks of finished goods, which stood at 104,200 tonnes at the end of July 1963 have risen to 135,200 tonnes at the end of July this year. So the industry feels that there should be no fear of any interruption in supplies to consumers due to the adjustment of output by individual mills.

U.K. to Revise Import Arrangements

Mr. Edward Heath, Britain's Trade Minister, will shortly introduce revised arrangements for the import of jute goods, according to the Board of Trade. Goods of the greatest long-term interest to the Scottish industry and which currently represent a substantial part of its cloth production will be subject to a fixed mark-up of 45 percent. Earlier Government proposals had envisaged a diminishing rise in price for these goods.

A further range of goods will be subject to a mark-up, including both fixed and variable elements, which for the first year will be based on 45 percent, the variable rate of mark-up being reduced annually. Finally, a range of cloth, which forms a substantial amount of Scotland's imports and represents only a limited part of Dundee's production, will cease to be subject to protection against imports from India and Pakistan and will be returned to the private trade. The British Government will review the effects of the new arrangements in 1967 with the special object of examining the need for continuing the variable mark-up.

THE JUTE MARKETS

Manufactured Goods: Subdued conditions prevailed in the Calcutta gunny market during the past week. Business was still restricted due to the high prices which were being quoted. Overseas offtake was more or less of a routine nature. The week's completed transactions included Government tenders for about 10,000 bales of B Twills for September-October delivery and scattered hessian business with the U.K., the U.S.A., and the Argentine. Besides, there was usual short- and shipper-covering in ready goods. Mills were reluctant to extend commitments at the prevailing levels as the marginal increases in gunny prices failed to offset the effect of the higher fibre prices. Speculators were inclined to adjust on the kerb most of their outstanding commitments in T.S.D. and hedge transactions. Hessian lost by 50 paise to 75 paise a 100 yards, and B Twills by Rs. 3.25 to Rs. 3.75 a hundred bags in the spot market. In the hedge market, prices eased somewhat on long liquidation. The fluctuations were wide in sacking and moderate in hessian. Turnover was fair in the hedge market and moderate in the spot market. The closing undertone was easy.

Wednesday's quotations were as follows:

	Ready P.D.O.	Sept.	Oct.-Dec.	Jan.-Mar.
40in. 7½oz.	37.25	37.60	38.10	38.25
40in. 8oz.	40.00	—	—	—
40in. 10oz.	49.55	50.10	50.50	51.00
B Twills	137.90	139.10	139.50	140.50
Cornsacks	143.00	144.00	142.50	143.00
Heavy Cees (Plain)	139.50	140.00	139.00	140.00
A Twills	168.50	169.50	170.50	171.00
Liverpools	153.00	154.00	155.00	156.00

Raw Jute: The drastic restrictions imposed to curb speculation helped bring about a sharp recession in raw jute prices during the past week. Mills were reserved and concluded deals only when unavoidable. So the offtake declined appreciably. Meanwhile, daily arrivals into the agencies improved to around 125,000 maunds and the upcountry price levels subsided appreciably. A decline in agency prices induced Calcutta and Cossipore merchants to quote lower rates and mills accepted bare marginal lots of selected-grade fibre for ready and near positions around the prevailing levels. In the hedge market, prices of Upper Assam White Bottoms for September fluctuated less violently and closed with a loss of about Re. 1, compared with the previous week's level. Bulls preferred liquidating their commitments and this helped the downward trend. Turnover was moderate in the spot market and fairly heavy in the hedge market. The undertone was hesitant at the close.

Wednesday's quotations were as follows:

	Landed at Mills (Basis Bottoms) Current Prices Rs. A Qtl.	Rs. A Md.	T.S.D. Minimum Prices Rs. A Qtl.	Rs. A Md.
Assam-Agartala Jute	109.85	41.00	117.89	44.00
Northern Jute	107.17	40.00	115.21	43.00
Western Desal Jute	101.81	38.00	109.85	41.00
Selected Daissee	112.53	42.00	120.57	45.00
Assam-Agartala Tossa	109.85	41.00	117.89	44.00
Mesta: Assam-				
Northern	101.81	38.00	109.85	41.00
Local Daissee	103.15	38.50	111.19	41.50
Bihar Dist.	99.13	37.00	107.17	40.00

THE U.K. JUTE MARKETS

BUYING OF FIBRE RESTRICTED

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market was very firm in Pakistan last week. Imports of loose jute from upcountry were not increasing and the mills there were buying steadily. The fear of a short crop is the main reason for the recent rise in prices.

Dundee spinners were reluctant to pay the present very high prices, and business here was still confined to small quantities. However, they were in the fortunate position of having considerable stocks of raw material and also having purchased substantial quantities for shipment before the rise in prices had taken place.

Offers were very irregular, and covered a wide range. Prices were lowest at £147 for Export Firsts, at £137 for Export Lightnings and at £128 for Export Hearts, c.i.f. U.K. for September-October shipment. Grade Tossa-4 was named at £150 with Dacca Tossa-6 at the same price. Outport Tossa-2/3 ranged from £135 and Outport Tossa-4 from £127, October-November. Cuttings were steady at £100 for S.N.C. and at £93 for N.C.

There was a quieter trend in the Siam jute market, and some sellers reduced their rates. However, the lowest quoted prices were not attracting Dundee spinners to any extent, and this despite the fact that no mesta has been offered for several weeks. Offers were made at £94 for grade A, at £89 for grade B and at £81 for grade C, delivered mill Dundee for November-December shipment.

The Calcutta goods market was very irregular with daily fluctuations in prices. Some buying interest was shown here for hessians. Quotations are at 80s 6d for 40in. 10oz. and at 60s 11d for 7½oz. a 100 yards c. and f. U.K. for August shipment, at 81s 2d and 61s 2d September and at 81s 11d and 61s 11d October-December. B Twills were at 232s 10d, 234s 1d and 235s 1d for the respective shipment periods.

Due to the dearer raw material position, prices of Dundee jute yarns and cloth were raised at the beginning of the week. The higher rates which are now in force are equal to only 50 percent of the advance in raw jute prices. It is hoped that raw jute prices will decline to save spinners and manufacturers having to again increase their selling rates of yarns and cloth.

The price of 8lb common cops is now 19s 9½d a lb, and medium spools 20.37d. Other qualities of yarns have been raised by a similar amount. Cloth prices are at 18.56d a yard for 40in. 10½oz. and 14.64d for 8oz. The higher rates have already been paid and producers here are very busy and

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THE PAKISTANI JUTE MARKETS

FIBRE RISES AGAIN

(FROM OUR DACCA CORRESPONDENT)

THE market again turned upwards during the past week. The main reason for the latest rise was that arrivals dried up completely. It is suggested that all the jute harvested so far, has been brought into the market, and with the fall in river levels, growers are now harvesting everything they can eager as they are to take full advantage of the high prices.

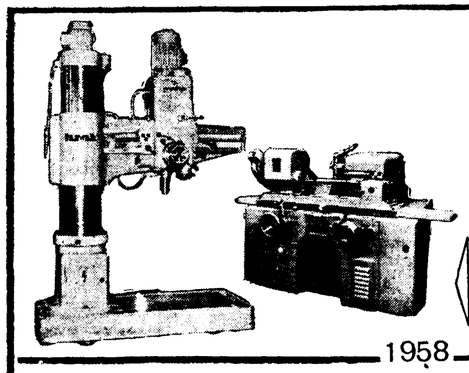
The quantity of loose jute coming into the market continues to be small. What has been appearing up to now has been poor in quality and extremely wet. As always happens in a low quality crop, it is the higher grade which suffers most so that in white jute Export Heart is a better buy than Export Lightning. This is the position from the consumers' point of view. From the balers' point of view, the percentage of Export Hearts in the crop exceeds 60, and there will therefore be more of it to sell. It is quite likely that the gap between Lightnings and Hearts will increase more by Hearts going down than Lightning going up.

Not much tossa has been seen at present. It would appear, however, that the position would be rather different in tossa. Dundee 4s and Dacca 6s will be practically non-existent. As a result, most of the tossa outturn will be Outport Tossa 2/3s probably as good as last year, but the Outport Tossa 4s will probably tend to be rather weak. Although, therefore, the tossa crop is proportionately smaller, it is quite likely that Outport Tossa 2/3s would be more difficult to sell than Export Lightnings. Therefore, initially, at least it will be offered more cheaply.

In the pucca bales, the market centres around cuttings in spite of small business being done in Export Lightnings. The price of cuttings has once again risen to over £92 f.o.b. in the forward position. The high price of cuttings has enabled balers to keep the sterling price at somewhere near reasonable levels. Perhaps it would be more correct to say that the high price of cuttings has prevented the sterling price of long jute from rising even higher. It is hard to believe that any overseas buyers, even India, can afford to pay these abnormal prices for cuttings. Certainly, it is only local speculators, who are maintaining the level. It is, therefore, reasonable to believe that eventually, cuttings must come down in price, and the most likely period, when it will come down, is January-February-March. This is because of the position in which most business has been done. Secondly, this is about the time when the effects of the sowings of new crop will begin to be felt in the sentiment of the market.

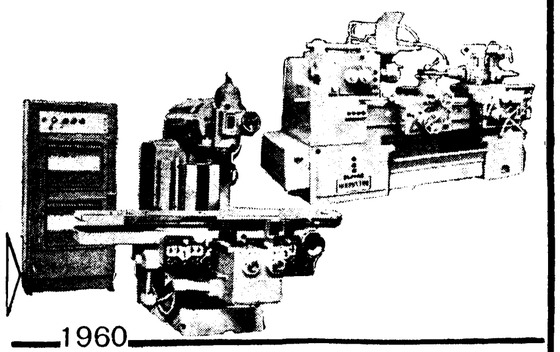
Overseas buyers, who have resisted so effectively so far, are at last beginning to come into the market buying as discreetly as possible. The sellers in the origin are, however, very confident and buyers will have to resist much longer before they can force the prices down.

Except for one or two mills all short-covering have been completed. Despite this and even at rising levels, balers continue to buy which gives an indication of the bullish outlook throughout the market.

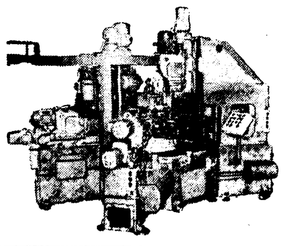


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Books

REFLECTIONS OF A LIBERAL

The Conscience of a Liberal. By Chester Bowles. (Edited by Henry Steele Commanger and published by Atma Ram and Sons, Delhi 6. Price Rs. 9, pages 351.)

As a speaker and an essayist, Mr. Bowles needs no introduction in India. Professor Commanger has done a really fine job in editing the contents of his speeches and articles. The book broadly covers two aspects: the place of the United States in international political and economic matters and the objectives it has set for itself for achieving a leading position in these spheres.

In the first section, Mr. Bowles discusses the attitude of the U.S.A. towards world problems. He believes that in the eyes of the twenteeth century historians, five "decision areas," as related to U.S policy, will be clearly noted. According to Mr. Bowles, "In two instances, they may say that we failed, in two others that we succeeded; the fifth still hangs in the balance ... First was our tragic failure in 1919 to join the League of Nations and to throw our power and prestige behind a newly won peace in Europe. Second was our equally costly failure, following the collapse of the Manchu Empire in 1911, to understand the revolutionary upheaval in China and its relevance to our future security. Third was our success in meeting the Nazi threat to western Europe. Fourth was our brilliant and decisive reponse to the awesome challenge posed by the postwar economic and political chaos in Europe. Fifth, and finally, is the decision which we face in the 1960's concerning our relations with two-thirds of the people of this world who live in Asia, Africa, the Middle East and Latin America ..." (pp 48-49).

In the second and third sections, Mr. Bowles sketches the pattern of U.S. economic assistance and the relations between the U.S.A. and the developing countries. He makes a case for establishing food banks in India and Pakistan and outlines some aspects of the nature and scope of ideal economic assistance to the underdeveloped world. Section IV is an analysis of the communist challenge. Mr. Bowles says that if Karl Marx were to return, he "would see that in this modern world the old conflict, 'capitalism *versus* socialism', is a make-believe conflict and that the real struggle lies between the forces of freedom and independence and the forces of aggression and suppression." (p. 200.)

The second part of the book deals with the instruments that make the American dream a truism. Mr. Bowles, in this part deals with the economic, political and moral and spiritual responsibilities of Americans to achieve national and international goals. He appears to believe that the concept of liberty should be free from inter-human, inter-colour and international differences.

The book is not a manifesto of a political party. It is a symbolic representation of a free individual, a rational human being and an intelligent diplomat. Mr. Bowles has certainly expressed his views on most of the essential problems in an understandable way, and the book bears testimony to the *Conscience of a Liberal* and of course obviously it is at variance with *The Conscience of a Conservative.*

RAISING PRODUCTION

Towards Greater Production and Productivity. (A symposium organised by the Forum of Free Enterprise. Published by Popular Prakashan, 35C Tardeo Road, Bombay 34. Price Rs. 2, pages 136.)

This is a pocket-book containing seven articles on the following subjects: forms of business organisation, personnel management, financial management, marketing, decision-making, industrial relations and materials management. The contributors are by no means experts in the academic sense, but most of them seem to be experienced in their own fields. It will be apt to call this "A Pocket Book of Management" or a title nearer to this sense. It is by no means a pioneering treatise on modern management, but it provides a useful introduction to some aspects of the complicated science of business management.

So the attempt of the Forum of Free Enterprise has to be appreciated. But the Forum should address itself to a broader scope than this book provides for. Each branch of management science (or art, if one prefers to call it so) has to be tackled by a dozen pioneer practitioners and the theories have to be appraised with available practices. A series of discussions may ultimately result in a useful schedule of objectives, instruments to achieve them, performance standards and so on. It is this schedule that will be useful to practising managers here and elswhere. The get-up and print are good.

BOOKS RECEIVED

Industrial Fibres, 1964. (Compiled by the Intelligence Branch of the Commonwealth Economic Committee and published for the Commonwealth Economic Committee by Her Majesty's Stationery Office. Price 10s, pages 232.)

A Survey of Public Opinion on Compulsory Deposit Scheme. (Published by the Department of Postgraduate Studies and Research in Economics, University of Jabalpur, Jabalpur. Pages 69.)



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COMPANY AND PUBLIC NOTICES

THE BISRA STONE LIME COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting of THE BISRA STONE LIME COMPANY LIMITED will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta 1, on Monday the 28th September, 1964 at 11-15 in the forenoon for the following purposes:—

1. To consider the Profit and Loss Account of the Company for the year ended 31st March, 1964 and the Balance Sheet as at that date together with the Directors' and Auditors' Reports thereon.
2. To declare Dividend recommended by the Directors.
3. To appoint Auditors and fix their remuneration.

Special Business

4. To appoint a Director in the place of Sir J. J. Ghandy, who retires by rotation, and, being 68 years of age, is not eligible for re-election unless his appointment is approved by a resolution of the Company in General Meeting, specifically declaring that the age limit shall not apply to him. And in this connection to consider and, if thought fit, to pass the following resolution of which Special Notice as required by Section 281(2) of the Companies Act, 1956, has been received by the Company from a shareholder and the relative explanatory statement concerning which, as required by section 173 of the said Act, is appended.

   "THAT Sir J. J. Ghandy who has attained the age of 68 years and who retires from the Board by rotation be and is hereby reappointed a Director of the Company whose period of office would be liable to determination by retirement of Directors by rotation, and it is specifically declared that the age limit prescribed by Section 280 of the Companies Act, 1956, shall not apply to him".

5. To consider and, if thought fit, to pass the following resolution of which the notice prescribed in Section 257 of the Companies Act, 1956, has been given to the Company by a member:—

   "THAT Mr. S. K. Nanavati be and is hereby appointed a Director of the Company, whose period of office will be liable to termination by retirement of Directors by rotation."

6. To consider and, if thought fit, to pass the following resolution which will be proposed as special resolution of which special notice as prescribed in Section 261 of the Companies Act, 1956, has been given to the Company by a member in the following terms:—

   "Special notice is hereby given of intention to propose the under written special resolution at the Annual General Meeting of the Company to effect the appointment of Mr. D. A. Workman, an officer and employee of the Managing Agents, Messrs. Bird & Co. (Private) Limited in circumstances that Sections 190 and 261 of the Companies Act, 1956, are attracted".

   (As a Special Resolution)

   "THAT Mr. D. A. Workman, who is an officer and an employee of Bird & Co. (Private) Limited, the Managing Agents of the Company, be and is hereby appointed a Director of the Company, whose period of office is liable to termination by retirement of Directors by rotation".

7. To consider and, if thought fit, to pass the following resolution which will be proposed as a special resolution:—

   "THAT the provisions of the Articles of Association of the Company be altered in the manner following, that is to say:—

   (a) That in Article 92 (line 8) the words "and such one of them as from time to time shall be named by the Managing Agents shall be Chairman of the Board", be and are hereby deleted.

   (b) That Article 116 be and is hereby deleted and that the following new Article 116 be substituted therefor:—

   116. The Directors may elect some one of themselves to be Chairman of the Board to preside over their meetings and determine the period for which he is to hold office. If no such Chairman is elected or if at any meeting the Chairman is not present at the time appointed for holding the same, the Directors present shall choose some one of their number to be Chairman of such meeting".

The Share Transfer Register of the Company will be closed from the 14th to the 28th September, 1964, both days inclusive.

By Order of the Board,
BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Registered Office
Chartered Bank Buildings,
Calcutta, 27th August 1964.

NOTES:

(a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself.

A proxy need not be a member of the Company.

(b) The Dividend, if declared, will be paid on or after the 10th October, 1964, to those Shareholders so entitled whose names appear in the Company's books on the 28th September, 1964, or to their mandatees. No application for Dividend Warrants will be necessary.

(c) The relative Explanatory Statements pursuant to Section 173 of the Companies Act, 1956, in respect of the special Business set out above, are being sent to the members.

SIJUA (JHERRIAH) ELECTRIC SUPPLY CO. LTD.

NOTICE is hereby given to the members of the abovenamed Company that the Annual General Meeting of the Company will be held at the Registered Office, Chartered Bank Buildings, Calcutta, at 11 A.M., on Tuesday, the 29th September, 1964, for the following purposes:—

1. To consider the Profit and Loss Account of the Company for the year ended 31st March, 1964, the Balance Sheet as at that date and the Directors' and Auditors' Reports thereon.
2. To declare the Dividend recommended by the Directors.
3. To appoint a Director in the place of a retiring Director.
4. To appoint Auditors and fix their remuneration.

As Special Business

5. To appoint Mr. B. P. Ray a Director, who vacates office at this meeting and in this connection to consider and if thought fit, to pass, the following resolution of which prescribed notice has been received by the Company, the candidate having filed with the Company his consent to act as a Director, if appointed:—

   "THAT Mr. B. P. Ray be and is hereby appointed a Director of the Company, whose period of office will be liable to determination by retirement of Directors by rotation."

6. To consider and if thought fit, to pass, with or without modification, the following resolution, which will be proposed as an Ordinary Resolution:—

   "THAT Mr. D. L. V. Rowe, a Director of the Company, be and is hereby appointed Chairman of the Board of Directors of the Company pursuant to the provision contained in Article 91 of the Articles of Association of the Company, for a period of five years subject to the provisions of such Articles of Association."

The Share Transfer Register of the Company will be closed from the 22nd September, 1964 to the 29th September, 1964, both days inclusive.

By Order of the Board,
BIRD & CO. (PRIVATE) LTD.,
Secretaries.

Registered Office:
Chartered Bank Buildings,
Calcutta, 20th August, 1964.

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

(b) The Dividend, if declared, will be paid on or after 10th October, 1964, to those members so entitled whose names appear in the Company's books on the 29th September 1964, or to their mandatees. No application for Dividend Warrants will be necessary.

(c) Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, is being sent to all Members.

THE IMPERIAL TOBACCO COMPANY OF INDIA LIMITED

NOTICE OF MEETING

NOTICE is hereby given that the Fifty-third Annual General Meeting of The Imperial Tobacco Company of India Limited will be held at VIRGINIA HOUSE, 37, CHOWRINGHEE, CALCUTTA, on Thursday 24th September 1964 at 3-30 p.m. for the transaction of the following business:—

To receive and adopt the Accounts for the year ended 31st March 1964 and the Reports of the Directors and Auditors thereon.

To declare a dividend.

To elect and re-elect Directors.

To appoint Auditors and fix their remuneration.

The share transfer books of the Company will be closed from 5th to 24th September 1964, both days inclusive, and transfers received in order at the Office of the Company's Registrars (Jardine Henderson Limited, 4, Clive Row, Calcutta 1) by 4th September 1964 will be in time to be passed for payment of the dividend, if approved, to the transferees.

The dividend, if approved, will be paid on 30th September 1964 to the Shareholders whose names appear on the Company's Register on 24th September 1964, or to their mandatees.

By Order of the Board,
P. J. RICKETTS
Assistant Secretary.

3rd August 1964.
Virginia House,
37, Chowringhee,
Calcutta.

Note: A member entitled to attend and vote at the General Meeting may appoint a proxy who need not be a member, to attend and on a poll to vote on his behalf.

EXPLANATORY STATEMENT

Mr. Patrick Evan John and Mr. Balwant Kumar Nehru, who were appointed Directors on 1st April 1964 to fill casual vacancies on the Board, will retire at the Annual General Meeting. A notice has been received from a member of the Company under Section 257 of the Companies Act, 1956, signifying his intention to propose the election of Mr. P. E. John and Mr B K. Nehru as Directors of the Company.

MARTIN BURN LIMITED

NOTICE

AT a meeting of the Board of Directors held today, the Directors have declared an interim dividend in respect of the year ending 30th September, 1964 of Rupee ONE per share on the Ordinary Share capital of the Company to be paid on or after the 1st day of October, 1964 subject to deduction of tax at the approximate rates, to the Members who are on the Register for Ordinary Shares on the 30th September, 1964. The Ordinary Share Transfer Books and Register will be closed from the 16th September to the 30th September, 1964 (both days inclusive).

By Order of the Board,
MARTIN BURN LTD.,
L. K. SEN CHOWDHRY,
Secretary.

Registered Office,
12, Mission Row,
Calcutta-1.
28th August, 1964.

THE NORTHBROOK JUTE COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting of THE NORTHBROOK JUTE COMPANY LIMITED will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta-1, on Wednesday, the 30th day of September, 1964, at 10-50 A.M. for the following purposes:—

1. To consider the Profit and Loss Account of the Company for the year ended 31st March 1964, the Balance Sheet as at that date and the Directors' and Auditors' Reports thereon.
2. To declare Dividends recommended by the Directors.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

4(a) To appoint Mr. Romen Mookerjee, a Director, who vacates office at this meeting, and in this connection to consider and, if thought fit, to pass the following resolution of which prescribed notice has been received by the Company, the candidate having filed with the Company his consent to act as a Director if appointed:

   "THAT Mr. Romen Mookerjee be and is hereby appointed a Director of the Company, whose period of office will be liable to determination by retirement of Directors by rotation."

4(b) To appoint Mr. R. G. Edwards, a Director, who retires at this meeting, and in this connection to consider, and, if thought fit, to pass the following resolution of which prescribed notice has been received by the Company, the candidate having filed with the Company his consent to act as a Director if appointed:

   "THAT Mr. R. G. Edwards be and is hereby appointed a Director of the Company, whose period of office will be liable to determination by retirement of Directors by rotation."

The Share Transfer Registers of the Company will be closed from the 16th to the 30th September, 1964, both days inclusive.

By Order of the Board,
BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Registered Office:
Chartered Bank Buildings,
Calcutta, 29th August, 1964.

NOTE:—(a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

(b) The Dividends, if declared, will be paid on or after the 10th October, 1964, to those Shareholders so entitled whose names appear in the Company's books on the 30th September, 1964, or to their mandatees. No application for Dividend Warrants will be necessary.

(c) The relative Explanatory Statements pursuant to Section 173 of the Companies Act, 1956, in respect of Special Business set out above are being sent to the Shareholders.

THE KINNISON JUTE MILLS COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting of THE KINNISON JUTE MILLS COMPANY LIMITED will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta-1, on Wednesday, the 30th day of September, 1964, at 10-40 A.M. for the following purposes:—

1. To consider the Profit and Loss Account of the Company for the year ended 31st March, 1964, the Balance Sheet as at that date and the Directors' and Auditors' Reports thereon.
2. To declare Dividends recommended by the Directors.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

4(a). To appoint Mr. Romen Mukerjee, a Director, who vacates office at this meeting, and in this connection to consider and, if thought fit, to pass the following resolution of which prescribed notice has been received by the Company, the candidate having filed with the Company his consent to act as a Director if appointed:

   "THAT Mr. Romen Mukerjee be and is hereby appointed a Director of the Company, whose period of office will be liable to determination by retirement of Directors by rotation."

4(b) To appoint Mr. R. G. Edwards, a Director, who retires at this meeting, and in this connection to consider, and, if thought fit, to pass the following resolution of which prescribed notice has been received by the Company, the candidate having filed with the Company his consent to act as a Director if appointed:

   "THAT Mr. Romen Mukerjee be and is hereby appointed a Director of the Company, whose period of office will be liable to determination by retirement of Directors by rotation."

The Share Transfer Registers of the Company will be closed from the 16th to the 30th September, 1964, both days inclusive.

By Order of the Board,
F. W. HEILGERS & CO. (PRIVATE) LIMITED,
Managing Agents.

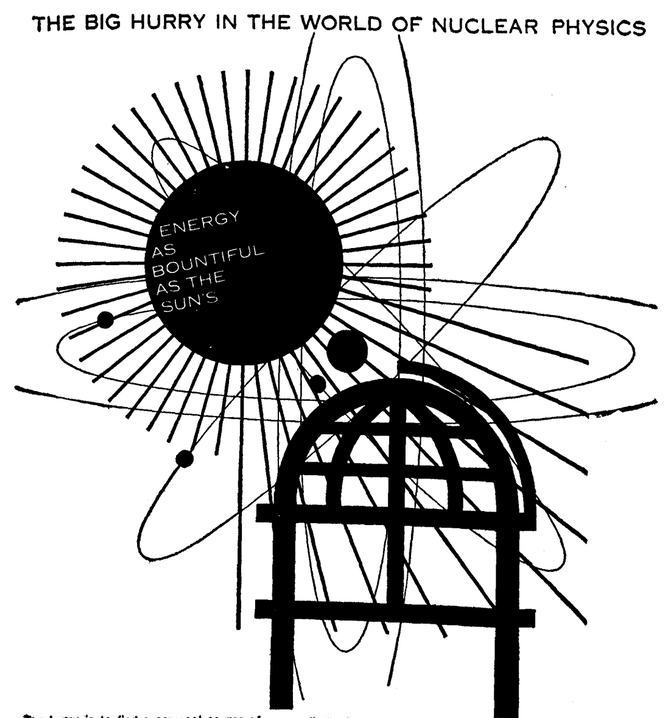
Registered Office:
Chartered Bank Buildings,
Calcutta, 29th August, 1964.

NOTES:—

(a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

(b) The Dividends, if declared, will be paid on or after the 10th October, 1964, to those Shareholders so entitled whose names appear in the Company's books on the 30th September, 1964, or to their Mandatees. No application for Dividend Warrants will be necessary.

(c) The relative Explanatory Statements pursuant to Section 173 of the Companies Act, 1956, in respect of Special Business set out above are being sent to the Shareholders.



INDIA STEAMSHIP CO. LTD.

NOTICE OF THE ANNUAL GENERAL MEETING TO THE SHAREHOLDERS.

NOTICE is hereby given that the Annual General Meeting of the Members of the India Steamship Co. Ltd., will be held at the Registered Office of the Company, "India Steamship House", 21, Old Court House Street, Calcutta, on Thursday, the 24th September, 1964, at 4 p.m. in order to transact the following business :—

1. To receive the Director's Report and Audited Balance Sheet and Profit and Loss Account for the year ended 31st March, 1964.
2. To sanction payment of dividend on Preference Shares as recommended by the Directors for the year ended 31st March, 1964.
3. To appoint a Director in place of Sir A. Ramaswami Mudaliar, K.C.S.I., D.C.L. (Oxon), who retires by rotation and is eligible for re-appointment and to consider and if thought fit to pass the following resolution of which a Special Notice as required by Sec. 281 of the Companies Act, 1956, has been received by the Company and the relative Explanatory Statement concerning which is annexed hereto as required by Sec. 173 of the said Act.

   RESOLVED that pursuant to the provisions of Section 281 of the Companies Act, 1956, Sir A. Ramaswami Mudaliar, K.C.S.I., D.C.L. (Oxon), who has attained the age of 76 years and who retires by rotation be and is hereby re-appointed a Director of the Company and it is hereby specifically declared that the age limit for the Directors prescribed under Section 280 of the said Act shall not apply to him.

   consider, and if thought fit, to pass the following resolution as Special Resolution, in respect of Sir A. Ramaswami Mudaliar, K.C.S.I., D.C.L. (Oxon), a Special Notice for which as required by Section 261 of the Companies Act, 1956, has been received by the Company and the relative Explanatory Statement concerning which as required by Section 173 of the said Act is annexed hereto.

   RESOLVED that pursuant to the provisions of Section 261 of the Companies Act, 1956, Sir A. Ramaswami Mudaliar, K.C.S.I., D.C.L. (Oxon), a Director of the Company who is also a Director and Member of Messrs Lionel Edwards, (Private) Ltd., the Managing Agents of the Company and thereby an associate of the Managing Agents, be and is hereby re-appointed a Director of the Company.
6. To elect Maharaja Sir Pratap Chandra Bhanj Deo Bahadur of Mayurbhanj, G.C.I.E., a Director of the Company, who retires by rotation and is eligible for re-appointment.
7. To appoint Auditors for Head Office and Branch Office, Bombay, and to fix their remuneration.
8. **Special Business :**

   To consider, and if thought fit, to pass the following Resolution as Special Resolution with or without modifications, if any :—

   RESOLVED that Clauses 14 (b) & 71 (c) of the Articles of Association of the Company be deleted and Clauses 19, 69 & 70 be amended so as to read as follows :

   19.. For every Certificate issued under Clauses 17 & 18 no fee shall be charged.

   69.. No fee shall be charged for transfer of shares at the time of registration.

   70.. The Company shall not charge any fee for registration of Probate, Letters of Administration, Succession Certificates, etc.

The Share Transfer Register of the Company will be closed from Wednesday, the 9th September, 1964 to Thursday, the 24th September, 1964, both days inclusive.

By Order of the Board,
A. MUKERJI,
Secretary,
INDIA STEAMSHIP COMPANY LTD.

Calcutta,
The 10th August, 1964.

The dividend, if sanctioned, will be payable on 25th Sept. 1964 to those Shareholders whose names stand on the Register of the Company on Wednesday, the 9th September, 1964.

N.B.—A Member entitled to attend and vote is entitled to appoint a Proxy and the Proxy so appointed need not be a member of the Company.

Note :—The Explanatory Statement as required under Section 173 of the Companies Act, 1956, is annexed to the Convening Notice issued to the members of the Company.

THE BENGAL COAL CO., LTD.

Redemption of 6½% Debenture Stock.

NOTICE is hereby given that the Company will redeem Rs. 5 lakhs of the Debenture Stock in pursuance of the powers contained in clause 2(c) of the conditions endorsed on the Debentures of the above series and will for this purpose cause drawing of Rs. 5 lakhs of the above Debenture Stock to be made by a person appointed by the Company in the presence of a Trustee, or a person appointed by the Trustees and a Notary Public. The drawing will take place at 11-00 a.m. on the 30th September, 1964, at the Registered Office of the Company at 8, Clive Row, Calcutta.

The Register of Debenture Stockholders and the Debenture Transfer Register will be closed from 23rd to 30th September, 1964, both days inclusive.

By Order of the Board,
THE BENGAL COAL CO., LTD.,
ANDREW YULE & CO., LTD.,
L. R. PURI,
Secretary,
Managing Agents.

Registered Office :
8, Clive Row,
Calcutta-1.
1st September, 1964.

THE BISRA STONE LIME COMPANY LTD.

AT a Meeting of the Board of Directors held on Thursday the 27th August, 1964, the following Final Dividend was recommended for declaration at the Annual General Meeting to be held on the 28th September, 1964, to be paid for the year ended 31st March, 1964, subject to deduction of tax.

On Ordinary Shares at the rate of 7½ per cent per annum, making a total of 12½%, per annum subject to deduction of tax.

By Order of the Board,
BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Registered Office,
Chartered Bank Buildings,
Calcutta : 27th August, 1964.

THE NORTHBROOK JUTE COMPANY LIMITED

NOTICE

AT a meeting of Directors held on 29th August, 1964 the following Dividends were recommended for the year ended 31st March, 1964 subject to deduction of tax—

On Cumulative Preference Shares @ Rs. 7.15 per cent per annum.

On Ordinary Shares @ Rs. 2.50 per Share.

The Dividends will be paid on or after 10th October, 1964 to those Shareholders (or their mandatees) whose names appear in the Company's Books on 30th September, 1964.

The Share Transfer Registers of the Company will be closed from 16th September, 1964 to 30th September, 1964, both days inclusive.

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

Registered Office:
Chartered Bank Buildings,
Calcutta-1.
29th August, 1964.

HUKUMCHAND JUTE MILLS LIMITED

Notice to Shareholders

NOTICE is hereby given that the next Annual General Meeting of the Shareholders will be held at the Registered Office of the Company, 9, Brabourne Road, Calcutta, on Tuesday, the 29th September, 1964 at 4-00 P.M. for the following purposes : —

1. To receive and pass the Directors' Report and Audited Accounts for the year ended 31st March, 1964.
2. To declare dividends.
3. To elect Directors in place of those retiring.
4. To appoint Auditors and to fix their remuneration.
5. As special business to consider and if thought fit to pass with or without modification the following :—

As Special Resolutions :—

(i) RESOLVED that all the Directors together be entitled to receive by way of remuneration a commission at the rate of 1% of the Net profits of the Company over and above the sum of Rs. 100/- for each Director for each Meeting of the Directors, attended by him.

(ii) RESOLVED that the Company do hereby consent to its Managing Agents Messrs Ramdutt Ramkissendass to carry on its own a similar business as that carried on by the Company whether such business directly or indirectly competes with that of the Company.

Dividends, if declared, will be paid to Registered Shareholders only.

The Share Transfer Register of the Company will be closed from 20th September, 1964 to 29th September, 1964 both days inclusive.

By Order of the Board,
RAMDUTT RAMKISSENDASS
Managing Agents.

9, Brabourne Road,
Calcutta-1,
The 27th August, 1964.

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

Explanatory statements in connection with the special business will be sent to the individual Shareholders.

UNION JUTE COMPANY LIMITED

NOTICE

AT a meeting of Directors held on 29th August, 1964 the following Dividends were recommended for the year ended 31st March, 1964 subject to deduction of tax—

On Cumulative Preference Shares @ Rs. 9.10 per cent per annum.

On Ordinary Shares @ Rs. 10.00 per Share.

The Dividends will be paid on or after 10th October, 1964 to those Shareholders (or their mandatees) whose names appear in the Company's Books on 30th September, 1964.

The Share Transfer Registers of the Company will be closed from 16th September, 1964 to 30th September, 1964, both days inclusive.

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

Registered Office:
Chartered Bank Buildings,
Calcutta-1.
29th August, 1964.

THE KINNISON JUTE MILLS COMPANY LIMITED

NOTICE

AT a meeting of Directors held on 29th August, 1964 the following Dividends were recommended for the year ended 31st March, 1964 subject to deduction of tax—

On Cumulative Preference Shares @ Rs. 9.10 per cent per annum.

On Ordinary Shares @ Rs. 5.00 per Share.

The Dividends will be paid on or after 10th October, 1964 to those Shareholders (or their mandatees) whose names appear in the Company's Books on 30th September, 1964.

The Share Transfer Registers of the Company will be closed from 16th September, 1964 to 30th September, 1964, both days inclusive.

By Order of the Board,
F. W. HEILGERS & COMPANY (PRIVATE) LIMITED,
Managing Agents.

Registered Office:
Chartered Bank Buildings,
Calcutta-1.
29th August, 1964.

THE LANSDOWNE JUTE COMPANY LIMITED

NOTICE

AT a meeting of Directors held on 29th August, 1964 the following Final Dividends were recommended for the year ended 31st March, 1964 subject to deduction of tax—

On Cumulative Preference Shares @ Rs. 9.10 per cent per annum.

On Ordinary Shares @ Rs. 12.50 per Share.

The Dividends will be paid on or after 10th October, 1964 to those Shareholders (or their mandatees) whose names appear in the Company's Books on 30th September, 1964.

The Share Transfer Registers of the Company will be closed from the 16th September, 1964 to 30th September, 1964, both days inclusive.

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

Registered Office :
Chartered Bank Buildings,
Calcutta-1.
29th August, 1964.

THE STANDARD JUTE COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting of THE STANDARD JUTE COMPANY LIMITED will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta-1, on Wednesday, the 30th September, 1964, at 10-30 A.M. for the following purposes :—

1. To consider the Profit and Loss Account of the Company for the year ended 31st March, 1964, the Balance Sheet as at that date and the Directors' and Auditors' Reports thereon.
2. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

3. To appoint Mr. D. N. Kapur, a Director, who retires at this meeting, and in this connection to consider and, if thought fit, to pass the following resolution of which prescribed notice has been received by the Company, the candidate having filed with the Company his consent to act as a Director if appointed.

   "THAT Mr. D. N. Kapur be and is hereby appointed a Director of the Company, whose period of office will be liable to determination by retirement of Directors by rotation."

The Share Transfer Registers of the Company will be closed from the 16th to the 30th September, 1964, both days inclusive.

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

Registered Office :
Chartered Bank Buildings,
Calcutta, 29th August, 1964.

NOTES :—

(a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

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

THE TITAGHUR PAPER MILLS COMPANY LIMITED

Dividends for the year ended 31st March, 1964.

AT a Meeting of the Directors held on Saturday, the 29th August, 1964, the following Dividends were recommended for payment subject to deduction of Tax under Section 194 of the Indian Income-tax Act, 1961.

On First Cumulative Preference Shares at 10.4% p.a.

On Second Cumulative Preference Shares at 5.85% p.a.

On Preferred Ordinary Shares at 13% p.a.

On 'A' and 'B' Ordinary Shares at 2.5% per fully paid up share p.a.

By Order of the Board,
F. W. HEILGERS & CO. (PRIVATE) LIMITED,
Managing Agents.

Registered Office :—
Chartered Bank Buildings,
Calcutta-1, the 29th August, 1964.

THE AUCKLAND JUTE COMPANY LIMITED

NOTICE

AT a meeting of Directors held on 29th August, 1964 the following Dividends were recommended for the year ended 31st March, 1964 subject to deduction of tax—

On Cumulative Preference Shares @ Rs. 7.15 per cent per annum.

On Redeemable Cumulative Preference Shares @ Rs. 5.85 per cent per annum.

On Ordinary Shares @ Rs. 12.50 per share.

The Dividends will be paid on or after 10th October, 1964 to those Shareholders (or their mandatees) whose names appear in the Company's Books on 30th September, 1964.

The Share transfer Registers of the Company will be closed from 16th September, 1964 to 30th September, 1964 both days inclusive.

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

Registered Office :
Chartered Bank Buildings,
Calcutta-1.
29th August, 1964.

THE LAWRENCE JUTE COMPANY LIMITED

NOTICE

AT a meeting of Directors held on 29th August, 1964 the following Dividends were recommended for the year ended 31st March, 1964 subject to deduction of tax—

On Cumulative 'A' Preference Shares @ Rs. 9.10 per cent per annum.

On Cumulative 'B' Preference Shares @ Rs. 7.15 per cent per annum.

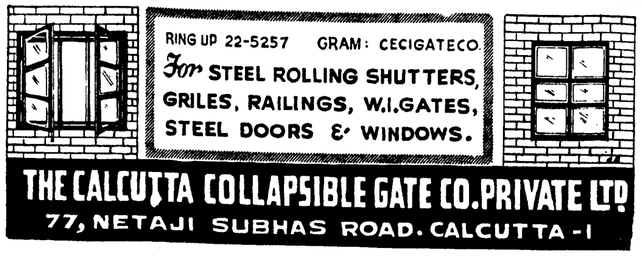
On Ordinary Shares @ Rs. 10.00 per Share.

The Dividends will be paid on or after 10th October, 1964 to those Shareholders (or their mandatees) whose names appear in the Company's Books on 30th September, 1964.

The Share Transfer Registers of the Company will be closed from 16th September, 1964 to 30th September, 1964, both days inclusive.

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

Registered Office:
Chartered Bank Buildings.
Calcutta-1.
29th August, 1964.



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THE DALHOUSIE JUTE COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting of THE DALHOUSIE JUTE COMPANY LIMITED will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta-1, on Wednesday, the 30th day of September, 1964, at 10 A.M. for the following purposes:—

1. To consider the Profit and Loss Account of the Company for the year ended 31st March, 1964, the Balance Sheet as at that date and the Directors' and Auditors' Reports thereon.
2. To declare Dividends recommended by the Directors.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

4(a). To appoint a Director in the place of Khan Bahadur D. E. Avari, M.B.E., who retires by rotation, and, being 70 years of age, is not eligible for re-election unless his appointment is approved by a resolution of the Company in general meeting, specifically declaring that the age limit shall not apply to him; and in this connection to consider and, if thought fit, to pass the following resolution, of which special notice has been received by the Company:

"THAT Khan Bahadur D. E. Avari, who retires from the Board by rotation, be and is hereby reappointed a Director of the Company, whose period of office will be liable to determination by retirement of Directors by rotation, and, he having attained the age of 70 years, it is specifically declared that the age limit prescribed by Section 280 of the Companies Act, 1956, shall not apply to him."

4(b). To appoint Mr. M. R. Das, a Director, who vacates Office at this meeting, and in this connection to consider and, if thought fit, to pass the following resolution of which prescribed notice has been received by the Company, the candidate having filed with the Company his consent to act as a Director if appointed:

"THAT Mr. M. R. Das be and is hereby appointed a Director of the Company, whose period of office will be liable to determination by retirement of Directors by rotation."

The Share Transfer Registers of the Company will be closed from the 16th to 30th September, 1964, both days inclusive.

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

Registered Office:
Chartered Bank Buildings,
Calcutta, 29th August, 1964.

NOTES:—(a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

(b) The Dividends, if declared, will be paid on or after the 10th October, 1964, to those shareholders so entitled whose names appear in the Company's books on the 30th September, 1964, or to their mandatees. No application for Dividend Warrants will be necessary.

(c) The relative Explanatory Statements pursuant to Section 173 of the Companies Act, 1956, in respect of Special Business set out above are being sent to the Shareholders.

THE DEHRI-ROHTAS LIGHT RAILWAY COMPANY LIMITED
Registered Office: DALMIANAGAR (BIHAR)

NOTICE

THE Annual General Meeting of the Company will be held on Tuesday, the 29th September, 1964 at 11-30 A.M. at the Registered Office of the Company at Dalmianagar to transact the following business:—

1. To receive and adopt the Directors' Report and Audited Accounts of the Company for the year ended 31st March, 1964.
2. To declare dividend.
3. To appoint a Director in place of Shri U. S. Bajoria who retires by rotation, but being eligible, offers himself for re-election.
4. To appoint Auditors for the current year and to fix their remuneration. Messrs. Lovelock & Lewes, retiring Auditors, being eligible, offer themselves for re-appointment.

The Share Transfer Books of the Company will remain closed from 22nd September, 1964 to 29th September, 1964 both days inclusive.

By Order of the Board,
for SAHU JAIN LTD.,
A. K. JAIN,
Director,
Managing Agents.

Calcutta,
26th August, 1964.

N.B.—A member entitled to attend and vote at the meeting of the company is entitled to appoint another person as his proxy to attend and vote instead of himself and the proxy need not be a member.

BRITISH PAINTS (INDIA) LIMITED

32, Chowringhee Road
Calcutta.

NOTICE pursuant to Section of the Companies Act, 1956, is hereby given that the Company proposes to apply to the Central Government for the approval in the increase in remunerations payable to Mr. S. R. Director Secretary and Mr. H. Sheane-Smith, Sales Director, effect from 1st September, 1964.

By Order of the Board
R. A. GODWIN,
Managing Director.

Dated the 28th day of August, 1964.

THE TITAGHUR PAPER MILLS COMPANY LIMITED

Notice of Meeting

NOTICE is hereby given that an Annual General Meeting of The Titaghur Paper Mills Company Limited will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta-1, on Wednesday, the 30th day of September, 1964, at 3-30 p.m. for the following purposes:

1. To consider the Profit and Loss Account of the Company for the year ended 31st March, 1964, the Balance Sheet as at that date and the Directors' and Auditors' Reports thereon.
2. To declare Dividends recommended by the Directors.
3. To appoint Auditors and fix their remuneration.
4. (a) To appoint a Director in place of a retiring Director.

SPECIAL BUSINESS

4. (b) To appoint Mr. N. Dandekar, a Director, who retires at this meeting, and in this connection to consider and, if thought fit, to pass the following resolution of which prescribed notice has been received by the Company, the candidate having filed with the Company his consent to act as a Director, if appointed:
"That Mr. N. Dandekar be and is hereby appointed Director of the Company, whose period of office will be liable to determination by retirement of Directors by rotation."

The Share Transfer Registers of the Company will be closed from the 14th to 30th September, 1964, both days inclusive.

By Order of the Board,
F. W. HEILGERS & CO. (PRIVATE) LIMITED,
Managing Agents.

Registered Office:
Chartered Bank Buildings,
Calcutta-1.
29th August, 1964.

NOTES:—

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

(b) The Dividends, if declared, will be paid on or after the 28th October, 1964, to those shareholders so entitled whose names appear in the Company's books on the 30th September, 1964, or to their mandatees. No application for Dividend Warrants will be necessary.

The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 is being sent to the Members.

THE AUCKLAND JUTE COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting of THE AUCKLAND JUTE COMPANY LIMITED will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta-1, on Wednesday, the 30th day of September, 1964, at 10-10 A.M. for the following purposes:—

1. To consider the Profit and Loss Account of the Company for the year ended 31st March, 1964, the Balance Sheet as at that date and the Directors' and Auditors' Reports thereon.
2. To declare Dividends recommended by the Directors.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

4(a). To appoint Mr. M. R. Das, a Director, who vacates office at this meeting, and in this connection to consider and, if thought fit, to pass the following resolution, of which prescribed notice has been received by the Company, the candidate having filed with the Company his consent to act as a Director if appointed:

"THAT Mr. M. R. Das be and is hereby appointed a Director of the Company whose period of office will be liable to determination by retirement of Directors by rotation."

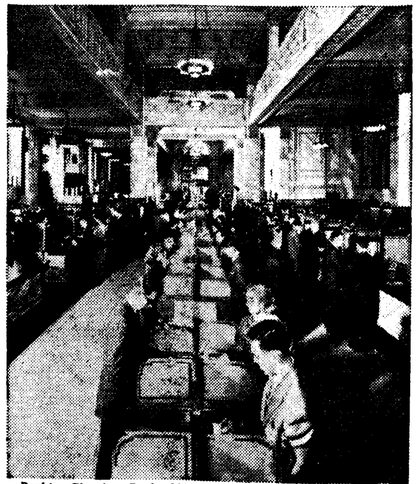
4(b). To appoint Mr. R. G. Edwards, a Director, who retires at this meeting, and in this connection to consider and, if thought fit, to pass the following resolution of which prescribed notice has been received by the Company, the candidate having filed with the Company his consent to act as a Director if appointed:

"THAT Mr. R. G. Edwards be and is hereby appointed a Director of the Company, whose period of office will be liable to determination by retirement of Directors by rotation."

4(c). To appoint Khan Bahadur D. E. Avari, who has attained the age of 70 years and is not eligible for appointment unless approved by a resolution of the Company in general meeting specifically declaring that the age limit shall not apply to him; and in this connection to consider and, if thought fit, to pass the following resolution, of which special notice as required by Sections 190 and 281 of the Companies Act, 1956, has been received by the Company from a shareholder:

"THAT Khan Bahadur D. E. Avari be and is hereby appointed a Director of the Company, whose period of office will be liable to determination by retirement of directors by rotation, and, he having attained the age of 70

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HINDUSTAN ALUMINIUM CORPORATION LTD.

SALES & MARKETING OFFICES:

PRINCIPAL SALES & MARKETING OFFICE: P.O. Renukoot, Dt. Mirzapur, U.P. (Phone: Pipri 79. Gram: HINDALCO)
CALCUTTA & EASTERN REGION: 5, Clive Row, Calcutta-1. (Phones: 22-8616/8 Gram: HINDALCORP).
BOMBAY & WESTERN REGION: (also Regd. Office) Industry House, 159, Churchgate Reclamation, BOMBAY-1. (Phones: 24-5181/3. Gram: HINDULCORP).
DELHI & NORTHERN REGION: United Commercial Bank Building, Parliament Street, New Delhi-1. (Phones: 43543/3. Gram: TEXMACO).

PPS-HAL-64

years, it is specifically declared that the age limit prescribed by Section 280 of the Companies Act, 1956, shall not apply to him."

The Share Transfer Registers of the Company will be closed from the 16th to the 30th September, 1964, both days inclusive.

By Order of the Board,
BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Registered Office:
Chartered Bank Buildings,
Calcutta, 29th August, 1964.

NOTES:—(a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

(b) The Dividends, if declared, will be paid on or after the 10th October, 1964, to those shareholders so entitled whose names appear in the Company's books on the 30th September, 1964, or to their mandatees. No application for Dividend Warrants will be necessary.

(c) The relative Explanatory Statements pursuant to Section 173 of the Companies Act, 1956, in respect of Special Business set out above are being sent to the Shareholders.

UNION JUTE COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting of UNION JUTE COMPANY LIMITED will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta-1, on Wednesday, the 30th day of September, 1964, at 10-20 A.M. for the following purposes:—

1. To consider the Profit and Loss Account of the Company for the year ended 31st March, 1964, the Balance Sheet as at that date and the Directors' and Auditors' Reports thereon.
2. To declare Dividends recommended by the Directors.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

4. To appoint a Director in the place of Sir Asoka K. Roy, who retires by rotation, and, being 78 years of age, is not eligible for re-election unless his appointment is approved by a resolution of the Company in general meeting, specifically declaring that the age limit shall not apply to him; and in this connection to consider and, if thought fit, to pass the following resolution, of which special notice has been received by the Company:

"THAT Sir Asoka K. Roy, who retires from the Board by rotation, be and is hereby reappointed a Director of the Company, whose period of office will be liable to determination by retirement of Directors by rotation, and he having attained the age of 78 years, it is specifically declared that the age limit prescribed by Section 280 of the Companies Act, 1956, shall not apply to him."

The Share Transfer Registers of the Company will be closed from the 16th to the 30th September, 1964, both days inclusive.

By Order of the Board,
BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Registered Office:
Chartered Bank Buildings,
Calcutta, 29th August, 1964.

NOTES:—(a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

(b) The Dividends, if declared, will be paid on or after the 10th October, 1964, to those Shareholders so entitled whose names appear in the Company's books on the 30th September, 1964, or to their Mandatees. No application for Dividend Warrants will be necessary.

(c) The relative Explanatory Statements pursuant to Section 173 of the Companies Act, 1956, in respect of Special Business set out above are being sent to the Shareholders.

THE DALHOUSIE JUTE COMPANY LIMITED

NOTICE

AT a meeting of Directors held on 29th August, 1964 the following Dividends were recommended for the year ended 31st March, 1964, subject to deduction of tax—

On Cumulative Preference Shares @ Rs. 9.10 per cent per annum.

On Ordinary Shares @ Rs. 7.50 per Share.

The Dividend: will be paid on or after 10th October, 1964 to those Shareholders (or their mandatees) whose names appear in the Company's Books on 30th September, 1964.

The Share Transfer Registers of the Company will be closed from 16th September, 1964 to 30th September, 1964, both days inclusive.

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

Registered Office:
Chartered Bank Buildings,
Calcutta-1.
29th August, 1964.

THE LANSDOWNE JUTE COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting of THE LANSDOWNE JUTE COMPANY LIMITED will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta-1, on Wednesday, the 30th day of September, 1964, at 11-00 A.M. for the following purposes:—

1. To consider the Profit and Loss Account of the Company for the year ended 31st March, 1964, the Balance Sheet as at that date and the Auditors' Reports thereon.
2. To appoint a Director in the place of a retiring Director.
3. To declare Dividends recommended by the Directors.
4. To appoint Auditors and fix their remuneration.

The Share Transfer Registers of the Company will be closed from the 16th to the 30th September, 1964, both days inclusive.

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

Registered Office:
Chartered Bank Buildings,
Calcutta-1, 29th August, 1964.

NOTES:—(a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

(b) The Dividends, if declared, will be paid on or after the 10th October, 1964, to those Shareholders so entitled whose names appear in the Company's books on the 30th September, 1964, or to their mandatees. No application for Dividend Warrants will be necessary.

THE LAWRENCE JUTE COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting of THE LAWRENCE JUTE COMPANY LIMITED will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta-1, on Wednesday, the 30th day of September, 1964, at 11-10 A.M. for the following purposes:—

1. To consider the Profit and Loss Account of the Company for the year ended 31st March, 1964, the Balance Sheet as at that date and the Auditors' Reports thereon.
2. To appoint a Director in the place of a retiring Director.
3. To declare Dividends recommended by the Directors.
4. To appoint Auditors and fix their remuneration.

The Share Transfer Registers of the Company will be closed from the 16th to the 30th September, 1964, both days inclusive.

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

Registered Office:
Chartered Bank Buildings,
Calcutta-1, 29th August, 1964.

NOTES:—(a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

(b) The Dividends, if declared, will be paid on or after the 10th October, 1964, to those Shareholders so entitled whose names appear in the Company's books on the 30th September, 1964, or to their mandatees. No application for Dividend Warrants will be necessary.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Indian Iron & Steel Co. Ltd.	3-9-64	3 p.m.
National Insulated Cable Co. of India Ltd.	24-9-64	11 a.m.
Imperial Tobacco Co. of India Ltd.	24-9-64	3-30 p.m.
India Steamship Co. Ltd.	24-9-64	4 p.m.
Indian Cable Co. Ltd	25-9-64	4 p.m.
Bisra Stone Lime Co. Ltd.	28-9-64	11-15 a.m
Bally Jute Co. Ltd.	28-9-64	3 p.m.
Birla Jute Manufacturing Co. Ltd.	28-9-64	4 p.m.
Jardine Henderson, Ltd.	29-9-64	11-15 a.m
Indian Steel & Wire Products Ltd.	29-9-64	1-30 a.m
Sinha (Jherriah) Electric Supply Co. Ltd.	29-9-64	11 a.m.
Dehri-Rohtas Light Railway Co. Ltd.	29-9-64	11-30 a.m.
Hukumchand Jute Mills Ltd.	29-9-64	4 p.m.
Dalhousie Jute Co. Ltd.	30-9-64	10 a.m
Auckland Jute Co. Ltd.	30-9-64	10-10 a.m.
Union Jute Co. Ltd.	30-9-64	10 20 a.m
Standard Jute Co. Ltd.	30-9-64	10 30 a.m.
Kinnison Jute Mills Co. Ltd.	30-9-64	10-40 a.m.
Northbrook Jute Co. Ltd.	30-9-64	10-50 a.m.
Lansdowne Jute Co. Ltd	30-9-64	11 a.m.
Lawrence Jute Co. Ltd.	30-9-64	11-10 a.m.
Titaghur Paper Mills Co. Ltd.	30-9-64	3-30 p.m.

DIVIDENDS DECLARED OR PROPOSED.—India Steamship Co. Ltd.—Nil; National Insulated Cable Co. Ltd.—20 p.c. (o), subject to tax; Bally Jute Co. Ltd.—20 p.c. (o), subject to tax; Rameshwara Jute Mills Ltd.—Nil (o); Midnapore Zemindary Co. Ltd.—Nil; Hindustan Wire Products Ltd.—15 p.c. (o), subject to tax; Lingapur Estates Ltd.—5 p.c. (f), subject to tax; Titaghur Paper Mills Co. Ltd.—2.5 p.c. (o) A & B shares and 13 p.c. (P.O.), subject to tax; Auckland Jute Co. Ltd.—Rs. 12.50 per share (o), subject to tax; Dalhousie Jute Co. Ltd. Rs. 7.50 per share (o), subject to tax; Lansdowne Jute Co. Ltd.—Rs. 12.50 per share (o), subject to tax; Lawrence Jute Co. Ltd.—Rs. 16 per share (o), subject to tax; Northbrook Jute Co. Ltd.—Rs. 2.50 per share (o), subject to tax; Union Jute Co. Ltd.—Rs. 10 per share (o), subject to tax; Kinnison Jute Mills Co. Ltd.—Rs. 5 per share (o), subject to tax; Martin Burn Ltd.—Re 1 per share (o) (Int), subject to tax; Bisra Stone Lime Co. Ltd. 75 p.c. (o) (f), making a total of 12) p.c. subject to tax.

HIDES AND SKINS

The market continued steady Stocks were less than in the previous week.

Bazaar Sales

(Between 25th August and 31st August, 1964)

Cowhides: Wet salted (Ord.) 8,500 pcs on the basis of Rs 8.25 to Rs 10.50; Wet salted (Slaughtered) 32,500 pcs. on the basis of Rs 10.50 to Rs. 17.50 and Rs. 19.50 to Rs. 28.

Goatskins: Wet salted (Patna, Daissee, Kustia) 44,500 pcs. on the basis of Rs 250 to Rs. 300, Rs. 350 to Rs. 360 and Rs. 300 to Rs. 310; Wet salted (he-killed) on the basis of Rs. 4.12 and (she-killed) on the basis of Rs. 3.87 a piece; Assam-Raigan) 26,600 pcs. on the basis of Rs. 200 to Rs. 225 and Rs. 300; Purneah-Kissenganj 4,200 pcs. on the basis of Rs 260 to Rs. 270; Pakur 5,000 pcs. on the basis of Rs. 250.

Bazaar Stocks

(31st August, 1964)

Goatskins: Wet salted (Patna, Daissee, Kustia, Killed) 36,500 pcs.; Assam-Dinajpur 59,000 pcs.; Muzaffer-pore-Patna-Pakur-Purneah - Kissenganj 1,99,000 pcs.

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock Exchange Associations and other sources.

Figures given after stroke (/) mean paise.

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BANKS

Wednesday, 2nd September, 1964.

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 2-9-64 Rs.	25-8-64 Rs.	A year ago Rs.
Allahabad Bank P.	18	15	15	100	248/00	248/00	262/00
Bank of Baroda	17	16	16	50	97/00	95/00	81/00
Bank of India	20	20	18	50	102/00	103/00	104/50
Central Bank of India	20	20	20	25	50/50	50/50	53/50
Chartered Bank	15	15	15	£1	sh. 53/7½	sh. 53/00	sh. 59/3
Hindusthan Commercial	Nil	Nil	..	50	11/50	10/50	13/25
Hindusthan Mercantile	Nil	Nil	..	50	10/75	10/75	15/62
Hong Kong & Shanghai	sh. 15	sh. 13	sh. 16	HK$25	£21¾	£21¾	£18¾
Indian Bank	15	14	..	100	157/00	157/00	161/00
Indian Overseas Bank	14	..	..	..	147/00	146/00	144/00
National & Grindlays Bank	14	16	14	sh 15	sh. 30	sh. 30/9	sh. 35/-
Punjab National Bank	20	20	..	10	20/44	20/44	19/50
Union Bank of India	11 2/5	11 2/5	..	5	6/36	6/28	5/80
United Bank of India	6	6	7½	10	7/00	7/50	7/31
United Commercial Bank	12	12	12	50	72/25	70/00	69/00

JUTE MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 2-9-64 Rs.	26-8-64 Rs.	A year ago Rs.
Agarpara P.	2½	2½	12	10	9/25	9/19	10/50
Alexandra P.	15	42½	..	100	300/00	300/00	300/00
Alliance P	Nil	10	12½	100	119/00	119/00	139/00
Anglo-India P.	7	10	12	100	197/00	202/00	237/00
Auckland P.	12	Nil	15	100	131/00	128/00	146/00
Bally P	25	25	..	100	241/00	241/00	275/00
Barnagore P.	10	10	10	£5	236/00	226/00	199/00
Bengal P.	..	..	..	10	7/00	7/00	9/37
Birla P	15	15	15	10	36/50	36/72	30/25
Budge Budge P.	Nil	12	14	100	133/00	133/00	146/00
Calcutta P	..	..	..	10	4/12	4/12	8/12
Caledonian P.	5	..	..	100	140/00	140/00	180/00
Champdany P.	5	Nil	40-35*	10	21/81	21/44	22/75
Cheviot P	5	25	..	10	20/50	19/94	22/25
Chitwalsah P.	Nil	5	Nil	10	8/00	8/19	10/00
Clive P	..	..	..	10	8/00	8/00	9/25
Dalhousie P.	1	Nil	25	100	124/00	125/00	156/00
Delta P	Nil	12	7½	100	140/00	140/00	149/00
Empire P.	7½	12½	15	10	14/12	14/12	17/75
Fort Gloster P.	10	12½	20	100	262/00	252/00	373/00
Fort William P.	22½	10	20	10	22/23	21/87	24/50
Ganges P	10	15	20	10	14/87	14/62	15/62
General Industrial	10	13	..	10	15/00	15/00	15/50
Gouripore P.	25	20	20	10	23/00	23/00	26/37
Hastings P.	6	6	6	100	128/00	128/00	128/00
Hooghly P.	20	7½	10	10	14/44	14/44	15/00
Howrah P.	10	Nil	10	10	16/31	16/37	18/37
Hukumchand P.	28 2/3	26 2/3	26 2/3	7½	19/50	19/50	22/00
Inida	12	8	22½	12½	15/44	15/56	16/94
Kamarhatty P.	Nil	20	20	100	157/00	157/00	195/00
Kanknarrah P.	Nil	15	15	100	128/00	128/00	125/00
Kelvin P	15	5	20	100	140/00	140/00	191/00
Khardah P.	5	12½	12½	10	17/75	17/75	20/00
Kinnison P.	7	Nil	10	100	122/00	122/00	135/00
Lansdowne P.	Nil	Nil	Nil	100	92/50	92/50	115/00
Lawrence P.	15	10	10	100	107/00	103/00	121/00
Meghna P.	12½	Nil	22	10	13/00	12/81	14/41
Naihati P.	..	..	..	100	85/00	85/00	104/00
Naskarpara	..	..	..	10	8/00	8/00	8/00
National P.	Nil	10	10	10	19/50	19/50	23/37
Nellimarla P	6	15	5	10	8/25	8/25	11/81
New Central P.	15	Nil	..	10	11/25	11/25	12/56
Northbrook P.	20	20	35	10	25/50	25/06	30/50
Nuddea	6	5	10	10	11/25	11/25	..
Presidency	6	10	10	5	4/50	4/50	5/41
Rameshwara P.	Nil	Nil	Nil	10	7/75	7/75	9/25
Reliance P	Nil	Nil	Nil	10	7/81	7/23	10/19
Samnugger P.	Nil	10	10	£1	10/50	10/50	10/50
Shree Ambica P.	6	Nil	..	10	30/00	20/00	35/00
Soorah P	25	25	..	10	18/81	18/81	22/19
Titaghur P.	Nil	13	..	£1	10/50	10/50	10/50
Union P	6	Nil	20	100	140/00	141/00	171/00
Victoria P.	Nil	10	10	£1	10/50	10/50	10/50
Waverley P.	30	60	30	1	8/44	8/44	8/16

* 1964

COAL COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 2-9-64 Rs.	25-8-64 Rs.	A year ago Rs.
Amalgamated	12½	15	..	10	21/19	21/37	24/50
Bengal P	21	19	16	100	261/00	244/00	274/00
Bengal Bhatdee	..	..	..	10	3/48	3/48	3/48
Bengal Nagpur	26	..	..	10	22/00	22/00	22/00
Bhalgora	..	..	..	10	4/25	4/25	4/25
Bharat Collieries P.	..	..	..	10	2/65	2/65	3/56
Bhutanbararee	..	..	..	10	10/00	10/00	11/94
Bokaro & Rampur	..	..	..	10	11/19	11/19	11/19
Borree P	15	15	15	10	20/25	20/25	23/87
Burrakur P.	13	13	13	10	17/12	17/12	16/19
Central India	10	10	..	10	9/44	9/44	9/94
Central Kurkend P.	..	..	..	10	3/44	3/44	3/87
Churulia	..	..	..	4	3/06	3/06	3/06
Dhemo Main	Nil	..	..	10	3/95	3/95	4/50
East Indian	15	20‡	..	£1	28/25	27/87	30/00
Equitable P	10	10	10	10	21/50	20/50	23/31
Ghusick & Muslia	Nil	Nil	Nil	10	13/87	13/87	14/25
Guzdar Kajora	..	..	..	10	2/47	2/47	2/44
Hurriladih	..	..	..	10	5/44	5/44	8/12
Karanpura Development	5	..	3	100	9/12	9/12	10/75
	15	..	9	10F			
Karanpura Collieries P.	10	10	10	10	13/81	13/50	15/00
Katras Jherriah	40	25	30	10	28/12	28/12	33/75
Khas Kajora P.	..	..	..	10	13/25	14/19	18/12
Mundulpur	..	..	..	10	2/69	2/69	2/69
Nazira	Nil	Nil	..	10	4/69	4/69	5/09
New Beerbhoom P.	10	12	10	10	17/00	16/56	19/25
New Manbhoom	9	12	..	10	11/12	11/12	15/25
North West	20	..	..	10	19/75	19/75	19/75
				7½	18/00	18/00	18/00
Ondal P.	7½	..	..	10	13/50	13/50	13/50
Parasea P	3½	..	..	10	14/00	14/00	16/00
Pench Valley	10	10	..	10	17/44	17/44	17/50
Pure Sitalpur	..	..	..	10	8/00	8/00	8/00
Rangeegunge	17	17	..	10	13/06	13/06	16/12
Rewa	20	..	..	10	21/62	21/87	28/50
Samla	..	..	..	10	7/81	7/81	10/00
Searsole	Nil	Nil	..	2½	1/25	1/25	1/22
Seebpore P.	42 6/7	35 5/7	28 4/7	7	34/75	34/75	34/75
Sendra	¾	..	..	10	4/06	4/06	5/00
South Karanpura Standard	Nil	Nil	2½	10	6/56	6/56	8/25
	10	..	..	10	9/62	9/62	13/12
Union	..	..	..	10	10/25	10/25	11/12
Western Bengal	7½	9	..	10	9/37	9/25	9/25
West Jamuria	Nil	..	..	10	3/60	3/60	4/56

COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 2-9-64 Rs.	26-8-64 Rs.	A year ago Rs.
Basanti	**	**	**	10	12/06	12/06	11/44
Bengal Luxmi	..	..	..	40	30/00	30/00	29/00
Bengal Nagpur P.	Nil	..	..	10	2/44	2/44	3/06
Bharat Commerce	5	15	15	10	21/37	21/44	20/44
Birla Cotton	10	20	20	10	27/00	27/00	30/25
Bowreah P.	10	20	15	10	24/50	23/87	22/00
Cawnpore Textile	7 1/5	10	10	5	6/75	6/62	6/19
Delhi Cloth & Genl. P.	12	13	13-13*	25	50/94	50/94	41/25
Dunbar	20	20	15	10	28/12	27/56	25/19
Elgin P.	11½	17½	17½-17½*	10	20/37	20/06	19/00
J. K Cotton (Rayon) P.	12½	..	..	10	11/50	11/37	11/00
Jaya Shree	10	10	..	10	14/31	13/00	13/00
Muir P	..	..	..	100	60/50	60/00	60/00
New Victoria P.	Nil	..	..	2½	1/23	1/22	1/22
Orissa Textiles P.	Nil	Nil	**	10	7/00	7/00	7/00
Rampooria Cotton	3	Nil	..	10	14/12	14/12	14/12
	Nil	Nil	Nil	1	4/12	4/12	4/12
Swadeshi (Kanpur) P.	5	..	..	100	11/00	11/00	11/00
	5.51	..	..	10PO	6/50	6/50	6/50

* 1963

BOMBAY COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 1-9-64 Rs.	25-8-64 Rs.	A year ago Rs.
Ahmedabad Advance P.	16	12	..	100	145/00	143/00	142/50
Apollo	Nil	Nil	..	2	1/88	1/78	1/92
Beharilal Ramcharan	Nil	Nil	..	100	138/00	137/00	79/00
Bombay Dyeing, etc.	14	14	14	25	61/20	60/00	60/20
Bradbury P.	10	25	..	50	162/50	162/50	139/50
Century	30	30	..	100	636/50	642/50	536/50
Central India P.	Nil	Nil	Nil-Nil*	100	104/75	96/50	112/00
Coorla	11	11	..	100	177/50	170/50	150/00
Dawn	30	30	..	50	167/50	167/50	144/00
Edward Textiles	9	9	6	200	300/00	300/00	290/00
Elphinstone P.	18	22	18	50	99/00	99/00	95/00
Finlay	23	23	..	100	305/00	305/00	316/00
Gokak	14	18	..	100	180/25	182/50	158/00
Hindoostan	50	50	..	250	940/00	901/25	855/00
India United	8	14	..	10	19/60	19/60	22/60
	13½	37½	..	1Dd	2/42	2/46	2/58
Indian	23 1/5	25	..	250	840/00	840/00	840/00
Indore Malwa United	8½	10	7½	100	211/00	211/00	211/00
Khatau Makanji P.	32	16	..	100	187/50	183/75	183/75
Kohinoor	15	18	..	100	335/00	337/50	337/50
Lakshmi Vishnu P.	5.7	6	Nil	100	86/50	90/00	90/00
Morarjee Goculdas P.	21½	24	24-20*	100	268/00	268/00	268/00
Mysore Spg & Mfg. P.	14	14	..	50	37/00	38/25	38/25
New City of Bombay	Nil	Nil	**	100	188/75	188/75	188/75
New Great Eastern P.	Nil	12	**	100	160/00	160/00	160/00
Phoenix	15	20	**	100	254/00	255/00	255/00
Sassoon & Alliance	Nil	Nil	..	10	10/38	10/38	10/38
Sassoon Spinning	17	20	10	10	37/75	38/00	38/00
Simplex	15	Nil	22-16*	50	134/50	135/00	135/00
Shree Niwas P.	18	20	14	100	256/00	257/00	257/00
Svadeshi P.	17	19	17	100	266/00	265/00	265/00
Swan	36	21 3/5	..	100	270/00	268/00	268/00
Tata	20	22	20	25	57/00	56/00	56/00
Western India	46 2/5	25	..	250	850/00	826/25	826/25

* 1963

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 1-9-64 Rs.	25-8-64 Rs.	A year ago Rs.
CEMENT ENGINEERING & METAL							
Associated Cement	12½	12	12	100	165/00	162/00	145/75
ELECTRIC LTG., POWER							
Ahmedabad Electricity	7	6	**	100	103/25	102/50	95/50
Andhra Valley Power P.	5½	5	5	1000	1,215/00	1,192/50	1,070/00
Bombay Subarban Elec.	8	8½	8½	100	114/00	113/00	103/00
Tata Hydro Elec. Power P.	5½	5	5	100	126/00	125/00	111/00
Tata Power P.	5½	5	5	1000	1,266/25	1,267/50	1,117/50
Alcock Ashdown	17	22½	**	100	299/00	295/00	281/00
Jost's Engineering	8	10	10—Nil*	50	47/00	47/00	59/50
Larsen & Toubro P.	12½	18	14—14*	10	23/32	23/20	23/12
Mackenzies	10	12	14	100	140/00	140/00	141/00
Premier Construction P.	43 1/3	33 1/3	**	30O	193/50	195/00	142/00
				33F			
Tata Eng. & Locomotive P.	12½	14½	14½-14½*	100	317/50	320/50	255/50
Tata Iron & Steel P.	9.1	10.36	10.36-11*	75O	162/25	162/00	143/00
INSURANCE COMPANIES							
British India General	**	**	**	10	13/24	12/62	12/62
Jupiter General P.	..	..	..	15	7/00	7/00	7/00
New India	38	38	..	15	45/75	45/50	45/50
Vulcan	20	20	..	10	15/76	16/24	16/24
MISCELLANEOUS							
Belapur Sugar	58	50	**	50	230/00	226/00	185/00
Bombay Burmah Trading	30	33	33-33 1/3*	25	57/50	56/20	60/25
				20	42/50	42/25	42/25
Hindustan Lever	26	26	12	10	32/25	32/00	32/00
Industrial Invt Trust	6½	6½	..	100	76/00	76/80	76/80
Kemp (Chemists)	12½	12½	..	200	255/00	263/75	330/00
National Rayon	22	..	..	100	378/00	386/50	11/6
Scindia Steam Navign.	3	3	3	20	16/12	16/12	18/0
Shivrajpur Synd.	80	Nil	..	10	16/24	17/00	16/2
Tata Chemicals P.	6	6½	6½—10*	10	19/56	19/40	61/2
Tata Oil P.	23	23	23—22*	25	64/50	63/00	240/0
Voltas	13	14	14—14*	100	270/50	268/00	238/7
Western India Match	16	16	16	100	245/00	241/50	238/7

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TEA COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 2-9-64 Rs.	26-8-64 Rs.	A year ago Rs.
ASSAM GARDENS							
Amluckie	Nil	10	7½	10	16/00	16/00	16/50
Anandsbag P.	30	32½	20	10	33/25	33/25	33/25
Baghmari	Nil	15	7½	10	11/00	11/00	13/56
Barduar Tea	..	..	..	5	8/50	8/50	8/50
Basmatia	35	35	20	10	18/06	18/06	27/25
Bateh	30	30	..	5	17/06	17/06	17/50
Betjan	40	45	30	10	29/00	29/00	29/19
Bishnauth	13	13	20	10	14/37	14/19	17/56
Bokakhat	Nil	12	13	10	13/12	13/12	13/70
Bormah Jan P.	15	15	15	10	10/06	10/06	13/25
Bor Pukhuri	Nil	Nil	10	10	10/37	10/00	10/75
Brooke Bond P.	15	10	7½—7½*	10	10/94	10/81	10/81
Dejoo Valley	15	20	30	10	40/00	40/00	40/00
Dessai & Purbuttia	Nil	10	15	100	181/00	181/00	181/00
Dhelakhat	12½	10	..	10	20/37	20/37	20/37
Dhunseri P.	20	15	10	10	10/00	10/00	27/87
Dibrugarh	40	40	30	10	27/87	27/87	27/87
Dimakusi P.	25	20	25	10	23/12	25/19	25/19
Duffiaghur	25	25	30	10	26/12	26/12	26/12
East India	Nil	Nil	10	10	10/69	10/69	10/69
Gillapukri	25	20	15	10	27/56	27/56	27/56
Gohpur	Nil	5	20	10	14/69	14/69	14/69

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TEA COMPANIES—Contd.

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 2-9-64 Rs.	26-8-64 Rs.	A year ago Rs.
Grob	6	6	6	5	6/62	6/62	7/50
Hoograjuli (Assam)	20	20	17	10	27/62	27/62	27/12
Hoolungooree	10	7½	20	100	168/00	168/00	195/00
Jutlibari	30	30	20	10	27/87	27/87	31/50
Kingsley Golaghat P.	35	35	..	100	125/00	125/00	140/00
Kotamullai P.	Nil	Nil	Nil	5	10/00	10/00	10/31
Krishnabehari	15	8	10	10	11/30	11/30	10/50
Kyang Tea	Nil	..	..	10	8/06	8/06	8/06
Ledo	Nil	Nil	Nil	10	11/00	11/00	13/75
Maud Tea & Seed	10	7½	7½	10	12/00	12/00	14/81
Methoni	5	14	20	10	13/25	13/25	16/19
Moheema	Nil	Nil	..	10	11/50	11/50	11/50
Mothola	30	30	35	100	425/00	425/00	507/00
Murphulani (Assam)	5	15	25	10	26/50	26/50	26/50
	10.63	20.63	30.63	10	26/87	26/87	26/87
Naga Hills	10	10	10	10	21/25	21/25	22/25
Namburnadi	12	12	..	10	12/87	12/87	12/87
New Cinnatolliah	Nil	Nil	Nil	100	455/00	455/00	302/00
Rajgarh	40	13½	17½	10	18/56	18/56	19/00
Sapoi	22½	20	10	10	19/50	19/50	18/31
Seajull	22½	15	30	10	21/06	21/06	21/12
Teloijan	25	25	25	10	21/87	21/87	20/87
Tengnoni	30	30	22½	10	36/50	36/50	35/00
Tezpore P.	20	12½	..	10	13/31	13/31	14/50
Tongani	Nil	Nil	..	10	5/00	5/00	7/00
Tyroon	10	15	25	10	24/75	24/75	30/69
CACHAR							
Arcuttipore	Nil	5	6	10	7/00	7/00	7/00
Baitakhal	2½	2½	**	10	6/81	7/75	7/69
Central Cachar	5	7½	5	100	73/00	73/00	85/00
Eastern Cachar	Nil	Nil	..	100	4/94	4/94	4/50
Kattinugger Khorecl	6	2	..	100	84/00	84/00	87/00
Hattikhira	Nil	8	Nil	10	7/75	7/75	9/06
Kunchanpore	Nil	Nil	..	10	6/00	6/00	6/00
Loobah	Nil	Nil	Nil	10	4/69	4/69	4/44
North Western	30	20	10	100	140/00	140/00	160/00
Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50
Roopacherra	Nil	10	Nil	10	9/94	9/94	9/62
Rungamattee	5	5	5	50	49/25	49/25	49/00
Sonai River	Nil	Nil	..	10	5/06	5/06	9/12
DARJEELING							
Bloomfield	Nil	..	..	10	3/25	3/25	3/12
Chamong	Nil	10	10	10	8/87	8/87	9/00
Darjeeling Tea & Chin.	30	30	30	100	197/00	197/00	197/00
Dilaram	8	4	..	100	102/50	102/50	102/50
Gielle	Nil	..	8 4/7-15*	10	17/25	17/25	11/69
Lingia P.	15	10	17½	10	13/37	13/37	14/56
Longview	12½	10	..	10	8/25	8/25	11/00
Margaret's Hope	15	15	15	10	11/81	11/81	10/87
Mim	22½	27½	100	419/00	419/00	191/50
Nagri Farm	30	25	35	10	27/50	27/50	27/25
Okayti	25	25	100	600/00	600/00	600/00
Pashok	10	Nil	..	10	20/00	20/00	20/00
Poobong	Nil	Nil	5	10	10/50	10/50	7/50
Pussimbing P.	Nil	Nil	Nil	10	7/62	7/87	7/12
Rungiee Rungliot	35	20	7½	100	290/00	290/00	386/00
Seeyok	15	Nil	..	10	8/50	8/50	8/50
Singell	Nil	Nil	Nil	100	36/75	36/75	36/75
Singtom	2	Nil	2	10	3/25	3/25	3/50
Soom	50	40	40	10	39/00	39/00	32/75
Sungma	15	15	20	10	12/19	12/31	14/31
Teesta Valley	Nil	..	8 4/7-10*	10	12/81	12/75	13/12
Tukvar	Nil	Nil	**	10	3/50	3/50	7/00
DOOARS							
Banarhat P.	22½	21	21	100	174/00	186/00	216/50
Baradighi	30	25	25	10	21/12	23/25	22/19
Bhatkawa	15	15	20	10	16/00	16/00	16/56
Birpara P.	17½	12½	17½	100	142/00	142/00	156/50
Carron	20	5	7½	100	117/00	117/00	151/00
Choonabhuti P.	32½	20	20	100	176/00	176/00	210/00
Ellenbarrie	5	5	10	100	173/00	173/00	184/00
Engo	60	30	40	100	136/00	136/00	136/00
Ethelbari	5	5	7½	10	11/87	11/87	13/12
Gairkhata	25	20	11	10	16/12	16/12	21/50
Gopalpur	12	2	10	25	19/50	19/50	20/00
Hantapara P.	15	5	10	100	97/00	97/00	109/00
Hasimara P.	17	..	18—15*	10	13/62	13/81	12/50
Huldibari	22½	..	19 2/7-11*	10	11/62	12/31	12/94
Jaybirpara	10	Nil	Nil	10	8/50	8/50	10/69
Killcott	25	15	15	10	14/44	14/44	15/00
Manabarrie	10	6	10	10	59/50	59/50	59/50
Nagaisuree	25	15	15	100	141/00	141/00	140/00
New Dooars P.	35	20	14½	100	164/00	164/00	220/00
Oodlabari	12½	7½	..	100	13/75	13/75	14/00
Phaskowa	Nil	Nil	Nil	100	121/00	121/00	129/00
Rajabhat	Nil	Nil	6	10	10/06	10/06	12/12
Ranicherra	15	15	7½	10	12/00	12/00	12/25
Rydak	25	20	25	10	22/62	22/44	24/25
Sarugaon	40	40	40	10	36/25	36/25	36/31
TERAI							
Atal	5	..	..	10	5/37	5/37	8/75
Belgachi	20	20	..	10	23/12	23/12	22/50
Gungaram	20	12½	12½	100	121/00	121/00	131/00
New Chumta	15	..	12 6/7-20*	10	20/37	20/37	20/00
New Terai	22½	10	15	10	20/50	20/50	24/62
Pahargoomiah	20	20	2½	10	13/75	13/75	15/00
Putinbaree	14	14	..	10	55/00	55/00	45/00
Tirrihannah P.	60	60	60	10	49/00	49/00	49/00
CHITTAGONG							
Kodala	Nil	Nil	..	10	9/25	9/25	9/25
Kornafuli	Nil	Nil	..	10	11/00	10/50	9/31
Oodaleah	Nil	Nil	..	10	8/00	8/00	8/00
SYLHET							
Chundeecherra	Nil	Nil	Nil	10	29/75	29/75	26/00
Dauracherra	22½	22½	20	10	15/19	15/19	7/94
New Samanbagh P.	25	Nil	Nil	10	20/37	19/00	18/37
Patrakola	32½	40	15	100	201/00	201/00	125/50
Rajnagar	Nil	Nil	Nil	10	9/56	9/56	9/50
Teliapara	22½	22½	10	100	180/00	180/00	99/00

‡ Hectares

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MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 2-9-64 Rs.	26-8-64 Rs.	A year ago Rs.
MININGS							
Burma Mines	2 3/5	Nil	Nil	3½S	0/44	0/44	0/44
Chrestien Mica Industries P.	15	12½	..	10O	10/37	10/37	10/40
	25	20	..	5Dd	6/53	6/53	6/87
Indian Copper Corporation	27	27	..	2s	3/55	3/65	4/82
Metal Corporation P	Nil	..	..	10O	6/56	6/22	8/25
Orissa Mineral Development	36	28	20	10	20/00	20/00	27/50
CEMENT, LIME, SLATE, ETC.							
Ashoka Cement	7	7	7—7*	10	7/25	7/00	7/56
Assam Bengal Cement	..	..	..	10O	4/87	4/87	3/37
				1Dd	0/59	0/59	0/46
Bengal Potteries	15	..	..	2½	4/50	4/31	5/12
Bisra Stone Lime	30	30	10	..	17/75	18/37	35/00
Dalmia Cement (Bharat) P.	12	12	12	10O	12/56	12/50	12/31
				1Dd	3/06	3/06	3/00
Jaipur Udyog P.	6	8	8.36	10	11/37	11/37	10/94
Kumardhubi Fireclay & Silica P.	18	18	18	10	18/45	18/45	18/45
Orissa Cement P	15	15	10	10	12/96	12/00	13/81
Reliance Firebricks & Pottery	22	15	10	10	22/75	22/75	22/75
Sone Valley Portland Cement	4	6	8	10	4/00	4/03	4/47
Sutna Stone & Lime	27½	30	35	10	27/00	28/31	35/12
CHEMICAL INDUSTRIES							
Alkali & Chemical Corpn. of (I)	12	15	15—15*	10	29/12	28/50	32/50
Bathgate & Co Ltd P.	Nil	Nil	..	5	0/84	0/84	0/84
Bengal Chemical & Pharm. P.	7	10	..	100	102/50	102/00	102/00
Calcutta Chemical P.	18	18	18	10	17/25	17/25	17/87
Frank Ross P	..	..	..	6	3/19	3/19	2/19
Smith Stanistreet P.	25	25	25-22½*	5	13/69	13/69	12/25
ELECTRIC LIGHTING, POWERS							
Agra Electric Suply							
Bareilly Electric Supply	11	11	11	100	125/00	125/00	118/00
Benares Electric Supply	11	11	11	10	12/00	12/00	12/50
Bhagalpur Electric Supply	11	11	11	10	13/25	13/94	12/37
Calcutta Electric Supply	8	10	8	8	6/56	6/56	6/50
Cuttack Electric Supply	7	7½	7½	£1	15/12	14/94	14/69
Dishergarh Power Supply P.	7½	10	10	10	12/06	12/06	11/87
Jhanshi Electric Supply	10	10	10	100	86/00	86/00	88/00
Jubbulpore Electric Supply	..	..	..	10	5/90	5/90	5/90
Mirzapur Electric Supply	10	10	10	10	12/31	12/31	11/19
Muzafferpore Electric Supply	..	..	..	..	7/50	7/50	12/00
Muttra Electric Supply	12½	12½	12½	10	11/19	11/19	11/50
Patna Electric Supply	..	..	..	10	11/06	11/06	11/12
Shahiahanpur Electric P.	10	10	10	10	10/50	10/50	10/75
Sijua (Jharlah) Electric	6½	6½	6½	10	6/62	6/84	7/25
United Provinces Electric	10	9	9	10	9/62	9/62	8/50
Upper Jumna Valley Electric	13½	13½	13½	11	188/00	189/00	117/00
					25/37	22/44	15/06

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MISCELLANEOUS COMPANIES—Contd.

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 2-9-64 Rs.	26-8-64 Rs.	A year ago Rs.
ENGINEERING & METAL							
Arthur Butler (Muzafferpore) P.	Nil	10	..	10	21/25	21/25	14/94
Bhartia Electric Steel	10	12½	15	10	14/94	14/81	13/50
Braithwaite India P.	25	14	20	10	33/00	33/62	29/94
Bridge & Roof	30	30	..	10	52/25	52/25	52/25
Britannia Building & Iron P.	Nil	Nil	..	10	3/20	3/20	3/75
Britannia Engineering P.	10	10	..	10	9/15	9/44	9/87
British India Electric Cons.	20	15	..	10	29/12	29/12	33/12
Burn P. (Engineering)	28½	28½	25	100	288/00	288/00	542/00
Calcutta Steel	15	15	12½-15	10	13/69	13/62	12/87
Dalmia Iron	10	10	10	10	11/31	11/19	10/75
Guest, Keen, Williams	14	14	12	10	24/62	24/87	32/56
Hooghly Docking	Nil	12½	..	50	80/00	80/00	108/00
Indian Iron & Steel P.	16	16	16	10	26/50	26/50	23/64
Indian Malleable Casting	..	..	..	50	6/00	6/00	6/00
				10d	2/06	2/06	1/81
Indian Standard Wagon P.	28½	28½	20-20	10	38/25	38/25	31/00
Indian Steel & Wire Products	24	23	18	10O	31/00	28/12	39/00
Industrial Containers	10	10	..	10	25/75	22/37	21/37
Jay Engineering	17 3/20	15	10	10	18/12	17/81	20/87
J. K. Steel P	20	10	30	10	17/37	16/19	14/19
Jessop & Co P.	8.58	8.58	10	10	21/37	21/19	25/12
Kumardhubi Engineering P.	11½	15	Nil-16⅔	3	5/72	5/40	9/00
Marshall Sons (India)	Nil	Nil	..	2	3/06	3/06	2/62
National Iron and Steel	Nil	Nil	..	10	6/37	6/19	4/75
Saran Engineering	10	12½	10	4	9/00	8/56	8/50
Steel Containers	20	20	..	10	24/31	24/62	29/50
Textile Machinery	10	..	17½	10	26/95	27/45	23/85
SUGAR BREWERIES, ETC.							
Balrampur Sugar	8	4	Nil	2½	1/72	1/81	1/95
Belsund Sugar	10	6 2/3	3 1/3	7½	8/12	8/12	8/25
Bharat Sugar P.	15	15	15	10	14/50	14/50	13/00
Carew (Sugar) P.	Nil	Nil	Nil	10	12/31	12/31	10/87
Cawnpore Sugar P.	Nil	Nil	Nil	10	9/62	9/62	9/75
Champaran Sugar	12	Nil	Nil	10	10/87	10/87	15/87
Durbhanga	Nil	5	..	10	8/25	8/50	8/12
New Savan Sugar and Gur	..	..	..	10	3/50	3/50	4/44
Purtabpur Sugar P.	..	..	..	10	9/12	9/12	11/50
Ramnugger Cane & Sugar P.	35	30	15	10	24/31	24/31	26/50
Raza Buland	10	10	10	10	10/00	10/12	9/60
Ryam Sugar P.	..	..	..	10	4/00	4/00	5/20
Samastipur Central Sugar	..	..	..	10	3/75	3/75	6/00
Shree Krishna Gyanoday Sugar P.	..	..	..	10	7/87	7/81	7/56
Shree Sitaram Sugar	..	..	..	10	7/28	7/28	7/12
Sitalpore Sugar	Nil	Nil	Nil	10	3/69	3/69	6/12
United Provinces	5	Nil	..	10	12/00	12/00	9/00
Upper Ganges Sugar P.	72½	72½	..	10	60/25	60/25	62/00
MISCELLANEOUS							
A. Firpo (Restaurateur)	10½	5	..	10	5/90	5/90	5/90
Aluminium Corporation P.	12	12	5	10	13/26	12/81	14/25
Anderson Wright Ltd. P.	Nil	6	..	10	11/50	11/50	11/50
Angelo Bros.	28½	28	28	10	25/19	25/06	24/00
Assam Match	20	20	20	10	26/37	26/37	13/50
Assam Saw Mills & Timber	Nil	3	..	3	2/44	2/44	2/50
Associated Battery	15	15	15	10	24/94	23/44	23/81
Associated Hotels of India P.	10	10	15	10	9/56	8/44	10/31
Balmer Lawrie & Co.	25	25	22½	100	235/00	235/00	246/00
Bararee Coke	Nil	15	15	10	22/75	22/69	21/37
Birds Investments P.	10	10	..	10	8/75	8/75	10/75
Britannia Biscuit P.	30	25	21	10	36/87	37/62	41/00
British India Corporation P.	7	9	15	5	10/75	10/31	7/87
British Paints	15	10	15	10	22/87	22/50	19/56
Calcutta Silk Manufacturing P.	Nil	..	..	10	6/94	6/94	6/94
Clive Row Investment	7½	7½	8	10	8/44	8/34	8/41
Duncan Brothers & Co. Ltd P.	14	14	12	100	33/75	135/00	147/00
Dunlop Rubber Co. (India) P.	20	15	17½	10	135/00	34/06	32/62
Dyer Meakin (Breweries)	30	..	..	5	23/19	23/19	29/12
Eastern Investments Ltd. P.	14	12	10	100	102/00	101/00	106/00
Electric Construction	10	10	10	10	13/87	13/81	12/87
French Motor Car	20	..	..	20	31/75	31/75	35/12
Ganges Rope	20	20	20	100	252/00	278/00	236/00
General Investments Trust P.	5	5	5	75	43/00	43/00	43/00
Gillanders Arbuthnot & Co Ltd. P.	11	11	11	10	14/87	14/81	14/37
Gladstone Lyall & Co. Ltd P.	..	..	..	10	..	..	..
Godfrey Phillips (India) Ltd P.	40	30	..	10	22/00	22/00	28/12
Great Eastern Hotel	6	..	..	250	252/00	252/00	225/00
Hindustan Aluminium P.	Nil	Nil	Nil	10	13/94	12/69	13/06
Hindustan Motors P.	12	12½	11½	10	18/25	18/31	17/00
Hindusthan Pilkington	12	Nil	Nil	10	14/57	13/75	15/81
Hindusthan Twyfords P.	Nil	Nil	Nil	10	15/06	13/75	14/00
Hoare Miller & Co. Ltd.	6	..	..	10	5/50	5/50	5/50
Imperial Tobacco	9	8	8	10	8/75	8/81	10/50
Indian Aluminium Co. Ltd P.	15	17½	17½	10	32/56	32/69	35/87
Indian Cable P.	22½	22½	22½	10	34/62	36/19	23/50
Indian Oxygen	15	12	12	10	25/50	24/62	26/00
Indian Rubber Manufacturers P.	30	36	..	10	21/75	21/75	19/87
Indian Wood Products	30	30	25	10	27/62	27/62	29/62
Isaac Holdens	Nil	Nil	5	10	11/50	11/50	15/62
Investments and Finance P.	7½	7½	7½	100	55/00	55/00	55/00

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 2-9-64 Rs.	26-8-64 Rs.	A year ago Rs.
J. K. Synthetics	3	Nil	10	10	13/00	12/25	10/50
James Wright P.	..	..	..	5O	2/75	2/75	2/75
	..	..	..	1Dd	00/43	00/43	00/43
Jardine Henderson Ltd P.	7	6	7	100	75/00	75/00	87/00
Jay Shree Industries P.	12½	..	..	10	14/50	14/37	16/19
Kesoram Industries P.	12	12	13	10	27/75	27/75	23/69
Macfarlane & Co.	..	..	..	50	4/75	4/75	7/00
	..	..	..	1Dd	1/81	1/81	2/19
Macneill & Barry Ltd P.	8	7½	8½	100	95/00	95/00	93/50
Martin Burn Ltd P.	27½	25	25	10	27/00	26/50	27/00
McLeod & Co. P.	15	18	..	100O	230/00	230/00	210/00
Metal Box Co. of India Ltd P.	25	19	..	10	30/62	29/69	49/37
National Insulated Cable P.	25	25	18	10	26/87	26/25	22/62
National Pipe & Tubes P.	20	20	20	10	28/06	28/25	24/69
National Rolling & Steel Ropes	15	15	15	10	21/62	21/62	20/50
National Rubber P.	6½	8	10	10	11/00	11/00	10/37
National Tobacco P.	7	7	..	10	12/06	11/25	11/69
New India Investment Corpn.	..	..	..	75	63/00	63/00	65/00
Octavius Steel P.	7½	7½	..	100	..	..	..
Philips India	12	13	15	10	28/50	27/75	26/00
Publicity Society	75	75	50	4	25/06	25/06	22/62
Rallis India P.	8½	8½	10	100	126/00	123/00	121/00
Rohtas Industries P.	10	8	9	10	11/19	11/44	11/44
Sirsilk P.	..	..	..	10	7/25	7/00	9/00
Sen-Raleigh Industries P.	8	8	Nil	10	13/69	13/69	14/50
Shaw Wallace P.	15	7½	12½	10	14/87	14/62	16/69
Spencer's Hotel	2½	..	..	2	1/25	1/25	0/65
Union Carbide	18	12½	15	10	33/00	31/50	39/23
Walford Transport	30	30	..	1O	3/06	2/97	3/63
INSURANCE COMPANIES							
Concord of India	20	20	20	5	9/25	9/25	10/62
Hercules	26½	26½	..	10	23/50	23/50	22/56
Ruby General	13½	15½	..	8	11/62	11/25	9/19
Standard General	..	..	..	10	7/75	7/75	6/25
Triton	50	50	..	25	127/00	127/00	124/00
FLOUR MILLS							
Bengal	25	25	30	10	33/87	33/87	29/00
Delhi P	..	..	..	10	14/00	14/00	14/00
Ganesh P.	..	..	..	12½	12/50	12/50	13/37
Hooghly	Nil	Nil	5	10	19/75	19/75	19/75
United	10	7½	10	10	27/81	27/81	27/81
OIL COMPANIES							
Attock Oil	13½	13½	..	£1	sh. 29/4½	sh. 27/6	sh. 35/3
Burmah Oil P.	..	11½	12½	£1	sh. 60/9	sh. 56/4½	sh. 63/7½
Indo Burmah Petroleum P.	25	22½	17½	10	20/69	20/69	21/37
Tide Water Oil	35	35	35	10	37/00	35/50	27/12
PAPER MILLS							
Bengal P.	27½	20	..	10	26/87	26/44	25/94
India Paper Pulp	13	12	15	10	22/69	22/69	17/87
Orient Paper P	22½	22½	20	10	34/50	34/60	34/80
Shree Gopal Paper P.	17 6/7	17 6/7	17 6/7	10	25/69	25/50	23/37
Sirpur P.	8½	8½	5	10	12/57	11/56	11/94
Star Paper P.	Nil	Nil	Nil	10	9/00	9/00	8/56
Titaghur P.	13	13	13	2½PO	3/37	3/37	3/87
	20	10	10	10AO	12/87	13/75	16/37
	20	10	10	10BO	12/87	13/75	16/37
West Coast P.	7½	..	..	100	164/00	164/00	125/00
PRESSING COMPANY							
Camperdown	11	..	..	100	100/00	100/00	104/00
REAL PROPERTY STORAGE							
Bengal Bonded Warehouse	8	8	9	A500	1,250/00	1,250/00	1,050/00
				B62½	125/00	125/00	135/00
				C100	186/00	186/00	122/00
				D12½	45/00	45/00	14/19
Calcutta Safe Deposit	..	..	..	100	7/81	7/81	7/87
Humayan Properties P.	..	..	..	10O	11/00	11/00	11/00
	..	..	..	1Dd	2/10	2/10	2/10
Midnapore Zemindary P.	Nil	Nil	Nil	85	33/75	32/50	10/37
TRAMWAYS & STEAMER							
Bengal Assam Steamship P.	7½	10	10	100	106/00	106/00	135/00
Calcutta Landing & Shipping	7½	22	6	10	21/00	21/00	34/00
Calcutta Steam Navigation	Nil	Nil	Nil	10	8/00	8/00	8/25
Calcutta Tramways P.	5	5	5	£1	10/75	10/75	11/06
Fraser	..	..	..	10	8/94	8/94	10/00
India General Nav. Railway P.	..	..	..	£10	34/50	34/50	45/00
India Steamship P.	Nil	Nil	Nil	10	6/47	6/37	6/75
Port Shipping	Nil	..	..	10	17/69	17/06	14/37

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EXCESSIVE MONEY SUPPLY CAUSES INFLATION

As was to be expected, the observations on the prevailing inflationary situation made by Mr. P. C. Bhattacharyya, Governor of the Reserve Bank, in his address at the annual dinner of Bombay bankers last week, merely echo the views of the Central Finance Ministry. He has said precious little about the causes of the present economic malady. There is no doubt that excessive money supply—it has been growing at the rate of about 15 percent a year—is one of the most potent causes of inflation. The Reserve Bank has so far adopted only half-hearted measures to restrain the excessive liquidity in the economy. A careful scrutiny of credit supplies to the public and private sectors shows that the bulk of them has been used by the former. Even after allowing for the increased outlays on defence and the plan, there is little doubt that the Government is spending its resources wastefully. Considerable sums have been frittered away on unproductive activities which could have been cut out without any difficulty. Although the Central Finance Ministry is making efforts to cut the Government's expenditure by Rs. 70 crores during the current financial year, the reduction is obviously far too small in the context of the total revenue expenditure of Rs. 2,041 crores. So Mr. Bhattacharyya has little reason to praise the Central Government for the proposed cut. The State Governments have no doubt been asked by the Centre to reduce their expenses in line with the latter, but judging by their large overdrafts from the Reserve Bank, it looks that they are not serious in putting a brake on their spending spree.

Unless the Central Government's expenditure is slashed substantially—much more than Rs. 70 crores—excessive money supplies will continue to be poured into the economy. The need to curtail Government expenses has become all the more urgent because of the poor prospects of an increase in agricultural and industrial production during the current financial year. So the move of Mr. Lal Bahadur Shastri, Prime Minister, to shift the emphasis on planning deserves prompt attention. There is obviously no point in allocating funds for those projects which have not yet been undertaken or which are unlikely to be productive in the near future. It is far better to concentrate on making fuller use of existing capacities and on completing the projects which are already under way.

As far as credit supply to the private sector is concerned, there is little evidence to show that it has been excessive. The Reserve Bank is regulating the supply of bank credit to the private sector through selective controls. In view of the Bank's policy to make money steadily dearer for the private sector, industry and trade have been spontaneously restrained from borrowing overmuch. Although the Reserve Bank has had to make changes in its selective credit controls, they have not been quite effective. Inflationary pressures, for example, have been aggravated since the Bank began to tighten its credit policy from March this year. Its supply of credit to commercial banks has not dropped in spite of an increase in the lending rates under the tier system. But as a result of costlier credit, industrial costs have gone up. Mr. Bhattacharyya is no doubt right in saying that easy credit is not the "providential power that solves the difficulties of industrial growth." But he lacks the boldness to say that industrial growth is being hindered by the unrealistic fiscal policy of the Government. If factors like the shortages of raw materials, foreign exchange, transport and power continue to affect the economy, fears of an excessive expansion in the supply of credit to the private sector are clearly exaggerated.

It is interesting to look at the causes which have led to the failure of the Reserve Bank's monetary regulations, although the entire blame for the failure cannot be laid at its door. The existence of a large and active unorganised monetary sector has rendered the Bank's regulations ineffective. In fact, the restraint on the supply of bank credit, combined with the rise in interest rates, has imparted more vigour to the unorganised sector. The supply of credit, particularly in the rural areas, is still largely in the hands of indigenous bankers. The large sums of money pumped into the rural economy through co-operative institutions have unfortunately flowed into the hands of unscrupulous people and have not helped agricultural production much. It is possible that farmers have begun to hoard commodities because of the addition of this windfall cash to their kitty. This apart, the large volume of "unaccounted money" has accentuated inflation by increasing the holding capacity of hoarders. Unless the Government takes strong measures to bring out the unaccounted money, the economy will continue to suffer big strains and stresses. It is relevant to point out that the piling up of unaccounted money has been greatly encouraged by heavy taxation. Recently, the banking community has pointed to the growing prosperity of indigenous bankers, who have begun to spread their activities to the urban sector. Considering that the enforcement of a larger liquidity ratio for banks from the middle of this month is likely to put a further brake on the supply of bank credit, the activity of indigenous bankers will receive a fresh boost.

It has been awkward for Mr. Bhattacharyya to ask banks to retreat from term industrial financing because it is the Reserve Bank which exhorted them to undertake this sort of financing some time ago. It is rather odd that the Reserve Bank has discovered at this late hour that it is not a sound banking principle to block short-term deposits in long-term loans. Although the theory is impeccable, there is no harm if bankers undertake term industrial financing after a certain stage of development. Some Indian banks are believed to have reached that stage. Industrial financing will not only enable banks to diversify their activities, but also help them to gain useful knowledge and experience about industrial borrowers. In any case, industrial term lending by banks has so far been moderate and is likely to remain so. Since the capital markets have been depressed, term lending by banks has served to sustain industrial growth. It should be remembered that industries do not seek loans unless they are forced to do so, because

of the high rate of interest. Judging by the equity-debt ratio of companies, it is clear that the bulk of them have not exceeded the permissible ratio of 1:2. It will be readily conceded that the establishment of the Industrial Development Bank will go a long way towards improving the borrowing facilities of industries. But Mr. Bhattacharyya does not stand on strong ground in suggesting that borrowing companies should replace their term loans from banks by issuing debentures. The move is not likely to be as easy as it appears because the response to debentures carrying even a high rate of interest has not been encouraging in recent months. Although the Unit Trust of India is expected to support debentures, it will do so only if the debenture-issuing company is a dividend-paying one. It should be remembered that a large part of medium-term industrial finance has been used to help new companies which are not expected to pay dividend for some years. He has also discouraged the banks from underwriting new issues. It may be pointed out that under the present circumstances, underwriting by banks is rather necessary. Since professional underwriting has not yet grown sufficiently in this country, only banks which are in close touch with the working of industries are competent to fill the gap. In any case, underwriting constitutes only a small part of the total business of a bank.

As for deposit mobilisation, Mr. Bhattacharyya has rightly called for rethinking on the part of banks. Although deposit interest rates were generally raised from about the middle of August 1964, there is need for a further adjustment. On call money, for instance, the banks are probably paying a higher rate of interest than is warranted. Some short-term funds are bound to stay in banks irrespective of whether the deposit rate is high or low. So it will be economic to hold down the interest rate on these funds. But it may be worth while for banks to consider whether larger funds can be attracted by offering more attractive interest on deposits for longer periods. An increase in the interest rate seems necessary considering the competition for deposits from non-banking institutions. In the meantime, banks should expand their activity by opening new branches. Greater emphasis should be placed on improving banking services. It is unfortunate that most of the banks have been apathetic towards improving their service to customers.

PROTECTION FOR ALUMINIUM

THE Indian aluminium industry has been enjoying protection for over 15 years, during which period it has made substantial progress. The development has been particularly marked over the past few years. The installed capacity has increased from 17,800 tonnes in 1960 to 53,800 tonnes in 1963 and production during the period has risen sharply from 18,247 tonnes to 55,223 tonnes. As for semis, there are now 11 manufacturers in the organised sector, including two primary producers, and their aggregate installed capacity has increased from 19,000 tonnes in 1960 to 26,200 tonnes in 1963. Production of sheets and circles during this period has gone up from 15,788 tonnes to 21,350 tonnes. There is only one unit at present for manufacturing aluminium foils and container sheets. It has raised the capacity of its foil-making plant from 2,000 tonnes in 1960 to 3,000 tonnes now. The capacity of its container sheet plant, however, continues to be 1,200 tonnes. The production of foils increased from 2,426 tonnes in 1960 to 2,578 tonnes in 1962, but declined to 2,420 tonnes in 1963. The output of container sheets has risen from 657 tonnes to 881 tonnes between 1960 and 1963. Besides the expansion which various units have already completed, licences have been granted for an additional capacity of 60,000 tonnes of ingots, 22,860 tonnes of rolled products and 4,200 tonnes of foils. These capacities are expected to materialise within the next two years.

As the present scheme of protection is due to expire at the end of this year, the Government has asked the Tariff Commission to examine the question of continuing protection beyond 31st December, 1964. The industry has pleaded for continuation of protection on the ground that it is still in a developing state and its production costs are bigger than those in the competing foreign countries because of the high cost of electric power, raw materials and railway freight. The primary producers have also urged that they should be allowed to effect a substantial increase in their fabricating capacity as the profitability of their venture depends not on the sale of ingots but on fabrication. The primary producers are now asked to roll or fabricate only 30 percent to 40 percent of their ingot output which is considered to be quite inadequate. This, however, has been strongly opposed by the small re-rollers on the plea that they would virtually have to go out of business if primary producers were allowed to increase their fabrication facilities in a big way.

Opening the public enquiry into the question of continuing protection for a further period of time, the chairman of the Tariff Commission, Mr. M. P. Pai, referred to the progress which the industry had made under protection. He stated that in the next two years, the installed capacity for ingots was expected to be doubled, and if the schemes now under contemplation materialised, the capacity would be about 200,000 tonnes in another five years. Mr. Pai expressed the hope that in view of the increasing demand for this versatile metal, the industry should try to exploit the natural resources available for its growth, raise its efficiency through improved techniques and reduce the cost of production. He said that the Commission had estimated domestic demand for aluminium at 45,000 tonnes in 1960 which was expected to go up to 74,000 tonnes in 1963. The apparent consumption of aluminium calculated on the basis of domestic production and imports was 45,827 tonnes in 1961, 72,846 tonnes in 1962 and 81,136 tonnes in 1963. As for future demand, the Directorate-General of Technical Development had estimated it around 115,000 tonnes in 1964, 125,000 tonnes in 1965, 145,000 tonnes in 1966 and 170,000 tonnes in 1967.

The representative of D.G.T.D. has indicated during the course of the public enquiry that future aluminium plants in the country will have an annual ingot capacity ranging between 25,000 tonnes and 30,000 tonnes so as to ensure maximum economy in costs. But according to western norms, the capacity suggested is rather small to be considered economic. By U. S. standards the minimum economic size of a smelter is 100,000 tons while in Europe it is 30,000 tons. The manufacturers' representatives have pleaded that the concessional duty on imports of alumina should be continued beyond December 1964. They said that the import of this item could not be stopped, as there was a time lag between the commissioning of smelter capacity and alumina plants. The industry has urged that the manufacturers should be given better facilities for prospecting bauxite—the main raw material. As things stand at present, the States concerned have reserved the prospecting rights to themselves or have leased them out to others not concerned with the aluminium industry.

The industry has also drawn attention to the lack of uniformity in power rates in different States. For the aluminium industry, power is a major input and widely varying rates can make much difference to the production costs of the various units. The chairman of the Tariff Commission pointed out that the Commission had no power over the actions of the State Governments or the State Electricity Boards. He informed the industry about the 10 percent reduction in the railway freight for alumina; the industry, however, wants the freight on alumina to be the same as on other raw materials such as pig iron. The plea made by a Bombay firm and the Madras Government that protection should also be granted to other semi-manufactures like extruded rods, sections, pipes, tubes, etcetera, did not find favour with the Commission. It pointed out that there was hardly any need for this as the industry was enjoying protection for aluminium in any crude form (ingots, bars, blocks, slabs, billets, etcetera), for manufactures (plates, sheets, circles, strips, foils, etcetera) and for all non-ferrous alloys, the contents of which were more than 97 percent of aluminium.

PAYMENTS DEFICIT IN U.K.

A FEW weeks before the general election, Britain's Chancellor of the Exchequer felt obliged to make a special appearance on television to discuss the financial position. "I certainly would not accept the use of the word 'crisis'", Mr. Reginald Maudling said. He knew, of course, that others were using that word. Vague anxieties had been sharply defined by a forecast of the National Institute of Economic and Social Research that Britain's payments account would show a deficit for this year of the order of £500 million—more than double the figure estimated a few months before. A substantial deficit for 1964 was visualised in the Government's plan for expanding the economy, and it is arguable that if the deficit is to be offset by international borrowing and by drawing on reserves a difference of between, say, £200 million and £500 million is only one of degree and requires no change of policy. But a basic assumption of that policy is that the deficit is temporary, so that borrowing will be easily repaid and reserves will be gradually restored. The National Institute has, however, predicted an additional deficit of more than £300 million next year.

A two-year deficit exceeding £800 million is equivalent to most of the sterling area's gold and currency reserve. A normal procedure for supplementing reserve when current payments and long-term capital flows produce a deficit is to attract short-term funds from the United States and Europe, but this procedure is not now practicable: high rates would have to be offered to cover the imagined risk of devaluation of sterling and to attract scarce funds from Europe, and an intention to raise rates appreciably in Britain would be officially opposed in the United States. An alternative, and recently very effective, support for the reserve is other sterling countries' surplus earnings held in Britain; but the recent forecast of an adverse change in Australia's balance of payments has confirmed London's belief that these sterling balances will soon be drawn down. Britain cannot permanently rely on expedients, whether acts of policy (such as borrowing abroad) or general economic forces (such as strong commodity prices that bring prosperity to primary producers in the sterling area). She must recognise that the deterioration of her finances is caused by defects in her economy, and she must make appropriate adjustments. The National Institute laid the blame squarely on Britain's exporters, thus rejecting the facile official explanation (subsequently modified by Mr. Maudling himself) that the payments deficit reflects simply the normal growth of imports in the early phase of economic expansion.

The National Institute foresees "the old dilemma", between direct action on the balance of payments and restriction of the whole economy. It implies that the whole "experiment" in continuous growth is in jeopardy. But economic as well as political opinion in Britain is now almost totally opposed to "stop-go" policies. The comparison with the critical situation of 1961 is too close to be comfortable, but it is not forgotten that the drastic restraints imposed by Mr. Selwyn Lloyd, Chancellor of the Exchequer at that time, deflated a boom that was already weakening and delayed the needed modernisation of British industry. Modernisation is still too slow, despite favourable trading conditions and generous tax allowances for new plant; and the current boom is probably as vulnerable as that of 1961. In the present near-crisis, the concept of continuous expansion is being developed rather than modified. The new idea is to make expansion work properly. Inflation is, of course, impermissible; but, although wage costs must (as always) be watched, there is no evidence of general "overheating" in the British economy. The fast growth of imports of manufactures and slow growth of exports of manufactures are, together, strong evidence that industry is not fully competitive; but this is a condition of debility, not of overexertion. In less than a year the nation's growth-rate has apparently declined from around 6 percent to below 4 percent a year. In the opinion of the National Institute, the inadequacy of exports has retarded growth. Britain's present growth-rate is adequate in her present circumstances, but it is not excessive. What is needed is not deflation to squeeze out more exports, but a marginal diversion of trade from the domestic to the export sector and of domestic demand from imported to home-produced goods. More simply, British industry must compete more effectively both abroad and at home.

Some observers, most vociferously the Federation of British Industries, assert that the required expansion of British exports has merely been delayed and is in fact beginning. A survey of the situation in the current quarterly *Review of Barclays Bank* concludes that "a significant rise in U.K. exports is possible; demand in overseas markets is generally strong and should remain so for some time, and U.K. costs are competitive". Other observers are more sceptical. Mr. Harold Wincott, editor-in-chief of the *Investors Chronicle* writing in the *Financial Times*, has pointed out that export prices of British manufactures have risen much more than competitors' in recent years (significantly, "not least since 1961"), despite bigger wage-increase abroad, and he has alleged that "delusions of grandeur ... have led to the most colossal waste of Britain's investment resources and dispersion of the effects." The symptoms are variously diagnosed, because the malady is complex. Devaluation of the currency would not cure it. The economy is like a machine with an inefficient engine. To "tune" that engine to efficiency a mechanic adjusts every part of it. Britain can begin a comparable process by eliminating the waste in her military spending abroad and the waste (of which examples are numerous) in her industry's employment of labour.

Current News and Comment

Progress of World Bank and Affiliates

The 1963-64 annual reports of the World Bank and its affiliates, the International Development Association (I.D.A.) and the International Finance Corporation (I.F.C.), presented last Monday at the annual meeting of the board of governors in Tokyo by Mr. George D. Woods, president of the three institutions, show that for the second year in the Bank's history, economic development commitments were made in excess of $1,000 million in loans, credits and investments. The total comprised $810 million in Bank loans, $283 million in I.D.A. credits and $21 million in I.F.C. loans and equity commitments. Two developments have been responsible for the higher levels of activity by the I.D.A. and the I.F.C. Formalities have been completed for the replenishment of the I.D.A.'s resources through new contributions from 18 of the wealthier nations to aggregate more than $753 million. The new funds will be payable to the Association over a period of three years, instead of five, as in the case of the original subscriptions. By the time the replenishment of the I.D.A.'s resources became effective towards the close of the fiscal year, the Association had committed virtually all of the funds available to it up to that time, totalling $782 million. As the annual report indicates, the figure will rise to $1,540 million when all replenishment contributions have been made.

The governors also had before them a proposal to amend the articles of agreement of the Bank and the I.F.C. to make it possible for the former to lend to the latter for relending to private industry in the less developed countries. The Bank itself is not authorised to lend directly to private companies except with a guarantee by the host government, which private entrepreneurs often hesitate to seek or accept and governments are often reluctant to grant; the I.F.C. neither seeks nor accepts government guarantees. If the proposal is approved, the I.F.C.'s potential for stimulating the development of private enterprise will be substantially expanded, since it would be empowered to borrow from the Bank not more than four times its capital and surplus. The I.F.C. would thus have access to additional resources to increase its present activities, to make loans with no equity features when appropriate, and to enter into larger commitments than its present resources permit.

The annual report for the World Bank and the I.D.A. lists 37 Bank loans and 18 I.D.A. credits in 34 countries. As in other recent years, the heaviest volume of lending was in Asia and the Middle East, which accounted for more than $527 million. Total loans and credits in the western hemisphere were approximately $269 million, in Europe $145 million, in Africa $111 million and in Australasia $40 million. Most European lending was in Portugal, Spain, Yugoslavia, and in three Scandinavian countries. The Bank's 37 loans included its first loans in eight countries: China, Liberia, Malta, Mauritius, New Zealand, Portugal, Spain and Tunisia. The I.D.A. had four new borrowers during the year: Ecuador, Niger, Syria and Tanganyika.

Transportation again took the largest amount in both the Bank's loans and the I.D.A.'s credits, for a combined total of more than $420 million, but electric power was a close second with $375 million, followed by industry with $163 million, water supply $55 million, agriculture $42 million, telecommunications $19 million and education $18 million. The I.D.A. made its first loan of a new type during the year. It was not for a specific project, but to make it possible for major capital goods producing industries in India to import components and materials essential to the full-scale operation of existing plants. The executive directors also confirmed the principle that the Bank or the I.D.A. should be prepared to finance part of the local currency cost of high-priority projects if lending for direct imports alone would not provide adequate support.

The annual report of the International Finance Corporation records larger commitments in more countries than in any previous year. The I.F.C.'s investment commitments for the year amounted to $20.8 million and its all-time total passed a milestone, reaching $111 million, or more than the total of the Corporation's subscribed capital. The I.F.C. made its first commitments in five countries—Honduras, Malaysia, Nigeria, the Sudan and Turkey—widening the geographic diversification of its portfolio to include investments for projects in 29 countries on six continents. It continued to invest in industrial finance companies, making seven commitments to such enterprises in as many countries. The Bank also made loans to three of the seven companies, and two of the I.F.C.'s investments were in companies which already had received loans from the Bank and the I.D.A. Five countries joined the I.F.C. during the year, raising its membership to 78.

Government and Business: A Partnership

The U.S. Ambassador to India, Mr. Chester Bowles, delivered a thought-provoking speech on "Business and Society" at the All India Management Association seminar in Calcutta last week. When one studied the problem of economic development in Asia, Africa and Latin America, Mr. Bowles said, one was struck by a paradox: to achieve the goal of rapid economic growth, new governments badly need the capital, technology and management skills of modern business organisations, while business urgently needs the goodwill, understanding and support of the government. Yet the government and business in newly independent countries often appeared to be engaged in a kind of cold war, each suspecting and fearing the other, and each diffusing or even blocking the contributions of the other to the general welfare. But if the developing nations are to achieve the desired rate of economic growth, this crisis of confidence must be overcome. Without criticising the Government of India's policies on industry and trade, which as a responsible diplomat he could not do, the U.S. Ambassador suggested how peaceful co-existence might be ensured between the Government and business in this country. Mr. Bowles was unable to understand why the relations between the two should not be better than they were at present. In Japan, as in the western democracies, this reconciliation has, in fact, occurred; and the result is not only a rapid growth of industrial and farm output in the free enterprise economies, but also the sharing of that output among the people. Although Mr. Bowles has not explicitly said so, one of the reasons why the tempo of economic development here has been retarded is the ideological predilection of the Government, which wants to usher in a socialist pattern of society, no matter whether it is able to discharge all its responsibilities efficiently. The draconian legislation that has followed to achieve this goal and the controls which have been imposed have hamstrung the activities of private entrepreneurs, who are naturally suspicious about the Government.

The position is different in other countries. Mr. Bowles himself recounted how rapid economic progress had been achieved in the United States, West Germany and Japan through co-operation between the Government and business. In the United States, mass production, high wages and comprehensive social legislation have resulted in unparalleled prosperity for the large majority of American citizens and in the equitable distribution of wealth through democratic means. By and large, business—not only in America but throughout the western democracies—has become a "national resource", a partner in raising living standards and the primary factor of economic growth. In West Germany also, the dramatic recovery after the second World War can be ascribed in large part to a co-operative relationship between the Government and the entrepreneur. The country had the advantage of a skilled work force, but its capital resources had been largely destroyed during the war. The German Government, therefore, invested heavily in an extensive public sector which provided the essential ingredients for the recovery of private enterprise. As the private sector gathered strength, the West German Government sold its public-sector enterprises—among them the famous Volkswagen Company—to responsible private interests. With a sustained annual growth rate of 10 percent, Japan provides another shining example. The sharp rise in production there has been largely due to the efforts made by the Government. One could also cite the examples of Mexico and Greece, with sustained growth rates of 6 percent a year, or France which has maintained a steady growth of 5 percent.

There are four conditions, according to Mr. Bowles, which must be fulfilled if democratic countries want to ensure rapid economic progress. Firstly, the relationship between the factory and the farm should be improved. Secondly, attitudes and practices concerning investments and profits must be changed. Thirdly, governments in developing countries should not attempt to regulate business too minutely. Finally, government should be clear about its own entrepreneurial rôle, and business should be clear about the need for government direction and planning. Business needs enlightened liberal government and government needs enlightened private enterprise. In the nature of things, neither can do without the other.

A Good Cotton Season

The 1963-64 cotton season which ended with August, was notable in many ways, perhaps the least for the unfortunate payments crisis in the Bombay futures market. The crisis was the first of its kind for over a decade, and it resulted from the keen bear-bull tussle in the August contract as well as the mishandling of the situation by the market authorities including the Forward Markets Commission. But for certain restrictions on the movement and consumption of Vijay and Digvijay cotton for a short while, the trade and industry enjoyed full freedom in their operations; there were very few instances of compulsory survey and requisitioning. The industry had no difficulty in securing its raw material, but it had to pay near-ceiling prices for good quality cotton. Growers got good prices for their produce; cotton prices, although generally below the ceiling, kept well

above the levels obtaining for more than a decade. What is more, the cotton crop set a new all-time record at 6.15 million bales, which became possible mainly because of the almost ideal weather conditions during the season and perhaps partly due to the efforts made by the Indian Central Cotton Committee to help increase production. The export trade too had hardly anything to complain about the Government's policy which continued to be very helpful. If the export performance during 1963-64 has been somewhat less encouraging than in the preceding season, notwithstanding a larger crop of Bengal Deshi, the Government's policy had nothing to do with it.

The 1963-64 season started with a carryover of 2.24 million bales, comprising 2.025 million bales of Indian cotton and 213,000 bales of foreign cotton. The season's crop is estimated at 6.15 million bales. In spite of the foreign exchange difficulties, the Government allowed the import of 720,000 bales which is only slightly less than the preceding season's allocation of 793,000 bales. Arrivals during the 1963-64 season are placed around 750,000 bales. All this adds up to a total supply of 9.113 million bales. On the basis of consumption figures for the first ten months, total mill offtake for the season is estimated around 5.4 million bales of Indian coton and 600,000 bales of foreign cotton, making a total of 6 million bales; this represents an increase of over 300,000 bales, compared with the 1962-63 season. The increase occurs despite a fall of about 280,000 bales in the consumption of foreign cotton. Exports are placed around 275,000 bales. Allowing for an offtake of 75,000 bales by *Ambar Charkhas* the total disappearance works out to 6.35 million bales. Thus the season ends with a considerably larger carryover of 2.763 million bales, comprising 2.425 million bales of Indian cotton and 338,000 bales of foreign cotton. This is sufficient to meet the industry's requirements for about five months, whereas the new crop movement will get into full swing by about the middle of November, that is, within two-and-a-half months of the beginning of the new season. The current (1964-65) cotton season is thus off to a good start. Prospects for the new crop seem quite promising. Barring certain cotton producing tracts in the Punjab and Surat district, which have had excessive rains and are urgently in need of bright sunshine, weather conditions so far have been very satisfactory. On current indications, the new crop is likely to set a new record, unless, of course, the weather turns unkind. One can never take a definite view of the cotton crop until about the middle of October. Meanwhile, the Government of India has followed up its liberal export policy for Bengal Deshi with the abolition of the export levy of Rs. 25 a bale. This should stimulate overseas demand, especially from Japan.

Third Plan for Pakistan

The guidelines for Pakistan's third plan, prepared by the country's Planning Commission, has recently been endorsed by the National Economic Council. The plan is quite ambitious, its main objective being to increase the national income by 30 percent at the end of the five-year period. The Pakistani Planning Commission, which is currently working on a perspective plan for the country, aims at tripling the national income by 1985 and doubling the *per capita* income during the same period. Unlike India, which aims to bring about a socialist pattern of society, Pakistan has so far refrained from committing herself to any definite ideological stand. This is presumably because she wants to secure liberal foreign aid in implementing her third plan porgrammes. The plan is likely to cost Rs. 5,200 crores, against the original estimate of Rs. 4,950 crores. An analysis of the resources position shows a shortfall of Rs. 700 crores. But it is still difficult to say whether the country will bridge the gap by imposing more indirect taxation, which will inevitably add to the inflationary pressures, or raise the rates of direct taxation which may cause a slump in the stock exchanges. The third plan also aims to remove the regional unbalances between East and West Pakistan. President Ayub Khan, it will be recalled, recently conceded the need to equalise the economic benefits between the two regions. In the second plan, East Pakistan's share in investment was only 41 percent, but this has now been raised to just over 50 percent with the declared aim of reducing the disparity in the *per capita* income by one-fifth during the third plan period. The reduction of regional unbalances is obviously intended to meet the growing discontent in East Pakistan.

The financial provisions of the third plan shows that of the total outlay, about Rs. 2,800 crores will be earmarked for the public sector and Rs. 700 crores for the private. The plan document shows certain departures from the previous pattern of allocation. Higher priorities are being given to basic industries, technical education, transport and health. Meanwhile, the Pakistani Plannnig Commission has taken up a number of studies in the economic and technical spheres to provide the basis for the detailed framework of the plan. In addition, the Government has set up a taxation and tariff commission to study the measures, which could be taken at the Central, provincial and local levels, for mobilising additional resources for the third plan.

Like India, Pakistan is also facing the problem of growing unemployment. Over the quinquennium 1965-70, the country will have added about 5 million to its labour force, but the third plan visualises an employment target of only 4.5 million. This apart, ambitious targets have been fixed for other sectors of the economy. For example, efforts will be made to strengthen the balance of payments by increasing exports to an annual level of Rs. 400 crores by 1970, compared with the existing annual earnings of Rs. 250 crores. Measures will also be taken to increase farm productivity and to expand the purchasing power in rural areas through a massive works programme. This apart, steps will be taken to arrest the growth of population. In spite of these measures, the success of the third plan will depend on many imponderables. Pakistan was singularly lucky in getting a series of good harvests during the second plan which boosted her farm output and the national income. Nobody can say that the same fortuitous combination of circumstances will help her to achieve her third plan targets.

Power Supply and Demand

The second all-India power survey, recently published by the Central Electricity Authority, is a useful document, although not detailed enough on all relevant points. It shows that the estimated aggregate installed capacity will have gone up to 10,924 MW by 1965-66, which will be still short of the third plan target of 11,270 MW, but not substantially short. (The installed capacity in the survey is defined as the sum of the maximum continuous ratings of all installed generating equipment). The total capability of the power systems is, consequently, placed at 9,434 MW, capability being defined as the maximum kilowatt output ability of the system at the time of peak load with all power sources available with no allowance for outages, and (for systems with hydel installations) with sufficient kilowatt hours available to supply the energy requirements of the system. This capability must provide for scheduled maintenance, emergency outages and system-operating requirements, in addition to the estimated load and any unforeseen load. Estimates of both installed capacity and capability for the four years from 1964-65 to 1967-68 cover the plants already installed, under construction or sanctioned.

The peak load (that is, the maximum simultaneous ultimate customer demand that occurs during the fiscal year as measured by actual deliveries at bulk power sources) is estimated at 8,052 MW in 1965-66. The gross margin, which represents the difference between capability and peak load, is placed at 1,382 MW, representing 17 percent of the total installed capacity. Since the gross margin has to be of a magnitude sufficient to provide for scheduled maintenance, emergency outages and system-operating requirements, it is possible that this accounts for the apparent "surplus". The survey should have made this point clear.

The forecast of "energy required" made in the survey is strictly not a demand estimate. The forecast refers only to "the possible aggregate energy consumption at the estimated lecel of actual power deliveries of ultimate consumption". The real demand for power may be much greater, and there is already substantial unsatisfied demand, in spite of what the national aggregate figures may show. An important point from the economic point of view, however, is the growth in the load factor, indicating a greater use of plant capacity. According to the survey, the annual load factor in India stood at 63 percent in 1963-64, but it will drop to 61 percent for the period 1964-67 and then to 60 percent in 1967-68. Even so, an annual load factor of 60 percent compares well with the 50 percent in the United Kingdom. Another important point stressed in the survey is the need for integrating the power systems in the country. The process has already begun by dividing the country into five regions, which will be followed by a super national grid in due course. The economic advantages of integration are all too plain It will save much capital cost by eliminating the need for large standby capacity and additional power plants.

The survey has added a useful chapter on the country's programme to make heavy electrical equipment and boilers. The firms making these equipment at present are the various units of the Heavy Electricals Ltd, ACC-Vickers-Babcock in Durgapur and the Thapar-Stein Muller Boiler Company in Adityapur, Bihar. The Heavy Electricals factories have planned to make hydro-turbine and generators of large capacity—from 48 MW in 1964-65 to 1250 MW in 1970-71, but this will still be below the ratcd capacity. The boiler manufacturing programme is designed to produce plants with a steam raising capacity of 975,000 kilograms an hour in 1966-67 to 4.06 million kilograms an hour in 1970-71. The production of power transformers of 60 kV and above is likely to go up from 2 million kVA in 1964-65 to 6 million kVA in 1970-71. Other items of heavy electrical plant to be manufactured by the Heavy Electricals Units are switch-gears of 66 kV and above and synchronous condensers. India's capacity for making heavy electrical equipment will grow with years, although she cannot possibly attain self-sufficiency in the forseceable future. But to the extent that this country will be increasing its capacity to make these equipment, its ability to generate power on a large scale will grow.

MUNICIPAL BORROWING

IN their review of the Calcutta Municipal Administration Report, the Special Committee recommend the Corporation to lose no time in obtaining an authoritative opinion as to the extent of their borrowing capacity. They state that if the figures in the departmental report are correct, the borrowing capacity of the Municipality on the 31st March was only Rs. 5,32,700, taking the interest at 4 percent and he Sinking Fund at 1 percent and they point out that Rs. 5 lakhs of this have already been used up in the current year. This, if the Committee are correct, is a position of a "most serious and disquieting nature," for it means that the Corporation have come to the end of their tether. Commenting on the review on Friday last, the Chairman of the Municipality said :—I regret that the question of the borrowing capacity has been given prominence in the Special Committee's Report. The point is a simple one. Section 131 limits the borrowing capacity of the Corporation by providing that the sum payable annually for interest and for the maintenance of Sinking Fund "as hereinafter prescribed" shall not exceed ten percent on the annual value of buildings and land. The Sinking Funds are defined in sec. 133 as being Funds for the repayment of debenture loans. The interest and Sinking Fund payments in the year under review amounted to Rs. 19,66,465 while the annual value of buildings and land was Rs. 2,48,08,465. Ten percent on the latter sum is Rs. 24,80,846, so that the interest and Sinking Fund charges were still short of the statutory maximum by Rs. 5,14,381, a sum sufficient to serve a loan of Rs. 102 lakhs at 4 percent interest and 1 percent Sinking Fund. This sum therefore represents the borrowing capacity of the Corporation on the 31st March, 1904. In their calculation the Committee assume that the charges for the maintenance of Sinking Funds in section 131 include all sums set aside for reayment of loans whether debenture loans or other, and for this review I submit there is no warrant to the law. It may suit the Chairman to autocratically lay down the law in this manner, but it must be borne in mind that the Committee included two learned counsel, and two level-headed business men. The interpretation of the Act is, therefore, not quite so simple as the Chairman appears to think.

FROM

CAPITAL

15th September, 1904

A Ditcher's Diary

POETIC JUSTICE IS BY NO MEANS A LAW OF NATURE; but it is difficult not to feel that there is more than an element of it in the recent ordeal of the Congress Party in Kerala. I never understood why the charges against Mr. Pratap Singh Kairon, still unpunished, were referred to a former Chief Justice while those against Mr. R. Sankar were examined by the late Prime Minister himself; I think I recorded my bewilderment in the diary at the time. There is still no occasion to question the clean bill given by Mr. Nehru: but local dissatisfaction with the verdict is now only too obvious. The dissidents who have declined to succumb to the enticement or blandishment of Mr. S. K. Patil must know that the wrath of even what remains of the Congress High Command can kill many a political career; N. B. Khare and Subhas Bose refused to be "Narimaned" but were. If the lucky or unlucky fifteen Congressmen of Kerala still decided to take the risk, it may be because they are fully aware of the moral weakness of the Congress in the State. Let us be frank about it, the communists were removed from office in Kerala in 1959 in the most pusillanimous manner and for the most specious reasons. Not that there is a great deal to say in favour of the communist record of government; but it enjoyed a majority in the Assembly when President's rule was proclaimed —perhaps to the relief of Mr. Namboodiripad. President's rule is likely to come again; and nobody seems to know for certain when the next election will come or how it will go. My own democratic withers are unwrung that democracy will be suspended in Kerala where the most literate population in India seems only to echo Caliban:

> You taught me language; and my profit on't
> Is, I know how to curse; the red plague rid you
> For learning me your language!

The red plague! I had quite forgotten the latter part of the quotation; but Shakespeare knew. Do Messrs Shastri and Kamaraj? I doubt it. With what authority I know not, Mr. Patil still keeps saying that the charges against the Congress Ministry will be looked into; but already he knows what delay can mean. Meanwhile I note that an important recommendation of the Santhanam Committee has been neatly shelved.

THE CONGRESS PARLIAMENTARY BOARD HAS LATELY been very generous. It has let the Congress Government in Kerala fade out after the no-confidence motion was passed; it has also permitted Mr. Biren Mitra of Orissa to resign for reasons not wholly clear. Although it was astonishing how Mr. S. K. Patil took it for granted that the fall of the Congress Government in Kerala could be followed only by President's rule, that is perhaps inevitable. Yet if I were a member of the Opposition in the State I would have gone to all my colleagues and begged of them to let me be Chief Minister for a week—on any condition. Greed for office? Not at all. Only to constitute an enquiry commission to look into the charges against Mr. R. Sankar which the successor administration would find very difficult to dismiss without a public howl. The way our offending or suspect Ministers resign almost suggests that they are doing us a favour, making a great sacrifice, when, in fact, they are only escaping arraignment and, more surprising, getting away with it. Nothing has so far been proved in a court of law against either Mr. Sankar or Mr. Biren Mitra; both, however, are under enormous clouds of suspicion. It is in their interests to have enquiries held so that their names may be cleared of unworthy suspicions. If it is true that the majority in the Shastri Cabinet are opposed to too many enquiries into their assets because, as they are reported to say, this would undermine popular confidence in Ministers, it must be said that they are sadly mistaken. Whispers do the maximum damage, as Lord Boothby recently found in Britain; he accepted the challenge and relieved, in the process, the *Daily Mirror* group of a considerable amount of cash. This is why I am delighted that at least Mr. Biju Patnaik and Mr. Biren Mitra have had the courage to seek legal redress against calumny. But, but ..... any legal action in this country takes so long that when justice comes just about everybody has lost interest in the affair. We are all glad that Mr. Dandekar has had a wrong righted; but let us not forget how long Mr. Ram Ratan Gupta was able to stay in the Lok Sabha.

DEMONSTRATIONS OUTSIDE LEGISLATIVE ASSEMBLIES are by now commonplace. But students in Orissa lately gave fresh evidence of how fast the once backward State has been progressing; they just took over the Assembly and ran its proceedings in their own way. And why not? To improve standards of debate, many universities the world over encourage "mock parliaments"; and one way of looking at what those students in Bhubaneswar did is that they staged Shakespeare's *As You Like It* in the Forest of Arden. Surely, the Orissa students can say in their defence, they have not yet burnt down the Assembly as the Nazis dealt with the Reichstag in Germany in the 'thirties. My admiration for this moderation in the Orissa capital is somewhat limited by the view that, when students dare to take over the legislature of a State, things have come to a pretty pass. The Government, I find, has been criticised for not being firm; the criticism is certainly justified. On the other hand, I see Mr. Biren Mitra's difficulty. Affairs in Orissa have in recent years been conducted in so unorthodox a manner that it seems to me more than probable that nobody has any respect left for any institution. Visitors to Orissa have observed a new drive and a new enterprise; but the more percipient have not failed to notice that with those qualities has come a deplorable disregard for most old values. "Getting things done"—with no nonsense about the propriety of the means adopted—seems for many in Orissa the motto. I have no time at all for the pervasive fatalism so noticeable in this country; there is much to be said for making a cult of success—within limits. What I am getting at is that Mr. Biren Mitra probably felt that he lacked the moral right to be tough with the delinquents. This may well be the explanation for much that is going on all around us. Those in office can go thus far and no farther against the hoarders and tax dodgers. The principal or headmaster of an academic institution is inhibited by the thought that his own lapses in other areas of life are many and perhaps known to the students. The parent that lies has hardly the right to ask his child to be truthful. I think I understand why Mr. Mitra stood before the students with "folded hands".

THE WHOLE QUESTION OF DIVERTING WHEAT shipments intended for someone else intrigues me. This unusual request to the major wheat exporters of the world can obviously be warranted only if the supplies within the country are critically low. And yet we had the Central Food Minister's word only a few days ago that the most critical period was over, and the food situation in most States had improved considerably. The strike in the U.S. port of Houston, which has provided the ostensible reason for requesting the diversion of wheat shipments, could have affected the delivery of only some 40,000 tons, and that too a month or so later. India already expects to get about 500,000 tons of wheat a month from the U.S.A. under the revised programme of shipments. Against this, the quantity immobilised by the strike at Houston is small. The Indian Government's SOS to so many countries is a measure obviously out of all proportion to the threatened shortfall. Fortunately for us, the shortfall will now be made up, thanks to the generous gesture of British purchasers who have diverted 38,000 tons of Australian wheat; some other consignees have also readily responded to India's request for diversion. These emergency measures plainly do not tally with Mr. C. Subramaniam's version of an improvement in the food situation. No, no, the country is desperately





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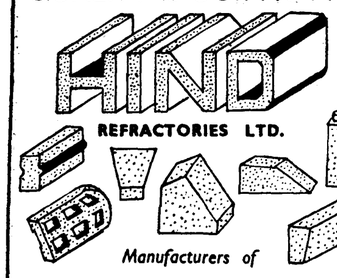
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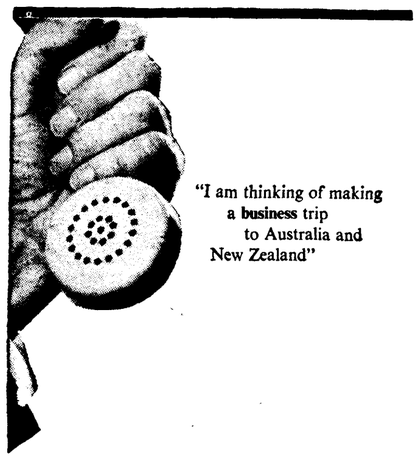
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short of foodgrains, whatever the Government may have us believe.

WITHOUT EXCEPTION, ALL THE PSYCHIATRISTS I have known have been in need of an analyst of their own; there has scarcely been an obviously sane one among them. The only redeeming fact is that they have generally realised the existence of their problems—which after all is what they are trained to do—whether or not they have eventually decided to do anything about them. The susceptibility of psychiatrists to the public display of emotional frustrations was, I see, one of the subjects discussed at the two international gatherings of the profession held recently in London. One French expert suggested the reason might be that because psychiatrists have to be interminably kind and understanding with their patients, the only way they can release the tensions built up is to indulge their temperament on one another. Hence the fact that the London meetings have seen a remarkable amount of catty infighting, quite the sort of thing one would not expect of a profession whose task is to show its patients how to deal with their own character difficulties. It is true enough that psychiatrists are only human, but to take one's problems to somebody who not only has plenty of his own, but shown few inhibitions about exercising them in public, is rather like buying hair restorer from a bald-headed barber. Reading the reports of the meetings I was particularly interested in the opinions expressed as to what in fact constitutes "sanity" in a person. For instance, should the aim of treatment be to reconcile a patient with his environment to the extent that he becomes just another cog in the social machine, albeit a well-adjusted one, or should it be to help him develop his true individuality, in which case his lack of social conformity could actually lead him into serious trouble? This is the kind of problem I have often pondered, in my strictly non-professional way, of course. It seems to me that a human being without any difficulties, social or emotional, must be a very empty creature indeed.

POLITICALLY, IT IS OF COURSE EXPEDIENT FOR Dr. Erhard, the West German Chancellor, to blame the second World War on Hitler and his Nazi *régime*. In the interests of world peace we should permit him to go on doing so without too much protest, and even keep our tempers when he indicts the rest of the world for its willingness to appease rather than oppose. Too great a burden of guilt on the shoulders of the German nation may encourage violent reaction and provide an opening for fresh extremism; it is therefore best avoided. But there are limits. To blame everything on the Nazis is to exonerate the German people altogether from any responsibility for supporting Hitler. The answer, as is so often the case, lies somewhere in between. It is extremely difficult to know how to draw the line where apparent aggression is concerned. Exactly what does a *régime* have to do, and how far *must* it go, before it is finally accepted as a menace to human survival and treated as the Nazis eventually were? Must we, for instance, see a Hitler in every Castro, Nasser or Soekarno just because they are aggressive and endanger world peace? Of course we must not. Even when the person concerned commands great national power and rules a tyrannical and efficient *régime*, as Stalin did, there is no excuse for rushing into war until the necessity to do so becomes overwhelming. The one redeeming feature of the events which led to the beginning of the second World War 25 years ago, was the resolution shown by Britain and France in eventually deciding to stand firm against Hitler even when they knew their guarantee to Poland was useless and their own military position extremely vulnerable. Whether they ought not to have done so earlier when Czechoslovakia was invaded is a point which can be debated endlessly; personally I think they should have done. Yet it must be said of them that once having seen their mistake—which could with justification be attributed to a wholly laudable desire to avoid war—they did their best to retrieve it.

THE DITCHER

Guide for Investors

T.I.S.C.O. PLAN FOR FURTHER EXPANSION EXPLAINED

IN his annual statement to the shareholders circulated with the directors' report, the chairman of the Tata Iron and Steel Company, Mr. J. R. D. Tata, had mentioned that the Company had been requested by the Government to undertake further expansion, raising production from the present 2 million tons to 3 million tons of ingot steel. He had also pointed out that this further expansion would cost something like Rs. 170 crores. This is in addition to the Rs. 55 crores which is likely to be spent on the programme already on hand for expanding and modernising the ore mines, building of a battery of coke ovens, adding some equipment to S.M.S. 3 and increasing the output of Jharia collieries by 1 million tons of washed coal. Another Rs. 25 crores to Rs. 30 crores would be needed for normal replacements. All this makes a big total of over Rs. 250 crores.

When the shareholders got together for their annual meeting on 3rd September, they raised several points about the expansion programme, involving a massive financial outlay, and asked the chairman to explain how exactly the Company proposes to raise the required funds and how their fortunes will be affected. The chairman clarified that the management had only agreed in principle to undertake the expansion and it was in no way committed to it; nor had the Government given its consent. The project report itself has still to be prepared. But he assured the shareholders that the directors will sanction a further expansion only if they were thoroughly satisfied that the project was technically and economically sound and that it could be undertaken on terms wholly fair to the shareholders.

He said that expansion did not necessarily mean sacrifice for the shareholders; it would, in fact, mean tremendous strength and security for the Company. But for the two-million ton expansion, the Company would have been in difficulty at present. While making no firm commitment, the chairman pointed out that the new expansion programme would be undertaken only when the directors would be confident of not only maintaining the dividend on the old capital but also ensuring a fair return on fresh capital. Besides, additional capital would be raised as late as possible so that the shareholders could earn a return on it as early as possible. In any event, the issue of additional equity capital will take quite some time, three years or more. The expansion scheme and the balancing project would require in all about Rs. 250 crores to Rs. 260 crores. About Rs. 60 crores to Rs. 70 crores would be found from retained earnings, borrowings from abroad for meeting the foreign exchange cost would be around Rs. 100 crores and the balance would be met from the issue of fresh capital and internal borrowings. Mr Tata assured the shareholders that the additional capital to be raised from the shareholders would not cause any undue hardship to them. It would take some 18 months for the project report to be finalised and approved by the Government. The implementation of the expansion scheme for producing an additional 1 million tons of ingot steel will take about five years or so. The balancing project would be completed in three years and the coal expansion scheme would take about seven years. Mr. Tata stated that unlike the two-million ton expansion programme, the fresh expansion programme would not cause any serious dislocation in production as the new unit would be an integrated one. The proposed expansion, if undertaken, would lead to considerable economies in production costs.

Referring to the Company's working during the current year, the chairman stated that the position so far was not very much different from that in the corresponding period of the previous year, but he hoped for some improvement in the remaining part of the year. However, he did not fail to caution the shareholders against undue optimism. No spectacular increase in production can be expected as the Company has already reached the full capacity in finished steel and the production of ingots is only some 5 percent less than the rated capacity. The partial decontrol of steel will fetch an additional Rs. 2.50 crores (gross) during the current year, but production costs, too, are rising and they are not fully covered by the increases in retention prices of controlled items.

Replying to shareholders' queries about the comparative working results of Indian Iron (I.I.S.C.O.) and Tata Steel (T.I.S.C.O.), Mr. Tata stated that the average cost a tonne of Indian Iron was not lower than that of Tata Steel, nor did Indian Iron's products fetch higher prices compared with the products of Tata Steel. If the results of I.I.S.C.O. looked better, it was mainly because of its other activities such as the manufacture of cast iron spun pipes. The T.I.S.C.O. also had taken to diversification through its investments in other Companies, namely, Indian Tube and T.E.L.C.O. and the Company's investments worth about Rs. 9 crores were yielding a return of nearly 10.75 percent. Mr. Tata reminded the shareholders not to attach too much importance to the comparative results of the two Companies; as the results were not strictly comparable, the conclusions could be very misleading. Referring to the Rs. 10-crore loan from the Government of India, the chairman said that the steel companies were still negotiating with the Government how exactly the repayment is to be effected. He hoped that the Company would be able to arrive at a settlement which would be fair to the Company and the shareholders. He indicated that one of the terms would be that the Government should not exercise the right to convert the loans into equity shares. He advised the shareholders not to press too much for further information on this point and leave the matter to the management.

As for the Bonus Commission's recommendations as accepted by the Government, the chairman pointed out that the Company was already paying more than what labour would be entitled to receive under the new formula. The Life Insurance Corporation holds about 405,000 equity shares (about 11 percent) of Tata Steel and the Unit Trust had purchased up to the middle of August 13,700 shares.

Titaghur Paper Production and Sales Up

IN their report for the year ended March 1964, the directors of the Titaghur Paper Mills Co. Ltd have said that the costs of raw materials and chemicals continue to rise and the increases have not been offset by the internal economies which have been effected. Considering that the mills of the Company are equipped with old machinery, maintenance costs are high. An increase in paper prices is, therefore, required to meet the higher production costs. The trading results have been better than those for 1962-63. The modernisation and expansion schemes of the Company are making progress. Although machine utilisation improved in No. 1 mill, production dropped due to reduced output of heavy-weight paper. Production in No. 2 mill rose because of the increased output of paper boards. In No. 3 mill, production improved in higher heavy-weight allotments despite the reduction in available machine hours for overhauling.

The No. 1 mill has largely contributed to the total profit of the Company and this unit continues to operate satisfactorily. The output of No. 2 mill has been affected by troubles relating to equipment. The No. 3 mill continues to incur a loss. With the present cost structure, this mill will not contribute to the profit of the Company unless output of the machines is increased. Efforts are being made to achieve this. Production of paper rose by 2,397 tonnes to 57,822 tonnes, compared with that of 1962-63. Sales rose from Rs. 10.47 crores to Rs. 11.74 crores. The profit has amounted to Rs. 13.65 lakhs, after providing Rs. 46.82 lakhs (against Rs. 35.55 lakhs) for depreciation. A sum of Rs. 9 lakhs has been transferred from general reserve. The taxable ordinary dividend has been reduced from 10 percent to 2.5 percent which works out to a yield of 2 percent at the present price of Rs. 12.69 a share of Rs. 10 each. The Company incurred a loss of Rs. 20,620 in 1962-63. The carry-forward is Rs. 12,254, against Rs. 15,112 brought in.

Indian Cable Earns More, Pays More

THE Indian Cable Co. Ltd has produced satisfactory results for the year ended March 1964. Sales rose by Rs. 1.5 crores to Rs. 11.98 crores. The expansion programme has made excellent progress. Expenditure on fixed assets amounted to Rs. 55.57 lakhs, chiefly on plant and equipment installed for the manufacture of thermo-plastic cables. Capital work-in-progress on 31st March, 1964, amounted to Rs. 83.43 lakhs which were used to finance mainly equipment to provide additional capacity for power cables and other products. All expansion schemes are expected to be completed during the current year. The order-book of the Company is fairly full for almost all items of manufacture. The non-ferrous rod mill is being increasingly utilised for rolling aluminium. The wire mill business continues to be satisfactory.

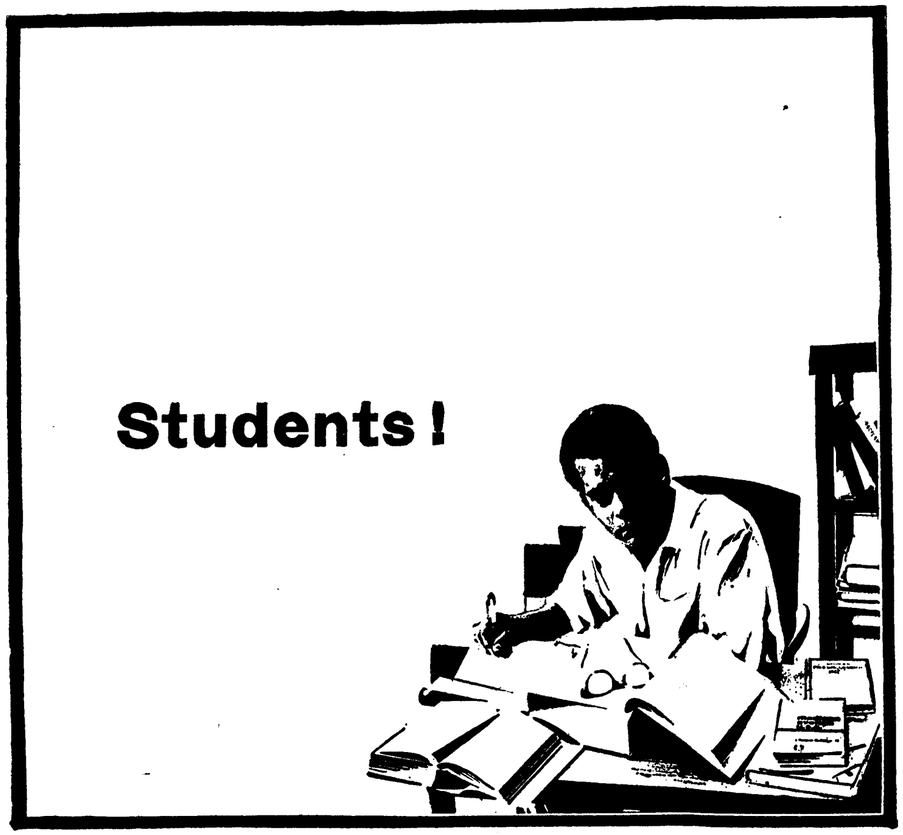
In spite of keen competition, the Company has maintained its sales in rubber and plastic house-wiring cables. Sales of paper-insulated power cables rose substantially. Since the factory for manufacturing thermoplastic and paper-insulated cables and winding wires and strips is ready, the Company is in urgent need of raw materials. The full utilisation of capacity depends on an abundant supply of copper and pig lead. It has been difficult to establish sources of supply for indigenous P.V.C. compounds. The directors have pointed out that the levy of excise duty on various products has rendered their prices almost prohibitive. Supplies of steel wire and tape for armouring and synthetic rubber continue to be difficult. The quality of indigenous aluminium supplies has not always been up to the standard necessary for satisfactory rolling into rods. The contract department has done well and is executing a number of jobs. It is hoped that with the beginning of the production of power and thermoplastic cables and enamelled wire, there should be significant increases in sales during the current year.

The profit has risen from Rs. 1.57 crores for 1962-63 to Rs. 1.90 crores for 1963-64, after increasing depreciation from Rs. 19.01 lakhs to Rs. 21.39 lakhs. The taxable ordinary dividend has been raised from 22½ percent to 25 percent, which offers a yield of 7.2 percent at the present price of Rs. 34.62 a share of Rs. 10 each. Taxation absorbs Rs. 1.03 crores (against Rs. 93 lakhs), replacement of fixed assets reserve Rs. 5 lakhs, (the same), development rebate reserve Rs. 4.76 lakhs (against Rs. 45,000), debenture redemption sinking fund Rs. 3.51 lakhs (against Rs. 3.45 lakhs), retiring gratuity reserve Rs. 1 lakh (against Rs. 18 lakhs) and general reserve Rs. 20.50 lakhs (against Rs. 60.50 lakhs). A sum of Rs. 10.35 lakhs has been transferred from taxation provision no longer required. The carry-forward is Rs. 9,790, against 21,521 brought in.

Jardine Henderson Repeats Dividend

IN their report for the year ended March 1964, the directors of Jardine Henderson Ltd say that the profit on the realisation of the Company's shareholding in the Reliance Jute Mills Co. Ltd has been reflected in the results. Referring to the outlook for the jute industry, they say that the installation of more productive capacity will result in a surplus of manufactured goods or lead to a shortage of raw materials. As for the tea industry, the current season started well, but excessive rainfall later may hold the crop down. Referring to the working of the East Indian Coal Co. Ltd, it is stated that with the expansion of the steel industry, the demand for coal is likely to improve. In the field of packaging, the subsidiary Company, Diamond Products Ltd, continues to make good progress. It has earned satisfactory profits. The Company and its associates have acquired a controlling interest in the share capital of Colour Cartons Private Ltd of Bombay. The latter holds a majority interest in Modern Packaging Private Ltd. These two Companies are engaged in a business similar to that of Diamond Products Ltd.

Programmes of expansion for these three Companies are being considered and the directors hope that they will earn satisfactory profits in the near future. In spite of considerable



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technical progress made by the Dhanbad factory of Meameco Ltd, it has shown disappointing results, but the outlook is encouraging considering that the factory produces goods of high quality. The manufacture of coal drills and accessories and flameproof lighting fittings will be undertaken in collaboration with Victor Products Ltd of England. It is proposed to form a new Company, Jardine Victor Ltd, in which Jardine Henderson will hold a controlling interest for the purpose.

The profit has risen from Rs. 41.88 lakhs to Rs. 44.78 lakhs, after providing Rs. 2.32 lakhs (against Rs. 2.22 lakhs) for depreciation. A taxable ordinary dividend of 7 percent has been maintained which works out to a yield of 9.3 percent at the present price of Rs. 75 a share of Rs. 100 each. Taxation is allocated Rs. 17.24 lakhs (against Rs. 17.12 lakhs), general reserve Rs. 13.24 lakhs (against Rs. 12.68 lakhs) and development rebate reserve Rs. 2,750 (against Rs. 2,830). Sales dropped from Rs. 6.24 crores to Rs. 5.63 crores.

Hukumchand Jute Mills Earns Less

IN their report for the year ended March 1964, the directors of Hukumchand Jute Mills Ltd say that the margin of profit has dropped due to increased labour costs, the obligation of the mills to hold large stocks of raw jute and a decline in the price of jute goods. A total of 52 broad looms has so far been installed. The price of carpet-backing cloth has nevertheless been showing a downward trend. Prospects for the current year are not considered promising. The trading results have been adversely affected due to the high price of fibre. There has also been an all-round increase in production costs. The construction of the factory for the caustic soda project in Amlai is proceeding satisfactorily. The factory is expected to begin production early in 1965.

The profit has dropped from Rs. 84.83 lakhs for 1962-63 to Rs. 54.27 lakhs for 1963-64, after providing Rs. 15.60 lakhs (against Rs. 11.43 lakhs) for depreciation and Rs. 3.43 lakhs (against Rs. 3.06 lakhs) for development rebate reserve. A taxable ordinary dividend of Rs. 2 a share of Rs. 7.50 each has been maintained. The yield amounts to 10.3 percent at the present price of Rs. 19.50 a share. Contingency reserve is allocated Rs. 35 lakhs (against Rs. 57 lakhs) and general reserve Rs. 18.85 lakhs (against Rs. 26.05 lakhs). Taxation relating to previous years absorbs Rs. 50,158 (against Rs. 26,872). Taxation for 1963-64 will be met out of contingencies reserve. The carry-forward is Rs. 2,904, against Rs. 5,058 brought in.

Prospects for Reliance Jute

IN their report for the year ended March 1964, the directors of the Reliance Jute Mills Co. Ltd have pointed out that the jute crops in India and Pakistan during the current year are likely to be smaller than those of 1963-64. Since the price of the fibre has risen much more than that of jute goods, simultaneous business has resulted in losses. They, therefore, think that the current year will be difficult for the jute industry. They also think that the jute industry has been adversely affected by the abolition of the Working Time Agreement. As a result of the Wage Board's recommendations, wages have been raised increasing production costs. Messrs Jardine Henderson Ltd resigned from the managing agency of the Company from 31st October, 1963.

The supply of electric power to the mills has improved. At present, 456 hessian looms and 184 sacking looms are operating out of total looms of 1,276. It has been decided to modernise the preparing and spinning departments of the mills and orders for the necessary equipment for Rs. 45 lakhs have been placed. The installation of the machinery is expected to begin in the near future. The net profit of the Company has amounted to Rs. 14.80 lakhs, against Rs. 17.65 lakhs for 1962-63, after providing Rs. 2.16 lakhs for depreciation. Taxation absorbs Rs. 6.38 lakhs (against Rs. 1.55 lakhs) and development rebate reserve Rs. 2,784. The balance of Rs. 8.86 lakhs has been carried forward. A sum of Rs. 11.01 lakhs has had to be paid on account of income tax assessment for 1960-61. The Company denies this tax liability and has appealed to the higher authorities. The Company has been asked to re-open the case for income tax assessment for 1959-60. If the assessments for 1961-62 to 1963-64 are made on the basis as adopted for the assessment year 1960-61, there would be a contingent liability of Rs. 20.46 lakhs.

Orient Paper Pays the Same

THE ordinary shares of Orient Paper Mills Ltd have been steady around Rs. 33.90 despite a smaller profit for the year ended March 1964. The pre-tax profit has dropped from Rs. 1.40 crores for 1962-63 to Rs. 1.24 crores for 1963-64, after providing Rs. 50.40 lakhs (against Rs. 60.45 lakhs) for depreciation. Taxation absorbs Rs. 47 lakhs (against nil). The Company has not transferred any sum to taxation reserve which was allocated Rs. 70 lakhs in 1962-63. Development rebate reserve absorbs Rs. 75,000 (against Rs. 2.50 lakhs). A sum of Rs. 25 lakhs (against Rs. 15 lakhs) has been transferred to general reserve. A taxable ordinary dividend of 20 percent has been maintained, which offers a yield of 5.9 percent at the present price. The carry-forward is Rs. 56,535, against Rs. 93,457 brought in.

Sales rose from Rs. 11.16 crores to Rs. 11.32 crores. The output dropped slightly, compared with that of 1962-63. Production costs rose due to the increase in the prices of chemicals, wages, power, and fuel. The Company also felt the incidence of higher interest rates. Although the increased production costs were partly absorbed by improved operational efficiency, there has been no rise in prices of paper and boards in the meantime. The Industrial Tribunal has upheld the validity of the agreement between the Company and its workers and rejected the workers' demand for increased bonus. Minimum wages have, nevertheless, been raised from 13th January, 1962. The labour union has, however, appealed to the Supreme Court against the said award and the matter is pending.

India Steamship Skips

INDIA Steamship Co. Ltd has earned a profit of Rs. 9.57 lakhs for the year ended March 1964, against Rs. 1.40 lakhs for 1962-63, after transferring Rs. 1.29 crores (against Rs. 1.21 crores) to depreciation. The usual preference dividends have been paid, but the ordinary dividend has again been passed. General reserve is allocated Rs. 7.95 lakhs.

Freight earned rose from Rs. 8 crores to Rs. 8.28 crores. The directors think that the Company has overcome the difficult period and the future outlook is encouraging. Some 43 voyages were completed in the liner service and 25 in the coastal service. The management has been able to make a profit by rationalising operations in view of rising costs of almost every operation. There has been a phenomenal increase in operational costs, port charges and stevedoring rates. The working has been interrupted by the slow performance of dock workers and congestion in various ports. The expenses for special survey and dry-docking of ships have increased and the Company has been forced to carry out these works in Indian ports. The effects of the increased freight on west-bound traffic have been only partly reflected in the results.

Imperial Tobacco Profit Falls

IN their report for the year ended March 1964, the directors of the Imperial Tobacco Co. of India Ltd have mentioned that the drop in the net profit is largely due to the adverse effects of the increased direct and indirect taxation. But since working is likely to improve in the future, they have withdrawn a small sum from general reserve and declared a final taxable ordinary dividend of 2¼ percent, making 6¾ percent for the year. A taxable ordinary dividend of 8 percent was paid for 1962-63. At the present price of Rs. 8.81 a share, the yield amounts to 7.4 percent. The net profit has dropped from Rs. 1.80 crores for 1962-63 to Rs. 99.25 lakhs for 1963-64, after providing Rs. 1.90 crores (against Rs. 2.66 crores) for taxation and meeting other charges. A sum of Rs. 2.50 lakhs has been transferred from general reserve. Reserves are allocated Rs. 5.71 lakhs (against Rs. 80.22 lakhs). The carry-forward amounts to Rs 80,158, against Rs. 3.29 lakhs brought in. Sales rose from Rs. 50.03 crores to Rs. 55.43 crores.

A.C.C.-Vickers Turnover Shows Big Rise

A.C.C.-VICKERS-BABCOCK LTD, which went into commercial production in February 1962, has reported a marked increase in the turnover for the year ended 31st March, 1964, from Rs. 59.14 lakhs to Rs. 5.474 crores. After providing Rs. 52.10 lakhs (against Rs. 49.87 lakhs) for depreciation, the year's working has resulted in a loss of Rs. 14.73 lakhs, compared with Rs. 45.53 lakhs in the preceding year. With the brought forward loss of Rs. 91.56 lakhs, the total deficit which is being carried forward amounts to Rs. 1.06 crores. The directors state in their report that the substantial increase in the turnover is not reflected in the corresponding improvement in the profitability of the Company's operations as it includes bought-out items of considerable value.

Actual production at the Durgapur works was double that during the previous year but this is still considerably below the optimum production which will be achieved only when the Company is able to recruit the additional artisans and experienced supervisors needed to stretch production to the full rated capacity. The current order-book of the Company will ensure a work load for the next 12 months and further orders, especially for large power station boilers, are urgently needed. For this purpose, the Company is negotiating with the Central Water and Power Commission, New Delhi, for the manufacture and supply of units of 120 MW capacity during the first three-and-a-half years of the fourth plan. During 1963-64, the Company issued at par further equity shares of Rs. 80 lakhs to meet excess expenditure on the original project and to provide the balancing machine tools and equipment required for the manufacture of power station boilers and to increase the capacity for the manufacture of cement-making machinery and general machinery.

Universal Cables to Expand

IN their report for the year ended March 1963, the directors of Universal Cables Ltd say that the entire plant and equipment to manufacture paper-insulated lead-covered power cables and thermoplastic cables has been installed. Production has also begun. The Company has obtained a licence for increasing the capacity for manufacturing power-insulated cables from 1,000 kilometres to 1,600 kilometres a year. Plans to implement the expansion scheme are being considered. The equipment for the casting and rolling mill is being installed. Negotiations with Messrs Tokyo Shibaura Electric Co. Ltd for technical collaboration to produce paper capacitors, electrolytic capacitors and industrial capacitors have made progress.

The Company has incurred a loss of Rs. 8.27 lakhs for 1963-64, before providing for depreciation which absorbs Rs. 21.79 lakhs. Transferring Rs. 4 lakhs from general reserve and bringing in Rs. 25,594, there is a debit balance of Rs. 25.80 lakhs which is carried forward. The directors say that the loss is normal considering the initial stage of the factory. The sum of Rs. 21.11 lakhs relating to development rebate could not be provided for because of the loss, but it will be provided out of the assessable income of 1964-65 and thereafter.

Indian Steel and Wire Products Shows Loss

THE Indian Steel and Wire Products Ltd has incurred a loss of Rs. 3.17 lakhs for the year ended March 1964, after transferring Rs. 48.93 lakhs (against Rs. 23.27 lakhs) to depreciation and Rs. 20.73 lakhs (against Rs. 43.41 lakhs) to development rebate. A sum of Rs. 21.90 lakhs has been transferred from general reserve. A taxable ordinary dividend of 18 percent has been repeated which works out to a yield of 5.7 percent at the present price of Rs. 31.50 a share of Rs. 10 each. Taxation is allocated Rs. 1.31 lakhs, leaving a carry-forward of Rs. 7,607, against Rs. 6,022 brought in. Sales rose from Rs. 3.77 crores to Rs. 4.24 crores. The directors say that the working was interrupted due to the installation of the new wire rod mill. The project has now been completed and the good results from the setting up of the new factory should be reflected in the results for the current year.

Good Outlook for William Jacks

FURTHER progress, in Britain and overseas, is reported by Mr. W. Gray Buchanan in his statement circulated with the accounts of William Jacks and Company, merchants and engineers. Exports rose last year from £6,560,000 to £7,580,000. Mr. Buchanan added that estimated profits for the first five months of the current year, although satisfactory, were below those of 1963. Orders in hand continue at a satisfactory level.

In his survey of overseas activities, he said that the branches in India

had produced very satisfactory results, but a very large portion of their profits had been taken in taxation. Despite the heavy taxes, India was regarded as a valuable market and the organisation there was a very important part of the Company's activities. The branches in Pakistan had produced quite satisfactory profits, although less than in the previous year. The branch in Hongkong had had a very satisfactory year with a further improvement in profits, and its business had since been transferred to a new wholly-owned subsidiary company.

The subsidiary in Ceylon had had a disappointing year, but the subsidiary in Southern Rhodesia had been very successful, and good progress had been made by the new subsidiary which was formed during the year in Northern Rhodesia. Subsidiaries had been acquired in Australia during 1963 and were in the process of being reorganised to broaden the base of their operations.

Jorehaut Tea Cuts Dividend

LACK of rain, for the second time in four years, has had a severe impact on profitability of Jorehaut Holdings, the Assam tea producer. In 1963 the crop fell by more than 1.3 million lbs, with the result that production costs rose by 4d a lb. This was too much to be offset by the well-maintained and slightly improved prices realised, and the group trading profit fell from £460,000 to £241,794. As already announced, the equity dividend has been cut from 7½ percent tax free to 4 percent tax free.

The directors are carrying out experiments in irrigating the plantations but this is likely to prove very costly if done on a large scale. The balance-sheet, at least, shows improved liquidity, partly no doubt because stock is down. On the 4 percent tax-free payment, the equity is valued on a gross yield basis of just over 7 percent at the current price of around 18s 6d for the £1 ordinary shares. The range over the last four years has been 13s to 34s.

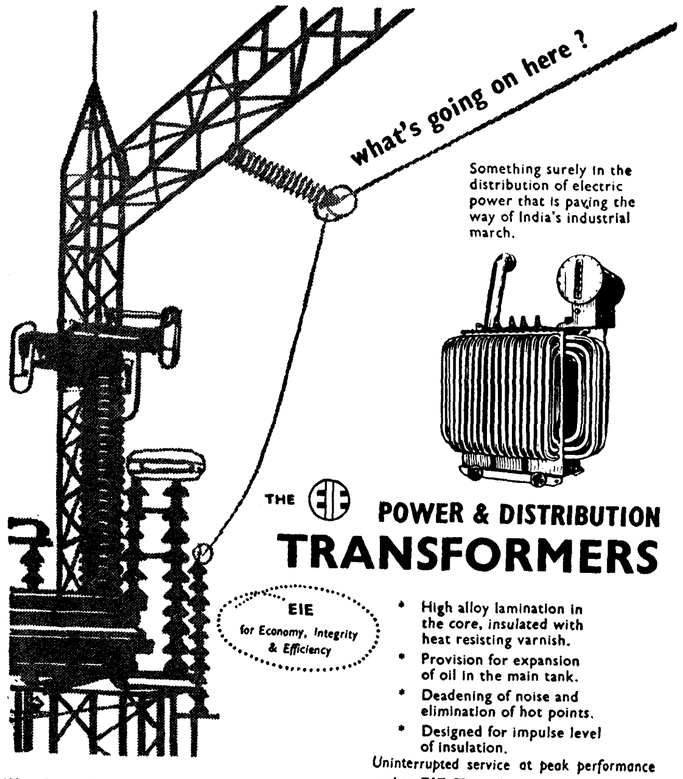
Nedeem Tea Passes Dividend

ORDINARY shareholders of Nedeem Tea Company, whose directors recently rejected a takeover bid of 20s a share, are once again to receive no dividend. Apart from a capital distribution in 1960, the last payment they received was one of 10 percent tax free for 1954. Results for 1963, just announced, show that the revenue profit for last season rose from £94,300 to £99,200. But depreciation went up from £31,000 to £37,000 and tax from £22,500 to £35,000.

Preference shareholders, who went without a payment from 1956 to 1959, are to get their 5 percent. After this payment, the amount left is £9,500, against £22,800 in 1962. The shares are currently quoted around 15s.

Saran Engineering Profit Falls

THE Saran Engineering Co. Ltd has earned a profit of Rs. 95,622 for the year ended March 1964, compared with one of Rs. 2.14 lakhs for 1962-63, after providing Rs. 1.31 lakhs (against Rs. 1.12 lakhs) for depreciation, Rs. 3,986 for development rebate reserve and Rs. 1 lakh (against Rs. 3 lakhs) for taxation. The taxable ordinary dividend of 40 paise a share of Rs. 4 each has been declared. General reserve is allocated Rs. 85,000 (against Rs. 25,000), leaving a carry-forward of Rs. 1,529, against Rs. 13,304 brought in. Sales dropped to Rs. 29.39 lakhs from Rs. 36.40 lakhs because of unfavourable conditions relating to the sugar industry. There has also been keener competition. An industrial licence to manufacture pneumatic hammers has been received from the Government and negotiations are progressing for foreign collaboration. Attempts are being made to raise funds for the project.



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Good Prospects for Greaves Cotton

THE preliminary report on the working of Greaves Cotton and Company during the year ended March 1964, has been released along with the announcement of the dividend of 12 percent. It showed a considerable improvement over the previous year's performance. Both sales and profit set new records; turnover increased by about 40 percent from Rs. 7.84 crores to Rs. 10.93 crores and the gross profit increased by 11 percent from Rs. 54.53 lakhs to Rs. 60.48 lakhs. The annual statement of the chairman, Mr. L. M. Thapar, which has been circulated with the directors' report, holds out the promise of still better results for the current year. Trading continues to show progress and unless some adverse circumstances materially alter the position, the chairman expects further expansion in the Company's turnover.

The profits will also improve, but it is feared that the rate of return will be comparatively low, unless prices and costs achieve a greater measure of stability. The Company's own manufacturing activities in the cone plant and diamond bit manufacturing division continue to be encouraging. Diamond bit manufacture is conditioned by allocations of foreign exchange for the purchase of industrial diamonds. While this allocation has considerably improved recently, the diamond bit division is being equipped for the production of drill rods and castings as an added safeguard. The Company has already on hand orders equivalent to one year's production. It has established the satisfactory operation of the impregnating plant in the cone division with the result that it is able not only to offer a better product, but also to capture new markets which hitherto were the preserve of metal cones and tubes.

The working of the associated companies and subsidiaries is expected to show a substantial improvement. Of the associated companies, a substantial expansion of Crompton Parkinson (Works) Ltd has been approved, and a steady improvement in the value of Greaves Cotton's investment in this Company can be looked forward to. The chairman envisages an important contribution to turnover and profit of Greaves Cotton and Crompton Parkinson by a carefully planned expansion of its interests in the design and contracting field.

As for Greaves Foseco Ltd, the Company has already established two works. With the very substantial increases in steel production which are taking place and are being planned, the Company can look forward to the future with great confidence. Besides, this Company has several new ideas under development which, in course of time, will bring their own return. Mr Thapar has made a special mention of Mather Greaves which, after consolidating the manufacture of calender bowls, has now embarked on the production of complete calenders, Schreiner calenders, stenter clips, mangles, printing machines, etcetera. With the widening of scope of manufacturing facilities, the chairman looks forward to a steady and growing return on the investment in the Company.

The growth of Kenyon Greaves and Greaves Dronsfield is closely linked with the progress of the textile industry in general. Of the subsidiary Companies, the prospects for Ruston Hornsby (India) Ltd are considered promising as the factory is now operating at near-optimum level in relation to its existing facilities. The order-book for both horizontal and vertical air-cooled engines is healthy. The demand for air-cooled engines for marine duties and the electrical power generation is said to be particularly encouraging. The outlook for David Brown is good and plans for increasing the production capacity are under active consideration. The Company has maintained very satisfactory turnover and profits and it has undertaken complementary production in the open gearing field.

Plans for the diversification of production of Drayton Greaves Ltd have been completed and the benefit of this will commence during the current year. The Company's financial needs are growing with the rapid and sustained increase in its trading and expansion programmes of its associated and subsidiary Companies. It will, therefore, have to think of different alternatives of raising additional equity or preference capital, long-term accommodation by term loans or debentures and the expansion of matching short-term credit facilities.

Hindusthan Wire Raises Dividend

THE profit of Hindusthan Wire Products Ltd has improved from Rs. 4.53 lakhs for 1962-63 to Rs. 8.47 lakhs for the year ended March 1964, after providing Rs. 2.74 lakhs (against Rs. 6.22 lakhs) for depreciation. The taxable ordinary dividend has been increased from 10 percent to 15 percent, which gives a yield of 9.8 percent at the present price of Rs. 15.37 a share of Rs. 10 each. Development rebate reserve is allocated Rs. 31,073 (against Rs. 20,000), taxation Rs. 5.15 lakhs (against Rs. 70,000) and general reserve Rs. 1 lakh (against Rs. 1.75 lakhs). The carry-forward is Rs. 15,810, against Rs. 2,736 brought in.

Sales rose from Rs. 60.18 lakhs to Rs. 68.34 lakhs. The production capacity for 100 tonnes a month has been achieved, but the working has been interrupted by the shortage of raw materials. Efforts are being made to obtain a more abundant supply of copper. The directors, while emphasising the increase in production costs, hope to have bigger sales during the current year in view of the good demand for enamelled wires. The Company has undertaken an expansion scheme to increase the output capacity to 1,700 tonnes a year.

Midnapore Zemindary Incurs Loss

THE ordinary shares of Midnapore Zemindary Co. Ltd have met with brisk support during the past month or so due to the prospects of diversification of activities following the change in the Company's management. The price of the scrip has improved to Rs. 33.75 a share of Rs. 85 each. Messrs Andrew Yule Co. Ltd tendered their resignation as Secretaries and Treasurers with effect from 13th April, 1964.

In their report for the year ended April 1964, the directors have pointed out that the Company's petition to the Commissioner of State Purchase for review of the revised compensation rolls published in East Pakistan has been allowed and the matter has been remanded to the Compensation Officer for a fresh assessment of compensation according to the Commissioner's directions. The position of the publication of compensation rolls in West Bengal and Bihar remains the same and no special ad-interim payment has been received as yet. A sum of Rs. 17,037 was received from the Government of West Bengal on account of arrears of rent realised by them on behalf of the Company. The Company has incurred a loss of Rs. 71,896, against one of Rs. 74,850 for 1962-63, after providing Rs. 44 (against Rs. 46) for depreciation. Taxation absorbs Rs. 22,500 and a loss of Rs. 19.96 has been carried forward. The dividend has been passed.

Mukand Iron Pays the Same on Increased Capital

THE preliminary report released along with the announcement of 12-percent dividend—the same as in the previous year—on the increased capital showed that during the year ended March 1964, the Company had fared much better than in the preceding year. The gross profit increased by some 37 percent from Rs. 72.86 lakhs to Rs. 1 crore despite a small fall in the sales from Rs. 6.50 crores to Rs. 6.21 crores. The directors state in their report that the production in the rolling mills division was adversely affected due to inadequate and irregular billet supply which resulted in a fall of nearly 15 percent in the sales of rolled products. The statutory control over the price and distribution of many categories of steel, including rerollers' products, was lifted from 1st March, 1964. Billets are not among the decontrolled items and continue to be supplied to rerollers at a fixed price.

The directors have expressed the view that decontrol is not expected to affect materially the Company's operations or profit potential, although the Government's recent billet pricing and freight policies give the main producers an edge over rerollers. The performance of the Company's steel foundry division was highly encouraging. It surpassed the target of 9,000 tonnes of steel castings for 1963-64 by producing 9,564 tonnes, compared with 7,624 tonnes during 1962-63. Sales of steel castings recorded an increase of Rs. 25 lakhs over the previous year, but did not keep pace with production because a large quantity of the centre buffer coupler casting could not be despatched for want of one of its fittings purchased from outside. Scrap prices continue to spiral. Compared with the pre-decontrol prices of Rs. 98 and Rs 25 a tonne for melting scrap and turning scrap, respectively, the current prices are around Rs. 185 and Rs. 115 a tonne.

In his annual statement to the shareholders, which has been circulated with the directors' report, the chairman, Mr. Kamalnayan Bajaj, says that the Company's expansion programmes both in Kurla and Kalwe are well under way. It is hoped that the Kalwe project will go into production by July 1965. The machine building and structural project in Kurla is being implemented. In the steel foundry, the target of 10,000 tonnes is expected to be reached during the current year. The Company has received the rupee loan of Rs. 47 lakhs from the Industrial Finance Corporation for expansion at Kurla, and the final terms and conditions of a loan of Rs. 35.40 lakhs in foreign currencies have been agreed upon. An import licence for Rs 35.75 lakhs for the steel foundry expansion is on hand. The Company has also received the industrial licence and an import licence of the value of Rs 5.25 lakhs in foreign currency for the machine-building and structural activity.

The Company is soon entering into an agreement with Hindustan Electric Company for the fabrication of mechanical and structural parts of furnaces to the designs of the Swiss firm of Brown, Boveri and Co. The loan agreement with the Commonwealth Development Finance Co. Ltd, London, for the Kalwe project has been signed and a sum of £100,000 has been drawn from this account during the current year. Withdrawals from the loan from the I.C.I.C.I. to-date amount to $(U.S.)320,490, including $58.093 drawn during the current year. The Company has received import licence for Rs. 1.60 crores for the wire rod project. All major items of equipment to be imported have been ordered and deliveries are expected to commence shortly.

Dhrangadhra Chemical Earns More

THE profit of Dhrangadhra Chemical Works Ltd has risen from Rs. 55.49 lakhs for 1962-63 to Rs. 77.41 lakhs for the year ended March 1964, after transferring Rs. 54.19 lakhs (against Rs. 34.31 lakhs) to depreciation on fixed assets. Development rebate reserve is allocated Rs. 40 lakhs (against Rs. 1.06 lakhs) and general reserve Rs. 23 lakhs (against Rs. 46 lakhs). The taxable ordinary dividend of 10 percent has been declared, which works out to a yield of 9.8 percent at the present price of Rs. 118.25 a share of Rs. 100 each. The carry-forward is Rs. 76,110, against Rs. 1.75 lakhs brought in.

The directors say that in spite of breakdowns in the equipment, the caustic soda output rose by 27.7 percent over that of 1962-63. The salt works increased production from 10,500 tonnes to 26,000 tonnes. The production of soda ash was more than 43,000 tonnes. The soda bicarb output rose by 25 percent over that of 1962-63. The project to set up the liquid chlorine plant has made progress. The Company is considering certain schemes to use chlorine. The directors consider the outlook encouraging in view of the rising demand for the Company's products.

Amrit Banaspati Skips Dividend Again

ALTHOUGH the dividend has again been skipped and the equity shareholders will probably have to wait for a few more years before they are able to earn any dividend on their investment, the working results of Amrit Banaspati Co. Ltd for the year ended March 1964, show a considerable improvement over the previous year's performance. Despite a fall of a little over 15 percent in the sales from Rs. 6.16 crores to Rs. 5.22 crores, the Company's gross profit has gone up by nearly 31 percent from Rs. 16.63 lakhs to Rs. 21.78 lakhs. After providing Rs. 3.83 lakhs (against Rs. 2.72 lakhs) for depreciation, Rs. 78,597 (against Rs. 1.04 lakhs) for development rebate reserve and Rs. 3.50 lakhs (against nil) for taxation, there remains a surplus of Rs. 13.66 lakhs.

The directors have decided to clear arrears of preference dividends for two years—1959-60 and 1960-61—which will take away a sum of Rs. 5.68 lakhs. After adjusting the balance of profit against the deficit of Rs. 10.29 lakhs brought forward, there is still a deficit of Rs. 2.31 lakhs to be wiped out. Arrears of preference dividends for the three years ended 31st March, 1964, amount to Rs. 8.52 lakhs. The Company has under consideration new schemes for the diversification of its activities and the Government's approval is being sought for the manufacture of citric acid from molasses. The Rs. 10-paid share of the Company is currently quoted around Rs. 5.

Rajapalayam Mills Raises Dividend

THE increase in the dividend by Rajapalayam Mills from 16 percent to 20 percent for the year ended March 1964, is well justified by the Company's excellent performance during the year. Sales are up by about 30 percent from Rs. 1.20 crores to Rs. 1.55 crores and the gross profit has risen by nearly 44 percent from Rs. 17.39 lakhs to Rs. 24.99 lakhs. The Company has been able to achieve higher profitability despite increases in the cost of production. Improved results are attributed to the introduction of the third-shift working, timely and prudent purchase of cotton and the steady movement of yarn during the year. Allocations include depreciation Rs. 5.78 lakhs (against Rs. 5 lakhs), development rebate reserve Rs. 21,000 (against Rs. 28,000), taxation Rs. 8.61 lakhs (against Rs. 4.31 lakhs), donations Rs. 47,317 (against Rs. 48,908), bonus for the year to March 1963 Rs. 2.42 lakhs (against Rs. 2.62 lakhs), general reserve Rs. 2.70 lakhs (against Rs. 1 lakh) and dividend 3.32 lakhs (against Rs. 2.58 lakhs). The directors state that the Company is taking advantage of the permission accorded to the existing mills to increase their spindleage by 7½ percent to 10 percent and it has placed firm orders for eight new ring frames with a total spindleage of 3,600. These machines are expected to be delivered by about the middle of 1967.

Indian Rubber Regenerating Shows Loss

THE working of the Indian Rubber Regenerating Co. Ltd, which went into production in September 1963, during the year ended March 1964 has resulted in a net loss of Rs. 2.28 lakhs, against Rs. 1.03 lakhs in the preceding year. The loss has been arrived at after providing Rs. 5.58 lakhs (against Rs. 20,371) for depreciation. Including the deficit of Rs. 1.36 lakhs brought in, the total deficit of Rs. 3.65 lakhs is being carried forward. Sales during the year amounted to Rs. 7.44 lakhs, against Rs. 1.07 lakhs in the preceding year. The directors have held out the hope of better results in the current year. Finished stocks which had recently accumulated are moving out in increasing volume, and the Company is receiving good orders. Its products have been well received in the market. Since the import of reclaimed rubber has been banned since 1st April, 1964, the demand for the Company's products is likely to increase appreciably. The Company is assured of full support from the Government and the directors do not expect any serious competition from imports.

More from Mysore Tobacco

DESPITE a fall of nearly 20 percent in the gross profit from Rs. 5.68 lakhs to Rs. 4.50 lakhs, the Mysore Tobacco Company has raised the dividend for the year ended March 1964 from 10 percent to 11 percent. And what is more, the profit has declined in spite of an increase of some 26 percent in the sales from Rs. 39.60 lakhs to Rs. 49.85 lakhs which is a new record for the Company. Allocations include Rs. 1.08 lakhs (against Rs 84,382) for depreciation. Rs. 3,967 (against Rs. 2,170) for development rebate, Rs. 1.75

lakhs (against Rs. 2.42 lakhs) for taxation, Rs. 20,000 (against Rs. 65,000) for dividend equalisation reserve, Rs. 10,000 (against Rs. 30,000) for retiring gratuity, Rs. 10,000 (against nil) for general reserve, nil (against Rs. 58,000) for the super profits tax and Rs. 1.10 lakhs (against Rs. 1 lakh) for dividend.

The marked increase in the Company's turnover is attributed to increased purchases of tobacco from private curers and the expansion of its centres.

New Capital Issues

SIX companies have been authorised to raise capital aggregating Rs. 1.395 crores. Of these, three will be issuing bonus capital, one is issuing debentures, another equities, and the sixth equity plus preference shares. Foreign collaboration is involved in one company. The consent of the Controller of Capital Issues is valid for 12 months in all cases. The following are the details:

Polychem Ltd, Bombay, is to issue Rs. 24 lakhs bonus capital in 48,000 equity shares of Rs. 50 each, on capitalisation of the share premium account to a like extent. The bonus shares will be offered to the existing equity shareholders of the Company in the proportion of three bonus shares for every seven equity shares held.

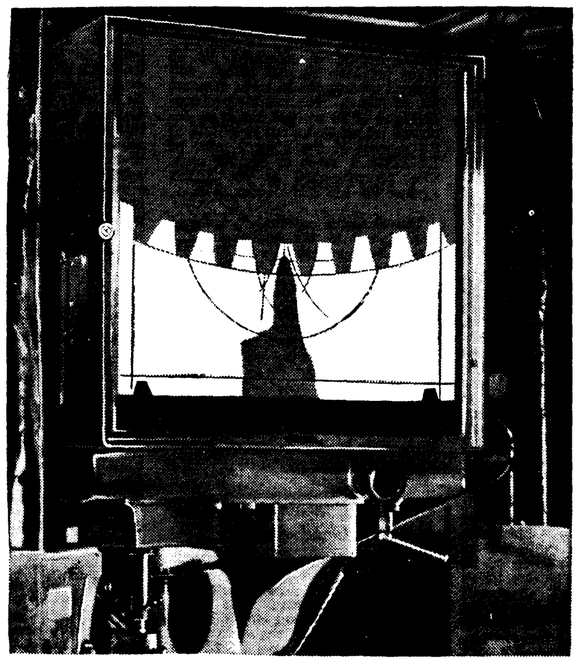
The Deccan Sugar and Abkhari Company Ltd, Madras, is to issue shares of the value of Rs. 6.64 lakhs on capitalisation of the share premium account. The bonus shares will be issued in the ratio of one bonus share for six shares held now.

Alcock Ashdown and Company Ltd, Bombay, is to issue Rs. 3,47,000 bonus capital in shares of Rs. 100 each, on capitalisation of the share premium account to a like extent. The bonus shares will be allotted to the existing equity shareholders in the proportion of one bonus shares for every 15 shares held.

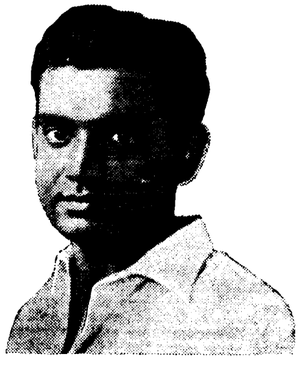
Bharat Collieries Ltd, Calcutta, is to issue 29,853 6½ percent unsecured perpetual debentures of Rs. 100 each at par to the preference shareholders in lieu of their 5½ percent cumulative preference shares of Rs. 100 each, in accordance with the Calcutta High Court's order dated 29th January, 1963.

Sundaram-Clayton Ltd, a public Company, is to issue privately a further capital of Rs. 35,47,700 divided into 35,477 equity shares of Rs. 100 each, for cash, at a premium of Rs. 7 a share. Of the issue, 17,477 equity shares will be offered to Adwest Engineering Ltd, England, for cash in sterling to be utilised for the purchase of plant and machinery and the balance shares of the value of Rs. 18 lakhs would be subscribed by T. V. Sundaram Iyengar and Sons Private Ltd. and their associates. The money will be expended for implementing the Company's steering gear manufacturing project.

Hub Bolts and Nuts India Ltd, a public Company proposed to be incorporated in Gujarat, is to issue capital of Rs. 40 lakhs, for cash at par, divided into 27,000 equity and 13,000 preference shares of Rs. 100 each carrying dividend not exceeding 9.5 percent. The money will be used for financing the manufacture of starter gear rings, wheel bolts, nuts, etcetera.



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The Stock Markets

LYONS RANGE QUIET AFTER EARLIER STEADINESS

Wednesday Evening.

THE Calcutta stock market has closed the past week in a quiet mood, after an earlier steadiness. At first, the prices of shares improved smartly due to renewed support, combined with brisk short-covering. The flow of good corporate news provided the incentive.

The reaction towards the close is due partly to profit-taking because of the earlier sharp rise and partly to unfavourable political and economic developments. The fall of the Congress Ministry in Kerala, combined with the resignation of the Chief Minister of Orissa, has restrained activities. The intrusion of Chinese troops into Sikkim has caused concern, although the Government of India has stated that it is fully equipped to meet all eventualities.

Lyons Range is, for the time being, weighing the favourable and unfavourable economic developments. The move of the Prime Minister, Mr. Lal Bahadur Shastri, to rephase economic planning has created a good impression. But operators have been disturbed by the prospect that the Government is thinking of enforcing new measures to regulate activities in the stock market.

The Government's move to coordinate the activities of the Industrial Develoment Bank, the Industrial Finance Corporation and the Industrial Credit and Investment Corporation of India in providing finance to industries has been welcomed. These three institutions will also act together in underwriting new shares. The need for underwriting new issues cannot be exaggerated, considering the poor response to new shares in recent months. Several companies are, in fact, finding it difficult to arrange for underwriting, because the funds of most of the underwriters have been blocked in new shares.

Indian Iron have slipped back towards the close largely due to profit-taking in view of the clearing on Wednesday. It passed off smoothly but carry-forward charges were heavy. At the annual general meeting of Indian Iron held in Calcutta on Tuesday, the chairman, Sir Biren Mukherjee, referred to the possibility of henceforth paying an interim dividend to shareholders. During August 1964, the Company produced 91,003 tonnes of pig iron, against 74,440 tonnes in July 1964. The steel ingot output rose from 67,295 tonnes to 70,333 tonnes, but that of salable steel dropped from 63,222 tonnes to 53,526 tonnes. Despatches of salable steel also declined from 58,947 tonnes to 57,875 tonnes. After an earlier rise, nearly all engineering shares have lost fractionally towards the close Guest, Keen, Williams, Texmaco, Indian Standard Wagon and Braithwaite have attracted attention. Scattered support has been forthcoming for J. K. Steel and Calcutta Steel.

In the miscellaneous section, clearing scrip are prominent, but they have reacted towards the close due to profit-taking. Hindustan Motors, Indian Copper, Dunlop Rubber, Indian Cable and Indian Aluminium are active. But Rohtas are being sold since the Company has declared a smaller dividend. Jaipur Udyog are steady on maintaining the dividend. Alkali and Chemical, Union Carbide, Goodyear India, Metal Box and Associated Battery have improved on balance. Support has been extended to National Insulated Cable, British India Corporation and National Rolling Mills. Among new shares, Hindusthan Twyfords and Phillips Carbon are active. Among managing agency shares, Martin Burn are steady but Jardine Henderson are sluggish on repeating the dividend. In electric companies, U.P. Electric have reacted on profit-taking. Bank shares are dull and stray business has been transacted in United Commercial and United Bank. In paper shares, Orient, Seshasayee and Bengal have been steady, but Titaghur have dropped on declaring a disappointing dividend. Sugar shares have been neglected.

The disappointing dividends declared by the Bird-Heilgers group of jute Companies have made the investors in jute shares cautious. The high price of fibre in relation to that of gunnies has tended to reduce the profit margins of jute mills. Birla have reacted due to profit-taking. Anglo-India, Champdany, Barnagore and Ganges have met with scattered support. Stray business has passed in coal shares. Burrakur, Western Bengal, Bengal and Central India have changed hands. In cotton mills, J. K. Cotton, Bharat Commerce, Dunbar and Elgin have been supported. In tea shares, small business has been transacted. Interest has centred on selected Assam and Dooars gardens.

Government securities are steady, although turnover is limited. The 3 percent Conversion Loan 1986 has been quoted at Rs. 63.70. The prices of short-dated loans are fully steady. Most of the new State Government loans are being quoted at a slight discount.

Tata Steel Output

Messrs Tata Industries Private Ltd, managing agents for the Tata Iron and Steel Company Limited, report that the approximate production of iron and steel at the steel works in Jamshedpur during August 1964 was iron 154,400 metric tonnes; steel ingots 160,000 metric tonnes and salable steel 130,800 metric tonnes.

Bombay

SHARE VALUES REACT ON ADVERSE NEWS

PROSPECTS OF CURBS INDUCE CAUTION

Tuesday Evening.

THE working in the Bombay stock market during the past week was interrupted by holidays. Towards the close, the undertone was quiet due to tired long liquidation, combined with short-selling. Operators wanted to reduce their commitments in view of some adverse developments. Reports of intrusion by Chinese troops into Sikkim have caused concern, although Press reports that Pakistan has agreed to abide by the cease-fire agreement in Kashmir has tended to help sentiment. The prospect of a more stringent regulation of stock exchanges by the Government in the near future has induced caution. Besides this, a reaction had been overdue because of the sharp rise in prices.

Among engineering shares, Tata Engineering have reacted due to profit-taking. Larsen and Toubro, Mukand Iron and Premier Construction are quotably lower. Alcock Ashdown have been about steady on the prospect of a bonus issue in the proportion of one bonus share for every 15 held by capitalising the share premium account. In motor-vehicle shares, Hindustan Motors have drop-

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been maintained.

Cotton mill shares have declined in line with the general trend. In spite of a larger interim dividend, Century have reacted to profit-taking. Bombay Dyeing, Kohinoor, Svadeshi and Standard have also lost. Scattered support has been forthcoming for Morarjee and Gokak.

In miscellaneous shares, Belapur and Walchandnagar Industries are steady in the sugar section. In cement shares, Associated Cement and Digvijay have attracted support. Mining shares are subdued, and Shivrajpur Syndicate have been offered freely without attracting buyers. In chemical shares, Tata Chemical have lost on profit-taking and Polychem are steady on the prospect of a bonus issue in the proportion of three bonus shares for every seven held, by capitalising the share premium account. Synthetics and Chemicals have recovered smartly due to replacement purchases. In rayon shares, National Rayon have dropped. Voltas and Tata Oil are about steady.

In spite of limited turnover in bank shares, prices have been maintained. Bank of Baroda and Central Bank have changed hands. Electric company shares are steady. Tata Hydro and Ahmedabad have been supported.

Madras

GOOD CORPORATE NEWS TONES UP MARKET

TURNOVER MAINLY IN CASH SCRIP

Tuesday Evening.

THE Madras stock market has improved during the past week. Operators and investors have been encouraged by the hope that the Government may soon take steps to stimulate activity in the capital market, and also because of good *corporate news*. Although turnover in clearing scrip has been restrained due to the easier trend in Bombay, support has been extended to cash scrip, particularly in the planting section. Business in Government securities has been small, and the new State loans have been quoted at a discount. Interest in preference shares and debentures has been sustained, but sellers are fewer.

In spite of a small turnover in bank shares, Indian Overseas are steady at Rs. 146.50 and Syndicate Bank at Rs. 143.50. In electric companies, Vellore have been supported at Rs. 15.62 due to the payment of a taxable ordinary dividend of 15 percent. West Coast have been taken at Rs. 13.50 on declaring a taxable ordinary dividend of 25 percent. In the sugar section, Deccan have been steady at Rs. 12.25 since the Company will issue bonus shares in the ratio of one bonus share for every six held by capitalising the share premium account. E.I.D. have improved to Rs. 36.12. Support has been extended to Kothari at Rs. 6.60 and to Travancore at Rs. 7.65.

Among planting shares, Blue Mountain have been steady at Rs. 2.30 and Cochin Malabar at Rs. 23.50. Ouchterlony have been done at Rs. 3.20 and Periakaramalai at Rs. 3.50. Emerald Valley have been taken at Rs. 6.75 on declaring a taxable ordinary dividend of 20 percent. Teekoy have been steady at Rs. 6.75, Vaikundam at Rs. 35.50, Woodland at Rs. 6.90 and Peermade at Rs. 20.62. In coffee shares, Savamalai have been quoted at Rs. 5.10, Wartyhully at Rs. 2.54 and Lingapur at Rs. 5.17.

Among textile shares, South India Viscose have been maintained at Rs. 119 and Travancore Rayon at Rs. 20.10. Lakshmi have been taken at Rs. 134 and Madura at Rs. 34.85. Bangalore Woollen have been steady at Rs. 920 and Buckingham at Rs. 275.50. Both these Companies have declared an interim taxable ordinary dividend of 8 percent. Mettur have risen to Rs. 277.50 and Ramakrishna to Rs. 199.50. Vijayamohini have changed hands at Rs. 89 and Sarada at Rs. 80.

In miscellaneous shares, Aluminium Industries have hardened to Rs. 23 and Ashok Leyland to Rs. 6.90. In cement shares, Dalmia have been steady at Rs. 12.50. India have been supported up to Rs. 5.53 on prospects of expansion. Associated Industrial have been quoted at Rs. 74.40 on declaring a taxable ordinary dividend of 8 percent. Mettur Chemical have been steady at Rs. 15.05, but F.A.C.T. have been sold down to Rs. 5.05. Seshasayee Paper have been maintained at Rs. 7.50 and Mysore Paper at Rs 12.50. Forest Industries have changed hands at Rs 237 on declaring a taxable ordinary dividend of 15 percent. Interest has been shown in General Papers up to Rs. 10.37 on paying a taxable ordinary dividend of 12½ percent. Jeewanlal have reacted to Rs. 9.16 on cancelling the new issues because the aluminium rolling mill project has been abandoned. Tube Suppliers have been quoted at Rs. 10 and Tubes and Malleables at Rs. 10.90. An extraordinary general meeting has been called by Tube Suppliers to consider the proposal of Tubes and Malleables for acquiring the shares of the former by offering one ordinary share of Rs. 10 in Tubes and Malleables for every two shares of Rs. 10 each in Tube Suppliers. United Breweries have been steady at Rs. 33 on declaring a taxable ordinary dividend of 9 percent, but the Company has postponed the issue of bonus shares. Parry's Confectionery have been taken up to Rs. 2.97 and Spencer at Rs. 21.37.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 36/62—36/75—35/62—35/62—(31/56).

Burrakur Coal—Rs. 17/22—17/22—16/94—17/06—(16/12).

Dunlop Rubber—Rs. 33/94—33/94—32/50—32/50—(33/19).

Guest, Keen, Williams—Rs. 24/62—24/75—23/37—23/37—(34/06).

Hindustan Motors—Rs. 18/28—18/28—17/31—17/31—(16/25).

Indian Aluminium—Rs. 32/62—32/62—31/50—31/56—(36/62).

Indian Copper—Rs. 3/54—3/54—3/37—3/37—(4/88).

Indian Iron—Rs. 26/50—26/60—25/44—25/50—(22/82).

Indian Cable—Rs. 34/75—34/87—34/62—34/87—(33/50).

J. K. Cotton—Rs. 11/50—11/56—10/81—10/81—(11/37).

Jaipur Udyog—Rs. 11/31—11/34—11/12—11/19—(11/06).

Kesoram Industries—Rs. 27/75—28/00—26/44—26/44—(23/87).

Orient Paper—Rs. 34/60—34/60—32/75—32/80—(34/80).

Orissa Cement—Rs. 12/12—12/12—11/31—11/37—(13/72).

Rohtas Industries—Rs. 11/19—11/25—10/69—10/81—(11/50).

Shree Gopal Paper—Rs. 25/81—25/87—25/69—25/75—(24/00).

Textile Machinery—Rs. 27/05—27/05—26/10—26/10—(24/05)

GILT-EDGED

3 % Loan (1970-75)—Rs. 90/25—90/25—90/20—90/20.

3 % „ (1986)—Rs. 63/80—63/80—63/75—63/75.

3 % „ (1966-88)—Rs. 98/35—98/42—98/35—98/42.

3½% „ (1968)—Rs. 99/00—99/00—99/00—99/00.

3½% „ (1969)—Rs. 97/90—97/95—97/90—97/95.

3½% „ (1965)—Rs. 100/05—100/05—100/05—100/05.

3½% „ (1966)—Rs. 99/97—99/97—99/97—99/97.

3½% „ (1967)—Rs. 99/75—99/75—99/75—99/75.

4 % Bihar (1969)—Rs. 98/25—98/25—98/25—98/25.

4 % U.P. (1969)—98/05—98/05—98/05—98/05.

4 % Madras (1967)—Rs. 99/15—99/15—99/15—99/15.

4 % U.P. (1968)—Rs. 98/95—98/95—98/95—98/95.

4 % Loan (1969)—Rs. 99/60—99/60—99/60—99/60.

4 % „ (1970)—Rs. 99/03—99/05—99/00—99/05.

4 % „ (1981)—Rs. 98/22—98/22—98/22—98/22.

4 % „ (1972)—Rs. 98/75—98/75—98/75—98/75.

4½% U.P (1970)—Rs. 99/15—99/15—99/15—99/15.

4½% Loan (1973)—Rs. 99/90—100/00—99/90—100/00.

4½% „ (1986)—Rs. 100/10—100/13—100/10—100/13.

BANKS

Hindusthan Commercial—Rs. 11/37—11/37—10/25—10/25—(13/25).

Punjab National—Rs. 20/06—20/12—20/00—20/00 x.d.—(19/50).

United Bank of India (Rs. 10 paid)—Rs. 7/75—7/81—7/62—7/75—(7/00).

COTTONS

Basanti—Rs. 10/00—10/00—10/00—10/00—(11/44).

Do. (Pref.)—Rs 7/00—7/12—7/00—7/12.

Bowreah—Rs. 24/31—24/37—24/31—24/37—(21/75).

Do. (A' Pref.)—Rs. 112/00—112/00—112/00—112/00.

Cawnpore—Rs. 6/87—6/87—6/62—6/81—(6/44)

Dunbar—Rs. 27/50—27/50—27/50—27/50—(25/19).

Elgin—Rs. 20/37—20/50—19/94—20/00—(19/87)

Jaya Shree—Rs. 14/25—14/25—13/87—13/87—(14/75).

Jagatjit—Rs. 15/00—15/25—15/00—15/25.

New Victoria—Rs. 1/22—1/28—1/22—1/28—(1/44)

COALS

Amalgamated—Rs. 21/62—21/75—21/62—21/75—(24/50).

Central India—Rs. 9/37—9/56—9/37—9/44—(9/87).

Equitable—Rs. 21/06—21/06—21/06—21/06—(23/25).

Karanpura Collieries—Rs. 12/75 x.d.—13/00 x.d.—12/75—13/00 x.d.—(15/00).

Khas Kajora (Pref.)—Rs. 8/75—8/75—8/75—8/75

Raneegunge—Rs. 13/00—13/00—13/00—13/00—(16/00).

Sendra—Rs. 4/00—4/06—4/00—4/06—(5/00).

Selected Satgram—Rs. 103/00—109/00—103/00—109/00.

United Collieries (Pref.)—Rs. 82/00—82/00—82/00—82/00.

Western Bengal—Rs. 9/50—9/62—9/44—9/50—(8/69 x.d.).

JUTES

Agarpara—Rs. 9/15—9/44—9/15—9/44—(11/37)

Alexandra—Rs. 245/00—245/00—245/00—245/00—(300/00)

Do. (Pref.)—Rs. 96/00—96/00—96/00—96/00.

Auckland (2nd Pref.)—Rs. 60/00—60/50—60/00—60/50

Anglo-India—Rs. 197/00—197/00—197/00—197/00—(237/00).

Do. (Pref.)—Rs 96/00 x.d.—99/00—96/00—99/00

Barnagore—Rs. 223/00—230/00—223/00—230/00—(202/00)

Birla (2nd Pref.)—Rs. 97/50—98/00—97/50—97/50.

Budge Budge—Rs 131/00—132/00—130/00—130/00—(146/00).

Champdany—Rs. 21/75—22/00—20/75—20/75—(23/25)

Cheviot—Rs. 20/75—20/75—20/75—20/75—(22/25).

Dalhousie—Rs. 125/00—125/00—125/00—125/00—(155/00).

Delta—Rs. 140/00—141/00—140/00—141/00—(160/00).

Empire—Rs 13/94—14/12—13/94—14/12—(17/75).

Ganges—Rs. 14/75 s.t.—14/94—14/69—14/81—(15/50).

India—Rs. 15/44—15/56—15/44—15/56—(17/25).

Kamarhatty—Rs. 155/00—156/00—155/00—156/00—(198/00).

Kanknarrah (Pref.)—Rs. 77/50—78/00—77/50—78/00.

Lansdowne—Rs. 110/00—111/00—110/00—111/00.

Lawrence—Rs 109/00—109/00—109/00—109/00—(121/00)

Megna—Rs. 12/94—12/94—12/87—12/87—(14/69).

Naskarpara—Rs. 4/50—5/50—4/50—5/50—(8/00)

New Central—Rs. 11/00—11/12—10/75—10/81—(12/37).

Presidency—Rs. 4/44—4/44—4/44—4/44—(5/37)

Reliance (Pref.)—Rs. 114/50—114/75—114/50—114/75—(120/50).

Rameshwara—Rs. 7/69—7/75—7/69—7/75—(9/25).

Soorah—Rs 19/06—19/19—19/06—19/19—(22/31).

Union—Rs 143/00—143/00—143/00—143/00—(172/00).

MININGS

Chrestien Mica—Rs. 8/69—8/75—8/69—8/75—(10/40).

Metal Corpn—Rs 6/56—6/56—6/37—6/37—(8/12).

CEMENTS

Ashoka—Rs. 7/19—7/25—7/19—7/25—(7/69).

Bengal Potteries—Rs. 4/31—4/37—4/19—4/19—(5/15).

Dalmia (Bharat)—Rs. 12/50—12/62—12/50—12/56—(12/44)

Sone Valley—Rs 4/00—4/00—3/94—4/00—(4/62).

CHEMICALS

Alkali & Chemical—Rs. 30/00—30/00—28/81—28/94—(33/12)

Bengal Chemical—Rs. 100/00—102/00—100/00—102/00—(102/00).

Chemicals & Fibres—Rs 15/06—15/56—14/94—15/31.

Phosphate Co.—Rs 175/50—178/00—174/00—177/00.

ELECTRICS

Calcutta—Rs 15/06—15/19—15/06—15/19—(14/94).

Do. (Pref.)—Rs. 8/50—8/50—8/50—8/50.

United Provinces—Rs. 188/00—190/00—188/00—190/00—(117/00).

Upper Jumna—Rs. 25/37—25/37—25/37—25/37—(15/06).

ENGINEERINGS

Bharat Ball Bearing—Rs. 11/87—11/87—11/62—11/75—(12/84).

Binani Metal—Rs. 12/87—13/06—12/75—13/06—(9/94).

Britannia Building & Iron—Rs. 3/62—3/62—3/62—3/62—(3/75).

Britannia Eng.—Rs. 9/15—9/25—9/12—9/15—(10/06).

Bhartia Elec. Steel—Rs. 14/94—15/00—14/87—14/87—(13/62).

Braithwaite & Co.—Rs. 33/25—33/25—33/25—33/25—(30/75)

Burn & Co.—Rs. 280/00—280/00—280/00—280/00—(550/00)

Calcutta Steel—Rs. 13/87—13/94—13/87—13/94—(13/00).

Dalmia Iron—Rs 11/31—11/37—11/30—11/37—(10/84)

Indian Iron & Steel (Pref.)—Rs. 87/50—87/50—87/00—87/00

Indian Steel & Wire Products—Rs. 31/50—31/75—31/50—31/75—(39/00).

Industrial Containers—Rs 25/62—25/81—25/25—25/62—(21/37).

Jessop & Co—Rs. 21/31—21/31—21/00—20/81—(25/00).

Jay Eng—Rs. 18/06—18/94—18/06—18/81—(20/87).

J. K. Steel—Rs. 17/31—17/37—17/12—17/12—(14/53).

Kumardhubi—Rs. 5/62—5/75—5/56—5/65—(8/94)

Marshalls—Rs. 3/00—3/12—2/87—2/87—(2/62).

National Iron & Steel—Rs. 6/37—6/44—6/25—6/37—(4/75).

Raymon Eng.—Rs. 5/12—5/12—4/87—4/87—(5/37).

Saran Eng.—Rs. 8/75—8/81—8/69—8/69—(8/50)

Sen-Raleigh—Rs 13/62—13/69—13/62—13/69—(14/75).

Do. (Pref.)—Rs. 106/50—107/00—103/50—103/50.

INSURANCES

New Asiatic—Rs. 7/87—7/94—7/75—7/84—(7/81)

Ruby General—Rs. 11/56—11/75—11/50—11/75—(9/25).

Triton—Rs. 127/00—127/00—127/00—127/00—(124/00).

MISCELLANEOUS

Aluminium Corpn.—Rs. 12/94—12/94—12/87—12/94—(14/62).

Do. (Renunciation)—Rs. 1/62 Pref.—1/69—1/42—1/42.

Associated Battery—Rs. 25/31—25/44—25/06—25/37—(24/37).

Airways India—Rs. 4/00—4/12—4/00—4/12 x.d.—(4/31).

Asiatic Oxygen—Rs. 9/75—9/81—9/75—9/81—(14/06).

Associated Hotels—Rs. 9/25—10/37—9/25—10/37—(10/31).

American Refrigerators—Rs. 9/94—10/00—9/75—9/75—(7/25).

Balmer Lawrie—Rs. 233/00—233/00—233/00—233/00—(246/00).

B. I. Corpn.—Rs. 10/75—10/81—10/69—10/78—(8/00).

British Paints—Rs. 22/81—23/25—22/81—23/12—(20/12).

Bararee Coke—Rs. 21/00 x.d.—21/00—21/00—21/00—(21/87).

Bhartia Commercial—Rs. 10/50—10/50—10/50—10/50.

Calcutta Gas—Rs. 2/66—2/66—2/66—2/66—(5/50).

Dr. Paul Lohmann—Rs. 8/62—8/69—8/50—8/50—(13/06).

East Anglia Plastics—Rs. 7/00—7/12—6/84—6/84

English Electric—Rs. 14/87—15/12—14/62—15/00—(13/94).

Electric Construction—Rs. 13/87—13/87—13/62—13/62—(13/44).

Do. (Pref.)—Rs. 103/00—103/00—103/00—103/00.

Fort Gloster Industries—Rs. 269/00—272/00—269/00—272/00—(372/00).

Goodyear India—Rs. 22/87—23/81—22/62—23/81—(31/31).

Hindusthan Gas—Rs. 18/37—18/62—18/37—18/62

Hindustan Aluminium—Rs. 13/87—14/00—13/44—13/69—(13/56).

Do. (Pref.)—Rs. 120/00—120/00—120/00—120/00

Hindusthan Development—Rs. 3/69—3/81—3/62—3/75—(3/56)

Hindusthan Pilkington Glass—Rs. 14/50—14/50—14/19—14/44—(14/50).

Hindusthan Twyfords—Rs. 15/56—16/59—15/56—16/59.

Hindusthan Wire Products—Rs. 20/00—20/00—20/00—20/00.

India Plastics—Rs 7/25—7/25—7/12—7/12

Imperial Tobacco—Rs. 8/75—8/87—8/75—8/75—(10/75).

Indian Oxygen—Rs. 25/75—25/75—25/75—25/75—(26/87).

Indian Rubber Mnfg.—Rs. 21/87—21/87—21/87—21/87—(19/87).

Inchek Tyres—Rs. 6/65—6/81—6/65—6/81.

Ivan Jones—Re 0/69—0/69—0/69—0/69.

Jardine Henderson—Rs. 75/00 s.t.—75/00—75/00—75/00—(87/00)

Jayshree Tea Industries—Rs. 14/56—14/69—14/56—14/69—(17/44).

J. K. Synthetics—Rs. 13/00—13/37—12/81—13/25—(10/44)

Macfarlane & Co.—Rs. 4/50—4/56—4/44—4/56—(7/00).

Martin Burn—Rs. 27/00—27/12—26/94—27/12—(27/12).

Metal Box—Rs. 31/50—32/12—31/00—31/12—(50/50).

Metal Distributors—Rs 9/12—9/31—9/12—9/31—(4/25).

National Insulated Cable—Rs 26/75—26/87—26/62—26/69—(22/75).

National Pipes & Tubes—Rs. 28/19—28/19—28/19—28/19—(24/69)

National Rolling & Steel Ropes—Rs 21/62—22/62—21/62—22/62—(21/12).

Nav Bharat Vaniiya—Rs. 1/25—1/25—1/25—1/25

National Tobacco—Rs 12/00—12/12—11/94—12/06—(11/69).

Phillips Carbon—Rs. 14/25—14/50—14/19—14/50—(16/00).

Rohtas Industries ('A' Pref)—Rs. 111/00—111/00—111/00—111/00

Rallis India—Rs 125/50—125/50—125/50—125/00—(121/00).

Shalimar Wire—Rs. 9/25—9/25—9/25—9/25.

Sirsilk—Rs 7/44—7/59—7/44—7/56—(9/15).

Shree Ganga Cold Storage—Rs. 10/19—10/25—10/19—10/25

Union Carbide—Rs 34/00—34/00—33/00—33/37—(39/25)

Universal Cables—Rs. 11/44—11/75—11/25—11/44—(10/12).

Universal Electrics—Rs. 7/81—7/87—7/81—7/81.

Walford Transport—Rs. 3/00—3/12—3/00—3/00—(3/62).

PRESSING

Hooghly Ganges Hydraulic (Pref.)—Rs 44/00—44/00—44/00—44/00.

REAL PROPERTIES

Midnapore Zemindary—Rs. 33/50—35/00—33/50—35/00—(11/00).

Sahu Properties—Rs. 2/56—2/56—2/56—2/56

OILS

Indo-Burma Petroleum—Rs. 21/12—21/50—21/12—21/50—(21/87).

Tide Water—Rs. 37/37—37/37—37/37—37/37—37/37—(27/12).

PAPERS

Bengal—Rs. 26/75—26/81—26/69—26/69—(25/87).

Ballarpur—Rs. 17/62—17/75—17/62—17/75—(17/06).

India Paper Pulp—Rs. 23/00—23/00—23/00—23/00—(18/44).

Orient (1st Pref.)—Rs. 95/00—95/00—94/00—94/75.

Sirpur—Rs. 12/37—12/37—12/12—12/25—(11/91).

Straw Products—Rs. 9/19—9/25—8/94—9/12—(9/09).

Seshasayee—Rs 7/62—7/69—7/62—7/62—(7/19)

Star—Rs. 8/62—9/25—8/62—9/00—(8/75).

Titaghur—Rs. 12/81—12/81—12/00—12/19—(16/12).

SHIPPINGS

Fraser & Co.—Rs 14/00 s.t.—14/00—14/00—14/00—(10/00).

India Steamship—Rs. 6/47—6/69—6/37—6/53—(6/69).

Port Shipping—Rs. 17/50—17/62—17/25—17/25—(14/62).

SUGARS

Balrampur—Rs. 1/66—1/81—1/62—1/81—(1/95).

Belsund—Rs 8/50—8/56—8/50—8/56—(8/00).

Champaran—Rs. 11/25—11/25—11/25—11/25—(15/87).

New Saran—Rs 2/87—3/00—2/87—2/94—(4/44).

Shree Krishna Gyanoday—Rs. 7/94—8/19—7/87—8/09—(7/69).

TEAS

Baitakhal—Rs. 6/25—6/25—6/00—6/00—(8/06).

Banarhat—Rs. 169/00—170/00—169/00—170/00—(213/00).

Brooke Bond—Rs. 10/75—10/81—10/56—10/69—(12/06).

Bor Pukhuri—Rs. 10/50—10/50—10/50—10/50—(10/50).

Hasimara—Rs. 13/75—13/75—13/44—13/62—(12/87).

Huldibari—Rs. 11/50—11/56—11/44—11/44—(13/12).

Hattikhira—Rs. 6/44—6/50—6/44—6/50—(9/94).

Joonktoolie—Rs. 17/50—17/87—17/50—17/87—(17/25).

Killcott—Rs. 14/50—14/50—14/50—14/50—(15/37).

Kotamullai—Rs. 9/75—9/75—9/75—9/75—(10/31).

Kornafuli—Rs. 11/25—11/25—11/25—11/25—(9/31).

Nagri Farm—Rs. 28/06—28/31—28/06—28/31—(27/25)

New Dooars—Rs. 166/00—166/00—166/00—166/00—(220/00).

Patrakola—Rs. 192/00—192/00—185/00—192/00—(125/50).

Seajuli—Rs 21/06—21/06—21/06—21/06—(21/12).

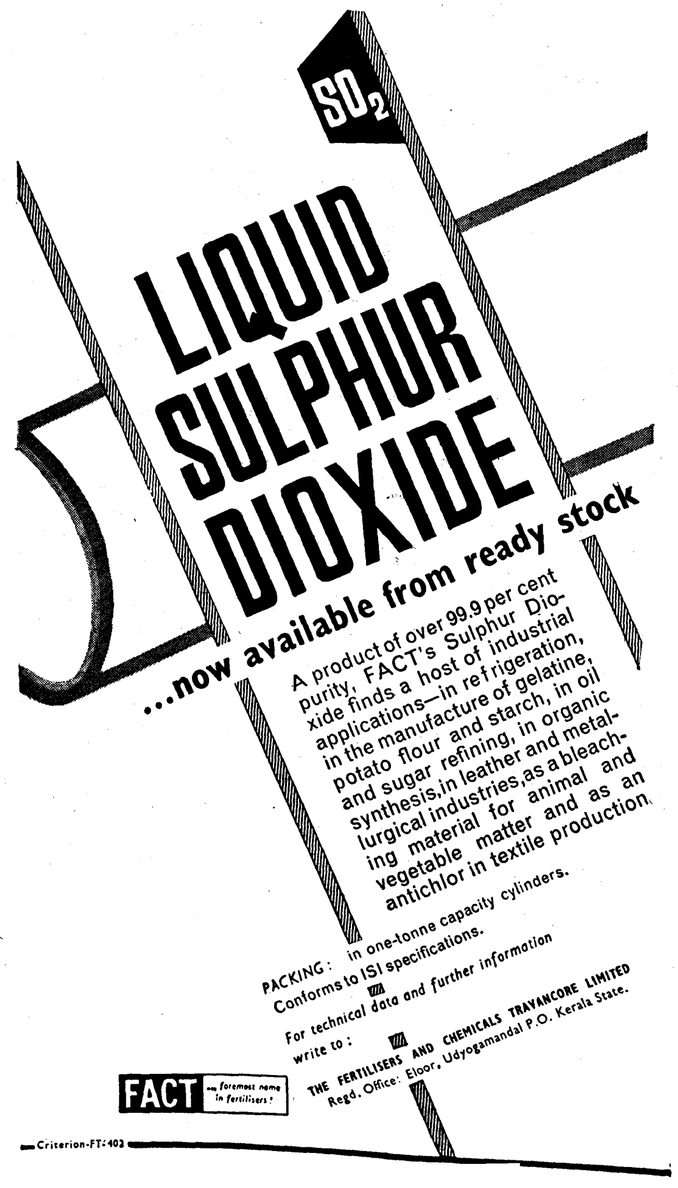
Sungma—Rs. 12/25—12/31—12/25—12/31—(14/25).

Tukvar—Rs. 3/50—3/56—3/50—3/56—(7/00)

DEBENTURES

3½% (1965)—Calcutta Port Trust—Rs. 99/50—99/50—99/50—99/50.

7 % Carew & Co.—Rs. 99/00—99/50—99/0—99/50.



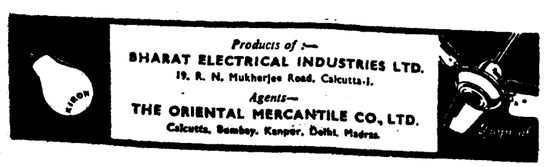
RESERVE BANK

	ISSUE DEPARTMENT (In '000's of Rupees)	Week Ended 4-9-64	28-8-64	6-9-63
Liabilities—				
	Notes in Banking Dept.	17,99.55	37,67.42	17,04.52
	Notes in Circulation	24,07,49.13	23,90,12.15	22,18,88.13
	Total Notes issued	24,25,48.68	24,27,79.57	22,35,92.65
Assets—				
A.	Gold Coin and Bullion	1,17,76.10	1,17,76.10	1,17,76.10
	Foreign Securities	85,45.69	85,45.69	89,46.14
	Total of A	2,03,21.79	2,03,21.79	2,07,22.24
B	Rupee Coin	1,06,33.66	1,08,69.55	1,21,49.81
	Rupee Securities	21,15,93.23	21,15,88.23	19,07,20.60
	Total	24,25,48.68	24,27,79.57	22,35,92.65

	BANKING DEPARTMENT			
Liabilities—				
	Capital Paid-up	5,00.00	5,00.00	5,00.00
	Reserve Fund	80,00.00	80,00.00	80,00.00
	National Agricultural Credit (Long Term Operations) Fund	86,00.00	86,00.00	73,00.00
	National Agricultural Credit (Stabilisation) Fund	9,00.00	9,00.00	8,00.00
	National Industrial Credit (Long Term Operations) Fund	10,00.00	10,00.00	...
Deposits—				
(a)	1 Central Govt.	1,34,65.03	96,21.27	94,54.29
	2. State Govts.	15,60.93	19,43.79	7,75.77
(b)	Banks :—			
	(i) Scheduled Banks	95,15.73	91,90.99	84,22.18
	(ii) State Co-operative Banks	2,90.02	2,94.95	2,00.48
	(iii) Other Banks	6.51	6.67	6.09
(c)	Others	1,43,87.24	1,60,66.25	1,59,05.18
	Bills Payable	45,97.66	46,30.43	35,24.95
	Other Liabilities	25,43.75	24,22.52	20,67.80
	Total	6,53,36.87	6,31,76.87	5,69,56.74
Assets—				
	Notes	17,99.55	37,67.42	17,04.52
	Rupee Coin	4.72	5.10	1.94
	Small Coin	6.23	5.62	2.37
	National Agricultural Credit (Long Term Operations) Fund			
(a)	Loans and Advances to :—			
	(i) State Govts.	28,29.51	28,29.50	27,16.58
	(ii) State Co-operative Banks	12,42.33	12,47.98	10,18.24
	(iii) Central Land Mortgage Banks	...	...	...
(b)	Investment in Central Land Mortgage Bank Debentures	4,39.95	4,39.95	3,55.31
	National Agricultural Credit (Stabilisation Fund) Loan and Advances to State Co-operative Banks	...	...	...
	Bills Purchased and Discounted :—			
(a)	Internal	...	...	...
(b)	External	...	...	...
(c)	Govt. Treasury Bills	...	...	...
	Balances Held abroad	1,95,01.98	1,52,84.07	1,08,71.58
	Loans and Advances to Govt.	12,34.13	10,14.71	6,66.64
	Loans and Advances to :—	18,23.07	21,93.00	26,14.84
(i)	Scheduled Banks	5,22.80	2,05.85	3,03.40
(ii)	State Co-operative Banks	1,53,46.72	1,41,91.71	1,36,10.09
(iii)	Others	2,50.78	2,33.19	1,65.39
	Investments	1,77,34.12	1,91,66.50	2,05,06.62
	Other Assets	26,00.38	25,92.17	24,19.31
	Total	6,53,36.87	6,31,76.87	5,59,56,74

SCHEDULED BANKS

	(In '000's of Rupees)	Week Ended 28-8-64	21-8-64	30-8-63
(i)	Demand Liabilities—			
(a)	Demand Deposits :			
	(1) From Banks	63,88,21	66,11.89	48,17.95
	(2) From others	11,30,59.86	11,25,34.15	9,56,94.45
(b)	Borrowing from Banks	32,35.13	35,16.55	21,14.69
(c)	Others	76,96.23	73,12.14	67,49.82
(ii)	Time Liabilities—			
(a)	Time Deposits :			
	(1) From Banks	36,71.52	40,25.35	34,77.79
	(2) From others	13,57,16.68	13,46,96.03	12,40,83.81
(b)	Borrowing from Banks	17,05.56	15,73.20	21,91.63
(c)	Others	12,42.96	15,32.61	9,46.67
(iii)	Borrowing from State Bank—			
(a)	Demand Liabilities	8,67.21	8,68.16	7,11.33
(b)	Time Liabilities	23,35.00	20,20.00	14,70.50
(iv)	Borrowing from Reserve Bank	1,91.35	1,77.87	83.70
(v)	Cash	64,24.93	63,60.79	50,80.25
(vi)	Balances with the Reserve Bank	93,78.67	1,11,76.75	88,.00.85
(vii)	Balances with other Banks in current account	22,72.22	23,00.55	20,23.42
(viii)	Money at call and short notice	66,27.75	69,79.95	53,55.61
(ix)	Investments in Central and State Govt. Securities	8,03,67.82	7,75,11.29	7,61,04.28
(x)	Loans, Cash Credits and Overdrafts	14,90,16.56	14,86,54.22	12,49,21.83
(a)	Loans, Cash Credits and Overdrafts	12,15.67	9,69.31	13,07.23
(b)	Due from Banks	1,62,34.93	1,65,98.57	1,59,94.59
(xi)	Inland Bills purchased and discounted	69,78.20	67,35.16	51,79.67
(xii)	Foreign Bills purchased and discounted	17,34,45.30	17,29,57.28	14,74,03.32
(xiii)	Total of X, XI and XII			



THE CALCUTTA MONEY MARKET

CALL RATE REMAINS FIRM

Wednesday, 9th September.

THERE has been a slight increase in the general level of advances in the Calcutta money market during the past week. Advances to jute and sugar mills have declined slightly, but credit for the iron, steel and engineering industries and for miscellaneous purposes has gone up. There is no change in the advances given to cotton mills and to the foodgrains trade. In the interbank market, conditions have been steady and the call rate quotes around 4½ percent.

The exchange market has been moderately active, with a fair supply of tea bills and moderate supply of gunny bills. The demand for remittances is fair. In London, sterling continued weak but for minor gains against the currencies of Belgium, Switzerland and West Germany.

SILVER WAS QUIET IN CALCUTTA during the past week. The price closed at Rs. 253.25. It was quoted at 112½d in London and at 129.3 cents in New York.

Gold was steady due to good local offtake, while 14-carat fetched Rs. 72.50.

DURING THE WEEK ENDED 4TH SEPTEMBER, Government of India Treasury bills for Rs. 18,41,00,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 8th September. The total amount offered was Rs. 4 crores. Tenders at Rs. 99.400 percent were allotted 50 percent. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.400 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 14th September.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 9th September to 12th September at Rs. 99.416 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from the 2nd September to 5th September amounted to Rs. 1.29 crores only.

ACTIVE NOTES ROSE BY Rs. 17.37 crores to Rs. 2,407.49 crores, according to the return of the Reserve Bank of India during the week ended 4th September, 1964, while the total note issue dropped by Rs. 2.31 crores to Rs. 2,425.49 crores. Notes held in the Banking Department consequently declined by Rs. 19.67 crores to Rs. 18 crores. Deposits of the Government of India were Rs. 38.44 crores larger at Rs. 134.65 crores mainly due to good tax collection but those of State Governments decreased by Rs. 3.83 crores to Rs. 15.11 crores. Balances of scheduled banks at Rs. 95.16 crores showed a rise of Rs. 3.25 crores. Balances held abroad improved by Rs. 2.19 crores to Rs. 12.34 crores. Investments at Rs. 177.34 crores showed a drop of Rs. 14.33 crores. Loans to scheduled banks rose from Rs. 2.06 crores to Rs. 5.23 crores of which advances against usance bills amounted to Rs. 2.09 crores (Rs. 20 lakhs). Ways and means advances stood at Rs. 18.24 crores, against Rs. 21.93 crores.

THE RETURN OF THE STATE BANK of India for the week ended 28th August, 1964, shows a rise of Rs. 95 lakhs to Rs. 671.97 crores in total deposits. Investments in Government securities are up by Rs. 15.01 crores to Rs. 305.14 crores, while other authorised investments remain unchanged at Rs. 9.44 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have risen by Rs. 1.02 crores to Rs. 340.47 crores. Cash and balances are, in consequence, shown at Rs. 29.21 crores or Rs. 6.17 crores less.

THE STATEMENT OF THE POSITION of the scheduled banks for the week ended 28th August, 1964, shows Demand and Time liabilities at Rs. 1,303.78 crores (Rs. 32.35 crores on account of borrowings from banks) and Rs. 1,423.37 crores (Rs. 17.06 crores), compared with Rs. 1,301.75 crores (Rs. 35.17 crores) and Rs. 1,418.27 crores (Rs. 15.73 crores), respectively, in the previous week. Cash has increased by Rs. 64 lakhs to Rs. 64.25 crores, while balances with the Reserve Bank have declined by Rs. 17.98 crores to Rs. 93.79 crores. There is a rise of Rs. 28.57 crores to Rs. 803.68 crores in investments. Advances and bills discounted at Rs. 1,734.45 crores show a rise of Rs. 4.88 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.8 percent and 63.6 percent, against 6.4 percent and 63.6 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 11-9-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
11-9-64	14-12-64	2,00.00	Rs. 2.400%
4-9-64	7-12-64	2,00.00	Rs. 2.400%
21-8-64	24-11-64	2,00.00	Rs. 2.400%
14-8-64	17-11-64	2,00.00	Rs. 2.400%
7-8-64	10-11-64	2,00.00	Rs. 2.393%
31-7-64	3-11-64	2,00.00	Rs. 2.399%
24-7-64	27-10-64	2,00.00	Rs. 2.400%
10-7-64	13-10-64	2,00.00	Rs. 2.500%
3-7-64	6-10-64	2,00.00	Rs. 2.994%
26-6-64	29-9-64	2,00.00	Rs. 2.995%
19-6-64	22-9-64	2,00.00	Rs. 3.000%
12-6-64	15-9-64	2,00.00	Rs. 3.000%

(Monthly Muturities 000's omitted)

September, 1e964	6,00.00
October, 1964	6,00.00
November, 1964	8,00.00
December, 1964	4,00.00
Total	24,00.00

CLEARING HOUSE RETURNS

Rs (thousand)

Week	Calcutta	Bombay
4-9-64	1,24,63.56	1,41,10.66
28-8-64		1,13,53.66
21-8-64	91,60.68	1,02,58.66
14-8-64	98,36,60	93,15,99

New Delhi

GOVERNMENT EXAMINING SITE FOR FIFTH STATE STEEL PLANT

(FROM OUR NEW DELHI CORRESPONDENT)

THE Central Minister of Steel and Mines, Mr. Sanjiva Reddy, said at a Press conference on Sunday that the final location of the fifth State steel plant would be determined in consultation with the Anglo-American consortium, the members of which were expected here by the middle of October. Mr. Vance Brandt of Koppes, a member of the consortium, was here last month. His talks with the Government has encouraged him to bring out his full team in October. Reports of the three feasibility studies of the Goa-Belary-Hospet area, the Bailadilla-Visakhapatnam area, and the Salem area based on Neyveli lignite, now available, are being examined by the Government, Mr. Reddy said that the detailed report on the finally selected project would be made by the consortium.

In this connection, Mr. Reddy referred to the Bokaro project prepared by Messrs Dastur and Company. The report is being altered or modified to suit Russian specifications. Referring to the controversy on consultancy for Bokaro, the Minister said that it was true that his predecessor had announced the appointment of Messrs Dastur and Company in Parliament, but no agreement had yet been signed and, therefore, legally Messrs Dastur and Company were not yet consultants.

Mr. Reddy, however, had talks with the Russian Ambassador earlier last week to ascertain whether and how Dastur and Company could be fitted into the Soviet set-up and if so, in what form and to what extent. The Minister did not expect that this matter would become a hurdle in implementing the project. He added that certain modifications in the Bokaro project report, prepared by Dastur and Company, were being made by the Russians, who were suppliers of equipment and whose technological superiority was conceded by both the Government of India and Dastur and Company. It may be explained that unlike the steel mills built with western assistance, the Russian Government was both the financier and supplier of equipment for the Bokaro project. In fact, the Russians were trying to save the Indian taxpayer's money by undertaking the consultancy themselves. Meanwhile, the leader of the British consortium, Mr. Hindson, is arriving here this week in connection with the second expansion programme of the Durgapur steel plant for which British credit has already been offered.

ALUMINIUM

Creating New Capacity

Some progress is now reported in establishing additional aluminium capacity in India. For reasons now well known, the third plan target for aluminium ingots will not be reached. The estimated demand, production and the resultant gap should be evident from the following figures (in tonnes) :

Year	Estimated demand	Estimated production	Gap
1965-66	110,000	68,000	42,000
1966-67	125,000	90,000	35,000
1967-68	145,000	114,000	31,000
1968-69	170,000	114,000	56.000

These estimates are based on the assumption that the proposals for the creation of additional capacity, approved or under consideration, were fully implemented. The third plan target, for example, could not be reached because, among other things, a licence granted to Mr. Murarji Vaidya for setting up a 30,000-tonne smelter in Mysore State, based on Sharavathy power, had to be revoked.

The 25,000-tonne Koyna project also met with difficulties, but proposal for its implementation has now been finalised. As for the 30,000-tonne Korba project in Madhya Pradesh, the draft of agreement for the preparation of the project report has been received from the Hungarians who have offered to send out a team for discussion, if necessary. The Hungarians have offered to set up an alumina plant with a capacity of 240,000 tonnes; aluminium is to be processed by some other collaborator for whom the Government is on the look-out. As for expansion schemes, the Government has approved the propsal of Birlas further to expand the capacity of the Rihand smelter to 40,000 tonnes, instead of 60,000 tonnes as applied for. It has also approved Indian Aluminium's expansion scheme in Alwaye (in Kerala) to 10.000 tonnes.

The Government is examining the following additional schemes: The Mettur project (expansion), the letter of intent for which has been issued, 10,000 tonnes; the expansion of the Asansol smelter of Aluminium Corporation, the application for which is being considered, 5,600 tonnes, and J. K. Industries' proposals for a new smelter in Kerala, based on Saurashtra, Kolaba and Thana bauxite deposits, 30,000 tonnes.

As far as the Sharavathy project is concerned, it is now being implemented by the Indian Aluminium Company. The firm proposes to draw its bauxite requirements from the south Kolhapur area in Maharashtra and the Belgaum and Bhatkal areas in Mysore. The cost of the scheme is placed at Rs. 15.8 crores, including Rs. 6 crores in foreign exchange. The smelter, it is expected, will be commissioned by 1967.

NEW BILLS

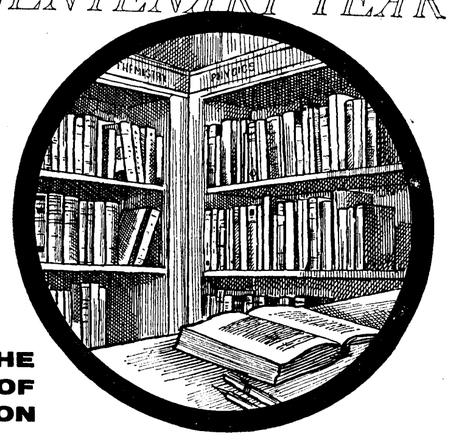
Discussion in Lok Sabha

A three-week session is planned for the Lok Sabha, which reassembled here on Monday. Food and the rise in prices have dominated the discussions. The Opposition groups tabled a censure motion against the Government.

Seventeen new Bills have been planned for the session. They include the Patents Bill, which is to be referred to a Select Committee, two Bills to amend the Companies Act, the Foreign Exchange Regulation Act Amendment Bill, the Indian Railways Act Amendment Bill, the Direct Taxes Act Amendment Bill, the Wealth Tax Act Amendment Bill and Anti-Corruption Laws Amendment Bill.

The Bill to amend the Companies Act seeks to replace the Ordinance promulgated on 5th July, giving protection to employees of companies. The other Bill, among other things, proposes to make it clear that "books and papers" would include vouchers,

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so that vouchers are also mentioned along with books and papers, as required by law.

The definition of "officer" is proposed to be widened to include any person in accordance with whose instructions the board of directors or any directors is accustomed to act. This provision, it is stated, is designed to counter the tendency of appointing dummy directors.

It is also proposed to do away with the necessity of obtaining Government's approval for the mere addition or deletion of the word "private" in relation to companies.

Another amendment proposes to make it an offence to make applications for shares in the name of, or allot shares to, fictitious persons.

Provision is also being made to safeguard the money paid by applicants for shares until such time as the minimum subscription is collected by the company.

It is proposed to impose a duty on company promoters and directors to ensure that the share capital reflects cash or other valuable assets and is not supported merely by book adjustments. It is proposed to make it clear that an underwriting commission should not be paid except for debenture shares offered to the public.

Certain restrictions are contemplated against blank transfers. Furthermore, companies will be prohibited from commencing any business in relation to their objects without obtaining prior approval of the shareholders.

Beneficial holdings above the 5 percent limit are to be disclosed so that the name of the real holders of such shares, as distinct from nominees, is made clear.

The Foreign Exchange Regulation Amendment Bill gives additional powers to the Enforcement Directorate in relation to the establishments of foreign companies and collaboration with foreign firms.

The Indian Railways Amendment Bill seeks to exclude casual labour governed by the Minium Wages Act from the purview of the parent Act.

The Direct Taxes Amendment Bill gives effect to the assurances given by the Central Finance Minister in Parliament for removing hardship or for providing relief to assessees in certain cases.

The Wealth Tax Amendment Bill gives effect to certain recommendations of the Direct Tax Committee as also to incorporate the changes made in the income tax law by the Income Tax Act, 1961.

I.A.C.

Dispute Referred to Tribunal

The Government of India has referred to the National Industrial Tribunal the despute between the Indian Airlines Corporation and the Indian Commercial Pilots Association for adjudication, it was officially announced here.

COAL MINING

Jarangdih Scheme

The project report on the Jarangdih coal mining scheme, prepared by the U.K. Coal Board, has been received and is being considered by the Government of India. Jarangdih is an old and abandoned coal mine, which the Government now proposes to develop.

The fourth plan coal production target is tentatively fixed at 136 million tons, including a target of 76 million tons for the private sector. The third plan coal target was fixed at 90 million tons. But production by 1966 is likely to be 76 million tons. The fourth plan target, it will thus be seen, will seek to raise coal production by 60 million tons.

DEARNESS ALLOWANCE

Probe by Independent Body

The Government of India has appointed Mr. S. K. Das, retired judge of the Supreme Court to constitute an independent body which will examine the amount of dearness allowance that should be paid to Central Government employees as compensation for the rise in prices.

This independent body has been set up on representations from certain associations of employees that the increases in dearness allowance sanctioned by the Government from time to time are not adequate. According to the terms of reference, the body will examine the question of dearness allowance, subject to the recommendations and general observations made by the Pay Commission's report and in the eight of the various causes of the rise in prices, the state of the economy, the impact of the increased pays on prices and other relevant circumstances. It will report to the Government whether the compensation already granted in the various pay ranges is adequate and recommend what changes, if any, are necessary.

The body will devise its own procedure. It may call for such information and take such evidence as it may consider necessary. The Ministries and the departments of the Government of India will furnish such information and documents as may be required by the body. The latter will submit its report to the Government as soon as practicable.

COPPER

Production under Fourth Plan

Four projects to produce about 58,000 tonnes of copper in the fourth plan period have been taken up for detailed investigations by the Geological Survey of India and the Indian Bureau of Mines. These are likely to cost about Rs. 39 crores. The step has been taken by the Central Ministry of Steel and Mines in order to meet the demand in the next plan.

According to present estimates, the requirements of copper are expected to rise to 250,000 tonnes by the end of the fourth plan, compared with 138,000 tonnes by the end of the current plan.

The schemes which include an integrated copper project to produce 15,000 tonnes of metal in the Rakha-Roam-Siddeshwar blocks in the Singhbhum district of Bihar, where copper mineralisation is promising, is at present being investigated by the Geological Survey of India and the Indian Bureau of Mines. These investigations are likely to be completed by the end of the current plan.

According to present indications, the deposits in this area will sustain a metal production of the order of 15,000 tonnes, and it is hoped that a project to produce this quantity of copper metal can be commissioned before the end of the next plan. The project is estimated to cost about Rs. 20 crores.

The Ministry has already asked the National Mineral Development Corporation to study the position and assess what action can be taken during the current plan itself for the implementation of the project.

Another project to produce 10,000 tonnes of copper from Kolihan, where deposits of copper are also promising, is presently being investigated by the Indian Bureau of Mines. The project is close to the Khetri deposits in Rajasthan. By June next year, the Indian Bureau of Mines is expected to complete investigations and submit a report.

According to present indications, the deposits will be able to sustain metal production of the order of 10,000 tonnes a year. The scheme is expected to materialise by about the middle of the fourth plan. It has been estimated that the Kolihan project, up to the stage of producing concentrates, will involve a capital expenditure of Rs. 10 crores.

A project to produce 2,000 tonnes to 3,000 tonnes of copper from the Guntur district of Andhra Pradesh is also being investigated by the Geological Survey of India and the Indian Bureau of Mines. The present indications are that two or three of these deposits can be proved by about the middle of the next plan and each may sustain metal production of the order of about 2,000 tonnes to 3,000 tonnes. Each of the deposits is likely to be small in size but of a relatively high grade. For the exploration of these projects, a tentative provision of Rs. 1 crore is being made in the next plan.

A project to set up a smelter of 30,000 tonnes' capacity, based on imported concentrates, is to be exploited with technical as well as financial collaboration with foreign parties owning or controlling overseas mineral deposits. The project is estimated to cost about Rs. 8 crores. Such a smelter can be used wherever concentrates can be produced indigenously. A feasibility report on this is being prepared.

At present, the Indian Bureau of Mines is carrying out eight investigations for the metal. It has been proposed to increase the number to 20 investigations by 1967-68 and 30 by 1969-70.

For providing a necessary number of prospectus for the Indian Bureau of Mines, the Geological Survey of India is correspondingly intensifying its copper investigation work.

Copper is known to occur in various parts of the country, and the total number of occurrences is about 300. These occurrences are in well-defined belts, the most important being in Rajasthan, Bihar and Andhra Pradesh. In view of this, it may be possible to exploit even small deposits by establishing regional smelters.

ZINC

Fourth Plan Projects

The demand for zinc at the end of the fourth plan is expected to be 225,000 tonnes, compared with 136,000 tonnes at the end of the third plan, according to the latest estimates prepared by the Central Ministry of Steel and Mines.

To meet the enhanced estimated requirements, the Ministry of Mines has drawn up various projects where investigation, research and pilot-plant tests are necessary to prove reserves. These projects, when fully implemented, will go a long way in meeting additional requirements. These are estimated to cost about Rs. 72 crores.

A project to set up a zinc smelter with a capacity of 30,000 tonnes, based on imported concentrates, and with Polish collaboration, has been finalised. The project is expected to cost about Rs. 12 crores, which will mostly be incurred during the fourth plan period.

Another project is for the development of the Zawar zinc deposits in Rajasthan to yield about 50,000 tonnes of metal a year. At present, the Zawar zinc deposits are being developed to yield about 18,000 tonnes of metal a year.

Since it has been established that the deposits in Zawar are capable of sustaining metal production of the order of 50,000 tonnes a year, the Ministry has appointed a committee to study the matter and report on the investment required for the exploration of the area and the establishment of additional concentrating and smelting capacity.

It is estimated that the project may involve additional capital expenditure of Rs 25 crores which is to be included in the fourth plan.

It has been found that the establishment of two more zinc smelters of 50,000 tonnes' capacity each, based on imported concentrates, is feasible. A provision of about Rs. 35 crores is to be made for the purpose in the fourth plan. It has been pointed out that it will be advantageous to secure technical and financial collaboration of foreign parties who have the command of necessary mining and concentrating resources.

U.S.A.

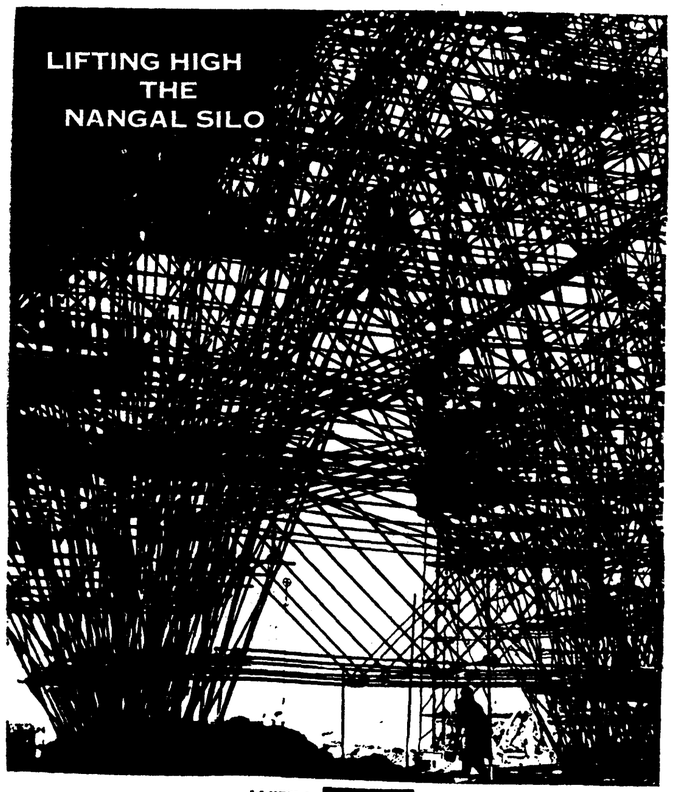
New Credit Offered

The U.S. Government has recently announced the signing of a Rs. 11.9-crore line of credit in favour of the Government of India. The credit is being extended by the U.S. Export-Import Bank. The proceeds of the credit will be used to finance the purchase of U.S. capital equipment and services required by the public or private sectors engaged in development programmes and projects within India.

Three earlier credits for similar purposes had been authorised by the Bank in favour of the Government of India for a total of Rs. 107 crores. These credits also financed capital goods such as mining and construction equipment, transport and earth-moving equipment, communications equipment and machinery for the textile, aluminium, chemical and motor-car industries.

The first line of credit for $150 million was extended on 27th February, 1958; the second for $50 million on 23rd December, 1960; and the third for $25 million on 3rd August, 1962.

In addition to these non-project loans, the bank has extended credits to a number of Indian enterprises engaged in the manufacture of diesel locomotives, fertilisers, aluminium, rayon, chemicals, plastics and forgings. The U.S. Export-Import Bank credits have been used by Air-India to purchase its all-jet fleet. The total amount of assistance extended by the Bank to India now exceeds $379.3 million (Rs. 180.6 crores). The Bank's assistance is part of the U.S. Government aid programme to India, which

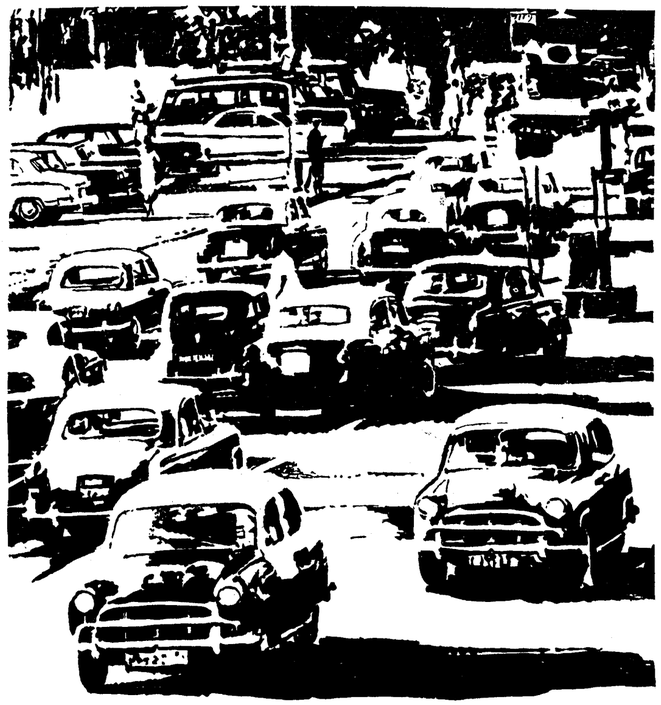


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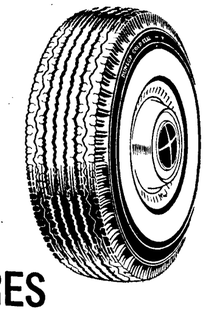
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now totals $5,348 million (Rs. 2,547 crores).

The loan agreement signed recently is repayable over a period of 12 years commencing in 1967, and bears an interest charge of 5½ percent.

WEST GERMANY

Credit Pact Likely

Since the preliminaries have been finalised, a credit agreement between the Governments of West Germany and India is expected to be signed shortly for the conversion of the Mysore Iron and Steel Ltd into a special steel and alloys producing unit. The agreement is expected to cover 60 million deutschemarks. Immediately after, orders for the import of equipment will be finalised.

After the conversion, the annual capacity of the plant will be 77,000 tonnes of high speed steel, high alloy steel, free cutting and spring steels and constructional steels. The project is estimated to cost Rs. 10.75 crores with a foreign exchange component of about Rs. 7 crores.

The technical know-how required for the production of alloy and special steels is being obtained from Messrs Bohler and Company of Austria, one of the most reputed producers of special steels in Europe.

A West German technical team visited the Mysore works towards the end of last year and approved the scheme. Subsequently, a technical collaboration agreement, which is for a period of ten years, was signed in November 1963.

RAILWAYS

New Train Services

In order to provide improved passenger service, the railways will be introducing 62 new trains from 1st October this year. This will bring the total number of new trains introduced since April 1964. to 163. The fast running "Taj Express" between New Delhi and Agra from 1st October, will be a fully-vestibuled train which will enable tourists to leave Delhi in the morning, visit the Taj and other objects of tourist interest in Agra and return the same evening.

Other important new trains would be the Assam Mail between Delhi and Barauni; the Cochin-Bangalore Express; the Brindaban Express between Bangalore and Madras; and Chandigarh Express between Ferozepur and Kalka.

The frequency of the present Southern Express between New Delhi and Madras will be increased to five days in the week. New trains will be introduced also on Saharanpur-Moradabad and Asansol-Dhanbad sections.

The freight traffic has not, however, come up to the expectation. During the first four months of the current year, both in relation to coal and steel plant traffic, there has actually been less movement of about 3.24 million tonnes, compared with that of the corresponding period of last year.

AGRICULTURE

Corporations Planned

The Government of India is of the view that the pace of agricultural production would be considerably accelerated if some organisations were set up in the public sector to manufacture and supply the needs of the agriculturists by way of tools, implements and equipment. At present, there is no organisation in the public sector which directly helps the agriculturists in this direction. Some of the small-scale industrial units have been producing agricultural implements, but it is felt that there is considerable scope for the improvement of product design and the production of aids suited to the needs of the agriculturists. In view of this, the Government proposes to encourage the setting up of agro-industrial corporations by the State Governments in the public sector.

These corporations, it is proposed, should be autonomous bodies registered under the Companies Act. Each of them will have a board of directors, including a managing director, who will be a full-time officer.

The agro-industrial corporations, it is proposed, will consist of three divisions; (a) a loans division, (b) a manufacturing division; and (c) a demonstration and field work division.

The loans division, it is proposed, will give loans up to a certain limit to any individual firm or company engaged in any industry or occupation which contributes to the production or preservation of subsidiary foods or any other process which increases the availability of food supplies.

The loans may be given for the manufacture of tractor implements, setting up of storage warehouses, building of refrigerated vans for the movement of poultry, fish, vegetables, etcetera, building of fishing boats and the manufacture of poultry equipment like incubators, etcetera.

The manufacturing division, it is proposed, will design and develop new items, particularly agricultural implements and machines, which are power-operated or which can be operated with ease. It will also produce standard items like the following: inexpensive motorised power tillers; poultry and dairy equipment; cold storage plants with capacities of up to 50 tons; and equipment for fruit canning, fish curing and food preservation.

The demonstration and field works division, it is proposed, will organise extensive demonstrations in the use of modern agricultural implements, particularly the power-operated ones.

Initially, the corporations cannot be profit-earning ventures. But ultimately after items of production are standardised and mass production is undertaken, they are expected to become self-supporting.

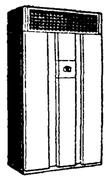
U.S. Mission Arrives

The U.S. authority on agricultural price supports, Dr. Willard W. Cochrane, has arrived in India. He heads a three-man production incentives mission which has come to India at the invitation of the Government. In an interview, Dr. Cochrane said that although India's food production had been increasing in recent years, it had not been growing as much as the population. "The per capita food production has actually been declining in the last three years," he said. "There are a number of things that can be done to improve the situation, and all of them involve investing more resources in agriculture."

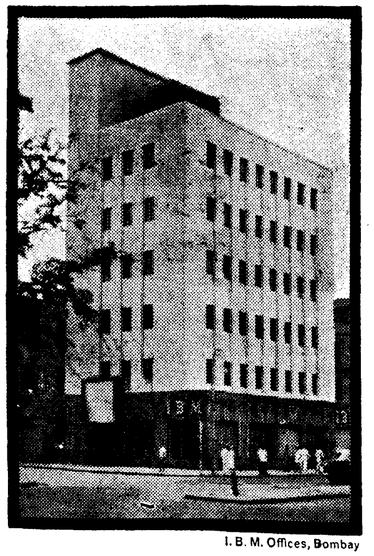
Dr. Cochrane believes that the mission's initial activity should be to help India develop a price-support programme to provide greater production incentives for the individual farmer. "The idea is not just to raise the price level of commodities for the cultivator, but also to stabilise prices and to prevent the drastic price drops at the harvest time."

Dr. Cochrane said that at the harvest time, when commodities are readily available, prices slump on the local market. Later, when food becomes scarce, particularly in the larger cities, prices climb substantially. "The producer does not benefit from these increases," he pointed out. The U.S. expert believes that a price-support programme involving Government storage and distribution programmes will prove to be a great incentive to the local cultivator and stimulate production. After outlining the basic plan—"and if there is agreement among the mission, the Agency for International Development (A.I.D.) in India and Indian officials—he expects to draw up a schedule for American technicians to come to India to help work out operational details of the programme. These technicians would include experts in

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organisation, storage and grain handling, legal factors and merchandising.

Dr. Cochrane, who believes that the rôle of agriculture in economic development has been under-emphasised in most developing nations, is of the opinion that the following measures should be taken in India to stimulate food production:

Firstly, the country should invest a great deal more money in fertiliser production. Fertiliser costs are now high and the incentive for producers to use it is low. The Government must be prepared to allocate a larger portion of its Budget for fertiliser production and get it to the cultivator at considerably less than current prices.

Secondly, the country should invest more money in fertiliser distribution.

Thirdly, the country should invest more in irrigation projects. "Present projects are not working as well as they should. Some works are silting badly; drainage is poor, and there is the problem of soil salinity in Punjab. A great deal of skill and money must be put into irrigation."

So far so good, but two important questions require Professor Cochrane's attention. One is multiciplicity of agencies dealing with agriculture and the other is the rôle played by the community development projects in stepping up production.

COKING COAL

Fourth Plan Requirements

The demand for coking coal in the fourth plan is expected to increase by more than 100 percent according to the latest estimates of the Central Ministry of Steel and Mines.

The total production of coking coal in 1963-64 was 17.50 million tonnes. By 1965-66, this figure is expected to go up to 19.14 million tonnes. Against this, the total requirements of coking coal during the fourth plan have been estimated at 46.04 million tonnes. Additional requirements during the next plan, therefore, would amount to 26.90 million tonnes.

To meet the overall requirements of coking coal in the fourth plan, the Ministry has estimated that it would be possible to produce 26.54 million tonnes under the third plan projects and schemes. This includes 10.37 million tonnes in the public sector and 16.17 million tonnes in the private.

Under the fourth plan projects, an additional production of 20.07 million tonnes has been envisaged. This would include 10.26 million tonnes in the public sector and 9.81 million tonnes in the private. These estimates —both in the private and public sectors—have been examined by a technical screening committee and found to be feasible.

Out of the total requirements of coking coal, steel plants would require 38.36 million tonnes, merchant cokeries 7.23 million tonnes and Sindri Fertiliser 450,000 tonnes.

HOUSING

Obligation of Employers

It is proposed that all industrial establishments with a paid-up capital of Rs. 20 lakhs or more should be placed under a legal obligation to construct houses for at least 50 percent of their labour over a specific period of years. This is considered necessary because the subsidised industrial housing scheme has not made much headway.

It has been estimated that the shortage of houses in urban areas has gone up from 2.5 million houses in 1951 to 5 million houses in 1961. Against this, only 1.5 million houses are expected to be added during the third plan period.

Even the modest target of 200,000 houses for industrial workers, it is believed, can be achieved in the next plan only if employers generally accept the housing of a substantial portion of their workers as an essential obligation.

While proposing that construction of houses for their workers should be obligatory for employers, the Government is prepared to ensure protection against the abuse or misuse of houses through sub-letting, unauthorised occupation, etcetera.

The Government would also consider making land available to industries for workers' housing at a reasonable price. It is proposed that in the case of new industries, employers should earmark in their projects sufficient land for workers' housing. It is not explained what positive step the Central Ministry of Works and Housing has taken against the evil of sub-letting by its own employees in Delhi.

TRACTORS

Public-sector Project

The Government is examining the possibility of a public-sector project to manufacture tractors and power-tillers for agriculture. Collaboration with Czechoslovkia is envisaged.

FERTILISER

Setting up New Plants

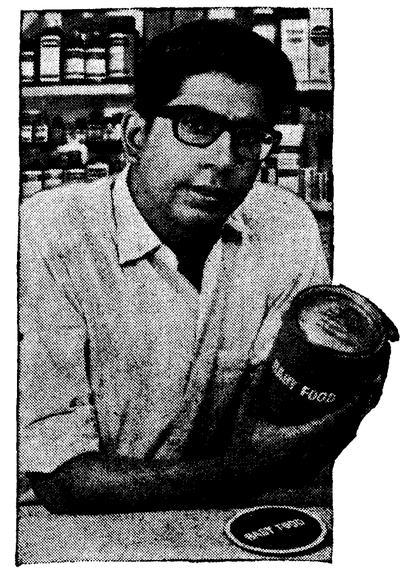
A West German delegation of industrialists and bankers is due here in November to explore the investment possibilities in India. A Japanese team is also arriving here shortly to investigate the investment possibilities in the petro-chemical industry.

The Central Food Minister, Mr. C. Subramaniam, stated recently that the Government had authorised a joint Indo-American team to investigate the possibility of setting new fertiliser plants in India. An American consortium headed by the Bechtel International Corporation will spend $1,250,000 on the study, India contributing an equal amount in rupees. The Government has committed itself that in case the study proves favourable, the consortium, in collaboration with the public sector, will set up five new fertiliser plants with a total capacity of 1 million tonnes of nitrogen.

SHIPPING

Fixing Fourth Plan Target

Inaugurating a meeting of the National Shipping Board last week, the Prime Minister, Mr. Lal Bahadur Shastri, said that it would be worth while to aim at carrying at least 50 percent of India's imported cargo in indigenous vessels. It might be a big target to begin with, but it is neces-



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sary to keep this objective in view. Overseas shipping can earn a good deal of foreign exchange for the country. He, therefore, suggested that while the expansion of overseas trade was going on, the country should try to increase the present tonnage in a big way. He was not quite sure what the fourth plan target would be, but he felt that it should not be less than 3 million to 3.5 million tonnes. Perhaps a tonnage of 4.5 million would be needed if Indian ships were to carry 50 percent of the cargo.

The Prime Minister said: "Two other questions which are connected with shipping are ports and the building of ships in the country. In so far as ports are concerned, there has been considerable expansion during the last few years, and we are going ahead with the development of new majort ports. There are Mangalore, Tuticorin, Marmugao, Paradeep and Haldia. I think, when we get all these ports ready, it will be a remarkable achievement. There are, of course, difficulties in the way. In spite of these difficulties, we have to go ahead with these projects. I am sure that in the next four or five years, it should be possible to complete most of the major ports."

The Prime Minister described the handling of cargo at ports as far from satisfactory. He said that the Government had recently to face serious difficulties in connection with foodgrains imports. When the country is faced with the shortage of foodgrains, it is regrettable that the ships had to wait in the sea for a number of days in different ports. Labour would also have to play its part, although it may be experiencing some difficulty and may be afraid of retrenchment following the introduction of mechanical devices. Mr. Shastri said that even if mechanical handling was introduced for unloading, the present staff would not be affected. Gradually, however, the staff might be reduced.

The Prime Minister advised the port authorities to strike a balance between automatic loading and manual loading and unloading. This middle course was the only right course for the country. "I am supporting the middle course because I feel that it is in the best interests of the country. I would, therefore, suggest that this difficulty in the ports should be tackled with great efficiency and I have no doubt that labour will co-operate."

Harbour Board Reconstituted

The Government of India has reconstituted the National Harbour Board. The non-official members representing the shipping trade and the sailing vessels industry are Messrs Vallabhdas V. Mariwala, H. M. Desai, D. M. Parekh, C. R. Corera and G. S. Darasingh (labour).

TARIFFS

Importance of Rationalisation

Inaugurating the first meeting of the Tariff Revision Committee, set up recently by the Government of India, the Central Minister of Commerce, Mr. Manubhai Shah, said last week that the rationalisation of tariff was a matter of considerable importance at a time when India was trying to achieve an expansion of international trade and the elimination of trade barriers.

The basic tariff structure was adopted in 1934. But during the past 30 years the Minister said, there had been a number of important developments which in one way or another affected or should affect the tariff. India's accession to the G.A.T.T. resulted in a number of commitments, and the creation of new tariff items to provide for them. The balance of payments difficulties, and the introduction of import trade control, changed the pattern of India's imports, and greatly reduced the importance of many tariffs. The industrial progress since independence had led to a change in the pattern of imports of machinery, component parts and raw materials, and finished articles. More and more goods had become liable to the Central excise duty, and consequently to the countervailing duty.

New international nomenclatures and classifications, such as the Brussels Tariff Nomenclature and the Standard International Trade Classification had appeared on the scene. For many reasons, therefore, the tariff which was modern in 1934 had become inadequate and out of date. Citing an instance, Mr. Shah said that Rs. 38 crores, or about 12 percent of the total import revenue, came from a single miscellaneous item out of the 563 items in the tariff, namely, "all other articles not otherwise specified, which covered a mass of miscellaneous articles; whereas there were other sections of the tariff, such as those relating to iron and steel and textiles which abounded in sub-divisions which had now ceased to have significance", the Minister said.

BALANCE OF TRADE

Improvement in April-June

During the quarter April-June 1964, there was a sizable reduction in India's trade deficit amounting to Rs. 68 crores, compared with Rs. 130 crores in April-June 1963 as the following table will show:

(Value in Rs. crores)

	April-June 1964	April-June 1963	Net increase or decrease
Import	272	310	—38
Total exports	204	180	+24
Balance of trade	—68	—130	+62

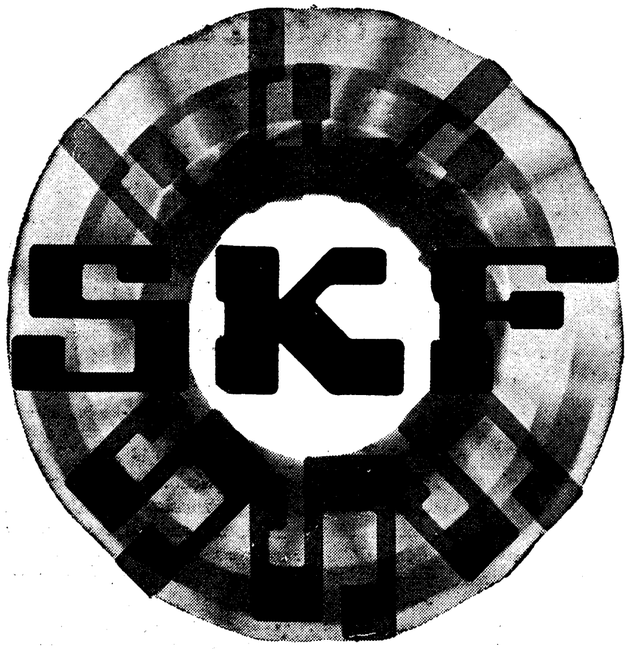
Exports during April-June 196 (destinationwise) were as follows:

(Value in Rs. crores)

Regions	April-June 1964	April-June 1963	Net in-
E.E.C.	16	14	+2
U.K.	35	30	+5
Other west European countries	4	8	—4
Asia, including the E.C.A.F.E. region	56	50	+6
Africa	10	9	+1
America	47	43	+4
East European countries	36	26	+10
Total exports	204	180	24

The principal reason for the some what higher rise in this quarter wa heavy buying by the east Europea countries, especially Russia, whic contributed to an increase of Rs. crores; the rise in exports to the U.K was Rs. 5 crores, the balance of th Rs. 9-crore increase being accounte for by other countries.

The east European countries bough more of coffee due to recent shortag of the commodity experienced i world markets. At India's suggestio Russia and other east European cou tries bought more of tobacco. As ju sackings were facing severe Pakista



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competition, special efforts were made to persuade east European countries to lift more during the quarter.

Sugar sales were accelerated to the U.S.A. and other destinations (156,000 tons of sugar in this quarter) by exporting parties due to attractive prices. Side by side, there was an acute shortage of sugar in India.

On the import side, there was a significant decline in India's imports from Russia from Rs. 21 crores to Rs. 15 crores. Among the other east European countries, imports from Czechoslovakia were somewhat higher while those from East Germany, Poland, and Yugoslavia declined slightly. As for the E.E.C. countries, imports from West Germany increased from nearly Rs. 23 crores to about Rs. 26 crores while those from France were moderately higher. Imports from Belgium, Italy and the Netherlands were at a somewhat lower level. Imports from the U.K. declined by Rs. 2 crores from Rs. 46 crores to Rs. 44 crores. Imports from Iran showed a significant decline from about Rs. 16 crores to Rs. 7.5 crores, mainly due to lower imports of petroleum and petroleum products. Imports from Japan and the U.A.R. were moderately higher. A large part of the decline in imports from the U.S.A. from Rs. 102 crores to Rs 79 crores is accounted for by the items like foodgrains which are not fully covered in the Customs returns.

E. C. G. C.

Helping Exporters

The current year marks a turning phase in the development of the Export Credit and Guarantee Corporation. In May 1962, the Central Ministry of International Trade appointed a study group under the chairmanship of Mr. K. P. Mathrani, to review the credit facilities available in the country for developing India's export trade and to determine the measures which would be necessary to strengthen and supplement the existing financial arrangements. In its report, the group observed that in most developed countries, specialised institutions had been established to cater to the special requirements of the export trade. It emphasised that as Indian exporters would have to fight on equal terms with their international competitors, they too would need to have the benefit of similar organisational facilities. It was, therefore, recommended that an export-oriented credit institution should be set up as an adjunct to the existing export promotion machinery. In accordance with this recommendation, the Government of India decided to transform the Export Risks Insurance Corporation into a full-fledged Export Credit and Guarantee Corporation which, besides covering the schemes of export risks insurance, will also furnish various kinds of guarantees to banks, with a view to securing for the exporters more liberal credit facilities at lower rates of interest. It will also provide supplementary credit facilities whenever necessary and perform such other functions as the Government may assign to it from time to time.

The Corporation has recently formulated a scheme under which foreign facilities are proposed to be extended to manufacturer-exporters for the import of raw materials, components and spares required by them for the production of goods for export. Under the proposed scheme, commercial banks dealing in foreign exchange, will obtain lines of credit from their principals, branches or correspondents on the basis of a general permission from the Reserve Bank to repay the funds to the lending institutions abroad to the extent of the liabilities incurred at the conclusion of the contract. Against these lines of credit, exporters of proved export performance—or capable of giving a satisfactory export performance—will, on approval by a screening committee appointed for the purpose by the Government, be granted import licences for raw materials, components and spares, subject to suitable safeguards. In this scheme, the Corporation will serve as the co-ordinating agency, the link between the sponsoring bank, the screening committee and the licensing authority.

The Government has also decided to raise the paid-up capital of the Corporation from Rs. 50 lakhs to Rs. 2 crores. Of this, Rs. 1 crore is proposed to be placed at the disposal of the Corporation.

BRNO TRADE FAIR

Indian Participation Planned

India is officially participating for the first time in the sixth international trade fair in Brno which will be held from 6th to 20th September. This year's specialised engineering fair will again comprise 12 groups of the engineering industry with the main emphasis laid on machine tools and forming machines, power engineering equipment machines and equipment for the chemical and food industries, transport engineering, tractors and agricultural machines and on machinery and equipment for the leather, textile and rubber industries.

A total of 620 exhibitors from 35 countries will participate in the fair. Official stands will be opened in the Pavilion of Nations by India, Nigeria and Monaco. Of the western countries, the largest exhibits will be from Britain and West Germany.

The Government of India invited nearly 300 Indian firms to participate in the fair. Finally, 81 Indian firms decided to send their best and selected goods. A variety of items ranging from cutting tools, lathes, drilling machine tools, electric motors, textile machinery and textile bleaching machines to industrial process control instruments, refrigerators, sewing machines, fans, etcetera, are being sent for the exhibition.

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FIRST STEPS TO REFORM U.K. COMPANY LAW

(FROM OUR LONDON CORRESPONDENT)

THE Stock Exchange Council has earned the gratitude of the investing public for anticipating the reform of the Companies Act, over which the Government has been brooding ever since the Jenkins report was issued two years ago. Lord Ritchie's letter to 4,500 company chairmen may not satisfy the higher hopes for company law reform; but considering that the Council has little power to enforce demands, it has taken a big step forward. Much, if not all, of the information which companies are asked to disclose in future is, in fact, already given by a small but growing number of the most progressive firms. Moreover, the Quotations Committee of the Council has been demanding most of it lately before granting a quotation.

But in the past, the Council has concentrated mainly on full disclosure in prospectuses and similar documents. This information comes only once and is not necessarily kept up to date later. All that the Council has required in the case of annual accounts and dividend statements is that they should comply with the company law. The new initiative is meant to induce companies to maintain permanently the standard of disclosure which has become the rule for new issues.

For companies seeking quotation for the first time, and for companies issuing additional securities, including scrip issues, new conditions will shortly be imposed. Further requirements may be added to the list as time goes on. As to extending these firm conditions to the great mass of existing quoted securities, the Council takes the view that it cannot change the contract made with a company at the time when a quotation was first granted. Only as new securities are issued can the new terms be enforced. For the rest, the Council hopes that the power of example and persuasion will steadily increase the number of companies which make full disclosure.

As for interim reports, no dates are suggested, but it was said that for companies declaring interim dividends these might be combined with the interim reports. It is the fervent hope of the Council that ultimately every company will comply with the entire list of recommendations in its annual and interim reports. No doubt some of these items may not be applicable to certain companies, but Lord Ritchie's letter shows a refreshingly tough attitude towards the familiar excuse that any additional information might help competitors. As there are something like 3,000 applications for the grant of a quotation each year, the decision to enforce certain new conditions in connection with new issues may produce a good deal more progress than one might imagine.

Information Wanted

All public companies will soon have to undertake to give fuller information when they are applying for a quotation either for the first time or for additional securities, including scrip issues. The following three points are to be made formal requirements for the grant of a quotation when consultations with professional bodies are completed, which may be within two months or so:

(1) Information as to the composition of a group of companies and as to any major interests in associated companies.

(2) Where a company or group carries on widely differing operations, the provision of an analysis of trading results.

(3) The issue of quarterly or half-yearly interim reports.

The letter from Lord Ritchie, chairman of the Stock Exchange, goes on to say that the Council of the Stock Exchange is considering whether some further recommendations should, in the future, be made about admission to quotation. Consultations about these matters are going on. Besides the three points mentioned, the Council attaches particular importance to the disclosure of turnover, but this is, for the present, to remain a "recommendation." A number of further recommendations are set out in an appendix to Lord Ritchie's letter. The following is a summary:

Fixed assets: Land and buildings should be split between freeholds and leaseholds, and, if relevant, a division made between leases for up to 50 years and above. The notes to the accountants should contain a table of movements of fixed assets. Where fixed assets have been revalued, the dates and sums remaining in the account from each valuation should be shown.

Investments: Quoted investments should be valued and a distinction made between those which are current and fixed assets. A list of investments held as fixed assets should be included. In the case of quoted trade investments, the names and holdings in the companies should be revealed.

Stock in trade: Where stock is still given in annual accounts "as valued by the directors", a precise description of the basis of valuation should be provided.

Turnover: Sales turnover figures should be included in the report, together with a break-down between the more important trading divisions. If there is any risk that these figures might be misunderstood, explanations should be given.

Depreciation: A note showing the method used in calculating depreciation should be included and any exceptional charge shown separately.

Other items: Comparative ten-year figures. Number of employees. Particulars of any controlling shareholdings in the company. ("It is particularly desirable that any shareholder should know whether he is a minority shareholder.") A clear description of the activities of the company, the relative importance of different branches and a list of principal products.

Interim reports: The Council believes that interim reports should be issued. It believes that the risk of misinterpretation of figures can usually be avoided by providing explanatory statements. It should be an item of all quoted companies to publish quarterly or half-yearly reports which should be sufficiently detailed to reflect the results for the period.

The recommendations follow the lines of the Jenkins Report on Company Law Reform, which the Government is still considering. The Stock Exchange decided to tighten its own terms and try to achieve further protection for the investing public by persuasion rather than wait any longer for legislation.

What are the lines along which the Government's consideration of the Jenkins Committee's proposals is proceeding? On a number of aspects, new legislation may have to take account of fresh developments in the investment field generally, as well as in company practice. The growth of popular interest in investment, reflected partly in the sharp increase in unit trusts and their funds, makes it even more important that really adequate information should be produced by all types of companies.

Degree of Control

Inevitably, new legislation must mean some increase in the degree of control exercised, particularly over companies having a public quotation, or seeking funds from the public. The first and most urgent stage of providing greater protection for building society members and depositors in other types of concerns has already been secured. Main City attention will be directed at two positive and highly desirable moves. The first is the intended provision for fuller disclosure of beneficial share-ownership, and of company holding in other companies. The second is the wise decision to permit the issue of ordinary shares of no-par-value.

There has long been grounds for objection to the ease with which it has been possible for owners of shares to cloak their identity behind nominee names. The Jenkins Committee's recommendation was simple: Owners of 11 percent or more of an equity, or of voting power in a company, should have to notify it of the extent of their interest. Implementation in the past of this suggested rule might have changed the complexion of a number of take-over bids. Option dealings were covered also in the Committee's proposal.

The City has waited a long time for the right to issue no-par-value shares. Crude misconceptions of dividend policy can arise as a result of uninformed comparison of distributions with a meaningless nominal value. Although the number of companies deciding to avail themselves in the short-term of the right to issue N.V.P. shares might be limited, this move, like others intended, is a step in the right direction. It is part of a process which should lead to a better understanding and more sophisticated approach to investment.

Important elements which reasonably can be expected to figure in the new legislation, when it comes, are a widening of the powers of the Court to deal with negligent directors, and a more practical and less "steam-hammer" approach to inspection of companies by the Board of Trade. It seems less likely that the powers of the Stock Exchange to control its own affairs will be encroached upon. Sentiment in Britain does not favour the American type of official intervention.

In practical terms, it is improbable that a Bill can be introduced before the second session of the next Parliament. It is then intended to be an amending Act to the 1948 Act, leaving scope for a further consolidation a year or so later. At this stage, at least, a separate Act for unit trusts is not intended.

On non-quoted and mainly small "exempt" companies some problems probably have yet to be resolved. The Jenkins Committee's view that there should be no distinction between exempt and non-exempt concerns may not yet be acceptable. The proliferation of small companies seems primarily to be an administrative problem. It would be a pity to restrict a useful corporate form for the sake of the convenience of the Board of Trade.

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RAISING FOOD OUTPUT THROUGH CRASH PROGRAMMES

By V. N. Hoon

The shortage of foodgrains and their soaring prices reflect the stagnation in Indian agriculture despite the lavish outlay under the five year plans. Half-hearted and unco-ordinated measures taken by the Centre and the States will aggravate, rather than ease, the existing difficulties. A permanent solution to divergent pulls from the States is to put agriculture on the concurrent list or to make it a Central charge.

SEVENTEEN years of independence and the stress on economic planning have not helped resolve the country's food production difficulties. Instead there has been stagnation in agriculture and a continuing rise in the prices of foodgrains. Since the last two or three years, this has assumed alarming proportions. Foodgrains production has woefully lagged behind the increase in population. The Prime Minister, Mr. Lal Bahadur Shastri, warned the other day that the food shortage and soaring prices could jeopardise the economy and that agriculture still remained a sleeping partner in economic progress. He could have added that if these trends were allowed to continue, there might be a repetition of the 1943 Bengal Famine on a countrywide scale, widespread social discontent, riots and other ugly consequences. The President, Dr. S. Radhakrishnan, has also spoken of the menace of rising food prices and exhorted agricultural research workers to become partners in the development of agricultural science and techniques in the field. Fortunately, the Government is seriously viewing the situation as never before and considering taking strong measures.

A price rise in, say, wheat or rice by itself is not something to be feared. But when it does not lead to an increase in the output of that commodity (or to a reduction in demand, which in the case of foodgrains is not to be expected), then there is cause for misgiving. It is then that certain official measures are called for to correct the play of economic forces. The present 80 million tons of foodgrains production is not enough for the country's consumption requirements. To say that there is enough food and that only the anti-social elements are withholding the supplies from the market is to shut one's eyes to the overall shortage that has dogged the economy for the last so many years. That is obvious from the fact that India is importing foodgrains every year to the tune of 3 million to 4 million tons. This will now increase to 5 million tons. These imports—especially under P.L. 480 from the U.S.A.—have had to be used for meeting the shortfall in internal production, season after season. Production has neither kept pace with the rising demand nor with the rising prices. There is, therefore, need for drastic measures. In a developing economy with increasing population and rising money incomes, a rise in prices is inevitable, but if a simultaneous increase in the output of food is overlooked, then there is bound to be distress. The raising of income and wages merely to meet the price rise adds to inflationary pressures without a corresponding increase in supplies. That is a simple economic proposition, which has unfortunately been overlooked.

Building Buffer Stocks

The first five year plan did increase production to a certain extent. But there was a decline in the second and third plan periods. It is claimed by official sources that the production in the current year has exceeded that of last year as far as rice is concerned. The makers of the fourth plan have at last realised the gravity and envisage massive efforts for stepping up agricultural production by at least 5 percent so as to create sufficient buffer stocks without the need of imports and keep prices steady.

Greater attention towards foodgrains, as is now being thought of, will only achieve results. Crash programmes in animal husbandry, poultry and fishery, etcetera, divert the farmers' attention from foodgrains and are not the answer. Making up the deficiency in foodgrains' cultivation is the first and foremost need. The unfortunate tendency of the Government to encourage and unduly emphasise the greater production of cash crops and of non-cereal foods weans the producer away from the cultivation of foodgrains and adds to the diversion of land from grain cultivation.

Ministers and officials shout from the housetops that the farmers are practical minded and receptive to new ideas and methods which would increase their production. Every lay man knows that. But what is required is to make the technological methods and new implements, better seeds and better strains, chemical manures and pesticides available to them easily and cheaply. Even water is not available in sufficient quantities. A Minister once asked an educated and experienced farmer what were the three things he most needed. The reply was, "Water—water—water".

Large dams have been constructed to conserve the river waters for perennial irrigation. But many have not started functioning to that end. One of the main causes is lack of minor and medium irrigation canals for taking the water into the fields. Where these have been made, the irrigation charges are prohibitive for the farmer. The Government should encourage landholders to construct minor irrigation channels and give outright subsidies for the purpose. Irrigation by canals and tubewells should be subsidised. The question of giving additional financial assistance to irrigation projects that have reached an advanced stage of construction is now being belatedly considered. A silver lining is the latest Rajasthan canal which has released waters into channels for an area of 400,000 acres for irrigation in the kharif crop season to start with. This involves a straight addition to the area for cultivation.

When supplies are short, no amount of juggling in controlled distribution or monopolistic purchase by the Government will correct the unbalance or hold the price line. The farmer must be assisted by all measures of loans, subsidies, easy supply of seed and fertilisers to increase his production. It is proclaimed by Ministers and others that the key to increased production at the farms is to promote a technological revolution in agriculture. It is emphasised that industry should gear itself up to meet the needs of such a revolution. But how is it proposed to enable the poor farmer to buy these technical aids? Co-operatives is the reply.

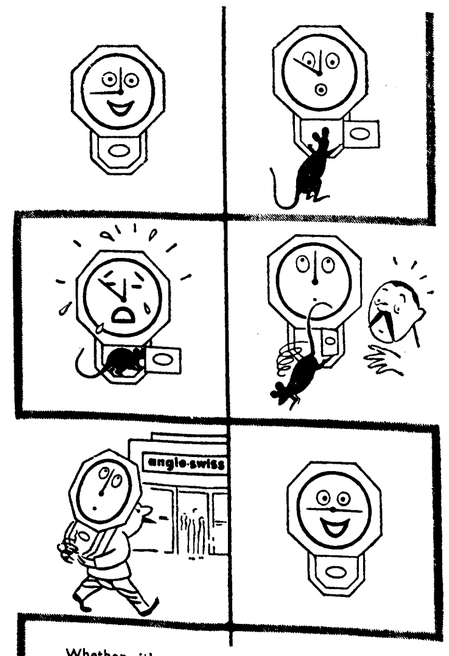
Co-operative Farming

Co-operative farming has, however, shown no sign success so far. Technical improvements by means of modern farming machines are possible only on big farms. But the Government has taken good care to reduce big farms into small uneconomic holdings. Big farmers who had money, means and the will to adopt modern methods have been almost elbowed out. Co-operative farming has not taken their place. The much-vaunted service co-operatives have not started functioning. So there is a stalemate. Traditional means of agriculture may be hidebound, but they still suit the small land-owner who lacks capital even to buy good seed. The old methods should only be given up when the new ones can be made successful and paying in actual practice. For this, a number of other changes in acreage, land tenure and irrigation are required.

Hoarding and blackmarketing are the concomitants of continued short supply. These cannot be effectively stopped by penal enactments as long as the overall shortage continues. Even so, there is at present no serious check on hoarding and blackmarketing. The declaration of stocks and exhibition of prices are not enforced on a systematic basis. The inspecting staff is insufficient and prone to be corrupt. All this requires radical change.

Confused and contradictory loud-thinking by the Ministers on the question of food and agriculture does not help. It should become a convention that on a question which relates to a particular Ministry, only that Ministry's Minister should make public statements. But in recent months, almost every Central Minister and even some of the ex-Ministers and the State Ministers have volunteered their views publicly. This perhaps makes things awkward for the Minister who is chiefly concerned. The result is that the Government is not still clear on a well-defined policy on several important matters like Government procurement, laying down of maxima-minima prices, movement of foodgrains from one State to another, and the rationale of zonal areas. The results of all this vacillation are the vagaries of price and sudden surpluses and deficits.

From the consumer's point of view, the complaint is that there is an unholy combination between the grower, the trader and the miller, which is unconsciously abetted by the Government. So the consumer has to pay through his nose. When one State Government fixed the grower's price at a figure higher than that fixed by the Central Government, it turned the grower into a business man. He withheld his produce for getting a higher price. The trader indulged in



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hoarding and profiteering and the miller merrily purchased wheat directly, evaded taxes, saved handling charges and charged high rates. All this may not be a universal practice, but it emphasises the need of laying down a definite and well-considered price policy, which would be followed by the States. This would ensure a reasonable return to the producer and a reasonable price to the consumer.

The fixing of a remunerative price for the producer is a *sine qua non* of Government control, but not at the cost of the consumer. The middleman and the dealer who take away a major portion of the profit and virtually hold the producer to ransom, must be made to forgo unwarranted profit. If this went to the producer, he would get a sufficient margin for his future planning for a greater output, which in turn would increase the supply and bring the price down —at least check it from ever going upwards.

Restriction on Bank Advances

Advances by the banks against foodgrains to dealers have led to unhealthy speculation and misuse of funds. There should be severe restriction on these advances, excepting that to producers who store their grain with the Warehousing Corporations and the co-operatives. In their case, bank advances would supplant the advances given by dealers and moneylenders at high rates of interest. Simultaneously, all speculative and forward transactions in foodgrains should be banned. Forward transactions can exercise a healthy and steadying influence on the market, but in unscrupulous hands they tend to deteriorate into sheer speculation.

Much has been said on the platform and in the Press about the need of chemical fertilisers. But these are in short supply. Even so, at one time the factories had to slow down their production due to lack of sufficient godown accommodation. The allocations for the States were not lifted by them. As for the fertilisers which went to the co-operatives, these remained in their goodwn and did not reach the farmer. There is a widespread notion among farmers that after the first spurt to greater production, the use of chemical fertilisers eventually denudes the soil of its strength, and the crop suffers. It is for experts in agriculture to correct this impression.

The number of farmers whose lands have no easy access to the market is legion. The virile moneylender reaches them with his ready cash advance at high interest and he gathers up their produce—sometimes even before it is harvested. This is a potent cause for hoarding and non-arrival of stocks into the market—a phenomenon which has been vicariously lamented by all and sundry. The remedy is: construct all-weather rural roads under a well-laid out programme, connecting these to the main road leading to the *mandi*. Also set up a chain of Government purchasing points in these areas, to mop up the small producers' grain. "Crash programmes" for an all-round rural development are necessary. The block development officers and the *gram panchayats* need to be more active and their success should be gauged by the increase in production that they effect in their areas. Apart from the reclaiming of waterlogged lands, there are other things requiring action, like discouraging the use of cattle dung as manure. This will require alternative arrangements for the provision of fuel. Cattle dung manure is more precious and also of higher value in terms of money, than cattle dung fuel. The present practice in practically the entire rural India of burning it as fuel is a tremendous national loss.

There has been an increasing migration of the rural population to the towns and cities. A decade ago, only the odd old man who could no longer usefully put his hand to the plough came in search of domestic or other employment. This was followed by younger people, till rapid industrialisation and the lure of town life have become so great an attraction that even young boys now want to leave their hereditary occupation of tilling the land and seek employment in urban centres. Agriculture has consequently languished. This lack of balance in the population movement requires to be corrected before it gets out of hand. The rural emigrants swell the number of unemployed and accentuate the urban problems of housing, sanitation and social aberrations. The work of cultivation requires to be made as remunerative as that of the factory worker and the village life made fuller. If remunerative prices were assured to the farmers for at least five or six seasons, they could plan on a long-term basis instead of the present hand-to-mouth economy.

Short-term Measures

There are some urgent short-term measures that could be taken up forthwith. Subsidies on the supply of fertilisers, water from Government tubewells, irrigation on subsidised rates, cheap supply of good seeds, free service of insecticides, out-right subsidy on the construction of small channels should be followed by ban on lavish entertainments involving the use of cereals in the urban areas and measures like the Guest Control Order, etcetera. To these could of course be added the favourite promises of economising in Government expenditure, which never materialise.

The present idea of the Government is to set up a Foodgrains Trading Corporation and impose controls on distribution and prices. The Corporation will purchase wheat and rice at fixed prices, requisition stocks from dealers at declared wholesale prices and enjoy monopoly of rail movement and in handling imported foodgrains. But the sheer vastness of the country and the spread of cultivation in the remotest areas will hinder the success of this venture. At best, the Corporation will be a distributing agency after effecting purchases of what is available. This cannot be a substitute for a long-term plan for an increase in production. Short supply is the real problem. All other faults will automatically correct themselves if there are sufficient supplies. Even the setting up of new rice mills with better technology in the public and co-operative sectors as envisaged by the Central Food Minister may extenuate the shortage of milled rice for some time and of course destroy the already existing mills, but it is not an answer to the overall shortage. Also, milled rice is said to be nutritionally inferior to husked or hand-pounded rice.

The Government should tread warily on the idea of an all-India foodgrains corporation, since it is fraught with risks. It might disrupt the normal trade channels beyond repair. Where is the organisational strength of a trained managerial and field staff? Has this country got enough suitable storage capacity for this huge undertaking? Will the foodgrains officers have the required business acumen? What will be the position of this Corporation *vis-à-vis* the Central Food Department and the State Food Departments who also handle foodgrains, and also with the Central and the State Warehousing Corporations who offer storage of agricultural produce? The whole idea bristles with many difficulties, namely, equitable distribution between surplus and deficit areas, control over prices (to the satisfaction of both the producer and the consumer) and the removal of the chronic annual shortage by building up buffer stocks. Corruption may become rampant here also.

Village level workers should be able to till the soil themselves introducing new techniques and knowledge. Package programmes for intensive cultivation in selected areas should be seriously undertaken by well-trained field staff who should be able to get the willing co-operation of local cultivators. These areas should be gradually extended, attracting widespread interest in an ever-widening rural circle. The knowledge gained in India's agricultural institutes could only then percolate to farmers.

Procurement levies by the Government have resulted in foodgrains being withheld from the market. The method of procurement requires to be rationalised, and the enactments requiring declaration of stocks and exhibition of price lists by dealers should be seriously enforced. The inspection machinery has to be strengthened with honest staff and corrupt officials excluded. The State Government's Civil Suplies Departments also require to be gingered up. The Community Development Department officials should be made to go to the villages and see how their plans are being put into practice and what are the practical difficulties facing them. Similarly, the Co-operative Department officials must visit the co-operative societies themselves, instead of having conferences with the State Governments' Registrars and others at the State capitals. If the co-operatives are required to take up farming, help in the storage of foodgrains, distribution of seeds, fertilisers and consumers' goods and grains, the present happy-go-lucky going must be ended. The Prime Minister's exhortation for contacting the people in the fields, listen to their difficulties and solve them is the correct and common sense approach. As for the consumers' co-operative stores movement, each State is following its own methods in the absence of a well-planned Central policy. These stores have so far failed to justify their existence. They are badly mismanaged by local directors. There is official direction but loose control. Some of the directors have been reported to indulge in blackmarketing the commodities of the stores. The setting up of Government fair price shops was meant to help the middle class, but these also do not function satisfactorily. It would be better to close these shops rather than continue them as an eyewash.

Set up under an Act of Parliament, the Warehousing Corporations have done useful work. But their functioning has been halting and too much obsessed by the need for making profits. These warehouses have made no great impact upon the problem of good storage of foodgrains in the country. Allowing them to store items like cement, iron, etcetera, is a subterfuge for their lack of success in the storage of agricultural produce; and that is mostly due to causes that could have been overcome by bold Government procedures. These warehouses, together with the co-operatives, have great possibilities of development. In fact, they could well take over the function of the proposed Foodgrains Trading Corporation. The Warehousing Corporations could buy, store, distribute and handle the foodgrains. They have already been established in all the States and have field and managerial staff with proper experience of handling grain and market conditions. Why not try these institutions instead of adding another one?

Central Charge

The problem of food and soaring prices is so serious and insistent that it requires to be tackled on a war footing. Half-hearted and unco-ordinated measures by the Centre and the States will not succeed and will make matters worse. It is clear from the State Ministers' conference on food, held recently in Delhi, that the Central Government's directions are either watered down or opposed on account of strong individualistic pressures. The resultant vacillation and weakening of the Central authority will do no good to any one. A permanent solution to the divergent pulls would seem to be put agriculture on the concurrent list or make it a Central charge. No State can be allowed to play about with the peoples' food on narrow parochial lines. It would be better to overcome their inevitable opposition to this constitutional change than to face food riots and worse.

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Jute

CEILING PLACED ON FIBRE PURCHASES

IN order to bring down fibre prices to more realistic levels, Mr. G. C. L. Joneja, Jute Commissioner, has issued a maximum purchase quota of 100,000 bales to the jute mills for the week ending 12th September. Announcing the fixation of the quota at a Press conference in Calcutta on Monday, he said that the authorities intended to ensure that all mills got their due share of fibre. The step has been taken in collaboration with the I.J.M.A. to check panicky purchases of raw jute which had pushed up prices. The individual quotas of mills will vary according to their fibre stocks (together with undelivered balances of previous purchases) and their monthly requirements. Purchases can be made on T.S.D. or non-T.S.D. contracts at the Cossipore spot market or in the agencies. Mr. Joneja said that it was intended to review the position from week to week until the situation returned to normal.

Refuting the suggestion that the introduction of the maximum purchase quota system signified a revision of the official estimates of the 1964-65 crop around 7.2 million bales, he said that it merely showed that the Government was not prepared to take any chances with raw jute prices. The price of fibre had, more or less, settled around Rs. 41 a maund, basis Assam Bottoms, ready, f.o.r., Calcutta, during the past fortnight, he said. But not much business was done. Since the quota was fixed on the basis of daily arrivals, he felt that panic would soon subside and the market would revert to normal conditions. The rationing of raw jute, he maintained, would ensure that not a single mill would go out of production for want of raw material. The Jute Commissioner indicated that he proposed to take other measures if the maximum quota system failed to produce the desired result.

Prospects for Fibre

With well-planned mill buying, there is nothing to prevent jute prices from finding a more realistic level, says the latest issue of the *Jute Bulletin* published by the Indian Central Jute Committee. With the release of the buffer stocks, there should be enough fibre to go round till about the end of October this year, it continues. The fact remains that jute prices cannot be expected to decline to last year's levels since the grower had also been affected by the spurt in the prices of essential goods in recent months.

The present tremor in the world jute industry has East Pakistan as its epicentre, it says. Nobody pretends that the fears of jute shortage in Pakistan are unfounded. When anything goes wrong with the Pakistani crop or, for that matter, with the Indian, operators everywhere take a global view of supply. As the principal exporter of raw jute and having internally to feed the world's second largest jute industry, Pakistan needs to produce annually a minimum of 7 million bales. But the crop this year is estimated to be short by at least 1.5 million bales.

Continuing, the paper says, world consumption of jute, excluding mainland China and Brazil, is running around 15 million bales, with the Indian industry absorbing as much as 8 million bales and the Pakistani industry more than 2 million bales.

The jute manufacturing centres elsewhere largely operate on imported Pakistani jute, consuming roughly 4 million bales. To provide for mills' normal stocking requirements, the annual output of jute and mesta ought to be another 2 million bales. On this basis, world production of these two fibres should be at least 16 million bales. No estimate of the 1964 Pakistani crop and carryover seems to leave much of a safety margin, and for the mills in Pakistan and those outside India there would thus appear to be no alternative to a much dearer raw jute.

Influence of Pakistani Jute

Answering the question whether the Pakistani situation should have influenced the sentiment in India to the extent it has, the paper continues: Unfortunately, as events in Calcutta have once again emphasised, the local industry's dependence on imported raw jute, though marginal, remains strategically significant. It is, therefore, unrealistic to believe that jute price movements in this country could in the foreseeable future be completely insulated from the influence of the Pakistani jute markets.

The psychology of shortage that has gripped the Pakistani balers and shippers has found an Indian parallel in the situation created by a combination of late crop and unfavourable weather. The slowness of new crop arrivals has imported an element of panic into market transactions, which has been tending to confuse the crop outlook. Considerations that this may be due to seasonal factors such as delayed harvesting and retting, difficulty in drying the fibre, and the poor condition of rural roads do not, in the prevailing uncertainties, make much sense to those of the mills which need to buy jute immediately to make up their shortage in certain grades and qualities against firm commitments in jute goods. Jute holdings of few mills are really balanced in their quality composition, and total industry-wise forbearance at any time in the purchase of fibre is therefore out of the question, says the *Jute Bulletin*.

The arrival figure for July has been reassuring. The quantity of Indian fibre received in Calcutta and mill stations was as high as 326,000 bales, against only 203,000 bales in July 1963. The big difference cannot be explained away by pleading that the bulk of the arrivals consisted of old crop fibre. That would be over-simplifying the market situation. The cutting of Tossa jute, which has already commenced, will get into full swing in September. These factors, plus the consideration that cultivators will badly need ready money for the Puja season, favour larger arrivals of jute

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

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

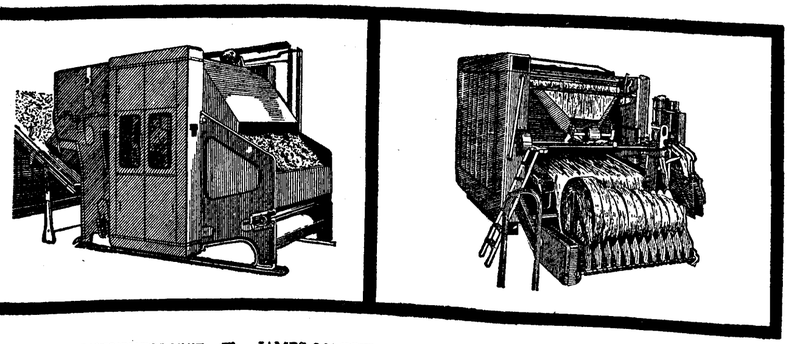
Description		31st August, 1964		30th July, 1964		Increase over (+) or decrease from (−) last month		31st August, 1963	
		000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)
Hessian cloth and bag	{	14,52,45 (15.88)	45.7 (45.0)	14,83.12 (16.22)	46.0 (45.2)	−30,67 (−34)	−0.3 (−0.2)	10,69,14 (11.69)	33.7 (33.2)
Sacking cloth and bag	{	11,51,52 (12.59)	49.7 (49.0)	12,21.35 (13.36)	53.4 (52.6)	−69,83 (−77)	−3.7 (−3.6)	11,12.90 (12.17)	50.0 (49.2)
Carpet-backing	{	1,85.79 (2.03)	23.3 (22.9)	1,79.13 (1,96)	22.4 (22.0)	+6.66 (+.7)	+0.9 (+0.9)	86,96 (.95)	11.0 (10.9)
Others	{		13.4 (13.2)		14.0 (13.8)		−0.6 (−0.6)		9.0 (8.8)
Grand Total			1,32.1		1,35.8		−3.7		1,03.7
(000 Tonnes/Tons)			(1,30.1)		(1,33.6)		(−3.5)		(1,02.1)

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

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in the coming weeks, the paper concludes.

Small Decline in Stocks

In spite of erratic market conditions, stocks of jute goods with the mills reporting to the I.J.M.A. showed a fractional decrease from 135,800 tonnes to 132,100 tonnes during August. The decline was partially attributed to a voluntary cut in output by mills in view of the high prices of fibre and the slow pace of bookings Stocks of heavy goods recorded the maximum shrinkage from 53,400 tonnes to 49,700 tonnes, followed by miscellaneous goods from 14,000 tonnes to 13,400 tonnes and hessian from 46,000 tonnes to 45,700 tonnes. Carpet-backing cloth inventories, however, went up from 22,400 tonnes to 23,300 tonnes.

At the end of August 1963, the stocks were 103,700 tonnes—50,000 tonnes of sacking, 33,700 tonnes of hessian, 11,000 tonnes of carpet-backing cloth and 9,000 tonnes of other goods.

Draft I.S.I. Standards

The Indian Standards Institution has prepared draft specifications for seaworthy packaging of jute goods, three types of gunnies and for shuttles and oil-content of jute yarn and fabrics. The first specification enumerates the requirements for packaging jute products like hessian, sacking, jute bags and jute yarn for the overseas markets. The second one prescribes the requirements for two varieties of hessian 10in. 40oz. and 40in. 7½oz. The third details the requirements for heavy Cee jute bags 40in. by 28in.. The fourth enumerates the specifications for jute corn sacks or bags 41in. 23in. The fifth prescribes the requirements of shuttles for use in broadlooms for weaving jute cloth. These are meant for use with full cops of 290 × 41 mm., 305 × 45 mm., 355 × 45 mm. and 380 × 45 mm. The last details a method for the determination of the added oil-content of jute yarn and fabrics. The method suggested is applicable to all types of products. The test prescribed is based on the extraction of oil by organic solvents like trichloroethylene or light petroleum. The solvent is removed by distillation after which the weight of the extract is determined.

THE JUTE MARKETS

Manufactured Goods: Despite the continuance of restrictions on trading in T.S.D. and hedge contracts in raw jute and gunnies, steady conditions prevailed in the Calcutta market during the past week. Sentiment was stimulated by brisk short- and shipper-covering in ready and near-delivery goods. A decline in the August closing stocks with mills also reinforced sentiment. The Government offtake was more or less of a routine nature. Some hessian business was reported with the U.K. and the U.S.A. Prospects of a fresh strike in Pakistani jute mills were additional stimulants. But the mills declined to extend their commitments at the present levels in view of the harder trend in fibre prices. For most part of the week, the trend in the hedge market continued to govern sentiment in the spot market. Operators were still sticking to their bullish views. The East India Jute and Hessian Exchange authorities had reportedly collected about Rs. 1 crore towards margins on outstanding long transactions in T.S.D. and hedge contracts. In the hedge market, prices fluctuated within the permissible limits—widely in sacking and moderately in hessian—and closed with a comfortable margin in the former and a minor gain, on balance, in the latter. Turnover was fair in the futures market and moderate in the spot market, and the undertone was steady at the close.

Wednesday's quotations were as follows:

	Sept.	Oct.-Dec.	Jan.-Mar.
40in. 7½oz.	37.95	38.25	38.50
40in. 8oz.	40.65	—	—
40in. 10oz.	50.40	50.75	51.25
B Twills	143.65	143.40	143.15
Cornsacks	144.50	146.00	146.00
Heavy Cees (Plain)	144.00	143.40	143.15
A Twills	173.50	173.50	173.50
Liverpools	159.00	160.00	161.00

Raw Jute: Firm conditions marked trading in the raw jute market during the past week. Daily arrivals into the upcountry agencies improved considerably following the commencement of the harvesting of Tossa jute. The condition of the rural roads had also improved. But Indian mills, by and large, were living off their stocks and refusing to place orders at the present prices. Besides, reports from Dacca indicated that the price trend had eased there. It was expected to go down further to around Rs. 30 a maund by the end of this month. With enough stocks of fibre to last up to the end of November, Pakistani mills were not inclined to enter the market soon. These bearish factors failed to produce any impression on the Calcutta and upcountry markets due, among others, to the obstinacy of a number of strong holders, who were reported to be operating in the upcountry markets on the view that fibre prices would at least stabilise around the prevailing levels. The issue of the maximum purchase quota of 100,000 bales by the Jute Commissioner for the week ending 12th September failed to restrain the upward trend. In fact, prices hardened by about Re. 1 a maund in the spot market and by 10 paise in the hedge market on Tuesday. In the hedge market, Upper Assam White Bottoms for September hardened further during the week after wide fluctuations on hectic bear-covering. There was profit-taking at the bulges, but it failed to affect sentiment in any way. Turnover was small in the spot market and fair in the hedge market, and the undertone steady at the close.

Wednesday's quotations were as follows:

Landed at Mills (Basis Bottoms)

	Current Prices Rs. A Qtl.	Current Prices Rs. A Md.	T.S.D. Minimum Prices Rs. A Qtl.	T.S.D. Minimum Prices Rs. A Md.
Assam-Agartala Jute	112.53	42.00	120.57	45.00
Northern Jute	109.85	41.00	117.89	44.00
Western Desal Jute	104.49	39.00	112.53	42.00
Selected Daissee	113.87	42.50	121.91	45.50
Assam-Agartala Tossa	113.87	42.50	121.91	45.50
Meta: Assam-Northern	104.49	39.00	112.53	42.00
Local Daissee	103.15	38.50	111.19	41.50
Bihar Dist.	100.47	37.50	108.51	40.50

THE U. K. JUTE MARKETS

FIBRE NEGLECTED

(FROM OUR DUNDEE CORRESPONDENT)

THERE was a quieter trend in the raw jute market in Pakistan during the past week. Most shippers reduced their prices, but there was a bigger reduction in the prices of secured parcels. This was making the position in Dundee very irregular, and a wide range of prices was quoted.

As a result of the weaker market, Dundee spinners showed no buying interest in raw jute. They considered the prices asked were still far too high, and they expected the present downward trend to continue. Dundee spinners are in the fortunate position of being able to remain out of the market as they are holding fair stocks of raw material and substantial quantities of new crop had been purchased before the recent rise in prices took place.

Prices being quoted here were very irregular with the lowest rates at £141 10s for Export Firsts, at £131 for Export Lightnings and at £124 for Export Hearts, c.i.f. U.K., for September-October shipment. There were no offers of Grade Tossa-2/3 being made but Grade Tossa 4 was named at £140. Outport Tossa-2/3 was available at £130 and Outport Tossa-4 at £122 for October-November shipment, but old crop was available at £1 to £2 a ton less.

Cuttings became much quieter of late with prices at £90 for S.N.C. and at £83 for N.C.

The Siam jute market was quiet and unchanged with prices at £92 10s for grade A, at £88 for grade B and at £81 for grade C, delivered mill Dundee for November-December shipment.

The Calcutta goods market was firm and prices remained at a fairly high level. Quotations were at 81s 2d for 40in. 10oz. and at 61s 7d for 7½oz. a 100 yards c. and f. U.K. for prompt shipment, at 81s 9d and 61s 11d September and at 82s 6d and 62s 5d October-December. B Twills were at 231s 10d. 233s and 234s 3d for the respective shipment periods.

Dundee jute spinners and manufacturers were busy and had orders in hand for delivery well forward.

The long awaited announcement by the U.K. Board of Trade concerning the future of the British jute industry has been made. The detailed arrangements which have applied to cloths, yarns and bags and those now being introduced are given in the following table. The Government will review the effect of the new arrangements in 1967, with the special object of examining the need for continuing the variable mark-up.

	Pre-August 1963	Present Treatment	Revised Arrangements
(1) Yarn.	Jute Control did not hold stocks, but imported yarn against specific orders; no mark-up applied.	No change.	No change.
(2) Heavy bags, common sacking and woolpacks.	Imported by the Jute Control and sold without mark-up.	Returned to private trade in 1963.	No change.
(3) Common hessian cloth, mainly used for bag-making.	Sold by the Jute Control with 20% mark-up.	Sold by Jute Control with mark-up of 10% (introduced on 16th August, 1963).	Range widened by the addition of some goods from categories 4 and 5. Mark-up eliminated on 1st September, 1964; being returned to private trade as soon as practicable.
(4) "Equated" cloths.	Sold by the Jute Control at prices similar to those of like Scottish products.	No change.	Protection to be based on a mark-up of 35% fixed element plus a variable as soon as practicable; effect from 1st September, 1965, 35 percent and three-quarters of the variable and from 1st September, 1966, 35 percent and half of the variable.
(5) Cloths not in the Jute Control's range before August 1963.	Not imported.	Imported by Jute Control: 50% mark-up (or Dundee price if lower).	45 percent mark-up with effect from 1st September, 1964.
(6) New sacks and bags (other than heavy bags).	Certain types only imported.	All types can be imported subject to mark-up of 50 percent	The mark-up applicable to category 4.

Categories

(1) Since August 1963 Category 3 has comprised hessian cloth 36" to 45" wide weight in proportion to 10oz. 40in. per linear yard; under the revised arrangements it will comprise cloths up to 45" wide weight in proportion to 7½oz. 40in. to 10oz. 40in. per linear yard.

(2) Category 4 under the revised arrangements will comprise hessian over 45" to 72" wide weight in proportion to 7½oz. 40in. to 10oz. 40in. per linear yard.

(3) At the base date (2nd Quarter, 1964), the variable element, taking account of the relationship between the prices of raw jute and of imported jute goods, would be 10 percent.

(4) The cloths being returned to private trade (Category 3) represent over three-quarters of the Jute Control's sales.

(5) Some two-thirds of Dundee and district production of cloth is in the category 5 goods, which will have the non-reducing level of protection.

Commodity Markets

LAND LAWS AFFECT PLANTATIONS

(FROM OUR SOUTH INDIAN CORRESPONDENT)

THE Central Minister for Food and Agriculture, Mr. C. Subramaniam, while inaugurating the 71st annual conference of the United Planters Association of Southern India in Coonoor recently, admitted that land laws had created a certain amount of uncertainty and urged that this should be removed if increased production was to be achieved. He said that what was important now was to stabilise land tenure at a particular level and see that uncertainties in ownership or in the management of fields were removed as quickly as possible. This point had been incorporated in the Dhebar Committee appointed by the A.I.C.C. He hoped that the State Governments would take measures during the next two years to bring about some sort of certainty concerning agricultural holdings.

Mr. Subramaniam expressed the view that for achieving high production targets, it was not necessary to have large-scale farms. He cited Japan's case in support of this argument. Japan with a high density of population as in India and with holdings as small as two acres had been able to achieve a production four times higher than in India and this was made possible by her adopting scientific methods of agriculture. He agreed that application of new techniques became more difficult as they had to reach 60 million farmers in this country. He dwelt at length on the importance of the application of science and technology to effect a break-through in agriculture. He said that if the plantation industry could increase production by 5 percent annually, he was confident that this percentage increase could also be achieved in other fields of agriculture also. He complimented the plantation industry for achieving a higher percentage of production by using improved strains and adopting scientific methods of cultivation.

The Minister said that it was the Government's programme to educate farmers so that they could make use of the results of scientific research. The Government was thinking in terms of widening the scope of agricultural research so that it would cover all agricultural commodities. In the next few months, the Government would have to take a crucial decision on this subject. An advisory research panel would be created for each agricultural commodity, he said and added that the top-level people in the plantation industry should help him by rendering their advice in this regard. Referring to taxation, Mr. Subramaniam said that the pattern in this sphere was confused, varying from State to State. It would be very useful to bring together all the State Finance Ministers and discuss the matter with them, and thereby bring about some sort of uniformity in the pattern of State taxation in this country.

Mr. S. V. Ramaswami, Central Deputy Minister for Commerce, addressing the conference said that the Government had acceded the industry's demand for the export of "packaged tea under bond", thus saving the industry from paying additional excise duty and awaiting refund. He said that the Central Government had appointed a high-level committee to enquire into the financial position of the tea industry to find out that facilities were available and how to remedy the difficulties facing it and what additional financial assistance was needed. He congratulated the south Indian tea industry on its achievement in production which was two times more than the production in 1947 with only an 11-percent increase in acreage.

Mr. Ramaswami said that the total tea production was 700 million lbs in 1963, while the export that year was 493 million lbs. This was mainly due to the unfavourable seasonal conditions. He, however, hoped that by the end of the third plan, tea production would reach 830 million lbs, with an export component of 530 million lbs. He was glad to note that the highest yield of tea was in India and hoped that this could be increased to 1,200 lbs an acre. Under the fourth plan, they hoped to produce 1,000 million lbs of tea with an export target of 670 million lbs. This would involve an increase in acreage by 120,000 acres at a rate of 24,000 acres a year.

The plantation industry in south India is faced with the responsibility of maintaing food supplies to its labour force. There is acute scarcity in several areas, particularly in Kerala. Many of the estates have been following the practice of procuring from producing areas, transporting, storing and issuing foodgrains at cost price to their labour. With the fixation of grain prices, they cannot pay for grain procurement the higher prices that are demanded and if they do pay such higher prices in the interest of labour, they cannot charge the workers the actual cost as it would infringe the Government order on foodgrains prices.

Foodgrains for Labour

The outgoing president of the U.P.A.S.I., Mr. Henshaw, said while addressing the recent annual meeting of that body, that the industry cannot accept the responsibility for the margin that has to be paid if the foodgrains are to be procured and at the same time on humanitarian grounds it cannot allow labour to starve. Not all estates maintain a supply arrangement. But their workers are also hit by the breakdown in supplies and if this situation continues any longer, production on the estates are bound to suffer. Mr. Henshaw has requested the Government to make special allotments for the planting districts or to allow them to charge the labour the actual cost incurred in supplying foodgrains. (Other important points made by the U.P.A.S.I. Chief in his speech were reported in the previous issue.)

Mr. H. K. Fitzgerald, chairman of the Indian Tea Association, welcomed the appointment of the high-power finance committee to enquire into the financial position of the tea industry and hoped that it would reduce the overall tax burden to ensure the future stability of the tea industry. He criticised the *ad hoc* decision taken by the plantation wage boards, ignoring the mass of information presented by the industry, and added that labour agitation was on the increase in north-east Indian gardens.

RAW RUBBER

Competition from Synthetic

Mr. P. S. Habeed Mohammed, chairman of the Rubber Board, who was another speaker at the U.P.A.S.I. conference said that there need be no fear of creation of any excess capacity for synthetic rubber which would jeopardise the prospects of natural rubber. He said that with a synthetic plant of 30,000 tonnes capacity already set up and another likely to be established by 1968, there would still be a gap of 93,000 tonnes as by that time the demand for rubber was expected to increase to 148,000 tonnes. Domestic production of natural rubber might be only 57,000 tonnes. The price of synthetic rubber was Rs. 4 a kilogram, whereas the minimum price for natural rubber was Rs. 3.23 a kilogram. There were still many fields where synthetic rubber would not be able to replace the natural product, he added. He, however, warned the producers of natural rubber not to ignore the likely impact of synthetic rubber in the long run. In his opinion, more attention would have to be given to marketing and standardisation of natural rubber. To help small growers to improve quality of rubber, the Rubber Board was financing the construction of co-operative smoke houses and marketing societies under a subsidy scheme.

CASHEW

Rise in Exports

Exports of cashew kernels during July last amounted to over 5,820 tonnes, valued at Rs. 3 crores. This was a record in so far as the foreign exchange earning for a single month. Exports during the first seven months of 1964 totalled 30,000 tonnes, valued at Rs. 14.74 crores, against 31,500 tonnes worth Rs. 12.69 crores of the corresponding period of the previous year. Due to higher prices, the export earnings have increased by more than Rs. 2 crores. Another Rs. 1.08 crores was contributed by the industry during this period through the export of cashew shell liquid which amounted to 7,400 tonnes. Corresponding figures for the previous year were 3,996 tonnes valued at Rs. 48 lakhs. The price of cashew kernel is at present ruling at the high figure of 70 to 72 U.S. cents a lb, which is perhaps the highest on record.

TEA

World Crop Running Higher

(BY A SPECIAL CORRESPONDENT)

TEA crop figures from the major producing areas total 745,336,000 lbs so far this year, compared with 721,059,000 lbs up to the same period in 1963. The north Indian output up to 15th August was 274,130,958 lbs. At the end of July it was 226,577,310 lbs. So the first half of August produced 47,553,648 lbs. The estimated yield from 16th to 31st August is 48,500,000 lbs, or say 96,000,000 lbs for the month. That would make the total crop from north India to the end of August 322,577,310 lbs. That date generally indicates the mid-cropping season, and the above estimated output compares with the record 1961 year's output of approximately 328 million lbs.

Some years ago, the Food and Agriculture Organisation drew attention to the probability of a serious surplus by 1965. Past presidents of the Indian Tea Association, London, have called for propaganda to enlarge consuming markets by developing internal consumption in countries which produce tea. The internal offtake in India has saved world producers from a price collapse for the past two years, but, India alone cannot save world growers from loss. All producing countries must encourage home consumption. Last week, this correspondent gave particulars of further heavy extensions being planned in Kenya and Pakistan. In the last-named country, money is said to be available round at 4 percent interest, which is about half the cost in India.

In past decades, there were agreements to adjust supplies to demand, but this facility no longer exists. In recent years, India has restricted her output to save the trade from a price collapse, but to do so again, will only encourage cheap producers to augment their supplies. Therefore, apart from another international agreement to restrict crops (on the lines of the coffee agreement), the only alternative is to find new markets. The seriousness of the situation has been realised by the U.S. Department of Agriculture (Washington), which has issued a warning that expanding world tea production may lead to over supply. It adds: "World tea production in recent years has been setting records and this year, with the output set at a new high of over 2,300 million lbs will be no exception. Thus far exports and internal consumption have gained sufficiently to absorb the mounting production, but the long time threat of an oversupply still lingers. The big question now is, can the large 1964 harvest and future bumper crops be easily marketed or will stocks begin to pile up, as has been the case with coffee? Another major problem was the production of low-to-medium quality teas."

The Department noted that India and Ceylon, first and second largest tea exporters, were most concerned with the problem since they accounted for over three-quarters of the annual $600 million world tea trade. But higher yields in those countries as well as in Indonesia, China, Taiwan and Japan plus rapid expansion in Africa and South America, accounted for the ever-increasing world output. The growth in the tea industry was especially pronounced in the African countries of Malawi, Kenya, Uganda, Tanganyika and Mozambique.

The Department pointed out that those exporting countries had managed to avoid an unmanageable surplus with the result that tea prices were stable and supplies only slightly ahead of consumption. But while consumption was rising, tea was facing intense competition from coffee, cocoa and soft drinks. The Department thought that Britain could be of no help in expanding consumption, since consumption there last year was nearly 10 lbs a head and was considered near saturation point. The U.S.A. was in a little better position to help consumption, as consumption in that country was on the uptrend largely due to the introduction of instant tea.

Exports and distribution of tea from north India continues to make good progress, only the U.A.R. is an exception. The U.S.A. shows a rise, the figures given relate to current half year beginning 1st July to 22nd August, 1964, to 2.66 million lbs. The last year's corresponding figure was 2.46 million lbs. The Russian offtake amounted to 2.80 million lbs, compared with 2.36 million lbs by the same date. Shipments to the U.K. are also heavy, at 51.60 million lbs, against 39.38 million lbs a year ago. Total exports are given at 66.19 million lbs, compared with 54.24 million lbs for the same period in 1963.

Lower Price Trend

Except for Darjeeling which has sold its tea at an average of Rs. 8.70 a kilogram this year, compared with Rs. 8.05 a kilogram in 1963, the price range is generally lower. The average for this year is Rs. 5.99 a kilogram, compared with Rs. 6.22 a kilogram a year ago. Doars teas have held up well at Rs. 4.95 a kilogram, and Rs. 4.98 a kilogram. Calcutta auctions passed off satisfactorily

on 31st August and 3rd September. There was a strong and general demand, but some Assam discriptions were a little easier. Cochin reports indicate that plain and medium dusts were barely steady.

London reports that the prices at latest weekly sales averaged 55.26d a lb, against 47.79d a lb at the previous week and 51.19d a lb last year. The rise could be caused by offerings of second flush Darjeelings together with other quality Indian production, as deliveries were heavy at 11.33 million lbs during the week. Stocks consequently fell to 107.31 million lbs from 110.25 million lbs. Shipments afloat from Calcutta were only 10.53 million lbs, out of a total of 25.61 million lbs.

Our New Delhi correspondent writes:

The working group on the tea industry, set up by the Planning Commission, has submitted its report which is being considered by the Government. Meanwhile, it has been estimated that in the coming years, the industry will have to undertake new plantings of 24,000 acres a year in order to ensure a steady rise in production.

While the overall trend of production this year is encouraging, efforts will have to be made to increase production by (i) intensive cultivation and the maximum use of fertilisers; (ii) replacing old, worn out and low producing areas, preferably on virgin land; and (iii) the extension of tea area.

The Tea Board has, therefore, been providing funds as loans for new plantings and for expansion and modernisation of factories as well as for the installation of irrigation equipment in the draught-affected areas. Out of a total of Rs. 10 crores under the plantation finance scheme and hire-purchase schemes for tea machinery and irrigation equipment, a sum of about Rs. 6.4 crores has been committed for the grant of financial assistance to 322 tea gardens. Development on this scale will no doubt require investment of a large sum of money which is apparently beyond the capacity of the industry. A Committee on Tea Finance has recently been set up to study the entire problem of financial requirements of the industry and to suggest ways and means to enable it to undertake development measures to the desired extent.

RAW COTTON

Current Place in World Trade

IN the 1963-64 season, as in 1962-63, there was an increase in the world's accumulated stock of raw cotton. The carryover into the current season, at some 24.6 million bales, represents slightly more than one-half of the largest quantity ever consumed in a season, and the situation calls for the serious consideration of producing and consuming countries alike. The world's total consumption of textile fibres is increasing and must be expected to continue to do so as long as many millions of the population remain ill-clad, but cotton's share of the total tends to sag, especially where the production of man-made fibres is highly developed.

This point gives a special significance to the acquisition of control over a large part of the U.K.'s cotton textile machinery by the man-made fibre producers. The question arises whether this will give fresh impetus to the decline, which has already gone a long way, in Britain's share of world consumption. It might, moreover, restrict British participation in efforts which are contemplated to narrow the gap between the production of and the demand for the fibre.

Those efforts may be expected to be considered worthy of support by any British Government committed to a policy of fostering the economic advancement of the developing countries. Those countries, as a group, have played a big part in creating and perpetuating the disparity between supply and demand. Many of them have developed cotton growing as the first stage of their development and cotton is their principal source of foreign exchange. Many of them, moreover, have adopted cotton textile manufacture as their first step in industrialisation. Their earnings from exports of raw cotton and cotton textiles help to pay for the imports they wish to obtain from the developed countries.

One of the most difficult aspects of the problem is that if cotton reached a price level which made it fully competitive with comparable man-made fibres, it would give a very poor return to growers in the countries which have the greatest need of income from that source. The profitability of cotton growing can be increased by methods of cultivation, and the use of fertilisers and insecticides which bring higher yields an acre, but these may also swell total production and tend to reduce the price level.

Many studies of the problem from different viewpoints have been made by the International Cotton Advisory Committee, and the results suggest that both over-production and under-consumption have contributed to the present situation. The opinion is gaining ground that an improvement can best be achieved by undertaking measures to expand consumption. These include a co-operative programme for technological and marketing research and promotion. New end-uses and new outlets for cotton products must be found, and special consideration should be given to certain types and qualities of the fibre. All this will take time to produce results, and meanwhile, the man-made fibres will no doubt continue their progress.

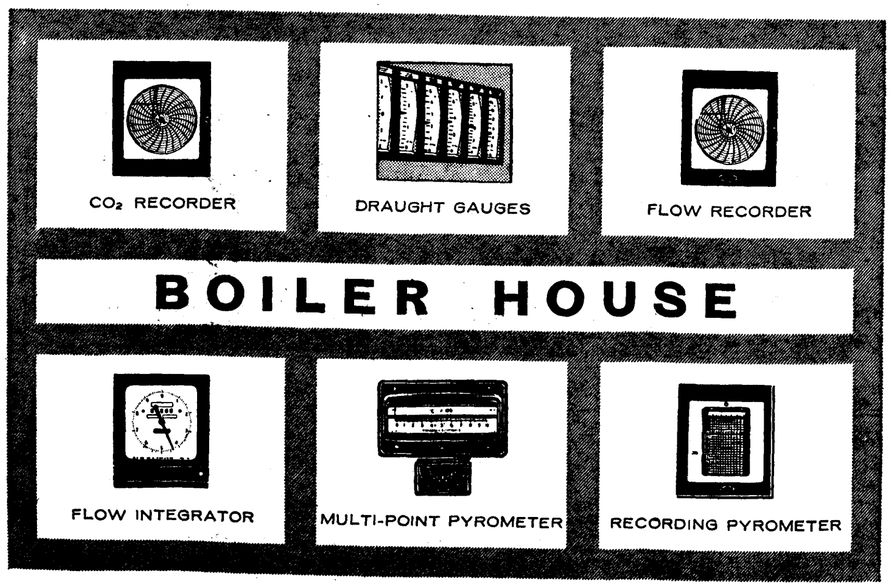
Sales of Egyptian cotton to British—and many other countries'—importers and spinners are still suspended, and offerings of Sakel and Lambert types of Sudan growths at the Khartum auctions have lately dwindled to virtually negligible quantities. It remains to be seen when supplies of those and similar types will become more freely available again and what effects the present scarcity will have on the raw material consumption of fine spinners.

In a report prepared for the International Cotton Advisory Committee, it is pointed out that total production of extra long staples in 1963-64 was the smallest since 1957-58. Stocks at the beginning of the season were lower than a year previously, although higher than in many previous seasons.

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BI-HF-4

COMPANY AND PUBLIC NOTICES

MACNEILL & BARRY, LIMITED

NOTICE is hereby given that payment of the half-yearly Interest on the 5% Debenture Stock 1966/71 of the Company will be made on 1st October, 1964, to those stockholders whose names appear on the Company's Register on that date or in accordance with their instructions.

By Order of the Board,
A. N. MITRA,
Secretary.

2, Fairlie Place,
Calcutta-1,
7th September, 1964.

THE EAST INDIAN COAL CO. LTD.

Notice of Annual General Meeting

NOTICE is hereby given that the one hundred and twelfth annual general meeting of the members of the above-named Company will be held at the head office of the Company No. 4, Clive Row, Calcutta-1 on Friday, the 23rd day of October, 1964, at 11-30 a.m. for the following purposes:—

(1) To receive and consider the Audited Accounts for the year ended 30th April, 1964, the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.
(2) To declare a dividend.
(3) To appoint a Director in place of one retiring.
(4) To fix the Auditors' remuneration.

NOTICE is also given that the Share Transfer Books of the Company will be closed from 9th October to 23rd October, 1964, both days inclusive.

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

By Order of the Board.
JARDINE HENDERSON, LIMITED,
C. EVANS,
Secretary,
Secretaries.

4, Clive Row,
Calcutta 1.
28th August, 1964.

Note: The dividend, if approved, will be payable on and after 30th October, 1964 to those members whose names are registered in the books of the Company on 23rd October, 1964.

ROHTAS INDUSTRIES LIMITED
Registered Office: Dalmianagar (Bihar)

NOTICE

THE Thirty-first Annual General Meeting of the Shareholders of Rohtas Industries Ltd. will be held at the Registered office of the Company at Dalmianagar on Wednesday, the 30th September, 1964 at 11 a.m. to transact the following business:

1. To receive and adopt the Directors' Report and the Audited Accounts for the financial year ended 31st March, 1964.
2. To declare dividends.
3. To elect a Director in place of Shri Nand Lall Poddar, who retires by rotation and is eligible for re-appointment.
4. To appoint Auditors and fix their remuneration. The retiring Auditors Messrs. K. N. Gutgutia & Co., Chartered Accountants, are eligible for re-appointment.

Share Transfer Books and Members' Register of the Company will remain closed from 24th September, 1964 to 30th September, 1964, both days inclusive.

By Order of the Board,
For SAHU JAIN LTD.,
A. K. JAIN,
Director,
Managing Agents.

Calcutta,
5th September, '64.

N.B.—A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself. Such proxy need not be a member.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
National Insulated Cable Co. of India Ld. ..	24-9-64	11 a.m.
Imperial Tobacco Co. of India Ld. ..	24-9-64	3-30 p.m
India Steamship Co. Ld.	24-9-64	4 p.m.
Indian Cable Co. Ld.	25-9-64	4 p.m.
Bisra Stone Lime Co. Ld. ..	28-9-64	11-15 a.m.
Bally Jute Co. Ld. ..	28-9-64	3 p.m.
Birla Jute Manufacturing Co. Ld. ..	28-9-64	4 p.m.
Jardine Henderson. Ld. ..	29-9-64	11-15 a.m
Indian Steel & Wire Products Ld. ..	29-9-64	1-30 a.m
Sijua (Jherriah) Electric Supply Co. Ld. ..	29-9-64	11 a.m.
Dehri-Rohtas Light Railway Co. Ld. ..	29-9-64	11-30 a.m.
Hukumchand Jute Mills Ld.	29-9-64	4 p.m.
Dalhousie Jute Co. Ld. ..	30-9-64	10 a.m.
Auckland Jute Co. Ld. ..	30-9-64	10-10 a.m.
Union Jute Co. Ld.	30-9-64	10 20 a.m.
Standard Jute Co. Ld. ..	30-9-64	10 30 a.m
Kinnison Jute Mills Co. Ld. ..	30-9-64	10-40 a.m
Northbrook Jute Co. Ld. ..	30-9-64	10-50 a.m.
Lansdowne Jute Co. Ld. ..	30-9-64	11 a.m.
Rohtas Industries Ltd. ..	30-9-64	11 a.m.
Lawrence Jute Co. Ld. ..	30-9-64	11-10 a.m.
Titaghur Paper Mills Co. Ld. ..	30-9-64	3-30 p.m.
East Indian Coal Co. Ld. ..	23-10-64	11-30 a.m.

DIVIDENDS DECLARED OR PROPOSED.—Jardine Henderson Ltd.—7 p.c. (o), subject to tax; Saran Engineering Co. Ltd —10 p.c., subject to tax; Hukumchand Jute Mills Ltd.—Rs. 2 per share (o), subject to tax; Bhagalpur Electric Supply Co. Ltd. —10 p.c., subject to tax; Agarpara Co. Ltd. —10 p.c. (o), subject to tax; Britannia Building & Iron Co. Ltd.—Nil; Ashoka Cement Ltd.—7 p.c. (o), subject to tax. Publicity Society of India Ltd.—Rs 2.50 per share, subject to tax; Raneegunge Coal Association Ltd.—14 p.c. (o), subject to tax; Gillanders Arbuthnot & Co Ltd.—9.6 p.c. (o), net (Tax-free); subject to additional tax for Non-resident shareholders; Ashoka Cement Ltd.—7 p.c., subject to tax; Jaipur Udyog Ltd.—10 p.c. (o), subject to tax; Rohtas Industries Ltd.—8 p.c. (o), subject to tax; Aluminium Industries Ltd.—9 p.c (f), subject to tax. Birla Jute Manufacturing Co Ltd.—15 p.c (o), subject to tax; East Anglia Plastics (India) Ltd.—Nil; Dehri-Rohtas Light Railway Co. Ltd.—10 p.c., subject to tax. Metal Corporation of India Ltd.—Nil Fort William Co. Ltd.—15 p.c. (o), subject to tax; Pench Valley Coal Co. Ltd —7½ (f), subject to tax.

HIDES AND SKINS

The market in skins was firm and the prices showed an upward tendency, while that of hides was steady. Stocks of skins were less but those of hides were higher than in the previous week

Bazaar Sales

(Between 1st September and 7th September, 1964)

Cowhides: Wet salted (Ord.) 6,500 pcs. on the basis of Rs 7.25 to Rs. 9.25 and Rs. 11.25 to Rs. 11.50; Wet salted (Slaughtered) 38,000 pcs on the basis of Rs. 10.50 to Rs. 17.50 and Rs. 19.50 to Rs. 28; Wet salted (Ord.) 2,000 pcs. on the basis of 72 paise a lb.

Goatskins: Wet salted (Patna Daissee, Kustia, Killed) 71,000 pcs.; Assam-Dinajpur 67,000 pcs.; Muzaffarpore-Purneah - Kissenganj-Patna-Pakur 1,61,000 pcs.

Over 100 Years of Banking in India

NATIONAL AND GRINDLAYS BANK LIMITED

(Amalgamating National Bank of India Limited, Grindlays Bank Limited; and the Eastern Branches of Lloyds Bank Limited)

Registered in London under the Companies Act of 1862 on the 23rd March, 1866. The Liability of Members is Limited.

Bankers to the Government in Aden, Kenya, Uganda and Zanzibar.

ISSUED CAPITAL AND RESERVES OVER £ 11 MILLIONS

HEAD OFFICE: 26, BISHOPSGATE, LONDON, E.C.2.

London Branch:

13, ST. JAMES'S SQUARE, S.W.I.

Branches throughout Aden, Ceylon, India, Kenya, Pakistan, Northern and Southern Rhodesia, Somalia, Tanganyika, Uganda and Zanzibar.

The Bank conducts all classes of Banking and Exchange Business throughout the world.

Calcutta Branches:

19, Netaji Subhas Road; 29, Netaji Subhas Road, (Lloyds Branch); 31, Chowringhee Road; 41, Chowringhee Road, (Lloyds Branch); 6, Church Lane; 17, Brabourne Road; 1B, Convent Road, Entally: 17S/A, Nalini Ranjan Avenue, New Alipore (Safe Deposit Lockers); 163, Rash Behary Avenue, Ballygunge; 139C, Bidhan Sarani, Shambazar.

NGB/46C

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock Exchange Associations and other sources.

Figures given after stroke (/) mean paise.

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Wednesday, 9th September, 1964

BANKS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 9-9-64 Rs.	2-9-64 Rs.	A year ago Rs.
Allahabad Bank P.	18	15	15	100	248/00	248/00	262/00
Bank of Baroda	17	16	16	50	97/50	97/00	85/50
Bank of India	20	20	18	50	103/00	102/00	105/50
Central Bank of India	20	20	20	25	52/00	50/50	54/00
Chartered Bank	15	15	15	£1	sh. 53	sh. 53/7½	sh. 62/10½
Hindusthan Commercial	Nil	Nil	..	50	10/25	11/50	13/25
Hindusthan Mercantile	Nil	Nil	..	50	10/75	10/75	15/62
Hong Kong & Shanghai	sh. 15	sh. 16	sh. 16	HK$25	£21¼	£21¼	£18⅜
Indian Bank	15	14	15	100	157/00	157/00	156/10
Indian Overseas Bank	14	12	14	100	147/00	147/00	145/50
National & Grindlays Bank	14	16	14	sh. 15	sh. 30/6	sh. 30/-	sh. 34/7½
Punjab National Bank	20	20	20	10	20/00	20/44	19/50
Union Bank of India	11 2/5	11 2/5	11 2/5	5	6/40	6/36	5/80
United Bank of India	6	6	7½	10	7/75	7/66	7/31
United Commercial Bank	12	12	12	50	70/00	72/25	70/00

JUTE MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 9-9-64 Rs.	2-9-64 Rs.	A year ago Rs.
Agarpara P.	2½	2½	12-12*	10	9/44	9/25	11/37
Alexandra P.	15	42½	..	100	245/00	300/00	300/00
Alliance P	Nil	10	12½	100	119/00	119/00	137/00
Anglo-India P.	7½	10	12	100	197/00	197/00	237/00
Auckland P.	12	Nil	15	100	131/00	131/00	146/00
Bally P	25	25	25-20*	100	241/00	241/00	270/00
Barnagore P.	10	10	40	£5	230/00	236/00	202/00
Bengal P.	5	5	..	10	7/00	7/00	9/37
Birla P	15	15	15	10	35/62	36/50	31/56
Budge Budge P.	Nil	12	20	100	130/00	133/00	146/00
Calcutta P	Nil	Nil	..	10	4/12	4/12	8/12
Caledonian P.	5	15	..	100	140/00	140/00	190/00
Champdany P.	5	Nil	40-35*	10	20/75	21/81	23/25
Chevior P	5	25	..	10	20/75	20/50	22/25
Chitvalsah P.	Nil	5	Nil	10	8/06	8/06	10/12
Clive P	Nil	Nil	..	10	8/00	8/00	9/25
Dalhousie P.	1	Nil	25	100	125/00	124/00	155/00
Delta P	Nil	12	16	100	141/00	140/00	160/00
Empire P	7½	12½	15	10	14/12	14/12	17/75
Fort Gloster P.	10	12½	20	100	272/00	262/00	372/00
Fort William P.	22½	10	20	10	22/25	22/25	25/87
Ganges P	10	15	20-20*	10	14/81	14/87	15/50
General Industrial	10	13	14	10	15/00	15/00	15/50
Gouripore P.	25	20	20-20*	10	23/00	23/00	26/37
Hastings P.	6	6	6	100	128/00	128/00	128/00
Hooghly P.	20	7½	10	10	14/44	14/44	16/00
Howrah P.	10	Nil	10-12½*	10	16/31	16/31	18/25
Hukumchand P.	28 2/3	26 2/3	26 2/3	7½	19/50	19/50	22/00
Inida	12	8	22½	12½	15/56	15/44	17/25
Kamarhatty P.	Nil	20	20	100	156/00	157/00	189/00
Kankinarrah P.	Nil	15	15	100	128/00	128/00	136/00
Kelvin P	15	5	20	100	140/00	140/00	200/00
Khardah P.	5	12½	12½	10	17/75	17/75	20/00
Kinnison P.	7	Nil	10	100	122/00	122/00	141/00
Lansdowne P.	Nil	Nil	Nil	100	111/00	92/50	95/00
Lawrence P.	15	10	10	100	109/00	107/00	121/00
Megna P.	12½	Nil	22	10	12/87	13/00	14/69
Naihati P.	Nil	Nil	..	100	85/00	85/00	104/00
Naskarpara	2½	5	..	10	5/50	6/00	8/00
National P.	Nil	10	10	10	19/50	19/50	23/62
Nellimarla P	6	15	5	10	8/25	8/25	12/06
New Central P.	15	Nil	..	10	10/81	11/25	12/37
Northbrook P.	30	20	35	10	25/50	25/50	31/00
Nuddea	6	5	10-10*	10	11/25	11/25	..
Presidency	6	10	10	5	4/44	4/50	5/37
Rameshwara P.	Nil	Nil	Nil-Nil*	10	7/75	7/75	9/25
Reliance P	Nil	Nil	Nil	10	7/81	7/81	10/19
Samnugger P.	Nil	10	13	£1	10/50	10/50	10/50
Shree Ambica P.	6	Nil	..	10	30/00	30/00	35/00
Soorah P	25	25	..	10	19/19	18/81	22/31
Titaghur P.	Nil	13	10	£1	10/50	10/50	10/50
Union P	6	Nil	20	100	143/00	140/00	172/00
Victoria P.	Nil	10	10	£1	10/50	10/50	10/50
Waverley P.	30	60	30	1	8/44	8/44	8/16

* 1964

COAL COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 9-9-64 Rs.	2-9-64 Rs.	A year ago Rs.
Amalgamated	..	..	..	10	2/69	2/69	2/69
Bengal P	12½	15	12½	10	21/75	21/19	24/50
Bengal Bhatdee	21	19	16	100	261/00	261/00	275/00
Bengal Nagpur	8	10	..	10	3/48	3/48	3/48
Bhalgora	26	7	..	10	22/00	22/00	22/00
Bharat Collieries P.	Nil	..	..	10	4/25	4/25	4/75
Bhuliandararee	Nil	Nil	..	10	2/65	2/65	3/56
Bokaro & Rampur	Nil	Nil	..	10	10/00	10/00	11/94
Borroo P	..	..	..	10	11/19	11/19	11/19
Burrakur P.	15	15	15	10	20/25	20/25	23/87
Central India	13	13	13	10	17/06	17/12	16/12
Central Kurkend P.	10	10	9	10	9/44	9/44	9/87
Churulia	Nil	Nil	..	10	3/44	3/44	3/87
Dhemo Main	..	..	..	4	3/06	3/06	3/06
East Indian	Nil	..	..	10	3/95	3/95	4/50
Equitable P.	15	20⅜	20⅜	£1	28/25	28/25	31/37
Ghusick & Musila	10	10	10	10	21/06	21/50	23/25
Guzdar Kajora	Nil	Nil	Nil	10	13/87	13/87	14/25
Hurriladih	..	..	..	10	2/47	2/47	2/44
	Nil	..	..	10	5/44	5/44	8/12
Karanpura Development	6	3	3	100	9/12	9/12	10/75
	15	9	9	10F			
Karanpura Collieries P.	10	10	10	10	13/00	13/81	15/00
Katras Jherriah	40	25	30-30*	10	28/12	28/12	34/37
Khas Kajora P	10 2/5	..	..	10	13/25	13/25	17/62
Mundulpur	..	..	..	10	2/69	2/69	2/69
Nazira	Nil	Nil	..	10	4/69	4/69	5/00
New Beerbhoom P.	10	12	10	10	17/00	17/00	19/25
New Manbhoom	9	12	12	10	11/12	11/12	15/25
North West	20	11	..	10	19/75	19/75	19/75
				7½	18/00	18/00	18/00
Ondal P.	..	..	..	10			
Parasea P	7½	7½	5	10	13/50	13/50	13/50
Pench Valley	1½	..	..	10	14/00	14/00	16/00
Pure Sitalpur	10	10	12½	10	17/44	17/44	17/50
Rangeegunge	..	..	..	10	8/00	8/00	9/00
Rewa	17	17	17	10	13/00	13/06	16/00
	20	10	15	10	21/62	21/62	28/50
Samla	10	7½	..	10	7/81	7/81	10/00
Searsole	Nil	Nil	..	2½	1/25	1/25	1/25
Seebpore P.	42 6/7	35 5/7	28 4/7	7	34/75	34/75	34/75
Sendra	3½	2½	..	10	4/06	4/06	5/00
South Karanpura	Nil	Nil	2½	10	6/56	6/56	8/25
Standard	10	10	..	10	9/62	9/62	13/12
Union	Nil	5	..	10	10/25	10/25	11/12
Western Bengal	7½	9	9	10	9/50	9/37	8/62
West Jamuria	Nil	Nil	..	10	3/60	3/60	4/50

COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 9-9-64 Rs.	2-9-64 Rs.	A year ago Rs.
Basanti	**	**	**	10	10/00	12/06	11/44
Bengal Luxmi	..	**	**	40	30/00	30/00	30/00
Bengal Nagpur P.	Nil	..	..	10	2/44	2/44	3/06
Bharat Commerce	5	15	15	10	21/37	21/37	20/62
Birla Cotton	10	20	20	10	27/00	27/00	30/25
Bowreah P.	10	20	15	10	24/37	24/50	21/75
Cawnpore Textile	7 1/5	10	10	5	6/81	6/75	6/44
Delhi Cloth & Genl P.	12	13	13-13*	25	50/94	50/94	41/56
Dunbar	20	20	15	10	27/50	28/12	25/19
Elgin P.	11½	17½	17½-17½*	10	20/00	20/37	19/87
J. K. Cotton (Rayon) P.	12½	..	..	10	11/81	11/50	11/37
Jaya Shree	10	10	..	10	13/87	14/31	14/75
Muir P	..	..	**	100	60/50	60/50	67/00
New Victoria P.	Nil	..	**	2½	1/28	1/25	1/44
Orissa Textiles P.	Nil	Nil	**	10	7/00	7/00	9/00
Rampooria Cotton	3	Nil	..	10	14/12	14/12	13/00
	Nil	Nil	Nil	1	4/12	4/12	2/00
Swadeshi (Kanpur) P.	5	..	..	10O	11/00	11/00	11/00
	5.51	..	..	10PO	6/50	6/50	6/00

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BOMBAY COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 5-9-64 Rs.	1-9-64 Rs.	A year ago Rs.
Ahmedabad Advance P.	16	12	**	100	145/00	145/00	144/50
Apollo	Nil	Nil	..	2	1/80	1/88	1/80
Beharilal Ramcharan	Nil	Nil	..	100	138/00	138/00	79/00
Bombay Dyeing, etc.	14	14	14	25	61/20	61/20	60/60
Bradbury P.	10	25	..	50	162/50	162/50	148/00
Century	30	30	..	100	628/50	636/50	541/00
Central India P.	Nil	Nil	Nil-Nil*	100	103/00	104/75	113/00
Coorla	11	11	..	100	177/50	177/50	150/00
Dawn	30	30	..	50	167/00	167/50	145/00
Edward Textiles	9	9	6	200	300/00	300/00	290/00
Elphinstone P.	18	22	18	50	101/00	99/00	96/00
Finlay	23	23	..	100	305/00	305/00	310/00
Gokak	14	18	..	100	180/00	180/25	160/00
Hindoostan	50	50	..	250	940/00	940/00	855/00
India United	8	14	..	10	19/24	19/60	22/76
	13½	37½	..	1Dd	2/36	2/42	2/56
Indian	23 1/5	25	..	250	840/00	840/00	761/25
Indore Malwa United	8½	10	7½	100	210/00	211/00	196/00
Khatau Makanji P.	32	16	..	100	188/75	187/50	213/75
Kohinoor	15	18	..	100	350/50	335/00	306/00
Lakshmi Vishnu P.	5.7	6	Nil	100	86/50	86/50	90/50
Morarjee Goculdas P.	21½	24	24-20*	100	266/00	268/00	367/00
Mysore Spg & Mfg. P.	14	14	..	50	37/00	37/00	50/00
New City of Bombay	Nil	Nil	..	100	150/00	188/75	155/00
New Great Eastern P.	Nil	12	**	100	160/00	160/00	197/00
Phoenix	15	20	**	100	254/00	254/00	220/00
Sassoon & Alliance	Nil	Nil	..	10	10/36	10/36	11/00
Sassoon Spinning	17	20	10	10	37/75	37/75	46/00
Simplex	15	Nil	22-16*	50	135/00	134/50	125/00
Shree Niwas P.	18	20	14	100	257/00	256/00	225/00
Svadeshi P.	17	19	17	100	266/00	266/00	238/00
Swan	38	21 3/5	..	100	270/00	270/00	271/00
Tata	20	22	20	25	50/50	57/00	56/00
Western India	46 2/5	25	..	250	850/00	850/00	785/00

* 1963

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 5-9-64 Rs.	1-9-64 Rs.	A year ago Rs.
CEMENT ENGINEERING & METAL							
Associated Cement	12½	12	12	100	164/25	165/00	145/75
ELECTRIC LTG.. POWER							
Ahmedabad Electricity	7	6	**	100	104/00	103/25	95/00
Andhra Valley Power P.	5½	5	5	1000	1,222/50	1,215/00	1,072/50
Bombay Subarban Elec.	8	8½	8½	100	114/00	114/00	104/50
Tata Hydro Elec. Power P.	5½	5	5	100	126/00	126/00	110/50
Tata Power P.	5½	5	5	1000	1,265/00	1,268/25	1,117/50
Alcock Ashdown	17	22½	**	100	295/00	299/00	280/00
Jost's Engineering	8	10	10—Nil*	50	47/00	47/00	59/50
Larsen & Toubro P.	12½	18	14—14*	10	22/80	23/32	23/36
Mackenzies	10	12	14	100	137/50	140/00	141/00
Premier Construction P.	43 1/3	33 1/3	**	30O	192/00	193/50	142/00
				33F			
Tata Eng. & Locomotive P.	12½	14½	14½-14½*	100	273/50	317/50	255/00
Tata Iron & Steel P.	9.1	10.36	10.36-11*	75O	159/50	162/25	143/50
INSURANCE COMPANIES							
British India General	**	**	**	10	13/24	13/24	12/20
Jupiter General P.	..	..	**	15	7/00	7/00	9/20
New India	38	38	**	15	45/75	45/75	53/50
Vulcan	20	20	**	10	15/76	15/76	16/48
MISCELLANEOUS							
Belapur Sugar	58	50	**	50	232/00	230/00	191/00
Bombay Burmah Trading	30	33	33-33 1/3*	25	57/00	57/50	62/20
				20	43/00	42/50	46/00
Hindustan Lever	26	26	12	10	31/50	32/25	36/60
Industrial Invt Trust	6½	6½	**	100	77/50	76/00	75/00
Kemp (Chemists)	12½	12½	**	200	263/75	255/00	257/50
National Rayon	22	..	**	100	368/00	378/00	338/50
Scindia Steam Navign.	3	3	3	20	16/08	16/12	11/72
Shivrajpur Synd.	80	Nil	..	10	16/00	16/24	19/00
Tata Chemicals P.	6	6½	6½—10*	10	19/48	19/56	16/16
Tata Oil P	23	23	23—22*	25	50/50	64/50	61/70
Voltas	13	14	14—14*	100	271/50	270/50	241/00
Western India Match	16	16	16	100	247/00	245/00	241/50

* 1963

TEA COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 9-9-64 Rs.	2-9-64 Rs.	A year ago Rs.
ASSAM GARDENS							
Amluckie	Nil	10	7½	10	16/00	16/00	16/50
Anandabag P.	30	32½	20	10	33/25	33/25	33/25
Baghmari	Nil	15	7½	10	11/00	11/00	13/56
Barduar Tea	..	..	..	5	8/50	8/50	8/50
Basmatia	25	25	20	10	18/06	18/06	27/25
Bateli	30	30	..	5	17/06	17/06	17/50
Betjan	40	45	30	10	29/00	29/00	29/19
Bishnauth	13	13	20	10	14/37	14/37	16/94
Bokakhat	Nil	12	13	10	13/12	13/12	13/70
Borpak Jan P.	15	15	15	10	10/06	10/06	13/25
Bor Pukhuri	Nil	Nil	10	10	10/50	10/37	10/56
Brooke Bond P.	15	10	7½—7½‡	10	10/69	10/94	12/06
Dejoo Valley	15	20	30	10	40/00	40/00	60/00
Dessai & Purbuttia	Nil	10	15	100	181/00	181/00	205/00
Dhelakhat	12½	10	..	10	20/37	20/37	18/81
Dhunseri P.	20	15	10	10	10/00	10/00	11/75
Dibrugarh	40	40	30	10	27/87	27/87	31/25
Dimakusi P.	25	20	25	10	23/12	23/12	20/00
Duffla ghur	25	25	30	10	26/12	26/12	25/25
East India	Nil	Nil	10	10	10/69	10/69	14/75
Gillapukri	25	20	15	10	27/56	27/56	25/44
Gohpur	Nil	5	20	10	14/69	14/69	15/31

‡ 1963

TEA COMPANIES—Contd.

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 9-9-64 Rs.	2-9-64 Rs.	A year ago Rs.
Grob	6	6	6	5	6/62	6/62	7/75
Hoograjuli (Assam)	20	20	17	10	27/62	27/62	27/12
Hoolungooree	10	7½	20	100	168/00	168/00	195/00
Jutlibari	30	30	20	10	27/87	27/87	31/50
Kingsley Golaghat P.	35	35	..	100	125/00	125/00	140/00
Kotamullai P.	Nil	Nil	Nil	5	9/75	10/00	10/31
Krishnabehari	15	8	10	10	11/30	11/30	10/50
Kyang Tea	Nil	..	..	10	8/06	8/06	8/06
Ledo	Nil	Nil	Nil	10	11/00	11/00	13/75
Maud Tea & Seed	10	7½	7½	10	12/00	12/00	14/81
Methoni	5	14	20	10	13/25	13/25	16/19
Moheema	Nil	Nil	..	10	11/50	11/50	11/50
Mothola	30	30	35	100	425/00	425/00	507/00
Murphulani (Assam)	5	15	25	10	26/50	26/50	26/50
	10.63	20.63	30.63	10	26/87	26/87	26/87
Naga Hills	10	10	10	10	21/25	21/25	22/25
Namburnadi	12	12	..	10	12/87	12/87	12/87
New Cinnatolliah	Nil	Nil	Nil	100	455/00	455/00	302/00
Rajgarh	40	13½	17½	10	18/56	18/56	19/00
Sapoi	22½	20	10	10	19/50	19/50	18/31
Seajuli	22½	15	30	10	21/06	21/06	21/12
Teloijan	25	25	25	10	21/87	21/87	21/37
Tengpani	30	30	22½	10	36/50	36/50	35/00
Tezpore P.	20	12½	..	10	13/31	13/31	14/69
Tongani	Nil	Nil	..	10	5/00	5/00	7/00
Tyroon	10	15	25	10	24/75	24/75	30/37
CACHAR							
Arcuttipore	Nil	5	6	10	7/00	7/00	7/00
Baitakhal	2½	2½	..	10	6/00	6/81	8/06
Central Cachar	5	7½	5	100	73/00	73/00	85/00
Eastern Cachar	Nil	Nil	..	10	4/94	4/94	4/50
Kallinugger Khoreel	6	2	..	100	84/00	84/00	87/00
Hattikhira	Nil	8	Nil	10	6/50	7/75	9/94
Kunchanpore	Nil	Nil	..	10	6/00	6/00	6/00
Looban	Nil	Nil	Nil	10	4/69	4/69	4/44
North Western	30	20	10	100	140/00	140/00	160/00
Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50
Roopacherra	Nil	10	Nil	10	9/94	9/94	9/62
Rungamattee	5	5	5	50	49/25	49/25	49/00
Sonai River	Nil	Nil	..	10	5/06	5/06	5/05
DARJEELING							
Bloomfield	Nil	..	..	10	3/25	3/25	3/12
Chamong	Nil	10	10	10	8/87	8/87	9/00
Darjeeling Tea & Chin.	30	30	30	100	197/00	197/00	197/00
Dilaram	8	4	..	100	102/50	102/50	102/50
Gielle	Nil	..	8 4/7-15*	10	17/25	17/25	11/69
Lingia P.	15	10	17½	10	13/37	13/37	14/56
Longview	12½	10	..	10	8/25	8/25	11/00
Margaret's Hope	15	15	15	10	11/81	11/81	12/25
Mim	22½	27½	27½	100	419/00	419/00	191/50
Nagri Farm	30	25	35	10	28/31	27/50	27/25
Okayti	25	25	25	100	600/00	600/00	600/00
Pashok	10	Nil	..	10	20/00	20/00	20/00
Poobong	Nil	Nil	5	10	10/50	10/50	7/50
Pussimbing P.	Nil	Nil	Nil	10	7/62	7/62	7/12
Runglee Rungliot	35	20	7½	100	290/00	290/00	386/00
Seeyok	15	Nil	..	10	8/50	8/50	8/50
Singell	Nil	Nil	Nil	100	36/75	36/75	36/75
Singtom	2	Nil	2	10	3/25	3/25	3/50
Soom	50	40	40	10	39/00	39/00	34/00
Sungma	15	15	20	10	12/31	12/19	14/25
Teesta Valley	Nil	..	8 4/7-10*	10	12/81	12/81	13/12
Tukvar	Nil	Nil	..	10	3/56	3/50	7/00
DOOARS							
Banarhat P.	22½	21	21	100	170/00	174/00	213/00
Baradighi	30	25	25	10	21/12	21/12	22/19
Bhatkawa	15	15	20	10	16/00	16/00	16/44
Birpara P.	17½	12½	17½	100	142/00	142/00	162/00
Carron	20	5	7½	100	117/00	117/00	151/00
Choonabhuti P.	32½	20	20	100	176/00	176/00	210/00
Ellenbarrie	5	5	10	100	173/00	173/00	184/00
Engo	60	30	40	100	136/00	136/00	136/00
Ethelbari	5	5	7½	10	11/87	11/87	13/12
Gairkhata	25	20	11	10	16/12	16/12	21/50
Gopalpur	12	2	10	25	19/50	19/50	20/00
Hantapara P.	15	5	10	100	97/00	97/00	107/50
Hasimara P.	17	..	18—15*	10	13/62	13/62	12/87
Huldibari	22½	..	19 2/7-11*	10	11/44	11/62	13/12
Jaybirpara	10	Nil	Nil	10	8/50	8/50	10/69
Killcott	25	15	15	10	14/50	14/44	15/37
Manabarrie	10	6	10	10	59/50	59/50	59/50
Nagaisuree	25	15	15	100	141/00	141/00	140/00
New Dooars P.	35	20	14½	100	166/00	164/00	220/00
Oodlabari	12½	7½	..	100	13/75	13/75	14/00
Phaskowa	Nil	Nil	Nil	100	121/00	121/00	129/00
Rajabhat	Nil	Nil	6	10	10/06	10/06	12/12
Ranicherra	15	15	7½	10	12/00	12/00	13/00
Rydak	25	20	25	10	22/62	22/62	24/25
Sarugaon	40	40	40	10	36/25	36/25	36/31
TERAI							
Atal	5	..	..	10	5/37	5/37	6/75
Belgachi	20	20	..	10	23/12	23/12	22/50
Gungaram	20	12½	12½	100	121/00	121/00	131/00
New Chumta	15	..	12 6/7-20*	10	20/37	20/37	20/00
New Terai	22½	10	15	10	20/50	20/50	24/62
Pahargoomiah	20	20	2½	10	13/75	13/75	15/00
Putinbaree	14	14	..	10	55/00	55/00	45/00
Tirrihannah P.	60	60	60	10	49/00	49/00	49/00
CHITTAGONG							
Kodala	Nil	Nil	..	10	9/25	9/25	9/25
Kornafull	Nil	Nil	..	10	11/25	11/00	9/31
Oodaleah	Nil	Nil	..	10	8/00	8/00	8/00
SYLHET							
Chundeecherra	Nil	Nil	Nil	10	29/75	29/75	26/00
Dauracherra	22½	22½	20	10	15/19	15/19	7/94
New Samanbagh P.	25	Nil	Nil	10	20/37	20/37	18/37
Patrakola	32½	40	15	100	192/00	201/00	125/50
Rajnagar	Nil	Nil	Nil	10	9/56	9/56	9/50
Teliapara	22½	22½	10	100	180/00	180/00	99/00

‡ Hectares

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MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 9-9-64 Rs.	2-9-64 Rs.	A year ago Rs.
MININGS							
Burma Mines	2 3/5	Nil	Nil	3½S	0/44	0/44	0/44
				10O	8/75	10/37	10/40
Chrestien Mica Industries P.	15	12½	..	5Dd	6/53	6/53	6/87
	25	20	..	2s	3/37	3/55	4/88
Indian Copper Corporation	27	27	..	10O	6/37	6/56	8/12
Metal Corporation P	Nil	..	..	10	20/00	20/00	27/69
Orissa Mineral Development	36	28	20				
CEMENT, LIME, SLATE, ETC.							
Ashoka Cement	7	7	7—7*	10	7/25	7/25	7/69
Assam Bengal Cement	**	**	**	10O	4/87	4/87	5/00
				1Dd	0/59	0/59	0/75
Bengal Potteries	15	..	..	2½	4/19	4/50	5/15
Bisra Stone Lime	30	30	10	..	17/75	17/75	35/00
Dalmia Cement (Bharat) P.	12	12	12	10O	12/56	12/56	12/44
				1Dd	3/06	3/06	3/00
Jaipur Udyog P.	6	8	8.36	10	11/19	11/37	11/06
Kumardhubi Fireclay & Silica P.	18	18	18	10	18/45	18/45	18/45
Orissa Cement P	15	15	10	10	11/37	12/96	13/72
Reliance Firebricks & Pottery	22	15	10	10	22/75	22/75	22/75
Sone Valley Portland Cement	4	6	8	10	4/00	4/00	4/62
Sutna Stone & Lime	27½	30	35	10	27/00	27/00	35/12
CHEMICAL INDUSTRIES							
Alkali & Chemical Corpn. of (I)	12	15	15—15*	10	28/94	29/12	33/12
Bathgate & Co Ltd P.	Nil	Nil	..	5	9/84	9/84	9/84
Bengal Chemical & Pharm. P.	7	10	..	100	102/00	102/50	102/00
Calcutta Chemical P.	18	18	18	10	17/25	17/25	17/87
Frank Ross P	..	..	..	6	3/19	3/19	2/19
Smith Stanistreet P.	25	25	25-22½*	5	13/69	13/69	12/25
ELECTRIC LIGHTING, POWERS							
Agra Electric Suply	11	11	11	100	125/00	125/00	118/00
Bareilly Electric Supply	11	11	11	10	12/00	12/00	12/50
Benares Electric Supply	11	11	11	10	13/25	13/25	12/37
Bhaaalpur Electric Supply	8	10	8	8	6/56	6/56	6/50
Calcutta Electric Supply	7	7½	7½	£1	15/19	15/12	14/94
Dishergarh Power Supply P.	7½	10	10	10	12/06	12/06	11/87
Jhanshi Electric Supply	10	10	10	100	86/00	86/00	88/00
Jubbulpore Electric Supply	..	..	..	10	5/90	5/90	5/90
Mirzapur Electric Supply	10	10	10	10	12/31	12/31	11/50
Muzafferpore Electric Supply	..	..	..	..	7/50	7/50	12/00
Muttra Electric Supply	12½	12½	12½	10	11/19	11/19	11/50
Patna Electric Supply	..	..	..	10	11/06	11/06	11/12
Shahiahanpur Electric P.	10	10	10	10	10/50	10/50	10/75
Sijua (Jharian) Electric	6½	6½	6½	10	6/62	6/62	7/25
United Provinces Electric	10	9	9	10	9/62	9/62	8/50
Upper Jumna Valley Electric	11	11	11	100	190/00	188/00	117/00
	13½	13½	13½	11	25/37	25/37	15/06

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MISCELLANEOUS COMPANIES—Contd.

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 9-9-64	2-9-64	A year ago
				Rs.	Rs.	Rs.	Rs.
ENGINEERING & METAL							
Arthur Butler (Muzafferpore) P.	Nil	10	..	10	21/25	21/25	14/94
Bhartia Electric Steel	10	12½	15	10	14/87	14/94	13/62
Braithwaite India P.	25	14	20	10	33/25	33/00	30/75
Bridge & Roof	30	30	..	10	52/25	52/25	52/25
Britannia Building & Iron P.	Nil	Nil	..	10	3/62	3/20	3/75
Britannia Engineering P.	10	10	..	10	9/15	9/15	10/06
British India Electric Cons.	20	15	..	10	29/12	29/12	33/12
Burn P. (Engineering)	28½	28½	25	100	280/00	288/00	550/00
Calcutta Steel	15	15	12½-15*	10	13/94	13/69	13/00
Dalmia Iron	10	10	10	10	11/37	11/31	10/84
Guest, Keen, Williams	14	14	12	10	23/37	24/62	34/06
Hooghly Docking	Nil	12½	..	50	80/00	80/00	108/00
Indian Iron & Steel P.	16	16	16	10	25/50	26/50	22/82
Indian Malleable Casting	..	..	..	50	6/00	6/00	6/00
			..	10d	2/06	2/06	1/81
Indian Standard Wagon P.	28½	28½	20-20*	10	38/25	38/25	32/62
Indian Steel & Wire Products	24	23	18	100	31/75	31/00	39/00
Industrial Containers	10	10	..	10	25/62	25/75	21/37
Jay Engineering	17 3/20	15	10	10	18/81	18/12	20/87
J. K. Steel P.	20	10	30	10	17/12	17/37	14/53
Jessop & Co. P.	8.58	8.58	10	10	20/81	21/37	25/00
Kumardhubi Engineering P.	11½	15	Nil-16½	3	5/65	5/72	8/94
Marshall Sons (India)	Nil	Nil	..	2	2/87	3/06	2/62
National Iron and Steel	Nil	Nil	..	10	6/37	6/37	4/75
Saran Engineering	10	12½	10	4	8/69	9/00	8/50
Steel Containers	20	20	..	10	24/31	24/31	29/50
Textile Machinery	10	..	17½	10	26/10	26/95	24/05
SUGAR BREWERIES, ETC.							
Balrampur Sugar	8	4	Nil	2½	1/81	1/72	1/95
Belsund Sugar	10	6 2/3	3 1/3	7½	8/56	8/12	8/00
Bharat Sugar P.	15	15	15	10	14/50	14/50	13/00
Carew (Sugar) P.	Nil	Nil	Nil	10	12/31	12/31	10/87
Cawnpore Sugar P.	Nil	Nil	Nil	10	9/62	9/62	9/75
Champaran Sugar	12	Nil	Nil	10	11/25	10/87	15/87
Durbhanga	Nil	5	..	10	8/25	8/25	8/12
New Savan Sugar and Gur	..	..	..	10	2/94	3/50	4/44
Purtabpur Sugar P.	..	..	..	10	9/12	9/12	11/50
Ramnugger Cane & Sugar P.	35	30	15	10	24/31	24/31	26/50
Raza Buland	10	10	10	10	10/00	10/00	9/56
Ryam Sugar P.	..	..	..	10	4/00	4/00	5/20
Samastipur Central Sugar	..	..	..	10	3/75	3/75	5/94
Shree Krishna Gyanoday Sugar P.	..	..	..	10	8/09	7/87	7/69
Shree Sitaram Sugar	..	..	..	10	7/28	7/28	7/12
Sitalpore Sugar	Nil	Nil	Nil	10	3/69	3/69	6/12
United Provinces	5	Nil	..	10	12/00	12/00	9/00
Upper Ganges Sugar P.	72½	72½	..	10	60/25	60/25	62/00
MISCELLANEOUS							
A. Firpo (Restaurateur)	10½	5	..	10	5/90	5/90	5/90
Aluminium Corporation P.	12	12	5	10	12/94	13/26	14/62
Anderson Wright Ltd. P.	Nil	6	..	10	11/50	11/50	11/50
Angelo Bros.	28½	28	28	10	25/19	25/19	24/00
Assam Match	20	20	20	10	26/37	26/37	13/50
Assam Saw Mills & Timber	Nil	3	..	3	2/44	2/44	2/87
Associated Battery	15	15	15	10	25/37	24/94	24/37
Associated Hotels of India P.	10	10	15	10	10/37	9/56	10/31
Balmer Lawrie & Co.	25	25	22½	100	233/00	235/00	246/00
Bararee Coke	Nil	15	15	10	21/00	22/75	21/87
Birds Investments P.	10	10	..	10	8/75	8/75	10/75
Britannia Biscuit P.	30	25	21	10	36/87	36/87	41/00
British India Corporation P.	7	9	15	5	10/78	10/75	8/00
British Paints	15	10	15	10	23/12	22/87	20/12
Calcutta Silk Manufacturing P.	Nil	..	..	10	5/94	6/94	5/94
Clive Row Investment	7½	7½	8	10	8/44	8/44	8/75
Duncan Brothers & Co. Ltd P.	14	14	12	100	137/00	137/00	117/00
Dunlop Rubber Co. (India) P.	20	15	17½	10	32/50	33/75	33/19
Dyer Meakin (Breweries)	30	..	..	5	23/19	23/19	28/50
Eastern Investments Ltd. P.	14	12	10	100	102/00	102/00	115/50
Electric Construction	10	10	10	10	13/62	13/87	13/44
French Motor Car	20	..	..	20	31/75	31/75	35/12
Ganges Rope	20	20	20	100	252/00	252/00	236/00
General Investments Trust P.	5	5	5	75	43/00	43/00	43/00
Gillanders Arbuthnot & Co. Ltd P.	11	11	11	10	14/87	14/87	14/87
Gladstone Lyall & Co. Ltd P.	..	..	..	10	..	..	..
Godfrey Phillips (India) Ltd. P.	40	30	..	10	22/00	22/00	28/12
Great Eastern Hotel	6	..	..	250	252/00	252/00	225/00
Hindustan Aluminium P.	Nil	Nil	Nil	10	13/69	13/94	13/56
Hindustan Motors P	12	12½	11½	10	17/31	18/25	16/25
Hindusthan Pilkington	12	Nil	Nil	10	14/44	14/57	14/50
Hindusthan Twyfords P.	Nil	Nil	Nil	10	16/69	15/06	14/00
Hoare Miller & Co. Ltd.	6	..	..	10	5/50	5/50	5/50
Imperial Tobacco	9	9	8	10	8/75	8/75	10/75
Indian Aluminium Co. Ltd. P.	15	17½	17½	10	31/56	32/56	36/62
Indian Cable P.	22½	22½	22½	10	34/87	34/62	23/50
Indian Oxygen	15	12	12	10	25/75	25/50	26/87
Indian Rubber Manufacturers P.	30	36	..	10	21/87	21/75	19/87
Indian Wood Products	30	30	25	10	27/62	27/62	29/75
Isaac Holdens	Nil	Nil	5	10	11/50	11/50	15/62
Investments and Finance P.	7½	7½	7½	100	55/00	55/00	55/00

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 9-9-64	2-9-64	A year ago
				Rs.	Rs.	Rs.	Rs.
J. K. Synthetics	3	Nil	10	10	13/25	13/00	10/44
James Wright P.	..	..	..	50	2/75	2/75	2/75
	..	..	..	1Dd	00/43	00/43	00/43
Jardine Henderson Ltd. P.	7	6	7	100	75/00	75/00	87/00
Jay Shree Industries P.	12½	..	..	10	14/69	14/50	17/44
Kesoram Industries P.	12	12	13	10	26/44	27/75	23/87
Macfarlane & Co.	..	..	..	50	4/56	4/75	7/00
	..	..	..	1Dd	1/81	1/81	2/19
Macneill & Barry Ltd. P.	8	7½	8½	100	95/00	95/00	93/50
Martin Burn Ltd. P.	27½	25	25	10	27/12	27/00	27/12
McLeod & Co. P.	15	18	..	100O	230/00	230/00	210/00
Metal Box Co. of India Ltd. P.	25	19	..	10	31/12	30/62	50/50
National Insulated Cable P.	25	25	18	10	26/69	26/87	22/75
National Pipe & Tubes P.	20	20	20	10	28/19	28/06	24/69
National Rolling & Steel Ropes	15	15	15	10	22/62	21/62	21/12
National Rubber P	6½	8	10	10	11/00	11/00	11/12
National Tobacco P.	7	7	..	10	12/06	12/06	11/69
New India Investment Corpn.	..	..	..	75	63/00	63/00	65/00
Octavius Steel P.	7½	7½	..	100	..	..	..
Philips India	12	13	15	10	28/50	28/50	26/00
Publicity Society	75	75	50	4	25/06	25/06	22/62
Rallis India P	8½	8½	10	100	125/00	126/00	121/00
Rohtas Industries P.	10	8	9	10	10/81	11/19	11/50
Sirsilk P	..	..	..	10	7/56	7/25	9/15
Sen-Raleigh Industries P.	8	8	Nil	10	13/69	13/89	14/75
Shaw Wallace P.	15	7½	12½	10	14/87	14/87	16/75
Spencer's Hotel	2½	..	..	2	1/25	1/25	0/63
Union Carbide	16	12½	16	10	33/37	33/00	39/25
Walford Transport	30	30	..	10	3/00	3/06	3/62
INSURANCE COMPANIES							
Concord of India	20	20	20	5	9/25	9/25	10/62
Hercules	26½	26½	..	10	23/50	23/50	22/56
Ruby General	13½	15½	..	8	11/75	11/62	9/25
Standard General	..	..	..	10	7/75	7/75	6/25
Triton	50	50	..	25	127/00	127/00	124/00
FLOUR MILLS							
Bengal	25	25	30	10	33/87	33/87	29/00
Delhi P.	..	..	..	10	14/00	14/00	14/00
Ganesh P.	..	..	..	12½	12/50	12/50	13/37
Hooghly	Nil	Nil	5	10	19/75	19/75	19/75
United	10	7½	10	10	27/81	27/81	27/81
OIL COMPANIES							
Attock Oil	13½	13½	..	£1	sh. 31/7½	sh. 29/4½	sh. 35/-
Burmah Oil P.	..	11½	12½	£1	sh. 58/6	sh. 60/9	sh. 64/4½
Indo Burmah Petroleum P.	25	22½	17½	10	21/50	20/69	21/87
Tide Water Oil	35	35	35	10	37/37	37/00	27/12
PAPER MILLS							
Bengal P.	27½	20	..	10	26/69	26/87	25/87
India Paper Pulp	13	12	15	10	23/00	22/69	18/44
Orient Paper P	22½	22½	20	10	32/80	34/50	34/80
Shree Gopal Paper P.	17 6/7	17 6/7	17 6/7	10	25/75	25/69	24/00
Sirpur P.	8½	8½	5	10	12/25	12/57	11/91
Star Paper P.	Nil	Nil	Nil	10	9/00	9/00	8/75
Titaghur P.	13	13	13	2½PO	3/37	3/37	3/87
	20	10	10	10AO	12/19	12/87	16/12
	20	10	10	10BO	12/19	12/87	16/12
West Coast P.	7½	..	..	100	164/00	164/00	125/00
PRESSING COMPANY							
Camperdown	11	..	..	100	100/00	100/00	104/00
REAL PROPERTY STORAGE							
Bengal Bonded Warehouse	8	8	9	A500	1,250/00	1,250/00	1,050/00
				B62½	125/00	125/00	135/00
				C100	186/00	186/00	122/00
				D12½	45/00	45/00	14/13
Calcutta Safe Deposit	..	..	..	100	7/81	7/81	7/87
Humayan Properties P.	..	..	..	10O	11/00	11/00	11/00
	..	..	..	1Dd	2/10	2/10	2/10
Midnapore Zemindary P.	Nil	Nil	Nil	85	35/00	33/75	11/00
TRAMWAYS & STEAMER							
Bengal Assam Steamship P.	7½	10	10	100	108/00	106/00	135/00
Calcutta Landing & Shipping	7½	22	6	10	21/00	21/00	34/00
Calcutta Steam Navigation	Nil	Nil	Nil	10	8/00	8/00	8/25
Calcutta Tramways P.	5	5	5	£1	10/75	10/75	11/19
Fraser	..	..	..	10	14/00	8/94	10/00
India General Nav. Railway P.	..	..	..	£10	34/50	34/50	42/00
India Steamship P.	Nil	Nil	Nil	10	6/53	6/47	6/69
Port Shipping	Nil	..	..	10	17/25	17/69	14/63

*1964

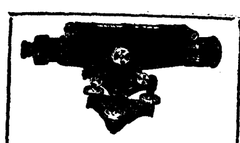


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VAGUE GENERALITIES FROM THE RESERVE BANK

TO the Reserve Bank of India belongs the annual duty of taking the country from progress report to progress report, a task that has become rather stereotyped since there is little progress for it to report on the state of the economy. Much of what is contained in the annual report of the central board of directors of the Reserve Bank for the year ended June 1964 is a bland repetition of what is already well-known, and as was expected, centres on the price crisis. But in spite of its attempts at window-dressing, the report makes a depressing commentary on the Government's short-sighted economic policies. This is so because of the very nature of the subject it has had to deal with. Indeed, these annual reports have now become traditionally gloomy documents because of the economic mess which they have had to describe year after year.

It is possible to discern in the latest report some instances of plain speaking, although they are in the softest of undertones and couched in the vaguest of phraseology. The central bankers admit that even with the utmost optimism about agricultural production and the availability of foreign exchange, the country's resources budget will remain strained; they add that "the size as also the content of the developmental effort have to be carefully considered... and a solution worked out which will enable development to take place in an environment of stability." This may be construed as the Reserve Bank's support for the Prime Minister in the present controversy over his suggestion for a selective pause in heavy industrial development and for shifting the plan emphasis to agriculture and consumer goods industries. But the Bank has contented itself merely with making this vague statement without bothering to suggest what exactly is the scope for modifying the size and content of the developmental effort. This is particularly important since a pause in some of the major industrial projects may well push up maintenance imports a few years hence.

It has been obvious for quite some time that in an economy as perilously poised as India's, the continuation of the emphasis on heavy industries, with their long gestation periods, carries with it a built-in risk of runaway inflation. The Bank has merely enunciated the conflict between development and stability without prescribing anything definite for resolving the conflict. The few prescriptions that it has given are wrapped up in vague generalities. It has, however, mentioned that the stabilisation of prices must be the major objective of policy in order that defence and development may be secured while strengthening the balance of payments. Having mentioned price stability as the objective, it has had to suggest what is its natural corollary—a sizable expansion in the output of consumer goods, particularly of agricultural products. The Bank's positive guidance is limited to this suggestion. But coming as it does after the Prime Minister, Mr. Lal Bahadur Shastri, has unequivocally favoured it, the Reserve Bank's suggestion loses much of its originality.

Another instance of the prescription coming after a decision has already been taken relates to keeping a "strict scrutiny of Government expenditure with a view to weeding out less essential items", even if this results in a temporary slowdown of developmental activities in some areas. The Finance Ministry has already been alive to this problem as is evidenced by its decision to curtail the non-development outlay by Rs. 70 crores. The Reserve Bank has merely gone a step forward and suggested what has been obvious to everyone else for quite some time—that there is considerable scope for economising on development expenditure too.

Of the many factors which have conspired to bring about the price crisis, the chief ones are the irrepressible increase in population by about 10 million every year, the stagnation in agriculture for the last three years in succession and the uninhibited spending spree of the Governments, both at the Centre and in the States, thanks to the productive capacity of the Security Press. Indeed even when the third plan was half-way through, deficit financing had exceeded the safety limit of Rs. 550 crores laid down by the planners for the entire five-year period. And deficit financing has continued without restraint even afterwards. There has been a rapid expansion in liquidity due to the large bank credit extended both to the Government and the private sectors. In fact, the Government's indebtedness to the banking system, the Reserve Bank points out, "continued as in the preceding two years, to be the dominant expansionary factor"; but it hastens to say that the indebtedness amounted to only Rs. 281 crores in 1963-64, as against Rs. 316 crores in 1962-63 and Rs. 327 crores in 1961-62. Referring to its selective credit controls, the Bank claims that they had a salutary effect in regulating institutional credit for the commodities concerned but at the same time acknowledges the limitations of credit controls. With a vast unorganised money market and big hoards of unaccounted money, it is well-known that the Reserve Bank's credit restrictions have not had anything but a marginal impact. In fact, it is even possible that the controls on institutional credit, instead of restraining speculative price rises, have been increasing the influence of unaccounted money in some of the commodity markets. The sluggishness of the share and bullion markets, if anything, has added to the pressure of such money in the foodgrains trade.

The Reserve Bank report has vaguely acknowledged the harm that is being done by the Government's fiscal policy. It speaks of the necessity of maintaining harmony between monetary and fiscal policies, and says that both of them should act "in such a way as not to add to the pressure of aggregate monetary demand and thereby aggravate the imbalance between overall demand and supply." Does the Bank mean that the present level of taxation is so high that tax evasion is natural, leading to the phenomenal growth of unaccounted money? Or does it mean that the fiscal policy is augmenting the influence of the unorganised money market? One is left guessing. It would have been a lot more meaningful had the central bankers explained clearly what they have in mind when they suggest that fiscal

policies should be brought into harmony with each other, and how both of them are clashing now. While on the subject of fiscal policy, it is worth while mentioning that taxes are now a large element in industrial costs. According to the Federation of Indian Chambers of Commerce and Industry, indirect taxes constitute as much as 30 percent to 50 percent of the final price of several important commodities and are, therefore, a major factor in the inflationary situation. This apart, the Government's fiscal policy is mostly responsible for the present depression in the capital market. Since the flow of risk funds has been greatly reduced, new industries have now to depend largely on underwriters for support and on loan finance.

The Reserve Bank's advice to banks for mobilising deposits is again phrased in the vaguest of terms. After emphasising the obvious fact that the inadequacy of deposit growth assumes added significance in view of the enhanced liquidity requirements from mid-September, it contents itself with dispensing the advice that the rôle of interest rates in the process of deposit mobilisation by banks and the need for introducing greater orderliness in the rate structure require further consideration. Indeed, this amounts to saying little more than what the Government itself said some time ago—that interest rates should correspond more closely to the real cost of raising capital. There is little indication as to what the Reserve Bank thinks the rise in deposit rates ought to be or how the rate structure should be adjusted. As the country's central bank, one would have expected some definite guidance from it in these matters.

EXPORT AMBITIONS AND REALITIES

THE stock market has responded favourably to the deliberations of the Export-Import Advisory Council, which concluded its two-day session in New Delhi last Sunday. The favourable reaction is based on the view that Indian industries will continue to enjoy a sheltered domestic market, because there will be no general relaxation in imports during the next licensing period. Judging from the large deficit in the balance of payments, the prospects of freer imports can be safely ruled out for a long time to come. Although the deficit on current account has dropped slightly from Rs. 345.5 crores in 1962-63 to Rs. 335.3 crores in 1963-64, it is still large enough to cause much worry. If India has so far been able to bridge the trade deficit on current account, it is largely because of the generous foreign aid she has received.

It is, however, not intended to belittle the improvement in exports during 1963-64. What, however, needs to be borne in mind is that the world-wide commodities boom during 1963-64, which greatly contributed to the buoyancy of exports, may not continue much longer. In fact, the tide appears to have turned already. Not only is competition in overseas markets increasing, but the competitive capacity of Indian exports has been steadily weakened by inflation. The magnitude of the balance-of-payments problem is already serious. During 1963-64, for example, this country financed only two-thirds of its imports by export earnings. And the debt repayment obligations have, meanwhile, been mounting.

Addressing the Export-Import Advisory Council, Mr. Manubhai Shah, Central Minister for Commerce, said that the import bill during the next few years would rise if economic growth was to be sustained. If the economy is to grow at the rate of 7 percent a year during the fourth plan period, maintenance imports worth Rs. 5,100 crores to Rs. 5,300 crores and development imports (of capital goods and machinery) worth Rs. 1,800 crores to Rs. 2,500 crores would be necessary for the plan period as a whole. These estimates are tentative because the blueprint of the fourth five year plan is not yet ready. Whether India can afford to launch an ambitious plan based on her needs rather than on her resources has to be considered carefully, especially in view of the prevailing stresses and strains in the economy due to over-investment. According to Mr. Shah, imports would generally continue to be kept down, while strenuous efforts would be made to increase exports. Imports would be liberalised only for the increasing needs of defence, agriculture and export-oriented and basic industries. (This may become possible because of the increased flow of non-project aid.) The import of capital goods, raw materials, components and spare parts would receive topmost priority in the allocation of foreign exchange. Greater attention would be paid to the needs of export-oriented and defence industries. The financial and other requirements of the cotton textile and jute industries would be met as adequately as possible. Small-scale industries would also be given a larger allocation of foreign exchange. Despite the acute shortage of several essential consumer goods like pharmaceutical products and baby foods, their imports are likely to be cut.

Under the present circumstances, rationing of available foreign exchange on a priority basis cannot be questioned in principle. But the selection of priorities is not always made in the best interests of the economy. On sheer ideological grounds, the allocation of foreign exchange to the public sector has steadily risen, while that to the private sector has been cut, although the performance of the latter has been generally more impressive than that of the former. It is time that steps were taken to ensure a more adequate supply of imported raw materials and spare parts for using the existing installed capacity more fully. Small-scale industries may have a large employment-potential, but it is necessary to make sure that the foreign exchange allocated to them is justified on grounds which are economically sound.

Meanwhile, the prospect for foreign aid has become less certain than it was before. While the requirements of the developing countries have increased, some of the leading donor countries have begun to tighten their purse-strings to keep their payments account in balance. In the circumstances, India can have no choice but to increase her exports, if the development plans are to go through. In the present context of things, the proneness of the Government to set ambitious export targets for the fourth five year plan is understandable. But whether exports can be raised by 40 percent over the existing level in the face of galloping inflation is another matter.

Except for reiterating the old exhortations and slogans, the Export-Import Advisory Council has not formulated any concrete scheme to boost exports. The only worthwhile move so far is the decision of the Central Government to institute a Rs. 10-crore revolving import-export stabilisation fund for the benefit of manufacturer-exporters. This is a step in the right direction. Lines of credit, Mr. Shah announced, had already been secured for $20 million, which would be available on a revolving basis to manufacturer-exporters for importing raw materials, components and spare parts to make goods primarily meant for the export market. The fund will help liberalise to some extent the import of raw materials for the export-based industries. A fuller utilisation of the installed industrial capacity may also result.

Export promotion depends on two essential conditions. First, domestic production must be able to support the export drive. Secondly, the price of Indian products must be reduced and their quality improved. The performance of agriculture and industry during the past few years does not inspire much confidence. Due to the neglect of agriculture, this country has been forced to use much valuable foreign exchange on importing food. The food import bill has risen from Rs. 166 crores in 1962-63 to Rs. 197 crores in 1963-64. It is also likely to be pretty high during the current financial year in view of rice imports on a commercial basis. Apart from the necessity of making this country self-sufficient in food as early as possible, it has to be remembered that nearly 80 percent of India's exports is dependent, directly or indirectly, on agriculture.

Industrial production can increase only when the existing bottlenecks are removed. The supply of industrial raw materials, domestic and foreign, must be improved. Production costs can be reduced by improved operational efficiency and modification of the fiscal system. The leading business men who participated in the deliberations of the Export-Import Advisory Council pointed out how the prices of various products had been inflated by numerous taxes and levies. Although Mr. Shah is keen on providing fresh incentives to the major export industries like jute, cotton and tea, precious little has so far been done. It is important to increase the yield and quality of domestic cotton and jute. The rising competition from Pakistani jute mills, particularly in sacking, must be counteracted. The development of the tea industry is hampered by heavy taxation. In spite of earlier promises, nothing has yet been done to promote tea plantation by treating expenditure on planting as a revenue charge. Now the Wage Board has awarded a second interim wage increase for tea garden labour. This together with the decision on paying a minimum bonus will greatly add to the costs and reduce the competitive strength of Indian tea.

LABOUR POLICY UNDER FIRE

IN his address from the chair at the last annual general meeting of the Employers Federation of India in Bombay, Mr. Naval H. Tata has made a forthright attack on the Government's labour policy. His criticism will be widely endorsed. Mr. Tata points out that labour legislation in the country is out of tune with the requirements of industry. It is far too outmoded to fulfil the ambitious planning of the Government to develop the national economy at a rapid pace. Indeed, one cannot help feeling that the Government has not sufficiently appreciated the impact of industrial relations on economic development. In its approach and policy towards labour, the Government has been merely content to shelter the worker under the shell of social justice. It is worth while assessing whether such protective instinct on the part of the Government has built up a healthy: self-reliant and responsible form of trade unionism in the country. It is a pity that, after 17 years of national Government, labour laws do not make any distinction between a genuine strike arising out of an industrial dispute and a political strike intended to further political ends, although there have been so many instances of such gross abuse of trade union rights. As Mr. Tata has suggested, the Planning Commision would do well to work out the magnitude and the value of damage inflicted on the national economy by the loss of production through such political strikes called *bandhs*, which neither do credit to the trade union philosophy nor to the people who support it.

Turning to the problem of industrial relations, Mr. Tata said that employers were faced with a strange situation. In contrast to the philosophy propounded under the Code of Discipline in favour of progressive recognition of unions with the object of determining the ultimate sole bargaining agents, the Central Ministry of Labour had been recently asking employers to deal with "unrecognised" unions even in establishments where well-functioning recognised unions already existed. Apparently, the Government has not appreciated the full implications of its advocacy for unrecognised unions. In support of this attitude, it is indeed strange to find the Government invoking the Industrial Truce Resolution which is today more often violated than observed. Frequent and deliberate misinterpretation by the Government of the text of the Truce Resolution on matters such as arbitration has made the employers lose their faith in the Truce, and the employers could scarcely be blamed for that. Mr. Tata says that the employers stand by the commitment to voluntary arbitration as long as the term is not deliberatedly distorted to mean compulsory arbitration.

With the rumblings at Rourkela, the happenings in Bhopal at Heavy Electricals, the show-down at Sindri and problems of Pimpri and hold-ups at Bombay and Marmagoa ports, labour relations in the country seem to be in a pathetic state. Such a spectacle may some day make employers in the private sector feel cynical of the so-called "model employer" in the public sector. Mr. Tata says that the Government, as a custodian of the interests of the working classes, is always ready to preach virtues of progressive labour policies and to be actively instrumental in granting bigger and more

generous doses of social security, regardless of its cost to the community; yet, the Government, as an employer, is reluctant to practise what it has been preaching. Such double standards of social justice as are seen in the wide disparities between wages and dearness allowance of Government employees as compared with those of industrial workers in the private sector, may make employers feel doubtful about the sincerity of the Government. The Government's solicitude and pleadings for higher wages and dearness allowance for industrial workers in the name of social justice have no meaning when its own employees in various establishments are languishing on fixed dearness allowances unrelated to the rising cost of living.

Referring to the question of the dearness allowance being linked to the cost of living index, Mr. Tata said that the absence of uniform application of the principle of neutralisation throughout the country and similar lack of uniformity of dearness allowance to workers had resulted in an unfair and inequitable burden on the manufacturers in different regions and an unfair disparity of benefits between workers and workers. When price policies are determined and enforced on a nation-wide basis, disparity in wage costs is bound to affect the manufacturing cost adversely in those parts where dearness allowance is far higher than in other parts of the country. It is not sufficiently realised by the authorities that the amount of dearness allowance would henceforth affect not only the sums payable by way of gratuity and provident fund, but also the quantum of bonus. Mr. Tata said that the appointment of wage boards was inconsistent with the policy of holding the price line. He opposed the appointment of a second textile wage board and described it as most inopportune in the context of the present emergency, unless additional wage increases were met from higher productivity of the industry.

Referring to the Bonus Commission's recommendation on the linking of basic wage and dearness allowance in computing the minimum bonus, Mr. Tata said that this was contrary to usage and custom and would result in a perpetual demand by workers for a higher dearness allowance to jack up their bonus. Mr. Tata also contended that the Commission had gone beyond its terms of reference in recommending minimum bonus even when there were no profits at all in a particular year. This is nothing but a grant of a straight increase in wages, which can best be done by a Wage Board. When such a payment, unrelated to profit, has been unreservedly accepted by the Government, one need hardly be surprised if employees outside the organised industry and in all the service departments of the Central and State Governments were to claim similar benefit. The president of the Employers' Federation has urged the Government to ponder whether the time has not come for a more rational and realistic labour policy in order to promote economic and industrial growth on sound lines.

Current News and Comment

Cotton Textile Exports Rise

Cotton textile exports from India during the first seven months of the current year are provisionally placed at 357.3 million yards, valued at Rs. 31.16 crores. This shows a considerable improvement over the performance during the same period last year, when exports totalled 309.9 million yards, valued at Rs. 23.77 crores. The outstanding feature of this year's performance has been the remarkable improvement in the price realisation a unit. The average price realised a yard of cloth during the January-July 1964 period works out to 87 paise, compared with 76 paise in the corresponding period last year. The higher price realisation is due both to improved international trading conditions and the diversification of India's exports towards finished textiles. The pattern of production in the country has undergone a significant change over the past year or so. According to provisional estimates, grey cotton piecegoods exports during the first seven months of the current year are placed at 206.6 million yards (against 179.3 million yards) valued at Rs. 16.72 crores (Rs 12.69 crores) and non-grey exports have gone up from 130.6 million yards, valued at Rs. 10.78 crores to 150.7 million yards valued at Rs. 14.44 crores.

Improved performance during the current year is due mainly to larger offtake by the European zone, more particularly by the U.K. Exports to this zone increased impressively from 98.25 million yards, valued at Rs. 8.174 crores to 172 million yards valued at Rs. 15.518 crores. The offtake by the Asian zone was also larger at 89.83 million yards (76.49 million yards) valued at Rs. 7.526 crores (Rs. 5.401 crores). Exports to the American zone, however, suffered a sharp decline from 42.31 million yards (Rs. 2.995 crores) to 20.98 million yards (Rs. 1.808 crores). Shipments to the African zone were lower at 51.25 million yards (Rs. 3.509 crores), against 68.39 million yards (Rs. 4.225 crores). Exports to Oceania totalled 23.23 million yards (valued Rs. 2.816 crores), compared with 24.41 million yards (valued Rs. 2.679 crores).

The direction of India's export trade in cotton textiles has been undergoing a change. All along, countries in Africa and Asia were natural and traditional markets for Indian textiles. But with the advent of nationhood in many of the countries in Asia and Africa, the textile industry has been singled out for development under the protection of high tariff walls. This has resulted in the shrinkage of the area of the market for the staple qualities which India traditionally used to supply to these markets. While there appears to be considerable scope for selling finished and processed textiles in these markets, India is unable to compete with the other suppliers of processed goods. Exports to Europe have shown an encouraging trend, and this is due to larger shipments to the U.K., France and West Germany; exports to these countries are governed by annual quota arrangements. Exports to east European countries, which also are regulated through annual plans, have not, however, shown the same improvement.

While cotton textile exports during the first half of the current year have been fairly encouraging, the more recent trend is rather disturbing. Shipments from Bombay in July at 31.72 million yards, valued at Rs. 2.679 crores, were the lowest for any month since the beginning of the year, and the provisional figures for August show a further setback at 28.56 million yards valued at Rs. 2.482 crores. Bookings for delivery in the latter half of the current year have not been up to expectation. This is attributed to difficulties of getting supplies for export from mills. The impending introduction of the scheme for popular varieties to the extent of 43 percent of each mill's production is said to have created a situation where most mills prefer to wait and watch the impact of the scheme when implemented. It is considered likely that free sales of 57 percent in the local market may prove more attractive than selling for export. It would be unfortunate if the scheme of partial decontrol of cloth were to affect adversely the export of cotton textiles.

In his address to the latest annual general meeting of the Cotton Textiles Export Promotion Council, the chairman, Mr. Neville N. Wadia, emphasised the need for greater concentration on the shipment of quality goods so that the yardage drawn off the domestic market could be kept at the minimum while at the same time realising better prices. Mr. Wadia said that the prospects of improving India's textile exports lay largely in Europe and the U.S.A., provided, of course, the cardinal principles of the Long Term International Agreement on Cotton Textiles were implemented in the very spirit in which it had been drawn. He was quick to point out that the implementation of the Agreement has belied India's hope for increasing her access to developed countries. The developed countries, more particularly the U.S.A. and Canada, had taken the fullest advantage of the market disruption clause which was an outright negation of the spirit of the Agreement.

Last year, the U.S.A. had restricted four major categories of imports from India to a total figure of 30 million square yards. In February 1964, these restraints were further extended to cover six categories and 25 new categories were stipulated for consultation if and when necessary after specified levels were reached. This hardly leaves any chance for a reasonable expansion of India's trade with due regard to the country's competitive capacity in limited fields of production. Canada, too, had restricted imports of Indian textiles under the plea of market disruption. But strangely enough, imports from Taiwan, China and east European countries continued to flood the Canadian market at prices 20 to 30 percent lower than Indian rates. Mr. Wadia stated that at the forthcoming session of I.F.C.A.T.I. in Zürich, India would urge the western countries to reserve a share of 10 to 20 percent of their internal consumption to be imported from less developed countries A positive approach to this subject is imperative if the less developed countries are to generate their economies and if the western nations really mean to implement the Long Term Agreement in the right spirit.

Referring to Weseur Associates, a consortium of manufacturers and exporters, which has been set up to organise trade with western Europe on a sound and selective basis and to diversify exports in a wider range of fabrics, Mr. Wadia expressed the view that with fuller co-operation from the industry and trade, the consortium would be able to expand textile exports considerably to western Europe in the coming years. Prospects of increasing exports to east European countries are also viewed favourably; a number of study teams have recently visited these countries to make a first-hand appraisal of the marketing potentialities in these countries. Mr. Wadia criticised the Government of India's decision to limit exports of finished goods to the U.K. to 25 million square yards for 1964. Considering the increasing trend in India's exports of finished goods to the U.K. in 1963 and 1964, the Government's surprise decision came as a "nasty shock", he said. Mr. Wadia pointed out that it would be unrealistic and unfair to allow the ceiling to be continued at 25 million square yards for 1965. He said that India should take up this question afresh in the forthcoming talks with the Cotton Board and arrive at a fair and equitable solution in keeping with Hongkong's quota for finished goods which is out of all proportion to her manufacturing potential.

Amalgamating Small Collieries

The Central Government, it is understood, has made a fresh move to bring about the amalgamation of small and uneconomic collieries in the Bihar-Bengal coalfields. As is to be only expected, the collieries concerned are reported to be resisting the move. In their view, the issue of amalgamation has already lost its urgency. The scheme in its original form was meant to accelerate the tempo of production. Now that the situation has fundamentally changed with a surplus emerging in the lower grades of coal, there is no justification for pushing the scheme through. On the other hand, the small collieries deserve, it is argued, the same encouragement as small units in other industries. Even in the U.K. and the U.S.A., it is said, there are small collieries producing about 10,000 tons a year, and the Governments in those countries are not forcing them to amalgamate.

All this, of course, is specious pleading. The amalgamation scheme has not lost its justification simply because there is now no need to accelerate the tempo of coal production; nor can it be reasonably argued that in order to provide some employment, the existing set-up of the small collieries should be left undisturbed. The main justification for amalgamation, on the other hand, is provided by technology, and the need to raise productivity. Coal is a basic industry, and therefore, efficiency, not redundant employment, should be the main consideration. As has been pointed out by more than one knowledgeable person, there is now an urgent need for modernising the technical equipment in coal mines. Production expansion at the rate needed to sustain the economy's long-term plans cannot be achieved except by mechanisation. There are clear technical limits beyond which underground mining not only becomes ineffective but also impossible without fuller mechanisation. Moreover

there is the great need to reduce coal mining costs. This has a bearing on the whole economy, as coal is going to remain the main fuel for as far as one can see into the future.

The future of the coal industry obviously lies in the development of large mines with a scale of output sufficient to absorb not only the higher overheads, but also to leave a surplus for re-investment on technological improvement and renewal of assets by opening up new areas. The amalgamation committee for collieries originally recommended that a mine producing 10,000 tons a month should be considered the minimum economic unit. This norm has subsequently been revised to 7,000 tons a month, but the present circumstances clearly demand that units much larger in size than this should be considered economic if a worthwhile programme of mechanisation is to be carried through.

Happily, the trend in India is already towards greater mechanisation. As Mr. Pran Prashad disclosed in his presidential address to the annual meeting of the Indian Mining Association a few months ago, during the last five years, the proportion of coal won by machines has increased by 70 percent. The quantity of mechanically loaded and conveyed coal has increased three-fold. Yet the average output a man-shift in India at present is only half a tonne. Considerably more than this is being achieved in some of the larger and more mechanised units. But the industry has only regained the prewar level of average output. If productivity is to be increased, further mechanisation is unavoidable. From the economic point of view also, it is necessary to effect a certain amount of reorganisation in the coal industry, if only to strengthen it. Probably in no other country in the world, there are 850 odd coal mines producing merely 66 million tons a year. Even workers' representatives agree that the marginal units which lack the resources and the strength to withstand temporary crises such as is being experienced at present, should either close down or merge with others to make a more viable and stronger unit. Mr. K. D. Malaviya, while he was the Minister in charge, was in favour of the amalgamation scheme going through as quickly as possible. Mr. Sanjeeva Reddy, who now holds the Mines and Fuels portfolio, is obviously of the same opinion. But one question remains. If the amalgamation scheme, which visualises only voluntary mergers, is persistently opposed by the collieries concerned, will the Government be content to leave the matter there, or has it any other scheme to achieve the objective?

Report on Plan Publicity

The report of the study team on plan publicity has, by and large, endorsed the unofficial criticisms against the Government's propaganda machinery. Most of the criticisms against the official publicity efforts are not new, but the team has used strong language to condemn the inefficiency and lack of planning in the programmes. The aim of the latter, as is flamboyantly declared by India's planners and policy-makers, is to promote people's participation in the plan, although the result achieved has often been the opposite. Publicity cannot be a substitute for performance. It is a pity that the execution of the plan as also the supporting publicity programmes have fallen short of expectations. The study team has rightly stated that the impact of publicity programmes on the people has been "tenuous, vague and diffused." It is of the opinion that the failure to recognise the potentialities of publicity as an aid to development has led to a weak approach to the subject. "While the Government has come to regard publicity functionaries as status symbols, the general public has come to view them as propaganda boys of the Government." The existing publicity bureaux of the Government only churn out millions of unreadable hand-outs, which indicate neither any news sense nor any reasonable and impartial appraisal of the performance of public authorities. It is no wonder, therefore, that the Government's publicity machinery has not generated an atmosphere of urgency in achieving national economic goals. Things would have been better if the programmes were organised on the basis of nation-wide planned campaigns with a spirit of objectivity. In the absence of this approach, the Government's publicity effort has degenerated into a blind worship of the personality cult, and All India Radio, in the study team's opinion, is the worst offender.

There may be controversy on the administrative reorganisation suggested by the team. The latter has recommended, for example, the setting up of a Central publicity planning group in the Ministry of Information and Broadcasting, with a director-general of plan publicity as the chief technical executive to plan and direct the programmes. A similar set-up has also been suggested at the State levels. But the study team has not apparently considered the possibility of party politicians bringing pressure to bear on these officials. Nor has it suggested in detail how co-ordination may be efficiently maintained between the Central and State agencies recommended in the report. The team has found a conspicuous lack of methodical execution of plan publicity programmes. It is true that the shortage of funds, materials and equipment and a bewildering range of languages and dialects are some of the serious limitations under which official publicity programmes are being carried out. But with a little more imagination and a sense of purpose, and more freedom to operate regardless of the whims of party politicians, the official publicity programmes would not have been in the bad shape in which one finds them today.

Curbs on Unaccounted Money

The Government of India is obviously worried about the growth of unaccounted money, as is evident from the reply given by Mr. B. R. Bhagat, Minister of State in the Central Finance Ministry, to a question in the Lok Sabha last week. The growth of unaccounted money has made the Reserve Bank's policy of credit control somewhat feeble, so the Government is thinking of taking effective steps in the immediate future. The Minister, however, admitted that the question of tracing the unaccounted money was difficult, if not impossible. There is no denying that the growth of unaccounted money has accentuated the inflationary pressures, although it is difficult to estimate correctly how much of it is circulating in the economy. It will be recalled that immediately after the assumption of office in November last, Mr. T. T. Krishnamachari, Central Finance Minister, drew the attention of the Government and the public to this problem. He said that "while money for worthwhile investments and public purposes is in short supply, there is a great deal of unaccounted money circulating in the economy in search of further undercover gains. Perhaps the most important problem that faces us in relation to fiscal reform is that of devising astute and stringent measures to meet the evil of tax evasion so that it might be possible to distribute the burden of taxation more justly and evenly between different individuals in the same or similar walk of life." At the last Bhubaneswar session of the Congress Party, Mr. Krishnamachari again referred to the problem and said that if Rs. 800 crores to Rs. 1,200 crores of unaccounted money could be institutionalised, it would be possible to control credit.

Apart from tax evasion, which is the main reason for holding unaccounted money, the motive for carrying on transactions with it is to overcome administrative and other difficulties, particularly when one has to obtain permits or licences. The desire for tax evasion has obviously become predominant with the steep increase in direct taxes. In his report on Indian tax reform, which was submitted to the Government in 1956, Professor Nicholas Kaldor pointed out that the taxation structure in the country was both inefficient and inequitable. So he suggested a comprehensive network of taxation and a reporting system; but, instead of reducing tax evasion, they seemed to have increased it. However, in spite of the recent raids on film stars' houses, there is no reason to believe that tax evasion has stopped in India's film world. Nor has unaccounted money invested in jewellery or bullion come out. The smuggling of prohibited articles is also providing an opportunity for using unaccounted money. Cases are also not rare when the latter has been converted into durable assets, such as buildings and real estates. Unaccounted money, according to the Central Food Minister, Mr. C. Subramaniam, has also "played havoc" in the foodgrains trade. If it could be traced, it would have been possible for the Government to reduce the present burden of taxation and to raise larger resources for financing the development programmes.

Mr. Bhagat referred to the unofficial suggestions which have been made from time to time for checking the growth of unaccounted money. It has been suggested, for example, that high denomination notes should be demonetised. But this measure will succeed only if unaccounted money is held in high denomination notes. The prospect of demonetisation has, in fact, driven many people to keep unaccounted money in lower denomination notes. Admittedly, the last Central Budget has given wider powers to tax officials and has imposed heavier penalty on evaders. But it is obvious that the growth of unaccounted money cannot be checked unless the machinery for tax collection is considerably strengthened. Another method suggested is that the Government may declare amnesty to those holding unaccounted money, and float a loan with attractive features to institutionalise it. Permitting banks to issue negotiable bearer bonds is another step suggested for the purpose.

MINERALS IN INDIA

THE Director-General of Statistics has published a blue book showing the mineral production of India for the 10 years, 1894 to 1903.

Salt—We learn that the average production is about a million tons annually, but in 1893 was only 894,840 tons owing to a smaller production in Bombay and Madras. The largest proportion is sea salt made on the coasts. An examination of the Sambhar Lake is now being made by the Geological Survey consequent on apprehensions of a diminution of supply.

Saltpetre—Is most largely produced in Bihar. The average exports from Calcutta during the last five years were 374,629 cwt.

Coal—The output last year was the largest on record, but the value was below the average; the following figures are interesting:—

Output	Tons	Value Rs.
1890	2,168,521	73,47,592
1895	3,540,019	1,29,33,303
1900	6,118,692	2,01,46,222
1901	6,635,727	1,98,50,582
1902	7,424,480	2,05,03,639
1903	7,438,386	1,94,95,741

The Bengal output last year was 6,361,212 tons. Although coal bulks very largely both in quantity and in trade discussions in Bengal, it will be noticed that in value it comes pretty low down in the list of commodities.

Petroleum—Is virtually confined to Burma and Assam, but the output has developed enormously of late years. In 1903 it was nearly 88 million gallons, of which over 85 million gallons came from Burma. In addition to a low-grade burning oil, and solid paraffin, petrol is now being manufactured. The following are some figures of output:

	Gallons	Rs.
1890	4,132,287	2,82,173
1895	13,003,748	15,39,231
1900	37,729,211	22,31,325
1901	50,075,117	30,65,131
1902	56,607,688	32,67,245
1903	87,859,069	53,15,470

The largest increase in late years shows that protection can do for a young and nascent industry. The same thing applied to cotton goods would probably produce similar results.

Iron—The native industry has gradually declined in the face of imports of cheaper iron and steel from Europe, and except at Barakar there has been no attempt to manufacture iron on a large scale in India.

Gold—The output during the last fourteen years shows a steady increase. The following are some figures:—

Output	Ounces	Rs.
1890	107,273	55,54,508
1895	257,830	1,72,13,511
1900	512,985	2,83,76,505
1901	532,126	2,89,56,159
1902	517,639	2,95,53,456
1903	603,218	3,45,37,401

FROM

CAPITAL

22nd September, 1904

A Ditcher's Diary

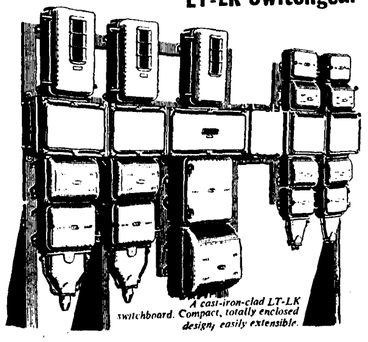
I AM QUITE PREPARED TO CONCEDE THAT IT IS altogether too early to criticise Mr. Swaran Singh for what he has or has not done in the Ministry of External Affairs. I seem to be in a minority in thinking that, by the same token, it is too early to praise him for his somewhat intangible achievements among India's neighbouring countries. I have never believed in international bad manners as a sensible form of diplomacy. On the other hand, the more I read Mr. Swaran Singh's statements the more I feel that they constitute little more than what is best described as aimless amiability. India's Foreign Minister thought fit to compliment the Burmese economy. Well, as I have mentioned here before, Burma is among the very few countries which have experienced an actual decline in *per capita* income since independence. I do not believe in Plato's "necessary lie"; Mr. Singh's was an unnecessary one. I am a great admirer of imagination in relations between nations. To discover, however, an enormous fund of goodwill for Indians in Rangoon and Colombo needs more than imagination; it's sheer fantasy. Now, the condition of the harassed Indians in those two countries would not have been one whit better if Mr. Swaran Singh had said rude things about the policies of Mrs. Bandaranaike and General Ne Win; it would very probably have been a good deal worse. But to let the world and the people in this country think that Indians are loved in Burma and Ceylon is not only self-deception but worse. These gratuitous compliments paid by the Foreign Minister will one day be cited by Rangoon and Colombo to prove the cussedness of the expatriates whose present helplessness is more important than their possible rapacity in the past. There is not an awful lot that India can do for the unfortunate Indians abroad; but it seems almost in bad taste to go around giving chits to discriminatory Governments. These latter must be delighted to think that the immigrants are a nuisance not only to the reluctant hosts but also to the Government of India. Repair relations with the neighbours by all means; but not at the price of being blind to unpleasant realities. One of these days Mr. Swaran Singh will have to be a little less pleasant.

IT SEEMS ALREADY TIME TO WARN MRS. INDIRA Gandhi that, unless she is careful, she may soon get lost in a sea of unwieldy committees and an ocean of bulky reports. I have heard it said that Mrs. Gandhi ran her father's household with a fair degree of efficiency. That is all she needs to clean up the Ministry of Information and Broadcasting and the not-too-small empire it rules. She has only to have one quick look at the state of the Press Information Bureau and All India Radio, to say nothing of the lesser directorates, to know where there are deposits of soot. Although bureaucracy's main business is to surround a secretariat with an aura of mystique, the job of running a government department is not greatly different from that of conducting the affairs of an efficient home. The sweeper is a very important member of any domestic staff; in the Government, only Mrs. Gandhi can wield the broom, the one implement she will need to use first. Can she do it in one part of the Government while the rest retain their rules? Not easy at all. But she can begin with A.I.R. and secure for it a certain amount of freedom from the rules and procedures of government. She can do so, to some extent, also for the Press Information Bureau. (Reforming the Ministry is beyond her.) A vast organisation like All India Radio certainly needs administrators; but no qualitative change can begin until the primacy of the programme planner has been restored. Broadcasting is what broadcasters make of it; and in A.I.R. the broadcaster is the least important person. To improve the news services, All India Radio needs newsmen with news sense and a modicum of independence, not bureaucrats with files. Mrs. Gandhi does not need a committee to tell her what's wrong with the A.I.R. bulletins; if she can judge newspapers by reading them as an ordinary reader, she can judge A.I.R. programmes too as an ordinary listener. The incompetence of an administrator can be concealed for a long time. Whether a fellow can sing or talk is soon out; it is not at all difficult to find out who wrote that gibberish in that P.I.B. handout. Committees are good at little besides confusing Ministers who must learn to take their own decisions.

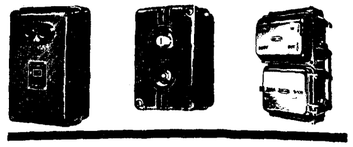
THE NEWS FROM NAGALAND, SO FAR, SEEMS GOOD; and I do not very much care that the possibility of a settlement has come not through any initiative taken by the Government of India but through mainly unofficial efforts, including some foreign assistance in the shape of Mr. Michael Scott's services as a go-between. The only cynical justification of continuing the military operation was that Nagaland provided the Indian army with a training ground, much as the North-west Frontier once did for the old army. Unsympathetic critics were once apt to describe Nagaland as India's Algeria: the parallel was far from fair to India. Yet an expensive, unequal and largely unnecessary war (?) it was. And there was inhuman cruelty—on both sides. I have been reading Sir Hugh Foot's *A Start in Freedom*; and the one thing that stands out in this remarkable book is the way he came to respect the rebels, even those he had to punish. If Sir Hugh, with his middle-class and colonial service background, could approach turbulent rebels thus, I wonder why our present administrators, in the tribal areas in particular, so frequently fail to understand groups or societies with different traditions. The Nagas are a brave people and they want to be respected for their bravery; they also want their customs to be respected and not scoffed at by officials from the plains. In every respect an Indian official is surely closer to India's tribal people than, other things being equal, a bureaucrat from Europe or somewhere. Because of our overbearing Ministers, who are lionised by the Press and the radio, the official has lost, I think, his sense of importance and dedication; he just carries out the orders of his political masters. Even after peace has returned to Nagaland, the problems of administration will remain; and the Government needs to begin to think of them. Between the administration and the people yawns a frightful gap, especially in the aboriginal areas. This can be filled only by officials who take a genuine interest in tribal ways and not by those whose interest is quick advancement in the service.

REPORTS WHICH HAVE REACHED ME ABOUT THE television film *Jawan* have all been uniformly favourable. It was shown in Britain recently, and a correspondent has written to say what a superb job of propaganda it does for the Indian soldier. No better commentator than John Masters could have been found anywhere, but it is, I am told, something of a disappointment to find that he has not written the script. It is also rather odd to hear him being referred to as a U.S. citizen, although technically, of course, this is now perfectly correct. The film is in fact angled at American audiences, a point which, my correspondent explains, accounts for the one really unfortunate feature about it. This is its frequent condemnation of India's policy of non-alignment. Apart from this being a somewhat unfair and uncalled-for reflection on the theoretical wisdom of Mr. Nehru's foreign policies, as distinct from their apparent practical success, my correspondent thinks that it is altogether misleading where the facts are concerned. India's determination to retain the friendship and moral support of the Russians in her struggle with China is based on sound strategic premises. It recognises the very real fact that western influence in this three-cornered tussle is entirely marginal, that it was Russian pressure rather than American and British arms that halted the Chinese advance into India. Possibly this might not have been the most tactful of themes to expound in a film so obviously designed to evoke the American people's sympathy and material support for India's fighting men. But my correspondent does appear to feel that understanding might have been more adequately served

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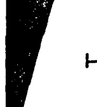
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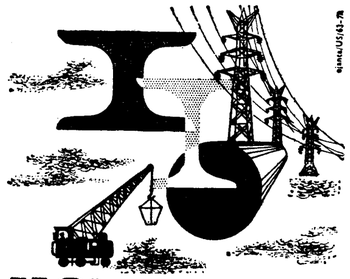
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by avoiding the issue altogether. Now, the danger is that having condemned the non-alignment policy so unequivocally, instead of attempting to understand its reasons, India's subsequent and inevitable pursuit of it will only serve to irritate the American public even more. Leaving aside this one false note, the rest of the film appears to be a first-class tribute to the Indian *Jawan*.

SCIENCE FICTION READING HAS LONG BEEN A MINOR hobby of mine and I have never for a moment supposed that bug-eyed monsters—"bems" as they are affectionately called by the initiated—are an impossibility. Professor W. T. Williams of Southampton University believes they are, and he said so to the recent meeting there of the British Association. The Professor was discussing the contribution of science fiction to science, and I am gratified that he should rate it so highly. To me it seems obvious enough that scientists themselves rarely possess the imagination to write good science fiction, that to a large extent they must remain prisoners of current thought in their own disciplines. So the fiction writer provides imaginative horizons which the practitioner lacks, and if in the process such little obstacles as, say, the relativity theory get slightly dented, then what does it matter? What indeed? You can sell me super-light velocity travel over the head of the late lamented Professor Einstein any time you care to take the trouble. After what has happened in the past 20 years I wonder if any scientist has the courage to write off anything as impossible. Professor Williams does though. He cannot accept "insect-like creatures of high intelligence" because these would not be large enough to "accommodate a brain". He might be right, but I cannot help suspecting he has overlooked that little creature we have right here on earth, the ant. Besides, since when did the size of brain really matter? If it did, presumably this world would be run by elephants or whales. But all this is merely a quibble. Who cares whether these products of the science fiction writer's imagination are a practical proposition or not? Things never really work out exactly as science fiction predicts them. In the meantime we are provided with some excellent bedtime reading and given a salutary reminder that there may be things in this universe we have not yet even dreamed of. Which is what I always find so interesting about science fiction.

I AM LOOKING FORWARD TO READING MR. V. S. Naipaul's *An Area of Darkness*, which has been highly praised by Mr. V. S. Pritchett. (I do not think this is because they share the initials, V. S.) The title makes clear that the book is hardly flattering to this country. Good. Nothing like criticism—and the more caustic it is, the better. There are, apparently, almost as many foreigners dying to come hither in search of something or other as there are Indians dying to get out of India and, if possible, stay out. I don't mind this two-way traffic at all. But in Mr. Naipaul's case, he came to see the country his grandfather had left for Trinidad. He didn't like what he saw. There are lots of countries I don't like. Each, I say, to his dislike. I do hope, however, that Mr. Naipaul's book will be given here a literary reception and not political. Mr. Naipaul is a writer, a good and sensitive novelist; and it is as a writer that he must be judged. Many good writers hold some very silly views about men and things, which does not prevent them from being good writers. Dom Moraes and Ved Mehta have also written unflatteringly about India; Mr. Nirad C. Chaudhuri's *Autobiography of an Unknown Indian* remains a classic. This is a big country and should be able to take criticism in its stride; and that some of it comes from those who were born in India, or whose grandfathers were, is all to the good. Criticism is too serious a business to be left to foreigners or visitors alone. And when it comes to criticising others, this country certainly gives as good as it takes. I am bored with people saying nice things about peoples and countries. I don't care what people write as long as they do so readably. Opinions? Their validity is usually relative and extremely transient. I remember this about my opinions; I hope you do too about yours.

THE DITCHER

Guide for Investors

BIRD-HEILGERS JUTE GROUP COMPANIES EARN LESS

THE directors of Bird-Heilgers group of jute companies say in their reports for the year ended March 1964, that the outlook for the current year is far from satisfactory. The Indian crop is expected to be of the same size as that of 1963-64, but the Pakistani crop is likely to be smaller. The increased production costs have reduced the profit margins of mills. Simultaneous business in raw jute and jute goods has become difficult due to the disparity in the prices of fibre and jute goods. As for the supply of carpet-backing cloth, it is substantially in excess of demand and the situation is unlikely to improve during the current year. Since the mills were obliged to buy raw jute under purchase quotas issued by the Jute Commissioner, they had to carry large stocks of fibre. So their finances have been strained, and they have had to pay heavy bank charges and insurance premiums. With the steadily increasing production in Pakistan, the directors doubt whether the present level of output in India can be maintained without affecting the parity in prices of raw jute and jute goods.

The profit of the Northbrook Jute Co. Ltd has dropped from Rs. 11.72 lakhs for 1962-63 to Rs. 8.05 lakhs for 1963-64, after providing Rs. 8.19 lakhs (against Rs. 21.55 lakhs) for taxation and Rs. 8.05 lakhs (against Rs. 6.15 lakhs) for depreciation. The taxable ordinary dividend has been reduced from 35 percent to 25 percent, which works out to a yield of 9.8 percent at the present price of Rs. 25.50 a share of Rs. 10 each. Statutory development rebate reserve is allocated Rs. 1.32 lakhs (against Rs. 1.21 lakhs) and general reserve Rs. 6.62 lakhs (against Rs. 1.95 lakhs). The carry-forward is Rs. 7,905, against Rs. 1,076 brought in. Sales rose from Rs. 3.08 crores to Rs. 3.40 crores and stocks of jute goods from Rs. 18 lakhs to Rs. 20.94 lakhs. Steps have been taken to install further equipment to complete the modernisation programme.

The profit of the Dalhousie Jute Co. Ltd has declined from Rs. 17.70 lakhs to Rs. 6.69 lakhs, after transferring Rs. 10.09 lakhs (against Rs. 5.08 lakhs) to taxation and Rs. 9.01 lakhs (against Rs. 6.10 lakhs) to depreciation. The taxable ordinary dividend has been reduced from 25 percent to 7.5 percent. The yield amounts to 6 percent at the present price of Rs. 125 a share of Rs. 100 each. Debenture redemption reserve absorbs Rs. 1 lakh (the same) and development rebate reserve Rs. 2.92 lakhs (against Rs. 4.03 lakhs). The carry-forward is Rs. 9,930, against Rs. 3,316 brought in.

Sales rose from Rs. 3.29 crores to Rs. 4.27 crores while jute goods stocks dropped from Rs. 10.31 lakhs to Rs. 5.32 lakhs. The converter division is working satisfactorily. Business in laminated goods has become very competitive since the installed capacity is in excess of demand. Sales have been hampered by an acute shortage of polythene and polythene film. A large amount of money has been blocked because the difficulty in obtaining drawback on excise and Customs duties has been aggravated.

The Lansdowne Jute Co. Ltd has declared a taxable ordinary dividend of 12.5 percent after a long interval. The yield amounts to 11.3 percent at the present price of Rs. 111 a share of Rs. 100 each. The profit has amounted to Rs. 11.11 lakhs, against one of Rs. 12.88 lakhs, after providing Rs. 1.32 lakhs (against Rs. 63,003) for taxation and Rs. 3.97 lakhs (against Rs. 3.03 lakhs) for depreciation. Development rebate reserve is allocated Rs. 1.34 lakhs and general reserve Rs 2.50 lakhs. The carry-forward is Rs. 6,707, against Rs. 4,687 brought in.

Sales dropped from Rs. 1.32 crores to Rs. 62.48 lakhs. The Dalhousie Jute Co. Ltd is operating 294 looms of Lansdowne Jute. The main mill building is occupied by the Government of India, and many other buildings and land have been leased out to commercial concerns. The foundry section of the Company is operating successfully and has helped increase the profit of the Company. The quality of castings produced is very satisfactory. It is proposed to increase the capacity of the foundry to 200 tonnes a month. So additional equipment has been installed.

The Kinnison Jute Mills Co. Ltd has earned a profit of Rs. 2.85 lakhs, against Rs. 31.90 lakhs, after increasing taxation from Rs. 12.12 lakhs to Rs. 26.65 lakhs and depreciation from Rs. 9.01 lakhs to Rs. 11.94 lakhs. The taxable ordinary dividend has been cut from 10 percent to 5 percent, which works out to a yield of 4.1 percent at the present price of Rs. 122 a share of Rs. 100 each. Development rebate reserve absorbs Rs. 1.11 lakhs (against Rs. 2.94 lakhs) and general reserve Rs. 3.64 lakhs. The carry-forward is Rs. 13,127, against Rs. 12,641 brought in. A sum of Rs. 5.79 lakhs has been transferred from taxation contingency reserve.

Sales rose from Rs. 4.70 crores to Rs. 4.86 crores and stocks of jute goods dropped from Rs. 10.20 lakhs to Rs. 9.94 lakhs. The directors point out that direct taxation has absorbed about 89 percent of the profit. In recent assessments, the Income Tax Officer has disallowed the cost of purchase of loom-hours as an allowable expenditure, although the amount received on the sale of loom-hours has been taxed at the usual rate. An appeal has been lodged against the Income Tax Officer's assessments.

Martin Burn Light Railway Results

THE results of the Martin Burn Railway Companies for the year ended March 1964, have been published. The Arrah-Sasaram Light Railway Co. Ltd has maintained the taxable ordinary dividend at 4 percent. The yield amounts to 12.7 percent at the present price of Rs. 31.62 a share of Rs. 100 each. Gross earnings amounted to Rs. 20.19 lakhs (against Rs. 20.55 lakhs) and working expenses to Rs. 17.73 lakhs (against Rs. 17.25 lakhs). The net profit amounts to Rs. 90,275. The carry-forward is Rs. 4,583, against Rs. 1,080 brought in.

The gross earnings of the Futwah-Islampur Light Railway Co. Ltd amount to Rs. 9.01 lakhs, against Rs. 8.86 lakhs. Working expenses are Rs. 8.20 lakhs (against Rs. 8.60 lakhs). The net profit amounts to Rs. 33,836. A taxable ordinary dividend of 1.8 percent has been maintained, which works out to a yield of 6.3 percent at the present price of Rs. 28.70 a share of Rs. 100 each. Contingency reserve is allocated Rs. 12,500, leaving a balance of Rs. 1,448 to be carried forward, against Rs. 806 brought in.

The Chaparmukh-Silghat Railway Co. Ltd has maintained the taxable ordinary dividend at 2.4 percent. The yield amounts to 6.9 percent at the present price of Rs. 35 a share of Rs. 100 each. Gross earnings dropped by Rs. 32,735 to Rs. 3.48 lakhs, and working expenses are about 50 percent of gross earnings. The net profit amounts to Rs. 76,367. The carry-forward is Rs. 4,587, against Rs. 2,620 brought in.

Martin Burn Electric Companies Pay Less

THE results of the Martin Burn electric companies for the year ended March 1964 have been published. As for the Jubbulpore Electric Supply Co. Ltd, the State Electricity Board has indicated that the additional power from the Amarkantak scheme will be soon be available for distribution. An expansion scheme to increase the transmission and distribution of additional power has been undertaken, and the Board has agreed to give a loan of Rs. 6.8 lakhs for the purpose. Units sold rose from 43.8 million to 49.7 million and the revenue from Rs. 53.82 lakhs to Rs. 63.53 lakhs. As the clear profit falls short of the reasonable return, a sum of Rs. 65,967 has been transferred from tariffs and dividend control. The profit has amounted to Rs. 2.86 lakhs, against Rs. 2.13 lakhs for 1962-63, after providing Rs. 3.37 lakhs (against Rs. 2.95 lakhs) for depreciation, Rs. 64,705 (against Rs. 31,452) for contingency reserve, Rs. 2.30 lakhs (against Rs. 85,000) for taxation and Rs. 33 813 (against Rs. 21,478) for development reserve. The taxable ordinary dividend has been reduced from 10 percent to 8 percent. The yield amounts to 6.5 percent at the present price of Rs. 12.31 a share of Rs. 10 each. General reserve is allocated Rs. 1.25 lakhs (against Rs. 83,000), leaving a carry-forward of Rs. 5,734, against Rs. 3,286 brought in.

The profit of Benares Electric Light and Power Co. Ltd has amounted to Rs. 3.17 lakhs, against Rs. 3.04 lakhs, after transferring Rs. 5.09 lakhs (against Rs. 4.77 lakhs) to depreciation, Rs. 51,736 (against Rs. 49,612) to contingencies reserve and Rs. 1.50 lakhs (against Rs. 45,000) to taxation. The taxable ordinary dividend has been reduced from 11 percent to 10 percent which works out to a yield of 7.5 percent at the present price of Rs. 13.25 a share of Rs. 10 each. General reserve is allocated Rs. 2.25 lakhs (against Rs. 2.40 lakhs). The carry-forward is Rs. 2,959, against Rs. 5,522 brought in. The main bulk supply point from the Rihand grid substation has been connected with the Company's system. The expansion programme to increase the transmission and distribution system has been undertaken, and the first instalment of the loan of Rs 10 lakhs from the State Electricity Board has been received by the Company. Units sold rose from 52.9 million to 59.5 million and the revenue from Rs. 65.22 lakhs to Rs. 73.93 lakhs.

Periakaramalai Tea Cuts Dividend

A MARKED improvement in profit despite a shortfall of about 143,000 kilograms in the tea crop, features the working results of the Periakaramalai Tea and Produce Co. Ltd for the year ended March 1964. The profit before taxation for the year amounts to Rs. 20,40,349, compared with Rs. 16,73,728 for the previous year. After deducting the tax provision of Rs. 10,12.000 (against Rs. 7,80.000), the net profit comes to Rs. 10,28,349. With the amount of Rs. 58,308 brought forward, the total available for appropriation comes to Rs. 10,86,657. Out of this, taxation relating to previous years amounted to Rs. 34,449. A sum of Rs. 51,289 is transferred to development rebate reserve (against Rs. 17,500). A sum of Rs. 100.000 is transferred to reserve for retirement gratuity (against Rs. 2,06,319) General Reserve gets Rs. 900,000 (against Rs. nil). The balance of Rs. 919 is carried forward.

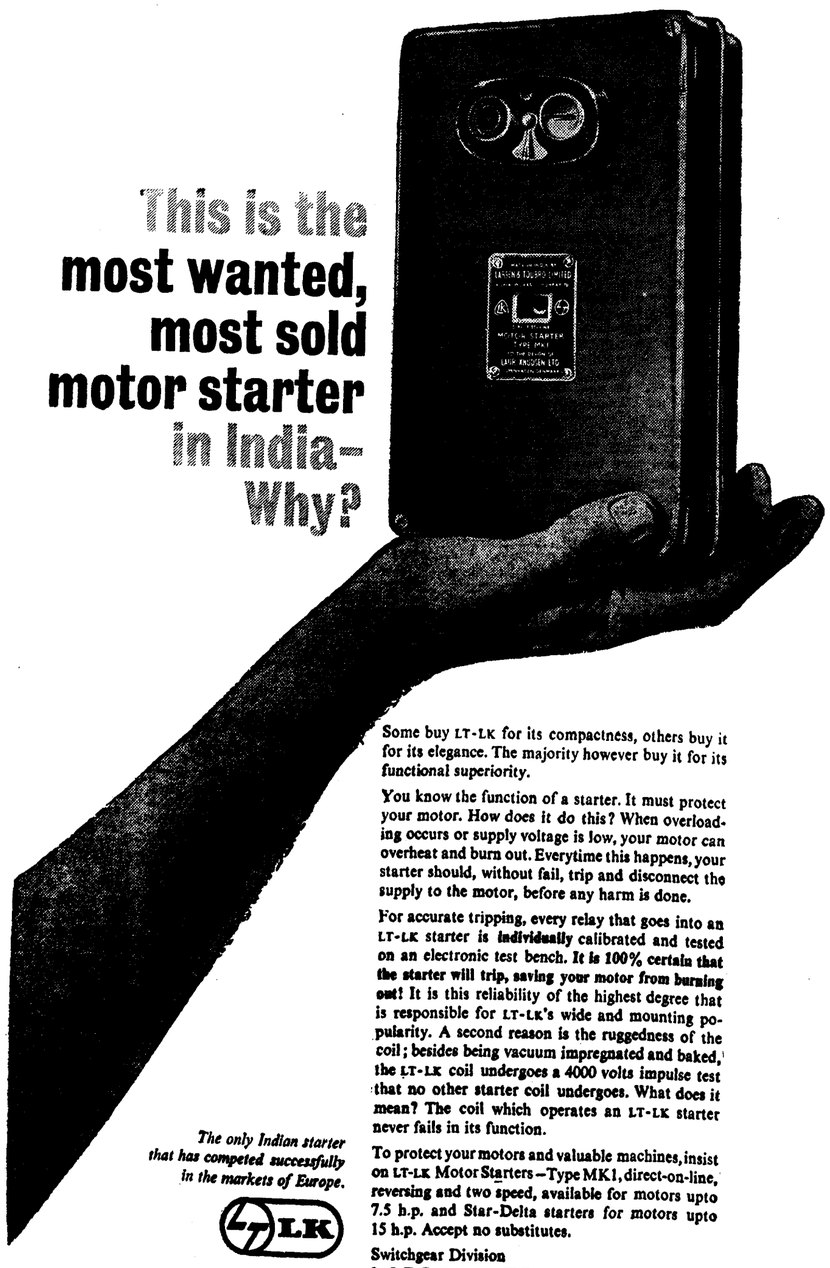
The proposed dividend of 13½ percent (against 15 percent) will absorb Rs. 7.82.309. and this dividend will be paid out of the general reserve. The

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tea crop for the year amounted to 2,203,527 kilograms (against 2,346,900 kilograms). The shortfall in crop was to a certain extent due to the emphasis placed on finer plucking. The average selling prire of tea was higher at Rs. 4.88 a kilogram, against Rs. 4.51 a kilogram in the previous year. The coffee crop was again disappointing and the harvest for the year was only 827 kilograms, against 3,390 kilograms. In view of the continous failures of this coffee area, the Company has decided to replant this poor-yielding coffee area with tea on a phased programme. The tea crop for the year 1964-65 is estimated at 2,375,000 kilograms.

Bisra Stone Lime Repeats

THE profit of the Bisra Stone Lime Co. Ltd has amounted to Rs. 11.08 lakhs for the year ended March 1964, against one of Rs. 13.51 lakhs for 1962-63, after providing Rs. 13.16 lakhs (against Rs. 11.72 lakhs) for depreciation and Rs. 7.20 lakhs (against Rs. 9.40 lakhs) for taxation. Workmen's accident compensation and pension reserve is allocated Rs. 2.84 lakhs (against Rs. 2.95 lakhs), development rebate reserve Rs. 1.93 lakhs (against Rs. 1.93 lakhs) and general reserve Rs. 1.25 lakhs (against Rs. 4.10 lakhs). A taxable ordinary dividend of 12.5 percent, including an interim of 5 percent, has been maintained. The yield amounts to 7 percent at the present price of Rs. 17.75 a share of Rs. 10 each. The carry-forward is Rs. 3,682, against Rs. 3,345 brought in.

The output of limestone at 1.5 million tonnes and sales at 1.5 million tonnes show little change, compared with those for 1962-63. Raisings of dolomite dropped from 497,869 tonnes to 408,470 tonnes. Sales also declined from 504,042 tonnes to 390,452 tonnes. The decline is largely due to the reduced offtake by the steel companies. The working was interrupted by disturbances which broke out in March 1964.

Birla Jute to Diversify

IN their report for the year ended March 1964, the directors of the Birla Jute Manufacturing Co. Ltd say that except for the jute mill division, all the units of the Company have worked satisfactorily. The total expenditure on block and development amounted to Rs. 3.04 crores. The Company has issued debentures for Rs. 2 crores to raise funds. They are also considering further measures to diversify activities. The results of the jute mills were affected because the price of raw jute rose much more than that of jute goods. The carpet-backing section operated with 60 looms. If the demand for this cloth improves, it is proposed to increase the looms to 80 during the current year. As a result of the abolition of the Working Time Agreement, there is likely to be a further increase in the output of jute goods.

The cement factory in Satna produced 235.704 tonnes of cement due to the expansion programme completed recently. The output of cement will rise from 750 tonnes to 1,750 tonnes a day in the near future. A cement factory with an output capacity for 600 tonnes a day is being built in Chittorgarh at an estimated cost of Rs. 3 crores. Production may begin early in 1966. The directors think that the price of cement should be raised to encourage a larger output. It is proposed to increase the capacity of the staple fibre division from 30,000 spindles to 50,000 spindles. The output of calcium carbide has been cut due to excessive supplies in the market. The entire equipment for the production of oxygen and acetylene gas has been received and is being installed. Trial production has already begun.

The trading profit has amounted to Rs. 2.12 crores, compared with Rs. 2.07 crores for 1962-63. A taxable ordinary dividend of 15 percent has been maintained, which works out to a yield of 4.2 percent at the present price of Rs. 35.44 a share of Rs. 10 each. Depreciation is allocated Rs. 1.01 crores (against Rs. 67.43 lakhs), taxation Rs. 36 lakhs (against Rs. 60 lakhs), general reserves Rs. 4 lakhs (against Rs. 30 lakhs), development rebate reserve Rs. 35.56 lakhs (against Rs. 14.11 lakhs) and development and rehabilitation reserve Rs. 2.24 lakhs (against Rs. 3.10 lakhs). The carry-forward is Rs. 40,032, against Rs. 46,410 brought in.

Rohtas Industries Profit Falls

THE profit of Rohtas Industries Ltd has dropped from Rs. 1.22 crores for 1962-63 to Rs. 76.94 lakhs for the year ended March 1964, after increasing depreciation from Rs. 61.93 lakhs to Rs. 76.72 lakhs due to the reintroduction of the triple shift depreciation allowance. Development rebate reserve is allocated Rs. 5.95 lakhs (against Rs. 6.60 lakhs), contingencies reserve Rs. 33.50 lakhs (against Rs. 56 lakhs) and dividend reserve Rs. 46.72 lakhs (against Rs. 51.92 lakhs). The taxable ordinary dividend has been reduced from 9 percent to 8 percent, which works out to a yield of 7.7 percent at the present price of Rs. 10.34 a share of Rs. 10 each. The tax liability is estimated at Rs. 33.50 lakhs. The carry-forward is Rs. 1,697, against Rs. 4,305 brought in. Sales amounted to Rs. 18.73 crores, against Rs. 18.12 crores.

Except for a small decline in the production of paper, boards and cement, the output of other departments improved. The production of paper and boards dropped from 52,243 tonnes to 49,919 tonnes and that of cement from 319,656 tonnes to 317,991 tonnes. The output of caustic soda rose from 5,643 tonnes to 5,991 tonnes; that of *vanaspati* from 11,270 tonnes to 11,321 tonnes; and that of asbestos cement from 19,092 tonnes to 19,546 tonnes. The reduced profit has largely been due to an all-round increase in production costs. The profit of the paper department has tended to shrink due to the uneconomic price fixed for paper by the Government. The Government of Bihar is charging very high royalties for bamboos.

A part of the rising costs has been absorbed by the improved operational efficiency. A satin white plant has been installed to improve the quality of coating. Equipment to increase the bleaching capacity has also been installed. The I.C.I.C.I. has sanctioned a foreign exchange loan of Rs. 15 lakhs to modernise the soda recovery plant. The vulcanised fibre plant continues to work below capacity due to the shortage of imported base paper. As for cement, the directors say that the packing charges fixed by the Government continue to be short of the actual expenses incurred in packing the commodity. The unit for producing asbestos cement has idle capacity. The output of this unit can be increased if the supply of imported asbestos fibre is adequate. Commenting on the outlook for sugar, the directors say that the supply of cane during the current season is expected to be higher by 50 percent. If the diversion of the supply to the manufacture of *gur* is checked, the output of sugar will improve. Due to severe competition, *vanaspati* has had to be sold at prices lower than those allowed by the Government. In view of the shortage of groundnut oil, the *vanaspati* factory may have to close down until the arrival of new crop in November.

Birla Cotton Maintains

THE Birla Cotton Spinning and Weaving Mills Ltd has earned a gross profit of Rs. 65.90 lakhs for the year ended March 1964, against Rs. 42.39 lakhs for 1962-63. Depreciation absorbs Rs. 13.68 lakhs (against Rs. 9.19 lakhs), development rebate reserve Rs. 5.44 lakhs (against Rs. 2.44 lakhs) and general reserve Rs. 16.60 lakhs (against Rs. 11.75 lakhs). Deferred taxation reserve is allocated Rs. 22.20 lakhs (against Rs. 12.50 lakhs). A taxable ordinary dividend of 20 percent has been maintained. The yield amounts to 7.4 percent at the present price of Rs. 27 a share of Rs. 10 each. The carry-forward is Rs. 17,682, against Rs. 19,266 brought in.

Sales rose from Rs. 7.29 crores to Rs. 9.66 crores. Steps have been taken to establish two ginning and pressing factories in Fatehabad, Punjab, and in Sangeria, Rajasthan. The capacity of the tent factory has been increased to meet the requirements of defence. The factory has produced satisfactory results. The Chenab Textile Mills will soon start operating because almost all equipment have been installed. Orders for machinery and plant to set up textile mills in U.P. have been placed.

Ashoka Cement Pays the Same

ASHOKA Cement Ltd has maintained the taxable ordinary dividend at 7 percent for the year ended March 1964, which works out to a yield of 9.7 percent at the present price of Rs. 7.25 a share of Rs. 10 each. The profit has improved from Rs. 4.93 lakhs for 1962-63 to Rs. 6.15 lakhs for the year ended March 1964, after increasing depreciation from Rs. 10.20 lakhs to Rs. 13.30 lakhs. Development rebate reserve is allocated Rs. 54,000 (against Rs. 1.96 lakhs) and general reserve Rs. 1 lakh. The carry-forward is Rs. 51,628, against Rs. 10,914 brought in. The cement output dropped from 174,851 tonnes to 167,036 tonnes.

Frequent D.V.C. trippings continue to hinder production, which was also affected by a strike. The foundry division of the Company has done well. The raw mill is being installed at a cost of Rs. 23 lakhs. The directors refer to the unrealistic price for cement fixed by the Government in spite of the rising production costs.

Western Coal-Fields Pays More

WESTERN Coal-Fields Ltd has increased the taxable ordinary dividend from 9 percent to 10 percent for the year ended March 1964. The yield amounts to 10.7 percent at the present price of Rs. 9.31 a share of Rs. 10 each. The profit has improved from Rs. 6.86 lakhs for 1962-63 to Rs. 7.87 lakhs for 1963-64, after providing Rs. 4.54 lakhs (against Rs. 3.91 lakhs) for depreciation and Rs. 3.25 lakhs (against Rs. 4.50 lakhs) for taxation. Development rebate reserve is allocated Rs. 2.83 lakhs (against Rs. 2.73 lakhs) and taxation for the previous year Rs. 63,000. The carry-forward is Rs. 90,850, against Rs. 32,575 brought in.

The directors point to the rising production costs which are not adequately covered by the price fixed for coal. Raisings amounted to 443,797 tonnes and despatches to 421,307 tonnes. Commenting on the decline in the demand for coal, they refer to the growing accumulation of stocks at the pitheads. A good part of the machinery obtained under the World Bank loan has not been used because there has been no incentive to increase output in the face of the declining demand. The directors, however, say that the demand has improved slightly since. The Company has undertaken exploration and prospecting on its property to increase raisings under its expansion programme.

Metal Corporation Skips Dividend

THE Metal Corporation of India Ltd sold products worth Rs. 1.43 crores for the year ended March 1964, compared with Rs. 1.21 crores for 1962-63. There has been a decline in the output of lead and zinc concentrates. The expansion and development programmes of mines are being implemented. The project to expand the capacity of the existing mill is making progress. When the expansion is completed, the mill will treat about 60,000 tonnes. The construction of the zinc smelter is progressing and the lead smelter is being renovated. The original estimated cost of Rs. 7 crores for the expansion schemes will rise by about Rs. 4 crores in view of the increased prices of equipment. The licensed capacity of the zinc smelter is also proposed to be raised from 15,000 tonnes to 18,000 tonnes a year. An application has been made to the Central Government for fnds to finance the expansion programmes. The Industrial Finance Corporation of India has given a further loan of Rs. 4.15 lakhs to the Company.

The profit has amounted to Rs. 5.76 lakhs, against one of Rs. 4.11 lakhs for 1962-63, after providing Rs. 4.36 lakhs (against Rs. 4.13 lakhs) for depreciation. Development rebate reserve is allocated Rs. 3,172 (against Rs. 56,082) and general reserve Rs. 5.75 lakhs (against Rs. 5 lakhs). The carry-forward is Rs. 18,044, against Rs. 20,454 brought in. The dividend has again been passed.

Maiden Dividend from N.E.P.A. Mills

AT long last, the National Newsprint and Paper Mills Ltd (N.E.P.A. Mills) has succeeded in declaring a maiden dividend of 6 percent for the year ended March 1964. This follows a fairly substantial improvement in the Company's working results during the year. For the first time, the Company reached the rated capacity of the plant and produced 30,078 tonnes of newsprint which was 3,563 tonnes more than in the preceding year. Sales rose from 26,675 tonnes to 30,338 tonnes, and realisations, after payment of excise duty, amounted to Rs. 3.18 crores, compared with Rs. 2.81 crores in the previous year.

The gross profit increased from Rs. 81.85 lakhs to Rs. 95.99 lakhs. After providing Rs. 19.96 lakhs (against Rs. 26.36 lakhs) for depreciation, Rs. 13,432 (against Rs. 29,816) for development rebate, Rs. 20 lakhs (against nil) for taxation and Rs. 5 lakhs (the same) for writing off deferred revenue expenditure, the net profit amounts to Rs. 50.90 lakhs, against Rs. 50.19 lakhs in 1962-63. With Rs. 25.37 lakhs brought in from the previous year, the disposable surplus amounts to Rs 76.27 lakhs. For the first time, the directors have set aside Rs. 30 lakhs for general reserve and Rs 10 lakhs for tax reserve. The proposed 6 percent maiden dividend absorbs Rs. 29.41 lakhs, leaving a

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balance of Rs. 6.85 lakhs to be carried forward.

The directors state that the Company was able to show better results in spite of the rise in the prices of essential chemicals, other materials and power which inflated production costs. This became possible because of increased efficiency and larger production. Substantial progress has been made in the erection of the 12/10 tonnes caustic soda/chlorine plant. The plant, it is expected, will be commissioned during the third quarter of the current financial year. Some improvement in the quality of the paper has been made as a result of the extensive experiments conducted in the Research Laboratory.

The Company's expansion programme, raising the capacity from the present 30,000 tonnes to 75,000 tonnes a year, is expected to cost Rs. 8 crores. A formal order for plant and machinery for paper machines, stock preparation and finishing house has been placed with a Finnish firm at a cost of Rs. 1.5 crores. Tenders for the expansion of the pulp mill, recovery plant and water works are under scrutiny and orders for the same are likely to be placed shortly. The Company repaid during the year the fifth instalment of the loan due to the Madhya Pradesh Government, leaving a balance of Rs. 55 lakhs at the end of March 1964. The gross block of the Company amounting to Rs. 5.44 crores has been written down to Rs. 3.02 crores. The paid-up capital of the Company is Rs. 4.90 crores; the reserves and surplus amount to Rs. 85.64 lakhs. The Rs. 10-paid share of N.E.P.A. Mills is currently quoted around Rs. 7.76, offering a gross return of a little over 8 percent.

Nil from Rajasthan Spinning

RAJASTHAN Spinning and Weaving Mills Ltd has earned a trading profit of Rs. 2.63 lakhs for the year ended September 1963. After meeting the interest liability of Rs. 2.77 lakhs and before providing for depreciation, there is a loss of Rs. 14,300. So a debit balance of Rs. 23,730 has been carried forward. The dividend has been passed.

Assets of more than Rs. 25 lakhs have been acquired by borrowings from the Rajasthan Financial Corporation and the Industrial Finance Corporation. The mill went into production in December 1962. The entire installed capacity has been used since January 1964. The Company has been sanctioned an import licence to bring American speed frames. Production amounted to Rs 9 lakhs, and the order-book of the Company has been well filled. The Government has permitted the Company to install a further 8,350 spindles. The total number of spindles installed is likely to rise to 26,350 in the near future.

Indian Detonators Earns More

THE directors of Indian Detonators Ltd have recommended a dividend of 8 percent for the year ended June 1964, on the increased capital of Rs. 30 lakhs, against 14.5 percent paid in the preceding year on a capital of Rs. 15 lakhs. The total amount to be distributed among the shareholders by way of dividend is larger at Rs. 2.40 lakhs, compared with Rs. 2.17 lakhs in the previous year. The directors have made a rights offer in the ratio of one new share for every two held by the existing shareholders which will raise the paid-up capital from the present 30 lakhs to Rs. 45 lakhs. The preliminary report shows that the gross profit of the Company has risen from Rs. 11.37 lakhs to Rs. 11.89 lakhs, despite a small decline in the sales from Rs. 1.217 crores to Rs. 1.127 crores.

After providing Rs. 36,595 (against Rs. 15,676) for depreciation and Rs. 8.45 lakhs (against Rs. 8.50 lakhs) for taxation, the net profit is shown at Rs. 3.08 lakhs, against Rs. 2.72 lakhs. After bringing in the previous year's surplus and writing back excess provisions amounting to Rs. 2.45 lakhs, the directors have used Rs. 12,086 (against nil) towards adjustment of directors' commission provided last year, Rs. 2.30 lakhs (against Rs. 13,250) towards tax provision for the preceding year, Rs. 10,000 (against Rs. 35,000) for general reserve and Rs. 59,753 (against Rs. 34,961) to write off share issue expenses. The proposed dividend absorbs Rs. 2.40 lakhs, leaving a surplus of Rs. 664 to be carried forward, against Rs. 403 brought in. The directors state that the Company is expected to commence the first stage of production by November this year. The Rs. 100-paid share of Indian Detonators is quoted around par.

Hindustan National Glass Fares Well

HINDUSTAN National Glass Manufacturing Co. Ltd reports encouraging results for the year ended March 1964. Sales are up by about 14 percent from Rs. 1.059 crores to Rs. 1.209 crores, and the gross profit has risen by as much as 46 percent from Rs. 17.83 lakhs to Rs. 25.99 lakhs. The dividend, however, has only been maintained at 4 percent. This is not merely because the dividend is being paid on the increased capital as raised by the one-for-five bonus issue made during the year, but also because the net profit is slightly down following substantially larger provision for development rebate. In fact, the directors have had to withdraw a sum of Rs. 1.20 lakhs from the general reserve to be able to provide for the payment of the dividend.

After providing Rs. 10.22 lakhs (against Rs. 8.12 lakhs) for depreciation, Rs. 7.90 lakhs (against Rs. 40,986) for development rebate and Rs. 5.50 lakhs (against Rs. 6.50 lakhs) for taxation, the net profit amounts to Rs 2.37 lakhs, compared with Rs. 2.80 lakhs in the preceding year. After transferring Rs. 1.20 lakhs from the general reserve, the directors have set aside Rs. 1 lakh to the preference share sinking reserve account. The proposed equity dividend absorbs Rs. 1.90 lakhs (against Rs. 1.66 lakhs) and preference dividend takes away Rs. 83,250. The directors state that the Bahadurgarh plant has been commissioned and the sales of white bottles to consumers in north India are being catered from the new plant. This has resulted in surplus capacity at Rishra which is being used by converting furnace No. 1 to amber glass to meet the requirements of the pharmaceutical industry. The Bahadurgarh plant is said to be faced with frequent power failures which has not only resulted in a loss of production, but it is feared that it might cause serious damage to the furnace and equipment. The Rs. 10-paid share of the Company is quoted nominally around Rs. 5.50.

Davangere Cotton Repeats

THE Davangere Cotton Mills Ltd reports fairly encouraging results for the year ended March 1964. Sales have increased by nearly 15 percent from Rs. 1.72 crores to Rs. 1.98 crores, and the gross profit has risen by about 12.8 percent from Rs. 30.22 lakhs to Rs. 34.10 lakhs. The dividend has been maintained at 12 percent, but it is on the increased capital as raised by the one-for-three rights issue made in January 1963, the distribution among equity shareholders amounts to Rs. 5.20 lakhs, compared with Rs. 3.62 lakhs in 1962-63. Appropriations include depreciation Rs. 12.22 lakhs (against Rs. 8.74 lakhs), development rebate Rs. 95,000 (against Rs. 2.60 lakhs), taxation Rs. 11.70 lakhs (against Rs. 11.57 lakhs), dividend equalisation reserve Rs. 2 lakhs (against Rs. 2.50 lakhs) and donations Rs. 35,254 (against Rs. 1.39 lakhs).

A sum of Rs. 58,214 has been set aside for writing off share issue expenses. Equity dividend absorbs Rs. 5.20 lakhs and preference dividend Rs. 1.04 lakhs. The directors state that the Company's modernisation programme is likely to be completed during the current financial year. Out of the 218 looms to be installed at Davangere, 204 looms have already been commissioned, and the balance will go into production by the end of September. The Gadag unit went into production in May 1964, and the full installed capacity of 12,000 spindles will be worked before the end of January 1965.

In view of the delay in securing the requisite import licence, there is likely to be some delay in the completion of the project to instal 500 automatic looms. The Government has permitted the Company to expand the Gadag unit by 13,000 spindles so as to make it an economic unit of 25,000 spindles and the Davangere unit by 3,065 spindles. Licence for the installation of 52 automatic looms at Davangere has been received. The Company has been granted permission to print 2 million yards of cloth a year. The I.F.C. has granted an additional loan of Rs. 14.54 lakhs in German currency to meet the cost of importing German and Swiss machinery for the installation of 500 automatic looms.

Hind Cycles Continues to Disappoint

HIND Cycles continues to disappoint and the dividend is being skipped year after year. Even the preference shareholders have not received any dividend after 1960-61 and arrears of the preference dividend add up to Rs. 7.13 lakhs. In the year ended March 1964, the Company's sales increased by about 24 percent from Rs. 1.857 crores to Rs. 2.299 crores, but the gross profit was lower by nearly 12 percent from Rs. 7.87 lakhs to Rs. 6.95 lakhs. After providing Rs. 6.28 lakhs (against Rs. 6.21 lakhs) for depreciation and Rs. 24,500 (against Rs. 94,200) for development rebate, the net profit for 1963-64 comes to Rs. 42,489 against Rs. 72,217 in the preceding year. The deficit carried to the balance-sheet is Rs. 6.42 lakhs. No provision has been made for arrears of depreciation amounting to Rs. 11.45 lakhs, and arrears of preference dividend amount to Rs. 7.13 lakhs.

The increase in the Company's sales during 1963-64 reflects the improvement in production of both bicycles and chains. The Company produced 159,965 bicycles and 442,940 chains during 1963-64, against 128,086 bicycles and 270,030 chains in the preceding year. Some 15,000 bicycles were exported during 1963-64. The setback in the profit, despite larger sales, is attributed to the rise in production costs without any corresponding increase in the prices of bicycles which have been fixed at the July 1963 level.

With the wage cost of a bicycle continuing to rise, it will be difficult to work the factory economically unless the wage cost is brought down or the price of bicycle is increased. The directors state that the scheme of merging Hind Cycles with Gwalior Rayon has been postponed indefinitely and they are negotiating for the lease of the Company's undertaking to Central India Machinery Manufacturing Company. The directors consider this to be more beneficial to Hind Cycles. The Company has been appointed selling agents of C.I.M.C.O. with effect from 1st April, 1964 for the territory of Greater Bombay. The Government's approval for the selling agency is awaited.

Praga Tools Results Improve

ALTHOUGH the dividend has again been skipped, the working results of the Praga Tools Ltd for the year ended March 1964, show a considerable improvement over the previous year's performance. The production of finished goods valued at Rs. 1.057 crores was up by 41.4 percent, compared with the previous year's figure of Rs. 74.74 lakhs. Sales increased by about 40.4 percent from Rs. 74.63 lakhs to Rs. 1.049 crores. After providing Rs. 9.23 lakhs (against Rs. 6.22 lakhs) for depreciation, Rs. 6.21 lakhs (against Rs. 3.10 lakhs) for expenditure during construction account and after absorbing a loss of Rs. 1.18 lakhs on the sale of milling machine components, the Company has made an operating profit of Rs. 10.38 lakhs, against a mere Rs. 34,282 in the preceding year. In 1961-62, it incurred a loss of Rs. 4.34 lakhs. Out of the profit for 1963-64, the directors have used Rs. 3.72 lakhs for wiping out the accumulated loss of previous years. Further, the entire amount of Rs. 5.26 lakhs paid to the retrenched employees has been written off in one lump-sum even though the benefits of this will be available in succeeding years.

The directors state that the tool and cutter grinder project is now fully on; the British firm of A. A. Jones and Shipman is collaborating in this project. Most of the machinery for the C.V.A. drill chuck project was installed during the year, and production has commenced since April. It is expected that the project will be fully productive during 1964-65. Negotiations for the Pratt project are likely to be finalised shortly. Praga's own type of lathe chucks are, however, being produced steadily. The Government has released the foreign exchange required for the expansion of the forge shop. The construction works at the new Kukatpally site have reached an advanced stage and installation of machinery has commenced. It is expected that the facility will be operative in December this year.

Mysore Lamp Cuts Dividend

MYSORE Lamp Works Ltd has reduced the dividend for the year ended March 1964 from 8 percent to 5 percent. But this does not mean any hardship to the shareholders, in that the total distribution among the equity shareholders is higher at Rs. 64,339, against Rs. 52,500 in the preceding year as the reduced dividend is payable on a substantially larger capital. The financial results of the Company, however, are not encouraging. Despite increased production and larger sales the gross profit has been virtually halved. The Company produced 2,529,500

lamps, against 2,122,797 pieces in the preceding year, and sales rose from 1,982,424 pieces valued at Rs. 19.31 lakhs to 2,304,000 pieces valued at Rs. 22.69 lakhs.

The gross profit, however, declined sharply from Rs. 3.04 lakhs to Rs. 1.55 lakhs. The fall in profit, despite larger sales, is attributed to the increase in expenditure consequent on steps taken to implement the expansion programme. The directors have cautioned the shareholders that they will have to be satisfied with nominal profit or none at all for some time to come until the expansion programme is substantially implemented. The expansion programme has already been taken up for implementation. A new group of lamp manufacturing equipment has been obtained from the U.K. and installed and commissioned. A major item in the expansion programme is the manufacture of glass shells and glass tubes. The Company has purchased the properties of Mysore Glass and Enamel Works Ltd, which was under liquidation, for Rs. 8 lakhs. Details are being worked out to put up the plant for the manufacture of glass shells and glass tubes on this new property. As part of the expansion programme, the present gas plant is being enlarged at a total cost of Rs. 50,000.

After providing Rs. 62,959 (against Rs. 66,028) for depreciation, Rs. 3,066 (against Rs. 27,565) for development rebate reserve and Rs. 48,000 (against Rs. 1.20 lakhs) for taxation, the net profit for 1963-64 comes to Rs. 41,291, against Rs. 90,859 in the preceding year. Writing back excess provisions and transferring a sum of Rs. 57,500 from the dividend equalisation reserve, the disposable surplus amounts to Rs. 1.10 lakhs. The directors have transferred Rs. 1.08 lakhs to the dividend reserve, leaving a sum of Rs. 1,757 to be carried forward, against Rs. 1,217 brought in. The proposed equity dividend absorbing Rs. 64,339 (against Rs. 52,500) and preference dividend amounting to Rs. 4,395 (against Rs. 7,596) are to be paid from the dividend reserve. All the preference shares of the Company have been redeemed at par. The paid-up capital of the Company is Rs. 12,86,770 —all in equity shares of Rs. 10 each. Its reserves and surplus amount to Rs. 26.85 lakhs.

Interim Dividend from Indian Plastics

INDIAN Plastics Ltd has done well during the year ended March 1964. Sales are up by about 13 percent from Rs. 1.073 crores to Rs. 1.217 crores, and the gross profit has risen by about 48 percent from Rs. 5.78 lakhs to Rs. 8.55 lakhs. Improved results have not only enabled the directors to pay preference dividends for two years—1962-63 and 1963-64—but also encouraged them to declare an interim dividend of 4 percent for the current financial year—1964-65. It was in 1956-57 that the Company last paid an equity dividend of 3.7 percent. Allocations include depreciation Rs. 3.68 lakhs (against Rs. 3.19 lakhs), development rebate reserve Rs. 13,195 (against Rs. 45,692) and taxation Rs. 2.87 lakhs (against Rs. 1.50 lakhs). The preference dividends for two years will absorb Rs. 2.48 lakhs, leaving a sum of Rs. 45,692 to be carried forward, against Rs. 66,066 brought in.

The directors state that while the Company's radio division fared well during 1963-64, and it is likely to do even better during the current year, the working of the plastics division was adversely affected by increasing competition in plastics goods on the one hand and rise in the prices of raw materials and stores which pushed up manufacturing costs. The directors point out that although there is demand for the Company's chemical products, production could not be increased due to lack of sufficient import licences. It has applied to the Government for a higher quota as the present quota is insufficient even to maintain the existing level of output. The Rs. 10-paid share of Indian Plastics is available around Rs. 7.50.



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Gopalpur Tea Earns Less

THE profit of the Gopalpur Tea Co. Ltd (a Dooars garden) has amounted to Rs. 1.60 lakhs for the year ended March 1964, against Rs. 2.01 lakhs for 1962-63, after providing Rs. 1.3 lakhs (the same) for depreciation. The taxable ordinary dividend of Re. 1 a share of Rs. 25 each has been declared to absorb Rs. 56,000. Taxation is allocated Rs. 72,000 (against Rs. 12,000), development rebate reserve Rs. 3,193 (against Rs. 4,122). The carry-forward is Rs. 7,465, against Rs. 27,340 brought in. The crop amounted to 14,467 maunds, against 15,124 maunds and the average sale price rose from Rs. 3.99 to Rs. 4.24 a kilogram. The Tea Board has sanctioned the Company a sum of Rs. 5.99 lakhs for replanting and development. The crop for 1964-65 has been estimated at 13,500 maunds.

Western India Vegetable Products Pays More

WESTERN India Vegetable Products Ltd has raised the dividend for the year ended March 1964 from 6 percent to 7 percent. The Company has fared better than in the preceding year, with sales rising from Rs. 2.69 crores to Rs. 3.22 crores, and the gross profit increasing from Rs. 6.73 lakhs to Rs. 7.28 lakhs. After providing Rs. 4.62 lakhs (against Rs. 2.89 lakhs) for depreciation, Rs. 14,350 (against Rs. 1.98 lakhs) for development rebate and Rs 1.16 lakhs (Rs. 33,000) for taxation, the net profit amounts to Rs. 1 lakh, compared with Rs. 1.17 lakhs in the previous year. After including the sum brought forward, writing back certain excess provision and transferring Rs. 12,000 from the general reserve, the disposable surplus amounts to Rs. 1.20 lakhs. The proposed dividend absorbs Rs. 1.19 lakhs (against Rs. 1.02 lakhs), leaving a sum of Rs. 699 to be carried forward, against Rs. 1,925 brought in.

The directors point out that the year 1963-64 was a very difficult one for the *vanaspati* industry because the Government enforced an uneconomic and unjustified price control on the industry. For considerable periods during the year, the Company had to sell its *vanaspati* at a loss. The Company produced 10,217 tonnes of *vanaspati* during 1963-64, compared with 9,531 tonnes in the preceding year. Despite higher production, profits were lower than might have been possible under normal circumstances because of the difficult situation prevailing in the industry. Some of the sections in the *vanaspati* division are being modernised which are likely to bring about a reduction in the costs of production. The Company introduced in April 1964 a new brand "Kisan Vanaspati" using cottonseed oil. The directors add that the groundnut extraction cake has been finding a good market in India as well as in foreign countries and the Company's goods are being sold at higher prices than those of the competitors. The solvent extraction plant produced 13,341 tonnes of extractions during the year. The directors are examining the possibility of extracting other oilseeds/oilcakes in the extraction plant. The expansion in the soap section has been completed and the Company has started selling its soap in new markets in the country.

Radio and Electricals Cuts Dividend

THE directors' report of Radio and Electricals Manufacturing Co. Ltd for the year ended March 1964 shows a drop in profit despite higher sales. The net sales for the year amounted to Rs. 1,68,34,512, compared with Rs. 1,62,95,723 in the previous year. But the net profit is lower at Rs. 27,19,357, against Rs. 37,47,483 in the previous year.

The profit is lower mainly because during the year, machinery and equipment of the value of Rs. 39,66,928 acquired for some of the expansion schemes, were installed. This includes a sum of Rs. 5,51,496 being interest due to be paid to the Japanese suppliers. Machinery and equipment have also been reclassified during the year to claim the benefit of full depreciation under the Act. Depreciation on these machinery and equipment and other fixed assets increased from Rs. 3,84,333 in the previous year to Rs. 10,74,334 during the year.

Severe competition has developed for some of the products manufactured by the Company. The directors are watching the market trend and they are considering further diversification of production, by taking up new lines. As for expansion schemes, the report says that during the year, a beginning was made in the manufacture of poly-phase electricity meters and paper and electrolytic condensers and these products are now put on the market. The directors also refer to the development and manufacture on a commercial scale of electric massagers and time recorders/hour meters without the assistance of the know-how from outside sources. Import licence for the equipment required for the manufacture of loudspeakers has been received by the Company. Production on a commercial scale will commence in about a year's time.

The net profit for the year amounts to Rs. 27,19,357, after providing Rs. 10,74,334 for depreciation, compared with the previous year's net profit of Rs. 37,47,483 after providing Rs. 3,84,333 for depreciation. Adding to the net profit, a sum of Rs. 2,987 brought forward from the previous year, Rs. 2,00,918 being excess provisions written back and Rs. 11,500 being refund of income tax and sales tax, the total available for appropriation comes to Rs. 29,34,762. Out of this, development rebate amounts to Rs. 7,44,768 (against Rs. 3,57,575). Provision for taxation amounts to Rs. 11,76,000 (against Rs. 22,96,000). General reserve gets Rs. 2,50,000 (against Rs. 6,75,000). A sum of Rs. 7,61,000 is transferred to dividend reserve (against Rs. 10,50,000). The balance of Rs. 2,894 is carried forward. A dividend of 15 percent is recommended (against 18 percent) for the full year on a capital of Rs. 41,30,382 and for four months on Rs. 9,50,184 called up during the year at Rs. 4 a share. This dividend, amounting to Rs. 6,67,066, would be paid out of the dividend reserve.

Nil Again from Mysore Chemicals

THE directors of the Mysore Chemicals and Fertilisers Ltd have not recommended any dividend for the year ended March 1964. The dividend was also skipped during the previous year. The directors' report says that the production of various items in the factory was normal. Sales amounted to Rs. 37,44,581.20, compared with Rs. 44,28,318 in the previous year. The reduction in sales is due to the restricted production of ammonium sulphate, which has to be kept at the minimum, as its cost of production is high compared with that of other manufacturers due to the high electricity charges. The better working results for the year despite lower sales than those of last year, are attributed to economies made by the management of the Company. But the directors say that the adverse position in which the Company has been placed due to circumstances beyond the control of the directors, has not changed.

The report adds that the enormous increase in the rates of electricity has taken away the very basis on which the Company's prospects were based and the fact that losses have been avoided is in itself no mean achievement. But the directors are hopeful that the situation will improve considerably when the expansion schemes are completed. Referring to the expansion schemes, the directors state that the 50-ton a day capacity sulphuric acid plant was successfully commissioned into production on 16th May, 1964, and since then, it is working satisfactorily. The bagging plant which is an important auxiliary unit of the mechanised superphosphate plant was commissioned in July last. The erection of the new superphosphate plant of a capacity of 33,000 tons a year initially, is nearing completion and this plant is expected to be commissioned for production by the end of September 1964. In order to meet the actual expenditure of the above two units, the Company has approached its bankers to grant an additional medium-term loan of Rs. 5 lakhs over and above the sum of Rs. 25 lakhs which has already been used in full.

The directors add that the work on the establishment of caustic soda/chlorine unit has entered a crucial stage. The scheme will entail an expenditure of Rs. 1.75 crores, which the directors propose to meet by the issue of shares of Rs. 10 each to the extent of Rs. 1 crore and by borrowing Rs. 75 lakhs from financial agencies and scheduled banks. The Government of Mysore has agreed to subscribe 10 percent of the new share capital. The directors are actively pursuing this project to see that the scheme is completed with the least possible delay to place the Company on a profitable basis. The working of the Company during the year has resulted in a profit of Rs. 12,822, after providing Rs. 1,65,613 for depreciation, compared with the previous year's loss of Rs. 76,884, after providing Rs. 2,06,917 for depreciation. Including the amount of Rs. 3,322 brought forward, there is a total surplus of Rs. 16,144, which is carried forward to next year.

Sri Krishnarajendra Mills Skips Again

DUE to loss in working, the directors of Sri Krishnarajendra Mills Ltd have not recommended any dividend for the year ended March 1964. There was no dividend in the previous year also. The working resulted in a loss of Rs. 20,86,092, after providing Rs. 7,82,185 for depreciation, against the previous year's loss of Rs. 8,57,677 after providing Rs. 10,18,736 for depreciation. During the year, the depreciation and development rebate earned in Chitradurga unit have been written back, and taken to the credit of the profit and loss appropriation account, and this amounts to Rs. 14,94,745. Apart from this, the Company has made a profit of Rs. 9,08,872 on the sale of the Chitradurga unit. Taking these items and other receipts like the premium on export etcetera, to the credit of the profit and loss appropriation account and after providing Rs. 5,60,000 for taxation, there is a credit balance of Rs. 27,539 after adjusting the year's loss of Rs. 20,86,092. This balance of Rs. 27,539 is carried forward.

During the year, the mills introduced the scheme of rationalisation and increased the workloads and started the third shift working from the end of September 1963. Due to the dislocation in working caused by the introduction of rationalised workloads simultaneously in all the departments of the mills and also due to the inability of workers to cope with the rationalised workloads, there has been a marked fall in production in all the departments. In addition to this, the wage bill has also increased. This low production coupled with higher expenses has made a big inroad into profits. The directors add that the prices of the popular varieties of cloth manufactured by the mills remained unchanged and pegged to unremunerative levels. The new varieties of cloth which were manufactured in the place of old and popular varieties, developed strong consumer resistance, resulting in heavy accumulation of stocks.

Dehri-Rohtas Light Railway Repeats

THE Dehri-Rohtas Light Railway Co. Ltd has maintained the taxable ordinary dividend at 10 percent for the year ended March 1964, which will be paid out of dividend reserve. The yield works out to 8.9 percent at the present price of Rs. 11.19 a share of Rs. 10 each. The profit has dropped from Rs. 18.24 lakhs to Rs. 11.34 lakhs for 1963-64, after providing Rs. 3.30 lakhs (against Rs. 3.24 lakhs) for depreciation. Taxation absorbs Rs. 5.67 lakhs (against Rs. 10.65 lakhs), development rebate reserve Rs. 70,000 (against Rs. 21,000) and general reserve Rs 1.30 lakhs (against Rs. 3.70 lakhs). The carry-forward is Rs. 17,232, against Rs. 4,139 brought in.

Earnings from goods traffic declined by Rs. 7.56 lakhs. The Company's profit has been held down because operating costs have risen while the freight rates have not been changed. Ninteen goods wagons were manufactured by the Company's workshop and 15 more passenger wagons were put on the line.

East Anglia Plastics to Expand

IN their report for the year ended March 1964, the directors of East Anglia Plastics (India) Ltd say that although the output rose, the entire installed capacity could not be used due to the shortage of raw materials. Production rose from 111 tonnes to 600 tonnes in 1963-64. The Company has been granted an actual user licence to import raw materials. So the Company's working during the current year will improve. Production during the first five months of the current year is higher than that for the corresponding period of 1963-64. The directors hope that it may be possible to use the full installed capacity. The compounding unit needs to be expanded in view of the good demand for the products of the Company. The Government of India has sanctioned an import licence to the Company to import capital goods for expanding the compounding unit.

The factory to manufacture plasticisers is nearing completion. The construction of the factory in Visakhapatnam to manufacture cellulose acetate flakes is making progress. Some of the indigenous equipment for producing cellulose pulp have arrived at the site. The installation of the pulp unit may be completed during the current year. It is proposed to issue preference shares to raise further funds. The Company has approached the Government for an industrial licence to install an industrial alcohol distillation plant in Visakhapatnam to produce ethyl alcohol.

The profit has amounted to Rs. 6.50 lakhs, against a loss of Rs. 1.10 lakhs for 1962-63, after providing Rs. 2.21 lakhs (against Rs. 2.25 lakhs) for depreciation. Development rebate is allocated Rs. 10,750 (against Rs. 16,058) and general reserve Rs. 2 lakhs. The debit balance of Rs. 4.08 lakhs has been wiped out and a credit balance of Rs. 31,292 has been carried forward. The dividend has again been passed.

Zandu Pharmaceutical Results Impress

ALTHOUGH the dividend has only been maintained at 10 percent, the working results of the Zandu Pharmaceutical Works Ltd for the year ended March 1964, show a marked improvement over the previous year. While the sales are up by 13 percent from Rs. 82.98 lakhs to Rs. 93.95 lakhs, the gross profit has shot up by nearly 75 percent from Rs. 5.24 lakhs to Rs. 8.19 lakhs. After providing Rs. 2,720 (against Rs. 4,459) for development rebate, Rs. 1.59 lakhs (against Rs. 1.15 lakhs) for depreciation and Rs. 3.25 lakhs (against Rs. 1.83 lakhs) for taxation, the net profit amounts to Rs. 2.62 lakhs, against Rs. 1.82 lakhs in the preceding year. A sum of Rs. 85,000 (against nil) has been set aside for the general reserve. The proposed dividend absorbs Rs. 1.75 lakhs (the same), leaving a sum of Rs. 1,219 to be carried forward, against Rs. 570 brought in.

Crescent Iron Pays the Same

CRESCENT Iron and Steel Corporation Ltd has maintained the dividend for the year ended March 1964 at 12.5 percent, but its working results show an appreciable improvement over the previous year's performance. This is attributable to the implementation of the Company's expansion programme. Production is up by about 48 percent from Rs. 20.22 lakhs to Rs. 29.89 lakhs, and sales are higher by about 35 percent at Rs. 28.39 lakhs, against Rs. 21.03 lakhs in 1962-63. After providing Rs. 1.50 lakhs (against Rs. 1.20 lakhs) for depreciation, Rs. 59,259 (against Rs

13,500) for development rebate reserve. Rs. 20,000 (against Rs. 40,000) for general reserve, nil (against Rs. 10,000) for dividend equalisation reserve, there is a surplus of Rs. 1.44 lakhs. The proposed dividend absorbs Rs. 1.37 lakhs, leaving a sum of Rs 6,673 to be carried forward, against Rs. 4,034 brought in.

Amalgamated Electricity Fares Well

THE Amalgamated Electricity Co. Ltd reports satisfactory results for the year ended March 1964. Sales of electrical energy fetched Rs. 1.66 crores, against Rs. 1.33 crores; the total units generated and purchased during the year increased from 89.7 million to 100.2 million and the total load from 46,824 kW to 50,205 kW. The gross profit increased from Rs. 35.92 lakhs to Rs. 37.76 lakhs. The working of the solvent extraction plant, however, resulted in a loss of Rs. 2.42 lakhs, against Rs. 3.59 lakhs in the preceding year; the loss has been arrived at after providing Rs. 93,013 (against Rs. 83,703) for depreciation, nil (against Rs. 2.88 lakhs) for development rebate and Rs. 2.56 lakhs (against nil) for deferred revenue expenditure.

With the deduction of the loss suffered on the working of the solvent extraction plant, the gross profit of the Company is reduced to Rs. 35.34 lakhs, compared with Rs. 32.33 lakhs in 1962-63. The dividend has been maintained at 9 percent, that is, 90 paise a share. Appropriations include depreciation Rs. 12.62 lakhs (against Rs. 11.33 lakhs), taxation Rs. 6.18 lakhs (against Rs. 5.81 lakhs), dividend reserve Rs. 10 lakhs (against Rs. 17.59 lakhs), development reserve Rs. 36,576 (against Rs. 90,280) and contingency reserve Rs. 92,576 (against Rs. 85,401). Dividends on equity and preference shares will absorb Rs. 12.41 lakhs, which are to be paid out of the dividend reserve.

Estrela Batteries Pays More

DESPITE an increase of some 7 percent in the sales from Rs. 1.487 crores to Rs. 1.595 crores, the gross profit of Estrela Batteries Ltd for the year ended March 1964 is down by about 10 percent from Rs. 26.01 lakhs to Rs. 23.41 lakhs. While the dividend has been maintained at 10 percent, the distribution by way of bonus has been raised from 1 percent to 2 percent, raising the total distribution from 11 percent to 12 percent. The additional distribution for 1963-64 is being made by way of special silver jubilee bonus. The new shares rank for proportionate dividend. The total amount to be distributed among equity shareholders is larger at Rs. 2.27 lakhs, against Rs. 1.65 lakhs in the preceding year. Appropriations include depreciation Rs. 1.85 lakhs (against Rs. 2.10 lakhs), development rebate reserve Rs. 9,838 (against Rs. 42,057), taxation Rs. 12.10 lakhs (against Rs. 14.17 lakhs), general reserve Rs. 3.35 lakhs (against Rs. 4.75 lakhs) and gratuity reserve Rs. 1 lakh (against nil). After providing for the dividends which absorb Rs. 2.98 lakhs (against Rs. 2.36 lakhs), there remains a balance of Rs. 12,519 to be carried forward, against Rs. 11,178 brought in.

The Company produced 47.02 million cells in 1963-64, against 45.92 million cells in the preceding year. It has now undertaken an expansion programme for raising its licensed capacity from 40 million cells to 65 million cells a year. The requisite industrial licence has been received and the Company has been sanctioned a loan of Rs. 10 lakhs in foreign currency by the I.C.I.C.I. for the import of machinery. The Company hopes to be able to achieve the expanded capacity of 65 million round cells by the end of 1965 provided, of course, there is no serious difficulty is regard to the supply of raw materials. The Company also proposes to manufacture 35 million flat cells a year, spread over a few years because of the difficulty in securing the necessary foreign exchange for machinery required for achieving the proposed capacity. The full production of 35 million flat cells is expected to be achieved by the end of 1966-67. The Company is expecting a licence for importing capital goods worth about Rs. 12 lakhs for the manufacture of flat cells.

More from Jiyajeerao Cotton

THE preliminary report on the working of Jiyajeerao Cotton Mills Ltd for the year ended March 1964, shows that the Company has done exceedingly well. The gross profit has almost doubled from Rs. 1.46 crores to Rs. 2.88 crores. This has enabled the directors to step up the dividend from 6 percent to 10 percent. Appropriations include depreciation Rs. 1.01 crores (against Rs. 48.73 lakhs), development rebate Rs. 13.96 lakhs (against Rs. 3.36 lakhs), taxation Rs. 73.25 lakhs (against Rs. 38.50 lakhs), preference share redemption reserve Rs. 26.50 lakhs (against Rs. 12.50 lakhs), preference dividend Rs. 8.45 lakhs (the same). The equity dividend amounting to Rs. 46.36 lakhs (against Rs. 27.82 lakhs) is to be paid from the dividend reserve which has been allocated a sum of Rs. 55 lakhs (against Rs. 29 lakhs). After making various appropriations, there remains a balance of Rs. 39,000 to be carried forward, against Rs. 55,000 brought in.

New Capital Issues

SIX companies have been authorised to raise fresh capital totalling Rs. 5.87 crores. Of these, three are issuing equity shares, one is floating debentures and another is issuing equities plus preference shares. The consent of the Controller of Capital Issues is valid for 12 months in all cases. The following are the details:

Renusagar Power Co. Ltd, a new public company registered in Renukoot, District Mirzapur (Uttar Pradesh), is to issue capital of Rs. 3.50 crores in equity shares of Rs. 100 each, to be subscribed wholly by Hindustan Aluminium Corporation Ltd, for cash at par. The money will be used for financing the setting up of a captive power plant capable of producing 125 MW.

Lakshmi Machine Works Ltd, Madras, is to issue debentures of Rs. 1.657 crores to be issued in five series in favour of the International Finance Corporation of the U.S.A., the Industrial Credit and Investment Corporation of India and scheduled banks. The loan capital is required for the establishment of a plant for the manufacture of textile machinery.

The Bank of Rajasthan Ltd. Jaipur, is to issue further capital of Rs. 1,81,800 divided into 1,818 shares of Rs. 100 each for cash at par.

Indian Air Gases Ltd, a new company having its registered office at Kishori Niwas, Birhana Road, Kanpur, is to issue capital of Rs. 29.49 lakhs, divided into 2,04,900 equity shares of Rs. 10 each and 9,000 9½ percent cumulative redeemable preference shares of Rs. 100 each, all for cash at par. The capital will be used for financing implementation of the industrial licence for the manufacture of oxygen and acetylene gases.

Sivanandha Steels Ltd, Coimbatore, will be issuing capital of Rs. 30 lakhs in 30,000 equity shares of Rs. 100 each for cash at par. The capital is required for establishing a plant for the manufacture of steel castings of a capacity of 3,000 tons a year.

Mazagon Dock Ltd, A Government company, is to issue capital of Rs. 10 lakhs divided into 10,000 equity shares of Rs. 100 each to be issued privately. The money will be used for financing its expansion programme.



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The Stock Markets

UNCERTAINTIES AFFECT TRADING AT LYONS RANGE

Wednesday Evening.

THERE have been narrow fluctuations in the Calcutta stock market during the past week. Activity is generally restrained due to various uncertainties. Although selling pressure has abated, bulls are inclined to take profit at every bulge. The approach of the Puja holidays is a major restraining factor. The earlier fall in share prices was due to concern over the massing of Chinese troops along the border. The imposition of the President's rule in Kerala, combined with the uncertainty about the formation of the new Ministry in Orissa, has called for caution.

Attention is largely focussed on clearing shares. Selected cash scrip also met with support due to good corporate news. Fair purchases by the Unit Trust of India have also contributed to the steadiness towards the close. Lyons Range is taking a bullish view of the Government's import policy for the period October 1964 to March 1965. It is thought that domestic industries will have no difficulty in selling their products due to restricted imports. But it is forgotten that the move may not serve the long-term interest of the economy, since competition from imported products promotes industrial efficiency.

Towards the close, operators have become cautious due to the growing labour unrest following the steep rise in the cost of living. Meanwhile, spokesmen of labour are protesting against the Government's acceptance of the Bonus Commission's recommendations in a modified form. In any case, the impact of the recommendations on industries will be severe because a large part of profits will be spent towards meeting commitments on account of bonuses.

Indian Iron have fluctuated narrowly in restricted activity. Selected engineering shares are fairly steady. Guest, Keen, Williams, Burn, Indian Standard Wagon, Texmaco and Braithwaite have met with support. Interested buying has helped Binani Metals. Jay Engineering and Indian Steel and Wire Products have attracted scattered support.

In the miscellaneous section, Hindustan Motors, Indian Aluminium, Indian Copper, Indian Cable and Dunlop Rubber are active. Among clearing scrip, Rohtas have retreated on paying a smaller dividend. Support has been extended to Alkali and Chemical, Union Carbide, Goodyear India, Metal Box and Indian Oxygen. India Steamship have recovered on short-covering. Hindusthan Twyfords and Hindustan Aluminium have been supported. Among managing agency shares, Jardine Henderson have been sold on maintaining the dividend. In electric companies, Calcutta Electric are about steady. J. K. Synthetics and Aluminium Corporation have changed hands. In paper shares, Orient are active. Titaghur are being sold freely due to the poor dividend. Seshasayee and Bengal are steady. Sugar shares are being neglected due to the poor profit outlook for the current year.

Investors in jute shares are cautious due to the discouraging outlook for the profit of jute mills during the current year. The price of fibre is far too high in relation of that of jute goods. Birla have fluctuated both ways. Ganges, Anglo-India, Barnagore and Lansdowne are steady. Stray business has been transacted in coal shares. Burrakur, Bengal, Central India and Western Bengal have been taken. The possibility of fixing a high production target during the fourth five year plan has made little impression.

Cotton mill shares are fairly steady. J. K. Rayon have recovered on short-covering Interest has been shown in Bharat Commerce, Dunbar and Elgin. Bank shares are sluggish and scattered business has been done in United Bank and United Commercial. Tea shares are being dealt in cautiously due to the drop in the average price of the commodity during the current season. Scattered business has been transacted in selected Assam and Dooars gardens.

Government securities are on the whole steady. The 3 percent Conversion loan 1986 has been quoted around Rs. 63.70. Despite enquiries in short and medium-dated stocks, turnover has been small due to the shortage of sellers. Some institutional support has been extended to the new State Government loans, since most of them are quoted at a slight discount.

Bombay

IRREGULAR TREND IN DALAL STREET

UNIT TRUST BUYS SELECTED SCRIP

Wednesday Evening.

THE Bombay stock market has shown an irregular trend during the past week. Although selling pressure was light, bulls have tended to take profit at every rise. There is a general inclination to keep commitments light in view of various uncertainties. Whenever share prices have risen, profit-taking has been attracted. There has also been an absence of follow-up support. Towards the close, a quiet trend prevailed because Dalal Street has been disturbed by the commercial banks' move to increase the rate of interest on overdrafts as it may become unprofitable to finance stock market transactions with borrowed funds. Selected scrip have, however, been steady due to substantial purchases by the Unit Trust. In the cash section, turnover has been negligible and the trend has softened.

Tata Steel ordinary have closed at Rs. 159. Among engineering shares, Tata Engineering, Larsen and Toubro, Alcock Ashdown and Premier Construction are about steady. In motor-vehicle shares, Hindustan have enjoyed support from outside sources. Premier Automobiles have been sluggish.

Cotton mill shares have reacted after an earlier rise. Century, Bombay Dyeing, Kohinoor, Svadeshi and Standard have dropped. Morarjee, Gokak and India United ordinary have been quotably lower.

In miscellaneous shares, selected sugar shares like Belapur and Walchandnagar Industries have been supported. In cement shares, Associated Cement and Digvijay are steady. Mining shares are subdued, and Shivrajpur Syndicate are being offered freely without attracting buyers. In chemical shares, Tata Chemical have reacted due to profit-taking, but Indian Dyestuff have improved on an encouraging speech from the chairman of the Company. In steamship company shares, Scindia Steam have improved on an encouraging outlook. Rayon shares are quiet due to an uncertain outlook. National Rayon have retreated. Interest has been shown in Voltas and Tata Oil. Synthetics and Chemicals have lost, but Dhramsi Chemicals have been supported.

Small business has been transacted in bank shares. Bank of India and Dena Bank have been steady. In electric company shares, Tata Hydro, Ahmedabad and Bombay Suburban have changed hands.

Madras

DEARER BANK CREDIT CURBS ACTIVITY

UNDERTONE FAIRLY STEADY

Tuesday Evening.

THE undertone of the Madras stock market has been fairly steady during the past week. But turnover has dropped considerably, particularly because professional interest has been lacking. Attention has centred largely on selected planting and miscellaneous shares following good corporate news. Investors and operators are, however, reluctant to extend commitments due to increased cost

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of funds. The decision of the commercial banks to raise the rate of interest on overdrafts has restrained activity. Turnover in Government securities has been small and the new State loans have been quoted at a slight discount.

In electric company shares, Salem-Erode have come to hand at Rs. 14.37 on declaring a taxable ordinary dividend of 10 percent. Vellore have been quoted up to Rs. 15.62. Bank shares have been sluggish, although prices have been maintained. Indian Overseas have been quoted at Rs. 149 and Indian at Rs. 151. In sugar shares, Deccan have been steady at Rs. 12.40 because the Company has been permitted by the Government to issue bonus shares in the ratio of one ordinary share for every six held. E.I.D. have been steady at Rs. 36.12, Kothari at Rs. 6.50 and Travancore at Rs. 7.65.

In the planting section, Blue Mountain have come to hand at Rs. 2.32, Cochin Malabar at Rs. 6.22, and Ouchterlony at Rs. 3.33. Consolidated Coffee have hardened to Rs. 23.75, but Periakaramalai have been sold down to Rs. 3.47. Teekoy have been taken at Rs. 6.75 on paying a taxable ordinary dividend of 6 percent. Malankara have been done at Rs. 17, Woodland at Rs. 6.90, Peermade at Rs. 20.62 and United Nilgiri at Rs. 23.10. Among coffee shares, Rajendra have been bought up to Rs. 13, Amalgamated up to Rs. 10.01 and Wartyhully up to Rs. 2.50.

In textile shares, South India Viscose have reacted to Rs. 180 and Travancore Rayon to Rs. 20.05. Lakshmi have been available at Rs. 134, but Madura have been steady at Rs. 34.90. Buckingham have been maintained at Rs. 281 and Bangalore Woollen at Rs. 270. Business has passed in Mettur at Rs. 265.50, in Rajapalayam at Rs. 154 and in Super Spinning at Rs. 100. Tirupati have been quoted at Rs. 10.12 and the Company is issuing one equity share and three preference shares for every ten ordinary shares held. Anglo-French have been steady at Rs. 142 and Loyal at Rs. 39.75.

In miscellaneous industries, Aluminium Industries have been steady at Rs. 23.25 and Ashok Leyland have risen to Rs. 7. In cement shares, Dalmia have been quoted at Rs. 12.45 and India Cement up to Rs. 5.51. Among engineering shares, Ellore have been transacted up to Rs. 18.50 on declaring a taxable ordinary dividend of 10 percent. F.A.C.T. have weakened to Rs. 5.10, but Seshasayee Paper have been maintained at Rs. 7.50. Tube Investments have been wanted up to Rs. 185 and Parry's Confectionery up to Rs. 2.97. Mysore Stoneware have been done at Rs. 11.57 on the prospect of a bonus issue in the ratio of one ordinary share for every ten held. Kirloskar Electric have come to hand at Rs. 19.25, but Madras Rubber have weakened to Rs. 10.05. Spencer have been steady at Rs. 21.50 and Textool at Rs. 156.50.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 35/87—36/25—35/44—36/06—(31/69).
Dunlop Rubber—Rs. 32/56—32/94—32/50—32/62—(33/19).
Guest, Keen, Williams—Rs. 23/75—23/81—23/50—23/62—(34/19).
Hindustan Motors—Rs 17/44—17/56—17/28—17/37—(17/06).
Howrah Jute—Rs 16/19—16/19—16/19—16/19—(18/12).
Indian Aluminium—Rs. 31/75—32/31—31/56—32/06—(36/75).
Indian Copper—Rs. 3/40—3/44—3/36 S.T.—3/40—(4/91).
Indian Iron—Rs. 25/66—25/74—25/46—25/58—(23/00).
Indian Cable—Rs. 35/25—36/25—35/25—36/25—(34/12).
J. K. Cotton—Rs. 10/75—10/87—10/62—10/62—(11/31).
Jaipur Udyog—Rs. 10/53 x.d.—10/81 x.d.—10/53—10/81—(11/12).
Kesoram Industries—Rs. 26/62—26/62—26/12—26/44—(24/12).
Orient Paper—Rs. 32/80—32/90—32/60—32/85—(35/05).
Orissa Cement—Rs. 11/25—11/44—11/25—11/37—(13/94).
Rohtas Industries—Rs. 10/41 x.d.—10/41 x.d.—10/19—10/37—(11/37).
Shree Gopal Paper—Rs. 25/31—25/75—25/19—25/62—(24/12).
Textile Machinery—Rs. 26/10—26/65—26/00—26/60—(24/30).

GILT-EDGED

3 % Loan (1966-68)—Rs. 98/42—98/42—98/40—98/40.
3 % „ (1970-75)—Rs. 90/20—90/20—90/20—90/20.
3 % „ (1986)—Rs. 63/80—63/80—63/70—63/75.
3½% „ (1965)—Rs. 100/05—100/05—100/05—100/05.
3½% „ (1968)—Rs. 99/00—99/00—99/00—99/00.
3½% „ (1969)—Rs. 97/95—97/95—97/95—97/95.
3½% „ (1966)—Rs. 100/00—100/00—100/00—100/00.
3½% „ (1967)—Rs. 99/75—99/75—99/75—99/75.
3½% „ (1968)—Rs. 99/88—99/88—99/88—99/88.
4 % „ (1970)—Rs. 99/00—99/18—99/00—99/18.
4 % „ (1972)—Rs 98/75—98/75—98/75—98/75.
4 % „ (1981)—Rs. 98/10—98/10—98/10—98/10.
4 % „ (1969)—Rs 99/55—99/55—99/53—99/55
4 % Madras (1967)—Rs. 99/15—99/15—99/15—99/15.
4 % „ (1968)—Rs. 98/78—98/83—98/78—98/83.
4 % Mysore (1967)—Rs. 99/15—99/15—99/15—99/15.
4 % Rajasthan (1969)—Rs. 98/78—98/78—98/78—98/78.
4½% Orissa (1976)—Rs. 97/50—97/50—97/50—97/50.
4½% U.P. (1976)—Rs. 98/00—98/00—97/80—97/80.
4½% West Bengal (1974)—Rs. 99/50—99/50—99/50—99/50.
4½% Loan (1973)—Rs. 100/08—100/08—100/08—100/08
4½% „ (1969)—Rs. 100/00—100/00—100/00—100/00.

BANK

United Bank of India (Rs. 10/- paid)—Rs. 7/72—7/81—7/69—7/75—(7/34).

TEXTILES

Bowrcah—Rs 24/12— 24/81— 24/12—24/81—(21/75).

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Cawnpore—Rs. 6/81—6/81—6/72—6/72—(6/31).
Dunbar—Rs. 27/12—27/19—27/12—27/19—(27/06).
Elgin—Rs. 19/87—20/00—19/81—20/00—(19/69).
New Victoria—Rs. 1/25—1/25—1/19—1/19—(1/53).
Orissa (Pref.)—Rs. 71/50—72/50—71/50—72/50.
Swadeshi (P.O.)—Rs. 6/37—6/37—6/37—6/37—(7/00).

COALS

Amalgamated—Rs. 21/37—21/37—21/31—21/31—(24/50).
Bengal—Rs. 255/00—255/00—253/00—255/00—(275/00).
Central India—Rs. 9/37—9/44—9/37—9/44—(9/87).
Karanpura Collieries—Rs. 13/00—13/31—13/00—13/31—(16/00).
New Manbhoom—Rs. 10/00—10/00—10/00—10/00—(15/25).
Searsole—Rs. 0/75—0/81—0/75—0/81—(1/22).
Sendra—Rs. 3/87—3/87—3/87—3/87—(5/00).
Union—Rs. 10/00—10/12—10/00—10/12—(11/12).
Western Bengal—Rs. 9/37—9/37—9/31—9.31—(8/44).

JUTES

Agarpara—Rs. 9/44—9/50—9/25—9/25—(11/44).
Alliance—Rs. 108/00—108/00—108/00—108/00—(137/00).
Anglo-India—Rs. 189/00—190/00—188/00—190/00—(237/00).
Do. (Pref.)—Rs. 101/50—101/50—101/50—101/50.
Bally—Rs. 239/00 c.d.—239/00—239/00—239/00—(270/00).
Caledonian—Rs. 130/00—132/00—130/00—132/00—(190/00).
Champdany—Rs. 21/75—21/75—21/75—21/75—(23/87).
Ganges—Rs. 14/50—14/62—14/50—14/62—(16/00).
India—Rs. 15/44—15/44—15/44—15/44—(17/87).
Kelvin—Rs. 146/00—146/00—143/00—143/00—(199/00).
Kankinarrah—Rs. 123/00—124/00—123/00—124/00.
Megna—Rs. 12/37—12/62—12/37—12/56—(14/87).
New Central—Rs. 10/69—10/94—10/69—10/87—(12/37).
Do. (Pref.)—Rs. 92/00—92/00—91/00—91/00.
Nuddea—Rs. 10/75—10/81—10/69—10/81.
Naskarpara—Rs. 5/50—5/50—5/50—5/50—(8/00).
Presidency—Rs. 4/37—4/44—4/31—4/37—(5/37).
Reliance—Rs. 7/00—7/12—7/00—7/12.
Do. (Pref.)—Rs. 113/50—114/00—113/50—114/00.

MININGS

Chrestien Mica—Rs. 9/00—9/06—9/00—9/06—(10/40).
Metal Corpn.—Rs. 6/19—6/31—6/12—6/25—(8/25).
Orissa Minerals—Rs. 19/62—19/87—19/56—19/62—(27/69).

CEMENTS

Bengal Potteries—Rs. 4/31—4/37—4/12—4/12—(5/15).
Dalmia (Bharat)—Rs. 12/50—12/75—12/50—12/75—(12/25).
Do. (Pref.)—Rs. 8/37—8/44—8/37—8/44.
Sone Valley—Rs. 3/97—4/00—3/87—3/97—(4/50).

CHEMICALS

Alkali & Chemical—Rs. 28/87—29/12—28/87—28/87—(33/75).
Do. (Pref.)—Rs. 88/50—88/50—88/00—88/00.
Bengal Chemical—Rs. 100/50—102/00—100/50—102/00—(102/00).
Chemicals & Fibres—Rs. 15/25—15/87—15/19—15/87.
Kanoria—Rs. 7/25—7/69—7/25—7/69—(5/12).
Phosphate Co.—Rs. 180/00—180/00—180/00—180/00.

PUBLIC UTILITIES

Calcutta—Rs. 15/12—15/28—15/12—15/28—(15/00).
Do. (Pref.)—Rs. 8/31—8/50—8/31—8/50.
Jubbulpore—Rs. 11/62—11/62—11/62—11/62—(11/25).
U.P.—Rs. 187/00—189/00—187/00—187/00—(117/00).

ENGINEERINGS

Arthur Butler—Rs. 15/00—15/00—15/00—15/00—(14/94).
Binani Metals—Rs. 13/50—13/69—13/44—13/56—(9/97).
Bharat Ball Bearing—Rs. 11/81—12/25—11/81—12/25.
Bhartia Electric Steel—Rs. 15/00—15/00—15/00—15/00—(13/50).
Braithwaite—Rs. 32/62—32/75—32/56—32/75.
Britannia—Rs. 9/12—9/44—9/12—9/44.
Calcutta Steel—Rs. 13/81—13/94—13/75—13/81—(13/00).
Dalmia Iron—Rs. 11/31—11/31—11/31—11/31.
Indian Malleable Casting—Rs. 2/81—2/81—2/81—2/81.
Jay Eng.—Rs. 18/94—19/12—18/87—19/12—(20/87).
J. K. Steel—Rs. 17/00—17/12—17/00—17/12—(14/87).
Jessop & Co.—Rs. 20/87—21/00—20/75—20/75—(25/00).
Kumardhubi—Rs. 5/69—5/69—5/44—5/50—(8/94).
Marshalls—Rs. 2/94—3/00—2/87—2/87—(2/59).
Machinery Mnfg. (Pref.)—Rs. 60/00—60/00—60/00—60/00.
National Iron—Rs. 6/19—6/37—6/19—6/37—(5/12).
Raymon Eng.—Rs. 4/94—5/19—4/90—5/19.
Sen-Raleigh—Rs. 13/62—13/69—13/62—13/69—(15/00).
Textile Machinery (6½% Pref.)—Rs. 103/00—103/00—103/00—103/00.

INSURANCES

Concord of India—Rs. 9/37—9/44—9/31—9/44—(10/62).
New Asiatic—Rs. 7/75—7/81—7/69—7/69—(7/75).
Ruby General—Rs. 12/37—12/62—12/37—12/62—(9/31).

MISCELLANEOUS

Aluminium Corpn.—Rs. 12/69—12/69—12/50—12/56—(15/12).
Do. (Renunciation Letter)—Rs. 1/37—1/44—1/25—1/44.
Angelo Brothers—Rs. 25/00—25/12—25/00—25/12—(24/00).
Associated Battery—Rs. 24/75—24/75—24/62—24/62—(24/37).
American Refrigerators—Rs. 9/87—10/06—9/85—9/85.
Associated Hotels (Pref.)—Rs. 50/75—50/75—50/75—50/75.
Bhartia Commercial—Rs. 10/37—10/37—10/37—10/37.
B. I. Corpn.—Rs. 10/75—11/00—10/75—11/00—(7/69).
Balmer Lawrie—Rs. 233/00—235/00—233/00—235/00—(245/00).
Bararee Coke—Rs. 20/75—20/75—20/75—20/75—(21/87).
Clive Row Investment—Rs. 8/44—8/50—8/44—8/50—(8/75).
Dunlop Rubber (2nd Pref.)—Rs. 68/00—69/00—68/00—69/00.
Dyer Meakin Breweries—Rs. 26/00—27/06—24/25—26/00—(28/56).
Electric Construction—Rs. 13/75—14/12—13/75—14/06—(13/31).
English Electric—Rs. 14/75—14/31—14/75—15/00—(13/94).
East Anglia Plastics—Rs. 7/75—8/19—7/75—8/19.
Goodyear India—Rs. 23/56—23/87—23/56—23/75.
Hindusthan Gas—Rs. 18/75—19/00—18/56—18/56.
Hilla Tea—Rs. 4/00—4/06—4/00—4/06.
Hindustan Aluminium—Rs. 13/50—13/87—13/37—13/69—(13/31).
Hindusthan Pilkington Glass—Rs. 14/19—15/00—14/19—15/00—(14/50).
Hindusthan Development—Rs. 3/78—4/00—3/78—3/81—(4/06).
Hindusthan Twyfords—Rs. 16/19—16/25—15/94—16/00—(14/25).
Inchek Tyres—Rs. 6/56—6/66—6/56—6/56.
India Carbon—Rs. 14/31—14/31—14/19—14/19—(17/69).
Indian Plastics—Rs. 7/06—7/50—7/06—7/50.
Indian Oxygen—Rs. 24/75—25/00—24/75—25/00—(27/12).
Indian Tack & Nail—Rs. 9/62—9/65—9/50—9/50.
Jay Shree Tea Industries—Rs. 14/62—14/75—14/62—14/75—(17/50).
Do. (Pref.)—Rs. 95/00—96/00—95/00—96/00.
Jardine Henderson—Rs. 73/00—77/00—73/00—77/00—(89/00).
J. K. Synthetics—Rs. 13/00—13/56—12/94—13/31—(11/12).
McLeod (1st Pref.)—Rs. 44/00—44/00—44/00—44/00.
Metal Box—Rs. 31/25—31/50—31/00—31/31—(50/62).
Macneill & Barry (Pref.)—Rs. 53/00—53/00—52/50—52/50.
Martin Burn (Pref.)—Rs. 90/00—90/50—90/00—90/50.
Madhya Pradesh Indus.—Rs. 9/12—9/31—9/12—9/19—(10/00).
Metal Distributors—Rs. 9/25—9/37—9/05—9/31—(4/37).
National Insulated Cable—Rs. 26/69—26/75—26/69—26/69—(22/87).
National Rolling & Steel Ropes—Rs. 22/50—22/62—22/50—22/62—(21/31).
Philips India—Rs. 27/50—27/50—27/50—27/50—(26/75).
Phillips Carbon—Rs. 14/19—14/37—14/19—14/25—(15/19).
R B. Rodda—Rs 5/00—5/06—5/00—5/06.
Rohtas Industries ("B" Pref.)—Rs. 58/75—58/75—58/75—58/75.
Rallis—Rs. 123/00—124/25—123/00—124/25.
Sirsilk—Rs. 7/50—7/56—7/50—7/50—(9/06).
S. S. Duncan—Rs. 10/75—10/75—10/50—10/50.
Tungabhadra—Rs. 9/75—9/75—9/75—9/75.
Union Carbide—Rs. 32/94—33/00—32/94—33/00—(39/25).
Universal Cables—Rs. 11/31—11/37—11/19—11/19—(10/50).
Usha Martin Black—Rs. 14/69—15/25—14/50—14/50—(14/87).
Universal Electrics—Rs. 7/75—7/75—7/69—7/69—(8/87).
Walford Transport—Rs. 3/00—3/09—3/00—3/09—(3/62).
Woolcombers of India—Rs. 11/44—11/50—11/44—11/50—(15/31).

OIL

Indo-Burma Petroleum—Rs. 21/37—21/44—21/31—21/31—(22/00).

PAPERS

Bengal—Rs. 26/62—26/69—26/50—26/69—(26/06).
Ballarpur—Rs. 17/62—17/87—17/62—17/87.
India Paper Pulp—Rs. 16/22—16/37—16/22—16/37 x.d.
Seshasayee—Rs. 7/37—7/62—7/37—7/37.
Sirpur—Rs. 12/12—12/25—12/00—12/12—(12/31).
Star—Rs. 8/62—8/62—8/56—8/56—(9/06).
Straw Products—Rs. 9/06—9/25—9/00—9/06.
Titaghur—Rs. 11/87—12/37—11/87—12/37—(16/62).

REAL PROPERTY

Midnapore Zemindary—Rs 34/25—34/50—33/75—33/75—(11/00).

SHIPPINGS

India Steamship—Rs. 6/56—6/91—6/50—6/91—(6/69).
Port Shipping—Rs. 17/12—17/19—17/12—17/19—(14/56).

SUGARS

Balrampur—Rs. 1/62—1/69—1/62—1/69—(1/95).
Belsund—Rs. 8/62—8/87—8/62—8/87—(8/50).
Cawnpore—Rs. 10/00—10/00—10/00—10/00.
Carew & Co.—Rs. 12/19—12/31—12/12—12/12—(10/87).
Champaran—Rs. 11/31—11/50—11/31—11/44—(15/87).
Ryam—Rs. 3/69—3/69—3/69—3/69.
Raza Buland—Rs. 9/94—10/06—9/94—10/06—(9/50).
Ramnugger Cane—Rs. 24/25—24/25—24/25—24/25—(27/50).
Shree Krishna Gyanoday—Rs. 8/12—8/62—8/12—8/62—(7/50).
Tulsipur—Rs. 3/94—4/25—3/94—4/25.

TEAS

Banarhat—Rs. 172/00—172/00—160/00—161/00—(213/00).
Do. (Renunciation)—Rs. 29/00—30/00—29/00—30/00.
Brooke Bond—Rs. 10/37—10/37—10/25—10/25—(12/06).
Dimakusi—Rs. 22/75—22/94—22/75—22/94—(21/25).
Grob—Rs. 6/06—6/06—6/06—6/06—(7/75).
Hattikhira—Rs. 6/56—6/56—6/37—6/50—(8/69).
Hasimara—Rs. 13/31—13/31—13/31—13/31—(13/44).
Mim—Rs. 430/00—430/00—430/00—430/00.
New Somanbagh—Rs. 20/19—20/31—20/12—20/31.
Oodlabari—Rs. 13/87—13/87—13/87—13/87—(14/00).
Patrakola—Rs. 191/00—191/00—190/00—191/00—(125/50).
Pahargoomiah—Rs 10/00—10/00—10/00—10/00—(15/00).
Rajabhat—Rs. 10/12—10/19—10/12—10/19—(12/12).
Sungma—Rs. 12/12—12/31—12/06—12/31.
Tezpore—Rs. 12/62—12/75—12/62—12/69—(15/00).
Teliapara—Rs. 200/00—202/00—200/00—202/00—(110/0).

DEBENTURES

7 % Carew & Co.—Rs. 99/00—99/00—99/00—99/00.
6½% Bengal Coal—Rs. 99/00—99/00—99/00—99/00.

London

TREND IRREGULAR ON ELECTION PROSPECTS

CORPORATE NEWS KEEPS UNDERTONE STEADY

London, 16th September.

NO decided trend was established in the stock market during the past week. Apart from the occasional features, prices fluctuated narrowly around previous levels in small business. Political uncertainties were the dominating influence. The general undertone was not unsatisfactory. Sentiment was helped by further good company and business news. Extremely quiet conditions prevailed in the gilt-edged, but a little buying developed from time to time and prices were fully maintained or slightly better. Banking, insurance and property shares drifted lower. Industrials were generally little changed. The leaders fluctuated narrowly. Steels suffered from further profit-taking following their recent rise on hopes of a Conservative victory. Gold shares turned easier after an early improvement and if anything, were easier on balance. Coppers staged a modest rally, but tins failed to hold initial improvements. Oils were narrowly irregular. Rubbers were helped by Press comment, but teas, particularly Ceylon issues, were unsettled. Dollar stocks advanced in response to the rise in transatlantic markets.

HIDES AND SKINS

The market in skins continued firm, while that of hides was steady. Stocks were less than in the previous week.

Bazaar Sales

(Between 8th September and 14th September, 1964)

Cowhides: Wet salted (Slaughtered) 36,500 pcs on the basis of Rs. 10.50 to Rs. 17 and Rs. 19.50 to Rs. 28.

Goatskins: Wet salted (Daissee, Kustia) 34,800 pcs. on the basis of Rs. 360 to Rs. 390 and Rs. 400 to Rs. 415; Wet salted (he-killed) on the basis of Rs. 4.50 and (she-killed) on the basis of Rs. 4.25 a piece; Assam-Kissenganj 15,000 pcs. on the basis of Rs. 295 to Rs. 300; Patna (Ord.) 2,000 pcs. on the basis of Rs. 250 to Rs. 260; Patna-Muzafferpore 14,000 pcs. on the basis of Rs. 280 to Rs. 320.

Bazaar Stocks

(14th September, 1964)

Cowhides: Wet salted 83,800 pcs.

Goatskins: Wet salted (Patna, Daissee, Kustia, Killed) 21,600 pcs.; Assam-Dinajpur 32,000 pcs.; Muzafferpore-Purneah - Kissenganj-Patna-Pakur 167,000 pcs.

RESERVE BANK

ISSUE DEPARTMENT

(In '00's of Rupees)

	Week Ended 11-9-64	4-9-64	13-9-63
Liabilities—			
Notes in Banking Dept.	28,90.11	17,99.55	11,88,10
Notes in Circulation	24,21,16.63	24,07,49.13	22,24,41,35
Total Notes issued	24,50,06.74	24,25,48,68	22,36,29,45
Assets—			
A. Gold Coin and Bullion	1,17,76,10	1,17,76,10	1,17,76,10
Foreign Securities	85,45,69	85,45,69	89,46,14
Total of A	2,03,21,79	2,03,21,79	2,07,22,24
B Rupee Coin	1,05,91.72	1,06,33,66	1,21,86,26
Rupee Securities	21,40,93.23	21,15,93.23	19,07,20,95
Total	24,50,06,74	24,25,48,68	22,36,29,45

BANKING DEPARTMENT

	Week Ended 11-9-64	4-9-64	13-9-63
Liabilities—			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long Term Operations) Fund	86,00,00	86,00,00	73,00,00
National Agricultural Credit (Stabilisation) Fund	9,00,00	9,00,00	8,00,00
National Industrial Credit (Long Term Operations) Fund	10,00,00	10,00,00	—
Deposits—			
(a) 1 Central Govt.	87,31,70	1,34,65,03	74,54,29
2. State Govts.	26,86,92	15,60,93	11,72,03
(b) Banks :—			
(i) Scheduled Banks	98,90,18	95,15,73	89,97,84
(ii) State Co-operative Banks	2,72,21	2,60,02	2,16,78
(iii) Other Banks	3,71	6,51	5,24
(c) Others	1,38,86,39	1,43,87,24	1,58,97,83
Bills Payable	41,15,47	45,97,66	25,09,22
Other Liabilities	24,01,16	25,43,75	20,27,68
Total	6,09,87,74	6,53,36,87	5,48,80,91
Assets—			
Notes	28,90,11	17,99,55	11,88,10
Rupee Coin	3,51	4,72	2,06
Small Coin	6,63	6,23	2,55
National Agricultural Credit (Long Term Operations) Fund			
(a) Loans and Advances to :—			
(i) State Govts.	28,29,51	28,29,51	27,15,95
(ii) State Co-operative Banks	12,23,72	12,42,33	9,27,91
(iii) Central Land Mortgage Banks	...	...	...
(b) Investment in Central Land Mortgage Bank Debentures	4,39,95	4,39,95	3,55,31
National Agricultural Credit (Stabilisation Fund) Loans and Advances to State Co-operative Banks	...	...	...
Bills Purchased and Discounted :—			
(a) Internal	...	...	...
(b) External	...	...	...
(c) Govt Treasury Bills	...	...	...
Balances Held abroad	2,06,53,62	1,95,01,98	1,06,42,83
Loans and Advances to Govt.	11,05,63	12,34,13	7,74,05
Loans and Advances to :—	15,83,00	18,23,67	20,09,00
(i) Scheduled Banks	2,03,60	5,22,80	1,02,35
(ii) State Co-operative Banks	1,48,20,74	1,53,46,72	1,32,25,09
(iii) Others	2,44,38	2,50,78	1,73,05
Investments	1,23,66,14	1,77,34,12	2,03,56,40
Other Assets	26,17,20	26,00,38	24,06,26
Total	6,09,87,74	6,53,36,87	5,48,80,91

SCHEDULED BANKS

(In 000's of Rupees)

	Week Ended 4-9-64	28-8-64	6-9-63
(I) Demand Liabilities—			
(a) Demand Deposits :			
(i) From Banks	60,01.23	63,88,21	53,86,84
(ii) From others	11,24,62,53	11,30,59,86	9,56,41,99
(b) Borrowing from Banks	29,06.00	32,85.13	26,75,85
(c) Other	72,06,36	76,96,23	62,43,42
(II) Time Liabilities—			
(a) Time Deposits :			
(i) From Banks	38,19,23		
(ii) From others	13,48,92,35	36,71,52	35,61,84
(b) Borrowing from Banks	17,00,45	13,57,16,68	12,30,47,05
(c) Others	12,92,42	17,05,56	24,24,87
(III) Borrowing from State Bank—		12,42,98	9,80,43
(a) Demand Liabilities			
(b) Time Liabilities	7,53,70	8,67,21	4,40,92
(IV) Borrowing from Reserve Bank	23,32,00	23,35,00	17,60,00
(V) Cash	4,82,80	1,91,35	3,04,65
(VI) Balances with the Reserve Bank	62,88,78	64,24,93	52,74,13
(VII) Balances with other Banks in current account	91,27,26	93,78,97	87,83,95
(VIII) Money at call and short notice	21,39,23	23,72,23	21,98,33
(IX) Investments in Central and State Govt. Securities	62,31,25	66,37,75	51,41,16
(X) (a) Loans, Cash Credits and Overdrafts	7,91,16,65	8,03,67,82	7,38,63,80
(b) Due from Banks	15,01,18,78	14,90,16,50	12,56,93,73
(XI) Inland Bills purchased and discounted	11,41,46	12,15,67	13,42,66
(XII) Foreign Bills purchased and discounted	1,63,62,13	1,62,34,93	1,62,96,75
(XIII) Total of X, XI and XII	70,97,69	69,78,30	53,54,52
	17,47,20,06	17,34,45,30	14,86,87,96

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THE CALCUTTA MONEY MARKET

CALL RATE DROPS SHARPLY

Wednesday, 16th September.

THERE has been a moderate fall in the general level of advances in the Calcutta money market during the past week. This has been brought about by the slight decrease in the credit given to jute and sugar mills and to the foodgrains trade. Credit for cotton mills and the iron, steel and engineering industries remains unchanged. In the interbank market, conditions have become easy and the call rate has dropped from 4 percent to 1¼ percent.

The exchange market has been inactive, with a poor supply of tea and gunny bills. The demand for remittances has been moderate. In London, sterling has weakened further against most of the important currencies.

SILVER WAS QUIET IN CALCUTTA during the past week. The price closed at Rs. 252.50. It was quoted at 112½d in London and at 129.3 cents in New York.

Gold was about steady. The price of 14-carat fetched Rs. 71.50.

DURING THE WEEK ENDED 11TH September, Government of India Treasury bills for Rs. 42,01,00,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 15th September. The total amount offered was Rs. 3,04,00,000. Tenders at Rs. 99.405 percent and above were accepted in full and those at Rs. 99.400 percent were allotted 53 percent. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.386 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 21st September.

IT IS STATED THAT 91-DAY INTERmediate Treasury bills will be sold from 16th September to 19th September at Rs. 99.416 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 9th September to 12th September amounted to Rs. 2.45 crores.

THERE WERE RISES OF Rs. 24.58 crores to Rs. 2,450.07 crores in the total note issue and of Rs. 13.68 crores to Rs. 2,421.17 crores in active notes, according to the return of the Reserve Bank of India during the week ended 11th September, 1964. The currency expansion was adjusted by increasing rupee securities by Rs 25 crores to Rs. 2,140.93 crores in the paper currency reserve. Deposits of the Government of India dropped by Rs. 47.33 crores to Rs. 87.32 crores while those of State Governments rose by Rs. 11.26 crores to Rs. 26.87 crores. Balances of commercial banks at Rs. 98.90 crores showed a rise of Rs. 3.74 crores. Balances held abroad declined by Rs. 1.28 crores to Rs. 11.06 crores and investments by Rs. 53.68 crores to Rs. 123.66 crores. Loans to commercial banks dropped from Rs. 5.23 crores to Rs. 2.04 crores, of which advances against usance bills amounted to Rs. 50 lakhs (Rs. 2.09 crores). Ways and means advances stood at Rs. 15.83 crores, against Rs. 18.24 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 4th September, 1964, shows a drop of Rs. 13.07 crores to Rs. 658.90 crores in total deposits. Investments in Government securities are down by Rs. 8 crores to Rs. 297.14 crores, while other authorised investments are up by Rs. 1 lakh to Rs. 9.45 crores. Advances, including loans, cash credits, overdrafts, and bills discounted and purchased have increased by Rs. 2.87 crores to Rs. 343.34 crores. Cash and balances are, in consequence, shown at Rs. 26.20 crores, or Rs. 3.01 crores less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 4th September, 1964, shows Demand and Time liabilities at Rs. 1,285.80 crores (Rs. 29.08 crores on account of borrowings from banks) and Rs. 1,417.05 crores (Rs. 17.00 crores), compared with Rs. 1,303.78 crores (Rs. 32.35 crores) and Rs. 1,423.37 crores (Rs. 17.06 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have declined by Rs. 1.36 crores and Rs. 2.52 crores to Rs. 62.89 crores and Rs. 91.27 crores, respectively. There is a drop of Rs. 12.51 crores to Rs. 791.17 crores in investments. Advances and bills discounted at Rs. 1,747.20 crores show a rise of Rs. 12.75 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.7 percent and 64.6 percent, against 5.6 percent and 63.6 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 18-9-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
18-9-64	21-12-64	2,00.00	Rs. 2.386%
11-9-64	14-12-64	2,00.00	Rs. 2.400%
4-9-64	7-12-64	2,00.00	Rs. 2.400%
21-8-64	24-11-64	2,00.00	Rs. 2.400%
14-8-64	17-11-64	2,00.00	Rs. 2.400%
7-8-64	10-11-64	2,00.00	Rs. 2.398%
31-7-64	3-11-64	2,00.00	Rs. 2.398%
24-7-64	27-10-64	2,00.00	Rs. 2.400%
10-7-64	13-10-64	2,00.00	Rs. 2.500%
3-7-64	6-10-64	2,00.00	Rs. 2.994%
26-6-64	29-9-64	2,00.00	Rs. 2.986%
19-6-64	22-9-64	2,00.00	Rs. 3.000%

(Monthly Muturities 000's omitted)

September, 1964	4,00.00
October, 1964	6,00.00
November, 1964	8,00.00
December, 1964	6,00.00
Total	24,00.00

CLEARING HOUSE RETURNS

Rs (thousand)

Week	Calcutta	Bombay
11-9-64	96,65,57	99,29,19
4-9-64	1,24,63,56	1,41,10,66
28-8-64	.....	1,13,52,62

THE FOOD CRISIS: REALISTIC AND RATIONAL SOLUTIONS NEEDED

(BY A SPECIAL CORRESPONDENT)

High prices and hoarding in the food market basically reflect the shortage of supplies, which has arisen due to a number of factors, the rapid growth in population being the main one. Unless there is a balance between supply and demand, all the evils of scarcity will persist. The Government proposes to fight the chronic food shortage with rationing and State trading, but it cannot effectively do so, without doing something to boost farm production.

THE Government propaganda machine, which is ineffective in the international sphere, has in the domestic field successfully transferred the responsibility for the food shortage to the "hoarder". Quite recently, it was reported that a group of ladies had tied a *rakhi* round Mr. Lal Bahadur Shastri's wrist. The *rakhi* bore the photograph of a child with the inscription, "Let me live, control prices". Normally people would have thought that the children would ask for food, but thanks to the Government propaganda, they now ask for price control. Some years ago, a three or four-year old arriving in Darjeeling with her parents on holiday heard the word "Kanchunjungha" uttered many times, and with her sweet voice expressed the desire to eat fried "Kanchunjungha". It is no wonder, therefore, that our children now want to live on controls.

The slogan that foodstuff is not available at any reasonable price only because of some anti-social hoarders and black-marketeers, has been transmitted with great success even to our kitchens. It should have been long apparent to all that there was not enough foodstuff in the country to go round, and the scarcity was leading to hoarding rather than hoarding causing the shortage. When there is scarcity, it is only human that not only the wholesalers and retailers but even the housewives who are charged with feeding the members of the family, will carry a bigger stock to provide against any emergency. The anti-hoarders should, as a matter of interest, check up their own pantries. It is enjoined by religion on certain classes of *sadhus* to live on daily alms and to avoid hoarding, but a different code has been prescribed for the householder.

Price Mechanism

In the absence of rationing, price mechanism is the only way of equating demand to supply. The standard books of economics have given many points in favour of speculation, and hoarding is not necessarily an anti-social act.

It was very interesting to see in the newspapers that the Government had sent an S.O.S. (of course, followed by reassuring explanations!) for the diversion of wheat ships going from Australia to England to the ports in India for feeding the people. It is a matter of great satisfaction that New Delhi has now looked to these wheat ships rather than to the huge "hoarded" stock to feed the hungry millions. People have now become accustomed to hear that they must change their food habits, and they must give up or restrict consumption of rice and take not only to wheat, but also to delicacies like milk, fruits, etcetera. The students of history will find nothing original in these suggestions. As for wheat also, the bubble has been pricked. Hitherto it was essential to draw 1 kilogram of wheat, while purchasing 1 kilogram of rice from the fair price shops, in Calcutta. It has now been announced that as the people in Bengal prefer rice to wheat, it will no longer be necessary to take more than ¾ kilogram of wheat with 1 kilogram of rice. The preference for rice has been honoured by a reduction in wheat but not by a corresponding increase in the rice quota! It is not known whether this doubtful act of kindness has been appreciated by the food department itself. It is sincerely hoped that this reduction is optional to the consumer.

Fish Price Control

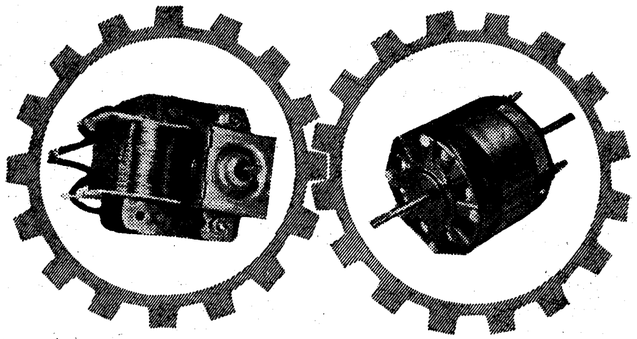
It is somewhat heartening to observe in the newspapers that there is some difference of opinion in the West Bengal Government's Department of Fishery about the fish price control. There may still be a chance for introspection about the overworked words "hoarding" and "control". For quite a long time now the state of affairs in the fish market has been nothing but scandalous. Anybody who has eyes to see should have been convinced that the policy followed so far was absolutely absurd. It is sincerely hoped that the difference of opinion (it has since been contradicted) will lead to a reconsideration of the policy. The fact cannot be denied that there is a shortage in foodgrains, shortage in mustard oil, shortage in fish and shortage in multifarious other items. That the shortage has led to hoarding is quite clear, but it is also clear the Governmental measures have aggravated the difficulties rather than solved them.

There cannot be a *via media* between rationing and free trade. Fair price shops may undoubtedly continue to ease the difficult situation even in an uncontrolled market. The present set-up of the Government's administrative machinery, being what it is, rationing should be avoided at any cost. Introduction of rationing only in the industrial areas would be like robbing Peter to pay Paul. All controls should be lifted and with immediate effect. In this connection, it may help to remember that Mahatma Gandhi's successful pressure to abandon cloth control yielded very satisfactory results. The shortage of foodgrains has got to be met by imports. Foreign currency should pose no problem, for many of the projects under the five year plans are not likely to be profitable in any case. It is a matter of congratulation that against tremendous odds, Mr. Shastri has cried a halt to the projects which have not already been taken up. It is a courageous step taken by him and he should stick to it.

Strange Building Designs

Walking along Southern Avenue in Calcutta, one may find a number of Government blocks of flats on the north side of the Avenue which have been built with the south blocked and the east covered by the bathrooms. It will be appreciated that even a layman would not build a hut this way on a plot like that. On enquiries, the answers were very prompt, that

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the designs were made in Delhi where there was no southern breeze. It would be interesting to ascertain whether the persons who designed those houses are the architects of future India, through the five year plans. Even a casual visitor to Durgapur will notice that the Durgapur jungle was almost completely cleared in the steel factory town leaving no tree to provide any shade to the thousands of industrial labourers. "*Bona mahatsov*" will solve the problem in time, of course at a cost to the taxpayer. One has got to go a few steps only to see the township established by A.C.C.-Vickers-Babcock to be convinced as to how the old trees could be preserved to add to the beauty of the place and the comfort of the people residing in the area. Common sense is a most uncommon thing. We have nothing to lose if we have got to wait for a few years to allow our common sense to have a free play before rushing in for all these projects which may ultimately be considered to be dead weights on us. Slowing down of the five year plans will mean arresting inflation, thereby bringing down the commodity prices. Further, industrial labour drawn off the land may, if released, augment the food supply. Maintenance of parity between industrial and agricultural progress and population control, although less spectacular, must have top priority in all our future plans.

There is a persistent demand these days for effective legislation against adulteration. Official representations were made to the Central Government to present a case for deterrent punishment for the offenders. Undoubtedly these moves have been taken with the best of motives to save the lives and the health of the people. It is interesting to note, however, that the State-owned buses carry far too many passengers during rush hours disregarding all rules of safety. The Government-owned Haringhata dairy gradually added toned milk and double-toned milk to the list of products, and thereafter, at one stage, milk was substituted by standard milk.

Rightly enough, the people do not criticise the Government for the overcrowded buses or for different compositions of the milk supplied, as these are inevitable in the present position of demand and supply. But the argument applies with equal force to, say, mustard oil. What is necessary, therefore, to tackle the problem of adulteration is to try and augment the supply of the pure stuff and if that cannot be done overnight, to allow addition of non-injurious substances, but insisting on a proper disclosure of the composition of the mixture on the containers.

Law and Sentiment

Law can be enforced only when it is reasonable. Only sentiment against adulteration will take one nowhere. The crusade against hoarding and rise in prices has failed as it was destined to, and the war cry against adulteration also will produce no result unless supplies are increased, and the proposed amendments of the law are made on rational lines. With the progress of civilisation, the severity of punishment for crimes has been on the decline. We cannot afford to go backwards. It is a great pity that well-meaning people resent high prices, hoarding and adulteration, but few of them, if any, suggest increase in food production or family planning.



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New Delhi

LOK SABHA DEBATES FOOD POLICY AND CENSURE MOTION

(FROM OUR NEW DELHI CORRESPONDENT)

PARLIAMENT reassembled here for its monsoon session last week. An independent member, Mr. N. C. Chatterji, succeeded in rallying round him the communists and some other Opposition groups and was able to muster over 50 members to support his no-confidence motion against the Government. The motion was duly admitted for discussion. The Government was equally vigilant and forestalled the Opposition by tabling an official motion to discuss the food situation. The Central Food Minister, Mr. C. Subramaniam, played his cards well. He did not initiate the debate by a long-winded speech, but placed before the house two blue books, describing the latest food situation. He later listened to old and familiar complaints about food shortages and the remedies to solve them. His position was made easier by divergent opinions expressed in the House. While the communists and Congressmen wanted State trading in food, the Swatantra Party criticised the harassment of traders.

Winding up the debate, Mr. Subramaniam said that the food crisis had affected everyone in the country. It has made the consumers, producers, traders and even the State Governments play safe by holding on to whatever stocks they have. He declared that propaganda of the Opposition against the Government had actually helped traders to take advantage of the situation. Whether intentionally or not, the Opposition had become what he called the "colluding factor" in the hoarding of foodgrains by traders. Taking advantage of the situation, the latter have resorted not only to the traditional but also new methods to corner stocks. The Minister added that all this cornering had been done with the help of "unaccounted money."

Food Policy Endorsed

The Lok Sabha endorsed the Government's food policy, and in due course the motion of no-confidence would be defeated. The basic issue is whether these empty victories would solve the food problem and check the runway prices. The Minister of State in the Central Ministry of External Affairs, Mrs. Lakshmi Menon, said in course of a discussion on prices held by the Young Women's Welfare Association that the crux of the problem was lack of clear and coordinated thinking. "We talk of fertilisers and yet huge stocks are rotting. We talk of family planning and at the same time encourage large families. Holding a seminar never increased production." Nor can a motion of no-confidence against the Government. The Prime Minister, Mr. Lal Bahadur Shastri, would have had the full support of the masses if his Government were to strike hard at all anti-social elements which had created a climate of scarcity in this country. A beginning could well be made in Delhi.

PLAN PUBLICITY

Report of Study Team

The study team on plan publicity, whose report was placed on the table of the Lok Sabha last week, has referred to the virtual failure of official publicity efforts which are "too much obsessed with ministerial pronouncements and conference proceedings." While stating that the impact of publicity programmes on the people had been "tenuous, vague and diffused", the report directs special criticism against All India Radio.

The report says: "A.I.R. has shown an undue concern with publicity for personalities and departments of the Government, has betrayed a helpless dependence on Government releases and reports and generally set its face against free and well-intentioned criticism of the performance of public authorities." It is wrong to single out All India Radio, since the Press Information Bureau is no better. The main function of an Information Officer appears to be to give the widest publicity to Ministerial activities. Photographs of Ministers are taken in various intimate poses, as though they were film stars.

AGRICULTURE

Import of Power Tillers

The Government is planning to import from Japan and Czechoslovakia 2,000 power tillers for "crash" programmes for agriculture. As reported recently, a decision has been taken to set up a public-sector undertaking for manufacturing tractors and power tillers. A feasibility report to manufacture 10,000 to 12,000 power tillers and an equal number of tractors is being prepared. The Government has already decided to enter into collaboration arrangements with the Czech Government for setting up the power-tiller plant.

Meanwhile, the manufacture of of tractors in the private sector has not made much headway. Of the four units licensed, Massy-Furguson has made a good start and is expected to put out 7,000 units a year. International Harvestor has also done well, with equal production.

WEST GERMANY

Team Expected in January

About 20 West German industrialists and business men are expected here towards the end of January to assess the climate for investment in India. Originally, their visit was planned from 20th November to 6th December. It was, however, felt that the visit might not be fruitful unless the investment guarantee agreement between the two countries was signed. The German visitors will be part of a bigger team, which will represent the country at the meetings of the International Chamber of Commerce commencing here from 6th February, 1965.

Indo-West German Credit Pact

The Governments of West Germany and India signed an agreement for a credit of 380 million deutschemarks (Rs. 45.24 crores) for the fourth year of India's third five year plan. The agreement was signed by Mr. G. F. Duckwitz, the West German Ambassador and Mr. S. Bhoothalingam, Secretary to the Department of Co-ordination and Economic Affairs, Central Ministry of Finance.

The agreement follows West Germany's pledge to offer aid to India at the last meeting of the Aid-India Club held in Washington on 28th May, 1964. Of the total aid, a sum of 270 million deutschemarks (Rs. 32.14 crores) will be treated as Governmental economic assistance and the balance of 110 million deutschemarks (Rs. 13.10 crores) as guarantees for suppliers' credits.

West Germany has so far agreed to extend credits totalling 3,409.56 million deutschemarks (Rs. 405.90 crores) towards assistance for India's development programmes. Out of this, a sum of 1,176.6 million deutschemarks (Rs. 140.06 crores) was made available during the second plan period and the balance of 2,233 million deutschemarks (Rs. 265.83 crores) for the first four years of the third plan.

India has been importing from West Germany equipment for such industries as motor-car, chemicals, engineering, power, and steel. Among the important projects undertaken with West German assistance are the Rourkela steel project, Rourkela fertiliser plant, Neyveli briquetting and carbonisation plant, Neyveli fertiliser project, Durgapur power-station, expansion of the Mysore Iron and Steel Works and its conversion into an alloy and special steel plant, the new Government electric factory in Mysore, expansion of the Kalinga pig iron plant, extension of the Kargali coal washery and T.E.L.C.O.

A sum of 270 million deutschemarks (Rs. 32.14 crores) constituting the core of the agreement signed here last week, will be used as follows:

(1) 90 million deutschemarks (Rs. 10.71 crores) for refinancing the liabilities of the Rourkela steel plant;

(2) 55 million deutschemarks (Rs. 6.55 crores) as commodity aid for the purchase of goods and services in Germany. In using this money, the requirements of Indo-German enterprises in India will be taken into consideration;

(3) 40 million deutschemarks (Rs. 4.76 crores) for further financing of certain German-aided development projects nearing completion;

(4) 60 million deutschemarks (Rs. 7.14 crores) for spending on new development projects; and

(5) 25 million deutschemarks (Rs. 2.98 crores) for the Industrial Credit and Investment Corporation of India, the Industrial Finance Corporation and the National Small Industries Corporation for granting loans to medium and small undertakings.

An amount of 110 million deutschemarks (Rs. 13.10 crores) which is in the nature of a suppliers' credit will be used in two parts—82 million deutschemarks (Rs. 9.76 crores) for the purchase of new ships which has

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Liabilities

	1963 Rs.	April 12. 1962 Rs.
Capital	2,500	2,500
Reserves	7,032	6,656
Deposits	94,503	80,382
Other Liabilities	5,954	3,198
Contra A/cs.	10,940	7,958
Profit & Loss	699	790
	1,21,628	1,01,484

Assets

	1963 Rs.	April 12. 1962 Rs.
Cash	33,993	27,992
Investment	160	120
Loan & Discts.	74,069	63,006
Contra A/cs.	10,940	7,958
Other assets	2,466	2,408
	1,21,628	1,01,484

already been agreed to. The balance of 28 million deutschemarks Rs. 3.34 crores) is intended for the purchase of other goods and services.

Terms of Credit

The loan of 90 million deutschemarks (Rs. 10.71 crores) is repayable in 16 years at 5.5-percent interest.

The other loans totalling 180 million deutschemarks (Rs. 21.43 crores) are for a period of 25 years, including a grace period of seven years and at an interest rate of 3 percent.

The terms of the suppliers' credit will be settled between the buyers and sellers in both private and public sectors.

The following indicates (in crores of rupees) the broad classification of German assistance for the four years of the third plan:

	Total for four years
Rourkela refinancing ...	55.52
Rourkela steel plant, services, and maintenance requirements	6.66
Rourkela expansion ...	49.28
Cash credits	28.57
Maintenance requirements, including commodity assistance	32.14
Project financing	49.10
Direct loans to the I.C.I.C.I., I.F.C. and H.S.I.C.	14.28
Balance-of-payments support for making down payments for ships ...	3.35
Suppliers' credits for ships and other purposes ...	26.91
	265.81

U.K.

Loan Pacts Signed

Seven loan agreements were signed here last week by Mr. P. Govindan Nair, Additional Secretary to the Department of Economic Affairs, Central Ministry of Finance and the British High Commissioner, Sir Paul Gore-Booth. All the loans are being offered under Section 3 of the Export Guarantee Act, 1949, and will have a maturity of 25 years, including a seven-year grace period for the repayment of principal, and a waiver of interest during the first seven years.

These loans total £14.5 million and are part of the £30-million aid programme for India in 1964-65 pledged by Britain at the Aid-India Club meeting held in Washington on 26th May this year. They will benefit India's oil, heavy electrical, coal mining and power-generating industries. They will also assist certain Indian industries in the private sector, which are at present running below full capacity for the lack of foreign exchange to import the vitally-needed spare parts for maintenance.

The balance of the £30-million aid programme for 1964-65 is being given mainly in the form of general-purpose loans (one for £10 million has already been signed), from which the Government of India may, among other purposes, allocate funds for down payments on cargo ships to be built in British dockyards.

In the context of the general-purpose loans given for 1964-65, special arrangements have been made for importing certain types of steels. The Government of India, in agreement with the U.K. Government, will authorise orders up to £2 million for the purchase of high speed and tool steels (comprising carbon tool steels, alloy tool steels, high speed steels and high speed tool steels); steel castings; and alloy, stainless and heat-resisting steels in any form of products.

Traditional Market

India has been an important traditional market for British suppliers of these types of steel, who have at present a substantial surplus capacity. Purchases by India against this allocation from British aid will be additional to such purchases of steel of these and other categories as may be made from Britain from India's own exchange resources.

The loans signed last week include £4 million to be used for improving the operating efficiency of manufacturers in India who traditionally look to Britain for their supplies and who are experiencing difficulties because of India's tight foreign exchange situation.

For large components such as transformers and switch-gears required by the Heavy Electricals (India) Ltd in Bhopal, a sum of £2 million will be made available. Aid previously given by Britain for the new colliery in Singareni in Andhra Pradesh will be increased by £1.250 million. Power-stations in Madhya Pradesh and West Bengal will benefit from a loan of £3.225 million for turbines. For oil exploration and development equipment required by Oil India Ltd, £1.5 million is being provided. For the private sector, a loan of £1.525 million will be given for importing capital goods and £1 million for components for British-orientated industries.

The £30-million aid programme is additional to the assistance already announced for the Durgapur steel works.

DIRECT TAXES

New Amendment Bill

The Direct Taxes (Amendment) Bill, which has been introduced in the Lok Sabha, seeks to amend not only the Income Tax Act of 1961 but also the Estate Duty Act of 1953 and the Expenditure Tax Act of 1957. One of the important amendments to the Income Tax Act relates to Section 88 of the Act. The effect of this amendment will be that the entire amount paid by an assessee during the previous year as donation to the Nehru Memorial Fund will be allowed for a rebate of income tax without application of the monetary limit laid down in sub-section 3 of Section 88 of the Act.

The sub-section stipulates at present the monetary limit at 10 percent of the total income of the assessee of Rs. 200,000, whichever is less.

A new section is being added to the Income Tax Act providing for the exclusion from the total income of an assessee of any special allowance specifically granted to him by his employer for the payment of rent for residential accommodation to such an extent (not exceeding Rs. 300 a month) as may be prescribed by the Central Board of Direct Taxes.

It has also been provided that the limit up to which such allowance may be excluded from the total income of an assessee will be prescribed in the rules to be framed by the Central Board of Direct Taxes, considering the area or place in which the residential accommodation is situated and other relevant considerations.

Another new section to be inserted in the Income Tax Act prohibits a registering authority from registering any documents purporting to transfer, assign, limit or extinguish the right, title or interest of any person to or in any property (other than agricultural land) valued at more than Rs. 50,000 unless the person concerned produces a tax clearance certificate from the Income Tax Officer.

Such a certificate, the section provides, will have to be in relation to an assessee's liability under the Income Tax Act, the Excess Profits Tax Act, the Business Profits Tax Act, the Wealth Tax Act, the Expenditure Tax Act, and the Gift Tax Act.

New Clause to Estate Duty Act

The new Bill, which has in all 20 clauses, seeks to add a new clause to the Estate Duty Act to provide that where the accountable person transfers any property comprised in the estate of the deceased and uses the proceeds for the payment of estate duty, a deduction will be allowed from the estate duty of a proportionate amount of the tax which becomes chargeable under the Income Tax Act on the capital gains arising from the transfer of the property.

Another provision in place of Section 52 of the Estate Duty Act enables the Central Government to accept at an agreed price, the assets of an estate towards payment of the estate duty if the accountable person so offers.

Provision has also been made that any balance of the price after satisfying the amounts due under the Estate Duty Act will be adjusted against amounts due under other direct taxes Acts from the deceased, his estate and the accountable person beneficially entitled to the asset in question in that order.

An amendment to Clause "J" of Section 5 of the Expenditure Tax Act exempts an assessee from the expenditure tax on the expenditure incurred by him on making a gift which is specifically exempt from the gift tax.

ANNUITY DEPOSIT

Procedure for Payment

The annuity deposit scheme, provided for in the Finance Act, 1964, will come into force on 1st October, 1964. From that date, deposits under the scheme will be accepted at all offices of the Reserve Bank and branches of the State Bank of India and its subsidiaries. Deposits may be made in cash or by cheque drawn in favour of the bank at which the deposit is made. Accompanying the deposit money will be an application for the issue of ten-year annuity deposit certificates for the amount. Where the deposit is made by an unregistered firm, an association of persons or a body of individuals, a declaration on its constitution should be attched to the application. Deposits can be made in instalments during a year. When the deposit money is tendered at a bank, an interim receipt will be given. This would, after a given period, be exchanged for annuity deposit certificates issued by the Public Debt Office.

These certificates will be issued in denominations of Rs. 10, Rs. 100 and Rs. 1,000. Beginning from one year after the date on which the deposit has been made, the depositor will receive an annuity of Rs. 1.25 for every Rs. 10. The rate of interest works out to a little over 4½ percent. Payment of the annuities will be spread over ten years. Depositors may draw their annuities either through their bankers or ask for remittance by postal money order. Individual depositors may nominate a person or persons who will receive the annuities in the event of their death.

In computing the taxable income of the depositor, the amount of the deposit at the rates prescribed in the Finance Act will be allowed as a deduction. The annuities are, however, liable to tax as income When a depositor receives his annuity deposit certificates, he should inform the Income Tax Officer within 14 days that he has made the deposit and send him the counterfoils of the annuity deposit certificates.

Two Categories

The annuity deposits to be made during the financial year 1964-65 fall into the following two categories: (1) deposits to be made for the assessment year 1964-65 and (2) deposits to be made in advance for the assessment year 1965-66.

For the current assessment year, deposits may be made on the basis of an income-tax assessment made by the assessee himself or by the Income Tax Officer. Where a self-assessment has been made, the annuity deposit is required to be made within 30 days of an assessee's filing his income-tax return. However, assessees who have already filed their returns of income or file them by the end of September 1964, can make their annuity deposits by 31st October, 1964.

In cases where the assessment is made by the Income Tax Officer, he will also determine the amount of annuity deposit due and call upon the assessee to make the deposit.

As for deposits to be made in advance for the assessment year 1965-66, the Income Tax Officer will issue a notice of demand. He will also lay down the number of instalments in which the deposit could be made and the dates on which they should be made. However, individuals who have not been assessed to income tax so far and who expect their assessable income to exceed Rs. 15,000, should themselves make an estimate of their annuity deposit liability. They should inform the Income Tax Officer accordingly before 1st March, 1965, and also make the deposit by that date. Assessees may make their annuity deposits even before they are formally called upon to do so by the Income Tax Officer.

The Finance Act, 1964, it will be recalled, has introduced certain provisions in the Income Tax Act, 1961, requiring assessees who are resident in India (excepting individuals of foreign nationality, registered firms, co-operative societies and companies) and whose income exceeds Rs. 15,000, to make annuity deposits. The amount of the annuity deposit is to be calculated on the total income of the assessee (subject to certain adjustments) at the rates prescribed in the Second Schedule to the Finance Act, 1964, namely, 5 percent where the income is between Rs. 15,001 and Rs. 20,000; 7½ percent where it is between Rs. 20,000 and Rs. 40,000; 10 percent where it is between Rs. 40,001 and Rs. 70,000; and 12½ percent where it exceeds Rs. 70,000. The calculation is subject to marginal adjustments as specified in the Second Schedule to the Finance Act, 1964.

The first assessment year for which annuity deposits have to be made is 1964-65. Advance annuity deposits have also to be made during the current financial year in relation to the income assessable for the assessment year 1965-66. Certain types of income such as capital gains, salary for a past year received in arrears, and share of income in an unregistered firm which is liable to make an annuity deposit for its income are not to be taken into account in calculating the amount of annuity deposits. Furthermore, for the assessment year 1964-65, the salary income earned during the previous financial year 1963-64 will also not be taken into account in computing the amount of annuity deposit. However, for salary income earned during the current financial year, advance annuity deposits will have to be made.

RICE

Purchase Pacts Concluded

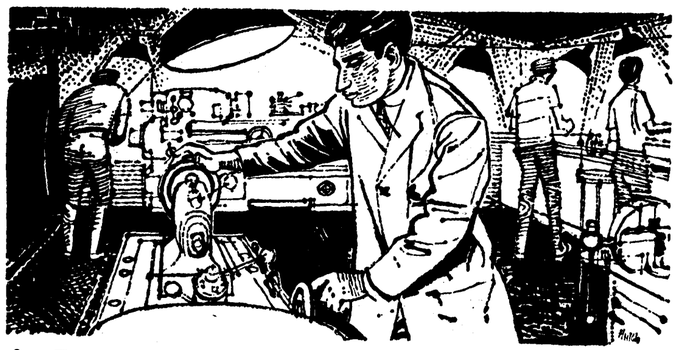
Apart from the U.S.A. from where rice is being imported under the P.L. 480 agreement, purchase contracts for 70,000 tons from Pakistan under a barter arrangement and 10,000 tons from Thailand have since been concluded. It is proposed to purchase shortly 10,000 tons from Cambodia, it is officially stated here.

UGANDA

Joint Ventures Planned

In accordance with the mutually agreed policy of stimulating technical and economic co-operation between Uganda and India, it has been decided that India should extend co-operation to Uganda for setting up four large-sized sugar mills as a joint venture between the industrialists and Governments of the two countries.

The project is likely to cover an overall investment of £12 million to £15 million (about Rs. 15 crores to Rs. 20 crores) when completed. It will start with an initial investment



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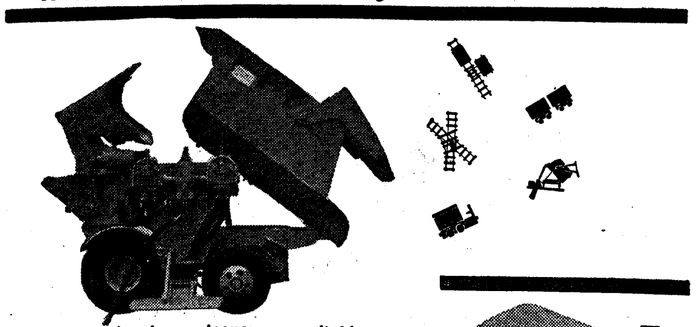
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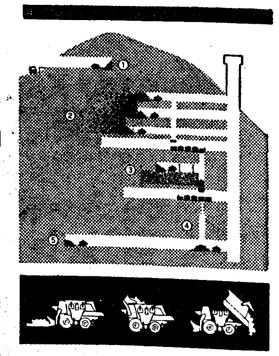
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Reduced development costs. Long haul capacity means fewer ore passes are needed.

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A new "Load-and-Carry" booklet shows on-the-job applications of the method as adopted for various mining and tunelling conditions.

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of about £10 million to £12 million (Rs. 10 crores to Rs. 12 crores), both sides contributing almost equal amounts with majority participation by Uganda.

The machinery and plant and the complete equipment will be supplied by India to the extent possible and only a small portion of the equipment will be imported from other countries.

For exploring the matter further, and to hold technical *cum*-economic consultations, a high-powered delegation led by Mr. D. S. Joshi, Secretary to the Central Ministry of Commerce, has left for Uganda.

A two-man delegation consisting of the well-known sugar industrialist, Mr. S. M. Dahanukar, and Mr. R. R. Panjo, chief of the Central Sugarcane Research Institute, Lucknow, has left for Sierra Leone and Liberia to explore the possibility of establishing one large-sized sugar factory each in these countries as joint ventures between the industrialists of these two countries and Indian industrialists. The large part of the machinery and equipment for these two sugar factories is proposed to be supplied from India where as is well known, modern sugar machinery is being manufactured, excepting a few minor equipment which will be imported from third countries.

Necessary credit and financial facilities will be made available to these joint ventures by the Governments of these countries and the Government of India.

CEMENT

Incentive for Producers

In order to achieve maximum utilisation of indigenous capacity for cement manufacture, the Government of India has sanctioned an extra price to cement producers for the quantity of production achieved by a factory in 1964, which is in excess of its best annual production during the three years ended 1962. This extra price is meant to compensate the producers for the additional expenditure which they may have to incur in maximising production with the existing capacity. This increase in the price payable to some of the producers will not affect the consumer's price, which remains unchanged.

Because of the cement shortage in the country, the Government is anxious to stimulate the maximum utilisation of the indigenous capacity, while at the same time promoting the establishment of additional capacity.

U.A.R.

Trade Talks with India

Trade talks between the United Arab Republic and the Government of India for the current year began here last week. A 14-member delegation from the U.A.R. led by Mr. Hussein Khaled Hamdi, Under-Secretary of State, Ministry of Economy and International Trade, has arrived here. The Indian delegation will be led by Mr. D. S. Joshi, Secretary to the Central Ministry of Commerce.

The visiting delegation will review the working of the present trade arrangements and explore the possibilities of further expanding trade exchanges between the two countries. It is also expected to discuss ways and means to further enlarge the scope of co-operation in industrial and economic fields.

Trade relations between India and the U.A.R. have been governed by the 1953 trade agreement which has been kept in force by various protocols signed subsequently. The last protocol was signed in January last year under which the validity of the trade agreement has been extended up to 28th February, 1966.

India imports mainly cotton, rice and rock phosphates from the U.A.R. and she exports to the U.A.R. tea, jute goods, spices, chemicals and light engineering products.

STEEL

T.I.S.C.O. Expansion Plan

The Government has approved, in principle, the expansion of Tata Steel to a capacity of 3 million tonnes of steel ingots during the fourth plan period. The Company has yet to prepare the detailed project report for the expansion programme. The preliminary estimates indicate that the cost of expansion would be of the order of Rs. 170 crores, with a foreign exchange component of about Rs. 85 crores. As the matter is still in the preliminary stages, the details concerning the foreign supplies of equipment, etcetera, have not so far been worked out.

Scheme of Durgapur Projects

The Durgapur Projects Ltd—a Government of West Bengal undertaking—initially proposed to set up two 100-ton blast furnaces for making pig iron. It was informed that the proposal would be approved after details had been worked out. It is now understood that the Durgapur Projects Ltd is considering establishing a plant to produce 300,000 tons of pig iron a year with facilities for steel making and continuous casting of at least 30,000 tons a year. It has also prepared a feasibility report.

Importing Pig Iron from Russia

A contract has been signed under the Indo-Russian trade plan for 1964 for the import of 100,000 tons of pig iron in instalments by the end of 1964. Payment will be made in Indian rupees.

METAL SCRAP

New Body Formed

The Metals Scrap Trade Corporation, a joint enterprise with the Government-owned Minerals and Metals Trading Corporation, the ferrous scrap collecting and exporting interests and the domestic users of scrap (indigenous melting furnace owners) holding equal shares was constituted and registered as a public limited company under the Indian Companies Act in Calcutta last week.

The Corporation will undertake, through a countrywide network of agencies and by the provision of equipment facilities, the collecting and processing of ferrous scrap, both for the domestic furnace owner as well as for export. All ferrous scrap exports will be canalised through the Corporation in order to end the uncertainties resulting from disorganised efforts and unhealthy trade practices and also for serving the best interests of the country by negotiating long-term contracts with overseas parties for the export of scrap at favourable international prices.

The authorised capital of the Corporation is Rs. 2 crores. The issued capital will be Rs. 30 lakhs. The Corporation is expected to deal with an annual turnover of Rs. 10 crores, consisting largely of exports.

FERTILISERS

U.S. Experts Arrive

Two distinguished U.S. engineers, General Lucius D. Clay and Mr. Stephen D. Bechtel, have arrived here for a five-day discussion on the fertiliser problem. They will speak on behalf of a consortium of American private companies which have high technical competence in this field. Among these firms will be specialists to design, construct, market, distribute, promote, operate and finance a fertiliser programme on the scale needed by India.

As an immediate start, they will discuss the operational study that is expected to be completed by December on the economics and technical problems of building the fertiliser plants. The location of plants, fertiliser distribution and marketing will also be examined in the next four months by experts working under the direction of the Stanford Research Institute, and the Bechtel Corporation.

The study will endeavour to identify rapidly the overall fertiliser requirements of India and, in particular, the specific regional needs. This will provide a basis for determining the size and ideal location of each of the proposed new fertiliser plants. Experts will be called to India to design a typical standardised fertiliser plant to meet these regional requirements and at the same time to demonstrate the advantages in standardisation of design, equipment and plant assemblies. Selection of a standard pattern could save large capital costs and greatly reduce the time needed to install the new capacity.

Furthermore, the current fertiliser pricing, marketing and distribution pattern throughout India will be evaluated. The experts will be asked to propose ways of establishing rational marketing facilities and distribution channels to bring new soil nutrients to the individual Indian cultivator at a substantially lower cost. Potential programmes to instruct farmers in the use of fertiliser and to promote its use will be proposed.

Financing of the fertiliser plants, marketing and distribution systems and the establishment of workable credit programmes with low interest rates to enable the cultivator to use fertiliser will be a concluding part of the study.

If, as expected, the study establishes the feasibility of the envisaged multiple fertiliser plant construction, the next step would be the submission of a detailed proposal to the Government of India to carry out the specific programme. This will be made by a consortium of Indian and American companies, working in collaboration with the Government of India and the existing fertiliser manufacturers.

JAPAN

Importing Textile Machinery

An agreement has been finalised with the Japanese Government for a loan to purchase textile machinery from that country. The agreement will shortly be entered into between the State Trading Corporation and the Japanese Textile Machinery Manufacturers Association. The types of machinery likely to be imported from Japan are the following: (for the cotton textile industry) blow room machinery, draw frames, speed frames and doubler winders, and automatic looms, calenders. For the woollen textile industry: worsted ring frames, woollen ring spinning frames, worsted cards winding, doubling and twisting frames, spinning preparatory machines, weaving preparatory machines, automatic and semi-automatic looms, rag tearing machines, garnet machines, card room accessories, tentering machines, carabbing machines, shearing machines, decatising machines, brushing machines, raising machines, resin curing machines, shrinking machines, hydro extractor machine, vogoreau printing machine, damping and dewing machines, cloth press, wood washing, carbonising and scouring machines, rag saker, fancy twister, and universal twisting machine.

JUTE MILLS

Import of Machinery

With a view to enabling the jute industry to obtain its requirements of machinery on a priority basis to achieve increased production, it was decided early in 1963 to permit the import of such machinery to the extent they are not available indigenously within a reasonable period of time. The import of captive power-generating sets for jute mils is also allowed under this schme, subject to usual clearances.

Such of the jute mills as are able to arrange for a credit with a foreign supplier for the import of spinning, preparatory and post-spining machinery are given licences for the import of such machinery, subject to screening from the indigenous angle. The import licences permit remittance of the value of the machinery in two equal annual instalments or four half-yearly instalments as may be desired, the first instalment being payable after completion of the installation of machinery. If required, an initial payment to the extent of 20 percent will also be permitted on order and on shipment of the machinery. Interest may be paid at a rate not exceeding 6 percent on outstanding amounts, and this will qualify for exemption from income tax. If interest exceeds 6 per cent, the entire amount of interest will be subject to tax. The applicant mills are required to undertake to execute a bond to effect additional export to cover the value of each remittance by additional exports before the payment falls due.

WOOLLEN MILLS

Foreign Exchange Allotments

The total foreign exchange requirements for importing raw materials for meeting the needs of the various sectors of the woollen industry, by the end of the third five year plan, are estimated at Rs. 17.65 crores a year. The foreign exchange allotment to the industry during 1963 and 1964 is as follows: October 1962-September 1963 Rs. 8 crores, this includes Rs. 50 lakhs for the import of terylene under barter arrangements and Rs. 1 crore for export promotion, and October 1963-September 1964 Rs. 5 crores.

Besides, a sum of Rs. 8.65 crores, in foreign exchange, had also been released for meeting the needs of defence. In view of the difficult foreign exchange situation, an advance allotment of Rs. 2 crores has been made against the requirements for the period October 1964-September 1965.

The woollen industry has been periodically representing to the Government about the inadequacy of the foreign exchange allotted to it.

Meanwhile, the Government has decided that instead of wool tops, only raw wool should be permitted to be imported so that greater quantity of raw material could be imported within the same ceiling.

Steps have also been taken to license production of man-made fibres like terylene and acreylic fibre which could be used as an admixture with wool or in substitution of it.

Attempts are also being made to make increasing use of Indian wool in substitution of imported wool, and all facilities are being extended to the industry for this purpose.

PHYTO-CHEMICAL

Project Abandoned

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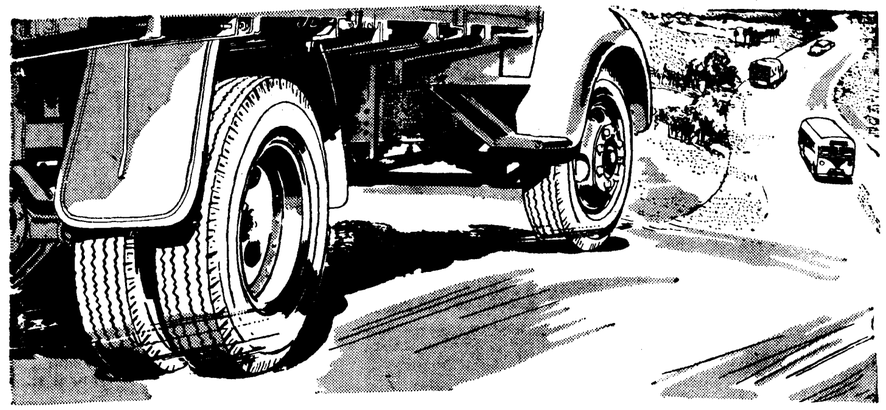
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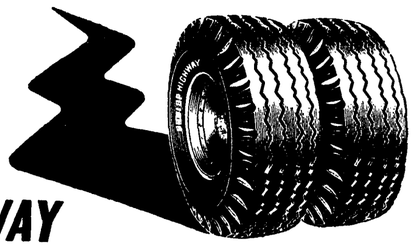
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THE U.K. EXPORT PUZZLE: CAUSES OF FALL ANALYSED

(FROM OUR LONDON CORRESPONDENT)

THOSE July trade figures are still giving rise to a search for reasons for their bad showing. In a further analysis of the overseas trade position, the U.K. Board of Trade states that the rise in imports has slowed down "greatly" this year, but that there has recently been a pause in the growth of exports. The slowing down in imports has occurred in both industrial materials and finished manufactures. The latter were 3 percent less in May to July than in the previous three months, but the arrival of a large ship in March inflated the figures for the earlier period. The volume of exports in the May-July period was 4 percent less than in the previous three months.

The erratic monthly figures in the earlier period, and to a minor extent the postal strike in July, helped to inflate the fall. Sizable reductions occurred in machinery and transport equipment exports, chiefly in ships, aircraft and motor-cars, and in some semi-manufactured goods. There was a more modest fall in exports of chemicals. That summary of the situation may not set all speculation at rest, but there are apparently other grounds for believing that the fears that the recent decline in exports and increase in imports may reflect an enduring weakness in the British economy might be unfounded after all. It may have been assumed too rashly that British manufacturers are not competitive either in foreign markets or against imported products at home. That at least is what Mr. Edward Heath argued in speaking to the Canadian Chamber of Commerce the other day. His reasoning is a good deal more persuasive than the genial evasions of Mr. Maudling.

True, says Mr. Heath, exports have been disappointing and must do better. But before sweeping pessimistic conclusions are drawn, let us look at the wide range of achievement in different markets and for different goods. This year, for example, British exports to France and Italy have been sharply curtailed by anti-inflationary restrictions on demand in both countries. Against this, British exports to West Germany, a highly competitive market, have been growing rapidly. It is now the U.K.'s best European market and her third largest customer in the world. Western Europe, as a whole, now takes nearly 40 percent of total U.K. exports. The United States, another sharply competitive market, is now Britain's largest single customer. Does that look like weakness?

Import of Manufactures

As for the rapid growth in British imports of manufactured goods, Mr. Heath does not share the view that it shows British industry failing to compete. Here, as in other countries, these imports reflect the growth of world trade in manufactures and the growth of trade between advanced industrial countries. It is also the result of the lowering of world trade barriers over the past decade. With that has come a great widening of the variety of goods on offer, and growing insistence on a large choice by the customer. Another cause is the increasing specialisation of modern industrial production.

It was "superficial nonsense" to say that Britain had a "soft centre" economy—that she was too busy making luxuries and frivolities for herself to be able to make the hard-core goods for export. Mr. Heath added: "We have been disappointed by the failure of our exports in recent months to carry through the encouraging growth we had in 1963, but at the same time, we must not be mesmerised by the low June and July results. The general export figure concealed a wide range of achievement for different goods. Although there seems to have been a pause in the growth of our exports overall, in my view the longer term trend is stronger. From our own information about the export order-books of British firms we know that there is a great deal in the pipeline."

Mr. Heath said it was no surprise that Britain's imports had been at a high level—but her exports of manufactured goods were still about three-and-a-half times as large as her imports of them. In capital goods, Britain exported four times as much as she imported. Neither Mr. Heath nor any one else can, at this stage, be sure whether the present malaise of British trade is temporary or lasting. The answer to this puzzle is vital because, if the massive payments deficit were due to deep economic weakness, the Government would be wrong to draw on the relatively short-term credit of the I.M.F. to spin out the agony. If, on the other hand, there is a fair chance of reviving exports and declining imports next year, or the year after, international borrowing will be perfectly proper. The issue is still open.

Balance of Payments

The Central Statistical Office has just published *United Kingdom Balance of Payments 1964*, the second issue in a new series containing estimates of Britain's payments position for the years 1952 to 1963. On current account Britain had a surplus of £113 million last year. This was little different from 1962 and a substantial improvement over the two preceding years. Within the current account, visible trade continued the improvement which began in 1961. The deficit was further reduced from £72 million in 1962 to £49 million. Net earnings from invisibles were £162 million last year, slightly lower than the 1962 figure of £187 million, but higher than in 1960 or 1961. On long-term capital account the net outflow in 1963 of £155 million corresponded more closely to that of the late 1950's than to that in the previous two years. In 1961, because of some large special transactions, there was a small net inflow, and in 1962, a relatively small net outflow of £107 million. The outcome of the balance of payments in 1963, in terms of the identified balance of current and long-term capital transactions, was a deficit of £42 million.

This invites attention to the fact that the U.K. Board of Trade is conducting an enquiry with a large number of companies into changes in the amount of international trade credit outstanding. The Treasury says that this is among the steps now being taken to improve the balance of payments statistics. The enquiry is welcome. Heavy capital goods now make up an increasing share of total exports and the shifting length of trade credit means that statistics recording merely the flow of exports and imports are no longer a reliable guide to the true state of our current balance of payments. The contract just signed in London for the supply to Russia of plant worth £30 million on terms extending up to 15 years is a clear case in point.

Big transactions of this kind at least come to the notice of the official statisticians who are able to make allowance for them in drawing up the balance of payments estimates. But changes in the terms of credit granted or received by a host of British traders operating on a more modest scale can take place unrecorded, leaving the official figures seriously in error. In *United Kingdom Balance of Payments, 1964*, the Central Statistical Office admits that no allowance is made in the visible trade accounts for changes in the timing of payments for imports and exports. Such changes, it says, may arise through the advancing or retarding of payments or as a result of changes in the commodity pattern of imports and exports.

Short-term Capital Movements

For the purpose of drawing up balance of payments accounts, these changes are regarded as equivalent to short-term capital movements. Where known, they are recorded as part of the changes in the banking claims and liabilities with overseas residents or in the balance of indebtedness between the U.K. and associated companies overseas. But the statisticians concede that to a large extent these changes go unrecorded and then they contribute to errors and omissions (in other words, the "balancing item"). The varying size of this balancing item from year to year has made it hard to get a true picture of Britain's balance of payments with the rest of the world. In nine of the 12 years from 1952 to 1963, the item was positive and over the whole period it averaged £48 million. Partial success in tracking down sources of error is one reason why, over the last six years, the average level of the balancing item has dropped to £30 million. But a great many transactions, it is clear, still go unrecorded.

The statisticians believe that part of the error lies in a persistent underestimate of the current account surplus. A much more irregular element, they think, is due to unrecorded capital and monetary transactions. Fluctuations in this element, they say, "are likely to reflect in the main short-term changes in flows of funds in granting of credit and in timing of payments. These changes are probably influenced to some extent by the level of interest rates in the United Kingdom relative to those abroad and, on occasion, by speculation about exchange rates." As for the visible trade figures, officials believe the margin of error is probably very small in relation to the total involved, although "it could still be of significance in relation to the net result of the balance of payments."



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Jute

CONSULTATIVE BOARD STRESSES NEED FOR MODERNISATION

MR. Manubhai Shah, Central Minister for Commerce, inaugurated the Jute Textiles Consultative Board and the Jute Goods Exports Advisory Committee in Calcutta last week. The Board has decided to lay greater emphasis on modernisation and diversification of the industry. Reviewing the progress made by the industry so far, it felt that the prospects for the industry during the fourth plan were promising, although the production and export targets were set rather high. The Board has appealed to the Governments of West Bengal, Assam, Bihar and Orissa to place more emphasis on raising productivity and on stepping up the yield from 2.77 bales an acre to at least 3.8 bales in order to achieve a substantial increase in fibre output.

The Board feels that greater product development and market research are necessary not only to maintain the present export demand but also to secure new markets. It has suggested that the industry should conduct market surveys through specialised agencies. Financial assistance will be provided for the purpose from the Market Research Development Fund of the Government. As for modernisation, the Board has recommended that the industry should promptly streamline its weaving section. It has suggested that a delegation comprising representatives of the industry and shippers should be sent to Latin America to explore market possibilities there.

Indo-Pakistani Co-operation

Inaugurating the Board, Mr. Manubhai Shah hoped that the Government of Pakistan and its leaders would realise that unbridled competition was not doing good to India and Pakistan. Neither of them could prosper by resorting to a rate war. He hoped that it would be possible for India to reach some sort of an understanding on this crucial matter with Pakistan. He was confident that a legitimate price could be secured in the international market for gunnies with a little understanding between the major producers. As regards substitutes, he expressed the view that no substitute would be capable of reducing the demand for this strongest and cheapest of packaging materials.

Appealing to farmers for raising fibre productivity by resorting to scientific methods of cultivation, Mr. Shah said that the State Governments should extend facilities by "opening their purse-strings a little." He assured the industry that the Government was prepared to buy raw jute from other countries, should the situation so demand. The Government wanted to devise an automatic arrangement for importing fibre to fill any gap between the industry's demand and the availability in the market.

Need for Jute Goods Exhibition

The Minister reiterated the Government's offer of a grant of Rs. 20 lakhs for setting up a permanent exhibition of jute goods in Calcutta. Visitors from different parts of the world should be invited to see the exhibition. He was sure that then they would not think in terms of jute goods substitutes. Emphasising the need for laying the maximum stress on the manufacture of quality goods, he said that the industry should see that not a single yard of sub-standard goods left the shores of the country.

The West Bengal Chief Minister, Mr. P. C. Sen, also referred to the vital stake the State had in the jute industry and expressed the hope that the steps visualised would stabilise the future of the industry and the people connected with it.

Welcoming the guests, Mr. R. H. Morrison, chairman, Indian Jute Mills Association, said that jute mills were inevitably preoccupied most of the time with their pressing short-term problems. They had little opportunity of surveying the broader aspects in the proper perspective. "Too little time was given to a searching examination of the future and too few were the occasions when all interests were able to meet together to discuss these affairs jointly", he said. With external pressures continuing to mount, India could no longer consider the problem of her jute industry in isolation. Unilateral decisions to correct local unbalances were unlikely to be fully effective in the long term.

Mr. Morrison felt that "we will inevitably be driven to seek solutions in co-operation with other countries if we hope to provide conditions under which jute products in their many forms continue to be welcomed throughout the world." He was confident that the new Consultative Board would bring to the problems confronting the industry a practical and objective approach.

Industry Achieves Plan Targets

Inaugurating the two-day session of the Export-Import Advisory Council in New Delhi last Saturday, Mr. Manubhai Shah stated that West Germany had completely liberalised the import of jute sacking and bags intended for packing from 1st July, 1964. Import restrictions on jute fabrics, however, continued in the West German market, he added. During 1964, the Indian Government renewed trade arrangements with France, Italy and Greece.

Congratulating the jute industry on its achievement in exceeding the third plan production and export targets two years ahead of schedule, Mr. Shah said that the Government was very much alive to its problems. At the end of the last season, the industry had a carry-over of 2.8 million bales. Latest reports indicated that the 1964-65 jute crop was not as good as it was during the previous season. The Government, he said, was watching the situation and would take all steps to ensure adequate availability of fibre to the industry.

Mr. Shah said that the Government had taken various measures to help in modernising the industry. The Rs. 9-crore "self-financing scheme" and the N.I.D.C. scheme for the grant of Rs. 14 crores for modernisation had yielded good results. A number of export promotion measures were also taken and the Government hoped that higher levels of production and exports would be maintained during the years ahead.

Setback in Gunny Production

Working at the maximum level for 200 hours in August, against 216 hours in the preceding month, mills reporting to the I.J.M.A. have shown a decline in the production of gunnies from 117,700 tonnes in July to 111,500 tonnes in August. Output of hessian dropped by 2,100 tonnes to 47,000 tonnes, of sacking by 1,300 tonnes to 45,100 tonnes and of miscellaneous goods by 2,700 tonnes to 11,300 tonnes. The production of carpet-backing cloth was down from 8,200 tonnes to 8,100 tonnes.

The mills worked at the same level for 208 hours in August 1963, producing a total of 106,500 tonnes—45,700 tonnes of hessian, 42,700 tonnes of heavy goods, 9,700 tonnes of other categories and 8,400 tonnes of carpet-backing. Market circles have not reacted much to the production figures since the output was still higher than the figures for June (107,000 tonnes) when the mills worked slightly longer, namely, for 216 hours.

Spurt in U.S. Burlap Consumption

The consumption of burlap in the U.S.A. has increased sharply from 63.6 million yards to 81 million yards during August. The country consumed 69.5 million yards a year ago. The total offtake for the eight-month period ended August at 580.9 million yards is still lower than the 601.6 million yards consumed in the corresponding period of 1963. The monthly average up to August 1964 was 72.61 million yards, against 75.2 million yards last year.

U.S. stocks at the end of August declined to 281 million yards from 300.1 million yards at the end of the previous month. Of these, 152 million yards (against 151.8 million yards) were spot stocks and 129 million yards (against 148.3 million yards) were afloat. In August 1963, the country held a total inventory of 287 million yards—168 million yards spot and 119 million yards afloat. At the August level of consumption, the stocks will last 3.469 months. The corresponding stock duration on the same basis was four months at this time a year ago.

Indian Jute Team for F.A.O.

A four-member jute delegation led by Mr. G. C. L. Joneja, Jute Commissioner, left Calcutta for Rome on 12th September to attend the first session of the Food and Agriculture Organisation's Study Group on Jute and Allied Fibres. The agenda for discussion includes a comprehensive study of the industrial and economic aspects of fibres grown and manufactured in the world. Mr. R. H. Morrison, chairman of the I.J.M.A., another member of the I.J.M.A. and a representative of the Central Ministry of Agriculture are the other members of the team. On its way home early next month, the team will visit Brussels.

Fibre Purchase Quota

On a review of the position in the raw jute market, the Jute Commissioner has issued a fresh maximum purchase quota of 100,000 bales to the mills for the week ending 19th September under the Jute (Licensing and Control) Order, 1961. The order also specifies the maximum limits of stock holdings by individual mills as on that date.

THE JUTE MARKETS

Manufactured Goods: Easier conditions prevailed in the Calcutta gunny market during the past week despite reports of a decline in the output of jute goods and a sharp increase in U.S. burlap consumption during August. Tired long liquidation, particularly in sacking, in the hedge market and a softening trend in raw jute prices were the major depressants. Mills were generally not inclined to book orders at the prevailing levels in view of the lack of parity with fibre prices. There were reports of moderate hessian business with the U.S.A. The offtake of B Twills by the Government of India fell below expectations. Small lots for ready and near positions were booked. Shippers covered their open positions in ready and near-term goods. But demand lacked edge and so could not harden the price trend. In the hedge market, sacking for November lost after wide fluctuations on tired long liquidation combined with some short-selling. Hessian for November also eased somewhat in sympathy with the trend in heavy goods. Turnover was moderate in the spot market and fair in the hedge market, and the undertone hesistant at the close.

Wednesday's quotations were as follows:

	Sept.	Oct.-Dec.	Jan.-Mar.
40in. 7½oz.	37.75	38.00	38.25
40in. 8oz.	40.65	—	—
40in. 10oz.	50.10	50.35	50.85
B Twills	142.15	141.10	141.00
Cornsacks	142.50	144.00	144.00
Heavy Cees (Plain)	143.00	142.00	141.00
A Twills	172.00	172.00	172.00
Liverpools	157.50	158.00	158.00

Raw Jute: With reports of softening fibre prices in the agencies due to an increase in the daily arrivals to around 125,000 maunds, easier conditions prevailed in the raw jute market during the past week. Upcountry prices were still above Calcutta parity levels. But sellers were keen to book orders at lower prices. The Jute Commissioner issued a second maximum purchase quota of 100,000 bales for the week ending 19th September. With this meagre quota mills had very little to do in the market. So, turnover was more or less of a routine nature confined to selected-grade fibre for ready and near delivery. Since the issue of the first quota on 7th September, spot prices had eased by about Rs. 2 a maund in Assam and Northern fibre and Rs. 2.50 a maund in Daissee, basis Bottoms, f.o.r., ready, Calcutta. In the hedge market, transactions in Upper Assam White Bottoms, on September, were closed uneventfully from 10th September. The firmness towards the close was stimulated by brisk last-minute bear-covering. Turnover was small in the spot market and the undertone easy at the close.

Wednesday's quotations were as follows:

	Rates a maund		Rates a quintal	
	Mid.	Bot.	Mid.	Bot.
Assam-Agartala Jute	41.50	38.50	111.19	103.15
Northern Jute	40.50	37.50	108.51	100.47
Western Desal Jute	38.50	35.50	103.15	95.11
Selected Daissee	42.50	39.50	113.87	105.83
Assam-Agartala Tossa	42.00	39.00	112.53	104.49
Mesta:				
Assam-Northern	37.50	34.50	100.47	92.43
Local Daissee	37.50	34.50	100.47	92.43
Bihar Dist.	36.50	33.50	97.79	89.75

THE U.K. JUTE MARKETS

FIBRE IRREGULAR

(FROM OUR DUNDEE CORRESPONDENT)

ALTHOUGH the raw jute market in Pakistan remained firm last week with the arrivals of loose jute into baling stations small, the position in Dundee was very irregular, and many sellers were willing to discount the generally quoted rates. This was due to a fairly substantial quantity of secured jute being offered. Holders of these parcels were anxious for business as the bulk of this jute had been obtained before the recent rise in prices.

Dundee spinners showed only a small buying interest in shipment jute, but some movement took place in spot parcels during the past week. Sales of raw jute registered in Pakistan for export to the U.K. during the

first two months of the season exceeded 360,000 bales which is approximately half of the annual consumption of the mills in Dundee and district. It does not follow that the whole of this quantity has been bought by spinners, but it shows that a large quantity of jute will eventually be coming to Dundee.

Offers being made were very irregular and covered a wide range. Prices were lowest at £137 for Export Firsts, at £128 for Export Lightnings and at £120 for Export Hearts, c.i.f. U.K., for September-October shipment. Grade Tossa-4 was named at £139, Outport Tossa-2/3 at £129 and Outport Tossa-4 at £123, October-November. Cuttings were quiet and unchanged at £90 for S.N.C. and at £83 for N.C.

Dundee spinners can remain out of the market for some time, but it is anticipated that their first purchases will be Tossa qualities. A substantial quantity of new crop white jute was bought before the recent rise in prices took place, but purchases of dark jute have been much smaller.

There was now a firmer trend in prices of Siam jute. Many of the cheaper sellers withdrew from the market, and in other cases, prices were raised. Offers were lowest at £93 for grade A, at £88 for grade B and at £81 for grade C, delivered mill Dundee for December-January shipment.

The Calcutta goods market was firm and prices advanced. Quotations were at 82s 8d for 40in. 10oz. and at 62s 5d for 7½oz. a 100 yards c. and f. U.K. for September shipment, at 83s 3d and 62s 10d October-December and at 83s 9d and 63s 2d January-March. B Twills were at 240s 3d, 240s 7d and 240s 3d for the respective shipment periods. The Dundee Jute Control was still buying common hessians, but this trade will be returned to private trading at a date to be announced later.

Dundee jute spinners and manufacturers were very busy despite the recent alteration in the mark-up on imported goods. Supplies of both yarns and cloth are difficult to obtain for reasonably early delivery. The carpet trade is taking regular supplies and this is likely to continue for some time.

Dundee yarn and cloth prices were very firm, and the quoted rates had to be paid in all instances.

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

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

Description	Quantity
1. Gunny Bags	
(a) Hessian	
9,571 tonnes	(9,420 tons)
2,58,54 thousand metres 1,81.9 lakh nos.	(2,82.7 lakh yds)
(b) Sacking	
43,784 tonnes	(43,092 tons)
9,50.82 thousand metres 4,84.3 lakh nos.	(10,39.8 lakh yds)
2 Gunny Cloth	
(a) Hessian	
37,399 tonnes	(36,808 tons)
12,64.24 thousand metres	(13,82.6 lakh yds)
(b) Sacking	
1,333 tonnes	(1,312 tons)
28.67 thousand metres	(31.3 lakh yds.)
3. Carpet-backing	
8,133 tonnes	(8,004 tons)
63.16 thousand metres	(69.1 lakh yds)
4. Other Manufactures	
11,317 tonnes	(11,139 tons)
5. Total Production	
(All kinds)	
1,11,537 tonnes	(1,09,775 tons)

Summary

	(000 metres and 00,000 yds.) August '64	July '64	August '63
Hessian	15,22.78	15,84.89	15,11.49
	(16,65)	(17.33)	(16,53)
Sacking	9,79.49	10,06.85	9,26.74
	(10,71)	(11.01)	(10,14)
Carpet-backing	63.16	62.13	67.08
	(69)	(68)	(73)

	(000 tonnes and tons) August '64	July '64	August '63
Hessian	47.0	49.1	45.7
	(46.2)	(48.4)	(44.9)
Sacking	45.1	46.4	42.7
	(44.4	(45.7)	(42.0)
Carpet-backing	8.1	8.2	8.4
	(8.0)	(8.0)	(8.3)
Others	11.3	14.0	9.7
	(11.2)	(13.7)	(9.6)
Grand Total	1,11.5	1,17.7	1,06.5
	(1,09.8)	(1,15.8)	(1,04.8)
Hours worked	200.0	216.0	208.0

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

THE PAKISTANI JUTE MARKETS

FIBRE ARRIVALS STILL SMALL

(FROM OUR DACCA CORRESPONDENT)

DURING the past week, there was practically no change in the market except for a slightly steadier undertone. Arrivals of loose jute were small mainly due to continued bad weather. In the interior, there was sellers' resistance. It is expected that the jute being harvested will, to a large extent, be ready soon. It however remains to be seen whether arrivals will increase or whether sellers will hold out for better prices. The financial position makes it very difficult for the balers to pay higher prices. If arrivals remain very small or decrease further, the few balers buying will be obliged to pay more to continue their purchases.

Harvesting everywhere continues. Except in the western jat areas around Ashuganj, there is not very much jute left to be harvested. The western jat area is about the only part which had no trouble from the floods and some of the jute coming into the baling station there is very good. Unfortunately, the jute from the low-lying area to the east of Ashuganj is being mixed with the result that some very badly flood-damaged jute is to be seen. This damage consists of hard centre in some cases, and extremely hard speck in others. The early low-lying tossa in this area is beginning to appear, and has speck which is most unusual in tossa.

In all areas, the condition of jute continues to be good, but as expected, the proportion of Export Hearts in areas other than western jat is increasing and so is the weight of cuttings. In the local pucca bale market, transactions continue to be restricted to cuttings. There is a slightly steadier tendency with a little bit more business being done in the ready position. The premium for forward, however, remains. The market has been slightly excited by the report that India will issue licences for another 100,000 bales of cuttings as well as long jute from Pakistan.

With the present price of cuttings in Pakistan it is hard to see how India can afford to buy Pakistani cuttings. Certainly, apart from India no other overseas buyers can afford to pay the ruling prices for cuttings. The American buying of cuttings is controlled entirely by the price factor. Since cuttings are expansive in relation to jute, it is unlikely that regular consumers in Europe will be able to pay even the E.P.C. prices, which are not as high as the levels at which business is done locally.

From overseas, reports continue to come in that buyers are waiting for lower prices and that the market is inactive. Unfortunately for reasons connected with cheap registrations of E.P.C.s, there is a fair amount of afloat jute going forward. Some small offers have been made by reputable balers, but this is merely to keep in touch with the buyers.

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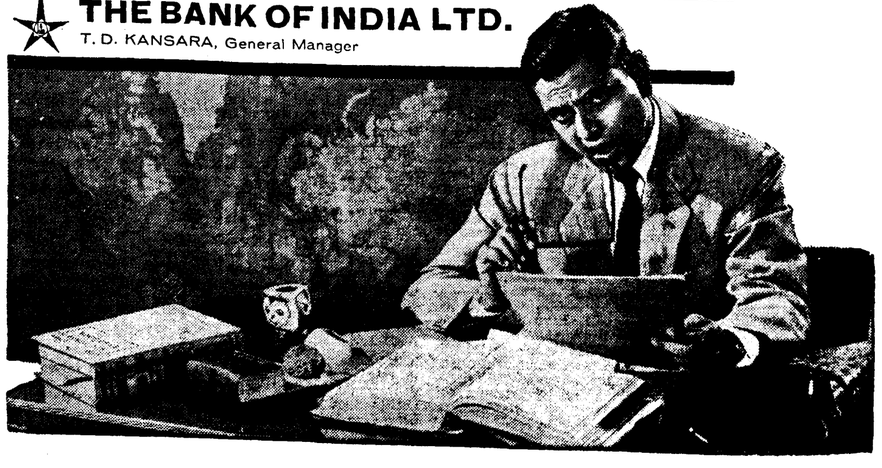
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FINDING MARKET FOR INDIAN COFFEE

(FROM OUR SOUTH INDIAN CORRESPONDENT)

THE latest report from the Coffee Board places the pool receipts from the 1963-64 season's crop at the record figure of 68,123 tonnes, compared with 55,176 tonnes of the previous season. Quality-wise break-up of this crop is Plantation 28,398 tonnes, Arabica Cherry 10,425 tonnes and Robusta 29,300 tonnes. The Board has been able to sell for export 36,915 tonnes from the 1963-64 crop up to 3rd September, 1964. Another 1,712 tonnes is earmarked for the sale on the 23rd of this month. The total exportable surplus from the 1963-64 crop will be around 35,000 tonnes.

India's membership of the International Coffee Agreement makes it obligatory to restrict her exports to the quota-countries at 22,064 tonnes during the current coffee year which ends on 30th September. Among the quota-countries are the members of the European Common Market, Britain and the U.S.A. The Common Market countries such as West Germany, Belgium, France, Italy, etcetera, are among the largest importers of Indian coffee. Indian coffee has established a reputation in these countries for the quality in the cup. With increasing quantities of coffee becoming available for export from India, larger exports to these countries are possible, provided her quota under the International Coffee Agreement is enhanced in response to her representations.

Exports to countries outside the agreement like Russia, Poland, Rumania, Bulgaria and those in the Middle East and Far East, are permissible to any extent. Indian coffee is just entering the east European markets, and the prospects for enhancing this country's exports to these countries are considered bright. The Middle Eastern countries import coffee not only from India. African and Indonesian coffees are serious rivals. The Government of India is proposing to send a trade delegation to the Middle East to explore the possibilities of larger exports. With the increase in the Indian coffee production and the restrictions under the International Coffee Agreement, the non-quota markets will have to play an increasingly important rôle in India's export trade in coffee.

On quality alone, Indian coffee stands a great chance against all rivals. There is, however, need for maintaining quality and to improve it wherever possible. The Coffee Board appears to be aware of this. It has appointed a committee to attend to quality. The Board has laid down and is enforcing grade standards for Indian coffee. The delivery of under-dried coffee into the pool is being penalised by the award of minus points and encouragement is given for the preparation of Parchment coffee by giving additional points on the price differential scale.

The Board also prepares "monsooned coffee", a type peculiar to India. This type of coffee is finding good export demand. It is first passed by a screening panel and after the lots are sold, the bags are sealed by the Central Excise authorities. The seals are then re-examined at the time of actual shipment. This procedure prevents the possible admixture of inferior grades with superior grades of coffee. The matter is kept constantly under review by the Coffee Board. Efforts are also being made to export coffee in other forms than raw. Coffee powder and instant coffee are now being exported, although in small quantities. Coffee in these forms will bring in more foreign exchange than raw coffee seeds.

The foreign exchange earning from coffee export in 1963-64 amounted to Rs. 8.29 crores with an export of 23,320 tonnes. In recent years, it was in 1961-62 that India got the maximum of Rs. 9 crores from coffee exports. The export that year was to the tune of 29,690 tonnes.

It does not appear that all is well with the International Coffee Agreement. The U.S. participation which alone will make the Agreement fully effective has been further delayed by an unfavourable voting in the Congress on Government legislation that would allow the U.S.A. to join the Agreement. This is taken as a reflection of the resentment of the consumers in that country against the price increases that have been brought about by the introduction of the quota system under this Agreement. Although the Government is hopeful that the legislation will eventually be approved, the Brazilians who have been joined by the Congress voting, have asked their President to convene an emergency meeting of all world producers of coffee to consider this development.

At a meeting of the International Coffee Organisation last month in London, Brazil had argued for considerably lower coffee quotas to help keep prices up by reducing the supply. Opposed by the U.S.A., the world's biggest consumer, Brazil had to agree to a quota of 48 million bags. This was 300,000 bags lower than the old quota. According to one estimate, Brazil is still holding a very large stock of coffee without buyers in adequate number. She may not be able to find buyers for her export quota of 18 million bags this year. Brazil is accused of charging her customers too high a price. Aggressive African and Central American producers are underselling Brazil. The Brazilian Coffee Institute which handles Brazil's coffee dealings is accused of bungling and corruption. Brazil which is the largest world producer, is thus facing a crisis in coffee. This crisis may be temporary. Drought and frost fires in that country caused considerable scare-buying and stockpiling abroad, followed by a sharp fall in demand.

PEPPER

Exports Fall

Indian pepper is in bad shape now with cut-throat competition from Indonesia. Indonesian shippers are selling at 30 to 32 U.S. cents a lb. against the Indian price of 40 to 41 cents, although the official price of Indonesian pepper is 39 cents. Consequently, many of the buyers are taking their requirements from Indonesia. America, for instance, has been virtually keeping away from India for some time now. This has rendered the pepper market in this country very dull. It has been the buying support extended by the east European countries that keeps the Indian market at least at the present form. A study of the export figures for July would endorse this argument. Russia had taken 500 tonnes in July while Rumania and Bulgaria had bought 300 tonnes and 125 tonnes, respectively. Yugoslavia took about 125 tonnes, Czechoslovakia 64 tonnes and East Germany 50 tonnes. Between themselves, the east European countries accounted for 1,165 tonnes out of a total of 1,360 tonnes exported in July 1964. Britain took only 4 tonnes and the U.S.A. nothing.

In fact, the bulk of the exports of 14,820 tonnes to the end of July, representing the first nine months of the current pepper season, has been effected to the communist countries. They are said to have bought about 8,800 tonnes so far this season, while the U.S offtake was only about 1,500 tonnes. America is not likely to be seen in the Indian market in a big way for the rest of the season because most of her requirements are covered by Indonesia and Brazil at present at cheap rates.

It is doubtful whether India will be able to export as much pepper as she did last season. Exports to the end of July were to the tune of 14,820 tonnes, against 16,036 tonnes for the same period last season. Exports were low in August and trade estimates place them around 1,000 tonnes. According to present indications, September and October figures too may be more or less of the same size. This means that there may be a shortfall of about 2,500 tonnes in this season's export, compared with last season's 19,500 tonnes.

TEA

Good Crop Prospects

(BY A SPECIAL CORRESPONDENT)

ALTHOUGH there was much flooding in August, weather conditions were normal to good, and upper Assam produced some useful invoices. More rain is wanted. Conditions were normal in central Assam, and too cold in lower Assam. Both north and south Cachar reported unfavourable weather while central and western Dooars did well. The latter produced considerably more than a year ago, but the eastern section was bothered by rain. Terai had seasonable weather, but crops are below last year's output. Darjeeling enjoyed a normal month.

Total output of tea to the end of August 1964 weighed at 148,593,140 kilograms, compared with last year's 137,439,512 kilograms and 142,030,458 kilograms in 1961, a record year. It will be seen that the crop is doing well, but weather prospects hardly seem to justify the view that the crop this year may exceed that of 1961. To reach the 1961 level, 49,000 metric tons will be needed this month, 46,000 tons during October, over 31,000 metric tons during November and December. South India too is running short.

The demand for leaf teas up for sale last Monday eased further. Fairly heavy offerings (65,965 chests) are now available week after week, and over 100,000 packages of Dust come up for disposal every week. Good C.T.C. met with useful support, but a few of the best kinds were easier. Clean mediums sold well. Plain Orthodox grades met with support, but mediums were irregular and good Assam B.O.P. were reported appreciably lower. Whole leaf grades were generally easier, except for cheapest kinds which sold well. The dust sale on 9th September met with good support at firmer prices.

Cochin reports a strong demand for dusts with a useful enquiry for lower grades, but at a slightly reduced level for the latter. The falling away in demand for quality teas seems in direct opposition to the strong market reported from London. At the same time, cheapest types are said to be meeting with more enquiry. It is to be hoped that this means internal consumption is looking up. But in view of the fact that there is plenty of tea in sight, the sudden advance in London prices since the end of August was surprising. Rates were reported up at 55d a lb. Again on 7th September, a further advance was reported near 60d a lb. This remarkable jump in tea prices in London is said to be due to shipowners ordering cargoes loaded Calcutta-London to unload at Continental ports. It is thought such teas, after transhipment, are unlikely to reach British markets for some months. Hence U.K. stocks will be very short in the immediate future.

At this time of year, stocks in the U.K. should be increasing, but they continue to decline. For the week ended 4th September, they were down to 104.69 million lbs, compared with 107.37 million lbs a week earlier. Last year, stocks marked a low of 65,037 metric tons in August, and after rising to 69,262 metric tons in September, they again fell to 65,305 metric tons in October, that is, 65 million kilograms, which is considerably higher than the current figure. Deliveries during the first week of this month were fairly high at 10.63 million lbs, but there was 26.35 million lbs to be landed with 16.31 million lbs afloat; but some of this appears to have been diverted to Continental ports. Prices at the latest Mincing Lane auction were again high, being cabled at 59.79d a lb for last week, or up from 55.29d a lb in the previous week.

Puja Bonus for Workers

A sub-committee representing tea garden owners and central trade union organisations held a meeting in Calcutta last week under the chairmanship of Mr. R. J. T. D'Mello. The bonus sub-committee of the Plantation Industrial Committee of North-East India is reported to have recommended an *ad hoc* payment of Rs. 20 as a profit bonus to tea garden workers before the Pujas.

The recommendation uses the words "profit bonus", but it is understood the sub-committee suggests that gardens incurring losses will also bear this financial burden.



Books

STEEL PRODUCTION AND DEMAND

Reappraisal of Steel Demand. Volume I. (Published by the National Council of Applied Economic Research, New Delhi. Price Rs 12.)

It is not an exaggeration to say that the history of modern industrial civilisation centred round the progress of steel-making. India is no exception to the general rule, and the emphasis on the production of pig iron and steel was correctly placed at the outset of the five year plans. In the present volume the demand for steel from various sectors of the economy such as agriculture, transport and communication, power and irrigation, etcetera, has been analysed and estimates have been prepared for the likely demand under each category during the fourth plan period. In the absence of advanced planning for steel, as the study points out, serious bottlenecks will develop in the implementation of the plan and many projects will remain incomplete due to the lack of supply, thereby hampering the rate of growth.

According to the study, the demand for rolled mild steel will amount to 6.9 million tons in 1965-66, and this is expected to increase to 13.59 million tons by 1970-71. An output of 6.86 million tons is feasible from the existing capacity and the deficit of 6.73 million tons can be bridged by the establishment of the Bokaro steel plant and possibly by one or two more additional steel plants. The deficit is noticed particularly in "flat" steel products and this has no doubt prompted the Government to go ahead with the Bokaro project even if foreign aid were not forthcoming.

The urgency of setting up a permanent Iron and Steel Board, which could collect all statistical data on a continuing basis as well as serve as a clearing house of information, has been strongly advocated. In the foreword, however, Dr. Lokanathan makes the highly controversial comment that it is not desirable to scale down the fourth plan targets because of any shortfalls in fulfilling the targets set for the third plan.

The Iron and Steel Industry of India. By M. R. Chaudhuri. (Review copy received from Oxford Book Company, 17 Park Street, Calcutta 16. Price Rs. 20, pages 196.)

In less than 200 pages, it is not easy to deal exhaustively with the technical, locational and growth components of an industry of vital importance. But the author has achieved this to a great extent, and the book is an excellent treatise on the steel industry of India with special reference to its location and growth.

Among the 11 chapters, apart from an introductory chapter discussing the place of steel in the economy, four chapters deal with location and dispersion, three with raw material and technical aspects, including a chapter on re-rolling mills, and three with the growth of the industry. It would have been better had the book been divided into two or three different sections. There are useful appendices, one of them giving statistical information. But the author is obviously interested in the aspects of location and development of the industry, and not so much with productivity or inter-firm or intra-firm appraisal.

MANPOWER STATISTICS

Fact Book on Manpower. (Published by the Institute of Applied Manpower Research, New Delhi. Pages 230.)

Manpower Group Survey: Stock Taking of Engineering Personnel. (Published by the Institute of Applied Manpower Research, New Delhi. Pages 109.)

The Institute of Applied Manpower Research has just begun its work under the stewardship of Mr. R. A. Gopalaswamy. The *Fact Book on Manpower* is a volume full of useful statistical information. The book is divided into three parts. Part I gives data on general demographic information and sectoral employment statistics. Part II on literacy and education and Part III on scientific, technical and professional personnel. The population census of India, the employment data of the National Sample Survey and the returns available with the Directorate-General of Employment and Training are the sources of information. Researchers and planners will find the report valuable.

The second book is concerned specifically with engineering personnel. The data is collected from the following sources: the National Register of the Council of Scientific and Industrial Research, studies made by the Planning Commission, returns available with the Directorate-General of Employment and Training, 1961 census, and the Ministries concerned. Graduate engineers, diploma holders and "practicals" (without a degree or diploma) are covered in the study and the information on age, employment status and industrial affiliation, etcetera, are given. Manpower planners will find the information useful for studies concerned with engineering personnel.

INDUSTRIAL LICENSING

Procedures for Industrial Licensing. (Published by the Federation of Indian Chambers of Commerce and Industry, Federation House, New Delhi. Price Re 1, pages 56.)

First published in 1960, this is the fourth revised and enlarged edition of the Federation's brochure on industrial licensing. The Government of India, it will be recalled, appointed the Swaminathan Committee to suggest measures for reducing procedural delays in industrial licensing. Many of its recommendations have now been accepted. So the booklet has had to be extensively revised and made up-to-date in order to make it useful to prospective Indian and foreign entrepreneurs. It contains some useful annexures showing how applications for industrial licences have to be submitted to the Government.

BOOKS RECEIVED

Company Law and Secretarial Practice. By K. Kishore. (Published by P. S. Jayasinghe, Asia Publishing House, Calicut Street, Ballard Estate, Bombay 1. Price Rs. 35, pages 748.)

Practical Problems on Income Tax. By R. N. Lakhotia. (Published by Asha Rani for Asha Publishing House, P-288 C. I. T. Road, Calcutta 11. Price Rs. 9, pages 401.)

Taxation of Companies and Their Officers. By R. N. Lakhotia. (Published by Asha Rani, P-288 C. I. T. Road, Calcutta 11. Price Rs. 30, pages 448+383.)

Economics of Growth. By J. K. Mehta. (Published by P. S. Jayasinghe, Asia Publishing House, Calicut Street, Ballard Estate, Bombay 1. Price Rs. 17.50, pages 190.)

Law Quarterly, March 1964 and June 1964. (Edited by Charu C. Choudhuri and published by Monoj Mohan Banerjee for the Indian Law Institute, West Bengal State Unit, City Civil Court Buildings, 2 and 3 Hastings Street, Calcutta 1. Annual subscription Rs. 8, pages 1 to 92 and 93 to 185.)

The Economic Weekly, Special Number, July 1964. (Published by A. Fernandes for Asian New Age Publishers Private Ltd, Co-operative Insurance Building, Sir P.M. Road, Bombay 1. Price Rs. 3, pages 1163-1322.)

Bombay Cotton Annual, 1962-63, No. 44. (Published by D. G. Damle for the East Indian Cotton Association Ltd, Cotton Exchange, Marwari Bazar, Bombay 2. Price Rs. 7.50, pages 411.)

The Madras Stock Exchange Official Year Book, 1962-63. (Compiled by the Madras Stock Exchange Ltd, 322/23 Linghi Chetty Street, Madras 1. Price Rs. 12.50, pages 1,112.)



COMPANY AND PUBLIC NOTICES

RESERVE BANK OF INDIA

APPLICATIONS are invited for the following posts in the undernoted departments of the Reserve Bank of India :—

(A) POSTS AND SCALES OF PAY :

(i) Deputy Directors : Rs. 850-60-1150.

(ii) Research Officers : Rs. 430-430-55-815 EB 55-925-60-1045.

(iii) Junior Officers Grade II in the Legal Department : Rs. 375-20-535-25-560 EB 25-660-30-720.

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

In addition to pay the selected candidates in all categories mentioned above will be eligible to draw local pay (at centres where it is admissible), house allowance and dearness allowance at the rates prescribed by the Bank from time to time.

(B) *QUALIFICATIONS :*

(i) *Deputy Directors, Economic Department :* Applicants should possess first or high second class Master's degree in Economics of an Indian or foreign University or a Doctorate degree in Economics of an Indian or foreign University. They must have experience of research work for at least five years in one or more of the following subjects : (a) Monetary Economics, (b) Banking Theory and Practice, (c) International Trade and Finance, (d) Agricultural Economics and (e) Planning and Development.

(ii) *Research Officers, Economic Department :* Applicants should possess first or high second class Master's degree in Economics or Commerce of an Indian or foreign University or a Doctorate degree in Economics of an Indian or foreign University, and a period of research work in one or more of the following subjects : (a) Monetary Economics, (b) Banking Theory and Practice, (c) International Trade and Finance, (d) Agricultural Economics and (e) Planning and Development. Applicants are expected to be proficient in economic analysis. A period of practical banking training will be an additional qualification in respect of applicants with specialisation in (a), (b), and (c) above and experience of agricultural surveys in respect of (d) above.

(iii) *Junior Officers Grade II, Legal Department :* Applicants should be Advocates or Solicitors and should possess in addition to high academic qualifications in Law, practical experience of work in an Advocate's or Solicitor's office or have practised independently, for at least 3 years. Preference will be given to candidates having M.L. or LL.M. or other equivalent qualifications and special knowledge of Banking and Company Law.

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

(C) *AGE LIMITS AS ON 1ST SEPTEMBER 1964 :*

(i) *Deputy Directors :* Candidates should be between 30 and 40 years of age but the age limit may be relaxed in the case of candidates possessing exceptional qualifications.

(ii) *Research Officers :* Candidates should not ordinarily be over 35 years of age but the age limit may be slightly relaxed in the case of candidates with exceptionally good qualifications and/or experience of value to the Bank.

(iii) *Junior Officers, Grade II :* Between 21 and 27 years. The maximum age limit is relaxable but not beyond 32 years in the case of :—

(a) candidates possessing special qualifications and experience of value to the Bank ; and

(b) candidates belonging to the Scheduled Castes or Scheduled Tribes.

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

3. Applicants for the above posts must remit with their applications a fee of Rs. 7.50 for each post by cheque or bank draft on a *scheduled bank* payable at Bombay or by Postal Order. *The application fee is in no case refundable.* In the case of candidates belonging to Scheduled Castes/Tribes the fee will be reduced to one fourth.

4. Applications in the candidate's own handwriting in the prescribed forms obtainable from the Reserve Bank's offices at Bombay, Calcutta, Kanpur, New Delhi, Nagpur, Madras, Bangalore, Hyderabad, Trivandrum, Lucknow, Patna and Jaipur accompanied by copies (originals should not be sent) of certificates regarding age and educational qualifications, statements of marks secured in the graduate and post-graduate degree examinations and copies of two testimonials should be forwarded to the Secretary, Central Recruitment Board, Reserve Bank of India, Central Office, Post Box No. 406, Bombay-1 so as to reach him on or before the 3rd October 1964.

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

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

7. Candidates must be prepared to serve in any office of the Bank in India or group of departments to which they are posted and to undertake tours when required.

8. Selected candidates will have to appear for interview/s before the Selection Board at any of the Bank's offices.

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

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

11. Canvassing in any form will be regarded as disqualification.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
National Insulated Cable Co. of India Ltd.	24-9-64	11 a.m.
Imperial Tobacco Co. of India Ltd.	24-9-64	3-30 p.m.
India Steamship Co. Ltd.	24-9-64	4 p.m.
Indian Cable Co. Ltd.	25-9-64	4 p.m.
Bisra Stone Lime Co. Ltd.	28-9-64	11-15 a.m.
Bally Jute Co. Ltd.	28-9-64	3 p.m.
Birla Jute Manufacturing Co. Ltd.	28-9-64	4 p.m.
Jardine Henderson Ltd.	29-9-64	11-15 a.m
Indian Steel & Wire Products Ltd.	29-9-64	1-30 a.m.
Sijua (Jherriah) Electric Supply Co. Ltd.	29-9-64	11 a.m.
Dehri-Rohtas Light Railway Co. Ltd.	29-9-64	11-30 a.m.
Hukumchand Jute Mills Ltd.	29-9-64	4 p.m.
Dalhousie Jute Co. Ltd.	30-9-64	10 a.m.
Auckland Jute Co. Ltd.	30-9-64	10-10 a.m.
Union Jute Co. Ltd.	30-9-64	10 20 a.m.
Standard Jute Co. Ltd.	30-9-64	10 30 a.m.
Kinnison Jute Mills Co. Ltd.	30-9-64	10-40 a.m.
Northbrook Jute Co. Ltd.	30-9-64	10-50 a.m.
Lansdowne Jute Co Ltd.	30-9-64	11 a.m.
Rohtas Industries Ltd.	30-9-64	11 a.m.
Lawrence Jute Co. Ltd.	30-9-64	11-10 a.m.
Titaghur Paper Mills Co. Ltd.	30-9-64	3-30 p.m.
East Indian Coal Co. Ltd.	23-10-64	11-30 a.m.

DIVIDENDS DECLARED OR PROPOSED.—Hastings Mills Ltd.—6 p.c. (o), subject to tax; Amalgamated Electricity Co. Ltd.—9 p.c (o), subject to tax; Naihati Jute Mills Co. Ltd.—Nil (o); Benares Electric Light & Power Co. Ltd.—10 p.c., subject to tax; Jubbulpore Electric Supply Co. Ltd.—8 p.c., subject to tax; United Provinces Electric Supply Co. Ltd.—10 p.c., subject to tax; Bareilly Electricity Supply Co. Ltd.—6 p.c. subject to tax; Upper Jumna Valley Electricity Supply Co. Ltd.—10 p.c., subject to tax; Saugor Eletricity Supply Co. Ltd.—6 p.c., subject to tax; Agra Electric Supply Co. Ltd.—10 p.c., subject to tax; Muttra Electric Supply Co. Ltd.—9 p.c. subject to tax; Arrah-Sasaram Light Railway Co. Ltd.—4 p.c., subject to tax; Chaparmukh-Silghat Railway Co. Ltd.—2 2/5 p.c., subject to tax; Futwah-Islampur Light Railway Co. Ltd.—1 4/5 p.c., subject to tax; Beharilal Ramacharan Cotton Mills Ltd.—6 p.c. (o), subject to tax; Howrah-Amta Light Railway Co. Ltd.—3 p.c., subject to tax; Howrah-Sheakhalla Light Railway Co. Ltd.—3 p.c., subject to tax; Shahdara (Delhi)-Saharanpur Light Railway Co. Ltd.—Nil; Kalpetta Estates Ltd.—12½ p.c., subject to tax.

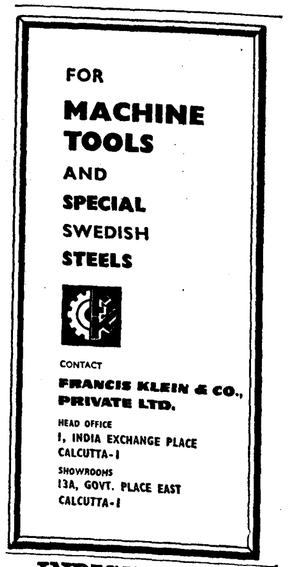
BOOKS RECEIVED

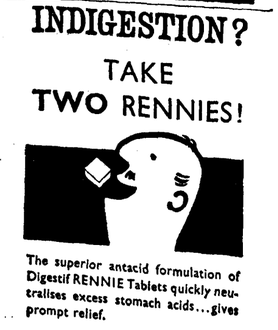
Oxygen News : Shakespeare Supplement. (Edited and published by Prasanta Sanyal on behalf of Indian Oxygen Ltd, 48/1 Diamond Harbour Road, Calcutta-27. Pages 39.)

The Millowners Association, Bombay. Report for the Year 1963. Parts I and II. Pages 496 and 115, respectively.

Kautilya : Madhya Pradesh Economy Number. 1964. (Published by the Department of Post-graduate Studies and Research in Economics, University of Jabalpur, Jabalpur. Pages 94.)







"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock Exchange Associations and other sources.

Figures given after stroke (/) mean paise.

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Wednesday, 16th September, 1964

BANKS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 16-9-64 Rs.	9-9-64 Rs.	A year ago Rs.
Allahabad Bank P.	18	15	15	100	248/00	248/00	258/00
Bank of Baroda	17	16	16	50	98/00	97/50	87/00
Bank of India	20	20	18	50	104/60	103/00	106/00
Central Bank of India	20	20	20	25	52/30	52/00	54/50
Chartered Bank	15	15	15	£1	sh. 51/6	sh. 53	sh. 62/10½
Hindusthan Commercial	Nil	Nil	..	50	10/25	10/25	13/00
Hindusthan Mercantile	Nil	Nil	..	50	10/75	10/75	15/62
Hong Kong & Shanghai	sh. 15	sh. 16	sh. 16	HK$25	£22½	£21½	£18⅜
India Bank	15	14	..	100	151/00	157/00	156/10
Indian Overseas Bank	14	12	14	100	149/00	147/00	145/50
National & Grindlays Bank	14	16	14	sh. 15	sh. 30/3	sh. 30/6	sh. 34/7½
Punjab National Bank	20	20	20	10	20/00	20/00	19/50
Union Bank of India	11 2/5	11 2/5	11 2/5	5	6/48	6/40	5/84
United Bank of India	6	6	7½	10	7/75	7/75	7/34
United Commercial Bank	12	12	12	50	70/00	70/00	68/75

JUTE MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 16-9-64 Rs.	9-9-64 Rs.	A year ago Rs.
Agarpara P.	2½	2½	12-12*	10	9/25	9/44	11/44
Alexandra P.	15	42½	..	100	245/00	245/00	300/00
Alliance P.	Nil	10	12½	100	108/00	119/00	137/00
Anglo-India P.	7½	10	12	100	190/00	197/00	237/00
Auckland P.	12	Nil	15	100	131/00	131/00	144/50
Bally P.	25	25	25-20*	100	239/00	241/00	270/00
Barnagore P.	10	10	40	£5	230/00	230/00	199/00
Bengal P.	5	5	..	10	7/00	7/00	9/37
Birla P.	15	15	15	10	36/00	35/62	31/69
Budge Budge P.	Nil	12	20	100	130/00	130/00	146/00
Calcutta P.	Nil	Nil	..	10	8/12	8/12	8/12
Caledonian P.	5	15	..	100	132/00	140/00	190/00
Champdany P.	5	Nil	40-35*	10	21/75	20/75	23/87
Cheviot P.	5	25	..	10	20/75	20/75	22/25
Chitvalsah P.	Nil	..	Nil	10	8/06	8/06	11/00
Clive P.	Nil	Nil	..	10	8/00	8/00	9/25
Dalhousie P.	1	Nil	25	100	125/00	125/00	155/00
Delta P.	Nil	12	16	100	141/00	141/00	161/00
Empire P.	7½	12½	15	10	14/12	14/12	18/25
Fort Gloster P.	10	12½	20	100	272/00	272/00	372/00
Fort William P.	22½	10	20	10	22/25	22/25	25/87
Ganges P.	10	15	20-20*	10	14/62	14/81	16/00
General Industrial	10	13	14	10	15/00	15/00	15/50
Gourepore P.	25	20	20-20*	10	23/00	23/00	26/37
Hastings P.	6	6	6	100	128/00	128/00	128/00
Hooghly P.	20	7½	10	10	14/44	14/44	16/00
Howrah P.	10	Nil	10-12½*	10	16/19	16/31	18/12
Hukumchand P.	28⅜	26⅜	26⅜	7½	19/50	19/50	22/00
India	12	8	22½	12½	15/44	15/56	17/87
Kamarhatty P.	Nil	20	20	100	156/00	156/00	197/00
Kanknarrah P.	Nil	15	15	100	124/00	128/00	135/00
Kelvin P.	15	5	20	100	143/00	140/00	199/00
Khardah P.	5	12½	12½	10	17/75	17/75	20/00
Kinnison P.	7	Nil	10	100	122/00	122/00	143/00
Lansdowne P.	Nil	Nil	Nil	100	111/00	111/00	95/00
Lawrence P.	15	10	10	100	109/00	109/00	121/00
Megna P.	12½	Nil	22	10	12/56	12/87	14/87
Naihati P.	Nil	Nil	..	100	85/00	85/00	93/00
Naskarpara	2½	5	..	10	5/50	5/50	8/00
National P.	Nil	10	10	10	19/50	19/50	24/00
Nellimaria P.	6	15	5	10	8/25	8/25	13/00
New Central P.	15	Nil	..	10	10/87	10/81	12/37
Northbrook P.	30	20	35	10	25/50	25/50	31/12
Nuddea	6	5	10-10*	10	10/81	11/25	..
Presidency	6	10	10	5	4/37	4/44	5/37
Rameshwara P.	Nil	Nil	Nil-Nil*	10	7/73	7/75	9/25
Reliance P.	Nil	Nil	Nil	10	7/12	7/81	10/19
Samnugger P.	Nil	10	13	£1	10/50	30/00	10/50
Shree Ambica P.	6	Nil	..	10	30/00	30/00	25/00
Soorah P	25	25	..	10	19/19	19/19	22/50
Titaghur P.	Nil	13	10	£1	10/50	10/50	10/50
Union P.	6	Nil	20	100	143/00	143/00	171/00
Victoria P.	Nil	10	10	£1	10/50	10/50	10/50
Waverley P.	30	60	30	1	8/44	8/44	8/16

* 1964

COAL COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 16-9-64 Rs.	9-9-64 Rs.	A year ago Rs.
Amalgamated	12½	15	12½	10	21/31	21/75	24/50
Bengal P.	21	19	16	100	255/00	261/00	275/00
Bengal Bhatdee	8	10	..	10	3/48	3/48	3/48
Bengal Nagpur	26	7	..	10	22/00	22/00	22/00
Bhalgora	Nil	..	..	10	4/25	4/25	4/75
Bharat Collieries P.	Nil	Nil	..	10	2/65	2/65	3/56
Bhulanbararee	Nil	Nil	..	10	10/00	10/00	11/94
Bokaro & Rampur	..	..	..	10	11/19	11/19	11/19
Borrea P.	15	15	15	10	20/25	20/25	23/87
Burrakur P.	13	13	13	10	17/06	17/06	16/12
Central India	10	10	9	10	9/44	9/44	9/87
Central Kurkend P.	..	Nil	..	10	3/44	3/44	3/87
Churulia	..	..	..	4	3/06	3/06	3/06
Dhemo Main	Nil	..	..	10	3/95	3/95	4/50
East Indian	15	20⅝	20⅝	£1	28/25	28/25	31/25
Equitable P.	10	10	10	10	21/06	21/06	23/25
Ghusick & Muslia	Nil	Nil	Nil	10	13/87	13/87	14/25
Guzdar Kajora	..	..	..	10	2/47	2/47	2/44
Hurriladih	Nil	..	..	10	5/44	5/44	8/12
Karanpura Development	5	3	3	10O	9/12	9/12	10/12
	15	9	9	10F			
Karanpura Collieries P.	10	10	10	10	13/31	13/00	16/00
Katras Jherriah	40	25	30-30*	10	28/12	28/12	34/12
Khas Kajora P.	10 2/5	..	..	10	13/25	13/25	17/62
Mundulpur	..	..	..	10	2/69	2/69	5/00
Nazira	Nil	Nil	..	10	4/69	4/69	19/25
New Beerbhoom P.	10	12	10	10	17/00	17/00	15/25
New Manbhoom	9	12	12	10	10/00	11/12	10/75
North West	20	11	..	10	19/75	19/75	18/00
				7½	18/00	18/00	13/00
Ondal P.	7½	7½	5	10	13/50	13/50	12/62
Parasea P.	1½	..	..	10	14/00	14/00	17/50
Pench Valley	10	10	12½	10	17/44	17/44	4/00
Pure Sitalpur	..	..	..	10	8/00	8/00	16/12
Raneegunge	17	17	17	10	13/00	13/00	25/00
Rewa	20	19	15	10	21/62	21/62	..
Samla	10	7½	..	10	7/81	7/81	10/00
Searsole	Nil	Nil	..	2½	0/81	1/25	1/25
Seebpore P.	42 6/7	35 5/7	28 4/7	7	34/75	34/75	34/75
Sendra	3½	2½	..	10	3/87	4/06	5/00
South Karanpura	Nil	Nil	2½	10	6/56	6/56	8/25
Standard	10	10	..	10	9/62	9/62	13/12
Union	Nil	5	..	10	10/12	10/25	11/12
Western Bengal	7½	9	9	10	9/31	9/50	8/44
West Jamuria	Nil	Nil	..	10	3/60	3/60	6/38

COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 16-9-64 Rs.	9-9-64 Rs.	A year ago Rs.
Basanti	..	..	..	10	10/00	10/00	11/44
Bengal Luxmi	..	..	..	40	30/00	30/00	30/00
Bengal Nagpur P.	Nil	..	..	10	2/44	2/44	3/06
Bharat Commerce	5	15	15	10	21/37	21/37	21/75
Birla Cotton	10	20	20	10	27/00	27/00	30/25
Bowreah P.	10	20	15	10	24/81	24/37	21/75
Cawnpore Textile	7 1/5	10	10	5	6/72	6/81	6/31
Delhi Cloth & Genl. P.	12	13	13-13*	25	50/94	50/94	41/56
Dunbar	20	20	15	10	27/19	27/50	27/06
Elgin P.	11½	17½	17½-17½*	10	20/00	20/00	19/61
Jaya Shree	12½	..	..	10	10/62	11/81	11/31
Muir P	10	10	..	10	13/87	13/87	14/69
New Victoria P.	Nil	..	..	100	60/50	60/50	80/00
Orissa Textiles P.	Nil	Nil	..	2½	1/19	1/28	1/53
Rampooria Cotton	3	Nil	..	10	14/12	14/12	13/00
Swadeshi (Kanpur) P.	Nil	Nil	Nil	1	4/12	4/12	2/00
	5	..	..	10O	11/00	11/00	11/50
	5.51	..	..	19PO	6/37	6/50	7/00

* 1963

BOMBAY COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 15-9-64. Rs.	5-9-64 Rs.	A year ago Rs.
Ahmedabad Advance P.	16	12	..	100	145/00	145/00	145/00
Apollo	Nil	Nil	..	2	1/82	1/80	1/82
Beharilal Ramcharan	Nil	Nil	..	100	142/00	138/00	80/00
Bombay Dyeing, etc.	14	14	14	25	60/80	61/20	61/19
Bradbury P.	10	25	..	50	162/50	162/50	148/00
Century	30	30	..	100	625/50	628/50	561/00
Central India P.	Nil	Nil	Nil-Nil*	100	102/00	103/00	110/00
Coorla	11	11	..	100	180/00	177/50	142/50
Dawn	30	30	..	50	167/00	167/00	147/00
Edward Textiles	9	9	6	200	300/00	300/00	290/00
Elphinstone P.	18	22	18—18*	50	101/00	101/00	94/00
Finlay	23	23	..	100	301/00	305/00	310/00
Gokak	14	18	..	100	177/50	180/00	160/00
Hindoostan	50	50	..	250	940/00	940/00	855/00
India United	8	14	..	10	19/48	19/24	22/76
	13½	37½	..	1Dd	2/38	2/36	2/54
Indian	23 1/5	25	..	250	840/00	840/00	761/25
Indore Malwa United	8½	10	7½	100	210/00	210/00	195/00
Khatau Makanji P.	32	16	..	100	192/50	188/75	197/50
Kohinoor	15	18	18-21*	100	330/50	350/50	305/50
Lakshmi Vishnu P.	5.7	6	Nil-3*	100	85/00	86/50	92/00
Morarjee Goculdas P.	21½	24	24-20*	100	263/00	266/00	360/00
Mysore Spg & Mfg P.	14	14	..	50	37/00	37/00	49/50
New City of Bombay	Nil	Nil	..	100	150/00	150/00	155/00
New Great Eastern P.	Nil	12	..	100	160/00	160/00	192/00
Phoenix	15	20	..	100	253/00	254/00	228/00
Sassoon & Alliance	Nil	Nil	..	10	10/36	10/36	10/92
Sassoon Spinning	17	20	10-20*	10	38/00	37/75	41/25
Simplex	15	Nil	22-16*	50	126/50	135/00	126/00
Shree Niwas P.	18	20	14-8*	100	257/00	257/00	225/00
Swadeshi P.	17	19	17	100	265/50	266/00	240/00
Swan	26	21 3/5	..	100	275/00	270/00	270/00
Tata	20	22	20	25	51/00	50/50	56/70
Western India	46 2/5	25	..	250	850/00	850/00	785/00

* 1963

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 15-9-64. Rs.	5-9-64 Rs.	A year ago Rs.
CEMENT ENGINEERING & METAL							
Associated Cement	12½	12	12—12*	100	164/00	164/25	145/50
ELECTRIC LTG.. POWER							
Ahmedabad Electricity	7	6	..	100	105/00	104/00	95/50
Andhra Valley Power P.	5½	5	5	1000	1,220/00	1,222/50	1,075/00
Bombay Subarban Elec.	8	8½	8½	100	114/50	114/00	101/00
Tata Hydro Elec. Power P.	5½	5	5	100	126/25	126/00	110/50
Tata Power P.	5½	5	5	1000	1,277/50	1,265/00	1,082/50
Alcock Ashdown	17	22½	19	100	300/00	295/00	280/00
Jost's Engineering	8	10	10—Nil*	50	47/00	47/00	59/50
Larsen & Toubro P.	12½	18	14—14*	10	22/72	22/80	22/76
Mackenzies	10	12	14	100	135/00	137/50	141/00
Premier Construction P.	43 1/3	33 1/3	30	30O	190/50	192/00	142/00
				33F			
Tata Eng & Locomotive P.	12½	14½	14½-14½*	100	274/00	273/50	260/00
Tata Iron & Steel P.	9.1	10.36	10.36-11*	75O	158/75	159/50	136/00
INSURANCE COMPANIES							
British India General	..	15	15	10	13/52	13/24	12/20
Jupiter General P.	..	4	Nil	15	7/00	7/00	9/20
New India	38	38	38	15	45/50	45/75	52/00
Vulcan	20	20	20	10	16/12	15/76	16/69
MISCELLANEOUS							
Belapur Sugar	38	50	40	50	230/00	232/00	190/00
Bombay Burmah Trading	30	33	33-35 1/5*	25	56/90	57/00	63/29
				20	43/25	43/00	47/50
Hindustan Lever	26	26	12—14*	10	31/50	31/50	37/75
Industrial Invt Trust	6½	6½	..	100	77/00	77/50	75/00
Kemp (Chemists)	12½	12½	..	200	263/75	263/75	257/50
National Rayon	22	..	..	100	367/00	368/00	338/50
Scindia Steam Navign.	3	3	3	20	16/32	16/08	11/88
Shivrajpur Synd.	80	Nil	Nil	10	16/00	16/00	19/00
Tata Chemicals P.	6	6½	6½—10*	10	19/48	19/48	16/04
Tata Oil P.	23	23	23—22*	25	50/70	50/50	61/80
Voltas	13	14	14—14*	100	272/00	271/50	242/00
Western India Match	16	16	16—16*	100	245/00	247/00	243/00

* 1963

TEA COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 16-9-64 Rs.	9-9-64 Rs.	A year ago Rs.
ASSAM GARDENS							
Amluckie	Nil	10	7½	10	16/00	16/00	16/50
Anandabag P.	30	32½	20	10	33/25	33/25	33/25
Baghmari	Nil	15	7½	10	11/00	11/00	16/50
Barduar Tea	..	..	..	6	8/50	8/50	8/50
Basmatia	35	25	20	10	18/06	18/06	27/25
Bateli	30	30	..	5	17/06	17/06	17/50
Betjan	40	45	30	10	29/00	29/00	29/19
Bishnauth	13	13	20	10	14/37	14/37	17/62
Bokakhat	Nil	12	13	10	13/12	13/12	13/70
Bormah Jan P.	15	15	15	10	10/06	10/06	12/69
Bor Pukhuri	Nil	Nil	10	10	10/50	10/50	10/56
Brooke Bond P.	15	10	7½—7½‡	10	10/25	10/69	12/06
Dejoo Valley	15	20	30	10	40/00	40/00	60/00
Dessai & Purbuttia	Nil	10	15	100	181/00	181/00	205/00
Dhelakhat	12½	10	..	10	20/37	20/37	18/81
Dhunseri P.	20	15	10	10	10/00	10/00	11/75
Dibrugarh	40	40	30	10	27/87	27/87	32/50
Duffla Khur	25	20	25	10	22/94	23/12	21/25
East India	25	25	30	10	26/12	26/12	26/56
Gillapukri	Nil	Nil	10	10	10/69	10/69	16/12
Gohpur	25	20	15	10	27/56	27/56	25/44
	Nil	5	20	10	14/69	14/69	15/50

‡ 1963

TEA COMPANIES—Contd.

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 16-9-64 Rs.	9-9-64 Rs.	A year ago Rs.
Grob	6	6	6	5	6/06	6/62	7/75
Hoograjuli (Assam)	20	20	17	10	27/62	27/62	27/12
Hoolungooree	10	7½	20	100	168/00	168/00	173/00
Jutlibari	30	30	20	10	27/37	27/37	31/50
Kingsley Golaghat P.	35	35	..	100	125/00	125/00	140/00
Kotamullai P.	Nil	Nil	Nil	5	9/75	9/75	10/31
Krishnabehari	15	8	10	10	11/30	11/30	10/50
Kyang Tea	Nil	..	..	10	8/06	8/06	8/06
Ledo	Nil	Nil	Nil	10	11/00	11/00	13/75
Maud Tea & Seed	10	7½	7½	10	12/00	12/00	14/81
Methoni	5	14	20	10	13/25	13/25	16/19
Moheema	Nil	Nil	..	10	11/50	11/50	11/50
Mothola	30	30	35	100	425/00	425/00	507/00
Murphulani (Assam)	5	15	25	10	26/50	26/50	26/50
	10.63	20.63	30.63	10	26/87	26/87	26/37
Naga Hills	10	10	10	10	21/25	21/25	22/25
Namburnadi	12	12	..	10	12/87	12/87	12/87
New Cinnatollah	Nil	Nil	Nil	100	455/00	455/00	302/00
Rajgarh	40	15½	17½	10	18/56	18/56	19/00
Sapoi	22½	20	10	10	19/50	19/50	17/25
Seajuli	22½	15	30	10	21/06	21/06	21/12
Teloijan	25	25	25	10	21/87	21/87	21/37
Tengpani	30	30	22½	10	36/50	36/50	35/00
Tezpore P.	20	12½	..	10	12/69	13/31	15/00
Tongani	Nil	Nil	..	10	5/00	5/00	5/31
Tyroon	10	15	25	10	24/75	24/75	30/37
CACHAR							
Arcuttipore	Nil	5	6	10	7/00	7/00	7/00
Baitakhal	2½	2½	..	10	6/00	6/00	8/10
Central Cachar	5	7½	5	100	73/00	73/00	85/00
Eastern Cachar	Nil	Nil	..	10	4/94	4/94	4/50
Kallinugger Khoreel	6	2	..	100	84/00	84/00	87/00
Hattikhira	Nil	8	Nil	10	6/50	6/50	8/69
Kunchanpore	Nil	Nil	..	10	6/00	6/00	6/00
Looban	Nil	Nil	Nil	10	4/69	4/69	4/44
North Western	30	20	10	100	140/00	140/00	160/00
Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50
Roopacherra	Nil	10	Nil	10	9/94	9/94	9/62
Rungamattee	5	5	5	50	49/25	49/25	49/00
Sonai River	Nil	Nil	..	10	5/06	5/06	5/05
DARJEELING							
Bloomfield	Nil	..	..	10	3/25	3/25	3/12
Chamong	Nil	10	10	10	8/87	8/87	9/00
Darjeeling Tea & Chin.	30	30	30	100	197/00	197/00	197/00
Dilaram	8	4	..	100	102/50	102/50	102/50
Gielle	Nil	..	8 4/7-15*	10	17/25	17/25	11/69
Lingia P.	15	10	17½	10	13/37	13/37	14/56
Longview	12½	10	..	10	8/25	8/25	11/00
Margaret's Hope	15	15	15	10	11/81	11/81	12/25
Mim	22½	27½	27½	100	430/00	419/00	191/50
Nagri Farm	30	25	35	10	28/31	28/31	27/25
Okayti	25	25	25	100	00	600/00	600/00
Pashok	10	Nil	..	10	20/00	20/00	20/00
Poobong	Nil	Nil	5	10	10/50	10/50	7/50
Pussimbing P.	Nil	Nil	Nil	10	7/62	7/62	7/12
Rungleee Rungliot	35	20	7½	100	290/00	290/00	386/00
Seeyok	15	Nil	..	10	8/50	8/50	8/50
Singell	Nil	Nil	Nil	100	36/75	36/75	36/75
Singtom	2	Nil	2	10	3/25	3/25	3/50
Soom	50	40	40	10	39/00	39/00	34/00
Sungma	15	15	20	10	12/31	12/31	14/25
Teesta Valley	Nil	..	8 4/7-10*	10	12/81	12/81	13/12
Tukvar	Nil	Nil	..	10	3/56	3/56	7/00
DOOARS							
Banarhat P.	22½	21	21	100	161/00	170/00	213/00
Baradighi	30	25	25	10	21/12	21/12	22/19
Bhatkawa	15	15	20	10	16/00	16/00	17/00
Birpara P.	17½	12½	17½	100	142/00	142/00	162/00
Carron	20	5	7½	100	117/00	117/00	151/00
Choonabhuti P.	32½	20	20	100	176/00	176/00	210/00
Ellenbarrie	5	5	10	100	173/00	173/00	194/00
Engo	60	30	40	100	136/00	136/00	136/00
Ethelbari	5	5	7½	10	11/87	11/87	10/62
Gairkhata	25	20	11	10	16/12	16/12	21/50
Gopalpur	12	2	10	25	19/50	19/50	20/00
Hantapara P.	15	5	10	100	97/00	97/00	107/50
Hasimara P.	17	..	18—15*	10	13/31	13/62	13/44
Huldibari	22½	..	19 2/7-11*	10	11/44	11/44	13/50
Jaybirpara	10	Nil	Nil	10	8/50	8/50	11/56
Killcott	25	15	15	10	14/50	14/50	15/37
Manabarrie	10	6	10	10	59/50	59/50	59/50
Nagaisuree	25	15	15	100	141/00	141/00	140/00
New Dooars P.	35	20	14½	100	166/00	166/00	230/00
Oodlabari	12½	7½	..	100	13/87	13/75	14/00
Phaskowa	Nil	Nil	Nil	100	121/00	121/00	129/00
Rajabhat	Nil	Nil	6	10	10/19	10/06	12/12
Ramcherra	15	15	7½	10	12/00	12/00	13/00
Rydak	25	20	25	10	22/62	22/62	24/25
Sarugaon	40	40	40	10	36/25	36/25	36/31
TERAI							
Atal	5	..	..	10	5/37	5/37	8/75
Belgachi	20	20	..	10	23/12	23/12	22/50
Gungaram	20	12½	12½	100	121/00	121/00	131/00
New Chumta	15	..	12 6/7-20*	10	20/37	20/37	20/00
New Terai	22½	10	15	10	20/50	20/50	24/62
Paharagoomiah	20	20	2½	10	10/00	13/75	15/00
Putinbaree	14	14	..	10	55/00	55/00	45/00
Tirrihannah P.	60	60	60	10	49/00	49/00	49/00
CHITTAGONG							
Kodala	Nil	Nil	..	10	9/25	9/25	9/25
Kornafuli	Nil	Nil	..	10	11/25	11/25	9/31
Oodaleah	Nil	Nil	..	10	8/00	8/00	8/00
SYLHET							
Chundeecherra	Nil	Nil	Nil	10	29/75	29/75	26/00
Dauracherra	22½	22½	20	10	15/19	15/19	12/37
New Samanbagh P.	25	Nil	Nil	10	20/31	20/37	18/37
Patrakola	32½	40	15	100	191/00	192/00	125/50
Rajnagar	Nil	Nil	Nil	10	9/56	9/56	9/50
Tellapara	22½	22½	10	100	202/00	180/00	110/00

‡ Hectares

* 1963

MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 16-9-64 Rs.	9-9-64 Rs.	A year ago Rs.
MININGS							
Burma Mines	2 3/5	Nil	Nil	3½S	0/44	0/44	0/44
Chrestien Mica Industries P.	15	12½	..	10O	9/06	8/75	10/40
Indian Copper Corporation	25	20	..	5Dd	6/53	6/53	6/87
Metal Corporation P	27	27	..	2s	3/40	3/37	4/91
Orissa Mineral Development	Nil	..	..	10O	6/25	6/37	8/25
	36	28	20	10	19/62	20/00	27/69
CEMENT, LIME, SLATE, ETC.							
Ashoka Cement	7	7	7—7*	10	7/25	7/25	7/50
Assam Bengal Cement	..	..	..	10O	4/87	4/87	5/00
				1Dd	0/59	0/59	0/75
Bengal Potteries	15	..	..	2½	4/12	4/19	5/15
Bisra Stone Lime	30	30	10	..	17/75	17/75	20/37
Dalmia Cement (Bharat) P.	12	12	12	10O	12/62	12/56	12/25
				1Dd	3/06	3/06	3/00
Jaipur Udyog P.	6	8	8.36	10	10/81	11/19	11/12
Kumardhubi Fireclay & Silica P.	18	18	18	10	18/45	18/45	18/45
Orissa Cement P	15	15	10	10	11/37	11/37	13/94
Reliance Firebricks & Pottery	22	15	10	10	22/75	22/75	22/75
Sone Valley Portland Cement	4	6	8	10	3/97	4/00	4/50
Sutna Stone & Lime	27½	30	35	10	27/00	27/00	28/12
CHEMICAL INDUSTRIES							
Alkali & Chemical Corpn. of (I)	12	15	15—15*	10	28/87	28/94	33/75
Bathgate & Co Ltd. P	Nil	Nil	..	5	9/84	9/84	9/84
Bengal Chemical & Pharm. P.	7	10	..	100	102/00	102/00	102/00
Calcutta Chemical P.	18	18	18	10	17/25	17/25	17/87
Frank Ross P	..	..	..	6	3/19	3/19	2/19
Smith Stanistreet P.	25	25	25-22½*	5	13/69	13/69	12/23
ELECTRIC LIGHTING, POWERS							
Agra Electric Suply	11	11	11	100	125/00	125/00	118/00
Bareilly Electric Supply	11	11	11	10	12/00	12/00	11/62
Benares Electric Supply	11	11	11	10	13/25	13/25	6/56
Bhagalpur Electric Supply	8	10	8	8	6/56	6/56	15/00
Calcutta Electric Supply	7	7½	7½	£1	15/28	15/19	11/87
Cuttack Electric Supply	7½	10	10	10	12/06	12/06	88/00
Disnergarh Power Supply P.	10	10	10	100	88/00	88/00	5/90
Jhanshi Electric Supply	..	..	..	10	5/90	5/90	11/25
Jubbulpore Electric Supply	10	10	10	10	11/62	12/31	12/87
Mirzapur Electric Supply	..	..	..	..	7/50	7/50	11/00
Muzaffarpore Electric Supply	12½	12½	12½	10	11/19	11/19	11/06
Muttra Electric Supply	..	..	..	10	11/06	11/06	10/75
Patna Electric Supply	10	10	10	10	10/50	10/50	7/50
Shahjahanpur Electric P.	6½	6½	6½	10	6/62	6/62	8/50
Sitapur (Jharkah) Electric	10	9	9	10	9/62	9/62	11/00
United Provinces Electric	11	11	11	100	187/00	190/00	15/00
Upper Jumna Valley Electric	13½	13½	13½	11	25/37	25/37	

* 1963

MISCELLANEOUS COMPANIES—Contd.

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 16-9-64 Rs.	9-9-64 Rs.	A year ago Rs.
ENGINEERING & METAL							
Arthur Butler (Muzafferpore) P.	Nil	10	..	10	15/00	21/25	14/94
Bhartia Electric Steel	10	12½	15	10	15/00	14/87	13/50
Braithwaite India P.	25	14	20	10	32/75	33/25	31/37
Bridge & Roof	30	30	..	10	52/25	52/25	52/25
Britannia Building & Iron P.	Nil	Nil	..	10	3/62	3/62	3/25
Britannia Engineering P.	10	10	..	10	9/44	9/15	9/94
British India Electric Cons.	20	15	..	10	29/12	29/12	33/12
Burn P (Engineering)	28½	28½	25	100	280/00	280/00	585/00
Calcutta Steel	15	15	12½-15*	10	13/81	13/94	13/00
Dalmia Iron	10	10	10	10	11/31	11/37	10/81
Guest, Keen, Williams	14	14	12	10	23/62	23/37	34/19
Hooghly Docking	Nil	12½	..	50	80/00	80/00	86/00
Indian Iron & Steel P.	16	16	16	10	25/58	25/50	23/00
Indian Malleable Casting	..	..	..	5O	6/00	6/00	6/00
				10d	2/81	2/06	1/81
Indian Standard Wagon P.	28½	28½	20-20*	10	38/25	38/25	33/25
Indian Steel & Wire Products	24	23	18	10O	31/75	31/75	39/00
Industrial Containers	10	10	..	10	25/62	25/62	21/37
Jay Engineering	17 3/20	15	10	10	19/12	18/81	20/87
J. K. Steel P	20	10	30	10	17/12	17/12	14/87
Jessop & Co. P.	8.58	8.58	10	10	20/75	20/81	25/00
Kumardhubi Engineering P.	11½	15	Nil-16½	3	5/50	5/65	8/37
Marshall Sons (India)	Nil	Nil	..	2	2/87	2/87	2/59
National Iron and Steel	Nil	Nil	..	10	6/37	6/37	5/12
Saran Engineering	10	12½	10	4	8/69	8/69	8/50
Steel Containers	20	20	..	10	24/31	24/31	29/50
Textile Machinery	10	..	17½	10	26/60	25/10	24/30
SUGAR BREWERIES, ETC.							
Balrampur Sugar	8	4	Nil	2½	1/69	1/81	1/95
Belsund Sugar	10	6 2/3	3 1/3	7½	8/87	8/56	8/50
Bharat Sugar P.	15	15	15	10	14/50	14/50	13/00
Carew (Sugar) P.	Nil	Nil	Nil	10	12/12	12/31	10/87
Cawnpore Sugar P.	Nil	Nil	Nil	10	10/00	9/62	9/75
Champaran Sugar	12	Nil	Nil	10	11/44	11/25	15/87
Durbhanga	Nil	5	..	10	8/25	8/25	9/00
New Savan Sugar and Gur	..	..	..	10	2/94	2/94	4/44
Purtabpur Sugar P.	..	..	..	10	9/12	9/12	11/50
Ramnugger Cane & Sugar P.	35	20	15	10	24/25	24/31	27/50
Raza Buland	10	10	10	10	10/06	10/00	9/50
Ryam Sugar P.	..	..	..	10	3/69	4/00	5/20
Samastipur Central Sugar	..	..	..	10	3/75	3/75	5/94
Shree Krishna Gyanoday Sugar P.	..	..	..	10	8/62	8/09	7/50
Shree Sitaram Sugar	..	..	..	10	7/28	7/28	7/12
Sitalpore Sugar	Nil	Nil	Nil	10	3/69	3/69	6/12
United Provinces	5	Nil	..	10	12/00	12/00	9/00
Upper Ganges Sugar P.	72½	72½	..	10	60/25	60/25	62/00
MISCELLANEOUS							
A. Firpo (Restaurateur)	10½	5	..	10	5/90	5/90	5/90
Aluminium Corporation P.	12	12	5	10	12/56	12/94	15/12
Anderson Wright Ltd. P.	Nil	6	..	10	11/50	11/50	11/50
Angelo Bros	28½	28	28	10	25/12	25/19	24/00
Assam Match	20	20	20	10	26/37	26/37	13/50
Assam Saw Mills & Timber	Nil	3	..	3	2/44	2/44	2/84
Associated Battery	15	15	15	10	24/62	25/37	24/37
Associated Hotels of India P.	10	10	15	10	10/37	10/37	10/31
Balmer Lawrie & Co.	25	25	22½	100	235/00	233/00	245/00
Bararee Coke	Nil	15	15	10	20/75	21/00	21/87
Birds Investments P.	10	10	..	10	8/75	8/75	10/75
Britannia Biscuit P	30	25	21	10	36/87	36/87	42/75
British India Corporation P.	7	9	15	5	11/00	10/78	7/69
British Paints	15	10	15	10	23/12	23/12	20/12
Calcutta Silk Manufacturing P.	Nil	..	..	10	6/94	6/94	6/94
Clive Row Investment	7½	7½	8	10	8/50	8/44	8/75
Duncan Brothers & Co. Ltd P.	14	14	12	100	137/00	137/00	130/00
Dunlop Rubber Co (India) P.	20	15	17½	10	32/62	32/50	33/19
Dyer Meakin (Breweries)	30	..	..	5	26/00	23/19	28/56
Eastern Investments Ltd. P.	14	12	10	100	102/00	102/00	118/50
Electric Construction	10	10	10	10	14/06	13/62	13/31
French Motor Car	20	..	..	20	31/75	31/75	35/12
Ganges Rope	20	20	20	100	252/00	252/00	236/00
General Investments Trust P.	5	5	5	75	43/00	43/00	43/00
Gillanders Arbuthnot & Co Ltd. P.	11	11	11	10	14/87	14/87	14/69
Gladstone Lyall & Co. Ltd P.	..	..	..	10	..	..	28/12
Godfrey Phillips (India) Ltd. P.	40	30	..	10	22/00	22/00	28/12
Great Eastern Hotel	6	..	..	250	252/00	252/00	225/00
Hindustan Aluminium P.	Nil	Nil	Nil	10	13/62	13/69	13/31
Hindustan Motors P.	12	12½	11½	10	17/37	17/31	17/06
Hindustan Pilkington	12	Nil	Nil	10	15/00	14/44	14/50
Hindusthan Twyfords P.	Nil	Nil	Nil	10	16/00	16/69	14/25
Hoare Miller & Co. Ltd.	6	..	..	10	5/50	5/50	5/16
Imperial Tobacco	9	9	8	10	8/75	8/75	10/75
Indian Aluminium Co. Ltd. P.	15	17½	17½	10	32/06	31/56	36/75
Indian Cable P.	15	22½	22½	10	36/25	34/87	34/12
Indian Oxygen	15	12	12	10	25/00	25/75	27/12
Indian Rubber Manufacturers P.	30	36	..	10	21/87	21/87	19/87
Indian Wood Products	30	30	25	10	27/62	27/62	29/75
Isaac Holdens	Nil	Nil	5	10	11/50	11/50	15/31
Investments and Finance P.	7½	7½	7½	100	55/00	55/00	55/00
J. K. Synthetics	3	Nil	10	10	13/31	13/25	11/12
James Wright P.	..	..	..	5O	2/75	2/75	2/75
	..	..	..	1Dd	00/43	00/43	00/43
Jardine Henderson Ltd P.	7	6	7	100	77/00	75/00	89/00
Jay Shree Industries P.	12½	..	..	10	14/75	14/69	17/50
Kesoram Industries P.	12	12	13	10	26/44	26/44	24/12
Macfarlane & Co.	..	..	..	50	4/56	4/56	6/75
	..	..	..	1Dd	1/81	1/81	2/19
Macneill & Barry Ltd. P.	8	7½	8½	100	95/00	95/00	93/50
Martin Burn Ltd. P.	27½	25	25	10	27/12	27/12	27/62
McLeod & Co. P.	15	18	..	100O	230/00	230/00	210/00
Metal Box Co. of India Ltd. P.	25	19	..	10	31/31	31/12	50/62
National Insulated Cable P.	25	25	18	10	26/69	26/69	22/87
National Pipe & Tubes P.	20	20	20	10	28/19	28/19	24/69
National Rolling & Steel Ropes	15	15	15	10	22/62	22/62	21/31
National Rubber P	6½	8	10	10	11/00	11/00	11/19
National Tobacco P	7	7	..	10	12/06	12/06	12/00
New India Investment Corpn.	..	..	..	75	63/00	63/00	65/00
Octavius Steel P.	7½	7½	..	100	..	..	..
Philips India	12	13	15	10	27/50	28/50	26/75
Publicity Society	75	75	50	4	25/06	25/06	22/62
Rallis India P	8½	8½	10	100	124/25	125/00	121/00
Rohtas Industries P.	10	8	9	10	10/37	10/81	11/37
Sirsilk P	..	..	..	10	7/50	7/56	9/06
Sen-Raleigh Industries P.	8	8	Nil	10	13/69	13/69	15/00
Shaw Wallace P.	15	7½	12½	10	14/87	14/87	16/81
Spencer's Hotel	2½	..	..	2	1/25	1/25	0/65
Union Carbide	18	12½	15	10	33/00	33/37	39/25
Walford Transport	30	30	..	1O	3/09	3/00	3/62
INSURANCE COMPANIES							
Concord of India	20	20	20	5	9/44	9/25	10/62
Hercules	26½	26½	..	10	23/50	23/50	22/56
Ruby General	13½	15½	..	8	12/62	11/75	9/31
Standard General	..	..	..	10	7/75	7/75	6/25
Triton	50	50	..	25	127/00	127/00	124/00
FLOUR MILLS							
Bengal	25	25	30	10	33/87	33/87	29/00
Delhi P.	..	..	..	10	14/00	14/00	14/00
Ganesh P.	..	..	..	12½	12/50	12/50	13/37
Hooghly	Nil	Nil	5	10	19/75	19/75	19/75
United	10	7½	10	10	27/81	27/81	27/81
OIL COMPANIES							
Attock Oil	13½	13½	..	£1	sh. 31/7½	sh. 31/7½	sh. 35/-
Burmah Oil P.	..	11½	12½	£1	sh. 59/4½	sh. 58/6	sh. 64/4½
Indo Burmah Petrolcum P.	25	22½	17½	10	21/31	21/50	22/00
Tide Water Oil	35	35	35	10	37/37	37/37	27/12
PAPER MILLS							
Bengal P.	27½	20	..	10	26/69	26/69	26/06
India Paper Pulp	13	12	15	10	16/37	23/00	18/37
Orient Paper P	22½	22½	20	10	32/85	32/80	35/05
Shree Gopal Paper P.	17 6/7	17 6/7	17 6/7	10	25/62	25/75	24/12
Sirpur P.	8½	8½	5	10	12/12	12/25	12/31
Star Paper P.	Nil	Nil	Nil	10	8/56	9/00	9/06
Titaghur P.	13	13	13	2½PO	3/37	3/37	3/87
	20	10	10	10AO	12/37	12/19	16/62
	20	10	10	10BO	12/37	12/19	16/62
West Coast P.	7½	..	..	100	164/00	164/00	137/00
PRESSING COMPANY							
Camperdown	11	..	..	100	100/00	100/00	104/00
REAL PROPERTY STORAGE							
Bengal Bonded Warehouse	8	8	9	A500	1,250/00	1,250/00	1,050/00
				B82½	125/00	125/00	135/00
				C100	186/00	186/00	122/00
				D12½	45/00	45/00	14/15
Calcutta Safe Deposit	..	..	..	100	7/81	7/81	7/87
Humayan Properties P.	..	..	..	10O	11/00	11/00	11/00
	..	..	..	1Dd	2/10	2/10	2/10
Midnapore Zemindary P.	Nil	Nil	Nil	85	33/75	35/00	11/00
TRAMWAYS & STEAMER							
Bengal Assam Steamship P.	7½	10	10	100	106/00	106/00	135/00
Calcutta Landing & Shipping	7½	22	6	10	21/00	21/00	34/00
Calcutta Steam Navigation	Nil	Nil	Nil	10	8/00	8/00	9/25
Calcutta Tramways P.	5	5	5	£1	10/75	10/75	11/25
Fraser	..	..	..	10	14/00	14/00	10/00
India General Nav. Railway P.	..	..	..	£10	34/50	34/50	40/00
India Steamship P.	Nil	Nil	Nil	10	6/91	6/53	6/69
Port Shipping	Nil	..	..	10	17/19	17/25	14/56

*1964

SOUTH INDIA PLANTATION COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 15-9-64 Rs.	8-9-64 Rs.	A year ago Rs.
Amalgamated P.	10	10	..	10	10/01	10/01	10/36
Anandam P.	18	15	..	10	14/25	14/25	14/19
Athumattam	5	Nil	..	2	1/20	1/20	0/78
Balanoor P.	12	12	..	10	11/20	11/32	12/00
Balmadies P.	5	Nil	5	2	1/85	1/85	1/65
Be Be P	5	Nil	..	5	2/32	2/32	2/07
Blue Mountain	10	10	10	2	2/32	2/32	2/30
Chembra Peak	20	20	..	2	5/25	5/25	4/45
Cochin Malabar P.	20	20	12	3	6/22	6/51	6/40
Coffee Lands P	12	9	..	10	16/62	16/62	15/00
Consolidated Coffee P.	20	15	..	10	23/75	23/65	18/20
Coonoor P.	15	17½	15½	10	17/40	17/40	18/30
Coorg P.	20	15	..	2	4/85	4/85	5/15
Cottanad Plantation P.	10	6½	..	10	9/30	9/30	9/31
Devashola (Nilgiri)	20	15	..	10	30/65	30/65	24/39
Devon P	12	12	..	10	12/35	11/00	12/66
Emerald Valley	Nil	6	..	5	6/75	6/75	6/35
Gokul	10	10	..	2	2/03	2/03	1/76
HaileyLuria P.	12½	11	..	10	12/65	12/65	11/60
Kailas	25	30	..	2	6/46	6/46	5/60
Kalasa Tea Produce	25	15	..	2	4/25	4/25	5/60
Kil Kotagiri P.	25	25	..	2	4/90	5/00	5/88
Lucky Valley	10	10	..	10	11/75	11/75	11/25
Malankara	16	14	..	10	17/00	17/00	15/44
Midland Rub & Prod P.	12½	12½	..	10	11/45	11/45	10/75
Nilgiri P.	10	10	..	10	9/20	9/00	8/80
Nonsuch	20	20	20	10	21/87	21/87	24/50
Ossoor	15	15	..	2	2/62	2/62	3/06
Ouchterlony	12	6	..	2	3/33	3/30	4/63
Parkside Neilgherry	22½	27½	25	10	25/20	25/25	25/87
Peermade P.	25	20	..	10	20/62	20/62	20/77
Peninsular	20	20	..	10	22/10	21/25	20/70
Periakaramalai	20	12½	15	2	3/47	3/50	3/75
Rajagiri Rub. & Prod. P.	20	20	..	10	22/10	22/10	18/25
Rajendra P.	25	20	..	5	13/00	13/00	9/80
Swinton	6	Nil	..	2	2/68	2/68	2/82
Teekoy P.	4	6	..	10	6/75	6/75	6/45
Thirumbadi	12	10	..	1	1/75	1/75	2/03
Travancore Rubber	12	12	..	10	10/35	10/35	9/66
Travancore Rub & Tea P.	10	10	..	10	8/68	8/68	10/00
Tropical Plantations	8	8	..	25	19/65	19/65	18/20
Twyfords	6	5	..	10	9/00	9/00	8/25
United Nilgiri	22	22	..	10	23/10	23/10	20/34
Valkundam	30	35	..	10	35/50	35/50	29/45
Waterfall Estates P.	10	10	10	2	2/33	2/33	2/30
Woodland P.	10	Nil	..	10	6/90	6/90	7/85

† Kgs. • 1962

SOUTH INDIA COTTON MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 15-9-64 Rs.	8-9-64 Rs.	A year ago Rs.
Bangalore W. C. Silk P.	18	18	24	100	270/00	270/00	233/00
Buckingham & Carnatic P.	18	18	18	100	281/00	281/00	263/50
Cambodia P.	12	9	..	10	8/35	8/35	12/37
Coimbatore Cotton	16	9	..	100	151/00	151/00	168/00
Coimbatore Spg & Wvg.	16	8	..	50	115/50	115/50	68/50
Kothari Textiles P.	8	8	6	10	8/30	8/30	9/30
Lakshmi	25	20	20	50	134/00	134/00	141/00
Madura	30	15	15	15	34/90	34/90	31/25
Mettur Industries	30	22½	20	100	265/50	277/50	264/00
Palani Andavar P.	50	35	..	10	193/15	193/15	202/75
Vasanta P.	25	20	..	100	234/00	234/00	276/00

• 1962

SOUTH INDIA SUGAR MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 15-9-64 Rs.	8-9-64 Rs.	A year ago Rs.
Andhra P.	16	12	..	10	13/04	13/55	17/36
Cauvery P.	8	6	..	100	100/00	99/75	107/00
Deccan Sugar	12	18	18	5	12/40	12/40	9/65
E.I.D.—Parry	21 3/7	28 3/7	..	£1	36/12	36/25	39/00
Indian Sugar P.	10	8	8	10	8/90	8/90	9/00
Jeypore P.	15	15	..	10	15/23	15/23	15/25
K. C. P.	15	15	..	10	24/00	24/00	23/90
Kothari	Nil	Nil	Nil	10	6/50	6/50	6/95
Mysore	30	30	30	10	28/00	28/33	47/75
Travancore P.	7½	5	..	10	7/65	7/65	7/40
United Breweries	60	25	Nil	10	33/00	33/00	95/00

• 1962

SOUTH INDIA MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 15-9-64 Rs.	8-9-64 Rs.	A year ago Rs.
Aluminium Industries	18	18	..	10	22/25	23/15	18/00
Andhra Cement P.	10	9	9	10	10/10	10/10	9/60
Ashok Leyland	8	8	..	5	7/00	6/90	7/35
Brunton & Co.	22½	21	..	100	269/00	269/00	300/00
Enfield P	Nil	Nil	..	10	4/40	4/40	5/10
India Cement P.	4	4	..	10	10/30	10/30	8/97
Indian Steel Rolling P.	9	12	..	5	5/51	5/53	5/65
Mettur Chemical Industrial P.	12½	10	..	10	9/30	9/95	11/00
Mysore Chem & Fert.	12½	13¾	18¾	10	14/90	15/05	12/65
Mysore Chemical Mfgs. P.	10	5	..	10	7/93	7/90	7/75
Mysore Lamp P.	20	20	..	10	16/70	16/70	17/75
Mysore Paper	25	37	..	10	30/00	30/00	34/10
Mysore Tobacco	15	15	..	10	12/50	12/50	13/60
Parrys Cont	Nil	10	..	10	11/50	11/50	9/95
Spencer (Provisions)	30	26	..	1	2/97	2/97	3/45
Standard Motors P.	18	18	..	10	21/50	21/50	21/09
T Stanes P	7	6	..	10	10/15	10/15	11/63
Textool	15	32½	..	10	30/15	30/25	29/05
Tube Investments	15	15	..	100	156/50	155/00	145/75
	10	10	10	100	185/00	185/00	235/00

• 1962

LIGHT RAILWAY AND ROPEWAY COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 16-9-64 Rs.	9-9-64 Rs.	A year ago Rs.
Ahmedpur Katwa	1.90	1.90	1.75	100	24/87	24/87	29/00
Arrah Sasaram	5	5	5	100	31/62	31/62	27/00
Bankura Damoodar	1.90	1.90	1.75	100	24/87	24/87	30/00
Burdwan Cutwa	1.90	1.90	1.75	100	24/87	24/87	29/00
Chaparmukh Silghat	2.90	2.90	2.80	100	35/00	35/00	35/00
Cherra Chhatak Ropeway	9	12	12	8	4/62	4/62	5/75
Darjeeling Ropeway	..	..	..	10	8/50	8/50	9/00
Dehri Rohtas	17	20	15	10	11/19	11/19	13/21
Futwah Islampur	1.90	1.90	1.90	100	28/70	28/70	29/75
Howrah Amta (P)	5	5	4½	100	40/00	40/00	40/00
Howrah Sheakhala	5	5	4½	100	36/50	36/50	45/00
Katakha) Lala Bazar	3.50	3.10	1.90	100	41/00	41/00	41/00
Shahdara (Delhi)	@	3	..	100	52/00	52/00	40/00



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AMBIVALENCE IN PLAN PRIORITIES

AN air of unrealism permeated last week's no-confidence motion against the Shastri Government, something which became evident when the sponsors of the motion failed even to secure the support of the largest Opposition group, the Swatantra Party. The latter declined to join hands with the Opposition, and rightly so, on the ground that the Government had been in office for just three months, which was too short a period to expect results. It was also clear where the sympathies of the other right-wing parties lay, although they joined the foray reluctantly. Even so strong a critic of the Government as Mr. Frank Anthony rallied round to its support. In fact, at no time before had the Opposition been in such a state of disarray, and, as was expected, the censure motion turned out to be a damp squib. The Opposition's attack was far from being united either in its purpose or tactics. Mr. N. C. Chatterjee, who mounted the offensive, put up a feeble and ineffective show although the nation-wide discontent over prices and the Congress Party's discomfiture in Kerala and Orissa provided obvious circumstantial advantages for an assault. Another noteworthy aspect of the debate was that there was no attack from the Congress legislators themselves, who have in recent years developed the technique of hitting out at their own Party Government into a fine art.

The gravamen of the charge against the Shastri Cabinet, particularly from the left-wing politicians, was that it had drifted away from the policies of Mr. Nehru. Mr. Shastri took the opportunity to assert his right of independent thinking while unequivocally repudiating the charges that his Government was veering away from the objectives and policies of his illustrious predecessor. He affirmed his belief in the socialist aims adopted by the Party under Mr. Nehru's leadership. In fact, Mr. Shastri is the staunchest upholder of the Nehru tradition, even to the point of inhibiting his own individuality. It is a wholesome indication that he is now asserting his freedom of action, although it is still very much within the framework left by Mr. Nehru. Mr. Shastri has indicated in no unmistakable terms that he would like his policies to be judged by themselves, without reference to their adherence to Mr. Nehru's views. Maintaining continuity of the Nehru tradition is one thing and a rigid conformity to it without regard for the change in circumstances is quite another thing. As Mr. Shastri pointed out, in a democracy there is no such thing as deviation and there ought to be complete freedom to re-think old policies and formulate new ones. Indeed, Mr. Nehru himself believed in flexibility and pragmatism.

The main challenge before Mr. Shastri, as he himself sees it, is the price situation which has assumed proportions never before witnessed in the post-independence years. So Mr. Shastri's major objective has to be to stabilise prices at reasonable levels. This being the case, the emphasis must necessarily have to be on expanding the output of agricultural and consumer goods. Since the real resources of the economy are severely limited—according to the Reserve Bank directors, even with the utmost optimism about agricultural production and the availability of foreign exchange, the country's resources may remain strained—a selective pause in the expansion of heavy industry becomes inevitable. This is all the more important because huge investments in heavy industry, with their long gestation periods, substantially add to the pressure on prices, thereby undermining stability. In the conditions obtaining in India today, the conflict between stability and growth has become very real. In effect this means that a choice has got to be made, however distasteful it may be, between the needs of the present and of the future. In response to the hard logic of the situation, Mr. Shastri is wisely trying to opt for the present.

However, the burden of the past is obviously lying too heavily on the Shastri Government. This is most clearly visible on the question of the choice of plan priorities. During the no-confidence debate, Mr. T. T. Krishnamachari, Central Finance Minister, stated that it would be "disastrous" for the country at this stage to reverse its development strategy "merely because there have been failures of supplies causing hardships in the short run." He put forth a case for ambitious investment planning aimed at rapid industrialisation, and stated that the situation did not warrant a cut in development expenditure or a shift away from heavy industries. This is obviously an attempt to placate leftist elements within the Congress. But it is difficult to see how this hitches in with Mr. Shastri's plea for consolidating the work on projects already under way and for a selective pause in heavy industrial expansion. It apparently betrays the lack of a co-ordinated approach towards planning at the top echelons of the Government and the inability to face the hard realities of the situation due to the economic legacy of the past. When such an ambivalence characterises thinking at the highest level, it is bound to be reflected in the working of the Planning Commission. It has not clarified things for the public either and has caused much confusion in the country.

No doubt, there cannot be two opinions about Mr. Krishnamachari's plea that there should be a continuous effort to improve the returns from every field so that the rate of economic growth is speeded up. This is all right so far as the existing projects are concerned. But what about the new schemes which are still in the womb of time? The snag lies in the fact that some of them, which entail the largest of outlays, are, by their very nature, slow-maturing and, therefore, involve a substantial time lag between investment and production. Such projects are quite often in the public sector which, with its burdens of red-tape, prolong the gestation period. On the other side, there are "light" industries and other quick-yielding schemes, which involve a smaller capital outlay. The big question is whether the disproportionate emphasis on the former at the cost of the latter is going to be continued. This is a question which needs to be faced squarely irrespective of political dogma, since on the right answer depends economic stability and ultimately political stability for the country.

Mr. Krishnamachari affirmed that the correct policy was "to remove the obstacles in the way of an even faster rate of growth in industry." A question may justifiably be asked as to what has so far been done to remove the obstacles. The present

fiscal structure is perhaps the biggest deterrent to the growth of industry and has made it extremely difficult for entrepreneurs to tap the capital market. Mr. Krishnamachari felt that while the new institutions like the Unit Trust and the Development Bank would help to some extent, the entrepreneurs themselves ought to learn to mobilise the people's savings. This is rather odd advice considering that the Government itself has created the situation where equity investments have become unattractive. To say that it is primarily the duty of industry to "cultivate" the market so that it responds to the former's needs, as the Finance Minister said, sounds platitudinous advice which ignores the realities of the capital market. Savings can be attracted only if hard incentives are offered to the investor in place of wordy exhortations. The latter are no more capable of hitting the target than the Opposition's missiles in the no-confidence debate.

BANK LIQUIDITY AND CREDIT NEEDS

THE scheduled banks have been able to comply with the increased liquidity requirements, enforced since 16th September, 1964, without much difficulty. The Banking Companies Amendment Act, 1962, gave the banks two years to raise their liquidity ratio from 20 percent to 28 percent. The new ratio consists of 3 percent in the form of statutory balances with the Resrve Bank and 25 percent in the form of other unencumbered liquid assets, mainly Government securities. Under the law, the Reserve Bank has the option to increase the statutory balances of banks from 3 percent to 15 percent, if required. So the Reserve Bank can, if it thinks necessary, ask banks to maintain a liquidity ratio of up to 40 percent. In view of the easier money supply during the current slack season, it has not been difficult to achieve the new ratio. Furthermore, the interbank market has an adequate supply of funds since the call rate in Calcutta is hovering around 1½ percent with lenders over. On a rough estimate, the overall liquidity ratio of all scheduled banks now works out to an average of about 34 percent to 38 percent, although that of the State Bank of India is considerably higher. But it enjoys the advantage of holding a substantial amount of U.S. P.L. 480 counterpart funds.

The maintenance of a higher liquidity ratio is impeccable in principle since it ensures the financial soundness of banks. Its importance, particularly in India, cannot be exaggerated because some bank failures had shaken the confidence of depositors only a few years ago. But the impact of the increased liquidity ratio on the working of banks needs to be assessed carefully. Since the Reserve Bank is armed with enormous powers to regulate the working of banks, the need for enforcing a very high liquidity ratio is not considered urgent. The new ratio will tend to interrupt the smooth working of banks, especially when there is a pressure on banking funds in the busy season.

The transition to the new ratio has been facilitated by the fact that banks have invested considerable funds during the current slack season in Government securities. The investment portfolio of scheduled banks has risen by Rs. 129.46 crores to Rs. 761.99 crores since the beginning of the present slack season. But this trend usually prevails at this time of year because the absence of an adequate demand for credit induces banks to invest more heavily in Government securities. As soon as the demand for credit improves, securities are sold and the proceeds are used to give loans and advances.

The question, however, arises whether banks will be able to satisfy fully the credit requirements during the ensuing busy season under the new liquidity ratio. Since it will block a larger amount of funds, the majority of banks may experience a shortage of resources. This apart, credit requirements during the next busy season are likely to be a good deal larger than those of the 1963-64 busy season. During the latter, bank credit expanded by about Rs. 377 crores. It is significant that a large part of the credit expansion was due to the rise in non-seasonal requirements. During the current slack season, credit contraction has been no more than one-third of the busy season's usual credit expansion. This indicates that banking advances are tending to become non-seasonal in character. The trend is understandable because bank advances to industries have increased substantially during recent years. Considering the fact that the progress of industrialisation will continue, industrial advances will expand rather than decrease. In sum, the banking community will be asked to expand its credit much more during the 1964-65 busy season than it did in the previous one.

Although the Reserve Bank has the discretion to relax the new ratio for any particular bank, it is unlikely to do so. In the circumstances, the banking community will have to mobilise deposits much more vigorously to meet the demand for credit. Since the beginning of the current slack season, deposits of scheduled banks have risen by Rs. 195.99 crores to Rs. 2,703.90 crores. The pace of growth needs to be accelerated. One way of doing this is to make bank deposit rates more attractive. These have been recently raised, but they do not appear to be sufficiently attractive. Funds have been diverted to other financing institutions which are offering higher interest rates. So it is time the banks considered adjusting deposit interest rates again. It also needs to be pointed out that poor banking services have been a major cause of checking the deposit growth. In the case of many banks, the encashment of a cheque at the counter takes a great deal of time. There is no reason why a bank should take about an hour or so to pay a cheque. Even depositing money or cheques in some banks takes a long time.

The effect of the new liquidity ratio on bank profits is likely to be unfavourable. Since the interest obtainable on Government securities is far too small in comparison with the lending rates of banks, the larger funds which have been shifted into securities, are obviously less remunerative. Banks generally do not prefer Government securities due to various factors. During the current slack season, they have invested heavily in Treasury bills in spite of the low return obtainable from them. Since the rate offered on new Government flotations has tended to rise in recent years, the risk of a capital loss on existing security investments has increased. This apart, the absence of a free market in securities has been a major restraining factor. Except for institutional support there has virtually been no public interest in securities. Even the Reserve Bank does not buy securities except in switches. So banks generally find it difficult to sell Government securities when they want to do so. If greater institutional support for gilt-edged is to be attracted, it is essential to make them more easily marketable.

The banks will be encouraged to invest more in securities if the Reserve Bank lends funds against securities more freely. At present, borrowings from the Reserve Bank are regulated by maximum quotas allocated to banks. The banks have been deterred from borrowing from the Reserve Bank freely due to the prohibitive lending rate of the latter under the tier system. In view of the substantial credit needs likely to arise during the coming busy season, it is time the Reserve Bank considered liberalising its lending policy. Commercial banks should be allowed to borrow liberally from the Reserve Bank against Government securities. The Bank should also consider buying Government securities in the open market. This will help inspire greater confidence in the market for gilt-edged.

DEVELOPING SMALL INDUSTRIES

THE small-scale industries have made rapid progress over the past few years. There are at present about 60,000 small-scale units registered under the Factories Act, representing approximately 90 percent of the total registered factories. This shows a rise of nearly 50 percent during the course of the last three years. However, in spite of this phenomenal growth, its impact is not reflected in the industrial economy of the country, and large-scale units still remain the backbone of the Indian industrial structure. The net output of the small-scale units represents hardly about 25 percent of the total value added by the Indian industry as a whole. This is not insignificant, but much more still remains to be done if the small-scale sector has to contribute a sizable share in the industrial development of the country. The development of small industries has been stifled by numerous adverse factors operating against their interests, but the second All-India Small Scale Industries Conference held in Bombay on 15th September under the auspices of the All-India Manufacturers Organisation, restricted its discussions to the three major problems, namely, raw material shortages, technical and managerial assistance and internal and international marketing.

The chairman of the A.I.M.O., Mr. Hansraj Gupta, rightly pointed out that although the performance of small industries might not be all that one would wish for, they should not be made the scapegoat for the faults which were not theirs. He said that the scarcity of raw materials was the major reason for the inability of small industries to fulfil the hopes cherished in them. Because of the raw material shortage, many small industries are compelled to operate at as low as 30 percent of their installed capacity, which greatly inflates their cost structure. Similarly, the compulsion to resort to the open market for the purchase of their required raw materials at exorbitant prices reduces the profitability of small ventures and weakens their competitive capacity. Besides, whenever large industries producing raw materials and intermediates also engage themselves in the production of end-products from them, small industries are generally starved of these raw materials. In order to overcome this handicap, the A.I.M.O. has suggested that some curbs may be imposed on these particular large producers of raw materials and intermediates when the end-products could be produced by small industries. Several units are known to be working uneconomically because of obsolete and outmoded equipment, lack of managerial and technical know-how and inadequate finance. The facilities made available by institutions like the National Small Industries Corporation in supplying modern machinery are inadequate to meet the needs of the small-scale sector. Technical and managerial assistance has assumed a vital importance for increasing the productivity of the small industries because of the varied needs arising out of the growing sophistication in the pattern of their development in the context of multiplicity and complexity of fiscal and labour laws.

Marketing is another major problem. As expenditure involved in an ambitious sales drive is beyond the reach of an individual small industry, marketing assistance, both on the internal and international fronts, is essential for opening new vistas of growth for the enterprising small entrepreneurs. Small industries are expected to make a substantial contribution to foreign exchange earnings during the fourth plan; their contribution so far has been very poor. In view of the limitations of size and resources, the small industries find it difficult to enter international markets. The A.I.M.O. chief has recommended that corporations like the National Small Industries Corporation and the S.T.C. should make greater efforts to secure bulk orders from abroad for the benefit of small industries not only from East European countries, but also other countries. The accruing import entitlements could also then assist in relieving the scarcity of raw materials. Intensive training programme to acquaint the small industrialists with the intricacies of export business could also prove very useful. It has also been suggested that in order to keep pace with the development of large-scale industries, the list of ancillary industries should be enlarged to bring more small units within its fold. Similarly, the growing sophistication in the pattern of development of small industries should be satisfactorily reflected in the list of items the purchases of which are reserved for the small industry sector.

In his inaugural address to the conference, the Central Minister for Industry and Supply, Mr. H. C. Dasappa, reiterated what he had stated at the recent meeting of the Small Scale Industries Board that "the growth of those small-scale industries which depend upon scarce raw materials will have to be on a regulated selective basis." But he was quick to clarify that the Government had no intention to resort to any elaborate system of licensing which is most welcome as it will save the small-scale sector from the cumbersome and dilatory procedures associated with the licensing of large-scale industries under the Industries Development and Regulations Act. Mr. Dasappa emphasised that screening will apply only to new entrants requiring scarce raw materials and that new units utilising indigenous raw materials, which are not in short supply, can be established freely as at present. Few can find fault with a policy which restricts the setting up of new units based on raw materials the supply of which is insufficient even to feed the existing units.

In fact, it is necessary to ensure that even the development of units utilising indigenous raw materials does not lead to wasteful use of resources. Raw materials and intermediates, previously imported, are now being produced in the country by units in the scheduled sector and are becoming available increasingly for further processing and fabrication by small units on a decentralised basis. Besides, various national laboratories, Indian Standards Institution and other research organisations are studying the scope for substitution for imported or otherwise scarce raw materials. Mr. Dasappa said that it would be his endeavour to increase supplies of scarce raw materials in future, but he could not be certain whether the increase would be such as to satisfy all the requirements. As for marketing, the Central Minister suggested that assistance needed for the promotion of exports should be organised on a co-operative basis by progressive exporters themselves. As for internal marketing, he assured the conference that the National Small Industries Corporation had been finalising a scheme to facilitate the participation of small units in supplying goods to the Government under the store purchase programme.

The experience of small-scale industry development during the last decade has unmistakably proved that given a certain amount of initial assistance the small units can become viable and self-reliant. They show promise of vigorous growth and, if afforded the benefits flowing from modern technology, the small-scale sector has the ability to take advantage of the scope for further development in sophisticated fields. The development of the small-scale sector should be co-ordinated with the development of large-scale industries so that they complement and supplement each other and unhealthy competition is avoided. The Government would do well to revise the present definition of small-scale industry which seems to have led to a tendency on the part of small units wilfully to check their growth so that they may remain within the definitional limits of the small-scale industry and enjoy the benefits and facilities granted by the Government. It is necessary to evolve a suitable formula which besides being easily ascertainable and non-discriminatory will help encourage the small-scale entrepreneur in expanding his activities as he prospers.

TRADE WITH COMMUNIST BLOC

UNTIL the end of October this year, holders of Baltic bonds and of other claims on territories that were occupied by Russia during the last war can state their claims to the Foreign Compensation Commission in London. The British and Russian Governments will soon begin negotiations to settle these old debts (but not the debts of Tzarist Russia) and the Soviet counterclaims for gold and other valuables frozen in London since 1940. The City of London believes that on this occasion (which is not the first) the Russians will negotiate with the intention to reach an amicable settlement, although (in a total of roughly £20 million) the claims against Russia are considerably more than those against the U.K. For the City believes that the Russian authorities (who operate in a fully professional manner in the London money market through the Moscow Narodny Bank) wish to establish their creditworthiness in London with a view to borrowing in the London capital market.

In isolation, these moves would be more interesting than important; but they fit into a wider pattern. The Russian bloc is trying to develop trade with the western countries as fast as possible, but the latter are divided in their attitude towards this trade, particularly in relation to credits. The United States and West Germany are on one side of the dispute, insisting that the five-year limit must be maintained: Britain, France, and Italy, are on the other side, inclining towards longer credits. The dispute is becoming acrimonious. The Berne Union of credit insurers—in which not all capital-exporting countries are represented —is no more than semi-official, and the Berne Union agreement that fixed the terms of export credit in the various categories lacks the force of inter-governmental agreements. Governmental decisions to allow longer credits to communist countries would be difficult to resist, and experience suggests that in this competitive field of export credit generally any advance by one country is quickly followed by others.

Britain's policy on trade with communist countries has been clarified this year. It is officially unpolitical. Britain as an international trader is not concerned with Washington's fine distinction between Russia and the "satellites" or with the animosity between the Soviet Union and China; she is willing to trade on proper commercial terms with any country with which she is not in open conflict—and any country includes, of course, South Africa and Spain as well as Russia and China. Credits far in excess of five years have been granted to some developing countries, and industrialists throughout western Europe, as well as the Governments of Britain, France and Italy argue that the western countries suffer more than the communist countries from special restrictions on East-West trade. Despite Washington and Bonn, the movement to bring this trade into the ordinary field of commerce and finance is probably irresistible. Britain has a special interest in this trade; yet a special reservation in the financing of it. The special interest is easy to perceive; her export drive—if its effects can be measured by the trade figures—has failed alarmingly this year. The special reservation is a corollary of that failure: a country whose balance of payments is deteriorating fast cannot afford to grant long credits on a massive scale.

This is a case where general principles must be supported, or modified, by practical details. A product-analysis of Britain's exports shows that the failure has occurred in one category—the most important one—machinery. While imports in this category have soared, exports have been virtually static. This contrast suggests that, in general, British capital goods are less competitive this year. The communist countries want value for money, but, like other developing countries, they are willing to compromise if they can get long credits. It is tempting to grant long credits if exports in this languishing sector can be revitalised. On the other hand, very long credits are applicable not to ordinary machinery but to whole industrial plants and other big development projects, and various big contracts negotiated recently with British companies (or consortia of companies) have seemed to imply that in this sector British industry can compete successfully with any rival. Very long credits would probably be most advantageous, on the British side, in relation to ships; immediately for Russia and later (so the depressed and somewhat uncompetitive shipbuilding industry hopes) for China.

If the principle of extended credit is accepted, the prospective debtors' creditworthiness will be reconsidered accordingly. The City of London, which has assisted the financing of Anglo-Soviet trade for many years, regards Russia as an exemplary—indeed, an impeccable—debtor in commercial affairs. (Her treatment of old government debts is not, of course, similarly praised.) It must be admitted that not all developing countries are likewise reliable financially, if only because they have accumulated such a weight of commitments that their ability to discharge them is in doubt. It seems, therefore, that self-interest may incline creditor countries to grant long credits to communist countries rather than to needier countries that would be preferred politically. The proper solution of this problem is to strengthen the guarantees for credits to developing countries in general.

Current News and Comment

Enquiry Report on Powerlooms

The Asoka Mehta Committee set up by the Government of India early in 1963 to enquire into the problem of the powerloom industry has made as many as 126 recommendations. If fully implemented, these will radically change the complexion of the Indian textile industry. The recommendations aim essentially at strengthening the handloom and powerloom sectors at the expense of the mill sector, which is in sharp contrast to the worldwide trend towards vertical integration of the spinners, weavers and processors. The committee has recommended that additional production of cloth in the fourth plan should be exclusively in the decentralised sector and that mills should not be given any additional loomage; but mills which have already been licensed to set up additional looms may be allowed to install them.

It is suggested that the production of *dhotis* and *sarees* by mills should be pegged at the 1963 level and that the production of coloured *sarees* should be reserved for the handlooms. The phased conversion of handlooms into powerlooms which had been discontinued in 1961 is sought to be revived. It has been recommended that 10,000 powerlooms should be introduced in the co-operative sector of the handloom industry during the third plan period. These looms should be installed with Government assistance at the rate of Rs. 3,700 a loom. The committee has estimated that an additional 60,000 powerlooms will be needed in the cotton sector to meet the requirements of cloth during the fourth plan period and another 40,000 powerlooms will be needed in the man-made sector which will be phased with the availability of yarn. It has been suggested that the marketing and processing of cloth by the powerloom industry should be arranged on a co-operative basis and that the powerloom industry should be eligible for assistance from the State Finance Corporation, the State Bank and commercial banks, in addition to assistance under the State-aid to Industries Act.

Control over the acquisition and installation of powerlooms in the decentralised sector is sought to be removed, and instead, the introduction of a scheme of registration of powerlooms on payment of a fee has been recommended. The committee says that both handlooms and powerlooms should be able to draw their requirements of yarn from a common pool of co-operative spinning mills. It is suggested that the pattern of growth for the powerloom industry should be based on clusters of about 300 powerlooms each, not under one roof, but in small units within convenient distances of each other established in and around small towns. The committee feels that the scope for setting up powerlooms in rural areas with a view to providing rural employment and improving the economic conditions of the rural populations is at present rather limited. Another important recommendation relates to the revision of the taxation structure so as to plug the existing loopholes and to discourage unauthorised growth of the powerloom industry. It is suggested that the incidence of taxation should be shifted from cloth to yarn and processing. Above all, the committee has recommended that the implementation of development schemes relating to the powerloom industry should be entrusted to the All-India Handloom Board which should be made a statutory body and equipped with adequate funds for this purpose.

pressed the view that the entry of the decentralised sector in a big way in the supply of cloth during the fourth plan will serve to exert a healthy influence to the advantage of the consumers.

While the powerloom industry has every reason to be much pleased with the committee's recommendations as these are designed to promote organised expansion of the powerloom sector in a big way, the spokemen of the organised mill sector have described these recommendations as extremely disappointing and retrograde. The mill industry's sharp reaction is understandable as it has been debarred from expanding its loomage to meet the increased demand for cloth during the fourth plan period. Possibly, the Asoka Mehta Committee has been greatly impressed by the creditable performance of the decentralised sector which produced a record 3,144 million yards of cloth in 1963 which compares well with its third plan target of 3,350 million yards. The mill industry, on the other hand, produced no more than 4,837 million yards which is not only far below its target of 5,800 million yards, but it is considerably short of its past achievements. The monthly average production of 418 million yards for January-July 1964 holds little promise of the plan target being achieved by the mill sector.

While there seems little doubt that the powerloom sector has been thriving on the tax concessions and reservations of fields of production originally meant for the handloom sector, the mill industry's argument that its production has been stagnant due to freezing of its weaving capacity at the level of 200,000 looms for several years cannot carry much conviction because mills are known to have produced 5,317 million yards in 1957. As for undue advantage that powerlooms have been enjoying through evasion of taxes, the Asoka Mehta Committee has recommended the revision of the tax structure in order to plug the existing loopholes. Besides, the Indian Cotton Mill Federation's plea that the excise duty should be imposed only at the yarn stage and processing stage has also been endorsed by the committee. Notwithstanding all this, the committee's recommendation prohibiting mills from any further expansion in their loomage until the end of the fourth plan seems too harsh. The target for cloth production for the fourth plan has been tentatively fixed at 11,200 million yards, of which 150 million yards will be *khadi*. It would be very unfair to deny the mill industry a share in the increase in production under the fourth plan. It might not be easy for the decentralised sector to satisfy consumers' growing preference for quality goods and also the needs of the overseas markets.

Production and Marketing of Fertilisers

The representatives of U.S. fertiliser interests —General Lucius D. Clay, senior partner of Lehman Brothers, and Mr. Stephen D. Bechtel, head of the Bechtel Corporation—who were recently in New Delhi, have apparently gone back satisfied that a joint Indo-U.S. fertiliser corporation with a total capital of Rs. 240 crores ($500 million) will materialise. In fact, they indicated their optimism at a Press conference held just prior to their departure. Considering the shortfall in fertiliser production, the prospect of such a venture is to be welcomed. The third plan target for fertiliser production at 1 million tons of installed capacity and 800,000 tons of actual output has little chance of being realised in full. Judging from the rate of the industry's growth, the maximum that can be achieved by the end of 1965-66 is 640,000 tons of installed capacity and 500,000 tons of output. India is not in a position to find sufficient foreign exchange to import fertilisers adequately. Therefore, the total supply which has been available in recent years gives India just 2.7 kilograms a hectare (2.471 acres) and a meagre 0.9 kilogram a head. Compared with the average world figure of 22.2 kilograms and 12.2 kilograms, respectively, let alone those of countries like Japan and West Germany, the Indian figure really looks small. Struck by the slow increase in fertiliser consumption, the experts of the Planning Commission, who recently worked out commercial fertiliser requirements for the fourth plan, have fixed targets on a scale which would be much too ambitious in spite of the proposed Indo-U.S. venture. These experts have fixed the production targets at 2 million tonnes of nitrogen, 1 million tonnes of P_2O_5 and 350,000 tonnes of K_2O. The consumption targets have been fixed higher at 3.65 million tonnes of netrogen, and 2.33 million tonnes of P_2O_5. These production and consumption targets are based on the assumption that 120 million tonnes of foodgrains, 13.5 million tonnes of sugarcane, 10 million tonnes of oilseeds, 8.5 million bales of cotton, 8 million bales of jute, 2 million bales of mesta, and 35,000 tonnes of pepper, and 480,000 tonnes of tobacco will be produced by the end of the next plan.

There can be no dispute with the view that India has to use commercial fertilisers as the main soil nutrients for raising her farm production. But how far such targets would prove practicable is the main question. The disappointing performance in the third plan period is not only due to the projects, both in the public and private sectors, especially in the latter, failing to come up as scheduled, but also due to inefficient and faulty distribution arrangements. All fertiliser sales are at present done through a central pool and through co-operatives in the villages. If the growth rate of fertiliser consumption is any guide, then obviously the present arrangement is not the best that could have been chosen. The Planning Commission's experts too are worried by its inadequacy and have suggested an 11-point programme to promote better distribution. They have also suggested fertiliser imports on a long-term basis since new units cannot be established as quickly as they are needed.

It seems that the costs of fertilisers to the farmer in India are more than twice as high as those in the U.S.A. and the U.K., and are the highest in the world excluding Spain. Only a 25 percent subsidy is available on phosphatic fertilisers, but most State Governments do not deliberately avail themselves of this because they have to meet part of the cost of the subsidy themselves. The experts have naturally recommended subsidies on a more adequate scale. An important recommendation is that private parties should be allowed to handle fertiliser distribution and the margin for retailers should be increased wherever found necessary. This alone could induce greater sale of fertilisers as co-operatives apparently have been doing a half-hearted job. But if co-operatives must be entrusted with most of the distribution work, part of agricultural credit should be given in the form of fertilisers. According to General Clay's statement at the Press conference, a U.S. team will shortly visit India to make a feasibility study in connection with the proposed venture. This study is likely to be ready early next year, and will cover such aspects as the location of the five new plants (which according to present ideas should be of 200,000 tons capacity each), the end-products, marketing and distribution arrangements and pricing. The proposed study is likely to uphold most of what the Planning Commission's experts have said about the existing marketing and distribution arrangements; they are likely to suggest new ideas also. But suggestions have not lacked in the past. It is only the Government's lack of a proper sense of priorities which is at the root of most of the country's economic troubles, including the one over fertilisers.

Progress of Banking

A study of the *Statistical Tables relating to Banks in India, 1963*, recently issued by the Reserve Bank of India, shows that the banking industry made satisfactory progress last year. Banks' operations showed further expansion in resources, credit and investments and there was a fair improvement in their pre-tax profits. No less significant is the expansion of banking facilities in the smaller towns. The number of offices of scheduled banks in India increased by 396 to 5,004 in 1963, compared with 215 in 1962. The State Bank of India opened 67 offices, against 56 in 1962. Part of the increase in the number of offices of scheduled banks was due to the taking over of business of some non-scheduled banks. Nearly half of the new offices established by scheduled banks last year were located in places having population of less than 25,000. The total number of offices of commercial and co-operative banks (comprising State, Central and urban co-operatives, banking unions and industrial co-operatives) together increased by 517 to 7,855 with the result that the average number of persons served by a banking office in 1963, was 56,000, compared with 60,000 in the preceding year.

Deposit mobilisation of scheduled banks in 1963 was higher than in the previous year, amounting to Rs. 245.9 crores, compared with Rs. 186.2 crores in 1962. The paid-up capital and reserves continued to increase and for the first time, scheduled banks' reserves exceeded their paid-up capital. Their credit increased by Rs. 182.8 crores (against Rs. 162.6 crores) and their investments rose by Rs 73.8 crores (against Rs. 91.4 crores). There was, however, a further decline in the deposits and advances of the non-scheduled banks which was mainly due to the transfer of assets and liabilities of some non-scheduled banks to scheduled banks. The pre-tax profits of Indian and foreign scheduled banks which had registered a nominal decline of Rs. 10 lakhs in 1962, recorded an increase of Rs. 2.6 crores last year.

The current operating expenses of Indian scheduled banks rose by Rs. 13.7 crores, and their current operating expenses by Rs. 13.1 crores: the corresponding figures for 1962 were Rs. 16.9 crores and Rs. 16.7 crores. The profits of Indian scheduled banks increased by Rs. 1.4 crores, against a nominal decline in 1962. This was due mainly to the smaller increases in interest paid on deposits as well as in establishment expenses than in 1962. In the case of foreign banks, the current operating earnings rose by Rs. 3.3 crores and their operating expenses by Rs. 2.2 crores, while in 1962 both the items had shown an equal rise of Rs. 1.5 crores. The pre-tax profits of foreign scheduled banks increased by Rs. 1.2 crores in 1963.

Demonetisation of Currency Notes

The Central Finance Minister, Mr. T. T. Krishnamachari's statement last week at the Informal Consultative Committee of Parliament that the Government has at present no idea of demonetising currency notes has been received with a feeling of relief in many quarters. Demonetisation of high denomination notes was suggested by some as a method of unearthing black money and of stabilising the price level. But, as the experience in India a few years ago showed, most of the people who possessed such notes could somehow account for them and the experiment did not produce the desired result. In fact, there is always the danger that such a drastic measure might shake the people's confidence in the currency. Moreover, the statistics given by Mr. Krishnamachari show that the total amount of Rs. 1,000 notes in circulation is Rs. 50 crores, of Rs. 5,000 notes only Rs. 15 crores and of Rs. 10,000 notes only Rs. 10 crores. Persons who have demanded demonetisation have, however, estimated the amount of black money to be much greater. It is, therefore, evident that not much of the black money could possibly be held in the form of currency notes of the denomination of Rs. 1,000 and higher.

Mr. Krishnamachari said that while the total issue of high denomination notes increased from Rs. 71 crores at the end of March 1956 to Rs. 95 crores at the end of March 1962, there was a sudden drop of Rs. 26 crores by the end of March 1963. This decline in high denomination notes was accompanied by a sharp increase of Rs. 96 crores in ten-rupee notes and Rs. 67 crores in hundred-rupee notes. This shows that if black money is held in the form of currency notes, lower denomination notes account for a considerable part of it. But it would be a stupendous task to demonetise all currency notes in the hope of bringing out black money. Besides, such a measure would completely dislocate the economic life of the country and might even hamper the progress of the third plan.

It is a far-fetched argument that demonetisation of high denomination notes would help in bringing down the price level in India. But in the event of demonetisation of currency, or even if there is a fear of it, people may well decide to convert their currency into durable goods. If this were to happen, any talk of demonetisation might actually add to the inflationary pressures in India.

Expansion of Shipping

The Government of India has taken a decision to acquire 19 tramp ships with a view to strengthening the country's tramp tonnage. This is as it should be, for although Indian shipping has made some progress in liner trades in recent years, it is still deficient in tramps and tankers. In the dry cargo tramp trade, in particular, the share of Indian shipping is only about 3 percent to 4 percent, while its share in the tanker trade is negligible. India's aim, according to the planners, should be to carry at least 50 percent of her overseas trade; the tramp shipping needed for the purpose has been placed at between 1.5 million and 2 million g.r.t. In view of India's small tramp tonnage, this is undoubtedly an ambitious target, but as the Prime Minister, Mr. Lal Bhaadur Shastri, said while inaugurating the recent meeting of the National Shipping Board, it would be worth while to aim at these targets since overseas shipping can earn a good deal of foreign exchange for the country. Although the Prime Minister was reluctant to anticipate what the fourth plan shipping target would be, he felt that it should not be less than 3 million to 3.5 million tonnes. He even added that a tonnage of 4.5 million tonnes might be necessary if Indian ships were to carry 50 percent of the cargo. The "pay as you earn" facilities offered by many shipbuilders should make the acquisition of ships for overseas trade relatively easy, but this advantage will not be available for expanding coastal shipping.

Immediately after independence, the Government of India declared that the country's aim should be to carry the whole of the coastal cargo. The latest figures suggest that the aggregate coastal tonnage is a little over 400,000 g.r.t., out of which 165,000 g.r.t. will have to be scrapped during the remaining period of the third plan and the balance during the next plan period. The gap between the promise and performance in coastal shipping has to be attributed to uneconomic freight rates, lack of regular cargo and the existence of a large number of worn-out vessels. In contrast, India's overseas tonnage is at present 890,000 g.r.t. The expansion of this tonnage is necessary because the country has to import as much as 6 million tons of wheat a year and has also fixed an ambitious export target of Rs. 5,100 crores for the fourth plan. But along with the expansion of overseas tonnage, it will be necessary to improve the existing port facilities. As Mr. Shastri pointed out at the recent meeting of the National Shipping Board, ships carrying the much-needed food suplies should not be detained at ports due to the lack of berthing facilities. The fixing of an ambitious shipping target is, therefore, related to the expansion of port facilities with improved loading and unloading arrangements.

The Enquiry into Monopolies

The spate of literature that has flowed ever since the appointment of the Monopolies Commission has sought to show that the growth of giant oganisations is not possible due to the system of industrial licensing and permits, the Industrial Policy Resolution and a host of other factors related to Government policy. All the memoranda submitted to the Commission so far more or less cover the same ground, but the latest one from the Punjab and Delhi Chamber of Commerce includes some new points. The statement included in the annexure showing the all-India production of some industries and the share of the biggest unit clearly indicates that India's planners are showing unnecessary concern over monopolies. The majority of Indian industrial units are of much smaller size than their counterparts in the developed western economies. Many of them are also uneconomic, so their production costs are high with the result that consumers have to pay a high price for the items manufactured by them. As for new plants which are licensed, the sizes are invariably being kept within limits because of ideological considerations. The few units which produce a substantial portion of the all-India output are either pioneers in the field or enjoy superiority over others because of their efficiency and lower costs. However, the biggest company in India does not figure among the first 450 companies of the world. In terms of net assets, the largest company in the private sector is "only 3.2 percent as big" as the largest enterprise in the United States. The Chamber has, therefore, argued that the people of this country would be better served by the production and supply of cheaper goods even if their manufacture is handled by a few people rather than by a large number of uneconomic or marginal units.

Foreign collaboration has played a significant rôle in India's industrialisation. Such collaboration is possible with firms and entrepreneurs in the private sector, who enjoy a good reputation because of their past performance. It would, therefore, be necessary to allow these companies reasonable opportunities for expansion with a view to attracting foreign collaboration. The foreign collaborator, as the Chamber rightly points out, normally evaluates the Indian entrepreneur before taking a decision on a scheme. There are numerous instances on record where a collaboration has taken place mostly because of the record of the Indian company in relation to production, efficiency, business methods and entrepreneurship. It is, therefore, essential that efficient business houses who have already achieved considerable success in attracting foreign capital, should not be disturbed either in their collaboration programmes or their size. The Chamber suggests that because of the vague suspicion in the people's mind about the growth of monopolies, the Commission should consider setting up a permanent machinery which can take care of such enquiries from time to time. Although the terms of reference of the Commission specifically exclude public-sector undertakings, it is necessary that the proposed anti-monopoly machinery must not differentiate between private-sector and public-sector concerns, since the objective is to curb undesirable tendencies which flow from monopolies irrespective of the sector in which they may exist.

Cloth Output and Stocks Up

The Indian mills' cotton textiles output during July is provisionally placed at 452 million yards, against 415 million yards in the preceding month and 420 million yards in July 1963. The July figure—the highest for several months—raises the total for the first seven months of the current year to 2,925 million yards, which is 97 million yards more than the corresponding figure for 1963. Yarn output is considerably higher at 181 million lbs, compared with 160 million lbs in the previous month and 170 million lbs in July last year. The production of yarn during January-July 1964 comes to 1,200 million lbs, compared with 1,121 million lbs in the same period last year. If production during the remaining five months of the year is maintained at the average for the January-July period, the output of cloth and yarn during 1964 should exceed 5,000 million yards and 2,000 million lbs, respectively; yarn production would set a new record.

Stocks of cloth with mills have recorded a further rise from 249,500 bales (of 1,500 yards each) to 271,200 bales. The July-end figure is the highest for the year, but it is well below the level maintained in the previous year. Unsold stocks have gone up from 87,300 bales to 101,700 bales, and there has been an increase of 7,300 bales under "sold but delivery not taken" from 162,200 bales to 169,500 bales. The stocks of yarn are down by 11,300 bales (of 400 lbs each) from 101,600 bales to 90,000 bales. Unsold stocks have declined by 7,800 bales from 51,200 bales to 43,400 bales and "sold but not lifted" show a fall of 3,500 bales at 46,900 bales.

While the production trend seems fairly satisfactory—although still lagging behind the plan target —the export performance has been somewhat disappointing for the past few months. Shipments of cotton piecegoods from Bombay port, which accounts for over 90 percent of the total cotton textile exports from the country, during August are provisionally placed at 28.56 million yards, valued at Rs. 2.48 crores, compared with 31.78 million yards valued at Rs. 2.68 crores in the preceding month. The August figure, the lowest for the year, raises the total for the first eight months of the current year to 318.18 million yards, worth Rs. 27.5 crores, compared with 301.19 million yards, valued at Rs. 22.608 crores in the corresponding period last year. Little comfort can be derived from the small improvement in exports as the performance last year was far from satisfactory. The third plan export target of 850 million yards of cotton textiles remains a dream, notwithstanding all the effort that is being made to boost exports through all sorts of incentives.

CORRESPONDENCE

RIGHTS AND BONUS SHARES

(To The Editor of "Capital")

Sir,

Cases have recently come to light where companies have decided at the same time on the issue of rights shares and of bonus shares. The question arises as to which should be issued first.

Bonus shares are issued out of the funds standing to the credit of the several reserves and of the share premium account, all of which are the property of the shareholders of the company at the time of the proposed issue. It is, therefore, proper that bonus shares should be issued first and the shareholders at the time should get the full benefit of such issue.

The rights shares should be issued next (whether at a premium or at par is a matter of detail which does not, in fact, lie in the hands of the company). The reasons are that not infrequently the holders of the shares are unable to avail themselves of the rights issues in full or even partially, and many of them are unable to find a market for such rights. Superimposed on such loss is the further loss that the bonus shares to which they become entitled are fewer than they would have been had these been issued in the first instance. There is the additional fact that late-comers, i.e., not members at the time of the issue carry away some of the bonus shares.

Yours etcetera,
K. V. Iyer

Madras,
13th September.

PAPER CURRENCY IN 1903-04

THE gross circulation of currency notes means the value of all notes that have been issued and not paid off. The net circulation is this sum less the value of notes held by Government in its Treasuries. And the active circulatnon is the net less the value of notes held by the Presidency Banks at their head offices. It follows that for the purpose of ascertaining what progress the note circulation is making will the public, the active circulation is the real test and it is satisfactory to find a very substantial increase. The following are the figures of average annual active circulation :—

		Rs.
1893-94	...	17,85,00,000
1897-98	...	18,93,00,000
1900-01	...	22,05,00,000
1901-02	...	21,19,00,000
1902-03	...	23,49,00,000
1903-04	...	26,34,00,000

All currency circles save Allahabad have contributed to this increase, but the largest contributions have been those of Calcutta and Bombay. The gross circulation of currency notes during the last 3 years has been :—

(000 omitted 31st March)	Notes of Rs. 100 and under	Percent	Notes of Rs. 500 and upwards	Percent
1901-02	15,87,21	50	15,78,92	50
1902-03	17,62,89	49	18,09,47	51
1903-04	19,40,88	51	18,80,59	49

It will be seen that whereas the percentage was equal three years ago, the smaller notes last year were 51 against 49 percent of the larger kinds. The year 1903-04 opened with a stock of gold in the Currency Reserve and Treasuries valued at £9,978,707 and ended with a balance worth £10,916,537. The assests of the Currency Department on the 31st March were :—

		Rs.
Silver Coin	...	11,49,75,648
Silver Bullion	...	52,97,443
Gold	...	16,18,43,503
		28,21,16,594
Investments in Government Securities	...	9,99,99,946
		38,21,16,540

against a gross circulation of exactly that amount.

FROM

CAPITAL

29th September, 1904

MAKING OF ANNUITY DEPOSITS

(BY A SPECIAL CORRESPONDENT)

THE Finance Act, 1964, enacted the necessary provisions relating to annuity deposits. An individual is liable to make a deposit if (i) he is a citizen of India; (ii) he is resident in India; and (iii) his total income during the relevant previous year exceeds Rs. 15,000. Thus foreigners, non-resident Indians and individuals having a total income of Rs. 15,000 or less are exempt.

While an individual becomes liable to make a deposit if his total income exceeds Rs. 15,000, the amount of the deposit is calculated with reference to his "adjusted total income". This is arrived at by deducting from the total income compensation moneys, gratuity and other terminal payments received by a salaried employee, and capital gains, annuities. Thus if an individual retires from a company's service and receives Rs. 20,000 comprising normal earnings of, say, Rs. 5,000, and lump-sum payments totalling, Rs. 15,000, he will be liable to make an annuity deposit. The amount of the deposit, however, will be determined with reference to the sum of Rs. 5,000 only. For every thousand rupees of deposit a taxable annuity of Rs. 125 will be received for a period of ten years, the first payment commencing one year after the date on which the deposit is made.

In terms of Section 280-W of the Income Tax Act, 1961, the Central Government has issued a notification dated 10th September, 1964, announcing an Annuity Deposit Scheme which will come into force on 1st October, 1964. Relevant particulars of the scheme, including the procedure for making annuity deposits and repayment of annuities, have already been published in the Press. Although the procedure for payment of annuities seems simple, practical difficulties may arise; for instance, the form of receipt to be completed by each depositor is elaborate and the reference in it to "number of years for which annuity payments are due" is not clear.

It is instructive to note that an annuity is regarded as income at the time when it becomes due and not when it is received. Thus a depositor may have to pay the tax on an annuity which has fallen due, but which has not been received by him. On the other hand, where a refund is due to a depositor and it is set off against the annuity deposit required to be made by him, the date of the deposit is taken to be the date on which the refund is actually set off and not on which it falls due. It is obviously inequitable to reckon the time for assessment when the annuity becomes due, even though not paid, and to determine the time for the deposit when the refund is actually set off and not when it falls due for repayment.

Clause 7 of the scheme empowers the income tax officer to order payment of the commuted value of any annuity. No provision has, however, been made about the basis on which such value shall be determined, nor has any indication been given of the "genuine hardship". A distressed depositor will, therefore, be entirely at the mercy of the income tax officer and unnecessary harassment may be caused.

Provision is made for adjustment of excess deposits, if any, against future annuity deposits; a simpler procedure would have been to refund the excess deposit on completion, rectification or revision of a regular assessment.

If an individual does not wish to make a deposit he has the right to opt out of the scheme subject to payment of additional income tax. The option must be exercised on or before 30th June of the assessment year, in which the individual first becomes liable to make the deposit (30th September, 1964, for the current assessment year), and is irrevocable. The additional tax is equal to half the amount by which the annuity deposit exceeds the difference between the tax payable on the total income without/with deduction of the deposit. The intention is that the individual should surrender half of the saving made by him by avoiding the annuity deposit. This is clarified by the following illustration:

Total income liable to deposit ...	Rs. 40,000
Annuity deposit thereon at 7½ per cent ...	Rs. 3,000 (A)
Taxable income ...	Rs. 37,000
Income and super tax thereon ...	Rs. 10,340 (B)
Total payment (A) + (B)=3,000 + 10,340	= 13,340 (C)
In case the individual exercises the option, he shall pay	
Income and super tax on total income of Rs. 40,000	Rs. 11,990 (D)
Additional tax calculated as under: (A) − (D-B) / 2 =	Rs. 675
Total payment ...	Rs. 12,665 (F)

Thus net saving made by exercising the option in the first year is (C) −(F)=Rs. 675. But the individual shall pay Rs. 2,325 by way of tax to escape the liability of making a refundable interest-bearing deposit of Rs. 3,000 which, of course, will be subject to tax in due course. Statements are attached showing the anticipated net income of an individual wholly earned during the next ten years on the assumption that tax rates and policy do not undergo a change.

It will be noticed that while an individual with a steeply rising income (statement I), for instance, a junior executive on contractual employment, will be at a disadvantage by making an annuity deposit, the reverse will be the case with an individual expecting a reduction in future income, say, a top executive proceeding on retirement after five years (statement II). In cases where future income will be constant or will not fluctuate violently the making of annuity deposit will be beneficial. Where the income is gradually progressive there may be an initial advantage in the first three or four years if no deposit is made, but the gain will be more than offset by loss in subsequent years. In majority of cases with high income neither the additional tax payable nor the immediate saving or refund is of such a substantial amount as to merit serious consideration; the immediate net saving by avoiding annuity deposit varies between about 2½ percent and 1 percent of total income, the percentage going down with every rise in income. However, from a long-range point of view, it is preferable to make a deposit rather than pay additional tax, except perhaps in the case outlined in statement I. In case it is decided to make the deposit no action is necessary on the part of the individual; an option letter is required only if he decides not to make the deposit.

STATEMENT I

Statement showing net income of an individual earning Rs. 20,000 during the current financial year with increased income in later years on the basis (A) Annuity Deposit is made, (B) Annuity Deposit is *not* made.

	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75
				(A)							
Total income	20,000	20,000	20,000	20,000	40,000	40,000	40,000	40,000	60,000	60,000	60,000
Less Annuity Deposit	1,000	1,000	1,000	1,000	3,000	3,000	3,000	3,000	6,000	6,000	6,000
	19,000	19,000	19,000	19,000	37,000	37,000	37,000	37,000	54,000	54,000	54,000
Add Annuity Refund	—	125	250	375	500	875	1,250	1,625	2,000	2,750	3,500
Less income and super tax	19,000	19,125	19,250	19,375	37,500	37,875	38,250	38,625	56,000	56,750	57,500
Net income	2,360	2,381	2,410	2,435	10,615	10,821	11,028	11,234	21,690	22,215	22,740
	16,640	16,744	16,840	16,940	26,885	27,054	27,222	27,391	34,310	34,535	34,760
				(B)							
Total income	20,000	20,000	20,000	20,000	40,000	40,000	40,000	40,000	60,000	60,000	60,000
Less:											
Income and super tax	2,560	2,560	2,560	2,560	11,990	11,990	11,990	11,990	24,490	24,490	24,490
Additional tax	400	400	400	400	675	675	675	675	900	900	900
Net income	17,040	17,040	17,040	17,040	27,335	27,335	27,335	27,335	34,610	34,610	34,610
Gain *(If annuity	*400	296	200	100	450	281	113	—	—	—	—
Loss @(deposit is *not* made.	—	—	—	—	—	—	—	@56	*300	@75	@150

STATEMENT II

Statement showing net income of an individual earning total income of Rs. 90,000 in the current financial year and the four succeeding years, but a lower income in later years on the basis (A) Annuity Deposit is made, (B) Annuity Deposit is *not* made.

	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75
				(A)							
Total income	90,000	90,000	90,000	90,000	90,000	30,000	30,000	30,000	30,000	30,000	30,000
Less Annuity Deposit	11,250	11,250	11,250	11,250	11,250	2,250	2,250	2,250	2,250	2,250	2,250
	78,750	78,750	78,750	78,750	78,750	27,750	27,750	27,750	27,750	27,750	27,750
Add Annuity Refund	—	1,406	2,812	4,218	5,624	7,030	7,311	7,592	7,873	8,154	8,435
Less income and super tax	78,750	80,156	81,562	82,968	84,374	34,780	35,061	35,342	35,623	35,904	36,185
Net income	38,053	39,107	40,162	41,216	42,271	9119	9,273	9,428	9,583	9,737	9,892
	40,697	41,049	41,400	41,752	42,103	25,661	25,788	25,914	26,040	26,167	26,293
				(B)							
Total income	90,000	90,000	90,000	90,000	90,000	30,000	30,000	30,000	30,000	30,000	30,000
Less:											
Income and super tax	46,490	46,490	46,490	46,490	46,490	6,490	6,490	6,490	6,490	6,490	6,490
Additional tax	1,406	1,406	1,406	1,406	1,406	675	675	675	675	675	675
Net income	42,104	42,104	42,104	42,104	42,104	22,835	22,835	22,835	22,835	22,835	22,835
Gain *(If annuity	*1,407	1,055	704	352	1	—	—	—	—	—	—
Loss @(deposit is *not* made.	—	—	—	—	—	@2,826	2,953	3,079	3,205	3,332	3,458

A Ditcher's Diary

ON SUNDAY MORNING I WENT ROUND A BIT AND SAW for myself some of the elaborate arrangements made in Calcutta for the visit of the Prime Minister, Mr. Lal Bahadur Shastri. This was his first movement outside New Delhi since he succeeded Mr. Nehru; and, we were ceaselessly reminded, this represented a great honour for Calcutta. Well, I refuse to be enthused overmuch. If the British had not been so silly as to move the capital of the country from Calcutta to New Delhi, the seat of the Government would have been right here and not where Mr. Shastri now resides. (Whether, without transfer of capital, India would have become free when she did and Mr. Shastri would ever have been Prime Minister are for me questions of unimportant detail.) Let nostalgia rest there. The reflection I found irresistible on Sunday was whether preparations on this scale were really necessary. Reluctantly or otherwise, I have by now accepted the proposition that public relations is in our time the major part of politics and it follows that public appearances are an indispensable adjunct of public relations. Granted. But as I saw those arches and those loudspeakers and those flags, I could not help feeling that somebody somewhere is out to make of Mr. Shastri a second Nehru. Such thoughts must be utterly abhorrent to the Prime Minister himself; as, however, I wrote on the subject of the unused lift in the Red Fort on Independence Day, it is not Mr. Shastri who organises these expensive frills but some ambitious politicians and officials. All at the expense of the tax-payer. The amount the Corporation of Calcutta spent on the reception to the Prime Minister is really negligible. To raise objections seems small-minded. I am not so sure. What did it avail the Prime Minister to be told by the councillors of the municipal body that he is a jolly good fellow? Yet for the Rs. 3,000 I could think of so many better uses such as the inoculation of a few more or a public convenience. Mr. Shastri recently declined an *abhinandan granth*, the most unreadable category of printed matter. Why not other *abhinandans*? I don't even want to know how many people really went to the Maidan meeting on Sunday afternoon; I do know that he could have reached many more through other media at his disposal—even without television.

POLITICAL POSTURES IN INDIA TODAY ARE AS numerous and varied as those in another field of human endeavour which is so superbly depicted on the walls of the Sun Temple in Konarak; and I refuse to be surprised that Mr. Biren Mitra is to continue as the Chief Minister of Orissa. The public had better know that it counts for nothing, that it is expected to believe anything the politicians say. Many had credited Mr. Biju Patnaik as the real father of the so-called Kamaraj Plan, out he went, with few believing that he was doing an Asoka renunciation. Mr. Mitra was quite obviously His Man In Bhubaneswar. Then came those nasty charges against the new Chief Minister, followed by a nasty incident in the Orissa Legislative Assembly by student hoodlums. Nobody knows which is which; but Mr. Mitra offered to resign his chief ministership for his failure to preserve the dignity of the House. The Orissa Congress Legislature Party has since given Mr. Mitra four cheers for the nobility of his action. Well, other people may be inclined to interpret the whole proceedings rather differently. If getting into office can be a profitable undertaking, getting out of it can also be a protective measure. The report of the lawyers' committee on Orissa affairs has not been published; the presence recently in Orissa of an inordinate number of officials from the Central Intelligence Bureau can mean too much—or too little. Corruption, it must be remembered, is very much a matter of noise; everybody talks about it and it is universally believed that everything is rotten. Silence; and most people seem reasonably content, though perhaps not deliriously happy. There is no reason to think that Orissa leads the rest of the country in the corruption line. But, as commentators go on speculating on the activities of the so-called High Command, Mr Patnaik and various other personalities, I cannot help thinking that political analysts may have missed the point. With admirable aplomb Mr. Patnaik equates inefficiency with corruption, thus suggesting an equation between "success" and integrity. It may well be that the common people the world over accept the equation. I think of Orissa and I think of the late Mr. Horatio Bottomley. Then I reach a point at which I want to think of neither.

EVEN IN FACE OF CRITICISM FROM COLLEAGUES credited with a diversity of motives, what sustained public esteem for Mr. G. L. Nanda's crusade against corruption in public life was his incandescent sincerity. He must now be told that his claim to have improved upon the recommendation of the Santhanam Committee represents a retreat. It is not too much to say that the code of ministerial conduct evolved by somebody or other is more a cover than a code. It calls for an effort, I dare say, for Ministers to think that they are no more than ordinary citizens of the country; but the exercise will be salutary. By this I mean that Ministers should declare their assets not to the Prime Minister and Chief Ministers but to the agency responsible for receiving everybody else's declaration of assets, meaning the income tax department of the Government of India. As in the case of others, if the department thinks that a Minister may not have been strictly truthful in his statement, there is another agency to go into the matter, namely, the police. To bypass these well established agencies when it comes to Ministers is to create a new caste; and I cannot believe that Mr. Nanda does not know it. As I have said time and again in this diary, there is no need for a new code of conduct for Ministers or any other set of people; there is one already, and its violaters know what it is. There is no occasion yet to question Mr. Nanda's sincerity of purpose or Mr. Shastri's support for it—which I would not say for some other gentlemen—but the charge seems justified that on the heels of Sadachar is afoot what may be called a conspiracy of confusion which protects the very people Mr. Nanda so noisily seeks to get at. A friend who once raised the slogan N.M.G.—Nehru Must Go—says he still sticks to it; now it is Nanda Must Go. After Mr. Biren Mitra's re-election as Chief Minister of Orissa, my friend has started demanding K.S.M.C.B.—Kairon and Sankar Must Come Back. This kind of cynicism I find amusing only up to a point. Some think that it is good to have been rid of Kairon and Sankar and there should be no witch-hunt. They need not worry: there will be none. The Congress simply cannot face the consequences of defacing corruption. And that, in sum, is that.

SOUTHERN RHODESIA'S PRIME MINISTER, MR. IAN Smith, seems to have left London radiating rather more confidence than the circumstances justify. He showed great political tenacity in nobbling Sir Alec Douglas-Home long after the latter had obviously made up his mind that the talks on independence were over. But he will require more than this virtue if he is to persuade the black Southern Rhodesians to support his claim for independence on the basis of the current constitution and franchise. Unless he is prepared for an unconscionable amount of gerrymandering, that is. I suspect Mr. Smith is hoping that after Britain's general election, a Labour Government in Whitehall will make itself so objectionable to white Southern Rhodesians, and perhaps the South Africans as well, that the necessary internal and external support for a unilateral declaration of independence will accumulate with gratifying





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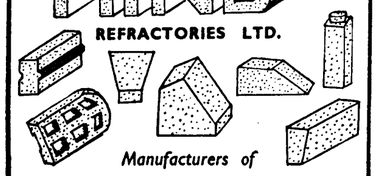
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rapidity. Let me say right away that I cannot see the whites in Southern Rhodesia ever being prepared to satisfy Whitehall's wish for broader electoral representation to precede independence. I do not think they feel they will have to be. Legality in such matters is irrelevant. The reality behind the issue is that Britain has no power to exercise her overall legal responsibility, and of this Southern Rhodesians are well aware even if the rest of the world is not. It might, theoretically, be possible to drop parachutists into the country, although hardly in the numbers required to overcome serious opposition. There is also a vague chance of mounting an invasion from an adjoining territory, Northern Rhodesia, for example. But these would appear to be the only practicable courses of action—economic sanctions would be of little use—because Southern Rhodesia has no sea coast and airfields are easily rendered useless to an invader. Would a British Government, even a Labour one, be able to rely on support from its own electorate for such a move? I doubt it. After disposing of an empire, the British have grown profoundly disinterested in conflicts of this kind, and it would scarcely go down well with them that the first time for many years they have been called on to resist an independence bid by force of arms, it should be their own flesh and blood that is involved. Perhaps this is ultimately what Mr. Smith is banking on. I shall be surprised if he permits legality to stand in his way for very much longer.

IT HAS PUZZLED ME FOR SOME TIME WHY MR. Khrushchev should be so eager for a communist summit conference when it must be quite obvious to him that its only outcome will be to render the present split in the world movement irrevocable. Since the Chinese laid claim to further large tracts of Russian-dominated territory in Asia, however, I am beginning to understand Mr. Khrushchev's motives. As Mr. Dulles did years ago when East and West alignments were being rigidly drawn, Mr. Khrushchev is demanding that his allies stand up and be counted. Then, presumably, he will know where he stands, or more accurately where China does, because he clearly hopes the result will be to isolate his troublesome neighbour. Personally, I think he is in for a shock. It is not only the Chinese who are coming to realise that the Russians are "in too many places". Mr. Khrushchev's western allies, his east European satellites, have lately been taking a fresh look at the portions of their national territories which the Russians took over after the war. If he is to gain their support for holding on to Russia's Asian possessions, Mr. Khrushchev may find that he has to make some hefty territorial concessions on his western borders, something which might not go down very well with the Russian people. Which, of course, is where this rather surprising decision to visit West Germany comes in. The threat of concessions to Germany, who his east European allies still fear more than anybody else, could perhaps persuade them to forget their claims to Russian-held territory and finally commit themselves in the quarrel with China. All very intriguing, I am sure. But what impresses me most, and depresses me too, is that the Sino-Russian dispute is emerging as just another squabble over territory and power such as has been the chief cause of wars, especially Europe's, throughout man's history. At least a true ideological quarrel might have been a change, although I suppose even that would have had its parallel in the religious struggles which have been such a fruitful source of human conflict.

A MISOGYNIST WAS EXPLAINING THE DIFFERENCE between a woman-of-the-world and a diplomat His friend listened attentively.

"If a woman-of-the-world says 'No', that means 'Perhaps'. If she says 'Perhaps', that means 'Yes'. Unfortunately if she says 'Yes', then she isn't a woman-of-the-world..."

"And the diplomat?" asked his friend.

"If the diplomat says 'Yes', that means 'Perhaps'. If he says 'Perhaps', then he means 'No'. But if he says 'No', then he certainly isn't a diplomat."

THE DITCHER

Guide for Investors

LAWRENCE JUTE REPEATS, BUT AUCKLAND, UNION PAY LESS

THE results of the Lawrence Jute Co. Ltd, the Auckland Jute Co. Ltd and the Union Jute Co. Ltd for the year ended March 1964, have been published. In their reports, the directors point out that the current jute crop will be more or less of the same size as that of the previous one. The Pakistani crop is expected to be smaller. The profits of mills have shrunk due to the increased production costs. So results during the current year are likely to be unsatisfactory. Meanwhile, direct taxation absorbs a large part of the profits. In the recent assessment, the Income Tax Officer has disallowed the cost of purchase of loom-hours as an allowable expenditure, although the amount received on the sale of loom-hours has been taxed at the usual rate. An appeal has been lodged against the Income Tax Officer's assessment.

Lawrence Jute has earned a profit of Rs. 4.66 lakhs, against Rs. 4.46 lakhs for 1962-63, after providing Rs. 1.79 lakhs (against Rs 1.78 lakhs) for depreciation and Rs. 7.36 lakhs (against Rs. 8.48 lakhs) for taxation. A taxable ordinary dividend of 10 percent has been repeated, which works out to a yield of 9.2 percent at the present price of Rs. 109 a share of Rs. 100 each. General reserve is allocated Rs. 5.25 lakhs (against Rs. 2.18 lakhs), leaving a carry-forward of Rs. 7.256, against Rs. 664 brought in. Sales rose from Rs. 41.05 lakhs to Rs. 51.74 lakhs and stocks of jute goods amounted to Rs. 27,376. The Auckland Jute Co. Ltd is now operating 284 looms of Lawrence Jute. The main buildings and godowns are occupied by the Government of India, and the rent has contributed to a substantial part of the Company's earnings.

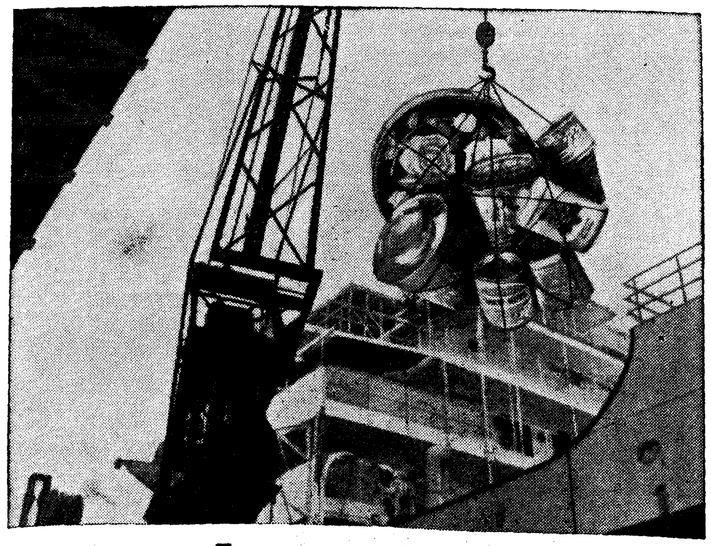
The profit of Auckland Jute has dropped from Rs. 17.87 lakhs to Rs. 10.87 lakhs, after increasing depreciation from Rs. 8.55 lakhs to Rs. 12.78 lakhs and providing Rs. 34.78 lakhs (against Rs. 21.21 lakhs) for taxation. The taxable ordinary dividend has been reduced from 15 percent to 12.5 percent. The yield amounts to 9.5 percent at the present price of Rs. 131 a share of Rs. 100 each. Development rebate reserve is allocated Rs. 2.91 lakhs (against Rs. 3.02 lakhs) and general reserve Rs 1.75 lakhs (against Rs. 1.45 lakhs). The carry-forward is Rs. 1,526, against Rs. 1,752 brought in. Sales rose from Rs. 3.42 crores to Rs. 4.20 crores and stocks of jute goods from Rs. 8.41 lakhs to Rs. 13.25 lakhs. The additional labour cost has risen by about Rs. 45,500 a month due to the Wage Board's award. Additional machinery has been installed to complete the modernisation programme.

The profit of Union Jute has declined from Rs. 11.50 lakhs to Rs. 6.61 lakhs, after increasing depreciation from Rs. 4.17 lakhs to Rs. 7.90 lakhs and providing Rs. 7.57 lakhs (against Rs. 20.10 lakhs) for taxation. The taxable ordinary dividend has been halved to 10 percent which works out to a yield of 7 percent at the present price of Rs. 143 a share of Rs. 10 each. Development rebate reserve absorbs Rs. 2.71 lakhs (against Rs. 2.15 lakhs) and general reserve Rs. 5.70 lakhs (against Rs. 1.60 lakhs). The carry-forward is Rs. 2.671, against Rs. 603 brought in. Sales rose from Rs 2.50 crores to Rs. 2.77 crores. Stocks of jute goods rose from Rs. 25,619 to Rs. 83,818. The working of the mills was interrupted by communal riots. The Wage Board's award has increased the labour cost by Rs. 22,000 a month. Additional equipment has been installed to complete the modernisation programme.

Profits of Shaw Wallace Coal Companies Fall

THE results of the Shaw Wallace group of coal Companies for the year ended March 1964, have been published. The profit of the Amalgamated Coal Co. Ltd has dropped from Rs. 26.79 lakhs for 1962-63 to Rs. 22.73 lakhs for 1963-64, after transferring Rs. 7.43 lakhs (against Rs. 6.27 lakhs) to depreciation. A taxable ordinary dividend of 12.5 percent has been maintained, which works out to a yield of 5.9 percent at the present price of Rs. 21.31 a share of Rs. 10 each. Taxation absorbs Rs. 10.32 lakhs (against Rs. 17.01 lakhs), development rebate reserve Rs. 3.11 lakhs (against Rs. 1.68 lakhs), and general reserve Rs. 8 lakhs (against Rs. 4 lakhs). The carry-forward is Rs. 16.512, against Rs 11,464 brought in. Raisings rose from 1.09 million tons to 1.13 million tons and despatches from 1.09 million tons to 1.10 million tons. Capital expenditure rose from Rs. 10.94 lakhs to Rs. 12.4 lakhs and is likely to be considerabl in the near future due to the imple mentation of the expansion pro gramme.

The Pench Valley Coal Co. Ltd ha earned a profit of Rs. 4.60 lakhs against Rs. 11.02 lakhs for 1962-63 after providing Rs. 4.41 lakhs (agains Rs. 3.82 lakhs) for depreciation. The taxable ordinary dividend has been cut from 12.5 percent to 7.5 percent. The yield amounts to 4.3 percent at the present price of Rs. 17.44 a share of Rs. 10 each. Taxation is allocated Rs. 2.12 lakhs (against Rs. 5.84 lakhs), general reserve Rs. 1.25 lakhs (against Rs. 2.40 lakhs) and development rebate reserve Rs. 1.59 lakhs (against Rs. 1.42 lakhs). The carry-forward is Rs. 7,234, against Rs. 6,304 brought in. Raisings dropped from 627,131 tonnes to 607,048 tonnes and despatches from 623,749 tonnes to 585,297 tonnes. Capital expenditure increased from Rs. 6.48 lakhs to Rs. 7.33 lakhs. The directors of both the companies have commented on the drop in the demand for



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coal, but they have taken active steps to improve sales. They hope that the position will improve soon.

Fort Gloster Industries Expanding

THE expansion programme of the cable division of Fort Gloster Industries Ltd is making satisfactory progress. Orders for equipment have already been placed. The P.V.C. section of the expanded plant will start operating by the middle of 1965. The directors are considering the second stage of expansion. The International Finance Corporation of the U.S.A. has agreed to give a dollar loan of Rs. 38.55 lakhs. The Industrial Credit and Investment Corporation of India has agreed to give a dollar loan of Rs. 37.50 lakhs and a rupee loan of Rs. 22 lakhs. The Company has also issued 31,500 new ordinary shares at a premium of Rs. 90 a share which have been fully subscribed. It has also allotted 10,000 new ordinary shares to the International Finance Corporation at a premium of Rs. 90 a share.

In the cable factory, copper is being steadily substituted by aluminium. As for the working of the jute mills, the directors take a cautious view of the outlook. Steps have been taken to improve the quality of jute products and a laboratory has been set up to enforce quality control. Research on new uses for jute goods has been undertaken. The directors refer to the rising internal consumption of jute goods due to the increase in agricultural and industrial production. The domestic demand may rise to 600,000 tons by 1971. But it will be difficult to increase the export of jute goods according to plans unless steps are taken to counteract the rising competition from the Pakistani mills. The production costs of jute mills have risen considerably. A capital expenditure of Rs. 51.56 lakhs has been incurred to finance the installation of carpet-backing looms and to implement the modernisation programme.

The profit has dropped from Rs. 83.60 lakhs for 1962-63 to Rs. 39.13 lakhs for 1963-64, after providing Rs. 31.09 lakhs (against Rs. 22.46 lakhs) for depreciation and Rs. 6.12 lakhs (against Rs. 4.40 lakhs) for development rebate reserve. A taxable ordinary dividend of 15 percent has been declared. The dividend of 20 percent was paid for 1962-63. Taxation absorbs Rs. 16.50 lakhs (against Rs. 51.60 lakhs), debenture sinking fund Rs. 1.75 lakhs (the same) and general reserve Rs. 7.25 lakhs (against Rs. 16 lakhs). The carry-forward is Rs. 15,622, against Rs. 4,532 brought in. Sales amounted to Rs. 7.57 crores, against Rs. 7.90 crores.

Brooke Bond Estates Cuts Dividend

THE preliminary results of the Brooke Bond Estates India Ltd for the year ended June 1964, have been published. The taxable ordinary dividend has been reduced from 7½ percent to 5 percent, which gives a yield of 4.8 percent at the present price of Rs. 10.37 a share of Rs. 10 each. The net profit has dropped from Rs. 9.52 lakhs for 1962-63 to Rs. 8.08 lakhs for 1963-64. Taxation absorbs Rs. 4.45 lakhs (against Rs. 5.40 lakhs), capital reserve Rs. 5,090 (against Rs. 7,244) and development rebate reserve Rs. 18,764 (against Rs. 1,200).

No Bonus Shares from Khardah Jute

IN their report for the year ended March 1964, the directors of the Khardah Co. Ltd take a cautious view of the outlook for the current year. The disparity in prices of raw jute and jute goods has rendered simultaneous business unprofitable. They also refer to the drop in the profit margins due to the increased production costs. In view of the heavy incidence of the bonus shar tax, it has been decided not to issu these shares which were propose earlier.

The profit has dropped from Rs 42.71 lakhs for 1962-63 to Rs. 34.6 lakhs for 1963-64, after increasing de preciation from Rs. 8.96 lakhs to Rs 10.99 lakhs. A taxable ordinary divi dend of 12.5 percent has been paid The yield amounts to 7 percent a the present price of Rs. 17.75 a shar of Rs. 10 each. Development rebat reserve is allocated Rs. 3.38 lakh (against Rs. 2.62 lakhs), taxation Rs 18.32 lakhs and general reserve Rs 5.15 lakhs (against Rs. 7.85 lakhs) The carry-forward is Rs. 41,261 against Rs. 3,379 brought in. Sale dropped from Rs. 6.79 crores to Rs 5.81 crores, but stocks of jute good rose from Rs. 25.97 lakhs to Rs. 38.4 lakhs.

Less from Fort William Jute

THE Fort William Co. Ltd has taken steps for maintaining the quality of jute products manufactured by the mills. Attention is also being paid to the development of alternate uses for jute and jute goods. The directors, in their report for the year ended March 1964, point to the need for an adequate supply of good fibre for maintaining the quality of jute goods. Commenting on the decline in the demand for sacking, they stress the need for taking urgent steps to improve the competitive position of the Indian mills. The domestic demand for jute goods has risen due to the increase in industrial and agricultural production. The steel wire and rope division of the Company has started operations from September 1963. Orders for new machinery for the division have been placed with foreign collaborators. The Company has obtained a letter of intent from the Government of India to double the annual capacity to 6,000 tonnes a year. When expansion scheme is completed, the Company will manufacture various sizes of steel wire ropes.

The profit has amounted to Rs. 10 lakhs, against Rs 10.64 lakhs for 1962-63, after providing Rs. 14.70 lakhs (against Rs. 6.05 lakhs) for depreciation. Development rebate reserve is allocated Rs. 10.80 lakhs (against Rs. 75,000). The taxable ordinary dividend has been reduced from 20 percent to 15 percent. The yield amounts to 6.7 percent at the present price of Rs. 22.25 a share of Rs. 10 each. The carry-forward is Rs. 4,080, against Rs. 6,051 brought in. Sales amounted to Rs. 3.31 crores, against Rs. 3.17 crores and stocks of jute goods rose from Rs. 7.88 lakhs to Rs. 23.21 lakhs.

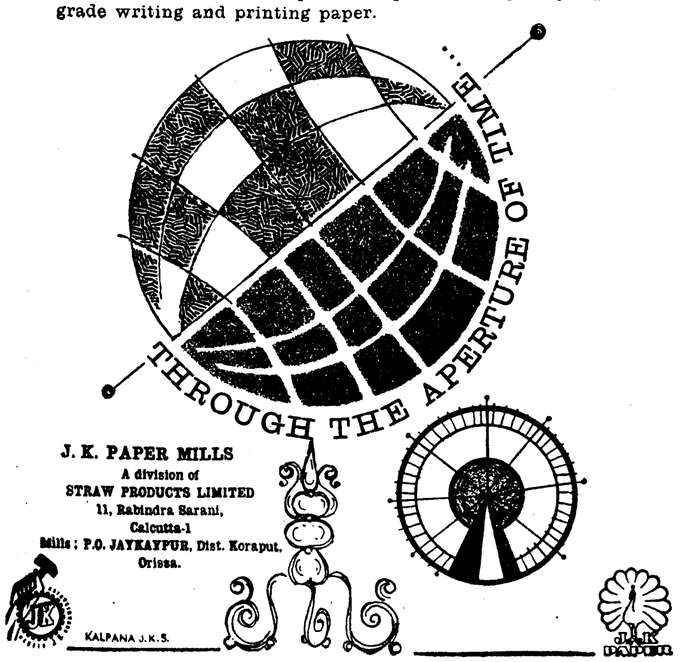
Agarpara Jute Pays Less

IN their report for the year ended March 1964, the directors of the Agarpara Co. Ltd say that there has been a significant increase in the manufacturing costs due to the implementation of the Wage Board's award, combined with the rises in costs of electricity, lighterage and essential stores. The mills have adopted suitable measures to enforce quality control. The modernisation programme of the mills has been completed. Due to the sharp rise in the price of raw jute, trading conditions for the current year have become difficult. The profit has dropped from Rs. 32.27 lakhs for 1962-63 to Rs. 19.89 lakhs for 1963-64. after increasing depreciation from Rs. 10.48 lakhs to Rs. 14.99 lakhs. The taxable ordinary dividend has been reduced from 12 percent to 10 percent. which works out to a yield of 10.8 percent at the present price of Rs. 9.25 a

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share of Rs. 10 each. Development rebate reserve is allocated Rs. 1.92 lakhs (against Rs. 1.80 lakhs) and taxation Rs. 12 lakhs (against Rs. 18.70 lakhs). The carry-forward is Rs. 30,951, against Rs. 8,246 brought in. Sales rose from Rs. 2.62 crores to Rs. 3.52 crores and the stocks of jute goods from Rs. 27.79 lakhs to Rs. 32.23 lakhs.

Naihati Jute Mills Skips Dividend

COMMENTING on the working for the current year, the directors of the Naihati Jute Mills Co. Ltd say that it is likely to be worse than that of 1962-63 due to the high price of raw jute in relation to that of jute goods. The working of the mills suffered due to the shortage of electric power. The ordinary dividend has been passed. The profit has amounted to Rs. 5.79 lakhs, against Rs. 19.08 lakhs for 1962-63, after providing Rs. 12.51 lakhs (against Rs. 7.38 lakhs) for depreciation. Development rebate reserve is allocated Rs. 1.53 lakhs (against Rs. 4.98 lakhs) and taxation relating to the previous year Rs. 2.75 lakhs, general reserve Rs. 1.30 lakhs (against Rs. 4 lakhs) and contingencies reserve Rs. 3.75 lakhs (against Rs. 9.35 lakhs). The carry-forward is Rs. 32.760, against Rs. 21,972 brought in. Sales rose from Rs. 2.07 crores to Rs. 2.29 crores and stocks of jute goods from Rs. 20.45 lakhs to Rs. 22.62 lakhs. A great deal of capital expenditure has been incurred to expand the capacity of the carpet-backing division.

New Investment Move by Indo-Burma Petroleum

IN a circular letter issued to the shareholders of the Indo-Burma Petroleum Co. Ltd. the directors have indicated the prospect for further investments. They have been considering opportunities for the investment of the Company's funds. The Company has received an invitation from B. K. Khanna and Co. Private Ltd, the promoters of the Shama Forge Co. Ltd and Shama Pistons and Rings Ltd, to participate in their equity and preference capital. The directors have investigated the prospects of these Companies and consider that the investments proposed will serve the interest of Indo-Burma Petroleum. In Shama Forge Co. Ltd, an investment in the ordinary share capital to the extent of 100,000 shares of Rs. 10 each at par and in the preference share capital of 5,000 cumulative redeemable shares of Rs. 100 each at par, carrying a fixed dividend of 9.5 percent, free of the company income tax, is proposed. This Company will manufacture forging of mild steel and alloy steel and other metals.

A collaboration agreement with Kropp Forge Co. of the U.S.A. has been completed. The collaborators have agreed to supply the equipment and give financial assistance for 14,200 equity shares. The U.S. Agency for International Development has agreed to offer a loan of Rs. 47.50 lakhs. Indo-Burma Petroleum's subscription amounts to 20 percent of the ordinary capital and 20 percent of the preference capital in Shama Forge. The preference shares are redeemable after 12 years and not later than 15 years from the date of incorporation of the Company. The factory will be situated at Bhopal, Madhya Pradesh.

In Shama Piston and Rings Ltd, the investment in the equity share capital to the extent of 80,000 shares of Rs. 10 each at par and in the preference share capital of 2,000 cumulative redeemable shares of Rs. 100 each at par carrying a fixed dividend of 9.5 percent, free of the company income tax, is proposed. It will manufacture pistons, pins and piston rings for automotive and stationary engines of all kinds. The collaborators are Karl Schmidt GmbH of West Germany for pistons and pins and Sim. S. A. of Switzerland for piston rings. The collaborators will help erect the plant and give technical assistance. They will also subscribe for 4.88 percent of the ordinary capital and 4 percent of the preference capital. Indo-Burma Petroleum's proposed investment amounts to 21.62 percent of the ordinary capital of Rs. 37 lakhs and 11.11 percent of the preference capital of Rs. 18 lakhs. The preference shares are redeemable after 12 years and not later than 15 years from the date of incorporation of the Company. A general meeting of Indo-Burma Petroleum has been convened to obtain the approval of the shareholders. The investments will also have to be approved by the Central Government.

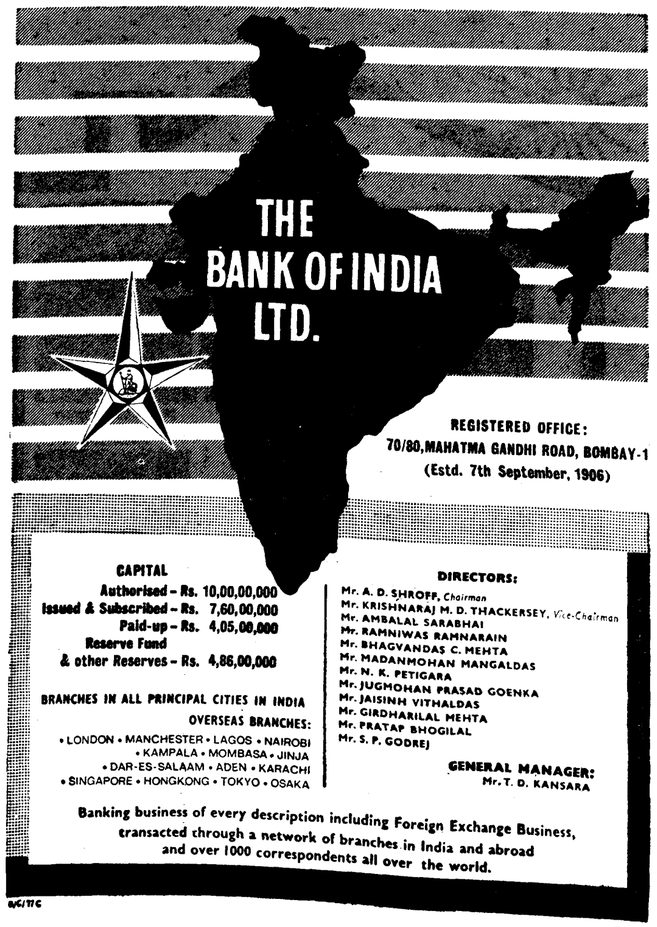
Saugor Electricity Supply Repeats

IN their report for the year ended March 1964, the directors of Saugor Electricity Supply Co. Ltd say that the 500-kilowatt diesel generating set that has been made available on loan by the Madhya Pradesh Electricity Board has been commissioned. It is anticipated that the bulk supply from the State Electricity Board grid will be available by December 1965. So the generating capacity of the Saugor power-station will be increased. Units sold rose from 3.5 million to 3.8 million and revenue from Rs. 12.55 lakhs to Rs. 14.31 lakhs. The profit has amounted to Rs. 66,522, against Rs. 66.684 for 1962-63, after providing Rs. 83,378 (against Rs. 81,580) for depreciation, Rs. 5,692 (against Rs. 12,197) for contingencies reserve, Rs. 52,000 (against Rs. 56,000) for taxation, Rs. 4.301 (against Rs. 15,989) for development reserve, Rs. 4,433 (against Rs. 1,454) for tariffs and dividends control reserve and Rs. 4.433 (against Rs. 1,454) for rebate to consumers. A taxable ordinary dividend of 9 percent has been repeated. The carry-forward is Rs. 3,050, against Rs. 1,786 brought in.

Premier Tyres Does Better

THE working results of Premier Tyres for the 15-month period ended March 1964 showed a considerable improvement over the preceding year, with the turnover rising from Rs. 25.69 lakhs to Rs. 3.82 crores on which the Company made a gross profit of Rs. 21.63 lakhs. The chairman, Mr. C. C. Desai, assured the shareholders at their annual meeting that they could look forward to the future with confidence. Although there has been a glut in the market at present, the future of the tyre industry is by no means bleak. He said that with the anticipated increase in the number of vehicles on road and more roads to ply the vehicles, the future of the tyre industry could, in fact, be viewed with optimism. And Premier Tyres was likely to play its rightful rôle. The Company's tyres had been received well in the market and they enjoyed a reputation for quality.

Mr. Desai assured that the Company would be able to provide full depreciation and development rebate by the end of March 1966, and that it would also be able to clear the arrears of preference dividend. As for equity dividend, all that the chairman said was that this question was uppermost in the minds of the directors. Replying to shareholders' enquiries, Mr. Chandrakant S. Desai, a director, stated that the Company's sales during the first five months of the current year amounted to Rs. 1.20 crores, which was some 30 percent more than the figure for the corresponding period last year. Against the licensed capacity of 600 tyres a



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day, the Company is currently producing 400 tyres a day on a two-shift basis and the total production during the first five months has been around 32,000 tyres. The Company has made a humble beginning in exports, and it is exploring new markets in the neighbouring countries to push export sales. The Company would benefit to the extent of Rs. 11.25 lakhs by way of relief in excise duty to new units and exemption from surcharge on basic excise duty. The L.I.C. holds 17,000 preference shares and 3,290 equity shares of Premier Tyres.

Agfa India Raises Dividend

AGFA India Ltd has stepped up the dividend for the year ended March 1964 from Rs. 10 to Rs. 16 a share which is well justified by the Company's improved performance during the Realisations from sales and services amounted to Rs. 1.86 crores, about 65 percent more than the previous year's figure of Rs. 1.13 crores. The gross profit more than doubled from Rs. 6.31 lakhs to Rs. 13.48 lakhs. After providing Rs. 65,750 (against Rs. 55,203) for depreciation and Rs. 8.05 lakhs (against Rs. 2.74 lakhs) for taxation the net profit amounts to Rs. 4.77 lakhs, against Rs. 3.02 lakhs in the preceding year. The directors have allocated Rs. 1.50 lakhs (against Rs. 1 lakh) to the general reserve and Rs. 3.20 lakhs (against Rs. 2.04 lakhs) to the dividend reserve. The proposed dividend absorbing Rs. 3.20 lakhs (against Rs. 2 lakhs) is to be paid out of the dividend reserve.

Ahmedabad Electricity Fares Well

ALTHOUGH the dividend has only been maintained at 8 percent, the working results of Ahmedabad Electricity for the year ended March 1964, show a marked improvement over the previous year's performance. With the commissioning of the second 30 kW turbo alternator in June 1963, the sales of energy during 1963-64 rose by 10.41 percent from 859 million kWh to 948 million kWh and realisations from sale amounted to Rs. 8.12 crores, showing an increase of 17 percent over the preceding year's figure of Rs. 6.95 crores. The Company's gross profit increased by 22.8 percent from Rs. 1.75 crores to Rs. 2.15 crores. After providing Rs. 71.27 lakhs (against 61.91 lakhs) for depreciation and Rs. 44 lakhs (against Rs. 23.82 lakhs) for taxation, the net profit amounts to Rs. 89.96 lakhs, compared with Rs. 80.52 lakhs. A sum of Rs. 12.26 lakhs has been written back on account of special reserve for the past years treated as special appropriation for the calculation of clear profit. Other appropriations include development rebate reserve Rs. 20.95 lakhs (against Rs. 1.57 lakhs), contingency reserve Rs. 5.62 lakhs (against 5.68 lakhs), dividend equalisation reserve Rs. 97,450 (against Rs. 2.22 lakhs), gratuity reserve Rs. 4.14 lakhs (against Rs. 3 lakhs), consumers' benefit reserve Rs. 1.10 lakhs (against nil) and dividend Rs. 69.98 lakhs (the same).

With the commissioning of the second 30 kW turbo alternator in June 1963, the generating capacity of the Sabarmati power station now stands at 2,17,500 kW. The load restrictions in the form of evening recess staggering were removed in July and additional loads released at the same time. The number of consumers during the year increased by 9,916 to 116.883, which includes 146 large high tension consumers and the North Gujarat Grid.

Kalasa Tea and Produce Repeats

THE directors of the Kalasa Tea and Produce Co. Ltd have maintained the dividend at 15 percent for the year ended March 1964. The net after-tax profit amounts to Rs. 2,21,324, after providing Rs. 2,02,000 for taxation. The previous year's net profit was Rs. 2,08,443, after providing Rs. 1,96,000 for taxation. With Rs. 29,726 brought forward from the previous year and Rs. 11,746 being the excess provision for taxation written back, the total available for appropriation comes to Rs. 2,62,796. Out of this, a sum of Rs. 606 is transferred to development rebate reserve (against Rs. 2,611). A sum of Rs. 75,000 (the same) is transferred to general reserve and Rs. 50,000 (against nil) to special reserve. The interim dividend at 7½ percent absorbed Rs. 67,500. The final dividend of 7½ percent accounts for Rs. 67,500. The balance of Rs. 2,190 is carried forward.

The tea crop for the year amounted to 312,464 kilograms (against 314,942 kilograms). The all-in-cost of production amounted to 350 cents a kilogram, against 344 cents a kilogram. The average sale price amounted to 480 cents a kilogram, against 464 cents a kilogram. The estimated crop for 1964-65 is placed at 280,000 kilograms at an all-in-cost of 387 cents a kilogram.

Burhanpur Mills Maintains Dividend

DESPITE an increase of nearly 17 percent in the sales from Rs. 1.02 crores to Rs. 2.37 crores, the gross profit of Burhanpur Tapti Mills Ltd for the year ended March 1964, is down by 15 percent from Rs. 6.73 lakhs to Rs. 5.72 lakhs. The dividend, however, has been maintained at 7 percent, but the directors have had to withdraw Rs. 60,000 from the general reserve to provide for the payment of the proposed dividend. Appropriations include depreciation Rs. 5.07 lakhs (against Rs. 4.19 lakhs), development rebate Rs. 14,785 (against Rs. 1.26 lakhs) and taxation Rs. 25,000 (against Rs. 52,651), leaving a net profit of Rs. 25,392, against Rs. 75,338 in the preceding year. After bringing in the previous year's surplus of Rs. 43,581, adding back unclaimed dividend forfeited amounting to Rs. 5,073 and transferring Rs. 60,000 (against Rs. 1 lakh) from the general reserve, the directors have provided Rs. 1.26 lakhs for the payment of dividend and the balance of Rs. 8,046 is being carried forward.

The directors attribute the fall in the company's profit despite larger sales to the all-round increase in production costs. The Company exported cloth valued at Rs. 35.67 lakhs (against Rs. 21.30 lakhs) and supplied goods worth Rs. 13.90 lakhs to the defence department. The Company received a licence for putting up an additional 3,941 spindles and 73 looms and the expansion of spindleage has been completed. The looms are under erection. The rehabilitation of the spinning section as approved by the National Industrial Development Corporation has been completed and the Company has approached the N.I.D.C. for revision of the rehabilitation programme for the weaving section. The Company has drawn the full amount of Rs. 10 lakhs from the Madhya Pradesh Financial Corporation and Rs. 20.93 lakhs from the N.I.D.C.

Khatau Mills Pays the Same

WITH its 15,000 spindles out of operation for a period of some three months on account of repairs, production, sales and gross profit of the Khatau Makanji Spinning and Weaving Co. Ltd suffered a setback during the year ended June 1964. It is, however, encouraging to note that the gross profit has come down only a little from Rs. 93.72 lakhs to Rs. 91.44 lakhs though the sales are down by about 16.3 percent from Rs. 6.49 crores to Rs 5.43 crores. The dividend has been maintained at 8 percent. Appropriations include depreciation Rs 31.59 lakhs (against Rs. 19.50 lakhs), development rebate Rs. 4.42 lakhs (against Rs. 2.84 lakhs), taxation Rs. 24.60 lakhs (against Rs. 45.95 lakhs) and general reserve Rs. 25 lakhs (against Rs. 11.25 lakhs). After making these appropriations, there remains a balance of Rs. 4,000 to be carried forward, against Rs. 13,000 brought in. The proposed dividends —preference and ordinary—absorbing Rs. 11.12 lakhs are to be paid out of the general reserve. The spindles which were stopped for repairs during 1963-64 have now been put into commission.



No Bonus from United Breweries

A substantial rise in the sales and the gross profit and an improvement in the dividend provide the highlights of the working of United Breweries Ltd for the year ended March 1964. In spite of severe competition, the sale of bottled beer rose by 19.5 percent, compared with that of the previous year. The total turnover and profit are the highest so far achieved. The gross profit, before depreciation and taxation, amounts to Rs. 40,18,237, against Rs. 37,15,193. After providing depreciation of Rs. 2,70,659 (against Rs. 2,92,861) and taxation Rs. 23,30,000 (against Rs. 18 lakhs), there is a net profit of Rs. 14,17,578 (against Rs. 16,22,332). Out of this, the directors have provided Rs. 25,000 (against Rs. 4,200) for development rebate reserve. The dividend of 9 percent (against 6 percent) amounts to Rs. 4,50,000. The balance of Rs. 9,42,578 is transferred to general reserve.

Total sales for the year amounted to Rs. 71,35,899 (against Rs. 60,21,164). In view of the high incidence of surtax on the Company and the consequent need to build up its capital base as rapidly as possible, the directors have transferred a substantial portion of the available surplus to reserves. The chairman says in his statement that the proposal for issuing bonus shares of the nominal value of Rs. 25 lakhs is being kept in abeyance in view of the recently introduced principle of taxing such issues in the hands of the shareholders.

Referring to the prospects of United Breweries Ltd for the current year, the chairman says that in spite of increasing competition, sales during the first two months of the current year increased by 11.8 percent, compared with those of the corresponding period of the previous year. Despatches, however, dropped heavily from June as the Mysore State excise authorities insisted on collecting the full rate of excise duty prevailing in the State on beer despatched outside the State. Such despatches had, therefore, to be suspended and were resumed only on 12th August, 1964, after the Government of Mysore issued an order, the effect of which is obscure. The chairman concludes with a note of optimism that the Company as well as the several enterprises in which it has a substantial interest continues to make good progress.

Jam Mills Resumes Dividend

THE Jam Shri Ranjitsinghji Spinning and Weaving Mills Co. Ltd, commonly known as the Jam Mills, which had skipped the dividend for two years has returned to the dividend list and the directors have recommended a dividend of 6 percent (Rs. 60 a share of Rs. 1,000) for the year ended June 1964. The preliminary report shows that the Company has fared exceedingly well during the year, with the gross profit rising from Rs. 5.02 lakhs to Rs. 17.52 lakhs. Improved results are attributed to modernisation of plant and machinery carried out in previous years and change in the pattern of production. The directors have provided Rs. 8.12 lakhs (against Rs. 2.10 lakhs) for depreciation, Rs 2.98 lakhs (against nil) for development rebate, Rs. 1.08 lakhs (against Rs. 62,000) for bonus to employees for previous years, Rs. 21,000 (against nil) for deferred revenue expenditure and Rs. 54,000 (against nil) for general reserve. After wiping out the deficit of Rs. 4.28 lakhs brought in, there remains a surplus of Rs. 31,000 to be carried forward. The proposed dividend absorbing Rs. 93,000 is to be paid out of the dividend equalisation reserve. The Rs. 1,000-paid share of Jam Mills is quoted nominally around Rs. 1,200.

Hindustan Sugar to Diversify

THE Hindustan Sugar Mills Ltd proposes to undertake the manufacture of chipboard by utilising its surplus sugarcane bagasse. The factory will be located in Golagokarnanath in Uttar Pradesh. The project is estimated to cost Rs. 75 lakhs of which Rs. 50 lakhs will be spent on fixed assets. The entire expenditure, it is proposed, will be met from the Company's internal resources. The Company has entered into a technical collaboration agreement with the reputed U.S. firm, International Design Corporation. The collaboration agreement has been approved by the Government of India, and the Company has been sanctioned an I.B.R.D. credit amounting to Rs. 12.5 lakhs for the import of machinery from West Germany and U.S.A. The bulk of the machinery is to be fabricated in India with the assistance of the American firm which is collaborating in the venture. If all goes well, the plant is likely to be ready for production by the end of 1965. The plant will have an initial capacity of 30 tons of chipboard a day which will be later increased to 60 tons. It is claimed that this will be the first plant in India which will manufacture chipboard from sugarcane bagasse. The market for chipboard is assured as the current production is far short of the country's needs. The total production of chipboard in 1963 was around 5,000 tons, against the third plan target of 200,000 tons.

Be Be Rubber Estates Cuts Dividend

FOLLOWING a decline in the profit, the directors of Be Be Rubber Estates Ltd have reduced the ordinary dividend to 3 percent for the year ended March 1964, against 5 percent in the previous year. The profit amounts to Rs. 1,02,103, against Rs. 1,30,387 for the previous year. With Rs. 897 brought forward from the previous year, the total comes to Rs. 1,03,001. Out of this, the dividend at 6.255 percent on preference shares amounts to Rs. 20,105. The ordinary dividend at 3 percent accounts for Rs. 25,983. Provision for taxation amounts to Rs. 55,000 (against Rs. 70,000). The balance of Rs. 1,912 is carried forward.

The total crop during the year amounted to 189,421 kilograms,

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against 188,278 kilograms. The estimated crop for 1964-65 is placed at 175,000 kilograms. The directors' report says that during the year, there has been a sharp fall in the total sale proceeds of rubber, against the amount obtained during the previous year.

New Capital Issues

FIVE companies have been authorised to raise fresh capital totalling Rs. 1.617 crores. Of these, four are issuing equities and one is offering preference shares. One of the companies is a State Government undertaking. The consent of the Controller of Capital Issues is valid for 12 months in all cases. The following are the details:

Micro Tools Ltd, Madras, a new Company, will be issuing capital of Rs. 40 lakhs in equity shares for the manufacture of small and hand tools in the beginning and then of precision tools for cutting, boring and countersunk works. The total capital cost of the scheme is estimated at Rs. 75 lakhs, which will be met by issue of capital of Rs. 40 lakhs and by loans from Industrial Credit and Investment Corporation of India, etcetera.

Andhra Steel Corporation Ltd, Calcutta, is to issue capital of Rs. 30 lakhs divided into 30,000 equity shares of Rs. 100 each for cash at par. Out of this issue, such number of shares as will enable the scrip to be listed on the recognised stock exchanges will be isued to the public by prospectus. The money will be used far the setting up of a steel foundry.

The Madhya Pradesh State Industries Corporation Ltd, a State Government undertaking, is to issue a further capital of Rs. 42.77 lakhs, divided into 42.770 equity shares of Rs. 100 each, at par, to the Government of Madhya Pradesh in lieu of assets transferred or to be transferred by the latter.

Prestolite of India Ltd, New Delhi, is to issue further capital of Rs. 9 lakhs in 9.5 percent preference shares each for cash at a premium of Rs. 7 a share to be issued to the existing shareholders in the ratio of one share for four shares held. The money will be used for financing renovation and repaying certain unsecured loans.

Birla Jute Manufacturing Co. Ltd, Calcutta, is to issue further capital of Rs. 39,89,060 (nominal) divided into 398,906 ordinary shares of Rs. 10 each for cash at a premium of Rs. 7 a share to be issued to the existing shareholders in the ratio of one share for four shares held. The money will be used for financing renovation and repaying certain unsecured loans.

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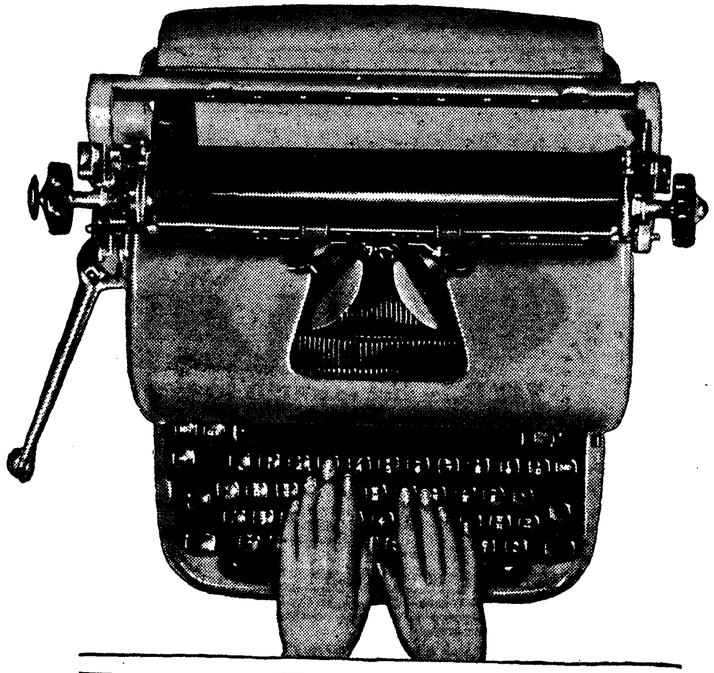
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The Stock Markets

COMPANY LAW BILL AFFECTS SENTIMENT

Wednesday Evening.

THE Calcutta stock market has closed the past week in a quiet mood after earlier steadiness. Share prices at first improved due to renewed buying on good corporate news. Several companies have shown bigger profits and have declared larger dividends. The Unit Trust of India has made substantial purchases which have helped to reduce the floating stocks.

Towards the close, there has been a reaction, particularly in clearing shares, due to tired bull liquidation. Turnover has dropped considerably because operators are reluctant to extend their commitments before the Puja holidays. Lyons Range has been disturbed by the drastic provisions of the Bill to amend the Companies Act. Since a considerable amount of unaccounted money has flowed into the stock market in recent months, the provision to stop the holding of shares in fictitious names has perturbed operators.

The more discouraging provision relates to blank transfer. The Bill proposes that no share can be held on blank transfer for more than six months in the case of listed companies and for not more than two months in the case of other companies. Although the new restriction aims at encouraging *bona fide* investments, it will affect the marketability of shares. It is, however, hoped that the Government will enforce the provisions slowly to prevent interruption of trading in the stock markets.

Indian Iron have retreated due to fresh concern over the repayment of advances given by the Government to the Indian Iron and Steel Company and Tata Steel. Among engineering shares, Jessop are a prominent feature due to the optimism inspired by the visit of the Prime Minister, Mr. Lal Bahadur Shastri, to the Company's factory last Sunday. J. K. Steel, Jay Engineering and Binani Metal enjoy influential support. Guest, Keen, Williams, Texmaco, Burn, Indian Standard Wagon and Braithwaite have reacted due to profit-taking.

The prices of clearing miscellaneous shares have moved down in the absence of support. Hindustan Motors, Indian Copper, Indian Aluminium, Dunlop Rubber and Indian Cable have been active. British Paints have improved on replacement buying. Interest is shown in Goodyear India, Metal Box Britannia Biscuits, Alkali and Chemical and Indian Oxygen. Philips India are a steady feature. India Steamship have recovered on short-covering.

Among managing agency shares, Jardine Henderson are quiet but Balmer Lawrie are steady. In electric companies, U.P. Electric have retreated. Calcutta Tramways have turned sluggish due to the uncertainty about the revision of the agreement between the Company and the West Bengal Government. Among new shares, Hindusthan Twyfords, Hindustan Aluminium and Phillips Carbon are prominent. In paper shares, Orient have fluctuated both ways. Titaghur have recovered slightly on replacement buying. Seshasayee, Bengal and Shree Gopal are steady. Sugar shares are neglected, and it has been difficult to attract buyers even by discounting present prices.

Birla are steady in the jute section due to the prospect of a rights issue in the proportion of one new share for every four held at a premium of Rs. 7 a share of Rs. 10 each. Other jute shares are being dealt in cautiously because the profits of jute mills have tended to shrink due to the sharp rise in the price of fibre. Champdany, Anglo-India, Union and Ganges have been transacted. Stray business has passed in coal shares and prices have shown little variation. Investors have been disappointed due to the decline in the demand for coal. Burrakur, Bengal and Central India have changed hands. Cotton mill shares are steady. J. K Rayon have reacted on profit-taking. Bharat Commerce, Dunbar and Elgin are about maintained. There has been a small turnover in tea shares, and prices have tended to drop.

Government securities are quiet. The 3 percent Conversion Loan 1986 has dropped to Rs. 63.55. The prices of short and medium-dated stocks are about steady, although there are few sellers. Most of the new State Government loans have been quoted at a slight discount.

Bombay

TURNOVER CONFINED TO CLEARING SHARES

MOVE FOR TIGHTER CONTROL WORRIES MARKET

Wednesday Evening.

THE Bombay stock market has closed the past week on an easier note. Share prices have tended to drop due to profit-taking. Bulls have been discouraged by some unfavourable developments. The Bill to amend the Companies Act has worried operators because of the proposed restrictions on blank transfers which are likely to affect the smooth working of Stock Exchanges. Dalal Street is not pleased with the Government's move to regulate the working of the Stock Exchanges more sternly. The increase in the interest rate on bank overdrafts is another restraining factor. Turnover has largely been confined to clearing shares. Interest in cash shares has been negligible.

Tata Steel ordinary have closed lower at Rs. 157.75 because of the controversy concerning the repayment of the advances given to the private-sector steel companies by the Government. Among engineering shares, Tata Engineering, Larsen and Toubro and Premier Construction have reacted due to profit-taking. In motor-vehicle shares, Hindustan Motors have lost due to pressure from outside centres. Premier Automobiles have turned hesitant because of the uncertainty about the dividend.

Cotton mill shares have reacted all round after an earlier steadiness. Bombay Dyeing, Century, Kohinoor and Svadeshi have dropped. Morarjee, Standard and Gokak have declined in sympathy with the general trend. Turnover in miscellaneous shares has dropped considerably. Among sugar shares, Belapur and Walchandnagar Industries have lost. In cement shares, Associated Cement are about steady. Mining shares have been subdued. Be Be Petrol and Shivrajpur Syndicate have been sold freely. In steamship company shares, Scindia Steam are a steady feature due to influential support.

Chemical shares have turned quiet. Tata Chemical and Indian Dyestuff have dropped. Rayon shares are quiet due to easier advices from the rayon yarn market. National Rayon have lost due to pressure. Voltas and Tata Oil are about steady. Gammon India have attracted support because of a higher dividend. Bank shares are fully steady, although turnover has been small. Bank of India and Central Bank have changed hands. Electric company shares have been steady. Support has been forthcoming for Tata Power and Ahmedabad Electric.

Madras

ATTENTION CENTRES ON PLANTINGS

TURNOVER IN CLEARING SHARES DROPS

Tuesday Evening.

THERE has been an appreciable decline in turnover in the Madras stock market during the past week. Investors and operators have become cautious because of the proposed amendments to the Companies Act. Bulls are disappointed because

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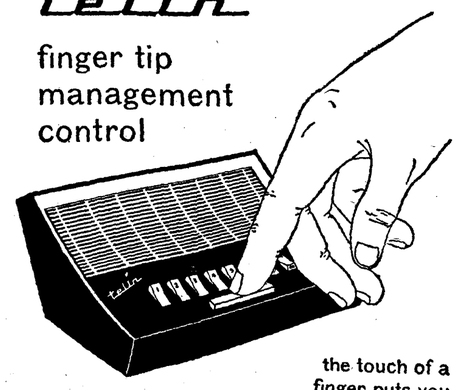
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they now think that the Government is unlikely to provide any incentive in the immediate future to stimulate activity in the capital market. The prices of almost all clearing shares have dropped. Interest has centred largely on selected plantation scrip. Although good preference shares and debentures are being sought, sellers are fewer. Government securities are dull, and most of the State Government loans are available at a slight discount.

Bank shares have been negligible. Indian Bank are available at Rs. 141 and Indian Overseas at Rs. 148. In electric company shares, West Coast are steady at Rs. 13.50 and Vellore at Rs. 15.62. Sugar shares have turned quiet. Deccan have lost at Rs. 12.30 and K.C.P. at Rs. 24. E.I.D. are available at Rs. 36.12, but Travancore have hardened to Rs. 8.12. Kothari have been offered at Rs. 6.45 and Mysore at Rs. 27.75.

In plantation shares, Blue Mountain are quoted at Rs. 2.33 and Cochin Malabar at Rs. 6.22. Consolidated Coffee have been supported up to Rs. 23.80 and Ouchterlony have been done at Rs. 3.35. Business has been transacted in Periakaramalai at Rs. 3.47. Woodland are quoted at Rs. 6.90 on declaring a taxable ordinary dividend of 5 percent. Emerald Valley have been transacted at Rs. 6.75 on paying a taxable ordinary dividend of 20 percent. Talayar have changed hands at Rs. 1.83 due to the payment of a taxable ordinary dividend of 5 percent. Balmadies are quoted at Rs. 1.85 on declaring a taxable ordinary dividend of 10 percent. Nonsuch are steady at Rs. 21.87, Peermade at Rs. 20.62 and Nilgiri at Rs. 9.20. Sheveroy are wanted at Rs. 2.07 and Rajendra at Rs. 13.

In textile shares, South India Viscose have dropped to Rs. 170 and Travancore Rayon to Rs. 20.40. Lakshmi are quoted at Rs. 134 and Madura at Rs. 35. Interest has been taken in Bangalore Woollen at Rs. 270 and in Buckingham at Rs. 281. Mettur are steady at Rs. 265.50 and Ramakrishna at Rs. 191.50.

In miscellaneous shares, Aluminium Industries are very steady at Rs. 23.20, but Ashok Leyland have lost at Rs. 7. Dalmia Cement have been bought up to Rs. 12.90, but India Cement have reacted to Rs. 5.43. Mettur Chemical have improved to Rs. 15 and F.A.C.T. are quoted at Rs. 5.15. Seshasayee Paper have lost at Rs. 7.48, but Standard Motors are steady at Rs. 10.15. Mysore Stoneware are wanted at Rs. 11.57 on the prospect of a bonus issue in the ratio of one bonus share for every 10 held. Kirloskar Electric are quoted at Rs. 19.15, Madras Rubber at Rs. 10.05 and Textool at Rs. 156. Parry's Confectionery have hardened to Rs. 3 and Spencer to Rs. 21.50.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 36/56—36/81—35/50—35/75—(32/75).

Burrakur Coal—Rs. 17/06—17/06—17/06—17/06—(16/37 S.T.).

Dunlop Rubber—Rs. 32/62—32/87—32/00—32/06—(34/37).

Guest, Keen, Williams—Rs. 23/75—23/81—23/25—23/44—(34/25).

Hindustan Motors—Rs. 17/37—17/44—16/97—17/00—(17/44).

Howrah Jute—Rs. 16/06—16/19—16/06—16/06—(18/69).

Indian Aluminium—Rs. 32/25—32/37—31/62—31/69—(36/81).

Indian Cable—Rs. 36/25—36/25—35/50—35/56—(35/81).

Indian Copper—Rs. 3/41—3/43—3/35—3/36—(5/08).

Indian Iron—Rs. 25/64—25/78—25/22—25/24—(23/62).

Jaipur Udyog—Rs 10/87—10/87—10/69—10/69—(11/44)

J. K. Cotton—Rs. 10/81—10/81—10/62—10/62—(11/62).

Kesoram Industries—Rs. 26/62—26/87—26/00—26/06—(24/62).

Orient Paper—Rs. 32/85—32/85—32/50—32/50—(36/25).

Orissa Cement—Rs. 11/37—11/50—11/31—11/31—(14/00).

Rohtas Industries—Rs. 10/44—10/44—10/31—10/37—(12/19).

Shree Gopal Paper—Rs. 25/87—25/87—25/69—25/69—(24/37).

Textile Machinery—Rs. 26/80—26/80—26/15—26/15—(25/65).

GILT-EDGED

3 % Loan (1970-75)—Rs. 90/20—90/25—90/20—90/25.

3 % „ (1986)—Rs. 63/70—63/70—63/50—63/50.

3½% „ (1974)—Rs. 96/35—96/35—96/35—96/35.

3½% „ (1965)—Rs. 100/05—100/05—100/05—100/05.

3½% „ (1969)—Rs. 97/95—97/95—97/95—97/95.

3½% „ (1968)—Rs. 99/90—99/90—99/90—99/90.

4 % Madras (1968)—Rs. 98/80—98/83—98/80—98/83.

4 % Orissa (1969)—Rs. 98/40—98/40—98/40—98/40.

4 % U.P. (1967)—Rs. 99/22—99/22—99/22—99/22.

4 % „ (1968)—Rs. 98/80—98/80—98/80—98/80.

4 % Loan (1969)—Rs. 99/55—99/55—99/55—99/55.

4 % „ (1970)—Rs. 99/00—99/05—99/00—99/05.

4 % „ (1973)—Rs. 98/95—98/95—98/95—98/95.

4 % „ (1979)—Rs. 98/10—98/10—98/10—98/10

4½% Andhra Pradesh (1976)—Rs. 97/05—97/10—97/05—97/10.

4½% U.P. (1976)—Rs 97/85—97/85—97/85—97/85.

4½% Orissa (1976)—Rs. 97/50—97/50—97/50—97/50.

4½% U.P. (1972)—Rs. 97/90—97/90—97/90—97/90.

4½% Andhra Pradesh (1972)—Rs. 98/05—98/10—98/05—98/10.

4½% Andhra Pradesh (1976)—Rs. 97/10—97/10—97/10—97/10.

4½% Loan (1973)—Rs. 100/05—100/05—100/05—100/05.

4½% „ (1986)—Rs. 100/10—100/13—100/10—100/13.

BANKS

Allahabad—Rs. 249/00—249/00—249/00—249/00—(258/00).

Do. (Pref.)—Rs. 94/00 x.d.—95/00 x.d.—94/00 x.d.—95/00 x.d.

Punjab National—Rs. 20/00—20/12—19/81—19/81—(19/00).

United Bank of India (Rs. 10/- paid)—Rs 7/75—8/12—7/15—8/12—(7/34).

United Commercial—Rs. 73/50—73/50—73/50—73/50—(68/75).

TEXTILES

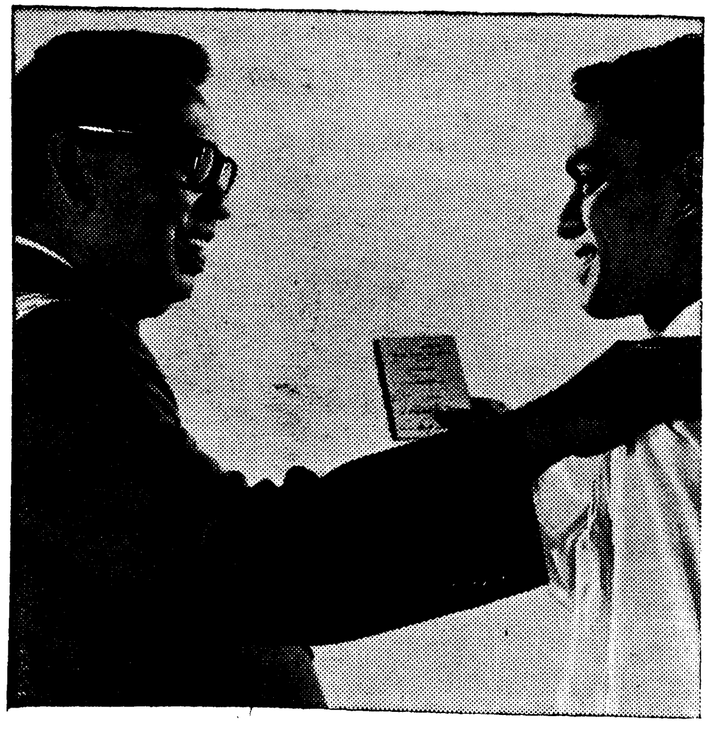
Basanti—Rs. 9/00—9/00—8/50—8/50—(11/25).

Bowreah—Rs. 24/75—24/75—24/75—24/75—(23/00).

Bharat Commerce—Rs. 21/00—21/06—21/00—21/06—(23/44).

Cawnpore—Rs. 6/59—6/59—6/50—6/50—(6/69).

Elgin—Rs. 19/81—19/94—19/62—19/62—(20/94).



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Gajraj Pannalal—Rs. 115/00—115/00—115/00—115/00.

Jay Shree—Rs. 13/75—13/81—13/62—13/75—(16/00).

New Victoria—Rs. 1/19—1/22—1/19—1/22—(1/50).

Orissa (Pref.)—Rs. 72/50—72/50—71/50—72/00.

COALS

Bengal—Rs. 255/00—255/00—255/00—255/00—(274/00).

Central India—Rs. 9/44—9/56—9/44—9/44—(9/87).

Katras Jherriah—Rs. 28/12—28/12—28/12—28/12—(34/12)

Karanpura Collieries—Rs. 13/31—13/31—13/25—13/25—(16/00).

Khas Kajora—Rs. 12/50—12/50—12/50—12/50.

Rewa—Rs. 22/06—22/12—21/87—22/12.

South Karanpura—Rs. 6/06—6/06—6/06—6/06—(8/25)

Western Bengal—Rs. 9/41—9/41—9/34—9/34—(8/47).

JUTES

Agarpara—Rs. 9/56—9/56—9/56—9/56—(11/75).

Do. (Pref.)—Rs. 100/00—100/00—100/00—100/00.

Alliance—Rs. 114/00—114/00—114/00—114/00—(139/00).

Champdany—Rs 21/75—21/81—21/62—21/81—(24/50).

Ganges—Rs. 14/69—14/69—14/69—14/69—(15/81).

Kamarhatty (Pref.)—Rs. 81/00—81/00—81/00—81/00.

Kankinarah (Pref.)—Rs. 81/00—81/00—81/00—81/00.

Lansdowne (Pref.)—Rs. 94/00—94/00—94/00—94/00.

Megna—Rs 12/56—12/62—12/56—12/62—(15/00).

New Central—Rs. 10/69—10/75—10/62—10/69—(12/94).

Nellimarla—Rs. 8/75—8/81—8/75—8/81—(12/50).

Presidency—Rs. 4/37—4/42—4/37—4/37—(5/69).

Reliance—Rs. 7/12—7/12—7/00—7/00—(10/19).

Waverley (Pref.)—Rs. 40/00—40/37—40/00—40/00.

MININGS

Metal Corporation—Rs. 6/19—6/25—6/19—6/25—(8/12).

Orissa Minerals—Rs. 19/75—19/87—19/69—19/69—(27/69).

CEMENTS

Bengal Potteries—Rs. 4/25—4/25—4/19—4/25—(5/37).

Dalmia (Bharat)—Rs. 13/06—13/19—12/87—12/87—(12/31).

Do. (Pref.)—Rs. 8/50—8/50—8/50—8/50.

Sone Valley—Rs. 3/91—3/97—3/87—3/94—(4/50).

CHEMICALS

Alkali & Chemical—Rs. 29/00—29/12—28/94—29/12—(33/75).

Chemicals & Fibres—Rs. 16/00—17/12—15/81—16/87.

PUBLIC UTILITIES

Bareilly—Rs 11/50—11/50—11/44—11/50—(12/37).

Calcutta—Rs. 15/37—15/50—15/25—15/37—(14/87).

Do. (Pref.)—Rs. 8/50—8/56—8/44—8/56—(8/15).

Cuttack—Rs. 16/00 x.d.—16/00—15/00—15/00—(11/87).

Dishergarh Power ('B' Pref.)—Rs. 60/50—60/50—60/50—60/50.

Mozafferpore—Rs. 17/75 s.t.—17/75—17/75—17/75—(11/50).

ENGINEERINGS

Bhartia Electric Steel—Rs 15/00—15/06—14/94—15/06—(13/44).

Britannia Eng.—Rs. 9/70—10/56—9/47—10/31—(10/03).

Bharat Ball Bearing—Rs. 12/00—12/12—12/00—12/12—(12/50).

Binani Metal—Rs. 13/12—13/37—13/12—13/37—(10/00).

Burn & Co.—Rs. 277/00—279/00—277/00—279/00.

Calcutta Steel—Rs. 13/81—13/94—13/69—13/69—(13/00).

Dalmia Iron—Rs. 11/37—11/37—11/25—11/25—(10/87).

Indian Iron and Steel (Pref.)—Rs. 87/00—87/00—87/00—87/00.

Indian Malleable Casting—Rs. 2/75—2/75—2/75—2/75—(6/00).

Jessop & Co.—Rs. 20/87—24/00—20/75—23/69—(26/37).

Jay Eng.—Rs. 19/12—19/25—19/00—19/00—(20/87).

J. K Steel—Rs. 17/25—18/12—17/19—17/87—(15/12).

Kumardhubi—Rs. 5/50—5/69—5/50—5/56—(9/25).

Marshalls—Rs. 3/50—3/62—3/25—3/40—(2/37).

Raymon—Rs. 5/31—5/44—5/19—5/25—(5/00).

FLOUR MILL

Bengal—Rs. 33/87—34/12—33/87—34/12—(29/00).

MISCELLANEOUS

Albion Plywood—Rs. 6/69—6/80—6/69—6/80

Aluminium Corpn.—Rs. 12/50—12/62—12/00—12/00 x.d.—(15/44).

Do. (Renunciation Letter)—Rs. 1/37—1/44—1/19—1/37.

Angelo Brothers—Rs. 25/12—25/12—25/00—25/00—(23/87)

Asiatic Oxygen—Rs. 9/44—9/44—9/44—9/44—(14/19).

American Refrigerators—Rs. 9/94—10/00—9/87—10/00

Associated Battery—Rs. 24/75—24/81—24/62—24/81—(24/50).

Asian Refractories—Rs. 11/12—11/12—11/12—11/12.

British Paints—Rs. 22/87—24/94—22/87—24/87—(20/00).

Bhartia Commercial—Rs. 10/25—10/25—10/12—10/12.

B. I. Corpn.—Rs. 11/00—11/25—10/87—11/25—(8/00).

Britannia Biscuits—Rs 36/62—36/62—36/62—36/62—(42/75).

Bombay Steel Rolling—Rs. 5/00—5/06—5/00—5/06.

Clive Row Investment—Rs. 8/44—8/50—8/44—8/50—(8/75).

Calcutta Tramways—Rs. 10/87—10/87—10/87—10/87—(11/06).

Duncan Brothers—Rs. 139/00—139/00—137/00—137/00—(130/00).

Dr. Paul Lohmann—Rs. 8/50—8/50—8/37—8/37—(13/37).

Dyer, Meakin Breweries—Rs. 25/81—25/81—25/62—25/69—(28/50).

East Anglia Plastics—Rs. 8/06—8/31—8/06—8/19.

Electric Construction—Rs. 13/81—13/94—13/81—13/87—(13/69)

English Electric—Rs. 15/19—15/75—15/19—15/75—(14/19).

Esso Standard Refg. (Pref.)—Rs. 82/00—82/00—82/00—82/00.

Fort Gloster Industries—Rs. 267/00—267/00—267/00—267/00—(372/00).

Goodyear India—Rs. 23/56—23/75—23/44—23/62—(31/25).

Great Eastern Hotel—Rs. 260/00—260/00—260/00—260/00—(225/00).

Hindustan Aluminium—Rs. 13/69—13/94—13/44—13/62—(13/81).

Hindustan Development—Rs. 3/81—3/87—3/78—3/78—(4/00).

Hindusthan Gas—Rs. 19/06—19/25—19/06—19/25—(22/24)

Hindusthan Twyfords—Rs. 16/50—16/75—16/25—16/50—(14/25).

Hindusthan Pilkington Glass—Rs. 14/50—14/50—14/37—14/37—(13/37).

Iloare Miller—Rs. 4/37—4/50—4/19—4/19—(5/75).

Hindustan Lever—Rs. 31/50—31/50—31/50—31/50.

Indian Plastics—Rs. 7/81—7/81—7/75—7/75

Imperial Tobacco—Rs. 9/00—9/06—8/75—8/81—(10/91).

India Carbon—Rs. 13/69—13/87—13/50—13/87—(17/37).

Indian Tack and Nail—Rs. 9/62—9/69—9/62—9/69—(11/56).

Ivan Jones—Re. 0/75—0/78—0/75—0/78.

Indian Oxygen—Rs. 24/87—24/87—24/62—24/87—(27/50).

Inchek Tyres—Rs. 6/69—6/75—6/69—6/75.

Jay Shree Industries—Rs. 14/50—14/75—14/50—14/75—(17/50).

J. K. Synthetics—Rs. 13/37—13/37—13/06—13/12—(12/06).

Jardine Henderson—Rs. 75/00—75/00—75/00—75/00—(88/00).

Macfarlane & Co.—Rs. 4/44—4/50—4/44—4/50—(6/75).

Martin Burn—Rs. 27/25—27/25—27/25—27/25—(27/37).

Metal Box—Rs. 31/62—31/75—31/50—31/50—(50/62).

Madras Rubber—Rs. 10/25—10/25—10/06—10/06.

Metal Distributors—Rs. 9/25—9/37—9/12—9/25—(4/25).

National Pipes and Tubes—Rs. 28/19—28/25—28/19—28/25—(24/69)

National Rolling and Steel Ropes—Rs. 23/12—23/31—23/12—23/31—(21/44).

National Tobacco—Rs. 11/75—11/75—11/75—11/75—(12/00).

Do. (1st Pref.)—Rs. 69/25—69/25—69/25—69/25.

Do. (2nd Pref.)—Rs 57/50—57/50—57/50—57/50.

Philips Carbon—Rs. 13/87—14/00—13/75—13/75—(15/00).

Philips India—Rs. 27/25—27/50—27/25—27/50.

R. B. Rodda—Rs. 4/40 x.d.—4/40—4/40—4/40.

Rallis India—Rs. 125/00—125/00—124/00—125/00—(122/50).

Rohtas Industries ('B' Pref.)—Rs. 58/75—58/75—58/75—58/75.

Schrader Scovil Duncan—Rs. 10/50—10/75—10/50—10/75.

Sirsilk—Rs. 7/50—7/62—7/50—7/62—(9/00).

Shaw Wallace—Rs. 15/00—15/00—15/00—15/00—(16/81).

Tungabhadra Industries—Rs. 9/94—9/94—9/81—9/94.

Universal Cables—Rs. 11/19—11/25—11/12—11/19—(11/25).

Usha Martin Black—Rs. 14/62—14/75—14/62—14/75—(16/00).

Union Carbide—Rs. 32/75—32/87—32/37—32/75—(39/00).

Walford Transport—Rs. 3/06—3/09—3/03—3/06—(3/62)

PAPERS

Ballarpur—Rs. 17/69—17/69—17/69—17/69—(17/62).

Bengal—Rs. 26/62—26/62—26/56—26/62—(26/12).

India Paper Pulp—Rs. 16/25—16/44—16/25—16/44—(17/44).

Sirpur—Rs 12/12—12/25—12/12—12/19—(12/69).

Straw Products—Rs. 9/25—9/25—9/00—9/00—(10/06).

Seshasayee—Rs. 7/56—7/56—7/50—7/50—(7/25).

Star—Rs. 8/23—9/50—8/19—8/19—(9/06).

Titaghur—Rs. 12/44—12/56—12/31—12/50—(16/62).

REAL PROPERTIES

Humayun Properties (Pref.)—Rs. 7/25—7/56—7/25—7/56.

Midnapore Zemindary—Rs. 34/00—35/50—33/25—33/75—(11/00).

OILS

Indo-Burma Petroleum—Rs. 21/37—21/44—21/37—21/44—(22/00)

Do. (Pref.)—Rs. 67/00—68/00—67/00—68/00.

SHIPPINGS

Bengal Assam—Rs. 105/50—105/50—105/50—105/50

Calcutta Steam Navgn.—Rs. 7/75—7/75—7/62—7/62—(9/25).

India Steamship—Rs. 6/94—7/19—6/87—7/16—(6/56).

Port Shipping—Rs. 17/37—17/37—17/37—17/37—(14/69).

PRESSING

Camperdown—Rs. 110/00—110/00—110/00—110/00—(104/00).

SUGARS

Balrampur—Rs. 1/62—1/69—1/59—1/59—(1/81).

Cawnpore—Rs. 10/00—10/00—9/87—10/00—(9/75).

Darbhanga—Rs. 8/44—8/44—8/31—8/31—(8/87).

Mohini—Re. 0/87—1/00—0/81—1/00.

Ryam—Rs. 4/12—4/12—4/12—4/12—(3/56).

Shree Krishna Gyanoday—Rs. 8/25—8/41—8/19—8/41—(7/50).

Tulsipur—Rs. 4/37—4/75—4/37—4/75.

TEAS

Brooke Bond—Rs. 10/19—10/25—10/19—10/25—(12/50).

Banarhat (Renunciation)—Rs. 30/00—30/00—27/00—27/00.

Chunabhutti (Pref.)—Rs. 78/50—80/50—78/50—80/50.

Duffla ghur—Rs 23/62—23/62—23/37—23/50—(26/56).

Dessai & Purbuttia—Rs. 170/00—170/00—168/00—170/00—(200/00).

Dibrugarh—Rs. 27/31—27/50—27/31—27/50—(32/50).

Eastern Cachar—Rs. 5/00—5/06—5/00—5/06—(4/50).

Gohpur—Rs 12/94—13/06—12/94—13/06—(15/44).

Grob—Rs. 6/06—6/19—6/06—6/19—(8/12).

Hanuman—Rs. 10/19—10/19—10/19—10/19.

Joonktoolie—Rs. 16/94—17/62—16/94—17/62.

Killcott—Rs. 14/44—14/50—14/44—14/50—(15/31).

Muir—Rs. 430/00—430/00—430/00—430/00—(191/50).

New Samanbagh—Rs. 20/25—20/25—20/25—20/25—(18/37).

Pahargoomiah—Rs. 11/62—11/62—9/87—9/87—(14/25).

Sungma—Rs 12/12—12/25—12/12—12/25—(14/56).

DEBENTURES

5½% Agarpara Jute—Rs. 91/50—91/50—91/50—91/50.

5½% Burmah-Shell—Rs. 93/50—93/50—93/00—93/00.

6½% East Indian Coal—Rs. 95/00—95/00—95/00—95/00.

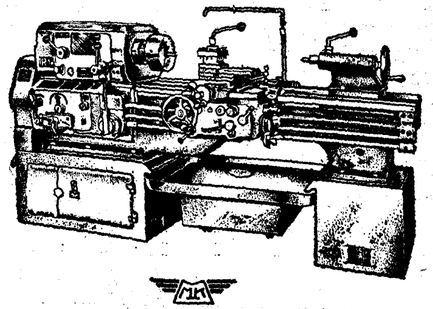
7 % Carew & Co.—Rs. 99/00—99/50—99/00—99/50.

6½% Naskarpara Jute—Rs. 95/00—95/00—95/00—95/00.

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MK 464

RESERVE BANK

ISSUE DEPARTMENT

(In 000's of Rupees)

	Week Ended		
	18-9-64	11-9-64	20-9-63
Liabilities—			
Notes in Banking Dept.	17,29,62	28,90,11	18,93,56
Notes in Circulation	23,89,81,19	24,21,16,63	22,04,43,12
Total Notes issued	24,07,10,81	24,50,06,74	22,23,36,68
Assets—			
A. Gold Coin and Bullion	1,17,76,10	1,17,76,10	1,17,76,10
Foreign Securities	85,45,69	85,45,69	89,46,14
Total of A	2,03,21,79	2,03,21,79	2,07,22,24
B Rupee Coin	1,07,95,78	1,05,91,72	1,23,84,72
Rupee Securities	20,95,93,24	21,40,93,23	18,92,29,72
Total	24,07,10,81	24,50,06,74	22,23,36,68

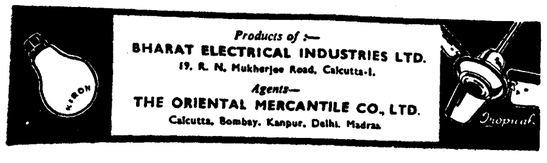
BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long Term Operations) Fund	66,00,00	66,00,00	73,00,00
National Agricultural Credit (Stabilisation) Fund	9,00,00	9,00,00	8,00,00
National Industrial Credit (Long Term Operations) Fund	10,00,00	10,00,00	...
Deposits—			
(a) i Central Govt.	60,68,26	87,31,70	70,19,81
2. State Govts.	13,67,77	26,86,92	7,13,31
(b) Banks :—			
(i) Scheduled Banks	1,06,50,09	98,90,18	86,14,75
(ii) State Co-operative Banks	2,33,25	2,72,21	2,21,87
(iii) Other Banks	3,41	3,71	4,57
(c) Others	1,38,27,73	1,38,96,39	1,60,95,64
Bills Payable	42,13,51	41,15,47	31,46,61
Other Liabilities	25,93,11	24,01,16	21,28,22
Total	5,79,57,13	6,09,87,74	5,45,44,78
Assets—			
Notes	17,29,62	28,90,11	18,93,56
Rupee Coin	4,29	3,51	2,32
Small Coin	7,32	6,63	2,17
National Agricultural Credit (Long Term Operations) Fund			
(a) Loans and Advances to :—			
(i) State Govts.	28,29,52	28,29,51	27,14,10
(ii) State Co-operative Banks	12,09,44	12,23,72	10,15,34
(iii) Central Land Mortgage Banks	...	...	...
(b) Investment in Central Land Mortgage Bank Debentures	4,39,95	4,39,95	3,55,31
National Agricultural Credit (Stabilisation Fund) Loans and Advances to State Co-operative Banks	...	...	...
Bills Purchased and Discounted :—			
(a) Internal	...	...	...
(b) External	...	...	...
(c) Govt. treasury Bills	...	...	...
Balances Held abroad	2,04,80,18	2,06,53,62	96,96,61
Loans and Advances to Govt.	13,40,67	11,05,63	9,03,58
Loans and Advances to :—	18,34,89	15,83,00	28,72,37
(i) Scheduled Banks	92,95	2,03,60	1,45,45
(ii) State Co-operative Banks	1,46,90,47	1,48,20,74	1,27,06,71
(iii) Others	2,49,48	2,44,38	1,95,55
Investments	1,04,22,33	1,23,66,14	1,96,13,21
Other Assets	26,25,62	26,17,20	24,28,20
Total	5,79,57,13	6,09,87,74	5,45,44,78

SCHEDULED BANKS

(In 000's of Rupees)

	Week Ended		
	11-9-64	4-9-64	13-9-63
(i) Demand Liabilities—			
(a) Demand Deposits :			
(1) From Banks	61,03,18	60,01,23	51,75,29
(2) From others	11,22,70,96	11,24,62,53	9,47,26,30
(b) Borrowing from Banks	26,85,08	29,08,00	23,09,49
(c) Other	69,92,89	72,08,36	61,49,32
(ii) Time Liabilities—			
(a) Time Deposits :			
(1) From Banks	37,55,93	38,19,23	36,12,45
(2) From others	13,56,16,45	13,48,92,55	12,43,99,25
(b) Borrowing from Banks	16,95,59	17,00,45	24,62,38
(c) Others	12,69,98	12,92,42	9,93,37
(iii) Borrowing from State Bank—			
(a) Demand Liabilities	7,52,35	7,53,70	4,77,44
(b) Time Liabilities	23,65,00	23,32,00	17,55,00
(iv) Borrowing from Reserve Bank	1,95,10	4,82,80	9,90
(v) Cash	64,02,90	62,88,78	52,44,51
(vi) Balances with the Reserve Bank	96,95,16	91,27,26	86,86,04
(vii) Balances with other Banks in current account	20,20,38	21,39,23	20,75,63
(viii) Money at call and short notice	64,10,30	62,31,25	50,78,32
(ix) Investments in Central and State Govt. Securities	7,61,99,52	7,91,16,65	7,51,03,63
(x) Loans, Cash Credits and Overdrafts	14,93,87,26	15,01,18,78	12,42,52,45
(a) Due from Banks	12,71,02	11,41,46	17,88,97
(b) Due from others	1,67,88,01	1,63,62,13	1,63,36,85
(xi) Inland Bills purchased and discounted	66,95,90	70,97,69	53,52,21
(xii) Foreign Bills purchased and discounted	17,44,42,19	17,47,20,06	14,77,30,48
(xiii) Total of X, XI and XII			



Money

THE CALCUTTA MONEY MARKET

MODERATE DECREASE IN ADVANCES

Wednesday, 23rd September.

THERE has been a moderate fall in the general level of advances in the Calcutta money market during the past week. This is mainly due to the decline in the credit given for miscellaneous purposes. There has also been a slight decrease in the advances to cotton and sugar mills. The requirements of the jute industry and the foodgrains trade remain more or less unchanged, and so are those of the iron, steel and engineering units. In the interbank market, conditions are fairly easy and the call rate quotes around 1¼ percent with lenders over.

The exchange market is inactive, with a poor supply of gunny bills and small supply of tea bills. The demand for remittances is small. In the London market, sterling has improved slightly from the lowest levels reached in recent weeks.

SILVER WAS STEADY IN CALCUTTA during the past week. The price rose from the previous week's level of Rs. 252.50 to Rs. 254.50, quoted today. The price was quoted at 112¼d in London and at 129.3 cents in New York.

In sympathy with the rise in silver, gold ruled steady and the price of 14-carat advanced from Rs. 71.50 to Rs. 72.25.

DURING THE WEEK ENDED 18TH September, Government of India Treasury bills for Rs. 66,36,00,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 22nd September. The total amount offered was Rs. 2,10,00,000. Tenders at Rs. 99.405 percent were accepted in full and those at Rs. 99.400 percent were allotted 95 percent. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.399 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 28th September.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 23rd September to 26th Stptember at Rs. 99.416 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 16th September to 19th September amounted to Rs. 7,97,50,000.

THE TOTAL NOTE ISSUE DROPPED BY Rs. 42.96 crores to Rs. 2,407.11 crores and active notes by Rs. 31.36 crores to Rs. 2,389.81 crores, according to the return of the Reserve Bank of India for the week ended 18th September, 1964. The currency contraction was adjusted by reducing rupee securities by Rs. 45 crores to Rs. 2,095.93 crores in the paper currency reserve. Deposits of the Government of India fell by Rs. 26.54 crores to Rs. 60.68 crores and those of State Governments by Rs. 13.19 crores to Rs. 13.68 crores. Balances of commercial banks at Rs. 106.50 crores showed a rise of Rs. 7.60 crores. Their loans from the Reserve Bank amounted to Rs. 2.50 crores, against Rs. 2.04 crores of which advances against usance bills stood at Rs. 20 lakhs (Rs. 50 lakhs). Investments dropped by Rs. 19.44 crores to Rs. 104.22 crores. Balances held abroad rose by Rs. 2.35 crores to Rs. 13.41 crores. Ways and means advances stood at Rs. 18.35 crores, against Rs. 15.83 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 11th September, 1964, shows a drop of Rs. 2.69 crores to Rs. 656.21 crores in total deposits. Investments in Government securities are down by Rs. 31.03 crores to Rs. 266.11 crores, while other authorised investments remain unchanged at Rs. 9.44 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have declined by Rs. 1.08 crores to Rs. 342.26 crores. Cash and balances are, in consequence, shown at Rs. 32.83 crores or Rs. 6.63 crores higher.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 11th September, 1964, shows Demand and Time liabilities at Rs. 1,280.52 crores (Rs. 26.85 crores on account of borrowings from banks) and Rs. 1,423.38 crores (Rs. 16.96 crores), compared with Rs. 1,285.80 crores (Rs. 29.08 crores) and Rs. 1,417.05 crores (Rs. 17 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have increased by Rs 1.14 crores and Rs. 5.68 crores to Rs. 64.03 crores and Rs. 96.95 crores, respectively. There is a drop of Rs. 29.17 crores to Rs. 762.00 crores in investments. Advances and bills discounted at Rs. 1,744.42 crores show a drop of Rs. 2.78 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 6 percent and 64.5 percent, against 5.7 percent and 64.6 percent.

THE DIRECTORS OF THE CHARTERED Bank have declared an interim dividend of 7½ percent actual subject to deduction of income tax at 7s 9d in the pound, payable on Friday, 25th September, 1964.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 25-9-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
25-9-64	28-12-64	2,00.00	Rs. 2.399%
18-9-64	21-12-64	2,00.00	Rs. 2.386%
11-9-64	14-12-64	2,00.00	Rs 2.400%
4-9-64	7-12-64	2,00.00	Rs. 2.400%
21-8-64	24-11-64	2,00.00	Rs. 2.400%
14-8-64	17-11-64	2,00.00	Rs 2.400%
7-8-64	10-11-64	2,00.00	Rs 2.393%
31-7-64	3-11-64	2,00.00	Rs. 2.399%
24-7-64	27-10-64	2,00.00	Rs. 2.400%
10-7-64	13-10-64	2,00.00	Rs. 2.500%
3-7-64	6-10-64	2,00.00	Rs 2.994%
26-6-64	29-9-64	2,00.00	Rs. 2.995%

(Monthly Maturities 000's omitted)

September, 1964	2,00.00
October, 1964	6,00.00
November, 1964	8,00.00
December, 1964	8,00.00
Total	24,00.00

CLEARING HOUSE RETURNS

Week	Calcutta	Rs (thousand) Bombay
18-9-64	.....	1,07,46,30
11-9-64	96,65,57	99,19,10
4-9-64	1,24,63,58	1,41,10,44

THE JAY ENGINEERING WORKS LIMITED

COMPANY'S INTRINSIC STRENGTH UNIMPAIRED BY THE STRIKE

—INVESTMENT MUST BE RETURN-ORIENTED

The following is the speech delivered by the Chairman, Mr. Charat Ram at the Twenty-seventh Annual General Meeting of Jay Engineering Works Limited held on 23rd September, 1964, in Calcutta.

Friends,

I have great pleasure in welcoming you to the Twenty-seventh Annual General Meeting of the Company.

We should begin our proceedings today, by paying our homage to the memory of Jawaharlalji Nehru. I can hardly add to all what has been said, and what all of us indeed must feel, about this great personality. Mahatma Gandhiji secured us freedom from foreign bondage and was truly the father of the nation; Panditji attempted to bring freedom from material want in the lives of the people. Few peoples are so lucky as to have as their leader, a man of such deep humanism and scholarliness. May I request you to pay homage to Pandit Ji's memory by standing up silently for a while.

We are lucky that a person of Lal Bahadur Shastri Ji's calibre has succeeded Pandit Nehru as our new Prime Minister. Shastriji is known as a man of sagacity and independence. The pragmatism and the determination with which Shastriji has set about his task is indeed gratifying. In the difficult situation that he has inherited, he has shown firmness of purpose and a sense of realism that augurs well for the future.

Strike and the Aftermath

The annual report of the Company for the year ended March, 1964 has been with you for some time. The profit for the year bears the mark of a part of the period of the strike in the Calcutta factories of the Company from 17th December, 1963 to the end of May, 1964. However, your directors have decided that, as the decline in profits has been due to an abnormal occurrence, the Company should draw upon its reserves to pay a dividend on equity shares, although a lower one at 8%. This is considered equitable, having regard to the overall responsibilities of the Company. I am hopeful that in the course of the year, the Company will be able to replenish its reserves, while compensating the investors adequately.

Labour Leadership Needs to have a Fresh Outlook

I should, to begin with, make a reference to the most unfortunate strike which the Company had to face determinedly. A broad analysis of the causes may help to prevent a recurrence of such unfortunate events. The strike affected not only the Company's profits, but also the country's export earnings. It caused enormous loss, running to over crores of rupees to the workmen in terms of loss of wages, bonus etc; the Government lost large amounts of excise duty and direct and indirect taxes; and the community lost much needed supplies. The strike certainly did not win any rewards for the workmen. The demands, which were the ostensible cause of the strike, had already been reviewed by the West Bengal Government and some of them had been referred to the Industrial Tribunal for adjudication. The same position obtains after the strike. On the other hand, the tempo of production achieved over many years was broken, and production-based earnings of workers have been maintaining a low level; there is no work for a large number of workers; and, as violent activity must feed on its own perpetrators, scores of workers, including many basically good, honest men, have had to be charged for indulging in violence and intimidation. This picture of desolation and disruption, in an undertaking which has been known for its very high remuneration levels and progressive personnel policy, is certainly most unfortunate. I must repeat what I said last year here, that political and agitational considerations must give way to the paramountcy of the needs of working men and the industry, if labour leadership is to be meaningful and constructive in the economy of the nation. During the year there has been much evidence in the country, apart from our own strike, to show that there is more pre-occupation on the part of a section of our labour leadership with political and other extraneous considerations, than with the ultimate good of the working people and the industry. It is clear that labour leadership needs to have a fresh outlook in the matter of labour relations if the working class and the economy of the nation are to be spared the tribulations brought about by pseudo trade unionism having political overtones. I consider the workmen of Jay Engineering Works capable of making a dynamic shift in this matter, as they have shown dynamism in the past on so many other occasions.

Production only Solution for Economic Ills

Of the several factors in the economic situation, making for what is now recognized as an economic crisis, the foremost pertain to food production and prices. Responsible people in all walks of life have their own analysis of the situation. I am not a defender of any anti-social businessmen, but if a disease is not rightly diagonised, the cure may be hard to come by. There may or may not be some hoarding of food grains and other agricultural produce, at the primary level of the producer, or at the secondary level of the distributor; a part of this hoarding must however be distinguished from normal stocking, for unlike green vegetables which are bought for day to day consumption, food grains are harvested two or three times in a year and stocked for consumption in the coming months. Furthermore, any hoarding could at worse take place only till the arrival of the next crop. I am sure that our Government is not interested now in finding temporary scapegoats, but in a continuing long term solution of the problem. The fact is that for over a decade now, the price curve of food grains has been steadily going up, inspite of shiploads of American bounty food increasing in number year after year. Some economists even fear that at this rate, some day America might be itself short, to meet the widening gap of our demand and supply position. The answer in my view is to be found in inadequate production, and the inadequacy seems to grow year after year. With some hesitation I would like to suggest that the Government might have a second look on some of the so called socialist objectives, which have become so sacrosanct, at least so far as agriculture is concerned. There is no question that we have to increase our yields from land, and a great many of our policies may satisfy ideology in some quarters not responsible for results, but may not give the much needed food that the people of this country need. Socialism, democratic or otherwise, or communism, or even capitalism may remain a paper satisfaction for the people, if they fail to make for more production, and availability of goods.

Return-Orientation for National Investment

Another problem of our country is expensive and unproductive investment. Unless capital investment is done with stringent economy, and unless the overall economic return on total investmeat exceeds the economic cost of the investment, the economy of the country is bound to be under continuing severe strain. It is a matter of satisfaction that the Prime Minister has already instituted studies for determining the extent to which our economy can bear the load of gigantic long term investments. I have no doubt that this will result in a review of national priorities with a view to up-grading projects which will yield goods and services in a relatively short time, thus countering inflationary forces and facilitating further investments from earned surpluses.

The other kind of unproductivity arises from confusion about the character and nature of profits. There seems in some lobbies in our country a view, that it is a crime to make profits; I submit that, on the other hand, it should be considered an economic crime to make losses. The idea that business profits are good for the economy is difficult for many to accept. What the critics of profit say on the surface is, that business aims not at helping people, but at making profits through people. Their instinct tells them that one man's profit is another man's loss, and so they conclude that profit means exploitation. Now the relationship between business profits and economic growth is basically very simple. Profit determines investment, for you obviously cannot invest from losses, and investment is essential to growth. Thus declining profits must mean a serious drop in investment, and therefore a slower growth for the economy; per contra, higher profits would mean higher investment and faster growth. It is no accident that business profits, business investment, and unemployment are the three economic indicators that have remained at recession levels during the current economic down-swing.

The matter of rising costs of manufacture is certainly one of alarm. The "cost-price" squeeze situation about which I referred last year, has worsened for industry in general and for engineering industry in the metropolitan Calcutta region in particular. Management has the primary responsibility for controlling costs by seeking more efficient ways of making and marketing products But many of the costs of doing business today in our country lie wholly or partially beyond the control of management. To cite only one and latest example, the runaway price situation has led to increases in rates of dearness allowance payments to our workers in the last three months, which would mean increases in costs for your Company to the extent of about Rs. 10 lacs per year. If manufacturing costs continue to mount up, they must sooner or later be reflected in increase in selling prices. If the goal of our society is to provide the basic necessities of life at prices which the people can afford, we seem to be somehow awfully off the track in achieving it. To me there appears to be some confusion between ends and means.

Satisfactory Trend of Production in the Company after the Strike

Before closing, I should say that our current operations are maintaining a satisfactory trend, considering the aftermath of the strike. Given sustained hard work by the workers without being diverted by self-seeking men, there should be increased earnings and bonuses for the workmen, increased profits for the investor, increased exports for the country and increased supplies for the domestic market. Our shareholders and others concerned with us can feel reassured that the intrinsic strength of the Company remains unimpaired by the strike. The principal asset of any undertaking is its men, and I feel proud to say that the strike has given ample proof of the worth of our management personnel, as well as our rank and file and operating personnel.

A Call to Workmen

Our relationship with our work-force remains good inspite of the fact that most of them had to make common cause with aggressive elements due to compulsive forces that bear upon the working class. To the leadership of our Company's labour, and to the workmen themselves, I take this opportunity of making a personnel appeal. Strike against production can never, never be in the interest of either the labour group or the country at large. Management has responsibilities to the consumer, the labour and the investor alike. Let us all work in the coming years to make Jay Engineering the lowest cost factory in India, for that is the only way to also making it the highest profit factory, from which increased investments and payments to labour can come.

All of you are aware that our old and close colleague Shri T. R. Gupta, left the Company during the year to take up the chairmanship of the mammoth public sector undertaking, the Heavy Engineering Corporation Ltd. We are sorry to lose him, but take pride in this singular recognition. Personally to me it has been a great loss, but he remains basically a part of us and we seek his advice in any difficult situation constantly. I am sure you will join me in wishing him a successful career in his new challenging job.

Shri B. S. Agarwal, along with the officers of the Company, supported by the staff and workers, deserve more than our usual thanks for the manner in which they conducted the affairs of the Company in an eventful year.

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

ANALYTICAL

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ALUMINIUM CORPORATION OF INDIA LTD.

THE CHAIRMAN REVIEWS RESULTS

The following address delivered by the Chairman, Mr. Lakshmipat Singhania at the Twenty-sixth Annual General Meeting held on Monday, the 21st September, 1964.

Gentlemen,

It is my pleasure to welcome you again to the Twentysixth Annual General Meeting of the Corporation. Your Corporation is entering into a new era of development after toiling hard for quarter of a century for establishment of this highly technical industry in this country entirely by local talents and enterpreneurship, which involves competing with big giant companies all over the world having very large resources at their disposal for technical and development research and supported by their national Governments. In India, thinking on the establishment of new industries has been varying from time to time. On political platforms it has always been emphasised that development of national industries was very important but in practice support to those who pioneer basic industries has not been encouraging and preference is being given on other considerations. These types of industries in a country like India, can only be developed with the continued support of the national Government and the nation taking a long range view. The basic factor for development of an industry of this nature is the power rate which is even more important than the physical raw material for the industry, i.e. Bauxite. Until and unless power is made available for this industry at uniform rate and a rate suited to this industry as is being done all over the world, our problems are not going to be solved. In the normal course, the enterpreneur should be free to establish an industry at a site most suited to the industry. But in view of the great scrutiny in licensing, if I may say so, the economic factors play the least part as against other factors like regional planning and those not connected with the economies of the industry. The new trend of the State to increase the revenue by tapping sources easily available to them irrespective of its effects on the nation as a whole is very disheartening. I have in mind impositions like Excise Duty on still undeveloped industries, Electricity Duty on Power or control on other facilities including mineral rights such as Bauxite from the point of view of individual States only without any consideration of the National interests.

Economic Size of Plants

Often arguments as to the size of the plant are being advanced and a minimum economic size is being determined and considered. In my opinion, this will depend on the circumstances from time to time. In every country when development of industry takes place, the size increases from small to big in due course and even today if the list of Aluminium Plants existing in the world is looked into, it will be found that plants in the range of 5,000 tons also exist economically. Therefore, in view of the existing circumstances, construction of new plants of minimum size only is not always a prudent decision to be taken by the Government in countries like India. Probably, after some time when our economy has developed, the present minimum size, to us also will become rather small. Further in India today there is a talk about concentration of economic power and monopolies. And if this trend of thinking prevails, it will not be possible for Indian enterpreneurs even to match the Indian capital requirements even if foreign exchange component is available. Further restrictions are being put by limiting semi-fabrication facilities to producers of basic metals in the country thus making the plants uneconomical. It is a known fact that a highly capital intensive industry, as is the case with Aluminium metal or even steel, the cost of the plant upto the metal stage is much costlier per ton of installed capacity than the semifabrication plants like Rolling Mills, etc. I cannot, therefore, understand the Government's insistence specially in case of Aluminium Industry that the main producers should be allocated restricted amount of semi-fabrication capacity as low as 50% of their ingot capacity. This means that the intensive capital expenditure has to be incurred by the main producers with a very low return and the advantage of higher return for semi-fabrication should be thrown open to small fabricators whose investments are comparatively very little. I may cite the example of steel industry in which most re-rollers exist on scrap and very small availability of billets. All the basic producers of steel plant have their own semi-fabrication facilities to a much larger extent almost about 85% of their steel making capacity.

Demand for Aluminium

The thinking for demand of Aluminium metal in the country seems to be changing every day as more metal is being produced and utilised. The consumption rate is keeping ahead of the metal production and this trend, in my opinion, will continue for some years.

In my speeches in the previous years, I had emphasised that the estimated consumption of Aluminium metal in the country can be in the region of 150,000 tons by the end of the Third Five Year Plan as against earlier thinking of 87,000 tons and later change to 115,000 tons. I am happy to state that the considered opinion now is that by 1966 the demand for Aluminium metal in fact will be 150,000 tons. With present rate of industrial development the consumption of Aluminium metal in all forms should reach about 300,000 tons by 1970. I am sure that this metal is going to play a very important role in Indian economy and it is all the more important for the Government to help this industry to develop at a faster rate.

State-owned Plants

By various announcements from time to time it is learnt the Government has been blocking certain available sites for putting up State owned Aluminium plants. Actually it will be in the interest of the private sector if Government would put up State owned Aluminium Plants as only then they would realise the real difficulties of this industry as has been in the case of State owned steel plants. There are number of other items which are more important and which the Government should handle as compared to putting up these industries which can be developed otherwise. The present economic progress is more or less stagnant. The rapid growth of economy is more important than anything else in the country today. In the recent meeting of the World Bank it was rightly emphasised that all unyielding State investments must be curtailed and only yielding investments by the Governments should be encouraged. I only hope this policy will be rigidly followed by our Government too. The country is suffering because of fixed political ideas and considerations. For instance, the risk capital in India has never been recognised as really a risk capital. Instead of having incentives for real risk capital, the risk capital is penalised. There are instances like your own Company where the shareholders did not get dividend for 18 years. In all new industries of basic nature the shareholders will have to wait for certain number of years for dividends and thus those industries should be considered as national institutions rather than owned by any individual. From this point of view there should be much more incentive to the risk capital and such capital must be allowed to be nursed properly.

Labour

The trend of appeasing the industrial labour followed in the country is very disquieting. There should be equal status for the industry and labour. Both are joining hands to generate economy in the country. The total industrial employment is hardly 2% of the population. At the cost of the remaining 440 millions, why is this category only being promoted to create a new class for all types of special amenities such ness allowance, Bonus, State Insurance and so on. The recent decision of the Government in connection with the Bonus Commission is rather unique. The Bonus Commission was set up for formulating uniform norms for payment of Bonus. The latest decision of the Government has increased the complications further which means that both existing uncertain complicated methods of calculation and the Bonus Commission's formula as accepted by the Government have to be applied and whichever be in favour of the Labour has to be adopted. The Union Labour Minister's recent statement reveals that further burden of Rs. 18 crores minimum will be added to the consumers notwithstanding spiral of high prices prevalent at the moment. It is to be realised that the extra burden falls on the remaining population of the country. It will be the happiest day for the country when every one can enjoy the benefits of the generation of the economy.

Corporation's Affairs

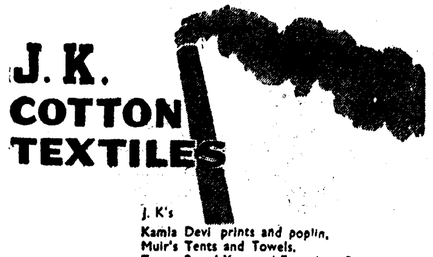
I am happy to mention that your Corporation's expansion programmes have been more or less completed. The Corporation can claim to have one of the unique integrated plants where right from the coal raising, power generation, alumina production, smelting of aluminium metal, rolled products like sheets and circles, extruded products, A.A.C. and A.C.S.R. conductors and foils are produced in one compound in addition to its own Bauxite mining. It is necessary for this size of plant to be integrated for its very existence as without combining all these economies, a plant of this size with many odds like very high power rates and increasing coal prices, will be difficult to exist. The only way to maintain economies of this plant in competition with other bigger plants in India would be on the economies of the semi-fabricated products. I have pleasure in informing you that we are working up with the Government of India for further expansion of the present plant. It is hoped that in due course license will be available to your Company. All the expansion schemes which have just been completed will show full results probably in coming years. For the time being, I have only to refer you to the Balance Sheet as at 31st March 1964, which has been circulated to all of you. We have achieved satisfactory results by increasing our sales by 48% and reaching a new high figure of Rs. 345.15 lacs and also our profit has reached a new figure, although the present profit is far below in view of the capital invested. The gross block works out to about Rs. 939.84 lacs plus working capital and the earning of Rs. 63.38 lacs as gross without providing for depreciation is rather low earning.

This year the Corporation has further expanded its capital by issuing Preference shares of Rs. 25.00 lacs and Ordinary shares of Rs. 17.81 lacs. After this fresh issue, the paid up capital of the Corporation will Rs. 2 Crores and I hope the Corporation will be able to service this capital from its new earnings to the satisfaction of the shareholders.

As I have said earlier, these plants are more of national institutions dedicated to the creation and distribution of wealth for the national economy and are to be viewed in this perspective.

Gentlemen, I must congratulate all our workers, officers and the Managing Agents for their untiring zeal with which they have worked to bring this plant to the present status and I am thankful to the shareholders for supporting this Company on all occasions and also to our esteemed customers for their continued patronage.

N.B. This does not purport to be the proceedings of the Annual General



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NEW BILL INTRODUCED TO AMEND COMPANY LAW

(FROM OUR NEW DELHI CORRESPONDENT)

THE Central Finance Minister, Mr. T. T. Krishnamachari, introduced in the Lok Sabha on Monday a 62-clause Bill further to amend the Indian Companies Act. The Bill seeks to implement some of the recommendations made by the Vivian Bose Commission which enquired into the administration of the Dalmia-Jain concerns with a view to preventing the malpractices of the nature observed by it and to ensure due and proper administration of funds and assets of companies in the interest of the investing public. It also embodies the recommendations of the former Solicitor-General, Mr. C. K. Daphtary and the former Judge of the Supreme Court, Mr. Shastri, who had examined the Vivian Bose report and had made some suggestions of their own to amend the Companies Act.

The Bill, among other things, makes it an offence to make an application for shares in the name of, or to include the allotment of shares to, fictitious persons. The beneficial holdings above the limit of 5 percent have to be disclosed so that real holders of such shares, as distinct from those of the nominees by whom such shares are ostensibly held, are known. The Bill will safeguard the amounts paid by applicants for shares until such time as the minimum subscription is collected by a company and imposes the duty on promoters and directors to ensure that the share capital reflects cash or other valuable assets and is not supported by mere book adjustments.

The Bill seeks to make it clear that the underwriting commission should not be paid except in relation to the shares or debentures offered to the public. Similarly, it imposes restrictions on the period of currency of blank transfers. Another amendment will ensure that for companies engaged in production, processing, manufacturing or mining activities, proper records relating to the use of material and labour were available to make efficiency audit possible. The Bill empowers the Registrar of Companies to inspect books of account and other books and papers of a company without prior notice. It seeks to provide against a situation under which the investing public is likely to lose heavily by contributing to the capital of a company which indulges in dubious practices not open to normal audit. Under the Bill, inter-company loans will rank at par with inter-company investments. It seeks to check malpractices in relation to takeover offers and the acquisition of shares of dissenting shareholders under a scheme or contract approved by the majority. It will also seek to prevent the destruction of incriminating accounts and records of a company which has been amalgamated with another company. It will permit investigations into the affairs of a company in spite of its voluntary winding up or even if the application for winding up remains pending in the court.

DEFENCE

Programme Outlined

In his statement in the Lok Sabha on Monday, the Central Defence Minister, Mr. Y. B. Chavan, gave the broad details of military assistance India has already got or has been promised by the U.K., Russia and the U.S.A. The British Government has promised to provide financial assistance towards the reconstruction of the Mazagaon docks in Bombay and the subsequent construction there of three Leander-class frigates. The Indian Navy is at present equipped with the British-built ships, including several destroyers, which are overaged and are due for replacement. India has accepted, in principle, the British offer and negotiations for loan and collaboration agreements with Vickers Ltd are progressing. Mr. Chavan did not make a secret of the fact that the U.S.A. had asked India to discuss her naval requirements with the U.K. But the Russian authorities had provided facilities to the Indian military mission to see the performance of their naval craft, including submarine, which the Soviet Union was in a position to supply to India. The technical details made available to the Indian mission are being studied, and it may take some time before a decision is reached on this matter.

Apart from technical evaluation, the financial feasibility of making additional purchases will need to be reviewed. Giving details of the Indo-Russian agreement, Mr. Chavan disclosed that Russia had agreed to supply a certain number of *M.I.G.-21* fighter aircraft and associated equipment. This will enable India to reequip three fighter squadrons with *M.I.G.-21* aircraft. In this connection, Mr Chavan explained that the U.S. authorities had pointed out that as India had already plans for equipping her air force with *M.I.G.s* and *H.F.-24*, the question of introducing another type of supersonic aircraft "may have to be studied further. In these circumstances, no final decision was taken." Side by side, the Russian Government, he added, has agreed to speed up the manufacturing programme of *M.I.G.s* in India. Under the August 1962 agreement, the Russian Government had agreed to provide plant and machinery, jigs and tools, etcetera, of Russian manufacture to facilitate the early establishment of the complex for manufacturing *M.I.G.* Arrangements for the supply of major assemblies, subassemblies and raw materials from Russia from the production of initial batches of the *M.I.G.-21* fighter aircraft have been finalised. In addition, the Russian Government has agreed to supply a certain number of light tanks and associated equipment. A contract has also been signed for the supply of 20 *M.I.-4* helicopters. The payment for these purchases will be made in Indian rupees to be used by Russia for the purchase of goods and articles from India under the existing agreement.

Indo-U.S. Pact

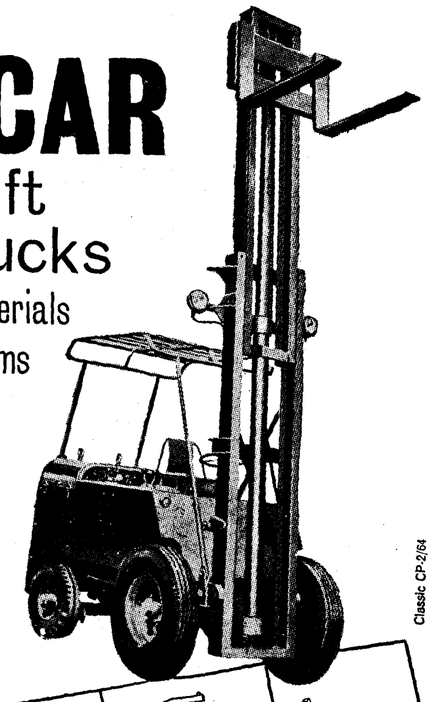
Mr. Chavan also discussed the details of the Indo-U.S. agreement under which immediate credit of $10 million for the purchase of defence articles and services was made available to India. The main item to be financed from this credit relates to the replacement and modernisation of plant and equipment in India's ordnance factories. Military assistance of the same magnitude will be provided during the U.S. fiscal year ending June 1965. This assistance includes the continued support for Indian mountain divisions, air defence communication equipment, transport aircraft and road building equipment for the Border Roads Organisation. In addition, further credit to the extent of $50 million during the 1965 fiscal year would be made available for, among other things, the artillery shell plant to be set up in Ambajhari.

Mr. Chavan said that the successful implementation of the defence plan

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would require continued assistance from the U.S.A. at current levels for which the U.S. authorities had agreed to hold periodical discussions. He added that the need for strengthening the defence production base in India had been fully recognised by the U.S. authorities. After detailing his defence plan, Mr. Chavan said that the modernisation programme for defence forces and the improvement of facilities for logistic support of armed forces would require an additional outlay of 10 percent to 12 percent in the defence Budget while the total foreign exchange requirements had been assessed at about three times the normal allocations. Foreign exchange will, therefore, continue to be the main bottleneck to the rapid expansion of India's defence forces required to meet the growing Chinese menace.

RUMANIA

Co-operation with India

The signing of a trade agreement in 1954, the visits to India in 1962 of a Rumanian State delegation, and the inauguration early in 1962 of the Gauhati refinery, are the signposts of economic co-operation between India and Rumania. After the conclusion of the first trade and payment agreement in 1954, the pattern of trade and turnover has constantly improved, and the co-operation between the two countries has been extended to the sphere of technical assistance.

Outstanding results have also been achieved in the petroleum sector. Rumanian specialists and equipment have helped India to use her resources of crude and gas. A number of Rumanian drilling rigs for various depths are now operating on India's oilfields. And apart from oilfield equipment, Rumania has exported to India numerous tractors, road rollers, metal working machine tools, high voltage electric transformers, diesel engines, electric and water meters, lubricating oils, sodium products, carbon black, dyestuffs and intermediaries, various chemicals and paper. In exchange for these commodities Rumania has imported from India a number of her traditional export products such as tea, pepper and coffee and also iron ore, ferro-manganese, cotton yarns, jute sacks, vegetable oils, shellac and mica.

CENSURE MOTION

Rejection by Lok Sabha

The Lok Sabha, as was expected, rejected by a large majority, the no-confidence motion moved by an independent member, Mr. N. C. Chatterji and his allies, included in which were communists. The food shortage, the steady rise in prices and corruption were the main targets of attack by the Opposition. The communists, in particular, accused the Government of drifting away from Mr. Nehru's policies.

The Prime Minister was in a mood of introspection. Referring to lack of co-ordination among different departments, the Prime Minister said that it could not be allowed to continue and that the responsibility for individuals has to be fixed in the future.

Dealing with the Community Development Projects, Mr. Shastri said that all jeeps from these areas should be withdrawn and bloc officers should walk from village to village, mingling with the cultivators. The department, meanwhile, should concentrate on raising agricultural production and "nothing else".

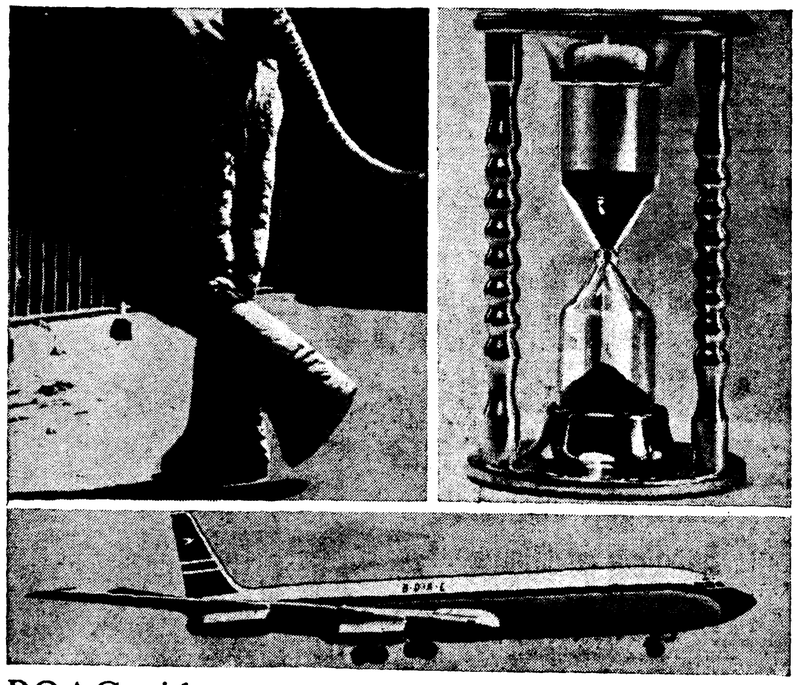
Referring to the price support policy for foodgrains, the Prime Minister appealed to the members to co-operate with the Government. "It is very easy to form unions and organisations and demand higher wages and I think it might be done. But to begin with, if we start with this kind of approach to the price support policy, we might be killing the scheme itself."

Mr. Shastri also referred to the present attitude of the States which invariably show a tendency to depend on Central assistance. They do not put in their best effort to produce more, because they know that ultimately the Centre will find foodgrains for them. As for corruption, the Prime Minister emphatically repudiated the allegation that India was seething with it. India, he said, is a country where integrity is given the highest consideration and the highest respect. This country, by and large, is an honest country and has maintained certain standards.

The Central Finance Minister, Mr. T. T Krishnamachari, dealt with the present economic situation. He also outlined the features of the fourth plan. He said that the country could not rest content with anything less than a 5-percent rate of increase in the agricultural output and the development of agriculture could not proceed without an adequate support from industry. The plan must be treated as an organic whole and there is no question of competition between agriculture and industry.

The country must endeavour to concentrate on: (1) the production of goods such as fertilisers, insecticides, agricultural implements, including tractors, pumps and diesel engines, required urgently for giving a boost to the agricultural programmes; (2) early completion of heavy engineering and other engineering industries already taken in hand and such additional projects as are deemed necessary for balancing the programmes and providing a sound basis for future industrial development; (3) the stepping up of production of both pig iron and steel from the expansion schemes in hand as well as those already contemplated at the present units besides Bokaro, and the establishment of additional capacity for non-ferrous metals, aluminium, copper and zinc; (4) increased production of consumer goods, such as textile, sugar, drugs, kerosene, and

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paper; (5) expansion of production of cement and other construction materials to meet the increasing demands; and (6) the production of petrochemical products like synthetic fibres to substitute imported cotton and wool, based on products obtained concurrently with kerosene in India's refineries.

Taking into account the foreign exchange shortage, efforts have to be made in the following directions:

(a) Complete the programmes in hand and secure as much output from each of them as possible;

(b) use the idle capacity by augmenting the supplies of required components and materials to the existing units and giving preference to priority and essential industries, wherever the availabilities fall short of the overall needs;

(c) to give preference to the expansion of the existing units over the establishment of new units wherever conditions justify, as this will help secure additional capacity with minimum investment;

(d) in working out priority between schemes of equal importance, to give preference to fast maturing schemes over those which are likely to have longer gestation periods; and

(e) similarly, in the case of industries which offer export possibilities or import substitution they will get preference over others not similarly placed.

WEST GERMANY

Investment Pact Finalised

The Indo-German pact on investments has been finalised and should be signed at an early date. Firstly, the West German Government has accepted India's contention that the agreement should apply to such German assests in India which were covered by the West German Government guarantee scheme. Secondly, any dispute relating to the amount of compensation, shall be referred to an arbitration tribunal to which India and West Germany would nominate one representative each and they, in their turn, would nominate a referee. In case of difference of opinion in relation to the nomination of a referee, the latter would be nominated by the International Court at the Hague, which will also nominate representative or representative of the parties in dispute, in the event of their failing to nominate their representatives. For the purpose of adjudication, laws of neither India nor of West Germany would be applicable.

Reference was made in these columns last week to the West German credit of 270 million deutschemarks. The credit includes loans to the I.C.I.C.I. of 5 million deutschemarks, to the Industrial Finance Corporation of 15 million deutschemarks and to the National Small Scale Industries Corporation of 5 million deutschemarks, including 82 million deutschemarks for the purchase of ships which is over and above the credit of 270 million deutschemarks. The West German Government is a guarantor to this credit which is for ten years.

STEEL

Talks on Fifth State Plant

Following the visit of Mr. Hindson of Wellman Smith to New Delhi last week, it has been agreed by the Central Ministry of Steel to discuss with the members of the Anglo-American consortium their proposals to build the fifth State steel plant. Messrs Foy and Vance Brand of Koppes and possibly a representative of the International General Electric representing the U.S. wing and Messrs Hindson and Maurice Fines representing the U.K. wing of the consortium are expected here on 3rd October to discuss their proposals with the Central Ministry of Steel. The discussions will last till 7th October. There are three feasibility reports for the Goa-Belary-Hospet area, the Bailadilla-Visakhapatnam area and the Salem-Neyveli area, all in south India. There is also a preliminary report on the second steel plant in the Sundargarh and Keonjhar districts of Orissa. The Central Steel Minister, Mr. Sanjiva Reddy, recently said in Parliament that as far as the fifth steel plant is concerned, the main problem of the Government was to find the financial resources to cover the foreign exchange component of the outlay. The possibility of setting up the fifth steel plant will, therefore, be discussed with the representatives of the Anglo-American consortium who are expected next month.

Earlier, the Minister said in a Press conference that the selection of the site would largely depend on the advice tendered by the consortium. It may be added here that a number of copies of the feasibility studies of the three plants in south India have already been made available to the consortium. The members of the proposed British consortium are also expected here on 7th October to hold discussions on the further expansion of the Durgapur steel plant to 3 million tons. Messrs Hindson and Maurics Fines are the common members of the two consortia. Other two members are Mr. David Barrit of Simon-Carves and the representative of Head Wrightson who are expected here on 7th October. The discussions will last till 13th October. The British Government has already announced its commitment to finance the second expansion programme of the Durgapur steel plant. Having awarded the building up of the Bokaro steel plant on a turnkey basis, it will be difficult for the Indian Government to discriminate against Britain by refusing the offer of the proposed British consortium. The main problem for discussions, therefore, may be how to fit in Indian technicians in building up the capacity of the Durgapur steel plant to 3 million tons. The Russian method of associating Indians should be adopted by western countries, it is suggested. As for the Bokaro steel plant, Russians are now engaged in preparing a fresh technical report which should be ready by March 1965. Their team of experts is expected here next month.

FOREIGN EXCHANGE

New Amendment Bill

The Central Finance Minister, Mr. T. T. Krishnamachari, introduced in the Lok Sabha last week a Bill to amend the Foreign Exchange Regulation Act. The principal amendments proposed in the Bill are as follows:

(a) It empowers the Reserve Bank of India to control the transfer of shares of a foreign company from a register outside India to a register in India and to regulate the giving of guarantees by persons resident in India for debts or liabilities of persons resident outside India;

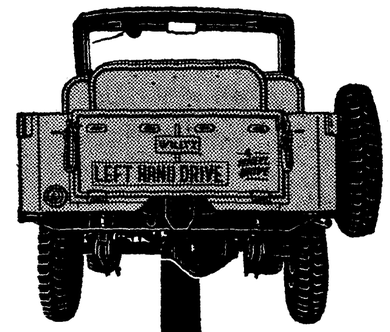
(b) It seeks to control and regulate payments or remittances in favour of a non-resident in accordance with any settlement of property by will as well as by gifts;

(c) It will control and regulate the appointment of foreign companies, firms or branches thereof as the agents or advisers of companies and firms in India;

(d) It will require airlines, shipping companies and travel agents to obtain the general or special permission of the Reserve Bank

(e) It will prohibit unauthorised dealings in foreign exchange brought in by tourists and tighten the control over such dealings;

(f) It will confer additional powers on officers of the Enforcement Directorate similar to those conferred by the Customs Act, 1962, on officers of the Customs Department, for the search and arrest of persons, search of conveyances and premises and in



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summoning of persons to give evidence and produce documents, etcetera.

AGRICULTURE

New White Paper

A comprehensive White Paper on the Government's plans for agricultural development would shortly be placed before Parliament for discussion. Mr. C. Subramaniam, Central Minister for Food and Agriculture, announced this while initiating a three-day food debate in the Rajya Sabha last week. Mr. Subramaniam re-affirmed the Government's determination to give to the producer "remunerative and incentive" prices and fix the wholesalers, retailers' and consumers' prices.

Indicating the guide-lines of the Government's approach to tackling "a very difficult and complicated problem", Mr. Subramaniam said that food and agriculture were intrinsically connected and therefore without an integrated policy on production, distribution and price, "we may not be able to find proper solutions". He rejected the theory of "depressing" agricultural prices to satisfy urban consumers and said that unless the producers were guaranteed "remunerative and incentive prices", agricultural production would suffer and we will continue to be in a backward condition in agriculture".

After fixing producer prices, the Minister said, that "reasonable" consumer prices would be fixed taking into account processing, transport and handling charges. "Reasonable margins" would be provided for wholesalers' and retailers' prices. Mr. Subramaniam said that the Jha Committee's recommendations for prices would be implemented for the forthcoming *kharif* and the succeeding *rabi* season.

The Minister told the Consultative Committee of Parliament, attached to his Ministry, that the Foodgrains Corporation which was expected to start functioning in January 1965, would make every effort in procuring as large a proportion of the marketable surplus as possible.

There was also no proposal before the Government at present to nationalise all the rice mills in the country. These mills were relatively old fashioned and did not give an adequate return. The six modern rice mills for which the Government had already placed orders abroad, would be run in the public or the co-operative sector. They would go into production in 1965. The Government proposed to encourage Indian manufacturers to produce a suitable type of mill in due course but not later than the fourth plan period. The public or co-operative sector was expected to acquire a large number of these mills and reach a commanding position in the processing of paddy. For the present, the State Governments had been advised to give preference to co-operative societies in setting up new rice mills.

Further Incentives

The question of further incentives to step up sugar production was one of the subjects referred to the Sugar Enquiry Commission which had recently been appointed under Dr. S. R. Sen of the Planning Commission. Mr. Subramaniam informed the Committee that the Commission had submitted an interim report, containing recommendations for the coming season. He hoped that it would be possible to examine the recommendations and announce their decisions before the end of this month.

Mr. Subramaniam added that the Commission had also made some recommendations on the manufacture of *gur*.

As for the expansion of crushing capacity, Mr. Subramaniam said that licences for the setting up of some new mills and the expansion of the existing capacity to a certain extent had already been issued. The Sen Commission had been asked to recommend a rational policy of new licensing as well as of expansion of the existing capacity. The Government hoped to be able to take decisions on this matter as soon as the Sen Commission reported. Similarly, a decision will be taken at an early date on the modernisation of sugar mills. The Gundu Rao Committee, which had been appointed to look into this aspect, would be submitting its report very soon. He described some of the existing factories as obsolete and a national waste.

U.S. Mission Arrives

Dr. Willard W. Cochrane and Messrs Arthur Thompson and Martin Abel have arrived here from the U.S.A. to work with Indian officials in order to devise a practicable system of incentives to encourage farmers to increase production. Dr Cochrane wants to "think through' the problem of setting up the price support programme for specific commodities, particularly foodgrains.

The four-man team of grain handling experts has also arrived here It includes: Mr. Howard J Marsden chief of the Division of Ports, U.S Maritime Administration: Dr. P. B. Buck, Technical Director, Maritime Cargo Transportation Conference; Mr John R Arwood, General Manager, Continental Grain Company, New York; and Mr Joseph E. Bailey, Assistant Superintendent, Cargil Terminal Elevators, Minneapolis.

Mr. J. Royce, chief of the Mining and Transportation Division, U.S. A.I.D. will accompany the team during its visit to Bombay, Kandla, Madras and Cochin.

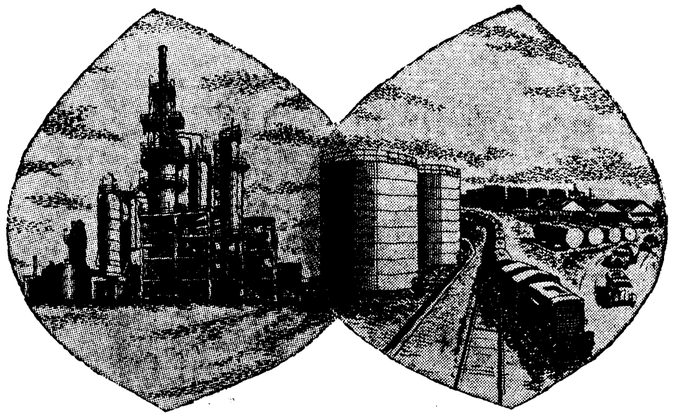
BONUS DECISION

Clarification by Minister

The Central Minister of Labour and Employment, Mr. D. Sanjivayya, made the following statement in the Lok Sabha last week. He said that the Government proposed to undertake legislation to embody the principles by which tribunals or other judicial bodies should be guided if and when disputes relating to bonus came up before them. The Government, however, expects that the parties will voluntarily give effect to the above decisions, in settling the question of bonus till the proposed legislation is enacted.

Since the publication of the resolution containing the decisions on the Bonus Commission's report, a large number of representations have been received from various labour organisations. It has been pointed out that, according to the decisions of the Government, in the case of certain industries or establishments the bonus payable would be actually less than what the workers have been getting in the past. The decision taken by the Government on the Bonus Commission's report will provide for the payment of bonus to large number of workers who were not getting any bonus previously and also give enhanced bonus to many others who were getting less in the past.

At the same time, it was not the Government's intention that benefits which labour may have been enjoy-



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The Corporation has two divisions—Refineries Division and Marketing Division. The Refineries Division will manage the public sector refineries and the Marketing Division will distribute not only the entire production of public sector refineries but also the deficit products imported from abroad. Spurred by the increased tempo of industrialisation, mechanisation and growing defence requirements, India's demand for petroleum products is bound to grow and INDIAN OIL will contribute its share towards meeting the nation's needs.

The Corporation will ensure that only such quantities and qualities of products as preferred by the market would be produced by the refineries. Better co-ordination and greater efficiency will result in economical operation and better service to consumers.

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ing in the matter of bonus in any establishment or industry should in any way be curtailed by the adoption of a new formula for the payment of bonus.

In the circumstances, the Government wishes to clarify that in the legislation to be enacted to give effect to the recommendations of the Bonus Commission as accepted by the Government, suitable provisions will be included so as to safeguard that labour will get in relation to bonus the benefits on the existing basis of the new formula, whichever is higher.

RAW MATERIALS

Scope for New Body

The terms of reference of the seven-member committee, set up by the Central Government to examine the allotment and utilisation of scarce raw materials as between the different sectors of industries, have been announced.

The committee will examine how best to secure the equitable distribution of available scarce raw materials among the three sectors, namely, the scheduled sector units with a capital of over Rs. 25 lakhs; units with a capital of above Rs. 5 lakhs and not more than Rs. 25 lakhs; and small-scale units with a capital not exceeding Rs. 5 lakhs.

The committee will also examine how best to ensure that the materials so allotted are utilised to the fullest advantage for the purpose for which they are allotted.

The scarce raw materials, distribution and utilisation of which will be examined by the committee, shall include raw materials and components licensed by the Chief Controller of Imports and Exports; steel, both indigenous and imported; non-ferrous metals and basic organic chemicals and intermediates; basic inorganic chemicals like caustic soda, soda ash, titanium dioxide, etcetera, pharmaceuticals and drugs; plastics, synthetic and natural rubber, etcetera. The committee will submit its report within three months.

AUSTRALIA

Talks on Trade Expansion

A trade delegation, led by Mr. O. K. Srinivasachar, Joint Secretary, to the Central Ministry of Commerce, has left for Sydney for talks the expansion of trade and economic co-operation between India and Australia. This will be the third round of talks between the two countries; the first two rounds were held in New Delhi in November 1963 and March this year.

The main object of the talks will be to identify the fields in which larger exports and imports can take place and also to see to what extent technical skill and industrial know-how can be exchanged between the two countries.

WOOLLEN TEXTILES

Prospects for Exports

There is considerable scope for stepping up the exports of Indian woollen textiles, according to a report of a team of experts, who made a study on the advisability of modernising the woollen will industry in the country. The study, from both the economic and technical points of view, was undertaken at the invitation of the Government of India by the experts of the International Wool Secretariat.

The report says that there is considerable scope for stepping up the exports of Indian woollen textiles if at least a part of the industry is modernised. As a result of the modernisation of about 200 loom assemblies, it should be possible to earn additional foreign exchange to the extent of £650,000 a year. The experts are of the view that the industry will be able to produce cloth of excellent quality and will be in a position to export even to the most sophisticated markets at competitive prices. It should be possible, they say, for the Indian woollen textile industry to export up to 2 million metres of cloth within a period of four to five years. The foreign exchange requirements for modernisation will have to be obtained on the basis of long-term loans at reasonable rates of interest.

The report recommends the establishment of a strategic reserve or stockpile of imported raw materials as a measure of safety to be used for supply to the industry against prospective export orders. This would save time and ensure that the requirements of raw materials are readily available to meet export orders. The report has also suggested an increase in the amount of export assistance to enable the industry to achieve the export target within a very short period. The report is being considered by the Government.

POWERLOOMS

Report of Expert Body

The committee set up by the Government of India, under the chairmanship of Mr. Asoka Mehta, to enquire into the problems of the powerloom industry, has recommended that the All India Handloom Board, which at present functions in an advisory capacity, should be made a statutory body and entrusted with the implementation of all development schemes relating to the handloom and powerloom industry. The Board, it says, should also be given adequate funds for this purpose.

The committee has proposed that the scheme of conversion of handlooms into powerlooms, which had been discontinued in 1961, should be revived and 10,000 powerlooms should be introduced in the handloom sector in the co-operative sphere during the third plan period. These looms should be installed with Government assistance at the rate of Rs. 6,000 for installation of a loom and Rs. 2,700 for working capital, making a total of Rs. 8,700 for each loom.

The committee has said that the installation of an additional 60,000 powerlooms in the cotton sector to meet the increased requirements of cloth during the fourth plan period and similarly an additional 40,000 powerlooms in the man-made fibre sector will be required. The installation of powerlooms in the man-made fibre sector will, however, be phased with the availability of yarn. The



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allocation of the additional 100,000 powerlooms should be made on the basis of the number of handlooms registered in different States.

The committee has recommended that the marketing of cloth and its processing by the powerlooms industry should be arranged on a co-operative basis. The powerlooms industry should be eligible for assistance from the State Financing Corporations, the State Bank and commercial banks in addition to assistance under the State-Aid to Industries Act.

Among the other important recommendations and observations are the following: The production of *dhoties* and *sarees* by mills should be pegged at the 1963 level and the production of coloured *sarees* should be exclusively reserved for the handlooms. Powerlooms and handlooms should be asked to adjust their pattern of production with a greater emphasis on the manufacture of medium varieties of cloth.

The entry of the decentralised sector in a big way in the supply of cloth during the fourth plan will serve to exert a healthy influence to the advantage of consumers. Additional production for the fourth plan period should be exclusively in the decentralised sector and mills should not be given any additional loomage.

The estimated total requirements of powerlooms for installation and replacement every year till the end of the fourth plan are about 32,000. A phased programme for increasing the production should be drawn up. There should be no restriction on the manufacture of powerlooms.

Both handlooms and powerlooms should be able to draw their requirements of yarn from a common pool of co-operative spinning mills.

Cotton textile mills should not be debarred from using staple fibre yarn and other man-made fibre yarn.

TEXTILE MACHINERY

Expanding Production

The chairman of the Development Council for Textile Machinery, Mr. Prabhu Mehta, while speaking at the meeting of the Council last week, referred to the expansion of production of textile machinery. He said that from the production worth about Rs. 7.6 crores in 1958, the industry has manufactured complete machines worth Rs. 20.2 crores in 1963. There has also been an appreciable increase in the production of spares in the organised sector. This is an average increase of about 30 percent per year. For a machine-making industry, this could be considered a satisfactory progress.

The industry estimates, while considering the average growth of the population for the next seven years ending March and projecting this growth rate to the fifth five year plan, that the textile industry in order to achieve a modest consumption of 16.8 metres of cloth, may need approximately 18 million or 19 million spindles and 250,000 looms by the end of the fourth plan and approximates 21 million or 22 million spindles and 300,000 looms by the end of the fifth plan. The present installed capacity of the textile industry was about 14 million spindles and 2.2 million looms.

Mr. Mehta added that "finance is important to any industry. It has become more to us. We are called upon, because of the foreign competition and the shortage of available finances with our consuming industries, to sell our machines on deferred payment terms. Our competitors are offering ten-year credit facilities at a very low rate of interest. The indigenous industry is unable to offer similar credits because of the peculiar stand banks have taken in India. In spite of the buyer's guarantee and the buyers' banks' irrevocable guarantee, the machinery manufacturers' banks insist on debiting the machinery manufacturers' account, the value of deferred payment sales. This considerably affects the creditworthiness of the industry. The industry finds itself very much short of production finances. This is the major problem which the Council is urgently called upon to tackle. It has an effect of reducing the indigenous production and also diverting a part of our trade to other foreign countries where the imports can be had at very tempting terms."

New Import Agreements

Agreements have been concluded between the State Trading Corporation of India and two British companies for the import of cotton and woollen textile machinery. The terms of import are as follows:

Import of cotton textile machinery from Platt Brothers, U.K.: (1) An initial payment of 5 percent of the total value of the contract by direct transfer to the seller or to the Midland Bank Ltd., overseas branch, London, for credit of the seller's account to be received within 30 days of the signing of the contract;

(2) A confirmed and irrevocable letter of credit for 5 percent of the total value of the contract to be established in London in favour of the seller payable on presentation of certificate from the Midland Bank Ltd, of the first payment to the seller. All expenses relating to the opening, confirming and extending of the above letter of credit will be borne by the seller;

(3) Two further payments each of 5 percent of the total contract value by the buyers, promissory note issued on the date of contract in favour of the seller and guaranteed by the Government of India payable, respectively, 21 and 30 months after the date of contract;

(4) For the balance of 80 percent of the total f.o.b. value of the equipment, a financing agreement has been entered into with the Midland Bank according to which they will pay to Platt Brothers the 80 percent of the f.o.b. value of the machinery on presentation of the bills of lading. The State Trading Corporation would be required to pay to the bank by promissory notes, maturing every six months over a period of ten years.

(5) The rate of interest on 80 percent will be 5½ percent a year on amounts outstanding up to seven years, and 6½ percent a year on amounts outstanding beyond seven years (free of tax).

Import of woollen textile machinery from Messrs Prince Smith and Steels Ltd, U.K.: (1) ten percent of the f.o.b. value to be paid within 14 days of the placing of orders.

(2) Further 5 percent of the f.o.b. value on presentation of shipping documents.

(3) The balance of 85 percent of the f.o.b. value in 20 equal successive half-yearly instalments; first instalment to start from six months after the date of shipment.

(4) Interest to be paid at 6 percent a year on the diminishing balance outstanding on the date of payment.

EAST GERMANY

Trade Pact Extended

Letters were exchanged here between Mr. D. S. Joshi, Secretary to the Central Ministry of Commerce and Mr. Kurt Epperlein, leader of the trade delegation of East Germany extending the existing trade arrangements between the two countries for a period of three years up to 1967. The volume of trade between India and East Germany which has been increasing in a satisfactory manner is expected to reach a level of over Rs. 40 crores both ways by 1966.

East Germany will import from India engineering goods like motor-vehicle components, textile machinery and accessories, radiators, machine tools, tropicalised and electrical equipment, storage, batteries, chemicals, drugs and textiles (cotton and art silk). This is in line with the agreed policy between the two countries to diversify and extend the export and import of non-traditional goods. East Germany will continue to import items like coffee, tea, deoiled cakes and other traditional goods.

India will import from East Germany fertilisers like ammonium, sulphate, muriate of potash, various items of industrial raw materials like alloy steel, pig iron, caustic soda, heavy soda ash, dye intermediates and various chemicals. She will also supply machine tools, rotary printing machines, and other printing machinery, textile machinery and various other items of capital goods. East Germany has recently made an offer of a substantially large loan to India for development projects. The question did not come up for discussion.

H. M. T.

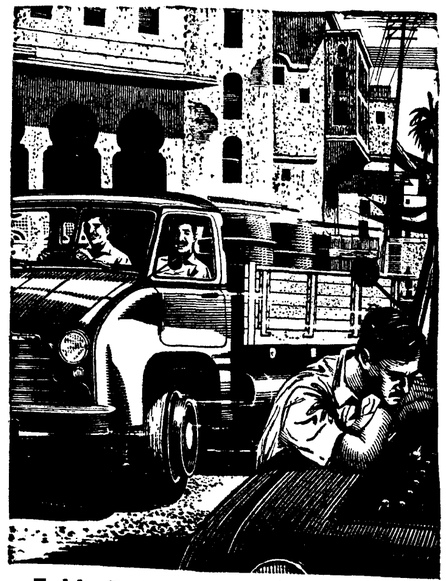
Pacts with Foreign Firms

Hindustan Machine Tools Ltd has concluded agreements with Messrs Manurein of France for the manufacture of single-spindle automats in Kalamassery, Kerala, and with Messrs Fritz Werner of West Germany for the manufacture of milling machines in Pinjore.

KERALA

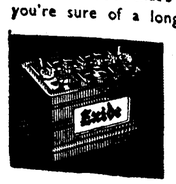
Precision Instrument Plant

Pudussery in the Palghat area has been selected as the site for the precision instrument factory in Kerala. A Company by the name of Instrumentation Ltd has been registered in Kotah, Rajasthan, for the implementation of the two projects in Kotah and Kerala. The contract for the preparation of the detailed project report and working drawings for the establishment of the mechanical instrument plant in Palghat with Messrs Prommashexport, Moscow, has already been signed. The detailed project report is expected to be received early in 1965.



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U.K. ECONOMIC PROSPECTS AND THE ELECTION

(FROM OUR LONDON CORRESPONDENT)

AS anticipated, the polling day in the general election will be 15th October. With the announcement from 10, Downing Street, the Party leaders went into immediate electioneering through the medium of television. Both channels switched their evening programmes to give the viewing public a special election battle pre-view in the form of interviews with Sir Alex Douglas Home, Mr. Wilson and Mr. Grimond. All three Parties have also now released their election manifestos, and it is evident from these that the economic situation will play an important rôle in the campaign, for much of the domestic programmes will depend on finding the money to finance them. The Conservatives are banking on their record over the years that they have been in office, but there is no lack of criticism from the other two Parties. It is pertinent, therefore, to keep abreast of developments in the economic sphere.

Whatever else in the economy may have stopped growing, the boom in fixed capital investment by industry is still going strong. This is borne out by new figures from the British Board of Trade which show that capital expenditure in manufacturing industry was moving firmly upwards in the second quarter of this year, but that many projects had not by then advanced beyond the building stage. Also out simultaneously are new statistics on the growth of industry's stocks. The further big rise in the second quarter (£129 million at 1958 prices) goes some way towards explaining why imports remained so high in these months when it had been hoped they would start to fall.

Capital expenditure by industry is estimated to have risen in the second quarter by another 4 percent in real terms on top of increases of 5 percent in each of the two preceding quarters. At £536 million, the total for private investment was not far short of the level reached in the third quarter of 1961 at the top of the last investment cycle and higher than that of any subsequent quarter.

The significant point, however, is the recovery in manufacturing investment. This moved up by 5 percent in the second quarter, reaching a level 12 percent higher than at the bottom of the cycle in early 1963. But the real growth so far has been in the volume of new building work, where the increase compared with a year ago was of the order of 20 percent. Expenditure on vehicles was also up again; but this is not a major part in total investment. Investment on plant and machinery, on the other hand, was only 8 percent above the rate in the first half of 1963.

In other words, Britain has yet to reach the stage in the current investment boom where factories are equipped ready to come on stream. Unless business plans are revised, therefore, expenditure on capital formation is likely to remain high at least into the early part of 1965, and may, indeed, not yet have reached the peak. It is, of course, possible that a change in Government policy (or, for that matter, a change of Government) could result in some projects being left uncompleted. But if industry sticks to its present intentions and exports go up as well, industrial output, having been rather flat so far this year, should pick up smartly.

Steadier Investment

Investment in the distributive and service trades has all along been much steadier. But it, too, showed a rise (of around £10 million, or 4 percent) between the first and second quarters. The growth was entirely in outlays on new building work and vehicles. Investment in plant and machinery was more or less unchanged, although at a level 20 percent above the 1963 average. The stock figures are not easy to interpret. Total stocks in industry rose by £129 million. This is close to the National Institute's estimate of the increase needed in that quarter if the build-up in stocks was to keep pace with a 4 percent growth in the economy. In fact, if one is to believe the production figures, domestic output was not growing in that period.

This could mean that industry was left at the end of the quarter with larger stocks than it actually needed, in which case import figures in later months could show a falling off. One possible piece of evidence in support of this is the big rise—about £50 million—in manufacturers' stocks of finished goods. These could be goods made but not sold because consumer spending failed to come up to expectations.

On the other hand, it may be that both these finished goods and the larger stocks of materials and work in progress which industry was holding, were needed to fill up the pipelines. On the National Institute's calculations, the ratio of stocks to output was abnormally low early this year. Again, business men may have assumed that the slackening in demand was just a temporary phase. In that case, there may be no marked fall in imports for some time yet, especially if industrial output now begins to move ahead again. Will this happen? Unfortunately, once again the Central Statistical Office reports that its index of industrial production, seasonally adjusted, has remained unchanged for the seventh month running. For all industries, the provisional figure for July is 127 and for manufacturing industries only it is 128—in both cases, the same as for the previous six months with one slight deviation in May.

Capital Equipment

Statisticians are frankly puzzled. Everybody knows how much has been going into British industry since the beginning of the year in terms of additional raw materials, manpower and capital equipment. Whenever industrial managements are asked, they report buoyant conditions and expect further expansion. Yet, the production index, which is based on some 800 individual output figures, simply refuses to budge. It is true that the level of the plateau is high. For the first seven months of 1964, it is 9½ percent above the first seven months of 1963; and though this exaggerates the rise because of the severe winter of last year, general industrial activity certainly looks like running at least 7 percent above a year ago, which is not a bad rate of growth.

However, the way in which the economy has been absorbing unemployed labour and resources without apparently yielding increased production over seven months suggests something like constipation. Productivity must be falling badly if the figures are to be trusted. In fact, the temptation to distrust the figures is almost irresistible. The Central Statistical Office says: "Fuller information, which has led to revised estimates for the first and second quarters of 1964, shows that the strong expansion in production which took place in 1963 continued into the first quarter of 1964, but slackened off in the second quarter, which showed a fractional increase over the first quarter. The provisional index for July is at about the same level as the second quarter, but since the difficulties of estimating seasonal adjustments are more acute in the holiday months of July and August, the figure for July must be treated with caution."

The upshot of all this is that the index numbers for all industries (adjusted) have been raised by one point to 127, but still left unchanged for seven months, while those for manufacturing industries are now 128 for the whole period except for May, when the figure has been raised to 129. The picture of a "plateau" is still there, but it is slightly elevated.

Payments Deficit

Meantime, the Bank of England states in its quarterly *Bulletin* that in the first half of this year, on top of a large payments deficit on current account, there was an unusually large net outflow of long-term capital, chiefly in private account. "This is unlikely to be maintained," the Bank says. It was already known that overseas investment was heavy in the first quarter; apparently, this continued on a large scale in the second quarter.

One would hardly go far wrong in guessing that the oil industry was prominently concerned. At the same time, the *Bulletin* shows that there was a large inflow of short-term funds, both sterling and foreign currency. Thus, the second quarter alone brought a rise in gross foreign currency liabilities of £114 million. These funds came largely from North America.

Together with a further increase in the deposits of sterling area countries, this inflow largely financed the U.K. deficit and protected the reserves. In the second half-year that is not likely to happen to the same extent. As a result, the Bank says, "some loss to the reserves must be expected." Discussing the economic outlook, the Bank of England is as puzzled as everybody else by the disappointing trend of the recent overseas trade figures. It points out that "a renewed rise in exports is essential if expansion is to be sustained." It goes on to remind us that the U.K. cannot afford a rise in costs and prices and must, at all costs, find an incomes policy.

Moreover, "the bid for sustained expansion and persistence with this bid through balance of payments difficulties, can only succeed if the best use is made of all the country's resources." There is no place, the *Bulletin* continues, for the wasteful use of labour, whether resulting from restrictive practices or shortcomings in management, any more than for the wasteful use of machinery or imported materials—for example.



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Jute

I.J.M.A. HELPS RAISE FIBRE YIELDS IN PILOT PROJECTS

THE Indian Jute Mills Association has succeeded in raising the per acre yield of jute appreciably in a number of experimental development blocks run by it. Against the all-India average of 2.5 bales an acre, the intensive cultivation blocks of the I.J.M.A. in the Nadia district of West Bengal have yielded as much as 5 bales an acre in 1963-64. The output, it is expected, will be maintained at this level despite adverse weather conditions early this season. The intensive cultivation blocks in the Murshidabad district, which have a poorer soil, have yielded between 3.97 bales and 4.60 bales an acre during the last three seasons, against the district average of 2.75 bales. Similar increases in output have been reported from other development blocks in the State.

In the Purnea district of Bihar, the average yield varies from 2 bales to 2.5 bales an acre. Since the introduction of intensive cultivation by the I.J.M.A. in some experimental blocks two years ago, the average yield in one of the selected blocks has risen to 3.65 bales. In the Balajan and Nowgong intensive cultivation blocks in Assam, the yield has risen to 4.26 bales and 3.89 bales, respectively. Likewise satisfactory results have been recorded in some I.J.M.A. blocks in Orissa and U.P. Even in Andhra Pradesh, the yield has registered an average increase of 0.7 bales over the State average.

These experiments have aroused keen interest among farmers in raising the yield by using improved methods. Cultivators of some of the blocks, it is reported, have formed their own jute development committees for teaching other cultivators the technique of increasing the output from the same plot of land. The I.J.M.A. provides cultivators in the selected blocks with implements, improved seeds, plant protection chemicals and equipment, and encourages the use of manures by offering a small subsidy. For the supply of seeds, the Association has set up its own seed multiplication and distribution organisation. Seeds are sold at fixed prices and their quality is guaranteed. The sale of seeds is subsidised by the Government. In addition, new methods of applying nitrogenous fertilisers have also been introduced.

The average yield an acre in India is about 2.5 bales compared with 3.5 bales in Pakistan and four bales in Thailand. If the Indian jute industry has effectively to counter Pakistani competition, the yield will have to be raised to 3.5 bales at least. This is actually important if the Indian cultivator is to raise his standard of living.

Spurt in Gunny Offtake

A further rise in internal consumption from 27,200 tonnes in July to 31,300 tonnes in August has enabled the mills reporting to the I.J.M.A. to step up the total despatches of gunnies from 107,900 tonnes to 114,900 tonnes. Of the total offtake, that of heavy goods rose from 38,300 tonnes to 48,900 tonnes, and of carpet-backing from 7,000 tonnes to 7,100 tonnes. The offtake of hessian declined by 1,300 tonnes to 47,500 tonnes, and of other goods by 2,400 tonnes to 11,400 tonnes.

Exports have been about maintained, being 80,600 tonnes, against 80,700 tonnes. The increase in exports of backing from 19,000 tonnes to 22,700 tonnes has been almost offset by the decline in shipments of hessian from 61,700 tonnes to 42,800 tonnes and of miscellaneous goods from 10,000 tonnes to 8,000 tonnes. Exports of carpet-backing cloth have risen nominally from 7,000 tonnes to 7,100 tonnes. The internal offtake of sacking has risen from 19,300 tonnes to 26,200 tonnes and of hessian from 4,100 tonnes to 4,700 tonnes. The consumption of other goods has declined from 3,800 tonnes to 3,400 tonnes.

In August 1963, the total offtake was 106,000 tonnes—44,900 tonnes of hessian, 45,000 tonnes of heavy goods, 5,600 tonnes of carpet-backing cloth and 10,500 tonnes of other goods. Exports absorbed 82,000 tonnes—41,700 tonnes of hessian, 26,600 tonnes of sacking, 5,600 tonnes of carpet-backing cloth and 8,100 tonnes of other goods. Internal consumption totalled 24,000 tonnes—3,200 tonnes of hessian, 18,400 tonnes of sacking and 2,400 tonnes of miscellaneous goods.

THE JUTE MARKETS

Manufactured Goods: Easier conditions prevailed in the Calcutta gunny market during the past week despite a handsome increase in despatches during August. Scattered tenders for B Twills from the Government of India and routine short- and shipper-covering in ready and near positions failed to improve sentiment, which had been affected by tired long liquidation and shortselling in the hedge market. A decline in fibre prices induced some mills to become keen sellers for all positions. But buyers were reserved and not much business could be negotiated. Prices eased by about a rupee in hessian and sacking for November after wide fluctuations. In the spot market, both hessian and sacking were easier for ready positions. Turnover was moderate and the undertone hesitant at the close.

Wednesday's quotations are as follows:

	Sept.	Oct.	Oct.-Dec.	Jan.-Mar.
40in. 7½oz.	37.15	37.25	37.35	37.55
40in. 8oz.	40.15	—	—	—
40in. 10oz.	48.95	49.20	49.40	49.85
B Twills	142.50	142.40	141.40	140.40
Cornsacks	143.00	144.00	144.00	143.50
Heavy Cees (Plain)	145.00	144.00	143.00	140.75
A Twills	172.00	172.00	172.00	172.00
Liverpools	157.00	157.50	158.00	158.00

Raw Jute: Subdued conditions prevailed in the raw jute market during the past week. Sentiment was depressed by a sharp increase in up-country arrivals to around 150,000 maunds a day and by the fair progress in the harvesting of Daissee and Tossa jute. Growers were keen to sell a part of their output to obtain money for their forthcoming festive-season purchases. An easier trend in the agencies influenced sentiment in Calcutta and holders were inclined to discount prices appreciably. The mills, however, were adopting a cautious approach, and were purchasing within their maximum quotas. The Jute Commissioner announced a quota of 150,000 bales for the week ending 26th September, making a total of 350,000 bales during the three weeks the maximum quota scheme had been in operation. The Commissioner's establishment was also keeping a strict watch on the implementation of the quotas. Since the introduction of the first quotas, fibre prices had eased by about Rs. 5 a maund to Rs. 37 for Assam Bottoms, f.o.r., ready Calcutta. Transactions in Upper Assam White Bottoms for December had not commenced so far. Turnover was small and the undertone easy at the close.

Wednesday's quotations are as follows:

	Rates a maund		Rates a quintal	
	Mid.	Bot.	Mid.	Bot.
Assam-Agartala Jute	40.00	37.00	107.17	99.13
Northern Jute	39.00	36.00	104.49	96.45
Western Desal				
Jute	37.50	34.50	100.47	92.43
Selected Daissee	40.50	37.50	108.51	100.47
Assam-Agartala Tossa	40.00	37.00	107.17	99.13
Mesta:				
Assam-Northern	36.50	33.50	97.79	89.75
Local Daissee	36.50	33.50	97.79	89.75
Bihar Dist.	35.50	32.50	95.11	87.07

THE U. K. JUTE MARKETS

FIBRE PRICES IRREGULAR

(FROM OUR DUNDEE CORRESPONDENT)

THE trend in raw jute prices in Pakistan is still uncertain, and a wide range of prices is quoted here with a difference of £10 a ton for the same grade. One or two shippers have reduced their prices, but there has been no definite fall so far. Reports indicate that the loose jute arriving at baling stations is very wet and at the same time, the quality of the fibre is not very good.

Since a fair quantity of secured jute has been offered on the Dundee market, holders are becoming a little anxious for business. There are cases where they are discounting prices still further. With this easier trend here, it is only natural that spinners are remaining out of the market except for small quantities. However, there is a feeling that more interest will be shown within the next week or two and this will be mainly for Tossa qualities. Only small quantities of Tossa were bought before the rise in prices took place last month.

There are sellers of Export Firsts at £141, of Export Lightnings at £130 and of Export Hearts at £118, c.i.f. U.K., for September-October shipment. Grade Tossa-4 is quoted at £139 and Dacca Tossa-6 at £140. Outport Tossa-2/3 is available at £129 and Outport Tossa-4 at £123, October-November. Cuttings are also easier at £89 for S.N.C. and at £82 for N.C.

The Siam jute market is quiet, and not much business has taken place in Dundee in this type of fibre. Offers are at £93 for grade A, at £87 for grade B, at £80 for grade C and at £77 for cuttings, delivered mill Dundee for November-December shipment.

Although the prices of Calcutta goods are still high, there has been a slightly easier trend during the past few days. Quotations are at 82s 7d for 40in., 10oz. and at 62s 4d for 7½oz. a 100 yards, c. and f. U.K. for September shipment, at 82s 11d and 62s 9d October-December and at 83s 8d and 63s 1d January-March. B Twills are at 237s 3d, 236s 10d and 236s 10d for the respective shipment periods.

It is possible that imports of common hessians into the U.K. will be returned to private trading, commencing with November shipment. This stems from the U.K. Board of Trade's announcement made at the beginning of the current month.

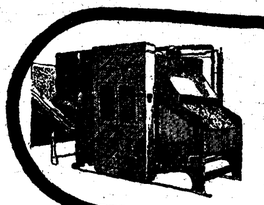
Dundee jute spinners are busy and have orders in hand for forward delivery. Meanwhile, it is difficult to obtain supplies of yarns for reasonably early delivery. In comparison to raw jute, yarn prices are at an attracting level in the U.K. and this has been responsible for additional buying interest.

Cloth manufacturers are also busy and wide hessians for carpet-backing are in good demand. There is every

Reduced Batch Costs!

WITH

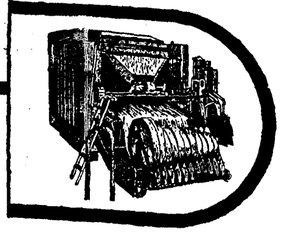
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indication that the industry will remain in this satisfactory position for some time.

THE PAKISTANI JUTE MARKETS

FIBRE IRREGULAR

(FROM OUR DACCA CORRESPONDENT)

ALTHOUGH arrivals increased during the past week, no definite trend was discernible, and there was a rather interesting struggle for supremacy between the sellers and buyers. The sellers, with fairly large quantities of jute recently harvested and retted after floods, have in some cases not brought the jute in at all, awaiting better prices and in other cases have offered to sell jute but at their prices, which unfortunately exceed the limits of the balers.

The balers, on the other hand, who have been waiting for lower prices and increased arrivals, have tried to reduce prices. All balers, however, are bullish and some could not resist the attraction of large quantities of jute in their import sheds. They have paid although they have tried to do so at lower prices. Other balers, bullish as ever, but like the majority being short of finance, have tried to buy on credit and have succeeded in doing so only at higher prices. As a result different market conditions prevailed in different agencies.

In Narayanganj, in theory the main market, there is little buying interest therefore the market may be called weak. This is mainly because the sentiment of Narayanganj is controlled by Calcutta where due to the Puja arrivals in Cossipore, both jute and gunnies are weak. In some of the better jat baling stations, arrivals have increased, some good quality jute has been available but prices have remained unchanged with a steadier undertone. In other agencies there have been practically no arrivals and no activities.

Moisture has more or less disappeared and some very good quality jute has been seen. The western jat areas are producing some very poor quality jute. In the pucca bale market there has been little or no activity. Cuttings have remained unchanged with a weaker undertone due to lack of finance. Small transactions have taken place in long jute at slightly better prices.

In the overseas markets the buyers continue to hold off, but at the same time the sellers are resisting. It is interesting to note that with the increase in percentage of Export Hearts the difference locally between Export Hearts and Export Lightnings is increasing whereas overseas, the gap is being reduced. It is probably because the buyers are trying to buy as cheap as possible. Export Hearts this season can be a very good or very bad buy. Good balers producing a proper Export Heart, will be producing a grade which is a better buy than an Export Lightning. Since, however, there is a lot of very bad jute around, there will be a lot of Export Hearts which will be the cause of much heart burning among buyers.

U.S. BURLAP CONSUMPTION AND STOCKS

U.S. burlap consumption in August was 17.2 million yards more than in July 1964 and 11.3 million yards more than during August a year ago. Bag cut-up was 58.2 million yards and piecegoods deliveries 22.6 million yards, compared with 51 million yards and 18.5 million yards, respectively, in 1963. Consumption for the first eight months of 1964 is 20 million yards less than during the comparable period a year ago. U.S. spot and afloat stocks at the end of August decreased from the end of July by 19.2 million yards. At 280.9 million yards, 152.3 million yards were spots (up 500,000 yards) and 128.6 million yards were afloats (down 19.7 million yards). Stocks represent about 3.8 months' supply.

U.S. burlap consumption (as reported to T.B.M.A.)

(In million yards)

	1964	1963
Jan.	71	61
Feb.	63	78
Mar.	63	75
Apr.	63	68
May	55	65
June	59	60
July	53	60
Aug.	69	63
Sept.		67
Oct.		68
Nov.		66
Dec.		65
Total	498	796
Mo. Av.	62	66

U.S. burlap consumption (estimated industry total)

(In million yards)

	1964	1963
Jan.	82	68
Feb.	73	89
Mar.	74	85
Apr.	74	77
May	64	76
June	70	69
July	64	68
Aug.	81	70
Sept.		80
Oct.		79
Nov.		77
Dec.		75
Total	582	913
Mo. Av.	73	76

U.S burlap stocks (as reported to T.B.M.A.)

(In million yards)

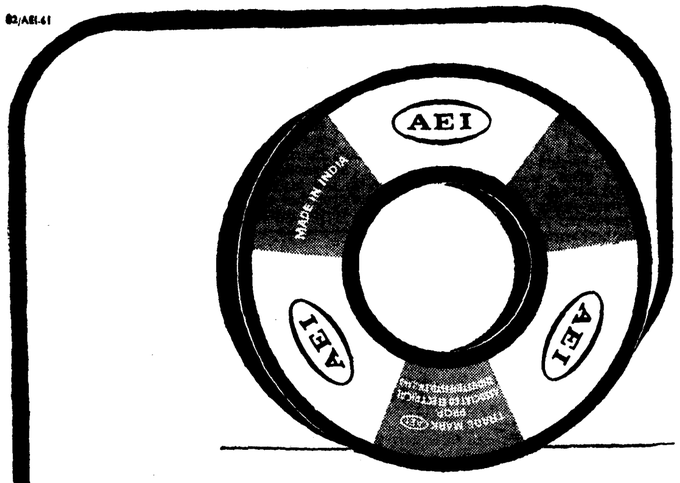
	1964	1963
Jan.	240	266
Feb.	230	256
Mar.	227	261
Apr.	231	254
May	233	252
June	238	251
July	251	252
Aug.	223	235
Sept.		232
Oct.		230
Nov.		232
Dec.		245

U.S burlap stocks (estimated industry total)

(In million yards)

	1964	1963
Jan.	291	306
Feb.	284	304
Mar.	273	304
Apr.	277	300
May	278	296
June	286	296
July	300	297
Aug.	280	279
Sept.		289
Oct.		278
Nov.		281
Dec.		294

82/AEI-61



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Branches : BOMBAY • NEW DELHI • MADRAS • BANGALORE • COIMBATORE • NAGPUR

BOOKS RECEIVED

Productivity, April-June 1964. (Edited and published by D. H. Butani for the National Productivity Council, 38 Golf Links, New Delhi. Price Rs. 3, pages 216-393.)

The Investor's India Year-book, 1964. (Compiled by Place, Siddons and Gough P. Ltd, 6 Lyons Range, Calcutta, and published by Orient Longmans Ltd, 17 Chittaranjan Avenue, Calcutta 13. Price Rs. 25.00, pages 470.)

Production and Consumption of Fertilisers, Annual Review, 1963-64. (Published by the Fertiliser Association of India, 85 Sundar Nagar, New Delhi 11. Price Rs 3, pages 61.)

World Energy Supplies, 1959-62. (Published by the United Nations, New York. Price $(U.S.) 1.50, pages 120.)

Population and Vital Statistics Report. (Published by the United Nations, New York. Price $(U.S.) 0.30, pages 27.)

Elements of Indian Income Tax, Seventh Edition. By R. N. Lakhotia. (Published by Dr. Asha Rani, Asha Publishing House, P-288 C.I.T. Road, Calcutta 11. Pages 338, price Rs. 6.)

Report of the Productivity Study Group on Cement Industry. (Published by the National Productivity Council, 38 Golf Links, New Delhi 3. Pages 62.)

Towards a Dynamic Development Policy for Latin America. (Published by the United Nations, New York. Price $(U.S.) 1, pages 102.)

Income Tax Law and Accounts. By H. C. Mehrotra. (Published by Sahitya Bhawan, Hospital Road, Agra. Price Rs. 7.50, pages 375.)

Indian Income Tax: Law and Practice, Second Edition. By Sukumar Bhattacharya. (Published by Ranit Saha, Nababharat Publishers, 72 Mahatma Gandhi Road, Calcutta 9. Price Rs. 15.00, pages 524.)

Commodity Markets

KERALA PLANTATIONS PAY HIGHEST TAXES

(FROM OUR SOUTH INDIAN CORRESPONDENT)

THE chairman, Association of Planters of Kerala, Mr. M. M. Varghese, while addressing the 25th annual general meting of that organisation recently, complained that planting in Kerala is subpected to the "highest level" of taxation, compared with any State where any plantation crop is grown. While appreciating the difficulties faced by the State Government with its small resources to maintain modern, social and economic overheads and to carry forward particular forms of economic activities, the A.P.K. chairman felt that taxation could not be extended to make up for every kind of revenue needed.

India is one of the very few countries where agricultural income is taxed separately from business income. The intention is that agriculture should serve as one of the sources of State revenue, but it does not seem reasonable to think that taxation on agriculture should be without any regard to the level of taxation on business income. As the Taxation Enquiry Commission of 1954 had enunciated the principle, the total of the tax incidence on a given agricultural income should not exceed that which it would have been under the Central income tax. Both in the matter of the weight of taxation at the maximum rate on a rupee of agricultural income in Kerala, as well as the progressive rates to which corporate income from agricultural sources is liable, are in substance a departure from the principles accepted by the Central income tax, Mr. Varghese said.

Continuing he said that in the matter of commodities for export, it is an agreed principle that no internal tax shall be levied. In Kerala, however, the tea sold for export at Cochin is liable to a sales tax. The only reason why this is being maintained and defended is plainly because the Government wants the revenue from it. The result is that the tea industry, despite the fact that it is exporting the bulk of its produce and is serving an important national purpose, has to pay 5 percent, plus a surcharge of 5 percent to the Kerala exchequer by way of sales tax.

Mr. Varghese has said that during the past decade producers have been becoming high-yielding varieties. To the country and the industry it is equally beneficial to have the fields replanted with such material, which would help each acre produce two to three times or even more than the present level of production. It is the lack of resources which have prevented most of the planters from undertaking replanting on a large scale as is really required. He has pointed out that where such replanting has been done, the yield from each acre has increased much. In the case of rubber, from an average of 410 lbs, the crop has risen to well over 1,000 lbs an acre. In coffee, as against an average yield of less than 3 cwts a decade ago, replanted fields have proved to be capable of producing over 10 cwts an acre. As for tea, the yield has been doubled over a period of 15 years by scientific methods of cultivation and the prospects are bright for still increasing the yields substantially by replanting. With the rise in production, it is possible to achieve three things; to reduce the unit cost of production, to make available more of the produce for internal consumption and export and to enable the Government to earn more from the industry.

Replanting and Modernisation

All these can be frustrated, the A.P.K. chief said, unless the planters have the resources to undertake the gigantic task of replanting and modernisation. He estimated the replanting cost at Rs. 5,000 an acre for tea, over Rs. 2,500 for rubber and about Rs. 3,000 for coffee on an average. Taking the total acreage in Kerala, the annual sum required for replanting would exceed Rs. 3 crores, he said and added that there was little hope of attracting this additional capital from the open market unless the industry was in a position to give a reasonable return on the investment. The planters had no means of saving for reinvestment unless there was a reduction in the burden of tax. There was no hope of lowering the cost of production if the present level of wages and amenities were to be maintained.

Referring to the appointment of the Tea Finance Committee appointed by the Central Government, Mr. Varghese said that the labours of this committee would have significance only if the State Governments who are represented on it are willing to abide by its decisions, even at the risk of some reduction in the existing rates of taxation.

The A.P.K. chairman has noted with satisfaction the increasing production of raw rubber in India. In the coming years, the rate of increase would be even higher as new plantings come into bearing. According to forecasts of production and internal demand by the manufacturing industry for the next two plan periods, there would still remain a large gap between indigenous supply and the total demand. Based on this, there is a move for the setting up of more synthetic plants. As long as the production of synthetic rubber is to meet the technological requirements of the manufacturing industry or even to meet a part of the shortage, the planters had no quarrel, provided the statutory board set up by the Government is in a position to review the overall demand and has a voice in the licensing of additional capacity, so that a co-ordinated policy could emerge In his view, the developmental efforts which are being made on behalf of the natural rubber industry would largely be negatived by the insistence the Government is making on the import of raw rubber. It would appear that a linkage has been fixed between the import licence issued to a manufacturer and the offtake of synthetic rubber, whether it is suitable, economic or not.

As suppliers of natural rubber, the planting industry's future is closely connected with the fortunes of the manufacturing industry. Should that industry suffer any serious setback in the long run, it will naturally affect the planting industry also. It is, therefore, a matter of prudence and commonsense for the Government of India to review the licensing policy for the setting up of new synthetic factories, the A.P.K. Chief said.

COFFEE

Higher Export Quota Demand

The World Coffee Council is sending in a technical mission to India early next year to study the coffee situation here *vis-à-vis* India's plea for an enhancement of her export quota under the International Coffee Agreement. In the opinion of the Coffee Board of India, this is a "step forward". India's request would come up for further consideration before the International Coffee Council after the technical mission submits its report.

The International Coffee Council at its meeting last month in London had fixed the export quota for the coffee year that begins next month at 47.5 million bags of 60 kilograms each, against 48.3 million bags for 1963-64. There is provision for another million bags to be released in two stages after a review of the world coffee situation in January and April 1965. The overall quota for the year may be slightly larger than the previous year's quota, according to the Indian Coffee Board chairman, Mr. Sitarama Reddy, who participated as India's representative in this meeting.

Asian members of the Council had some unpleasant experience in this meeting. In the election to the executive board of the Council, Asia was totally excluded. The Indian Coffee Board chairman had taken objection to the elimination of Asia from this important committee. The text of his statement at the meeting is published in the latest issue of the *Coffee Bulletin*, official organ of the Indian Coffee Board. He said: "The attempt made by a few people to exclude Asia from the executive board is an attempt to undermine the concept of international organisation. It is now a body maimed of one leg. Its capacity to stand firm is limited and circumscribed. This kind of thing should not have happened. Now that it has happened it is the duty of all members to set right this wrong. I still have faith that good men in this organisation will not allow this wrong to be perpetuated." Right from the negotiating conference in New York, Asia was in the executive and its presence helped to create an image that the International Coffee Organisation was really global in its set-up. This image has been tarnished by this incident.

MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA

(Base : August 1939)

THE Middle Class Cost of Living Indices, by groups, have now been brought up to August 1964. As compared with July, the August indices for Food and Clothing show increases of 10 points and 11 points. The indices for Fuel & Lighting and Miscellaneous remain unchanged at 308 and 331 points, respectively.

Combining all the factors, the Middle Class Cost of Living Index for Calcutta shows that the cost of living rose by 6 points during August 1964.

Middle Class Cost of Living Index Number for Calcutta. Prices in August 1939=100

Groups	Weights	GROUP INDICES											
		Aug 1963	Sept. 1963	Oct. 1963	Nov. 1963	Dec. 1963	Jan. 1964	Feb. 1964	Mar. 1964	April 1964	May 1964	June 1964	July 1964	Aug. 1964
Food ..	53.6	598	606	608	598	591	584	576	583	595	599	603	616	626
Fuel and lighting ..	4.4	308	308	308	308	308	308	308	308	308	308	308	308	308
Clothing ..	12.4	602	609	609	609	609	609	609	609	609	609	609	609	620
Miscellaneous ..	29.6	317	317	317	321	321	321	321	321	321	331	331	331	331
Combined index ..	100.0	502	507	509	505	501	497	493	497	503	508	513	518	524

Compiled and constructed by the Statistical Department of "Capital".

TEA

Good Progress of Crop

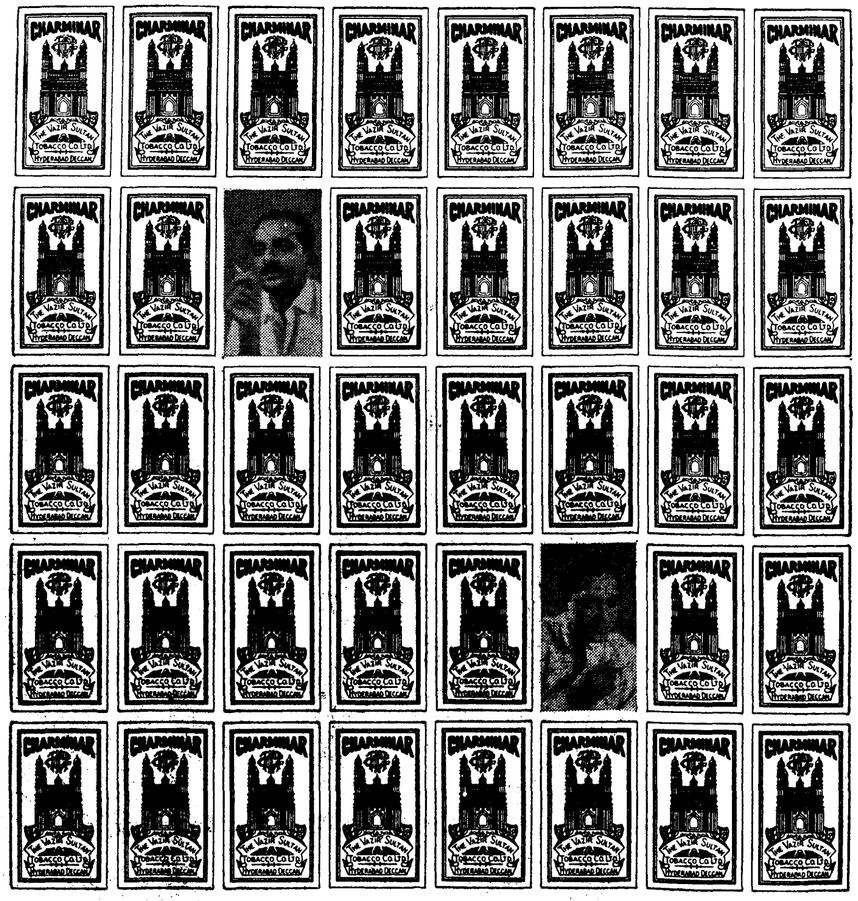
(BY A SPECIAL CORRESPONDENT)

CROP figures from the major producing countries make interesting reading. Up to the first week of September, the total tea produced was (in thousand tons) 852.457, against 834.693 last year. North India and Pakistan are both well ahead, but south India had produced only 96.149 tons, against 116.668 tons in 1963.

Up to end-July, Ceylon was also short by 8 million lbs. Indonesia shows some progress, while East Africa and Mozambique continue to add to the supply.

Stocks in Calcutta warehouses were higher than in 1963, but not unduly so. Tea chests afloat were very high at 112.842, against only 9.937 in the previous year. The average over the past three years was round 10,000 chests afloat at this time of season. Arrivals this year by river have been heavy, but not excessive. There is congestion in this port as well as at London.

At Sales held on 7th, 8th and 9th September, offerings amounted to 65.840 packages. It is curious to note that some sound teas are irregular, but cheapest varieties sell easily. On 14th September—71,858 packages were advertised for sale. There was a good general demand, and exportable fannings were stronger, but again good orthodox Assams were lower. If quality fell away, bids were appreciably lower.



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COMPANY AND PUBLIC NOTICES

THE ALKALI & CHEMICAL CORPORATION OF INDIA LIMITED

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

NOTICE

Payment of Dividend on Preference Shares.

IN connection with the payment of the above Dividend for the half-year ending 30th September 1964, the Preference Share Registers of the Company will be closed from the 1st October 1964 to 6th October 1964, both days inclusive.

By Order of the Board,

IMPERIAL CHEMICAL INDUSTRIES (INDIA) PRIVATE LTD.,
Secretaries.

Calcutta,
15th September, 1964.

THE CALCUTTA ELECTRIC SUPPLY CORPORATION LIMITED

(Incorporated in England)

NOTICE is hereby given that the Board of Directors of this Company have decided to recommend to stockholders at the forthcoming Annual General Meeting that a Final Dividend for the year ended 31st March 1964 on the Company's Ordinary Stock at the rate of £4 per cent net (Tax applicable at 7s.9d. in the £) be paid on the 27th October, 1964 to those stockholders whose names are registered in the Company's Stock Register on the 12th October, 1964.

Applications for transfers received in this office before 12 O'clock noon on Monday, the 12th October, 1964, will, if otherwise satisfactory, be registered at that date for the purpose of participation in the above Dividend.

By Order of the Board,
C. A. GUNTHER,
Actg. Agent.

VICTORIA HOUSE,
Calcutta, 17th September, 1964.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
National Insulated Cable Co. of India Ltd. ..	24-9-64	11 a.m.
Imperial Tobacco Co. of India Ltd. ..	24-9-64	3-30 p.m.
India Steamship Co. Ltd. ..	24-9-64	4 p.m.
Indian Cable Co. Ltd.	25-9-64	4 p.m.
Bisra Stone Lime Co. Ltd. ..	28-9-64	11-15 a.m.
Bally Jute Co. Ltd. ..	28-9-64	3 p.m.
Birla Jute Manufacturing Co. Ltd. ..	28-9-64	4 p.m.
Jardine Henderson Ltd.	29-9-64	11-15 a.m
Indian Steel & Wire Products Ltd. ..	29-9-64	1-30 a.m.
Sijua (Jherriah) Electric Supply Co. Ltd. ..	29-9-64	11 a.m.
Dehri-Rohtas Light Railway Co. Ltd. ..	29-9-64	11-30 a.m.
Hukumchand Jute Mills Ltd.	29-9-64	4 p.m.
Dalhousie Jute Co. Ltd. ..	30-9-64	10 a.m.
Auckland Jute Co. Ltd. ..	30-9-64	10-10 a.m.
Union Jute Co. Ltd.	30-9-64	10 20 a.m.
Standard Jute Co. Ltd. ..	30-9-64	10 30 a.m.
Kinnison Jute Mills Co. Ltd. ..	30-9-64	10-40 a.m.
Northbrook Jute Co. Ltd. ..	30-9-64	10-50 a.m.
Lansdowne Jute Co. Ltd ..	30-9-64	11 a.m.
Rohtas Industries Ltd. ..	30-9-64	11 a.m.
Lawrence Jute Co. Ltd. ..	30-9-64	11-30 a.m.
Titaghur Paper Mills Co. Ltd. ..	30-9-64	3-30 p.m.
East Indian Coal Co. Ltd. ..	23-10-64	11-10 a.m.

DIVIDENDS DECLARED OR PROPOSED.—Hastings Mills Ltd.—6 p.c. (o), subject to tax ; Naihati Jute Mills Co. Ltd.—Nil (o) ; Calcutta Elecrtic Supply Corporation Ltd.—£4 percent net (Tax applicable at 7s 9d in the £) (f) (o).

BOOKS RECEIVED

Problems of Underdeveloped Economy. By D. S. Nag. (Published by Lakshmi Narain Agarwal, Educational Publishers, Agra. Price Rs. 18, pages 463.)

Foreign Economic Policy of Soviet Russia. By D. S. Nag. (Published by Lakshmi Narain Agarwal, Educational Publishers, Agra. Price Rs. 10, pages 111.)

From Colonialism to Communism. By Hoang Van Chi. (Published by R. N. Sachdev for Allied Publishers P. Ltd, 13/14 Asaf Ali Road, New Delhi. Price Rs. 16.00, pages 210.)

HIDES AND SKINS

The market in skins was firm and the prices showed an upward tendency. Stocks were higher than in the previous week.

Bazaar Sales
(Between 15th and 21st September 1964)

Cowhides : Wet salted (Ord) 14,000 pcs. on the basis of Rs. 8.25 to Rs. 9.25; Wet salted (Slaughtered) 39,000 pcs. on the basis of Rs. 10.50 to Rs. 17.00 and Rs. 19.50 to Rs. 28 ; Wet salted (Ord) 2,500 pcs. on the basis of 72 paise a lb.

Goatskins : Wet salted (Patna, Daissee, Kustia) 8,92,000 pcs. on the basis of Rs. 300 to Rs. 320, Rs. 380 to Rs. 390 and Rs. 425 to Rs. 440 ; Wet salted (he-killed) on the basis of Rs. 4.25 and (she-killed) on the basis of Rs. 4.50 a piece ; Assam-Dinajpur-Maldah 27,000 pcs. on the basis of Rs. 200 to Rs. 230 and Rs. 290 ; Purneah-Kissenganj 30,300 pcs. on the basis of Rs. 280 to Rs. 290 ; Kissenganj-Purneah 4,900 pcs. on the basis of Rs. 465 to Rs. 470.



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CONSUL satin drill combines immaculate looks with durability.

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"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock Exchange Associations and other sources.

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Figures given after stroke (/) mean paise.

Wednesday, 23rd September, 1964.

GOVERNMENTS LOANS

Outstanding Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
GOVERNMENT OF INDIA				
2,48,91,06,000	3	1946	1986 or later	63/50
8,93,33,000	3	1896-97	At the option of the Government of India after 6 months notice	63/00
14,77,48,000	2½	1946	1976	63/10
1,10,11,78,000	3	1943	1966-68	98/40
1,15,05,83,000	3	1948	1970-75	90/25
1,53,67,92,000	3½	1955	1965	100/05
86,63,53,000	3½	1956	1974	96/35
56,99,30,000	3½	1957	1967	100/00
1,97,40,92,000	3½	1956	1967	99/75
70,00,000	3½	1958	1968	99/00
1,56,64,22,000	3½	1958	1968	99/90
1,90,85,42,000	3½	1959	1969	97/95
82,65,41,000	3½	1960	1966	100/00
71,78,00,000	4	1964	1970	99/05
1,54,70,22,000	4	1957	1972	98/75
94,51,44,000	4	1958	1973	98/95
81,06,39,000	4	1959	1979	98/10
98,05,17,000	4	1960	1980	98/00
65,96,55,000	4	1961	1981	98/10
84,12,53,000	4	1963	1969	99/55
69,74,00,000	4½	1964	1989	100/00
1,08,86,71,000	4½	1963	1973	100/05
28,07,95,000	4½	1962	1972	100/00
52,01,71,000	4½	1963	1986	100/13
1,14,03,37,000	4½	1962	1985	100/00
BOMBAY				
3,40,34,300	4	1952	1964	99/95
6,57,22,800	4½	1957	1968	98/40
6,58,20,700	4½	1958	1970	99/00
4,35,25,000	4½	1958	1971	98/70
MADHYA PRADESH				
2,03,28,800	3	1948	1964	98/50
MADRAS				
5,24,81,200	4	1952	1964	99/95
5,55,57,300	4½	1958	1970	99/00
UTTAR PRADESH				
1,55,31,200	3	1938	1961-66	94/00
5,89,13,900	4	1952	1964	99/95
7,65,53,900	4½	1958	1970	98/80
WEST BENGAL				
2,00,00,000	4	1952	1964	99/95
7,58,72,200	4	1952	1967	99/45
7,11,46,100	4	1956	1968	99/10
5,10,49,700	4½	1958	1970	98/75
7,69,69,400	4	1959	1971	98/00
7,00,00,000	4	1960	1969	98/70
7,00,00,000	4½	1961	1972	98/80
7,00,00,000	4½	1962	1974	99/50
MYSORE				
2,95,85,200	4	1933	1952-63	100/00

PORT TRUST LOANS

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
CALCUTTA				
90,24,300	4	1914	1974	98/25
76,90,100	4	1915	1975	98/25
68,02,300	3	1921	2nd 1981	82/00
1,50,00,000	6½	1921	2nd 1981	144/00N
£892,600	5	1923	1953-83	£61
£901,000	5	1924	1954-84	£61
1,24,00,000	4½	1957	1987	99/50
	4½	1958	1988	99/00
50,00,000	4½	1959	1989	99/00
1,50,00,000	4½	1961	1971	98/75
80,00,000	4	1931	1991	93/00
60,00,000	3½	1935	1965	99/00
50,00,000	3	1946	1976	83/50
50,00,000	3	1945	1-2-2005	72/00
50,00,000	3	1945	1-2-1975	83/75
25,00,000	3	1938	1963-65	93/00
50,00,000	3	1946	2006	72/00
50,00,000	2½	1947	1977	78/50
50,00,000	3	1948	1978	83/00
50,00,000	3	1950	1980	81/00
50,00,000	3	1951	1981	80/50
50,00,000	4½	1953	1963	98/75
50,00,000	4	1953	1983	97/50
90,00,000	4	1955	1985	97/25
77,00,000	4	1956	1986	97/25
1,00,00,000	4	1959	1969	99/50
1,00,00,000	5	1963	1993	..
57,72,000	4½	1961	...	..

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
BOMBAY				
36,50,000	4	1904	1964	96/00
35,00,000	4	1905	1965	96/00
15,00,000	4	1906	1967	96/00
44,00,000	4	1907	1968	96/00
75,00,000	4	1908	1968	96/00
40,00,000	4	1909	1970	92/00
56,00,000	4	1910	1971	92/00
75,00,000	4	1911	1972	92/00
STERLING LOANS				
£892,600	5	1923	1953-83	£63
£901,000	5	1924	1954-84	£63
£835,100	5½	1932	1962	£96½
MADRAS				
28,48,275	3½	1947	1977	A
9,88,000	3	1947	1977	A
8,00,000	3	1949	1979	A

IMPROVEMENT TRUST LOANS

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
CALCUTTA				
50,00,000	4	1934	1964	99/25
35,00,000	3½	1935	1965	98/00
30,00,000	3	1936	1966	92/50
20,00,000	3	1938	1963-68	92/00
80,00,000	4	1952	1962	100/00
1,02,00,000	4	1956	1968	98/50
75,00,000	4½	1958	1968	101/00
BOMBAY				
60,00,000	4	1903	1963	98/25
50,00,000	4	1904	1964	98/25
20,00,000	4	1906	1966	97/50
15,00,000	4	1907	1967	97/50
30,00,000	4	1908	1968	£95½N
£566,600	4	1909	1969	£95½N
£333,000	4	1910	1970	£100/00
25,00,000	4	1912	1972	95/00
13,00,000	4	1913	1973	95/00
50,00,000	4	1914	1974	95/00
25,00,000	4	1916	1976	95/00
66,00,000	6	1920	1945-80	119/50
25,00,000	4	1927	1961-70	99/75
10,00,000	3½	1936	1966	89/00

MUNICIPAL LOANS

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
CALCUTTA				
66,88,000	3½	1951	1966	98/50
10,00,000	5½	1932	1962	100/75N
33,91,000	3½	1935	1965	96/00
72,50,000	4½	1954	1979	100/00
60,00,000	3	1936	1966	93/00
47,50,000	3	1938	1968	92/50
21,10,000	3½	1942	1972	92/00
87,36,000	4	1952	1962	99/75
2,22,72,000	4	1955	1985	97/25N
1,67,32,000	4½	1958	1970	101/00N
73,36,000	4½	1958	1968	100/50
57,72,000	4½	1961	...	..

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
BOMBAY				
20,00,000	4	1913-13	1974	95/00
4,00,00,000	3½	1950	1965	95/00

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
MADRAS				
15,00,000	3½	1951	1961	107/00

2½%	U.P Zemindary Abolition Compensation Bond (per Rs 100) Rs 41/90*

* Ex eight instalments but inclusive of accrued interest.

These notes refer to the Debentures on the next page.

Option to repay at par on 6 months notice—

(a) Option to extend the redemption period for further 10 years.

(b) at any time after.

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

(d) option to redeem at 2½% Prem. after 14-5-64 and before 15-5-69.

Option to repay on 6 months notice—

(e) at any time after 30-6-61 at 101%.

(f) at 101% between 1-1-69 & 31-12-64.

(g) at 102/8% after 30-6-59 but before 30-6-64.

(h) at any time after 30-6-65 at 101%.

Option to repay on 3 months notice—

(i) at any time at 3% Premium.

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

(k) at any time at par.

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

(m) redeemable at 103⅛ on 31-12-64 with option to redeem on any interest date at same premium after 30-6-59.

(n) at any time on two months notice—

(o) to be redeemed at a premium of 10% Rs. 70,000 to be redeemed annually by drawing on 3 months notice with option to redeem all after 5 years from date of issue on 6 months notice. Option not exercised repayment to be made after full term.
Option to repay

(p) at par after September 1960.

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

(r) with option to redeem at 101% after 10 years or at 100/8% after 13 years.

(s) Rs 1 lac Debentures to be redeemed annually by drawing from 1-6-58 with option to redeem at 100/8% between 1-6-57 to 1-6-60 and at 101% afterwards.

(t) with option to redeem at 101% after 10 years or at 100/8% after 13 years

(u) with option to redeem all or any of the Debts at 101% at any time after 31-3-64 and at 100/8% at any time after 31-3-66.

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

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

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

(y) Redeemable (a) at 102⅛ on 1st October. 1974 or in the event of voluntary liquidation of the undertaking being purchased or in the event of the security becoming enforceable or (b) at 105% at any time after 31st March 1953 on 6 months notice from the Co (c) also redeemable out of a sinking fund (commencing in 1936) by drawing at 102% or purhase at or under 102%.

(z) Also redeemable out of a cumulative sinking fund of 1½% per annum commencing in 1943 by purchase at any price less than par or by annual drawing at par.

JOINT STOCK COMPANIES' DEBENTURES

Amount Authorised Rs.	Amount Outstanding Rs.	Rate of Interest per cent	NAME OF COMPANIES	Year of Issue	MARKET PRICE 23-9-64	MARKET PRICE 16-9-64	A year ago Rs.	Interest payable	Principal Repayable	Remarks
			(CALCUTTA)							
			COAL							
60,00,000	60,00,000	6½	Bengal	1961	99/00	99/00	100/00	1st May 1st Nov.	31-10-75	(X)
30,00,000	30,00,000	6	Bharat Collieries	1944	90/00	90/00	90/00	30th April 31st Oct.	30-6-64	..
20,00,000	20,00,000	4½	Burrakur	1947	90/00	90/00	85/00	30th June 31st Dec.	30-6-67	(G*)
50,00,000	50,00,000	5½	Equitable	1953	97/00	97/00	98/00	1st July 1st Jan.	14-12-68	(r*)
			COTTON MILL							
4,00,000	4,00,000	6	Bengal Nagpur	1897	90/00	90/00	85/00	10th May 10th Nov.	15-11-66	(l)
			JUTE MILLS							
15,00,000	12,00,000	5½	Agarpara	1939	91/50	91/50	92/00	1st Oct 1st April	31-3-69	..
15,00,000	15,00,000	4	Auckland	1945	94/00	94/00	78/00	30th June 31st Dec.	31-12-64	(F)
9,00,000	6,00,000	5½	Alexandra	1939	91/50	91/50	91/00	30th June 31st Dec.	30-6-69	(g)
10,00,000	10,00,000	6½	Bengal (2nd Mortgage)	1940	95/50	95/50	95/50	30th June 31st Dec.	30-6-65	(b)
12,00,000	10,69,000	5	Chitavalsah	1951	93/00	93/00	88/50	30th June 31st Dec.	30-6-66	(e)
25,00,000	17,73,000	5½	Dalhousie	1954	95/00	95/00	90/00	31st March 30th Sept.	31-3-69	(u*)
10,00,000	8,86,000	5	Empire	1951	92/00	92/00	90/00	15th Jan 15th July	15-7-66	(e*)
25,00,000	8,87,000	5½	Fort Gloster	1952	98/00	98/00	98/00	31st March 30th Sept.	30-9-66	(Q*)
30,00,000	30,00,000	5½	Howrah	1955	93/50	93/50	92/50	31st March 30th Sept.	31-3-70	(N)
25,00,000	25,00,000	5	Kinnison	1949	97/00	97/00	90/00	30th June 31st Dec.	31-12-64	(f*)
25,00,000	12,04,000	5½	Kamarhatty	1955	97/50	97/50	89/50	30th June 31st Dec.	30-6-70	(h*)
25,00,000	25,00,000	5½	Naihati	1952	92/00	92/00	90/00	30th June 31st Dec.	31-3-67	(l*)
5,00,000	5,00,000	6½	Nellimarla	1939	92/00	92/00	92/00	14th Nov 14th May	14-3-74	(d)
20,00,000	20,00,000	4	Northbrook	1945	94/00	94/00	85/00	30th June 31st Dec.	31-12-64	(B)
25,00,000	25,00,000	5	Reliance	1950	94/50	94/50	81/00	31st March 30th Sept.	30-9-65	(M*)
12,00,000	12,00,000	5½	Union	1937	95/50	95/50	95/50	31st March 30th Sept.	31-3-67	..
10,00,000	10,00,000	6½	Waverley	1925	90/00	90/00	80/00	31st Jan. 31st July	31-7-72	..
			MISCELLANEOUS							
30,00,000	18,30,000	4½	Associated Hotels of India	1948	850/00	850/00	850/00	1st Jan. 1st July	31-12-62	(v)
10,00,000	9,96,000	7	Aluminium Corporation of India Ltd.	1948	97/00	97/00	92/00	1st Jan. 1st July	31-12-65	(U)
5,00,000	5,00,000	4½	Bareilly Electric Supply Co. Ltd.	1949	97/00	97/00	88/00	30th June 31st Dec.	31-12-64	(m*)
12,00,000	12,00,000	4½	Benares Elec Ltd & Power Co Ltd.	1949	97/00	97/00	90/00	30th June 31st Dec.	31-12-64	(m*)
1,00,00,000	90,00,000	5	Buckingham & Carnatic Co. Ltd.	1952	100/00	100/00	100/00	1st April 1st Oct.	1-3-72	(T*)
5,00,000	5,00,000	5½	Britannia Engineering	1945	94/00	94/00	94/00	30th June 31st Dec.	31-12-69	(g)
8,00,00,000	8,00,00,000	5½	Burmah-Shell Refineries Ltd.	1954	93/00	93/00	92/00	1st March 1st Sept.	1-9-69	(K*)
2,66,00,000	2,32,89,400	5	Calcutta Electric Supply Corporation	1950	89/50	89/50	92/00	1st Jan 1st July	1-1-70	(*)
£350,000	£325,280	4½	Calcutta Tramways	1900	£66/00	£66/00	£66/00	1st Jan 1st July	...	(w)
£250,000	£157,788	5	Calcutta Tramways	1933	£74/00	£74/00	£74/00	1st April 1st Oct.	1-10-74	(y)
19,50,000	17,50,000	7	Carew & Co.	1938	99/50	99/00	98/00	1st June 1st Oct.	1-6-63	(s)
6,50,000	2,46,000	6½	Carew & Co (2nd Mortgage)	1941	95/00	95/00	95/00	1st March 1st Sept.	28-2-70	(i)
21,00,000	21,00,000	5½	Chowringhee Properties	1915	85/00N	85/00N	85/00N	1st Feb. 1st August	1-2-64	..
25,00,000	15,03,000	4½	Clive Buildings	1936	82/00	82/00	82/00	1st July 1st Jan.	1-7-86	(A)
1,00,00,000	1,00,00,000	6½	Dalmia Cement	1946	86/00	86/00	86/00	31st March 30th Sept.	1970	(p)
1,30,00,000	1,04,55,000	6½	Dunlop Rubber Co (I) Ltd.	1950	99/25	99/25	98/50	1st Jan 1st July	1-1-73	(b*)
1,00,00,000	1,00,00,000	6½	Dunlop Rubber Co (I) Ltd.	1958	99/25	99/25	98/50	1st Jan 1st July	1-1-73	(w*)
1,00,00,000	91,80,000	5½	Indian Cable Co Ltd	1954	94/50	94/50	90/00	1st Jan 1st July	1-1-73	(w*)
20,00,000	20,00,000	5½	Kumardhubi Fireclay & Silica Works	1954	92/00	92/00	92/00	31st Dec	30-6-69	(t*)
10,00,000	10,00,000	4	Kumardhubi Engineering Works Ltd.	1946	90/00	90/00	84/00	31st May 30th Nov.	31-12-69	(D*)
6,50,000	6,50,000	6	Katakhai Lala Bazar Railway	1945	85/00	85/00	85/00	30th June 31st Dec.	31-5-71	(O)
45,00,000	39,70,000	4	McLeod & Co Ltd (Con Notes)	1947	410/00 P note	410/00 P note	410/00 P note	30th June 31st Dec.	31-12-74	(*)
1,00,00,000	74,75,000	5	Macneill & Barry Ltd	1951	77/50	77/50	85/00	1st April 1st Oct.	1-4-71	(P*)
12,00,000	12,00,000	4	National Tobacco Co India Ltd.	1946	93/00	93/00	85/00	30th June 31st Dec.	30-6-66	(S)
20,00,000	20,00,000	5	Patna Electric Supply Co. Ltd.	1949	97/00	97/00	90/00	31st May 30th Nov.	1-12-64	(V)
1,00,00,000	50,50,000	6	Rohtas Industries Ltd.	1946	90/00	90/00	96/00	30th June 31st Dec.	31-12-69	(a*)
4,00,00,000	4,00,00,000	5½	Esso Standard Ltd	1953	93/25	93/25	91/00	1st May 1st Nov.	1-5-68	(H)
10,00,000	10,00,000	5½	Shree Gopal Paper Mills Ltd.	1944	95/00	95/00	95/00	Jan & July	15-7-66	(E*)
£200,000	£200,000	4½	Shahdara (Delhi) Saharanpur Rly.	1905	£64N	£64N	£64N	1st Jan 1st July	..	..
15,00,000	11,40,000	5	Sijua Jherriah	1951	91/00	91/00	91/00	1st Jan 1st July	30-6-76	(*L)
30,00,000	30,00,000	4½	United Provinces Elec. Supply Co. Ltd.	1949	97/00	97/00	90/00	31st March 30th Sept.	31 12-64	(C*)
			TEA							(*m)
2,50,000	2,50,000	6	Baitakhal	1943	95/00	95/00	95/00	30th June 31st Dec.	1-7-63	..
			(BOMBAY)							
1,00,00,000	98,28,000	4	Andhra Valley Power Supply	1940	98/50	98/50	98/50	1st April 1st Oct.	1952	..
60,00,000	50,00,000	4	Tata Power	1941	86/00	86/00	86/00	..	1951-55	..

(Continued from foot of previous page)

(A) Repayable at par by 1968 by annual Drawings on 1st July each year. May repay the issue in full after 30th June 1961 on 3 months notice

(B) Repayment at par on 31st Dec. 1964 with the option of repayment on 31-12-54 or any subsequent interest date at a prem of 2%

(C) Rs 36,000 to be redeemed at par annually by drawing.

(D) With option to redeem any part at 101% after 31-12-64 and at 100/8% after 31-12-66

(E) Rs 4½ Lacs will be redeemed annually by drawings from 1st May 1964 onwards The Co. has option to redeem all Debentures at 101% on 1st May 1963 on 6 months notice

(F) Option to redeem all or any of the Debentures at a premium of Rs 1/- per cent by giving one month's notice on the 31st December 1954 or any subsequent interest date

(G) May be redeemed on 30th June 1967 at a premium of 1% or on 30th June, 1962, at a premium of 1%.

(H) May be redeemed at a premium of Rs. 20/- per debenture (i.e. 2%) if redeemed earlier than 31st Dec. 1955 on 3 months' notice

(I) The Company has option to repay all or any at par by giving notice for 6 months expiring on any interest date after 30th Sept. 1955 At any time on or after 1st Oct. 1957 the holders may convert each note of Rs 500/- into 25 ordinary shares to take effect on 1st Oct. in each year on giving 15 days' notice prior to such day

(J) May be redeemed at 101% at any time after 31st March. 1963 and at 100⅛% on any time after 31st March 1955.

(K) Rs 4,000,000 Debentures will be redeemed at par annually by drawing from 1-9-65 Any Debenture outstanding on 1-9-69 will be redeemed on that date with option to redeem all Debentures at 101% on 1-9-64.

(L) Any time on 6 months notice.

(M) At par in September 1960

(N) May be redeemed at the end of 1965 or thereafter at 101%

(O) Option to repay at par on or after 31st May. 1961.

(P) Redeemable at par on 31st Dec. 1972 with option to redeem at par at any time on 6 months notice after 30th June 1958. At any time after 31st Dec. 1948 each note of Rs 500/ may be converted into two ordinary shares of Rs 100/ each ranking for dividend from 1st January following

(Q) With option to redeem annually Rs 3,00,000/- at par after 31-3-58 by drawing or by purchase in the open market

(R) May be redeemed annually at par by drawing after 10th year also the whole issue at 101% on or after 31-3-63

(S) (Option to repay at par one month's notice). At any time after 1st October. 1956.

(T) (Option to repay at par on 6 months notice) after 1-1-67

(U) (Option to repay on 3 months notice). At any time after 31st December 1960

(V) May be redeemed at par on 30-6-66 or any subsequent interest date on one month's notice.

(W) After giving six months' notice.

(X) Rs 5,00,000 will be redeemed each year from and after 1964.

* These Debentures are registered and are transferable by transfer Deeds.

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations 23-9-64 Rs.	Market Quotations A year ago Rs.
	BANK					
1901	Allahabad Bank (May Nov.)	15.00	6	100	95/00	96/50
	COALS					
1896-97	Borrea (June Dec.)	4.00	6½	100	84/00	84/00
1901-19	Burrakur (Jan July)	22.98	7	100	101/50	93/00
1946	Burrakur (June Dec.)	4.50	6T	10	6/37	6/00
1895	Equitable (May Nov.)	4.00	6	100	90/00	80/00
1931	Khas Kajora (March Sept.)	1.93	5	10	8/75	9/00
1920	New Beerbhoom (Jan. July)	2.00	7	10	10/62	10/25
1898-00	Ondal (June Dec.)	2.00	5½	100	85/00	85/00
	COTTONS					
1902	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	80/50	70/00
1884	Bangalore (Jan. July)	6.00	6	100	92/59	98/44
1938	Basanti (Oct.)	5.00	6½	10	7/12	7/19
1896	Bengal-Nagpur (Apr. Oct.)	3.00	7	100	48/00	48/00
1900	Bowreah "A" (Apr. Oct.)	6.00	8	100	109/00	114/00
1900	Bowreah "B" (6) (1) (Apr Oct.)	6.00	7	100	93/00	88/00
1919	Bradbury "B" (Jan Dec.)	14.85	7	50	60/00	60/50
1920	Buckingham & Carnatic (Jan. July)	21.30	7½	100	111/10	109/00
1928	Cambodia (July)	1.00	7	100	68/85	83/63
1912	Central India (Apr. Oct.)	50.00	5	500	420/00	416/25
..	Delhi Cloth & General (Oct.)	20.00	4½	25	16/63	16/63
1912	Elgin (May Nov.)	11.00	8	100	111/00	113/00
1943	Elgin "B"	10.00	5	10	6/44	6/50
1919	Elphinstone (May Nov.)	25.00	7T	100	78/50	75/00
1919	Kesoram (June Dec.)	20.00	7	100	107/00	107/50
1925	Khatau Makanji (Nov.)	10.00	6	100	88/00	83/00
1937	Kothari (Nov.)	12.00	6	10	7/23	7/75
1900	Muir (Feb. Aug.)	30.00	6	100	98/50	122/00
1913	New Great Eastern (Mar.)	8.00	5½	200	120/00	107/00
1920	New Victoria (Apr. Oct.)	16.06	6	6	2/19	2/52
1933	Palani Andavar (Mar.)	2.00	7	50	115/45	115/45
1935	Svadeshi (Bombay) (May)	15.00	5	100	86/50	86/00
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	62/50	71/00
1931	Vasanta (Apr. Oct.)	3.00	6½	100	79/70	86/14
1908	Vishnu (Apr.)	16.00	7	500	390/00	405/00
	JUTES					
1927	Agarpara (Jan. July)	10.00	7	100	100/00	96/50
1905	Alexandra (Feb Aug.)	9.00	7	100	96/00	85/50
1895	Alliance (March Sept.)	15.00	6	100	71/00	72/50
1917	Anglo-India (May Nov.)	40.00	7	100	101/50	99/00
1909	Auckland (July Jan.)	10.00	5½	100	71/00	77/00
1945	Auckland (July Jan.)	15.00	4½	100	60/50	57/00
1918	Bally (Jan. July)	20.00	7	100	111/00	111/00
1896	Barnagore (Oct Dec.)	£200	5T	£5	42/00	38/00
1940	Bengal (June Dec.)	10.00	5½	100	70/00	70/00
1919	Birla (June Dec.)	23.64	7½T	100	79/50	78/50
1894	Budge Budge (May Nov.)	9.00	7	100	95/00	90/50
1934	Calcutta (Jan July)	6.00	6½	100	63/00	59/00
1915	Caledonian (June Dec.)	10.00	7	100	92/00	93/00
1919	Cheviot (June Dec.)	10.00	7	100	96/00	98/00
1928	Chitavalsah (Mar Dec.)	5.00	7	100	89/00	89/00
1900	Clive (First) (May Dec.)	8.00	6	100	57/00	69/00
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	63/00	63/00
1903-13	Dalhousie (July Jan.)	11.76	7	100	90/00	93/00
1897	Delta (June Dec.)	5.00	6	100	74/50	64/75
1912	Empire (Jan July)	10.00	7	100	91/00	96/00
1890-93	Fort Gloster (Jan July)	14.00	7	100	111/00	111/00
1948	Fort Gloster (2nd)	7.00	5	100	69/50	65/50
1911	Fort William (May Nov.)	10.00	7	100	115/00	115/00
1916	Ganges (June Dec.)	6.00	8	100	111/00	106/00
1895-04	Gourepore (June Dec.)	26.50	6	100	85/00	91/00
1935	Hastings (Aug Feb.)	25.00	6	100	89/00	91/50
1913	Hooghly (July)	11.76	10	10	13/50	11/12
1890	Howrah (Jan. July)	8.75	7	100	92/50	90/50
1903-06	Howrah "A" (Jan July)	17.50	7	100	92/00	91/00
1919	Hukumchand (June Dec.)	40.00	7	100	100/00	100/00
1898-04	Kamarhatty (Apr Oct.)	16.00	6	100	81/00	81/06
1900	Kanknarrah (Apr Oct.)	10.00	6	100	81/00	81/50
1935	Kedarnath (Jan July)	2.00	7	100	90/50	90/00
1907	Kelvin (Mar Sept.)	10.00	7	100	96/50	100/00
1895-09	Khardah (May Nov.)	9.00	6	100	74/00	77/50
1900-13	Kinnison (July Jan.)	15.00	7	100	102/00	98/00
1905	Lansdowne (July Jan.)	15.00	7	100	94/00	99/00
1912	Lawrence "A" (July Jan.)	5.00	7	100	98/00	95/00
1906-07	Lawrence "B" (July Jan.)	10.00	5½	100	71/00	70/50
1905-06	Naihati (July Jan.)	7.50	7	100	115/00	112/00
1945	Naihati (July Jan.)	10.00	4½	100	90/00	82/00
1917	National (May Nov.)	5.00	7	100	95/50	87/00
1939	Nellimarla (Apr Oct.)	5.00	6	100	71/00	76/00
1915	New Central (Jan July)	33.00	7	100	91/00	92/00
1908-09	Northbrook (July Jan.)	15.00	7	100	74/00	75/50
1935	Rameshwara (Jan July)	7.00	6	10	13/81	12/31
1906-12	Reliance (Jan July)	20.00	7	100	114/00	119/00
1928	Shree Ambica (Mar Sept.)	11.70	7½	100	96/00	90/00
1920	Soorah (Feb Aug.)	10.00	7	100	104/00	96/00
1901-02	Union (July Jan.)	6.00	7	100	98/50	98/50
1918	Waverley (Mar Sept.)	7.50	8	50	40/00	40/00
	MISCELLANEOUS					
1937	Alkali & Chemical (Mar Sept.)	31.00	5	100	88/00	87/50
1938	Aluminium Corpn (Oct.)	20.00	6	100	93/50	93/50
1944	Aluminium Corpn (Oct.)	20.00	5	100	66/00	62/00
1949	Anderson Wright (Dec.)	20.00	4½	100	66/62	66/62
1917	Andhra Valley Power (May Nov.)	49.34	7T	1,000	996/25	1,025/00
1919	Arthur Butler (Mar.)	1.30	7	10	10/00	12/00
1916	Asstd. Hotels of India (Mar Sept.)	21.67	7T	100	50/75	54/00

Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations 23-9-64 Rs.	Market Quotations A year ago Rs.
1895	Bengal Assam Steamship (Nov.)	3.00	7	60	57/50	47/00
1926	Bengal Chemical (Aug.)	6.25	7½	10	11/81	12/12
1889	Bengal Paper Mill (Mar Sept.)	2.00	7	50	51/00	46/50
1928	Bengal Paper Mill "A" (Mar. Sept.)	4.00	7	100	98/00	98/00
1936	Birds Investments (Dec.)	24.00	5½T	100	52/50	52/25
1962	Braithwaite & Co.	40.00	9T	100	111/00	107/00
1918	Britannia Biscuit (Feb. Aug.)	15.00	8	10	11/00	11/00
1920	British India Corporation (Feb.)	81.00	8	100	109/50	106/50
1995-99	Burn Eng (1st & 2nd) (Feb. Aug.)	13.00	7	100	114/00	115/50
1903-5	Burn Engineering (Feb Aug.)	15.00	6	100	103/00	103/00
1909-11	Calcutta Electric Supply (Mar. Sept.)	£1.900	6	£1	8/56	8/19
1937	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	70/50	70/00
1906	Calcutta Tramways (Jan July)	£250	5T	£1	8/25	8/25
1938	Carew & Co (Jan.)	8.00	6½	100	73/50	72/00
1905-24	Cawnpore Sugar Works (Feb Aug.)	10.00	8	100	116/00	104/50
1940	Chrestien Mica Industries Ltd.	30.00	5½T	100	38/87	40/00
1937	Dalmia Cement (Bharat)	35.00	6	10	8/50	8/06
1916	Delhi Flour Mills (Oct.)	90.00	7T	100	101/00	101/00
1935	Deshergarh Power Supply "A" (Jan.)	16.00	5	100	60/50	72/00
1940	Duncan Brothers & Co Ltd.	45.00	4	100	57/00	56/50
1926	Dunlop Rubber "First" (Jan July)	30.00	8	100	102/00	104/75
1936	Dunlop Rubber "Second" (Apr.)	40.00	5½T	100	69/00	68/00
1897	East India Distilleries (Jan July)	£200	7	20st	15/64	18/90
1908	General Investment & Trust (Feb Aug.)	1.00	5	100	56/00	56/00
1947	General Investment & Trust (Feb. Aug.)	1.00	6T	100	48/00	48/00
1946	Gillanders Arbuthnot (Apr. Oct.)	25.00	5T	100	53/00	55/00
1946	Gladstone Lyall & Co. Ltd.	15.00	6T	100	60/00	60/00
1948	Godfrey Phillips India Ltd.	30.00	5½T	100	59/75	60/75
1940	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	62/00	62/00
1940	Gwalior Sugar (Dec.)	5.00	7	100	62/00	62/00
1936	Humayan Properties Ltd (Nov.)	12.00	6	10	7/56	6/81
1936	Indian Aluminium (Mar Sept.)	40.00	5T	100	65/00	66/75
1927	Indo Burma Petroleum (Jan July)	50.00	7T	100	68/00	76/00
1899	India General Navg & Railways	£244	6	£10	83/50	65/00
1923	Indian Cable Co (Nov.)	12.88	6	10	31/75	31/75
1918	Indian Standard Wagon (Aug. or Sept.)	19.66	7	100	112/00	116/50
1936	Indian Iron & Steel	2,69.95	5	100	87/00	84/50
1936	Investment and Finance (Feb Aug.)	2.00	5	100	48/00	69/00
1935	Investment and Finance (Feb. Aug.)	2.00	6T	100	42/00	60/00
1937	James Wright (Jan. July)	1.30	6	60	14/00	14/00
1937	Jardine Henderson Ltd.	50.00	5½T	100	60/50	55/50
1941	Jessop & Co	10.00	5	100	76/25	75/50
1915	Kumardhubi Engineering (June)	12.00	5	100	72/00	68/00
1915	Martin Burn Ltd.	30.00	5	100	91/00	87/00
1946	McLeod & Co.	10.00	5T	100	44/00	44/50
1930	McLeod & Co.	40.00	5	100	59/75	59/75
1936	Mettur Chemical & Industrial (Sept.)	20.00	6	10	8/23	9/25
..	Metal Box Co of India Ltd	30.00	6T	100	75/00	77/50
1938	Mysore Chemical Mfg (Sept.)	2.00	6	10	6/73	7/83
1942	National Tobacco (June Dec.)	25.00	5	100	69/25	66/50
1944	National Tobacco (Jan Dec.)	20.00	4½	100	57/50	57/50
1917	Poona Electric Supply Co. Ltd (June Dec.)	4.00	7	100	99/50	99/50
1935	Premier Construction "First" (Apr.)	10.00	6½T	100	74/00	72/00
1936	Premier Construction "Second" (Apr.)	15.00	6½T	100	77/00	75/00
1922	Purtabpore (Sugar) (Oct.)	6.00	10	10	13/44	10/56
1936	Ramnugger Cane & Sugar (Aug.)	4.00	6	100	82/00	82/00
1933-36	Rohtas Industries (April)	20.00	7	100	108/00	99/50
1935	Rohtas Industries "B" (April)	86.00	4½	100	58/75	57/00
1944-48	Shaw Wallace & Co Ltd.	75.00	6T	100	56/75	55/75
1936	Shree Gopal Paper	7.50	7	100	99/50	103/00
1936-38	Shree Krishna Gyanoday Sugar "A" (Oct.)	6.00	6	100	62/00	62/00
1937	Shree Krishna Gyanoday Sugar "B"	12.00	5	100	45/00	70/00
1918	Smith Stanistreet (Chemists) (Nov.)	5.00	10	50	74/50	62/50
1933	South Behar Sugar (Oct.)	5.00	9	100	20/50	20/50
1897	Spencer & Co "A" (Provisions) (Jan July)	23.20	6½T	10	6/61	6/58
1923	Spencer & Co "B" (Provisions) (Jan. July)	36.80	8½T	10	9/59	9/50
1936	Star Paper (Apr Oct.)	10.00	5	100	68/50	65/90
1925	Surat Electricity (April)	5.00	6½	100	102/50	104/00
1939	Tata Chemicals (Nov.)	60.00	5	100	93/50	93/50
1910	Tata Hydro Electric Power (Sept Mar.)	89.28	7	100	103/50	103/00
1906	Tata Iron & Steel (First) (Nov.)	75.00	6T	150	126/25	127/50
1918	Tata Iron & Steel (Second) (May)	6,93.82	7½T	100	109/00	103/50
1919	Tata Power (May Nov.)	86.97	7½	1,000	1,036/25	1,050/00
1928	Titaghur Paper Mills (Mar. Sept.)	11.50	8	100	116/50	117/00
1936	Titaghur Paper Mills "2nd" (Mar Sept.)	15.00	4½	100	64/25	66/50
1934	Vellore Electric (Sept Mar.)	1.25	6	10	5/78	6/25
	TEAS					
1903	Amluckie (May Nov.)	75.00	7	10	21/96	21/96
1901	Banarhat (Jan.)	4.00	6½	100	81/75	91/00
1900	Birpara (Jan.)	1.00	8	100	104/00	104/00
1947	Brooke Bond Estate India Ltd.	35.00	6T	100	55/00	56/00
1914	Choonabhutti (Jan.)	2.00	6½	100	80/50	90/50
1901	Dimakusi (June Dec.)	70.00	8	10	8/25	9/50
..	Dhunseri	1.20	10	10	7/00	7/00
1894	Gielle (Sept.)	2.00	6	100	59/50	60/00
1901	Hantapara (Jan.)	50.00	8	100	89/84	89/84
1904	Hasimara (Mar.)	3.00	7	100	83/00	86/50
1897-99	Kingsley Golaghat (Dec.)	2.40	6	100	85/00	85/00
1929	Moheema (May Nov.)	3.20	6	10	4/75	5/21
1907	New Dooars (Jan.)	2.00	6½	100	87/00	91/00
1903	New Samanbagh (Nov.)	1.00	8	100	90/50	90/50
1888	Okayti (Dec.	50.00	7	100	84/50	84/50
1914	Peermade (July)	1.50	6	100	73/30	42/77
1916	Pussimbing (Jan.)	2.06	7	100	93/00	89/50
1909	Sonai River (May)	1.00	8	100	66/00	66/00
1932	Tezpore (Jan.)	2.06	8	10	7/37	7/06
1922	Tirrihannah (May Nov.)	1.00	10	10	11/46	11/46

BANKS

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

Paid-up Capital Ordinary Rs.	Reserve & other Funds Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 23-9-64 Rs.	16-9-64 Rs.	A year ago
67,50,000	1,33,55,000	24,28,10,621	26,41,432	4,67,637	12	Allahabad Bank P.	18	15	15	100	249/00	248/00	258/00
2,00,00,000H	2,44,93,760	45,38,16,085	75,00,247	2,96,969	12	Bank of Baroda	17	16	16	50	98/30	98/00	88/50
4,05,00,000H	4,86,00,000	50,72,83,602	1,25,00,000	4,19,847	12	Bank of India	20	20	18	50	103/50	104/60	105/50
2,63,01,800H 52,50,000	5,53,41,648	91,06,63,918	1,39,26,426	91,510	12	Central Bank of India	20	20	20	25	52/30	52/30	54/30
£6,600,000	£7,900,000	£208,379,848	£1,069,378	£574,024	12	Chartered Bank	15	15	15	£1	sh. 51/3	sh. 51/6	sh. 62/-
1,25,00,000H	10,00,000	3,70,50,489	9,68,909	17,401	12	Hindusthan Commercial	Nil	Nil	..	50	10/25	10/25	13/50
50,00,000H	3,10,000	1,52,63,057	2,11,49,462	52,289	12	Hindusthan Mercantile	Nil	Nil	..	50	10/75	10/75	15/62
HK$79,046,125	HK$240,000,000	HK$3,117,934,633	HK$47,716,320	HK$5,511,638	12	Hong Kong & Shanghai	sh. 15†	sh. 16†	sh. 16†	HK$25	£22⅛	£22⅛	£18⅝
85,80,000	78,34,584	20,39,37,477	17,00,155	1,61,942	12	Indian Bank	15	14	15	100	151/00	151/00	156/10
1,00,00,000	93,62,535	17,03,88,147	16,23,334	1,01,850	12	Indian Overseas Bank	14	12	14	100	148/00	149/00	147/00
£5,703,000	£5,400,000	£131,367,034	£679,318	£357,227	12	National & Grindlays Bank	14	16	14	sh. 15	sh. 30/7½	sh. 30/9	sh. 33/6
2,00,00,000	3,07,10,000	84,19,60,154	1,25,56,166	2,27,073	12	Punjab National Bank	20	20	20	10	19/81	20/00	19/00
1,00,00,000	76,00,000	22,00,55,074	27,36,301	1,57,743	12	Union Bank of India	11-2/5	11 2/5	11 2/5	5	6/44	6/48	5/48
2,68,84,370	1,00,30,000	31,22,05,273	26,39,808	4,15,814	12	United Bank of India	6	6	7½	10	8/12	7/75	7/44
2,79,66,812	3,20,00,000	49,86,00,180	76,42,869	75,941	12	United Commercial Bank	12	12	12	50	73/50	70/00	68/50

† Per share

JUTE MILLS

Paid-up Ordinary Capital Rs.	No. of Looms	Net Block Account Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 23-9-64 Rs.	16-9-64 Rs.	A year ago Rs.
60,00,000	879	99,81,890	76,63,500	8,86,951	19,88,920	30,951	3	79	Agarpara P.	2½	2½	12—10*	10	9/56	9/25	11/53
6,00,000	446	30,57,138	21,01,100	6,26,077	22,41,118	32,706	12	165	Alexandra P.	15	42½	..	100	245/00	245/00	300/00
30,00,000	2,561	57,64,872	26,04,850	5,25,867	18,38,975	1,05,589	5	165	Alliance P.	Nil	10	12½	100	114/00	108/00	139/00
59,04,900	1,264	1,41,77,325	1,15,30,000	71,28,938	35,65,975	55,895	8	63	Anglo-India P.	7½	10	12	100	190/00	190/00	224/50
40,00,000	810	74,93,222	32,04,394	5,13,154	39,08,352	1,752	3	21	Auckland P.	12	Nil	15	100	131/00	131/00	144/50
20,00,000	959	1,02,10,363	46,32,069	6,64,478	15,79,586	24,424	8	22	Bally P	25	25	25—20*	100	239/00	239/00	262/00
£275,000	1,889	£410,423	£9,73,990	£1,82,998	£5,10,306	£1,341	8	128	Barnagore P.	10	10	40	£5	230/00	230/00	200/00
45,00,000	600	29,61,854	15,46,700	8,93,863	[illegible],85,851	1,33,355	6	235	Bengal P.	5	5	..	10	7/00	7/00	9/37
1,59,56,210	1,373	5,92,74,980	3,88,65,994	95,53,646	1,39,85,792	46,410	3	22	Birla	15	15	15	10	35/75	36/00	33/37
36,00,000	991	46,08,736	20,48,440	16,71,597	43,23,494	35,907	10	2	Budge Budge P.	Nil	12	20	100	130/00	130/00	149/00
7,47,380	502	12,59,648	4,17,958	1,73,320	61,970	48,461	6-12	62	Calcutta P	Nil	Nil	..	10	8/12	8/12	8/12
18,00,000	616	38,26,710	28,17,882	36,75,352	1,72,996	11,777	11	440	Caledonian P.	5	15	..	100	132/00	132/00	190/00
29,58,200	1,405	76,11,573	1,01,10,201	4,04,567	30,87,988	30,261	8	304	Champdany P.	5	Nil	40—35*	10	21/81	21/75	24/50
88,58,750	1,131	67,05,590	72,45,112	12,64,351	41,57,638	1,02,122	11	2	Cheviot P	5	25	..	10	20/75	20/75	22/50
30,15,000	500	51,15,293	36,54,850	16,26,307	—480,984	—410,550	7	165	Chitavalsah P.	Nil	5	Nil	10	8/06	8/06	10/69
16,00,000	959	13,80,489	25,12,433	1,35,556	1,51,574	18,647	8	318	Clive P	Nil	Nil	..	10	8/00	8/00	9/25
31,49,200	766	53,32,179	21,35,995	4,07,539	22,78,348	3,316	3	21	Dalhousie P.	1	Nil	25	100	125/00	125/00	156/00
66,00,000	1,599	1,12,10,485	74,12,967	3,45,236	37,84,549	23,475	11	2	Delta P.	Nil	12	16	100	141/00	141/00	169/00
15,00,000	500	41,34,892	42,21,700	9,25,844	15,13,538	84,695	7	165	Empire P.	7½	12½	15	10	14/12	14/12	18/06
63,00,000	1,884	1,86,60,226	1,23,68,695	8,78,531	88,00,061	4,532	3	138	Fort Gloster	10	12½	20	100	267/00	272/00	372/00
21,00,000	1,014	89,78,908	39,25,515	2,10,063	33,89,018	6,051	3	234	Fort William P.	22½	10	20	10	22/25	22/25	27/00
84,32,100	1,709	1,77,10,278	83,61,398	1,52,730	51,58,075	43,666	3	367	Ganges P	10	15	20—20*	10	14/69	14/62	16/06
43,20,000	607	1,30,91,315	46,54,205	1,29,361	21,04,959	9,681	12	359	General Industrial	10	13	14	10	15/00	15/00	15/31
48,00,000	1,394	1,34,74,293	82,53,423	48,11,745	65,24,022	41,505	3	19	Gourepore P.	25	20	20—20*	10	23/00	23/00	26/37
40,00,000	1,078	89,70,576	1,13,65,042	60,69,113	42,85,744	4,954	3	234	Hastings P.	6	6	6	100	128/00	128/00	128/00
16,80,000	720	32,20,357	44,86,659	2,59,301	9,22,006	4,294	3	356	Hooghly P.	20	7½	10	10	14/44	14/44	16/00
65,62,500	1,940	62,81,418	51,91,579	14,93,084	40,60,622	..	8	128	Howrah P.	10	Nil	10-12½*	10	16/06	16/19	19/00
52,50,000	2,212	1,50,08,913	1,08,90,055	23,39,044	57,69,850	2,904	3	35	Hukumchand P.	28¾	26⅔	26⅔-26⅔*	7½	19/50	19/50	18/69
87,30,000	790	1,23,75,753	93,65,745	36,02,644	58,75,99[illegible]	4,811	3	355	India	12	8	22½	12½	15/44	15/44	17/87
43,20,000	1,797	48,38,710	36,84,700	8,25,320	43,90,0[illegible]	..	12	128	Kamarhatty P.	Nil	20	20	100	156/00	156/00	195/50
54,00,000	1,527	43,79,575	16,53,308	4,87,955	45,55,022	..	12	128	Kanknarrah P.	Nil	15	15	100	124/00	124/00	136/00
28,00,000	703	1,27,62,408	72,61,800	15,66,004	32,65,397	94,936	5	165	Kelvin P	15	5	20	100	143/00	143/00	137/50
64,00,000	1,530	93,03,019	73,68,631	6,07,972	42,70,729	3,379	3	382	Khardah P.	5	12½	12½	10	17/75	17/75	19/37
48,00,000	1,250	79,54,389	49,03,577	25,23,275	44,01,751	12,641	3	106	Kinnison P.	7	Nil	10	100	122/00	122/00	143/00
24,48,000	931	29,67,596	1,30,000	12,43,413	13,51,372	4,687	3	21	Lansdowne P.	Nil	Nil	Nil	100	111/00	111/00	95/00
28,00,000	840	20,00,065	14,09,475	45,59,844	12,94,083	664	3	21	Lawrence P.	15	10	10	100	109/00	109/00	112/50
81,65,200	1,294	1,68,99,178	1,32,00,037	6,94,617	1,07,37,567	37,681	3	355	Megna	12½	Nil	22	10	12/62	12/56	14/75
29,98,900	815	88,18,934	41,42,655	3,53,015	5,69,802	32,760	3	101	Naihati P.	Nil	Nil	Nil—Nil*	100	85/00	85/00	93/00
20,00,000	425	10,79,854	15,55,000	26,11,429	1,36,343	17,816	[illegible]-10	107	Naskarpara	2½	5	..	10	5/50	5/50	8/00
35,00,000	852	2,82,38,827	97,30,449	23,86,188	28,36,819	4,576	10	378	National P.	Nil	10	10	10	19/50	19/50	23/87
26,25,000	316	35,16,713	36,29,172	14,01,935	4,40,187	35,230	7	165	Nellimarla P	6	15	5	10	8/81	8/25	12/37
1,56,00,000	1,765	3,08,96,118	2,42,19,122	26,20,231	—18,53,066	15,530	3	335	New Central P.	15	Nil	..	10	10/69	10/87	13/81
16,79,880	567	54,75,607	56,86,689	4,76,913	33,32,174	1,076	8	21	Northbrook P.	30	20	35	10	25/50	25/50	21/00
66,79,500	1,092	97,24,747	61,30,745	7,56,539	20,44,821	20,062	3	19	Nuddea	6	5	10—10*	10	4/37	4/37	..
25,00,000	400	24,42,457	13,65,554	8,76,427	7,59,908	17,103	7	165	Presidency	6	10	10	5	4/37	10/81	5/81
20,00,000	805	40,98,695	5,66,488	98,624	6,61,516	16,893	8	166	Rameshwara P.	Nil	Nil	Nil—Nil*	10	7/75	7/75	9/20
49,50,000	1,276	53,44,192	6,91,790	5,98,162	14,79,976	8,85,502	8	128	Reliance P	Nil	Nil	Nil—Nil*	10	7/00	7/12	9/87
£600,000	2,013	£1,602,126	£1,398,262	£285,022	£197,841	£2,892	12	64	Samnuggur P.	Nil	10	13	£1	10/50	10/50	10/50
30,00,000	911	47,47,618	15,81,656	27,81,388	2,13,128	3,184	3-9	61	Shree Ambica P.	6	Nil	..	10	30/00	30/00	35/00
14,00,000	401	21,82,940	17,16,854	14,69,644	15,77,802	26,425	12	166	Soorah P	25	25	..	10	19/19	19/19	23/37
£600,000	1,794	£1,631,120	£1,276,938	£347,424	70,811	£3,525	12	64	Titaghur P.	Nil	13	10	£1	10/50	10/50	10/50
66,98,600	1,326	50,79,284	42,63,667	13,52,676	31,60,784	603	3	21	Union P.	6	Nil	20	100	143/00	143/00	171/00
£400,000	1,331	£1,372,172	£1,002,577	£193,286	£48,412	£1,951	12	64	Victoria P.	Nil	10	10	£1	10/50	10/50	10/50
2,50,000	465	7,64,459	9,70,000	15,49,934	9,93,458	57,655	5	165	Waverley P.	30	60	30	1	8/44	8/44	8/16

COAL COMPANIES

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

Paid-up Capital Ordinary Rs.	Net Block Account Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	Mg Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 23-9-64 Rs.	16-9-64 Rs.	A year ago Rs.
35,50.000	63,05,441	59,90,550	1,49,662	22,72,946	16,512	12	236	Amalgamated	12½	15	12½-12½*	10	21/31	21/31	25/00
1,20,00,000	4,10,81,913	2,88,23,173	30,83,212	62,75,084	1,03,409	10	2	Bengal P	21	19	16	100	255/00	255/00	267/00
4.49.350	4,37.882	1.30.132	91.796	43,397	4,471	10	2	Bengal Bhatdee	8	10	..	10	3/48	3/48	3/48
2.25.000	3.06.216	5.45.835	5.19.015	1.55.638	16.129	12	368	Bengal Nagpur	26	7	..	10	22/00	22/00	22/00
15.97.000	25,07,455	4,47,308	14,214	—2,45,265	—6,47,481	9	153	Bhalgora	Nil	..	..	10	4/25	4/25	4/75
40,00.000	67.23.620	2.75.000	21,19.681	11.80.816	2.120	9	152	Bharat Collieries P.	Nil	Nil	..	10	2/65	2/65	3/53
7.15.000	14.96.845	11,02.672	64.329	—3.06.406	—4.92.536	6	335	Bhulanbararee	Nil	Nil	..	10	10/00	10/00	11/94
16.00.000	38.87 275	16 18.636	7.185	1.21.936	—79.196	12	362	Bokaro & Ramgur	..	..	..	10	11/19	11/19	11/19
7.50.000	29.24.890	29.11.605	7,46.652	9,82,707	6.037	12	106	Borrea P	15	15	15	10	20/25	20/25	22/12
90.92.480	2,64.32.234	1,60.36.371	32,82.964	41.00.007	10.459	6	21	Burrakur P.	13	13	13	10	17/06	17/06	16/37
49.97.000	52,82,086	17,16,188	22,06,173	6,54,717	11,486	3	166	Central India	10	10	9	10	9/44	9/44	9/37
8,00.000	18.69.439	12,97.490	98.040	6,357	214	12	..	Central Kurkend P.	Nil	Nil	..	10	3/44	3/44	3/87
6.00.000		1.55.159	6.05.872	63,765	7,043	12	106	Churulia	..	..	..	4	3/06	3/06	3/06
16.00.000	25.01 305	Nil	19.429	—6.45.261	—5,39.034	12	444	Dhemo Main	Nil	..	..	10	3/95	3/95	4/50
£384,000	£965.323	£728.338	£523.814	£346.799	..	4	128	East India	15	20⅝	20⅝	£1	28/25	28/25	31/50
29.63 700	1.36.20.784	1,22,22.090	33.81.520	14.35.632	1,57.517	12	19	Equitable P.	10	10	10	10	21/06	21/06	23/50
15,00,000	22,69.942	71,000	31.302	7,080	—6,48.987	3	307	Ghusick & Muslia	Nil	Nil	Nil	10	13/87	13/87	14/25
6.50.000	4.21.847	Nil	12.025	10,670	—14.705	12	30	Guzdar Kajora	.	..	..	10	2/47	2/47	2/44
8,00,000	5.43.022	..	16.702	—10.172	—3,65.025	12	393	Hurriladih	Nil	..	..	10	5/44	5/44	8/12
15.00.000O / 5,00.000F	26,00,237	29,37,098	36,07,570	94,026	1,570	12	21	Karanpura Development	5 / 15	3 / 9	3 / 9	10O / 10F	9/12	9/12	10/31
20.00.000	45,84.112	17,65.600	34,320	17,46,069	1,971	2	21	Karanpura Collieries P.	10	10	10—12*	10	13/75	13/31	16/00
14,90,460	23,78,946	20,19,953	9,49.954	14,96,787	22,818	1	2	Katras Jherriah	40	25	30—30*	10	28/12	28/12	34/12
1.38.400	6.75.000	95.000	11,80.294	49.776	1,918	6-12	337	Khas Kajora P.	10 2/5	..	..	10	12/50	13/25	17/62
6.65.750	5.95.833	Nil	9.780	—1.60.535	—16,47.497	8	372	Mundulpur	..	..	..	10	2/69	2/69	2/69
7.48.240	3.39.261	56.489	7.29.802	1.15.573	74.711	12	347	Nazira	Nil	Nil	..	10	4/69	4/69	5/00
31.97 210	88.87.936	46.16.139	4.45.645	17.86.837	15.709	10	2	New Beerbhoom P.	10	12	10	10	17/00	17/00	19/25
10,00.000	9,95.526	5,88,691	2,18,906	4,01,658	26,173	3	202	New Manbhoom	9	12	12	10	10/00	10/00	15/25
1 15,000 / 1,57,500	7,03,719	4,31,409	49,364	1,44,042	15,045	12	441	North West	20	11	..	10 / 7½	19/75 / 18/00	19/75 / 18/00	19/75 / 18/00
7,50.000	1.94.347	12.52.534	22.90.175	—20,571	..	12	447	Ondal P.	7½	7½	5	10	13/50	13/50	13/50
16,68,000	36,04,636	4,56,392	4,10,353	3,23,446	1,327	12	207	Parasea P.	1½	Nil	1½	10	14/00	14/00	12/62
15.75.000	35,65,358	28.41,125	4,50,609	11,01,623	6,304	3	236	Pench Valley	10	10	12½	10	17/44	17/44	15/94
2,50.000	[illegible]	500	[illegible]	4,903	18,[illegible]	6-12	5	Pure Sitalpur	..	..	..	10	8/00	8/00	8/00
33,59,300	60,92,876	43,85.000	28,608	13,57,708	22,375	8	370	Raneegunge	Nil	17	17	10	13/00	13/00	15/75
13.50.000	42.14.846	32.96.490	4.30.299	19.16.691	8.453	12	236	Rewa	20	10	15	10	22/12	21/62	28/50
37,50.000	74.38.430	38.61,070	1,69,086	12.37.914	26,993	12	48	San[illegible]a	10	7½	..	10	7/81	7/81	10/00
2,50.000	4.47.534	74,281	10.748	—19.279	—4.27.396	1	353	Searsole	Nil	Nil	..	2½	0/81	0/81	1/22
2.80.000	13.16.067	14.49.316	7,39.416	4.60.584	16.284	12	2	Seebpore P.	42 6/7	35 5/7	28 4/7	7	34/75	34/75	34/75
12,84,000	5,598	6,35,222	18,68,748	51,177	382	12	106	Sendra	3½	2½	2½—3*	10	3/87	3/87	5/00
17.50.000	32.03.711	11.77.056	36.734	1.89.147	3,001	8	21	South Karanpura	Nil	Nil	2½	10	6/06	6/56	8/37
8.00.000	1,30,000	16,18.969	26,21,147	1,34,224	4,723	12	106	Standard	10	10	10—10*	10	9/62	9/62	13/12
2,50,000	4.36.300	3.23.000	36.660	1.37.973	1.77.952	12	..	Union	Nil	5	..	10	10/12	10/12	11/12
49.98.000	70,93,123	13,86,684	13,28.761	11,36,233	32,575	3	166	Western Bengal	7½	9	9	10	9/34	9/31	8/44
7,00,000	26.06.335	Nil	47.091	—6.51.403	—6,23,711	12	444	West Jamuria	Nil	Nil	..	10	3/60	3/60	4/56

* 1964

COTTON MILLS

Paid-up Capital Ordinary Rs.	Number on Spindle	Looms	Net Block Account Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	Mg Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 23-9-64 Rs.	16-9-64 Rs.	A year ago Rs.
15.00.000	14,108	356	14.06.683	3,15,002	12.59.541	26.012	41,532	12	49	Basanti P.	3	Nil	..	10	8/50	10/00	11/25
7,11,280	36,000	932	17,17,120	2.20.369	30.842	3.66.177	47.818	8	27	Banga Luxmi	6½	Nil	..	40	30/00	30/00	30/00
27.00.000	31,476	824	17.77,373		93.872	—6.24.150	—6.86.163	12	223	Bengal Nagpur P.	Nil	Nil	..	10	2/44	2/44	3/06
80.00.000	..	..	1.66.35.360	49.94.800	52.56.090	28.04.759	17,588	12	394	Bharat Commerce P.	15	15	..	10	21/06	21/37	23/50
89.95.950	38,764	992	60.94.300	1,21.02.782	53.37.204	39.77.025	1,67.525	8	22	Birla Cotton	20	20	..	10	27/00	27/00	33/00
83.60.000	43,136	841	1.13.15.319	45.62.881	2.74.548	14.72.717	7,833	12	138	Bowreah P.	20	15	15	10	24/75	24/81	24/12
30.00.000	22.000	510	40.26.405	68.61.034	5.45.176	9.97.828	11,228	12	25	Cawnpore Textiles	10	10	..	5	6/50	6/72	7/50
5,38,36,225	1,97,348	3,307	9,79,20,896	8,21,37,642	91,82,065	2,15,43,296	1,46,548	6	238	Delhi Cloth & Genl P.	13	13	13	25	50/94	50/94	46/44
38,00,000	43.049	518	65,71,796	61.81.868	1,65.881	25.16.474	36.763	12	138	Dunbar	20	15	17½	10	27/19	27/19	28/12
63,00,000	54,000	1,200	1,20,30,927	2,33,36,673	87,18,503	41,89,328	5,435	9	389	Elgin P.	17½	17½	17½	10	19/62	20/00	21/87
5,25,00,000	..	..	3,48.97,571	56.34.321	85.50.730	19.28.764	1,22.795	12	158	J. K. Cotton (Rayon) P.	12½	Nil	..	10	10/62	10/62	12/62
73,77,250	6,272	202	1,35,97,000	51,88,685	4,20,764	43,21,513	12,265	12	82	Jaya Shree	10	10	10	10	13/75	13/87	16/25
80,00,000	38,000	1,826	47.44.548	52,19,301	92,65,055	18.77.941	—7,77,290	12	208	Muir P		.	..	100	60/50	60/50	74/50
85,11,583	78,848	1,367	47,49,840	3,96,960	1,09,256	12.73.861	—63,56,496	12	237	New Victoria P.	Nil	Nil	..	2½	1/22	1/19	1/47
48,00,200	..	..	1.08.10.352	78.144	2.34.188	12.34.741	—22.17,524	3	399	Orissa Textiles P.	Nil		..	10	7/00	7/00	9/00
19.47.750O / 6.00.000Dd	23,196	795	15.49.229	80.773	2,37,475	3,38,087	..	8	4	Rampooria Cotton	3 / Nil	Nil / Nil	.. / ..	10 / 1	14/12 / 4/12	14/12 / 4/12	13/09 / 2/00
17,50,000O / 1,57,50,000Po	1,14,836	2,077	4,48,79,351	2,63,83,071	2,15,81,189	76,20,241	5,044	12	383	Swadeshi (Kanpur) P.	.. / ..	.. / ..	.. / ..	100 / 10PO	11/00 / 6/37	11/00 / 6/37	11/62 / 6/87

TEA COMPANIES

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

Paid-up Capital Ordinary Rs	Net Block Accounts Rs.	Reserve & other Funds Rs.	Area Hectares	Outturn and Average Price per Kg realised for crop 1962 Kgs.	1962 Rs	1963 Kgs.	1963 Rs	Estimate 1964 Kgs.	Net Profits including taxation Rs	Accounts closed	Mg Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 23-9-64 Rs.	16-9-64 Rs.	A year ago Rs.
												ASSAM							
4,45,700	18.16,361	..	368	4,13,012	5.67	3,93,565	5.12	4,47,900	..	12	165	Amluckie P.	10	7½	5	10	16/00	16/00	16/50
7,00,000	12,87,737	8,53,082	520	3,01,064	6.71	3,05,534	6.38	3,37,500	1,57,003	12	88	Anandabag P.	32½	20	12½	10	33/25	33/25	33/25
5,50,000	18,46.941	..	..	3,20.928	5.99	2,92.672	5.74	3.62.900	..	12	165	Baghmari	15	7½	Nil	10	11/00	11/00	17/00
1,80,000	..	..	..	..	..	..	..	..	..	12	349	Barduar Tea	..	..	..	6	8/50	8/50	8/50
7,65,000	19,19,779	10,58,955	164	2,86,800	6.60	2,38,500	6.40	2,90,000	93,901	12	2	Basmatia	25	20	7½	10	18/06	18/06	27/25
4,95,900	6,83,583	..	..	3,35,928	4.25	4,12,342	4.34	4,12,000	..	12	345	Bateli	30	30	30	5	17/06	17/06	17/50
6,40,000	12,45,706	12,30,747	510	4,05.929	6.66	3,77,284	6.20	4,24,600	3,19,017	12	88	Betjan	45	30	25	10	29/00	29/00	29/12
33,00,000	39,79,551	18,42,000	2,566	15,17,589	6.71	14,55,468	6.20	15,61,600	3,64,100	12	279	Bishnauth	13	20	7½	10	14/37	14/37	19/06
6,00,000	11,68,235	5,03,003	..	2,09.073	7.12	..	..	..	2,62,960	12	202	Bokakhat	12	13	..	10	13/12	13/12	13/70
7,50,000	13,90,224	11,90,375	..	3,00,721	5.85	..	..	..	3.94.885	12	165	Bormah Jan P.	15	15	..	10	10/06	10/06	13/12
4,50,000	7,46,000	1,66,688	243	2,58,733	6.32	2,50,399	5.71	2,72,700	—61,009	12	279	Bor Pukhuri	Nil	10	Nil	10	10/50	10/50	12/00
35,00,000	68,93,654	15,66,180	..	13,51,189‡	5.27	..	..	..	9,51,721	6	127	Brooke Bond	10	7½	7½	10	10/25	10/25	12/25
1,20,000	9,24,434	9,31,522	..	2,00,496	5.90	..	..	..	2,85.668	12	165	Dejoo Valley	20	30	..	10	40/00	40/00	60/00
8,40,000	15,03.068	10,10,142	558	5,97,724	6.12	4,74,509	6.22	5,33,773	3,36,682	12	128	Dessai & Parbuttia	10	15	12½	100	170/00	181/00	205/00
17,53,440	24,29.411	..	..	6,22,165	2.96	2,94,761	6.64	3,26,545	..	12	214	Dhelakhat	10	8	10	10	20/37	20/37	19/12
7,00,000	20,59.002	8,86,030	562	5,54,691	5.45	6,16,178	5.55	6.20.000	3,01,110	12	365	Dhunseri P.	15	10	10	10	10/00	10/00	11/75
4,50,000	17.18.470	16,36.695	..	3,01.917	6.68	..	..	..	5,86,443	12	165	Dibrugarh	40	30	..	10	27/50	27/87	32/50
4,73,400	10.40,300	9,72,100	266	2,97,513	6.44	3,74,657	6.13	3,37,500	4,70,171	12	279	Dimakusi P.	20	25	30	10	22/94	22/94	22/62
7,00.620	14,67,400	15,89,500	273	4,03,594	6.70	4,02,568	6.34	4,36,000	2,46,743	12	279	Dufflaghur	25	30	20	10	23/50	26/12	27/12
10,00,000	20,23,880	8,76,500	497	4,94,612	6.30	4,58,567	5.85	5,17,000	—2,38,981	12	279	East India	Nil	10	Nil	10	10/69	10/69	16/12
5,03.760	14,00,556	6,32,810	242	3,19,832	..	..	..	..	49,047	12	354	Gillapukri	20	15	..	10	27/56	27/56	25/44
6,76,000	12,41,500	7,48,500	228	2,59.394	7.44	..	..	..	4,74,030	12	279	Gohpur	5	20	..	10	13/06	14/69	16/25
23,29,085	56.04,055	36,07,741	1,059	10,39,276	6.17	10,04,928	6.09	10,80,000	45,819	12	202	Grob	6	6	3	5	6/19	6/06	8/06
5,00,000	11,67,377	7,55,258	..	3,45,217	..	..	..	..	1,67,965	12	354	Hoograjuli	20	17½	..	10	27/62	27/62	27/12
8,70,000	16.05.713	26.50.646	310	2.78.400	6.64	2.58.600	6.62	76.061	2,90.000	12	2	Hoolungoorie	7½	20	15	100	168/00	168/00	173/00
9,00,000	20.42.643	11.69.455	804	5.33.423	6.50	4,92,625	6.23	5,57,700	2,73,921	12	88	Jutlibari	30	20	14	10	27/87	27/87	31/50
2,40,000	..	..	..	..	..	..	..	..	..	12	236	Kingsley Golaghat P	35	..	..	100	125/00	125/00	125/00
1,80,000	21,94,612	1,77,500	517	4,88.346	4.97	5,86,302	4.63	5,60,000	1,75,587	12	63	Kotamullai P.	Nil	Nil	Nil	5	9/75	9/75	10/31
5,00,000	10.88.222	3.29.728	353	1.66.356	6.02	1,47,651	6.17	1.80.000	64.621	12	41	Krishnabehari	8	10	6	10	11/30	11/30	11/70
2,00,000	..	..	..	..	..	..	..	..	..	12	236	Kyang Tea	..	..	..	10	8/06	8/06	8/06
6,50,000	16,02,991	9,85,234	270	2,81,500	5.30	3,00,600	5.06	3,00,000	28,762	12	63	Ledo	Nil	Nil	Nil	10	11/00	11/00	13/75
8,00,000	11.99.968	1,30,508	275	2,10,642	5.26	..	..	..	1,25,716	12	..	Maud Tea & Seed	7½	7½	..	10	12/00	12/00	14/81
10,00,000	16,18.885	14,63,370	262	3,74,221	7.12	3,50,854	6.39	5,90,000	2,25,877	12	202	Methoni	14	20	11	10	13/25	13/25	18/40
4.80.000	..	..	..	..	..	..	..	..	1,26,539	12	..	Moheema	Nil	..	..	10	11/50	11/50	11/50
1,50,000	3.91,923	14,90,825	138	1,22,745	..	1,79,058	..	..	..	12	138	Mothola	30	35	35	100	425/00	425/00	507/00
1,75,000O / 2,00,000Po	15,71,082	9,67,447	165	1,71,400	8.41	1,69,500	6.82	2,00,000	1,89,528	12	2	Murphulani (Assam)	15 / 20.63	25 / 30.63	17½ / 23.13	10 / 10	26/50 / 26/87	26/50 / 26/87	26/50 / 26/87
4,00,000	13.49.106	12,81,235	220	3,26.748	5.10	3,04,796	..	3,40,000	2,18,849	12	143	Naga Hills	10	10	10	10	21/25	21/25	22/25
5,35,000	..	..	..	..	..	..	..	..	..	12		Namburnadi	12	..	..	10	12/87	12/87	12/87
5,00,000	4,52,000	8,28,237	311	2,96,696	7.64	3,29,182	5.59	3,10,900	1,91,821	12	63	New Cinnatolliah	Nil	Nil	5	100	455/00	455/00	302/00
6,00,000	15,30,769	7,94,922	170	2,30,700	6.35	1,99,100	5.84	2,30.000	1,58.579	12	2	Rajgarh	13½	17½	12½	10	18/56	18/56	19/00
13,50,000	25,76,607	4,53,937	..	6,04.795	..	..	..	..	1.40.864	12	354	Sapoi	20	10	..	10	19/50	19/50	17/75
2,49,000	6,64,400	7,35,000	213	2,07.643	7.36	2,01.112	6.63	2,17.800	1,26.915	12	279	Seajuli	15	30	25	10	21/06	21/06	21/12
5,98,000	17,86,091	15,24,544	..	3,90.802	5.61	..	..	..	5,06.871	12	88	Teloijan	25	25	..	10	21/87	21/87	21/37
8,00,000	12,89,565	7,46,597	490	3,38,378	6.81	3,40,080	6.52	3,73,787	2,56,410	12	88	Tengpani	30	22½	12	10	36/50	36/50	35/00
19,82,880	36.21.344	24.74.580	2,112	23.01.040*	2.62	25,21,280*	2.41	23,40,000*	8.41.736	12	236	Tezpore	12½	12½	12½	10	12/69	12/69	15/00
7,50,000	..	..	..	..	..	..	..	..	..	12	95	Tongani	Nil	..	..	10	5/00	5/00	5/31
5,20,000	35.17,473	30,30,165	..	6,51,147	5.76	..	..	..	7,11,074	12	165	Tyroon	15	25	..	10	24/75	24/75	30/37
												CACHAR							
3,00,000	..	..	..	1.39.861	4.03	..	..	..	..	12	..	Arcuttipore	5	6	..	10	7/00	7/00	7/00
4,00,000	..	..	..	..	..	..	..	..	..	12	35	Baitakhal	2½	..	7½	10	6/00	6/00	8/10
11,00,000	12,50.663	9.58.809	310	3,15,866	4.92	3,30,923	4.85	3,77,000	2,79,622	12	128	Central Cachar	7½	5	..	100	73/00	73/00	85/00
7,00,000	..	..	..	..	..	..	..	..	..	12	383	Eastern Cachar	Nil	..	..	10	5/06	4/94	4/50
4,50,000	3,31,773	2,80,000	..	..	..	..	..	..	—54,506	12	384	Kallinugger Khoreel	2	..	..	100	84/00	84/00	87/00
12,60,000	19.62.879	14.26.438	943	5.80.232	3.97	6,63,197	4.45	6.70,000	45.217	12	202	Hattikhira	8	Nil	Nil	10	6/50	6/50	8/75
3,60,000	..	..	..	..	..	..	..	..	..	12	63	Kunchunpore	Nil	..	..	10	6/00	6/00	6/00
5.63.690	5,28,079	1.57,990	231	1,51.283	4.26	1,71.112	4.63	1,65.000	59.885	12	202	Loobah	Nil	Nil	Nil	10	4/69	4/69	4/62
12,60,000	22,28,419	11,42,054	2,221†	5,18.387	4.33	..	..	..	6,13.497	12	..	North Western	20	10	..	100	140/00	140/00	270/00
2,59,050	6.14.069	1,01.916	239	2,13.805	4.21	2,25.257	4.63	2,30,000	68.688	12	202	Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50
2,60,000	6,82.449	2,92.663	..	1,95.018	4.62	..	..	..	—1,73.960	12	165	Roopacherra	10	Nil	..	10	9/94	9/94	9/62
5.25,000	12,50,875	12,23,600	316	2,79,277	4.46	2,93,522	4.34	12,87,000	80.082	12	63	Rungamattee	5	5	5	50	49/25	49/25	51/50
4,00,000	..	..	..	..	..	..	..	..	..	12	..	Sonai River	Nil	..	..	10	5/06	5/06	5/05
												DARJEELING							
3,99,750	..	..	..	..	..	..	..	..	..	12	101	Bloomfield	..	..	..	10	3/25	3/25	3/12
2,79,900	3.72,700	1,55,000	165	77 090	8.74	..	..	..	51,557	12	279	Chamong	10	10	..	10	8/87	8/87	9/00
3,75,900	..	..	..	3,13,229	5.63	..	..	..	..	12	139	Darjeeling Tea	20	30	..	100	197/00	197/00	197/00
2,00,000	..	..	..	..	..	..	..	..	..	12	200	Dilaram	4	..	..	100	102/50	102/50	102/50
2,00,000	6,39,479	3,58,163	..	1,37,275	7.58	..	..	..	1,97,231	2	74	Gielle P.	..	8 4/7	15	10	17/25	17/25	11/69
7,00,000	10.17,300	2,75,676	428	3,11,895	7.70	3,07,000	7.37	3,22,000	2,75,870	12	279	Lingia P.	10	17½	15	10	13/37	13/37	14/00
10,32,000	..	..	..	..	..	..	..	..	..	12	95	Longview	10	..	..	10	8/25	8/25	11/00
4,00,000	5,16,891	5,85,879	..	1,77,960	8.18	..	..	..	2,23,445	12	165	Margaret's Hope	15	15	..	10	11/81	11/81	12/25
1,59,000	4,35,272	3,84,726	187	1,08,800	8.99	1,05,600	6.94	1,10,000	—49,706	12	2	Mim	27½	27½	Nil	100	430/00	430/00	191/50
2,99,900	19,18,100	16,26,000	279	2,14,750	9.03	2,07,707	7.66	2,23,900	3,42,887	12	279	Nagri Farm	25	35	35	10	28/31	28/31	30/75
4,00,000	3,93,839	3,21,500	205	99,331	10.07	..	..	..	2,40,000	12	390	Okayti P.	25	25	..	100	600/00	600/00	600/00
3,30,000	..	..	..	..	..	..	..	..	..	12	..	Pashok	Nil	..	..	10	20/00	20/00	20/00
3,00,000	4,55,324	1,77,500	194	1,22,495	6.65	1.12,874	6.44	1,20,000	34,269	12	63	Poobong	Nil	5	Nil	10	10/50	10/50	7/50
2,05,000	5.15,133	2,27,703	570	1,16,997	5.95	95.502	5.81	1.26.000	15,481	12	361	Pussimbing P.	Nil	Nil	Nil	10	7/62	7/62	7/12
1,40,000	4.97,834	5.63,000	138	85.234	6.64	86,726	7.21	95,000	2.834	12	63	Runglee Rungliot	20	7½	5	100	290/00	290/00	386/00
3,00,000	..	..	..	..	..	..	..	..	..	12	385	Seeyok	Nil	..	..	10	8/50	8/50	8/50
6,25,000	7,48,893	10,816	..	1,38,742	6.51	..	..	..	47.720	12	398	Singell	Nil	Nil	..	100	36/75	36/75	36/75
9,00,000	..	..	..	1,23,431	6.92	..	..	..	..	12	101	Singtom	Nil	2	..	10	3/25	3/25	3/50
4,50,000	5,56,200	5,68,100	224	1,60,068	8.53	1,58,073	7.82	1,57,800	2,22,529	12	279	Soom	40	40	30	10	39/00	39/00	34/00
6,25,000	13,51,854	13,02,062	..	1,89,392	9.58	..	..	..	..	12	165	Sungma	15	20	..	10	12/25	12/31	14/56
3,20,000	9,98,901	8,67,133	..	2,03,428	6.16	..	..	..	..	2	74	Teesta Valley	..	8 4/7	10	10	12/81	12/81	13/12
12,00,000	..	..	..	..	..	..	..	..	..	12	..	Tukvar	Nil	..	..	10	3/56	3/56	7/00

† Acres * lbs.

TEA COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Area Hectares	Outturn and Average Price per Kg. realised for crop 1962 Kgs.	1962 Rs.	1963 Kgs.	1963 Rs.	Estimate 1964 Kgs.	Net Profits including taxation	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 23-9-64	16-9-64	A year ago
Rs.	Rs.	Rs.							Rs							Rs.	Rs	Rs.	Rs.
												DOOARS							
27,00,000	70,10,077	33,43,960	1,052	14,84,400	4.86	14,09,900	5.15	15,15,000	8,20,033	12	2	Banarhat P.	21	21	17	100	161/00	161/00	241/00
12,00,000	29,84,113	24,11,835	436	6,66,481	5.13	6,59,968	4.93	..	4,47,910	12	128	Baradighi	25	25	15	10	21/12	21/12	24/12
9,00,000	19,19,630	30,59,434	..	7,00,569	4.38	..	..	..	5,74,606	12	386	Bhatkawa	15	20	..	10	16/00	16/00	16/81
9,00,000	26,52,750	23,52,500	586	6,69,958	5.01	6,79,448	4.71	6,70,000	3,87,508	12	63	Birpara P.	12½	17½	10	100	142/00	142/00	162/00
6,00,000	12,57,708	10,38,000	244	2,80,187	4.70	2,68,883	4.30	2,95,000	—37,664	12	63	Carron	5	7½	Nil	100	117/00	176/00	151/00
9,00,000	25,37,049	14,59,389	365	5,21,400	4.69	4,00,700	5.07	52,50,000	84,373	12	2	Choonabhutti P.	20	20	7½	100	178/00	173/00	210/00
3,00,000	5,93,417	6,45,000	197	2,25,971	4.59	2,34,951	4.42	2,10,000	98,827	12	63	Ellenbarrie	5	10	7½	100	173/00	173/00	184/00
1,20,000	3,71,713	3,31,056	266	1,63,195	3.85	1,62,151	4.11	1,70,000	63,192	12	397	Ethelbari	5	7½	..	10	11/87	11/87	136/00
4,90,000	9,33,182	71,548	..	2,64,339	..	..	..	..	..	12	354	Gairkhata	20	11	7	10	16/12	16/12	21/87
7,50,000	15,18,748	10,75,265	872	5,04,794	5.46	4,69,544	5.18	5,15,329	1,13,960	12	88	Gopalpur	2	10	..	25	19/50	19/50	20/00
14,00,000	27,81,035	19,25,521	425	5,85,748	..	..	..	..	2,00,689	12	387	Hantapara P.	5	10	7½	100	97/00	97/00	116/00
36,00,000	54,86,904	43,81,500	1,051	13,74,053	4.76	14,23,297	4.52	14,00,000	5,98,697	12	63	Hasimara	..	18	15	10	13/31	13/31	13/75
64,00,000	70,47,491	75,82,749	..	30,66,464	5.78	..	..	..	30,07,101	3	74	Huldibari	..	19 2/7	11	10	11/44	11/44	13/69
16,50,000	26,67,650	17,26,078	..	6,99,826	4.51	..	..	..	2,06,848	2	74	Huldibari	Nil	Nil	..	10	8/50	8/50	12/00
7,00,000	8,95,117	5,13,133	246	1,88,900	5.59	..	..	..	—61,500	12	2	Jayhirpara	15	15	10	10	14/50	14/50	15/94
13,50,000	32,41,680	36,28,241	598	8,24,799	4.59	7,89,297	4.47	8,00,000	3,21,920	12	63	Killeott	6	10	..	10	59/50	59/50	59/50
2,00,000	14,67,422	5,58,176	..	2,53,887	..	..	..	..	88,005	12	354	Manabarrie	15	15	5	100	141/00	141/00	140/00
9,60,000	22,35,359	24,09,000	477	5,07,732	4.76	4,67,868	4.62	4,90,000	—12,429	12	63	Nagaisuree	20	14½	Nil	100	166/00	166/00	230/00
14,00,000	36,15,282	21,01,728	471	6,40,900	5.10	5,90,200	5.01	6,75,000	—73,566	12	2	New Dooars P.	20	14½	Nil	100	121/00	121/00	14/00
6,40,000	13,89,457	6,58,184	292	3,26,073	3.55	3,49,153	4.42	3,51,500	8,839	12	363	Oodlabari	7½	Nil	7½	100	13/87	13/87	129/00
2,50,000	3,90,597	3,37,500	126	1,26,816	4.64	1,24,724	4.39	1,30,000	—20,200	12	63	Phaskowa	Nil	Nil	Nil	100	121/00	121/00	12/12
6,00,000	9,17,349	1,90,832	..	3,91,886	4.70	3,68,115	4.70	3,66,500	1,16,562	12	165	Rajabhat	Nil	6	6	10	10/19	10/19	13/37
7,65,000	17,57,543	17,47,050	..	4,76,526	5.07	..	..	..	1,63,000	12	165	Ranicherra	15	7½	..	10	12/00	12/00	26/31
14,92,800	37,15,740	31,72,862	736	9,78,337	5.44	10,22,018	5.23	..	8,09,998	12	128	Rydak	20	25	25	10	22/62	22/62	36/31
3,46,000	13,81,974	12,21,589	279	3,30,000	4.76	3,79,500	4.63	..	3,25,246	12	44	Sarugaon	40	40	40	10	36/25	36/25	36/31
												TERAI							
4,50,000	..	..	..	..	..	..	..	..	..	12	101	Atal	..	..	..	10	5/37	5/37	8/75
5,00,000	..	..	..	..	..	..	..	..	..	12	345	Belgachi	20	..	..	10	23/12	23/12	22/50
13,44,000	23,77,032	28,68,000	665	7,22,909	4.63	8,02,864	4.33	7,50,000	4,38,359	12	63	Gungaram	12½	12½	10	100	121/00	121/00	131/00
3,00,000	6,69,527	9,72,507	..	2,95,710	4.54	..	..	..	2,25,077	2	74	New Chumta	..	12 6/7	20	10	20/37	20/37	24/62
7,20,000	..	..	..	3,33,644	4.04	..	..	..	..	12	139	New Terai	10	15	..	10	20/50	20/50	23/00
11,70,000	..	..	..	4,71,480	4.45	..	..	..	..	12	139	Pahargoomiah	20	2½	..	10	9/87	10/00	14/25
1,00,000	..	..	..	..	..	..	..	..	..	12	63	Putinbaree	14	..	..	10	55/00	55/00	45/00
2,20,000	..	..	..	3,84,347	5.05	..	..	..	..	12	165	Tirribannah P.	60	60	..	10	49/00	49/00	49/00
												CHITTAGONG							
1,25,000	..	..	..	..	..	..	..	..	..	12	139	Kodala	Nil	..	..	10	9/25	9/25	9/25
2,40,000	..	..	..	..	..	..	..	..	..	12	139	Kornafuli	Nil	..	..	10	11/25	11/25	9/31
2,00,000	..	..	..	..	..	..	..	..	..	12	139	Oodaleah	Nil	..	..	10	8/00	8/00	8/00
												SYLHET							
3,00,000	13,56,430	20,59,293	667	2,14,907	7.92	2,32,138	7.61	2,54,012	6,06,230	12	..	Chundeecherra	Nil	Nil	Nil	10	29/75	29/75	26/00
6,00,000	10,31,611	23,60,801	236	2,03,558	8.17	2,33,398	6.87	2,18,000	6,63,292	12	63	Dauracherra	22½	20	Nil	10	15/19	15/19	11/50
5,59,930	15,08,299	20,08,800	1,108	11,48,080	3.34	11,40,560	2.74	1,10,400	7,46,754	12	236	New Samanbagh P.	Nil	Nil	Nil	10	20/25	20/31	18/37
36,00,000	65,96,023	1,80,01,644	1,799	17,98,140	8.16	19,04,713	6.83	18,87,000	58,03,923	12	63	Patrakola	40	15	Nil	100	191/00	191/00	130/00
3,20,000	4,21,718	1,48,642	740†	4,24,800*	3.23	..	..	..	4,07,821	12	236	Rajnagar	Nil	Nil	..	10	9/56	9/56	9/50
9,00,000	21,89,888	38,62,827	485	3,69,737	8.08	3,75,942	6.80	4,17,000	6,87,001	12	63	Teliapara	22½	10	Nil	100	202/00	202/00	110/00

† Acre

MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 23-9-64	16-9-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
								MININGS							
£2,369,796	..	£222,628	£2,755,618	£10,242	£180,384	12	153	Burma Mines	Nil	Nil	Nil	3½S	0/44	0/44	0/44
30,00,000O	37,08,889	32,54,468	34,05,355	15,98,846	13,914	12	312	Chrestien Mica Industries P.	12½	.	..	10O	9/06	9/06	10/40
15,00,000Dd									20	.	..	5Dd	6/53	6/53	6/87
£1,371,300	£1,758,381	£225,873	£755,274	£1,057,163	£72,310	12	68	Indian Copper Corporation	27	18	..	10O	3/36	3/40	5/15
50,00,000	51,72,031	10,43,352	53,971	5,66,976	14,41,622	3	343	Metal Corporation P.	Nil	Nil	..	10O	6/25	6/25	8/25
20,00,000	46,05,415	67,67,431	55,46,956	13,17,757	38,801	6	21	Orissa Mineral Development	28	20	..	10	19/69	19/62	27/62
								CEMENT, LIME, SLATE, ETC.							
59,90,843	1,58,98,785	17,06,000	2,33,036	4,97,991	10,914	3	381	Ashoka Cement	7	7	7	10	7/25	7/25	7/44
43,14,600O	41,51,412	21,43,429	29,64,072	1,70,813	6,44,673	3	60	Assam Bengal Cement	Nil	Nil	..	19O	4/87	4/87	4/81
70,976Dd												1Dd	0/59	0/59	0/59
55,23,146	98,02,889	19,77,396	66,723	24,46,663	1,703	12	155	Bengal Potteries	12	12	..	2½	4/25	17/75	5/37
40,00,000	73,55,750	28,31,157	3,76,724	23,10,445	50,122	3	21	Bisra Stone Lime	30	10	..	10	17/75		22/50
1,73,49,650O	1,87,13,180	1,43,86,260	2,06,26,145	1,06,24,610	..	12	123	Dalmia Cement (Bharat) P.	12	12	12	19O	12/87	12/62	12/31
5,00,000Dd												1Dd	3/06	3/06	2/81
2,50,00,000	5,31,92,513	2,27,42,184	35,61,930	68,71,783	16,727	3	335	Jaipur Udyog P.	8	8	10—10*	10	10/69	10/81	11/62
30,00,000	89,55,197	56,55,899	6,48,783	21,48,526	25,499	12	21	Kumardhubi Fireclay & Silica P.	18	18	..	10	18/45	18/45	18/45
2,25,00,000	3,77,58,590	1,36,03,808	30,93,905	98,75,491		12	362	Orissa Cement P	18	10	..	10	11/31	11/37	14/25
6,00,000	20,07,006	21,78,065	17,41,738	4,85,806	30,441	2	223	Reliance Firebricks & Pottery	15	10	..	10	22/75	22/75	22/75
75,00,000	63,28,018	44,95,600	5,26,119	12,18,128	6,195	12	357	Sone Valley Portland Cement	6	8	8	5	3/94	3/97	4/62
12,04,570	31,17,215	13,90,910	2,60,870	8,80,262	5,375	12	3	Sutna Stone & Lime	30	35	20	10	27/00	27/00	28/12

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 23-9-64	16-9-64	A year ago
Rs	Rs	Rs.	Rs.	Rs.	Rs							Rs.	Rs.	Rs.	Rs.
								CHEMICAL INDUSTRIES							
62.00.000															
2,48.00.000A	8.04.72.738	2,26.33.273	3.46.012	1,10.87.234	5.671	9	121	Alkali & Chemical Corpn. of (I)	15	15	15	10	29/12	28/87	33/50
40.00.000	17.39.281	15.681	11.245	—88.949	—9.86.991	12	442	Bathgate & Co. Ltd P.	Nil	..	..	5	0/84	0/84	0/84
15.00.000O															
11.08.800A	76.41.344	68.84.605	21.11.440	18.06.053	1.30.717	3	245	Bengal Chemical & Pharm P.	10	10	..	100	102/00	102/00	102/00
22.54.700B															
15.00.000	36.34.102	22.82.883	19.49.050	12.04.892	6.978	6	377	Calcutta Chemical P.	18	18	..	10	17/25	17/25	17/87
4.95.000	99.022	Nil	41.554	72.146	2.560	2	129	Frank Ross P	4 1/6	3½	..	6	3/19	3/19	2/19
20.00.000	13.61.137	17.67.251	7.35.789	13.17.366	19.167	6	191	Smith Stanistreet P.	25	25	22½	5	13/69	13/69	12/31
								ELECTRIC LIGHTING, POWERS							
19.99.600	1.18.31.088	51.52.883	23.86.788	2.30.678	13.612	3	32	Agra Electric Supply	11	11	11	100	125/00	125/00	118/00
8.00.000	33.64.320	16.30.275	6.14.845	1.45.861	1.852	3	32	Bareilly Electric Supply	11	11	11	10	11/50	12/00	12/37
17.00.000	1.05.78.889	54.27.530	13.74.815	3.49.029	5.522	3	32	Benares Electric Supply	11	11	11	10	13/25	13/25	11/62
5.91.360	15.65.473	8.07.902	2.70.659	1.36.558	41.730	3	202	Bhagalpur Electric Supply	10	8	..	8	6/56	6/56	6/56
£4,262.646	£21.040.641	£10.815.240	£173.698	£1.599.019	£100.524	3	90	Calcutta Electric Supply P.	7½	7½	..	£1	15/37	15/28	14/87
6.60.040						3	202	Cuttack Electric Supply	10	Nil	..	10	15/00	12/06	11/87
43.20.000	84.69.786	43.52.031	35.04.850	26.80.041	45.007	3	2	Dishergarh Power Supply P.	10	10	10—10*	100	86/00	86/00	88/00
5.34.640	17.29.086	96.513	95.409	65.283	3.590	3	168	Jhansi Electric Supply	Nil	7	..	10	5/90	5/90	5/90
22.49.550	70.77.611	29.85.246	5.14.229	2.97.774	3.286	3	32	Jubbulpore Electric Supply	10	10	10	10	11/62	11/62	11/25
4.95.000	6.70.324	2.24.149	1.09.770	46.495	39.015	3	258	Mirzapur Electric Supply	..	..	..	9	7/50	7/50	12/00
5.82.390	24.50.815	6.87.284	3.48.986	2.22.292	22.259	3	202	Muzaffarpore Electric Supply	12½	12½	..	10	17/75	11/19	11/50
6.99.700	13.47.574	1.14.377	2.15.991	83.664	18.988	3	329	Muttra Electric Supply	9	9	..	10	11/06	11/06	11/06
35.07.380	98.50.374	48.67.675	3.95.468	12.96.460	1.27.547	3	202	Patna Electric Supply	10	10	..	10	10/50	10/50	10/00
9.10.000	8.77.208	2.86.692	3.19.022	1.58.667	17.201	3	202	Shahjahanpur Electric P.	6½	6½	..	10	6/62	6/62	7/50
16.80.000	24.13.949	16.03.685	9.75.497	4.58.680	3.975	3	21	Sijua (Jherriah) Electric	9	9	..	10	9/62	9/62	8/50
56.00.000	2.78.66.926	80.13.213	29.14.259	4.35.432	9.311	3	32	United Provinces Electric	11	11	11	100	187/00	187/00	112/00
5.00.000	20.91.859	12.25.998	7.11.286	48.760	1.934	3	32	Upper Jumna Valley Electric	13½	13½	13½	10	25/37	25/37	14/25
								ENGINEERING & METAL							
6.00.000	17.68.727	7.28.551	3.76.395	8.30 823	4.14.416	12	300	Arthur Butler (Muzaffarpore) P.	Nil	10	..	10	15/00	15/00	14/94
50.00.000	41.22.015	56.58.221	3.98.490	44.22.016	2.263	12	41	Bnartia Electric Steel	10	12½	15	10	15/06	15/00	14/06
1,00.00.000	2.22.25.340	1.40.28.433	27.21.380	1.24.47.705	..	12	289	Braithwaite & Co. (India) P.	25	14	20	10	32/75	32/75	33/12
12.00.000	72.34.505	58.62.090	6.74.545	23.90.816	..	12	24	Bridge & Roof	30	30	30	10	52/25	52/25	52/25
19 88.670	33.56.748	1.09.796	1.86.939	1.80.146	—611.196	12	192	Britannia Building & Iron P.	Nil	Nil	..	10	3/62	3/62	3/25
1,00 00.000	1.24.97 389	52.95.465	1.14 787	24 17 175	5.115	12	165	Britannia Engineering P	10	10	..	10	10/31	9/44	9/97
25 00 000	33.60.837	23.97.576	14.403	22.04.192	..	12	24	British India Electric Cons.	20	15	15	10	29/12	29/12	33/12
1.68.00.000	3.72.24.252	2.29.82.397	67.36.942	97.05.514	..	4	32	Burn P (Engineering)	28½	28½	25—15*	100	279/00	280/00	592/00
4.00.00.000	63 22.965	22.70.823	23.44.551	52.92.495	1.57.572	3	437	Calcutta Steel	15	15	12½-15*	10	13/69	13/81	13/19
80.00.000	1.25.35.558	43.00.000	1.84.809	26.72.847	6.868	9	434	Dalmia Iron	10	10	10	10	11/25	11/31	10/87
6.32.18.740	6.68.87.945	5.12.05.807	2.59.97.968	2.17.43.217	..	12	227	Guest, Keen Williams	14	14	12	10	23/44	23/62	37/00
17.50.000	18.91.774	11.04.000	21.473	3.81.335	3.237	12	32	Hooghly Docking	Nil	12½	10	50	80/00	80/00	86/00
12,44.08.990	59,94.26.612	41.05.47.562	5,88.65.054	11,51.21.913	..	6	32	Indian Iron & Steel P.	16	16	16—17*	10	25/24	25/58	23/78
3.85.000									Nil	Nil	..	50	2/75	6/00	6/00
1,54.000Dd	11.52.812	14.001	1.82.994	—4.15.836	—4.03.294	8	223	Indian Malleable Casting	Nil	Nil	..	1D	2/81	2/81	1/81
77.97 000	58.96.726	1.25.90.911	58.71.000	1.79.18.483	..	6	42	Indian Standard Wagon P.	28½	28½	20-20*	10	38/25	38/25	35/50
96.79.740O	3.43 55 519	3.41 31.025	1,54.09 967	—57.25 817	6.022	3	122	Indian Steel & Wire Products	24	23	18	10O	31/75	31/75	39/00
12.80.070	7,13.344	5.39.415	3.634	17.25.389	.	12	24	Industrial Containers	10	10	..	10	25/62	25/62	21/37
1,51.87.197	2.85.54.325	1.36.61.958	15,13.085	41.24.528	4.896	8	443	Jay Engineering	17 3/20	15	10	10	19/00	19/12	20/87
40.00.000	59.72.677	35.85 700	10.46.980	20.45 880	86.647	6	132	J K Steel P	20	10	15	10	17/87	17/12	16/37
2.04.00.000	4.03.12.553	3.00.16.258	77.10.062	1.47.51.086	64.915	10	290	Jessop & Co P.	8.58	8.58	10	10	23/69	20/75	26/19
27.64.800	65.86.747	65.04.900	4.81.457	34.49.008	3.146	11	21	Kumardhubi Engineering P.	11½	15	16½	3	5/56	5/50	9/50
10.50.000	3.10.043	19.18.004	4.98.040	1.69.624	—16.90.253	6	170	Marshall Sons (India)	Nil	Nil	Nil	2	3/40	2/87	2/44
49.96 000	61.94.985	13.58.398	3.83.036	2.56.716	—4.42.917	5	192	National Iron and Steel	Nil	Nil	..	10	6/37	6/37	5/81
6.00.000	9.79.466	20 52.302	2 49 725	5 14 476	13.304	8	25	Saran Engineering	10	12½	10	4	8/69	8/69	8/78
14.00 070	11.26.150	15.36.386	2.31 497	13.83.971	.	12	24	Steel Containers	20	20	17½	10	24/31	24/31	29/50
1,80.00.000	2,88,27,452	1,25,61,066	9,59,687	2,04,38,226	54,305	12	22	Textile Machinery	10	12½	12½-15*	10	26/15	26/60	25/80
								SUGAR BREWERIES ETC.							
14.00.000	17.74.143	10.85.375	21 121	—1.66.279	—1.53 368	6	371	Balrampur Sugar	8	4	Nil	2½	1/59	1/69	1/81
29.23.537	27.33.655	11.43.842	8.71.871	—30.816	2.237	9	234	Belsund Sugar	10	6½	3½	7½	8/87	8/87	8/44
15.00.000	8.17.746	22.06.086	17.96.173	5.98 492	9.429	6	316	Bharat Sugar P.	15	15	15	10	14/50	14/50	13/00
32.00.000	48.01.728	55.23 048	4.75.535	58.20.900	.	10	35	Carew (Sugar) P.	Nil	Nil	Nil	10	12/12	12/12	10/81
30.00.000	98.13.767	58.73.563	6.92.990	—16.68.824	—42 63.672	10	25	Cawnpore Sugar P.	Nil	Nil	Nil	10	10/00	10/00	9/75
48 30.000	29.70.912	47.91 301	1.37.198	—49.013	1.97.076	8	395	Champaran Sugar P.	12	Nil	Nil	10	11/44	11/44	13/62
38.01.380	25.88.250	31.90.540	1,79.345	4.71.197				Durbhanga	Nil	5	..	10	8/31	8/25	8/87
11.00 000	6.45.722	3,75.000	10.90.564	95 437	52.205	6	140	New Savan Sugar and Gur	5 3/5	3 7/10	..	10	2/94	2/94	4/50
9.00.000	19 47 931	23.02.870	2.05 743	2.86 458	4.006	10	400	Purtabpur Sugar P	Nil	Nil	..	10	9/12	9/12	11/50
16 59.820	41.61 410	57.86.996	6.074	26.41.178	3.047	8	1	Ramnugger Cane & Sugar P.	35	30	15	10	24/25	24/25	27/50
68.00.000	57.79.829	44.91.845	5.17.84*	4.24 492	10.419	10	92	Raza Buland	10	10	10	10	10/06	10/06	9/62
5.00.000	3.77 258	1.72 778	4.09 165	—2.24.407	13.204	6	25	Rvam Sugar P.	Nil	Nil	..	10	4/12	3/69	3/56
11 99 000	22.10.161	18.54.067	21 94.756	16.75.658	—2.20.853	6	..	Samastipur Central Sugar	Nil	Nil	..	10	3/75	3/75	5/94
39.99.000	67.63.908	25 93.624	11 16 368	1.90.057	34.779	8	335	Shree Krishna Gyanoday Sugar P.	10	Nil	..	10	8/41	8/62	7/75
7.84 500	13.54.858	11.65 178	.	.	7.991	6	140	Shree Sitaram Sugar	.	.	..	10	7/28	7/28	7/12
9.99.950	20.47 130	68.548	66.643	—7.18.697	—7.19.847	8	94	Sitalpore Sugar	Nil	Nil	Nil	10	3/69	3/69	3/94
16.00.000	42.22.843	19,40.304	2.03.163	—11.15.414	—9.17.147	9	341	United Provinces							
8.00.000	90,57,769	67.09.675	9,18,326	37.10.125	25,765	6	316	Upper Ganges Sugar P.	5	Nil	..	10	12/00	12/00	9/00
									72½	72½	..	5	60/25	60/25	62/00

* 1964

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary Rs.	Net Block Accounts Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs	Cash & Securities Rs.	Net profits including taxation Rs.	Carry forward Rs	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share Rs.	Latest Market Quotations as available until 23-9-64 Rs	16-9-64 Rs.	A year ago Rs.
								MISCELLANEOUS							
8,00,000	3,65,800	2,09,907	5,89,590	1,44,140	2,623	10	85	A Firpo (Restaurateur)	10½	5	..	10	5/90	5/90	5/90
1,17,18,750	7,78,41,082	2,43,57,285	3,43,934	39,67,851	22,287	3	132	Aluminium Corporation P.	12	12	5—9*	10	12/00	12/56	15/06
20,00,000	42,19,493	17,50,000	53,08,486	4,79,403	25,172	12	382	Anderson Wright P.	Nil	6	6	10	11/50	11/50	11/50
30,00,000	16,96,720	44,23,928	21,81,674	26,48,673	2,17,061	8	268	Angelo Bros	22½	28	28	10	25/00	25/12	24/19
30,00,000	23,93,699	43,10,024	16,21,703	25,26,521	18,162	12	274	Assam Match	20	20	20	10	26/37	26/37	28/75
13,99,998	20,06,639	20,17,850	6,814	1,70,203	94,397	9	348	Assam Saw Mills & Timber	Nil	3	..	3	2/44	2/44	2/69
1,18,00,000	54,61,855	98,34,917	67,73,791	53,69,644	7,978	8	391	Associated Battery	15	15	15	10	24/81	24/62	25/00
20,00,000	1,41,96,365	57,08,103	7,65,347	2,25,357	4,66,650	3	204	Associated Hotels of India P.	10	10	10	10	10/37	10/37	10/31
80,01,400	50,84,811	1,26,93,254	1,02,37,283	47,75,572	..	12	386	Balmer Lawrie & Co.	25	25	22½	100	235/00	235/00	247/00
12,00,000	5,56,579	15,08,889	7,13,214	14,18,987	..	3	128	Bararee Coke	Nil	15	15—20*	10	20/75	20/75	21/62
44,00,000	..	9,27,823	68,58,981	2,87,091	50,926	9	160	Birds Investments P.	10	10	..	10	8/75	8/75	10/75
68,95,530	1,33,47,478	1,00,95,705	6,42,608	92,16,110	745	3	50	Britannia Biscuit P.	30	25	21—21*	10	36/62	36/87	42/25
3,25,00,000	92,71,518	2,59,58,217	1,52,24,566	2,20,29,077	23,545	12	33	British India Corporation P.	7	9	15	5	11/25	11/00	8/25
50,00,000	22,64,569	49,02,950	5,98,751	38,24,033	2,226	12	392	British Paints	12½	10	15	10	24/87	23/12	20/00
5,00,000	6,83,781	1,65,739	1,54,429	2,63,717	5,201	3	213	Calcutta Silk Manufacturing P.	Nil	..	..	10	6/94	6/94	6/06
1,38,80,000	..	14,77,612	1,78,11,400	14,89,102	2,75,442	12	2	Clive Row Investment	7½	7½	8	10	8/50	8/50	8/75
1,08,00,000	27,30,517	1,26,67,000	2,75,14,550	41,14,029	22,124	12	169	Duncan Brothers & Co. P.	14	14	12	100	137/00	137/00	135/00
4,50,00,000	6,45,91,744	6,23,00,650	26,09,266	3,27,69,401		12	96	Dunlop Rubber Co. (India) P.	20	15	17½	10	32/06	32/62	35/50
27,56,355	1,31,99,222	1,76,30,095	24,30,790	1,00,50,837	12,604	3	118	Dyer Meakin (Breweries)	30	..	..	5	25/69	26/00	28/63
76,89,000	..	65,11,801	1,78,16,453	13,76,534	1,51,252	12	21	Eastern Investments P.	14	12	10	100	102/00	102/00	119/50
60,93,400	95,80,000	34,47,000	14,32,081	29,35,962	21,399	10	388	Electric Construction P.	10	10	10	10	13/87	14/06	13/94
30,00,000	28,94,555	27,23,503	19,90,832	15,65,118	2,10,371	3	51	French Motor Car	20	20	..	20	31/75	31/75	35/12
14,00,000	19,96,247	19,89,043	71,342	14,62,346	6,552	12	19	Ganges Rope	20	20	20	100	252/00	252/00	236/00
2,25,000	..	73,065	5,20,619	26,463	42	2	21	General Investment & Trust P.	5	5	5—5*	75	43/00	43/00	43/00
65,00,000	31,77,135	58,42,190	1,57,85,100	30,47,005	15,471	3	105	Gillanders Arbuthnot & Co. P.	11	11	11	10	14/87	14/87	14/69
40,00,000	17,69,681	7,21,344	36,90,302	5,43,666	8,524	12	209	Gladstone Lyall & Co. P.	Nil	Nil	..	10			
40,00,000	32,95,341	35,10,500	91,044	34,34,324	2,446	12	310	Godfrey Phillips (India) P.	40	30	20	10	22/00	22/00	28/13
30,00,000	43,74,366	17,66,569	1,60,432	1,09,512	794	3	225	Great Eastern Hotel	6	7	..	250	260/00	252/00	225/00
5,99,15,000	12,12,97,991	1,57,327	36,27,386	4,65,783	—1,90,67,933	12	438	Hindustan Aluminium P.	Nil	Nil	Nil	10	13/62	13/62	13/94
8,09,49,550	9,32,49,223	3,80,11,174	2,06,12,407	2,91,89,156	13,299	3	22	Hindustan Motors P.	12	12½	11½-11½*	10	17/00	17/37	17/56
1,80,00,000	8,43,03,252	44,59,689	19,50,134	11,58,982	—12,90,310	10	..	Hindusthan Pilkington	12	Nil	Nil	10	14/37	15/00	16/31
39,91,300	88,43,937	1,02,500	35,826	7,40,556	—5,10,975	3	211	Hindusthan Twyfords P.	Nil	Nil	Nil-Nil*	10	16/50	16/00	14/69
30,20,000	23,35,537	16,00,000	24,48,098	8,91,968	86,500	12	294	Hoare Miller & Co.	6	..	..	10	4/19	5/50	5/62
15,16,00,000	8,50,75,083	11,33,81,191	2,19,30,404	2,89,22,010	80,158	3	325	Imperial Tobacco	9	9	8—6½*	10	81/81	8/75	10/62
6,00,44,460	13,31,09,732	5,02,72,274	1,30,56,534	3,74,31,246	4,12,610	12	293	Indian Aluminium P.	15	17½	17½	10	31/69	32/06	37/50
2,48,65,450	2,77,06,309	3,70,04,031	64,21,577	1,89,87,484	9,790	3	34	Indian Cable	22½	22½	22½-25*	10	35/56	36/25	36/50
3,64,00,000	5,80,31,205	2,05,01,886	32,59,129	1,40,40,263	35,587	9	366	Indian Oxygen	15	12	12	10	24/87	25/00	27/75
8,27,970	8,82,919	12,42,783	10,99,551	12,01,372	53,791	3	223	Indian Rubber Manufacturers P.	30	36	..	10	21/87	21/87	19/87
20,00,000	3,08,827	29,55,665	1,44,979	17,93,931	3,056	9	88	Indian Wood Products	30	30	25	10	27/62	27/62	29/63
79,78,310	81,32,468	22,85,500	6,19,214	21,27,050	17,347	12	63	Isaac Holdens	Nil	Nil	5	10	11/50	11/50	15/50
5,00,000	..	3,15,956	13,17,443	96,660	19,473	2	21	Investments and Finance P.	7½	7½	7½-7½*	100	55/00	55/00	55/00
1,25,00,000	1,51,51,941	36,00,000	1,25,80,918	26,30,706	30,393	6	439	J. K. Synthetics	3	Nil	10	10	13/12	13/31	11/50
5,87,500C	2,28,843	Nil	5,88,284	—1,19,242	—1,18,804	12	281	James Wright P.	..	..	..	50	2/75	2/75	2/81
1,17,500D									..	..	..	1Dd	00/43	00/43	00/43
2,00,00,000	60,80,909	1,00,37,759	5,52,66,992	44,78,489	..	3	39	Jardine Henderson P.	7	6	7—7*	100	75/00	77/00	80/00
1,09,33,290	2,45,94,981	72,53,990	9,89,540	36,94,613	41,622	12	22	Jay Shree Industries P.	12½	12½	12½	10	14/75	14/75	17/37
1,99,95,660	8,39,79,825	4,95,51,451	64,88,007	1,50,15,072	14,501	3	22	Kesoram Industries P.	12	12	13—15*	10	26/06	26/44	28/50
6,34,000C	3,17,363	6,02,958	8,21,617	—14,078	—4,849	3	133	Macfarlane & Co.	Nil	Nil	..	10	4/50	4/56	5/06
66,000Dd									Nil	Nil	..	50	1/81	1/81	2/19
1,50,00,000	1,08,42,842	1,10,08,357	3,08,97,102	45,30,173	40,503	12	334	Macneill & Barry P.	8	7½	8½	1Dd	95/00	95/00	99/50
1,47,12,250	69,29,198	1,38,23,546	2,13,42,011	91,60,378	1,289	9	309	Martin Burn Ltd. P.	27½	25	25	100	27/25	27/12	27/75
47,12,000	18,46,595	90,33,368	2,73,18,501	25,28,932	..	12	282	McLeod & Co. P.	15	18	..	10	230/00	230/00	216/00
3,22,00,000	3,39,11,209	2,96,70,151	44,50,023	1,54,09,781	2,480	3	167	Metal Box Co. of India P.	25	25	19—18*	100	31/50	31/31	30/00
1,35,00,000	85,15,441	1,31,43,467	11,00,897	1,00,47,768	40,361	3	7	National Insulated Cable P.	25	25	18—20*	10	26/69	26/69	27/00
30,00,000	23,68,847	36,90,300	12,33,457	30,79,310	19,484	9	7	National Pipes & Tubes P.	20	20	20	10	28/25	28/19	31/00
40,00,000	34,43,104	43,03,095	14,39,946	30,01,359	10,564	6	7	National Rolling & Steel Ropes	15	15	15	10	23/31	22/62	19/00
50,00,000	68,13,665	21,55,713	14,06,275	22,44,262	58,629	12	375	National Rubber P.	6½	8	10	10	11/00	11/00	11/00
79,97,000	74,92,596	1,29,48,132	33,63,433	26,23,104	3,26,438	12	79	National Tobacco P.	7	7	8	10	11/75	12/06	11/00
23,31,600	1,014	13,02,891	9,90,509	6,26,950	40,375	12	35	New India Investment Corpn.	8 2/5	8 2/5	..	75	63/00	63/00	66/00

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary Rs.	Net Block Accounts Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts Closed	Mg. Agts., Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 23-9-64 Rs.	16-9-64 Rs.	A year ago Rs.
								MISCELLANEOUS (Contd.).							
60,00,000	6,27,241	59,20,402	91,23,845	14,28,049	24,342	12	321	Octavius Steel P.	7½	7½	..	100	..	..	..
3,20,00,000	2,57,91,597	1,13,85,086	37,59,800	1,65,57,208	43,297	12	364	Philips India	12	13	15	10	27/50	27/50	26/75
2,86,200	53,496	6,12,800	1,02,081	4,43,784	48,408	3	148	Publicity Society	75	75	50	4	25/06	25/06	22/62
2,25,00,000	1,04,34,519	67,80,570	1,53,00,153	73,34,623	5,962	8	332	Rallis India P	6½	8½	10	100	125/00	124/25	124/00
5,00,00,000	7,68,08,083	3,62,96,433	1,17,74,495	76,94,277	1,697	8	332	Rontas Industries P.	10	8	9—8*	10	10/37	10/37	13/00
94,27,380	5,55,68,835	Nil	14,04,497	5,89,253	37,913	9	22	Sirsilk P	..	..	..	10	7/62	7/50	9/44
1,35,00,000	2,41,71,538	86,99,991	20,94,175	11,62,162	4,301	9	376	Sen Raleigh Industries P.	8	8	Nil	10	13/69	13/69	15/19
75,00,000	96,97,751	69,54,352	1,85,84,497	58,21,689	3,55,748	12	278	Shaw Wallace P.	15	7½	12½	10	15/00	14/87	16/81
3,00,000	3,33,174	23,189	80,501	17,483	1,739	12	111	Spencers Hotel	2½	..	..	2	1/25	1/25	0/65
2,80,00,000	5,43,90,903	3,80,54,275	42,48,951	2,68,66,630	1,93,068	12	301	Union Carbide	18	12½	15	10	32/75	33/00	39/62
10,51,000	7,73,634	30,76,582	11,34,568	10,01,022	21,687	12	195	Walford Transport	30	30	27	10	3/06	3/09	3/69
								INSURANCE COMPANIES							
13,50,000	7,94,162	12,60,000	1,56,64,497	10,02,726	25,429	12	174	Concord of India	20	20	20	5	9/44	9/44	10/62
24,00,000	1,36,130	1,19,24,652	1,28,63,865	11,01,955	21,084	12	248	Hercules	26½	26½	26½	10	23/50	23/50	22/56
32,00,000	22,25,063	1,49,05,006	1,63,93,712	28,55,873	..	12	38	Ruby General	13½	15½	15½	8	12/62	12/62	10/00
8,00,000		21,62,475	77,92,804	31,493	12,241	12	..	Standard General	..	..	..	10	7/75	7/75	6/25
5,75,000	16,150	77,88,770	1,05,97,904	8,24,867	..	12	39	Triton	50	50	50	25	127/00	127/00	124/00
								FLOUR MILLS							
12,00,000	4,12,000	31,52,123	9,74,078	13,79,503	..	12	24	Bengal	25	25	30	10	34/12	33/87	29/00
5,60,000	6,51,040	4,47,038	2,17,808	1,05,473	1,26,880	10	97	Delhi P.	..	..	..	10	14/00	14/00	14/00
68,90,137	47,18,433	77,72,310	56,85,368	33,81,767	4,07,338	9	175	Ganesh P.	..	..	..	12½	12/50	12/50	13/50
9,00,000	4,40,285	4,52,302	17,475	4,58,269	1,45,883	12	236	Hooghly	Nil	Nil	5	10	19/75	19/75	19/75
5,00,000	2,81,869	8,41,748	1,08,638	3,16,243	8,262	11	236	United	10	7½	10	10	27/81	27/81	27/81
								OIL COMPANIES							
£2,900,001	£2,280,344	£2,000,442	£296,893	£1,405,917	£192,796	12	249	Attock Oil.	13½	13 1/3	13⅓	£1	sh. 30/7½	sh. 31/7½	sh. 34/9
$94,062,159	£28,669,445	£26,020,826	£118,296,988	£24,063,315	£1,241,331	12	62	Burmah Oil P.	..	11½	12½	£1	sh. 61/3	sh. 59/4½	sh. 66/6
1,00,00,000	63,60,473	1,10,69,746	3,07,80,407	52,66,638	1,79,343	12	249	Indo Burmah Petroleum P.	25	22½	22½	10	21/44	21/31	22/44
6,00,000	3,08,556	9,90,737	3,38,958	5,47,290	23,403	10	2	Tide Water Oil	32	35	35	10	37/37	37/37	27/12
								PAPER MILLS							
68,44,348	3,75,21,799	95,96,950	4,43,746	3,52,330	..	12	436	Bengal P	27½	20	20	10	26/62	26/69	28/25
98,20,000	1,13,18,693	97,14,186	1,15,420	42,51,215	43,578	3	4	India Paper Pulp	13	12	15—15*	10	16/44	16/37	17/87
1,90,87,250	6,87,00,000	57,39,270	1,08,97,843	1,40,08,528	93,457	3	22	Orient Paper P	22½	22½	20	10	32/50	32/85	37/40
1,25,31,920	3,30,51,371	3,08,30,792	1,23,87,315	1,29,79,069	43,420	12	140	Shree Gopal Paper P.	17 6/7	17 6/7	18	10	25/69	25/62	25/12
2,73,18,050	4,28,25,108	94,29,176	63,90,889	2,93,680	1,08,791	6	22	Sirpur P	8½	8½	5	10	12/19	12/12	13/12
1,00,00,000									Nil	Nil	Nil	10	8/19	8/56	9/06
10,00,000A	4,04,77,968	8,52,085	2,98,345	34,96,055	10,37,344	9	36	Star Paper P.							
4,37,500PO									13	13	13—13*	2½PO	3/37	3/37	3/87
2,23,87,880AO	4,98,53,383	3,19,44,056	31,73,789	13,76,397	12,254	3	106	Titaghur P.	20	10	10—2½*	10AO	12/50	12/37	16/87
36,04,880BO									20	10	10—2½*	10BO	12/50	12/37	16/87
1,50,00,000O	4,95,97,051	85,00,000	1,73,752	58,44,196	17,196	6	373	West Coast P.	7½	..	..	100	164/00	164/00	135/00
								PRESSING COMPANY							
4,30,000	1,81,531	1,45,000	5,34,786	65,294	24,928	7	326	Camperdown	11	..	..	100	110/00	100/00	104/00
								REAL PROPERTY STORAGE							
10,00,000A												A500	1250/00	1,250/00	1,050/00
1,25,000B	14,69,599	8,53,120	8,54,870	1,24,262	3,212	4-10	73	Bengal Bonded Warehouse	8	8	9	B62½	125/00	125/00	135/00
2,00,000L												C10L	186/00	186/00	122/00
25,000D												D12½	45/00	45/00	14/15
7,42,150	11,68,346	4,23,135	33,823	81,259	3,142	3	6	Calcutta Safe Deposit	Nil	Nil	..	100	7/81	7/81	7/87
1,00,00,780O	19,85,068	9,01,590	13 43,272	3,61,779	1,33,593	9	432	Humayan Properties P.	3	Nil	..	10O	11/00	11/00	11/00
3,00,000Dd									..	..	..	1Dd	2/10	2/10	2/10
79,90,000	8,080	Nil	13,10,942	—74,850	—19,01,272	4	3	Midnapore Zemindary P.	Nil	Nil-Nil*	Nil	65	33/75	33/75	11/00
								TRAMWAYS & STEAMER							
20,00,000	40,37,049	33,73,558	9,90,121	5,76,314	54,558	10	2	Bengal Assam Steamship P.	7½	10	10	100	105/50	106/00	135/00
6,25,000	4,66,783	7,61,818	9,53,643	79,944	17,786	10	89	Calcutta Landing & Shipping	7½	22	6	10	21/00	21/00	34/00
12,60,000	47,23,178	14,01,984	1,02,898	63,719	—11,281	6	396	Calcutta Steam Navigation	Nil	Nil	Nil	10	7/62	8/00	9/25
£700,000	£2,889,537	£1,565,916	£315,682	£153,252	£2,006	12	98	Calcutta Tramways P	5	5	5	£1	10/87	10/75	11/31
6,04,880	5,97,987	3,56,706	43,440	1,35,098	—637	8	134	Fraser & Co	..	..	..	10	14/00	14/00	10/00
£655,586	£1,970,808	£432,656	£419 913	—£80,888	—£84,854	8	431	India General Nav & Railway P.	Nil	Nil	..	10	34/50	34/50	39/00
8,47,50,000	15,60,63,417	1,57,29,564	1,17,13,241	—30,02,498	..	3	291	India Steamship P.	Nil	Nil	Nil	10	7/16	6/91	6/62
14,08,220	13,34,804	74,870	7,951	—62,891	—4,09,486	12	..	Port Shipping	Nil	Nil	..	10	17/37	17/19	14/94

* 1964

BOMBAY COTTON MILLS

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

Paid-up Capital Ordinary Rs.	Number of Spindles	Looms	Net Block Account Rs.	Reserve & other Funds Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry Forward Rs.	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs	Latest Market Quotations as available until 22-9-64 Rs	15-9-64 Rs	A year ago Rs
40,00,000	48,652	1,016	1,28,56,156	46,70,828	20,69,878	10,39,741	26,620	..	269	Ahmedabad Advance P.	12	..	..	100	144/00	145/00	145/00
50,00,000	48,254	896	20,17,010	9,99,960	10,78,394	1,49,501	2,24,486	12	229	Apollo	Nil	..	..	2	1/86	1/82	1/98
40,00,000	41,135	980	43,32,511	11,42,781	4,76,501	1,42,728			350	Beharilal Ramcharan	Nil	..	..	100	143/00	142/00	82/00
2,50,98,000	2,03,942	4,911	5,87,37,535	3,82,76,018	47,87,842	62,56,837	67,586	12	199	Bombay Dyeing, etc.	14	14	..	25	60/00	60/80	62/50
10,00,000	35,052	548	32,07,778	34,59,612	3,45,173	10,89,180	1,37,996	3	262	Bradbury P	25	..	..	50	162/50	162/50	148/00
1,27,75,700	1,18,296	2,760	4,98,32,541	1,26,61,468	25,80,078	80,66,350	9,53,942	12	22	Century	30	..	..	100	622/50	625/50	592/00
46,87,500	1,15,188	2,062	2,99,18,629	10,75,722	15,14,712	3,59,289	—40,19,762	6	269	Central India P.	Nil	Nil	Nil	100	99/00	102/00	115/00
26,00,000	24,916	719	37,34,829	32,52,434	1,01,658	7,46,029	1,28,751	3	68	Coorla	11	..	..	100	173/00	180/00	147/00
28,00,000	43,512	..	33,97,504	29,03,230	5,19,246	23,98,267	2,06,873	12	262	Dawn	30	..	..	50	164/50	167/00	157/00
34,00,000	49,164	920	74,35,701	43,13,002	1,86,928	—9,41,132	—9,38,834	12	260	Edward Textiles	9	6	..	200	310/00	300/00	280/50
2,98,63,675	47,700	886	1,36,80,735	56,02,280	2,57,709	10,62,512	12 247	12	59	Elphinstone P.	22	18	18	50	98/00	101/00	102/00
50,00,000	63,212	784	85,32,658	71,62,852	16,838	4,09 432	37 155	12	241	Finlay	23	..	..	100	305/00	301/00	325/00
39,04,700	77,966	..	19,75,309	43,25,176	23,64,706	12,85,523	85,195	12	56	Gokak	18	..	..	100	178/50	177/50	172/00
12,00,000	40,856	1,116	64,14,595	68,13,239	10,75,932	4,27,954	5,195	3	305	Hindoostan	50	..	..	250	940/00	940/00	855/00
2,00,00,000 / 60,00,00,000	2,48,870	6,498	4,41,45,022	3,84,70,022	31,82,639	1,32,22,197	5,89,816	12	15	India United	14 / 37½	..	..	10 / 1Dd	19/24 / 2/38	19/48 / 2/38	23/00 / 2/80
9,00,000	47,824	1,202	75,60,490	61,57,161	4,26,274	..	..	3	305	Indian	25	..	..	250	840/00	840/00	840/00
50,00,000	50,074	1,426	74,72,293	26,00,000	26,71,578	4,58,532	8,880	12	103	Indore Malwa United	10	7½	..	100	210/00	210/00	210/00
59,85,000	65,260	1,514	1,07,21,546	82,79,166	25,00,707	76,87,297	38,751	6	149	Khatau Makanji P.	16	..	..	100	178/75	192/50	192/50
1,00,00,000	1,20,504	1,846	1,76,50,904	1,36,17,072	20,69,195	65,91,664	9,095	12	146	Kohinoor	18	18	21	100	329/00	330/50	330/50
89,60,000	49,880	1,369	1,72,98,220	72,37,399	5,89,295	—72,073	—18,72,053	12	83	Lakshmi Vishnu P.	6	Nil	3	100	85/00	85/00	85/00
51,75,000	71,652	1,620	2,44,04,458	78,75,201	1,68,667	33,39,748	..	6	104	Morarjee Goculdas P.	24	24	20	100	262/00	263/00	380/00
39,88,250	50,480	500	55,13,433	39,56,794	22,08,037	2,05,250	Nil	2	261	Mysore Spg & Mfg P.	14	..	..	50	36/25	37/00	48/50
24,00,000	45,944	432	23,52,760	7,45,700	10,79,000	15,67,753	8,456	12	..	New City of Bombay	Nil	..	..	100	150/00	150/00	155/50
30,00,000	46,884	1,029	22,27,098	25,72,444	27,32,568	12,48,697	153	12	..	New Great Eastern P.	12	..	..	100	160/00	160/00	192/00
48,00,000	54,244	726	53,94,222	35,02,899	1,54,21,523	21,027	27,380	12	119	Phoenix	20	..	..	100	253/00	258/00	238/00
10,00,000	9,520	277	13,17,604	2,78,222	9,963	3,22,456	—1,07,771	12	257	Sassoon & Alliance	Nil	..	..	10	10/36	10/36	10/92
80,60,000	96,488	2,127	2,80,93,686	1,62,43,024	12,70,360	41,26,788	673	12	339	Sassoon Spinning	20	10	20	10	37/75	38/00	44/00
60,48,000	49,840	1,258	1,19,42,498	50,19,415	1,34,242	32,70,817	9,856	3	378	Simplex	Nil	22	16	50	125/50	126/50	124/00
8,00,00,000	77,436	1,640	1,62,20,494	98,36,202	35,49,874	35,49,582	51,723	12	327	Shree Niwas P.	20	14	8—9*	100	254/00	257/00	238/00
1,00,00,000	65,040	2,000	1,96,83,714	1,42,81,829	24,73,107	35,08,617	8,176	12	369	Svadeshi P.	19	17	..	100	264/00	265/50	250/00
36,00,000	40,328	549	56,94,858	71,73,894	7 774	4,20 581	26,062	12	341	Swan	21 3/5	..	..	100	273/75	275/00	275/00
65,57,875	63,248	1,800	2,12,86,475	1,12,83,538	11,32,192	20,80,953	1,422	12	269	Tata	22	20	..	25	50/00	51/00	54/20
12,00,000	45,508	1,308	62,07,441	12,11,933	31,81,227	52,10,985	8,027	3	208	Western India	25	..	..	250	850/00	850/00	785/00

* 1964

BOMBAY MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary Rs.	Net Block Accounts Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including Taxation Rs.	Carry Forward Rs.	Accounts closed	Mg. Agents Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs	Latest Market Quotations as available until 22-9-64 Rs	15-9-64 Rs	A year ago Rs
						3	267								
								CEMENT							
19,06,68,750	28,49,18,158	12,76,85,523	5,86,09,994	5,14,17,638	68,243	7	59	Associated Cement	12	12	12	100	163/25	164/00	153/00
								ELECTRIC LTG. POWER							
8,74,77,100	11,61,05,785	1,36,05,785	30,82,678	78,42,903	633			Ahmedabad Electricity	6	..	..	100	106/00	105/00	93/30
3,02,77,000	9,34,77,781	1,23,89,917	32,52,570	52,28,395	36,154	3	146	Andhra Valley Power P.	5	5	..	1000	1,230/00	1,220/00	1,035/00
1,75,00,000	3,95,16,553	1,21,07,263	17,22,888	39,87,421	3,370	3	267	Bombay Subarban Elec.	8½	8½	..	100	116/00	114/50	99/50
2,39,99,975	7,17,76,350	1,39,56,841	51,65,971	60,68,808	27,536	3	146	Tata Hydro Elec. Power P.	5	5	..	100	127/00	126/25	107/00
8,13,36,000	17,59,03,832	3,61,11,341	57,28,753	1,22,80,113	29,988	3	267	Tata Power P	5	5	..	1000	1,280/00	1,277/50	1,085/00
								ENGINEERING & METAL							
33,42,200	17,06,292	44,16,374	1,54,08,311	5,79,666	1,35,820	12	268	Alcock Ashdown	22½	19	..	100	297/00	300/00	307/00
14,75,050	7,99,713	4,61,618	2,25,568	—24,763	—33,604	3	115	Jost's Engineering	10	10	Nil	50	47/00	47/00	60/00
1,65,00,000	1,36,83,186	1,15,74,779	1,09,19,945	46,29,564	11,973	3	351	Larsen & Toubro P.	18	14	14	10	22/80	22/72	25/00
11,00,000	1,03,70,225	3,45,914	..	..	1,016	7	283	Mckenzies	12	14	..	100	135/00	135/00	141/00
2,50,000O / 1,31,250F	5,834	1,00,53,052	1,79,52,042	3,35,178	59,102	12	284	Premier Construction P.	33 1/3	30	..	300 / 33⅓F	189/00	190/00	152/00
7,99,97,300	17,30,38,018	5,09,28,017	13,84,385	3,61,61,616	14,962	3	269	Tata Eng & Locomotive P.	14½	14½	14½	100	271/50	274/00	284/50
27,55,70,601	1,00,15,07,970	50,23,25,401	16,55,31,274	16,47,12,039	2,44,126	3	269	Tata Iron & Steel P	10.36†	10.36†	11—12*	750	158/25	158/75	142/75
								INSURANCE COMPANIES							
20,00,000	..	23,84,913	95,96,033	4,24,629	1,18,606	12	297	British India General	15	15	..	10	13/60	13/52	12/12
18,74,940	25,01,134	2,88,61,185	2,61,49,442	38,951	4,65,316	12	55	Jupiter General P.	4	Nil	..	15	7/00	7/00	9/30
1,42,42,125	23,46,782	3,80,68,899	9,41,74,741	92,81,250	44,28,397	12	179	New India	38	38	..	15	45/75	45/50	52/00
15,99,270	..	29,41,660	59,86,789	6,06,803	3,81,242	12	255	Vulcan	20	20	..	10	16/12	16/12	16/60
								MISCELLANEOUS							
70,49,650	41,70,604	1,23,53,608	1,09,82,038	67,94,850	3,00,263	9	42	Belapur Sugar	50	40	..	50	224/50	230/00	208/00
1,83,50,000 / 84,00,000	3,34,19,072	2,76,00,447	1,67,73,491	1,13,92,935	2,25,985	5	285	Bombay Burmah Trading	33	33	33-1/5	25 / 20	56/20	56/90	64/80 / 49/00
5,24,36,000	6,05,91,322	4,82,83,719	47,53,662	4,30,51,407	..	12	91	Hindustan Lever	26	12	14	10	43/00	43/25	41/00
99,99,250	3,754	20,08,796	1,44,31,515	8,97,490	30,416	12	299	Industrial Invt. Trust	6½	..	..	100	31/00	31/50	75/00
11,99,900	13,82,957	1,34,142	14,06,223†	48,232	16,942	†	67	Kemp (Chemists)	12½	..	..	200	77/00	77/00	260/00
5,61,12,100	7,40,36,031	2,03,71,186	27,33,067	1,69,61,608	4,41,151	12	352	National Rayon	22	..	..	100	263/75	263/75	376/00
12,27,98,680	25,25,08,055	11,58,24,547	11,18,89,983	48,75,907	2,82,649	4	198	Scindia Steam Navign.	3	3	..	20	361/00	367/00	12/00
21,00,000	47,55,227	61,15,000	3,17,297	—3,40,349	—23,63,858	11	146	Shivrajpur Synd.	Nil	Nil	Nil	10	16/40	16/32	25/00
3,02,33,815	6,32,84,424	1,44,04,272	23,87,449	59,88,449	3,923	6	269	Tata Chemicals P.	6½	6½	10	10	17/52	16/00	17/00
1,06,05,475	2,21,88,319	1,25,42,386	67,75,468	50,73,815	1,187	†	269	Tata Oil P	23	23	22	25	19/32	19/48	67/00
2,88,00,000	1,37,35,974	3,64,27,137	85,33,891	1,76,87,313	Nil	P	360	Voltas	14	14	14	100	50/50	50/70	261/00
1,75,00,000	2,77,62,199	2,98,63,675	1,60,81,755	1,16,48,391	44,408	12	274	Western India Match	16	16	16	100	270/00	272/00	251/00
													244/50	245/00	

† per share.

* 1964.

SOUTH INDIA PLANTATION COMPANIES

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

Paid-up Capital Ordinary Rs.	Net Block Account Rs.	Reserve & other Funds Rs.	Acreage	Outturn and Average Price per kg/lb realised for crop Lbs.	Rs.	Net Profits Rs.	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share Rs.	Latest Market Quotations as available until 22-9-64 Rs.	15-9-64 Rs.	A year ago Rs.
6,75,000	16,06,067	1,50,000	1,992	1,996cwt	9.68	1,19,757	3	401	Amalgamated P.	10	10	..	10	10/01	10/01	10/36
6,50,000	12,57,795	5,72,253	878	1,12,000	1.48	70,011	12	402	Anandam P	18	15	..	10	14/25	14/25	14/19
3,25,000	6,09,131	1,50,000	402	1,28,802	1.47cts	3,501	2	403	Athimattam	5	Nil	..	2	1/20	1/20	1/18
6,98,990	13,96,078	4,83,841	1,630	225 168†	4.34	4,11 298	3	287	Balanoor P.	12	12	..	10	11/20	11/20	11/30
3,00,000	3,68,375	2,25,000	171‡	43,490†	3.4	62,815	5	404	Balmadies P.	5	Nil	5—10*	2	1/85	1/85	1/70
7,32,230	13,36,710	4,56,253	877	1,38,[illegible]	1.65cts	43,110	5	270	Be Be P	5	Nil	..	5	2/32	2/32	2/03
40,00,000	1,23,45,152	25,11,425	1,329	8,53,764†	4.81	12,37,848	6	141	Blue Mountain	10	10	10	2	2/35	2/32	2/63
10,00,100	28,67,681	20,95,127	1,856‡	8,51,234†	4.55	9,04,350	3	210	Chembra Peak	20	20	20—25*	2	4/90	5/25	4/47
36,91,279	46,12,278	19,45,895	3,257‡	11,32,759†	3.41	10,13,193	2	210	Cochin Malabar P.	20	20	12—12*	3	6/22	6/22	6/10
32,50,000	39,31,709	30,58,661	2,710	19,48,320	..	3,11,249	6	405	Coffee Lands P	12	9	..	10	16/62	16/62	14/87
78,55,000	1,15 74,494	63,44 278	7,001	60,81,120	..	25,60,562	6	406	Consolidated Coffee P.	20	15	..	10	23/76	23/75	19/10
9,66,730	21,85,500	13,90,424	441	4,52,382	2.25	56,592	9	203	Coonoor P.	15	17½	17½	10	17/40	17/40	18/35
4,80,000	10,36,448	4,76,798	432	3,53,888	1.52	1,19,880	3	407	Coorg P.	20	15	..	2	4/85	4/85	4/89
8,00,000	11,82,508	2,17,761	1,026	1,57,785	1.47	46,942	3	12	Cottanad Plantation P.	10	6½	..	10	10/30	9/30	9/31
8,00,000	8,89,831	4,80,155	345	3,25,310†	2.56	1,25,312	12	212	Devashola (Nilgiri)	20	15	..	10	30/65	30/65	24/39
9,74,650	9,14,594	3,31,040	456	1,38,386†	4.26	1,36,712	3	287	Devon P	12	12	..	10	12/35	12/35	11/96
7,50,000	3,88,952	1,26,500	197	1,12,926†	3.66	28,121	12	408	Emerald Valley	Nil	6	..	5	7/35	6/75	6/35
6,50,000	3,64,462	20,000	278	42,830	..	40,424	12	409	Gokul	10	10	..	2	2/00	2/03	1/76
16,00,000	42,82,150	17,77,500	1,465	17,21,550	2.04	2,13,414	12	410	Haileyburia P.	12½	11	..	10	12/50	12/65	11/85
1,85,700	28,02,058	10,77,705	1,528	3,59,804	1.67	3,60,461	2	402	Kallar	25	30	..	2	6/46	6/46	6/05
8,00,000	11,83,359	8,86,159	465	2,92,200†	4.64	4,14,877	3	210	Kalasa Tea Produce	25	15	..	2	4/25	4/25	4/25
27,17,076	27,90,278	9,40,446	741	4,46,673	5.17	5,88,691	10	210	Kil Kotagiri P.	25	25	..	2	5/00	4/90	5/45
5,00,000	9,11,259	1,21,604	267	305,757	2.31	96,485	12	203	Lucky Valley	10	10	..	10	11/75	11/75	12/00
13,50,000	19,78,359	9,14,031	1,785‡	3,42,748†	3.03	4,63,747	3	411	Malankara	16	14	14—16*	10	17/00	17/00	16/00
40,50,000	67,47,600	17,25,166	4,013	12,60,448†	3.85	9,94,509	3	270	Midland Rub & Prod P.	12½	12½	10—10*	10	11/38	11/45	11/40
14,06,250	33,33,804	7,45,340	1,587	7,98,398	2.40	1,80,000	3	402	Nilgiri P.	10	10	..	10	9/20	9/20	8/65
38,10,000	24,28,291	11,02,621	1,055	1,29,106†	2.92	16,62,532	t	14	Nonsuch	20	20	20	10	21/87	21/87	23/37
6,50,000	7,47,991	1,494	616	1,37,230†	..	1,41,778	3	210	Ossoor	15	15	..	2	2/65	2/62	3/45
19,45,980	45,23,970	34,54,133	1,498	6,95,418†	4.10	4,78,581	10	210	Ouchterlony	12	6	..	2	3/37	3/33	4/35
14,88,960	27,02,359	17,22,983	674	4,13,064†	2.74	7,70,117	6	203	Parkside Neilgherry	22½	27½	25	10	25/20	25/20	26/15
17,00,000	27,36,576	12,82,318	1,565	10,83,565†	4.20	11,29,838	12	P	Peermade P	25	20	12½	10	20/62	20/62	20/90
6,00,000	7,90,314	4,35,538	1,167	5,83,269	1.50	1,65,244	2	259	Peninsular	20	20	..	10	21/25	22/10	20/70
27,94,880	78 72,019	20,68,711	2,074‡	23,46,900	3.84	13,16,964	3	210	Periakaramalai	20	12½	15	2	3/55	3/47	3/66
13,50,000	48,44,469	13,58,959	952‡	845,000†	3.16	8,05 161	6	270	Rajagiri Rub & Prod P.	20	20	..	10	22/10	22/10	18/60
2,00,000	3,14,567	1,53,963	711	3,320cwt	1.32	1,18,791	3	412	Rajendra P.	25	20	..	5	13/00	13/00	11/25
1,25,000	1,90,373	15,000	216	..	..	43,141	3	413	Swinton	6	Nil	..	2	2/68	2/68	2/82
10,00,000	20,71,084	2,48,373	1,454	4,30,695	1.51	63,263	3	172	Teekoy P.	4	6	..	10	6/75	6/75	6/60
9,15,300	13,14,493	10,80,000	2,227	2,45,549†	3.76	1,27,943	9	210	Thirumbadi	12	10	..	1	1/75	1/75	2/12
5,00,000	5,51,402	16,742	1,305	2,23,794	3.21	40,956	12	414	Travancore Rubber	12	12	..	10	11/00	10/35	11/12
11,00,000	12,63,801	12,63,584	2,535‡	12,19,484†	..	10,61,172	12	9	Travancore Rub & Tea P.	10	10	..	10	8/68	8/68	9/85
30,00,000	23,48,701	1,36,000	3,028	6,38,402	1.00	4,02,762	12	471	Tropical Plantation	8	8	..	25	19/65	19/65	19/15
15,75,000	24,78,11	16,00,000	1,267	3,63,293	2.16	1,00,000	12	410	Twyford	6	5	..	10	8/85	9/00	8/25
21,93,280	30,03,223	17,04,089	3,638	8,28,976†	5.11	12,85,654	3	250	United Nilgiri	22	22	..	10	23/10	23/10	22/90
4,80,010	3,26,839	2,82,051	969	4,94,400	1.80	2,20,096	12	415	Valkundam	30	35	..	10	35/50	35/50	30/50
47,25,000	78,06,431	21,33,765†	2,214‡	13,41,277†	3.77	15,22,472	6	157	Waterfall Estates P.	10	10	10	2	2/33	2/33	2/40
95,000	12,64,609	6,35,454	971	1,65,429	1.78	88,225	3	416	Woodland P.	10	Nil	..	10	6/90	6/90	7/85

‡Hectares

† Kgs.

* 1964

SOUTH INDIA COTTON MILLS

Paid-up Capital Ordinary Rs.	Number on Spindles	Looms	Net Block Account Rs	Reserve & other Funds Premium & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share Rs.	Latest Market Quotations as available until 22-9-64 Rs.	15-9-64 Rs.	A year ago Rs.
31,50,000	46,240	1,157	1,13,35,197	2,05,37,667	29,35,225	1,33 49,220	8,778	12	445	Bangalore W. C. Silk P.	18	18	24	100	270/00	270/00	231/00
89,78,000	1,20,288	2,758	3,98,78,769	4,24,41,649	32,42,332	1,00,04,894	34,777	12	445	Buckingham & Carnatic P.	18	18	18	100	281/00	281/00	269/00
30,00,000	28,000	—	22,72,373	11,600	98,307	1,88,513	42,421	12	433	Cambodia P	12	9	..	10	8/35	8/35	12/37
15,99,600	13,864	..	74,98,712	39,35,014	3,68,986	20,95,517	..	12	188	Coimbatore Cotton	16	9	..	100	151/00	151/00	167/00
10,75,900	2,832	407	47,91 212	7,98,681	22,227	—7,52 342	—10,23,340	t	46	Coimbatore Spg & Wvg.	16	8	..	50	115/50	115/50	67/40
17,20,000	30,512	200	1,08,14 489	23,10 438	10,00,190	5,62,227	31,244	12	141	Kothari Textiles P.	8	8	6	10	8/30	8/30	9/30
96,50,000	1,10,800	—	2,04,58,691	1,02,72 660	64,27,750	66,04,914	25,194	3	186	Lakshmi	25	20	20*-20†	100	134/00	134/00	133/50
75,02,480	3,00,000	..	6,13 24,237	8,09 41,668	1,06,32,128	1,01,11,071	59,354	12	108	Madura	30	15	15	15	35/00	34/90	32/50
60,00,000	24,252	903	16,80,682	28,23,200	45,78,074	23,62,309	10,434	†	49	Mettur Industries	20	22½	20	100	265/50	265/50	277/00
4,00,000	20,137	Nil	4,36,608	4,00,000	24,24,806	7,39,437	2,687	12	80	Palani Andavar P.	50	35	..	10	193/15	193/15	202/75
81,00,000	48,974	270	43,85,330	43,50,000	11,97,728	16,77,243	91,696	12	47	Vasanta P.	25	20	..	100	234/00	234/00	276/00

‡ Hectares

† 1964

* 1963

SOUTH INDIA SUGAR MILLS

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	Net profits	Carry forward	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share	Latest Market Quotations as available until 22-9-64	15-9-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
30,00,00	62,64,264	26,55,000	5,52,400	10,92,779	22,959	9	417	Andhra P.	16	12	..	10	13/04	13/04	17/2
40,00,000	80,62,883	12,61,424	1,58,472	13,46,266	1,40,987	6	218	Cauvery P.	8	6	..	100	99/50	100/00	105/0
39,84,000	80,95,449	50,28,500	10,91,223	29,00,521	9,587	5	218	Deccan Sugar	12	18	18	5	12/30	12/40	10/4
£1,127,700	£3,463,073	£2,075,782	£414,795	£648,473	£21,999	9	319	E.I.D.-Parry	21 3/7	28 3/7	..	£1	36/12	36/12	36/8
63,97,650	39,62,680	15,44,848	64,64,375	12,35,437	69,501	9	418	Indian Sugar P.	10	8	8	10	8/90	8/90	8/6
12,45,572	1,22,66,623	18,99,861	1,51,052	5,99,416	2,090	6	419	Jeypore P.	15	15	..	10	15/23	15/23	16/0
10,52,200	2,87,27,773	1,23,75,000	31,53,982	20,76,426	91,745	6	420	K C P.	15	15	..	10	24/00	24/00	23/9
79,98,000	1,40,86,784	Nil	3,14,482	—16,486	—1,26,762	6	141	Kothari	Nil	Nil	Nil	10	6/45	6/50	7/0
21,79,280	69,98,950	1,19,98,416	46,28,924	1,22,390	4,559	6	264	Mysore	30	30	30	10	27/75	28/00	46/7
30,00,000	35,93,381	11,41,000	10,12,037	4,88,902	1,46,735	4	218	Travancore P.	7½	5	..	10	8/12	7/65	7/1
25,00,000	45,92,397	91,28,520	73,43,307	34,22,332	..	3	320	United Breweries	60	25	Nil	10	33/00	33/00	35/0

SOUTH INDIA MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	Net profits	Carry forward	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share	Latest Market Quotations as available until 22-9-64	15-9-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
1,00,00,000	86,99,116	39,83,750	10,36,603	19,80,945	1,52,818	3	421	*Aluminium Industries*	18	18	..	10	23/25	22/25	17/0
71,03,170	76,52,046	10,34,008	6,28,302	11,87,102	2,761	12	16	Andhra Cement P.	10	9	9—9†	10	10/10	10/10	9/6
3,02,67,658	1,59,93,383	25,63,610	1,84,694	30,01,343	20,076	12	422	Ashok Leyland	8	8	..	5	7/00	7/00	7/3
1,00,00,000	17,47,081	49,33,435	2,75,867	19,86,813	4,39,222	12	423	Binny	22½	21	..	100	271/00	269/00	297/0
7,50,000	5,45,587	56,538	41,650	93,226	—1,46,143	12	270	Brunton & Co.	Nil	Nil	..	10	4/40	4/40	5/0
24,99,000	40,82,511	3,52,644	62,051	3,35,186	4,810	12	424	Enfield P.	4	4	..	10	10/30	10/30	9/2
2,24,44,750	3,21,08,642	66,66,496	73,60,475	51,28,679	1,38,608	3	425	India Cement P.	9	12	..	5	5/42	5/51	5/7
23,82,732	16,92,196	2,50,222	*93,924*	*2,16,808*	2,977	12	230	*Indian Steel Rolling P.*	12½	10	..	10	9/45	*9/30*	10/4
1,40,00,000	1,39,97,059	37,48,801	36,09,251	29,82,180	11,631	3	253	Mettur Chemical Industries P.	12½	13⅓	18⅓	10	15/00	14/90	13/0
24,81,220	12,69,939	10,47,778	17,48,674	8,48,641	8,514	3	233	Mysore Chem. & Fert.	10	5	..	10	7/95	7/93	8/1
8,00,000	5,20,889	4,52,189	2,18,413	2,33,791	85,197	3	151	Mysore Chemical Mfgs. P.	20	20	..	10	16/70	16/70	17/1
6,56,250	5,13,585	9,38,696	6,374	1,23,899	3,146	3	426	Mysore Lamp P.	25	37	..	10	20/00	30/00	30/0
25,00,000	55,50,342	37,12,500	2,43,664	14,29,395	36,663	3	226	Mysore Paper	15	15	..	10	12/50	12/50	13/6
10,00,000	7,56,329	3,16,884	29,32,342	75,422	622	3	201	Mysore Tobacco	Nil	10	..	10	11/50	11/50	10/1
10,00,000	*6,54,848*	8,02,000	2,60,194	4,84,835	1,51,607	3	218	Parry's Conf.	30	26	..	1	3/00	2/97	3/3
40,00,000	82,50,079	1,03,14,883	40,58,627	23,52,432	10,74,117	6	221	Spencer (Provisions)	18	18	..	10	21/50	21/57	20/1
47,00,000	86,53,610	20,65,000	51,902	7,85,966	3,869	12	427	Standard Motors P.	7	6	..	10	10/15	10/15	11/4
11,56,300	5,95,547	14,04,007	16,66,624	4,19,707	41,732	9	7428	T Stanes P.	15	32½	..	10	30/15	30/15	29/1
39,84,400	42,58,650	13,07,759	26,027	6,92,616	932	4	429	Textool	15	15	..	100	156/00	156/50	154/7
2,50,00,000	4,24,61,684	2,14,79,630	72,21,483	85,33,091	50,510	7	430	Tube Investments	10	10	10	100	185/00	185/00	213/0

†1964

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	Net Earnings	Carry Forward	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share	Latest Market Quotations as available until 23-9-64	16-9-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
17,24,000	18,02,732	12,576	—2,52,424	..	3	165	Ahmedpur Katwa	1.90	1.75	..	100	24/87	24/87	26/
21,69,300	35,00,464	6,11,706	2,54,450	1,080	3	32	Arrah Sasaram	5	5	4	100	31/62	31/62	29/
34,00,000	35,33,840	21,816	—4,66,034	..	3	165	Bankura Damoodar	1.90	1.75	..	100	24/87	24/87	30/
17,80,000	20,26,854	10,772	—3,07,176	..	3	165	Burdwan Cutwa	1.90	1.75	..	100	24/87	24/87	29/
31,00,000	28,10,290	46,916	1,59,749	2,620	3	32	Chaparmukh-Silghat	2.90	2.80	2.40	100	35/00	35/00	40/
4,75,000	1,48,268	5,33,369	1,35,796	3,691	3	296	Cherra Chhatak Ropeway	12	12	..	5	6/62	6/62	8/
2,47,650	2,28,169	59,790	42,389	4,003	3	101	Darjeeling Ropeway	..	..	..	10	8/50	8/50	9/
40,00,000	49,80,137	14,51,000	19,14,361	35,951	3	335	Dehri Rohtas	20	15	..	10	11/19	11/19	12/
11,49,700	16,09,728	2,500	26,271	806	3	32	Futwah Islampur	1.90	1.90	1.80	100	29/70	28/70	28/
16,00,000	49,11,916	12,56,213	1,82,293	6,372	3	32	Howrah Amta (P)	5	4½	4	100	34/00	40/00	40/
6,00,000	13,66,352	5,29,960	90,311	2,342	3	32	Howrah Sheakhala	5	4½	4	100	36/50	36/50	45/
5,91,100	11,74,348	15,024	73,560	160	3	165	Katakhal Lala Bazar	3.10	1.90	..	100	41/00	41/00	41/
15,00,000	61,42,583	16,81,057	19,411	Nil	3	32	Shahdara (Delhi)	3	Nil	Nil	100	52/00	52/00	52/

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

1. Anderson Wright Ltd.—7, Wellesley Place, Calcutta.
2. Andrew Yule & Co., Ltd.—8, Clive Row, Calcutta.
3. S. N. Beri—6, Middle Road, Hastings, Calcutta.
4. Hazaremull, Heeralall—148, Cotton Street, Calcutta.
5. Amritlal Ojha & Co., Ltd.—"Security House" Netaji Subhas Road, Calcutta.
6. Alcock, N. C.—Hultsdrof Mills, Colombo.
7. Associated Industrial Development Co (Private) Ltd.—"Nicco House", Hare Street, Calcutta-1
8. Agarwala, S. L.—Indian Insurance Building, Old Cantonment Road, Dehra-Dun.
9. Aspinwal & Co. (Travancore) Ltd.—Chavadi Parambu North Commercial Canal Road, Alleppy
10. Aryan Planter Agency—P-12, Chowringhee Square, Calcutta.
11. Allum Bharucha & Co.—214, Hornby Road Bombay.
12. Associated Planters Private Ltd.—25, General Patters Road, Madras.
13. Antony, M. K.—Alleppey
14. Harrison And Crossfield Ltd.—Cochin.
15. Agarwal & Co.—E. D. Sassoon Building, Dougali Road, Ballard Estate, Bombay
16. V. Ramkrishna—Ramkrishna Bldgs., 38, Mount Road, Madras-6.
17. Amte & Co.—Hubli.
18. B. M. Krisnan—Sri Jayachamaraja Wadiyar Road, Bangalore-2
19. Macneill and Barry Ltd.—2, Fairlie Place, Calcutta
20. Ojha Brothers Ltd.—Security House, Netaji Subhas Road Calcutta
21. Bird & Co. (Private) Ltd.—Chartered Bank Buildings, Calcutta.
22. Birla Bros Private Ltd.—8, India Exchange Place, Calcutta.
23. Babulal & Co Ltd.—13, Syed Salley Lane, Calcutta.
24. Balmer Lawrie & Co., Ltd.—21, Netaji Subhas Road Calcutta.
25. British India Corporation Ltd.—Sutherland House Kanpur.
26. R. L. Thompson—Agraharam Road, Bangalore-2
27. Bengal Textile Agency Ltd.—11, Clive Row Calcutta
28. Swadeshi Enterprise Ltd.—41, Chowringhee Road Calcutta.
29. Beardsell, W. A & Co Private Ltd.—Second Line Beach Madras.
30. Bhagyalakshmi & Co.—Delhi Road, Udamalpet Dt. Coimbotore
31. Rameshwar Tantia—1 & 2, Old Court House Street, Calcutta
32. Martin Burn Ltd.—12, Mission Row, Calcutta
33. K. M. Wilcox—Sutherland House, Kanpur
34. Dr. W. J. J. Curry—9, Hare Street, Calcutta.
35. Ramdutt Ramkissendas—9, Brabourne Road Calcutta
36. Bajoria & Co.—27, Brabourne Road, Calcutta
37. Birla, L. N.—8, Royal Exchange Place, Calcutta
38. Birla, B. M.—"India Exchange", Calcutta-1
39. John Valentine Jardine Paterson—4, Clive Row Calcutta
40. Bhargava, R. K.—Mohalla Masjid Bagh, Badshanagar
41. Biharilal Lahoty—161-1, Mahatma Gandhi Road, Calcutta.
42. W. H. Brady & Co., Ltd.—Brady House, 12-14, Veer Nariman Road, Bombay-1
43. Brijlal Bilasval & Co.—Aga Khan Buildings Dalal Street, Fort, Bombay.
44. Punam Chand Batia—19, Circular Garden Reach Road Calcutta.
45. Chakravarti Sons & Co.—22, Canning Street, Calcutta
46. G. Purushotham Naidu—24, Krishnaswamy Mudaliar Road Coimbatore.
47. Chetty R. K. S. & Bros.—Singanallur, Coimbatore-5
48. S. R. Poddar—33, Netaji Subhas Road, Calcutta
49. Calcutta Agency Ltd.—24, Netaji Subhas Road, Calcutta
50. Chanda, A. P.—15, Taratola Road, Calcutta
51. Shoobridge, F. G.—234-3, Lower Circular Road, Calcutta.
52. W. E. Eadie—175, West George Street, Glasgow C.2.
53. Cement Agencies (Private) Ltd.—121, Queen's Road Fort Bombay
54. Consolidated Elec Agencies—17B, Elphinstone Circus Fort Bombay
55. R. S. R. Iyer—Imperial Bank Buildings Bank Street Fort Bombay.
56. Chinoy, B. M. & Co., Ltd.—Radio House, Apollo Bunder Bombay.
57. Cumberbatch & Co.—Colombo.
58. Cowasjee Jehangir & Co., Ltd.—Ready Money Mansion, Churchgate Street, Fort, Bombay
59. N. K. Jalan—Kamini Chamber, 32, Nicol Road, Ballard Estate, Bombay.
60. Chandrie & Co., Ltd.—Madras.
61. Bagaria More Co., Ltd.—5, Clive Row, Calcutta.
62. Dayaram & Sons—9, Old Court House Street, Calcutta
63. Duncan Brothers & Co., Ltd.—31, Netaji Subhas Road, Calcutta.
64. Duff Thomas & Co.—2 and 3, Clive Row Calcutta
65. Dass Bros.—29, and 30, Strand Road, Calcutta
66. A. K. Das—15, Netaji Subhas Road, Calcutta
67. Day, P. E.—Anderson's House, Bishopsgate, London, E.C.2.
68. Hari Brothers Private Ltd.—Scindia House New Delhi.
69. Dadabhoy Sir M. B.—Kampte Road, Civil Lines, Nagpur
70. N. D. Bangur—14, Netaji Subhas Road, Calcutta.
71. B. C. Roy—Hindusthan Building, 4, Chittaranjan Avenue, Calcutta.
72. Duffs, J. C. & Co., Ltd.—National Bank Buildings, Netaji Subhas Road, Calcutta
73. C. C. Dey—25, Netaji Subhas Road, Calcutta
74. Davenport & Co. Private Ltd.—6, Church Lane, Calcutta
75. Desai, R. M.—14 Nicol Road, Ballard Estate, Fort Bombay.
76. Dodwell & Co., Ltd.—Glennie Street, Slave Island, Colombo
77. Darragh Small & Co., Ltd.—Alleppey.
78. Dadabhoy, B. A. & Co.—Ilaco House, Sir Phirozeshan Mehta Road, Bombay.
79. B. N. Elias & Co. Private Ltd.—1 and 2, Old Court House Corner, Calcutta.
80. Eastern Corpn Ltd.—7, Wellesley Place, Calcutta
81. Ebeling, A. F.—Rawalpindi.
82. Foddar, P. L.—135, Canning Street, Calcutta
83. Pratapsingh Mathuradas—9, Wallace Street Fort Bombay
84. S. B. Industrial Development Co., Ltd.—12, Old Court House Street, Calcutta.
85. A. Firpo, Jr.—18/2, Chowringhee, Calcutta.
86. Forbes, Forbes, Campbell Ltd.—Forbes Buildings, Home Street, Fort, Bombay
87. S. V. S. Iyer—88C, Old Prabhadevi Road, Bombay-28
88. Gillanders Arbuthnot & Co., Ltd.—Clive Buildings, Netaji Subhas Road, Calcutta.
89. Gladstone Lyall & Co., Ltd.—4, Fairlie Place, Calcutta
90. H. C. Bowker—"Victoria House", Calcutta.
91. P. L. Tandon—India House, Fort Street, Bombay
92. Govan Bros. (Rampur) Private Ltd.—4, Scindia House New Delhi.
93. Govan Bros Ltd.—Malhotra Buildings, Queensway New Delhi
94. R. N. Datta—93-A, Dharamtalla Street, Calcutta
95. Daga & Co., Ltd.—9, Royal Exchange Place, Calcutta
96. M. L. Bexon—57B, Free School Street, Calcutta-16
97. Govan, R. G & Co.—Scindia House, Connaught Circus, New Delhi.
98. Turnbull, R. W.—P-4, Mission Row Extension Calcutta
99. Abinash Chandra Das—Jalpaiguri.
100. Guha, Nalini Kumar—18/11/1-B Raja Raj Ballav Street Calcutta
101. Purushottamlall—5, Clive Row, Calcutta
102. George, A. V. & Co., Ltd.—Ancherl Bank Bldgs., Kottayam, Travancore.
103. Kundila, G. Saksaria—139, Meadow Street, Fort, Bombay
104. Gopiksan Piramal—Dr. Ambedkar Road Parel Bombay-12
105. John Whitton Easson—Gillander House, Netaji Subhas Road, Calcutta.
106. F. W. Heilgers & Co. (Private) Ltd.—Chartered Bank Buildings, Calcutta.
107. Howrah Trading Co., Ltd.—8, Dalhousie Square East, Calcutta
108. A. & F. Harvey Ltd.—Pandyan Building, West Vell Street, Madurai.
109. Holmes Wilson & Co. Ltd.—"Stephen House" Calcutta
110. R. G. Khanna—Solan Brewary, Simla.
111. Hotel (Control) Private Ltd.—4 & 4/1, Wellesley Place Calcutta
112. Glass, O. H.—Bilbao House, 36, New Broad Street London E.C.2
113. B. P. Khaitan—14, Netaji Subhas Road, Calcutta
114. Harrison & Crossfield Ltd.—Calcutta.
115. F. V. Braddeley—The Great Social Buildings Sir Phirozeshah Mehta Road, Fort, Bombay.
116. K. G. Khanna—Solan Brewery (H.P.).
117. Hari Sons—Aviur (Cochin State).
118. Hormusjee Sons & Co.—605, Girgaum Road, Dhobi Talao, Bombay-2.
119. Ramnarayan Sons Ltd.—Bombay.
120. Industrial Financing Co.—63, College Street, Calcutta
121. Imperial Chemical Industries (India) Private Ltd.—34, Chowringhee, Calcutta.
122. Indra Singh & Sons Private Ltd.—7, Wellesley Place Calcutta.
123. Hari Brothers Private Ltd.—Scindia House, New Delhi
124. R. Raja Rao—Honnawal Road, Shimoga
125. Iyer, I. R. Anantharam & Bros. Ltd.—Pushpagiri, Trichur
126. N. Sirur & Co. Private Ltd.—70, Forbes Street, Fort, Bombay.
127. J. P. Hannay—2, Metcalfe St., Calcutta.
128. Jardine Henderson Ltd.—4, Clive Row, Calcutta
129. S. S. Bhimwal—7, Chowringhee Road, Calcutta
130. Jhajharia Bros. Ltd.—138, Harrison Road Calcutta.
131. Jain, N. K & Co. Ltd.—"Devashram", Arrah, Shahabad
132. J. K. Industries (Private) Ltd.—7, Council House Street, Calcutta
133. James & Co. Ltd.—23, Netaji Subhas Road, Calcutta
134. Jute Industries Ltd.—4, Lyons Range, Calcutta
135. John, V. C.—Kottayam, Travancore State.
136. Jones H. Edwin—Oriental Building, Bombay Elec House, Ahmedabad
137. John, Kurian—Kottayam, Travancore State.
138. Kettlewell Bullen & Co Ltd—21, Strand Road, Calcutta
139. Kilburn & Co Private Ltd.—4, Fairlie Place, Calcutta
140. Karamchand Thapar & Bros. Private Ltd.—Thapar House, 25, Brabourne Road, Calcutta-1
141. Kothari & Sons Agency Private Ltd.—Armenian Street, Madras
142. R. Suryanarayan Rao—Channapatna, Mysore State
143. S. L. Dhanuka—P-15, Bentinck Street, Calcutta
144. Khaitan, D. & Sons—14, Netaji Subhas Road, Calcutta.
145. P. S. Nilkantan—1, Waterloo Street, Calcutta
146. Killick Industries Ltd.—Mome Street, Fort Bombay.
147. Kanga, R. D.—Electric House, Post Fort, Bombay.
148. Kurian, John—Alleppey.
149. Khatau Makanji & Co.—6, Ballard Road Fort Bombay.
150. Killick, A. S.—2-6, 2nd Line Beach, Madras
151. S. Ramanathan—Chickbanavar P.O., Bangalore Dt
152. Broken Hill Secretariat Ltd.—31, Dover Street, London E.C.2.
153. Low, H. V & Co. Private Ltd.—3, Synagogue Street, Calcutta.
154. Lomas, J. E. W.—19, St. Swithin's Lane, London E.C.4
155. Bharat Ram Bhagat & Co.—45, Tangra Road, Calcutta.
156. Hind Agents Ltd.—Indu House, 15, Dougall Rd, Ballard Estate, Bombay.
157. Kothari Mehta & Co. Private Ltd.—Armenian Street Madras
158. Padampat Singhania—Kamala Tower, Kanpur.
159. Lala Gurusharan Lall—Guraru Dist., Gaya
160. Lovelock & Lewes—4, Lyons Range, Calcutta.
161. Lohia, D. D.—173, Harrison Road, Calcutta.
162. G. E. Solomon—Dare House, Parry's Corner, Madras
163. Mackinon Mackenzie & Co. Private Ltd.—16 Strand Road, Calcuta.
164. L. R. Ananturam Iyer & Bros. Ltd.—Pushpagiri, Trichur
165. McLeod & Co. Ltd.—8, Netaji Subhas Road Calcutta.
166. Hindusthan Investment Corporation Ltd.—15, India Exchange Place, Calcutta
167. B. Barker—Barlow House 59C, Chowringhee Road, Calcutta.
168. Moona Lall & Sons—120/1, Civil Lines, Jhansi
169. K. P. Goenka—31, Netaji Subhas Road, Calcutta.
170. Marshalls (Direction) Private Ltd.—33/1, Netaji Subhas Road, Calcutta.
171. W. E. Malden—P.O. Lohat, Dist. Darbhanga
172. East India Agencies Private Ltd.—Palai Kerala State
173. Moulton G. S & Co (India) Ltd.—11 and 12, Esplanade Mansions, Calcutta.
174. N. M. Cole—3, Clive Row, Calcutta.
175. Satya Narain Gupta—Subzimandi, Delhi.
176. Moton & Co.—Maung Pauley Street, Rangoon
177. H. B. Marshall—1, Humayan Place, Calcutta.
178. Madura & Co. Ltd.—Cochin.
179. A. D. Shroff—New India Assurance Bldgs. Mahatma Gandhi Road, Fort, Bombay
180. Mafatlal Gagalbhai & Sons—Rustam Bldgs., 29, Churchgate Street, Fort, Bombay.
181. Murphy, C.—Rampart Row, Fort, Bombay.
182. Mehta, Chunilal V. & Co. Ltd.—Queen's Mansions, Prescott Road, Bombay.
183. Sir V. N. Chandavarkar—Standard Buildings Hornby Rd., Fort, Bombay.
184. Mysore Industrial Development Co.—33 Gandhinagar Bangalore City
185. Mascarenhas B. M.—Platform Road, Bangalore City.
186. Naidu, G. Kuppuswamy & Co.—Pappanaikenpalayam Coimbatore.
187. Best & Co. Ltd.—The Hyderabad Laminated Products Ltd., Secunderabad-3
188. R. Beema Naidu & Co.—Singanallur, Coimbatore.
189. Naidu, A. G. Guruswamy & Co.—Peelamedu, Coimbatore.
190. Naidu, P. S. Govindaswami & Sons—Coimbatore
191. H. Roychowdhuri—18, Convent Road, Entally, Calcutta
192. B. D. Agarwalla—Stephen House, 4, Dalhousie Square, Calcutta.
193. Kesarmal Manocha—529/1, Hall Bagh, Amritsar.
194. G. V. Swalka—"Pollock House", 18B, Brabourne Road Calcutta
195. A. Maiti—71, Park Street, Calcutta.
196. Srinivasan, S. D.—7, Council House Street, Calcutta
197. Naraindas Lachmeedas Ltd.—Raipurwa Kanpur
198. Dharamsey M. Khatau—Scindia House, Daugall Road, Ballard Estate, Bombay.
199. Nowrosjee Wadia & Sons (Private) Ltd.—Neville House, Ballard Estate, Bombay
200. Dooduawala & Sons—5, Muktaram Babu Street, Calcutta-7
201. R. Arunachalam—17, Richmond Road, Bangalore-1
202. Octavius Steel & Co., Ltd.—14, Old Court House Street, Calcutta
203. Matheson Bosanquet & Company Ltd.—Belmount, Coonoor, Nilgiris.
204. Oberoi Hotels (India) Private Ltd.—17, Chowringhee, Calcutta
205. Oakley Bowden & Co., Ltd.—15, Armenian Street, Madras.
206. Ogale Glass Works Ltd.—43, Gandhinagar Bangalore City.
207. Deepchand Kisehenial—25, Netaji Subhas Road, Calcutta
208. Indian Textile Syndicate Ltd.—Kanpur.
209. E. R. Elliot Lockhart—4, Fairlie Place, Calcutta
210. Peirce Leslie & Co., Ltd.—8/222, Beach Road, Calcutta Kerala.
211. H. L. Somany—2, Wellesley Place, Calcutta.
212. P. G. Krishna Iyer—Mount Pleasant, Coonoor, Nilgiris.
213. Poddar, K. N.—37, Vivekananda Road, Calcutta.
214. James Warren & Co., Ltd.—31, Chowringhee Road, Calcutta.
215. Parkins Ltd.—Kottalam.
216. Parkin, O. & Co.—26, Apollo Street, Fort, Bombay
217. L. C. Kanoi—P-8, Mission Row Extension, Calcutta.
218. Parry & Co., Ltd.—Dare House, Parry's Corner, Madras
219. India Sugar Agencies Ltd.—Mangalore.
220. Price, R. G. N.—National Bank Bldgs., Madras
221. Z. H. Irani—1/153, Mount Road, Madras
222. Chrestien Mica Industries Ltd.—4, Lyons Range, Calcutta.
223. R. N. Agarwala—4, Lyons Range, Calcutta
224. Lohia Brothers Ltd.—138, Canning Street, Calcutta.
225. Roy, B. K.—1, 2 and 3, Old Court House Street, Calcutta.
226. M. D. Shivanenjappa—Kampegowda Road, Bangalore 9.
227. W. Morrice—41, Chowringhee Road, Calcutta-16.
228. Ramnarain Sons Ltd.—Bank Street, Fort, Bombay
229. Rajputna Textile (Agencies) Ltd.—Delisle Road Chenchpoka Bombay.
230. Rajam, C.—Oriental Bldgs., Armenian Street, Madras.

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

231. Ramamurthy, A.—Ravakhada (Orissa), Koraput Dist.
232. Ratnams Ltd.—Pugalur, Trichinopoly.
233. T. Shamanna—1129, Vani Vilasa Road, Mysore.
234. Bangur Bros. Ltd.—14, Netaji Subhas Road Calcutta.
235. Sooraimull Nagarmull—8, Dalhousie Square East, Calcutta.
236. Shaw Wallace & Co., Ltd.—4/5, Bankshall Street, Calcutta.
237. Srivastava, J. P. & Sons—Kanpur.
238. Bharat Ram Charat Ram & Co. Private Ltd.—Bara Hindu Rao, Delhi.
239. A. R. Kalairaja Chettiar—Coimbatore.
240. A. K. T. K. M. Narayanan Namboodripad—Kallai Malabar.
241. Singh, Ranjit—Lucknow.
242. N. L. Roy & Co.—9, Royal Exchange Place, Calcutta.
243. Shyamlal Agarwal—9, Dalhousie Sq. East, Calcutta
244. Sovaram Keshavdeo—15, Netaji Subhas Road, Calcutta.
245. Dr B. N. Ghose—6, Ganesh Avenue, Calcutta-13.
246. Sundaren, S.—Indian Mercantile Chambers, Nicol Road, Bombay.
247. Singhania Padampat—Kamala Tower, Kanpur.
248. E. K. Srinivasan—16, Hare Street, Calcutta.
249. Steel Bros. & Co., Ltd.—Gillanders House, Netaji Subhas Road, Calcutta.
250. T. Stanes & Co.—Coimbatore.
251. Southern India Plantations Agency Ltd.—Coonoor.
252. Saha, Bahuballav—18/11/1B, Raja Raj Ballav Street, Calcutta.
253. R. B Pradhan—Empire House, 214, Hornby Road, Bombay.
254. Sindia, M. Ramchandra Rao—3rd Road, Chamarajpet, Bangalore City.
255. Setalvad, J. C—73, Oppo. Churchgate Station, Fort, Bombay.
256. Scindia Steam Navigation Co., Ltd.—Ballard Estate, Bombay.
257. Ramnath A. Podar—Podar Chambers, Parsee Bazar St., Fort, Bombay.
258. Swedish Match Co.—Nicol Road, Ballard Estate, Bombay.
259. S. Ramashramony Aiyer—Trivandrum.
260. Puranmal Bubha Sons—Indu House, Dougall Road, Ballard Estate, Bombay.
261. N. Sirur & Co. Private Ltd.—70, Forbes Street, Fort, Bombay.
262. Ramnarayan Sons Ltd.—Bank Street, Fort, Bombay.
263. Seshasayee Bros. Private Ltd.—Mettur Dam, R.S.
264. V. Venugopal Naidu—Sir Jayachamaraja Wadiyar Road, Bangalore-2.
265. Shree Hanuman Invt. Co. Ltd.—173, Harrison Road, Calcutta.
266. Talukdar, B. S.—Amlasadarpur, Nadia, West Bengal.
267. Tata Hydro-Elec. Agency, Ltd.—34, Bruce Street, Bombay.
268. Turner Morrison & Co., Ltd.—6, Lyons Range, Calcutta.
269. Tata Industries Private Ltd.—Bombay House, Bruce Street, Fort, Bombay.
270. Thomas A. V. & Co., Ltd.—Alleppey.
271. Thomas, P. T.—Kottayam, S. India.
272. Thomas, M. K. & Co., Ltd.—Trivandrum.
273. Tayabjee, O. S.—159, Gunfoundry Rd., Hyderabad (Deccan).
274. A. Hydari and S Gothberg—Indian Mercantile Chambers, Nicol Road, Ballard Estate, Bombay.
275. United Eastern Agencies—Bombay House, Bruce Street, Fort, Bombay.
276. United Agencies Ltd.—Punalur.
277. Villiers Private Ltd.—F-3, Clive Buildings Calcutta.
278. S. M Smith—4, Bankshall St., Calcutta.
279. Williamson Magor & Co., Ltd.—4, Mangoe Lane, Calcutta.
280. Whitman, Mj. M. C.—Mayo Road, Rawalpindi.
281. N. K. Jhajharia—22, Chittaranjan Avenue, Calcutta.
282. C. Hockley—3, Netaji Subhas Road, Calcutta.
283. P. R. Jhunjhunwala—Sewrie, Bombay-15.
284. Walchand & Co., Ltd.—Ballard Estate, Fort Bombay.
285. Wallace & Co.—9, Wallace Street, Bombay.
286. Wilkinson, A.—117/119, Esplanade Road Bombay.
287. Young India Agencies Private Ltd.—175/1, Mount Road, Madras-2.
288. Dass Group Private Ltd.—29, Strand Road, Calcutta.
289. B. L. Mathur—4, Clive Row, Calcutta-1.
290. K. S. Basu—63, Netaji Subhas Road, Calcutta.
291. Lionel Edwards (Private) Ltd.—21, Old Court House Street, Calcutta.
292. R. N. Jhunjhunwalla & Co., Ltd.—9, Ezra Street, Calcutta
293. A. J. Zullig—31, Chowringhee Road, Calcutta.
294. R. L. Rampuria—5, Fairlie Place, Calcutta.
295. Premnath & Sons, Ltd.—New Delhi.
296. S. N. Tantia—1 & 2, Old Court House Corner, Calcutta
297. F. H. Menta—Mehta House, Apollo Street, Bombay.
298. L. S. Vaidyananthan—Oriental Buildings, Bombay.
299 Kishore M. Premchand—61, Apollo Street, Fort, Bombay
300. North Bihar Trading Co. (Private) Ltd.—11, Brabourne Road, Calcutta.
301. J. W. L. Russell—1 & 3, Brabourne Road, Calcutta-1.
302. Mitra Mondal—Khataull, Dt. Muzaffarnagar.
303. G. S. Shroff—2, Hardinge Avenue, New Delhi
304. James Finlay & Co., Ltd.—2, Netaji Subhas Road, Calcutta.
305. Thakersey Mooljee & Co.—16, Apollo Street, Fort, Bombay.
306. Jatia Brothers Ltd.—21, Rupchand Roy Street, Calcutta.
307. Bhatter's Agency Ltd.—18, Netaji Subhas Road Calcutta.
308. The Hyderabad Constructions Co., Ltd.—Kothagudium Collieries, Singareni, P.O., Deccan.
309. T. Leslie Martin—12, Mission Row, Calcutta.
310. D. S. Barron—Chakala, Andheri P.O., Bombay.
311. Pyne & Sons—23A, Netaji Subhas Road, Calcutta.
312. Ram Kumar Agarwalla & Sons—4, Lyons Range, Calcutta.
313. Bullion Co., Ltd.—7, Canning Street, Calcutta.
314. Brooke Bond India Ltd.—2, Metcalfe Street, Calcutta.
315. Anderson Wright (Ramgarh) Ltd.—7, Wellesley Place Calcutta.
316. The Cotton Agents Private Ltd.—14, Radha Bazar Lane Calcutta-1.
317. Bird & Co. (Pakistan) Ltd.—Narayanganj.
318. Shree Krishna Investment Co. Ltd.—1-B, Halwasiya Road, Calcutta.
319. H. V R Iengar—Dare House, Parry's Corner, Madras.
320. F. W. J. Penn—32, Grant Road, Bangalore-1.
321. B. Ghosh—14, Old Court House Street, Calcutta.
322. Messrs. Tata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Road Fort, Bombay-1.
323. Anderson Wright & Co.—7, Wellesley Place, Calcutta.
324. Indo Corporation Private Ltd.—5, Swinhoe Street, Calcutta-19.
325. Brian Granger Pearson—Virginia House, 37 Chowringhee, Calcutta.
326. B. L. Pyne—14, India Exchange Place, Calcutta.
327. Marwar Textiles (Agency) Ltd.—Waudby Road Fort, Bombay-1.
328. John Taylor & Sons (India) Ltd.—Mysore Oorgram, South India.
329 Sri G. D Bhagat—15, Shib Thakur Lane Calcutta
330. Mahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.
331. N. L. Roy & Sons—Canning Street, Calcutta.
332. A. D. Mango—16, Hare Street, Calcutta.
333. Mungturam Jaipuria—Swadeshi House, Civil Lines, Kanpur.
334. H. Mackay Tallack—2, Fairlie Place, Calcutta.
335. Sahu Jain Ltd.—11, Clive Row, Calcutta.
336. Tulsidas Kilachand—Scindia House, Dougall Road Bombay
337. Beriwala & Co.—63, Netaji Subhas Road, Calcutta.
338. D. R. Sons Ltd.—Hornby Road, Fort, Bombay
339. M G Investment Corpn. Ltd.—Mafatlal House, Backbay Reclamation, Bombay-1.
340. K. O. Cheriyan—Travancore.
341. N. L. Kanoria—India Exchange, Calcutta-1.
342. O. N. Chatterjee—2, Royal Exchange Place, Calcutta.
343. Indra Singh—133, Canning Street, Calcutta-1.
344. V. J. Pilani—Victoria Bunder, Colaba.
345. The National Tea Corporation—130, Cotton Street Calcutta
346. Seshasayee Brothers (Travancore) Ltd, —Eloor Factory Alwaye.
347. Tantia Brothers Private Ltd.—1 & 2, Old Court House Corner, Calcutta.
347. M. D. Jalan—62, Ballygunge Circular Road, Calcutta-19
349. Seth Sonanlal Murarka—19, Circular Garden Reach, Calcutta-23.
350. K. Agarwal—Empire House, Dr. Dadabhoy Naoroji Road Fort, Bombay.
351. L. & T. (Management) Private Ltd.—I. C. House, Dougall Road, Ballard Estate, Bombay.
352. Chinai And Co. Private Ltd.—Sadhana Rayon House, Dr. Dadabhai Naoroji Road, Bombay-1.
353 N. K. Jhajnaria—14, Netaji Subhas Road, Calcutta.
354. L. C. Kanor—P-8, Mission Row Extension, Calcutta.
355. T. R. Jalan—16, Strand Road, Calcutta.
356. R. Bajoria—10, Clive Row, Calcutta.
357. A. K. Jain—11, Clive Row, Calcutta
358. L. P. Goenka—14, Old Court House Street, Calcutta-1.
359. G. D. Kothari—15, India Exchange Place, Calcutta.
360. R. E. S. Talyarkhan—Volkart Building, 19, Graham Road, Bombay-1.
361. N. K. Bose—85, Netaji Subhas Road, Calcutta
362. Dalmia Agencies Private Ltd.—Rajgangpur (Orissa).
363. C. L. Nahata—14, Old Court House Street, Calcutta.
364. W. A. C. H Bosschaart—7, Justice Chandra Madhab Road, Calcutta-20.
365. S. L. Dhanuka & P. L. Dhanuka—5, Mission Row, Calcutta
366. A. K. Sen—48/1, Diamond Harbour Road, Calcutta-27
367. Lakshmipat Singhania—7, Council House Street Calcutta
368. Kalyanji Mavji & Company—14, Netaji Subhas Road, Calcutta.
369. P. L. Batla—7, Canning Street, Calcutta
370. Pannalal Saraogi—8, Lyons Range, Calcutta-1.
371. G. L. Saraogi—56, Sir Hariram Goenka Street, Calcutta-7.
372. H. K. Newar—9, Brabourne Road, Calcutta
373. C. L. Maheswari—Shreeniwas House, Waudby Road, Fort, Bombay
374. Talukdar Law & Co. Private Ltd.—4, Chittaranjan Avenue Calcutta-13.
375. K. N. Mookerjee—Leslie House, 19, Chowringhee Calcutta-13
376. K. D. Ganguli—Mercantile Buildings, Lalbazar Calcutta
377. K. C. Dass & B Maitra—35, Panditia Road, Calcutta-20.
378. R. N Goenka—18-A, Brabourne Road, Calcutta.
379. S. R. Damani—30, Clerk Road, Bombay-11.
380 British India Corporation Ltd.—Sutherland House, Kanpur.
381. A. K. Jain—Dalmianagar, Bihar.
382. B P. Kedia—7, Wellesley Place, Calcutta-1.
383. W. H. G. Baird—9, Brabourne Road, Calcutta
384. Punam Chand Batia—19, Circular Garden Reach Road Calcutta-23.
385. G. P. Kanoria—5 Clive Row, Calcutta.
386 D N. Jalan— McLeod House 3, Netaji Subhas Road Calcutta
387. Shibendra Sankar Sarbadhyaksha—Jalpaiguri
388. A. V. Birla—9, Kaliprasanna Singhee Road Calcutta-2
389. British India Corporation Ltd.—Kanpur
390. T Hatan—16/3, Chowringhee Road, Calcutta-13.
391. R. M. Cox—59C, Chowringhee Road, Calcutta-20
392. R. A Godwin—32, Chowringhee Road, Calcutta-16.
393. Khatau M Shethia—14, Netaji Subhas Road, Calcutta-1
394. B. M. Birla—India Exchange, Calcutta-1
395. W. F. Malden—Lohat, Darbhanga,
396. D. Manson—21, Netaji Subhas Road, Calcutta
397. N. M. Bhuwalka—135, Canning Street, Calcutta
398. Hoare Miller & Co., Ltd.—5, Fairlie Place, Calcutta.
399. B. Patnaik & Co. Private Ltd.—P.O. Chowdwar, Cuttack.
400. R. K. Kanoria—9, Brabourne Road, Calcutta-1
401. K. V. Venkitasubramoney Iyer—Seetagundy Estate, Sitharkunda P.O., Palghat Dist Kerala State
402. A. V George & Co., Ltd.—Ancherll Bank Buildings, Post Box 1, Kottayam, Kerala State.
403. Mathew Sebastian—Thodupuzha Kerala State.
404. Planting Agencies Private Ltd.—Oriental Buildings, Armenian Street, Madras-1
405. The Consolidated Coffee Estates (1943) Ltd.—Pollibetta Coorg
406. C. I. Machia—Pollibetta, S. Coorg.
407. Srinivas Agencies—Coimbatore-2.
408. K. N. Krishna Iyer—22, Royapettah High Road, Madras-14.
409. Yong India Agencies Pvt. Ltd.—Monorama Bldgs. K. K. Road, Kottayam (Kerala State)
410. Parkins Private Ltd.—Kottayam.
411. Johnsons Estates & Agenies (Private) Ltd.—Malankara Bldgs., Kodimatha, Kottayam, Kerala.
412. Associated Planters (Pvt.) Ltd.—25, General Patters Road, Madras-2.
413. J. R. Motishaw—Mercantile Bank Building, 16, First Line Beach, Madras-1.
414. K. V. Mathew—Kottayam, Kerala State.
415. K. Ramachandran—Patton Palace, P.O. Trivandrum-4
416. N. Kunjukrishna Pillai—T. C. 6/750, Patton Palace, P.O. Trivandrum-4.
417. Rango Rao & Co.—Venkatarayapuram, Tannku, West Godavari Dist., Andhra Pradesh.
418. The India Sugar Agencies Private Ltd. —139 Meadows Street, Fort, Bombay-1.
419. R. S. Industrial Corporation Private Ltd.—Rayagada, Koraput Dist., Orissa State
420. V Ramakrishna Sons (Private) Ltd.—38 Mount Road, Madras-6.
421. Seshasayee Brothers (Travancore) Pvt. Ltd.—1, Ceramic Factory Road, Kundala (Kerala).
422. Sir A Ramaswamy Mudaliar—Ennore, Madras.
423. P. J. M. Leigh—7, Armenian Street, Madras-1.
424. K. R. Sundaram Iyer—Tiruvottiyur, Madras-19
425. Essen Private Ltd.—175/1, Mount Road, Madras-2
426. J. L. D'sa—Old Tumkur Road, Malleswaram, Bangalore-12
427. The Standard Motor Co. (India) Pvt. Ltd.—29, Mount Road Madras-2.
428. E. B Stanes—6/33, Race Course Road, Coimbatore-1
429 Balasundaram & Co.—Satyamangalam Road, Ganapathy P.O., Coimbatore-6.
430. A. M. M Arunachalam—52/53, Jehangir Street, Madras-1.
431. J. M. Parsons—2, Fairlie Place, Calcutta-1
432. Mahabir, S. J. B. Rana—1, Humayan Place, Calcutta
433. G. N. Sam & Co.—Senthottam, Sowripalyam P.O., Coimbatore-4.
434. G. Kejriwal—Rajgangpur, Dist. Sundergarh Orissa State
435. D. L. Ghosh & Co. (Agents) Private Ltd.—11, Government Place East, Calcutta
436 N. D. Bangur—14, Netaji Subhas Road Calcutta.
437. R. N. Bhotika—4, Old Court House St., Calcutta.
438. Birla Gwalior Private Ltd.—Industry House, 159, Churchgate Reclamation, Bombay-1.
439. R. S. Bajpai—Kamala Tower, Kanpur
440. R. L. Jatia—9, Brabourne Road, Calcutta-1
441. S. K. Agarwalla—24, Netaji Subhas Road, Calcutta-1
442. S. P Bhoumick—17, 18 & 19, Old Court House Street, Calcutta
443. Madan Mohan Lall Shri Ram Ltd.—D.C.M. Premises Bara Hindi Rao, Delh-6.
444. T. R. Jalan—2, Brabourne Road, Calcutta-1
445. A. D. Galloway—7, Armenian Street, Madras-1
446 Talukdar Law & Co. Private Ltd.—Hindusthan Bldg. Calcutta-13
447. Pran Prashad—Chartered Bank Bldgs., Calcutta-1,

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CHOOSING BETWEEN POLICIES IN BRITAIN

WHEN U.S. voters go to the polls in November they will be electing a man, an individual, to lead a pressure group and be head of an administration. What they will get is a "manager" who will run their country and be personally responsible to them for doing so. This will not be the case in Britain on 15th October. There, a good deal of trouble is being taken to avoid the "star" system of politics. When the British voter makes his choice he will be electing a Party to form a Government on the basis of the policies represented to him at the hustings. Personalities will be at a discount, despite the influence of television and the natural tendency to form judgments concerning which leader might make the best Prime Minister. This is in accordance with the wishes of all Parties; there is still a strong feeling that policies must come before personalities and that voters should be allowed, indeed encouraged, to make as definite a choice as possible between them. Whatever opinion may be held about the political effectiveness of such a system in this day and age, there is no denying that it does encourage a certain amount of rational thinking about the issues at stake among that small minority of voters who are prepared for such exertions. Fortunately, it is this marginal or "floating" voter who chiefly decides which Government is returned to power.

At the present time people in Britain are busy making their choice. They would no doubt find the task easier if the differences between the main Party platforms were in fact more marked than they are. That seems to be seldom the case there nowadays. Both Conservatives and Labour are offering their own brand of democratic socialism; each has its theory of planning, the only discernible difference between them being, to quote the Tory manifesto, that one is based on consent and the other on compulsion. It is not necessary to belong to either Party to realise that this statement over-simplifies the truth. In fact, at least in the field of policy, the dividing line is nowhere near so well defined. Labour is certainly not contemplating wholesale compulsion as a means of implementing its plans; it would soon come up against the opposition of its own supporters in the trade unions if it did. Nor are the Conservatives likely to rely wholly on consent without the use of a little "persuasion" here and there; the absence of it has already ruined that key to planned prosperity, a viable incomes policy. No, the real difference between the policies of the two main Parties in Britain lies rather deeper than this. It is to be located not so much in the old political division between liberalism or authoritarianism, but in the new "scientific" one between progress and stagnation.

At least such is the impression Labour is trying to create, and at the moment it is this Party which is making the electoral running—inevitably, perhaps, after 13 years of Tory rule. What Mr Wilson is seeking to do is present a dynamic image, one based on scientific planning for progress, both economic and social. In this he is undoubtedly right, but he is taking a double risk. The first is that the reactionary section of his own Party—the trade unions and the old "cloth-cap" socialists—might not permit him to go ahead with his intentions once the election was won and the need for unity ceased to be so acute. The other is that the British people will not trust him. The main reason why they may not do this is that they are not yet ready for anything as revolutionary as rapid economic progress. But another one is that, quite rationally, they do not believe the Labour Party is capable of carrying out its promises. One glance at Labour's manifesto explains why this should be so. There is no doubting this document's forward-looking character; it is just that here and there the old class prejudices and jealousies peep through, and the preference for restrictions and controls for their own sake makes itself apparent. Such things are sure election-losers in Britain today. That is why Labour's chances are by no means as good as its choice of what is undoubtedly the right approach would seem to suggest.

By temperament the British are not a fast-moving people. Yet in recent years there has been a distinct feeling in the country that only by learning to live with rapid change can Britain hope to stay abreast of other advanced nations. And if she wants to retain her standard of living, leave alone increase it, she has no real choice but to keep up with the times, the facts of economic life being what they are. So when Mr. Wilson angles his election appeal to those who believe that their country's only salvation is to abandon its traditional distrust of change and adopt a more thrusting and progressive attitude towards the modern world, he is only behaving in accordance with what the vast majority of thinking people in Britain today believe to be the dictates of wisdom. What he is still failing to do, however, is convince them that the Labour Party is the right vehicle for transporting the nation into the twentieth century. Nobody can say he is not trying his best. Why it may not prove good enough is because the Party still cherishes its old working-class soul under its shining new classless and scientific exterior.

In promising to inaugurate an era of modern progress, the Labour Party is not the only one hampered by its past. The Conservatives, too, are the subject of acute mistrust on the part of the more intelligent voters. This is scarcely surprising. After 13 years of almost unbelievably inept economic mismanagement, during which, in *comparative* terms, Britain's standard of living is among the few of any in an industrially advanced country to show a distinct *fall*, the burden of the Conservatives' election appeal is that living standards have risen and must be protected from Labour's dark designs. It would be difficult to imagine any more dishonest approach. The real facts underlying the Tories' promises for the future are that thanks to four successive waves of "stop-go" the British economy shows one of the slowest rates of progress in the world, and certainly the slowest in western Europe. Further, far from benefiting by such dismal experience—particularly that of creating a sharp slump and the highest postwar record of unemployment only 18 months ago due to Mr. Selwyn Lloyd's overenthusiastic use of monetary restraints—the present Government has contrived to bring the

country to the brink of yet another balance-of-payments crisis which will undoubtedly require the prior attention of whichever Ministry emerges from the election on 15th October. It is extremely hard, after such a record, to believe that the Conservative Party can be trusted to solve Britain's chronic balance-of-payments problems, and to ensure a steady and modest growth rate of 4 percent a year, if returned to Westminster.

This image of amateurish incompetence is not alone in damaging the Tories' chances at the polls. There is also the class aspect, almost, though perhaps not quite, as distinctive as Labour's, but of course in the opposite direction. This was perhaps the main reason why the choice of Sir Alec Douglas-Home, Lord Home as he was then, to lead the Party, was entirely the wrong one. At least the back-bench Conservative M.P.s, those who are soliciting votes in this election, can claim that this was none of their doing; in fact the decision was Mr. Macmillan's and nobody else had much say in it. But the responsibility for the choice must be borne by the whole Party if only because it was accepted in such supine fashion. Now the Tories are saddled with a leader who has failed both to revitalise his Party and enthuse the electorate. The image of aristocratic dilettantism, the very one which should have been avoided by the Conservatives at all costs, has not by any means been dispelled by Sir Alec's near-year in office. If the Conservatives lose this election, a large portion of the blame will be their leader's.

Compared with this striving for a modern progressive image with which to attract the uncommitted voter, the detailed contents of the main Party programmes are of only minor importance. Both promise more of everything, and only the Conservatives would pay much attention to the cost. Neither Party's policy is without its glaring contradictions, although Labour's probably has the most. Nowhere is there any open acceptance of what should in fact be the first priority of any British Government which has the economic future of the country at heart, the need to secure speedy admission to the European Economic Community. So in fact, despite the programmes so carefully laid out on paper, what the thinking British elector will be doing is not so much choosing, as he is intended to, between policies, which in any case look depressingly alike, as deciding which Party offers his country the best chance of rapid conversion to progress and prosperity in a modern world. An interesting point is that whichever one of the main Parties he picks on, the chances are that he may never get their policies in the form they intend them.

Such is the state of the main two Parties in Britain at the moment that it appears highly likely neither is capable of securing an absolute majority at the polls. If this should happen, then the tiny Liberal Party could hold the balance in the House of Commons. Such a situation is not without its consolations, whatever may be said of its political propriety. The Liberals are the traditional custodians of the radical side of the British political conscience, and because they lack the strong sectional encumbrances which appear to doom both Labour and the Conservatives to perpetual reaction, they are undoubtedly the most progressive Party in Britain today. Their election manifesto is conspicuously lacking in inspiration; the most that can be said of it is that it embodies the best features of those of the other two Parties. But the prospects of a minority Government of either the Right or the Left being kept on its toes, or prevented from going to excess, by a forward-looking body of Liberal M.P.s, is not such as to depress those with the best interests of the country at heart.

THE BANK RATE INCREASE

THE Reserve Bank of India last Friday raised Bank rate from 4½ percent to 5 percent, which is the highest fixed so far. According to an inter-bank agreement, the minimum lending rate has to be 2 percent above Bank rate. So with the latest increase, the minimum lending rate of scheduled banks will go up from 6.5 percent to 7 percent unless the agreement is amended. Since the Reserve Bank has placed a maximum limit of 9 percent on the lending rate of the larger Indian and foreign banks, the cost of credit will now vary between 7 percent and 9 percent. The Central Finance Minister, Mr. T. T. Krishnamachari, told the Lok Sabha that the emphasis in the Reserve Bank's lending policy will be on making credit costlier rather than on directly restricting its availability. The rise in Bank rate has been so timed that it has come after the Governments, both at the Centre and in the States, have completed their borrowing programmes.

In its efforts to wield Bank rate as an instrument of credit policy, the Reserve Bank has had to face two conflicting motives. One is the Government's desire to raise large sums of money from the public as cheaply as possible, which postulates a low Bank rate. The second is the need to curb credit expansion, which calls for a high Bank rate. By timing the increase in Bank rate now, the central bankers seem to have got the best of both worlds. But this advantage will be short-lived. With the Government's permanent commitment to massive outlays under the five year plans and the limited scope for raising funds through deficit financing and additional taxation, it will have to come to the market every year for substantial loans. The increase in Bank rate will, however, be welcomed by international financing institutions like the I.M.F. and the World Bank which have considered the relatively low cost of credit in India as being out of tune with the shortage of capital in the country.

The main objective of putting up Bank rate is to restrain credit expansion, which has far outpaced the increase in real output. According to the Reserve Bank directors, during the year ended June 1964, bank credit rose by Rs. 245 crores, or as much as 16 percent. The record credit expansion in the last busy season put a great strain on the liquidity of banks, necessitating substantial borrowings from the Reserve Bank. Indeed their borrowings reached an all-time high of Rs. 107 crores in March 1964, against only Rs. 83 crores in the previous busy season. The rise in the rediscount rate, the Reserve Bank hopes, will compel borrowers to make more economic use of loan funds and thus restrain the indiscriminate expansion of credit. It is thus conceived as an anti-inflationary measure.

But it is doubtful if the higher Bank rate will achieve this purpose, since with the existence of a vast unorganised money market the Reserve Bank's control on credit has seldom been effective. On Mr. Krishnamachari's own reading of the situation, the vast hoards of unaccounted money have been an important element in the speculative cornering of commodities, thus worsening shortages. Apart from holders of unaccounted money, there are the innumerable moneylenders who constitute the unorganised market. The Reserve Bank's writ has seldom run in these sectors of the economy. Indeed, instead of exercising an anti-inflationary influence, the rise in Bank rate will jack up industrial and trading costs all along the line and aggravate the pressure on prices. The impact of higher interest rates will be particularly severe since, in the present depressed state of the capital market, industries have to depend heavily on borrowed funds. A policy of dearer money will also affect corporate profits, and make equities less attractive than they are.

A direct consequence of the higher Bank rate may be a downward readjustment in the prices of stocks and shares since the increase in the interest rate structure will cause investors to expect a bigger yield on their investments. This will be particularly true in the case of fixed-return investments. In fact, Government securities have already depreciated. The erosion in the values of shares and securities will adversely affect the investment portfolios of institutional investors like banks, the Life Insurance Corporation and the Unit Trust. The impact will be particularly felt by banks, whose minimum liquidity ratios have been statutorily raised from 20 percent to 28 percent since 16th September. The need to abide by the new ratio has compelled banks to subscribe handsomely for the recent Government flotations, an operation they could perform only because of the availability of slack-season funds.

The Reserve Bank has simultaneously enforced a new scheme linking the cost of central bank credit with the net liquidity position, that is, the total of a bank's cash, balances with the Reserve Bank and other banks and investments in Government securities minus its total borrowings from the Reserve Bank and the State Bank. Under this scheme, the existing quota system for scheduled bank borrowings from the Reserve Bank has been replaced by a system of differential interest rates determined by a bank's liquidity. So long as its net liquidity position is at or above 28 percent of its total demand and time liabilities, a bank can obtain credit from the Reserve Bank at Bank rate. But for every decline of 1 percent in the net liquidity ratio, the rediscount rate will be stepped up by ½ percent. By adopting this strategy, the Reserve Bank will be able to penalise those banks which try to increase their resources by liquidating their holdings of gilt-edged. In fact, during the last busy season much of the expansion in bank credit was brought about by liquidating securities and by borrowing from the Reserve Bank. Now by linking the cost of central bank credit to net liquidity, the Reserve Bank has deterred banks from selling their securities and compelled them to make serious efforts to mobilise deposits. The biggest beneficiary of this new scheme will be the State Bank of India since its liquidity ratio is as high as 46 percent.

Both the Government and the Reserve Bank have been pointing to the need for a "more orderly" system of deposit rates since the present narrow spread between the interest on short- and longer-term funds is not "conducive to deposit mobilisation." After remaining vague for a long time, the Reserve Bank has now come out with some definite instructions. It has said that deposits for up to 14 days should not be paid more than what current accounts get. Secondly, the maximum rate the banks can pay for deposits given for up to 90 days is 2½ percent. Thirdly, the Reserve Bank has indicated its preference for a minimum rate of 4 percent for deposits of 91 days, "with suitable spreads for deposits of longer maturities." The competition for savings will be quite keen, particularly from non-banking companies which are offering attractive returns. Banks will, therefore, have to offer other attractions, such as improved service to their clients, in order to mobilise deposits. The vigorous expansion of branches in areas not adequately served by banks can do much to spread the banking habit. New branches may not earn their keep in the initial stages, so there is some justification for providing special financial incentives to banks undertaking branch expansion.

REFINANCE FOR AGRICULTURE

THE first annual report of the Agricultural Refinance Corporation for the year ended June 1964 is of considerable interest since it highlights the difficulties in agricultural development. The Corporation was established on 1st July, 1963. Its object is to help augment the resources available for providing medium- and long-term finance to agriculture. It is primarily a refinancing agency providing accommodation of a long-term nature for major development projects which cannot be financed by the existing credit agencies for various reasons. First, the volume of funds required may be very large. Secondly, the terms and conditions of repayment of the existing credit agencies are generally very rigid. Thirdly, the projects which are to be financed may be such that they cannot be brought within the normal rules of business under which land mortgage banks, the principal financing agencies, are functioning. Considering the activity of the Corporation, it is clear that it does not intend to replace the existing schemes for providing long- and medium-term finance, including the Reserve Bank's scheme of assistance. At the same time, it is not expected to be merely a passive financing agency; it has to play an active rôle in stimulating interest in agricultural development schemes. It has to advise the various institutions that are eligible for refinance, and assist them in planning and executing projects.

Since the Corporation aims at supplying funds to the primary lenders for helping them to provide medium- and long-term credit, it should play a useful part in the field of agricultural credit. Among the factors inhibiting agricultural development in recent years, the lack of a timely and adequate supply of credit to cultivators has been a prominent one. To the extent that the Corporation succeeds in reinforcing the supply of credit to agriculturists, it renders a useful economic service. It intends to provide refinance facilities for the reclamation and preparation of land so that facilities for irrigation can be used more fully. It is also expected to promote the development of mechanised farming and encourage the use of electricity for working tube-wells. It will take steps to develop dairy farming, animal husbandry and poultry farming. It will also encourage the development of plantation crops, many of which are good foreign exchange earners. In addition to providing refinance facilities to land mortgage banks, co-operative banks and scheduled banks, the Corporation aims at toning up the entire institutional credit structure for agriculture.

Although the working of the Corporation during the first year was not expected to be spectacular, its performance was poor, mainly due to the apathy of various State Governments about agricultural development. During 1963-64, the Corporation approved only four schemes involving a total financial outlay of Rs. 6.38 crores. Of these, the applications received for refinance were only three. The three schemes for development—two in Andhra Pradesh and one in Orissa—are expected to increase agricultural output. In the course of a few years, there may be an additional production of 90,000 tonnes of paddy and 10 million coconuts a year. The fourth scheme for reclaiming and developing land under the Nagarjunasagar project in Andhra Pradesh, involving Rs. 3.66 crores, is likely to be sanctioned towards the close of 1964. The expected annual increase in production from this project should amount to 132,000 tonnes of paddy from reclaimed land, which will get water by June 1966. A few other schemes have also been received from States like Madras and Maharashtra which await finalisation.

Presiding over the annual general meeting of the Corporation in Bombay last week, Mr. M. R. Bhide, chairman, pointed out that the response from State Governments in sending worthwhile schemes has not yet been as encouraging as one would like it to be. Before State Governments can be helped in preparing sound schemes, the initiative has to come from them. If they set up expert committees to prepare good schemes for agricultural development, the Corporation will give them assistance. Considering that the poor performance of the agricultural sector in the past few years has largely contributed to the prevailing economic distress, it is time the State Governments gave agriculture the attention it deserves. Since agriculture is primarily their responsibility, the output of foodgrains and cash crops will not improve unless State Governments become more serious about farm development.

Although the Corporation provides refinance facilities for only those schemes which are technically feasible and economically sound, it has taken steps to ensure that State Governments are given help in preparing good projects. It undertakes technical evaluation of all projects by appointing experts on an *ad hoc* basis. With the help of the Division of Rural Economics, Reserve Bank of India, it carries out benefit-cost surveys in each area covered by various projects. It also undertakes to prepare a technical plan for every agriculturist covered by the schemes of development. The idea behind these measures is to ensure that the refinance facilities given by the Corporation are properly used to increase production.

The plantation industry did not send any development scheme to the Corporation during 1963-64 because it could not comply with the existing rules. Since the Corporation is keen on helping plantation development, it has decided to give refinance facilities to the plantation industry through scheduled banks without insisting on a Government guarantee. But the financing bank must have a good reputation and enjoy a sound financial position. The security offered should also be acceptable to the Corporation. Besides, the rules have now been sufficiently modified to make refinance facilities available to the plantation industry. Considering that many small planters are unlikely to enjoy the support of scheduled banks due to administrative reasons and the lack of a sound security, the Corporation is investigating the possibility of using land mortgage banks to help them. If refinance facilities are extended to the tea industry, it will enable the latter to undertake new schemes for stepping up output.

Current News and Comment

Trading in Groundnut Futures

New Delhi's recent decision to lift the ban on hedge trading in groundnut and groundnut oil has cleared the way for resumption of forward trading in these commodities. The trade and the Forward Markets Commission have been discussing for some time the terms and conditions for futures trading in new crop contracts, and the trade has been obliged to accept the stringent terms stipulated by the Commission. The January contracts will attract special margins when the price of groundnut rises above Rs. 250 a 250 kilograms and that of groundnut oil rises beyond Rs. 20 a 10 kilograms. The rate of margin, which will be payable by bulls, will be Rs. 5,000 a 25 tonnes for groundnut and Rs. 4 a 10 kilograms for oil. A free limit of 300 tonnes of groundnut and 120 tonnes of oil will be given for each member and non-member. Further, the long position held against actual export commitments will be exempted from the margin on furnishing the necessary export documents. A limit has been placed on the open position at 5,000 tonnes for groundnut and 2,000 tons for oil. The weekly fluctuation limit (in the regular official trading) has been fixed at Rs. 2.40 a quintal of groundnut and 55 paise a 10 kilograms for oil. All non-member clients with an open position exceeding 300 tonnes in groundnut and 120 tonnes in groundnut oil will be required to get themselves registered with the exchange. The margin and the free limit applicable to the delivery period will be decided later.

The terms and conditions laid down by the Commission are designed to check excessive speculation and stabilise prices at reasonable levels. Few will deny the need to contain speculation within healthy limits, but if experience is any guide margins simply eliminate the small fry but do not have a significant impact on the volume of speculation. Margins have proved utterly futile in the past in influencing the course of prices. And whenever artificial restraints are placed on the futures market they simply widen the spread between spot and futures prices. Whether hedge trading has any important economic function to perform may be a moot point, but if forward trading is to be permitted there is little sense in putting such restrictions on trading as make the market thin and anaemic and impede its smooth functioning. The margin of Rs. 5,000 a 25 tonnes is stiff by any standard; that is what a bank might normally charge for stocking the actual goods on behalf of its clients. The level of Rs. 250 a 250 kilograms at which the special margin will become applicable is also rather low when one bears in mind that the quotation for spot groundnut has been bid up to Rs. 380 a week or so ago. The new crop distant positions are no doubt quoted appreciably lower, the current quotation for Gujarat Kathiawar for December delivery being mentioned around Rs. 240 a 250 kilograms. Groundnut oil for December is reported around Rs. 19 a 10 kilograms, against the spot quotation of Rs. 28.50; only about a fortnight earlier, spot oil had touched an all-time high of Rs. 33. The market can be expected to remain subdued for a few months under the pressure of new crop arrivals. But prices are likely to firm up again once the seasonal influences have spent their force.

How groundnut and groundnut oil will actually behave will depend to a large extent on the Government's export policy. The Government cannot boost the export of groundnut oil through liberal incentives and at the same time expect internal prices to fall to reasonable levels. How to strike a happy compromise between exports and internal prices is a matter which calls for careful consideration not only of the demand-and-supply position at home, but also of international demand and price trends. Apart from export policy, the Government will have to revise the present formula for fixing *vanaspati* prices in order to keep groundnut prices within reasonable limits. The Government of India's policy for export of groundnut oil and for fixing *vanaspati* prices is not the only factor which will have a significant bearing on oilseeds prices and the functioning of the futures market. The smooth working of the hedge contract is likely to be seriously affected if the Gujarat and Uttar Pradesh Governments do not take early decision on removing the restriction on the export of groundnut and groundnut oil from their States. The Uttar Pradesh Government has restricted the movement of other oilseeds as well, and enquiries with the trade indicate that there is much politics behind the State's policy for oilseeds. Restrictions on the movement of goods from one State to another have created artificial markets and it is difficult to make a proper assessment of the demand and supply equation. The outlook of the hedge contract in groundnut in Bombay will be seriously affected if export curbs make it impossible to tender the inferior Kanpur Bold groundnut against the contract.

Making More Textile Machinery

The Development Council for Textile Machinery, a body created by the Government with the object of helping domestic manufacturers to increase their output to 80 percent of the country's total requirements in as short a time as possible, held its first meeting in New Delhi recently. The meeting provided an occasion for a review of the industry's economic conditions, the difficulties which have been checking further growth and the prospects ahead, by the chairman, Mr. Prabhu Mehta. Discussing demand prospects, Mr. Mehta visualised that the cotton textile industry would need to raise its capacity by 1970-71 to 18 million or 19 million spindles and 250,000 looms from the present capacity of 14 million spindles and 200,000 looms if the requirements of the growing population are to be met. The woollen industry's requirements of machinery for expansion, modernisation and rehabilitation, at present met by imports, are valued at Rs. 18 crores for the entire third plan period, but judging from the present rate of purchases, only Rs. 7 crores worth of machinery might be imported by 1965-66. The arrears would naturally have to be met in the next plan period. The art silk and synthetic fibre industry's needs of machinery are placed at Rs. 35 crores in the third plan period, and this, in Mr. Mehta's opinion, can be entirely met by the indigenous textile machinery-makers provided they modify their designs. The jute industry's third plan requirements are placed at approximately Rs. 55 crores, in addition to accessories, spares and stores worth about Rs. 23 crores. Although the Indian textile machinery industry's production of such items amounted to only Rs. 3.75 crores in 1963-64, Mr. Mehta pointed out, continuous work was being done for developing improved jute machinery, particularly in the post-spinning section. More sophisticated machines were also being "developed" in other lines.

These indicate the large scope for the textile machinery industry's development—the point was

particularly stressed by the Minister for Heavy Engineering, Mr. T. N. Singh in his inaugural address. The Minister said that the production of textile machinery was worth Rs. 19 crores in 1963, and might rise to Rs. 27 crores in 1965-66. As against this, the country's total requirements of textile machinery may rise to Rs. 347 crores during the next five-year plan. But the most that can be expected from domestic manufacturers is Rs. 272 crores worth of machinery. Ways must, therefore, be found to bridge the gap. There were gaps also in some important items like draw-frames, speed-frames, warping machinery, etcetera, which were yet to be produced at home.

The obstacles to raising domestic production have been mainly two; first, lack of adequate finance, and secondly, dearth of raw materials like pig iron, steel and alloy steels. Mr. Mehta pointed out that while the textile machinery industry, was called upon to sell its products on deferred payment terms because of foreign competition and shortage of finance with the using industries, the Indian banks had been unhelpful. Foreign suppliers were able to offer credit facilities covering as long a period as ten years at a very low rate of interest. The indigenous industry is unable to provide competitive facilities because of the peculiar stand taken by the banks. "In spite of the buyers' and the buyers' banks' irrevocable guarantees", Mr. Mehta said, "the machinery manufacturers' banks insist on debiting the value of the deferred payments sale on the machinery manufacturers' account." This has affected the industry's creditworthiness considerably. It has, therefore, always found itself short of funds. Consequently production has been hampered, and the trade has been diverted to other countries. Mr. T. N. Singh responded to this complaint by saying that the financial difficulties of the industry were already receiving the attention of the Government and agencies like the I.C.I.C.I. Other development institutons would in due course do whatever was necessary.

An important aspect of indigenous manufacture was stressed by Mr. H. C. Dasappa, Central Minister for Industry and Supply, who said at the meeting that the quality of machinery produced in the country should conform to the requisite standards. A detailed assessment of the exact requirements of different items would be helpful. Mr. Manubhai Shah, Central Minister for Commerce, felt that the industry could make an appreciable contribution to the country's export drive. It was, however, disappointing to note that none of the Central Ministers, especially the Minister for Heavy Engineering whose direct responsibility it is to look after the textile machinery industry, could give any satisfactory assurance that the industry's raw material needs would be adequately met.

Balance of Payments Improves

According to the August issue of the *Reserve Bank of India Bulletin*, India's foreign exchange reserves rose modestly by Rs. 11 crores during 1963-64. The external transactions resulted in a current account deficit of Rs. 382 crores. But there was a net capital inflow of Rs. 393 crores which more than offset the current account deficit. The rise in foreign exchange reserves took place despite the repayment of Rs. 24 crores towards the credit line provided by the International Monetary Fund. During 1962-63, reserves had dropped by Rs. 2 crores in spite of a borrowing of Rs. 12 crores from the I.M.F.

The main factor contributing to the improvement in 1963-64 was a marked rise in export earnings, combined with a favourable turn in invisible accounts and larger receipts under official loans. The deficit in current account narrowed down successively from Rs. 101 crores in April-June 1963 to Rs. 71 crores in July-September 1963 and to Rs. 57 crores in October-December 1963. Imports dropped in July-September while exports rose in July-September and October-December 1963. The trend was reversed in the last quarter of 1963-64, when the current account deficit increased sharply to Rs. 107 crores. But for the year as a whole, while the deficit on merchandise transactions increased by Rs. 20 crores, the net invisible receipts rose by Rs. 30 crores. As a result, the current account deficit contracted from Rs. 345 crores in 1962-63 to Rs. 335 crores in 1963-64.

Management Education in India

Management education as an academic discipline is of recent origin in India, even if one takes into account the institutions run by some universities. Suddenly however, due entirely to the spread of industries and general economic growth of the country, the various courses offered by these institutions have become popular. Although not exactly in step with demand, facilities have expanded and two institutes of management have been set up recently—one in Barrackpore near Calcutta and the other in Ahmedabad, Gujarat. Both these are modelled on the lines of the two best business schools in the United States. These are permanent institutions, and there are many which offer *ad hoc* courses. For instance, the Administrative Staff College, Hyderabad, also provides refresher courses for managers and business executives in the public and private sectors. Yet in spite of the expansion in training facilities, the demand for seats, especially in the two new institutes (in Calcutta and Ahmedabad), is so great that only a small proportion of the total number of candidates seeking admission every year are absorbed by the institutes. This points to the need for further expansion of facilities, but it would be useful to know the precise requirements of managerial and supervisory personnel of the economy for the next few years in advance so that training facilities can be suitably planned and augmented.

The Management Personnel Committee, set up by the All India Board of Technical Studies in Management, has estimated these requirements in a way which will help the planning of additional training facilities. The Committee's report was presented to the Board at its recent meeting in Calcutta (with Sir Jehangir Ghandy in the chair), and it estimates the requirements of managerial and supervisory personnel during the third plan period at 7,000 on the technical side and 13,000 on the general and commercial sides. These requirements are expected to rise to 13,250 and 26,000, respectively, during the fourth five year plan. The National Council of Applied Economic Research has also forecast that the demand for managerial personnel between 1960 and 1980 would amount to 50,000. Because of the longer period chosen, it is not possible to compare the two estimates here, but in industry generally, the N.C.A.E.R.'s calculations have been taken to be under-estimates. In any case, and judging particularly from the data in the Managerial Personnel Committee's report, it appears that the training and instruction facilities for managerial and supervisory personnel available in the country is much too inadequate. The Committee specifically recommends that more facilities should be provided for part-time instructions in management courses at Baroda, Durgapur, Kanpur, Ranchi, Jamshedpur and Bhilai. India has no regular training institute for foremen and supervisors. The All India Board of Technical Studies in Management had also appointed a committee to examine the existing training facilities for these categories of personnel; it was also required to enquire whether it is necessary to set up a permanent institute. The committee has recommended that three new residential institutions (in Bangalore, Bombay and Jamshedpur) will be necessary if the training programme is to be adequate. It has also suggested that as many industrial establishments as possible should be persuaded to start some part-time training in foremanship and supervision. The Board will submit in due course its considered views to the All India Council of Technical Education at whose instance the former had undertaken the evaluation enquiry.

The problem, however, is not just one of quantitative expansion, but as Sir Jehangir Ghandy rightly emphasised in the course of his address at the Calcutta meeting, the quality of education, or training, imparted is equally important. For this purpose, management education needs to be kept constantly under review. The Board, Sir Jehangir said, has been revising the syllabus for post-graduate courses in industrial management and business management in the light of the latest developments in the field, but it must now undertake a further review of the need for a study in depth of new managerial techniques. These include value analysis, inventory control, operations research and quality control. India, which has been trying to catch up in the industrial race, needs to produce managers with first-class background and sound training in these advanced techniques. Any investment in this field will be money well spent.

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UNIVERSITY EDUCATION

Rex writes under "Current Coin":

SIR William Ramsay has been speaking out on the value of University Degrees as a test of capacity, in his address from the Chair to the Society of Chemical Industry at New York on September 9th. He said: "The older I get the less I believe in them." Examinations are a fetish in England and China, in which men of Science have lost faith. "The qualities tested," continued the professor, "by such examinations as have been customary for the past 40 years in England are the last which one would wish to have in a student of science—readiness of memory to the exclusion of deliberate judgment; the faculty of spreading knowledge thin, and making a veneer of scientific facts instead of the power to correlate them and increase their value; and skill to gauge the capacity of and hoodwink the examiner. Instead of the power to incite enthusiasm in others. They are ideal qualities for a successful barrister, because they pay in his profession: but their reward has been the bane of science. A sound judgment, though it may be a slow one, persistence in struggling against obstacles; the knowledge where to get information when required, and to use it when found; and the inventive faculty —these are the qualities required, and they can be gauged only after long-continued observation." Sir William Ramsey also denounced our system of competitive scholarships and fellowships as pernicious. We know something in India of the way in which Human Parrots are manufactured by the thousand and branded M.A. and B.A. and then turned out fit for nothing useful in the economy of life. The god "Cram" is exalted everywhere, and the faculty for deliberate judgment is relegated to a place of very inferior importance in gauging the capacity of university candidates. Sir William is of course speaking mainly of the evils created in the domain of science by the way in which degrees are now obtained, but Educationists in India may well find food for reflection in his words, as regards other realms of study. And I am sure his observations about "the skill to gauge the capacity of and hoodwink the examiner" will be readily recognised here as applying in a very special sense to Indian examinations.

FROM

CAPITAL

29th September, 1904

A Ditcher's Diary

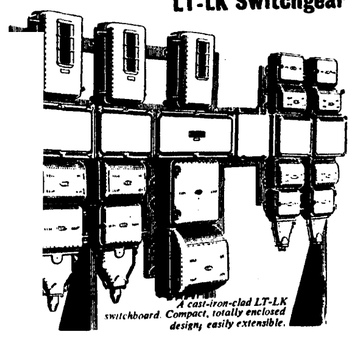
A WHOLE WEEK AFTER THE DAWN ARREST OF BAKSHI Ghulam Mohammed and his pals—ah, the knock on the door in the small hours sounds almost Central European—the whole affair remains nearly as misty as some of those mornings in Srinagar. It says something for the pervasive legalism in India that most commentators should have questioned the application of the Defence of India Rules, for the spur obviously was the defence of somebody or something else. It is entirely correct—"correct"; how old-fashioned the word sounds, before it dies at my feet—that everybody should demand for the Bakshi the earliest possible open and fair trial, totally unlike the one the Sheikh got at the Bakshi's hands. I am not at this point prepared to sing in praise of poetic justice; I have not read the poetry of the Hungry Generation, also in jug, and justice has been reduced to something else by many of the obliging judicial commissions those politicians appoint when the public howl cannot be otherwise met. Mr. Lal Bahadur Shastri, I daresay, was entirely honest when he said that the arrest of the Bakshi was an act of the Government of Jammu and Kashmir; New Delhi had not even been consulted. I am a warm supporter of States' rights in most matters; language and Prohibition, for instance. Yet nobody should need to be reminded that Article 370 is still there in its pristine inviolability; and the Article is not closed to two-way traffic. Even if I could lay my hands on a letter I received from a colleague holidaying in Kashmir last year, I could not possibly quote from it; the whole thing was calculated libel from beginning to end—all about the Bakshi. My friend knew his law all right and so added, as I remember, "Don't use a word of it, for Nehru's sake; but what I have written is not a tenth of what I keep hearing from everyone I meet". There need be, thus, little sympathy for Bakshi Ghulam Mohammed; some, perhaps, for Mr. Sadiq. Pitiful is the state of New Delhi. Detractors will say that it pretends to be a silent witness to things going on; alas, it does not have to pretend, for it is. I am getting tired of the word "drift"; drift itself seems tireless. It needs to be remembered that Kashmir is still there before the U.N.; UN-knowingness will be no defence.

NOT MANY YEARS AGO, THE "SUCCESS" OF A *hartal* in Calcutta was judged, more than anything else, by the number of those killed or injured, or by the number of trams and buses burnt on the streets. As I read the smug newspaper reports about last Friday's general strike, it occurred to me that the times may have changed, but the criteria of success had not; the *hartal* was widely reported to have been a virtual failure, but apparently for no better reason than that the few people, buses and trams emerging on the roads all managed to survive the experience. My faith in the value of such assessments, and of the West Bengal Government's claims, is, however, diminished a little by the recollection that the previous *hartal*, on 20th May, was also dismissed at the time as a failure; only last week—more than four months later—was the Chief Minister, Mr. P. C. Sen, able to revise his memory and discuss it in terms suggesting that it was an "eight-anna success". Whether last Friday's *hartal* should, by comparison, be described as a two-anna success or a four-anna failure seems to me of no great consequence. Transport services were somewhat better, and attendance in offices slightly larger, than during previous *hartals*. But that, to my mind, would be a poor standard to go by; more important, perhaps, was the fact that life in the city was far from normal, and a very large number of people chose, or felt compelled, to stay away from work. It is easy for those in authority to feign dismay at such evidence of pusillanimity; but, at heart, they know that the pusillanimity is born of experience, especially experience which has taught people that they cannot always bank on police protection if they should fall into the hands of interfering hoodlums. The Calcutta police are to be complimented on having managed to prevent serious incidents, partly through the questionable use of the Defence of India Rules. But the Government has an unflattering past to live down, and last Friday's experience showed that it cannot be lived down easily. Mr. Sen, meanwhile, might usefully remember that if a one-day strike called by the Opposition parties can cause a loss of Rs. 10 crores, so can a one-day holiday declared by the Government. Between the passion for stoppages alternately displayed by the two, it is hard to decide where the greater foolishness lies.

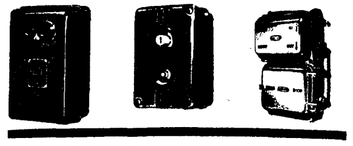
THE PRESIDENT, DR. RADHAKRISHNAN, HAS NOW returned to India after what, according to All India Radio, was a triumphant tour of the Soviet Union and, of all places, Ireland. Dr. Radhakrishnan is unquestionably the most agreeable and presentable personality the country has after Nehru; any day I would rather have him on junkets round the world than, well, so many you and I can think of who are far more peripatetic. The time may yet have come for all to treat the tours for what they are. Rituals have their uses, perhaps as much in politics, democratic or otherwise, as in religion, idolatrous or otherwise. Anything more? Now that Mr. Krishnamachari is ever so much more reasonable about foreign exchange for legitimate purposes, some of the earlier pretence and hypocrisy, generated by Mr. Morarji Desai's rigidity, should go. It was once necessary to mingle public purpose with personal business to get anywhere out of the country. The country's loss, unnoticed, was twofold; it spent scarce foreign exchange and it also saw a personal charge being transferred to the public exchequer. The Commonwealth Prime Ministers' conference or endless negotiations on the India Office Library were purely incidental; somebody had to go somewhere to fix a son's admission or something of that sort; and the tax-payer paid for it. All this has nothing whatever to do with the President, who cannot, obviously, always be the host and never a guest. I am unable to extend the immunity to his vast retinue; several Ministers also have had an unnecessarily large entourage on their recent travels abroad. It may all sound very petty, and I know it. But I wish the Ministers ever cared to look at the trail of bitterness and ill-will each of these visits leaves behind—much longer and more enduring than the trail of smoke drawn on the sky by the jets they fly by. What do they know of the rancour between Shrimati A and Shrimati B, all over the lipstick or pressure cooker the former's husband got from Paris and the latter's didn't from Rangoon? Mr. Krishnamachari must one of these days sit down and think over the forbidden fruit his predecessor made of foreign travel; Mr. Desai should approve, for sin he is believed to disapprove.

LAUNCHING A NEW NEWSPAPER IS ALWAYS A TRICKY and expensive business, even when it can rely on a "captive" first readership of 1¼ million. That was the circulation figure the *Sun*, Britain's first new popular daily in 34 years, kicked off with. The question now is whether it can increase it. To begin with the number might be higher; not only will the readers of the old *Daily Herald* be anxious to give the newcomer a chance, but others will no doubt buy it out of curiosity. The "moment of truth", the point when the readership will have settled down and will either be declining or expanding at a fairly steady pace, is not expected before the early months of next year. By that time, a great deal of money will have been spent, quite apart from the £10,000 a week it was costing to keep the *Daily Herald* alive during its last few months. Very sobering economics indeed, and an interesting comment on what is required to launch a popular newspaper these days, even one which claims to have no political affiliations. That, I believe, is now a necessity for a daily newspaper

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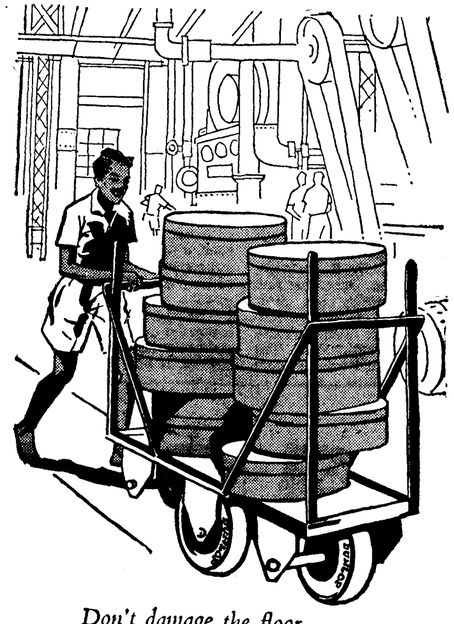
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of wide circulation in Britain. In bulk, the *Sun* is larger than the *Daily Herald*, although that may not last. It contains more features, which means that it does not intend to follow the formula that has served the *Daily Express* so well—"there is no substitute for news in a newspaper"—but has decided instead to copy its stable companion, the *Daily Mirror*, in being at least partly a daily magazine. That would certainly lose me as a regular reader. Nor do I approve of its policy of mixing up news and comment. This can be highly misleading if not actually dangerous. Otherwise, the *Sun* looks to me very like the paper it is replacing. The format is similar and the type faces are identical. The difference lies in the image. It is no longer that of "cloth-cap" socialism; rather it tries to conform more with Mr. Wilson's new, scientific, popular mass appeal. It seems to me the formula is a good one, bearing in mind the extent to which the British working classes have become "de-proletarianised" in recent years. This is the reason why the death of the *Daily Herald* marked the end of an era. It will be interesting to see how long the *Sun* survives to illuminate the present one.

THE IDENTITY OF MR. KHRUSHCHEV'S "ULTIMATE" weapon, even if it had in fact existed, is a problem which would not have intrigued me greatly. I noticed distinct signs of similar unconcern among the vast majority of the people I spoke to about it; most of us are just not caring any more. I suppose if the Russians really did have such a weapon, Mr. Khrushchev would have been doing everybody a favour by warning us about it. But he would be aware, in turn, that there is no great consolation in knowing you can always destroy your enemy provided you are prepared to destroy yourself in the process. Moreover, he must also know that the very possession of such a weapon is likely to make his problems of defence, especially against the Chinese, so much more difficult. It was said some years ago, by me I believe, that wars are no longer won by rockets, aircraft carriers or nuclear bombs, even if international politics are to some extent influenced by such things. Nowadays wars are won by under-fed little men with "burp" guns and very little else except a determination to fight on indefinitely if need be. Against such nuisances, "ultimate" weapons would be useless. They would not save the United States from its inevitable defeat in South Vietnam, for instance. Nor would they have helped the French in Algeria, or the British in Malaya. And, nearer home, they would not safeguard India against intrusions from China. Devices such as these belong to the period of history when wars were declared and fought to a finish. Nowadays they tend to be long-drawn-out, indefinite affairs, where the dividing line between preparatory politics and decisive hostilities is often impossible to draw. Like the other weapon-bound major Powers, Russia has so far shown herself unprepared for this kind of warfare, especially psychologically. That is why Mr. Khrushchev is still talking nonsense about highly destructive weapons and why, trusting its instincts rather than its reason, the world has become profoundly bored by his claims. I am sure that Peking is not in the least impressed by what Mr. Khrushchev said; rather the reverse, because it revealed taints of the old "Maginot Line" reactions to the threat of war. So far, the Chinese have shown themselves to be the most accomplished exponents of the new kind of warfare. But I see that President Soekarno is also learning fast.

ONCE UPON A TIME A CHAP HAD A FRIEND, OR SO IT seemed, who was an inspector of taxes. As evidence of his love and affection he frequently gave presents to the inspector, who at length was moved to write and protest. His letter stated that while he appreciated the friendship and the generosity which accompanied it, a man of his importance could not go on accepting these gifts and, therefore, to protect himself he must give notice that any further gifts would go straight into the fire. The chap wrote back saying that he fully appreciated the position but his feelings of generosity could not be curbed. The next day he had delivered a ton of coal.

THE DITCHER

IMPERIAL TOBACCO PAYS INTERIM

COMMENTING on the prospect for the current year in his chairman's address at the annual general meeting of the Imperial Tobacco Company of India Ltd. held in Calcutta last week, Mr. F. A. Collett emphasised that the Company is well equipped to face the growing competition from other cigarette manufacturers. (A full text of the speech is printed on a later page in this issue of *Capital*.) The results during the current year are expected to show an improvement, provided taxes are not further increased. So the directors have decided to revert to the previous rate of interim dividend by declaring the first interim dividend of 2½ percent for the current year. He takes an optimistic view of the future. There is a great scope for increasing the consumption of cigarettes, but the rate of the rise depends on two factors: firstly, the standard of living in India, secondly, the rate of excise duty, which governs consumption greatly. At present, it is considered very high.

During 1963-64, cigarette consumption dropped for the first time in many years. The high rate of the excise duty seems to have reduced consumption. If the revenue from the cigarette industry is to remain buoyant, it is necessary to reduce the excise duty. Mr. Collett mentioned that the Company might have to bear the burden of heavier direct taxation during the current year. It seems that the 1964 Budget has increased the corporation tax for the Company to 60 percent. He also mentioned the disadvantages of frequent changes in taxation. So he commented, "if we cannot have a reduction in taxation, then at least a period of stability is overdue". The Company has taken steps to improve sales by toning up the sales organisation and diversifying the products. In the export field, attempts are being made to find markets in rupee payment countries by arranging trade on Government-to-Government basis. The two printing factories of the Company situated in Monghyr and Tiruvottiyur, near Madras, are doing very well. In addition to doing the work of the Company, outside orders are being executed by them.

Martin Burn Power Companies

THE results of the electric companies under the managing agency of Martin Burn Ltd for the year ended March 1964, have been published. The directors of Agra Electric Supply Co. Ltd point to the satisfactory progress that is being made in the installation of the new generating plant in Agra. It is hoped that the new station will be commissioned in March or April 1965. The transmission and distribution systems are being increased to facilitate the supply of additional electric power. Operating expenses have increased due to rising costs of coal and labour. The Company has been permitted to make a very nominal increase in charges to consumers. Since the rise has proved to be insufficient, proposals for a further rise in rates are being discussed with the Uttar Pradesh Government.

Units sold rose from 55.2 million to 61.3 million and revenue from Rs. 68.51 lakhs to Rs. 76.63 lakhs. After providing for all charges and setting aside Rs. 52,626 (against Rs. 50,437) to contingencies reserve, Rs. 5.15 lakhs (against Rs. 4.81 lakhs) to depreciation and Rs. 1.25 lakhs (against Rs. 50,000) to general reserve, there is a distributable balance of Rs. 2,03,357, including Rs. 13,612 brought in. The taxable ordinary dividend has been reduced from 11 percent to 10 percent which works out to a yield of 8 percent at the present price of Rs. 125 a share of Rs. 100 each. The carry-forward is Rs. 3,398.

The United Provinces Electric Supply Co. Ltd has been operating the new 10MW power station in Talkatora, Lucknow, since January 1964. In pursuance of the notice of the State Government, arrangements have been made to hand over the Lucknow and Allahabad undertakings of the Company to the State Electricity Board. The licence has expired since 10th September, 1964. Units sold rose from 127.5 million to 141.8 million, and revenue from Rs. 1.54 crores to Rs. 1.80 crores. After providing Rs. 11.42 lakhs (against Rs. 10.80 lakhs) for depreciation, Rs. 1.49 lakhs (against Rs. 1.15 lakhs) for contingencies reserve and Rs. 2.25 lakhs (against (Rs. 1.25 lakhs) for general reserve and meeting other charges, there is an available balance of Rs. 5.63 lakhs, including Rs. 9,311 brought in. The taxable ordinary dividend has been reduced from 11 percent to 10 percent. The yield amounts to 4.6 percent at the present price of Rs. 217 a share of Rs. 100 each. The carry-forward is Rs. 2,908.

The permanent bulk supply from the Ganga Sarda grid of the U.P. Electricity Board has now been connected to the system of Bareilly Electricity Supply Co. Ltd. So the capacity of the power station has been increased. The expansion programme to increase the transmission and distribution systems has been undertaken. The State Electricity Board has advanced a loan of Rs. 10 lakhs to the Company for the purpose. Operating expenses have increased due to the increased costs of coal and labour. Although the Company has been allowed to increase charges to consumers, the rise is insufficient. So, proposals for a further increase in charges are being discussed with the State Government. Units sold rose from 15.8 million to 16.9 million and revenue from Rs. 27.52 lakhs to Rs. 29.43 lakhs. The distributable balance has amounted to Rs. 51,402, including Rs. 1,852 brought in, after providing Rs. 2.34 lakhs (against Rs. 2.14 lakhs) for depreciation, Rs. 19,932 (against Rs. 18,800) for contingencies reserve and Rs. 18,000 (against Rs. 13,500) for taxation. The taxable ordinary dividend has been reduced from 11 percent to 6 percent which works out to a yield of 5.2 percent at the present price of Rs. 11.50 a share of Rs. 10 each.

The undertaking of Upper Jumna Valley Electricity Supply Co. Ltd was handed over to the State Electricity Board on 27th June, 1964, and the Company received an initial payment of Rs. 4.5 lakhs to be followed by further payments in due course. Until such time as a settlement is reached as to the price to be finally paid to the Company for the acquisition of the undertaking and until the contingency liabilities have been suitably assessed, it will not be possible to formulate proposals relating to the future of the Company. Units sold dropped from 28.1 million to 25.6 million, but revenue rose from Rs. 40.76 lakhs to Rs. 46.24 lakhs. The Company has incurred a loss of Rs. 58,422, after providing for all charges and setting aside Rs. 16,439 to contingencies reserve. This has been due to the increase in the bulk supply tariff imposed by the State Electricity Board. The excess of expenditure over income and the reasonable return have been made good by transferring Rs. 76,318 from the appropriation account and Rs. 48,707 from tariffs and dividends control reserve. There is an available balance of Rs. 68,537, including Rs. 1,934 brought in. The taxable ordinary dividend has been reduced from 13½ percent to 10 percent. The yield amounts to 3.9 percent at the present price of Rs. 25.37 a share of Rs. 10 each.

India Steamship Earns Profit

THE ordinary shares of India Steamship Company Ltd have improved to Rs. 7.25 due to an optimistic assessment of the future outlook of the Company by Sir A. Ramaswami Mudaliar, chairman, in his address at the annual general meeting held in Calcutta last week. After incurring losses during the past few years, the Company has earned a profit of more than Rs. 9 lakhs for the year ended March 1964. He seems to be of the view that the Company has now again entered the profit-earning stage. (A full text of the speech is printed on a later page in this issue of *Capital*.) Nevertheless, he pointed to the various factors which are contributing to the unprofitable working of shipping companies. The delay in the turnround of ships in Indian ports has involved the companies in enormous losses. Berthing delays, combined with lightning strikes and labour troubles, have contributed to the increased operational costs. This apart, Indian ports do not provide enough dry docking and repair facilities. As a result, the earnings of shipping companies have suffered. He rightly stressed that either the frieght rates must be increased to offset the increased operational costs, or port facilities should be adequately improved.

Commenting on the expansion of Indian shipping, Sir Ramaswami pointed out that there is need for more tramp shipping, tankers and bulk carriers. Since India is deficient in these lines, it is hoped that attention will be given to develop them. It will be sheer waste of economic resources if new entrepreneurs are allowed to enter the liner trade in which Indian shipping is now largely represented. Any new tonnage should be usefully utilised so that the Indian shipping industry develops on healthy lines.

Satisfactory Results from Jay Engineering

ALTHOUGH the working of the Jay Engineering Works Ltd for the year ended March 1964, was interrupted by a prolonged strike lasting from 17th December, 1963 to the end of May, 1964, the Company has produced fairly satisfactory results. It has earned a profit of Rs. 16.24 lakhs, against a profit of Rs. 35.85 lakhs for 1963-64, after providing Rs. 35.20 lakhs (against Rs. 32.51 lakhs) for depreciation and Rs. 3 lakhs (against Rs. 5.40 lakhs) for development rebate reserve. Despite the smaller profit, the directors have decided to pay a taxable ordinary dividend of 8 percent by transferring a sum of Rs. 9.50 lakhs from general reserve. This has been done in view of the strong

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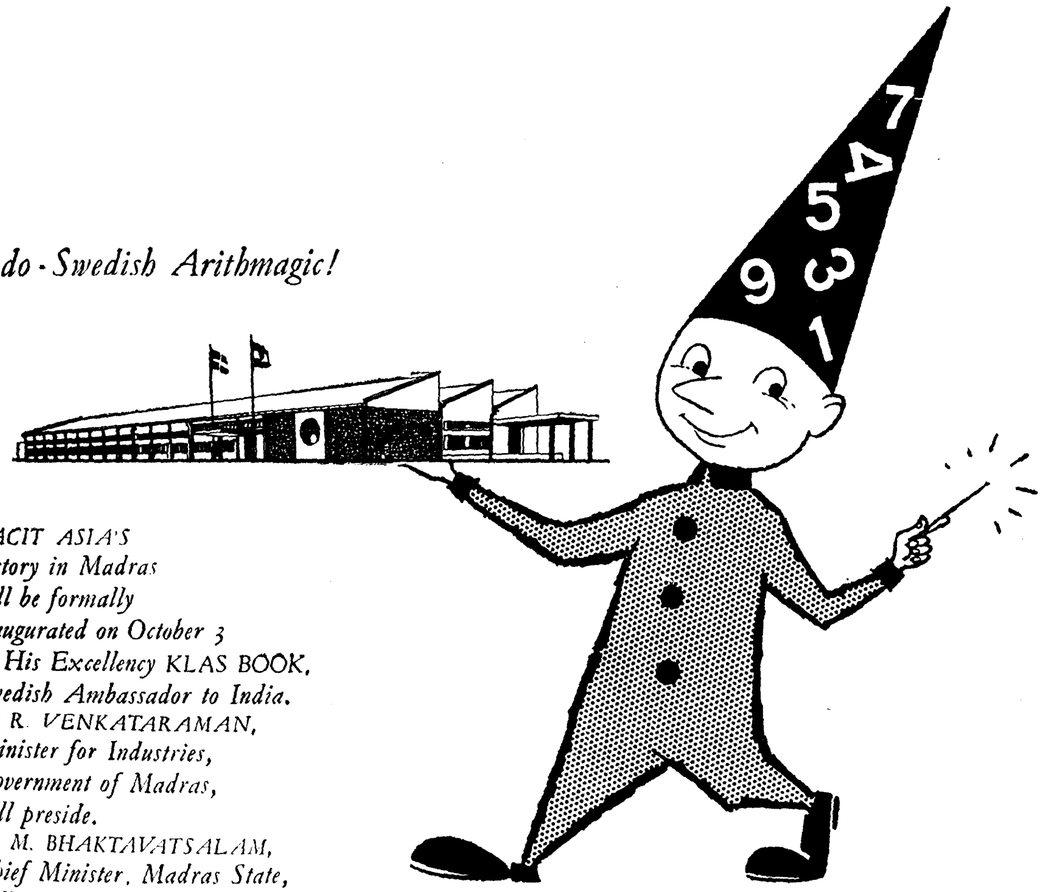
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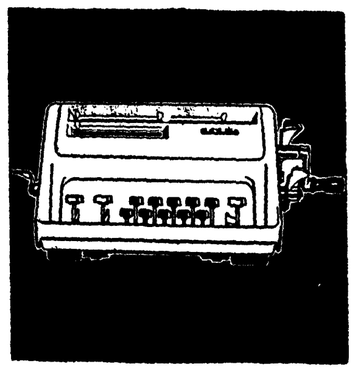
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financial position of the Company. In his chairman's address at the annual general meeting held in Calcutta (a report of which was printed in the previous issue of *Capital*) that current operations are maintaining a satisfactory trend. It is hoped that the Company will increase its earnings during the current year and there should be bigger exports of the Company's products. The subsidiary Company in Ceylon is operating at a profit. It has already earned a profit of Rs. 77,553, but the factory in Hyderabad has not yet turned the corner.

Pointing to the unfortunate results of the strike, he mentioned that the interests of the working class in this country are suffering because trade unionism is dominated by political considerations. Referring to the rising costs of industries, he stressed the importance of taking urgent steps to hold them down. If the Indian economy is to be relieved of the prevailing stresses and strains, it is necessary to concentrate attention upon productive investments. Unproductive investments should be avoided as far as practicable.

Aluminium Corporation Results Impress

THE performance of Aluminium Corporation of India Ltd during the year ended March 1964, has been impressive. Sales rose by 48 percent to Rs. 3.45 crores, and the profit has been much higher than that of 1962-63. The Company issued new preference shares for Rs. 25 lakhs and ordinary shares for Rs. 17.81 lakhs. So the paid-up capital of the Company now amounts to Rs. 2 crores. Presiding at the annual general meeting of the Corporation held last week, Mr. Lakshmipat Singhania, chairman, assured (a full text of the speech was published in the previous issue of *Capital*) the shareholders that the Company would service the new capital satisfactorily out of its increased earnings. The expansion programme has been completed and an intregated plant is now operating. Steps have been taken to undertake further expansion and discussions with the Government have begun.

He takes an optimistic view of the outlook for aluminium. By the end of the third five year plan, the demand for the metal should rise to 150,000 tonnes and may increase to 300,000 tonnes by 1970. Since aluminium is a heavy capital-intensive industry with long gestation periods, the Government should provide incentives for its development. At present, the working of this industry is being hindered by the high cost of power and various difficulties, particularly that relating to bauxite which is the chief raw material. Since the primary producers are not given free scope for developing fabricating facilities, their working has tended to suffer.

Hastings Mill Repeats

HASTINGS Mill Ltd has repeated the taxable ordinary dividend of 6 percent for the year ended March 1964. The yield amounts to 4.8 percent at the present price of Rs. 126 a share of Rs. 100 each. The profit has dropped from Rs. 16.57 lakhs for 1962-63 to Rs. 12.07 lakhs for 1963-64, after providing Rs. 18.02 lakhs (against Rs. 10.93 lakhs) for depreciation, Rs. 5.20 lakhs (against Rs. 3.79 lakhs) for development rebate reserve and Rs. 10.75 lakhs (against Rs. 22.50 lakhs) for taxation. General reserve is allocated Rs. 7.80 lakhs (against Rs. 13.14 lakhs), leaving a balance of Rs. 2,274 (against Rs. 4,954) to be carried forward. Sales of finished goods rose from Rs. 4.18 crores to Rs. 4.62 crores.

The Company has concentrated on improving the quality of jute products by installing a modern laboratory. The directors say it is essential to increase the supply of good raw jute to improve the quality of jute goods. Attention is being given to developing alternate uses for jute and jute products. The Company has installed 120 broad looms. The felt plant is working satisfactorily. The silk mill of the Company is making progress. Synthetic fabrics are being produced. The expansion programme is also progressing.

Anil Hardboards Sales up

ANIL Hardboard's performance during the year ended March 1964 showed a considerable improvement over the previous year, with its turnover up by about 10.7 percent from Rs. 89.82 lakhs to Rs. 99.42 lakhs and gross profit increasing by 10.5 percent from Rs. 27.54 lakhs to Rs. 30.44 lakhs. The Company is likely to do still better during the current year. Mr. G. R. Jolly, the managing director of the Company informed the shareholders at the annual meeting held recently, that the Company's sales during the current year up to 24th September amounted to Rs. 62 lakhs.

The Company's second plant would go into production very shortly—and it would reach full production in three months. This plant would add between Rs. 12 lakhs and Rs. 15 lakhs worth of production during the remaining months of the current year, and it would help the Company in doubling its production in the coming year. It is going ahead with its expansion plans. It has received two new industrial licences for the manufacture of embedded hardboards and melamine films. Five factories are proposed to be set up at different places for the manufacture of embedded boards: the first factory to start production will be in Bombay. The Company has entered into a collaboration agreement with a U.S. firm which will provide 45 percent of the finance required for the project. It is doing well on the export front. It exported boards worth Rs 6 lakhs last year and it has booked orders for about 3.5 million square feet of boards. Exports are exported to show a further improvement because of the larger export incentives. The Particle Boards India Ltd in which the Company has invested Rs. 1 lakh, has now gone into production.

More from Mysore Kirloskar

MYSORE Kirloskar Ltd has stepped up the dividend for the year ended June 1964 from 10 percent to 12.5 percent, which seems amply justified by the Company's impressive performance during the year. According to the preliminary report, sales have risen by about 38 percent from Rs. 2.24 crores to Rs. 3.09 crores, and the gross profit has gone up by about 40 percent from Rs. 65.08 lakhs to Rs. 90.72 lakhs. Appropriations include depreciation Rs. 18.97 lakhs (against Rs. 13.86 lakhs), development rebate Rs. 10.56 lakhs (against Rs. 6.08 lakhs), taxation Rs. 31 lakhs (against Rs. 27.40 lakhs), general reserve Rs. 12.22 lakhs (against Rs. 1.05 lakhs), debt redemption reserve Rs. 5 lakhs (against Rs. 1.20 lakhs), contingency reserve Rs. 1 lakh (against Rs. 2 lakhs) and replacement and rehabilitation reserve Rs. 4.40 lakhs (against Rs. 2 lakhs).

No provision has been made out of the year's profits for dividend reserve which had received Rs. 5.75 lakhs in the preceding year. The directors have transferred Rs. 9.30 lakhs from the development rebate reserve to dividend reserve which will be used for the payment of the proposed dividends amounting to Rs. 9.20 lakhs (against Rs. 6.75 lakhs). The previous year's excess provision for taxation of Rs. 2 lakhs has been transferred to general reserve. The Company is stated to be making good progress in the manufacture of existing lines as well as Capstan and turret lathes. The Company has taken on hand the manufacture of grinders and monomatic lathes and these are expected to be placed on the market by 1966. The Rs. 100-paid share of Mysore Kirloskar is quoted around Rs. 156, offering a gross return of about 8.5 percent.

Outlook for Citric India

CITRIC India's shares have since long been quoted at a heavy discount, the latest quotation for the Rs. 100-paid share being around Rs. 69. This does not reflect merely the generally depressed mood of the capital market. The progress of the Company has been far from satisfactory. But its affairs seem to be improving with the change in the management. Presiding over the recent annual meting of the Company, Mr. G. D. Somani, a director who took the chair in the absence of the chairman, Maharaja of Jaipur, assured the shareholders that the Company's teething troubles were almost over, that the pilot plant had shown satisfactory results and that commercial production would be started within a few weeks. He explained that a few fermentation trials, recently begun on a commercial scale, had not been completely successful due to the difficult process involved, but the management was confident of standardising the process.

Mr. Somani stated that there would be some delay in starting the entire plant and eventually turning out the finished product as some of the equipment of the finishing section had to be reordered as they were broken down in transit. While unable to give any categorical assurance about the time when the rated capacity would be achieved, he assured the shareholders that the project would be remunerative and that the Company will not find any difficulty in selling its product. He said that negotiations were going on with the Imperial Chemical Industries concerning the selling arrangements of the Company's products and he seemed optimistic that the negotiations would be successful. The Company has applied for permission to expand its rated capacity from the present 1,500 tons to 4,000 tons a year. The implementation of the expansion programme would help bring down the cost of production. But the expansion programme will be taken up only after achieving satisfactory working results with the present installed capacity. As for the outlook for the current year, Mr. Somani stated that this year was going to be a difficult one. However, everything depended on how soon the rated capacity would be achieved.

T. Maneklal Raises Dividend

T. MANEKLAL Manufacturing Co. Ltd has declared a dividend of 25 percent for the year ended May 1964, compared with 6 percent in the preceding year. In 1962-63, the directors had proposed a one-for-five bonus issue in addition to the 6 percent dividend but the issue had to be deferred because of the levy of capital gains tax on bonus shares in the 1964-65 Budget. The increase in the dividend for 1963-64 is fully justified by the Company's improved performance. The sales are up by about 20 percent from Rs. 1.37 crores to Rs. 1.63 crores, and the gross profit has gone up by about 54 percent from Rs. 26.35 lakhs to Rs. 40.57 lakhs.

Appropriations include depreciation Rs. 6.39 lakhs (against Rs. 5.17 lakhs), development rebate Rs. 1.25 lakhs (against Rs. 2.13 lakhs), taxation Rs. 18.43 lakhs (against Rs. 15.21 lakhs), general reserve Rs. 3.70 lakhs (against Rs. 1.20 lakhs) and gratuity reserve Rs. 39,400 (against Rs. 41,000). The proposed dividend absorbs Rs. 7.39 lakhs (against Rs. 1.40 lakhs) leaving a sum of 16,530 to be carried forward, against Rs. 11,654 brought in. In the previous year, the directors had to withdraw Rs. 80,000 from the development rebate reserve in order to provide for the payment of dividend. The Rs. 100-paid share of T. Maneklal is currently quoted around Rs. 530.

Gammon India Pays More

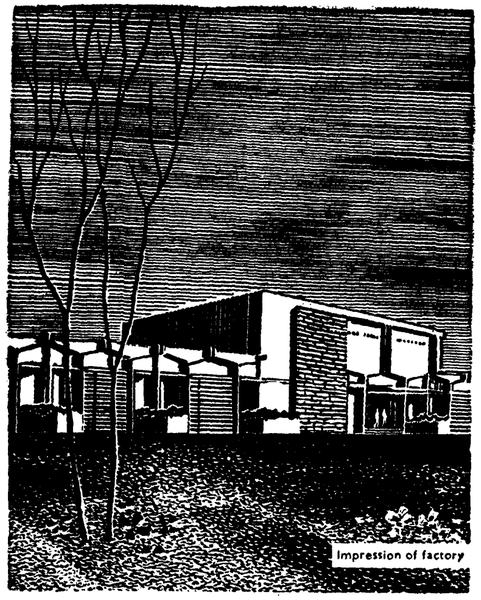
THE increase in the dividend from 11 percent to 12 percent by Gammon India for the year ended March 1964, does not reflect fully the improvement in the Company's performance during the year. According to the preliminary report which has been released along with the announcement of the dividend, the Company's sales are up by about 22.4 percent from Rs. 5.55 crores to Rs. 6.80 crores, and the gross profit has gone up by as much as 58.3 percent from Rs. 52.08 lakhs to Rs. 82.48 lakhs. Appropriations include depreciation Rs. 28.32 lakhs (against Rs. 17.09 lakhs), development rebate Rs. 16.40 lakhs (against Rs. 4.39 lakhs), taxation Rs. 20 lakhs (against Rs. 16 lakhs) and general reserve Rs. 5 lakhs (the same). The proposed dividend absorbs Rs. 13.80 lakhs (against Rs. 12.65 lakhs) leaving a sum of Rs. 96,000 to be carried forward, against Rs. 2 lakhs brought in.

The Company is said to be having a large volume of work on hand and the turnover during the current year is expected to be maintained at a high level. Additions made to plant and equipment and other fixed assets during the year amounted to Rs. 1.379 crores, compared with Rs. 44.22 lakhs in the preceding year. The paid-up capital of the Company has been raised to Rs. 1.38 crores through the issue of 230,000 right shares, which will be eligible for dividend from the current year. The Rs. 10-paid share of Gammon India is currently quoted around Rs. 14.64, offering a gross return of about 9 percent.

Tata-Merlin and Gerin: An Indo-French Venture

A NEW factory for the manufacture of electrical switchgear and controlgear is being set up in Thana by Tata-Merlin and Gerin Ltd, a new Company which has been promoted by Voltas Ltd jointly with the French firm of Etablissements Merlin and Gerin of Grenoble, and Tata Sons Private Ltd. The factory will make under Merlin Gerin's licence various types of switchgear and allied power distribution equipment including the Solenare high-tension air-break circuit breakers, isolators upto 380 kV, interrupters, current and potential transformers, switchboards and control panels and a complete range of L.T. air-break circuit breakers. The manufacture of relays and measuring instruments is also planned. Production is expected to start at the end of 1965.

Tata-Merlin and Gerin Ltd has an authorised capital of Rs. 2.5 crores.



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n the first stage, its issued capital rill be Rs. 70 lakhs of which about 5 percent will be issued to the pubic. The balance will be taken up by he three promoters, Merlin Gerin apitalising a part of the fees and ayalties payable to them.

Although switchgear and controlear are already under progressive nanufacture in India, the output of hese items is far below the present lemand and the country has been importing switchgear and allied quipment worth about Rs. 11 crores year. The fourth plan visualises an ncrease in the installed electricity generating capacity in the country oy approximately 6 million kW to approximately 16 million kW by 1970-71. It is estimated that thereafter the installed capacity will double approximately every five years. The demand for switchgear to be manufactured by the Company is closely interlinked with the development of generating capacity.

Devidayal Tube Repeats on Increased Capital

DEVIDAYAL Tube Industries Ltd has maintained the dividend for the year ended June 1964 at 10 percent, but this dividend is payable on a higher capital as increased by the public issue in November; the new shares rank for dividend proportionate to the amount and period for which shares are paid-up. The total distribution among the equity shareholders is considerably higher at Rs. 5.23 lakhs, against Rs. 2.46 lakhs in the preceding year. The preliminary report does not mention the turnover, but it says that it increased by some 8 percent despite the closure of the Company's factory in April and May 1964 for certain major repairs. The increase in turnover is said to be due to the operation of the Company's plant No. 1 in a more scientific manner. Most of the machinery for plant No. 2 has been received and the construction of the factory building and erection of the machinery is progressing satisfactorily. This plant is expected to be commissioned by about the middle of next year.

The gross profit of the Company for 1963-64 is higher by about 15.5 percent at Rs. 16.16 lakhs, compared with Rs. 13.99 lakhs in the previous year. After providing Rs. 5.41 lakhs (against Rs. 5.14 lakhs) for depreciation and Rs. 4.16 lakhs (against Rs. 2.77 lakhs) for taxation, the net profit is shown at Rs. 6.59 lakhs, against Rs. 6.08 lakhs. No provision has been made for development which received Rs. 1.70 lakhs in the preceding year, but a sum of Rs. 2.75 lakhs (against nil) has been taken to the general reserve. Preference dividend takes up Rs. 19,800 (against nil) and equity dividend absorbs Rs. 5.23 lakhs (against Rs. 2.46 lakhs), leaving a sum of Rs. 30,328 to be carried forward, against Rs. 1.80 lakhs brought in.

Madhusudan Mills Pays Again

SHREE Madhusudan Mills Ltd has declared a dividend of 10 percent (Re. 1 a share) for the year ended June 1964. The Company has thus returned to the dividend list after a lapse of 15 years. The dividend for 1963-64 is payable on the increased capital. The Company has fared much better than in the preceding year with the total turnover rising from Rs. 6.55 crores to Rs. 6.92 crores, and the gross profit moving up from Rs. 48.96 lakhs to Rs. 54.65 lakhs. The textile unit earned Rs. 28.64 lakhs (against Rs. 23.25 lakhs) on a turnover of Rs. 4.17 crores (against Rs. 4 crores) and Hall and Anderson unit made a gross profit of Rs. 26.01 lakhs (against Rs. 25.71 lakhs) on a turnover of Rs. 2.75 crores (against Rs. 2.56 crores). After providing Rs. 31.50 lakhs (against Rs. 20.52 lakhs) for depreciation and Rs. 4.25 lakhs (against nil) for taxation, the net profit amounts to Rs. 18.90 lakhs, against Rs. 28.44 lakhs in the preceding year.

After writing back excess provisions amounting to Rs. 14 lakhs, the directors have transferred Rs. 20 lakhs (against Rs. 18 lakhs) to development rebate reserve including arrears for previous years and taken Rs. 4 lakhs (against nil) to the general reserve. The preference dividend absorbs Rs. 1.76 lakhs and equity dividend will take up Rs. 7 lakhs, leaving a surplus of Rs. 55,000 to be carried forward, against Rs. 41,000 brought in.

The improved performance of the Company during 1963-64 is attributed to the efforts made by the management in renovating and modernising the plant and machinery of the textile unit. During 1963-64, the Company added machinery worth Rs. 35.21 lakhs and a further programme involving an outlay of Rs. 45 lakhs is on hand for the current year. The Company has so far availed itself of Rs. 37.80 lakhs out of the loan of Rs. 53 lakhs sanctioned by the N.I.D.C. for modernisation and rehabilitation of the textile unit.

Acme Manufacturing Fares Well

ACME Manufacturing Co. Ltd reports very encouraging results for the year ended June 1964, and this has enabled the directors to clear arrears of preference dividend for six years ended June 1962. The Company's production of diesel engines during 1963-64 increased from 594 to 1,097, that of valves from 190,000 to 330,000 and of shaping machines from 85 to 201. The sales recorded an increase of nearly 38 percent from Rs. 63.43 lakhs to Rs. 87.96 lakhs, and the gross profit shot up by 125 percent from Rs. 5.59 lakhs to Rs. 12.62 lakhs. After providing Rs. 2.21 lakhs (against Rs. 1.51 lakhs) for depreciation, Rs 1.40 lakhs (against Rs. 30,000) for development rebate and Rs. 4.25 lakhs (against Rs. 1.40 lakhs) for taxation, the net profit amounts to Rs. 3.89 lakhs, against Rs. 2.11 lakhs in the preceding year. After writing back excess provisions and making provision for taxation for previous years, the directors have set aside Rs. 4.47 lakhs for the general reserve. Preference dividend for six years absorbs Rs. 2.16 lakhs, and it is to be paid out of the general reserves.

The directors have struck an optimistic note about the outlook for the current year. The Company is stated to have sufficient orders on hand. In order to meet the increasing demand, the Company has stepped up the production of engine valves from 20,000 to 40,000 a month and it is expected to achieve the target of 50,000 before the close of the year. The Company has approached the Government for stepping up the licensed capacity of engine valves from 50,000 to 75,000 a month. It has secured a licence to manufacture bigger sized shaping machines at the rate of 250 a year.

Canara Workshops Repeats

THE working results of the Canara Workshops Ltd for the year ended March 1964, show a small setback, compared with the previous year due mainly to inadequate supply of raw materials for the factories in Mangalore and Nagpur. Sales are down from Rs. 83.19 lakhs to Rs. 81.21 lakhs and the gross profit is lower at Rs. 21.79 lakhs, against Rs. 24.68 lakhs. The dividend has been maintained at 20 percent. After providing Rs. 3.52 lakhs (against Rs. 3.04 lakhs) for depreciation, Rs. 1.58 lakhs (against Rs. 42,000) for development rebate and Rs. 7.50 lakhs (against Rs. 12.30 lakhs) for taxation, the net profit amounts to Rs. 9.19 lakhs, against Rs. 8.92 lakhs in the preceding year. A sum of Rs. 41,787 has been set aside for dividend tax and Rs. 1.50 lakhs have been provided for capital redemption fund. The proposed dividends absorb Rs. 7.10 lakhs (against Rs. 7.25 lakhs). After making various appropriations, there remains a sum of Rs. 26,279 to be carried forward, against Rs. 8,112 brought in.

The directors state that springs production and sales were affected by irregular arrivals of raw materials. The consignment of spring steel which had been stranded in Yokohama last year was found on inspection to contain steel flats of substandard quality. After protracted negotiations, the suppilers agreed to indemnify the Company for the loss sustained, but the Company could secure only half the original cost.

The installation of the alloy steel plant was started in September 1963, and the erection was completed by December, but the plant has not been commissioned as the Company has not yet been offered power supply on a definite time schedule. The directors hope to be able to start trials before the next annual meeting. The capital investment on this project had been estimated around Rs. 52 lakhs. Despite several increases both in price and in Customs duty, the total cost is expected to be lower around Rs. 49 lakhs. The Government is said to be willing to encourage the expansion of the Company's factory and the directors hope to place proposals in this connection before the shareholders in the near future.

The hubs and brake drums division is stated to be developing steadily. A foundry and machine shop is equipped with the latest type of equipment. In addition to the modern type of engine lathes and turret lathes, the Company has installed one programme control lathe and a vertical programme control copying lathe at a cost of about Rs. 4 lakhs. These two lathes are mass production type lathes and will help the Company to turn out brake drums in large numbers at reduced cost. The Government has granted an import licence to get a multiple spindle drilling machine from the U.S.A. and this has now been shipped. This drilling machine is designed to drill all the five or six holes or eight holes of a brake drum simultaneously. The project of hubs by the use of ductile iron, which the Company is producing under the collaboration of International Nickel Company of the U.K., is under development.

Machinery Manufacturers Fares Well

MACHINERY Manufacturers Corporation did exceedingly well during the year ended March 1964, with its sales rising by 24 percent from Rs. 2.04 crores to Rs. 2.54 crores and the gross profit increasing by 20 percent from Rs. 55.43 lakhs to Rs. 66.68 lakhs. The dividend, however, has only been maintained at 15 percent. From what the chairman, Mr. Aloke Kumar Mitra, stated at the Company's annual meeting on 23rd September, the shareholders can expect still better results in the current year and the years ahead. (A full text of the chairman's address is printed on a later page in this week's issue of *Capital*). The Company is going from strength to strength. It has acquired high reputation as manufacturers of quality products and it is going ahead with various expansion schemes.

The Company has received the Government's consent for the technical collaboration agreement with Carding Specialists Co. Ltd, Halifax, for the manufacture of Crosrol-Varga high production conversion units which when applied to conventional cards will increase production two to fourfold. The manufacture of this Crosrol-Varga device is expected to commence by the end of next year. The Company has also entered into a technical collaboration agreement with Whitin Machine Works, U.S.A., for the manufacture of the firm's high-speed draw frames which have been installed at various mills and are known to be giving excellent results.

This agreement has yet to be aproved by the Government, but the chairman is confident that the official sanction will be available soon. The speed frame is said to be undergoing extensive trial under mill conditions. Batch production of these frames will be taken up when they are proved to be working to full satisfaction. The chairman has, however, pointed out that due to lack of certain types of machine tools yet to be installed, the production of speed frames during the current year will be very limited. The diesel engines produced by the Company have earned a high reputation and the order-book is stated to be very satisfactory. But production of diesel engines has been restricted because of lack of space and other facilities, and also due to inevitable teething troubles in locating certain indigenous sources of supply.

The chairman says that the process of rehabilitation of plant and equipment and increasing the capacity of the factory continue at a steady pace. During the last three years, the Company has spent Rs. 50 lakhs on this account. The entire amount has been raised from self-generating funds and at the same time the Company has paid off the Government loan of Rs. 5 lakhs and reduced its indebtedness to the I.F.C. from Rs. 59 lakhs to Rs. 18 lakhs. The new expansion programme will undoubtedly increase the future profitability of the Company and the directors are considering how to raise additional funds required for the expansion programme. Replying to shareholders' enquiries, the chairman disclosed that the total sales of cards for the first five months of the current year had amounted to Rs. 88 lakhs. Orders for 437 cards had been booked and the average production was about 104 cards a month. He also pointed out that production of diesel engines during the first quarter was negligible because of the difficulty in obtaining the parts and components. Sales of diesel engines were also limited because of poor producton.

Ramon and Demm: A Venture for Automobile Gears

RAMON and Demm Ltd is a new venture which has been promoted to undertake the manufacture of motor-vehicle gears. The Company has secured the collaboration of Officine Meccaniche Fratelli Daldi and Matteucci, Milano, Italy and Montex Limited, London. The factory it is proposed will be located in Thana (Maharashtra). The Company has been licensed to manufacture 2,000 tonnes of finished motor-vehicle gears a year. The project is estimated to cost a little over Rs. 1.20 crores. This is proposed to be met by the share capital of Rs. 60 lakhs, a loan of Rs. 38 lakhs from the I.C.I.C.I., another loan of Rs. 15 lakhs from the Maharashtra State Finance Corporation and the balance by borrowing from banks.

The authorised capital of the Company will be Rs. 2 crores of which Rs. 60 lakhs—all in equity shares of Rs. 10 each is being issued for the present. The promoters, directors

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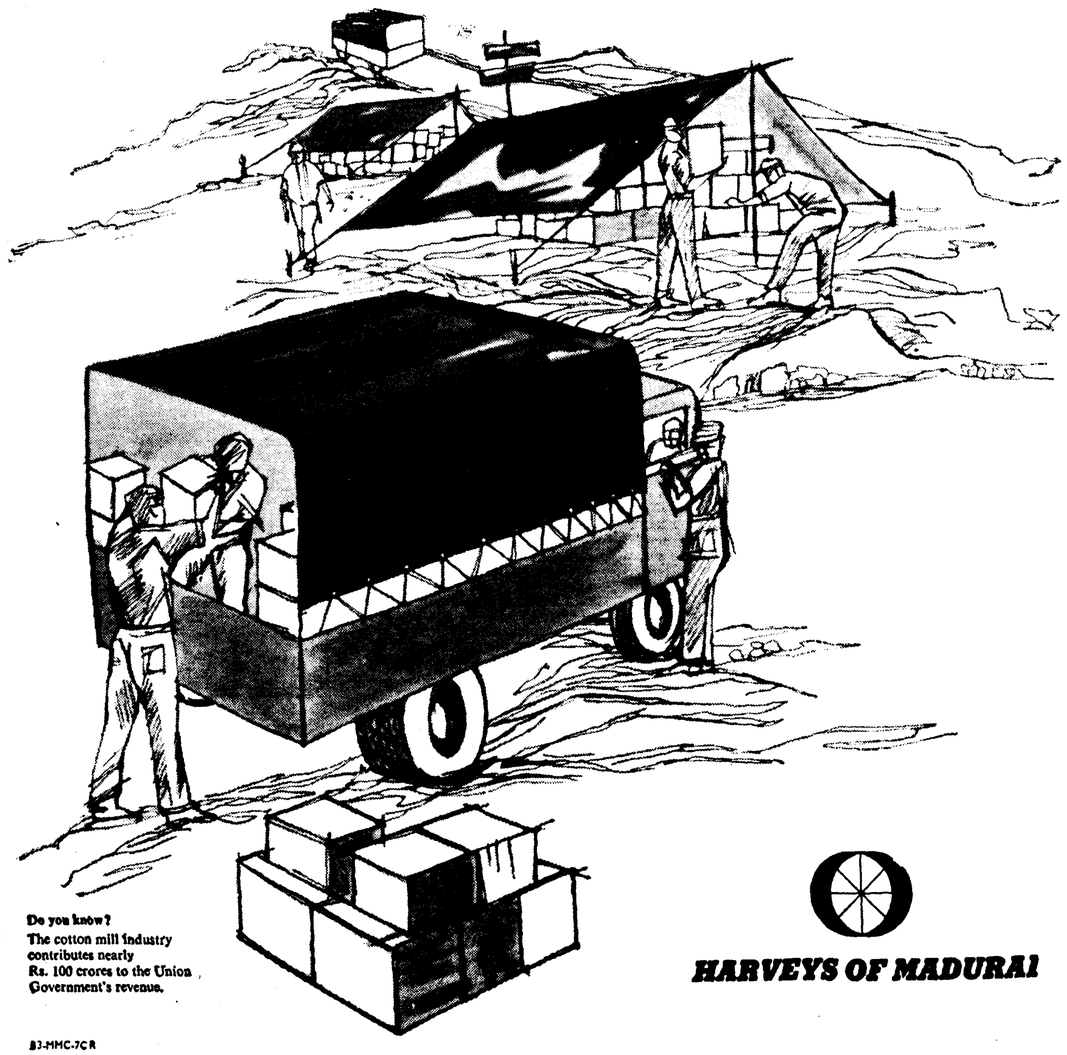
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Harveys' Madura Mills are today India's largest producers of industrial fabrics. Through the years they have built up a world-wide reputation for consistently high quality. They have the men, machines and knowhow to produce a wide range of industrial fabrics such as Tyre Cords, Belting Ducks, Jacket Ducks, Light and Heavy Canvases.

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For further particulars and samples, contact: MADURA MILLS CO. LTD., Madurai. *Managing Agents:* A. & F. HARVEY LTD.



Do you know?
The cotton mill industry contributes nearly Rs. 100 crores to the Union Government's revenue.

HARVEYS OF MADURAI

83-MMC-7CR

and their friends are taking up shares of the value of Rs. 22.95 lakhs. The Italian firm will subscribe Rs. 9 lakhs and the British firm will take up shares worth Rs. 6 lakhs. The balance amounting to Rs. 22.05 lakhs will be offered for public subscription some time in November. The factory is expected to commence production by about the middle of 1966, and the promoters hope to earn sufficient profits from the fourth year after the plant goes into production to be able to declare a dividend. The board of directors includes, Mr. Fatehsinghrao P. Gaekwad of Baroda, Mr. R. C. Cooper, Dr. Franco Vono, Mr. Giorgio Robiglio, Mr. C. M. Shah, Mr. Rohit C. Mehta, Mr. S. R. Damani and Mr. H. K. Shah.

Kurchermala Plantations Resumes Dividend

FOLLOWING good crops and improved profit, the directors of Kurchermala Plantations Ltd have been able to declare a dividend of 5 percent on equity shares (against nil) for the year ended March 1964. The net profit for the year amounts to Rs. 1,23,479.20, after meeting all expenses and after providing Rs. 1,18,395.63 for taxation. This compares with the previous year's net profit of Rs. 56,754, after providing Rs. 34,172 for taxation. With the balance of Rs. 1,856.93 brought forward from the previous year, the total comes to Rs. 1,25,336.13. Out of this, a sum of Rs. 82,000 is transferred to the reserve for capital expenses (against Rs. 48,000). The preference dividend amounts to Rs. 8,586.90. The equity dividend at 5 percent amounts to Rs. 34,500. The balance of Rs. 249.23 is carried forward. Although there was an increase in expenses, there was a good increase in the crops. Consequently, the all-in-costs a kilogram were less and better prices prevailed in the market for tea and cardamom. The tea crop for the year amounted to 160,191 kilograms (against Rs. 1,21,534 kilograms). The cardamom crop amounted to 5,053 kilograms (against 1,880 kilograms). The coffee crop amounted to 70,099 kilograms (against 60,125 kilograms).

Kerala State Industrial Development Corporation

THE Kerala State Industrial Development Corporation Ltd has done well for the year ended March 1964. The gross income rose from Rs. 2.55 lakhs for 1962-63 to Rs. 6.25 lakhs for 1963-64. The Corporation has written off preliminary expenses and has provided for reserve for depreciation on investments and special reserve amounting to Rs. 1.33 lakhs. The issued capital stands at Rs. 1.95 crores. Commenting on the working in his chairman's address (a full text of which is printed on a later page in this week's *Capital*) at the annual general meeting held last Monday, Mr. K. R. K. Menon pointed out that there has been a slight drop in the number of applications received for financial assistance. This is due to the fact that industrial licences sanctioned for Kerala have decreased. He has asked the State Government to impress upon the Central Government the need for encouraging the growth of industries in the State. This will help relieve the pressure on land.

He also stressed the importance of creating favourable conditions for attracting industrial capital and entrepreneurship to the State by ensuring political stability and cordial labour-employer relations. The need for providing electric power at reasonable charges is urgent. Steps have been taken to raise funds for the Corporation. It is also negotiating with some foreign companies for securing their technical collaboration in several projects. The Agency for International Development, U.S.A., is showing keen interest in promoting the development of industrial enterprises in Kerala.

Britannia Building Passes Dividend

BRITANNIA Building and Iron Co. Ltd has again passed the dividend for the year ended March, 1964. The net profit has amounted to Rs. 2.32 lakhs, against Rs. 1.05 lakhs for 1962-63, after providing Rs. 14,339 (against Rs. 15,080) for depreciation. So the debit balance has now been reduced to Rs. 4.05 lakhs. The arrears of preference dividends for 1960-61 and 1961-62 have been paid. There has been an improvement in the availability of steel sections and the Company is now receiving orders for conversion. The forge shop is being installed and should begin production before the end of the current financial year.

Vayitri Plantations Maintains

THE directors of Vayitri Plantations Ltd have maintained the dividend at 6 percent for the year ended March 1964. The profit for the year amounts to Rs. 87,000, against Rs. 48,912 in the previous year. With the amount of Rs. 11,500 brought forward, the total comes to Rs. 98,500. Out of this, additional income tax for the assessment years 1958-59, 1959-60 and 1960-61, amounted to Rs. 57,000. Provision for taxation amounts to Rs. 55,000 (against Rs. 25,000). A sum of Rs. 10,000 is transferred to general reserve (against nil). The dividend of 6 percent amounts to Rs. 24,000. The balance of Rs. 3,800 is carried forward.

A tea crop of 43,902 kilograms was harvested during the year and the average sale price was Rs. 3.80 a kilogram. The estimate for the next season is placed at 40,000 kilograms. A coffee crop of 46¼ tonnes was harvested during the year. The estimate for the next season is put at 20 tonnes. A cardamon crop of 3,993 kilograms was collected during the year. The estimate for the next season is put at 2,000 kilograms. A pepper crop of 210 kilograms was harvested during the year.

Ajudhia Textile Mills Fares Well

THE Ajudhia Textile Mills Ltd which had skipped the dividend in 1962-63 has declared a dividend of 10 percent for the year ended 31st March, 1964. The payment of the dividend is subject to the approval of the Industrial Finance Corporation. The Company's working results show an appreciable improvement over the previous year. While sales are up by 28 percent, the gross profit has recorded increased improvement from a mere Rs. 4.19 lakhs to Rs. 14.29 lakhs. The directors have held out the promise of still better results in the current year. Appropriations include depreciation Rs. 6.40 lakhs against Rs. 3.80 lakhs), development rebate Rs. 1.49 lakhs (against Rs. 69,069), bonus to employees Rs. 1.50 lakhs (against nil), reserve for doubtful debts Rs. 43,000 (against nil), dividend equalisation reserve Rs. 1.13 lakhs (against nil) and general reserve Rs. 3.50 lakhs (against nil). In view of the previous years' losses brought forward, the Company is not likely to have any tax liability and no provision has, therefore, been made for this purpose. The proposed 10 percent equity dividend and proportionate distribution on the 10 percent cumulative preference shares from the date of allotment will together absorb Rs. 1.43 lakhs, and this is to be paid out of the general reserve.

The directors state that the Company's spinning capacity was raised during 1963-64 from 14,524 to 18,536 spindles. The directors hope to instal an additional 8,636 spindles by January, bringing the total capacity to 27,172 spindles. Apart from increasing the spindleage, the Company has under consideration plans for modernisation and renovation of the existing machinery in the spinning and weaving preparatory sections. The Company has already submitted to the Government the necessary applications for import licences. The Company's tent factory worked satisfactorily during the year and it received orders worth Rs. 90 lakhs from the defence department. The working of the factory was disrupted by a heavy fire in June 1964. The Company has drawn Rs. 12.25 lakhs from the I.F.C. against the additional loan of Rs. 15 lakhs. The application for a further loan of Rs. 25 lakhs and deferred payment guarantee for Rs. 8.44 lakhs in under the consideration of the Industrial Finance Corporation of India. The Rs. 5-paid share of Ajudhia Textile Mills is quoted around Rs. 5.75, offering a gross return of a little over 9 percent.

Shree Vallabh Glass Incurs Loss

AFTER providing Rs. 8.10 lakhs (against Rs. 92,179) for depreciation and nil (against Rs. 1.25 lakhs) for taxation, the working of Shree Vallabh Glass Works for the year ended March 1964 shows a loss of Rs. 9.11 lakhs, compared with a profit of Rs. 21,478 in the preceding year. Adjusting the year's loss against the previous year's surplus of Rs. 1.51 lakhs, there remains a debit balance of Rs. 7.79 lakhs which is being caried forward. The Company's sales during 1963-64 amounted to Rs. 35.82 lakhs, against Rs. 18.85 lakhs. The directors point out that despite larger sales, the working shows a loss because of the short period of production at the Company's new plants at Vallabh Vidyanagar.

The Company started the commercial production of figured and wired glass from October 1963, of laminated safety glass from December and of sheet glass from May 1964. Initial technical difficulties are now over and plants are running satisfactorily. The full effect of the working of these plants will be reflected in the current year's working. The Company proposes to undertake further expansion of its works in Bombay this year. The expansion at Vallabh Vidyanagar will also continue according to schedule. The plants for polished plate glass and for mirror manufacturing will be erected in Vallabh Vidyanagar. The Rs. 100-paid share of Vallabh Glass is currently quoted around Rs. 82.

Rajapalayam Mills Earns More

A SUBSTANTIAL rise in the sales and profit has enabled the directors of Rajapalayam Mills Ltd to step up the dividend to 20 percent for the year ended March 1964. The sale of finished goods amounted to Rs. 1,55,14,625 (against Rs. 1,20,39,707). The profit for the year amounts to Rs. 17,64,006, after providing Rs. 5,78,420 for depreciation. The previous year's profit was Rs. 11,48,537, after providing Rs. 5,00,101 for depreciation. Out of the year's profit of Rs. 17,64,006, the directors have provided Rs. 8,61,088 for taxation (against Rs. 4,31,051). Donations amounted to Rs. 47,371 (against Rs. 48,908). Development rebate reserve accounts for Rs. 21,000 (against Rs. 28,000). The proposed dividend of 20 percent (against 16 percent) amounts to Rs. 3,22,860. A sum of Rs. 2,70,000 (against Rs. 1 lakh) is transferred to general reserve. These appropriations and provisions have absorbed the year's profit.

New Capital Issues

FIVE companies have been authorised to raise fresh capital aggregating Rs. 7.10 crores. Three of these are issuing equities, one debentures and another equity shares and preference shares. Two companies involve foreign collaboration. The consent of the Controller of Capital Issues is valid for a year in all cases. The following are the details:

Utkal Machinery Ltd, Kansbahal, Orissa, engaged in the manufacture of heavy vessels, structural and plate work and machinery and equipment, is to issue a further capital of Rs. 60 lakhs in equity shares of Rs. 10 each for cash at par. The shares will be offered on a rights basis, except 312,000 shares which will be offered to Deutsche Entwicklungs Geseitschaft mbh (DEG), a West German development bank, after observing formalities under the Companies Act. The money will be used for the purchase of balancing equipment and machinery and also for working capital.

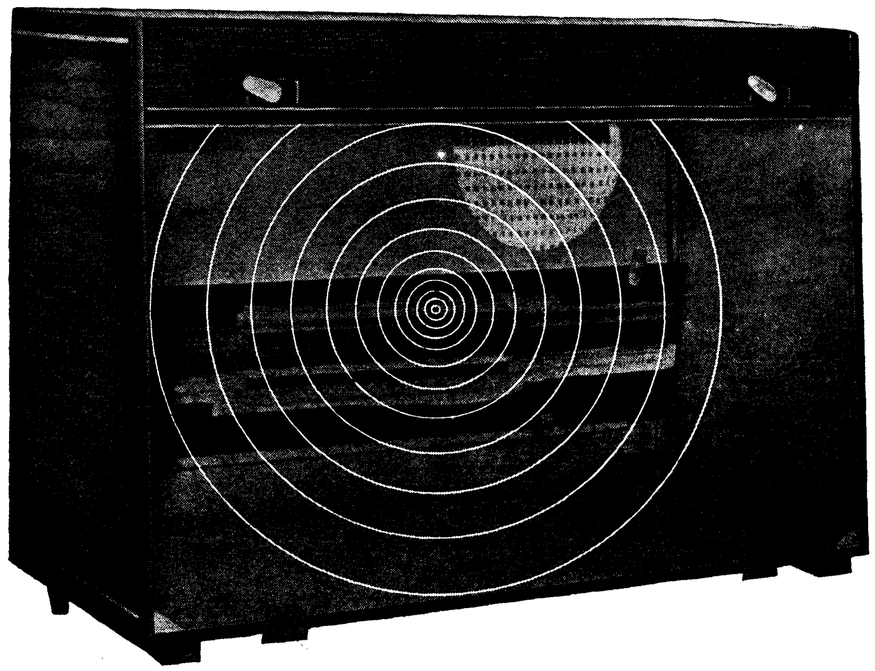
Madras Motor and General Insurance Co. Ltd., Madras, is to issue a further capital of Rs. 10 lakhs, divided into 10,000 equity shares of Rs. 100 each, for cash at par, on rights basis to the existing shareholders of the Company. The capital will be utilised to strengthen the funds of the Company.

Gwalior Rayon Silk Mfg. (Wvg.) Co., Ltd, is to issue 7 percent debentures of the value of Rs. 3 crores. The capital is required for several expansion schemes, namely, installation of additional spindles at Bhiwani and looms at Birlanagar textile units and for manufacturing pulp and staple fibres at Kozhikode.

Widia (India) Ltd, proposed to be incorporated in Mysore, is to issue Rs. 40 lakhs worth of equity capital in Rs. 100 shares. Altogether 60 percent of the shares will be allotted to Meturit A.G. of Zurich, Switzerland (Meturit Group), for supplying plant and machinery, 20.4 percent will be taken up by Sak Industries Pvt. Ltd, partly against cash and partly against the purchase of land, indigenous equipment and construction of factory, and the balance—19.6 percent—will be offered to the public for cash at par. The money will be used to manufacture sintered hard metal.

The Andhra Pradesh Paper Mills Ltd, Rajahmundry, a new Company incorporated in Andhra Pradesh, is to issue a capital of Rs. 3 crores, divided into 200,000 equity shares of Rs. 100 each and 100,000 preference shares of Rs. 100 each, to be issued for cash at par, excepting 66,000 equity and 50,000 preference shares which will be allotted to the Government of Andhra Pradesh for consideration other than cash, that is, against the assets transferred by the Government. Of the balance, such number of shares of each kind as will qualify for enlistment on recognised stock exchanges will be offered to the public by prospectus and the balance subscribed privately. The money will be utilised for taking over the Andhra Pradesh Mills, a State Government-owned undertaking, having a rated capacity of 10 tons a day as also for expansion of its production to 70 tons a day.

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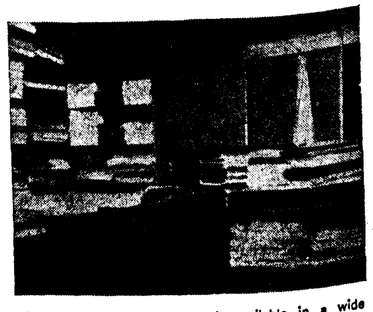
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BANK RATE RISE HAS BEARISH IMPACT: TURNOVER LIMITED

Wednesday Evening.

THE Calcutta stock market has closed the past week on a quiet ote. The prices of clearing shares ave retreated due to bull liquidation, ombined with short-selling. Although turnover has centred on earing shares, some cash scrip too ave met with scattered support. eports of purchases by the Unit rust of India and the Life Insurance orporation of India have helped ift the prices of selected cash scrip. urnover has, on the whole, been restrained in view of today's settlement which passed off smoothly. Since he next settlement will take place after the Puja holidays, the carry-forward charges are larger than at the previous settlement.

Operators are worried because the liquidity of stocks and shares will suffer due to the restriction on blank transfers. A cautious view is taken of the latest modifications in direct taxes because more stringent measures will be taken to stop evasion. Operators are also anxiously waiting to see what measures the Government will take to bring out unaccounted money.

The increase in Bank rate has had a bearish impact. In view of the rise in interest rates, investors will be expecting higher yields. So a decline in share prices is not ruled out. Prices of Government securities have already dropped in response to the increase in Bank rate. Since the banking community will be forced to pay a higher rate of interest on its borrowings from the Reserve Bank, bank credit will become costlier. As a result, industrial costs will tend to rise further.

Although commercial banks will henceforth pay less interest on short-term deposits, the gain will be largely offset by the bigger interest that will be paid on medium and long-term deposits. On the whole, banking profits may suffer as a result of the new monetary measures announced by the Reserve Bank over the week-end. As far as electric companies are concerned, they are expected to benefit from the increase in Bank rate because the reasonable return allowed to these companies is fixed at 2 percent above Bank rate.

Indian Iron have slipped back, and investors are inclined to await the Government's decision on the repayment of advances given by it to the two private-sector steel plants. Engineering shares have tended to fall, although Jessop have improved on balance. Interested buying has helped Binani Metal, J. K. Steel and Jay Engineering.

The prices of clearing shares in the miscellaneous section have dropped towards the close. Support has been forthcoming for British Paints, Metal Box, Indian Oxygen and Philips India. Britannia Biscuits are steady on the decision of the Company to issue preference shares to the existing ordinary shareholders. Among new shares, Hindusthan Twyfords and Hindustan Aluminium have met with support. National Rolling Mills National Insulated Cable, India Steamship and British India Corporation are steady. In paper shares, Orient have reacted while Bengal and Titaghur are steady. Bank and electric company shares are sluggish.

Except for Birla which have been maintained, turnover in jute shares has declined. Investors are worried because profits of jute mills have tended to shrink due to the disparity between the price of fibre and that of jute goods. Coal shares have tended to lose in restricted activity. Burrakur, Bengal and Central India have been transacted. J. K. Rayon have reacted among cotton mill shares. Dunbar and Bharat Commerce are about steady. A small turnover in tea shares has been transacted.

Government securities are quiet and the 3 percent Conversion Loan 1986 has dropped to Rs. 63.20. Most of the new State Government loans are available at a slight discount.

Bombay

SLIGHT IMPROVEMENT IN SENTIMENT
SUBSTANTIAL BUYING BY L.I.C. AND UNIT TRUST

Wednesday Evening.

THE undertone of the Bombay stock market has improved slightly towards the close of the past week after earlier sluggishness. Dalal Street is veering round to the view that the Central Finance Ministry is keen on reviving confidence in the capital market. Even a modification of the Government's fiscal policy is not ruled out. Substantial purchases by the Life Insurance Corporation and the Unit Trust have helped to reduce floating stocks. Cotton mill interests have welcomed the decision of the Government to introduce partial control on cloth production. They think that the cotton mills may find it worth their while to give the scheme a fair trial.

Turnover has, however, been restrained because of several factors. The increase in Bank rate is being bearishly interpreted. If the current prices of equities are to be maintained, dividends will have to be raised to bring them in line with the higher interest rates. Electric companies will benefit from the increased Bank rate as the "reasonable return" allowed to them is linked with Bank rate. However, operators are worried over the food situation. Unless the Government takes vigorous measures to check the rise in the prices of essential commodities, the Indian economy will be subjected to greater strains and stresses.

Tata Steel ordinary have closed at Rs. 148.50, but investors are worried about the repayment of the advance given to the Company by the Government. Among engineering shares, Tata Engineering and Premier Construction have recovered slightly. In motor-vehicle shares, Hindustan Motors have have met with pressure from outside sources while Premier Automobiles have been sluggish.

Cotton mill shares have recovered towards the close due to short-covering. Mills which have rayon plants have improved due to the prospect of a reduction in the excise duty on rayon yarn. Century, Kohinoor, Svadeshi and Standard are better. Bombay Dyeing are steady because the chairman of the Company has denied rumours of a change in its management.

Business in miscellaneous shares is limited. In sugar scrip, Belapur and Walchandnagar Industries have been steady. In cement shares, Associated Cement and Digvijay have changed hands. Mining shares are subdued, and Shivrajpur Syndicate are being freely offered. In steamship company shares, Scindia Steam have reacted due to profit-taking after an earlier improvement. Chemical shares have shown mixed trends. Tata Chemical and Indian Dyestuff have dropped, while Polychem are steady. Rayon shares have been supported. National Rayon have recovered on replacement buying. Gwalior Rayon have responded to the prospect for further expansion. Voltas and Tata Oil are steady. Synthetics and Chemicals have gained due to replacement buying.

Turnover in bank shares has been small. Central Bank and Bank of India have been transacted. Electric companies have improved on the prospect of an increase in the "reasonable return". Tata Hydro, Tata Power and Ahmedabad have gained.

Madras

MARKET UNAFFECTED BY NEW CREDIT POLICY
MIXED TREND IN CLEARING SHARES

Tuesday Evening.

THE Madras stock market has been steady during the past week. The effects of the increase in

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PRESIDIAN

Bank rate appear to have been discounted. Investors and operators take the view that the rise was long overdue since the market rates of interest had already moved up substantially. This apart, the offer of a higher rate of interest on the long-dated loan which was recently floated by the Central Government, had indicated the possibility of an increase in Bank rate. Prices of clearing shares have shown mixed trends. In cash scrip, attention has centred largely on selected planting shares. Business in Government securities is negligible, and prices on the whole have tended to drop. In spite of a good demand for preference shares and debentures, turnover has been small due to the shortage of declared sellers.

In banks Indian have come to hand at Rs. 151, and Indian Overseas at Rs. 149. Sugar shares have been dull with prices showing few variations. Deccan are available at Rs. 10.50 exrights and E.I.D. are steady at Rs. 36.12. Travancore have changed hands at Rs. 8.12, Andhra at Rs. 13.04 and K.C.P. at Rs. 24.

Among planting shares, Blue Mountain have hardened to Rs. 2.36 and Consolidated Coffee to Rs. 23.76. Cochin Malabar have been taken at Rs. 6.22, Ouchterlony at Rs. 3.42 and Periakaramalai at Rs. 3.55. Nelliampathy have been bought up to Rs. 4.75, Peermade up to Rs. 20.62 and Pullangode up to Rs. 3.38. The last-named Company is likely to sell one of its estates. Puthutotam are quoted at Rs. 2.65 because it is expected to sell the Waverley Estate for Rs. 19.5 lakhs. Vayitri have been taken at Rs. 1.44 on paying a taxable ordinary dividend of 15 percent.

In textile shares, South India Viscose are quiet at Rs. 115.50, but Travancore Rayon have gained at Rs. 20. Lakshmi are steady at Rs. 134 and Madura at Rs. 34.85. Bangalore Woollen have been taken at Rs. 270 and Buckingham at Rs. 281. K. Rajendra have dropped to Rs. 57.50 on passing the dividend. Saraswathi are quoted down to Rs. 10, since the dividend has been passed. Tirupati have been done at Rs. 10.12 on the news that the Company is issuing one equity share and three preference shares to existing shareholders for every ten shares held.

Among miscellaneous shares, Aluminium Industries have reacted to Rs. 22.55 and Ashok Leyland to Rs. 6.95. Dalmia Cement are steady at Rs. 12.90 and India Cement at Rs. 5.39. Mettur Chemical have dropped to Rs. 14.90. Mysore Chemical Manufactures are quoted at Rs. 16.70 on declaring a taxable ordinary dividend of 15 percent. Business in Madras Safe has passed at Rs. 45 on the payment of a taxable ordinary dividend of 6 percent. Rane (Madras) have come to hand at Rs. 9.15 on declaring a taxable ordinary dividend of 17½ percent. Kirloskar Electric are steady at Rs. 19.50, but Madras Rubber have dropped to Rs. 10. Seshasayee Paper are steady at Rs. 7.45 and Mysore Paper at Rs. 12.50.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 35/69—36/19—35/37—35/37—(33/37).
Burrakur Coal—Rs. 17/00—17/12—16/94—17/06—(16/37).
Dunlop Rubber—Rs. 31/87—32/75—31/25—31/81—(35/50).
Guest, Keen, Williams—Rs. 23/37—24/00—23/00 s.t.—23/44—(37/00).
Hindustan Motor—Rs. 16/91—17/06—16/75—16/84—(17/66).
Indian Aluminium—Rs. 31/69—32/00—31/50—31/62—(37/50).
Indian Cable—Rs. 35/25—35/37—35/19—35/31—(36/50).
Indian Copper—Rs. 3/36—3/39—3/30 s.t.—3/36—(5/16).
Indian Iron—Rs. 25/14—25/32—24/90—25/04—(23/78).
J. K. Cotton—Rs. 10/59—10/75—10/56—10/62—(12/62).
Jaipur Udyog—Rs. 10/56—10/91—10/56—10/75—(11/87).
Kesoram Industries—Rs. 25/81—26/12—25/50—25/56—(26/00).
Orient Paper—Rs. 32/00—32/10—31/75—31/80—(37/40).
Rohtas Industries—Rs. 10/34—10/37—10/19—10/34—(13/00).
Shree Gopal Paper—Rs. 25/44—25/62—25/31—25/62—(25/12).
Textile Machinery—Rs. 26/15—26/40—25/56—26/05—(25/80).

GILT-EDGED

2¾% Loan (1976)—Rs. 83/15—83/15—83/15—83/15.
3 % „ (1986)—Rs. 63/70—63/75—63/20—63/25.
3 % „ (1966-68)—Rs. 98/40—98/40—98/40—98/40.
3 % „ (1970-75)—Rs. 90/20—90/20—90/20—90/20.
3½% „ (1986)—Rs. 99/00—99/00—99/00—99/00.
3½% „ (1969)—Rs. 97/95—97/95—97/95—97/95.
3¾% „ (1974)—Rs. 96/75—96/75—96/75—96/75.
4 % „ (1970)—Rs. 99/55—99/55—99/00—99/00.
4¼% Orissa (1976)—Rs. 97/30—97/30—97/30—97/30.
4½% Loan (1989)—Rs. 100/00—100/00—100/00—100/00.
4½% Andhra Pradesh (1976)—Rs. 97/05—97/05—97/05—97/05.
4½% Madras (1974)—Rs. 98/10—98/10—98/10—98/10.
4½% Andhra Pradesh (1972)—Rs. 98/10—98/15—98/10—98/15.
4¾% U.P. (1976)—Rs. 97/35—97/35—97/35—97/35.

BANKS

Punjab National—Rs. 20/00—20/19—19/87—19/87—(19/00).
United Bank of India (Rs 10 Paid)—Rs. 8/00—8/25—7/90—8/12—(7/44).
Do. (Conty Rs. 20) (Rs 10 Paid)—Rs. 7/12—7/37—7/12—7/37.
United Commercial—Rs. 73/00—73/25—73/00—73/25—(68/50).

TEXTILES

Bharat Commerce—Rs. 20/72—20/75—20/72—20/75—(23/50).
Cawnpore—Rs. 6/44—6/56—6.44—6/56—(7/50).
Elgin—Rs. 19/72—19/91—19/62—19/50—(21/87).
Jaya Shree—Rs. 13/62—13/62—13/50—13/50—(16/25).
New Victoria—Rs. 1/09—1/16—1/09—1/16—(1/47).
Do. (Pref.)—Rs. 2/12—2/22—2/12—2/22—(2/81).
Rajasthan Spinning—Rs. 10/37—10/37—10/37—10/37.

RAILWAYS

Bankura Damodar—Rs. 25/37—25/37—25/37—25/37—(30/00).
Howrah-Amta—Rs. 34/00—34/00—34/00—34/00—(40/00).

COALS

Central India—Rs. 8/75 x.d.—8/75—8/56—8/56—(9/37 x.d.).
Equitable—Rs. 21/50—21/56—21/50—21/56—(23/50).
Lakurka—Rs. 14/00—14/00—14/00—14/00.
Karanpura Collieries—Rs. 13/25—13/50—13/25—13/50—(16/00).
Katras Jherriah—Rs. 28/12—28/37—28/12—28/37—(34/12).
Rewa—Rs. 21/87—21/87—21/87—21/87—(28/50).
Selected Satgram—Rs. 108/00—109/00—108/00—109/00.
South Karanpura—Rs. 6/00—6/35—6/00—6/35—(8/37).
Western Bengal—Rs. 9/44—9/44—9/44—9/44.
West Ghusick—Rs. 15/00—15/00—15/00—15/00.

JUTES

Auckland—Rs. 130/00—132/00—130/00—132/00—(144/50).
Anglo-India—Rs. 189/00—190/00—189/00—190/00.
Budge Budge—Rs. 129/00—129/00—129/00—129/00.
Chitavalsah—Rs. 8/00—8/00—8/00—8/00—(10/69).
Dalhousie—Rs. 120/00—120/00—120/00—120/00.
Delta—Rs. 143/00—143/00—143/00—143/00.
Empire—Rs. 13/94—14/00—13/81—13/81—(18/06).
Gourepore—Rs. 21/50—21/75—21/50—21/75—(26/37).
Do. (Pref.)—Rs. 90/00 x.d.—91/00—89/75 x.d.—91/00—(91/00).
Hukumchand—Rs. 17/50 x.d.—17/50 x.d.—17/50 x.d.—17/50 x.d.
New Central—Rs. 10/56—10/81—10.50—10/69—(13/81).
Nuddea—Rs. 16/60—16/60—16/60—16/60.
Presidency—Rs. 4/31—4/56—4/31—4/31—(5/81).

MINING

Metal Corporation—Rs. 6/25—6/25—6/19—6/19—(8/25).

CEMENTS

Bengal Potteries—Rs. 4/25—4/31—4/19—4/27—(5/37).
Dalmia (Bharat)—Rs. 13/00—13/00—12/87—12/91—(12/31).
Do. (Pref.)—Rs. 8/40—8/44—8/40—8/44—(8/00).
Sone Valley—Rs. 3/91—4/00—3/81—4/00—(4/62).

CHEMICALS

Alkali & Chemical—Rs. 28/94—29/19—28/87—29/12—(33/50).
Chemicals & Fibres—Rs. 16/50—16/87—16/37—16/87.

PUBLIC UTILITIES

Bareilly—Rs. 11/50—11/50—11/44—11/44—(12/37).
Calcutta—Rs. 15/50—15/56—15/44—15/56—(14/87).
United Provinces—Rs. 205/00—217/00—205/00—214/00—(112/00).

INSURANCES

New Asiatic—Rs. 7/69—7/75—7/69—7/75—(8/62).
Ruby General—Rs. 12.25—12/44—12.19—12/25—(10/00).

ENGINEERINGS

Britannia Eng.—Rs. 10/12—10/37—10/00—10/12—(9/97).
Bhartia Electric Steel—Rs. 15/06—15/19—15/00—15/00—(14/06).
Binani Metal—Rs. 13/00—13/25—13/00—13/25—(10/75).
Braithwaite & Co.—Rs. 32/50—32/50—32/50—32/50—(33/12).
Do. (Pref.)—Rs. 111/00—112/00—111/00—112/00.
Bharat Ball Bearing—Rs. 12/00—12/06—12/00—12/06.
Burn & Co. (6% Pref.)—Rs. 102/50—102/50—102/50—102/50.
Calcutta Steel—Rs. 13/69—13/81—13/62—13/81—(13/19).
Dalmia Iron—Rs. 11/37—11/37—11/25—11/25—(10/87).
Indian Iron (Pref.)—Rs. 87/00—87/00—87/00—87/00.
Indian St. Wagon—Rs. 36/94—36/94—36/94—36/94.
Jessop & Co.—Rs. 23/12—24/06—23/00—24/06—(26/19).
Jay Eng—Rs. 19/00 s.t.—19/00—19/00—19/00—(20/87).
Kumardhubi—Rs. 5/56—5/60—5/44—5/62—(9/50).
Marshalls—Rs. 3/37—3/50—3/37—3/47—(2/44).
Machinery Mfg.—Rs. 23/75—23/75—23/69—23/69.

MISCELLANEOUS

Aluminium Corpn. (Renunciation Letter)—Rs. 1/44—1/44—0/84—0/87.
Asiatic Oxygen—Rs. 9/19—9/25—9/00—9/00—(13/81).
Associated Battery—Rs. 24/62—24/75—24/44—24/75—(25/00).
American Refrigerator—Rs. 9/94—10/00—9/87—10/00.
Asian Refractories—Rs. 11/12—11/12—11/12—11/12—(6/50).
Albion Plywood—Rs. 6/69—6/75—6/69—6/75.
British Paints—Rs. 24/87—25/12—24/75—24/75—(20/00).
B. I. Corpn.—Rs. 11/19—11/25—11/00—11/12—(8/25).
Do. (Pref.)—Rs. 112/00—112/50—112/00—112/50.
Balmer Lawrie—Rs. 235/00—236/00—234/00—236/00—(247/00).
Clive Row Investment—Rs. 8/44—8/44—8/44—8/44—(8/75).
Calcutta Tramways—Rs. 11/62—11/75—11/37—11/75—(11/31).
Dr. Paul Lohmann—Rs. 8/31—8/37—8/31—8/37—(14/00).
Dyer Meakin Breweries—Rs. 25/31 s.t.—26/12—25/31 s.t.—26/12—(28/62).
East Anglia Plastics—Rs. 8/06—8/25—8/03—8/25—(9/56).
Electric Construction—Rs. 13/62—13/81—13/56—13/81—(13/94).
English Electric—Rs. 15/56—15/87—15/50—15/87—(14/25).
Electro Equipment Corpn.—Rs. 6/50—6/50—6/50—6/50.
Goodyear India—Rs. 23/31—23/50—23/19—23/19.
Hindustan Aluminium—Rs. 13/37—13/53—13/31—13/44—(13/94).
Do (Pref.)—Rs. 121/00—121/00—121/00—121/00.
Hindusthan Development—Rs. 4/06—4/12—3/87—4/12—(4/00).
Hindusthan Gas—Rs. 19/31—19/50—19/25—19/44—(22/25).
Hindusthan Twyfords—Rs. 15/94—15.94—15/94—15/94—(14/69).
Do. (Pref.)—Rs. 105/00—105/00—105/00—105/00.
Hoare Miller—Rs. 4/31—5/00—4/31—5/00—(5/62).
Hindustan Lever—Rs. 31/50—31/50—31/50—31/50.
Hindusthan Wire Pro.—Rs. 21/25—21/37—21/25—21/37.
Imperial Tobacco—Rs. 8/87—8/87—8/81—8/81—(10/62).
Inchek Tyres—Rs. 6/69—6/69—6/69—6/69.
India Carbon—Rs. 13.50—14.12—13.50—13/50—(17/50).
Indian Oxygen—Rs. 24/50—24/75—24/37—24/50—(27/75).
Indian Rubber Mnfg.—Rs. 22/00—22/00—22/00—22/00—(19/87).
Jayshree Tea Industries—Rs. 14/69—14/75—14/69—14/75—(17/75).
J. K. Synthetics—Rs. 13/12—13/19—13/06—13/12—(11/56).
Jardine Henderson—69/00 x.d.—69/00—69/00—69/00.
McLeod & Co.(1st Pref.)—Rs. 44.50—45/00—44/50—45/00—(44/50).
Metal Box—Rs. 31/00—31/00—31/00—31/00—(50/62).
Metal Distributors—Rs. 9/25—9/25—9/12—9/12.
Martin Burn—Rs. 27/25—27/25—27/25—27/25.
National St. Duncan—Rs. 70/50—70/50—70/50—70/50.
National Rolling & Steel Ropes—Rs. 23/25—24/25—23/25—24/00—(21/44).
National Insulated Cable—Rs. 25/56—25/62—25/37—25/62—(24/75).
National Pipes & Tubes—Rs. 28/25—28/25—28/25—28/25—(27/00).
National Tobacco (1st Pref.)—Rs. 69/00—69/00—69/00—69/00.
Philips India—Rs. 27/31—27/50—27/31—27/50—(26/75).
Phillips Carbon Black—Rs. 13/62—13/62—13/62—13/62—(15/19).
Shaw Wallace—Rs. 14/81—15/00—14/81—15/00—(16/81).
Universal Cables—Rs. 10/87—10/87—10/75—10/87—(11/37).
Usha Martin Black—Rs. 14/50—14/50—14/50—14/50—(15/94).
Walford Transport—Rs. 3/06—3/09—3/06—3/09—(3/69).
Woolcombers of India—Rs. 11/56—11/56—11/56—11/56—(15/50).

OIL

Tide Water—Rs. 37/00 x.d. 37/00—37/00—37/00—(27/12).

PAPERS

Bengal—Rs. 26/56—26/69—26/50—26/62—(28/25).
Ballarpur—Rs. 17/94—17/94—17/81—17/81—(17/81).
India Paper Pulp—Rs. 16/50—16/50—16/50—16/50.
Sirpur—Rs. 11/84—11/94—11/78—11/87—(13/12).
Star—Rs. 8/19—8/19—8/19—8/19—(9/06).
Do. (2nd Pref.)—Rs. 80/50—81/00—80/50—81/00.
Straw Products—Rs. 8/94—9/00—8/94—9/00—(9/75).

Titaghur—Rs. 12/31—12/53—12/25—12/44—(16/87).

REAL PROPERTIES

Humayan Properties (Pref.)—Rs. 7/62—7/69—7/56—7/56—(6/81).
Midnapore Zemindary—Rs. 32/50—34/25—32/50—34/25—(11/00).

SHIPPINGS

Fraser & Co.—Rs. 10/00—10/00—9/94—9/94—(10/00).
India Steamship—Rs. 7/09—7/19—7/06—7/12—(6/62).
India General Navgn.—Rs. 35/00—36/25—35/00—36/25.
Port Shipping—Rs. 17/37—17/44—17/31—17/31—(14/94).

SUGARS

Carew & Co.—Rs. 12/31—12/50—12/12—12/50—(10/81).
Cawnpore—Rs. 10/00—10/00—9/87—9/87—(9/75).
Darbhanga—Rs. 8/50—8/50—8/44—8/44—(8/87).
Ramnugger Cane—Rs. 24/25—24/25—24/25—24/25—(27/50).
Shree Krishna Gyanoday—Rs. 8/25—8/87—8/25—8/75—(7/75).

TEAS

Banarhat (Renunciation)—Rs. 27/00—28/00—27/00—28/00.
Dibrugarh—Rs. 27/25—27/31—27/12—27/12—(32/50).
Dimakusi—Rs. 22/87—22/87—22/87—22/87—(22/62).
East India—Rs. 10/25—10/25—10/12—10/19—(16/12).
Gungaram—Rs 127/00—130/00—127/00—129/00—(131/00).
Hasimara—Rs. 13/25—13/31—13/25—13/31—(13/75).
Joonktoolie—Rs 17/50—17/62—17/50—17/62—(17/44).
Ledo—Rs. 11/00—11/06—10/87—11/05—(13/75).
Patrakola—Rs. 186/00—186/00—186/00—186/00—(130/00).
Rydak—Rs. 23/00—23/00—22/62—22/62—(26/31).
Sungma—Rs. 12/12—12/25—12/06—12/06—(14/56).

London

POLL NEWS INDUCES SMALL BUYING

LEADING INDUSTRIALS RISE

London, 30th September.

THE approaching general election remained the dominating influence in the stock market last week, and with the latest political opinion polls showing a definite swing in favour of the Conservatives, buying by small investors steadily increased. Even so, the volume was still on the small side, and the institutions participated to a very limited extent. Sentiment received a considerable boost from the excellent I.C.I. half-year statement and this attracted buyers to other leading stocks. I.C.I. has not fully held its gain, but rises elsewhere carrid the index to a new all-time peak. With Wall Street also reaching new peaks almost daily, dollar stocks were marked up which were accompanied by a certain amount of buying. Gilt-edged were an extremely quiet market and prices showed little movement. The feature of gold shares was the persistent firmness of the finance issues. Platinum shares fell away sharply. Although the dividends were satisfactory it was felt that further increases were unlikely, while the statement by the chairman of Rustenberg on the uncertain outlook for the metal was an unsettling influence. Coppers were quiet, while *tin* moved up fairly sharply in response to the rise in the metal price. Oils gained little benefit from the B.P. interim statement and prices moved narrowly. Rubbers and teas were supported from time to time.

another order for CELCON® came the other day

® Celcon is the new engineering material which has excited interest of buyers from the automobile industry, the electrical industry, the building materials industry, the hardware industry, the packaging industry, the office equipment industry and the weapons-making industry. Celcon was developed after many years of research by the Celanese Corporation of America, one of the world's major producers of formaldehyde and trioxane.

Celcon is fast displacing iron, steel, brass, zinc, aluminium, magnesium, thermosets, laminates and wood in the manufacture of many articles. As contrasted with many die-cast metals, Celcon components require little or no finishing when they emerge from the mould and may almost immediately be put to use. Considerable amounts of money are thus saved when Celcon is used. Celcon maintains its high mechanical strength, stiffness, toughness and resistance to impact force over a long period and through broad ranges of temperature and environment.

Celcon is available in natural translucent white and 18 standard colours; it is easy to fabricate; has excellent frictional characteristics; it can be readily sawed, drilled, turned, milled, filed and threaded. It can be fabricated by injection moulding, extrusion, blow moulding and other high volume thermoplastic processing techniques. Processing ease and economy are its greatest advantages.

® CELCON is a trademark

CELCON

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MADE BY THE CELANESE CORPORATION OF AMERICA

A3P/C-4

DUNCAN BROTHERS & CO. LTD. ARE THE EXCLUSIVE SALES AGENTS IN INDIA FOR CELCON:
31, NETAJI SUBHAS ROAD, CALCUTTA-1: 39, WITTET ROAD, BALLARD ESTATE, BOMBAY-1

HIDES AND SKINS

The market was steady. Stocks were higher than in the previous week.

Bazaar Sales

(Between 23rd September and 28th September, 1964)

Cowhides: Wet salted (Ord.) 5,000 pcs. on the basis of Rs. 10.50 to Rs. 11.25; Wet salted (Slaughtered) 44,000 pcs. on the basis of Rs. 10 to Rs 17 and Rs. 19 to Rs. 28.

Goatskins: Wet salted (Patna, Daissee, Kustia) 75,700 pcs. on the basis of Rs. 300 to Rs. 320, Rs. 375 to Rs. 390 and Rs. 420 to Rs. 430; Wet salted (he-killed) on the basis of Rs. 4.75 and (she-killed) on the basis of Rs. 4.50 a piece; Purneah-Kissenganj 3,000 pcs. on the basis of Rs. 290.

Bazaar Stocks

(28th September, 1964)

Cowhides: Wet salted 100,600 pcs.

Goatskins: Wet salted (Patna Daissee, Kustia, Killed) 63,000 pcs.; Assam-Dinajpur 71,000 pcs.; Muzafferpore-Patna-Pakur - Purneah-Kissenganj 189,000 pcs.

VC-10 INAUGURAL FLIGHT THROUGH CALCUTTA

British Overseas Airways Corporation's new aircraft the *VC-10*, touched at Calcutta last Sunday on its inaugural flight from London to Tokyo. Unlike other planes, the *VC-10* has four engines mounted near the tail, and this, it is claimed, reduces the noise inside the aircraft. It is also claimed that the plane has a shorter take-off and landing, and can stand rough weather better than other types.

HINDUSTHAN MERCANTILE BANK LIMITED.

Registered Office:
10, Clive Row, Calcutta-1.

Authorised Capital ... Rs. 2 Crores.
Subscribed Capital ... Rs. 1 Crore.
Paid-up ... Rs. 50 Lakhs.

BOARD OF DIRECTORS:
Sri Mohan Lal Jatan (Chairman).
Sri Bhagirath Kanoria.
Sri Manmull Bhuwalka
Sri Kamal Singh Rampuria.
Sri Promode Ranjan Sarkar.
Sri Hari Lal Mehta
Sri Chhotelall Kanoria.

Branches and Agencies throughout India.

B. S. MAZUMDAR.
Manager. Head Office.

RESERVE BANK

ISSUE DEPARTMENT

(In 000's of Rupees)	Week Ended 25-9-64	18-9-64	27-9-63
Liabilities—			
Notes in Banking Dept.	36,28,01	17,29,62	32,57,78
Notes in Circulation	23,63,25,53	23,89,81,19	21,92,30,95
Total Notes Issued	23,99,53,54	24,07,10,81	22,24,88,73
Assets—			
A. Gold Coin and Bullion	1,17,76,10	1,17,76,10	1,17,76,10
Foreign Securities	85,45,69	85,45,69	89,45,69
Total of A	2,03,21,79	2,03,21,79	2,07,21,79
B Rupee Coin	1,10,18,26	1,07,95,78	1,25,36,12
Rupee Securities	20,86,13,49	20,95,93,24	18,92,30,82
Total	23,99,53,54	24,07,10,81	22,24,88,73

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long Term Operations) Fund	86,00,00	86,00,00	73,00,00
National Agricultural Credit (Stabilisation) Fund	9,00,00	9,00,00	8,00,00
National Industrial Credit (Long Term Operations) Fund	10,00,00	10,00,00	...
Deposits—			
(a) 1 Central Govt.	61,32,85	60,68,26	64,29,61
2. State Govts.	15,08,08	13,67,77	6,08,19
(b) Banks :—			
(i) Scheduled Banks	1,00,70,77	1,06,50,09	85,65,09
(ii) State Co-operative Banks	2,59,83	2,33,25	2,23,66
(iii) Other Banks	3,84	3,41	4,63
(c) Others	1,37,23,27	1,38,27,73	1,59,43,06
Bills Payable	46,37,79	42,13,51	39,67,14
Other Liabilities	28,81,61	25,93,11	25,09,33
Total	5,82,18,04	5,79,57,13	5,44,90,71
Assets—			
Notes	26,28,01	17,29,62	32,57,78
Rupee Coin	3,59	4,29	2,05
Small Coin	7,75	7,72	2,62
National Agricultural Credit (Long Term Operations) Fund			
(a) Loans and Advances to :—			
(i) State Govts.	28,24,34	28,29,52	27,12,42
(ii) State Co-operative Banks	12,01,82	12,05,44	10,06,88
(iii) Central Land Mortgage Banks	...	...	...
(b) Investment in Central Land Mortgage Bank Debentures	4,39,95	4,39,95	3,75,21
National Agricultural Credit (Stabilisation) Fund			
Loan and Advances to State Co-operative Banks	...	...	...
Bills Purchased and Discounted :—			
(a) Internal	...	...	...
(b) External	...	...	...
(c) Govt Treasury Bills	...	...	...
Balances Held abroad	2,09,83,14	2,04,80,18	77,59,61
Loans and Advances to Govt.	12,17,20	13,40,67	7,62,30
Loans and Advances to :—	29,86,56	18,34,89	33,45,72
(i) Scheduled Banks	83,25	92,95	1,87,90
(ii) State Co-operative Banks	1,15,36,45	1,16,90,47	1,24,85,21
(iii) Others	2,58,13	2,49,88	1,64,55
Investments	78,34,54	1,04,22,33	1,95,71,49
Other Assets	26,13,33	26,25,62	24,76,86
Total	5,82,18,04	5,79,57,13	5,44,90,71

SCHEDULED BANKS

(In 000's of Rupees)	Week Ended 18-9-64	11-9-64	20-9-63
(I) Demand Liabilities—			
(a) Demand Deposits :			
(1) From Banks	58,14,66	61,03,18	52,64,40
(2) From others	11,29,63,41	11,22,70,96	9,66,47,48
(b) Borrowing from Banks	27,69,52	26,85,08	24,06,23
(c) Other	73,92,10	69,92,89	64,62,39
(II) Time Liabilities—			
(a) Time Deposits :			
(1) From Banks	38,59,21	37,55,93	35,27,70
(2) From others	13,72,15,22	13,56,16,45	12,41,72,85
(b) Borrowing from Banks	20,37,41	16,35,59	25,72,69
(c) Others	12,84,00	12,69,98	9,59,05
(III) Borrowing from State Bank—			
(a) Demand Liabilities	7,73,96	7,52,35	4,90,54
(b) Time Liabilities	25,00,00	25,65,00	13,60,00
(iv) Borrowing from Reserve Bank	87,95	1,95,10	1,59,40
(v) Cash	63,60,73	64,02,90	51,19,02
(vi) Balances with the Reserve Bank	94,68,09	96,95,16	83,91,54
(vii) Balances with other Banks in current account	21,67,30	20,20,38	20,97,45
(viii) Money at call and short notice	67,90,65	64,10,30	54,20,95
(ix) Investments in Central and State Govt. Securities	7,96,21,97	7,61,99,52	7,72,64,96
(x) (a) Loans, Cash Credits and Overdrafts	14,79,43,92	14,93,87,26	12,23,95,63
(b) Due from Banks	13,05,15	12,71,02	14,22,09
(xi) Inland Bills purchased and discounted	1,67,91,02	1,67,88,01	1,64,44,83
(xii) Foreign Bills purchased and discounted	68,77,82	69,95,90	52,25,01
(xiii) Total of X, XI and XII	17,29,17,91	17,44,42,19	14,64,87,35

THE BRITISH INDIA CORPORATION LTD., KANPUR

BRANCHES DIVISION :

Cawnpore Woollen Mills Branch — Cooper Allen Branch
New Egerton Woollen Mills Branch — North West Tannery Branch

London Office:

BEGG SUTHERLAND DIVISION :

Secretaries & Treasurers

The Elgin Mills Co. Limited — Cawnpore Sugar Works Ltd.
Cawnpore Textiles Ltd. — Champaran Sugar Co., Ltd.
Brushware Limited — Saran Engineering Co., Ltd.

Secretaries for Beta Picker & Co., Ltd.

Agents for The Oriental Fire & General Insurance Co., Ltd.

THE CALCUTTA MONEY MARKET

SMALL DECLINE IN ADVANCES

Wednesday, 30th September.

THERE has been a small decline in the general level of advances in the Calcutta money market during the past week. Almost the entire decline is accounted for by miscellaneous borrowers. The requirements of the major industries, and the foodgrains and seeds trade, are unchanged. In the interbank market, the call rate shot up from 1 percent to 4½ percent. But at the close, the supply of funds has increased and the rate has eased in stray transactions.

The exchange market has been moderately active during the past week, with a fair supply of both tea and gunny bills. The demand for remittances is small. In London, sterling has been weak in relation to most of the major currencies, except the Dutch, Swiss and Belgian.

SILVER WAS STEADY IN CALCUTTA during the past week. The price closed around Rs. 255. It was quoted at 112¼d in London and at 129.3 cents in New York.

Gold was also steady, and 14-carat fetched Rs. 72.25 a 10 grams.

DURING THE WEEK ENDED 25TH September, Government of India Treasury bills for Rs. 150,40,00,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 29th September. The total amount offered was Rs. 4 crores. Tenders at Rs. 99.400 percent were allotted 50 percent. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.400 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received in Bangalore and Calcutta up to the close of business on 3rd October and in Bombay, Kanpur, Madras, Nagpur and New Delhi up to the close of business on 5th October.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 30th September to 3rd October at Rs. 99.416 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 23rd September to 26th September amounted to Rs. 13.35 crores.

THE TOTAL NOTE ISSUE DROPPED BY Rs. 7.57 crores to Rs. 2,399.54 crores and active notes by Rs. 26.55 crores to Rs. 2,363.26 crores, according to the return of the Reserve Bank of India for the week ended 25th September, 1964. The currency contraction was adjusted by reducing rupee securities by Rs. 9.80 crores to Rs. 2,086.13 crores. Deposits of the Government of India rose by Rs. 65 lakhs to Rs. 61.33 crores and those of State Government by Rs. 1.40 crores to Rs. 15.08 crores. Balances of commercial banks at Rs. 100.71 crores showed a drop of Rs. 5.79 crores. Their loans from the Reserve Bank amounted to Rs. 83.25 lakhs, against Rs. 92.95 lakhs, of which advances to usance bills stood at Rs. 20 lakhs (the same). Investments dropped by Rs. 25.87 crores to Rs. 78.35 crores. Balances held abroad declined by Rs. 1.24 crores to Rs. 12.17 crores. Ways and means advances stood at Rs. 25.87 crores, against Rs. 18.35 crores.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 18th September, 1964, shows Demand and Time liabilities at Rs. 1,286.61 crores (Rs. 27.70 crores on account of borrowings from banks) and Rs. 1,443.87 crores (Rs. 20.37 crores), compared with Rs. 1,280.52 crores (Rs. 26.85 crores) and Rs. 1,423.38 crores (Rs. 16.96 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have declined by Rs. 42 lakhs and Rs. 2.27 crores to Rs. 63.61 crores and Rs. 94.68 crores, respectively. There is a rise of Rs. 34.22 crores to Rs. 796.22 crores in investments. Advances and bills discounted at Rs. 1,729.18 crores show a drop of Rs. 15.24 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.8 percent and 63.3 percent, against 6 percent and 64.5 percent.

THE NEDERLANDSCHE HANDEL-MAATSchappij, N.V. (Netherlands Trading Society), a banking Company established in the Netherlands in 1824, has announced that its name will be changed into Algemene Bank Nederland N.V. (General Bank of the Netherlands) with effect from 3rd October, 1964. The change in the Company's name is subsequent to a merger of De Twentsche Bank N.V., into the Nederlandsche Handel-Maatschappij, N.V., both leading banks in the Netherlands. Total resources of the enlarged institution will be in excess of Rs. 670 crores, and capital and reserve will amount to Rs. 40 crores.

The new enlarged structure of the bank will comprise nearly 400 branches in the Netherlands as well as 22 own branches and 13 affiliated and allied banks abroad. The bank has been maintaining branch offices in Calcutta and Bombay since 1920. These will continue their operations under the new name of the combined venture.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 1-10-64.

Issue Date	Maturity Date	Amount (000's Rs)	Average Acceptance Rate
1-10-64	4-1-65	2,00,00	Rs. 2.400%
25-9-64	26-12-64	2,00,00	Rs. 2.399%
18-9-64	21-12-64	2,00,00	Rs. 2.386%
11-9-64	14-12-64	2,00,00	Rs. 2.400%
4-9-64	7-12-64	2,00,00	Rs. 2.400%
21-8-64	24-11-64	2,00,00	Rs. 2.400%
14-8-64	17-11-64	2,00,00	Rs. 2.400%
7-8-64	10-11-64	2,00,00	Rs. 2.393%
31-7-64	3-11-64	2,00,00	Rs. 2.399%
24-7-64	27-10-64	2,00,00	Rs. 2.400%
10-7-64	13-10-64	2,00,00	Rs. 2.500%
3-7-64	6-10-64	2,00,00	Rs. 2.994%

(Monthly Maturities 000's omitted)

October 1964	6,00,00
November 1964	8,00,00
December, 1964	8,00,00
January, 1965	2,00,00
Total	24,00,00

CLEARING HOUSE RETURNS

Week	Rs (thousand) Calcutta	Bombay
25-9-64	.....	1,09,51,61
18-9-64	.....	1,07,48,39
11-9-64	96,65,57	99,19,19
4-9-64	1,24,63,56	1,41,10,44

THE IMPERIAL TOBACCO COMPANY OF INDIA LIMITED

THE CHAIRMAN'S REVIEW OF ACTIVITIES

The following Speech delivered by the Chairman, Mr. F. A. Collett, at the Fifty-third Annual General Meeting of the Company held on 24th September 1964.

Ladies and Gentlemen,

The year under review saw two changes on your Board necessitated by the departure from India of Mr. C. N. Kirkus and Mr. H. C. Reeve on retirement. Mr. Kirkus had served the Company for 28 years and Mr. Reeve for 31 years and so had well earned their retirement, and with them go our best wishes.

In their places Mr. Patrick Evan John and Mr. Balwant Kumar Nehru were appointed to the Board on 1st April. Mr. John joined the Company in 1938 on the accounting side, and Mr. Nehru in 1950 on the engineering side. They bring with them a wealth of experience and drive which is already apparent in our deliberations.

Turning to the Accounts I am afraid that, as I foreshadowed in my speech a year ago, the Company has come through a difficult year.

The reduction in profit from the high figure of 1962/63 is almost entirely due to two main causes, indirect and direct taxation; indirect taxation in the form of excise adversely affecting our Company's gross trading profits, and direct taxation reducing the net profits available for distribution.

As a result of the 1963 budget, when not only were the basic rates of excise raised, but an additional 20% special Emergency excise imposed, your Board decided to absorb a large part of the extra taxation on some of the lower priced brands as it was considered probable that had we not done so the higher prices would have put these brands at prices which many consumers would have been unable to pay.

Despite the disappointing financial results of the year under review your Directors are still of the opinion that that decision was a right one because even despite it, cigarette consumption during the year showed a reduction for the first time for many years: and had prices been still further increased this reduction would have been even more marked. I should perhaps point out that the value of our sales as shown in the Profit and Loss Account shows an increase of some Rs. 5 crores but this figure is largely offset by additional excise paid and does not therefore represent an increased volume of sales. Nevertheless it does mean that this extra money was paid out for your Company's products.

This overall reduction in volume is a clear indication of the fact that we have, anyhow for the time being, reached a point at which many consumers, particularly those in the lower income groups can no longer afford to smoke cigarettes. This must of course soon be reflected in Government revenue: and it is my opinion that if the revenue from the cigarette industry is to maintain its buoyancy, this is most likely of achievement by a reduction of excise, particularly in the lower categories and the removal of the special Emergency excise.

I now come to the incidence of direct taxation because the excise to which I have already referred only accounts for part of our reduction in profits, another large part of which is accounted for by retroactive corporate taxation for which we could not possibly have budgeted.

Changes in Excise Rates

In the last three budgets there have not only been changes in excise rates; but our liability to direct taxation has been increased by retroactive new impositions and increases in rates. The 1962 budget increased the rate of corporate taxation from 45% to 50% at a cost of Rs. 18 lakhs; the 1963 budget introduced Super Profits Tax at a cost of Rs. 20 lakhs, and there is an unfortunate possibility that the 1964 budget may raise, perhaps unintentionally, our rate of corporation tax to 60% at a cost of Rs. 31 lakhs. I say "perhaps unintentionally" because there are varying interpretations of the provisions of the Finance Act 1964 relating to Super Tax on companies. In view of this uncertainty we have thought it wise to provide for the higher rate of 60% in our Accounts.

In the case of a change in excise duty which is primarily a tax on the consumer the difference becomes effective from the date of imposition, and your directors are free to decide how much of the change should be passed on to the consumer, and on this decision is the Company's forward pricing policy fixed. In the case of direct taxation being imposed or increased retroactively in the last trading month of the year, forward planning becomes, to put it mildly, difficult.

These very frequent changes in two major forms of taxation, particularly in a trade where on average 50% of the sale value of our product is represented by excise, are bound to lead to erratic results: and if we cannot have a reduction in taxation, then at least a period of stability is overdue.

Your Directors have in previous years considered it advisable to appropriate part of the profits earned to Reserves in order to retain in the business funds needed to replace fixed assets and stocks at current price levels and to finance expansion. Having reviewed the whole situation they have decided to recommend to you that this year no such appropriations should be made and that reserves previously made should be drawn upon in order to cover taxes retrospectively levied for the previous year. It will then be possible to pay a final dividend of 2½%, making a total of 6½% for the year, which I now recommend.

Now to turn to the more cheerful side of the picture.

A more healthy aspect of the current situation is the more intense competition between the manufacturers but your Company is maintaining a satisfactory position and I have no doubt at all will continue to give a good account of itself.

Good Effect of Competition

Competition has a stimulating effect on your Company's management, and the results of our various training programmes which we have carried out continuously for several years are now standing us in good stead in overhauling old, and evolving new techniques on all sides of the business.

The year 1963 marked the Diamond Jubilee of our famous SCISSORS brand and we celebrated this by giving it a modern dress which, judging by the reception it has received, has been warmly appreciated by its loyal followers. I mention this particular item because in fact it is probably not untrue to say that this rejuvenation is symbolic of the many changes that we have made, and shall continue to make to keep abreast, and indeed ahead, of today's trading conditions.

In addition, and with an eye to the future, we have been concentrating on the increasing filter tipped trade where we now have the two leading brands in WILLS NAVY CUT Filter and SIMLA which have recently been followed by SAVOY Mentholated for those who like this variation.

Perhaps I should not leave this subject without a lament for the passing away of the round 50s tin, which has been a feature of the market for so long and which has now become a casualty of the Emergency. The Government can undoubtedly put the tinplate, which is in short supply, to a more vital use: and we hope that our public will be satisfied with our various alternative packings.

Generally your Company's products have been able to give a good account of themselves against increasing competition and despite increased prices; but in the few exceptions where this has not been the case you may rest assured that the most vigorous action has been and still will be taken.

Export Performance

In the export field we have exhibited in a number of trade fairs, have sent a representative to various European countries and received assistance from our British associates: and we have also made numerous quotations at competitive f.o.b. prices: but all on the whole with disappointing results. The vast majority of countries now have their own cigarette industries which are equally well protected against imports as is the Indian domestic market. There is a limited market in Rupee payment countries, which seems better handled on a Government to Government basis: and it has been arranged to investigate such an arrangement.

A side of our business which is not perhaps as well known as it might be is the Printing side. We have two printing factories, one in Monghyr and another at Tiruvottiyur near Madras. These were originally set up to supply our own requirements for packaging materials: and they still do this. However Tiruvottiyur, which does some of the most high class offset printing in the country has of recent years been taking on a certain amount of outside work which we are hoping to develop still further.

I have already referred to the changed outlook of management to meet today's trading conditions and I should now like to say something of our Labour relations, and our relationship with the many trade Unions who represent the workers and clerical staff employed here in Head Office and in our branches throughout the country, in which sphere we consider that our record is good.

The changes in trading conditions to which I have referred necessarily involve changes in working conditions, and these have been under discussion with many of the Unions during the year. Earlier this year we arranged a conference between Management and the leaders of the Unions at which it was agreed, with the unfortunate exception of a small minority of branches, to set up a Committee composed of four members each from Management and the Unions to review working conditions in Head Office and all the branches represented with a view to rendering recommendations to the Board at the end of this year: and it was further agreed to call a moratorium on demands, apart from local adjustments, during this period.

This Committee has already had several meetings in different parts of the country and I have been struck not so much by the constructive work that they are undoubtedly doing, but by the atmosphere of mutual trust in which they are doing it. On the Committee at least there appears to be an understanding on both sides that the interests of Management and Labour in the prosperity of the Company are the same: and if this is really accepted, and although there will certainly be some bargaining on the way, I think that the fact that these matters are being discussed in a free atmosphere and under no form of duress on either side is a major step forward.

Future Prospects

Finally it is usual at this meeting for the Chairman to attempt to give you some indication of our future prospects. I have already said a great deal about the difficulty of doing this. However as regards trading prospects in the long run I am still of the opinion that only the fringe of the eventual cigarette consumption potential has been touched: but that the rate of the increase depends entirely upon two factors, the rate at which the standard of living in the country increases and the rates of excise duty imposed. At present I believe these latter rates to have run ahead of the economic development to an extent that they are not able to be absorbed.

In the short term I believe your Company is well equipped to face the present competitive situation and in the absence of further retroactive taxation I would expect improved results during the current year but that these are not likely to be spectacular. As a result of these improved prospects it is possible to revert to our previous rate of interim dividend and the first interim for the current year of 2½% has already been notified to you. What we are eventually able to pay for the year will naturally depend on the final results we achieve.

"This does not purport to be a report of the proceedings of the Annual General Meeting."

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CHAIRMAN SIR D. N. MITRA HIGHLIGHTS THE COMPLEX PATTERN OF CELLULOSE ACETATE INDUSTRY—AND ITS NEED FOR PROPER INTEGRATION

The following is the full text of Sir D. N. Mitra's address to the shareholders at the Eighth Annual General Meeting of the Company held in Calcutta on 30th September, 1964.

Friends,

I have much pleasure in extending to you all a warm welcome to this General Meeting of the Company. Before this review is presented, it is my duty to refer to the calamity that has befallen us at the death of Jawaharlal Nehru. It is also my duty to express our grief at this great national loss and to preface our proceedings with a tribute to his memory by dedicating our endeavour to the fulfilment of his vision of a modernised industrial India. Objective thinking is our inheritance from the great leader, who is no more. But his ideals, I am sure, will always inspire us and help develop a conviction about the great future of India. To do so we must fully comprehend that industrialisation is basic to the very life of our country. Without such conviction the creative possibilities of large-scale industries cannot be fully realised to achieve economic freedom.

On this occation, I propose only to highlight some aspects of our Acetate Industry which is yet to reach its full growth in our country. This apart I would like to talk generally on the industrial climate as it is obtaining today in India. So far as the affairs of the Company are concerned, I would request you to refer to the Audited Statement of Accounts and the Directors' Report which together give a fair indication of the achievement of our Company over the past years. The performance of your Company during the year under review in particular is very significant—being the first year of fruitful endeavour by which the Company has produced some positive results and a token profit. This year is also significant because now we have come to a turning point, wherefrom the growth of our Company will be accelerated. This achievement, however, is to be studied in the context of what remains to be achieved in the years to come. In the Annual Report there is a brief note titled "The World of Cellulose Acetate". This defines the framework of the canvas of our Acetate Project. We have just made a beginning in this field. We are yet to go a long way to reach our goal.

Plasticizer Project

Our Compounding Unit at Dum Dum is now in the swing of volume production. The Plasticizer Project will soon go into stream. All the ground work for the Cellulose Acetate Flakes Project has also been completed. In planning our schemes we have adopted a pragmatic approach, and in programming the Cellulose Acetate Project we have worked out the detailed data on inputs and investment costs. The elaboration of the development plans has been, in general, started with a long-term projection. For operational purposes, it has been necessary to link aggregative planning to that of the individual phases of our project. In our study, major emphasis has been placed on the analysis of the differential of the fixed investment and other major input requirements in the industry between a developed country and a developing country. The course of our activities has been charted out on an aggregative projection which is fundamental for proper development of Cellulose Acetate Industry.

Looking back, I would recall—and you are perhaps aware—that our original scheme was only to compound Cellulose Acetate and P.V.C. resins for the Plastics Industry. Our Government, in sanctioning the scheme, advised us to integrate our project backwardly with the production of Cellulose Acetate Flakes. The Government was very much justified because the modern Cellulose Acetate Industry is one of the most completely integrated industries in the world to-day.

If you examine the pattern of Cellulose Acetate Industry all over the world, you will find that only very big corporations are now dominating this field. In all advanced cuntries, mainly the leaders of chemical or man-made fibre industries are engaged in the production of Cellulose Acetate.

Acetate Industry

The economics of Acetate Industry are generally based on a pattern of intricate integration. Lack of proper integration often has forced some producers to discontinue production. A very large and reputed chemical company in an advanced country, once an important producer of Cellulose Acetate Flakes, had to shut down their Acetate Plant as it was not properly integrated for the manufacture of end-products. To make the Cellulose Acetate Industry very stable, there is no doubt that it has to be properly linked up with end-products industries, such as plastics, yarn, film, etc. In a developing country like India, the question of integration of a Cellulose Acetate Industry is far more involved. To be absolutely sure of supply of raw materials from indigenous sources and to be independent of imports, this industry has also to be integrated backwardly to ensure the availability of the raw materials at an economic price.

The pattern of integration in Acetate Industry varies in the advanced countries according to local conditions. Besides having major forward integration for manufacture of end-products and auxiliary integration for marketing, most of them also have facilities of chemical conversion plants. Many of them produce all the basic and intermediate raw materials and chemicals like Acetic Acid, Chemical Cotton, Acetic Anhydride and have facilities for recovery of Acetic Acid; some producers however buy Cellulose Pulp and Acetic Acid and only produce Cellulose Acetate by linking with the production of Acetic Anhydride and recovery of dilute acid. We also know of cases where even recovery of Acetic Acid is not undertaken by the Acetate producer because they not only buy Acetic Acid but have also the advantage of returning to the seller the dilute acid for recovery.

But in a developing economy where the chemical industry is still in its infancy, it is to be expected that such facilities will not be available. It is, therefore, incumbent upon your Company to integrate the Acetate Project not only to the limits upto which your Company has obtained licences, viz. production of Acetic Acid, Acetic Anhydride, etc. but also for producing pulp and other chemicals; and it would also be desirable to go a further step, backwardly, to set up a Distillery for regular supply of alcohol and to integrate, forwardly, with a yarn Spinning Plant.

In this context, I would also like to refer to the status of the Acetate Industry in a developing country like South America where we find that the producer of Acetates has even gone as far backward as to undertake sugarcane cultivation in order to ensure supplies of alcohol by crushing of cane and subsequent fermentation. Some internationally-known firms have also diversified in the field of forestry development and timber extraction to produce pulp in the process of integration. Such complexity is inherent for a stable Cellulose Acetate Industry in its larger perspective.

I am glad to report that your Company has made a study of the economics of this industry and the development plan has been based, accordingly on a long-term projection. This being a resource-tied industry, your Company has studied the various problems relating to the availability of raw materials required for the project. It has also taken into consideration the prospects of the development of Petro-Chemical Industry during the next decade which might provide a ready source of Acetaldehyde, etc., which, in turn, will ensure economic production of Acetic Acid.

I feel proud to report that your Company is the pioneer in the field of Acetate Plastics in India and therefore enjoys a happy position. We are now successfully marketing Cellulose Acetate Compounds to meet the requirements of the plastic end-products industry. Now that we have planned for a wide range of products involved in our integrated project, your Company will be in a position to take up such production progressively and develop the side-lines of trading for a sustaining growth in course of time. Our activities however have to be related to the general industrial programme of our country. We should bear in mind that the Indian economy has undergone a major transformation since independence and we are at the beginning of a new era—one in which big industries can fulfil their promises of benefit.

General Industrial Progress

I would like to observe here that while the country is preparing for a large-scale development forces are at work to put obstacles to our way of thinking. Despite the fact that big industrial development is an immediate need to generate rapid economic growth, some of us, perhaps a large section of the Indian people, have a deep-rooted fear out of prejudices and emotional repugnance to it. We shall have to surmount this contradiction. This is not a small job. In the present industrial scene in India, suspicion and emotional prejudices have inevitably created a degree of cynical distrust in all business and downgrading of a businessman's function in society. A time has come for scrutinising what is good for the society and what is not. The feeling resulting from our prejudices brings in a host of untoward consequences in its wake and such feeling will act as a dead load upon our economy—it will slow down the social and economic progress. It will develop a negative attitude which will ultimately refuse to accord honest recognition to the actual benefit of big corporate business.

The other reason for the negative feeling is the assumption that small-unit business should be the norm. This brings emotional consideration in determining the Government policies towards large industry. To live in the world of big productive machines side by side with handlooming and basket-weaving, is perhaps responsible for the two schools of thoughts. It would be unfortunate for us if our industrial policies develop any contradiction in the process of planning. In a developing country like ours, both the streams of economic growth—large and small—have come to stay in our "mixed economy". I am not opposed to small industries. In fact, I am all for small and cottage industries. In India ours is not a case for supporting one or the other—the two should be inter-dependent and inter-related in such a way as to continually add to the wealth of the country as well as to lead to equitable distribution of wealth.

I can appreciate the emotional feeling leading to the negative attitude on the part of certain section of Indians which is probably due to the possible concentration of economic power. But to avoid such concentration it would not be prudent to throttle the economic growth.

Our economic system calls for re-examination of our thinking as well as of the policy of industrialisation. Big industry is inevitable in a big country like ours which is big in every respect—population, external relations as well as natural resources. We should be conscious of the kind of industrial society that our illustrious leaders have planned for India. This calls for an understanding of its fundamental characteristics. We need an enterprising kind of society, an increasingly productive society, an efficient and active society, a realistic and stable society, a forward-looking society that should always be agreed to conserve its resources—a society in which all our institutions, public and private, big and small, are responsible to the interest and the will of the people.

All this thought leads to the conclusion that a rational planning is very significant for the creation of right economic climate in which proper industrial development might flourish. A change in our feeling is therefore fundamental and should be the prime concern of every one of us. We need a comprehensive industrial policy, a more cogent public investment policy that could act as a stimulus to private enterprise—and such policies that could help speedier implementation of the various projects and remove the negative climate that prevails today in the industrial and economic scene of our country.

Chemical Research

Before I conclude, I would like to point out that in India the chemical industry has just begun. And the vast industries based on petroleum, are yet to come. To accelerate its growth, emphasis must be given on research and development. It is true that the Government now pay an increasing attention to scientific research but to me it appears that Government alone cannot take these responsibilities. Scientific investigation should not remain within the four walls of laboratories run by the Government or a few individuals. We shall have to translate the technical achievements and discoveries into industrial realities to speed up the development of chemical industries. Significant research and development require large resources and often a long period of waiting during which no result can be forthcoming. To develop a chemical process, a pilot plant may cost enormous money, may take years to build and even then the results may prove unsatisfactory. It is, therefore, necessary for every enterprise engaged in chemical industry to sink substantial sums of money required to develop basic process and chemical engineering research. Our Government should come forward and take up the responsibility of introducing such policies and incentives as would encourage large-scale and widespread research activities. If proper facilities for such basic research are not developed in our country, there will be a continuous drag on our industrial growth. If we depend only on foreign assistance in these areas, we may not ever base our industries on up-to-date technologies and would always remain behind other industrially-advanced countries. Such research activities call for a practical approach. Your Company, within its own resources, has realised the need for the development of advanced technology and has therefore taken up some research and development work relating to the various phases of our Cellulose Acetate Project.

Finally, I would like to address on your behalf and on my own, our thanks to the staff and all the employees who have worked in the interest of the Company during the year. The success of the Company's current operation and in the preparatory work in respect of the bigger project is a tribute to the enthusiasm on the part of the Company's personnel.

Thank you.

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

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THE CHAIRMAN, MR. K. R. K. MENON REVIEWS ACTIVITIES

The following speech was delivered by Mr. K. R. K. Menon, Chairman, at the Third Annual General Meeting of Kerala State Industrial Development Corporation Ltd. held on 28th September 1964.

Gentlemen,

I have great pleasure in placing before you the accounts of the Kerala State Industrial Development Corporation Ltd. for the year ending 31st March 1964 and the Report of the Board of Directors of the Corporation on the working of the Corporation during that period. With your permission I shall take the report as read.

It is only less than twelve months since we held our previous annual general meeting, but, during this short period, two events have occurred which have caused us all much sorrow and concern. Firstly, we in Kerala, along with the whole nation, were plunged into grief by the sudden demise of our late beloved Prime Minister, Shri Jawaharlal Nehru, who, by his dynamic leadership and far-sighted policies had striven assiduously to set our country well on the path towards the goal of a properly integrated social and political unit. And, secondly, less than four months after this national calamity overtook us, we have had a major incident in our own State where the mounting political tension of some months' duration, culminated recently in the termination of the Cabinet form of government and its substitution by President's rule. The untimely passing away of our late Prime Minister has, I believe, served as a grim—and none too early—reminder to the entire nation that we cannot afford to rest on our oars and enjoy the luxury of living snugly in the protective shade of a great leader's umbrella for ever. The passing away of our Government's Cabinet of Ministers will, I hope, bring us Keralites—from the lowliest to the highest among us—to the realisation of the fact that sheer political immaturity of the kind that we have witnessed for some time past in our State in all its naked ugliness must inevitably result, sooner than later, in the sacrifice of the economic progress of the State. In my speech last year I had referred to the feeling of uneasiness and insecurity which even the then political instability in our State had engendered in the minds of outsiders, and the baneful consequences that this had entailed so far as our industrial development was concerned. I sincerely hope and trust that, whatever may be the form of Government we have, our Government will pay due attention to the urgent and immediate problem of industrial development on the massive scale and rapid pace that the dire economic plight of our people today undoubtedly calls for.

Successful Working

The Corporation's work in the year covered by the report placed before you has, on the whole, been rewarding, and financially successful, as the report and accounts placed before you will show. Our gross income rose from Rs 2.55 lakhs of the previous year to Rs 6.25 lakhs in the year under report. This has enabled us not only to write off the entire amount of our Preliminary expenses, but also to provide for a Reserve for Depreciation on our investments, and another Special Reserve for general purposes, amounting to a total of Rs. 1,33,000, and also to carry forward a sum of Rs. 90,369 to the following year. Our issued capital on 31st March 1964 stood at Rs. one crore ninety five lakhs, as against Rs. one crore on 31st March 1963.

While we had no lack of funds during the year under report wherewith to finance the industrial schemes approved by us, I regret to say that there was a slight fall in the total number of applications received for assistance from us. Ordinarily, there should have been an appreciable increase in this number rather than a fall, even though slight. I must attribute this unsatisfactory feature to the rapidly dwindling number of industrial licences which have been granted for units in this State. This is a matter which I have repeatedly stressed as deserving the urgent attention of both the Central and the State Governments, as nothing less than some kind of special and preferential treatment for us at the hands of the Central Government will help solve this problem satisfactorily. I regret to say there is no sign yet that a solution on these lines will be forthcoming. All that I can do on this occasion, therefore, is to re-stress this point with all emphasis, and to request the Kerala Government to take up the matter with the Centre as one of immediate urgency brooking no further delay.

While we must wait patiently for necessary action in this regard being taken by the two Governments, there is a good deal that can also be done by all of us in the way of paving the way for attracting industrial capital and entrepreneurship into our State. The first and foremost is the achievement of a modicum of political stability; this I have already mentioned, and needs no further expatiation. Secondly, we would do well to try and achieve a greater measure of stability in the labour-employer relations in the industrial units already established in our State. We have in our State special facilities for developing the sagacity and maturity of judgment that this calls for, in view of the general education and literacy prevalent here; we could profit greatly by capitalising on this. A third thing that our State Government can—and must—do is to take immediate steps to ensure a plentiful and regular supply of electric power for industrial users. We must take note of the hard fact that cheap electricity alone will just not suffice; a *regular* supply is even more vitally important.

Last, but not least, in drawing up and presenting to the Central Government our State Government's suggestions for the fourth Fve Year Plan our Government must keep prominently in mind the primary need for trying to reduce by the maximum possible extent the growing pressure of population on our meagre land resources, and diverting it to industrial enterprise, be it in the public sector or in the private sector.

Need for Additional Funds

The question of raising additional financial resources for the Corporation will soon have to engage our serious attention, and I hope that we shall find adequate ways and means of solving this problem. We are at the moment engaged in active negotiations with certain foreign companies for securing their technical collaboration in several worth-while schemes, all of which, I hope, it will be found possible to implement in due course with the assistance of Indian industrialist parties, who will be willing to take over the management. I must, in this connection, make special mention of the assistance and co-operation we have received from the concerned officials of the U.S.A. Agency for International Development organisation in New Delhi in regard to industrial schemes in which we have sought American technical and financial collaboration. While expressing my sincere gratitude to the A.I.D. for their invaluable assistance and advice, I should also like to add that a team of experts from that organisation has recently completed an on-the-spot study of Kerala's economic—and particularly industrial—needs and potentialities, following the discussions which took place between the U.S.A. Ambassador, Mr. Chester Bowles, and our then Chief Minister. I am keeping in close touch with the A.I.D. officials in this matter, and I have hopes that appreciable results in the form of substantial aid to Kerala will follow from this in due course.

In conclusion, I should like to express, on behalf of the entire Board of Directors, our heartfelt thanks to all the industrial entrepreneurs, Indian as well as foreign, who have helped us, in the course of the year under review, with their co-operation and assistance, often in the face of heavy odds. Our grateful thanks are also due to the Kerala Government for the assistance and co-operation we have received from them, and in particular to the former Industries Minister of Kerala, Shri K. A. Damodara Menon, whose warm and enthusiastic support of our Corporation's activities had always been a source of inspiration and strength to us all.

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

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CHAIRMAN'S STATEMENT

Addressing the Twentieth Annual General Meeting held at the Registered Office, Udyogamandal, on 29th September 1964, Mr. T. A. Joseph said :

Gentlemen,

I am glad to welcome you to this the 20th Annual General Meeting of the Company and to present to you the accounts of the Company and the Report of the Directors for the year ended 31st March 1964.

As in the previous year inadequate power supply was the Company's major problem during the year under review. There was a drastic power cut in the first three months of the year. Again power cut was resumed in February 1964 and continued till the end of June. During the periods of power cut there were several occasions when the position became so critical that there was no alternative but to close down the entire plant as it would have otherwise constituted a grave risk to continue to operate it under marginally safety conditions. The total loss in the sale value of production on account of power cut amounted to over Rs. 2.5 crores during the year. Consequently the Company's results have not been as good as one could have expected. In spite of this position it is gratifying to note that the Company has been able to break even and to make a small profit of about Rs. 12 lakhs, after meeting charges on account of depreciation. This has been possible only due to the unstinted efforts of the Executives and the workers and I would like to take this opportunity to record our appreciation of their efforts.

Power supply continues to be our major problem. A solution to this has to be found as early as possible if the Company should work on a satisfactory basis. There are several major hydro-electric projects under various stages of progress in Kerala State now. I am not aware if any of them will oe commissioned this year. Even with all the hydro-electric projects coming into operation we will continue to be at the mercy of nature unless adequate insurance against its vagaries is provided in the shape of a reasonably large thermal power station. Your Company has been making representations to the Government of Kerala since 1960 for the installation of such a station. I am glad to say that our request has at last been taken up during this year and I gather that the Government have decided to put up a thermal station with a minimum capacity of 100,000 KW at Cochin. I do hope that the work on that project will be taken up expeditiously.

In the light of what I have stated so far you will appreciate that the Company has not been able to declare a dividend this year. The current year also has started with a drastic power cut that lasted for three months resulting in a loss of production amounting to a sale value of approximately Rs. 1 crore.

Third Stage of Expansion

The Third Stage of Expansion is well under way. Although scheduled to be completed in 1965-66, it is expected that most of the plants will be ready for commissioning by the end of this year. But we will be requiring another 20,000 KW of power for operating the plants when the expansion is completed. We are hoping that the Kerala State Electricity Board will be able to give us this power; but if they do not, the Company will not be able to take any benefit from the expanded capacity till the required power is made available.

Another factor that has been causing us concern is the possibility of a severe shortage of water in the Periyar river when the Idikki power project is completed. The idikki project is designed to generate 800 to 1000 MW of power. It is based on the waters that flow into the Periyar now. When the project is completed, all that water will be diverted to the Moovattupuzha river as the power house will be located on one of its tributaries. Such a situation can have dangerous consequences as the Ernakulam-Alwaye industrial belt is bound to suffer during the summer months on that account. Your Company has represented this matter both to the Government of Kerala and to the Government of India. We had suggested that the Government revise the plans for Idikki in such a manner as to provide at least a part of the water to flow back into the Periyar. If the water in the Periyar turns saline near the industrial area, factories like ours may have to be closed down for about 3 to 4 months in the year. I understand that the seriousness of this situation has been realised by the Government and that they are considering this proposal along with certain other alternatives.

As most of you must be aware, raw naphtha is the feed-stock used in your Company's Oil Gasification Plant for production of Hydrogen, which is one of the constituents of Ammonia. As this is a very important raw material in the manufacture of chemical fertilisers the Government of India were pleased to exempt it from the excise duty payable on it to the extent of 95%. This position is recognised in States like Madras and Maharashtra where fertilisers are being made out of raw naphtha. In Kerala the situation however is different. Originally raw naphtha was charged sales tax at 3%. Recently the Government of Kerala seems to have decided to treat it as a petroleum product and charge sales tax at 15%. This will seriously upset the economics of production of your Company. A representation has therefore been made to the Government of Kerala to reconsider the matter and restore the original position. Raw naphtha is the raw material for most petrochemical industries. In Kerala, fertiliser industries can be developed only on the basis of raw naphtha being used as a raw material. If this raw material is charged this high rate of Sales Tax like a finished product, it will cripple the fertiliser industry in Kerala. I hope the Government will realise the gravity of the situation and revise the sales tax on raw naphtha.

Last year I had informed you of the directions received from the Government of India that your Company should plan, design and construct three more major fertiliser plants in South India during the Fourth Plan period. Your Company has since then been advised by the Government of the location of two of these plants. One of them is proposed to be built at Madras and the other at Cochin, as near to the Refineries as possible. The project reports for these projects have been prepared by the Company and submitted to the Government of India for approval and further directions.

Diversification of Activity

I had mentioned to you last year of the Company's intention to promote a Fabrication Shop in collaboration with the Davy-Ashmore group of the UK for the manufacture of specialised items of equipment required for the fertiliser and chemical industries. I am glad to say that a formal agreement has been drawn up between your Company and Messrs. Davy & United Engineering Company of the UK, one of the units of the Davy-Ashmore group, for the establishment of such a Workshop As soon as the Government of India's approval to the agreement is obtained, further steps will be taken to organise the new Company.

Your Company has also been able to secure the consent of Messrs. Power-Gas Corporation of the UK, a member of the Davy-Ashmore group and a well-known engineering and contracting organisation in the field of chemical engineering, to collaborate with your Company for setting up an Engineering & Contracting Organisation. The Heads of Agreement drawn up in this regard are being submitted to the Government of India for their approval. Further steps will be taken on receipt of Government approval.

Most of you must be aware of the steps taken by your Company to promote the use of fertilisers in South India. These measures have been appreciated by the State Governments as well as the Centre. The Fertiliser Festival, a new concept introduced by your Company in the field of fertiliser promotion, has now been accepted as one of the best means of propagating fertiliser use. The Madras Government for example has started organising fertiliser festivals on their own initiative and with the co-operation of suppliers.

The distribution net-work has also expanded considerably during the year under review. Today, your Company has 53 Central Depots and about 1900 Authorised Agents in Kerala State alone. In Madras, Mysore and Andhra Pradesh, your Company has been spreading its distribution system at a rapid pace. Recognising the efficiency of the methods followed by your Company in fertiliser distribution, the Government of Madras have invited your Company to assist them in the distribution of nitrogenous fertilisers, sales of which were so far confined to co-operatives. Your Company has gladly accepted the invitation and will be starting distribution of nitrogenous fertilisers in Madras State within a few days.

Your Company's agronomists continued to render useful services to the farmers of South India. The nature of services included the maintenance of demonstration plots, supervision of manuring operations, supervision of application of pesticides and speedy analysis of soil samples.

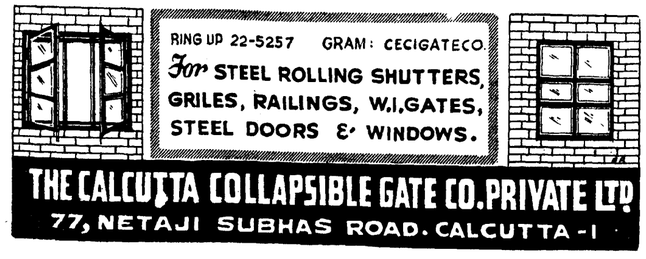
Employer-Employee Relations

Employee-employer relations continued to be cordial during the year under review. But in July this year a new situation has developed. A member of our Managerial cadre has been elected as the President of the Union. The Union has been insisting on our recognising him as the President of the Union. It is most embarrassing for any Management to recognise one of its own members as an office-bearer of the Union; especially so when he has been the Assistant Personnel Manager of the Company and has conducted negotiations on behalf of the Management with the Union. It will be difficult to find such an instance anywhere else in trade union history. Along with this the Union had also raised an issue relating to the grant of bonus for the year 1963-64. Bonus payment is governed by the long term agreement between the Union and the Management. Any difference of opinion relating to any of the clauses of the agreement has to be referred to the Labour Commissioner for arbitration according to the agreement. The issues were therefore referred to the Labour Commissioner in terms of the agreement for arbitration.

As the Union has refused to accept arbitration, the Government of Kerala have referred the issue relating to Bonus for adjudication. In regard to the other point, namely the anomalous position of a manager holding an office in the Union, the Union has been conducting an agitation for over a month now. A strike notice was given on the 21st of August. The Union has been extending this notice on the dates of expiry. So far no strike has taken place. The Management believes that for the efficient running of an industrial unit a healthy and strong trade union is necessary; but at the same time no management can afford to compromise on fundamental principles. The question now posed by the Union has very grave implications and if conceded shall strike at the very roots of management and trade Union relationship. The Management have therefore advised the Union that so long as their President continues to be a member of the Managerial cadre of the Company they will find it difficult to hold any discussions with him. I do hope that the Union will appreciate the difficulty of the Management and take a realistic view of matters.

I now move that the Directors' Report and the Audited Statement of Accounts for the financial year 1963-64 be adopted.

N.B. This does not purport to be a report of the proceedings of the General Meeting.


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THE CHAIRMAN, SIR. A. RAMASWAMI MUDALIAR'S REVIEW

The following Address of Sir A. Ramaswami Mudaliar, K.C.S.I., D.C.L. (Oxon), Chairman, India Steamship Co., Ltd., delivered at the Annual General Meeting of the Shareholders of the Company, held on the 24th September, 1964.

Gentlemen,

The Audited Accounts and Director's Report for the period ending March, 1964 have been in your possession for some time and with your permission I shall take them as read.

At the outset I would like to refer to the great loss that the nation has sustained in the passing away of Prime Minister Shri Jawaharlal Nehru in May of this year. For over 16 years since the attainment of Independence by India, Shri Nehru guided the destinies of the nation and steered the country clear through many dangers and pitfalls, both external and internal. His outstanding contribution to the nation has been the great impetus that he gave to the industrial and social development of the country. His broad vision, great insight and deep appreciation of modern advances in science and technology enabled him to guide the industrial progress of the country. More than that, his vision of a society broad-based on social justice and affording equal opportunities for all citizens, led to his determination to prevent the nation from falling back into archaic and superstitious ways of thought and life and saved the country at a time when the tendency was to enshrine all the past as glorious, irrespective of merits and demerits of the traditions we inherited Whatever reservations some may have regarding Shri Jawaharlal Nehru's stewardship of the nation, none can gainsay the invaluable worth and value of the two distinctive assets which he has left to the nation. I trust that no corroding influences will destroy these precious assets.

For some time, it was a hackneyed question in India and elsewhere. "After Nehru, Who?" Some believed with faith in providence that "the hour will find the man" It is a matter of supreme thanksgiving that the nation, in its saddest and most critical hour, was destined to find in Shri Lal Bahadur Shastri the right person to be Prime Minister and leader of the nation. I can testify from my own experience how the unanimous choice of Shri Lal Bahadur Shastri was received with great relief and with equal admiration by the many nations of the world as it was received by the Indian public. Shri Lal Bahadur Shastri, without being personally known to many abroad, had somehow impressed his character and integrity, his modesty and sense of fair dealing as much on the people abroad as on his own countrymen. His leadership of the nation and the guidance that he will give to the country in the solution of its many perplexing problems, both internal and external will be safe, prudent and practical. We join with others of our countrymen in wishing him all success in the great task and willingly offer our full co-operation in the work that lies ahead.

We, who are connected with Indian shipping, have reason particularly to welcome his Prime Ministership as he has been the architect of modern India shipping development. It was during his Ministership of the Transport Department that Indian shipping got a special impetus for expansion, development and courageous progress. His sympathy and understanding of the needs of Indian shipping, both in the public and private sectors, was responsible for the turn that Indian shipping took in its expansionist activities since 1954. I feel certain that his beneficent influence will be felt by Indian shipping.

Progress

In my speech at the last meeting, I indicated that it was inevitable that the freight rates from East to West would be increased and that it was generally recognised both by shippers and Government that this increase was justified in the circumstances in which shipping lines were working on the India-U.K.-Continent route. I had stated that the Conference had increased the rate by 12½% while the Indian lines had pressed for an increase of only 10%. The percentage proposed by the Conference was justified on the ground that, with the many exceptions that were made, with reference to commodities which were called sensitive and could bear only a lower percentage of increase, the effective rate would only be a total increase of 10%. The increase proposed was not approved by the Maritime Freight Commission and by the shippers, and the Indian lines, at a later meeting of the Conference, induced their colleagues to accept the lower figure of 10%. The increase was effective from 1st October, 1963 so that, as the Directors' Report points out, the effect of this increase was felt only for three months of the year under review through the completed voyages that took place after 1st October.

The year resulted in a net profit of a little over Rs. 9 lakhs after setting aside Rs. One crore & 28 lakhs for depreciation and after deducting all other charges. As you are aware, the result of the working of the company last year showed a loss of nearly Rs. 30 lakhs. I trust that the continued loss over the last few years has been definitely arrested and that a period of profit making has begun. Even so, I cannot feel happy or satisfied any more than the shareholders, of the small profit that has been made this year.

Problems of Indian Shipping

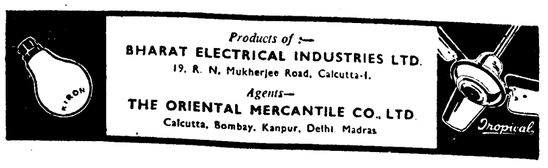
It is unfortunate that, in spite of repeated statements of Chairmen of Indian shipping companies about the handicaps that they are seized with, there has been little achieved in solving these problems or mitigating the hardships and handicaps that face shipping and particularly Indian shipping. The delays in Indian ports have been referred to more than once and it has been pointed out how Indian shipping losses by the number of days it is held up unnecessarily at loading and unloading ports in India. Except for one or two ports, delays have continued to the same extent in the major ports of Calcutta and Bombay. Owing to berthing delays your Shipping Company lost 432 days in the year out of which 300 days were in Indian ports alone; rain and inclement weather has resulted in a further delay of 76 days. These artificial and natural handicaps have been aggravated by lightening strikes and labour troubles of various kinds which resulted in a further delay of 25 days. The slow arrival of cargoes to some of the ports, necessitating the holding up of ships which were ready to sail, has contributed a further delay of 54 days. Thus, through avoidable causes except for rain and inclement weather, the days lost by your Shipping Company apart from the normal holidays was over 500 days. It must be admitted with appreciation that there was considerable improvement over the situation last year only at the port of Madras. The piece-rate system, which has not been accepted so far as Calcutta port is concerned, has further added to the delay in the turn-round of ships. The rate of discharge or loading is only a third of what it is in the port of Bombay where the piece-rate system prevails. When it is realised that more than half the trade of India moves through the port of Calcutta and that it serves a vast hinterland, the importance of energetic action being taken in Calcutta at various levels for remedying this acute state of affairs becomes obvious. Plans are no doubt under way for execution of long-range solutions of these difficulties; but the immediate present is of more concern to all shipping lines and particularly the Indian shipping lines.

To the delays in ports in India has been added in recent months similar delays encountered in some of the western ports owing to labour strikes and even go-slow tactics. The delays in western ports though comparatively shorter are of considerable significance because the harbour and port charges and other incidentals of ships' delays in western ports are very much higher than similar charges in eastern ports. It is under these conditions which prevailed during the year that the earning capacity of shipping lines in the U.K.-Continent-India trade has to be judged.

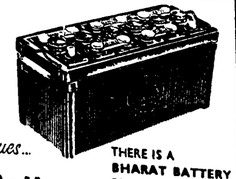
Extraneous Factors

There are certain extraneous factors which are having an increased impact on the consideration of freight rates and on normal profits, particularly for Indian shipping lines. The problem of earning foreign exchange and the consequential question of balance of payments has necessarily loomed large in recent times. India particularly and the less developed nations are seeking to meet their requirements of foreign exchange for imported plant and machinery and raw materials for their industrial development and must therefore, to a reasonable extent, concentrate on increasing their exports to various markets of the world. There have been many incentives considered in this connection for promoting exports. While I agree with this policy, I must reiterate that some shippers at least are taking advantage of the anxiety of the Government to increase exports and are constantly clamouring for a decrease in freight rates and objecting to even small increases. Shipping is as much an industry as any other industry and while land-based industries can cope with increasing cost of production due to a rise in labour cost or raw materials by an increase in the prices of the articles they produce, it is considered by some that shipping, in spite of the fact that all these increases affect them equally, could not adjust its freight rates suitably. It is essential that a more realistic attitude towards shipping should be taken by both shippers and ultimately by Governments and I feel certain that better results, even from the point of view of foreign exchange, will accrue from this altered attitude towards shipping lines.

The facilities that are available at ports in India are so poor in other directions also that they form a severe handicap to Indian shipping lines. It has been a matter of great concern that the dry docking and repair facilities in Indian ports leave very much to be desired. If, with this factor, Indian shipping lines are compelled to do the dry-docking and shipping repairs only at Indian ports as is often the case, not merely the resulting cost, but even more the resulting delay in carrying out this work, seriously affects the earning of these companies. During the year under review, your ships had to spend on an average 15 days for facilities for dry docking and special survey. If this was done in a foreign port to which the ship had to go for discharge or loading, the average number of days would have been about 5. The cumulative effect of all the factors I have referred to above makes it difficult for Indian shipping, whether coastal or overseas, to make



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a reasonable profit unless one of two things occurs: either the freight rates are fairly increased or the amenities and conveniences at Indian ports are radically improved.

I feel that that the time has come when the Committee in charge of national harbours is reconstituted with defined aims and objectives consistent with the needs of the times and their recommendations are not only seriously considered but given prompt effect to so that, apart from long-term suggestions, immediate improvement may be made in the directions mentioned above.

I have referred to this long catalogue of grievances and deficiencies merely to explan the financial position of the Company. I feel confident, as I said, that we have turned the corner and that a more favourable balance-sheet may be presented in the succeeding years. But shipping companies must be assured of fair conditions of working in Indian waters and in overseas ports. When I find as a result of the year's working in the Liner trade that your ships spent 3,379 days in port and 2,301 days at sea and that on the coastal trade they spent 993 days in port and 282 days at sea, that is, nearly 60 per cent in port in the Liner trade and 77 per cent in the coastal trade, I must confess that there is something radically wrong in the manner in which Indian shipping companies generally were obliged to work. The loss is as much to the nation as to individual shipping companies.

Expansion of Shipping

The need to expand Indian shipping is obvious and it is in this direction that some additional earning of foreign exchange may be expected. But the immediate increase in foreign exchange earnings of Indian shipping lines can well be brought about—and comparatively easily—with altered conditions in Indian ports. I have advocated the expansion of Indian shipping but always with the basic idea that they will really increase the cargo carried to and from India. There is need for more tramp shipping, for tankers and for bulk carriers of appropriate size, and if attention could be concentrated by new entrepreneurs or even by established shipping companies on these kinds of ships, it will help the country as much as it will be of help to them. It will be disastrous if shipping companies which have an ambition to enter the Liner trade cut into the existing trades of Indian shipping companies on routes in which they have established themselves after great difficulty and considerable initial loss. They will only be dividing the income which the Indian shipping lines are now earning to the detriment of both themselves and of old-established lines. Given proper guidance by the Ministry of Transport in increasing the tonnage of Indian shipping and in fair and proper utilisation of such tonnage, there is every reason to believe that Indian shipping can expand on healthy lines.

Thanks

Our thanks are due to the Minister of Shipping for his continued help and guidance and to the officers of the Ministry, the Secretary, the Director-General of Shipping and his deputies and assistants, who have always given useful advice and timely help.

Tribute

I should like, on behalf of the Board and myself, to convey our sincere appreciation of the work of the officers and staff, both afloat and ashore. Theirs has been devoted service in the interests of the Company. I should also like to express my thanks to the shippers, brokers and forwarding agents for their firm support and for the confidence they have reposed in us and in the quality of our service.

NOTE:—This does not purport to be a report of the proceedings of the Annual General Meeting.

INDUSTRIAL FINANCE CORPORATION OF INDIA

THE CHAIRMAN REVIEWS ACTIVITIES

The following is the Speech delivered by Mr. A. Baksi, Chairman, Industrial Finance Corporation of India at the 16th Annual General Meeting of the Corporation held on the 29th September, 1964.

Gentlemen,

I have great pleasure in welcoming you to this Annual General Meeting of the shareholders of the Corporation.

We have assembled here only four months after the demise of Prime Minister Jawaharlal Nehru. It is fitting that we should begin by paying our respectful homage to his memory.

Printed copies of the Sixteenth Annual Report of the Board of Directors and the Accounts of the Corporation are already in your hands and I shall, with your permission, take them as read.

During the year ended the 30th June, 1964 the Corporation sanctioned a total financial assissance of Rs. 38.27 crores made up of rupee and foreign currency loans of Rs. 25.12 crores, underwritings of Rs. 5.41 crores and guarantees of deferred payments and foreign loans of Rs. 7.74 crores. The quantum of assistance disbursed or made available during the year was Rs. 21.88 crores out of which the cash outgoings amounted to Rs. 17.99 crores. To meet the immediate needs of our borrower concerns we disbursed during the year interim loans amounting to Rs. 3.42 crores.

The gross income for the year was Rs. 507.28 lakhs. Deducting interest of Rs. 262.04 lakhs on borrowings, and other expenses including establishment of Rs. 18.18 lakhs, the gross profit subject to provision for taxation is Rs. 227.06 lakhs. After setting apart a sum of Rs. 101.62 lakhs towards taxation, the net profit for the year comes to Rs. 125.44 lakhs. These results, I hope you will agree, are satisfactory.

As for appropriations out of the profits, a total sum of Rs. 106.19 lakhs has been transferred to Reserves which now total Rs. 409.19 lakhs as against a paid-up capital of Rs. 7 crores on the 30th June, 1964. The balance profit of Rs. 19.25 lakhs is being distributed as dividend.

The gross financial assistance sanctioned by the Corporation during the last 16 years up to the 30th June, 1964 aggregated Rs. 240.97 crores. The net figure for this period, after taking into account cancellations and withdrawals of Rs. 44.19 crores, totalled Rs. 196.78 crores, made up of rupee loans of Rs. 134.29 crores, foreign currency loans of Rs. 16.89 crores, underwritings and direct subscription to capital of Rs. 14.13 crores and guarantees of Rs. 31.47 crores. Out of the net assistance sanctioned of Rs. 196.78 crores, about Rs. 137.16 crores (70%) was for new projects and Rs. 59.62 crores (30%) for existing concerns for expansion, modernisation and diversification. As against the net assistance sanctioned of Rs. 196.78 crores, Rs. 124.45 crores had been disbursed or made available up to the 30th June, 1964. Assistance outstanding on that date, after providing for repayments, aggregated Rs. 94.02 crores.

Cash disbursements up to the 30th June, 1964 in respect of loans sanctioned and shares and debentures subscribed to, or taken up by the Corporation as a part of its underwriting commitments, amount to a total of Rs. 105.78 crores.

financed to the extent of Rs. 26.87 crores (25%) out of repayment of loans, Rs. 28.24 crores (27%) by borrowings from the market, Rs. 35.60 crores (34%) by borrowings from the Central Government, Rs. 3.98 crores (4%) from foreign credits and the balance of Rs. 11.09 crores (10%) from the paid-up capital and reserves.

Assisted Projects

Projects assisted during the year under review numbered 75, covering a variety of industries such as Textiles (20), Metal Products (15), Electrical and other machinery (14), Glass (7), Basic Industrial Chemicals (5), Paper (4), and Iron and Steel (3). The total number of projects assisted by the Corporation since the beginning up to the 30th June, 1964 was 334 out of which 224 are new undertakings. The total cost of the 334 projects, for which we sanctioned assistance of Rs. 196.78 crores, is estimated at Rs. 558.00 crores. The last figure is significant because an institution like ours is often judged by the extent to whom the projects financed by it are able to mobilise resources from other quarters.

The Corporation's contribution to industrial development in terms of production is also significant. For example, in the Paper industry the additional capacity created as a result of our assistance is 1,58,000 tonnes per annum as against the total installed capacity of 5,49,000 tonnes per annum. In Basic Industrial Chemicals, the additional capacity set up is 61,800 tonnes of caustic soda, 2,83,000 tonnes of sulphuric acid and 23,100 tonnes of soda ash per annum. In the Cement industry the additional capacity created is 19,20,000 tonnes and in the Refractory industry 2,09,000 tonnes per annum. In Sugar the additional cane-crushing capacity amounts to 67,000 tonnes of sugarcane per day. In Cotton Textiles, the additional capacity installed is 6,44,000 spindles.

The Corporation has progressively increased its underwriting activities. During the year, we sanctioned 40 applications for a total amount of Rs. 5.41 crores comprising of equity shares of Rs. 3.86 crores and preference shares of Rs. 1.55 crores. In a number of cases underwriting facilities were sanctioned in addition to loans and other forms of assistance.

Up to the 30th June, 1964, the Corporation had sanctioned underwriting facilities in 77 cases for a net aggregate amount of about Rs. 12.31 crores made up of equity shares of about Rs. 6.02 crores, preference shares of about Rs. 3.86 crores and debentures of Rs. 2.43 crores. During this period 52 issues involving an aggregate commitment of over Rs. 9.48 crores were placed in the market and shares and debentures of Rs. 7.55 crores devolved on the Corporation as a result of these operations. The main reason for this was the unsatisfactory condition of the capital market in the last two years.

Foreign Currency Loans

While rupee loans constitute the bulk of our operations, sub-loans in foreign currency have been on the increase. Loans sanctioned during the year under the lines of foreign credit available with us amounted to Rs. 8.04 crores as against Rs. 3.04 crores in the previous year. The net amount of foreign currency loans sanctioned up to the 30th June, 1964 totalled Rs. 16.89 crores. Out of the two loans of $30 national Development (AID) of the United States of America, the Corporation had committed itself to a total of $23.78 million (Rs. 11.32 crores). We have repaid to the AID three half-yearly instalments of principal amounting to $150,000 (Rs. 7.14,000) up to the 30th June, 1964. Two lines of credit aggregating DM 40 million from the Kreditanstalt Fur Wiederaufbau, Frankfurt have been fully committed and the demand for DM loans continues unabated. The utilisation of the credit of 50 million Francs from the Banque Francaise du Commerce Exterieur (BFCE), Paris has unfortunately been slow. We have so far sanctioned four sub-loans aggregating 8.59 million Francs out of this credit.

The industry-wise pattern of our assistance has been changing. For some years till 1962, the Sugar industry was at the top of the list of our beneficiaries. In 1963 Sugar made way for Non-ferrous Metals. During the year under review Metal Products headed the list with 18.7% of the total assistance, followed by Textiles (16.7%) and Basic Chemicals (15.1%).

As regards the State-wise distribution of our assistance, Maharashtra topped the list in the year under review with 15.8% closely followed by Andhra Pradesh with 14.5% and Madras with 12.5%. A sizable proportion of our assistance was claimed by the less developed areas the industrialisation of which, as you are aware, the Corporation is keen to assist.

The net financial assistance sanctioned up to 30th June, 1964 to industrial co-operatives amounted to Rs. 37.66 crores representing about 19% of our total net financial commitment. This covered 51 sugar co-operatives, three co-operative spinning mills and one unit for extraction of vegetable oil.

A review of our loan accounts has shown that no additional provision is necessary towards the Reserve for Bad an Doubtful Debts, the balance in which now stands at Rs. 14.47 lakhs. The existing provision relates to three old accounts action in regard to which is already being taken.

The credit record and the financial position of our borrowers, including industrial co-operatives, continues on the whole to be satisfactory. The percentage of default in respect of instalments of principal and interest as on the 30th June, 1964 was negligible, being 0.88% and 0.66% respectively. Many of the concerns assisted by us have earned sizable profits and 21 concerns have, during the year, declared dividends of 12% or more. The Corporation received during the year a sum of Rs. 77.15 lakhs from borrower concerns on account of premature repayments of principal. The total amount received on account of premature repayments of principal upto the 30th June, 1964 was nearly Rs. 7 crores which included a sum of Rs. 1.12 crores from sugar co-operatives. We welcome such premature repayments and do not charge any premium on them.

Unit Trust of India

Among events of interest to us during the year, the establishment of the Unit Trust of India was a major one. We welcome this step taken for the mobilisation of the savings of the public for industrial development.

Mr. Mobert Michel Titus of the Agricultural and Industrial Credit Corpora-

during the year to study our procedures and working. Dr. G. Varade Gowda, a senior official of the Mysore State Government and two officials from the Indian Overseas Bank Ltd. and the Punjab National Bank Ltd. were also with us.

The General Manager of the Corporation participated in the Second Regional Conference of Development Banks in Asia held at Tehran in October, 1963. During the year, one of our senior officers was deputed to the Economic Development Institute of the I.B.R.D. Washington, for a special course in the appraisal of industrial projects. He also studied the organisation and procedures of the International Finance Corporation in Washington and the Commonwealth Development Finance Company Ltd. in London. We thank these institutions for the valuable facilities given.

Our relations with the various Chambers of Commerce in the country and with our borrower concerns continue to be cordial. We appreciate the constructive suggestions made by them from time to time.

Our cordial thanks are due to the U.S.A. Agency for International Development (AID) the Kreditanstalt Fur Wiederaufbau and the Banque Francaise du Commerce Exterieur for the consideration they have shown us. Their assistance has added to the capacity of the Corporation to serve the development of industries in the country.

Shri K. P. Mathrani, I.C.S., who held with distinction the Chairmanship of the Corporation from the 1st July, 1961 relinquished his office on the 16th May, 1964 on appointment as Secretary to the Government of India in the Ministry of Rehabilitaion. On behalf of the Board of Directors I would like to express our high appreciation of the valuable services rendered by him to the Corporation.

During the year Sarvashri C. C. Desai, M. Ct. Muthiah and V. P. Varde retired from the Board. Their active participation in the affairs of the Corporation was of great value and I thank them on behalf of my colleagues on the Board. I also take this opportunity on behalf of the Board to convey our thanks to the members of the Advisory Committees for the able and objective assistance they gave to the Corporation throughout the year. I would also like to thank the non-officials nominated by us on the boards of our borrower concerns for the interest they have taken in their work.

Recent Developments

Considering the time which elapses between the end of our financial year and the Annual General Meeting it will not be out of place for me to refer to a few recent developments without which the picture before you would be left incomplete.

The most notable of these has been the setting up of the Industrial Development Bank of India on the 1st July, 1964. The provisions of the I.D.B.I. Act have been commented upon in the newspapers and journals and the charter of the new body and the role it is expected to play have already received wide notice. Without dilating on these matters I may usefully draw your attention to certain important amendments which the I.D.B.I. Act, 1964 has made to the Industrial Finance Corporation Act, 1948 with effect from the 1st August, 1964. The shares held in the Corporation by the Reserve Bank of India and the Central Government have been transferred at par value to the Industrial Development Bank and the latter has acquired additional shares so as to bring its total holdings up to 50% of the paid-up capital of the Corporation which now stands at Rs. 834.60 lakhs. Certain changes have been made in the provisions relating to the composition of the Board of Directors and the arrangements for the audit of the Corporation. The power of giving policy directives to the Corporation has passed from the Central Government to the IDB. The limit of loan assistance by the Corporation to a single industrial concern has been increased. It has been made possible for the Corporation to have access to financial assistance from the IDB in certain specified ways.

I expect that the formation of the IDB and the consequential changes in the IFC Act will enable the Corporation to play a more fruitful role in industrial development. Already we have done some joint financing with other bodies. Now, coordination between sister institutions in the field will grow in depth, lacunae in the requirements of industry will be filled in more easily and very large projects which the Corporation could not handle alone will be assured of comprehensive attention by a consortium of financial institutions.

The recent amendments to the IFC Act tend to reduce considerably the Corporation's dependence on the Central Government. It is now incumbent on the Corporation to raise funds for its operations to the maximum extent practicable through its own endeavours assisted, of course, by the provision which remains intact in the law that its bonds will be fully guaranteed by the Central Government. As our requirement of outside funds during the current year will be quite substantial we entered the market a few days ago with bonds of Rs. 6 crores @ 4¾% per annum at an issue price of Rs. 99.25% with 12 years maturity. The issue was handsomely over subscribed within a few hours. We thank our shareholders and other investors for the support they gave us. This was our seventh bonds issue, the total raisings by this means from the market up to now being over Rs. 39 crores.

Review of Procedures

It is our duty in the Corporation to review from time to time our own procedures to see if we can relax any of the conditions on which we render assistance to industrial concerns. A recent review has enabled us to take three or four decisions which may be of interest to you and the industrial circles.

As you are aware, it has been one of the standard conditions of our loans that borrower companies shall not declare equity dividend at a rate higher than 8% per annum without the prior approval of the Corporation. In view of the prevailing yields on equity and preference shares and the conditions in the capital market we have decided to raise the limit of equity dividend from 8% to 10% per annum.

Loanee concerns so far had to seek the prior approval of the Corporation to the disposal of any item of assets mortgaged to it. It has now been decided to permit assisted concerns to sell or write off specified items of assets of a minor nature within prescribed limits where they find it necessary to do so, without the prior approval of the Corporation.

It has also been decided that the restriction on the disposal and pledge of shareholdings should not apply to all directors or members of the managing agency but should be confined to those who have a real stake in the assisted concern. The Corporation has already decided to liberalise the condition about personal guarantee of directors and/or managing agents in suitable cases.

We have also decided that our right to appoint nominee directors on the boards of assisted concerns should be exercised more selectively in future.

I trust that these relaxations in the sandard terms and conditions will be welcomed by our clients. It will be my endeavour to maintain a flexible attitude in these matters and make, from time to time, such variations as experience may show to be useful so long as these are in accord with the basic principles of sound financing.

Thoughts for the future are a natural concomitant of a review of the past. The Corporation has lived through sixteen years of change, has met with new challenges from time to time and has tried to evolve suitable responses. Now, with the progress of sister institutions set up at the all-India and the State levels and with the growth in the demand for long and medium-term financing of industry we shall face new tasks which will need imaginative handling. It is essential that we take stock of the changes in the situation and adapt ourselves increasingly to a versatile approach.

More Foreign Credit Needed

For this purpose we shall need a great deal more of foreign credit than has yet come to us. Negotiations for fresh lines of credit have been under way with the Kreditanstalt and the AID. We have just had news that a further line of DM 15 million has been allotted to us. I hope that from the AID, too, we shall get further credit. We must, nevertheless, look for more assistance from institutions abroad to make good our deficiency, particularly in the line of convertible currency. Our record will show that we, as a single institution, have been associated with investment of over Rs. 550 crores in the private sector of industry since 1948. While not oblivious to considerations of profit we have consistently laboured to give help where help is needed most and not where it can be most easily given. We have tried and shall try harder in future to ensure that the foreign lines of credit that we have and that we get are utilised to the best and promptest advantage of industry and that no procedural obstacles stand in the way.

As for our rupee resources we have to do our best to add to them by revolving our investment portfolio at every suitable opportunity. In August this year we added Rs. 1 crore to our funds by sale of certain debentures.

We have to see that while industrial concerns receiving or seeking our assistance are not subjected to excessive rigours of fruitless inquiries, projects are prepared with circumspection and probity, with full attention to technical, financial and managerial details and are implemented promptly and with vigour. A sensitive balance has to be struck by the Corporation all the time between generosity and prudence. An excess of the latter will retard development; an excess of the former may use up valuable resources without bringing an economic dividend. This balance is now particularly necessary when the Corporation has taken a long stride into the field of underwriting. If industry is to flourish, underwriting must go on. At the same time, if the Coroporation, which borrows money at 5% interest and is not, basically, an investor in securities on the stock exchanges, has to subscribe in a large measure to new shares, its underwriting has to be wise. In this context, I feel that the staff of the Corporation for technical and financial scrutiny of projects and for advice to entrepreneurs needs strengthening. I am giving my best attention to this matter.

The tasks before the Corporation are not easy. But I am confident that we shall fulfill them and pass on to more difficult ones. To my colleagues on the Board I wish to express my sincere thanks for their valuable co-operation and wise counsel. And to conclude, I record with pleasure the appreciation and thanks of the Board of Directors and my own to the General Manager, the other officers and the entire staff for yet another year of devoted work.

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

ECONOMIC RESEARCH

- is an essential part of modern commerce. But it is
- not always easy to obtain. The ordinary business
- house does not usually possess the records, statistics
- and archives which are the raw material of research.

- CAPITAL'S RESEARCH & STATISTICAL DEPARTMENT
- has a long record of service to Chambers of Commerce,
- Industrial Associations and private business concerns.
- It does not undertake trade inquiries, but its facilities
- and advice are available for all kinds of research
- proper into the problems of Indian commerce
- and industry.

- CAPITAL'S RESEARCH & STATISTICAL DEPARTMENT
- has constructed and maintains a number of cost of living
- indices for various classes and communities in India
- and Pakistan. It offers the industrialist and business
- house its experience in

  - consumer market surveys
  - industrial prospecting
  - readership analysis
  - economic indices
  - business research.

P.O. Box 14, Calcutta-1, or 5, Mission Row, Calcutta, India.

MACHINERY MANUFACTURERS CORPORATION LIMITED

THE CHAIRMAN, MR. A. K. MITRA'S REVIEW

The following is the speech delivered by the Chairman Mr. Aloke Kumar Mitra, at the 18th Annual General Meeting of the Shareholders of Machinery Manufacturers Corporation Limited held in Bombay on 23rd September, 1964.

It is a pleasure and privilege for me to have the opportunity of welcoming you for the first time as Chairman of your Company. Before I proceed further, I must express our deep sense of loss at the passing away of Pandit Jawaharlal Nehru who was Prime Minister since independence and who guided our destiny.

The year, on the activity of which I am about to report has been tinged with sorrow. Mr. K. C. Mahindra, our late Chairman, passed away in October, 1963. Although he took over Chairmanship from the late Sir Purshotamdas Thakurdas in 1956, he along with his brother, the late Mr. J. C. Mahindra, was the architect and pioneer of this Company which was the first public venture of Mahindra & Mahindra as Managing Agents. It had a strong foundation in the clear objective of serving the textile industry, the largest in this country, with quality capital goods of the latest design. From its birth, Mr. K. C. Mahindra devoted himself tirelessly to its progress and growth. Those were the days of struggle caused by customer resistance to indigenous manufactured products. But he never waivered in his belief that a quality product must eventually win. He had full confidence in the ability of your engineers to manufacture a quality product and he insisted that this must take priority over everything else. It was his inspiration that has today enabled your Company to earn high reputation as manufacturers of quality products. Two-thirds of the textile industry's requirement of Carding Engines is met by your Company and there is wide acknowledgement that MMC Cards are fully comparable with similar products manufactured abroad. Simultaneously he had planned to convert gradually the Company's plant from a single product to a multi product unit with diversification as its objective. It was his policy decision and direction that is bearing fruit today, and we are on our way to fulfil some of his aims. All this could not have been achieved, as he told you last year, without your confidence and patience. His greatest regret was that the shareholders had to suffer a dilution of their equity and had to wait a long time for their maiden dividend. He had at least the satisfaction of presiding at the last two shareholders' meetings when dividend was declared, and to see that the market price of the equity was more than its original value. One cannot but wish that he was with us today to tell you the story himself of the Company's continued progress and future development programmes. He is missed by all and his faith and complete confidence will continue to be our guiding principle.

HEARTBURN?
TAKE
TWO RENNIES!

The superior antacid formulation of Digestif RENNIE Tablets quickly neutralises excess stomach acids...gives prompt relief.
A NICHOLAS PRODUCT

Modernisation and Expansion

In order to facilitate a most needed modernization and expansion of the textile industry, it has been our constant endeavour to build the best design and quality of machines. Our late Chairman had mentioned to you last year that our Development Section had kept pace with the latest research in Carding technology. Following a careful study of all these developments we have entered into a technical collaboration agreement with Carding Specialists Co. Ltd. Halifax, for manufacture of their Crosrol-Varga high production conversion units which when applied to conventional cards will increase production two to four fold. Crosrol-Varga high production units can be applied to old as well as new Cards. An MMC Card fitted with Crosrol-Varga device costs much less than other high production Cards, some of which are presently being imported. I am pleased to inform you that we have received Government's approval to this collaboration and our engineers are presently in U.K. finalising the detailed programme for the manufacture of the product. We expect to commence manufacture of the Crosrol-Varga device by the end of next year.

Simultaneously, we have also entered into a technical collaboration with Whitin Machine Works, U.S.A. for the manufacture of their reputed high speed Draw Frames. Many of these machines imported and installed in various mills have given excellent results, and we are confident that when we manufacture Whitin Draw Frames they will meet the mills' requirements satisfactorily. The proposal for manufacture is still awaiting Government's approval but we have been assured of a favourable decision at an early date.

The Speed Frame designed by our engineers incorporates such latest developments as are efficient and necessary. It incorporates features such as ball bearing to spindles and bobbins, telescopic spline shaft bobbin drive, large package suitable for Indian Mills and over 500 anti-friction bearings for smooth operation at high speed. Simplicity in design and quality in manufacture have been the main objective. The Speed Frame is now undergoing extensive trial under mill conditions. Once our engineers are convinced that the machine undergoing trial is working to the full satisfaction of the mill-owners, batch production of the Speed Frames will commence. Due to lack of certain types of machine tools yet to be installed the production of speed frames during the current year will be very limited.

I am pleased to inform you that the diesel engines which have been manufactured by your Company have earned a high reputation and our order book is very satisfactory. Here again, production, owing to lack of space and other facilities, and also inevitable teething trouble in locating certain indigenous sources of supply, has been restricted.

Full Order Book

The order book for Carding Engine remains full and the current production and despatch of cards continue to maintain an upward trend, but it would be unwise to be too complacent. It is true that the textile industry has an ambitious modernization and expansion plan, but it is equally true that lack of funds, both foreign and rupee, has hampered implementation of the plan. It is widely known that the delay in the finalisation of the Japanese Yen Credit has upset plans for several new units which in turn has had its effect on the off-take of textile machinery in India. Speaking of Carding Engines, requests for postponement in respect of firm orders—often a last minute exercise—cannot but be regarded as an indication of the situation. Knowledgeable quarters have assured us that this is a brief and passing phase, and we would like to think that it is so, but we cannot help having reservations about future offtake.

There is another factor which impinges on our order book. Lack of rupee funds is driving the mills to purchase against deferred payment. We as manufacturers of textile machinery can only go so far in this matter. Even bankers have their limits, and we are called upon to go from bank to bank trying to arrange credit terms for customers. Whatever we have been able to arrange with our bankers appears to be inadequate, and we are, therefore, sometimes compelled not to accept orders under those terms and conditions. It is my plea that the mills must induce Government to re-examine their financial requirements because it is well beyond our scope to make credit arrangements which would meet the increasing demand for deferred credit. Your Company itself in respect of its expansion programme needs further finance, and it cannot possibly be expected to arrange for this type of deferred payment facilities.

Technological Developments

Yet another factor is in respect of technological developments which encouraged some of the mills to defer delivery of their cards hoping that they would be able to obtain the latest type of machinery. As I have mentioned before, your Company will be able to supply these high production cards with Crosrol-Varga and we have assured millowners that as and when Crosrol-Varga units are available, they can be fitted to conventional cards for converting them into high production ones.

The Directors' report together with the statement of accounts which has already been circulated will show that the operation during the year under review has been satisfactory. Sales Improved by Rs. 50 lacs to just over Rs. 2½ crores. High taxation provision —because of our having to pay for the first time full taxation on our profit—has however, reduced the profit after tax. The process of rehabilitation of plant and equipment and increasing the capacity of the factory continue at a steady pace. For example, during the last three years Rs. 50 lacs has been utilised on this account. What is of greater significance and interest is that the entire amount has been raised from self-generated funds and at the same time the indebtedness to IFC has been reduced, the figure is now standing at Rs. 18 lacs from the original figure of Rs. 59 lacs. The Government loan of Rs. 5 lacs which was given to the Company to complete its foundry project, and which was most timely, has since been repaid. The new expansion programme about which I have spoken to you and which will undoubtedly increase the future profitability of your Company, will require additional funds and your directors are giving careful thought to it and will soon report to you their proposal for raising such funds.

I should like now to draw your attention to some recent recommendations by Government which have a bearing on labour relations, and therefore, to industrial growth generally. I understand that there is a move by the Government to legislate that employers will be required to pay a portion of the wages in kind. The details are yet to be worked out but from the broad outline of the scheme it is discernible that employers will be required to provide the workers with cereals and certain other basic necessities by establishing fair price shops. While the object behind this move is commendable employers will be in an embarrassing predicament if the Government cannot make available to them sufficient quantity and the right quality of cereals and other basic needs for distribution to the workers. I would urge the authorities concerned to take these factors into consideration and take proper safeguards while finalising the scheme.

Bonus Commission's Report

I must also make reference to the Bonus Commission's report. In making the amendments regarding the inclusion of all taxes in prior charges, the Government has acknowledged the obvious, the obvious being that tax reliefs intended for specific purposes relating to industrial growth cannot be frittered away in wages. Be that as it may, I cannot help thinking that unless bonus is related to productivity, the workers can never derive its full benefit. By fixing the minimum of 4%, the Bonus Commission has indirectly given a proportionate wage award leaving the question of bonus as confounded as ever before.

It is my plea that Government should once again give very careful thought to the whole subject and should tackle the problem of wages separately through a Wage Board and Tribunals and that Bonus should be viewed exclusively as an adjunct of production and, therefore, directly related to productivity. Without such an approach neither will workers derive the maximum benefit nor will industry secure the appropriate advantage for incentive payments. Half-hearted measures will only aggravate the problem. If however legislation is under way to implement the amended Bonus Commission's recommendation, I would urge that the Act be viewed as a stop-gap measure until eventually bonus is related to productivity which I repeat is the only appropriate way of dealing with this issue to the mutual benefit of industry and industrial workers.

I am sure you will like to join me in thanking the staff and workers who have worked loyally and diligently for the satisfactory working of the Company during the year.

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

New Delhi

PLANNING BODY TO PREPARE FRESH FOURTH PLAN REPORT

(FROM OUR NEW DELHI CORRESPONDENT)

THE Planning Commission is living up to its reputation by producing one brave plan after another. Thanks to Mr. Shastri's realism, it is now having to be realistic. It has just been asked to prepare a more acceptable plan for the next five-year period.

When India was invaded by China in October 1962, the sole anxiety of the planners was to save the third plan. And because of the dominating personalities of the then chairman, the late Mr. Nehru, and the then deputy chairman of the Planning Commission, Mr. Gulzarilal Nanda, the third five year plan became an integral part of the country's defence. To cite one example, overnight the Central Ministry of Community Development raised what will go down in Indian history as "the village defence force." On the plea that he was a Congress soldier, the then Finance Minister acquiesced in this employment-oriented development and imposed on the country such a dose of taxation that industrial growth was soon paralysed. In fact, the economic crisis now facing the country can be attributed to the "save the third plan" decision.

Before he changed his attention so as to deal with corruption, Mr. Nanda and the Planning Commission did an exercise in introspection. A mid-term appraisal of the plan was produced, indicating wide gaps between targets and achievements. (Incidentally, till today, the Planning Commission has not produced, what may be called a balance-sheet of the second five year plan.) The mid-term appraisal, however, did not have any sobering effect on the Planning Commission. Those who had hoped that the introduction of some new blood would bring about a change in the thinking of the Planning Commission were disappointed. As a well-known Persian saying goes, "whatever goes into a salt mine becomes salt."

One has to go back to the early stages of the second plan to understand the present controversy between reality and idealism. Mr. K. C. Neogy, then a Member of the Planning Commission, in charge of industry, regarded the second plan outlay as unrealistic, which, if persisted in, would lead to economic chaos. He wanted to append a minute of dissent to the Planning Commission's second plan report. The tussle then was between what may be called the conservatives and the progressives, the latter led by Professor Mahalanobis. In the final round, the so-called conservatives lost. In preparing the third plan, the "realists" had no say.

Even before the mid-term appraisal of the third plan, with its uncomfortable disclosures, had been published, the Perspective Division of the Planning Commission circulated a draft framework of the fourth plan. Either through ineptitude, or lethargy or the belief that the Perspective Planning Division had the ear of the former Prime Minister, the working groups set up by the various Ministries formed their own proposals, not on the basis of realism backed by actual achievements, but on the basis of what would be acceptable to the P.P.D.

The Perspective Planning Division, it will be recalled, calculating on the basis of a 7 percent growth rate by 1971, had placed the fourth plan outlay at Rs. 22,000 crores. The Finance Minister, Mr. T. T. Krishnamachari, who unlike the members of the Perspective Planning Division has to depend on the votes of his electorate, placed the outlay ceiling at Rs. 18,000 crores, stating that it was the maximum he could raise. But the "realistic wing" of the Planning Commission did one better by placing the plan outlay at Rs. 25,000 crores. Last week it offered a compromise. It suggested a floor of Rs. 21,000 crores and a ceiling of Rs. 24,000 crores. The overall rate of growth is also slightly less. It is 6.7 percent, against the current rate of about 2 percent. The growth rate planned for agriculture is 5.5 percent.

Although the Central Cabinet has postponed its decision on the total outlay for the fourth plan, indications are that the Finance Minister's view to peg it at Rs. 18,500 crores plus Rs. 2,500 crores as spill-over from the third plan, making a total of Rs. 21,000 crores, will be accepted. The formal decision will be reached after the Prime Minister's return from Cairo.

Even an outlay of Rs. 21,000 crores might have an adverse effect on the economy. Inflation is basically a problem of money supply exceeding real output. But its pressures are aggravated for psychological reasons also, which are often expressed in such activities as hoarding. The Planning Commission is lucky that it has no responsibility for maintaining a stable price-structure, much less think about the law and order problem in the country. The people are already over-taxed, and only a very bold Finance Minister would add further to the burden.

The question of external finance is even more difficult. Two World Bank missions are due to appraise the economy and the soundness of the fourth plan. It may be argued that it would hurt India's self-respect if these missions offered some suggestions or criticisms of the planned economy in the context of the inefficient implementation and availability of resources. India is welcome to ignore such advice as may be offered to it. But the aid-giving nations may also refuse to finance an unrealistic plan. It is unbalanced development and the neglect of consumer industries which have accentuated the present crisis. The Prime Minister, therefore, should be congratulated on asking the Planning Commission to pay greater attention to the needs of the common man. According to present thinking, some capital goods should be provided for the production of toys, baby foods, biscuits and sweets.

There is a French saying that even the most beautiful woman cannot give more than she has. Nor can a country The Planning Commission can make paper plans, placing the outlay even at Rs. 30,000 crores. But there will be no real chance of such a plan being implemented in full. On the other hand, there will be a good deal of dislocation on account of bad planning. The Planning Commission no longer has a Nehru to give respectability to anything that may pass for a plan.

FIFTH STATE STEEL PLANT

Talks with Consortium

Accoding to the latest information, representatives of the Anglo-U.S. consortium, which has been formed to build India's fifth State steel plant are arriving in New Delhi very shortly. They are Messrs Fred Foy, Vance Brand and Robert Wilson of Köppers and Messrs Mickham and Doughman of International General Electric (representing the U.S. wing), and Messrs Hindson and Maurice Finnes (representing the British wing). Mr. David Barrit of Simon-Carves and Mr. Peter Wrightson of Head Wrightson are arriving here on 7th October to join Messrs Hindson and Maurice Finnes to discuss their proposals for the second expansion of the Durgapur steel mill. According to the present schedule, the Anglo-American representatives will hold discussions from 3rd October to 7th October and the members of the proposed British consortium for the Durgapur expansion from 7th October to 13th October.

TENANCY REFORM

Evasion of Law

The problem of raising food production in the country is many-sided. It depends as much on fertilisers and irrigation facilities as on a proper tenancy system for insecurity of tenure has been the bane of Indian agriculture. How difficult this latter aspect is, is seen from a recent study on tenurial conditions in India and the package programme. The study says that in four out of the five districts visited by the team the tenurial situation is not satisfactory. A sizable area is cultivated by tenants in all districts except Aligarh. The problem is most acute in the districts of Tanjore and West Godavary, where 50 percent or more of the farmers cultivate wholly or partially leased lands, mostly on unwritten leases.

In Tanjore, West Godavary, as well as in Shahabad district in Bihar, the land records do not contain any information about tenants. Ejection of tenants has taken place in the past and the landlords still continue to change tenants from plot to plot to defeat the tenancy laws. The few tenants who have been allowed to continue over a fairly long period feel insecure. Thus a large number of cultivators hold no title to the leased lands, pay extortionate rents and are never certain of their status They are left with little to subsist on, and much less to invest.

The reason for this state of affairs is two-fold; one is the faulty legislation itself, and the second is the negative attitude of Government officials at State, district, block or village levels. With the exception of Aligarh, no serious attempt has been made to enforce land reform legislation. If land tenure conditions were a part of the criteria for selecting a package district, West Godavary and Tanjore would not qualify at all.

Such tenurial conditions are obviously not conducive to higher agricultural production. This situation is made much more difficult because village level workers hesitate to prepare production plans for the "pure" tenant-farmers and, in the case of leased lands, for the owner-tenant farmer, unless the landlord agrees to it. A co-operative society will not provide a tenant-farmer with a short-term loan unless he produces a lease deed from the landlord or the latter's signature on the loan application. Even where a tenant succeeds in all this, the maximum loan that he can get is very small. There is ample evidence, therefore, that the vast majority of tenant-cultivators are poor investors and the package programme aimed at reaching every farm family is bound to suffer accordingly.

A factor in the tenurial situation which needs to be maintained specially is that in all the four districts where leasing is permitted, a large number of small landowners have leased small acreage to make up viable units of cultivation. In enacting land legislation, this factor must receive careful consideration.

In Madras and Andhra Pradesh the present land reform law is of a temporary, stop-gap nature, and comprehensive legislation has yet to be enacted. In Bihar, the law in force is still the Tenancy Act of 1885 with some modifications which are wholly inadequate. Legislation in the Punjab is extremely defective and needs complete overhauling. Only in Uttar Pradesh has well-thought-out, comprehensive legislation been enacted and effectively implemented. There million of tenants and sub-tenants have been made owners and hundreds of thousands, who had been evicted, have been restored their rights.

Security of Tenure

The provisions for security of tenure are crucial to the whole scheme of land legislation. It has been the experience all over India that the right to resume land for self-cultivation by the landlord has tended to defeat the provisions for security of tenure. Resumption is all the more damaging in the case of small landowners who have made up viable units of cultivation by leasing an additional acre or two of land. It would be in the best interests of agriculture, therefore, to restrict resumption severely; no resumption should be permitted to absentee owners and others whose principal occupation is not cultivation, and it should be so regulated that the holding of the tenant cultivator is not reduced below the size of, say, a family holding.

As mentioned earlier, most tenancies are oral leases; and the tenants are generally not in a position to establish their title to the cultivation of a particular piece of land. This has tended to defeat not only the provisions of tenancy laws, but also the attempts at preparing production plans for them. For the same reason, credit facilities as visualised under the package programme, are often not available. It is important, therefore, that immediate steps be taken to prepare a record of tenancies in accordance with well-known procedures. As an aid to officials in the preparation of this record, a committee should be set up in each village or a group of villages made up of two classes of tenant-farmer, one part-owner-part-tenant-farmers, and the other landlords.

The study goes on to say: "In making this recommendation, we have in mind the experience of Shahabad district, where the preparation of the record by the official agency proved to be a fiasco. What the officials do not know about 'who is who' in the village—who rents whose land and for how much—the committee would surely know and thereby ensure the correctness of the record. The other important consideration is to give the tenants a sense of participation in the implementation of the land reform

programme. As soon as this basic record is prepared, each tenant farmer should be provided with a certificate indicating the plots he cultivates In view of its importance to the package programme, the preparation of such a record should receive high priority and its cost could legitimately form part of the package budget for the year.

"We noticed that rents are payable generally as a share of the produce. Crop share rents are extremely difficult to regulate and should be abolished, and replaced by cash rents. To facilitate this, either the rents should be fixed as a multiple of land revenue, as in Maharashtra and Gujarat, or else the State Government should divide lands in each area into a few broad categories, and determine the 'average' produce of each such category of land and the average price at which it may be converted into cash. The average produce and the average prices to be determined should be announced in each area for general information.

"We are aware that due to the proverbial weakness of the tenant's socio-economic position, the landlords would in the long run be able to defeat even the soundest provisions for tenancy regulation. We are of the view, therefore, that steps should be taken for the early transfer of ownership to all tenants for non-resumable lands. To facilitate the implementation of this programme, certain steps would be necessary, namely, that (1) the rate of compensation should be equitable both to owners and tenants. We consider that an amount equal to 15 to 20 times the net income of the owner with payments spread over a period of about ten years, should be quite reasonable to both; and (2) that the State should actively sponsor this programme either by assuming responsibility for the payment of compensation as in U.P., or else by giving financial assistance to tenants directly or through land mortgage banks as in Saurashtra; and (3) that the procedures for the transfer of ownership and determination of compensation should be simple, easily enforceable, and widely publicised.

"The stand taken by the co-operatives in advancing credit deprives a large number of tenants of the opportunities offered by the package programme, the totally negative attitude towards the tenancy problem on the part of all officials from State to village levels only compounds the problem. If the co-operatives continue to treat the tenants neither in terms of social justice nor from the point of view of practical considerations vis-à-vis the package programme, the Government should assist the tenants with taccavi loans, bypassing the co-operatives, if necessary."

BANK RATE INCREASE

Background Explained

The Central Finance Minister, Mr. T. T. Krishnamachari, last week made the following statement in the Lok Sabha: "When I spoke in the Lok Sabha a little over a week ago, I referred to the concern with which the Government viewed the deterioration in the price situation. The general index was 156-7 on 5th September, an increase of not less than 14 percent over the year. The deterioration in the price situation and the vulnerability, in particular, of food prices are basically the symptoms of the increasing strain under which the economy is currently operating.

"A policy of utmost economy in Governmental expenditure and a drastic pruning down of non-essential expenditure is called for urgently to reduce the strain of excess demand on the economy. A few weeks ago, I had announced that the Central Government had decided to effect economies in expenditure of over Rs. 70 crores. I would like to reiterate, however, that this figure must be regarded as the absolute minimum.

"It was also my hope that the States would be able to prune down their expenditure substantially. I would earnestly appeal to the States to review their expenditure position in the light of the current serious supply and price situation. The financial position of several States, despite substantial Central assistance, continues to cause concern. In the interest of overall stability and successful planning, there is no alternative to the maintenance of utmost vigilance in limiting overall expenditure to available resources.

"In particular, we should seek to keep the level of deficit financing to the absolute minimum. This is all the more necessary as the capacity of the economy to bear deficit financing has been weakened by continuous recourse to this form of finance and additional doses of deficit financing in the light of the tight position on the supply side would only aggravate an already serious situation.

"I had mentioned earlier that the operations of the private sector were not less significant in bringing about the present imbalance between the rate of monetary expansion and real output growth. This also calls for corrective action. This has been engaging the Reserve Bank's attention and on a review of the present situation, the Reserve Bank has decided to raise Bank rate to 5 percent with immediate effect.

"In addition, the existing mechanism of credit control is being modified. Hitherto, the borrowings of scheduled banks from the Reserve Bank were being regulated through a system of quotas. The Reserve Bank has now decided to introduce a system under which the cost of commercial banks' borrowings from the Reserve Bank will be linked to the actual level of credit extended by the commercial banks in relation to their own resources. Thus, the emphasis will be on increased cost, rather than a direct restriction of the availability of credit from the Reserve Bank, to secure the needed restraint. In this way, genuine productive requirements of the economy will not be affected.

"The capacity of the banking system to meet the growing credit demands of an expanding economy, will essentially depend on the success with which it can increase deposits. The present narrow spread between the interest rates on short and longer term deposits is not conducive to the process of deposit mobilisation. The Reserve Bank is, therefore, simultaneously taking steps to introduce a more orderly deposit rate structure under which the rates on longer term deposits will become relatively more attractive to the holders and thus assist deposit mobilisation."

FOOD PRICES

Jha Committee Report

The interim recommendations of the L. K. Jha Committee on food-grain prices appointed by the Government of India last month, have been received by the Central Minister for Food and Agriculture. These recommendations will be discussed with the Chief Ministers and Food Ministers of the States during the next few days. It is hoped that the Government's decision on the interim recommendations of the Committee will be announced in Parliament before the end of the present session.

The Central Food and Agriculture Minister, Mr. C. Subramaniam, last week told an informal meeting of State Ministers of Agriculture that in spite of its best efforts, the Central Government may not be able to meet the entire demand for nitrogenous fertilisers. Consumption of fertilisers this year was expected to be over 600,000 tonnes which represented an increase of over 60 percent compared with the consumption of 391,000 tonnes in 1963-64. He called upon the State Governments to prepare an assessment of fertiliser requirements during the next three years so that advance action could be taken to plan suplies to match the demand in future.

Mr. Subramanian added that efforts were being made to speed up the projects for increased production of fertilisers. One of the main proposals under consideration was from the consortium of American companies, which had offered to put up five units for producing 1 million tonnes of nitrogenous fertiliser before the end of the fourth plan. The preliminary study on the feasibility and location of these units had already been undertaken by the consortium. It was hoped that the programme of this consortium will be finalised by March next, and the first unit would go into production in about 18 months thereafter. After that, one unit was expected to be completed every few months. It was, therefore, necessary that they should prepare the farmers for increased use of fertilisers during the next few years, he added.

In the context of the increased demand for fertilisers and the limited supplies available, the Central Food Minister emphasised the importance of early implementation of schemes for using urban waste, as also a proper soil survey for each block and village. A proper soil survey was essential. A programme for setting up an adequate number of soil testing laboratories with proper equipment so as to ensure the coverage of the entire country by the end of the fourth plan would have to be drawn up. For this purpose, it was proposed to undertake aerial mapping, preparatory to a detailed survey. Foreign assistance was likely to be available for this project, the Minister said.

UGANDA

Pact with India

The Governments of Uganda and India last week signed a memorandum of agreement on collaboration between them for the development of the sugar industry in Uganda. Under the terms of the agreement, Indian participation in the industry will be in the form of sugar machinery manufactured in India, and materials for factory building from India. The latter will also install machinery and operate factories and estates. A sugar development corporation will be established in Uganda which will directly own these factories and estates.

The total investment required will be determined when the precise location of the estates has been decided and also the financial structure of the sugar development corporation. Indian participation in the equity capital of the corporation will be 45 percent. The balance of 55 percent will be shared by the Uganda Government and private Uganda investors in the proportion of 45:10. The board of directors of the corporation will be in these proportions also.

The memorandum of agreement also provides that the Indian side will arrange for training in India of Ugandans for managerial and technical posts in the sugar industry. It is intended that at least 90 percent of the employees in the industry will be Ugandan with the ultimate aim of having the project wholly staffed by the nationals of that country. However, in order that the sugar development corporation can draw upon the experience and knowledge of the Indian side, an Indian will continue as general manager for six years after the commencement of sugar production. The Indian side will also arrange for such feasibility and project studies of the proposed sites as may be necessary for the proposed four factories and estates.

FISH MARKETING

Corporation Set Up

It is proposed to set up a corporation for supplying fish to the Calcutta market. The scheme visualises the supply of 100,000 tons of fish during the first five years of its operation, and 40,000 tons annually from the sixth year onwards. If these targets are achieved, the import from Pakistan could be progressively reduced. A scheme for the intensive development of inland fisheries in several States of India which are already supplying fish to Calcutta in small quantities, namely, Orissa, Andhra Pradesh, Uttar Pradesh, Madhya Pradesh, Punjab, etcetera, has already been drawn up. These are being considered by the authorities now.

TELEPRINTER-MAKING

Commercial Credit from Italy

A commercial credit agreement was signed in New Delhi last week between the Hindustan Teleprinters Ltd—a Government of India enterprise—and the Italian firm, Olivetti and Company. Under this agreement, the Italian firm will provide Hindustan Teleprinters with a commercial credit in foreign currency of about Rs. 1.70 crores. With the help of this credit, the production of Hindustan Teleprinters will rise from about 1,300 teleprinter units a year to about 5,400 units a year in a single shift. The factory will later produce 8,500 teleprinter units a year by operating in double shifts.

The overall capital expenditure for the factory's expansion programme is estimated at about Rs. 1.5 crores. This includes about Rs. 40 lakhs as the cost of capital goods, like machinery, production tools and equipment which will be financed out of the Rs. 1.7 crores commercial credit. The remaining Rs. 1.1 crores of the capital expenditure will be financed internally. Part of the commercial credit will be used for importing raw materials and consumable goods required for the manufacturing processes.

Four years ago in 1960, Hindustan Teleprinters and the Olivetti and Company of Italy entered into collaboration for manufacturing teleprinters. The Company went into production in 1961 for starting the assembly of machines from imported components. The indigenous content of these machines attained so far is about 70 percent. By the middle of next year, it will be possible to produce 1,300 units with wholly indigenous content.

In the meantime, the Posts and Telegraphs Department has introduced telex service in the country. This service has become extremely popular and more telex exchanges are being opened. Consequently, the demand for teleprinters has exceeded the anticipated requirements. It is expected that about 30,000 teleprinter machines will be required to meet the fourth plan demands. As a result of the latest credit, it is expected that the output will rise to 2,100 units in 1965, when machinery for the expansion programme is expected at the factory site. Thereafter, the production will increase gradually to reach the planned output of 8,500 machines (including spares) a year by 1969-70. Under the terms of the present agreement, the loan is repayable in 20 half-yearly instalments.

EMERGENCY RISKS INSURANCE

Automatic Extension

The Emergency Risks (Goods) Insurance Scheme and the Emergency Risks (Factories) Insurance Scheme have been modified so as to provide for the automatic extension, by a further period of three months from 1st October, 1964, of the policies already issued under these two schemes. No premium will be charged on these policies and no fresh applications will be necessary for the renewal.

INDIA-U.A.R. TRADE

Letter Exchanged

Letters were exchanged last week between the Governments of the U.A.R. and India, providing for economic, industrial and technical collaboration in certain fields like the production of fertilisers and superfine cotton yarn, the supply of rock phosphate on a long-term basis from the U.A.R., and the export of mining equipment, spinning machinery and steel structurals from India to meet the requirements of Egyptian industries, railways and electrical and other enterprises.

The letters contain agreed trade proposals visualising a total turnover of about Rs. 45 crores between the two countries in the current year, namely, Rs. 22.5 crores each way. Besides tea and jute goods, numerous engineering and chemical products and new items like cotton yarn, cocoa concentrates, tissue paper and reinforced steel bars have found place in the list of goods to be exported by India to the U.A.R. Likewise, besides Egyptian cotton, rice and rock-phosphate, new products like fertilisers, flax and printing paper will be exported by the U.A.R. to India. Both sides have agreed to examine the possibility of introducing more new items and have accordingly left sufficient scope for the same in the agreement reached.

PIG IRON

Cause of Shortage

Mr. N. Sanjiva Reddy, Central Minister for Steel and Mines, at a meeting of Parliament's Informal Consultative Committee attributed the shortage of pig iron in the country to the failure of private sector projects to come up as scheduled. The licensees, he pointed out, had neither set up new projects nor expanded the existing units. He had, therefore, called a meeting of the licensees to review the entire situation.

DEVELOPMENT BANK

Application from Jute Mills

The Industrial Development Bank, which has started functioning with its head office in Bombay, will consider the applications of the cotton textile and jute mills for rehabilitation loans. It will be recalled that early in 1963, the Government of India decided to discontinue the scheme of grant of loans through the National Industrial Development Corporation to cotton textile and jute mills for modernisation and rehabilitation. It was then intended that applications for modernisation and rehabilitation from these units should in future be processed by the Industrial Finance Corporation. Since then, the necessary legislation for the constitution of an Industrial Development Bank has been enacted, and the Bank entrusted with the work of considering loan applications from the jute and cotton textile industries.

SINGARENI COLLIERIES

Carbonisation Plant Project

The Singareni Collieries Co. Ltd is formulating proposals for the setting up of a low-temperature carbonisation plant in Kothagudem in Andhra Pradesh during the fourth plan. The project report is being prepared. The capacity of the plant is placed at 450 tonnes of coal input a day and its estimated cost at about Rs. 1.93 crores including about Rs. 39 lakhs in foreign exchange.

SUGAR EXPORT

Central Cash Assistance

Cash assistance is given by the Government to facilitate the export of sugar at international prices. The amount of assistance given on the export of sugar over the past three years is as follows:

Year	Rs. (in crores)
1961-62	5.50
1962-63	14.20
1963-64	3.42

The consumer, on the one side, has to pay higher and higher price for his sugar. He has also to pay for the export promotion effort, which is one contributory cause for the sugar shortage.

SETHUSAMUDRAM PROJECT

Report on Feasibility

The Sethusamudram Project Committee has reported that the project is feasible and that the cost of the project will be about Rs. 9.98 crores, including Rs. 1.62 crores for developing facilities at Tuticorin port. The Tuticorin project has since been taken up separately. The Government of India considers the estimates of the Committee for the ship-canal project to be on the low side. The Development Adviser, Central Ministry of Transport, has estimated the cost at about Rs. 26 crores. The services of a navigation expert, Captain J. R. Davies, had been obtained to advise on the navigational requirements connected with the project, with particular reference to reducing the estimated cost. Captain Davies has suggested some changes in the alignment and reduction in the navigational aids. A provision of Rs. 22.14 lakhs was made in the third five year plan for further technical investigations relating to this project. After completing the studies, the Government of Madras submitted a revised estimate in May 1963. According to this revised estimate, the cost of a canal which could take ships of 26 feet draft, would be Rs. 15.50 crores. In August 1963, the State Government submitted a fresh report to meet the requirements of ships of 30 feet draft. The cost was estimated at Rs. 21.72 crores. The foreign exchange content was estimated at Rs. 4.50 lakhs. The project report prepared by the Madras Government is being examined by a high-level technical committee.

NEW COIN

Use of Aluminium Alloy

A new 3-paise denomination coin will be issued from all offices of the Reserve Bank of India from 1st October. The metal composition of the new coin is aluminium with 3.5 to 4 percent magnesium. This alloy is being introduced in the country as a coinage medium for the first time. The coin is hexagonal in shape with rounded corners and its weight is 1.25 grams.

SUDAN

India Offers Credit

A credit of Rs. 5 crores has been offered to the Sudan. An agreement on this, however, remains to be signed.

BELGIUM

Conditions for Fresh Credit

Belgium will be willing to pledge a further amount of credit to India after the amounts previously pledged have been utilised, it is learnt.

U.K.

Invitation to Mr. Shastri

Mr. Lal Bahadur Shastri this week disclosed to Parliament that he had been invited by the British Prime Minister to visit England. He had, however, not yet fixed the date of his visit. But it is generally believed that the Indian Prime Minister's visit to London will not take place until after the U.K. general election.

SHIPPING

Foreign Participation Offers

Following the Indian Government's recent decision to raise the extent of foreign participation in the shipping industry to 40 percent, several offers have come. The interests are the P. and O. group of companies and Mackinnon Mackenzie, of the U.K., the National Bulk Carriers of New York, Sea Board Financial Corporation, Central Gulf Stream Corporation and the Phillips Petroleum Company of the U.S.A. They are now negotiating with Indian parties for collaboration. The Government, it is said, is sympathetic to such joint shipping ventures.

SWEDEN

Credit Aid to India

An Indo-Swedish agreement extending to India credit assistance to the extent of 36 million Swedish kronor (Rs. 3.31 crores) was signed in Stockholm on 29th September 8f this, 12 million kronor will be grants in kind, and the remainder is development credit. The period of amortisation is 20 years including a five-year grace period It carries 2 percent interest. Some 12 million kronor will be utilised in importing equipment for dairies, 8 million kronor for the purchase of electrical switchgear control equipment, transformers, and other equipment for electric power schemes, and the remainder on Indo-Swedish joint ventures.

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Liabilities

	1963 Rs.	April 12. 1962 Rs.
Capital	2,500	2,500
Reserves	7,032	6,656
Deposits	94,503	80,382
Other Liabilities	5,954	3,198
Contra A/cs.	10,940	7,958
Profit & Loss	699	790
	1,21,628	1,01,484

Assets

	1963 Rs.	April 12. 1962 Rs.
Cash	33,993	27,992
Investment	160	120
Loan & Discts.	74,069	63,006
Contra A/cs.	10,940	7,958
Other assets	2,466	2,408
	1,21,628	1,01,484

London

ECONOMIC ISSUES FOR THE U.K. GENERAL ELECTION

(FROM OUR LONDON CORRESPONDENT)

It is understood that in the opinion of Mr. Reginald Maudling, Chancellor of the Exchequer, Britain's economic situation does not at this moment call for urgent or emergency remedial action. This view has been accepted by the Cabinet at what must surely be its last meeting before the election, so the Conservatives are apparently satisfied that their record in this matter will serve them well. To some extent, they are supported by the public opinion polls, which in recent weeks have indicated a slow but steady erosion of the Labour lead until today it looks as though the outcome will be a very near thing indeed.

The muffled message of the August trade figures is that the outlook for Britain's balance of payments is not as bad as it looked a month ago. Exports recovered to £370 million, equal to the May figure and almost equal to the peak of £373 million in March. On the other hand, imports shot up to £477 million, the highest yet recorded, with re-exports £14 million. The adjusted "trade balance" shows a deficit of £51 million, against £40 million for July and £60 million in June. Ministers have repeatedly stated that high imports and a payments deficit must be expected in this phase of economic expansion, but in the past few months, the poor export performance has led to questioning whether the trouble is in fact a temporary one. If it were due to lack of competitive strength in British industry, short-term international borrowing to reinforce the reserves might not be regarded as a proper remedy.

Exports are, therefore, the key to the outlook. The Board of Trade works out that in the three months June to August, exports corrected for seasonal variations were 3 percent less than from March to May. But in the first eight months of the year, they were 4 percent more than the average for last year. On the same basis, imports from June to August were 2 percent higher than in the previous three months. In the first eight months of this year, they were 14 percent above the average for last year. As for the estimated trade deficit in balance of payments terms, the average for June to August was £50 million a month, seasonally adjusted. In the period March to May, it was £29 million a month, and last year, it averaged £4 million a month.

A fortnight ago, the Federation of British Industries said that its own information conflicted with the Board of Trade's recent export figures. A quick enquiry among 71 leading exporting firms indicated that exports were still going well and that order books were heavy. The recovery in August lends a little support to that view, but it is not decisive enough to banish the fear of coming trouble.

Fuller details of the country's exports and imports during August will be issued in the next few days, to be followed by the half-year position concerning the balance of payments. These figures will help to clarify matters. Nevertheless, the Government is frankly puzzled by the length of time it is taking industry to produce the finished goods for sale (at competitive prices in overseas markets) which investment and inducements were thought likely by now to have brought forth. Ministers have been told that industrial production in the first seven months of this year was 9.5 percent higher than in the comparable period of last year, but some of this output has gone, not in exports, but in new construction. Mr. Maudling has described this blockage in the economy as "constipation."

Ministers hope that before long, this blockage will be cleared, but do not know precisely when this happy event may take place. If it is long delayed, the measures likely to be taken by the Government would be, first, the mobilisation of Britain's foreign reserves and borrowing powers, and secondly—though reluctantly—the use of import controls in preference to the harsher stop-go system which Conservative chancellors applied before Mr. Maudling went to the Treasury.

Controlling Imports

The Cabinet, it is believed, has not yet been asked to consider the use of import controls although the Board of Trade is now studying the best means of applying them should the Government decide that import controls are necessary. Mr. Maudling told the House of Commons on 14th April, in his Budget speech: "I do not object to import controls on doctrinal grounds, but on grounds of practical policy. Certainly, there could be occasions where their use would be justified and permissible under international agreements, that is, if we should be facing severe balance of payments difficulties which could not be dealt with in better ways." The assent of international bodies, particularly members of the G.A.T.T., to such a control would be a prerequisite to its imposition. Mr. Maudling also forecast, on 14th April, that there would be a worsening of the overall balance of payments in 1964-65, but did not suggest that it would be on a scale that would justify recourse to import controls. This practical objections to import controls were:

(1) Britain could not expect to export machinery and consumer goods unless she was prepared to import them;

(2) Controls might deny to British manufacturers some of the best and most modern machinery that they had to import;

(3) By protecting her industries against external competition, Britain would lose a stimulus to greater efficiency;

(4) Help to under-developed countries would be frustrated if Britain were not prepared to accept from them progressively increased imports of manufactures.

The worsening of the overall balance of payments which Mr. Maudling forecast should not, he said, cause alarm or dismay if it were temporary, but the country could not be confident that it would be temporary "unless we keep control of our own costs and particularly of our export prices." Mr. Maudling has never been frightened of temporary deficits that could be met by the use of reserves and credits; that, he has told the House, is what reserves and credits are for.

The present uncertainty about the duration of the adverse balance of trade has a sharp point for the electioneers, because the Conservatives long tried to discredit Labour by saying that the late Hugh Gaitskell, when Chancellor of the Exchequer, and the Labour Government "ran away" from an economic situation which was getting out of hand in 1951. Mr. Maudling has frequently assured the House of Commons that the present situation is nothing like so threatening as that which existed at the time of the general election in 1951.

Attitude of Labour

How about Labour's attitude to the economy as an election factor. Just about the most difficult tactical decision facing Labour Party leaders is how to use the deteriorating balance of payments situation to the discredit of the Government, without laying themselves open to damaging counterattack for undermining confidence in the pound, and thus aggravating the position.

The latest view is that the current trade position cannot be brought to the centre of the campaign unless the Government itself does something or says something to indicate the approach of crisis point. The Government is highly unlikely to make any such admission. In any case, it does not believe that a crisis is imminent, defining crisis as a turn of events not anticipated in the contingency plans. Labour leaders have no desire to make sterling an election issue. Confident of forming the next Government, they are soberly aware of the responsibility they will inherit for dealing with an extremely tricky situation. They believe that whatever Government is returned will have to act almost immediately after the election and they wish to make this no more difficult for themselves.

On the other hand, Labour leaders insist (in contradiction to the Government's line) that were it not for the election, steps would have been taken by now to draw upon reserves or impose selective controls. They realise, however, the dangers of making a case they cannot prove as long as the Government has a monopoly of economic statistics and intelligence. Labour would surely stand to lose in an argument about whose facts were right about the real trends of imports and exports.

The precariousness of Britain's foreign trade position, is, nevertheless, one of Labour's most potentially powerful counters to the Conservative prosperity progaganda. To establish the imminence of a balance of payments crisis necessitating the return to restrictive measures, would effectively explode the chief Conservative claim to re-election.

But present indications are—Mr. Harold Wilson and his "shadow" Chancellor, Mr. James Callaghan, have been in close touch on this one—that Labour will not risk trying to set the pace They will have to be content with the general argument that current prosperity rests heavily on unpaid bills and that structural changes will have to be made in the economy—of the kind a Labour Government has promised to undertake—if long-term stability in the payments position is ever to be achieved.

Trends in Sterling

Dr. Paul Einzig, the financial expert, however, contends that the monthly "balance of payments" figures are nothing of the sort. They merely represent the value of imports and exports and do not explain trends in sterling. Statisticians could and should produce figures that lend themselves to "meaningful analysis." Steps should also be taken to try to induce the Government to provide better statistics. In a study made for Aims of Industry he criticises the National Institute of Economic and Social Research for spreading alarm and despondency by forecasting a £500 million foreign trade deficit for the whole of 1964, based on the figures. Doubt on these has already been cast by the Federation of British Industries.

Dr. Einzig suggests that instead of trying to play the part of an economic "Old Moore's Almanac," the Institute should provide better statistics, if the Government will not do so. He argues that Britain exports for the sake of finding foreign exchange needed to pay for imports. But in the figures of the returns, items which have been paid for are lumped together with those that will not be paid for until 1970. "Does this make any sense to anyone wanting to know how far the weakness of sterling during the period covered by the return was due to an import surplus and how far that import surplus had been settled earlier or is likely to lead to buying or selling pressure on sterling in the future? It is like lumping together the weight of coal exports with that of precision instruments exports."

On more than one occasion this year, the monthly trade figures disclosed a spectacular increase in the import surplus during a month in which sterling was quite steady. The figures should take account of the fact that the United Kingdom is part of the sterling area. Up-to-date statistics should be produced to show the significance of U.K. trade against the overall effect of foreign trade on sterling Details of invisible import and export items should also be published more frequently. He argues that the problems involved are not incapable of solution. Even if it proved impracticable to collect all relevant data, sample surveys could help a great deal and would be preferable to guessing.

BOOKS RECEIVED

Legacy of a President. (Published by the United States Information Agency. Pages 108.)

Productivity, July-Sept. 1964 (Special section on Inter-firm Comparison). (Edited and published by D. H. Butani for the National Productivity Council, 38 Golf Links, New Delhi. Price Rs. 3.00, pages 397-598.)

Survey of Indian Engineering Exports. (Published by World Trade Department, Indian Chamber of Commerce, India Exchange Place, Calcutta. Price Rs. 5.00, pages 75.)

The Farm Revolution. (Published by the United States Information Service, New Delhi. Pages 92.)

Industrial Growth in Africa. (Published by the United Nations, New York. Price $(U.S.) 1.50, pages 100.)

The Madras Stock Exchange Official Year Book, 1962-63. (Compiled by the Madras Stock Exchange Ltd, 322/23 Linghi Chetty Street, Madras 1. Price Rs. 12.50, pages 1,112.)

Jute

FIBRE PRICES EASE: FAIR STOCKS WITH MILLS

THANKS to the forbearance shown by mills and the timely introduction of the maximum purchase quota scheme by the Jute Commissioner, raw jute prices have eased from week to week. A gradual increase in daily arrivals in the agencies and fair progress in harvesting and retting in the daissee and tossa areas are additional factors helping the decline in prices. On reviewing the position, the Jute Commissioner has issued a maximum purchase quota of 175,000 bales for the week ending 3rd October. With this fourth quota, the total for September comes to 525,000 bales. It may be recalled that by the end of September 1963, mills had lifted 1.84 million bales, against the compulsory purchase quotas issued by the Jute Commissioner.

Taking account of the opening balance of 2.8 million bales and the purchases so far of about 1.473 million bales, the total amount of fibre available to mills has been of the order of 4.273 million bales. Assuming consumption during the period to be around 1.964 million bales, mills are likely to have a stock of about 2.31 million bales. This will be enough for 3.55 months on the basis of a monthly consumption of 650,000 bales. So with fibre prices declining to more realistic levels, mills will have to regulate their purchases in a planned manner.

The I.J.M.A., it is learnt, has arranged the collection of weekly production figures from mills in an effort to assess the trend of jute consumption. The Association appears to be as anxious as the Government to ensure that no mill buys in excess of the quotas issued to it, upsetting the market trend. Although mills have not yet resorted to any cut in production, the advisability of permitting individual mills to adjust their output temporarily on the basis of their fibre stocks has been approved in principle. Such cutbacks will not cause any perceptible reaction in the finished goods market in view of the heavy stocks held by mills. In spite of an upward revision of the crop estimate to 7.5 million bales by circles close to the industry, the I.J.M.A., it is reported, sees no justification for relaxing its vigilance. Such relaxation, it is feared, will help speculators regain their grip on the market by spreading rumours.

Likely Price Trends

The fibre market trend is likely to remain easier during October due to growers' anxiety to get money for the festive season. With the harvesting of the *aman* crop farmers' earnings will improve and they may be in a position to hold back their stocks of fibre. So fibre supplies are likely to shrink, and prices may firm up. So the regulation of the quantity of raw jute a mill can buy and hold is likely to continue throughout the season. Only the size of the weekly quota will vary so that the offtake matches the market arrivals. The broadening seasonal demand for jute goods during the month is an additional reason for continuing the policy of regulated purchases. The order-books of mills are reportedly expanding. Many of the sales for far forward positions have not been covered by fibre purchases in the hope that the open position in raw jute can be adjusted in due course.

Although the jute buffer stock scheme was originally introduced in India as a price-support measure to ensure a fair return to the grower, it is increasingly recognised that price stabilisation in the world jute economy can be achieved through it. Mr. R. H. Morrison, chairman, Jute Buffer Stock's Association, made this observation while addressing the annual meeting of the J.B.S.A. in Calcutta last week. The buffer stock operations in India and Pakistan had already attracted international attention, he said. Considerable discussion on fibre supply and price stabilisation through various measures, including the maintenance of buffer stocks, took place at the meeting of the Study Group on Jute, Kenaf and Allied Fibres recently in Rome. Suggestions had been made for buffer stock operations on a world scale, possibly financed by international agencies. Mr. Morrison said that such schemes could not be devised and worked out in a short time. Many formidable difficulties had to be overcome, and the scheme might prove to be impracticable.

Referring to the recent spurt in fibre and gunny prices, Mr. Morrison said that the timely release of the buffer stock played a part in bringing down prices to more reasonable levels. The effect would have been even more pronounced had the buffer stocks been bigger. All these point to the need for building up a substantial buffer stock—amounting to about three months' consumption. While the date for replacing the released stocks has been provisionally fixed for February next year, the chairman felt that the extent of replenishment would depend on how the supply situation developed. At the present level of fibre consumption, it would obviously take a longer time to replenish the buffer stock godowns on the desired scale.

Mr. Morrison said that the total volume of transactions of the J.B.S.A. during the year amounted to Rs. 12 crores. In addition to 625,000 bales bought earlier, there was a further purchase allocation of 250,000 bales, bringing the total to 875,000 bales, including a portion of Pakistani cuttings. A satisfactory procedure for turning over the buffer stocks was evolved in October 1963. The target was to turn over 50 percent of the total stocks by December that year. It was clearly in the interest of the industry to replace the 1961-62 and 1962-63 stocks by the 1963-64 crop as soon as possible. The turnover up to March 1964 was reasonably satisfactory although the old crop could not be entirely replaced, mainly due to the shortage of storage accommodation, he added.

F.A.O. Bid to Stabilise Prices

The first meeting of the Study Group on Jute, Kenaf and Allied Fibres held recently in Rome under the auspices of the F.A.O. has served a useful purpose both for the producing and consuming countries. The meeting was attended by Government officials from India, Pakistan, Thailand, the United Kingdom and the E.C.M. countries. But representatives of the jute industry were also allowed to attend the session as observers.

The meeting was significant for two reasons: first, for the wealth of papers submitted and, second, for the opportunity it provided to the representatives of the Asian and European industries to acquaint themselves with one anothers' problems. The question of consumption and of stabilisation of fibre prices figured prominently in the deliberations.

Almost all the consuming countries have appreciated India's efforts to stabilise the prices of raw jute. India has been keen to see that fibre prices in other producing countries too are stabilised in order to ensure that her own efforts do not suffer a setback. The discussion, centring primarily on industrial fibres, covered a much wider field and included estimates of future world demand for jute manufactures. The consensus of opinion was that jute prices must be stable and low if the industry is to flourish.

The report of the Study Group now goes to the F.A.O. Committee on Commodity Problems. The recommendations include the appointment of a consultant to study the consumption trend in jute goods and to analyse the factors influencing it. The meeting has set up a working party on price stabilisation and improvements in the collection of statistics relating to the end-uses of jute. Considerable discussion has also taken place on the question of price stabilisation. The solutions examined include the need for setting up buffer stocks. The entire subject will be examined by the working party which is expected to meet in Dacca early next year.

The Study Group felt that the present trend of gunny sales indicate that sooner or later all the members of the jute industry—European, Indian or Pakistani—would have to make a joint effort to promote the consumption of gunnies. The Indian delegation, it is reported, informally proposed a meeting of the directors of the jute research laboratories.

THE JUTE MARKETS

Manufactured Goods: Buoyant conditions prevailed in the Calcutta gunny market during the past week. A squeeze was felt in heavy goods and their prices improved by about Rs. 4 a 100 bags. Hessian was steady in sympathy, with prices advancing by about 75 paise a 100 yards. Sentiment was stimulated by brisk speculative support to sacking in the hedge market, reports of scattered business in woolpacks with Australia, some deals in heavy goods with the Middle East and western Africa, stray hessian business with the U.S.A., and an Indian Government tender for moderate lots of B Twills for October-December delivery. Month-end short- and shipper-covering in ready and near-positions also helped sentiment. Mills were generally reserved, but booked a fairly large volume of orders at the higher levels. Towards the week-end, rumours of a fresh workers' strike in three East Pakistani mills led to hectic buying, especially of heavy goods for immediate and near deliveries. In the hedge market, prices fluctuated within wide limits in a see-saw battle between bears and bulls. There was profit-taking at the bulges, but all offers were absorbed. On Tuesday, there was a mild setback on profit-taking. Turnover was fair and the undertone steady at the close. Conditions in Calcutta port continued to cause anxiety. In addition to the cut in drafts, there was a compulsory detention of vessels at Sandheads. A shortage of lighters continued to hold up the shipment of cargo. Vessels had to load in their moorings due to a spate of bore tides.

Wednesday's quotations are as follows:

	Sept.	Oct.	Nov.	Dec.	Jan.-Mar.
40in. 7½oz.	37.10	37.50	37.75	38.00	38.25
40in. 8oz.	40.10	—	—	—	—
40in. 10oz.	49.45	49.90	50.30	50.50	50.90
B Twills	146.90	147.15	145.90	145.40	144.90
Cornsacks	147.50	148.75	148.75	148.25	147.75
Heavy Cees					
(Plain)	147.75	147.75	146.50	146.50	144.90
A Twills	176.00	175.50	175.50	175.50	175.00
Liverpools	162.00	162.50	162.50	162.50	162.50

Raw Jute: Easier conditions marked trading in the raw jute market during the past week. Rigorous implementation of the maximum purchase quotas, combined with a gradual increase in upcountry arrivals and the proximity of the festival season, induced growers and sellers to discount prices by about 50 paise a maund in the course of the week. In view of the comfortable stock position, mills continued to show selective interest in better-grade fibre, but confined their offtake strictly to their respective quotas. As a result, demand failed to match supplies, influencing the softening trend in fibre prices. Fluctuations were narrow, turnover moderate and the undertone hesitant at the close. Transactions in Upper Assam White Bottoms for December did not commence in the hedge market.

Wednesday's quotations were as follows:

	Rates a maund		Rates a quintal	
	Mid.	Rot.	Mid.	Rot.
Assam-Agartala Jute	40.50	37.50	108.51	100.47
Northern Jute	39.50	36.50	103.83	97.79
Western Desal Jute	38.50	35.50	103.15	95.11
Selected Daissee	41.50	38.50	111.19	103.15
Assam-Agartala Tossa	41.00	38.00	109.85	101.81
Mesta:				
Assam-Northern	37.50	34.50	100.47	92.43
Local Daissee	37.00	34.00	99.13	91.09
Bihar Dist.	36.50	33.50	97.79	89.75

THE U.K. JUTE MARKETS

FIBRE WEAK

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market was quiet in Pakistan, and prices became easier during the past week. The Pakistani mills have reduced their scale of buying This should allow shippers to acquire larger stocks. There was some improvement in arrivals of loose jute from upcountry and these should continue to increase. Although practically no business is taking place at current rates, there has been no reduction in E.P.C. values.

The raw jute market in Dundee was weak. Very little buying interest was shown even at the lowest quoted rates. Holders of secured parcels were anxious for business and in an effort to attract buyers they were discounting the generally quoted rates. As a result of this, prices being quoted in Dundee were very irregular, and in the case of some grades, the range extended to over £10 a ton.

The lowest prices were at £147 for Mill Firsts, at £136 10s for Export Firsts, at £124 for Export Lightnings and at £155 for Export Hearts, c.i.f. U.K., for September-October shipment. Grade Tossa-2/3 was now available at £144 and Grade Tossa-4 at £133. Dacca Tossa-6 was at £137. There were sellers of Outport Tossa-2/3 at £123 and of Outport Tossa-4 at £118, October-November. It was possible that less than the above rates would be accepted if any

real buying interest was shown by spinners. Cuttings were also quiet at £88 for S.N.C. and at £81 for N.C.

Dundee spinners were still awaiting the first arrivals of new crop jute so that they could assess the quality of the fibre. The quality of the various grades is as important as the price and on this hinges the selling rates of yarn and cloth.

The Siam jute market was also quiet, and only a small buying interest was shown here. Offers were at £90 for grade A, at £85 for grade B and at £78 for grade C, delivered mill Dundee for November-December shipment.

The Calcutta goods market tended easier for both hessians and sackings. Some buying still took place here with prices at 80s 5d for 40in. 10oz. and at 61s for 7½oz. a 100 yards c. and f. U.K. for September shipment, at 80s 10d and 61s 3d October and at 81s 2d and 61s 8d November-December. B Twills were at 238s 5d, 238s 1d and 237s 3d for the respective shipment periods.

Dundee jute spinners were busy and had very little yarn to sell for reasonably early delivery. Business continued to take place and prices were firm. A further fall in raw material prices would have to take place before any reduction can be made in yarn prices, because they were never raised to the same extent as raw material. The cloth position was also satisfactory with production running to the full extent of the available labour force. Demand for wide cloth for carpet backing was steady. There is every indication that this will continue to be the case.

THE PAKISTANI JUTE MARKETS

FIBRE WEAKENS

(FROM OUR DACCA CORRESPONDENT)

THE battle for supremacy between sellers and buyers referred to in the previous despatch, was won by the buyers. The market last week was considerably weaker purely because of the overwhelming weight of arrivals. After a few days' hesitation, all agencies reported daily increasing arrivals. All balers bought to the limit of their finances, but as the arrivals increased prices were lowered daily. There was a slight slackening in arrivals at close and a steadier undertone prevailed in the market.

Despite the weakness (there was a drop of £7 a ton during the last seven days), lower prices did not prevail in all areas. In Ashuganj and the western jat area, where the good jute comes from, there was a slight drop in prices, but when one big buyer entered, the market firmed up.

The main question was how much balers could buy at the present reasonable prices. The balers were probably concerned with tossa arrivals. These are just beginning to come in in reasonable quantities. All balers feel that the tossa crop is short, but nevertheless, the first heavy arrivals do not reflect the shortness of the crop in this quality. Of course the early quality is usually good and for this reason all balers are keen for tossa.

Unfortunately during the October-November period, river levels fall, making it impossible for the grower to bring in his jute by country boats. At the same time, the tracks are too muddy for bullock carts to play. During the second week of October, there are the Puja holidays during which little is done. During this period every year irrespective of the size of the crop, arrivals fall off and prices harden. When that happens this season it is felt that prices will rise rather high and are not likely to come down again.

It is worth repeating that the quality of arrivals has fallen off considerably. There is still some jute to be seen in the fields and this is the last of the highland tossa, with a small percentage of white. The amount of jute seen standing at present is deceptively large because growers have left larger quantities than usual for seed, which already suggests exceptional sowings next season. On the other hand, this also means large quantities of seed-cut jute appearing later in the season, and if, as is expected, the seed-cut jute is also specky, there will be some very unhappy spinners.

The pucca bale market was more or less inactive during the week. There were some dealings in cuttings ready and forward at considerably reduced prices, and in fact, some of the big holders unloaded a small proportion of their January-February-March holdings at unprofitable prices. Probably when the loose jute market steadies, cuttings will rise in sympathy. In the meantime, the mills, who normally operate extensively in cuttings, have been restricting their activities to loose jute and have just started buying reasonably heavily, which always encourages a steadier undertone in loose.

Overseas buyers continue to sit out. From repeated cables one begins to feel that perhaps many of them honestly believe that they can wait for cheaper prices. They have succeeded very well so far in keeping the market down. The biggest buyer, who also has the biggest short position, is Dundee. During the last month, there have been a spate of Dundee spinners and brokers in East Pakistan. Without exception they came out here quite convinced that they can show the balers that there is ample jute for everybody and prices must come down even further. A few days here showed them how wrong they were and all these people must have sent bullish reports to their principals.

There has been a fair amount of so-called merchant jute bought cheaply early in the season, which the Dundee buyers have been able to get from the merchants at cheap prices. Most of this, however, has disappeared and any large purchases must be made from the origin. The Bulgarians and the Yugoslavs have been in the market. Some balers, who have been short of finance and who might have been prepared to sell cheap, have been discouraged from doing so because of the great difference between E.P.C. levels and the market. This has undoubtedly helped sellers resist. There are rumours that the Russians will shortly be in the market and as they only buy at E.P.C. levels, this will have a very bullish effect.

E.P.C. registrations for the first half of September have been extremely small at only 35,950 bales. Registrations for the second part of September are not likely to be much higher in view of the fact that E.P.C.s are so much higher than market levels.

LOOM AND SPINDLE STATISTICS

The Indian Jute Mills Association's booklet *Loom Statistics*, which was last published in 1962, has now been revised and brought up-to-date. With the inclusion of spindle statistics, the title has been changed to *Loom and Spindle Statistics*. The booklet is priced at Rs. 1.50 a copy, and is on sale in the accounts section of the Bengal Chamber of Commerce and Industry, 6 Netaji Subhas Road, Calcutta.

Books

SIMPLIFYING COMPANY REPORTS

Annual Company Reports. By S. K. Bhattacharjee. Sponsored by the Company Law Board, Ministry of Finance, Government of India.)

The object of this brochure is to suggest a simplified framework for the presentation of accounts of joint stock companies so that they may be readily intelligible and perhaps more meaningful to the average shareholder and to the general public. Corporate accounting is largely based on traditions and conventions which have been developed during many years. Financial statements prepared according to the accepted accounting principles cannot be completely understood without some knowledge of the practices. This traditional presentation of annual accounts of companies has come in for criticism in recent years from various quarters. The statutory balance-sheet and profit and loss account is confusing to most shareholders due to the technical jargon, un-uninformed terminology, involved footnote, and so on.

Whether the principles of accrual accounting developed over many years should be sacrificed merely to accommodate ideas which are antiquated and out of date, even though they may be popular, has been answered in the negative by corporate legislation in all countries. The hiatus between the needs of the statute and specialists on the one hand and the persons who are not versed in accounting jargon and techniques but who are nevertheless vitally interested in the organisation of corporate sector on the other, needs to be resolved urgently. The solution of the problems would appear to lie in supplementing the statutory accounts by a non-technical presentation of all significant items as would enable the man-in-the-street to appreciate the financial position and the trading results of companies as are disclosed in the published statutory accounts.

The Institute of Chartered Accountants of India has done some service in this direction by awarding a shield for the best presented balance-sheets. In the light of knowledge gained by him as a member of the National Productivity Council Team of cost accounting and financial control which toured the U.S.A., U.K. and West Germany and utilising the recommendations made by the team on the presentation of annual accounts, the author has made useful recommendations, which he has illustrated by incorporating suitable reproductions from the published accounts of leading Indian companies.

HISTORY OF LAC

A Monograph on Lac. By M. S. Muthana. (Published by the Indian Lac Research Institute (Ranchi): Editors B. Mukhopadhyay and M. S. Muthana. Pages: 378.)

Lac is one of the most valuable gifts of nature to man. It is the only resin of animal origin, being actually the secretion of a tiny insect. Although difficult to conjecture exactly when and how lac was first exploited for utility purposes, the fact that the dye can be straightaway used without being processed in any way suggests that dye might have been the first to have been exploited. The first authentic descriptive account of lac is to be found in the report sent in 1596 by a traveller-adventurer, John Huyghen Von Sinsheoten, to the King of Portugal. It contained a most comprehensive list of the uses of lac in those far-off days. Actual scientific work on lac and lac products appear to have commenced in the year 1709. Since then several workers have carried out investigations which enabled the accumulation of knowledge on the lac insect, its life history and the many uses to which shellac is put.

The importance of lac in the modern economy particularly of India is quite considerable. This country produces 70 percent of the world output of lac. Well over 90 percent of what is produced is exported. It earns for India foreign exchange to the tune of Rs. 10 crores, every year. It provides spare time occupations to some 5 million cultivators, mostly aboriginals in the underdeveloped areas in Bihar, Madhya Pradesh, Orissa, Assam and a few other States, who form the poorest section of the country's population. Its cultivation does not require any capital. It also provides employment to some 30,000 persons, besides those engaged in cultivation.

During the first World War, the lac-industry in India showed two vulnerable points, violent price fluctuations, and adulteration due to a shortfall of production. As a result of an enquiry that was initiated by the Government of India on the then prevailing conditions, a small export cess was levied and the funds so raised were utilised for the establishment of the Lac Research Institute near Ranchi. Since its inception, much work has been done and the accumulated knowledge has been put together between the covers of this useful monograph. The monograph, well got up and profusely illustrated, contains information on the lac insect, lac pests, lac cultivation in India and abroad, the technology of lac, its chemistry, testing and grading, marketing and statistics of lac production, prices and grades. It will no doubt meet a long-felt need.

TRADE JOURNAL

Wool and Woollen. Edited by T. V. R. Chandran. (Eastern Press Services (India), 227 Frere Road, Bombay).

It is a new monthly journal devoted exclusively to trades and industries allied to wool, and fills the gap of the absence of a trade journal for the woollen industry. A journal on this industry disseminating information needed both by the grower and exporter has certainly a useful rôle to play. The inaugural September issue contains articles covering different aspects of raw wool and the industry, including research on raw wool, research institute for the industry, colour in wool fabrics, production costs in different countries, etcetera.

In a special article, the deputy chairman of the Indian Woollen Mills Federation, Mr. B. M. Grover, discusses the development of the woollen industry in India and Mr. T. N. Khaitan, vice-chairman of the Federation, has written on a research institute for the woollen industry. Mr. Ram Khanna has urged the abolition of controls on worsted yarn in order to make fabrics cheaper.

The journal is illustrated, all embracing and well produced in art paper. The annual subscription is Rs. 24 and the single issue is priced at Rs. 2.50.

ommodity Markets

NEED TO RAISE HOME CASHEW OUTPUT

(FROM OUR SOUTH INDIAN CORRESPONDENT)

ALTHOUGH the Indian cashews today enjoy a virtual monopoly n the U.S. market, other countries ike Mozambique, East Africa and Brazil are gradually gaining a foothold on that market. The threat of stiff competition from the main producing countries of Africa which at present export almost all their rawnuts to India is very real. They are entering the field of processing cashew, so the Indian trade in cashew kernels and shell oil will be seriously hampered if indigenous production of raw nuts is not increased considerably. In order to achieve it, a big effort is required. Large cashew plantations on a scientific basis have to be developed side by side with improving the present methods of collection and marketing. A fairly large portion of the produce is often wasted or used up for local consumption.

This view was expressed by the Kerala Governor, Mr. V. V. Giri, in his address to a two-day seminar on cashew exports in Ernakulam last week. About 60 representatives of cashew trade and industry, associations and organisations, Ministries of Commerce, Food and Agriculture and Finance, as well as directors of Agriculture and Industry of the cashew producing States participated in this seminar, which was organised by the Indian Institute of Foreign Trade in collaboration with the Cashew Export Promotion Council.

Mr. Giri said in his address (which was read out to the seminar in his absence) that the basic problem of cashew processing industry in this country lay in securing continuous supplies of raw nuts of high quality. In this connection, he stressed the need for increasing the acreage under cashew, because the country cannot continue to depend on imports. It is, therefore, imperative that indigenous production should be stepped up substantially if Indian cashew is to maintain its pre-eminent position in the export trade. He suggested that growers, processors, exporters and research scientists, interested in this field should sit together and find a workable and lasting solution to the problems of plantation, factory production and exports. Kerala should give a lead to the country in this direction, as she has got the biggest stake in this industry.

Exports of cashew, the second biggest dollar earner for the country next to jute, amounted to about 54,000 tonnes, valued at nearly Rs. 22 crores during 1963. There are about 250 cashew processing factories in India employing more than 100,000 workers. Out of more than 225,000 tonnes of raw nuts required by the industry for processing in these factories, only about 65,000 tonnes are available from indigenous sources and nearly two-thirds of the country's requirements of raw nuts are imported from Africa. To reach the target of 60,000 tonnes of cashew kernels for exports a year during the fourth plan, the industry should be able to receive about 250,000 tonnes of rawnuts a year, the Governor said.

The seminar has urged the State Governments concerned to reexamine their land legislations in order to provide the same facilities to cashew plantations as are being given to tea, coffee and rubber plantations. It has appointed a committee to go into the whole question of expanding cashew plantations. This committee under the Chairmanship of Mr. M. K. K. Nair will take up with the State Governments concerned the various problems relating to the development of cashew cultivation with a view to stepping up the internal production of cashew. The seminar has recommended that Kerala, Madras, Mysore, Maharashtra and Goa which have the potential for cashew expansion should appoint a separate joint director of agriculture/horticulture with the requisite additional staff and equipment for vigorously tackling the problems relating to the allocation of land, provisions of seedlings, grant of loan to the growers, regulation of markets for cashewnuts and introduction of intensive cultivation methods for maximising the yield. It has also suggested that these State Governments should set up cashew advisory committees for chalking out the lines of action for the development and expansion of cashew production.

Co-ordination of Efforts

The seminar felt that in order to effect co-ordination in the effort at the Centre and State Government levels and to give greater attention to the problems of production of more cashewnuts in the country, there might be need for setting up a cashew board on the lines of the Tea and Coffee Boards. It emphasised that the programme of cashew production should be included in the core of the agriculture sector of the fourth plan with a view to ensuring that all requisite steps are taken by the Central Government as well as the State Governments for expanding the production of cashew nuts. The seminar has suggested that the establishment of processing factories should be stimulated wherever necessary to cater to the needs of fresh plantations. The seminar has recommended that in the interest of reducing the cost of production, it would be necessary to explore the ways and means of gradual mechanisation of cashew processing. For this purpose, the seminar suggested that productivity studies should be initiated.

The seminar has recommended that the Kerala and Mysore Governments should again be approached for the abolition of sales (or purchase taxes) on cashew nut and kernels which add to their export price. It has also been suggested that the cashew industry should be brought within the purview of the first schedule to the Industries (Development and Regulation) Act 1951, in order that the 2 percent additional rebate on income tax could be extended to it. The seminar decided that more intensive publicity should be undertaken by the Cashew Export Promotion Council for creating more demand for cashew abroad.

CARDAMOM

New Marketing System

The Cardamom Development and Marketing Committee claims that measures like the fixing of the minimum and maximum prices and stock procurement have gone a considerable way in stabilising the economy of the cardamom growing industry in India. Under the scheme of procurement announced by the Government of India, the Committee had procured 126 tonnes of cardamom of various grades and sold them in the market. It has been possible to sell the procured stocks without any loss to the exchequer. According to Mr. Sitarama Reddy, chairman of the Committee, the procurement scheme has helped to create a climate of confidence among the cardamom planters and stabilise the export prices. There are still some sections of the cardamom trade who feel that the functioning of the committee is a handicap to them. The Central Government is contemplating to bring in legislation to set up a separate Cardamom Board on the analogy of the Coffee Board. What final shape the Cardamom Board would take is to be seen. The planting community is pressing for the establishment of a distinct Cardamom Board. The planters seem to feel that this is one of the long-term measures that could be devised with the object of stabilising the economy of the industry.

The total foreign exchange earned on cardamom in 1963-64 amounted to Rs. 3.19 crores, against Rs. 2.67 crores in the previous year. It is not estimated that the total output of cardamom in India is in the region of 4,000 tons in a normal year. Some 60 percent of this is produced in Kerala. A suggestion which the larger interests in cardamom planting industry is not happy to see implemented is that cardamom should be sold as in the case of coffee, through a centralised pool. The U.P.A.S.I. and its constituent State Associations have already announced their objection to this proposal for introducing the pool system of cardamom marketing.

It has been represented to the Central Governmnt by the Cardamom Merchants Association that the present uncertainty about export prices had deterred exporters from entering into long-term commitments with overseas buyers. The Central Ministry of Commerce, has clarified that it is the intention of the Government at present minimum and maximum export prices unchanged at least until August 1965. Even after that date, the chances are that these export prices would remain unchanged. The Central Government has also announced that the present minimum and maximum prices are inclusive of selling commission, if any, payable by exporters to their foreign agents. This will be subject to a proviso that the commission does not exceed 2½ percent of c.i.f. prices worked out by raising the f.o.b. price by 7½ percent irrespective of the destination.

TEA

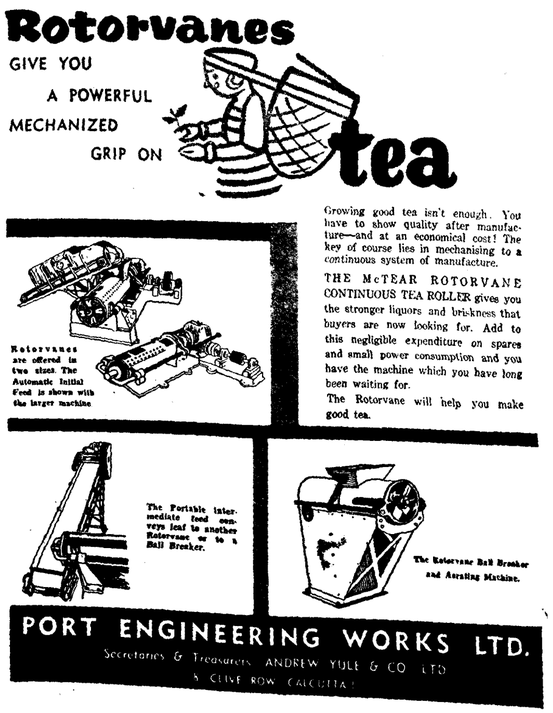
Higher Price Trend

(BY A SPECIAL CORRESPONDENT)

JUDGING from the tea auctions held in Calcutta so far, the price trend would appear to be quite satisfactory. On the whole, a higher average has been maintained. For example, at Sale No. 1, held on 18th May this year, 19,355 packages were sold at an average price of Rs. 7.35 a kilogram, compared with Rs. 7.34 a kilogram at the comparable sale last year. At Sale No. 18, held on 14th and 16th September, 71,900 packages were sold at an average price of Rs. 5.63 a kilogram, compared with Rs. 5.25 a kilogram last year. Total sales this season so far amounting to 672,122 packages at an average price of Rs. 5.88 a kilogram, compare with Rs. 5.99 a kilogram for last year's sales.

North India also looks like establishing a new production record. The crop figure up to 15th September has exceeded the record crop figure on the same date in 1961. The north Indian crop up to 15th September totalled 174,556,228 kilograms, compared with 172,497,821 kilograms up to the same date in 1961. It will be seen that production is going strong. Last year's output to the same date was only 158,496,449 kilograms.

As is well known south India has suffered a setback. Ceylon is also behind. East Africa, however, continues to move ahead. The total crops from the major producing countries so far amount to 852,457,000 lbs, compared with 834,693,000 lbs last year.



COMPANY AND PUBLIC NOTICES

THE INDIA JUTE COMPANY, LIMITED

NOTICE

NOTICE is hereby given that the Annual General Meeting of the Members of THE INDIA JUTE COMPANY, LIMITED will be held at 16, Strand Road, Calcutta-1, the Registered Office of the Company, on Friday, the 30th day of October, 1964, at 4 O'clock in the afternoon for the following purposes:

Agenda.

1. To consider the Profit and Loss Account of the Company for the year ended 31st March, 1964, the Balance Sheet as at that date and the Report of the Directors and Auditors.
2. To declare a dividend.
3. To elect a Director.
4. To appoint Auditors and fix their remuneration.

The Share Transfer Books of the Company will be closed from 23rd October, 1964, to 30th October, 1964, both days inclusive.

By Order of the Board.
A. MUKHERJEE.
Secretary.

16, Strand Road.
Calcutta, 24th September, 1964.

Note:—A Member of the Company, who is entitled to attend and vote at the meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

THE MEGNA MILLS COMPANY, LIMITED

NOTICE

NOTICE is hereby given that the Annual General Meeting of the Members of THE MEGNA MILLS COMPANY, LIMITED will be held at 16, Strand Road, Calcutta-1, the Registered Office of the Company, on Friday, the 30th day of October, 1964, at 3 O'clock in the afternoon for the following purposes:

Agenda

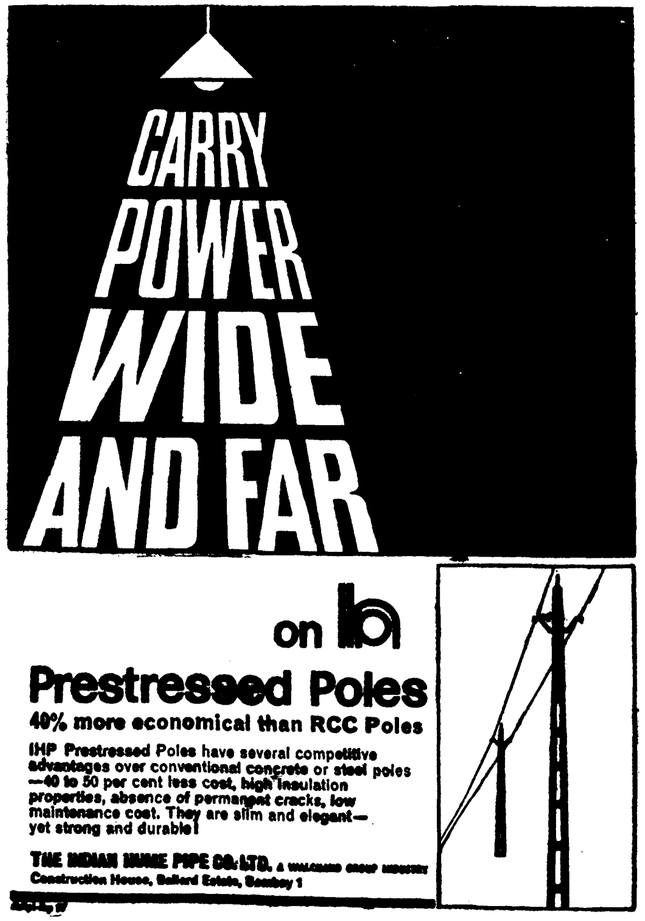
1. To consider the Profit and Loss Account of the Company for the year ended 31st March, 1964, the Balance Sheet as at that date and the Report of the Directors and Auditors.
2. To declare a dividend.
3. To elect a Director.
4. To appoint Auditors and fix their remuneration.

The Share Transfer Books of the Company will be closed from 23rd October, 1964 to 30th October, 1964, both days inclusive.

By Order of the Board.
A. MUKHERJEE,
Secretary.

16, Strand Road,
Calcutta, 24th September, 1964.

Note:—A Member of the Company, who is entitled to attend and vote at the meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.



MARTIN BURN LIMITED

NOTICE is hereby given that the Register of Members and Share Transfer Books for Preference Shares in the Company will remain closed from the 7th October to 9th October, 1964, both days inclusive, for the purpose of payment of Preference Dividend for the half-year ending 30th September, 1964, on or after the 9th October, 1964, to those Preference Shareholders whose names appear on the Company's Register of Members on the 9th October, 1964, or to their mandatees.

By Order of the Board,
L. K. SEN CHOWDHRY,
Secretary.

Registered Office:
12, Mission Row,
Calcutta-1.
24th September, 1964.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
East Indian Coal Co. Ltd. ..	23-10-64	11-10 a.m.
Megna Mills Co. Ltd.	30-10-64	3 p.m.
India Jute Co. Ltd. ..	30-10-64	4 p.m.

DIVIDENDS DECLARED OR PROPOSED.—Bengal Coal Co. Ltd.—Rs. 6 per share (o), (Int.), subject to tax; New Beerbhoom Coal Co. Ltd.—25P per share (o) (Int.), subject to tax; Seebpore Coal Co. Ltd.—40P per share (o) (Int.), subject to tax; Kusum Engineering Co. Ltd.—7 p.c. (o), subject to tax.

SHELLAC DULL

During the week ended 29th September the tone was easier at the beginning, but dull and inactive at the close. The following were the quotations:

	Rupees a package
Hand-made grades	
Pure buttonlac	224 buyers, 23 sellers.
Lemon One Shellac	230, 224 buyers 230 sellers.
Lemon Two Shellac	210, 206 buyers 212 sellers.
Standard One Shellac	194, 190 buyers 196 sellers.
Pure T.N. Shellac 2½%	180, 176 value, 14
Pure TIN Shellac 4%	150 value, 140 buyers, 140 value.
Machine-made grades	
Lemon Superfine	250 sellers.
ABTN Shellac	250 buyers, 25 sellers.
Lemon One	242 sellers.
Fine Orange Shellac	252 buyers 252 sellers.
Angelo's TN 1 Shellac	190 sellers.
AC Garnetlac	166 sellers
IG Garnetlac	166 sellers
Kala Garnetlac	166 sellers
Golden Kusmi Seedlac	270 value
Kusmi One Seedlac	210 value.
Golden Bysacky Seedlac	250 value.
Manbhum Fine Bysacky	180 buyers, 16 170 sellers. 17
Fine Bysacky	170 buyers, 154 sellers. 156 value, 14
Genuine Bysacky 5%	156 value, 15 sellers.
Grade One Class B 5%	180 buyers, 16 value, 170 sellers.
Grade Two Class B 5%	160 buyers, 154 value, 154 sellers.
Manbhum Sticklac	150, 160, 154 buyers.
Palas Sticklac	120, 130, 126 buyers.
Kireelac	32 buyers, 22 value.

Shipments during September until the 21st were 15,605 packages.

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock Exchange Associations and other sources.

Figures given after stroke (/) mean paise.

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Wednesday, 30th September, 1964.

GOVERNMENTS LOANS

Outstanding Amount	Interest per cent	Year of issue	Repayable	Market quotations
Rs.				Rs.
GOVERNMENT OF INDIA				
2,48,91,06,000	3	1946	1986 or later	63/25
8,93,33,000	3	1896-97	At the option of the Government of India after 6 months notice	63/00
14,77,48,000	2½	1946	1976	83/15
1,10,11,78,000	3	1943	1966-68	98/40
1,15,05,83,000	3	1948	1970-75	90/20
1,53,67,92,000	3½	1955	1965	100/05
86,63,53,000	3½	1956	1974	96/75
56,99,30,000	3½	1957	1967	100/00
1,97,40,92,000	3½	1956	1967	99/75
70,00,000	3½	1958	1968	99/00
1,56,64,22,000	3½	1958	1968	99/85
1,90,85,42,000	3½	1959	1969	97/95
82,65,41,000	3½	1960	1966	100/00
71,78,00,000	4	1964	1970	99/00
1,54,70,22,000	4	1957	1972	98/75
94,51,44,000	4	1958	1973	98/75
81,06,39,000	4	1959	1979	97/00
98,05,17,000	4	1960	1980	97/90
65,96,55,000	4	1961	1981	98/00
84,12,53,000	4	1963	1969	99/55
69,74,00,000	4½	1964	1989	100/00
1,08,86,71,000	4½	1963	1973	100/00
28,07,95,000	4½	1962	1972	100/15
52,01,71,000	4½	1963	1986	100/10
1,14,03,37,000	4½	1962	1985	100/00
BOMBAY				
3,40,34,300	4	1932	1964	99/95
3,57,22,800	4½	1957	1968	98/40
3,58,20,700	4½	1958	1970	99/00
4,35,25,000	4½	1958	1971	98/70
MADHYA PRADESH				
2,03,28,800	4	1948	1964	98/50
MADRAS				
5,24,81,200	4	1952	1964	99/95
5,55,57,300	4½	1958	1970	99/00
UTTAR PRADESH				
1,55,31,200	3	1938	1961-66	94/00
5,89,13,900	4	1952	1964	99/95
7,63,53,900	4½	1958	1970	98/80
WEST BENGAL				
2,00,00,000	4	1952	1964	99/95
7,58,72,200	4	1952	1967	99/45
7,11,48,100	4	1956	1968	99/00
5,10,49,700	4½	1958	1970	98/75
7,69,69,400	4	1959	1971	98/00
7,00,00,000	4	1960	1969	98/70
7,00,00,000	4	1960	1972	98/80
7,00,00,000	4½	1961	1974	99/50
MYSORE				
2,95,85,200	4	1933	1952-63	100/00

PORT TRUST LOANS

Amount	Interest per cent	Year of issue	Repayable	Market quotations
Rs.				Rs.
CALCUTTA				
90,24,300	4	1914	1974	98/25
76,90,100	4	1915	1975	98/25
68,02,300	3	1921	2nd 1981	82/00
1,50,00,000	6½	1921	2nd 1981	144/00N
£892,600	5	1923	1953-83	£61
£901,000	5	1924	1954-84	£61
1,24,00,000	4½	1957	1987	99/50
	4½	1958	1988	99/00
50,00,000	4½	1959	1989	99/00
1,50,00,000	4½	1961	1971	98/75
80,00,000	4	1931	1991	93/00
				£392,000
60,00,000	3½	1935	1965	99/00
50,00,000	3	1946	1976	83/50
50,00,000	3	1945	1-2-2005	72/00
50,00,000	3	1945	1-2-1975	83/75
25,00,000	3	1938	1963-65	93/00
50,00,000	3	1946	2006	72/00
50,00,000	2½	1947	1977	78/50
50,00,000	3	1948	1978	83/00
50,00,000	3	1950	1980	81/00
50,00,000	3	1951	1981	80/50
50,00,000	4½	1953	1963	98/75
50,00,000	4	1953	1983	97/50
90,00,000	4	1955	1985	97/25
77,00,000	4	1956	1986	97/25
1,00,00,000	4	1959	1969	99/50
1,00,00,000	5	1963	1993	..
BOMBAY				
66,88,000	3½	1951	1966	98/50
10,00,000	5½	1932	1962	100/75N
33,91,000	3½	1935	1965	96/00
72,50,000	4½	1954	1979	100/00
60,00,000	3	1936	1966	93/00
47,50,000	3	1938	1968	92/50
21,10,000	3½	1942	1972	92/00
87,36,000	4	1952	1962	99/75
2,22,72,000	4	1955	1985	97/25N
1,67,32,000	4½	1958	1970	101/00N
73,36,000	4½	1958	1968	100/50
57,72,000	4½	1961	..	..

IMPROVEMENT TRUST LOANS

Amount	Interest per cent	Year of issue	Repayable	Market quotations
Rs.				Rs.
BOMBAY				
36,50,000	4	1904	1964	96/00
35,00,000	4	1905	1965	96/00
15,00,000	4	1906	1967	96/00
44,00,000	4	1907	1968	96/00
75,00,000	4	1908	1968	96/00
40,00,000	4	1909	1970	92/00
56,00,000	4	1910	1971	92/00
75,00,000	4	1911	1972	92/00
STERLING LOANS				
£901,000	5	1924	1954-84	£63
£835,100	5½	1932	1962	£96½
MADRAS				
28,48,275	3½	1947	1977	A
9,88,000	3	1947	1977	A
8,00,000	3	1949	1979	A
CALCUTTA				
50,00,000	4	1934	1964	99/25
35,00,000	3½	1935	1965	96/00
30,00,000	3	1936	1966	92/50
20,00,000	3	1938	1963-68	92/00
80,00,000	4	1952	1962	100/00
1,02,00,000	4	1936	1968	98/50
75,00,000	4½	1958	1963	101/00
BOMBAY				
60,00,000	4	1903	1963	98/25
50,00,000	4	1904	1964	98/25
20,00,000	4	1906	1966	97/50
15,00,000	4	1907	1967	97/50
30,00,000	4	1908	1968	£95½N
£566,600	4	1909	1969	£95½N
£333,000	4	1910	1970	£100/00
25,00,000	4	1912	1972	95/00
13,00,000	4	1913	1973	95/00
50,00,000	4	1914	1974	95/00
25,00,000	4	1916	1976	95/00
66,00,000	6	1920	1945-80	119/50
25,00,000	4	1927	1961-70	99/75
10,00,000	3½	1936	1966	89/00

MUNICIPAL LOANS

Amount	Interest per cent	Year of issue	Repayable	Market quotations
Rs.				Rs.
CALCUTTA				
20,00,000	4	1913-13	1974	95/00
10,00,000	5	1920	1980	101/00
2,00,34,000	3½	1951	1966	89/00
3,25,00,000	3½	1947	1977	82/00
2,13,14,500	3½	1949	1979	82/00
4,00,00,000	3½	1950	1965	95/00
BOMBAY				
15,00,000	3½	1951	1961	107/00
15,00,000	3¾	1952	1962	107/50
MADRAS				

2½% U P Zemindary Abolition Compensation Bond (per Rs. 100) Rs 41/90*

* Ex eight instalments but inclusive of accrued interest.

These notes refer to the Debentures on the next page.

Option to repay at par on 6 months notice—
(b) Option to extend the redemption period for further 10 years.
(c) at any time after.
(d) on or after 1-1-61.
Option to redeem at 2½% Prem. after 14-5-64 and before 15-5-69.
Option to repay on 6 months notice—
(e) at any time after 30-6-61 at 101%.
(f) at 101% between 1-1-60 & 31-12-64.
(g) at 102/8% after 30-6-59 but before 30-6-64.
(h) at any time after 30-6-65 at 101%.
Option to repay on 3 months notice—
(i) at any time at 3% Premium.
(j) at 1% Prem after 1-3-64 but before 1-3-67 and 1% Prem. on or after 1-3-67.
(k) at any time at par.
(l) at any time after 31-3-62 at the rate of 1% Premium.
(m) redeemable at 103% on 31-12-64 with option to redeem on any interest date at same premium after 30-6-59.
(n) at any time on two months notice—
(o) to be redeemed at a premium of 10% Rs. 70,000 to be redeemed annually by drawing on 3 months notice with option to redeem all after 5 years from date of issue on 6 months notice. Option not exercised repayment to be made after full term.
Option to repay
(p) at par after September 1960.
(q) at par on or after 1-12-59.
(r) with option to redeem at 101% after 10 years or at 100/8% after 12 years
(s) Rs 1 lac Debentures to be redeemed annually by drawing from 1-6-56 with option to redeem at 100/8% between 1-6-57 to 1-6-60 and at 101% afterwards.
(t) with option to redeem at 101% after 10 years or at 100/8% after 13 years
(u) with option to redeem all or any of the Debts at 101% at any time after 31-3-64 and at 100/8% at any time after 31-3-66.
(v) Rs. 80,000 are being redeemed annually repayment of Debentures commencing serially from No. 1 to No. 80 on 31-12-48.
(w) Redeemable at any time at 5 per cent premium (a) on 6 months notice by the Company or (b) in the event of the security becoming enforceable or at par if the Corporation of Calcutta or Bowrah purchase the undertaking on 1st January, 1945 or every seventh year thereafter.
(x) At par all or any of the Debts on 31st December 1970 or on any subsequent interest date
(y) Redeemable (a) at 102% on 1st October, 1974 or in the event of voluntary liquidation of the undertaking being purchased or in the event of the security becoming enforceable or (b) at 105% at any time after 31st March, 1953 on 3 months notice from the Co (c) also redeemable out of a sinking fund (commencing in 1938) by drawing at 102% or purchase at or under 102%.
(z) Also redeemable out of a cumulative sinking fund of 1½% per annum commencing in 1943 by purchase at any price less than par or by annual drawing at par.

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs	Latest Market Quotations as available until 30-9-64 Rs.	23-9-64 Rs.	A year ago Rs.
Allahabad Bank P.	15	15	15	100	249/00	249/00	258/00
Bank of Baroda	15	16	16	50	98/50	98/30	88/50
Bank of India	20	20	18	50	102/50	103/50	105/50
Central Bank of India	20	20	20	25	52/50	52/30	54/30
Chartered Bank	15	15	15	£1	sh.50/6	sh.51/3	sh.62/-
Hindusthan Commercial	Nil	Nil	..	50	10/25	10/25	13/50
Hindusthan Mercantile	Nil	Nil	..	50	10/75	10/75	15/62
Hong Kong & Shanghai	sh.15	sh.16	sh.16	HK$25	£22/-	£22¼	£18⅝
India Bank	15	14	..	100	151/00	151/00	156/10
Indian Overseas Bank	14	12	14	100	149/50	148/00	147/00
National & Grindlays Bank	14	16	14	sh.15	sh.31/-	sh.30/7½	sh.33/6
Punjab National Bank	20	20	20	10	19/87	19/81	19/00
Union Bank of India	11 2/5	11 2/5	11 2/5	5	6/56	6/44	5/48
United Bank of India	6	6	7½	10	8/12	8/12	7/44
United Commercial Bank	12	12	12	50	73/25	73/50	68/50

JUTE MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 30-9-64 Rs.	23-9-64 Rs.	A year ago Rs.
Agarpara P.	2½	2½	12-10*	10	9/50	9/50	11/50
Alexandra P.	15	42½	..	100	245/00	245/00	300/00
Alliance P.	Nil	10	12½	100	114/00	114/00	139/00
Anglo-India P.	7½	10	12	100	190/00	190/00	224/50
Auckland P.	12	Nil	15	100	132/00	131/00	144/50
Bally P.	25	25	25-20*	100	239/00	239/00	262/00
Barnagore P.	10	10	40	£5	230/00	230/00	200/00
Bengal P.	5	5	..	10	7/00	7/00	9/37
Birla P.	15	15	15	10	35/37	35/75	32/37
Budge Budge P.	Nil	12	20	100	129/00	130/00	149/00
Calcutta P.	Nil	Nil	..	10	8/12	8/12	8/12
Caledonian P.	5	15	..	100	132/00	132/00	190/00
Champdany P.	5	Nil	40-35*	10	21/81	21/81	24/50
Cheviot P.	5	25	..	10	20/75	20/75	22/50
Chitvalsah P.	Nil	..	Nil	10	8/00	8/06	10/69
Clive P.	Nil	Nil	..	10	8/00	8/00	9/25
Dalhousie P.	1	Nil	25	100	120/00	125/00	156/00
Delta P.	Nil	12	16	100	143/00	141/00	169/00
Empire P.	7½	12½	15	10	13/81	14/12	18/06
Fort Gloster P.	10	12½	20	100	267/00	267/00	372/00
Fort William P.	22½	10	20	10	22/25	22/25	27/00
Ganges P.	10	15	20-20*	10	14/69	14/69	16/06
General Industrial	10	13	14	10	15/00	15/00	15/31
Gourepore P.	25	20	20-20*	10	21/75	23/00	26/37
Hastings P.	6	6	6	100	128/00	128/00	128/00
Hooghly P.	20	7½	10	10	14/44	14/44	16/00
Howrah P.	10	Nil	10-12½*	10	16/06	16/06	19/00
Hukumchand P.	28⅝	26⅝	26⅝	71	17/50	19/50	18/69
India	12	8	22½	12½	15/44	15/44	17/87
Kamarhatty P.	Nil	20	20	100	156/00	156/00	195/50
Kankinarrah P.	Nil	15	15	100	124/00	124/00	136/00
Kelvin P.	15	5	20	100	143/00	143/00	197/50
Khardah P.	5	12½	12½	10	17/75	17/75	19/37
Kinnison P.	7	Nil	10	100	122/00	122/00	143/00
Lansdowne P.	Nil	Nil	Nil	100	111/00	111/00	95/00
Lawrence P.	15	10	10	100	109/00	109/00	112/50
Megna P.	12½	Nil	22	10	12/62	12/62	14/75
Naihati P.	Nil	Nil	..	100	85/00	85/00	93/00
Naskarpara	2½	5	..	10	5/50	5/50	8/00
National P.	Nil	10	10	10	19/50	19/50	23/87
Nellimarla P.	6	15	5	10	8/81	8/81	12/37
New Central P.	15	Nil	..	10	10/69	10/69	13/81
Northbrook P.	30	20	35	10	25/50	25/50	31/00
Nuddea	6	5	10-10*	10	16/60	10/81	..
Presidency	6	10	10	5	4/31	4/37	5/81
Rameshwara P.	Nil	Nil	Nil-Nil*	10	7/75	7/75	9/20
Reliance P.	Nil	Nil	Nil	10	7/12	7/12	9/87
Samnugger P.	Nil	10	13	£1	10/50	10/50	10/50
Shree Ambica P.	6	Nil	..	10	30/00	30/00	35/00
Soorah P.	25	25	..	10	19/19	19/19	23/37
Titaghur P.	Nil	13	10	£1	10/50	10/50	10/50
Union P.	6	Nil	20	100	143/00	143/00	171/00
Victoria P.	Nil	10	10	£1	10/50	10/50	10/50
Waverley P.	30	60	30	1	8/44	8/44	8/16

* 1964

COAL COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 30-9-64 Rs.	23-9-64 Rs.	A year ago Rs.
Amalgamated							
Bengal P.	12½	15	12½	10	21/31	21/31	25/00
Bengal Bhatdee	21	19	16	100	255/00	255/00	267/00
Bengal Nagpur	8	10	..	10	3/48	3/48	3/48
Bhalgora	26	7	..	10	22/00	22/00	22/00
Bharat Collieries P.	Nil	Nil	..	10	4/25	4/25	4/75
Bhulanbararee	Nil	Nil	..	10	2/65	2/65	3/56
Bokaro & Rampur	..	..	..	10	10/00	10/00	11/94
Borrea P.	15	15	15	10	11/19	11/19	11/19
Burrakur P.	13	13	13	10	20/25	20/25	22/12
Central India	10	10	9	10	17/06	17/06	16/37
Central Kurkend P.	..	Nil	..	10	8/56	9/44	9/37
Churulia	..	..	..	10	3/44	3/44	3/87
Dhemo Main	Nil	..	..	4	3/06	3/06	3/06
East Indian	15	20⅝	20⅝	£1	28/25	28/25	31/50
Equitable P.	10	10	10	10	21/56	21/06	23/50
Ghusick & Muslia	Nil	Nil	Nil	10	13/87	13/87	14/25
Guzdar Kajora	..	..	..	10	2/47	2/47	2/44
Hurriladih	Nil	..	..	10	5/44	5/44	6/12
Karanpura Development	5	3	3	10O	9/12	9/12	10/31
	15	9	9	10F			
Karanpura Collieries P.	10	10	10	10	13/50	13/75	16/00
Katras Jherriah	40	25	30-30*	10	28/37	28/12	34/12
Khas Kajora P.	10 2/5	..	..	10	13/25	12/50	17/62
Mundulpur	..	..	..	10	2/69	2/69	2/69
Nazira	Nil	Nil	..	10	4/69	4/69	5/00
New Beerbhoom P.	10	12	10	10	17/00	17/00	19/25
New Manbhoom	9	12	12	10	10/00	10/00	15/25
North West	20	11	..	10	19/75	19/75	19/75
				7½	18/00	18/00	18/00
Ondal P.	7½	7½	5	10	13/50	13/50	13/50
Parasea P.	1½	..	..	10	14/00	14/00	12/62
Pench Valley	10	10	12½	10	17/44	17/44	15/94
Pure Sitalpur	..	..	..	10	8/00	8/00	8/00
Raneegunge	17	17	17	10	13/00	13/00	15/75
Rewa	20	10	15	10	21/87	22/12	28/50
Samla	10	7½	..	10	7/81	7/81	10/00
Searsole	Nil	Nil	..	2½	0/81	0/81	1/32
Seebpore P.	42 6/7	35 5/7	28 4/7	7	34/75	34/75	34/75
Sendra	3½	2½	..	10	3/87	3/87	5/00
South Karanpura	Nil	Nil	2½	10	6/35	6/06	6/35
Standard	10	10	..	10	9/62	9/62	13/25
Union	Nil	5	..	10	10/12	10/12	11/25
Western Bengal	7½	9	9	10	9/44	9/34	8/44
West Jamuria	Nil	Nil	..	10	3/60	3/60	4/00

COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 30-9-64 Rs.	23-9-64 Rs.	A year ago Rs.
Basanti	..	..	..	10	8/50	8/50	11/25
Bengal Luxmi	..	..	..	40	30/00	30/00	30/00
Bengal Nagpur P.	Nil	..	..	10	2/44	2/44	3/06
Bharat Commerce	5	15	15	10	20/75	21/06	23/50
Birla Cotton	10	20	20	10	27/00	27/00	33/00
Bowreah P.	10	20	15	10	24/75	24/75	24/12
Cawnpore Textile	7 1/5	10	10	5	6/56	6/50	7/50
Delhi Cloth & Genl P.	12	13	13-13*	25	50/94	50/94	46/44
Dunbar	20	20	15	10	27/19	27/19	28/12
Elgin P.	11½	17½	17½-17⅝*	10	19/50	19/62	21/87
J K Cotton (Rayon) P.	12⅝	..	..	10	10/62	10/62	12/62
Jaya Shree	10	10	..	10	13/50	13/75	16/25
Muir P	..	..	..	100	60/50	60/50	74/50
New Victoria P.	Nil	..	..	2½	1/16	1/22	1/47
Orissa Textiles P.	Nil	Nil	..	10	7/00	7/00	9/00
Rampooria Cotton	3	Nil	..	10	14/12	14/12	13/00
	Nil	Nil	Nil	1	4/12	4/12	2/00
Swadeshi (Kanpur) P.	5	..	..	10O	11/00	11/00	11/62
	5.51	..	..	19PO	6/37	6/37	6/87

* 1963

BOMBAY COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 29-9-64 Rs.	22-9-64 Rs.	A year ago Rs.
Ahmedabad Advance P.	16	12	..	100	144/00	144/00	145/00
Apollo	Nil	Nil	..	2	1/76	1/86	1/98
Beharilal Ramcharan	Nil	Nil	..	100	143/00	143/00	82/00
Bombay Dyeing, etc.	14	14	14	25	60/00	60/00	62/50
Bradbury P.	10	25	..	50	162/50	162/50	148/00
Century	30	30	..	100	623/50	622/50	592/00
Central India P.	Nil	Nil	Nil-Nil*	100	103/00	99/00	115/00
Coorla	11	11	..	100	174/00	173/00	147/00
Dawn	30	30	..	50	164/50	164/50	157/00
Edward Textiles	9	9	6	200	310/00	310/00	280/50
Elphinstone P.	18	22	18—18*	50	99/00	98/00	102/00
Finlay	23	23	..	100	304/00	305/00	325/00
Gokak	14	18	..	100	176/00	178/50	172/00
Hindoostan	50	50	..	250	940/00	940/00	855/00
India United	8	14	..	10	19/40	19/24	23/00
	13½	37½	..	1Dd	2/36	2/38	2/80
Indian	23 1/5	25	..	250	840/00	840/00	840/00
Indore Malwa United	8½	10	7½	100	211/00	210/00	210/00
Khatau Makanji P.	32	16	..	100	180/00	178/75	192/50
Kohinoor	15	18	18-21*	100	326/75	329/00	330/50
Laksmi Vishnu P.	5.7	6	Nil-3*	100	82/00	85/00	85/00
Morarjee Goculdas P.	21½	24	24-20*	100	262/00	262/00	380/00
Mysore Spg & Mfg P.	14	14	..	50	37/00	36/25	48/50
New City of Bombay	Nil	Nil	..	100	150/00	150/00	155/50
New Great Eastern P.	Nil	12	..	100	160/00	160/00	192/00
Phoenix	15	20	..	100	236/00	253/00	238/00
Sassoon & Alliance	Nil	Nil	..	10	10/38	10/36	10/92
Sassoon Spinning	17	20	10-20*	10	37/75	37/75	44/00
Simplex	15	Nil	22-16*	50	125/50	125/50	124/00
Shree Niwas P.	18	20	14-8*	100	255/00	254/00	238/00
Swadeshi P.	17	19	17	100	265/50	264/00	250/00
Swan	38	21 3/5	..	100	270/00	273/75	275/00
Tata	20	22	20	25	50/00	50/00	54/20
Western India	46 2/5	25	..	250	850/00	850/00	785/00

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BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 29-9-64 Rs.	22-9-64 Rs.	A year ago Rs.
CEMENT ENGINEERING & METAL							
Associated Cement	12½	12	12—12*	100	162/25	163/25	153/00
ELECTRIC LTG. POWER							
Ahmedabad Electricity	7	6	..	100	106/50	106/00	93/30
Andhra Valley Power P.	5½	5	5	1000	1,260/00	1,230/00	1,035/00
Bombay Subarban Elec	8	8½	8½	100	115/00	116/00	99/50
Tata Hydro Elec. Power P.	5½	5	5	100	127/50	127/00	107/00
Tata Power P.	5½	5	5	1000	1,316/25	1,280/00	1,085/00
Alcock Ashdown	17	22½	19	100	297/00	297/00	307/00
Jost's Engineering	8	10	10—Nil*	50	47/00	47/00	60/00
Larsen & Toubro P.	12½	18	14—14*	10	21/92	22/80	25/00
Mackenzies	10	12	14	100	135/00	135/00	141/00
Premier Construction P.	43 1/3	33 1/3	30	30O	191/50	189/00	152/00
				33F			
Tata Eng. & Locomotive P.	12½	14½	14½ 14½*	100	271/50	271/50	284/50
Tata Iron & Steel P.	9.1	10.36	10.36 11*	75O	149/00	158/25	142/75
INSURANCE COMPANIES							
British India General	..	15	15	10	13/60	13/60	12/12
Jupiter General P.	..	4	Nil	15	7/00	7/00	9/20
New India	38	38	38	15	45/25	45/75	52/00
Vulcan	20	20	20	10	16/12	16/12	16/60
MISCELLANEOUS							
Belapur Sugar	38	50	40	50	266/00	224/50	203/00
Bombay Burmah Trading	30	33	33-35 1/5*	25	56/20	56/20	64/80
				20	43/00	43/00	49/00
Hindustan Lever	26	26	12—14*	10	30/50	31/00	41/00
Industrial Invt Trust	6½	6½	..	100	77/00	77/00	75/00
Kemp (Chemists)	12½	12½	..	200	263/75	263/75	260/00
National Rayon	22	..	..	100	363/50	361/00	376/50
Scindia Steam Navign.	3	3	3	20	16/08	16/40	12/80
Shivrajpur Synd	80	Nil	Nil	10	17/00	17/52	25/30
Tata Chemicals P.	6	6½	6½—10*	10	19/68	19/32	17/68
Tata Oil P.	23	23	23—22*	25	51/20	50/50	67/00
Voltas	13	14	14—14*	100	270/50	270/00	261/00
Western India Match	16	16	16—16*	100	243/00	244/50	251/00

* 1963

TEA COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 30-9-64 Rs.	23-9-64 Rs.	A year ago Rs.
ASSAM GARDENS							
Amluckie	Nil	10	7½	10	16/00	16/00	16/50
Anandabag P.	30	32½	20	10	33/25	33/25	33/25
Baghmari	Nil	15	7½	10	11/00	11/00	17/00
Barduar Tea	..	..	..	5	8/50	8/50	8/50
Basmatia	35	25	20	10	18/00	18/00	17/25
Bateli	30	30	..	5	17/06	17/06	17/50
Betjan	40	45	30	10	29/00	29/00	29/12
Bishnauth	13	13	20	10	14/37	14/37	19/06
Bokakhat	Nil	12	13	10	13/12	13/12	13/70
Sormah Jan P.	15	15	15	10	10/06	10/06	13/12
Bor Pukhuri	Nil	Nil	10	10	10/50	10/50	12/00
Brooke Bond P.	15	10	7½—7¾	10	10/25	10/25	12/25
Dejoo Valley	15	20	30	10	40/00	40/00	60/00
Dessai & Purbuttia	Nil	10	15	100	170/00	170/00	205/00
Dhelakhat	12½	10	..	10	20/37	20/37	19/1
Dhunseri P.	20	15	10	10	10/00	10/00	11/7
Dibrugarh	40	40	30	10	27/12	27/50	32/5
Dimakusi P.	25	20	25	10	22/87	22/94	22/6
Dufflaghur	25	25	30	10	23/50	23/50	27/1
East India	Nil	Nil	10	10	10/19	10/69	16/1
Gillapukri	25	20	15	10	27/56	27/56	25/4
Gohpur	Nil	5	20	10	13/06	13/06	16/2

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TEA COMPANIES—Contd.

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 30-9-64	23-9-64	A year ago
				Rs.	Rs.	Rs.	Rs.
Grob	6	6	6	5	6/19	6/19	8/06
Hoograjuli (Assam)	20	20	17	10	27/62	27/62	27/12
Hoolungooree	10	7½	20	100	168/00	168/00	173/00
Jutlibari	30	30	20	10	27/87	27/87	31/50
Kingsley Golaghat P.	35	35	..	100	125/00	125/00	125/00
Kotamullai P.	Nil	Nil	Nil	5	9/75	9/75	10/31
Krishnabehari	15	8	10	10	11/30	11/30	11/70
Kyang Tea	Nil	..	..	10	8/06	8/06	8/06
Ledo	Nil	Nil	Nil	10	11/06	11/00	13/75
Maud Tea & Seed	10	7½	7½	10	12/00	12/00	14/81
Methoni	5	14	20	10	13/25	13/25	18/40
Moheema	Nil	Nil	..	10	11/50	11/50	11/50
Mothola	30	30	35	100	425/00	425/00	507/00
Murphulani (Assam)	5	15	25	10	26/50	26/50	26/50
	10.63	20.63	30.63	10	26/87	26/87	26/87
Naga Hills	10	10	10	10	21/25	21/25	27/25
Namburnadi	12	12	..	10	12/87	12/87	12/87
New Cinnatolliah	Nil	Nil	Nil	100	455/00	455/00	302/00
Rajgarh	40	13½	17½	10	18/56	18/56	19/00
Sapoi	22½	20	10	10	19/50	19/50	17/75
Seajuli	22½	15	30	10	21/06	21/06	21/12
Telolijan	25	25	25	10	21/87	21/87	21/37
Tengpani	30	30	22½	10	36/50	36/50	35/00
Tezpore P.	20	12½	..	10	12/69	12/69	15/00
Tongani	Nil	Nil	..	10	5/00	5/00	5/31
Tyroon	10	15	25	10	24/75	24/75	30/37
CACHAR							
Arcuttipore	Nil	5	6	10	7/00	7/00	7/00
Baitakhal	2½	2½	..	10	6/00	6/00	8/10
Central Cachar	5	7½	5	100	73/00	73/00	85/00
Eastern Cachar	Nil	Nil	..	10	5/06	5/06	4/50
Kallinugger Khoreel	6	2	..	100	84/00	84/00	87/00
Hattikhira	Nil	8	Nil	10	6/50	6/50	8/75
Kunchanpore	Nil	Nil	..	10	8/00	8/00	8/00
Loobah	Nil	Nil	Nil	10	4/69	4/69	4/62
North Western	30	20	10	100	140/00	140/00	270/00
Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50
Roopacherra	Nil	10	Nil	10	9/94	9/94	9/62
Rungamattee	5	5	5	50	49/25	49/25	51/50
Sonai River	Nil	Nil	..	10	5/06	5/06	5/05
DARJEELING							
Bloomfield	Nil	..	..	10	3/25	3/25	3/12
Chamong	Nil	10	10	10	8/87	8/87	9/00
Darjeeling Tea & Chin.	30	30	30	100	197/00	197/00	197/00
Dilaram	8	4	..	100	102/50	102/50	102/50
Gielle	Nil	..	8 4/7-15*	10	17/25	17/25	11/69
Lingia P.	15	10	17½	10	13/37	13/37	14/00
Longview	12½	10	..	10	8/25	8/25	11/00
Margaret's Hope	15	15	15	10	11/81	11/81	12/25
Mim	22½	27½	27½	100	430/00	430/00	191/50
Nagri Farm	30	25	35	10	28/31	28/31	30/75
Okayti	25	25	25	100	600/00	600/00	600/00
Pashok	10	Nil	..	10	20/00	20/00	20/00
Poobong	Nil	Nil	5	10	10/50	10/50	7/50
Pussimbing P.	Nil	Nil	Nil	10	7/62	7/62	7/12
Rungleet Rungliot	35	20	7½	100	290/00	290/00	386/00
Seeyok	15	Nil	..	10	8/50	8/50	8/50
Singell	Nil	Nil	Nil	100	36/75	36/75	36/75
Singtom	2	Nil	2	10	3/25	3/25	8/50
Soom	50	40	40	10	39/00	39/00	34/00
Sungma	15	15	20	10	12/06	12/25	14/56
Teesta Valley	Nil	..	8 4/7-10*	10	12/81	12/81	13/12
Tukvar	Nil	Nil	..	10	3/56	3/56	7/00
DOOARS							
Banarhat P.	22½	21	21	100	161/00	161/00	241/00
Baradighi	30	25	25	10	21/12	21/12	24/12
Bhatkawa	15	15	20	10	16/00	16/00	18/61
Birpara P.	17½	12½	17½	100	142/00	142/00	162/00
Carron	20	5	7½	100	117/00	117/00	151/00
Choonabhuti P.	32½	20	20	100	176/00	176/00	210/00
Ellenbarrie	5	5	10	100	173/00	173/00	184/00
Engo	50	30	40	100	138/00	138/00	136/00
Ethelbari	5	5	7½	10	11/87	11/87	11/50
Gairkhata	25	20	11	10	16/12	16/12	21/50
Gopalpur	12	2	10	25	19/50	19/50	20/00
Hantapara P.	15	5	10	100	97/00	97/00	116/00
Hasimara P.	17	..	18—15*	10	13/31	13/31	13/75
Huldibari	22½	..	19 2/7-11*	10	11/44	11/44	13/69
Jaybirpara	10	Nil	Nil	10	8/50	8/50	12/00
Killcott	25	15	15	10	14/50	14/50	15/94
Manabarrie	10	8	10	10	59/50	59/50	59/50
Nagaisuree	25	15	15	100	141/00	141/00	140/00
New Dooars P.	35	20	14½	100	166/00	166/00	230/00
Oodlabari	12½	7½	..	100	13/87	13/87	14/00
Phaskowa	Nil	Nil	Nil	100	121/00	121/00	129/00
Rajabhat	Nil	Nil	6	10	10/19	10/19	12/12
Ranicherra	15	15	7½	10	12/00	12/00	13/37
Rydak	25	20	25	10	22/62	22/62	26/31
Sarugaon	40	40	40	10	36/25	36/25	36/31
TERAI							
Atal	5	..	..	10	5/37	5/37	6/75
Belgachi	20	20	..	10	23/12	23/12	22/50
Gungaram	20	12½	12½	100	128/00	121/00	131/00
New Chumta	15	..	12 6/7-20*	10	20/37	20/37	23/00
New Terai	22½	10	15	10	20/50	20/50	24/62
Paharagoomiah	20	20	2½	10	9/87	9/87	14/25
Putnibaree	14	14	..	10	55/00	55/00	45/00
Tirrihannah P.	60	60	60	10	49/00	49/00	49/00
CHITTAGONG							
Kodala	Nil	Nil	..	10	9/25	9/25	9/25
Kornafuli	Nil	Nil	..	10	11/25	11/25	9/31
Oodaleah	Nil	Nil	..	10	8/00	8/00	8/00
SYLHET							
Chundeecherra	Nil	Nil	Nil	10	29/75	29/75	26/00
Dauracherra	22½	22½	20	10	15/19	15/19	18/37
New Samanbagh P.	25	Nil	Nil	10	20/25	20/25	130/00
Patrakola	32½	40	15	100	186/00	191/00	9/50
Rajnagar	Nil	Nil	Nil	10	9/56	9/56	110/00
Tellapara	22½	22½	10	100	202/00	202/00	

‡ Hectares

MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 30-9-64	23-9-64	A year ago
				Rs.	Rs.	Rs.	Rs.
MININGS							
Burma Mines	2 3/5	Nil	Nil	3½S	0/44	0/44	0/41
Chrestien Mica Industries P.	15	12½	..	10O	9/06	9/06	10/40
Indian Copper Corporation	25	20	..	5Dd	8/53	8/53	6/87
Metal Corporation P.	27	27	..	2s	3/36	3/36	5/16
Orissa Mineral Development	Nil	..	..	10O	6/19	6/25	8/25
	36	28	20	10	19/69	19/69	27/69
CEMENT, LIME, SLATE, ETC.							
Ashoka Cement	7	7	7—7*	10	7/25	7/25	7/44
Assam Bengal Cement	..	..	..	100	4/87	4/87	4/81
				1Dd	0/59	0/59	0/59
Bengal Potteries	15	..	..	2½	4/27	4/25	5/37
Bisra Stone Lime	30	30	10	..	17/75	17/75	22/50
Dalmia Cement (Bharat) P.	12	12	12	100	12/91	12/87	12/31
				1Dd	3/06	3/06	2/81
Jaipur Udyog P.	6	6	6.36	10	10/75	10/89	11/87
Kumardhubi Fireclay & Silica P.	18	18	18	10	18/45	18/45	18/45
Orissa Cement P.	15	15	10	10	11/31	11/31	14/44
Reliance Firebricks & Pottery	22	15	10	10	22/75	22/75	22/75
Sone Valley Portland Cement	4	6	8	10	4/00	3/94	4/62
Sutna Stone & Lime	27½	30	35	10	27/00	27/00	28/12
CHEMICAL INDUSTRIES							
Alkali & Chemical Corpn. of (I)	12	15	15—15*	10	29/12	29/12	33/50
Bathgate & Co. Ltd P.	Nil	Nil	..	5	9/84	9/84	0/94
Bengal Chemical & Pharm. P.	7	10	..	100	102/00	102/00	102/00
Calcutta Chemical P.	18	18	18	10	17/25	17/25	17/87
Frank Ross P	..	..	..	8	3/19	3/19	3/19
Smith Stanistreet P.	25	25	25-22½*	5	13/69	13/69	12/31
ELECTRIC LIGHTING, POWERS							
Agra Electric Supply	11	11	11	100	125/00	125/00	118/00
Bareilly Electric Supply	11	11	11	10	11/44	11/50	13/87
Benares Electric Supply	11	11	11	10	13/25	13/25	9/38
Bhagalpur Electric Supply	8	10	8	8	6/56	6/56	14/62
Calcutta Electric Supply	7	7½	7½	£1	15/56	15/37	13/00
Cuttack Electric Supply	7½	10	10	10	15/00	15/00	25/00
Dishergarh Power Supply P.	10	10	10	100	86/00	86/00	90/00
Jhansi Electric Supply	..	..	..	10	8/90	8/90	12/25
Jubbulpore Electric Supply	10	10	10	10	11/62	11/62	13/87
Mirzapur Electric Supply	..	..	..	..	7/50	7/50	11/25
Muzaffarpore Electric Supply	12½	12½	12½	10	17/75	17/75	13/00
Muttra Electric Supply	..	..	..	10	11/06	11/06	20/00
Patna Electric Supply	10	10	10	10	10/50	10/50	3/00
Shahjahanpur Electric P.	6½	6½	8½	10	6/62	6/62	8/00
Sijua (Jharish) Electric	10	9	9	10	9/62	9/62	11/25
United Provinces Electric	11	11	11	100	214/00	187/00	112/50
Upper Jumna Valley Electric	13½	13½	13½	11	25/37	25/37	14/50

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MISCELLANEOUS COMPANIES—Contd.

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 30-9-64	23-9-64	A year ago
				Rs.	Rs.	Rs.	Rs.
ENGINEERING & METAL							
Arthur Butler (Muzafferpore) P.	Nil	10	..	10	15/00	15/00	14/94
Bhartia Electric Steel	10	12½	15	10	15/06	15/06	14/06
Braithwaite India P.	25	14	20	10	32/50	32/75	33/12
Bridge & Root	30	30	..	10	52/25	52/25	52/25
Britannia Building & Iron P.	Nil	Nil	..	10	3/62	3/62	3/25
Britannia Engineering P	10	10	..	10	10/12	10/31	9/97
British India Electric Cons.	20	15	..	10	29/12	29/12	33/12
Burn P (Engineering)	28½	28½	25	100	279/00	279/00	592/00
Calcutta Steel	15	15	12½-15*	10	13/81	13/69	13/19
Dalmia Iron	10	10	10	10	11/25	11/25	10/87
Guest, Keen Williams	14	14	12	10	23/44	23/44	37/00
Hooghly Docking	Nil	12½	..	50	80/00	80/00	86/00
Indian Iron & Steel P.	16	16	16	10	25/04	25/24	23/78
Indian Malleable Casting	..	..	..	5O	2/75	2/75	6/00
				10d	2/81	2/81	1/81
Indian Standard Wagon P.	28½	28½	20-20*	10	36/94	38/25	35/50
Indian Steel & Wire Products	24	23	18	10O	31/75	31/75	39/00
Industrial Containers	10	10	..	10	25/62	25/62	21/37
Jay Engineering	17 3/20	15	10	10	19/00	19/00	20/87
J. K. Steel P	20	10	30	10	17/87	17/87	16/37
Jessop & Co P.	8.58	8.58	10	10	24/06	23/69	26/19
Kumardhubi Engineering P.	11½	15	Nil-16½	3	5/02	5/56	9/50
Marshall Sons (India)	Nil	Nil	..	2	3/47	3/40	2/44
National Iron and Steel	Nil	Nil	..	10	6/37	6/37	5/81
Saran Engineering	10	12½	10	4	8/69	8/69	8/78
Steel Containers	20	20	..	10	24/31	24/31	29/50
Textile Machinery	10	..	17½	10	26/05	26/15	25/80
SUGAR BREWERIES, ETC.							
Balrampur Sugar	8	4	Nil	2½	1/59	1/59	1/81
Belsund Sugar	10	6 2/3	3 1/3	7½	8/87	8/87	8/44
Bharat Sugar P.	15	15	15	10	14/50	14/50	13/00
Carew (Sugar) P.	Nil	Nil	Nil	10	12/50	12/12	10/81
Cawnpore Sugar P.	Nil	Nil	Nil	10	9/87	10/00	9/75
Champaran Sugar	12	Nil	Nil	10	11/44	11/44	13/62
Durbhanga	Nil	5	..	10	8/44	8/31	8/87
New Savan Sugar and Gur	..	..	..	10	2/94	2/94	4/50
Purtabpur Sugar P.	..	..	..	10	9/12	9/12	11/50
Ramnugger Cane & Sugar P.	35	30	15	10	24/25	24/25	27/50
Raza Buland	10	10	10	10	10/06	10/06	9/62
Ryam Sugar P	..	..	..	10	4/12	4/12	3/56
Samastipur Central Sugar	..	..	..	10	3/75	3/75	5/94
Shree Krishna Gyanoday Sugar P.	..	..	..	10	8/75	8/41	7/75
Shree Sitaram Sugar	..	..	..	10	7/28	7/28	7/12
Sitalpore Sugar	Nil	Nil	Nil	10	3/69	3/69	3/94
United Provinces	5	Nil	..	10	12/00	12/00	9/00
Upper Ganges Sugar P.	72½	72½	..	10	60/25	60/25	62/00
MISCELLANEOUS							
A. Firpo (Restaurateur)	10½	5	..	10	5/90	5/90	5/90
Aluminium Corporation P.	12	12	5	10	12/00	12/00	15/06
Anderson Wright Ltd. P.	Nil	6	..	10	11/50	11/50	11/50
Angelo Bros	28½	28	28	10	25/00	25/00	24/19
Assam Match	20	20	20	10	26/37	26/37	28/75
Assam Saw Mills & Timber	Nil	3	..	3	2/44	2/44	2/69
Associated Battery	15	15	15	10	24/75	24/81	25/00
Associated Hotels of India P.	10	10	15	10	10/37	10/37	10/31
Balmer Lawrie & Co.	25	25	22½	100	236/00	235/00	247/00
Bararee Coke	Nil	15	15	10	20/75	20/75	21/62
Birds Investments P.	10	10	..	10	8/75	8/75	10/75
Britannia Biscuit P	30	25	21	10	36/62	36/62	42/25
British India Corporation P.	7	9	15	5	11/12	11/25	8/25
British Paints	15	10	15	10	24/75	24/87	20/00
Calcutta Silk Manufacturing P.	Nil	..	..	10	6/94	6/94	6/94
Clive Row Investment	7½	7½	8	10	8/44	8/50	8/75
Duncan Brothers & Co Ltd P.	14	14	12	100	137/00	137/00	135/00
Dunlop Rubber Co (India) P.	20	15	17½	10	31/81	32/06	35/50
Dyer Meakin (Breweries)	30	..	..	5	26/12	25/69	28/62
Eastern Investments Ltd. P.	14	12	10	100	102/00	102/00	119/50
Electric Construction	10	10	10	10	13/81	13/87	13/94
French Motor Car	20	..	..	20	31/75	31/75	35/12
Ganges Rope	20	20	20	100	252/00	252/00	236/00
General Investments Trust P.	5	5	5	75	43/00	43/00	49/00
Gillanders Arbuthnot & Co Ltd P.	11	11	11	10	14/87	14/87	14/69
Gladstone Lyall & Co. Ltd P.	..	..	..	10	..	..	..
Godfrey Phillips (India) Ltd. P.	40	30	..	10	22/00	22/00	28/12
Great Eastern Hotel	6	..	..	250	260/00	260/00	225/00
Hindustan Aluminium P.	Nil	Nil	Nil	10	13/44	13/62	13/94
Hindustan Motors P	12	12½	11½	10	16/84	17/00	17/66
Hindusthan Pilkington	12	Nil	Nil	10	14/37	14/37	16/37
Hindusthan Twyfords P.	Nil	Nil	Nil	10	15/94	16/50	14/69
Home Miller & Co Ltd.	6	..	..	10	5/00	4/19	5/62
Imperial Tobacco	9	6	6	10	8/81	8/81	10/62
Indian Aluminium Co Ltd P.	15	17½	17½	10	31/62	31/69	37/50
Indian Cable P.	22½	22½	22½	10	35/31	35/56	36/50
Indian Oxygen	15	12	12	10	24/50	24/87	27/75
Indian Rubber Manufacturers P.	30	36	..	10	22/00	21/87	19/87
Indian Wood Products	30	30	25	10	27/62	27/62	29/62
Isaac Holdens	Nil	Nil	5	10	11/56	11/50	15/50
Investments and Finance P.	7½	7½	7½	100	55/00	55/00	55/00
J. K. Synthetics	3	Nil	10	10	13/12	13/12	11/56
James Wright P.	..	..	..	5O	2/75	2/75	2/75
	..	..	..	1Dd	00/43	00/43	00/43
Jardine Henderson Ltd P.	7	6	7	100	69/00	75/00	80/00
Jay Shree Industries P.	12½	..	..	10	14/75	14/75	17/75
Kesoram Industries P.	12	12	13	10	25/56	26/06	26/00
Macfarlane & Co.	..	..	..	50	4/50	4/50	6/75
	..	..	..	1Dd	1/81	1/81	2/19
Macneill & Barry Ltd P.	8	7½	8½	100	95/00	95/00	93/50
Martin Burn Ltd. P.	27½	25	25	10	27/25	27/25	27/31
McLeod & Co. P.	15	18	..	100O	230/00	230/00	210/00
Metal Box Co. of India Ltd P.	25	19	..	10	31/00	31/56	50/62
National Insulated Cable P.	25	25	18	10	25/62	26/69	24/75
National Pipe & Tubes P.	20	20	20	10	28/25	28/25	27/00
National Rolling & Steel Ropes	15	15	15	10	24/00	23/31	21/44
National Rubber P	6½	8	10	10	11/00	11/00	12/25
National Tobacco P	7	7	..	10	11/75	11/75	11/75
New India Investment Corpn.	..	..	..	75	63/00	63/00	65/00
Octavius Steel P.	7½	7½	..	100	..	..	..
Philips India	12	13	15	10	27/50	27/50	26/75
Publicity Society	75	75	50	4	25/06	25/06	22/62
Raffia India P	8½	8½	10	100	125/00	125/00	124/00
Rohtas Industries P.	10	8	9	10	10/34	10/37	13/00
Sirsilk P	..	..	..	10	7/62	7/62	9/44
Sen-Raleigh Industries P.	8	8	Nil	10	13/69	13/69	15/19
Shaw Wallace P.	15	7½	12½	10	13/00	15/00	16/81
Spencer's Hotel	..	..	..	2	1/25	1/25	0/65
Union Carbide	18	12½	15	10	32/75	32/75	39/62
Walford Transport	30	30	..	10	3/09	3/06	3/69
INSURANCE COMPANIES							
Concord of India	20	20	20	5	9/44	9/44	10/62
Hercules	26½	26½	..	10	23/50	23/50	22/06
Ruby General	13½	15½	..	8	12/25	12/62	10/00
Standard General	..	..	..	10	7/75	7/75	6/25
Triton	50	50	..	25	127/00	127/00	124/00
FLOUR MILLS							
Bengal	25	25	30	10	34/12	34/12	29/00
Delhi P.	..	..	..	10	14/00	14/00	14/00
Ganesh P.	..	..	..	12½	12/50	12/50	13/50
Hooghly	Nil	Nil	5	10	19/75	19/75	19/75
United	10	7½	10	10	27/81	27/81	27/81
OIL COMPANIES							
Attock Oil	13½	13½	..	£1	sh. 30/11	sh. 30/7½	sh. 34/9
Burmah Oil P.	..	11½	12½	£1	sh.61/6	sh. 61/3	sh. 66/6
Indo Burmah Petroleum P.	25	22½	17½	10	21/44	21/44	22/44
Tide Water Oil	35	35	35	10	37/00	37/37	27/12
PAPER MILLS							
Bengal P.	27½	20	..	10	26/62	26/62	28/25
India Paper Pulp	13	12	15	10	16/50	16/44	17/87
Orient Paper P	22½	22½	20	10	31/80	32/50	37/40
Shree Gopal Paper P.	17 6/7	17 6/7	17 6/7	10	25/62	25/69	25/12
Sirpur P.	8½	8½	8	10	11/87	12/19	13/12
Star Paper P.	Nil	Nil	Nil	10	8/19	8/19	9/06
Titaghur P.	13	13	13	2½PO	3/37	3/37	3/87
	20	10	10	10AO	12/44	12/56	16/87
	20	10	10	10BO	12/44	12/50	16/87
West Coast P.	7½	..	..	100	164/00	164/00	135/00
PRESSING COMPANY							
Camperdown	11	..	..	100	110/00	110/00	104/00
REAL PROPERTY STORAGE							
Bengal Bonded Warehouse	8	8	9	A500	1,250/00	1,250/00	1,050/00
				B62½	125/00	125/00	135/00
				C100	188/00	188/00	122/00
				D12½	45/00	45/00	14/15
Calcutta Safe Deposit	..	..	..	100	7/81	7/81	7/87
Humayan Properties P.	..	..	..	10O	11/00	11/00	11/00
	..	..	..	1Dd	2/10	2/10	2/10
Midnapore Zemindary P.	Nil	Nil	Nil	85	34/25	33/75	11/00
TRAMWAYS & STEAMER							
Bengal Assam Steamship P.	7½	10	10	100	105/50	105/50	135/00
Calcutta Landing & Shipping	7½	22	6	10	21/00	21/00	34/00
Calcutta Steam Navigation	Nil	Nil	Nil	10	7/62	7/62	9/25
Calcutta Tramways P	5	5	5	£1	11/75	10/87	11/31
Fraser	..	..	..	10	9/00	14/00	10/00
India General Nav. Railway P.	..	..	..	£10	36/25	34/50	39/00
India Steamship P.	Nil	Nil	Nil	10	7/12	7/16	6/62
Port Shipping	Nil	..	..	10	17/31	17/37	14/94

*1964

SOUTH INDIA PLANTATION COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 29-9-64 Rs.	22-9-64 Rs.	A year ago Rs.
Amalgamated P.	10	10	..	10	10/01	10/01	10/36
Anandam P.	18	15	..	10	14/25	14/25	14/19
Athimattam	5	Nil	..	2	1/20	1/20	1/18
Balanoor P.	12	12	..	10	11/20	11/20	11/30
Balmadies P.	5	Nil	5	2	1/85	1/85	1/70
Be Be P	5	Nil	..	5	2/32	2/32	2/03
Blue Mountain	10	10	10	2	2/36	2/35	2/63
Chembra Peak	20	20	..	2	4/95	4/90	4/47
Cochin Malabar P.	20	20	12	3	6/22	6/22	6/10
Coffee Lands P	12	9	..	10	16/62	16/62	14/87
Consolidated Coffee P.	20	15	..	10	23/76	23/76	19/10
Coonoor P.	15	17½	17½	10	17/40	17/40	18/35
Coorg P.	20	15	..	2	4/85	4/85	4/89
Cottanad Plantation P.	10	6¼	..	10	9/30	10/30	9/31
Devashola (Nilgiri)	20	15	..	10	30/65	30/65	24/39
Devon P.	12	12	..	10	11/00	12/35	11/96
Emerald Valley	Nil	6	..	5	7/35	7/35	6/35
Gokul	10	10	..	2	2/00	2/00	1/76
Hulleytaria P.	12½	11	..	10	12/25	12/50	11/85
Kailas	25	30	..	2	6/26	6/46	6/05
Kalasa Tea Produce	25	15	..	2	4/25	4/25	4/25
Kil Kotagiri P.	25	25	..	2	5/00	5/00	5/45
Lucky Valley	10	10	..	10	11/75	11/75	12/00
Malankara	16	14	..	10	17/00	17/00	16/00
Midland Rub & Prod P.	12½	12½	..	10	11/38	11/38	11/40
Nilgiri P.	10	10	..	10	9/20	9/20	8/85
Nonsuch	20	20	20	10	21/87	21/87	23/37
Ossoor	15	15	..	2	2/62	2/65	3/45
Ouchterlony	12	6	..	2	3/42	3/37	4/35
Parkside Neilgherry	22½	27½	25	10	25/20	25/20	26/15
Peermade P.	25	20	..	10	20/62	20/62	20/90
Peninsular	20	20	..	10	21/25	21/25	20/70
Periakaramalai	20	12½	15	2	3/55	3/55	3/65
Rajagiri Rub. & Prod P.	20	20	..	10	22/10	22/10	18/60
Rajendra P.	25	20	..	5	13/00	13/00	11/25
Swinton	6	Nil	..	2	2/68	2/68	2/82
Teekoy P.	4	6	..	10	6/75	6/75	6/60
Thirumbadi	12	10	..	1	1/80	1/75	2/12
Travancore Rubber	12	12	..	10	11/00	11/00	11/12
Travancore Rub & Tea P.	10	10	..	10	8/68	8/68	9/35
Tropical Plantations	8	8	..	25	19/65	19/65	19/15
Twyfords	6	5	..	10	9/00	8/85	8/25
United Nilgiri	22	22	..	10	23/10	23/10	22/90
Vaikundam	30	35	..	10	34/30	35/50	30/50
Waterfall Estates P.	10	10	10	2	2/30	2/33	2/40
Woodland P.	10	Nil	..	10	6/90	6/90	7/85

† Kgs.

SOUTH INDIA COTTON MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 29-9-64 Rs.	22-9-64 Rs.	A year ago Rs.
Bangalore W. C. Silk P.	18	18	24	100	270/00	270/00	231/00
Buckingham & Carnatic P.	18	18	18	100	281/00	281/00	269/00
Cambodia P.	12	9	..	10	8/35	8/35	12/37
Coimbatore Cotton	16	9	..	100	151/00	151/00	167/00
Coimbatore Spg. & Wvg.	16	8	..	50	115/50	115/50	67/40
Kothari Textiles P.	8	8	6	10	8/30	8/30	9/30
Lakshmi	25	20	20	50	134/00	134/00	133/50
Madura	30	15	15	15	34/85	35/00	32/50
Mettur Industries	30	22½	20	100	265/50	265/50	277/00
Palani Andavar P.	50	35	..	10	193/15	193/15	202/75
Vasanta P.	25	20	..	100	234/00	234/00	276/00

* 1962

SOUTH INDIA SUGAR MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 29-9-64 Rs.	22-9-64 Rs.	A year ago Rs.
Andhra P.	18	12	..	10	13/04	13/04	17/36
Cauvery P.	8	6	..	100	99/50	99/50	105/00
Deccan Sugar	12	18	18	5	10/75	12/30	10/40
E.I.D.—Parry	21 3/7	28 3/7	..	£1	36/12	36/12	36/87
Indian Sugar P.	10	8	8	10	8/90	8/90	8/65
Jeypore P.	15	15	..	10	15/23	15/23	16/00
K. C. P.	15	15	..	10	24/00	24/00	23/90
Kothari	Nil	Nil	Nil	10	6/45	6/45	7/00
Mysore	30	30	30	10	27/75	27/75	46/75
Travancore P.	7½	5	..	10	8/12	8/12	7/15
United Breweries	60	25	Nil	10	25/00	33/00	35/00

* 1962

SOUTH INDIA MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 29-9-64 Rs.	22-9-64 Rs.	A year ago Rs.
Aluminium Industries	18	18	..	10	22/55	23/25	17/00
Andhra Cement P.	10	9	9	10	9/90	10/10	9/60
Ashok Leyland	8	8	..	5	6/95	7/00	7/34
Binny	22½	21	..	100	271/00	271/00	297/00
Brunton & Co.	Nil	Nil	..	10	4/45	4/40	5/03
Enfield P.	4	4	..	10	10/30	10/30	9/25
India Cement P.	9	12	..	5	5/39	5/42	5/75
Indian Steel Rolling P.	12½	10	..	10	9/50	9/45	10/40
Mettur Chemical Industrial P.	12½	13⅓	18⅓	10	14/95	15/00	13/03
Mysore Chem. & Fert.	10	5	..	10	7/90	7/95	8/10
Mysore Chemical Mfgs. P.	20	20	..	10	16/70	16/70	17/75
Mysore Lamp P.	25	37	..	10	30/00	20/00	30/00
Mysore Paper	15	15	..	10	12/50	12/50	13/65
Mysore Tobacco	Nil	10	..	10	11/90	11/50	10/50
Parrys Cont	30	26	..	1	2/90	3/00	3/29
Spencer (Provisions)	18	18	..	10	21/50	21/50	20/12
Standard Motors P.	7	6	..	10	10/15	10/15	11/00
T Stanes P	15	32½	..	10	30/15	30/15	29/00
Textool	15	15	..	100	156/50	156/00	154/75
Tube Investments	10	10	10	100	185/00	185/00	213/00

* 1962

LIGHT RAILWAY AND ROPEWAY COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 30-9-64 Rs.	23-9-64 Rs.	A year ago Rs.
Ahmedpur Katwa	1.90	1.90	1.75	100	24/87	24/87	26/00
Arrah Sasaram	5	5	5	100	31/62	31/62	29/50
Bankura Damoodar	1.90	1.90	1.75	100	25/37	24/87	30/00
Burdwan Cutwa	1.90	1.90	1.75	100	24/87	24/87	29/00
Chaparmukh Silghat	2.90	2.90	2.80	100	35/00	35/00	40/00
Cherra Chhatak Ropeway	9	12	12	6	4/62	4/62	5/75
Darjeeling Ropeway	..	..	..	10	8/50	8/50	9/12
Dehri Rohtas	17	20	15	10	11/19	11/19	12/50
Futwah Islampur	1.90	1.90	1.90	100	28/70	28/70	28/75
Howrah Amta (P)	5	5	4½	100	34/00	34/00	40/00
Howrah Sheakhala	5	5	4½	100	36/50	36/50	46/00
Katakhal Lala Bazar	3.50	3.10	1.90	100	41/00	41/00	41/00
Shahdara (Delhi)	9	3	..	100	52/00	52/00	52/00

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INSTITUTIONAL FINANCE FOR INDUSTRIAL EXPANSION

THE depression in the Indian capital market has made it increasingly difficult for industrial and trading companies to raise funds through new issues in recent months. Confidence in equities has suffered because heavy taxation is affecting corporate profits. Companies have not been able to increase ordinary dividends in line with market rates of interest since too large a proportion of their profits is mopped up by taxation. The growth value of equity shares has been undermined by such levies as the capital gains tax on bonus shares. The steady increase in market rates of interest has tended to divert the attention of investors from equities to fixed-yield securities. But preference shares, which carry a fixed dividend. and debentures. which bring a fixed rate of interest. are not frequently used by companies to raise funds because the servicing of such capital is expensive. Companies have, therefore, been forced to rely more and more on the financing institutions to satisfy their requirements of medium- and long-term funds Although commercial banks began to participate in industrial financing some years ago to a small extent, they are likely to reduce their commitments now since the Reserve Bank seems to think that they cannot contribute usefully to medium- and long-term industrial financing without jeopardising their soundness.

With the capital market debilitated, financing institutions like the Industrial Development Bank, the Industrial Finance Corporation, the State Financial Corporations, the Life Insurance Corporation and the Unit Trust of India are likely to be the main sources of funds for industries. along with the Industrial Credit and Investment Corporation of India. Most of the money will thus be channelled through Government-sponsored institutions. They have hitherto done much to help industries by giving rupee and foreign currency loans, underwriting capital issues and guaranteeing deferred payments and foreign loans But their usefulness is limited by the fear of private entrepreneurs that loans taken from such institutions could in due course be converted into shares. The Industrial Development Bank has recently been set up as an apex body to co-ordinate the activities of the older financing institutions. The Industrial Finance Corporation being about the largest of the latter, the changes in its composition and functions resulting from the establishment of the Industrial Development Bank are of considerable interest.

Since the Industrial Development Bank of India was set up on 1st July, 1964, the provisions of the I.D.B.I Act have made some important amendments to the Industrial Finance Corporation Act, 1948, with effect from 1st August, 1964. The shares held in the Corporation by the Reserve Bank of India and the Central Government have been transferred at par value to the Industrial Development Bank. The latter has acquired additional shares so as to bring its total holding up to 50 percent of the paid-up capital of the Corporation, which now stands at Rs. 8.35 crores. Certain changes have been made in the provisions relating to the composition of the board of directors and the arrangements for the auditing of the Corporation's accounts. The power of issuing policy directives to the Corporation has passed from the Central Government to the Industrial Development Bank. The limit for loan assistance given by the Corporation to any single industrial concern has been raised. The I.F.C. will receive financial assistance from the Industrial Development Bank in certain specified cases. In sum, it is hoped that the Corporation will now be able to play a more fruitful rôle in industrial development as a result of its close association with the Industrial Development Bank. Although it has already done some joint financing business, co-ordination between the different financing institutions is expected to grow steadily in the future. Many large projects which the Corporation alone could not handle before will henceforth be assured of comprehensive attention by a consortium of financial institutions. It is expected, therefore, that several gaps in industrial financing will be filled more easily.

As a result of the recent amendments to the I.F.C. Act, the dependence of the Corporation on the Central Government has been reduced. In his address from the chair at the annual general meeting of the I.F.C. in New Delhi last week (a full text of which was printed in the last issue of *Capital*), Mr. A. Baksi pointed out that the Corporation is now obliged to raise funds for its operations to the maximum extent possible, although its bonds will be fully guaranteed by the Central Government. It has recently raised Rs. 6 crores by issuing bonds carrying an interest rate of 4¾ percent at an issue price of Rs. 99.25 percent, with 12 years' maturity. The issue was oversubscribed within a few hours of the opening. This is the seventh bond issue of the Corporation and a sum of Rs. 39 crores has so far been raised by bonds.

More encouraging is the fact that the I.F.C. has relaxed the conditions under which financial assistance is given to industrial concerns. First, it used to insist that a borrowing company should not declare equity dividends of more than 8 percent without its prior approval. The limit for equity dividends has now been raised from 8 percent to 10 percent—a timely step considering that dividends on equity and preference shares need to be increased so as to bring them in line with the higher market rates of interest. With the dearer money policy adopted by the Government, company managements have been obliged to increase the interest on debentures also. Secondly, loanee concerns formerly had to seek the prior approval of the Corporation before disposing of any asset mortgaged to it. But now they will be allowed to sell or write off minor assets within prescribed limits without the previous sanction of the Corporation Thirdly, the restrictions on the disposal and pledging of shareholdings will no longer apply to all directors or members of the managing agency, but will be confined to only those who have a real stake in the loanee concern. The condition about personal guarantees from directors and managing agents has been liberalised in suitable cases It has also been decided that the right of the Corporation to appoint nominee directors on the boards of loanee concerns

will be exercised more selectively. The Corporation will henceforth adopt a more flexible attitude in its operations; this is a welcome adjustment to the fact that the industrial structure of the country is becoming increasingly complex.

Most of the changes are good as far as they go, but the crux of the problem of industrial financing remains untouched. The institutional framework is becoming nicer and prettier, but the basic difficulty of attracting more savings for industrial investment stays undiminished. A sound corporate structure cannot be built unless a substantial part of the capital is raised in the form of equity funds. To have the gearing of its capital structure right, a company should not have to rely too heavily on borrowed money. This is the main reason why companies are already not inclined to take advantage of the Government's move to relax the debt-equity ratio of 2:1. In the circumstances, urgent steps are necessary to encourage the flow of risk capital into industry. Since heavy taxation is the strongest factor affecting the flow, the fiscal system has to be modified. With lower taxes to pay, companies would not only plough back more funds but would also be able to raise fresh money to finance replacement, modernisation, expansion and diversification.

NEW CLOTH CONTROL SCHEME

THE voluntary scheme for regulating the prices of cotton textiles, which had been in force since January 1961 but was long ago reduced to a farce, will be withdrawn on 15th October. It will be replaced by a new scheme for statutory control over the prices and production of the popular varieties of mill-made cotton textiles. All the mills will now have to produce in the form of *dhotis, saris,* long cloth and shirting 45 percent of their total annual output, excluding sales for export and defence requirements. The rest of the output will be in the non-controlled sector. No mill will be allowed to produce the controlled varieties of cloth in the non-controlled sector. Due consideration has been given under the scheme for sales for export and defence. For every 10 percent of sales made by any mill for defence and export out of its total production, credit will be given at the rate of 2 percent as if this proportion had consisted of controlled cloth.

The ex-mill price for the controlled varieties will be worked out by prescribed formulae for the cost of cotton and conversion and processing charges. The trade will be allowed a total margin of 18 percent over the ex-mill price, excluding excise. The schedule of realisation multipliers, it is said, takes into account the cost of production and provides for a reasonable margin of profit for producers as well as distributors. Provision has been made while fixing the multipliers for calculating the prices of grey cloth, with adjustments for the use of superior and foreign cotton and also for various processes, such as bleaching, mercerising, dyeing, printing, sanforising, oiling, backfilling and finishing. In order to get the controlled varieties of cloth moving as quickly as possible, the Government has established the Textile Control Advisory Committee, with which representatives of the Indian Cotton Mills Federation will be associated. A Central Consumers Vigilance Committee has been constituted; in course of time the State Governments will be setting up local consumers' vigilance committees to look after the interests of consumers in every town having a population of 25,000 or more.

It would have been idle to expect that a scheme of partial control, which sought a compromise between the apparently conflicting interests of producers, traders and consumers, would ever be accorded a very enthusiastic welcome by the industry or the trade. The trade is unhappy as its plea for a bigger margin of profit has not been accepted by the Government. But it could scarcely be expected that the margin would be raised when the Government is trying hard to keep consumer prices within reasonable limits. And the industry, while welcoming the abolition of the voluntary price regulation scheme, is disappointed that the Government has rejected its suggestion for extending control over a cross-section of its entire production. When the scheme for partial control was first considered, and the industry agreed to give it a trial, it was visualised that control would be extended to a cross-section of the entire production. The idea was that, on the one hand, the consumer should get all types of cloth from the pool of the controlled varieties; and, on the other, all units of the industry should contribute the same proportion of their production for the civilian market.

The Government's decision to restrict the control to *dhotis, saris,* long cloth and shirting has been criticised on the ground that these items constitute a different percentage—ranging from nil to 100 percent—in the total production of each mill; the new scheme will thus be inequitable and might affect output adversely. But the choice of a cross-section of around 150 varieties would have proved a blessing for the industry; the cross-section might have included many varieties which are not very essential and mills would have eventually been in a position to charge higher prices for essential varieties in the non-controlled category. This explains the Government's decision to restrict control to four popular varieties. The industry's fears of production being disrupted seem greatly exaggerated. In the past, the output of the controlled varieties has been around 41 percent of the total and this is now being increased to 45 percent. (The proportion is really 43 percent if allowance is made for the rebate on account of export and defence commitments.) If drill were also to be included among the popular varieties—this is being considered—the extent of control would be about 51 percent.

The Central Minister for Commerce, Mr. Manubhai Shah, has stated that care is being taken to see that the pattern of production is not disturbed and that there is a minimum technical switchover. Efforts are being made to reach some sort of understanding about mills' quotas of these four categories so that the switching over of production is fairly smooth. Mills in Punjab and West Bengal, whose output consists mainly of the varieties which have been brought under control, especially *saris* and *dhotis* are being accorded concessional treatment. In any case, the industry has been assured of assistance in overcoming technical difficulties arising from the switchover of production which may be necessitated by the introduction of the new cloth control scheme.

While announcing the scheme, Mr. Shah expressed the view that there would be a reduction of between 5 percent and 8 percent in the prices of the controlled varieties, and that only a few old varieties which constituted less than 5 percent of the controlled cloth were likely to show an increase of about 7 percent or 8 percent. Nobody need take official statements on prices very seriously since Government forecasts have seldom proved correct. A great deal depends on the schedule of multipliers. While the trade and the industry are inclined to wait and examine carefully the multipliers released last week before commenting on the subject, informed sources say that the multipliers will benefit the industry and tend to push up the prices of the controlled varieties. Mills which have not changed their varieties after 1961 will stand to gain the most; only those mills which raised their prices in a highly arbitrary manner will suffer under the new scheme.

Apart from honest and efficient administration, any scheme of control depends for its success on the co-operation of the various interests concerned. The Indian Cotton Mills Federation has done well to appeal to all mills and the trade to co-operate wholeheartedly with the authorities in implementing the new control scheme in order that the consumer may obtain the controlled categories of cloth at the fixed prices. It would indeed be unfortunate if co-operation were not forthcoming from the mills when they have been given complete freedom to market 55 percent of their production. Fortunately, the new cotton crop is likely to set a record; with a plentiful supply of raw material, cloth output can be expected to show a fair increase which will check any excessive rise in prices. The mills might not find it easy to raise the prices of the uncontrolled varieties very much in view of the growing competition from the powerlooms.

THE FOURTH PLAN

THE Planning Commission is now busy drawing up a fourth five year plan which may be more acceptable to the Central Government. A few days ago, it placed before the Cabinet plans of three different sizes, involving an outlay of Rs. 24,000 crores, Rs. 22,500 crores or Rs. 21,000 crores. Although the Cabinet has not yet taken a decision, no doubts have been left about the preference of certain key members for a greater measure of realism. It is reported that the Prime Minister, Mr. Lal Bahadur Shastri, and the Finance Minister, Mr. T. T. Krishnamachari, unambiguously favour a more careful assessment of resources. This is welcome; the mistakes made while drafting the third plan cannot be repeated. Mr. Krishnamachari, whose responsibility it is to find the resources, opposed an inflated plan right from the start and indicated his preference for an outlay target of about Rs. 18,000 crores. He now seems prepared to accept a plan of Rs. 21,000 crores, which may be stretched to Rs. 22,500 crores if the situation becomes favourable. For this purpose he has reportedly suggested splitting the fourth plan into two halves; the step-up in outlay from Rs. 21,000 crores to Rs. 22,500 crores would be decided only in the second half of the plan, after seeing the progress of the economy in the first half. Viewed as a way of a introducing some flexibility in the plan, the move to divide it in two halves may have something to commend it. It can be argued that resources are not a fixed fund to be drawn upon; they keep growing, depending on the efficiency of investment and the resulting increases in output.

But whether the economy can afford an outlay of Rs. 21,000 crores, or for that matter even the Rs. 18,000 crores originally visualised by Mr. Krishnamachari, remains a big question mark. This is all the more important since a much smaller third plan, with an outlay of only Rs. 11,600 crores, has created a highly inflationary situation by increasing the pressure on real resources. The country cannot buy prosperity with "created" money. During 1963-64 the money supply has increased by as much as Rs. 439 crores, or 13.3 percent. This sharp increase—even assuming that Rs. 100 crores of it is purely statistical—without a matching rise in production has been responsible for the recent rise in prices. In determining the size of the fourth plan, another question to consider is whether there are physical resources corresponding to the financial outlays. The real resources may keep growing, but with the heavy accent on public-sector projects, which are also slow-maturing, it is doubtful if the growth will be fast enough to keep pace with the rate of investment. The working of public-sector industries so far does not justify any optimism on this point. The resources of the private sector too are greatly strained because of an unrealistic fiscal structure and the imposition of restraints in a desperate bid to contain inflationary pressures.

Taxation has already reached saturation point in support of the Government's effort to superimpose a large defence budget on a grandiose plan. The canalising of a substantial part of the development outlay into slow-yielding projects, together with an investment programme out of all proportion to the real resources of the economy, has been a major cause of inflation. This has coincided with the stagnation of agricultural production for three years in succession, causing widespread distress in the country. Commenting on the price situation, the directors of the Reserve Bank recently warned that even with the utmost optimism about farm production and the availability of foreign exchange, the resources of the nation would remain strained. In such critical circumstances, some think that even an outlay of Rs. 18,000 crores, which Mr. Krishnamachari originally had in mind, might prove excessive. The target-setters in Yojana Bhavan have yet to bring their ideas in line with reality and experience. If the annual rate of economic growth has so far averaged no more than 3.1 percent, against a target of 6 percent, how can one reasonably expect it to jump to about 7 percent in the fourth plan period? Unfortunately, the perspective planners are not bothered by the limitations of the economy.

An idea of the stringent resources position can be had from the scope for additional taxation. Even for a plan involving an outlay of Rs. 20,000 crores, the revenue visualised through additional taxation was Rs. 2,500 crores. The Finance Ministry felt that the scope for raising resources through Central taxation was "necessarily limited in view of the large tax effort that has already been made" and indicated that as much as Rs. 1,500 crores would have to be found by the States. The fiscal achievement of the States so far belies any such expectation. Even during a period of national emergency, the States have failed to raise the targeted amount of Rs. 610 crores through additional taxes. It can hardly then be realistic to expect them to raise as much as Rs. 1,500 crores in the next plan. The Finance Ministry would like to see more revenue raised from the rural population, since they have not adequately borne the cost of economic development. But the States have all along been lukewarm towards any proposal for taxing agriculturists. Apart from the influence of the rural vote, the taxing of agriculturists at a time when there is clamour for giving them bigger incentives for raising farm output is by no means likely. This is only one instance of the kind of limitations the Government has to face in raising resources. It is better to have a modest plan and implement it fully than to go in for an ambitious plan out of all proportion to the country's capacity and resources.

Current News and Comment

Export Prospects for Rayon

Exports of rayon and synthetic fabrics from India during 1963-64 amounted to 88.5 million metres, valued at Rs. 10.58 crores, showing an improvement of 25 percent over the performance in the preceding year, when exports totalled 77.8 million metres, valued at Rs. 8.46 crores. The performance exceeded the Rs. 8-crore target fixed for 1963-64. The achievement could be described as fairly creditable considering the restrictive trade policies adopted in certain countries and unsettled political conditions in some others. Shipments during the first half of 1964 at 37.5 million metres, valued at Rs. 4 crores, represent an increase of 32 percent in terms of value and 20 percent in terms of quantity, compared with the corresponding period last year. The highlights of export performance during this period include a notable improvement in the average unit value of exports from 97 paise to Rs 1.06 a metre, an impressive increase in exports to Ceylon, Aden, Indonesia, Afghanistan, Hongkong, Italy, Yugoslavia, Mauritius, Kenya, Ethiopia and capture of new markets comprising Czechoslovakia, Hungary and East Germany. However, judged by the export performance during the first five months of 1964-65—April to August—with exports amounting to no more than Rs. 2.5 crores, it is extremely doubtful whether exports this year would show any appreciable increase over those of the previous year, let alone reaching the target of Rs. 12 crores.

In his speech at the recent annual meeting of the Silk and Rayon Textiles Export Promotion Council, the chairman, Mr. D. N. Shroff, pointed out that the decline in export activity during the current year had been due primarily to some unfavourable factors at home. One of these was the indiscriminate linking of imported art silk yarn, against the exports of a number of items for which it is not a raw material. This imparted considerable instability to the art silk yarn market, which in turn discouraged manufacturers and exporters from entering into export commitments. The scheme has now been withdrawn, but it has already done a lot of damage. Another factor which has adversely affected the export trade is the arrangement under which spinners, who are under an export obligation, by exporting rayon and synthetic fabrics. The items exported, overseas markets and the buyers being the same for both the spinners and the rayon manufacturers, the former who are granted incentives on a different basis and which is comparatively high, offer competition to the latter. It is difficult to defend two schemes with different compensating benefits operating for the export of the same item.

Mr. Shroff's suggestion that a scheme should be evolved under which spinners, who are under an export obligation, are enabled to procure entitlements for importing their requirements of raw materials deserves to be considered carefully. It would be unfortunate if the preferential benefits given to spinners and the violent fluctuations in yarn prices were to be allowed to undermine seriously the Council's export promotion effort. Mr. Shroff has rightly urged the authorities to look upon the incentive in the perspective of its compensatory effect and the degree of its neutralisation resulting from the decline in yarn prices and to take timely corrective action in maintaining stability of yarn prices. Yet another factor which is stated to have been hampering exports is the schedule of international prices because of inadequate prices fixed for certain qualities with a good export potential. The unbalance between the prices attracted by different qualities creates tendencies to export such items which give the maximum incentive benefit even when those items have no established demand in world markets. Such tendencies are unhealthy as items are traded for the price and not for the demand and have an overall damaging effect on the goowill that is built up for the product as well as the trade. It is heartening to hear that the schedule of international prices is in the process of being suitably revised in order to overcome the existing shortcomings.

With the domestic production of rayon and synthetic fabrics continuing to show a steady increase and world trade in man-made fibre continuing to grow, the outlook for the exports of rayon fabrics from India would not seem unpromising. But the situation which the rayon trade has of late been experiencing highlights the need for urgent examination of the approach to the incentive allowed at present, and for reinforcing the existing export effort suitably so that the trade can withstand vicissitudes of changes in Government policies which may be required in the context of expanded indigenous production as well as increasing foreign competition. Mr. Shroff says that the approach should be such as is directed to procure adequate raw material for maintaining and expanding the present supply position whenever required, as well as to allow adequate compensation out of the incentive for the loss incurred in an export transaction.

Mr. Shroff has rightly emphasised the need for strengthening the export effort by reinforcing the present system with a suitable institutional arrangement so that the individual attempt to organise trade on scientific lines supported by proper merchandising policy, is not retarded by undesirable elements in their pursuit of quick gains. The Export Promotion Council seems to be fully seized of all the problems. The Council has already set out a programme, covering institutional arrangement, publicity and market studies, which is intended to generate activity in various directions and which will help in achieving the export target. But it will be difficult to meet the challenge of growing foreign competition unless the manufacturers are able to produce quality goods to suit consumer preferences abroad and market them at competitive prices. This underlines the pressing need for modernisation of the machinery employed by the industry. The Government has allowed full utilisation of the entitlements earned for the import of machinery. It is for the industry to think in terms of evolving a scheme within itself which could help in modernising the machinery.

Expanding Plastics Output

The plastics industry has become a key and dynamic one in today's world. Its technology and science are changing the very mode of modern life. In India, the industry is still in its infancy, but its development has been quite rapid over the past years. In 1963, it achieved a production of 25,000 tons, against a capacity of nearly 30,000 tons. Consumption of plastic goods in India is increasing every year despite restricted imports and the limited indigenous production of raw materials. The present consumption of plastics is estimated around 35,000 tons, while the third plan has fixed a production target of 74,000 tons of raw materials for the industry. Taking into consideration the progress achieved by the Indian industry so far, the pattern of growth in other advanced countries, and the fresh avenues opened up for plastics in industry and agriculture, the Plastics Panel has suggested a capacity target of 400,000 tons for the fourth plan. The estimated demand for plastics by 1970-71 is expected to be of the order of about 275,000 tons.

The achievement of the plan targets is possible only if the petro-chemical industry is developed in the country, offering adequate basic chemicals at competitive prices. At present, the industry is largely dependent on imported raw materials, but these are very much restricted because of the difficult foreign exchange position. Total imports of synthetic plastics raw materials in powder and other primary forms amounted to Rs. 4.71 crores in 1963-64, compared with Rs. 6.48 crores in 1962-63 and Rs. 7.77 crores in 1961-62. In view of the heavy reduction in imports, it is scarcely surprising that the industry which had maintained a steady progress for the last many years, received a setback last year due to an acute and prolonged shortage of polyethylene—an essential and high tonnage plastics raw material.

In his welcome speech at the All-India Plastics Manufacturers Conference, held recently in Bombay, the chairman of the Reception Committee, Mr. Kantikumar R. Podar, pointed out that although the Government had belatedly taken some measures to overcome the shortage by importing raw material from the rupee payment area, the supply position still continues to be difficult and many converters are denied supplies of polyethylene. That many factories should be obliged to curtail their output due to the raw material shortage seems unfortunate, especially when the industry is known to be making steady progress on the export front. From a mere Rs. 73.67 lakhs in 1959-60, plastics exports rose to a little over Rs. 1 crore in 1962-63 and further to Rs. 2.643 crores in 1963-64. It must, however, be conceded in all fairness to the Government that the increase in exports has been possible largely due to the various measures taken by the Government, the chief among them being the refund of duties (Customs and excise), supply of raw materials at concessional prices, import entitlements against exports, participation in world fairs and sending of delegations to explore foreign markets. The Plastics and Linoleum Export Pormotion Council is taking energetic steps to augment exports, but the success of the efforts must ultimately depend on the competitive strength of Indian goods.

High costs constitute a continuing problem for the plastics industry. Mr. Kantikumar R. Podar was emphasising the obvious when he pointed out at the conference that unless and until the converters installed the latest types of machinery, which alone can bring down the cost of production and at the same time produce goods of quality acceptable to overseas buyers, no substantial progress could be made in exports. He pleaded for a flexible policy towards the imports of machinery, particularly those which were essential for the export promotion programme. The two projects with foreign collaboration, which are already under implementation and are making satisfactory progress, will before long be able to supply standard types of injection moulding machines. But there are various other types of machinery such as extruders, calenders, embossing rollers and blow moulding machines, which are not produced in the

country. They are very essential for the progress of the industry as a whole. Mr. Podar urged the Government to accord the plastics industry the high priority enjoyed by industries like iron and steel, coal, tea, so as to be entitled to the tax concessions enjoyed by them. He added that adequate assistance and encouragement from the Government were necessary for maintaining a high tempo of growth. Mr. Podar also urged relief in excise duty on plastics which stood at an exorbitant rate of 24 percent and yielded nearly four times the revenue anticipated in the Budget—Rs. 1.6 crores, against Rs. 40 lakhs.

Rationalising Coal Uses

The crisis of overproduction facing the coal industry was analysed by Mr. D. C. Driver, in his speech from the chair at the annual meeting of the Coal Consumers Association of India in Calcutta last week. Some of the basic factors responsible for the crisis, in Mr. Driver's view, are as follows: (1) "vacillating vicissitudes" of declining targets of coal and steel in the sluggish Indian economy; (2) embarrassing surpluses of low- and medium-grade coals, compelling distress sales below cost; (3) amalgamation of small collieries producing non-coking coal, adding only to the output of unwanted grades; (4) setback to planning due to lack of foreign exchange and diversion of available finance to more urgent needs; (5) inability of the private sector, which is in "debt and doubt", to advance with hope; and (6) unrealistic price policies. The speaker did not comment on the proposed coal target for the next five year plan, nor on the pattern of allocation of shares to each sector of the industry, but made some suggestions as to how the uses of coal might be rationalised. He rejected the idea that 30 million tons of low-grade coal can be absorbed in the villages replacing cow dung as domestic fuel. It is not economically practicable at present. The villager gets his cow dung practically free, and he is not likely to spend Rs. 50 or Rs. 60 a ton for coal without the Government subsidising its consumption heavily. The better alternative, in Mr. Driver's view, is the gasification of low-grade coal under high pressure, so that it can become an important source of industrial and domestic fuel. The gas can be carried by a network of grids and inter-connections over fairly long distances. The Durgapur Projects of the West Bengal Government is already doing this on a limited scale by supplying gas to Calcutta. Mr. Driver also holds the view that coal washing is rather uneconomic, because of the high capital cost of washeries and the large outturn of middlings which are hard to dispose of at present. Since the quality of coking coal seems to be deteriorating steadily, it would not be a bad idea to import low-ash foreign coal and blend it with the inferior grades available in the country. Some organisations connected with the Government including the Central Fuel and Research Institute are working on this idea, and experiment is being carried out with a grade of Australian coal.

Presiding over the annual meeting of the Geological, Mining and Metallurgical Society of India, in Calcutta last week, Mr. S. N. Mullick, dealt with the problem of coal surplus. He felt that there was hardly any other industry which was so problem-ridden and at the same time so badly neglected as the coal industry. In fact, since its inception the industry has been suffering from one problem or another, and at times from a multitude of them. Discussing the current slump in demand, Mr. Mullick said that the Government's overestimation of consumption requirements was mainly responsible for this. The slump has led to a slowing down of production, and with that, the demand for coalmining machinery and equipment has sharply declined. He referred to the fourth plan production programme and said that in the new target of 136 million tons involving an additional output of 60 million tons or so, the public sector has been assigned nearly two-thirds of the extra output target, which its past performance does not justify. The provisions of the Mines Act of 152 relating to accidents in coal mines, also came in for criticism. Mr. Mullick felt that it was unfair that harsh penalties should have been prescribed for managerial lapses including the cancellation or suspension of mine managers' certificates, while the negligence of workers was easily overlooked. During the years from 1957 to 1961, the average number of deaths occurring in the 825 mines in India was 262. According to a report of the Chief Inspector of Mines, more than 50 percent of the accidents occurred as a result of misadventure, while about 30 percent were attributed to the faults of the subordinate staff. Most of the accidents, in any case occurred mainly because of workers' negligence.

Panel Report on Cotton Fabrics

The need to bring down the production costs and prices of essential commodities for containing inflationary pressures in India as well as to promote exports can be scarcely over-emphasised. Cloth is not only a necessity of life, but it is also an important foreign exchange earner. That the Government should have given up the third plan export target of 850 million yards of cotton textiles as unattainable and that it should be content with keeping the same target for the fourth plan, underlines the gravity of the situation. A committee on cotton fabrics had been set up to recommend how best costs and prices of cotton textiles could be brought down to reasonable levels. The full report of the committee is not yet available, but from the extracts of its recommendations placed before the Lok Sabha by the Deputy Minister of Commerce, Mr. S. V. Ramaswamy, it appears that the committee has simply restated the problem. It has suggested that reduction in costs to the extent of 15 paise a yard is the minimum to be attmpted and that it would be well (quite naturally) to exceed this target.

The committee has recommended that economies in cloth production should mainly be sought in the price and usage of raw cotton and in the level of wages and labour productivity. This should have been very obvious because between them, raw cotton and wages account for nearly 80 percent of the ex-works costs. The committee says that the prices of Indian cottons are unduly high and out of parity with those of foreign cotton. It points out that a proper economic price for cotton cannot be derived from mere trade experience and, in any case, must be in proper alignment with the prices of other agricultural commodities.

One wonders whether the Government has ever had any integrated price policy for agricultural commodities. If cotton prices in India have been pushed well above world parity, the explanation lies in the chronic unbalance between demand and supply; domestic production of cotton has failed to keep pace with the industry's growing needs. That is why the country has had to spend huge amounts of valuable foreign exchange on cotton imports and the cost might have been formidable but for the supply of cotton by the U.S.A. under P.L. 480. While there is some substance in the committee's view that there is considerable scope for more economic use of raw cotton, cotton prices can be brought down only through more abundant supplies, mainly through increased indigenous production. What is more, production will have to be stepped up by increasing the yield, as the scope for bringing more area under cotton is limited. The industry would very much like to be assured of adequate supplies of cotton at reasonable prices but there is little that it can do to keep these prices down. Next comes the question of wages and labour productivity. This again is nearly beyond the control of the industry.

Engineering Units in Howrah

The working of the numerous small industries in Howrah, where the concentration of such units is said to be the highest in the country, has been surveyed by Jadavpur University, at the instance of the Reserve Bank of India. The survey was conducted between July 1960 and April 1961 by the Econometric Research Unit in collaboration with the Engineering Faculty of the university. The operations of some 200 firms, each employing 20 or more persons, were intensively surveyed, and a "quick survey" was made of the working of 396 out of the 943 smaller units, each employing less than 20 persons. Perhaps for the first time, a study of idle-time, work-time and machine study in the field of small industries was carried out.

Useful data have been collected on several important aspects of the working of these units; the aspects cover capital, labour, costs and output, net value added by manufacture and its distribution between labour and capital, finances, personnel and works management, and marketing organisation. An outstanding feature of the study is that the engineering industries of Howrah display a close inter-dependence, which is evident from the fact that orders are farmed out among neighbours This is perhaps the main reason why despite congested surroundings, new units are constantly springing up there. As the survey shows, most of the units are basically small. Few of them have any internal organisation for production, purchase, sales and accounts. Their factory lay-out is often unscientific. But unlike the medium units, the machines in the smaller units are mostly new. Therefore, a rather disturbing feature is that most of the units with relatively new machines are working below capacity. This is presumably on account of raw material shortages. Despite their obvious growth prospects, these industries are hard put to it to find the working capital. Loan facilities extended by banks are all too often meagre. The survey suggests that with adequate financial and technical assistance, a large number of these units could become viable "and contribute effectively to the industrial potential of the region." Capital goods with the units have also been enumerated according to their type, specification and age. This has made possible an estimation of their replacement cost. It has also collected certain interesting data on capital-intensity and labour productivity which are relevant for policy formulation.

PUJA HOLIDAYS

On account of the Puja holidays, there will be no issue of CAPITAL on 15th October, 1964. The first issue to be published after the holidays will be dated 22nd October, 1964.

THE MONEY MARKET

THE longer we have experience of the Calcutta money market, the more certain does it appear to us that the accounts given of it in local papers are generally misleading. The reports given of it are usually extremely curt, and appear to be based solely upon the willingness of the Exchange Banks to lend to or borrow from each other, to take money from private firms on short deposit or to lend short on Government Paper. The indications, thus afforded, represent only one section of the money market and taken by themselves are very frequently illusory. In fact we may assert that they are nearly always misleading when money is running out. To those who have watched our money market for a period of years it must be evident that the first signs of money running out are discovered in Burra Bazar, secondly in the figures of the Presidency Bank, and lastly, in a sudden change of front on the part of the Exchange Banks. It almost invariably happens that the latter on the occasion of a rise in the Bank rate, after a long spell of apparently cheap money, veer round from being lenders at any rate to bring borrowers at full rates. Consequently, as we have already stated, the indications of the money market, as afforded by the attitude of the Exchange Banks, are frequently misleading. The weekly statements of the Bank of Bengal are also an uncertain guide as they show the result on only one day in the week on which it may happen, and often does happen, that the changes are fortuitous and temporary. Several successive weeks' statements taken together tell with fair exactness how a very large section of the money market is being influenced, but the knowledge is belated before the general outside public can acquire it. The best guide available to the public when money is running out is the comparatively small section of the money market represented by Burra Bazar.

FROM

CAPITAL

13th October, 1904

A Ditcher's Diary

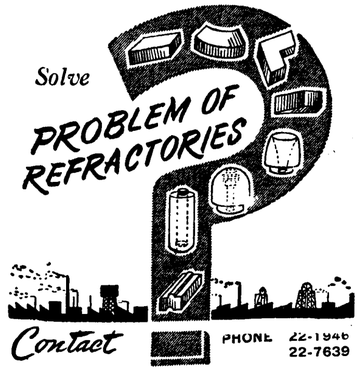
ONE COMMENTATOR, I FIND, HAS QUESTIONED THE *raison d'être* of the Foreign Ministers conferences which, as a matter of routine, precede the so-called summits. I couldn't agree more, extending my scepticism to the summits. From the Indian point of view in general, and Mr. Lal Bahadur Shastri's in particular, it may not be a bad thing that, after all, Mr. Shastri is in Cairo. He needs to be known to the world, and through him the new India. There will be nothing very concrete to show at the end of it all; there never was much even with Nehru participating. Most international conferences are a waste of time; but I cannot see Mr. Shastri suggesting a conferenceless year. The suggestion, if made, has not the slightest chance of being accepted. Like hashish or marijuana, foreign travel is habit-forming; and I will not be altogether surprised if Mr. Shastri, who had hitherto gone only to Nepal, becomes a mild addict. If he doesn't, officials will egg him on. But back to Cairo. What remains of non-alignment? A lot. Non-alignment would be a very odd philosophy indeed if its content were to evaporate with its acceptance by the two super-Powers, as we are assured it has been accepted. The dead horse of anti-colonialism has been flogged again. Some in India need to appreciate that the horse is not all that dead for those in Southern Rhodesia, although there it is an unusual kind of imperialism. Cairo must have noticed the victory of the ruling Rhodesian Front in the two recent by-elections: its implications are still unclear, for Mr. Ian Smith has spoken of the birth of a new Rhodesia while everybody knows that what he wants is old Rhodesia. Unilateral independence? There was little that Cairo could do either way. Those who have prevented the conference from being more contentious than it is have reasons to congratulate themselves: avoidance of unpleasantness is not so negative an achievement as it sounds, when one considers the state of the world today.

MORE THAN ONCE IN THE PAST I HAVE WRITTEN ON the extreme touchiness of our legislatures. Is it possible that in Uttar Pradesh some gentlemen overreached themselves in challenging the judiciary itself? The Supreme Court has since pronounced on the subject with dignity and objectivity. Not for the first time, Mr. A. K. Sen, the Law Minister, has given insufficient evidence of his respect for the judiciary, which is somewhat strange in so distinguished a lawyer. Let us forget the particular U.P. case, about which we have not heard the last. That Houses of Legislature should in the public interest have some privileges is not to be doubted; many a debate would be insipid and unfruitful if members had to speak in constant fear of being hauled up for libel or defamation. The public may, however, soon begin to feel that some legislators at any rate are taking the term "privilege" rather literally and then in a narrow sense. Representing ordinary folk, people like you and me, they then demand to be deemed a class apart. What they seem to insist on is not legitimate protection in the performance of their public duty but the right of free access to precisely those things to which ordinary citizens are not entitled. What they want, in other words, is the right to do and say what they jolly well like, with nobody ever questioning their actions or utterances, while they retain the right to question and condemn the deeds or words of everyone else. A nice position to be in, isn't it? But, as the Press has been reminded and now realises, it is not good for independence to ask for too many privileges; the Press has none, beyond fair comment in the public interest which too can be variously defined, frequently to its disadvantage. Unless legislatures in India devise some self-imposed checks on their behaviour, besides the quinquennial renewal, the people one day may. Though at a tremendous cost, parliamentary democracy in India is not doing too badly; but I must respectfully remind our elected gentlemen that democracy hereabouts is not operating in a sellers' market. *Caveat vendor.*

WE ARE ALREADY FAMILIAR, AT LEAST IN WEST Bengal, with a meatless day, which is also dry and riceless in restaurants. But, oh, a meetingless day a week sounds so much meatier! This is intended as a compliment, although, Mr. Shastri, a strict vegetarian, may not readily think so. But imagine the parallels and the possible consequences. Mahatma Gandhi had a day of silence. Is the meetingless day in New Delhi going to be a day similar? Somehow I can't see it. The temptation to swap the latest gossip about that Deputy Minister and his alleged girl friend (or business friend) must be irresistible. It is, I am sure, an exaggeration, that this was principally the business conducted at those inter-ministerial meetings where decisions were expected to be taken on the spot. The Prime Minister's decision seems to be that the time has come to call a halt to wasteful confabulations or coffee meets. Before 1947 decisions used to be taken, still tardily, on the "old boy" basis: Jim rang up Bob and everything was ticketiboo. (O.K. came later.) There has since been a great divide, insufficiently noticed. In some ministries there is an I.A.S. boss; in others a man with the magic initials, I.C.S. The line of communication between the two is more tenuous than the public knows. If my information is not wholly incorrect, most of the conferences now to be off for at least once a week saw a tussle between one class and another. Ministries represented by Ministers always ticked off those represented by Deputy Ministers; ministries with an I.C.S. delegate always took it for granted that one with an I.A.S. spokesman had to be put in its place. Decisions were the last things taken. All right, then: there will be fewer conferences. May I now suggest that the officials immediately demand that Ministers address fewer public meetings and attend fewer public receptions? This seems to me entirely legitimate, for it is at these gatherings that Ministers make promises which can never be honoured within the rules. That's the beginning of corruption at more levels than one. What Mr. Shastri probably has in mind is that even Ministers and officials should have some time for thinking instead of talking. Alas, a lack of time is seldom the main impediment to thinking.

FORTUNATELY FOR US, TELEVISION IS NOT YET A factor in this country's election campaigns. I hope we shall be free of its tyranny for some years yet, because from what one can see of the influence it has at present in Britain and the United States, democracy is better off without it. I am old-fashioned enough to believe that the important thing in elections is what is said about policy, not how a particular politician says it, or what he looks like as he does so. Yet, from what I hear, President Johnson dare not explain his own admirable policies on television without first being groomed in techniques which are more appropriate to an actor than a statesman. The "star system", thanks to television, is now as firmly established in western politics as it is in the cinema. Mr. Harold Wilson, for instance, has been cultivating his screen personality most carefully in recent months; his advisers have decided that the pipe he habitually chews does not square with the image he wants to create of a dynamic nation-manager. It was said of the 1959 election in Britain that one of the reasons for Labour's defeat was the old-fashioned devotion it showed to policy rather than personality. To some extent that was inevitable for a Party which has always been long on good intentions and short on comforting words. But this time it is different; while retaining its fondness for policies, Labour is taking great pains to put across at least its leading personality, Mr. Wilson. Strangely enough, the Conservatives seem to be failing to do that this time. In the absence of Mr. Macmillan, a television "natural" if ever there was one, Sir Alec Douglas-Home is simply not making the run-

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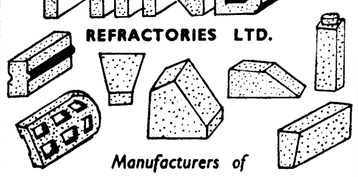
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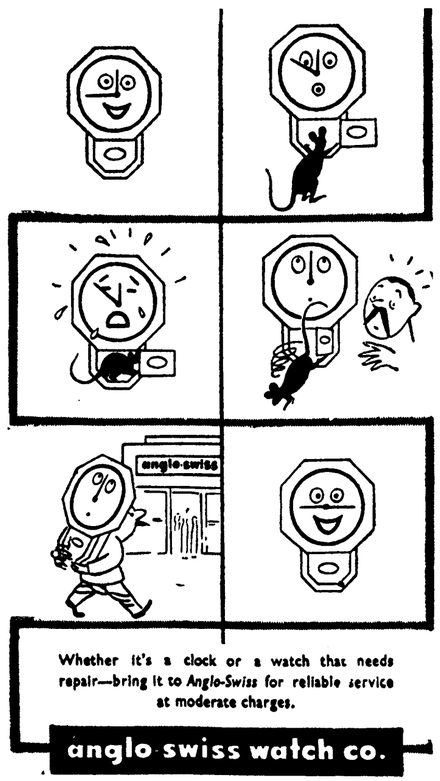
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ning. Sir Alec is a colourless personality at the best of times; his main electoral use to the Party has always been as an aristocratic contender for what is derisively known as the "forelock pulling" vote. As a television personality, he projects neither the dynamic image of a Wilson nor the paternal one of his predecessor.

A FRIEND WHO HAS JUST RETURNED FROM BRITAIN assures me that there will be no racial issues in next week's general election, despite the fact that more than one in every hundred voters there is now coloured. Unlike India, where a Briton can live for the major proportion of his life and still not be entitled to vote in a general election, in Britain Commonwealth immigrants are included in the voters' rolls if they happen to be in the country when these are being compiled. The result is that their numbers would now make them a powerful force in some constituencies, or conversely a potential liability, if any Party cares to take advantage of the fact. Fortunately none has yet tried, except the Fascists and they do not count. There have been recent examples of overt racialism: the revival of the by-election slogan: "If you want a nigger as a neighbour, vote Labour", promptly disowned by the candidate to whom it was attributed, is one of them. But on the whole there is a marked reluctance—amounting really to fear after what happened recently in the United States—to wake the sleeping racial monster. My friend says that the main source of irritation between resident and immigrant sections of the community at the moment, housing, only incidentally touches on the race issue. He was talking to a postman the other day, a mild little man who spoke without bitterness about having fought for his country for six years during the war and not being able to get a house since because he had always been crowded off the housing list by families with more children. Now the immigrants are being given first priority because, as he put it, they can always find any amount of children whether they are their own or not. Such incidents could eventually give rise to serious grievances.

WITH MR. NEHRU'S DEPARTURE FROM THE INDIAN scene there has been, in India's international rôle, a reduction not in degree but in dimension; I have been nagging away on this theme for months now. Whether Mr. Lal Bahadur Shastri has more or less gracefully accepted this new rôle will not be clear until he has completed his visit to Cairo. He has, however, given welcome indications that the scale is to be reduced domestically also. He is entirely right. He first said that he would like too see community development workers do some footwork; jeeps are useful but have in more ways than one contributed to the estrangement of Authority from the people. Now Mr. Shastri has hit upon the idea of small cars for Ministers. From what gossip I have heard, Mr. Shastri was not being politically diplomatic or diplomatically friendly to colleagues when he made the admission in the Rajya Sabha that, in the matter of setting examples of austere living, he was "also guilty of that mistake". But let that pass. Mr. Shastri's desire to help the indigenous motor-car industry will no doubt comfort some souls, without altogether silencing all critics. Let that pass too; I'm, believe it or not, in a forgiving mood at the moment. The Vice-President, Dr. Zakir Hussain, was right in saying that the Government had to begin somewhere; perhaps small cars for Ministers are as good a beginning as any. The symbolic value of the beginning can, however, be exaggerated; its essential insubstantiality needs to be exposed just the same. The exceptions the Prime Minister has already made for Chief Ministers and bureaucrats turned tycoons in public-sector industries are already evidence that the iron curtain between Governments and imported diplomatic cars is going to be flexible enough to be meaningless. But, the car is not the thing. What matters is the smaller man sitting inside the small car under the new dispensation; he will not grow bigger. Mr. Shastri can do very little about that. He is also certain to be persuaded that an Indian ambassador abroad in a small Ambassador does not represent India's dignity. Oh, the deceptiveness of those symbols of austerity!

THE DITCHER

Guide for Investors

MARTIN BURN LIGHT RAILWAY GROUP DISAPPOINT

THE results of the light railway companies under the managing agency of Martin Burn Ltd for the year ended March 1964 have been published. The Shahdara (Delhi)-Saharanpur Light Railway Co. Ltd has incurred a net loss of Rs. 79,531, against one of Rs. 1.21 lakhs for 1962-63. Gross earnings amounted to Rs. 39.64 lakhs (against Rs. 37.54 lakhs) and the working expenses to Rs. 37.59 lakhs (against Rs. 36.28 lakhs). Replacement and renewals are allocated Rs. 1.51 lakhs (against Rs. 1.06 lakhs). The loss has been offset by transferring funds from general reserve. The directors think that this railway cannot be run at a profit. The position has been explained to the Central Government and the Government of Uttar Pradesh. They have also suggested that either the railway should be nationalised or it should be given financial assistance. The Central Government is unwilling to accept any of the suggestions, while the State Government has not yet given any reply to the Company. The dividend has been passed.

The Howrah-Sheakhala Light Railway Co. Ltd has reduced the taxable ordinary dividend from 4 percent to 3 percent. At the present price of Rs. 36.50 a share of Rs. 100 each, the yield amounts to 8.2 percent. Gross earnings have amounted to Rs. 9.35 lakhs (against Rs. 8.99 lakhs) and working expenses to Rs. 7.97 lakhs (against Rs. 7.92 lakhs). Replacement and renewals are allocated Rs. 52,000 (against Rs 16,241). General reserve is allocated Rs. 13,000, leaving a carry-forward of Rs. 1,006, against Rs. 2,342 brought in.

The taxable ordinary dividend of the Howrah-Amta Light Railway Co. Ltd has been reduced from 4 percent to 3 percent and the yield amounts to 7.5 percent at the present price of Rs. 40 a share of Rs. 100 each. Gross earnings rose from Rs. 29.89 lakhs to Rs. 31.36 lakhs, and working expenses from Rs 26.81 lakhs to Rs 28.04 lakhs. Replacement and renewals absorb Rs. 1.25 lakhs (the same). The carry-forward is Rs. 2,077, against Rs. 6,372 brought in.

Better Results from Shipping Corporation

THE State-owned Shipping Corporation of India continues to make good progress. Its working results for the year ended March 1964 show an all-round impressive improvement over the previous year's performance. The cargo handled, operating earnings and gross profit—all show an appreciable increase. The cargo handled during 1963-64 amounted to 1.327 million tons, against 1.189 million tons in the preceding year; over the past five years the cargo handled by the Corporation's vessels has gone up by nearly three-and-a-half times. Earnings by way of freight, passage money, charter hire, etcetera, increased from Rs 10.43 crores to Rs. 13 crores. The gross profit rose from Rs 2.98 crores to Rs 3.31 crores. After transferring Rs. 80 lakhs from the development rebate reserve and writing back Rs. 3.10 lakhs being excess provision relating to previous years no longer required, the amount available for disposal comes to Rs 422.49 lakhs.

Appropriations include depreciation Rs. 1.789 crores (against Rs. 1.557 crores), development rebate Rs. 1.32 crores (against Rs. 80.20 lakhs), taxation Rs. 12.70 lakhs (against Rs. 10 lakhs), gratuity reserve Rs. 5 lakhs (against nil) fleet special repairs reserve Rs. 15 lakhs (against Rs. 21.08 lakhs), staff welfare reserve Rs. 1 lakh (the same) and general reserve Rs. 60 lakhs (against Rs. 32.70 lakhs). After making these allocations and some minor adjustments, there remains a sum of Rs. 3.64 lakhs to be carried forward, against Rs. 22.359 brought in.

The directors think that the prospects of the Corporation handling increasing volume of cargo and achieving higher earnings in the coming years are bright. The Corporation's fleet at present consists of 29 vessels aggregating 236,586 G.R.T. Firm orders for 20 vessels totalling about 200,000 G.R.T. have already been placed. Other shipbuilding orders, including bulk carriers and proposals for purchasing two or three second-hand vessels, are under the active consideration of the Corporation. The Corporation confidently looks forward to having a fleet exceeding 500,000 tonnes in 1967. The Corporation entered the U.S.A. trade in May 1963, and it has firmly established itself in this competitive trade. Its vessels have fully participated in the increased trade between India and Russia, Rumania, Bulgaria and Poland. The Corporation hopes to participate in the proposed India-U.A.R. shipping service which is likely to be inaugurated next year. As against its subscribed capital of Rs. 23.45 crores, the Corporation's reserves and surplus amount to Rs. 4.98 crores. Depreciation amounting to Rs. 7.97 crores has been provided against the fleet account of Rs 34.98 crores, leaving a net block of Rs. 26.99 crores.

Muttra Electric Supply Pays the Same

MUTTRA Electric Supply Co. Ltd has repeated the taxable ordinary dividend of 9 percent for the year ended March 1964. At the present price of Rs. 11.06 a share of Rs. 10 each, the yield amounts to 8.1 percent. After providing Rs. 91,464 (against Rs. 81,284) for depreciation, Rs. 1.50 lakhs (against Rs. 63,000) for taxation, Rs. 15,516 (against Rs. 14,618) for contingencies reserve, Rs. 12,235 (against Rs. 23,411) for development reserve, Rs. 33,791 (against Rs. 8.154) for rebate to consumers, the profit has improved from Rs. 79,925 for 1962-63 to Rs. 81,127 for 1963-64. General reserve is allocated Rs. 30,000 (against Rs. 23,500), leaving a carry-forward of Rs. 5,727, against Rs. 12,919 brought in. Units sold rose from 7.1 million to 8 million, and revenue from Rs. 13.71 lakhs to Rs. 18.75 lakhs.

Less from East India Coal

RAISINGS and despatches of the East India Coal Co. Ltd for the year ended April 1964, dropped mainly due to the reduced offtake by the steel plants. The accumulation of stocks of coking coal at pitheads seriously hindered output and raised production costs. Although the selling price of coal was increased by the Government in March 1964, the producers of coking coal have not benefited much because the price increase was made conditional upon determination of the grade of coal by joint sampling and analysis at destination. In practice, joint sampling has become impossible because of various difficulties. In their report, the directors mention that although tax relief was obtained by the Company under the Finance Act 1964, it is inadequate to provide funds for further expansion during the fourth five year plan. No 3 pit at Kendwadih was sealed off since 1959 due to fire, but it has now been successfully reopened. The reorganisation and development of the collieries could not be completed due to the accumulation of pithead stocks of coal. The development programme of the subsidiary Company has been delayed because imported equipment is taking a longer time to arrive than was expected earlier. The subsidiary has incurred a loss for 1963-64.

The profit has risen from £149,174 for 1962-63 to £160,962 for 1963-64, after providing £85,533 (against £71,400) for depreciation and £64,329 (against £197,625) for taxation. The taxable ordinary dividend has been reduced from Rs. 2.75 to Rs. 2 a share of £1 each. The yield amounts to 7.1 percent at the present price of Rs. 28.25 a share. General reserve is allocated £75,896 (against £20,015) and development rebate reserve £57,994 (against 52,818).

Patna Electric Supply Repeats

THE Patna Electric Supply Co. Ltd is making satisfactory progress and the future outlook is considered encouraging. Units sold during the year ended March 1964, rose by 9.16 percent over those of 1962-63. The Company's transmission and distribution systems are being expanded to meet the rising demand for energy. It has also taken steps to install new equipment to complete the expansion project.

The profit has risen from Rs. 2.12 lakhs to Rs. 7.11 lakhs, after transferring Rs. 6,141 (against Rs. 9,294) to depreciation, Rs. 4.88 lakhs (against Rs. 4.60 lakhs) to provision for taxation, Rs. 81,251 to development reserve and Rs. 54,845 to contingencies reserve. General reserve is allocated Rs. 1.10 lakhs. A taxable ordinary dividend of 10 percent has been repeated, which works out to a yield of 9.5 percent at the present price of Rs. 10.50 a share of Rs. 10 each. The carry-forward is Rs. 61,066, against Rs. 8,329 brought in.

Megna Mills Reduces Dividend

THE directors of the Megna Mills Co. Ltd mention in their report for the year ended March 1964 that it is essential to maintain stable prices for jute goods to discourage the use of substitutes. Although buffer stocks of raw jute have been created to restrain fluctuations in prices, the recent release from these stocks has had little effect on the price of fibre. The Company installed 275 carpet-backing looms during 1963-64.

The profit has declined from Rs. 1.07 crores for 1962-63 to Rs 68 lakhs for 1963-64, after providing Rs. 27.90

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lakhs (against Rs. 17.47 lakhs) for depreciation. The taxable ordnary dividend has been reduced from 22 percent to 12 percent which offers a yield of 9.5 percent at the present price of Rs. 12.62 a share of Rs. 10 each. Taxation absorbs Rs. 36 lakhs (against Rs. 51.25 lakhs), contingency reserve Rs. 10.50 lakhs (against Rs. 86 lakhs) and development rebate reserve Rs. 12 lakhs (against Rs. 11.25 lakhs). The carry-forward is Rs. 3,495, against Rs. 37,681 brought in.

Election to Nedeem Tea Board

THERE was no lack of information at the recent annual meeting of Nedeem Tea Company in London. Questioned by representatives of Mr. K. C. Sethia, and by counsel for one of the Sethia interests, the chairman provided detailed breakdowns of the marketing and general expenses of the Company. Arising from these questions, Mr. J. R. Vernede disclosed the basis of fees and commissions paid to the Calcutta and London agents and secretaries. The Calcutta agent is paid 2½ percent on crop proceeds and 1½ percent on profits, while London has 1 percent on the crop and ½ percent on profits. This looks reasonable enough, compared with the significantly higher average levels that probably apply throughout the industry. Mr. Vernede reported that so far this year, the crop had improved by 900,000 lbs to over 6.2 million lbs. Prices realised were about 1d a lb better.

Moves to elect Mr. Sethia to the board in place of a retiring director were heavily defeated on a poll. The chairman gave an assurance that queries raised on the basis on which the board's pay was calculated would be considered by the directors. Surprisingly, no reference was made by any member to the decline in the share price, 13s 6d, against a peak of 27s 3d; since the failure of the Sethia bid for control.

India Jute Cuts Dividend

THE India Jute Co. Ltd has cut the taxable ordinary dividend from 18 percent to 12 percent for the year ended March 1964. The yield works out to 9.7 percent at the present price of Rs. 15.44 a share of Rs. 12.50 each. The profit has dropped from Rs. 58.76 lakhs for 1962-63 to Rs. 28.14 lakhs for 1963-64, after transferring Rs. 24.72 lakhs (against Rs. 13.92 lakhs) to depreciation. Development rebate reserve is allocated Rs. 5.54 lakhs (against Rs. 6.40 lakhs), contingency reserve Rs. 2.10 lakhs (against Rs. 49.25 lakhs) and bad debts reserve Rs. 70,000 (against Rs. 1 lakh). Provision for possible loss on forward contracts absorbs Rs. 1.06 lakhs and taxation Rs. 8.25 lakhs (against Rs. 31 lakhs). The carry-forward is Rs. 8,630, against Rs. 4,811 brought in.

Commenting on the outlook for 1964-65 in their report, the directors pointed out that the Pakistani mills enjoy a Government subsidy of Rs. 275 a tonne of jute goods in addition to the low cost of fibre. Although the Indian industry has been asking the Government for a subsidy to counteract the Pakistani competition, the Government has not so far taken any step in this direction. They refer to rising production costs following increased labour emoluments and higher costs of mill stores and power. The Company installed 42 carpet-backing looms during 1963-64. In the cotton section, 36,092 spindles out of the total complement of 47,586 spindles have been installed. It is proposed to install automatic looms in the near future.

Setback to Malayalam Plantations

HAVING recently had their dividend raised from 20 percent to 22½ percent, shareholders of Malayalam Plantations must be prepared for a less rewarding year ahead. In 1963-64, new crop records were established for tea and rubber, but lower profits from both commodities are in prospect for 1964-65. Mr. John Sands, the chairman, reports in his annual statement that the tea estates have been hit by the most prolonged and severe drought for many years with the result that for the first five months of the current year, only 10,036,000 lbs had been harvested, compared with 11,777,000 lbs for the same period of 1963-64. At best, the final tea crop might be around 24 million lbs, against 25.1 million lbs last time.

The rubber crop has also suffered early setback, the harvest up to end-August being 847,000 lbs less at 3,691,000 lbs. The shortfall is entirely due to a strike by tappers. The 1964-65 crop is now unlikely to exceed about 10 million lbs, against 10,800,000 lbs in 1963-64. There is also the prospect of increased costs of production and replanting. With the dividend 1.5 times covered the 2s units at 2s 6d, return 17 percent.

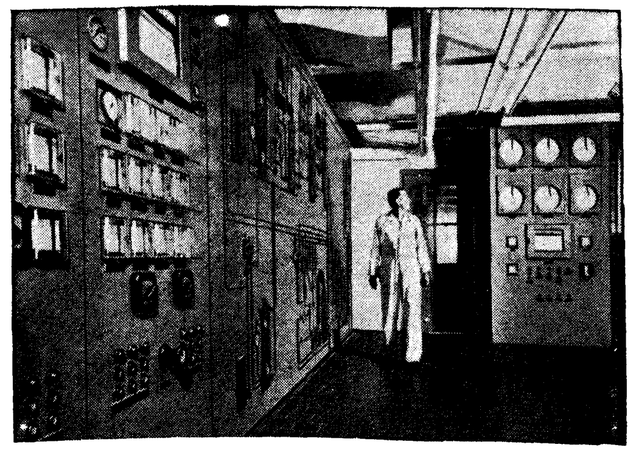
T. Stanes Pays Less

FOLLOWING a drop in profit for the year ended March 1964, the directors of T. Stanes and Company have reduced the ordinary dividend to 30 percent from the previous year's 33½ percent. The profit for the year amounts to Rs. 7,08,581 after providing Rs. 89,059 for depreciation, compared with the previous year's profit of Rs. 9,50,847 after providing Rs. 73,815 for depreciation. With the amount of Rs. 53,666 brought forward from the previous year, the total available for appropriation comes to Rs. 7,62,247. Out of this, the provision for taxation amounts to Rs. 3,20,000 (against Rs. 4,20,000). Additional income tax for previous years amounted to Rs. 38,404. A sum of Rs. 1,460 is transferred to development rebate reserve (against Rs. 7,761).

The interim dividend of 10 percent on ordinary shares amounted to Rs. 1,15,630. The final dividend of 20 percent on ordinary shares amounts to Rs. 2,31,260. The preference dividend at 7 percent amounts to Rs. 8,741. The balance of Rs. 46,752 is carried forward to the next year. The directors' report says that although the turnover during the year has been maintained, the Company and its subsidiaries made a smaller profit due to keen competition from others. There was a decrease in profits for the subsidiary companies too.

Oriental Power Cables Starts Production

IN their report for the year ended May 1964, the directors of Oriental Power Cables Ltd state that the Company has started commercial production of paper-insulated power cables up to 33 kV at its Kotah factory from June 1964. The construction of the factory buildings and erection of plant and machinery were completed in May, and trial runs were started immediately thereafter. Cables of various sizes manufactured by the Company during the trial runs have been found satisfactory. The quality of the cables is stated to have been approved by State electricity boards and other big consumers of cables. In anticipation of achieving the desired production target, the Company has already started booking orders for cables of different sizes from elec-



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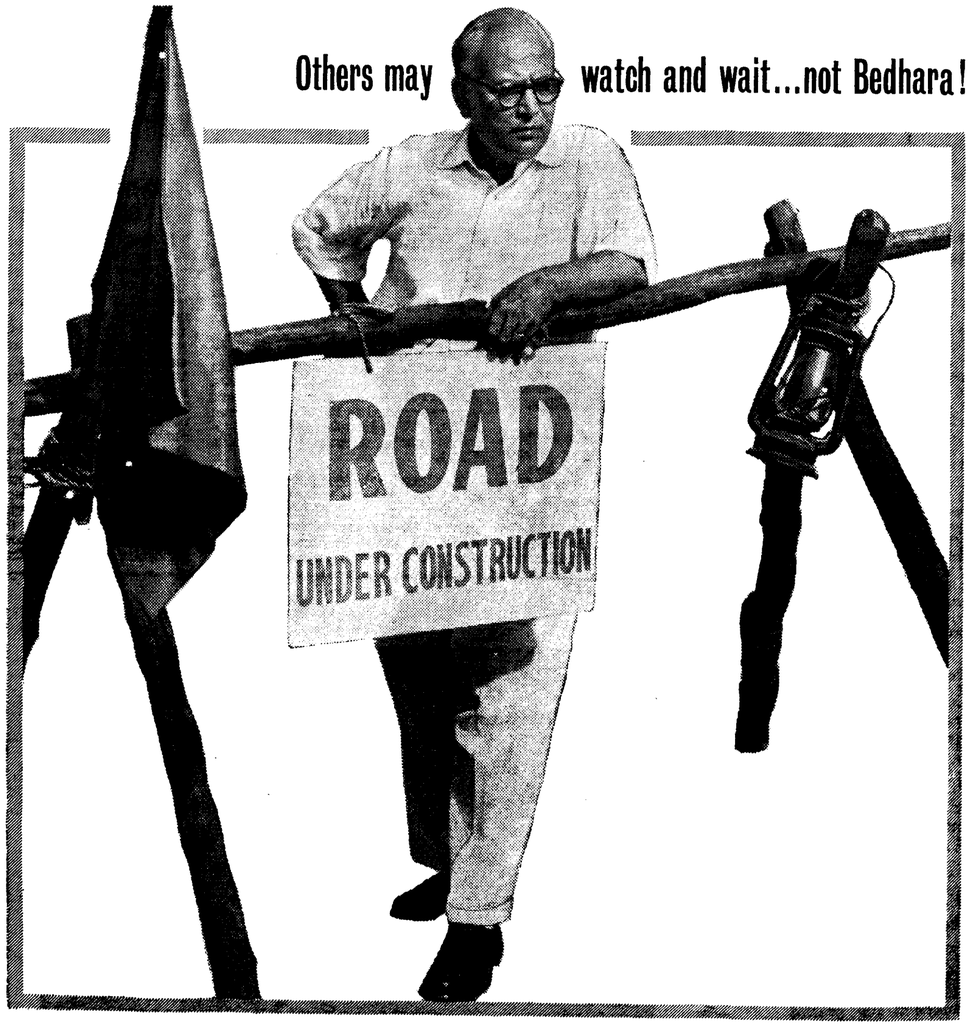
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tricity boards and other dealers, and it is stated to have booked orders for about seven months' production.

Unfortunately, it has not been possible to get sufficient licences for importing the necessary raw materials to achieve the desired production. The Company has obtained a letter of intent for increasing the present production capacity of paper insulated power cables from 960 kilometres to 1,600 kilometres and also for the manufacture of 640 kilometres a year of P.V.C. cables. With the technical collaboration of Sumitomo Electric Industries Ltd, Japan, the Company now manufactures paper insulated power cables mass impregnated non-draining (or with normal compound), lead or lead alloy sheathed steel tape or steel wire armoured of all sizes and types both for industrial and mining applications. The Company's plant is claimed to be the first to manufacture paper-insulated power cables over 11 kV in India and it can offer 22 kV and 33 kV screened or S. L. type cables. The Company has obtained the I.S.I. mark for its power cables up to 11 kV. Since the commercial production was started after the close of the financial year, there were no sales during 1963-64.

After transferring Rs. 13.01 lakhs to expenditure during construction account and after providing Rs. 22,000 (against Rs. 27,000) for taxation, the Company has incurred a loss of Rs. 59,650. Together with the carried forward loss of Rs. 32,185 from the previous year, the total loss amounting to Rs. 91,835 has been carried forward.

Progress of East Anglia Plastics

REVIEWING the progress of East Anglia Plastics India Ltd in his chairman's address at the annual general meeting of the Company held in Calcutta last Friday, Sir D. N. Mitra said (a full text of the speech was printed in the last week's issue of *Capital*) said that the compunding unit at Dum Dum was making good progress The volume of production was expected to increase in due course. The plasticiser project would start operating soon. He mentioned that the Company intended building a comprehensive integrated unit which is essential for the development of the cellulose acetate industry. Research is essential for developing this industry, and the Company is giving proper attention to this aspect of its production.

Expansion of Mysore Paper Mills

THE directors' report of the Mysore Paper Mills Ltd for the year ended March 1964 states that production during the year has increased by about 8 percent over the previous year and the turnover has improved to Rs. 130,30,769 from the previous year's Rs. 122,98,760. The report adds that the costs of raw materials, chemicals, and labour, etcetera, have all risen while the selling prices remain the same in spite of repeated representations to the Government of India for a suitable increase in the prices.

The net profit for the year amounts to Rs. 9,92,696, after providing Rs. 5,76,201 for depreciation. The previous year's net profit was Rs. 6,37,287, which was arrived at after providing Rs. 6,03,908 for depreciation and Rs. 6,00,000 for taxation. The directors state that no provision for taxation is required as the Company has no assessable income for the year on account of the development rebate allowance. With Rs. 15,216 brought forward, Rs. 1,22,500 transferred from dividend equalisation reserve, and Rs. 21,51,000 transferred from general reserve, the total comes to Rs. 32,81,412. Out of this, the directors have transferred Rs. 21,51,000 (against Rs. 22,800) to reserve for development rebate. The proposed dividend of 9 percent on shares of Rs. 10 each, fully paid, will absorb Rs. 2,25,000. The proposed dividend at 9 percent on the new shares for the proportionate period accounts for Rs. 8,25,000. Provision for taxation on dividend comes to Rs. 78,750. The balance of Rs. 1,662 is carried forward.

The report says that the progress of the expansion scheme to increase the production capacity to 18,000 tons a year has been well maintained. The directors hope that the full benefits of the expansion scheme will begin to be felt when the erection and installation of the pulp plant and modern soda recovery plant are completed in November 1964.

Sijua (Jherriah) Electric Earns More

SIJUA (Jherriah) Electric Supply Co. Ltd has earned a profit of Rs. 1.98 lakhs for the year ended March 1964, against Rs. 1.49 lakhs for 1962-63, after transferring Rs. 1.34 lakhs (against Rs. 1.51 lakhs) to depreciation, Rs. 23,230 (against Rs. 22,396) to contingencies reserve, Rs. 2.81 lakhs (against Rs. 3.73 lakhs) to taxation and Rs. 60,000 (the same) to debenture redemption reserve. A taxable ordinary dividend of 9 percent has been maintained. The yield amounts to 9.4 percent at the present price of Rs. 9.62 a share of Rs. 10 each. General reserve is allocated Rs. 50,000, leaving a carry-forward of Rs. 6,958, against Rs. 4,081 brought in.

Sales of energy rose by 29 percent, but the net surplus before taxation dropped due to the increased cost of fuel and because of the payment of additional surcharge on the purchase of energy.

Hindustan Electric Pays Again

THE Hindustan Electric Co Ltd has declared a dividend of 4 percent for the year ended April 1964, which brings the Company back to the dividend list after a break of two years. The Company has fared much better than in the preceding year although the increase in the gross profit is much too small in relation to the rise in sales. The turnover has been more than doubled from Rs. 2.26 crores to Rs. 4.73 crores, whereas the gross profit has gone up by hardly 20 percent from Rs. 22.96 lakhs to Rs. 27.37 lakhs. No provision has been made for managing agents' commission which amounted to Rs. 30,852 in the previous year.

Depreciation gets Rs. 6.33 lakhs, against Rs. 3.18 lakhs, and taxation accounts for Rs. 9.50 lakhs, against Rs. 5.19 lakhs. The provision for development rebate has been stepped up from Rs. 17.533 to Rs. 1.53 lakhs and a sum of Rs. 2 lakhs (against Rs. 1.50 lakhs) has been set aside for doubtful debts. The proposed equity dividend absorbs Rs. 4.80 lakhs (against nil) and preference dividend takes up Rs. 1.71 lakhs (against Rs. 3.53 lakhs for two years). After making certain minor adjustments, there remains a balance of Rs. 95,502 to be carried forward, against Rs. 12,767 brought in. The Company has a large expansion programme on hand and it recently announced a rights issue of Rs. 60 lakhs. The Company's Howrah works has started regular production and normal labour conditions have been restored there. The Rs. 100-paid share of Hindustan Electric is currently quoted around Rs. 108, offering a meagre gross return of 3.8 percent.

Nilgiri Tea Estates Pays More

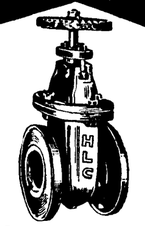
AN improvement in the profit of the Nilgiri Tea Estates Ltd for the year ended March 1964 has enabled the Company to pay a higher dividend of 7½ percent on the ordinary shares, against 5 percent for the previous year. The net after-tax profit for the year amounts to Rs. 1,47,975, after providing Rs. 69,539 for depreciation and Rs. 1,40,000 for taxation. The previous year's profit was Rs. 94,180, after providing Rs. 68,417 for depreciation and Rs. 40,000 for taxation. With the balance of Rs. 8,183 brought forward from the previous year, the total comes to Rs 1,56,159. Out of this, the dividend on ~~preference~~ shares at 8 percent accounts for Rs. 22,484. The equity dividend at 7½ percent absorbs Rs. 1,05,468. The balance of Rs. 28,207 is carried forward.

The tea crop harvested during the year amounted to 509,705 kilograms. The crop harvested up to 31st July, 1964, was 184,477 kilograms, against 241,326 kilograms for the same period in 1963, because of the severe drought in south India. The estimated tea crop for 1964-65 is 511,800 kilograms.

More from Jubilee Mills

THE Jubilee Mills Ltd has raised the dividend for the year ended June 1964 from Rs. 4.50 to Rs. 5 a share. The preliminary report shows

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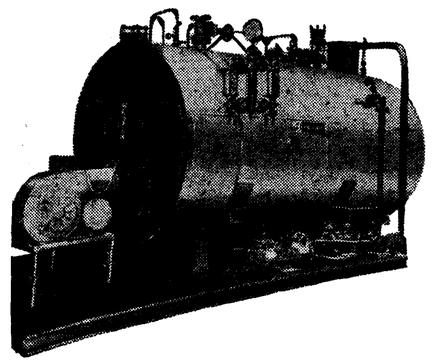


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that the Company has fared better than in the previous year, with the turnover up from Rs. 85.30 lakhs to Rs. 94.30 lakhs and the gross higher at Rs. 29.36 lakhs, against Rs. 27.02 lakhs.

The provision for depreciation has been raised from Rs. 4.47 lakhs to Rs. 7.21 lakhs. Statutory development rebate takes up Rs. 1.16 lakhs, against Rs. 1.50 lakhs, and taxation absorbs Rs. 12.60 lakhs, against Rs. 11.40 lakhs. A sum of Rs. 6.25 lakhs has been transferred to the general reserve and the proposed dividend is to be paid out of this reserve. The Company spent Rs. 11 lakhs on machinery and building during the year and a screen printing department has been set up recently.

Shree Gopal Industries Pays Maiden

SHREE Gopal Industries Ltd, a subsidiary of Shree Niwas Cotton Mills, has declared a maiden dividend of 10 percent for the year ended June 1964. This follows an impressive improvement in the Company's performance during the year. The turnover has risen by 27 percent from Rs. 44.24 lakhs to Rs. 56.25 lakhs, and the gross profit has increased by 21 percent from Rs. 12 50 lakhs to Rs. 15.12 lakhs. The directors have written back a sum of Rs. 1.40 lakhs being the excess provision for development in the previous year and this brings the disposable surplus to Rs. 16.52 lakhs. After providing Rs. 8.80 lakhs (the same) for depreciation, Rs. 4.20 lakhs (against Rs. 4 lakhs) for development rebate, Rs. 1.50 lakhs (against nil) for taxation and Rs. 50.000 (against nil) for general reserve and Rs. 1.60 lakhs (against nil) for dividend, there remains a balance of Rs. 10.000 to be carried forward, against Rs. 18,000 brought in.

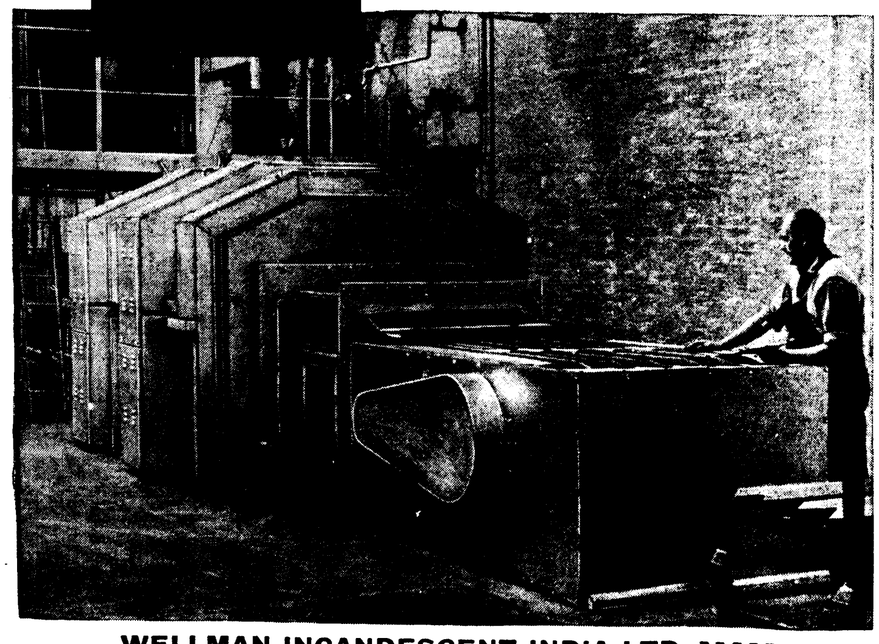
The directors state that the Company's expansion programme of setting up additional 13.000 spindles is making rapid progress. During 1963-64, 6,320 spindles were put into commission and the remaining 6,680 spindles are expected to be put into operation by the end of this year. The Company has also ordered further 2,504 spindles in accordance with the Government's general permission to increase the installed capacity. The total licensed capacity of the mills is now 27.504 spindles, and the management is making efforts to achieve this capacity by the end of 1965. Meanwhile, preparatory machines have arrived from the U.S.A. and are to be installed shortly. During the year 1963-64, the Company added machinery worth Rs. 15.37 lakhs and a further programme involving an outlay of Rs. 15 lakhs is on hand for the current year. The working of the Company is expected to improve further when the additional spindles are installed. The Company has an equity capital of Rs. 16 lakhs, and its gross block is valued at Rs. 59.80 lakhs.

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The Stock Markets

LYONS RANGE DULL DESPITE GOOD CORPORATE NEWS

Wednesday Evening.

SLUGGISH conditions have prevailed in the Calcutta stock market during the past week. Operators are generally inclined to keep their commitments light in view of the forthcoming Puja holidays. Share prices have fluctuated narrowly. Although selling pressure is not conspicuous, bulls are inclined to take profit at every rise. Turnover centres largely on clearing shares, which have tended to drop towards the close due to the absence of support. In spite of a small turnover in cash scrip, prices of selected shares are steady due to the shortage of floating stocks. The Unit Trust and the Life Insurance Corporation have reportedly shown interest in ordinary shares.

Although corporate news is, on the whole, encouraging, Lyons Range is inclined to take a cautious view of the short-term trend. Dunlop Rubber has decided to issue rights ordinary shares at a premium of Rs. 10 a share of Rs. 10 each to the existing shareholders in the proportion of one new share for every three held. It is also thinking of capitalising the share premium account in due course to issue bonus shares, subject to the sanction of the Controller of Capital Issues. The Company is to be complimented on having adopted the practice of paying an interim dividend. It has already declared an interim taxable ordinary dividend of 8.75 percent for the current year.

Operators apprehend that the stock market will feel the shortage of funds when the busy season starts in three weeks or so. Due to the new credit restraint enforced by the Reserve Bank, bank credit will become scarcer and costlier. It is also likely that funds will be diverted to bank deposits because the rates of interest on deposits have recently been increased. Since dividend yields have been rendered less attractive due to the rise in market rates of interest, funds will tend to be shifted away from stocks and shares.

Political developments are also considered unfavourable. The outcome of the proposed Shastri-Ayub meeting will be watched with keen interest. China's attitude seems to have taken a turn for the worse.

Indian Iron are sluggish and have tended to drop. The production of the Company during September 1964 has, nevertheless, shown an improvement over that of August 1964. The output of pig iron has risen from 91,003 tonnes to 104.733 tonnes and that of steel ingots from 70,333 tonnes to 77.244 tonnes. The production of salable steel has improved from 53,526 tonnes to 54,671 tonnes. Despatches of salable steel have dropped from 57,875 tonnes to 49.826 tonnes. Engineering shares are dull, and stray business has been transacted, in Guest Keen, Williams, Textile Machinery and Indian Standard Wagon. Jesop have, nevertheless, been a steady feature. Interested support has been forthcoming for Binani Metal, J. K. Steel and Jay Engineering.

Prices of clearing miscellaneous shares have declined on balance. Interest has been shown in Union Carbide, Philips India, Britannia Biscuits and Indian Oxygen. National Insulated Cable, National Rolling Mills and British India Corporation are steady. India Steamship have recovered on short-covering. Among new shares, Hindustan Aluminium and Hindusthan Twyfords have been supported. Electric company shares have not responded to the prospect of an increase in the "reasonable return" following the rise in Bank rate. Managing agency shares like Jardine Henderson have tended to drop. In paper shares, Orient have slipped back but Titaghur are steady. Bengal and Seshasayee have been supported. Bank shares have been neglected.

Small business has been transacted in jute shares. Birla, Union and Lawrence are steady. Nominal business in coal and tea shares has passed at lower prices. Cotton mill shares are hesitant due to the introduction of partial control on cloth. Government securities are quietly steady. Turnover has been restrained due to the absence of institutional support. The 3 percent Conversion Loan 1986 is quoted around Rs. 63.10.

Bombay

TURNOVER DROPS APPRECIABLY

CONTROLS AFFECT TEXTILE SHARES

Wednesday Evening.

THE Bombay stock market has been dull and quiet during the past week. Turnover has dropped considerably, and share prices have tended to ease on tired long liquidation, combined with short-selling. Clearing shares have borne the brunt of pressure. Interest in cash scrip has been negligible and prices have dropped. Investors in cotton mill shares are hesitant following the introduction of partial control on cloth. It is feared that the stamping of prices on a large variety of cloth would tend to reduce the profits of cotton mills. Dalal Street thinks that the restriction on blank transfers will restrain activity in stocks and shares. The prospect of a credit squeeze during the next busy season, which will begin in about three weeks, has called for caution.

Tata Steel ordinary have dropped to Rs. 147.75 towards the close since the production of the Company during September has not been particularly impressive. Among engineering shares, Tata Engineering have lost considerably due to pressure. Mukand Iron, Larsen and Toubro and Alcock Ashdown are available at lower prices. Among motor-vehicle shares, Hindustan Motors and Premier Automobiles have declined.

Cotton mill shares have shown losses all round. Century, Bombay Dyeing, Kohinoor and Svadeshi have lost. India United ordinary, Morarjee and Standard have reacted due to profit-taking. Turnover in miscellaneous shares is small. Among cement shares, Associated Cement and Digvijay are about steady. In the sugar section, scattered support has been forthcoming for Belapur and Walchandnagar Industries. Mining shares are subdued, and Be Be Petrol have dropped. Among steamship company shares, Great Eastern Shipping have reacted due to pressure because of disappointment over the taxable ordinary dividend of 7.3 percent declared for the year ended June 1964. For 1962-63, the dividend was passed, but bonus shares were issued in the ratio of one share for every three held. Scindia Steam are quiet in the absence of interest. Chemicals shares have declined in sympathy with the general trend. Tata Chemical and Indian Dyestuff are quiet.

Rayon shares have become quiet since the Government has not yet reduced the excise duty on rayon yarn. National Rayon have lost. Bombay Burmah are steady because of the payment of a higher taxable final ordinary dividend of Rs. 3.30 a share, against Rs. 3 a share paid for 1962-63. Voltas and Tata Oil are about steady. Nominal business has been done in bank shares. Bank of Baroda and Bank of India have been transacted. Electric company shares are steady. Tata Hydro and Ahmedabad have met with support.

Madras

INTEREST CENTRES ON PLANTINGS

HEAVY DISCOUNT IN STATE LOANS

Tuesday Evening.

THE Madras stock market has been steady during the past week. Prices of selected clearing and cash shares have tended to harden on renewed support. Investors and operators are inclined to think that the

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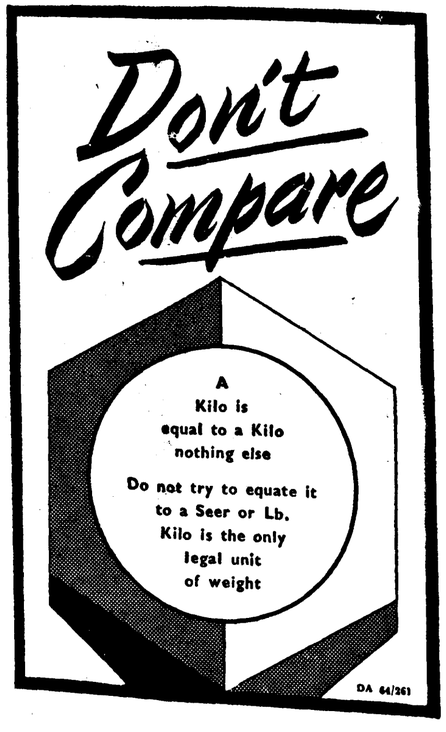
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Government will soon take steps to stimulate activity in the capital market. In cash scrip, interest has largely centred on good planting and miscellaneous shares. Turnover in Government securities has been small and some new State Government loans have been bought at a considerable discount.

Negligible business has been transacted in bank shares. Syndicate Bank has been quoted at Rs. 143.50 and Indian Overseas at Rs. 149.50. In electric company shares, West Coast are steady at Rs. 11.50 and Salem-Erode at Rs. 14.37. In sugar shares, Deccan are available at Rs. 11, although the Company is expected to maintain the dividend on the increased capital. E.I.D. have dropped slightly to Rs. 36.12, but Travancore are steady at Rs. 8.12. K.C.P. have been transacted at Rs. 24 and Mysore at Rs. 27.75.

In planting shares, Blue Mountain have hardened to Rs 2.38 and Consolidated Coffee at Rs. 23.76. Cochin Malabar have been done at Rs. 6.22 and Ouchterlony at Rs. 3.42. Business has passed in Periakaramalai at Rs. 3.55 and in Kalasa at Rs. 4.25. Woodland have been bought up to Rs. 6.50 on declaring a taxable ordinary dividend of 5 percent. Peermade have improved to Rs. 20.62 on declaring a taxable interim ordinary dividend of 5 percent. Nilambur are quoted at Rs. 10.65, Midland at Rs. 10.58, Nonsuch at Rs. 21.87 and United Nilgiri at Rs. 22.22. In coffee shares, Mysore are steady at Rs. 4.12, Swinton at Rs. 2.68 and Badra at Rs. 2.90.

In textile shares, South India Viscose are sluggish at Rs. 115 and Travancore Rayon at Rs. 20.25. Lakshmi have dropped to Rs. 132, but Madura are steady at Rs. 34.85. Bangalore Woollen have been taken at Rs. 263.60, Mettur at Rs. 265 and Ramakrishna at Rs. 199.40. Tirupati are available at Rs. 9.52. Vijajyakumar at Rs. 117 and Anglo-French at Rs. 142.

Among miscellaneous shares, Aluminium Industries are firm at Rs. 22.87 on prospects of expansion, but Ashok Leyland have reacted to Rs. 6.90. Dalmia Cement have hardened to Rs. 12.91 on the news that two cement factories in Pakistan, wholly owned by a subsidiary of the Company, have been sold for Rs. 2.34 crores and they have been taken over by Pakistan Progressive Cement Industries Ltd. India Cement are steady at Rs. 5.39. Mettur Chemical are wanted at Rs. 14.90 and Trichy Steel Rolling have been bought up to Rs. 10. Seshasayee Paper have risen to Rs. 7.45 and Mysore Paper to Rs. 12.50. Standard Motors are quoted at Rs. 10.55. Jaipur Metals at Rs. 102.50 and Madras Rubber at Rs. 10. Parry's Confectionery have been done at Rs. 2.90. Ruby (Madras) at Rs. 8. Spencer at Rs. 21.50 and Textool at Rs. 154.



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THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 35/50—35/87—35/37—35/44—(32/69).
Dunlop Rubber—Rs. 31/50 x.d.—32/25—31/50 x.d.—32/12—(37/37).
Guest, Keen, Williams—Rs. 23/62—23/75—23/56—23/56—(37/62).
Hindustan Motor—Rs. 16/87—16/94—16/78—16/78—(18/12).
Howrah Jute—Rs. 16/00—16/00—16/00—16/00—(19/19).
Indian Copper—Rs. 3/37—3/39—3/33 S.T.—3/36—(5/52).
Indian Iron—Rs. 25/16—25/30—25/12—25/14—(24/30).
Indian Aluminium—Rs. 31/62—31/87—31/50—31/75—(38/62).
J. K. Cotton—Rs. 10/59—10/69—10/25 S.T.—10/62—(13/31).
Jaipur Udyog—Rs. 10/75—10/75—10/69—10/75—(12/31).
Kesoram Industries—Rs. 25/69—25/69—25/44—25/50—(25/94).
Orient Paper—Rs. 31/90—31/90—31/60—31/65—(37/45).
Orissa Cement—Rs 11/31—11/31—11/31—11/31—(15/37).
Rohtas Industries—Rs 10/31—10/31—10/12 S.T.—10/25—(13/69).
Shree Gopal Paper—Rs. 25/69—25/75—25/69—25/75—(26/75).
Textile Machinery—Rs 26/15—26/15—26/10—26/10—(26/65).

GILT-EDGED

3 % Loan (1986)—Rs. 63/10—63/10—63/00—63/00
3 % „ (1970-75)—Rs. 90/15—90/15—90/15—90/15
3 % „ (1966-68)—Rs. 98/35—98/35—98/35—98/35
4 % „ (1970)—Rs. 99/00—99/05—99/00—99/05
4 % „ (1969)—Rs. 99/55—99/55—99/55—99/55
4 % „ U.P. (1969)—Rs. 98/35—98/35—98/35—98/35
4½% Loan (1973)—Rs. 100/00—100/00—100/00—100/00.
4½% U.P. (1976)—Rs. 97/35—97/35—97/35—97/35.
4½% Andhra Pradesh (1976)—Rs 96/75—96/80—96/75—96/80
4½% Orissa (1976)—Rs. 97/00—97/50—96/90—97/05

BANKS

Allahabad—Rs 249/00—249/00—249/00—249/00—(258/00).
Bank of India—Rs 101/00—101/00—101/00—101/00.
Punjab National—Rs. 19/87—20/00—19/87—20/00 x.d.—(19/12)
United Bank of India (Rs. 10/- paid)—Rs. 8/06—8/12—8/06—8/12—(7/31).

TEXTILES

Bharat Commerce—Rs. 20/62—20/62—20/37—20/37—(23/44).
Elgin—Rs. 19/69—19/75—19/69—19/75—(22/12)
Jaya Shree—Rs. 13/50—13/50—13/50—13/50—(16/56).

New Victoria—Rs. 1/20—1/31—1/20—1/28—(1/53).
Do. (Pref.)—Rs. 2/19—2/19—2/19—2/19—(2/81).
Victoria—Rs. 13/00—13/00—13/00—13/00.

COALS

Amalgamated—Rs. 20/19—20/19—20/19—20/19—(26/12).
Equitable—Rs. 21/44—21/50—21/44—21/50—(23/50).
Karanpura Collieries—Rs. 13/31—13/44—13/31—13/44—(16/00).
New Beerbhoom—Rs. 16/50—16/50—16/50—16/50—(19/25).
Selected Satgram—Rs. 109/00—109/00—109/00—109/00.
Union—Rs. 10/25—10/25—10/25—10/25—(10/87).

JUTES

Alliance—Rs. 107/00—107/00—106/00—106/00—(159/00).
Champdany—Rs. 21/75—21/75—21/75—21/75—(24/00).
Cheviot—Rs. 20/50—20/62—20/50—20/62—(23/00).
Delta—Rs. 141/00—141/00—141/00—141/00—(168/00).
Gourepore—Rs. 21/75—21/81—21/56—21/81—(25/25).
Do. (Pref.)—Rs. 91/00—91/00—91/00—91/00—(89/00).
Ganges—Rs. 13/06 S.T.—13/12—13/06—13/12—(16/25).
Kamarhatty—Rs. 155/00—155/00—155/00—155/00—(196/00).
Kankinarrah—Rs. 126/50—126/50—126/00—126/00—(136/00).
Lansdowne (Pref.)—Rs. 88/25—88/25—86/00 x.d.—86/00 x.d.
Megna—Rs. 12/25—12/25—12/19—12/19—(13/87).
New Central—Rs. 10/62—10/69—10/50—10/69—(13/94).
Presidency—Rs. 4/31—4/44—4/25—4/37—(5/69).

MININGS

Bisra Stone Lime—Rs. 17/62—17/62—17/62—17/62—(23/50).
Karanpura Development—Rs. 9/06—9/06—9/00—9/00—(10/31).
Metal Corpn.—Rs. 6/25—6/31—6/25—6/25—(8/31).

CEMENTS

Ashoka—Rs. 6/75 x.d.—6/75—6/69—6/69—(7/06).
Dalmia (Bharat)—Rs. 12/87—13/25—12/87—13/19—(12/87).

CHEMICALS

Alkali & Chemical—Rs. 28/94—28/94—28/94—28/94—(34/50).
Bengal—Rs. 102/00—103/00—102/00—103/00—(98/00).
Chemicals & Fibres—Rs. 16/81—16/87—16/62—16/69.
Kanoria—Rs. 7/19—7/19—7/19—7/19.
Phosphate—Rs. 172/00—175/00—172/00—175/00.

ELECTRICS

Benaras—Rs. 12/87—12/87—12/87—12/87—(11/62).
Calcutta—Rs. 15/50—15/56—15/37—15/56—(14/87).
Patna—Rs. 10/37—10/37—10/25—10/37—(10/00).
United Provinces—Rs. 215/00 S.T.—215/00 S.T.—206/00—210/50 x.d.—(116/00).

ENGINEERINGS

Bharat Ball Bearing—Rs. 11/81—11/87—11/81—11/87—(13/56).
Binani Metal—Rs. 13/19—13/25—13/19—13/25—(11/50).
Braithwaite & Co. (Pref.)—Rs. 113/00—113/00—113/00—113/00.
Britannia Eng.—Rs. 9/87—10/19—9/87—10/19—(10/31).
Bhartia Elect. Steel—Rs 15/00—15/00—15/00—15/00—(14/31).
Burn & Co.—Rs 278/00—278/00—278/00—278/00—(590/00).
Calcutta Steel—Rs. 13/94—13/94—13/94—13/94—(13/87).
Indian Iron (Pref.)—Rs. 87/00—87/00—87/00—87/00.
Indian Malleable Casting—Rs. 4/06—4/56—4/06—4/56—(6/00).
Jay Eng.—Rs. 18/25 x.d.—18/37—18/25—18/25—(20/87).
Jessop & Co.—Rs. 24/00—24/44—23/87—24/19—(26/75).
J. K. Steel—Rs. 17/94—18/00—17/94—18/00—(18/31).
Kumardhubi—Rs. 5/59—5/59—5/59—5/59—(9/37).
Marshalls—Rs. 3/47—3/47—3/37—3/47—(3/66).
National Iron—Rs. 6/19 x.d.—6/19—6/19—6/19—(6/00).

INSURANCES

Concord of India—Rs. 9/75—9/75—9/75—9/75—(11/12).
Ruby General—Rs. 12/19—12/19—12/19—12/19—(10/15).

FLOUR MILL

Bengal—Rs. 33/75—33/75—33/75—33/75—(29/00).

OIL

Indo-Burma Petroleum—Rs. 21/50—21/62—21/37—21/37—(23/00).

MISCELLANEOUS

Asiatic Oxygen—Rs. 8/87—8/87—8/37—8/75—(14/12).
Associated Battery—Rs. 24/69—24/75—24/44—24/50—(26/00).
Angelo Brothers—Rs. 25/00—25/00—25/00—25/00—(24/37).
Albion Plywood—Rs. 6/50—6/50—6/50—6/50—(7/91).
Aluminium Corpn.—Rs. 11/50—11/50—11/50—11/50—(17/00).
Assam Match—Rs. 25/25—25/25—25/25—25/25—(28/75).
B. I. Corpn.—Rs. 11/12—11/12—11/06—11/12—(8/75).
Birds Investment—Rs. 8/75—8/81—8/69—8/81—(10/50).
Bombay Steel Rolling—Rs. 5/00—5/00—5/00—5/00
Calcutta Tramways—Rs. 12/00—12/00—12/00—12/00—(11/25).
Clive Row Investment—Rs. 8/37—9/00—8/37—9/00—(8/75).
Dr. Paul Lohmann—Rs. 8/44—8/44—8/44—8/44—(13/62).
East Anglia Plastics—Rs. 8/19—8/31—8/19—8/19—(9/37).
Electric Construction—Rs. 13/75—13/75—13/75—13/75—(14/06).
English Electric—Rs. 16/00—16/00—16/00—16/00—16/00.
Gillanders Arbuthnot—Rs. 13/25—13/31—13/19—13/31—(14/12).
Hindustan Aluminium—Rs. 13/44—13/44—13/19—13/31—(13/81).
Hindusthan Development—Rs. 4/12—4/12—4/12—4/12—(4/12).
Indian Plastics—Rs. 8/19 S.T.—8/19—8/19—8/19—(7/50).
Inchek Tyres—Rs. 6/69—6/87—6/66—6/87.
Imperial Tobacco—Rs. 8/25—8/37—8/25—8/37 x.d.—(10/50).
India Carbon—Rs. 13/94—13/94—13/94—13/94.
J. K. Synthetics—Rs. 13/12—13/12—12/94—12/94—(11/87).
Jardine Henderson—Rs. 70/50—70/50—70/50—70/50—(81/50).
Madras Rubber—Rs. 9/94—10/00—9/94—10/00—(15/06).
Martin Burn—Rs. 26/44 x.d.—26/44 x.d.—26/44 x.d.—26/44 x.d.—(27/19).
Do. (Pref.)—Rs. 91/00—92/00—91/00—92/00.
National Insulated Cable—Rs. 25/50—25/50—25/50—25/50—(24/87).
National Tobacco (1st Pref.)—Rs. 69/25—69/25—68/00—68/00.
National Rolling & Steel Ropes—Rs. 24/31—24/37—24/31—24/37—(21/44).
Phillips Carbon—Rs. 13/50—13/56—13/44—13/56—(17/50).
Philips India—Rs 27/50—27/62—27/37—27/62—(30/37).
Rallis India—Rs. 122/00—123/00—121/00—123/00—(132/00).
Shaw Wallace—Rs. 15/25—15/37—15/25—15/37—(17/00).
Universal Cables—Rs. 10/75—10/87—10/75—10/81—(12/25).
Universal Electrics—Rs. 8/06—8/06—8/06—8/06—(10/19).
Usha Martin Black—Rs. 14/69—14/81—14/69—14/81—(16/62).
Walford Transport—Rs 3/06—3/09—3/06—3/06—(3/80).
Woolcombers of India—Rs. 11/50—11/56—11/31—11/31—(15/25).

PAPERS

Bengal—Rs. 26/62—26/69—26/62—26/69—(27/75).
India Paper Pulp—Rs. 16/44—16/56—16/44—16/56—(18/94).
Orient (1st Pref.)—Rs. 90/00 x.d.—90/00—90/00—90/00.
Shree Gopal (2nd Pref.)—Rs. 100/00—100/00—99/50—99/50—(99/00).
Sirpur—Rs. 11/94—12/00—11/75—11/81—(13/62).
Straw Products—Rs. 8/87—8/87—8/81—8/81—(10/75).
Seshasayee—Rs 7/50—7/50—7/50—7/50.
Star—Rs. 8/12—8/12—8/12—8/12—(9/06).
Titaghur—Rs. 12/44 S.T.—12/50 S.T.—12/12—12/12—(17/12).

SHIPPINGS

Fraser & Co.—Rs. 10/00—10/00—10/00—10/00—(10/00).
India General Nav.—Rs. 36/25—36/25—36/23—36/25—(39/00).
India Steamship—Rs. 7/06—7/12—6/87—7/00—(6/56).

SUGARS

Balrampur—Rs. 1/56—1/56—1/56—1/56—(1/81).
Belsund—Rs. 8/75—8/87—8/75—8/87—(8/75).
Cawnpore—Rs. 9/87—9/87—9/87—9/87—(9/75).
Darbhanga—Rs. 8/50—8/50—8/37—8/37—(8/69).
Raza Buland—Rs. 10/12—10/12—10/06—10/06—(10/19).
Shree Krishna Gyanoday—Rs. 8/62—8/81—8/56—8/56—(7/81).

TEAS

Bor Pukhuri—Rs. 10/44—10/44—10/44—10/44—(11/00).
Carron—Rs. 123/00—126/00—122/00—124/00—(151/00).
Dauracherra—Rs. 14/56—14/69—14/50—14/50—(11/75).
Ellenbarrie—Rs. 300/00—300/00—300/00—300/00—(184/00).
East India—Rs. 10/25—10/25—10/19—10/19—(16/12).
Gielle—Rs. 18/12—18/12—18/12—18/12—(11/69).
Grob—Rs. 8/12—8/12—8/12—8/12—(8/12).
Jookatoolie—Rs. 17/12—17/62—17/12—17/62—(17/50).
Kalinugger & Khoreef—Rs. 84/00—84/00—84/00—84/00—(87/00).
Killcott—Rs. 14/50—14/69—14/37—14/44—(16/06).
Oodlabari—Rs. 14/00—14/00—14/00—14/00—(14/00).
Pussimbing—Rs. 7/62—7/69—7/62—7/69—(7/12).
Rydak—Rs. 23/25—23/37—23/25—23/37—(26/37).
Sarugaon—Rs. 37/00—37/00—37/00—37/00—(26/31).
Tukvar—Rs. 3/56—3/56—3/50—3/50—(7/00).

DEBENTURE

5 % Calcutta Elect.—Rs. 95/50—95/50—95/50—95/50.

London

NEW POLL RESULT CAUSES SETBACK

SHARP FALL IN STEEL

London, 7th October.

THE general election, now only nine days away, has been a major influence on sentiment in the stock market over the past week. On most days, there was a steady upward movement in equity prices following a spate of opinion polls favouring the Conservatives, but when the latest Gallup poll, which appeared over the week-end, showed a sharp reversal of this trend, much of the ground gained over the four previous business days was lost. The "political" shares attracted most attention, and steel shares, where a considerable bull market had been built up, were the chief sufferers in the setback. Although much of the fall was due to marking down by jobbers, there was a fair amount of selling. Properties and insurances also ran back sharply after earlier buoyant conditions. Leading issues like Tube Investments, Babcock and Wilcox, Woolworths, Hawker-Siddeley and Bowaters all had their earlier gains reduced. Dollar stocks moved in the wake of Wall Street and looked firm after yesterday's advance there to a new peak. Gilt-edged were extremely quiet and failed to establish a decided trend. Gold shares met with selective support, which increased when equities plunged, but coppers were overshadowed by the Chartered affair. Tins moved irregularly. In oils, Shell and Royal Dutch were wanted on reports of new oil discoveries, but Burmahs eased after the interim statement. Rubbers and teas were quiet.

ECONOMIC RESEARCH

- is an essential part of modern commerce. But it is
- not always easy to obtain. The ordinary business
- house does not usually possess the records, statistics
- and archives which are the raw material of research.

- CAPITAL'S RESEARCH & STATISTICAL DEPARTMENT
- has a long record of service to Chambers of Commerce,
- Industrial Associations and private business concerns.
- It does not undertake trade inquiries, but its facilities
- and advice are available for all kinds of research
- proper into the problems of Indian commerce
- and industry.

- CAPITAL'S RESEARCH & STATISTICAL DEPARTMENT
- has constructed and maintains a number of cost of living
- indices for various classes and communities in India
- and Pakistan. It offers the industrialist and business
- house its experience in
  - consumer market surveys
  - industrial prospecting
  - readership analysis
  - economic indices
  - business research.

P.O. Box 14, Calcutta-1, or 5, Mission Row, Calcutta, India.

RESERVE BANK

ISSUE DEPARTMENT

(In 000's of Rupees)	Week Ended 2-10-64	25-9-64	4-10-63
Liabilities—			
Notes in Banking Dept.	28,78,69	36,28,01	27,11,05
Notes in Circulation	23,70,27,95	23,63,25,53	22,20,69,44
Total Notes issued	23,99,06,64	23,99,53,54	22,47,80,49
Assets—			
A. Gold Coin and Bullion	1,17,76,10	1,17,76,10	1,17,76,10
Foreign Securities	85,45,69	85,45,69	92,45,69
Total of A	2,03,21,79	2,03,21,79	2,10,21,79
B Rupee Coin	1,09,51,87	1,10,18,26	1,23,27,68
Rupee Securities	20,86,32,98	20,86,13,49	19,14,31,02
Total	23,99,06,64	23,99,53,54	22,47,80,49

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long Term Operations) Fund	66,00,00	66,00,00	73,00,00
National Agricultural Credit (Stabilisation) Fund	9,00,00	9,00,00	8,00,00
National Industrial Credit (Long Term Operations) Fund	10,00,00	10,00,00	...
Deposits—			
(a) 1 Central Govt.	75,92,35	61,32,85	78,28,68
2. State Govts.	14,78,17	15,08,08	2,54,37
(b) Banks :—			
(i) Scheduled Banks	1,03,30,15	1,00,70,77	75,66,45
(ii) State Co-operative Banks	2,52,62	2,59,83	2,24,43
(iii) Other Banks	4,67	3,84	2,24
(c) Others	1,36,42,36	1,37,23,27	1,65,67,74
Bills Payable	44,00,95	46,37,79	40,68,31
Other Liabilities	29,03,40	28,81,61	24,67,52
Total	5,96,04,67	5,82,18,04	5,55,79,74
Assets—			
Notes	28,78,69	36,28,01	27,11,65
Rupee Coin	7,38	3,59	2,31
Small Coin	8,18	7,75	2,77
National Agricultural Credit (Long Term Operations) Fund			
(a) Loans and Advances to :—			
(i) State Govts.	28,24,33	28,24,34	27,11,72
(ii) State Co-operative Banks	12,01,19	12,01,82	10,00,33
(iii) Central Land Mortgage Banks	...	...	...
(b) Investment in Central Land Mortgage Bank Debentures	4,39,95	4,39,95	3,55,31
National Agricultural Credit (Stabilisation Fund) Loan and Advances to State Co-operative Banks	...	...	...
Bills Purchased and Discounted :—			
(a) Internal	...	...	...
(b) External	...	...	...
(c) Govt Treasury Bills	2,17,42,50	2,09,83,14	87,29,36
Balances Held abroad	10,35,45	12,17,20	8,69,31
Loans and Advances to Govt.	35,22,03	25,86,56	59,37,78
Loans and Advances to :—			
(i) Scheduled Banks	60,05	83,25	3,14,20
(ii) State Co-operative Banks	1,56,79,64	1,45,36,43	1,29,63,52
(iii) Others	2,59,83	2,58,13	1,79,05
Investments	77,68,58	78,34,54	1,73,27,33
Other Assets	26,76,87	26,13,33	24,84,20
Total	5,96,04,67	5,82,18,04	5,55,79,74

SCHEDULED BANKS

(In 000's of Rupees)	Week Ended 25-9-64	18-9-64	27-9-63
(i) Demand Liabilities—			
(a) Demand Deposits :			
(1) From Banks	58,05,91	58,14,68	52,40,22
(2) From others	11,38,77,49	11,26,83,41	9,68,97,20
(b) Borrowing from Banks	31,10,13	27,69,52	24,26,52
(c) Other	74,93,40	73,93,10	63,17,27
(ii) Time Liabilities—			
(a) Time Deposits :			
(1) From Banks	39,63,73	38,50,21	36,07,33
(2) From others	13,79,98,76	13,72,15,22	12,46,48,20
(b) Borrowing from Banks	19,64,82	20,37,41	24,42,07
(c) Others	12,43,61	12,84,00	9,24,13
(iii) Borrowing from State Bank—			
(a) Demand Liabilities	3,67,25	7,73,96	6,00,53
(b) Time Liabilities	27,26,00	25,00 00	13,85,00
(iv) Borrowing from Reserve Bank	89,95	87,95	1,85,90
(v) Cash	61,09,41	63,60,75	50,91,51
(vi) Balances with the Reserve Bank	1,03,39,22	94,68,09	81,50,99
(vii) Balances with other Banks in current account	22,01,76	21,67,30	21,91,30
(viii) Money at call and short notice	72,35,16	67,98,05	57,62,65
(ix) Investments in Central and State Govt. Securities	8,14,89,93	7,96,21,97	7,79,43,03
(x) (a) Loans, Cash Credits and Overdrafts	14,60,74,65	14,79,43,92	12,33,15,02
(b) Due from Banks	13,56,99	13,05,15	13,57,55
(xi) Inland Bills purchased and discounted	1,75,52,03	1,67,91,02	1,68,06,89
(xii) Foreign Bills purchased and discounted	68,43,61	68,77,82	50,89,57
(xiii) Total of X, XI and XII	17,18,27,28	17,29,17,91	14,65,69,03

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CALCUTTA-1.

Money

THE CALCUTTA MONEY MARKET

CALL RATE RISES

Wednesday, 7th October.

THERE has been a slight increase in the general level of advances in the Calcutta money market during the past week. The increase is accounted for almost entirely by the jute mills and by the foodgrains and seeds trade. The requirements of the other major borrowers—the textile and sugar mills, and the iron, steel and engineering industries—are unchanged. In the interbank market, the call rate fell from 3½ percent to 2 percent, but has subsequently risen to 4 percent.

The exchange market has been fairly active, with a good supply of both tea and gunny bills. Remittances have been on a small scale. In London, sterling has continued to show a weak tendency, although no great change has taken place in relation to the other major currencies.

SILVER WAS STEADY IN CALCUTTA during the past week. The price rose from the previous week's level of Rs. 255 to Rs. 256 a kilogram, quoted today. The price was quoted at 112⅛d in London and at 129.3 cents in New York.

In spite of a rise in silver, gold was quiet and the price of 14-carat declined from Rs. 72.25 to Rs. 71.25.

DURING THE WEEK ENDED 2ND OCTOBER, Government of India Treasury bills for Rs. 146,95,00,000 were sold in favour of the Reserve Bank.

TENDERS FOR Rs. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 6th October. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.375 percent were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.500 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 19th October.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 7th October to 17th October at Rs. 99.391 percent subject to the conditions previously announced that sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 30th September to 3rd October amounted to Rs. 5.75 crores.

ACTIVE NOTES ROSE BY Rs. 7.02 crores to Rs. 2,370.28 crores while the total note issue dropped by Rs. 47 lakhs to Rs. 2,399.07 crores, according to the return of the Reserve Bank of India for the week ended 2nd October, 1964. Notes held in the Banking Department consequently declined by Rs. 7.49 crores to Rs. 28.79 crores. Deposits of the Government of India rose by Rs. 14.59 crores to Rs. 75.92 crores, while those of State Governments dropped by Rs. 30 lakhs to Rs. 14.78 crores. Balances of scheduled banks at Rs. 103.30 crores showed a rise of Rs. 2.59 crores. Balances held abroad fell by Rs. 1.82 crores to Rs. 10.35 crores and investments by Rs. 66 lakhs to Rs. 77.69 crores. Loans to scheduled banks declined from Rs. 83.25 lakhs to Rs. 60.05 lakhs of which advances against usance bills amounted to nil (Rs. 20 lakhs). Ways and means advances stood at Rs. 35.22 crores, against Rs. 25.87 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 25th September, 1964, shows a rise of Rs. 4.59 crores to Rs. 670.55 crores in total deposits. Investments in Government securities are up by Rs. 8.90 crores to Rs. 296.06 crores, while other authorised investments are down by Rs. 46 lakhs to Rs. 8.98 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased, have declined by Rs. 1.24 crores to Rs. 331.16 crores. Cash and balances are, in consequence, shown at Rs. 26.03 crores or Rs. 6.66 crores less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 25th September, 1964, shows Demand and Time liabilities at Rs. 1,302.87 crores (Rs. 31.10 crores on account of borrowings from banks) and Rs. 1,351.17 crores (Rs. 19.65 crores), compared with Rs. 1,286.61 crores (Rs. 27.70 crores) and Rs. 1,443.87 crores (Rs. 20.37 crores), respectively, in the previous week. Cash has declined by Rs. 2.52 crores to Rs. 61.09 crores, while balances with the Reserve Bank have increased by Rs. 8.71 crores to Rs. 16.68 crores. There is a rise of Rs. 17.68 crores to Rs. 814.90 crores in investments. Advances and bills discounted at Rs. 1,718.27 crores show a drop of Rs. 10.91 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 6.2 per cent and 64.7 percent, against 5.8 percent and 63.3 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 9-10-64

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
9-10-64	12-1-65	2,00,00	Rs. 2.500%
1-10-64	4-1-65	2,00,00	Rs. 2.400%
25-9-64	28-12-64	2,00,00	Rs. 2.399%
18-9-64	21-12-64	2,00,00	Rs. 2.386%
11-9-64	14-12-64	2,00,00	Rs. 2.400%
4-9-64	7-12-64	2,00,00	Rs. 2.400%
21-8-64	24-11-64	2,00,00	Rs. 2.400%
14-8-64	17-11-64	2,00,00	Rs. 2.400%
7-8-64	10-11-64	2,00,00	Rs. 2.393%
31-7-64	3-11-64	2,00,00	Rs. 2.399%
24-7-64	27-10-64	2,00,00	Rs. 2.400%
10-7-64	13-10-64	2,00,00	Rs. 1.500%

(Monthly Muturities 000's omitted)

October, 1964	4,00,00
November, 1964	8,00,00
December, 1964	8,00,00
January, 1965	4,00,00
Total	24,00,00

CLEARING HOUSE RETURNS

Week	Rs (thousand) Calcutta	Bombay
1-10-64	1,07,89,66	.....
25-9-64	.....	1,09,51,61

New Delhi

CONTROVERSY ABOUT THE SIZE OF THE FOURTH PLAN CONTINUES

(FROM OUR NEW DELHI CORRESPONDENT)

IN formulating the fourth five year plan, it is said that a good deal of pressure has been used to persuade the Central Finance Minister, Mr. T. T. Krishnamachari, to agree to a plan outlay of Rs. 22,500 crores, or Rs. 1,500 crores more than what he considered feasible. The Rs. 21,000-crore outlay is based on the assumption of a 6.5 percent growth rate during the fourth plan, against 7 percent advocated by Mr. Pitambar Pant, who is very influential in the Planning Commission. It is appropriate in this context to refer to the views on Indian Planning of Mr. John P. Lewis, who has now replaced Mr. Tyler Wood as the Minister-Director of the U.S. Agency for International Development in New Delhi. Mr. Lewis has written a book called *Quiet Crisis in India*, in which he observes : "It must be understood that the *per capita* growth rate projection in the Indian programme rests primarily on a political and not an economic premise. It is the considered judgment of the Indian Government and Parliament that no lesser rate of improvement is apt to support the maintenance of orderly political progress."

Mr. Lewis further says : "At a number of points, the formal official articulations of the Indian programme seem to be almost slavishly rooted in the saving-centred economy. The error lies in interpreting past statistical relationships between saving and output to mean that policies bearing directly on the volume of saving *per se* are the handles one must grasp to engineer an expansion in production. A far more appropriate assumption is that the saving rate is a symptom, a reflection of the economy's productive performance, which, in turn, is determined by a whole collection of variables, of which the private propensity to save is only one of the lesser."

It is instructive to quote Mr. Lewis's observations on the formative stages of the third plan because of the similarity of conditions. He says : "The advocates of boldness, who held the initiative in the debate almost from its beginning in late 1958, were helped no little by the fortuitous circumstance that Rs. 10,000 crores, which happened to represent a quite bold investment figure for third plan purposes, is a nice round number. Given the unfortunate Indian penchant for thinking and talking about planning in investment-focussed rather than production-focussed terms, the catch-phrase 'a Rs. 10,000-crore plan' became entrenched in popular discussion early in the plan-formulation period, and thereafter, undoubtedly exerted an upward influence on the judgments of the more timorous. The political difficulty of cutting State plans to a figure that would be consistent with a total investment of less than Rs. 10,000 crores reinforced the big plan advocates. Moreover, the more influential pieces of foreign advice to which the Government was exposed tended to support an ambitious third plan. This advice came from both the Russian and the American Government missions that conferred with Indian officials in 1959 and early 1960 ; from a World Bank mission in the spring of 1960 ; and, perhaps most influentially of all, from the 'Three Wise Men' team of international bankers who, at the request of the World Bank president, Mr. Eugene Black, made a survey of the third plan proposals that same spring.

"Within the Indian Government, the key advocates of an ambitious third plan pressed their case unswervingly; once consent had been won for a 'Rs. 10,000-crore plan,' they re-examined their estimates of the needs and possibilities and raised their sights a few hundred crores higher ; and once the feasibility of a somewhat larger programme had been conceded, the big plan proponents nudged their asking figure up still another notch. The somewhat bizarre result, since advocates of caution, although giving ground, also clung to their principles, is that the controversy over size has been carried forward, *quasi*-unresolved, all the way into the final third plan document itself.

"Thus in chapter 2 of that document, which obviously is the product of the Planning Commission's Perspective Planning Division, it is stated that during the third plan period as well as during the succeeding ten years, real national income should be raised 'as nearly as possible' by an average of 6 percent a year, or about 34 percent over five years. Yet in chapters 4, 5 and 6, which show the hand of somewhat more cautious analysts elsewhere in the Planing Commission and in the Ministry of Finance, the annual growth target is phrased as being 'something in excess of 5 percent a year,' or 31 percent from 1960-61 to 1965-66. Similarly, whereas the third plan's financial programme calls for a public outlay of Rs. 7,500 crores for investment and other development purposes, the price tags of all of the specific projects that the physical planners have incorporated in the programme add up to a total of more than Rs. 8,000 crores."

If the debate in 1958 centred on a Rs. 10,000-crore plan, in 1964 it is on a Rs. 24,000-crore programme. Since the Finance Minister has already agreed to a Rs. 22,500-crore plan, by the time it is finalised the outlay may go up to Rs. 25,000 crores. The mistake already made is to agree even to a Rs. 21,000-crore plan. Mr. Krishnamachari had originally suggested a Rs. 18,000-crore plan, with a spill-over from the third plan of Rs. 2,500 crores. This debate over figures personally does not take into account the expenditure on defence, which is placed at Rs. 1,000 crores a year. Nor does it take into account the performance of the third plan and the rate of growth so far achieved after 17 years of planning.

Internal resources, as claimed by the Planning Commission, depend to a large extent on taxation and savings. Much of this country's savings, for reasons which are sufficiently known, seem to have "gone underground," and the Central Finance Ministry, it is reported, proposes now to give a tax-free bonus to all those who help bring them out.

In the absence of Mr. Nehru, Congress leaders will not find it easy to secure as big majorities as they have been used to. The spectre of runaway prices, coupled with the prospect of bigger doses of taxation to finance the fourth plan, may prevent the Congress from winning decisive majorities in the legislatures without which, as everyone knows, no State Government is possible.

Mr. Colin Clark in his latest book, *Taxmanship*, does not take kindly "to the habit of politicians of all parties who inculcate the dishonest belief that somehow or other someone else will pay for the good things for which electors are invited to vote." In New Delhi, at any rate, the voters know the good things they have got after 17 years of planning. According to newspaper reports, private and official experts found a bat in the capital's water supply system. They also found cow-dung afloat on the surface of the water reservoir. This discovery was made on Gandhiji's birthday, after the Central Health Minister had inaugurated "a national cleanliness day."

INDIAN PLANNING

I.M.F. Chief on Stability

The Managing Director of the International Monetary Fund, Mr. Pierre Paul Schweitzer, told the Press last week that India at present did not suffer from secular inflation and the present state of runaway prices was a temporary phase. His talks with the Central Finance Minister gave him confidence that the size and outlay of the fourth plan would be compatible with India's means and resources. Mr. Schweitzer was elaborating on his earlier speech in the course of which he had stated that rapid inflation breeds distrust in domestic money, and, therefore, discourages savings and, that savings are liable to be diverted to such unproductive uses as real estate, excessive speculation, large inventories or gold hoardings. Government control over prices of strategic goods only increases consumption and discourages exports. These remarks appeared to carry some reference to the Indian economy. Hence Mr. Schweitzer's elucidation.

There has been a real tug of war between the Planning Commission which would like a Rs. 25,000-crore plan outlay, and the Finance Minister who prefers one of Rs. 18,000 crores. Mr. Schweitzer's remarks that development should not be undertaken at the cost of stability seems to uphold the Finance Minister's point of view. The general preference in developing countries is in favour of stability rather than rising prices. Once the atmosphere of stability is destroyed and replaced by the expectation of



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continually rising prices, the re-establishment of stability becomes a much more difficult task. Mr. Schweitzer, it is interpreted here, is obviously against a plan outlay which would encourage the expectations of rising prices. The I.M.F. chief is opposed to compulsory savings.

FIFTH STEEL MILL

Agreement with Consortium

A broad agreement has been reached between the Government of India and the Anglo-American consortium to build the fifth steel mill. Under the arrangement, the consortium will recommend sites where the fifth steel mill should be located. The Government, after examining this report, will ask the consortium to prepare a detailed project report for a specified sum. On the basis of this report and subject to the consortium arranging the resources, the Government may entrust the consortium to undertake the commissioning of the project.

LAND TENURE

Tenancy System Grows

A reference was made in these columns last week to a study report on land tenure in four selected districts. This report was by Mr. Ladejinsky, who was closely associated with land reforms in Japan. Professor K. N. Raj of Delhi University, speaking on "development and economic policy" last week also referred to land reforms in India, and made a pointed reference to Mr. Ladejinsky's report. This is what Professor Raj said: "Despite all the land reform measures that have been undertaken in India since independence, the fact is that tenancy is very much more widespread now than official statistics would have us believe. The effect of these reforms has been in part to drive some forms of tenancy underground and make them even more oppressive than otherwise. If all these formal and informal arrangements are taken into account it is likely that as much as 50 percent of the total cultivated area is now under one form of tenancy or another. For obvious economic reasons, the rent as a proportion of the product is higher on more fertile land, and the incentive to increase the application of inputs for raising production is, therefore, correspondingly less in these areas. The result is that, while the strategy of agricultural planning is to concentrate on and encourage the application of inputs in areas where land is irrigated and other natural conditions are more favourable, the land tenures work in the opposite direction and more powerfully in these areas than elsewhere. This is such an obvious point that it hardly needs to be laboured.

"Yet, when someone points this out, the tendency now appears to be to play it down or dismiss it altogether. When Mr. Ladejinsky referred in a report last year to the land tenure system in the Tanjore district of Madras and its depressing effect on agricultural development in this area, the report was suppressed at the instance of the Government of Madras. What is more, when an enterprising journalist brought out its contents recently, the Member in charge of agriculture in the Planning Commission took pains to call a Press conference, dismiss Mr. Ladejinsky's observations as 'untenable and unfounded,' and took the Press to task for the crime of publishing a confidential document. The facts mentioned by Mr. Ladejinsky have however been substantially confirmed by at least two others in the course of the last year."

H.E.C. FIRE

Enquiry Report Disclosures

The report of Mr B. Mukerji on the fire in the heavy machine building plant of the Heavy Engineering Corporation Ltd, Ranchi, on 29th January, 1964, was presented to Parliament last week. It is a revealing document from which the following extracts are worth reproducing.

"I am of the opinion that the cause of the fire having been sabotage, there could be only two methods of averting it: first, to have taken adequate steps to eliminate the causes which provide a motive to the saboteur; and, secondly,, to have completely eliminated the possibility of the saboteur getting an opportunity for the sabotage. In order to achieve the first, the management had to act over the course of long months with such wisdom as not to have generated those forces which lay at the bottom and created the situation which provided content and incentive for the sabotage: such matters have already been fully dealt with by me earlier in this report. The management could not and, therefore, did not properly utilise the services of its 'labour relations' personnel because of many circumstances but the most potent of them all was the unnecessary and undesirable external influence.

"As for the second matter, a possible saboteur could be made completely innocuous only if the security arrangements were such as could not be pierced through in any event. The security arrangements obtaining in the Heavy Engineering Corporation were anything but satisfactory and, therefore, it was not at all difficult for anyone trying to get into the area where the fire took place—getting into the area undetected was not at all difficult. In my judgment, the management's great failure had been their slackness in security arrangements—a false sense of security appears to have been generated when there was nothing like proper security in the area. Reasons may be found to offer some sort of explanation for the failure, but these explanations, in my opinion, could never salvage the security service nor could these provide adequate reasons to condone their failure.

"There should have been, I feel, sufficient security consciousness all round the administration and every effort should have been made to see that whatever was required to make the security arrangements perfect and to make the security impregnable, was done. There was but a vague consciousness in the Heavy Engineering Corporation that some sort of security arrangements were necessary. I have a feeling that, to most men in the Heavy Engineering Corporation, the security personnel existed only to guard against thefts, but even in this, they have not been very successful. Possibly no one had any clear conception that security was necessary to guard the stores and the 'plants' against sabotage also. The security arrangements were thoroughly inadequate for meeting this great threat to the undertaking. When the Heavy Engineering Corporation's top executives spoke of a "volatile labour situation" and other difficulties, they had, apparently, no realisation that such situations could also lead to sabotage.

"The Heavy Engineering Corporation is a public undertaking, a public sector undertaking as such undertakings are often referred to. These undertakings are intended to provide the nation with the basic potential for substantial industrial growth. The undertakings are, in many instances, being built with foreign collaborations; in the case of the Heavy Engineering Corporation, the foreign collaborators are the Russians and the Czechs. A vast amount of national wealth has been sunk into these undertakings and the future of the nation in many ways now seems tied with the future of these undertakings. Therefore, every little circumstance that may have an adverse effect on their progress has to be eliminated.

"The 'set-up' of these undertakings needs, in some measure, a certain amount of re-thinking because of the experience which has been gathered so far. The Heavy Engineering Corporation Ltd is a complex of many, more or less, separate 'undertakings'; this should be fairly patent from the circumstance that two different peoples, the Russians and the Czechs, have been collaborating in building up this undertaking. The undertaking as projected is so vast that the administration has become almost a 'colossus'. The administrative head of such an undertaking, if he is to succeed in his assignment, has to have all the qualities, and those too in abundant measure, of a 'top class' administrator. Failures in the administration can spell disaster as would be fairly obvious from the evaluation of the undertaking's administrative performance by me earlier.

"Whatever may be the pattern which may be evolved by the Government after due consideration of the *pros* and *cons* of the matter, one thing is obvious that a serious rethinking is necessary about the set-up and the administration of this national undertaking. There has been a tremendous wastage of time, energy and money because of the failure on the part of the administrative set-up of the Heavy Engineering Corporation to cope with the magnitude of the tasks it was called upon to perform.

"There were no very clear-cut rules or procedure laid down. There was no serious attempt at decentralisation of responsibilities with the result that there were many failures and many vices grew up unchecked, often even undetected. The set-up of the administration as such has made for the vicious growth of many vested interests.

"One great misfortune which this undertaking had to face was a scramble for places in every sector. The schism in the administration started and grew to unseemly dimensions because of this scramble so that steps have to be taken to eliminate this danger to the extent it is reasonably possible—public criticism, as also the greater part of the dissatisfaction in the ranks of the employee was due to this.

"There was one other matter to which I wished to draw the attention of the Government of India and this lay in the fact that the officers of the Government of Bihar appeared to me to have a very step-motherly attitude to this undertaking, maybe, they were merely reflecting the attitude of their masters.

"If I may hazard a guess, this was due to two reasons; first, the Government of Bihar never liked the appointment of Dr. A. Nagaraja Rao as chairman and this fact was fairly well known in Governmental quarters, and further that it smarted under a sense of defeat when its attempts to have a say in the matter of appointments in the Heavy Engineering Corporation proved unsuccessful because of the firm attitude taken by the Minister for Steel, Mines and Heavy Engineering, New Delhi, which was evident from his letter to the Chief Minister, Bihar. I feel that this kind of attitude, if it is persisted in or becomes a common pattern, is likely to lead to many complications in the future, and, therefore, the Government of India should give this matter its consideration."

Since the completion of the enquiry there has been another fire in the Heavy Engineering Corporation's plant in Ranchi. The Government has not yet decided the final shape of the Corporation, as has been strongly recommended by Mr. Mukerji, but this needs to be done quickly.



their latest interest is in plastics and paper

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MB METAL BOX protective packaging

SPITFIRE 1964A

U.S.A.

More Food for India

An agreement between the Indian and U.S. Governments for the supply to India of 4 million tons of wheat, 300,000 tons of rice and 75,000 tons of soyabean oil under the U.S. Food for Peace programme was signed last week. The commodities are valued at $398.3 million (Rs. 190 crores). Two other agreements were also signed. One agreement provides for a loan to the Government of India for economic development projects, the bulk of the rupees resulting from the sale of the commodities provided under the U.S. Public Law 480. The loan is repayable within 40 years at an interest rate of three-quarters of 1 percent. Under a similar agreement, a sum of Rs. 16.6 crores accruing under an earlier 1962 P.L. 480 sales agreement will be given as a loan to the Indian Government.

During the fiscal year ending June 1965, the United States will make available to India as much as 6.7 million tons of wheat under the "Food for Peace" programme. The arrangements provide that the dollars for purchasing and shipping will be made available to the India Supply Mission in Washington.

The Government of India will deposit the equivalent sum in rupees in New Delhi. These funds will be divided in three ways: 80 percent for long-term development loans to the Government of India; 10 percent for loans to Indo-U.S. joint enterprises (Cooley loans), and 10 percent for expenses of the U.S. Government within India, including some joint scientific research projects and textbook production.

TEXTILE MILL

Joint India-Kenya Venture

A cotton textile mill with a capacity of 24,000 spindles and 600 looms is to be established in Kenya as a joint venture of India and Kenya. The Governments of Keyna and India have accorded their approval to Messrs R. M. Gokuldas and Company, one of the leading Indian industrialists, to establish the mill. It will begin with a capacity of 6,000 spindles and 150 looms. The majority holding will be by the Kenya Government and local nationals, and the Indian party will have 33⅓ percent participation. Machinery, plant and equipment will be mostly supplied by the Indian party against Indian equity holding. It is expected that the full capacity of the mill will be reached within two to three years of its establishment.

A brief review of the other joint venture in Africa is as follows:

ETHIOPIA

(1) Birla Brothers have already established an Indo-Ethiopian textile mill. They are presumably now interested in expansion of the mill and participating in an industrial complex that is being planned by the mill.

(2) Malhotra and Sons, Calcutta, have been permitted to set up a factory for manufacturing blades (machinery would cost about Rs. 15 lakhs).

(3) Mckenzies Ltd, Bombay, are considering the establishment of a glass and paint factory. The proposals are being considered.

KENYA

(1) Morarji Brothers, Bombay, are examining the possibility of setting up a fertiliser unit in Kenya.

(2) Jay Engineering Works Ltd are stated to have already conducted a study for setting up of a sewing machine and parts manufacturing industry in Kenya.

UGANDA

(1) Jankidas and Company, proprietors of Atlas Cycle Works, Sonepat, are exploring the possibilities of setting up a bicycle manufacturing plant in Uganda. A representative of the firm has gone to Uganda for the purpose.

(2) A high-powered delegation led by the Central Secretary (Commerce) visited Uganda recently and concluded agreement with the Government of Uganda for setting up four sugar plants there in collaboration with the Government of Uganda and local entrepreneurs.

(3) India is also extending assistance to Uganda authorities for starting a handloom industry.

LIBYA

(1) Indian Hume Pipes Company has already been allowed to establish, on collaboration arrangements with a party in Libya, a concrete pipe manufacturing plant.

NIGERIA

(1) Birla Brothers are establishing a composite industrial unit for manufacturing light engineering goods (air-conditioners, water coolers, refrigerators, electric fans, bus and lorry bodies, etcetera) in Nigeria. Their project has already been approved by the Government and a company under the name of Nigerian Engineering Works, has been floated by Birlas in collaboration with Nigerian industrialists and the Government.

(2) Birla Brothers' proposal for setting up a textile mill in northern Nigeria has also been approved by both the Governments of India and northern Nigeria.

(3) Birla Brothers are also actively pursuing the possibility of setting up a jute mill in northern Nigeria.

(4) The above party is also likely to set up one cement plant (asbestos), in Nigeria.

LIBERIA AND SIERRA LEONE

Both the Governments of Liberia and Sierra Leone are keen to set up sugar industries in their countries. A two-man expert team consisting of an industrialist and an agronomist has been sent to the two countries for investigating the scope for establishing sugar industries there.

At least four African Governments, Liberria, Sierra Leone, northern Rhodesia and Nyasaland have indicated the possibilities of establishing cotton blanket manufacturing units in their respective territories.

TEA BOARD

Development Schemes

The following schemes for the development of the tea industry and for raising the commodity's production are being operated by the Tea Board during the year 1964-65:

	(Rs. lakhs)
Plantation finance scheme	27.07
Tea machinery hire-purchase scheme	55.56
Irrigation equipment hire-purchase scheme	18.93
Financial assistance scheme for marginal gardens in Cachar, Tripura, Kangra and Mandi	0.56
Fertilier subsidy scheme for small growers	1.10
Development of co-operative factories	1.50
Improvement of marketing facilities	3.00
Agricultural trials with improved seeds and clones at Palamour experimental farm, Punjab	0.10
Manufacturing trials with 8 in. rotorvane at selected tea estates in Kangra	0.21

SMALL-SCALE INDUSTRIES

Report of Working Group

A working group has been constituted to draw up programmes for the development of small-scale industries during the fourth five year plan. The group submitted its interim report in March 1964. It suggested the following objectives for the programme of small-scale industries' development during the plan:

(1) To promote the co-ordinated development of large-scale and small-scale industries by:

(a) reserving further expansion either exclusively or partly for the small-scale sector in certain industries;

(b) developing small-scale industries more vigorously as ancillaries to large-scale industries; and

(c) encouraging the participation of small-scale industries in the export drive.

To achieve these objectives, the group considered that the Government, among other things, should lay down a positive policy on all necessary aspects:

PLASTICS

Indian Production

The total production of plastics raw materials and goods including linoleum in India during 1963 was valued at Rs. 32 crores approximately. While the basic materials were produced in the organised sector, the production of moulded goods, films, sheets, etcetera, was shared almost equally between the organised and the small-scale sector. Production of some of the important categories of plastic goods and basic materials during 1963 in the large-scale sector for which figures are available, was of the following order:

	Quantity	Value (in lakhs of Rs.)
Plastic Goods:		
(1) Polythene films (M.T.)	... 2612	181.2
(2) P.V.C. sheets (M.T.) ...	... 1957	137.45
(3) Phenolic laminates (M.T.) ...	... 1657	156.62
(4) Leather cloth (1,000 metres) ...	... 6895	277.00
(5) Fountain pens ('000,000 pieces)	... 9.24	112.00
(5) Plastic moulded goods ('000,000 pieces)	... 1054	400.00
	Total value	1264.27
Basic materials:		
(1) P.F. Moulding Powder (M.T.)	... 2895	77.25
(2) Urea formaldehyde (M.T.) ...	... 1030	45.07
(3) Polystrene (M.T.)	... 5515	218.18
(4) Polythene (M.T.) ...	... 7923	361.69
(5) P.V.C. resin (M.T.) ...	... 2964	127.18
		829.37

London

ENSURING HEALTH AND SAFETY OF U.K. INDUSTRIAL WORKERS

(FROM OUR LONDON CORRESPONDENT)

GOVERNMENT reports are not usually read with much attention or interest, especially when they are annual reports on the working of a department. There were however, two exceptions recently—the annual report of the Chief Inspector of Factories and the report of a committee set up by the National Joint Advisory Council to consider the payment of sick pay. The former, as might be expected, contains a mass of statistical detail not calling for perusal except by those specially concerned, but there are also, here and there, a number of valuable observations on the running of industrial establishments which are of general interest.

Fatigue at work, whether physical or psychological in origin, and its effect on efficiency, for instance, is discussed in a special chapter on applied physiology of work, and it is shown how such fatigue will result in reduced output and may increase the liability to accidents and disease. It goes on to deal with the importance of such environmental aspects of the workplace as heating, lighting and ventilation, and with the effect on the worker of posture, seating, food and rest breaks.

When fatigue does occur in persons working at their own speed, the report finds, a simple deterioration of performance occurs, but in work at controlled speeds, hurried actions and judgment result leading to a disruption of performance. One example of the latter may be overactivity exhibited by individuals who find they cannot control a situation, or anticipate they will be unable to do so. As fatigue develops, overactivity may be replaced by inertia. The need to match the psychological abilities, particularly the intellectual capacity of persons to form judgment, with the demands of the work requires no emphasis if a breakdown is to be avoided.

To some extent, fatigue can be modified by changing the situation. In monotonous watch-keeping tasks, such as observing variations in indicator dials or momentary signals, such as blips on a radar screen, a telephone message may raise performance to its original level, and human company may reduce the fatigue increment. This may explain the beneficial effects of intervals of "music while you Work". The present limitations on hours of work were fixed when fatigue was largely a matter of physical exhaustion. While such limits still apply to physical work, the intervals between rest pauses may well be too long if maximum efficiency is to be maintained at perceptual tasks. Unlike "brain work" undertaken by persons who are more or less free to take pause at will, perceptual tasks do not permit such rests.

After referring to the action taken in 1963, to improve the standard of reporting accidents, Mr. R. K. Christy mentions that a further, and larger survey was undertaken in April this year, and the results, which were now being examined, should enable more detailed information to be obtained about the reporting standards of individual industries. I should like all occupiers to be clear", Mr. Christy comments, "that information on accidents is wanted not in order to prosecute those who have transgressed the law in some matter, but because knowledge of the pattern of accident occurrences is essential to the formation of an accident prevention policy. This is true for national policy and, indeed, applies at all levels in industry. It is also a gauge of the efficacy of safety controls and measures."

Importance of Training

The Chief Inspector draws particular attention to the importance of properly organised training for all categories of workers, particularly of the young, because, despite growing interest in this subject, there are still a very great number of accidents to young people. Many firms, particularly the smaller ones, still do not consciously and actively follow a policy designed to eliminate these accidents. Only a few make use of group training schemes, or similar training courses offered by some local education authorities and voluntary safety organisation. Examination of the accidents reported shows that lack of training, inadequate supervision, sometimes amounting to downright negligence, and the bad example of older workers, are, either singly or in combination, the main causes.

Two out of every three reported accidents in 1963 fell into the "big five" categories—manual handling of goods and materials, falls of persons, striking against objects, struck by falling objects and the use of hand tools. While a proportion of these accidents might be connected with breaches of factory legislation, experience showed that the majority occurred in circumstances which could not be readily controlled by legislation; for example, the lack of attention to good industrial housekeeping and to general tidiness, ignorance of proper methods of lifting, failure to make use of protective clothing such as gloves, goggles, safety footwear and helmets, and above all, lack of knowledge or application of safe methods of work.

The errors arising from human behaviour, unlike the requirement to fence a dangerous machine, do not, except to a very limited extent, lend themselves to control by legislation. The Chief Inspector draws attention to a special chapter in the report dealing with the responsibilities of employers, workers or others in safety and health matters, and emphasises "the need for all to know and accept their responsibilities for creating a safer working place: only when this is universally recognised will these types of accidents be reduced."

Systematic Arrangements

Systematic arrangements for checking compliance with the law and the adequacy of all safety precautions should form part of accident prevention in every factory. The responsibility for maintaining safe working conditions rests upon controlling managements, and this obligation cannot be properly discharged unless they take steps to inform themselves about the way in which lower levels of management are carrying out the duties delegated to them. Quality control is just as important for safety as it is for the product of the factory. Examples of the variety of ways in which self-inspection can be carried out are quoted in the report, and it is pointed out that yhile these have been drawn from large undertakings, there are indications that the need for self-inspection is gradually becoming appreciated in small firms also. Drawing attention to the importance of properly equipping those who have to discharge the duties of accident prevention, it is pointed out that small firms would be do well to take advantage of short training courses for managers and foremen which are organised by voluntary safety organisation.

There is evidence of a growing interest in the training of new entrants in safety matters, and an increasing number of firms have developed excellent training schemes into which effective safety training has been integrated. Unfortunately, it is still only the larger firms which offer systematic training. In the smaller firms, safety training may sometimes be limited to a warning from the foreman to "be careful" without giving any reason, or much indication of what the young person should be careful about. It may not be so easy for small firms to give safety training, but, if the will is there, it is by no means impossible, nor even particularly difficult. It can be given adequately by a foreman or another experienced worker provided that they have the proper attitude towards safety, are fully aware of all the potential dangers, and are scrupulously careful about safe working methods. It can also be done by using group-training schemes.

Training in many firms, including safety training, still appears to be concentrated on apprentices and little or no attention is paid to new entrants to semi-skilled or skilled work. One reason advanced for this is the rapid turnover among this type of worker, which discourages the spending of time, effort and money on training. For this reason, the increasing number of induction courses or lectures being given to prospective school-leavers while they are still at school is welcome.

Accidents to Young Men

A number of accidents to young persons in 1963 are cited. The report comments that these accidents bring out all too clearly what has been said about the need for training, supervision and good leadership of young people by older workers. Such accidents, it adds, may help to drive home the fact that old heads cannot be expected on young shoulders, that training on all safety matters, especially on dangerous machines, is essential, but that even the well-trained young person requires supervision. "It is also important that good habits taught in training are not eroded by the bad example of older workers."

Some developments in mechanisation which eliminate old hazards, but may sometimes introduce new ones, are considered in a separate section. This points out that in many factory processes developments over the years have either eliminated or greatly reduced a hazard to which the worker has been exposed. It points out that automation and mechanisation continue to remove worker from contact with dangerous processes and substances. Developments which enhance the efficiency of existing processes or offer the way to the introduction of new processes are, however, not always beneficial to the health and safety of the worker.

Developments in mechanisation reported during the year indicate that although operators employed in many processes are no longer exposed to the danger of machinery in motion, the problems of plant maintenance have greatly increased because maintenance personnel in some industries must attend to machinery while it is running and such dangerous machinery should be securely fenced. Some examples are given of developments in certain industries which present new hazards, or which, in resolving old ones, have introduced new hazards. These include the use of tonnage oxygen in steel-making, problems of exhaust ventilation in cotton textiles, and in the use of driverless lorries.

New developments in industry which are discussed in the report include the superseding of mild steel by higher tensile steel or alloy steel in the manufacture of lifting gear, the fencing of foreign blow-moulding machines, and the use of organic peroxides in the plastics industry, and a safety device for radial drills. Further recent discoveries with far reaching industrial implications include the development of "laser" beams, which are capable of punching holes in steel strip as thick as a razor blade, and open up possibilities for welding, drilling, profile cutting, sawing and the general machining of micro-miniature devices.

Laser beams are of current industrial interest because they show great promise as a means of communication, and offer further possibilities for range-finding instruments and satellite tracking. The use or manufacture of devices employing lasers may thus be expected to become widespread in the years to come, and the Inspectorate has been closely watching such developments. In Britain practical devices for use in industry are at present in their infancy, and the concern of the Inspectorate is largely with those factories in which laser devices are being manufactured and, therefore, tested. The risk involved is almost solely to the eyes, and care must be taken to ensure that the beam is never viewed directly or reflected into the eye from highly polished surfaces.

In the first place, the responsibility for creating and ensuring safe working conditions rests mainly on the top management of any industrial concern. This is a responsibility which goes far wider than merely seeking to comply with the obligations laid down by law. In the second place, the drive from the top should ensure a climate of opinion in which the responsibility for maintaining safe working conditions should be as widely felt as possible: everyone should feel responsible for the safetly and health of others working with him. Employers and workpeople alike are, and must recognise they are, their brother's keepers.

STRENGTHENING POLITICAL TIES IN THE COMMONWEALTH

By Robert W. Brock

The writer, a staunch advocate of firm economic and political ties in the Commonwealth, suggests that the present relations can be strengthened by making the British Privy Council and the House of Lords common institutions drawing their membership from the entire Commonwealth.

HENCEFORTH either the Commonwealth will draw closer together, or it will gradually disintegrate. The Common Market Six hope that economic integration will culminate, sooner or later, in political integration. Indeed, to some of the founder-members, political integration has always been, and still remains, the primary aim. "We are not in business" Professor Hallstein has declared, "we are in politics". Although General de Gaulle, at this juncture, applies the brake more often than the accelerator, a Common Market Political Confederation may finally crystallise. If so, the Gaullist veto on U. K. entry represented the most fortunate failure in the British political and economic history.

The Tory move to join the Common Market had one aim and that was to avert nationalisation of U. K. industry by internationalising it on a Common Market basis so firmly and irrevocably that further nationalisation, on a U. K. domestic foundation, would have become for ever impracticable. The legacies left to their successors by the last two Prime Ministers were hardly helpful. Whereas the last Prime Minister inherited "Suez", the present Prime Minister has inherited, as he recently confessed to Parliament, not a dead pheasant, but, less flatteringly, a "dead duck" shot down over Paris early last year and now no longer nutritious or even hygienic. So where do we go from here? Most Tories hailed Macmillan as a modern Moses born to lead his wandering people into the Promised Land, the march being assisted by a helpful breeze defined by Party climatologists as "the wind of change". The writer was among the rebellious minority who considered that Moses, his deluded followers, and the accompanying wind were all blowing and puffing in the wrong direction. The Macmillan thesis, in effect, was that the Tory Party is the constitutional guardian of commercial enterprise and that, to preserve it, it was justifiable, not only to imperial national sovereignty—without consulting the sovereign electorate—but also to abdicate leadership of the Commonwealth which Tory pro-Common Market politicians and newspapers still deride as a "farce", a "myth" and so forth.

The U.K.-Commonwealth alliance, despite political and economic diversities still possesses the opportunity to become the most potent contributor to the creation of a peaceful and prosperous world. It does not stand either for racial, economic or political *apartheid*. Its survival offers the best hope of the ultimate elimination of all three. In opposing all three, it practises what it preaches, as South Africa discovered, and will continue to be reminded. America now beginning to abandon, or at least to curb, racial *apartheid* within its own bounderies, is still applying political and economic *apartheid* (of McCarthy vintage) to China and Cuba.

A Barren Programme

The Commonwealth opposes, and will continue to oppose, that barren programme in every practicable way and at every opportunity. The Nehru treaty with China was not misconceived. Its implementation has been frustrated, only temporarily, by the American policy, now reinforced by Russia, of keeping China wholly isolated, politically and economically—politically, by excluding her from the U.N.O., economically by a process of thought starting from the sound assumption that communism is a poisonous political offshoot of economic poverty, leading to the unsound conclusion that the way to combat and defeat Chinese communism is to perpetuate the poverty which gave it birth and, if possible, to intensify it until Mao and his deluded colleagues agree to migrate to Formosa and accept American guidance—world without end. Amen.

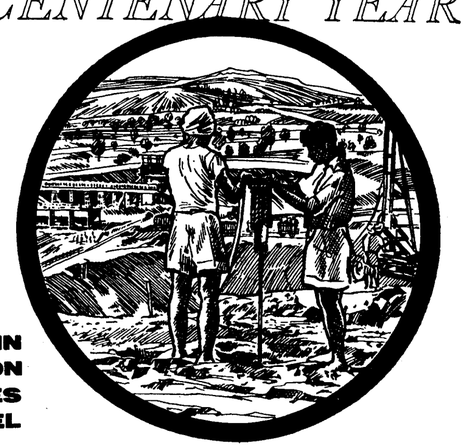
That line of reasoning is as obtuse as the further calculation that, further east and south, the surest way to repel Chinese communism, and make it unpopular, is to turn ricefields into battlefields, and maintain them indefinitely in that condition. If "Freedom from Hunger" is the objective, the route suggested appears somewhat tortuous, and Cambodia's preference for "austerity" rather than "aid" becomes less difficult to understand.

Trade with China and Cuba

The U.K. and many European countries are developing trade both with China and Cuba and will go on doing so despite American assurances that Castroism would die with Castro and Chinese communism with Mao. Who will deny that Washington produces the world's funniest stories? It is true that America was recently prepared to sell wheat to Russia and is now negotiating to sell atomic power stations to communist Rumania, if only to prevent a British consortium snatching a profitable contract. The issue Washington will be forced to confront—*after* the Presidential election—will be, if trade with the Soviet *bloc* is expedient and profitable, what convincing criteria can be adduced for applying the contrary policy to China? Not to promote communism, but to promote world trade as the best aid to world peace. If racial *apartheid* is repugnant, international *apartheid*, political and economic, can only accentuate international tensions, and make a mockery both of the U.N.O. and of the development decade, as long as it survives.

As already emphasised, the Commonwealth, by its intrinsic diversity, must remain opposed to *apartheid* in every form, and is the only free world group inherently incapacitated from following any alternative. No stronger justification for its survival and development is required. Political hunger has been satisfied by the almost complete process of decolonisation. The elimination of physical hunger in the three undeveloped continents represents the next

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major assignment, and the Commonwealth, in that sphere, is best qualified to accept, as it could easily achieve, world leadership, if all its members will collaborate in that not ignoble campaign.

This is not a task within the compass of charitable aid or commercial enterprise. It can be accomplished only on an inter-Governmental basis designed to promote maximum productivity at minimum expense but with maximum speed. The nature of the problem is as clear as the solution.

Today 80 percent of world agriculture remains dependent on human and animal traction and all the new Commonwealth States come within that category. Mechanisation of peasant crop-farming, based on co-operative cultivation, is the only practicable method of raising production and consumption levels to tolerable standards, and, within the Commonwealth, that objective can be achieved only if the U.K. mass-produce the British-designed peasant tractors, and make them available, as "economic aid", to all the new Commonwealth Governments.

Monetary aid, or "tied" loans, means price inflation leading to debt-inflation and cumulative exchange difficulties. Mechanical aid, in the form of peasant tractors, produced and supplied free of cost, would be wholly immune from those objections. They would have a still further advantage. In the long run, mechanised industry will acquire and retain the necessary foundation of purchasing power only if its economic basis is a fully mechanised agriculture. As the most populous common market in the free world India, with a population as large as Russia and America combined, will also become the most profitable when its 70 million peasant farms are made fully productive, in food and raw materials, creating a market for cheap manufactures wholly under Indian control.

Internal Development

The Geneva trade conferences, although propagating a prodigal proliferation of new political and administrative units, would have been more useful only if the 75 developing nations realised that, while export development is important, internal development is vital. It is vital because the Geneva discussions were devoted almost exclusively to the lowering of tariff barriers and similar impediments hindering access to western markets and ignored altogether the more formidable, because still undeveloped, barrier incipient in the accelerating spread of western industrial automation.

To quote only one familiar illustration—if western textile mills, sooner or later, move increasingly towards automated production, relying increasingly on man-made fibres, for how long will "cheap" eastern textiles retain their relative cheapness, and, therefore, their relative salability? The firm foundation of an expanding domestic market is more attractive than the slender, shifting foundations on which international markets must always rest! For that major reason, a Commonwealth Development decade, promoted by U.K. mechanical aid fructifying peasant agriculture, would represent a programme beneficial alike to its own peoples and as a prototype inviting world emulation.

Economic collaboration might be consolidated by closer poiltical collaboration than has hitherto been either feasible or acceptable. This could be promoted most easily by placing the Privy Council on a fully Commonwealth basis, making every Commonwealth Cabinet Minister a Right Honourable, and thereby facilitating more frequent consultations below Prime Ministers' level,—between Foreign Secretaries, Ministers for Commerce and Indusry, Ministers of Education, etcetera. Such a constitutional link, even although solely consultative, not involving even the slightest encroachment on national sovereignty, might well prove of special value at this juncture as between India and Pakistan, by reinforcing, and perhaps extending the present rapproachement, and giving it ample time to bear fruit, in all possible spheres of co-operation.

A concurrent development, with the same objective, might well be to develop the House of Lords, at present of somewhat uncertain stature and dependent on varying sources of recruitment, into a Commonwealth Senate (also advisory) as fully representative of Commonwealth States as of the U.K. itself. To be specific—if an Indian Peer, why not a Life-Peer from Pakistan? As there are women Peers, who would adorn, and reinforce, such an Assembly with such charm and competence as Mrs. Pandit? And, pursuiting that line of thought, if Asia is to find its spokesmen, who could speak with greater authority, and vigour, as the voice of African nationalism, than President Nkrumah? Could he refuse such a world platform? And if he accepted, would not the citizens of Ghana acquire a better chance than they have been vouchsafed hitherto, to gain practical experience in terms of a parliamentary democracy, looking to India as the world's most populous, and not the least stable or successful, exponent of that form of government?

Wind of Change

The "wind of change" is not blowing only in Africa. It was blowing before the former U.K. Premier, Mr. Macmillan had discovered it. It may blow in many unexpected directions following his unexpected retirement. There was a time in British history, perhaps more than one occasion, when the U.K. "saved herself by her exertions and the world by her example". I have a feeling that the Commonwealth may soon repeat, and excel, that saving achievement, not in a war against military aggression, but in the wider, more insistent, more rewarding "war against want". The hydrogen bomb survives. The hunger bomb should be eliminated, and will be if the Commonwealth so agrees, and so decrees.

The Commonwealth countries, including India and Pakistan, are not overpopulated. Their deficiency is the remediable deficiency of underproduction. The solution is not a planned diminution of human fertility, but a planned improvement in soil-fertility. Whereas the former solution is blasphemous and destructive, the second is creative and constructive. In Great Britain, the campaign for birth control has been succeeded by the highest birth rate recorded in the present century, leading mothers to clamour for more maternity hospitals, and Government to issue agonised appeals to married midwives to cope with the flood of babies.

It is reported that Indian village boys who have been "educated" reject manual-*cum*-animal farming as "degrading". It is worse! It is unscientific and unproductive. Any policy which alienates the Indian intelligentsia from the countryside stands self-condemned and needs no further indictment. Only mechanisation will reverse the "brains drain" from rural India. Only mechanisation will vitalise the community development units and give them full opportunity to become fully productive in all their varied range of activities. No Government east of Suez has greater opportunities for constructive achievement than the new Government led by the successor-

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Jute

I.J.M.A. DENIES TELLING MILLS TO CUT OUTPUT

THE I.J.M.A. has denied the rumour that it has compelled its members to cut production by 10 percent or so from 1st October. A Press note issued by the Association on Saturday says that "the I.J.M.A. has no authority to issue such a directive. The Association is, however, aware that some members have made adjustments in production during September and that others may be doing so. These adjustments were or are being made to avoid losses or in connection with seasonal demand or because of other economic factors, and are all the result of voluntary decisions taken by individual members." The I.J.M.A. has assured all buyers that their requirements will be fully met. In view of the steps being taken by the Government, the Association has expressed its confidence that there will be an adequate supply of raw materials.

Captive Generators for Mills

The jute industry in West Bengal will be offered all facilities for maintaining its production at the desired levels, said Mr. P. C. Sen, Chief Minister of West Bengal while addressing last week a high-level conference of representatives of the Central and State Governments, chambers of commerce, associations of exporters and other industrial organisations. The State Government has permitted the industry to have its own generating sets to avoid any shrinkage in production when power cuts are imposed. Furthermore, most of the restrictions on the use of energy have been relaxed following the increase in power supply. On the basis of an annual production target of 1.7 million tonnes during the fourth plan, against 1.3 million tonnes in the current plan, the additional power requirements of the industry have been estimated around 40 MW. The annual export target for the next plan has also been stepped up from 900,000 tonnes to 1.1 million tonnes.

As for raw jute, Mr. Sen said that it was not possible to increase the acreage. But the Government would try its utmost to encourage intensive cultivation in an effort to improve the quality of fibre and raise the yield. The Central Government has offered an interest-free loan of Rs. 2.3 crores to jute-growers for this purpose.

Trading in T.S.D. Contracts

The East India Jute and Hessian Exchange Association has invited suggestions on certain amendments to the by-laws for trading in transferable specific delivery contracts in raw jute and jute goods. These were approved by the directors of the Association at a recent meeting. The first amendment relates to the insertion of the definition of "margin" as "the amount of money payable as a deposit by a member or non-member if his net open position at the end of a working day in respect of his outstanding transactions in T.S.D. contracts in raw jute and/or jute goods is in excess of the free limits."

The second amendment is a new by-law authorising a member to demand from a non-member client any margin money concerning outstanding contracts which the former has to deposit with the Association. The non-member constituent has to pay the amount demanded by the member within such reasonable time as will enable him to carry out his obligations to the Association or to other members. In the event of default, the member will be competent to square up his outstanding contracts with such a non-member constituent in the market on the trading day following the expiry of the time limit at the then prevailing rate. Such transactions will have to be reported to the E.I.J.H.E.A. before being squared up. The by-law also makes it obligatory on the member to refund to a non-member constituent the money collected as margin on his net outstanding position in any of the contracts as and when such deposit is no longer to be maintained. It authorises a non-member to make a direct deposit of the margin money with due intimation to the Association.

The third amendment is a new by-law in Chapter V providing that no member "shall trade in T.S.D. contracts in raw jute and jute goods either on his own account or on account of any other member with a person who is not registered with the Association except in accordance with the procedure laid down by the Board" with the prior approval of the Forward Markets Commission.

THE JUTE MARKETS

Manufactured Goods: Trading in the Calcutta gunny market was interrupted by holidays during the past week. Opening on an optimistic note on brisk short- and shipper-covering in the spot market, gunny prices shot up during the week-end on hectic bull support for sacking in the hedge market. The bullish fervour was sparked off by expectations of a brisk offtake of heavy goods. During August and September, the Government of India had booked about 45.000 bales of B Twills, the Egyptian Trade Mission about 20,000 bales, the Sudan 20,000 bales of assorted constructions and Australia about 15,000 bales of cornsacks and woolpacks. Furthermore, Thailand, Nyasaland and Russia also placed firm orders for substantial lots of jute goods for the ready and near positions. U.S. demand, now limited to routine offtake, was also expected to rise in view of the low inventories in that country and the sharp spurt in gunny consumption in recent months. Rumours of a production cut of 10 percent by I.J.M.A. member-mills were additional stimulants. But the earlier gains were practically erased on Tuesday on rumours of the Government's intention to use second-hand gunny bags for storage of foodgrains. The I.J.M.A.'s note on the production cut rumour was another bearish factor. Fresh overseas offtake was negligible during the week, although mills booked handsome business with shippers and shorts at the higher level. Conditions in Calcutta port improved somewhat. Enough space was available but it was mostly used for tea shipments. Shortage of lighters and berths continued to slacken the loading of vessels. The position was expected to improve in a couple of weeks. Fluctuations were wide. Turnover was moderate in the spot market and fair in the hedge market. The undertone was hesitant at the close.

Wednesday's quotations were as follows:

	Oct.	Nov.	Dec.	Jan.-Mar.
40in. 7½oz.	37.70	37.90	38.15	38.35
40in. 8oz.	40.50	—	—	—
40in. 10oz.	50.15	50.45	50.70	51.10
B Twills	149.80	148.40	148.15	147.55
Cornsacks	151.75	151.25	150.75	152.25
Heavy Cees (Plain)	149.50	148.40	148.00	147.25
A Twills	180.00	180.00	179.50	179.00
Liverpools	166.50	167.00	167.00	166.50

Raw Jute: Steady conditions prevailed in the raw jute market during the past week. The widespread rains all over West Bengal, Assam, Tripura, Orissa and Andhra made the feeder roads in the upcountry centres unsuitable for cart traffic. This affected the movement of fibre to the terminal markets and daily arrivals shrank appreciably. Holders also became reserved on reports of a rise in gunny prices in India and of a firm trend in fibre prices in East Pakistan. Mills had already lifted the maximum purchase quota of 175,000 bales for the week ended 3rd October. Although they experienced a shortage of several grades of quality jute required for batching purposes, they were restrained in their purchases. The turnover was more or less of a routine nature, confined to marginal lots of selected-grade fibre for the ready and near positions. Prices hardened by 50 paise a maund over the previous week's levels. Fluctuations were moderate and the undertone firm at the close. In the hedge market, transactions had not commenced in Upper Assam White Bottoms for December.

Wednesday's quotations were as follows:

	Rates a maund Mid.	Bot.	Rates a quintal Mid.	Bot.
Assam-Agartala Jute	41.00	38.00	109.85	101.81
Northern Jute	40.00	37.00	107.17	99.13
Western Desal Jute	39.00	36.00	104.49	96.45
Selected Daissee	42.00	39.00	112.53	104.49
Assam-Agartala Tossa	41.50	38.50	111.19	103.15
Mesta: Assam-				
Northern	38.00	35.00	101.81	93.77
Local Daissee	37.50	34.50	100.47	92.43
Bihar Dist.	37.00	34.00	99.13	91.09

THE U.K. JUTE MARKETS

FIBRE DEARER

(FROM OUR DUNDEE CORRESPONDENT)

THERE was a firmer trend in the raw jute market in Pakistan last week and many sellers raised their rates. It is understood that the mills there have been instructed to purchase substantial quantities of raw jute by the end of October, and as a result of this, prices have advanced. The outlook at present is that prices will still go higher because of the size and nature of the crop.

The raw jute market in Dundee also became dearer. Most of the cheaper sellers either withdrew or raised their prices. Holders of secured parcels had been selling, but they started taking a much firmer view of the position. Business in the fibre continued to take place for October and November shipments.

The main rise in prices in the U.K. took place in the lower qualities. This could be due to the bulk of the secured jute being of the bottom grades. Offers were not being so freely made as previously, and some sellers became rather reserved. A small movement took place in spot jute which could be to cover about 4,000 bales damaged in a warehouse fire in Dundee at the end of last week.

Offers being made here were still very irregular with Mill Firsts at £154, Export Firsts at £141, Export Lightnings at £126 10s and Export Hearts at £117, c.i.f. U.K., for October-November shipment. Grade Tossa-2/3 was named at £150 and Grade Tossa-4 and Dacca Tossa-6 at £137 15s. There were sellers of Outport Tossa-2/3 at £126 and of Outport Tossa-4 at £120, October-November. Cuttings were also becoming dearer at £93 for S.N.C. and at £82 for N.C.

The Siam jute market was quiet, and prices of the higher grades became easier. Offers were being made at £89 for grade A, at £85 for grade B, at £78 for grade C and at £74 for cuttings, delivered mill Dundee for November-December shipment.

The Calcutta goods market remained steady for hessians, but prices of sackings were still advancing. Some business took place here. Quotations were at 81s 10d for 40in. 10oz. and at 62s 1d for 7½oz. a 100 yards c. and f. U.K. for October shipment, at 82s 6d and 62s 7d November-December and at 83s 1d and 64s 3d January-March. B Twills were at 245s 6d. 243 3d and 242s 6d for the respective shipment periods.

Prices of Dundee jute yarns and cloth were very firm and supplies of the former were only available for forward delivery. Business continued to take place, and no doubt increased demand would be shown if the raw material markets became firmer. The carpet trade is taking regular deliveries of yarns and wide cloth. Prospects are that this will continue for some time.

The heavy end of the trade was rather quiet. There was not very much movement taking place in sackings and tarpaulins, but producers appear to have sufficient orders in hand to maintain output at a steady level.

THE PAKISTANI JUTE MARKETS

FIBRE RISES AGAIN

(FROM OUR DACCA CORRESPONDENT)

THE sellers had the upper hand in the jute markets in the interior last week. Arrivals everywhere were scarce and any purchases made were at higher levels than in the previous week. What was particularly worrying was that the percentage of tossa in the arrivals had been falling off considerably. This did not mean that the tossa crop has all been marketed; in fact, quite a lot of it has yet to be harvested. Nevertheless, it showed that already the sellers in the origin appreciate that they could get better prices for tossa than for white.

Despite low prices, the bullish undertone prevailed, although to a slightly lesser degree. There were still the odd case of a few bulls, talking of a 3½ million bale crop. The voice of the bear was also heard in the market, suggesting that the crop is as much as 6 million bales. Most balers, however, stick to their 4½ to 5 million bale crop estimate.

In the pucca bale market again, there was little activity except for cuttings, which improved slightly in prices. The discount for ready remained, but there were few buyers. It has now become obvious that the heavy business concluded in cuttings for the January-February-March position, is mostly speculative. There is no question of delivery being taken, but differences will be settled. This will leave large quantities of cuttings in balers' godowns, which must eventually result in a fairly heavy drop in the price of cuttings since the mills cannot lift more than they usually do and very few overseas buyers can afford to pay even F.P.C.

Books

RUSSIAN ECONOMIC POLICY

Foreign Economic Policy of Soviet Russia. By D. S. Nag. (Published by Lakshmi Narain Agarwal, Agra. Price Rs. 10.)

In this book the author attempts to establish that Russian economic policy is not governed by the exigencies of circumstances, but is based upon the doctrines of Marx and Lenin. Soviet aid to under-developed countries should be judged against this background. In his criticism the author, however, finds Soviet aid in different forms to be much inadequate when compared with that from the U.S.A. He is not very happy over Russia's abstention from the different world organisations set up under the auspices of the United Nations to help the under-developed countries. Russia's attitude could have justification on political grounds, but the author feels that re-orientation of outlook is called for in the changed circumstances.

The book unfortunately has a few drawbacks. It does not seem to bring out the changes that have taken place of late in Russia which have influenced the authorities to withdraw gradually the iron curtain in international trade. The withdrawal is not complete, but there is greater appreciation of trade and exchange with the West than before. Secondly, the author has not sought to ascertain whether Russia has as much investible surplus as America. Political or doctrinaire considerations may influence investments abroad at the cost of domestic consumption, but there is an obvious limit to it.

The author has concentrated his attention on Soviet economic relationship with the developing and underdeveloped countries, and has virtually ignored her growing trade relationship with Western countries. In view of this, a sub-title should have been added to the book. Considering the size of the publication and the author's intention to circulate it among students and the interested members of the public, the price appears to be a little too high for this country.

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ASHV

WAGES AND TRADE UNIONS

Wage Determination and Organised Labour in India. By A. J. Fonseca S.J. (Published by Oxford University Press. Pages 241. Price Rs. 10.)

Organised labour has an important part to play in the development of Indian economy, but if misdirected, trade union movement may well prove a hindrance to economic growth. A carefully planned labour policy is, therefore, essential to minimise the tension between employers and employees. The author starts with a brief resumé of the different theories of wage determination beginning from Ricardo and Marx, and enumerates the structure of trade unions in India and the efforts made by the Government of India after independence to establish "fair" wages in different fields of production by legislation and other methods. The following chapters on forms and methods of wage settlement are informative and among other things, discuss the methods available in advanced countries like the U.K., Holland and Sweden.

The book devotes a chapter on the impact of trade unions on wages which in fact, is an offshoot of the theory of wages. The author justifies labour's share in profit and the right to bonus although he is aware of the practical difficulties of the implementation of the principle of profit sharing in different industries. Enlightened industrialists in this country as elsewhere, have recognised this right long before any legislation was introduced.

In the context of a developing economy and the constant threat to inflation, care must be exercised that the cost of labour does not grow disproportionately heavy so as to retard the growth of rising enterprises and trade unions should well realise their ultimate responsibility in promoting economic growth through active participation and co-operation wherever possible.

EXPORT DIRECTORY

Directory of Exporters of Indian Produce and Manufacture 1963. 15th Edition. Price Rs. 12.50. Foreign 20s 2d or (U.S.) $4.50. (Published by the Government of India, Department of Commercial Intelligence and Statistics, Calcutta.)

One need not dwell upon the importance of Sell's Directory or Bankers' Almanac as a valuable source of information in the world of business. The directory of exporters as published in the present edition will prove of great value to foreign importers who wish to establish or renew trade contacts with India. The directory was first published in 1919, and further editions were brought out from time to time. As many as 1330 firms were included in the 1961 edition, but the present volume covers the names of 3,350 firms with the novel feature that non-traditional items have been included which India seeks to export. The book contains several useful appendices on the Export Promotion Advisory Council, Export Risk Insurance Corporation, addresses of Indian trade representatives abroad and gives a list of foreign exchange banks and travel agents in India.

NEW W.I.M.C.O. CHAIRMAN

The board of the Western India Match Co., Ltd has elected Mr. Akbar Hydari as chairman of the Company in succession to Sir Chunilal V. Mehta, who has retired from the chair after 25 years. Mr. Hydari is 45 and has been an executive director of W.I.M.C.O. since 1951.

Commodity Markets

TEA OUTPUT AND EXPORTS BELOW TARGETS

(FROM OUR SOUTH INDIAN CORRESPONDENT)

It is now an undisputed fact that the tea industry will not reach the original third plan targets either for production or for export. In the light of a recent assessment of the performance so far, the Tea Board chairman, Mr. Bam, is estimating the Indian tea production by 1965 at 830 million lbs. against the original third plan target of 900 million lbs. He has apportioned 620 million lbs for north India and 210 million lbs for south India. These estimates were given in his address to the recent annual conference of the United Planters Association of Southern India. He estimated export in 1965, at 530 million lbs, against the third plan target of 550 million lbs. There has been a steady increase in Indian tea exports from 426 million lbs in 1960 to 493 million lbs in 1963. There was a 21 percent increase in the export of south Indian tea, compared with one of 14 percent of the north Indian tea during this period. The Tea Board chief's feeling is that exports in 1964 will be of the order of 510 million lbs.

The Planning Commission is now examining the report of the Working Group set up by it for formulating the targets for the fourth and fifth plans. It is reported that the Working Group has recommended a production target which contemplates an increase of 170 million lbs by the end of the fourth plan period compared with the anticipated increase of 122 million lbs during the third plan period. It is stated in certain quarters that the yielding capacity in North East India and south India has reached a point of saturation and a further increase in production is possible only through the extension of new areas. Official circles do not agree with this view. Better methods of cultivation, adequate application of fertilisers, drought and pest control measures and other scientific methods can certainly bring about a further improvement in yield, they argue. Besides new planting with high-yielding clones or improved seeds will lead to greater results. However, for achieving higher production, the industry requires assistance in many directions, including tax concessions.

To achieve a rapid increase in production, it has been estimated that during the next few years, at least 24,000 acres of new planting will have to be done every year. Out of this, about 18,000 acres are earmarked for north India and 6,000 acres for south India on the basis of the present ratio of acreage in the two areas. This level of new planting will require investment on a large scale which is not very easy for the industry to manage under the present conditions. It is this context that the appointment of the Tea Finance Committee recently by the Government of India is particularly significant.

North Indian tea estates are having a very fine season this year. Their production to the end of August was to the tune of 327 million lbs, representing a 26.7 million lb gain over the crop for the corresponding period in 1963. From the present trend of production, it would appear that north India will harvest well over 600 million lbs this year which will be a record. Unfortunately, production in south India is lagging behind last year's. The south Indian tea crop to the end of August at 110 million lbs, was down by about 20 million lbs, compared with that of the same period last year. This was due to a prolonged drought early this year. Conditions have improved since then and the expectation is that at least a good part of this loss will be made up by the end of the year. The present estimate is that the total production in India in 1964 will be higher than the 1963 output by about 40 million lbs. This will be the highest on record.

A special correspondent writes: Nature seems to regulate the supply position of tea better than the producers can order it. Since the end of the Second World War, Ceylon has steadily increased its output from 135.5 metric tons (1 metric ton = 2,205 lbs) to 219.8 metric tons in 1963, while south India moved up from 48.7 metric tons in 1948 to 87.6 metric tons last year. In north India, however, although production improved reasonably from 213.3 metric tons in 1948 to 273.4 metric tons by 1961, output fell away to 257.2 metric tons last year. A new record of production amounting to something over 273.3 metric tons is probable this year. Had south India and Ceylon continued to go ahead, this bumper crop from north India would have caused a serious fall in commodity prices, but as noted, nature has restricted the supply so far this year; south India is remaining short by about 10,000 metric tons and Ceylon's output is lower by 3,000 tons so far. The stocks in the U.K. are also short. These have so far saved the situation, and Indian teas are getting a reasonably good price.

Nevertheless looking to 1965, this correspondent is of the opinion that the F.A.O. warnings may come true. North India has made a recovery, and Pakistan is likely to do likewise; so also East Africa. Even if south India and Ceylon daily round the 1963 level, still there will be a lot of tea for world markets. Some hoped the E.C.M. countries would absorb more in 1964, but so far figures are not very encouraging. The U.S.A. is another market which held out great expectations, but actual exports through Calcutta from 1st July to 15th September, 1964 were 4,117,030 lbs. compared with 4,450,394 lbs in 1963, and 4,819,540 lbs in 1962.

CARDAMOM

Prices Look Up

Our South Indian Correspondent adds:

Cardamom prices are looking up, and the reason given is smaller arrivals of the new crop. Due to absence of adequate rains during February, March and up to monsoon, the prospects of cardamom have dwindled and the planting opinion is that this year's crop may not exceed 60 percent to 70 percent of last year's production. The crop is late also by about a month. Prices of green medium have moved up to Rs. 15.50 to Rs. 17.50 a kilograms. The superior variety is quoted at Rs. 18 to 21 a kilogram. This represents an increase of 5 to 7 percent over the prices a few weeks ago.

TAXATION

Memorandum to Commission

The United Planters Association of Southern India in a memorandum to the Finance Commission has highlighted certain aspects of the taxation on the planting industry which by further neglect might seriously affect the revenue expectation from the industry and its contribution to the nation's export trade. The memorandum points out that the combined incidence of sales tax and Central duties of excise, Central income tax, agricultural income tax, entry duties, cesses, octroi duties, building taxes, *panchayat* and other local levies on production, consumption and export of plantation products has reached a point causing concern to the industry. It recommends that the Finance Commission should propose measures for a co-ordinated approach for the taxation between the Central and State Governments, and that it should lay down the principle that agricultural income should not be taxed more heavily than business income, that concessions available to industries and commodities under the Central scheme of taxation should be made equally available to plantation crops and that the crops in export should be exempted from the levy of sales tax and excise duty. As an alternative, all taxes and duties should be levied by the Central Government, and these should be subject to the Commission determining the procedure of periodical allocation of shares to the State Governments concerned, so that the cumulative weight of taxation of the industry is fully recognised by the Central Government and the power to take corrective action is available to it.

PIG IRON

Shortage Affects Foundries

THE Indian foundry industry has made substantial progress in the past few years. Its annual capacity now totals 2.5 million tonnes, which is distributed over 2,000 units operating mostly on a single-shift basis. The range of these products too has widened considerably, and includes heavy alloy castings of intricate standards and specifications for machine-building. The main market for foundry products is provided by the railways. The industry has also been making an increasing contribution to the country's export earnings, which have risen from Rs. 12.30 lakhs in 1959 to Rs. 37.60 lakhs in 1963. Exports in the first seven months of 1964 have totalled 33.31 lakhs. Indian castings have found a good market not only in Asia and Africa but also in the industrially advanced countries of the west. Shipments to the U.S.A. in the first seven months of 1964 have amounted to 1.13 lakhs. In his presidential address at the annual general meeting of the Indian Foundry Association held in Calcutta on Wednesday Mr. K. Prosad stated that if the quality of Indian foundry products was improved, exports could be stepped up even more. He suggested that a research organisation should be created to accelerate the growth of



RETAILERS: LOHIA TRADING CO., 133, Canning Street, Calcutta-1.

the foundry industry. He also suggested that the industry should be mechanised as far as possible in order to bring down production costs and improve quality.

The main problem of the industry arises from the shortage of pig iron. Mr. Prosad said that against an estimated demand of 2.5 million tonnes, the supplies of pig iron amounted to only 1.2 million tonnes. Out of this, limited supply, only a small quantity goes to the industry since the major portion is ear-marked for specific purposes. As a result, the foundries producing commercial items get raw material supplies to the extent of only 20 percent or 22 percent of their installed capacity. The decision to import 150,000 tonnes of pig iron from Russia, Mr. Prosad said, should be able to relieve the scarcity to some extent. But since its landed cost is higher than the existing controlled price of pig iron, the foundries are burdened with bigger production costs. The speaker pointed out that even if all the industrial licenses so far granted by the Government for establishing small pig iron plants materialised the total indigenous availability would not exceed 2 million tonnes. So he has suggested that an additional capacity for producing 2 million tonnes of foundry-grade pig iron should be established by the end of the fourth plan, since the requirements by then would have gone up to about 4 million tonnes.

New U.K. Mark to Guarantee Wool

THE official launching of the "Woolmark" in London recently marks the first stage in the most ambitious promotion scheme that has even been launched for wool, or indeed any other fibre. It has taken two years to prepare and within another two years will be in operation in 21 countries throughout the world. In essence, the scheme is to promote wool textiles on the grounds of quality and performance (they cannot compete with many of the new fibres on price) and to establish and maintain trading standards as a guarantee to the public.

In addition to Britain, the International Wool Secretariat is also introducing the mark simultaneously in West Germany, Holland, Belgium, America and Japan. In about 12 months, it will be in force in ten more European countries, India and Canada, and in the following year in Australia, New Zealand and South Africa. The "Woolmark"—it rather resembles the knot known as a monkey's fist—is a certification trademark, so that the conditions under which its use is granted has legal backing and one of the Secretariat's greatest tasks was to find a mark and conduct the necessary negotiations to secure it by patent in 90 different countries.

Use of the new mark will impose stringent conditions on those manufacturers who intend to use it. The scheme will be introduced in stages. At first, the mark will be an assurance of pure new wool processed by manufacturers of standing. The maximum allowance for decorative fibres will be 5 percent, plus 0.3 percent for inadvertent fibrous substances. The mark will in the first place be confined to worsted cloths, but will be extended to woollen cloths in the spring of next year. It will then be extended gradually to other types of fabric, including knitwear and knitting yarns, blankets and carpets.

In time, the requirements for the mark will also be increased. The Secretariat will define standards of strength, colour, fastness and other performance characteristics and the mark will also cover new processes such as resistance to shrinkage, permanent pleating and so forth. An interesting feature of the scheme is the co-operation promised to the I.W.S. by the Retail Trading Standards Association. There will be a policing system of random purchases by I.S.W staff and the garments will then be tested in the laboratories of the R.T.S.A. Mr. Roger Diplock, director of the Association, announced the other day that it was ready to erect an additional building at its laboratories if the use of the "Woolmark" made it necessary. Mr. Dennis Clive, U.K. director of the International Wool Secretariat, has said that the "Woolmark" scheme is "a great step forward in consumer protection." At the same time, it is probable that it will also be of some assistance to the British wool textile industry by bringing a new internationalism to wool promotion.



IFOC-87

COMPANY AND PUBLIC NOTICES

BRIDGE AND ROOF CO. (INDIA) LIMITED

NOTICE is hereby given that an Extraordinary General Meeting of the Members of the aboye-named Company will be held at the Registered Office of the Company, 21 Netaji Subhas Road, Calcutta, on Thursday, the 29th day of October, 1964, at noon, to consider and if thought fit, to pass the following resolution :—

(To be proposed as a Special Resolution)

"That the Regulations contained in the printed document submitted to this meeting and for the purpose of identification subscribed by the Chairman thereof, be and are hereby approved and adopted as the Articles of Association of the Company with effect from the first day of November, One thousand nine hundred and sixty-four in substitution for and to the exclusion of all existing Articles of Association."

BALMER LAWRIE & CO. LTD.,
D. MANSON,
Managing Director,
Secretaries.

alcutta, 1st October, 1964.

lotes :—(1) A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. Such proxy need not be a member of the Company.

(2) **An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, has been forwarded to the members of the Company.**

MALAYALAM PLANTATIONS LIMITED

Accounts

THE profit for the year after taxaon was £586,891 against £513,817 or 1962/63. In view of the current igh level of expenditure upon tea achinery and equipment the Direcors have transferred £138,200 to apital General Reserve. They have lso transferred £8,750 to Developent Rebate Reserve and have dded £50,000 to Replanting Reserve raise the latter to the amount now stimated to cover the cost to matuity of existing immature areas. hey propose a final dividend of 17½ er cent, making 22½ per cent for the ear and leaving £98,110 to carry orward. The total dividend is overed 1.53 times by the profit after eduction of tax and replanting exenditure.

DALMIA CEMENT (BHARAT) LIMITED

Registered Office : DALMIAPURAM (Madras State)

A general meeting of the shareolders of the Company will be held t Dalmiapuram, the Registered ffice of the Company, on 30th Octoer, 1964 at 11-00 A.M. Notices of he Meeting setting out the Agenda nd Explanatory Statement on the pecial business to be transacted hereat have been sent to the hareholders by post.

By Order of the Board,
S. C. AGGARWAL,
Secretary.

Dated : 24th September, 1964.

THE BOMBAY BURMAH TRADING COPORATION LIMITED

Final Dividend for the year ended 31st May, 1964

AT a meeting of the Directors held on the 5th October, 1964, the following Final Dividend was recommended for the year ended 31st May, 1964, subject to deduction of Tax under Section 194 of the Income Tax Act, 1961 :—

Rs. 3.30 (Three Rupees Thirty Paise) per share on the 7,34,000 shares of Rs. 25 fully paid.

Rs. 2.64 (Two Rupees Sixty-Four Paise) per share on the 4,20,000 shares of Rs. 25 on each of which Rs. 20 have been paid.

This, together with the Interim Dividend paid in July, 1964, will make a total distribution for the year, subject to Income Tax, of :—

Rs. 4.50 (Four Rupees Fifty Paise) per share on the 7,34,000 fully paid shares of Rs. 25.

Rs. 3.60 (Three Rupees Sixty Paise) per share on the 4,20,000 shares of Rs. 25 on each of which Rs. 20 have been paid.

Notice is hereby given that the Register of Members and the Transfer Books of the Corporation will be closed from the 3rd November, 1964, to the 24th November, 1964, both days inclusive.

Final Dividend for the year ended 31st May, 1964, if declared, will be made payable to those Shareholders whose names stand on the Share Register of the Corporation at the close of business on the 24th November, 1964, and to holders of Fractional Certificates after such Fractional Certificates have been exchanged for Bonus Shares in accordance with the prescribed procedure.

By Order of the Board,
WALLACE AND COMPANY,
Secretaries and Treasurers.

Registered Office :
9, Wallace Street,
Fort, Bombay 1.
Dated : 6th October, 1964.

THE INDIAN IRON AND STEEL COMPANY LTD.

NOTICE is hereby given that the Register of Members and Share Transfer Books for Preference Shares in the Company will remain closed from the 23rd October to the 27th October, 1964 both days inclusive, for the purpose of payment of Preference Dividend for the half-year ended 30th September, 1964, on or after the 1st November, 1964, to those Preference Shareholders whose names appear on the Company's Register of Members on the 27th October, 1964, or to their mandatees.

By Order of the Board,
MARTIN & BURN LTD.,
F. G. LIVERSEDGE,
Managing Director,
Managing Agents.

Registered Office:
12, Mission Row,
Calcutta-1.
3rd October, 1964.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
East Indian Coal Co. Ltd. ..	23-10-64	11-10 a.m.
Bridge & Roof Co. (I) Ltd. ..	29-10-64	12 noon
Dalmia Cement (Bharat) Ltd. ..	30-10-64	11 a.m.
Megna Mills Co. Ltd.	30-10-64	3 p.m.
India Jute Co. Ltd. ..	30-10-64	4 p.m.

DIVIDENDS DECLARED OR PROPOSED.—East Indian Coal Co. Ltd.—Rs. 2 per share (o), subject to tax; Megna Mills Co. Ltd.—Rs. 1.20P per share (o), subject to tax; India Jute Co. Ltd.—Rs. 1.50P per share (o), subject to tax; Bombay Burmah Trading Corporation Ltd.—Rs. 3.30P per share of Rs. 25 fully-paid (o) (f), subject to tax.

HIDES AND SKINS

The market in skins was firm and the prices showed an upward tendency. Stocks were less than in the previous week.

Bazaar Sales

(Between 29th September and 5th October, 1964)

Cowhides : Wet salted 8,000 pcs. on the basis of Rs. 6.75 to Rs. 9.62; Wet salted (Slaughtered) 45,000 pcs. on the basis of Rs. 10.50 to Rs. 16.50 and Rs. 19.50 to Rs. 28.00; Wet salted 2,500 pcs. on the basis of 84 P. a lb.

Goatskins : Wet salted (Patna, Daissee, Kustia) 51,600 pcs. on the basis of Rs. 375 to Rs. 390, Rs. 390 to Rs. 410 and Rs. 440 to Rs. 450; Wet salted (he-killed) on the basis of Rs. 5 and (she-killed) on the basis of Rs. 4.75 a piece; Assam-Maldah 23,000 pcs. on the basis of Rs. 240 to Rs. 265 and Rs. 290; Purneah 8,000 pcs. on the basis of Rs. 280 to 290; Patna 4,000 pcs. on the basis of Rs. 250 to Rs. 265.

Bazaar Stocks

(5th October, 1964)

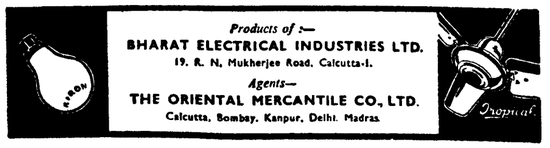
Cowhides : Wet salted 83,400 pcs.
Goatskins : Wet salted (Patna, Daissee, Kustia, Killed) 68,500 pcs; Assam-Dinajpur 90,000 pcs. and Muzafferpore - Patna-Pakur-Purneah-Kissenganj 178,000 pcs.

SHELLAC STEADY

During the period ended 6th October, the market was quiet, but steady at the beginning of the week and steady at the close.

A. Shellac, buttonlac and garnet lac	Rupees a package
(1) **Hand-made grades**	
Pure Buttonlac	224 buyers, 230 sellers
Lemon One Shellac	224, 226 buyers, 230 sellers
Lemon Two Shellac	206 buyers, 212 sellers
Standard One Shellac	190 buyers, 196 sellers
Pure T.N. Shellac 2½%	176 buyers, 182 sellers
Pure ITN Shellac 4%	140 value
(2) **Machine-made grades**	
ABTN Shellac	250 sellers
Lemon Superfine	250 sellers
Lemon One	242 sellers
Fine Orange Shellac	232 sellers
Angelo's TN I Shellac	190 sellers
AC Garnetlac	166 sellers
IG Garnetlac	166 sellers
Kala Garnetlac	166 sellers
B. Seedlac	
Golden Kusmi	270 value
Kusmi One	210 value
Golden Bysacky	230 value
Manbhum Fine Bysacky	170 buyers, 180 sellers
Fine Bysacky	154 buyers, 164 sellers
Genuine Bysacky 5%	148 value
Grade One Class B	170 buyers, 180 sellers
Grade Two Class B	154 buyers, 164 sellers
C. Sticklac	
Manbhum Sticklac	156 buyers
Palas Sticklac	126 buyers
D. Kireelac	32 value

Shipments during September 1964, were 20,393 packages.



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Official quotations of the Calcutta, Bombay, Madras, London Stock Exchange Associations and other sources.

Figures given after stroke (/) mean paise.

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BANKS

Wednesday, 7th October, 1964.

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs	Latest Market Quotations as available until 7-10-64 Rs.	30-9-64 Rs.	A year ago Rs.
Allahabad Bank P.	18	15	15	100	249/00	249/00	258/00
Bank of Baroda	17	16	16	50	98/50	98/50	88/50
Bank of India	20	20	18	50	102/00	102/00	105/00
Central Bank of India	20	20	20	25	52/50	52/50	54/30
Chartered Bank	15	15	15	£1	sh. 49/-	sh. 50/6	sh. 64/-
Hindusthan Commercial	Nil	Nil	..	50	10/25	10/25	13/50
Hindusthan Mercantile	Nil	Nil	..	50	10/75	10/75	15/62
Hong Kong & Shanghai	sh. 15	sh. 16	sh. 16	HK$25	£22½	£22/-	£18¾
India Bank	15	14	..	100	151/00	151/00	156/10
Indian Overseas Bank	14	12	14	100	149/50	149/50	147/00
National & Grindlays Bank	14	16	14	sh. 15	sh. 31/9	sh.31/-	sh. 33/-
Punjab National Bank	20	20	20	10	20/00	19/87	19/12
Union Bank of India	11 2/5	11 2/5	11 2/5	5	6/60	6/56	5/88
United Bank of India	6	6	7½	10	8/12	8/12	7/31
United Commercial Bank	12	12	12	50	73/25	73/25	68/50

JUTE MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 7-10-64 Rs.	30-9-64 Rs.	A year ago Rs.
Agarpara P.	2½	2½	12-10*	10	9/56	9/56	10/56
Alexandra P.	15	42½	..	100	245/00	245/00	300/00
Alliance P	Nil	10	12½	100	106/00	114/00	159/00
Anglo-India P.	7½	10	12	100	190/00	190/00	236/00
Auckland P.	12	Nil	15	100	132/00	132/00	142/00
Bally P	25	25	25-20*	100	239/00	239/00	262/00
Barnagore P.	10	10	40	£5	230/00	230/00	200/00
Bengal P.	5	5	..	10	7/00	7/00	9/37
Birla P	15	15	15	10	35/44	35/37	32/69
Budge Budge P.	Nil	12	20	100	129/00	129/00	155/00
Calcutta P	Nil	Nil	..	10	8/12	8/12	8/12
Caledonian P.	5	15	..	100	132/00	132/00	190/00
Champdany P.	5	Nil	40-35*	10	21/75	21/81	24/00
Cheviot P	5	25	..	10	20/62	20/75	23/00
Chitvalsah P.	Nil	..	Nil	10	8/00	8/00	10/87
Clive P	Nil	Nil	..	10	8/00	8/00	9/37
Dalhousie P.	1	Nil	25	100	120/00	120/00	147/00
Delta P.	Nil	12	16	100	141/00	143/00	168/00
Empire P.	7½	12½	15	10	13/81	13/81	17/75
Fort Gloster P.	10	12½	20	100	267/00	267/00	372/00
Fort William P.	22½	10	20	10	22/25	22/25	26/19
Ganges P	10	15	20-20*	10	13/12	14/69	16/25
General Industrial	10	13	14	10	15/00	15/00	15/31
Gourepore P.	25	20	20-20*	10	21/81	21/75	25/25
Hastings P.	6	6	6	100	128/00	128/00	128/00
Hooghly P.	20	7½	10	10	14/44	14/44	16/00
Howrah P.	10	Nil	10-12½*	10	16/00	16/06	19/19
Hukumchand P.	28½	26½	26½	7½	19/50	17/50	18/69
India	12	8	18	12½	15/44	15/44	18/00
Kamarhatty P.	Nil	20	20	100	155/00	156/00	196/00
Kanknarrah P.	Nil	15	15	100	126/00	124/00	136/00
Kelvin P	15	5	20	100	143/00	143/00	195/00
Khardah P.	5	12½	12½	10	17/75	17/75	19/37
Kinnison P.	7	Nil	10	100	122/00	122/00	143/00
Lansdowne P.	Nil	Nil	Nil	100	111/00	111/00	97/00
Lawrence P.	15	10	10	100	109/00	109/00	112/50
Megna P.	12½	Nil	22	10	12/19	12/62	13/87
Naihati P.	Nil	Nil	..	100	85/00	85/00	93/00
Naskarpara	2½	5	..	10	5/50	5/50	8/00
National P	Nil	10	10	10	19/50	19/50	23/87
Nellimaria P	6	15	5	10	8/81	8/81	12/31
New Central P.	15	Nil	..	10	10/69	10/69	13/94
Northbrook P.	30	20	35	10	25/50	25/50	30/62
Nuddea	6	5	10-10*	10	16/60	16/60	5/69
Presidency	6	10	10	5	4/37	4/31	9/20
Rameshwara P.	Nil	Nil	Nil-Nil*	10	7/75	7/75	9/87
Reliance P	Nil	Nil	Nil	10	7/12	7/12	12/31
Samnugger P.	Nil	10	13	£1	10/50	10/50	10/50
Shree Ambica P.	6	Nil	..	10	30/00	30/00	35/00
Soorah P	25	25	..	10	19/19	19/19	23/37
Titaghur P.	Nil	13	10	£1	10/50	10/50	10/50
Union P	6	Nil	20	100	143/00	143/00	166/00
Victoria P.	Nil	10	10	£1	10/50	10/50	10/50
Waverley P.	30	60	30	1	8/44	8/44	8/00

* 1964

COAL COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 7-10-64 Rs.	30-9-64 Rs.	A year ago Rs.
Amalgamated	12½	15	12½	10	20/19	21/31	26/12
Bengal P	21	19	16	100	255/00	255/00	268/50
Bengal Bhatdee	8	10	..	10	3/48	3/48	3/48
Bengal Nagpur	26	7	..	10	22/00	22/00	22/00
Bhalgora	Nil	..	..	10	4/25	4/25	4/75
Bharat Collieries P.	Nil	Nil	..	10	2/65	2/65	3/47
Bhulanbararee	Nil	Nil	..	10	10/00	10/00	11/94
Bokaro & Rampur	..	..	..	10	11/19	11/19	11/19
Borrea P	15	15	15	10	20/25	20/25	22/12
Burrakur P.	13	13	13	10	17/06	17/06	17/57
Central India	10	10	9	10	8/56	8/56	9/66
Central Kurkend P.	..	Nil	..	10	3/44	3/44	3/87
Churulia	..	..	..	4	3/06	3/06	3/06
Dhemo Main	Nil	..	..	10	3/95	3/95	4/50
East Indian	15	20½	20½	£1	28/25	28/25	30/12
Equitable P	10	10	10	10	21/50	21/56	23/50
Ghusick & Muslia	Nil	Nil	Nil	10	13/87	13/87	14/25
Guzdar Kajora	..	..	..	10	2/47	2/47	2/44
Hurriladih	Nil	..	..	10	5/44	5/44	8/12
Karanpura Development	5	3	3	100	9/00	9/12	10/31
	15	9	9	10F			
Karanpura Collieries P.	10	10	10	10	13/44	13/50	16/00
Katras Jherriah	40	25	30-30*	10	28/37	28/37	34/12
Khas Kajora P.	10 2/5	..	..	10	13/25	13/25	17/62
Mundulpur	..	..	..	10	2/69	2/69	2/69
Nazira	Nil	Nil	..	10	4/69	4/69	5/00
New Beerbhoom P.	10	12	10	10	16/50	17/00	19/25
New Manbhoom	9	12	12	10	10/00	10/00	15/25
North West	20	11	..	10	19/75	19/75	19/75
				7½	18/00	18/00	18/00
Ondal P.	7½	7½	5	10	13/50	13/50	13/50
Parasea P.	1½	..	..	10	14/00	14/00	12/62
Pench Valley	10	10	12½	10	17/44	17/44	17/12
Pure Sitalpur	..	..	..	10	8/00	8/00	8/00
Raneegunge	17	17	17	10	13/00	13/00	15/75
Rewa	20	10	15	10	21/87	21/87	28/50
Samla	10	7½	..	10	7/81	7/81	10/00
Searsole	Nil	Nil	..	2½	0/81	0/81	1/22
Seebpore P.	42 6/7	35 5/7	28 4/7	7	34 ..	14/75	34/75
Sendra	¾	2½	..	10	3/87	3/87	5/00
South Karanpura	Nil	Nil	2½	10	6/35	6/35	8/56
Standard	10	10	..	10	9/62	9/62	13/12
Union	Nil	5	..	10	10/25	10/12	10/87
Western Bengal	7½	9	9	10	9/44	9/44	9/75
West Jamuria	Nil	Nil	..	10	3/60	3/60	4/56

COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 7-10-64 Rs.	30-9-64 Rs.	A year ago Rs.
Basanti	..	..	..	10	8/50	8/50	11/25
Bengal Luxmi	..	..	..	40	30/00	30/00	30/00
Bengal Nagpur P.	Nil	..	..	10	2/44	2/44	3/06
Bharat Commerce	5	15	15	10	20/37	20/75	23/44
Birla Cotton	10	20	20	10	27/00	27/00	33/00
Bowreah P.	10	20	15	10	24/75	24/75	24/25
Cawnpore Textile	7 1/5	10	10	5	6/56	6/56	7/31
Delhi Cloth & Genl. P.	12	13	13-13*	25	52/94	50/94	47/25
Dunbar	20	20	15	10	27/19	27/19	28/62
Elgin P.	11½	17½	17½-17½*	10	19/75	19/50	22/12
J. K. Cotton (Rayon) P.	12½	..	..	10	10/62	10/62	13/31
Jaya Shree	10	10	..	10	13/50	13/50	16/56
Muir P	..	..	..	100	60/50	60/50	74/50
New Victoria P.	Nil	..	..	2½	1/28	1/16	1/53
Orissa Textiles P.	Nil	Nil	..	10	7/00	7/00	9/00
Rampooria Cotton	3	Nil	..	10	14/12	14/12	13/00
Swadeshi (Kanpur) P.	Nil	Nil	Nil	1	4/12	4/12	2/00
	5	..	..	10O	11/00	11/00	11/62
	5.51	..	..	10PO	6/37	6/37	6/87

* 1963

BOMBAY COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 6-10-64 Rs.	29-9-64 Rs.	A year ago Rs.
Ahmedabad Advance P	16	12	..	100	144/00	144/00	145/00
Apollo	Nil	Nil	..	2	1/76	1/76	1/98
Beharilal Ramcharan	Nil	Nil	..	100	145/00	143/00	88/00
Bombay Dyeing, etc.	14	14	14	25	60/20	60/00	62/80
Bradbury P.	10	25	..	50	162/50	162/50	155/00
Century	30	30	..	100	615/00	623/50	604/00
Central India P.	Nil	Nil	Nil-Nil*	100	104/00	103/00	125/00
Coorla	11	11	..	100	173/00	174/00	146/25
Dawn	30	30	..	50	161/00	164/50	161/00
Edward Textiles	9	9	6	200	310/00	310/00	285/00
Elphinstone P.	18	22	18—18*	50	97/00	99/00	102/00
Finlay	23	23	..	100	305/00	304/00	335/00
Gokak	14	18	..	100	178/50	176/00	177/00
Hindoostan	50	50	..	250	940/00	940/00	950/00
India United	8	14	..	10	19/32	19/40	23/00
	13¼	37½	..	1Dd	2/34	2/36	2/80
Indian	23 1/5	25	..	250	900/00	840/00	761/25
Indore Malwa United	8½	10	7½	100	210/00	211/00	200/00
Khatau Makanji P.	32	16	..	100	176/25	180/00	220/00
Kohinoor	15	18	18-21*	100	323/00	326/75	323/00
Lakshmi Vishnu P.	5.7	6	Nil-3*	100	83/00	82/00	93/50
Morarjee Goculdas P.	21½	24	24-20*	100	260/00	262/00	393/00
Mysore Spg. & Mfg. P.	14	14	..	50	35/50	37/00	55/00
New City of Bombay	Nil	Nil	..	100	150/00	150/00	155/50
New Great Eastern P.	Nil	12	..	100	160/00	160/00	191/50
Phoenix	15	20	..	100	233/00	236/00	254/00
Sassoon & Alliance	Nil	Nil	..	10	10/36	10/36	10/92
Sassoon Spinning	17	20	10-20*	10	37/75	37/75	45/00
Simplex	15	Nil	22-16*	50	125/50	125/50	125/50
Shree Niwas P.	18	20	14-8*	100	251/00	255/00	242/00
Svadeshi P.	17	19	17	100	263/00	265/50	254/50
Swan	36	21 3/5	..	100	275/00	270/00	275/00
Tata	20	22	20	25	50/00	50/00	58/50
Western India	46 2/5	25	..	250	850/00	850/00	785/00

‡ 1963

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 6-10-64 Rs.	29-9-64 Rs.	A year ago Rs.
CEMENT							
ENGINEERING & METAL							
Associated Cement	12½	12	12	100	162/00	162/25	155/25
ELECTRIC LTG., POWER							
Ahmedabad Electricity	7	6	..	100	107/00	106/50	94/00
Andhra Valley Power P.	5½	5	5	1,000	1,270/00	1,260/00	1,032/50
Bombay Suburban Elec.	8	8½	8½	100	116/50	115/00	98/50
Tata Hydro Elec. Power P.	5½	5	5	100	132/00	127/50	107/00
Tata Power P.	5½	5	5	1,000	1,327/50	1,316/25	1,083/75
Alcock Ashdown	17	22½	19	100	294/00	297/00	320/00
Jost's Engineering	8	10	10—Nil*	50	47/00	47/00	60/00
Larsen & Toubro P.	12½	18	14—14*	10	21/68	21/92	25/85
Mackenzies	10	12	14	100	137/50	135/00	141/00
Premier Construction P.	43 1/3	33 1/3	30	30O	188/00	191/50	155/50
				33⅓F			
Tata Eng. & Locomotive P.	12½	14½	14½-14½*	100	266/75	271/50	290/00
Tata Iron & Steel P.	9.1	10.36	10.36-11*	75O	148/00	149/00	146/00
INSURANCE COMPANIES							
British India General	..	15	..	10	13/60	13/60	12/12
Jupiter General P.	..	4	..	15	7/00	7/00	9/20
New India	38	38	..	15	44/75	45/25	51/50
Vulcan	20	20	..	10	16/12	16/12	16/60
MISCELLANEOUS							
Belapur Sugar	38	50	..	50	225/50	266/00	206/50
Bombay Burmah Trading	30	33	33-33 1/5*	25	56/70	56/20	65/00
				20	42/75	43/00	50/00
Hindustan Lever	26	26	12—14*	10	30/75	30/50	41/50
Industrial Invt. Trust	6½	6½	..	100	76/70	77/00	75/50
Kemp (Chemists)	12½	12½	..	200	263/75	263/75	275/00
National Rayon	22	..	..	100	358/00	363/50	383/50
Scindia Steam Navign.	3	3	3	20	15/96	16/08	12/28
Shivrajpur Synd.	80	Nil	Nil	10	17/00	17/00	23/00
Tata Chemicals P.	6	6½	6½—10*	10	19/40	19/68	17/80
Tata Oil P.	23	23	23—22*	25	50/70	51/20	66/50
Voltas	13	14	14—14*	100	267/50	270/50	272/50
Western India Match	16	16	16	100	243/50	243/00	257/00

* 1963

TEA COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 7-10-64 Rs.	30-9-64 Rs.	A year ago Rs.
ASSAM GARDENS							
Amluckie	Nil	10	7½	10	16/00	16/00	16/50
Anandabag P.	30	32½	20	10	33/25	33/25	33/25
Baghmari	Nil	15	7½	10	11/00	11/00	17/25
Barduar Tea	..	..	..	5	3/50	3/50	3/50
Basmatia	35	25	20	10	18/00	18/00	27/25
Bateli	30	30	..	5	17/06	17/06	17/50
Betjan	40	45	30	10	29/00	29/00	29/12
Bishnauth	13	13	20	10	14/37	14/37	19/94
Bokakhat	Nil	12	13	10	13/12	13/12	13/70
Bormah Jan P.	15	15	15	10	10/06	10/06	13/12
Bor Pukhuri	Nil	Nil	10	10	10/44	10/50	11/00
Brooke Bond P.	15	10	7½—7½‡	10	10/25	10/25	12/37
Dejoo Valley	15	20	30	10	40/00	40/00	60/00
Dessai & Purbuttia	Nil	10	15	100	170/00	170/00	200/00
Dhelakhat	12½	10	..	10	20/37	20/37	19/37
Dhunseri P.	20	15	10	10	10/00	10/00	11/75
Dibrugarh	40	40	30	10	27/50	27/12	32/50
Dimukusi P.	25	20	25	10	22/87	22/87	22/62
Duffla ghur	25	25	30	10	23/50	23/50	28/00
East India	Nil	Nil	10	10	10/19	10/19	16/12
Gillapukri	25	20	15	10	27/56	27/56	25/44
Gohpur	Nil	5	20	10	13/06	13/06	16/25

* 1963

TEA COMPANIES—Contd.

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 7-10-64 Rs.	30-9-64 Rs.	A year ago Rs.
Grob	6	6	6	5	6/12	6/19	8/12
Hoograjuli (Assam)	20	20	17	10	27/62	27/62	27/12
Hoolungooree	10	7½	20	100	168/00	168/00	173/00
Jutlibari	30	30	20	10	27/87	27/87	31/50
Kingsley Golaghat P.	35	35	..	100	125/00	125/00	125/00
Kotamullai P.	Nil	Nil	Nil	5	9/75	9/75	10/31
Krishnabehari	15	8	10	10	11/30	11/30	11/70
Kyang Tea	Nil	..	..	10	8/06	8/06	8/06
Ledo	Nil	Nil	Nil	10	11/06	11/06	13/75
Maud Tea & Seed	10	7½	7½	10	12/00	12/00	14/81
Methoni	5	14	20	10	13/25	13/25	18/40
Moheema	Nil	Nil	..	10	11/50	11/50	11/50
Mothola	30	30	35	100	425/00	425/00	507/00
Murphulani (Assam)	5 / 10.63	15 / 20.63	25 / 30.63	10	26/50 / 26/87	26/50 / 26/87	26/50 / 26/87
Naga Hills	10	10	10	10	21/25	21/25	22/25
Namburnadi	12	12	..	10	12/87	12/87	12/87
New Cinnatolliah	Nil	Nil	Nil	100	455/00	455/00	302/00
Rajgarh	40	13½	17½	10	18/56	18/56	19/00
Sapoi	22½	20	10	10	19/50	19/50	17/75
Seajull	22½	15	30	10	21/06	21/06	21/12
Teloijan	25	25	25	10	21/87	21/87	21/37
Tengpani	30	30	22½	10	36/50	36/50	35/00
Tezpore P.	20	12½	..	10	12/69	12/69	14/94
Tongani	Nil	Nil	..	10	5/00	5/00	5/31
Tyroon	10	15	25	10	24/75	24/75	30/37
CACHAR							
Arcuttipore	Nil	5	6	10	7/00	7/00	7/00
Baitakhal	2½	2½	..	10	6/00	6/00	8/06
Central Cachar	5	7½	5	100	73/00	73/00	85/00
Eastern Cachar	Nil	Nil	..	10	5/06	5/06	4/50
Kallinugger Khoreel	6	2	..	100	84/00	84/00	87/00
Hattikhira	Nil	8	Nil	10	6/50	6/50	8/75
Kunchanpore	Nil	Nil	..	10	6/00	6/00	6/00
Loobah	Nil	Nil	Nil	10	4/69	4/69	4/62
North Western	30	20	10	100	140/00	140/00	270/00
Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50
Roopacherra	Nil	10	Nil	10	9/94	9/94	9/62
Rungamattee	5	5	5	50	49/25	49/25	51/50
Sonai River	Nil	Nil	..	10	5/06	5/06	5/05
DARJEELING							
Bloomfield	Nil	..	..	10	3/25	3/25	3/12
Chamong	Nil	10	10	10	8/87	8/87	9/00
Darjeeling Tea & Chin.	30	30	30	100	197/00	197/00	197/00
Dilaram	8	4	..	100	102/50	102/50	102/50
Gielle	Nil	..	3 4/7-15*	10	18/12	17/25	11/69
Lingia P.	15	10	17½	10	13/37	13/37	14/00
Longview	12½	10	..	10	8/25	8/25	11/00
Margaret's Hope	15	15	15	10	11/81	11/81	12/25
Mim	22½	27½	27½	100	430/00	430/00	191/50
Nagri Farm	30	25	35	10	28/31	28/31	30/75
Okayti	25	25	25	100	600/00	600/00	600/00
Pashok	10	Nil	..	10	20/00	20/00	20/00
Poobong	Nil	Nil	5	10	10/50	10/50	7/50
Pussimbing P.	Nil	Nil	Nil	10	7/69	7/62	7/12
Rungtee Rungliot	35	20	7½	100	290/00	290/00	386/00
Seeyok	15	Nil	..	10	8/50	8/50	8/50
Singell	Nil	Nil	Nil	100	36/75	36/75	36/75
Singtom	2	Nil	2	10	3/25	3/25	3/50
Soom	50	40	40	10	39/00	39/00	34/00
Sungma	15	15	20	10	12/06	12/06	14/44
Teesta Valley	Nil	..	8 4/7-10*	10	12/81	12/81	13/12
Tukvar	Nil	Nil	..	10	3/50	3/56	7/00
DOOARS							
Banarhat P	22½	21	21	100	161/00	161/00	241/00
Baradighi	30	25	25	10	21/12	21/12	24/12
Bhatkawa	15	15	20	10	16/00	16/00	17/06
Birpara P.	17½	12½	17½	100	142/00	142/00	162/00
Carron	20	5	7½	100	124/00	117/00	151/00
Choonabhuti P.	32½	20	20	100	176/00	176/00	210/00
Ellenbarrie	5	5	10	100	300/00	173/00	184/00
Engo	60	30	40	100	136/00	136/00	136/00
Ethelbari	5	5	7½	10	11/87	11/87	11/50
Gairkhata	25	20	11	10	16/12	16/12	21/50
Gopalpur	12	2	10	25	19/50	19/50	20/00
Hantapara P.	15	5	10	100	97/00	97/00	114/00
Hasimara P.	17	..	18—15*	10	13/31	13/31	14/12
Huldibari	22½	..	19 2/7-11*	10	11/44	11/44	13/50
Jaybirpara	10	Nil	Nil	10	8/50	8/50	12/00
Killcott	25	15	15	10	14/44	14/50	16/06
Manabarrie	10	6	10	10	49/50	49/50	59/50
Nagaisuree	25	15	15	100	141/00	141/00	140/00
New Dooars P.	35	20	14½	100	166/00	166/00	230/00
Oodlabari	12½	7½	..	100	14/00	13/87	14/00
Phaskowa	Nil	Nil	Nil	100	121/00	121/00	129/00
Rajabhat	Nil	Nil	6	10	10/19	10/19	12/12
Ranicherra	15	15	7½	10	12/00	12/00	13/37
Rydak	25	20	25	10	23/37	22/62	26/37
Sarugaon	40	40	40	10	37/00	36/25	36/31
TERAI							
Atal	5	..	..	10	5/37	5/37	6/75
Belgachi	20	20	..	10	23/12	23/12	22/50
Gungaram	20	12½	12½	100	129/00	129/00	131/00
New Chumta	15	..	12 6/7-20*	10	20/37	20/37	24/62
New Terai	22½	10	15	10	20/50	20/50	23/00
Pahargoomiah	20	20	2½	10	9/87	9/87	14/25
Putinbaree	14	14	..	10	55/00	55/00	45/00
Tirrihannah P.	60	60	60	10	49/00	49/00	49/00
CHITTAGONG							
Kodala	Nil	Nil	..	10	9/25	9/25	9/25
Kornafuli	Nil	Nil	..	10	11/25	11/25	9/31
Oodaleah	Nil	Nil	..	10	8/00	8/00	8/00
SYLHET							
Chundeecherra	Nil	Nil	Nil	10	29/75	29/75	26/00
Dauracherra	22½	22½	20	10	14/50	15/19	11/75
New Samanbagh P.	25	Nil	Nil	10	20/25	20/25	18/37
Patrakola	32½	40	15	100	186/00	186/00	130/00
Rajnagar	Nil	Nil	Nil	10	9/56	9/56	9/56
Tellapara	22½	22½	10	100	202/00	202/00	110/00

‡ Hectares

* 1963

MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 7-10-64 Rs.	30-9-64 Rs.	A year ago Rs.
MININGS							
Burma Mines	2 3/5	Nil	Nil	3½S	0/44	0/44	0/44
Chrestien Mica Industries P.	15	12½	..	10O	9/06	9/06	10/40
Indian Copper Corporation	25	20	..	5Dd	6/53	6/53	6/87
Metal Corporation P.	27	27	..	2s	3/36	3/36	5/52
Orissa Mineral Development	Nil	..	..	10O	6/25	6/19	8/31
	36	28	20	10	19/69	19/69	27/69
CEMENT, LIME, SLATE, ETC.							
Ashoka Cement	7	7	7—7*	10	6/69	7/25	7/06
Assam Bengal Cement	..	..	..	10O	4/87	4/87	4/81
				1Dd	0/59	0/59	0/59
Bengal Potteries	15	..	..	2½	4/27	4/27	5/37
Bisra Stone Lime	30	30	10	..	17/62	17/75	23/50
Dalmia Cement (Bharat) P.	12	12	12	10O	13/19	12/91	12/87
				1Dd	3/06	3/06	2/81
Jaipur Udyog P.	6	8	8.36	10	10/75	10/75	12/31
Kumardhubi Fireclay & Silica P.	18	18	18	10	18/45	18/45	18/45
Orissa Cement P.	15	15	10	10	11/31	11/31	15/37
Reliance Firebricks & Pottery	22	15	10	10	22/75	22/75	22/75
Sone Valley Portland Cement	4	6	8	10	4/00	4/00	4/62
Sutna Stone & Lime	27½	30	35	10	27/00	27/00	28/31
CHEMICAL INDUSTRIES							
Alkali & Chemical Corpn. of (I)	12	15	15—15*	10	28/94	29/12	34/50
Bathgate & Co Ltd P	Nil	Nil	..	5	0/84	0/84	0/84
Bengal Chemical & Pharm. P.	7	10	..	100	103/00	102/00	98/00
Calcutta Chemical P.	18	18	18	10	17/25	17/25	17/87
Frank Ross P	..	..	..	6	3/19	3/19	2/19
Smith Stanistreet P.	25	25	25-22½*	5	13/69	13/69	12/31
ELECTRIC LIGHTING, POWERS							
Agra Electric Suply	11	11	11	100	125/00	125/00	118/00
Bareilly Electric Supply	11	11	11	10	11/44	11/44	11/62
Benares Electric Supply	11	11	11	10	12/87	13/25	6/56
Bhagalpur Electric Supply	8	10	8	8	6/56	6/56	14/87
Calcutta Electric Supply	7	7½	7½	£1	15/56	15/56	11/00
Cuttack Electric Supply	7½	10	10	10	15/00	15/00	88/00
Disnergarh Power Supply P.	10	10	10	100	86/00	86/00	6/00
Jhanshi Electric Supply	..	..	..	10	5/90	5/90	11/00
Jubbulpore Electric Supply	10	10	10	10	11/62	11/62	12/87
Mirzapur Electric Supply	..	..	..	..	7/50	7/50	11/00
Muzaffarpore Electric Supply	12½	12½	12½	10	17/75	17/75	11/00
Muttra Electric Supply	..	..	..	10	11/06	11/06	10/00
Patna Electric Supply	10	10	10	10	10/37	10/50	7/00
Shahjahanpur Electric P.	6½	6½	6½	10	6/62	6/62	6/00
Sijua (Jhariah) Electric	10	9	9	10	9/62	9/62	11/00
United Provinces Electric	11	11	11	100	210/50	214/00	14/37
Upper Jumna Valley Electric	13½	13½	13½	11	25/37	25/37	

* 1963

MISCELLANEOUS COMPANIES—Contd.

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 7-10-64 Rs.	30-9-64 Rs.	A year ago Rs.
ENGINEERING & METAL							
Arthur Butler (Muzafferpore) P.	Nil	10	..	10	15/00	15/00	14/94
Bhartia Electric Steel	10	12½	15	10	15/00	15/06	14/31
Braithwaite India P.	25	14	20	10	32/50	32/50	34/25
Bridge & Roof	30	30	..	10	52/25	52/25	52/25
Britannia Building & Iron P.	Nil	Nil	..	10	3/62	3/62	3/25
Britannia Engineering P.	10	10	..	10	10/19	10/12	10/31
British India Electric Cons.	20	15	..	10	29/12	29/12	31/00
Burn P (Engineering)	28½	28½	25	100	278/00	279/00	590/00
Calcutta Steel	15	15	12½-15*	10	13/94	13/81	13/87
Dalmia Iron	10	10	10	10	11/25	11/25	11/00
Guest, Keen, Williams	14	14	12	10	23/56	23/44	37/62
Hooghly Docking	Nil	12½	..	50	80/00	80/00	86/00
Indian Iron & Steel P.	16	16	16	10	25/14	25/04	24/30
Indian Malleable Casting	..	..	..	5O	4/56	2/75	6/00
				10d	2/81	2/81	2/06
Indian Standard Wagon P.	28½	28½	20-20*	10	36/94	36/94	35/50
Indian Steel & Wire Products	24	23	18	10O	31/75	31/75	36/25
Industrial Containers	10	10	..	10	25/62	25/62	21/37
Jay Engineering	17 3/20	15	10	10	18/25	19/00	20/87
J. K. Steel P	20	10	30	10	18/00	17/87	16/31
Jessop & Co. P.	8.58	8.58	10	10	24/19	24/06	26/75
Kumardhubi Engineering P.	11½	15	Nil-16½	3	5/59	5/62	9/37
Marshall Sons (India)	Nil	Nil	..	2	3/47	3/47	2/66
National Iron and Steel	Nil	Nil	..	10	6/19	6/37	6/00
Saran Engineering	10	12½	10	4	8/69	8/69	8/78
Steel Containers	20	20	..	10	24/31	24/31	29/50
Textile Machinery	10	..	17½	10	26/10	26/05	26/25
SUGAR BREWERIES, ETC.							
Balrampur Sugar	8	4	Nil	2½	1/56	1/59	1/81
Belsund Sugar	10	6 2/3	3 1/3	7½	8/87	8/87	8/75
Bharat Sugar P.	15	15	15	10	14/50	14/50	13/00
Carew (Sugar) P.	Nil	Nil	Nil	10	12/50	12/50	11/06
Cawnpore Sugar P.	Nil	Nil	Nil	10	9/87	9/87	9/75
Champaran Sugar	12	Nil	Nil	10	11/44	11/44	13/81
Durbhanga	Nil	5	..	10	8/37	8/44	8/69
New Savan Sugar and Gur	..	..	..	10	2/94	2/94	4/50
Purtabpur Sugar P.	..	..	..	10	9/12	9/12	11/50
Ramnugger Cane & Sugar P.	35	30	15	10	24/25	24/25	28/50
Raza Buland	10	10	10	10	10/06	10/06	10/19
Ryam Sugar P.	..	..	..	10	4/12	4/12	3/56
Samastipur Central Sugar	..	..	..	10	3/75	3/75	5/94
Shree Krishna Gyanoday Sugar P.	..	..	..	10	8/56	8/75	7/81
Shree Sitaram Sugar	..	..	..	10	7/28	7/28	7/12
Sitalpore Sugar	Nil	Nil	Nil	10	3/69	3/69	3/94
United Provinces	5	Nil	..	10	12/00	12/00	9/00
Upper Ganges Sugar P.	72½	72½	..	10	60/25	60/25	85/00
MISCELLANEOUS							
A. Firpo (Restaurateur)	10½	5	..	10	5/90	5/90	5/90
Aluminium Corporation P.	12	12	5	10	12/00	12/00	17/00
Anderson Wright Ltd. P.	Nil	6	..	10	11/50	11/50	11/50
Angelo Bros	28½	28	28	10	25/00	25/00	24/37
Assam Match	20	20	20	10	25/25	26/37	28/75
Assam Saw Mills & Timber	Nil	3	..	3	2/44	2/44	2/69
Associated Battery	15	15	15	10	24/50	24/75	26/00
Associated Hotels of India P.	10	10	15	10	10/37	10/37	
Balmer Lawrie & Co.	25	25	22½	100	236/00	236/00	251/50
Bararee Coke	Nil	15	15	10	20/75	20/75	21/37
Birds Investments P.	10	10	..	10	8/81	8/75	10/50
Britannia Biscuit P	30	25	21	10	36/62	36/62	42/25
British India Corporation P.	7	9	15	5	11/12	11/12	8/75
British Paints	15	10	15	10	24/75	24/75	20/94
Calcutta Silk Manufacturing P.	Nil	..	..	10	6/94	6/94	6/94
Clive Row Investment	7½	7½	8	10	9/00	8/44	8/75
Duncan Brothers & Co. Ltd P.	14	14	12	100	137/00	137/00	140/00
Dunlop Rubber Co (India) P.	20	15	17½	10	32/12	31/81	37/37
Dyer Meakin (Breweries)	30	..	..	5	26/12	26/12	29/25
Eastern Investments Ltd. P.	14	12	10	100	102/00	102/00	119/50
Electric Construction	10	10	10	10	13/75	13/81	14/06
French Motor Car	20	..	..	20	31/75	31/75	35/12
Ganges Rope	20	20	20	100	252/00	252/00	236/00
General Investments Trust P.	5	5	5	75	43/00	43/00	43/00
Gillanders Arbuthnot & Co Ltd P.	11	11	11	10	13/31	14/87	14/12
Gladstone Lyall & Co. Ltd P.	..	..	..	10			
Godfrey Phillips (India) Ltd. P.	40	30	..	10	22/00	22/00	28/12
Great Eastern Hotel	6	..	..	250	260/00	260/00	250/00
Hindustan Aluminium P.	Nil	Nil	Nil	10	13/31	13/44	13/81
Hindustan Motors P	12	12½	11½	10	16/78	16/84	18/12
Hindusthan Pilkington	12	Nil	Nil	10	14/37	14/37	16/56
Hindusthan Twyfords P.	Nil	Nil	Nil	10	15/94	15/94	14/84
Hoare Miller & Co Ltd.	6	..	..	10	5/00	5/00	5/62
Imperial Tobacco	9	9	8	10	8/37	8/81	10/50
Indian Aluminium Co. Ltd. P.	15	17½	17½	10	31/75	31/62	38/62
Indian Cable P.	22½	22½	22½	10	35/31	35/31	38/12
Indian Oxygen	15	12	12	10	24/50	24/50	29/37
Indian Rubber Manufacturers P.	30	36	..	10	22/00	22/00	19/87
Indian Wood Products	30	30	25	10	27/62	27/62	29/62
Isaac Holdens	Nil	Nil	5	10	11/31	11/56	15/25
Investments and Finance P.	7½	7½	7½	100	55/00	55/00	53/00
J. K. Synthetics	3	Nil	10	10	12/94	13/12	11/87
James Wright P.	..	..	..	5O	2/75	2/75	2/75
	..	..	..	1Dd	00/43	00/43	00/43
Jardine Henderson Ltd P.	7	6	7	100	70/50	69/00	81/50
Jay Shree Industries P.	12½	..	..	10	14/75	14/75	18/12
Kesoram Industries P.	12	12	13	10	25/50	25/56	25/94
Macfarlane & Co.	..	..	..	50	4/50	4/50	6/75
	..	..	..	1Dd	1/81	1/81	2/19
Macneill & Barry Ltd. P.	8	7½	8½	100	95/00	95/00	93/50
Martin Burn Ltd. P.	27½	25	25	10	26/44	27/25	27/19
McLeod & Co. P.	15	18	..	100O	230/00	230/00	210/00
Metal Box Co. of India Ltd P.	25	19	..	10	31/00	31/00	51/25
National Insulated Cable P.	25	25	18	10	25/50	25/62	24/87
National Pipe & Tubes P.	20	20	20	10	28/25	28/25	27/50
National Rolling & Steel Ropes	15	15	15	10	24/37	24/00	21/44
National Rubber P	6½	8	10	10	11/00	11/00	12/94
National Tobacco P	7	7	..	10	11/75	11/75	11/75
New India Investment Corpn.	..	..	..	75	63/00	63/00	59/50
Octavius Steel P.	7½	7½	..	100	..	..	..
Philips India	12	13	15	10	27/62	27/50	30/37
Publicity Society	75	75	50	4	25/06	25/06	22/62
Rallis India P	8½	8½	10	100	123/00	125/00	132/00
Rohtas Industries P.	10	8	9	10	10/25	10/34	13/69
Sirsilk P	..	..	..	10	7/62	7/62	9/25
Sen-Raleigh Industries P.	8	8	Nil	10	13/69	13/69	15/19
Shaw Wallace P.	15	7½	12½	10	15/37	15/00	17/00
Spencer's Hotel	2½	..	..	2	1/25	1/25	0/65
Union Carbide	18	12½	15	10	32/75	32/75	42/00
Walford Transport	30	30	..	1O	3/06	3/09	3/80
INSURANCE COMPANIES							
Concord of India	20	20	20	5	9/75	9/44	11/12
Hercules	26½	26½	..	10	23/50	23/50	22/56
Ruby General	13½	15½	..	8	12/19	12/25	10/15
Standard General	..	..	..	10	7/75	7/75	6/25
Triton	50	50	..	25	127/00	127/00	124/00
FLOUR MILLS							
Bengal	25	25	30	10	33/75	34/12	29/00
Delhi P.	..	..	..	10	14/00	14/00	14/00
Ganesh P.	..	..	..	12½	10/62	12/50	14/00
Hooghly	Nil	Nil	5	10	19/75	19/75	19/75
United	10	7½	10	10	27/81	27/81	27/81
OIL COMPANIES							
Attock Oil	13½	13½	..	£1	sh. 30/6	sh. 30/11½	sh. 34/6
Burmah Oil P.	..	11½	12½	£1	sh. 60/-	sh.61/6	sh. 65/4½
Indo Burmah Petroleum P.	25	22½	17½	10	21/37	21/44	23/00
Tide Water Oil	35	35	35	10	37/00	37/00	27/12
PAPER MILLS							
Bengal P.	27½	20	..	10	26/69	26/62	27/75
India Paper Pulp	13	12	15	10	16/56	16/50	18/94
Orient Paper P	22½	22½	20	10	31/65	31/80	37/45
Shree Gopal Paper P.	17 6/7	17 6/7	17 6/7	10	25/75	25/62	26/75
Sirpur P.	8½	8½	5	10	11/81	11/87	13/62
Star Paper P.	Nil	Nil	Nil	10	8/12	8/19	9/06
Titaghur P.	13	13	13	2½PO	3/37	3/37	3/87
	20	10	10	10AO	12/12	12/44	17/12
	20	10	10	10BO	12/12	12/44	17/12
West Coast P.	7½	..	..	100	164/00	164/00	155/00
PRESSING COMPANY							
Camperdown	11	..	..	100	110/00	110/00	105/00
REAL PROPERTY STORAGE							
Bengal Bonded Warehouse	8	8	9	A500	1,250/00	1,250/00	1,050/00
				B62½	125/00	125/00	135/00
				C100	186/00	186/00	122/00
Calcutta Safe Deposit	..	..	..	D12½	45/00	45/00	14/15
				100	7/81	7/81	8/00
Humayan Properties P.	..	..	..	10O	11/00	11/00	11/00
	..	..	..	1Dd	2/10	2/10	2/10
Midnapore Zemindary P.	Nil	Nil	Nil	85	34/25	34/25	11/00
TRAMWAYS & STEAMER							
Bengal Assam Steamship P.	7½	10	10	100	105/50	105/50	135/00
Calcutta Landing & Shipping	7½	22	6	10	21/00	21/00	34/00
Calcutta Steam Navigation	Nil	Nil	Nil	10	7/62	7/62	9/25
Calcutta Tramways P	5	5	5	£1	12/00	11/75	11/25
India General Nav. Railway P.	..	..	..	10	10/00	9/00	10/00
India Steamship P.	Nil	Nil	Nil	£10	36/25	36/25	39/00
Port Shipping	Nil	..	..	10	17/31	17/31	14/94

*1964

SOUTH INDIA PLANTATION COMPANIES

NAME	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 6-10-64 Rs.	29-9-64 Rs.	A year ago Rs.
Amalgamated P.	10	10	..	10	10/01	10/01	10/01
Anandam P.	18	15	..	10	14/25	14/25	14/19
Athimattam	5	Nil	..	2	1/20	1/20	1/18
Balanoor P.	12	12	..	10	11/20	11/20	11/60
Balmadies P.	5	Nil	5	2	1/85	1/85	1/85
Be Be P	5	Nil	..	5	2/32	2/32	2/03
Blue Mountain	10	10	10	2	2/38	2/36	2/67
Chembra Peak	20	20	..	2	4/95	4/95	4/60
Cochin Malabar P.	20	20	12	3	6/22	6/22	6/10
Coffee Lands P	12	9	..	10	16/62	16/62	14/87
Consolidated Coffee P.	20	15	..	10	23/76	23/76	19/40
Coonoor P.	15	17½	17½	10	17/40	17/40	17/83
Coorg P.	20	15	..	2	4/85	4/85	4/89
Cottanad Plantation P.	10	6¼	..	10	10/30	9/30	9/31
Devashola (Nilgiri)	20	15	..	10	30/65	30/65	24/39
Devon P	12	12	..	10	12/35	11/00	11/96
Emerald Valley	Nil	6	..	5	7/35	7/35	6/50
Gokul	10	10	..	2	1/97	2/00	2/10
Haileybaria P.	12½	11	..	10	12/25	12/25	12/00
Kailas	25	30	..	2	6/26	6/26	6/15
Kalasa Tea Produce	25	15	..	2	4/25	4/25	4/14
Kil Kotagiri P.	25	25	..	2	5/00	5/00	5/40
Lucky Valley	10	10	..	10	11/75	11/75	12/00
Malankara	16	14	..	10	17/00	17/00	16/00
Midland Rub & Prod P.	12½	12½	..	10	10/58	11/38	11/60
Nilgiri P.	10	10	..	10	8/60	9/20	8/65
Nonsuch	20	20	20	10	21/87	21/87	23/80
Ossoor	15	15	..	2	2/62	2/62	3/45
Ouchterlony	12	6	..	2	3/42	3/42	4/35
Parkside Neilgherry	22½	27½	25	10	25/20	25/20	26/75
Peermade P.	25	20	..	10	20/62	20/62	20/90
Peninsular	20	20	..	10	21/25	21/25	20/70
Periakaramalai	20	12½	15	2	3/55	3/55	3/68
Rajagiri Rub. & Prod P.	20	20	..	10	22/10	22/10	18/60
Rajendra P.	25	20	..	5	13/00	13/00	11/25
Swinton	6	Nil	..	2	2/68	2/68	2/82
Teekoy P.	4	6	..	10	6/27	6/75	6/60
Thirumbadi	12	10	..	1	1/78	1/80	2/11
Travancore Rubber	12	12	..	10	11/00	11/00	11/25
Travancore Rub & Tea P.	10	10	..	10	8/50	8/68	9/90
Tropical Plantations	8	8	..	25	19/65	19/65	19/15
Twyfords	6	5	..	10	9/00	9/00	8/12
United Nilgiri	22	22	..	10	22/22	23/10	22/80
Vaikundam	30	35	..	10	34/30	34/30	30/50
Waterfall Estates P.	10	10	10	2	2/32	2/30	2/42
Woodland P.	10	Nil	..	10	6/90	6/90	7/50

† Kgs. * 1962

SOUTH INDIA COTTON MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 6-10-64 Rs.	29-9-64 Rs.	A year ago Rs.
Bangalore W. C. Silk P.	18	18	24	100	263/60	270/00	226/80
Buckingham & Carnatic P.	18	18	18	100	274/60	281/00	264/80
Cambodia P.	12	9	..	10	8/35	8/35	12/37
Coimbatore Cotton	16	9	..	100	151/00	151/00	167/00
Coimbatore Spg & Wvg.	16	8	..	50	115/50	115/50	68/50
Kothari Textiles P.	8	8	6	10	8/30	8/30	9/30
Lakshmi	25	20	20	50	132/00	134/00	136/00
Madura	30	15	15	15	34/85	34/85	33/00
Mettur Industries	30	22½	20	100	265/00	265/50	278/00
Palani Andavar P.	50	35	..	10	193/15	193/15	202/75
Vasanta P.	25	20	..	100	234/00	234/00	276/00

* 1962

SOUTH INDIA SUGAR MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 6-10-64 Rs.	29-9-64 Rs.	A year ago Rs.
Andhra P.	16	12	..	10	13/04	13/04	17/36
Cauvery P.	8	6	..	100	99/50	99/50	105/00
Deccan Sugar	12	18	18	5	11/00	10/75	10/50
E.I.D.—Parry	21 3/7	28 3/7	..	£1	36/12	36/12	37/50
Indian Sugar P.	10	8	8	10	8/90	8/90	8/65
Jeypore P.	15	15	..	10	15/23	15/23	16/00
K. C. P.	15	15	..	10	24/00	24/00	23/90
Kothari	Nil	Nil	Nil	10	6/45	6/45	7/00
Mysore	30	30	30	10	27/75	27/75	46/75
Travancore P.	7½	5	..	10	8/12	8/12	7/15
United Breweries	60	25	Nil	10	24/50	25/00	34/38

* 1962

SOUTH INDIA MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 6-10-64 Rs.	29-9-64 Rs.	A year ago Rs.
Aluminium Industries	18	18	..	10	23/25	22/55	17/10
Andhra Cement P.	10	9	9	10	10/10	9/90	9/60
Ashok Leyland	8	8	..	5	6/90	6/95	7/45
Binny	22½	21	..	100	263/00	271/00	291/40
Brunton & Co.	Nil	Nil	..	10	4/50	4/45	5/03
Enfield P	4	4	..	10	10/30	10/30	9/25
India Cement P.	9	12	..	5	5/39	5/39	5/75
Indian Steel Rolling P.	12½	10	..	10	9/45	9/50	10/40
Mettur Chemical Industrial P.	12½	13¾	18¾	10	14/90	14/95	13/00
Mysore Chem & Fert.	10	5	..	10	7/95	7/90	7/75
Mysore Chemical Mfgs. P.	20	20	..	10	15/50	16/70	17/75
Mysore Lamp P.	25	37	..	10	20/00	30/00	30/00
Mysore Paper	15	15	..	10	12/50	12/50	13/65
Mysore Tobacco	Nil	10	..	10	11/90	11/90	10/80
Parry's Coni	30	26	..	1	2/93	2/90	3/35
Spencer (Provisions)	18	18	..	10	21/50	21/50	20/12
Standard Motors P.	7	6	..	10	10/15	10/15	11/40
T Stanes P.	15	22½	..	10	28/55	30/15	27/40
Textool	18	15	..	100	154/00	156/50	155/00
Tube Investments	10	10	10	100	185/00	185/00	213/00

* 1962

LIGHT RAILWAY AND ROPEWAY COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 7-10-64 Rs.	30-9-64 Rs.	A year per Rs.
Ahmedpur Katwa	1.90	1.90	1.75	100	24/87	24/87	26/00
Arrah Sasaram	5	5	5	100	31/62	31/62	29/50
Bankura Damoodar	1.90	1.90	1.75	100	25/37	25/37	30/00
Burdwan Cutwa	1.90	1.90	1.75	100	24/87	24/87	29/00
Chaparmukh Silghat	2.90	2.90	2.80	100	35/00	35/00	40/00
Cherra Chhatak Ropeway	9	12	12	8	4/62	4/62	5/75
Darjeeling Ropeway	..	..	..	10	8/50	8/50	9/12
Dehri Rohtas	17	20	15	10	11/19	11/19	13/12
Futwah Islampur	1.90	1.90	1.90	100	28/70	28/70	28/75
Howrah Amta (P)	6	5	4½	100	34/00	34/00	40/00
Howrah Sheakhala	*	5	4½	100	36/50	36/50	45/00
Katakhal Lala Bazar	3.50	3.10	1.90	100	41/00	41/00	41/00
Shahdara (Delhi)	9	2	..	100	52/00	52/00	52/00

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FOURTH PLAN: AN ESSAY IN ASTROLOGY

FEW debates in recent months have been as astrological in tone and as confusing in content as the one on the size of India's fourth five year plan. Several months ago, a gallant band of dreamers not fully roused from slumber suddenly dropped out of bed and announced that they thought the outlay target for the next quinquennium should be Rs. 30,000 crores. Soon afterwards, fortunately, the voices of caution began to be heard: some, supported by a varying mixture of hunch and reasoning, suggested that the outlay should be no more than Rs. 15,000 crores or Rs. 16,000 crores. In terms of the reasoning displayed and the quality of the analyses made, the process of haggling which followed was not very different from that which enlivens the proceedings of fish markets the world over. The perspective planners, perhaps sobered by the reaction of astounded observers to their original ideas, quietly began to advertise a figure of around Rs. 25,000 crores as the minimum necessary. Meanwhile, the Central Finance Minister, Mr. T. T. Krishnamachari—backed, reportedly, by the analyses made by the Planning Commission's working group on resources—gave the impression that in his view only about Rs. 18,000 crores or so could be found for the next plan.

During the subsequent haggling, it appears, all these estimates suddenly acquired a remarkable degree of elasticity. The Finance Ministry's estimate of the feasible outlay seemed to go up to Rs. 18,500 crores, Rs. 20,000 crores or even Rs. 21,000 crores—depending on which newspaper one was inclined to believe. The perspective planners, on the other hand, appeared to lower their sights a little too: in a memorandum submitted to the Central Cabinet three weeks ago, they favoured a plan of Rs. 24,000 crores, while indicating half-heartedly that the other choices were a plan of Rs. 22,500 crores or one of Rs. 21,000 crores. Some of these figures were said to represent not just the proposed outlay on the fourth plan itself, but also to include what was curiously termed as the spillover from the third plan. The variations in other estimates were explained as having been suggested in order to introduce a measure of flexibility in the fourth plan. The result of the haggling now is a compromise which was endorsed by the Central Cabinet last week, and which is to go up before the National Development Council a few days hence. The essence of the compromise is that the outlay on the fourth plan should be at least Rs. 21,500 crores; but if the progress of the economy during the first two years indicates that more resources are likely to be available, the figure will be raised by Rs. 1,000 crores—to Rs. 22,500 crores. Assuming that he was correctly reported, Mr. Krishnamachari declared in a statement in Bangalore last Saturday that there was now "complete agreement" on the size of the fourth plan. But considering the wide differences prevailing only recently between his ideas on the one hand, and the perspective planners' on the other, many might wonder how complete and genuine the agreement really is.

Apologists might say that the extent of the agreement does not matter particularly: the second plan as well as the third one were both the children of similar compromises, and such compromises are inevitable in the functioning of a democratic society. The point remains, however, that the second plan ended as at least a partial failure, and the third plan seems likely to end as an even bigger one. In both cases, the failure can be traced directly to the fact that resources and organisational capacity were dissipated over too wide a field because the plans to start with were far larger than the country could sensibly hope to manage. In defence of the fourth plan, the plea might be offered that it is not really as big as it sounds: in purely arithmetical terms, the outlay proposed may seem almost double that visualised under the third plan, but its real significance is much less since it is based on the much higher level of prices prevailing in 1963-64. Even after all due allowance is made for this difference, however, the impression is unavoidable that the fourth plan outlay now proposed is far greater than the country can incur without dangerous strain.

The political pressures in favour of a large outlay, and therefore a "big" plan, are familiar ones, and they have been prominent in the debate of the past few months. The Planning Commission is prone to give the pressures a cloak of respectability and economic justification through its customary clap-trap about capital-output ratios: that a larger plan means larger investment, and therefore must mean larger output. The fact that its assumptions about capital-output ratios have regularly been falsified by experience has not undermined its devotion to high-sounding mathematical mumbo-jumbo. The devotion continues because the Commission lacks the courage to say what is feasible, as distinct from what is merely desirable. It fears that if it were to support a smaller and more realistic plan, it would find thrust upon itself the distasteful responsibility for rejecting or pruning the programmes submitted by Ministries, State Governments and other implementing agencies. In the process, it would incur their displeasure, and such support and strength as it enjoys would suffer. The constant struggle to retain that support impels it frequently to sanction programmes which it knows cannot possibly be implemented. The Commission forgets that while the political framework within which it has to work is there, its duty is primarily that of an independent and expert agency which ought to say what things can be done and in what order they should be done. To shirk the duty in search of political favours—by inflating a plan in order to accommodate a larger multitude of schemes, good, bad and indifferent—represents an abdication of both sense and responsibility.

The basis on which resources have been calculated for a fourth plan worth Rs. 21,500 crores or Rs. 22,500 crores, for example, is still far from clear. Soothing references have been made to the need to restrict deficit financing (although it appears that an extra Rs. 500 crores of notes will be printed to cope with the growth of the economy). There is talk about squeezing bigger surpluses out of Government enterprises, forgetting that the

surpluses secured so far are much smaller than what the Commission expected. More resources, it is said, will be obtained through Government borrowing and small savings schemes; the point that the former has become a subterfuge for deficit financing, and the progress of the latter remains fitful and uncertain, is not, however, mentioned. Finally, there is the inevitable reference to the supposed scope for additional taxation; but the severe impact of the existing taxes in increasing cost inflation is coolly glossed over, and so also is the unwillingness or inability of State Governments to raise their share of the revenue.

The purpose in highlighting these difficulties is not to suggest that no plan of any size can be implemented. The purpose is to invite the planners once again to descend from the cloud-cuckoo land of economic astrology and take a long, hard look at the existing realities of the country they are supposed to be planning for. It is easy to say that with "advance preparation", "detailed planning" and "efficient implementation", miracles will be achieved; but most people know that this is the same sort of familiar eyewash that was freely dispensed five years ago, before the third plan was launched—with results that are now plain for all to see. The truth is that while the progress of the fourth plan will depend on a multitude of uncertainties, there are perhaps three that will be of crucial importance. The first is the condition of agriculture, and to a lesser extent of industry—which will determine how much can safely be raised by way of rupee resources. The second is foreign aid and investment, which will provide the external resources. The third is organisational efficiency, which will be required to translate money into factories and goods. About the first, there is no reason for optimism yet, considering that agricultural production has stagnated for the third year in succession and the growth of industry remains far slower than the planners visualised. As for the second, the planners' assumptions are discouraging enough to make the entire concept of a large plan look deceitful: it is odd to assume that Rs. 2,500 crores of foreign aid will be enough for a Rs. 21,500-crore fourth plan when it has proved extremely inadequate for a Rs. 11,600-crore third plan. As for organisational efficiency, the less said the better; it remains to be discovered not only among those who implement plans but also among those who in the first place write them.

IN RETROSPECT

ONE wishes Russia's proud new Voskhod had stayed in orbit a few days longer, days in which mankind was called upon to witness a series of events whose full significance might or might not be comprehensible if seen from outer space. From the earth, they only filled most minds with a feeling hovering between fear and uncertainty. That at Eden Gardens on Saturday and Sunday wickets fell with astonishing rapidity was something lovers of sport have learnt to understand. The sudden fall of Mr. Nikita Khrushchev, if a fall it was, is something quite inexplicable in terms of struggles for power as enacted in the non-communist part of the world. Only Peking may be at once enlightened and delighted, although we may never know whether the timing of the explosion of China's first atom bomb was based on intelligence as to what was going on in the Kremlin. Only Sir Alec Douglas-Home has said that earlier announcement of the news from Peking and Moscow might have greatly affected the polling in Britain which now has a Labour Government again after 13 long years of Tory rule. There is the portrait of a week replete with surprises, agreeable or otherwise.

Was the eclipse of Mr. Khrushchev quite so sudden as it appeared? It is now known, for instance, that for months before the Twentieth Congress, at which Mr. Khrushchev did to Stalin what others may soon do unto him, there was active and widespread discussion in Party cells throughout the country. Although western intelligence did not have the slightest inkling, it may well be that critics of Mr. Khrushchev took considerable pains to educate Party opinion (which in Russia is more important than public opinion) in the new line. The tendency hereabouts is to see a sinister Chinese hand behind just about every unpleasant or merely unexpected development; and it is by no means certain that the Kremlin does not still contain a few unreconstructed Stalinists with considerable admiration for Peking's stubborn rigidity and orthodoxy. It is altogether too early, however, to conclude that Mr. Khrushchev's exit is Mr. Mao's triumph. The Sino-Soviet rift reached a point at which Mr. Khrushchev was a liability in any attempt to improve Russian relations with China; but if it is true, as it undoubtedly is, that the quarrel is not, basically, either personal or ideological but concerned with national interests, there is little reason to think that the new men in the Kremlin will be any softer to Chinese intransigence. Quite the contrary, especially after the crude Chinese advertisement of the possibly cruder bomb.

For all the surprises the Kremlin so loves to spring on the world, it is already possible to see a certain continuity in Russia's foreign and domestic policies; and this continuity is the product not so much of an individual, however eccentric, as of objective conditions created over the years since the Revolution. Messrs Brezhnev and Kosygin—eventually one or the other—will undoubtedly introduce their own style(s) in the execution of policy but the policy itself will not undergo structural change. In demonstrating that the Russian polity can do without Mr. Khrushchev and Mr. Khrushchev can stay alive without being in power the country gives further evidence of its growing maturity; this, surely, is a more positive reaction to developments in Russia than alarm or surprise. That New Delhi felt rather lost without Mr. Khrushchev is a measure of India's lack of confidence in herself and her policies.

The same weakness could be discerned in India's exaggerated reaction to China's noisy and clumsy entry into the world's exclusive nuclear club. Not so very long ago India boastfully proclaimed her capacity to make nuclear weapons, accompanied by a somewhat self-righteous announcement that India would make none. It is certainly to be deplored that, by exploding an atom bomb, China has added to existing dangers of fall-out and worse consequences if the bomb is used in anger; yet it is necessary to point out that behind the explosion lies impressive technological and industrial progress, for without that no country can actually make a bomb which is a very different proposition from knowing the there of making one. Thoughts should have been directed to India's comparative deficiency in the department; Mr. Lal Bahadur Shastri was content to tell his people and the world how wicked these Chinese are and how naughty it has been of them to test their bomb. Mr. Shastri saw for himself in Cairo how few fully accept the Indian indictment of China; and this was before China broke the "white monopoly" in nuclear arms. In the other audible Indian reaction—that India should now proceed to make atomic bombs—is evident no greater discernment or wisdom.

No great harm was done if New Delhi decided to be a little sentimental over Labour's marginal victory in the British general elections. For reasons largely out of date, nationalism in Asia and Africa has traditionally been fonder of Labour than of the Conservative Party. Although Mr. Harold Wilson must greatly envy the vast majorities enjoyed in India by the Congress, except in Kerala, the ruling Party here has much to be worried about. Quite apart from internecine Party squabbles, the Congress must know that the process of disenchantment with the Government's response to problems both within and without is gaining momentum daily. The automatic but utterly barren Indian reactions to three events of far-reaching significance—the removal of Mr. Khrushchev from the Kremlin, the explosion of the Chinese bomb and Labour's victory in the British general elections—are indicative of a deeper malaise which is far more disturbing than the Chinese bomb by itself is ever likely to be.

It is not suggested that India put a cosmonaut in orbit tomorrow or the day after. Far less is it suggested that India make a bomb to get even with China. There is no reason at all why anyone in India should be looking for a Shri Kosygin or a Shri Brezhnev here. Mr. Lal Bahadur Shastri is all right; he still enjoys a great deal of respect and affection. But, as one watches the exciting events the world over, one's 17-year-old satisfaction that India is an oasis of stability in a world full of uncertainties tends to seem a little depressing. India's political stability is certainly something to be grateful for; but, unless the nation is vigilant and active, stability soon degenerates into stagnation. "Stagnant" seems the word for most things in India—except, of course, prices. Harassed in the daily effort to obtain the barest necessaries of life at reasonable prices, the common people of India have not the time either to be thrilled by friendly Russia's achievements in space or to be frightened by hostile China's young atom bomb. Mr. Shastri's first enemy is hunger; all else is secondary.

CO-OPERATIVE BANKING

CO-OPERATIVE banking has expanded rapidly in India since the Government decided to use co-operative as a major instrument to stimulate development in rural and urban areas under the plans. But the weakness is that the co-operative movement as a whole depends too heavily on official patronage and support. As a result, the real purpose of co-operation has largely been forgotten and extraneous influences have tended to dominate the movement. The public stake in co-operatives has grown since the Reserve Bank has extended massive support to co-operative credit. The short-term credit limits sanctioned to State co-operative banks by the Reserve Bank have risen from Rs. 7.62 crores in 1950-51 to Rs. 186.16 crores in 1963-64. Yet, in spite of rapid growth, co-operative banking has not yet been subjected to the same kind of regulation and control as commercial banks. Co-operative finance is already a substantial element in total bank credit. In his inaugural address at the silver jubilee celebrations of the Maharashtra State Co-operative Banks Association recently in Bombay, Mr. P. C. Bhattacharyya, Governor of the Reserve Bank, rightly pointed out that it is necessary now to bring co-operative banks within the regulation and control of the Reserve Bank if the overall monetary and credit policy is to be implemented more effectively.

The weakness and deficiencies of the co-operative movement are likely to be mitigated if co-operative banks are disciplined so that they conform more closely with the practices and progressive policies pursued by commercial banks. The latter, for example, are restrained from giving advance against commodities, except within the limitations set by the Reserve Bank, while co-operative banks are more or less free to make such advances. In view of the increased holding power of cultivators, it is possible that advances given by co-operative banks have been used to hoard stocks of agricultural commodities. This besides, the cheap credit extended to the co-operative movement by the Reserve Bank seems to have benefited middlemen rather than farmers. Large overdues and defaults have bedevilled the working of co-operative banks because of their unsound practices. Although a controversy over the Reserve Bank's rôle in promoting the development of co-operatives emerged at the Maharashtra seminar, the fears there seemed to have been exaggerated. Mr P. D. Kasbekar, chief officer of the Agricultural Credit Department of the Reserve Bank, was right in saying that the rapid expansion of the Reserve Bank credit, particularly in the shape of credit money, should not be maintained for long in view of the prevailing inflation. Co-operative agencies should seek to reduce their dependence on the Reserve Bank. Given the need for credit restraint under the present circumstances, the sooner co-operative banks become viable and self-supporting, the better it will be for the movement as a whole.

A move to restrict the supply of Reserve Bank credit does not automatically imply that co-operative institutions will begin to suffer a shortage of credit. If co-operative banks are organised on sound lines, they should be able to attract bigger deposits. There is no reason why they should not be able to offer the same basic services to constituents as are given by commercial banks. If the Reserve Bank succeeds in bringing co-operative banks under its discipline, there could be greater co-ordination among all categories of banking, including the State Bank of India, commercial banks and co-operative banks. With such co-ordination, commercial banks would also be interested in providing credit to sectors which now depend largely on co-operative banks for funds. The State Bank of India has already been extending substantial amounts of credit to the co-operative movement. It has helped co-operative banks by granting generous remittance facilities. It has also subscribed to the debentures of land mortgage banks. The State Bank hopes to take keener interest in the co-operative movement in the future.

Mr. Bhattacharyya offered some valuable suggestions to improve the working of co-operative banks. Their lending operations need to be more production-oriented. In view of the large number of overdues and defaults, it is clear that applications for advances are not being scrutinised as strictly as they should be. If the loans are used to increase production, the financial position of borrowers will improve. Co-operative institutions, therefore, have to concenerate on encouraging thrift among their constituents. If savings are encouraged in rural areas, the deposits of co-operative banks will grow. Apart from mobilising resources in the rural sector, they can attract deposits from urban areas by offering attractive rates of interest. Co-operative banks cannot expect to go on getting special favour. All categories of banking have to try and develop in an atmosphere of competition, so the demand that co-operative banks should be allowed to function exclusively in specified areas is unjustified. Although it is not desirable to multiply banks unnecessarily in any area, there is no reason for preventing a commercial bank from opening a branch in a place where a co-operative bank is operating, provided the scope for new banking facilities is indicated.

Although co-operative banks should concentrate their attention on giving credit to promote production, it is time they also diversified their loan operations to make the movement more viable. If the financial position of farmers is to be improved, it is necessary to extend adequate credit facilities to marketing societies so that primary producers are assured of fair prices for their products. This apart, there is great scope for co-operative banks to stimulate the growth of small industries in urban and rural areas by giving proper credit facilities. The co-operative movement has so far confined its attention to rural industries. But in many urban areas small industries have failed to grow due to the shortage of funds. It is not possible for these industries to obtain credit facilities from commercial banks because they are small and cannot furnish proper security. If co-operative banks finance them, particularly in urban areas, it will help increase production and employment. Co-operatives also have a big rôle to play in so far as consumer goods are concerned. Consumer stores organised on proper lines could reduce profit margins and help hold the prices of commodities down. Most such stores suffer from a shortage of funds, so if they could get adequate credit facilities, consumers would benefit. The main need is to ensure that the credit extended to co-operatives is used to benefit members, and not middlemen.

Current News and Comment

New Schedule of Cloth Multipliers

It was on 1st October that the Government of India released what has now come to be known as the "tentative" schedule of basic realisation multipliers and processing charges and other allowances for finished cloth for fixing the prices of controlled categories of cotton textiles. But within a few days of this announcement, the Government somehow came to realise that the prices so fixed would not help achieve the promised 5 to 8 percent reduction in the prices of popular varieties. Accordingly, it asked the industry to stay the stamping of new prices under the statutory control scheme until further notice. The tentative schedule has been revised after "further closer examination and cost accounting". What provoked the authorities to revise the schedule within a few days of the first announcement is intriguing. An enquiry into how all this came about might prove to be revealing.

Under the new schedules released on 13th October, there has been a downward revision in the basic realisation multipliers for nine out of the 13 groups in comparison with the original schedule of prices. Processing charges and other allowances in several cases have also been revised downwards. The changes in the cloth multipliers cannot be said to be of a minor nature as the Central Commerce Minister, Mr. Manubhai Shah, would have one believe. According to informed sources, there has been a cut of 4 to 4½ percent in the multipliers for the groups V to XIII, in addition to a reduction in combing allowances, cotton adjustments and processing charges. The net effect of all these would be a reduction, except in the case of coarse and lower medium varieties, of 6 to 7 percent in the prices as calculated on the basis of the original schedule.

The impact of the revised schedule on the price structure would vary from mill to mill. It is common knowledge that the voluntary price regulation scheme had long been reduced to a sham and that several mills had inflated their stamped prices quite arbitrarily. Despite recent modifications in the multipliers, most mills will still stand to benefit. In many cases, contract prices used to be lower than the stamped prices; here, it is the traders rather than the mills who would suffer as they would not be able to enjoy as big a margin of profit as they did under the old scheme. Since ex-mill prices of controlled varieties have been worked out by prescribed formulæ for the cost of cotton and conversion and processing charges, it is difficult to share the industry's view that cloth prices under the revised schedule will be reduced to uneconomic levels. There is probably a good deal to be said in favour of the revised schedule which aims at bringing down the prices of popular varieties of cloth by 5 to 8 percent, especially when the industry has been given complete freedom to market some 55 percent of its production at the best possible prices.

The spokemen of the industry point out that restrictions placed on the combing allowance for Indian cotton will greatly discourage the industry's attempts to upgrade the commodity and that this will inevitably bring about a deterioration in quality. It is stated that the cut in processing chrages will affect the production of quality goods. The industry has even hinted at possible decline in cloth production because of uneconomic prices. The Government realises that where there are a large number of factors such as the type of machinery used, the condition of that machinery, the particular nature of the processes employed, the amount of raw materials used and the degree of skill of the workers, which have a bearing on the cost of cloth produced, differences of views are bound to arise about the various charges and allowances which make up the total cost. But the industry, trade and consumers can take comfort from Mr. Shah's assurance that the Textile Control Advisory Committee, the panel of technologists and the Textile Commissioner's office would go into any case of hardship or into any suggestions for the improvement and modifications which might be brought to their notice by different interests based on facts and cost accounting data. Needless to say that the success of any scheme of control depends on the co-operation of various interests concerned.

Utilisation of Cement Capacity

Statistics relating to capacity, production and despatches released by the Cement Manufacturers Association indicate that while there has been an increase in production and despatches during the third quarter of the current year, compared with the same period last year, there has been a considerable fall in the utilisation of manufacturing capacity. The capacity of the member factories during July-September 1964 amounted to 2.404 million tonnes, against 2.211 million tonnes in the corresponding quarter of the previous year, and the production of cement equivalent of clinker increased from 2.04 million tonnes to 2.213 million tonnes. During the same period despatches increased from 2.056 million tonnes to 2.213 million tonnes. The increase in capacity and production is attributable to the expansion carried out in the existing plants and the setting up of new plants.

The figures for 1964 relate to 33 factories of 20 members, against 31 factories of 19 members in 1963, the new member being Mysore Cements Ltd. The ratio of production to capacity fell from 92.3 percent in the third quarter of 1963 to 90.9 percent in the third quarter of this year. The ratio of production to capacity for the first three quarters of the current year has come down from 95.1 percent to 93.7 percent. The production of six members exceeded their capacity. The capacity utilisation is the highest in the case of Panyam Cement at 139.9 percent, and this is followed by Dalmia Cement (Bharat) 122.2 percent, Sone Valley Cement 110.7 percent, Dalmia Dadri Cement 103 percent, Jaipui Udyog 100.3 percent and Saurashtra Cement 100.1 percent. Associated Cement Companies, the largest producer, had a capacity utilisation of no more than 86.9 percent. The utilisation of capacity is the lowest for Travancore Cement at 32.7 percent. The figures for Andhra Cement, Ashoka Cement, Bagalkot Cement, K.C.P., Mysore Cement, Madras Cement and Rohtas Industries are below 85 percent.

First World Bank Loan for Education

The World Bank has approved a loan equivalent to $6 million to the Republic of the Philippines. This will be the Bank's first loan in the field of education. The funds provided by the loan will be used for a project in higher agricultural education. The beneficiary will be the College of Agriculture of the University of the Philippines in Los Banos. The College is currently engaged in a five-year development programme designed to improve the quality of agricultural education and research. This programme is a vital part of a comprehensive effort that is being undertaken by the Philippine Government to raise the level of agricultural production. It was singled out for support by the World Bank because it promises to help give agricultural extension and research services in the Philippines the strength that is needed to exploit fully the existing potential for a higher level and accelerated growth of output. The proceeds of the loan will cover about one-half the cost of constructing and equipping 16 buildings required to carry out the College's development programme, and of renovating three others. The Government of the Philippines will provide all additional funds needed. The total cost of the project is estimated at $12 million equivalent.

The College of Agriculture, founded in 1909, is the second oldest of 37 schools and colleges making up the University of the Philippines. It has a well-established reputation, not only in the Philippines but also in several neighbouring countries which have sent to it many of their agricultural students. The Ford and Rockefeller Foundations have selected the College as an institution of special importance and promise in southeast Asia and together have pledged substantial grants to finance important educational and training elements of the development programme. They have already helped to establish in Los Banos (on College property) the International Rice Research Institute which will be an important centre of rice research in Asia. Recently, the

U.N. Special Fund established a Dairy Training and Research Institute at the College to serve the Philippines and other countries of south-east Asia.

The Bank loan is for a period of 30 years and bears interest at the rate of 5½ percent. Because the economic benefits of educational projects of this kind are realised only slowly and because the development of the Philippine economy requires a large continuous inflow of capital from abroad, amortisation of this loan will begin only after ten years, the first repayment falling due in 1975.

Trading in Staple Fibre Yarn

Forward trading in staple fibre yarn has been resumed after a lapse of 22 months. Hedge trading has been banned with effect from 17th December, 1962, in the wake of a heavy slump in prices. Business was resumed on 16th October under the auspices of the Bombay Yarn Merchants Association and Exchange Ltd. The resumption of forward deals in staple fibre should pave the way for hedge trading in art silk yarn, the production of which has increased markedly over the past two years or so. Steps are being taken to seek the sanction of the Forward Markets Commission for forward trading in art silk yarn.

Forward contracts in staple fibre yarn for 17NF and 2/34NF both for January and March 1965 deliveries, have been allowed simultaneously. The terms and conditions of the hedge contract stipulate that 100 percent viscose staple fibre yarn manufactured by Indian mills of standard count and test, double cross reeled, double hanks, bright and bleached and in original packing, will be tenderable. In the contract of 17NF staple fibre yarn, goods with a minimum count strength product (C.S.P.) of 800 (French) or 1600 (English) with 5 percent variation with a count between 16.50NF to 18NF will be tenderable. Similarly in the case for contract for 2/34NF staple fibre yarn, goods with minimum C.S.P. of 850 (French) or 1700 (English) with 5 percent variation with count between 2/33NF to 2/36NF will be tenderable.

Every trading member will be required to pay an initial deposit of Rs. 2,500 against which trading up to 100 bales will be allowed free, without any margin. Over 100 bales, a margin of Rs. 50 a bale will have to be paid. The limit for weekly fluctuation has been fixed at Rs. 20. The unit of trading will be 5 bales of 100 kilograms each and prices will be quoted for 100 kilograms. Members intending to tender goods for delivery will have to obtain a certificate about tenderability of goods from the Survey Certificate Committee, at least three days prior to such tender. A provision has been made for making an appeal against the certificate issued by the Committee. The staple fibre yarn January contract (2/34NF) opened at 851 a 100 kilograms on 16th October, and was marked down to Rs. 840 the next day.

Plea for Realistic Planning

Speaking from the chair at the second quarterly meeting of the All India Manufacturers Organisation in Bangalore recently, Mr. Hansraj Gupta said that Mr. Lal Bahadur Shastri's move to postpone some large projects with long gestation periods on which action has not yet been initiated, was wise. But he wondered why the controvers about the size of the fourth plan should still co tinue. There is overwhelming evidence that th country's resources cannot support a plan with very big outlay. Moreover, the concentration o large projects with long gestation periods to th relative exclusion of agriculture and consume industries, has led to the present unsatisfactor economic situation. High prices and shortage have been hampering progress. At one time, amb tious study groups had drawn up schemes involv ing an investment of about Rs. 33,000 crore Thanks to a more realistic assessment of the cour try's resources and the Central Finance Minister insistence of keeping the plan down to mor manageable proportions, the outlay in the drai plan, which has now been submitted to the Cab net and which the latter has cleared for th consideration of the National Development Cour cil, has been cut down to Rs. 21,500 crores. Th central board of directors of the Reserve Bank i their latest annual report have also stressed th need for a "purposive and positive" price polic and for fixing the size and content of the deve lopment effort in a manner as would not strai the resources of the country seriously.

The trend of events during the past few months Mr. Gupta observed, showed that while the Gov ernment and the Reserve Bank wanted a realisti plan for the next five-year period, the Plannin Commission was "very particular" about "a ver large-sized outlay.' A larger outlay would neces sarily require more foreign exchange. A glarin mistake is that while additional industrial capa city has been created at considerable cost in term of foreign exchange and capital equipment, nc thing has been done to ensure that adequat foreign exchange is available for importin raw materials, components, spares, etcetera. Con sequently, there is a large amount of unused capa city in several important industries. It is only b the fuller utilisation of this capacity in industria and in other projects that resources can be create to sustain a larger outlay in future. "It is a mis take to fix ambitious targets at the beginning an then to be in an unseemly hurry to mobilise th resources regardless of the repercussions," M Gupta commented. This only accentuates in flationary pressures. Another major drawback in Mr. Gupta's opinion, is the over-emphasis o the rôle the public sector has to play. This neces sitates large-scale raising of resources by th Government through taxation and other devices In fact, the Government has appropriated most o the additional national income in recent years t finance its outlay. This has reduced the share o the more dynamic private sector, and the rate o growth has slowed down disturbingly.

THE I.C.S. EXAMINATION

WRITING in our issue of 6th November 1902 we said :—"The Examination Papers set by the Civil Service Commission just out suggest some reflections on the qualifications of the candidates who were successful in passing the examination for the Indian Civil Service. Curiously enough the weakest points in some of the men who got in were those relating to their own language and literature. In English Composition the second and the fourth on the list only obtained 208 and 180 respectively out of the maximum of 500, while others had 150, 125, 130, 57, 170, 188, 80, 150, and 75. In English Language and Literature a number scrambled through with marks under 150 out of a possible 500. Some were particularly strong in Pure and Applied Mathematics. The only youngster who obtained the maximum number (900) in Mathematics got no more than 235 out of 500 in English Composition, and only 145 out of 500 in English Language and Literature. Another strong in Mathematics, got in with only 57 and 56 respectively in English Composition and English History out of a maximum in each case of 500. There are many Bengali students in Calcutta who would made a better show than that. Surely before a young fellow is admitted into the Indian Civil Service he ought to be able to show some decent sort of proficiency in the English subjects referred to. When the maximum number of marks is 500, and a candidate is only able to show not over 50 marks in his examination, he ought to be plucked, as knowing nothing whatever of his own language.

FROM

CAPITAL

20th October, 1904



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A Ditcher's Diary

LIKE *Punch*, THE PUJA IN BENGAL IS NO LONGER what it used to be ; or so we are told year after year. I am not complaining of monotony ; in fact the wail seems a part of the Puja ritual. For some years now there have been complaints of commercialisation of the Pujas. If Governments take it as a compliment when they are told that in this matter or that they have been business-like, I do not see why commercialisation as such should be a term of abuse of anything unless one has already come to the cynical conclusion that all business is by definition dishonest or shady in varying degrees. I know as well as anyone that many murky things take place in the world or name of commerce ; yet there is no warrant whatever to dismiss all commercial activity as something ignoble. Now I shall proceed to deplore the demonstrable fact that the Pujas in Bengal have not been sufficiently commercialised, at least not by the Bengalis who should have been the first to cash in. To take but one instance, even a few years ago one could buy fairly interesting *pats* in Kalighat ; today anything you lay your hands on is tawdry and stylised beyond belief. The Krishnagar clay idols have visibly deteriorated in craftsmanship ; gone is the lively inspiration that went into every piece one used to see as late as the 'thirties. As anyone familiar with the Kalighat *pats* knows, around the deities there was considerable social satire. Where is that gone now? It is fair enough that there should be universal moaning over shortages and prices ; the performance of the Government and the trade deserved severer condemnation ; but it is not unreasonable to suspect that something more has gone out of Bengali life. Only for Bengali literature and journalism, I am told, Puja is now semi-big business ; those special supplements and new books. But their producers and consumers are both Bengalis. Absent is that spirit of expansion which was the chief feature of Bengal not so very long ago. And for living organisms contraction is a sign of unhealth. If I have in the past repeatedly asked for a calculated contraction in the projection of India abroad, I am all for a greater outwardness for Bengalis ; southerners and Punjabis are doing today only that which Bengal did yesterday ; and in this there can be no cause for pride.

SO IT'S ALL OVER IN CAIRO. AND WE HAVE SEEN those happy, happy photographs, retouched by deft men in newspaper offices. Oh, the loneliness of men, such as me, who are left out of the swing of universal happiness all around whether the joy be over Pujas or an international conference. It was good to read that Mr. Shastri's was the best speech ; but the next reaction was, "Sez you!" Except when money or military hardware changes hands, I am beginning to feel, diplomacy has now been reduced to the monotonous if arduous task of drafting an acceptable *communiqué* ; and the more airy, meaningless and insubstantial it is, the better. This, I suggest, is the work of clerks, even if they have to be called Their Excellencies or Secretary-Generals. Perhaps for the first time, I find, the official segment in the Indian delegation at an international conference has been exposed to some criticism ; whether the Congo's Tshombe was to be or not to be there was a question the clerks could not answer. Which annoyed some Africans. Or so we have been told. My own withers, I assure you, are totally unwrung either way. For once I am inclined to defend the officials. Where would we all be if conferences such as the one in Cairo could dictate who should represent which country? My regard for the ex-President of the sovereign State of Katanga has always been a long way this side of idolatry ; but as it happens he is now the Prime Minister of his country. The world is littered with less legitimate accessions to power. But then it is in the nature of Governments to swallow whole cows and then pretend to be choked by the tail of Tshombe. No, the truth is that even Cairo did not take the conference very seriously ; India's rôle therein was taken seriously only by India. A good time, I hope, was had by all.

FROM WHAT LIMITED ATTENTION I HAVE BEEN ABLE to give to election reports from both Britain and the United States, I have become more than half convinced that an excellent contribution to democracy in those two countries in future would be the total prohibition of public opinion polls. These menaces enjoyed increased prominence in the British election this time, and far from being simply a benign finger on the pulse of public opinion, as they are supposed to be, they seem to have been a factor in the way the Parties behaved and the manner in which the votes were cast. For instance, there is always a proportion of voters who will choose at the last minute to resolve their mental conflict by jumping on whichever political bandwagon happens to be in the lead ; this is nothing more than an expression of the old human fear of solitariness. Such people can easily be stampeded by the evidence of public opinion polls, whether right or wrong. Further, a Party which discovers the polls going in its favour, instead of conducting its campaign in the manner planned, may slacken its efforts or, conversely, become too cock-sure. And one which suddenly finds itself in the opposite position may tend to lose heart or resort to gimmicks to recapture the votes it thinks it is losing. Something of the kind, it seems, happened to the Conservatives during the last week of their campaign. Of course, not all these things necessarily happen ; in both cases, the effect might be entirely the opposite, and wholly beneficial. But this seldom seems to be the case ; more usually a Party will respond by being in a constant lather about its developing chances and so tend to neglect giving its wholehearted attention to its prepared platform. The impact elsewhere is often no less damaging. The heavy pre-election speculation on the London Stock Exchange, to say nothing of the rapid shift in the odds quoted by the gambling fraternity on the outcome, were all the result in some measure of the evidence presented by the opinion polls. Without wishing to decry the usefulness of these institutions altogether, it does seem to me that the serious business of choosing a new Government would be conducted much better without the distractions they introduce. It might not be so bad if they were reliable. But in fact they are statistically of little value, being based on too narrow a sample and too prone to errors of interpretation. It will be a sorry day indeed when they find their way into Indian elections.

THE MAIN POINT WHICH STRUCK ME ABOUT QUEEN *Elizabeth's* reception in Canada was how sharply it compared with the one she received here. Canada, one had been led to believe, was the oldest and most loyal member of the Commonwealth, being among the few which still retain the British monarch as its Head of State. Yet here we had a minority group—acting, one might add, with a very un-French lack of chivalry—anxious to create an impression of rebellion and disunity such as one scarcely thought possible in so comfortable and well-favoured a nation. I cannot but think that in the extent of their security precautions the Canadian authorities might perhaps have let panic get the better of their political judgment, although that was possibly understandable in this early post-Kennedy era. And it may be true, as I believe they have been saying in Paris, that much of the present strength of French-Canadian separatism is due to President de Gaulle's dreams of gallic grandeur being taken far more seriously abroad than they are in France itself. But when all the explanations have been assembled, it does seem that wisdom really dictated that the Queen should not have gone to Canada at all. There was no real need for her to do so ; the events of 1864 were mainly an internal affair in which the British Crown played little part. She could have stayed at home without raising any doubts as to her sense of duty. Perhaps, although it seems doubtful, Britain's internal politics had something to do with the decision : certainly a triumphant Royal tour of Canada might have helped the Conservatives'

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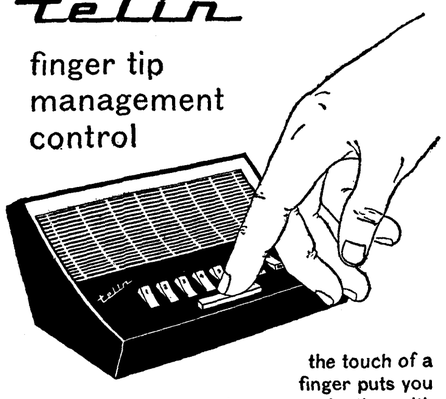
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election chances. As it is, Her Majesty's tour ha done no good; on the contrary, the rift betwee English- and French-speaking Canadians ha been widened, and the world has been presente with an unnecessary spectacle of national an Commonwealth disunity which is as damaging a it is impressive.

ONE OF THE SIGHTS OF LONDON WHICH NO TOURIST missed if he could help it—particularly if it happened to be a "he"—was the Windmill Theatre. It was not that the entertainment it had to offer was any better than could be obtained elsewhere, or was at all unique for that matter. But it had a certain novelty value, and the British themselves always felt rather sentimental about the place if only because it was the one theatre in London which never closed during the war years. Now that it is to close, for good, the London scene will never be quite the same without it. Semi-nudity on the stage is rarely to be confused with art in any form, but in so far as it can be, the Windmill certainly did its best. Like the *Folies Bergere* in Paris, wit was always preferred to salaciousness, and professional competence to amateur crudity. Which may be why the Windmill has found it impossible to compete in its own chosen line with the innumerable strip clubs which at present disfigure Soho, and are so much more blatant about separating the tourist from his money. Apart from its girls, the Windmill has always specialised in staging clever comedy, and the list of top-line British comedians who have begun their professional lives on its boards is an impressive one. They had to be good, it was said, to compete with the other attractions. It has always seemed to me that the particular kind of show offered by the Windmill is not something at which the British normally excel. Speaking generally, they lack equally the subtle and artistic naughtiness of the French, the American's talent for the spectacular and even the crude vitality of the Japanese. Their gifts lie in staging straight drama or equally straight comedy, not revue. But the Windmill will not go unmissed. It had achieved the status of an institution, a doubtful starter long since accepted as respectable. Its passing is yet another reminder of how rapidly tastes change, and with them economic realities.

MR. KHRUSHCHEV'S CAREER CAN BE SAID TO HAVE come to an end with a bang, albeit Chinese, and not with a whimper. True, he was seventy; but everybody says that at last appearance he was fighting fit. The age of retirement is being revised in many countries since there is not an abundance of talent and expert knowledge. Which emboldens me to suggest that, if he be so inclined, Mr. Khrushchev be given another field of activity. Who needs him better than India, with the possible exception of China? Mr. Mao Tse-tung is unlikely to welcome him; they hate each other heartily. But might not Mr. Lal Bahadur Shastri have use for him here as an adviser on all sorts of things, beginning with political manoeuvring and ending with nothing, including the abuse of scarce steel in Perambur? Mr. Khrushchev may find it difficult to function in the kind of administration India has; but he could have a very salutary effect on some of the orthodoxies inherited from an administration with a fine record but a very different purpose. I can visualise Mr. Khrushchev's first encounter with a crusty I.C.S. bureaucrat; "Sir, that is not done". "From today, it will be", says Khrushchev. The Soviet Union has shown that it can do without Mr. Khrushchev and the top army brass lost in the recent air crash; but India may have need of him. Drunk or sober, he could come and tell the organisers of *Vanamahotsavas* that what the country needs is more trees, not more photographs of Governors or Ministers planting trees that will never grow. Mr. Khrushchev was not particularly successful in his ventures in the field of agriculture, including the virgin lands experiment; but he has the right touch and could perhaps work miracles with the Indian peasantry. All I'm getting at is that the world has need of a talent like Mr. Khrushchev's, even if Russia has not.

THE DITCHER

Guide for Investors

SUGAR SHARES SLUGGISH DESPITE NEW POLICY

(BY A SPECIAL CORRESPONDENT)

SUGAR shares have been sluggish for a long time, and the turnover has dropped. Although the output of the industry during the current season has risen slightly to 2.6 million tonnes, it is much smaller than the target of 3.3 million tonnes fixed at the beginning of the 1963-64 season. Despite the bigger output, profits, particularly of factories situated in northern India, are expected to be no better than in 1962-63. Most of the factories have had to curtail production due to the shortage of cane. Production costs have, meanwhile, risen following substantial increases in the prices of stores and electric power. Wages have been raised due to the recommendations of the wage board. It is feared that several sugar companies in northern India will incur losses during the current year.

The depression persists as the prospect for the coming 1964-65 season, which will begin in a few days' time, is far from encouraging. The latest move of the Government to increase production during 1964-65 has failed to impress investors. Acting on the interim recommendations of the Sen Commission which was appointed to investigate the problems of the sugar industry some time ago, the Government has increased the price of cane. Since the rise has been linked to quality, the growers will not benefit except marginally. To stimulate the output of sugar, the Government has also decided to give a 50 percent rebate of the basic excise duty on the excess production over that of 1962 achieved by the end of November. This has been done to encourage producers to increase output early in the season. Whether the same rebate will be allowed on the excess production achieved after November has not yet been decided. If the output early in the season turns out to be poor, the rebate might be continued. Anyway, this method of giving incentives piecemeal is unlikely to produce good results. Considering the shortfall in output during the past two seasons, it is difficult to understand why the Government has shied away from giving a straightforward incentive for the whole season.

It is doubtful whether the incentive is sufficient to raise the output of sugar. The main problem facing sugar factories, particularly in northern India, is that they do not obtain enough cane. A large part of the cane supply is diverted to the production of *gur* and *khandsari*. Although the cane crop during the coming season is expected to be larger than in 1963-64, no concrete step has been taken to stop its diversion to the manufacture of *gur* and *khandsari*. Since these two commodities are free of the control imposed on sugar, their producers can afford to pay remunerative prices for attracting cane supplies in competition with sugar factories.

Although the Sen Commission will submit detailed recommendations later, it is almost certain that the half-hearted measures the Government has announced will not help increase the output of sugar to any great extent. Unless vigorous measures are taken to increase the supply of cane and improve its quality, sugar factories will not be able to use their installed capacities fully. It is unfortunate that cane development is in the charge of State Governments. Despite the collection of substantial sums through cesses, they have done precious little to improve it. The bulk of the cess collection seems to have been spent for other purposes.

This apart, the operational efficiency of north Indian sugar factories is poor. Most of their equipment is old and out-of-date. Unless they modernise their machinery, working will continue to be inefficient and production costs will remain high. In the near future, north Indian sugar companies are unlikely to earn good profits. In the circumstances, investors are not expected to show much interest in these shares.

The Government has rightly decided to continue the control on sugar. The supply of the commodity is inadequate to meet rising requirements. The price fixed by the Government is not likely to be uneconomic if factories care to improve their efficiency by modernising machinery and rationalising production processes.

Calcutta Tramways Costs Increase

IN his address from the chair at the annual general meeting of the Calcutta Tramways Co. Ltd, held recently in London, Mr. David E. Webb has said that the results of the Company during the current year will not be as good as those of 1963. (The full text of the speech is printed on a later page in this issue of *Capital*.) Receipts have so far fallen behind those of 1963. Emoluments to the staff have been increased and the cost of electric power has risen. The Company has incurred considerable capital expenditure on various projects, but it has not yet been able to arrange the necessary funds for development. He pointed out that unless fares are raised, it is not possible for the Company to conserve resources for expansion. It has bought 30 sets of tramway trucks from Bombay on reasonable terms. But to complete 30 new cars will cost more than £200,000. Although it is necessary to put new vehicles on road for increasing transport facilities, the Company is exploring various ways to raise funds.

During 1963, receipts rose by about £84,000, but the increase has been more than offset by rising costs and heavier taxation. As a result, only £56,359 has been transferred to shareholders' account, compared with £58,778 in 1962. These figures are well below the sum of £87,457 to which the shareholders are entitled under the terms of the agreement with the Government of West Bengal. Since they have long been denied of a fair dividend, the Company has increased it from 5 percent for 1962 to 6 percent for 1963. The fare was slightly raised by 1 paisa in April 1964 but the rise will be almost absorbed by the increase in emoluments sanctioned for the staff.

Great Eastern Shipping Disappoints

WITHIN a few days of the announcement of the dividend and the working results for the year ended June 1964, the shares of Great Eastern Shipping dropped sharply from Rs. 13.92 to Rs. 11.88. Apart from the general weakness in the stock market, the sharp break in the share value reflected the market's disappointment over the Company's performance during the year. Both the dividend and the working results have turned out to be far short of the investors' general expectations. The directors have recommended a dividend of 7.3 percent on the old 600,000 fully paid-up shares, 5.15 percent on the new 600,000 equity shares which became fully paid-up on 1st February, 1964, and of 1.9 percent on 300,000 equity bonus shares issued last year. In 1962-63, the Company had skipped the dividend and, instead, has issued bonus shares in the ratio of one for every three fully paid-up and one for six partly paid shares.

The average tonnage under operation recorded a small increase of 1.8 percent from 156,810 d.w.t. to 159,633 d.w.t. The cargo carried by the Company's ships also showed only a small increase from 1.133 million metric tons to 1.178 million metric tons. The gross freight and charter earnings, however, increased by 16.4 percent from Rs. 4.51 crores to Rs. 5.25 crores. Even so, the gross profit went down from Rs. 1.264 crores to Rs. 1.238 crores. After providing Rs. 75.32 lakhs (against Rs. 64.10 lakhs) for fleet depreciation and Rs. 36.30 lakhs (against Rs. 51.75 lakhs) for development rebate reserve, the net profit is shown at Rs. 8.16 lakhs, compared with Rs. 5.49 lakhs in the preceding year. With Rs. 1.29 lakhs brought forward from the previous year, Rs. 81,522 transferred from the dividend equalisation reserve and Rs. 13 lakhs transferred from the untaxed general reserve No. 2, the disposable surplus amounts to Rs. 23.26 lakhs. From this, a sum of Rs. 13.94 lakhs has been set aside for income tax for 1957-58. The proposed dividend absorbs Rs. 8.04 lakhs, leaving a sum of Rs. 1.28 lakhs to be carried forward.

The directors state that in the preceding year, they had expressed the hope that the Company would be able to derive benefit from the improvement in the international freight market which was expected to be strengthened by the contemplated movement of foodgrains from the U.S.A., Canada and Australia to Russia and China. However, the actual movement of the foodgrains to Russia and China did not materialise to the extent anticipated, and consequently, the expected benefit from the improvement in freight did not materialise. The directors add that the 1963 expansion programme has been successfully implemented by the addition of five vessels to the fleet of the Company at a cost of Rs. 1.70 crores.

Its investment on fleet has increased from Rs. 10.26 crores to Rs. 11.85 crores. The additional five ships came into actual operation only during the second half of the year and their working is reflected partially in the results for 1963-64 and would be reflected fully in the results for the current year. The size of each of the two bulk carriers for which orders has been placed with a Japanese shipyard has been increased from 36,000 d.w.t. to 38,500 d.w.t. It is expected that the vessels will be delivered in early 1966. The capital investment of approximately Rs. 4.12 crores for these two bulk carriers will yield full results in 1966-67.

The Company has already submitted its 1964-expansion programme for the acquisition of additional five vessels at a cost of Rs. 3 crores to the Government. Should permission for acquiring these five vessels be received in time, their operation will be reflected partly in

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the results for 1964-65 and fully in the results for 1965-66. In view of the deteriorating conditions in the ports and the absence of any decision so far by the Government on the report of the Maritime Freight Commission on coastal freight structure, the directors state that the outlook for the current year remains obscure. It is pointed out that the impact of the delay in the ports during the first three months of the current financial year has been phenomenal. The directors, however, add that should favourable port conditions be made available to ships, the Company would certainly be able to do well. In the circumstances obtaining at present, they are unable to foresee how the Company will fare during the current year.

India Firebricks Project Cost Up

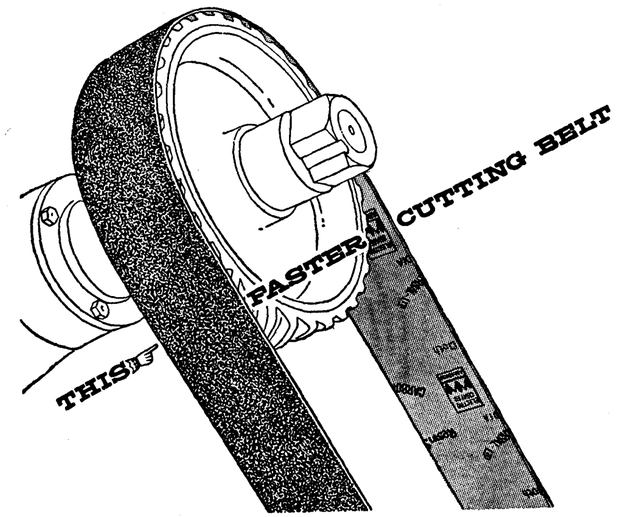
IN their report for the year ended April 1964, the directors of India Firebricks and Insulation Company state that the Company has reached a daily rate of finished production of 80 tons of firebricks after lighting the first kiln in July last. The second tunnel kiln is also ready for firing, and when this is lighted, the output is likely to increase considerably. The commencement of production was delayed on account of the necessity to reimport certain equipment of the tunnel kilns lost in Calcutta docks.

The Company has secured the prospecting licence and also clearance from the Forest Department which has enabled it to get a regular supply of good quality fireclay. Due to the various delays in the implementation of the whole project, the estimated cost of the project has gone up. The management proposes to meet the additional cost through loan capital mainly from the Industrial Finance Corporation and the I.C.I.C.I. The Company has already made applications to these institutions for new loans and the two corporations are said to have agreed to lend Rs. 15 lakhs together. Out of the previous loan of $(U.S.) 1,171,000 sanctioned by the I.C.I.C.I., the Company has so far used $(U.S.) 1,148,012. The I.C.I.C.I. has also sanctioned to the Company an additional loan of $67,000 for payment of freight in foreign currency.

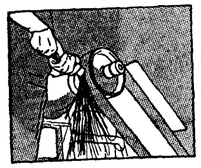
The directors have forfeited 6,250 equity shares and 55 preference shares on which allotment and call moneys were in arrears to the extent of Rs. 31,875 and 2,375, respectively. The forfieted shares have not yet been reissued. After adjusting expenses of Rs. 22,272 and providing Rs. 23,000 (against Rs. 9,000) for taxation, the Company has earned during 1963-64 a net profit of Rs. 699, compared with a net loss of Rs. 16,947 in the preceding year. After adjusting Rs. 573 towards income tax short-provided for 1961-62, the balance has been set off against the carried forward loss of Rs. 15,714. No depreciation has been provided on fixed assets acquired or under construction, pending the commencement of production. Arrears of preference dividend amount to Rs. 4.39 lakhs.

Basti Sugar Raises Dividend

THE Basti Sugar Mills Co. Ltd has raised the dividend for the year ended April 1964 from 6 percent to 15 percent. This has become possible because of the impressive increase in the gross profit from Rs. 3.94 lakhs to Rs. 12.62 lakhs. The profit rose in spite of a fall of about 16 percent in the sales from Rs. 2.43 crores to Rs. 2.09



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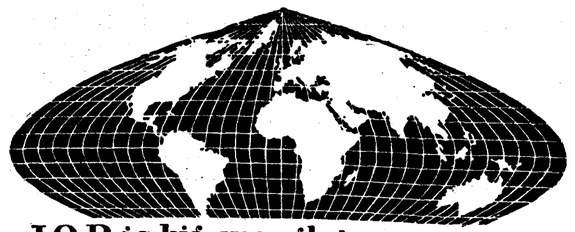


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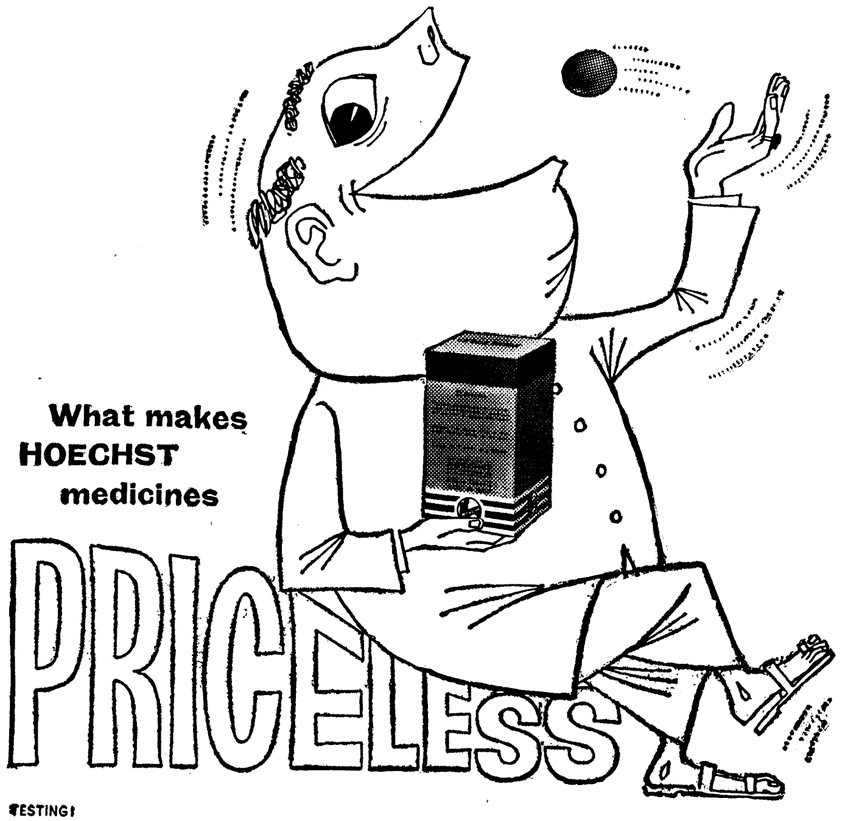
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crores. The cane crushed during the year was larger at 4.6 million maunds, compared with 3.8 million maunds in the preceding year. Allocations include depreciation Rs. 2.83 lakhs (against Rs. 2.39 lakhs), development rebate Rs. 65,828 (against (Rs. 18,907), taxation Rs. 4.76 lakhs (against Rs. 50,000), investment depreciation reserve Rs. 50,000 (against Rs. 69,521), donations Rs. 15,000 (against Rs. 4,000). The proposed dividend absorbs Rs. 2.25 lakhs (against Rs. 90,000), leaving a sum of Rs. 2.22 lakhs to be carried forward, against Rs. 1.72 lakhs brought in.

The directors state that the prospects for the current season depend entirely on the Government's policy. The sowing has been good, but it is feared that the recent heavy rains might adversely affect the crop. The prospects will also depend on the availability of cane in adequate quantities and on the price of sugar that the Government fixes. The Rs. 100-paid share of Basti Sugar is quoted around Rs. 114, offering a gross return of about 14.7 percent.

Textool Repeats Dividend

AN appreciable rise in the sales and profits features the trading results of Textool Company Ltd for the year ended April 1964. The value of goods produced during the year recorded a rise of about Rs. 50 lakhs over that of the previous year. The directors' report says that the prices of raw materials and stores were on the upward trend. Wages also have increased. There has been an increase in the cost of fuels and power. In spite of these increases in the cost, the Company was able to earn satisfactory profits, and this was due to the increase in production and sales. They add that the cone winders produced in collaboration with Messrs Kamitsu Seisakusho Ltd of Japan has been placed on the market during the current year. These machines are working satisfactorily.

Sales during the year amounted to Rs. 2,81,84,539 (against Rs. 2,42,94,625). The net profit is Rs. 26,38,431 after providing Rs. 7,44,301 for depreciation. This compares with the previous year's profit of Rs. 21,58,791 after providing Rs. 5,75,865 for depreciation. With the amount of Rs. 3,132 brought forward, the total available for appropriation comes to Rs. 26,41,563. Out of this, the provision for taxation comes to Rs. 11,08,000 (against Rs. 9,20,000). A sum of Rs. 1,59,160 is transferred to development rebate reserve (against Rs. 200,000). Short provision for dividend for the previous year amounted to Rs. 37. A sum of Rs. 65,000 is transferred to dividend equalisation reserve (against nil). The dividend at 12 percent (the same) amounts to Rs. 7,14,723. The balance of Rs. 548 is carried forward.

Broach Electric Pays More

THE Broach Electric Supply and Development Corporation reports encouraging results for the year ended March 1964, and this has enabled the directors to step up the dividend from 5 percent to 6 percent —50 to 60 paise a share of Rs. 10. The units of energy sold increased from 2.715 million kW to 2.758 million kW and the revenue realised increased from Rs. 8.11 lakhs to Rs. 9.43 lakhs. Revenue from other sources was slightly lower at Rs. 56,196, against 59,150, making a total of Rs. 9.99 lakhs, against Rs. 8.70 lakhs. The gross profit of the Company has improved from Rs. 2.96 lakhs to Rs. 3.75 lakhs.

Appropriations include depreciation Rs. 66,296 (against Rs. 66,083), bonus to staff Rs. 7,000 (against Rs. 6,000), employees' retiring gratuity Rs. 5,566 (against Rs. 4,808), taxation Rs. 1.23 lakhs (against Rs. 1.10 lakhs), contingencies reserve Rs. 11,368 (against Rs. 10,298), consumers' benefit reserve Rs. 66,639 (against Rs. 3,248), tariffs and dividends control reserve Rs. 66,972 (against Rs. 3,248), development reserve Rs. 12,438 (against Rs. 11,303) and dividends Rs. 42,421 (against Rs. 35,351). After making certain minor adjustments, there remains a balance of Rs. 1,816 to be carried forward, against Rs. 452 brought in.

The publication of the previous year's report was prohibited under the Defence of India Rules. In their latest report, the directors state that throughout the two-year period ended March 1964, the power shortage in south Gujarat continued. Arrangements have been made by the installation of the requisite transformers and other apparatus for taking the additional energy supply in bulk from the Electricity Board when the Dhuvaran theremal station is commissioned. The Company has asked for additional power of 700 kVA which together with the 400 kVA now being supplied will be sufficient to meet the present demand on the station. The directors state that it will be necessary to continue to maintain the Company's generating plant for some time more until continuous and uninterrupted supply of energy to meet the normal growth of load is assured from the grid system. The number of consumers increased during 1963-64 from 6,834 to 7,738 and the connected load increased from 3,291 kW to 3,551 kW.

Hindustan Lever Pays Interim

HINDUSTAN Lever has announced to pay an interim dividend for 1964 of 60 paise a share, subject to deduction of tax. The dividend is payable on 19th November, 1964, to shareholders registered in the books of the Company at the close of busi-

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ness on 4th November, 1964. The transfer books and the register of members will remain closed from 6th to 18th November, 1964 (both days inclusive).

Kerala Rubber and Reclaims

A NEW unit under the name of "the Kerala Rubber and Reclaims Ltd," is going to be added to the existing few for the manufacture of reclaimed rubber by the "reclamator process", patented by the U. S. Rubber Reclaiming Company. This will be the first time the "reclamator process" is being adopted for rubber reclaim in India. The Company, with the U. S. Rubber Reclaiming Company as its collaborator, will set up its factory in Mamala near Cochin in Kerala. Land has already been acquired for the purpose and the civil work has already started. The foreign collaborators have agreed for the export of reclaimed rubber also.

The authorised and issued capital of the Kerala Rubber and Reclaims Ltd will be Rs. 30 lakhs. Of this, shares for Rs. 10 lakhs are being taken up by the directors and their friends. Underwriting arrangements to cover the balance of Rs. 20 lakhs are being finalised. A foreign exchange loan of Rs. 11 lakhs has been sanctioned by the I.C.I.C.I. to meet the entire foreign exchange cost of the project. The Company will go to the market shortly for 49 percent of the share capital.

Mody Spinning Pays More on Increased Capital

MODI Spinning and Weaving Mills has raised the dividend for the year ended April 1964 from 9 percent to 10 percent. This is payable on the increased capital as raised by the one-for-two rights issue in February 1963. The total distribution among equity shareholders, therefore, is Rs. 15.50 lakhs, compared with Rs. 10.65 lakhs in the preceding year. The increase in the dividend is well justified by the Company's improved performance. As against a rise of about 20 percent in the sales from Rs. 8.06 crores to Rs. 9.70 crores, the gross profit has risen by as much as 67.6 percent from Rs. 54.55 lakhs to Rs. 91.40 lakhs. The profit margin (as measured by the ratio of gross profit to turnover) has improved from 6.8 percent to 9.4 percent.

Appropriations of the year's profit include depreciation Rs. 41.38 lakhs (against Rs. 25.73 lakhs), development rebate Rs. 16.95 lakhs (against Rs. 2.51 lakhs) and taxation Rs. 13.50 lakhs (against Rs. 13.10 lakhs). The proposed dividend absorbs Rs. 15.50 lakhs (against Rs. 10.65 lakhs) leaving a sum of Rs. 20,505 to be carried forward, against Rs. 12,095 brought in.

The increase in the Company's turnover during the year is attributed to the commissioning of the new mill and the continuing process of renovation and rehabilitation of the mills. The erection of the new mill has been mostly completed and at present 19,184 spindles are working satisfactorily. The directors hope to add 5,816 new spindles during the year. The Company installed sanforising range and other processing machinery during 1963-64 and spent Rs. 1 38 crores on additions to plant, machinery and buildings which account for the substantially higher allocation to development rebate during the year. It proposes to set up another new mill with 25,000 spindles at a cost of Rs. 2.25 crores. The plant will manufacture sewing thread, hosiery and industrial yarns. The new project will be financed from internal resources, with loans from the Industrial Finance Corporation and other financial institutions and by issue of fresh capital if considered necessary.

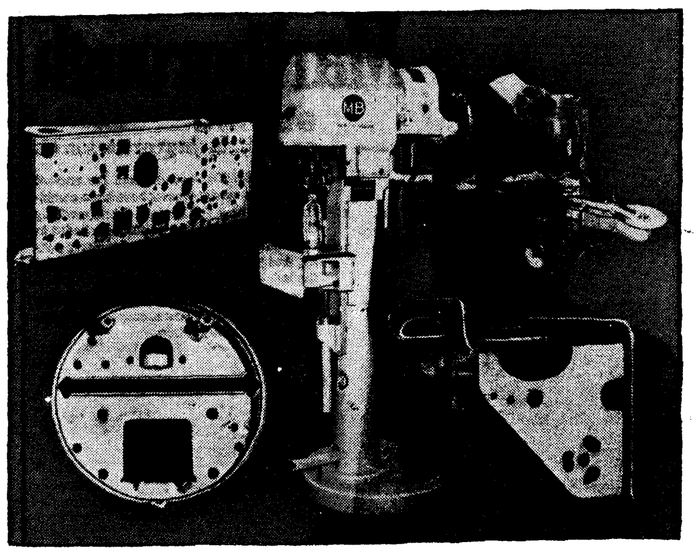
New India Fisheries Profit and Dividend Down

THE New India Fisheries Ltd has reduced the dividend for the year ended March 1964 from 9 percent to 7.8 percent. The Company has not fared well during the year. In spite of an increase of 23.4 percent in the sales from Rs. 28.36 lakhs to Rs. 35.02 lakhs, the gross profit is down from Rs. 7.48 lakhs to Rs. 7.11 lakhs. After providing Rs. 3.24 lakhs (against 1.59 lakhs) for depreciation, Rs. 4.09 lakhs (against Rs. 3.52 lakhs) for triennial repairs cost and nil (against Rs. 2.50 lakhs) for development rebate, the year's working has resulted in a loss of Rs. 21,946, against a loss of Rs. 12,522 in the preceding year. After withdrawing certain amounts from various reserves, the directors have recommended the payment of a dividend of 7.8 percent (against 9 percent) on ordinary shares. The dividend on the deferred ordinary shares has also been reduced from 9 percent to 7.8 percent.

In his statement to the shareholders, the chairman says 1963-64 was noteworthy for two events. One was the complete suspension of the Company's trawling activities off Bombay, and the other was the commencement of the export of processed prawns from its Cochin establishment. The export performance has enabled the Company to be entitled to the benefits of import licences of a total value of Rs. 3.05 lakhs for bringing in essential items such as engine spares, nylon twine and paper cartons.

Referring to the heavy cost of fuel, the directors state in their report that an application was made to the Central Government for the remission of excise duty on diesel oil and on electric power and for other concessions to make trawling off Bombay economic. The Government's decision is still awaited. However, in the expectation that suitable relief will be available from the Government of India and in order to maintain the continuity of fish supplies to Bombay, negotiations were started with Taiyo Fishery Company of Japan and the Government of India for chartering two trawlers for operation off Bombay.

Accordingly, the Company has entered into an agreement with Taiyo Fishery for the charter of two trawlers for 15 months starting from the date of departure of these trawlers. These trawlers arrived and went into operation in August. The hire for these trawlers payable to the Japanese firm for 15 months will be around Rs. 2.05 lakhs. Till the end of September, a catch of about 203 tonnes of fish valued at Rs. 1.09 lakhs had been obtained from this venture. Encouraged by the export-oriented operations in Cochin, the Company's collaborators have offered to help with finance for its expansion, involving purchase of some trawlers and equipment which will enable it to increase export earnings to about Rs. 90 lakhs a year in three or four years' time.



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Whatever will Metal Box think of next? More ways to earn and conserve foreign exchange, of course!

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Hyderabad Allwyn Results Impress

THE Hyderabad Allwyn Metal Works Ltd reports highly encouraging results for the year ended April 1964. Sales have increased by 60 percent from Rs. 3.26 crores to Rs. 5.16 crores, and the gross profit has risen by nearly 55 percent from Rs. 43.47 lakhs to Rs. 67.26 lakhs. The dividend, however, has only been maintained at 10 percent. After providing Rs. 21.97 lakhs (against Rs. 14.63 lakhs) for depreciation, Rs. 6.03 lakhs (against nil) for items pertaining to previous years and Rs. 16 lakhs (against nil) for taxation, the net profit amounts to Rs. 19.95 lakhs, against Rs. 26.23 lakhs in the preceding year. Allocation to the development rebate reserve has been reduced from Rs. 9 lakhs to Rs. 3.50 lakhs, but the provision for general reserve has been increased from Rs. 2.65 lakhs to Rs. 4.50 lakhs. After providing Rs. 12.05 lakhs for the proposed dividend, there remains a surplus of Rs. 17,364 to be carried forward, against Rs. 26,824 brought in. In the preceding year, a sum of Rs. 5 lakhs had been taken to the deferred taxation reserve and Rs. 12.05 lakhs had been transferred to the dividend reserve out of which the dividend was paid.

The directors state that there was a steady improvement in production and sales as a result of the plant expansion. The production of refrigeration has been on the increase, although the desired progress could not be achieved due to the scarcity of raw materials. The Company has secured a licence for the manufacture of hydraulic hoists, tipping gears, heavy duty trailers and semi-trailers. Collaboration arrangements with Carrimore Six Wheelers of the U.K. and consultancy arrangement with the Westran Corporation of the U.S.A. have been completed and details of the manufacturing processes are being worked out. As in the previous year, orders for the manufacture and supply of certain defence requirements on a priority basis were received and executed satisfactorily. Some of the uneconomical showrooms have been closed down. The Rs. 10-paid share of Hyderabad Allwyn is currently quoted around Rs. 12.25, yielding a gross return of about 8.7 percent.

Rashtriya Metal Reduces Dividend

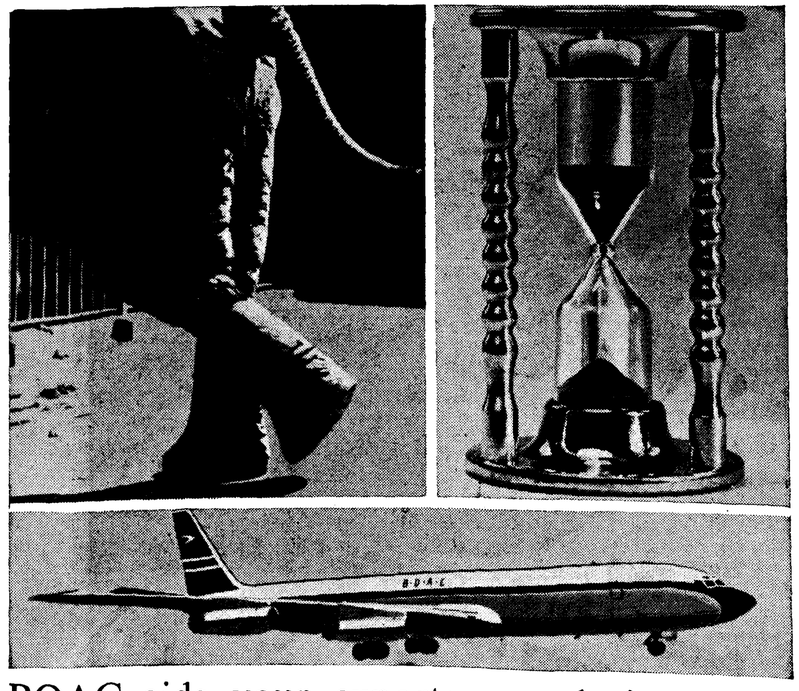
RASHTRIYA Metal Industries Ltd has reduced the dividend for the year ended March 1964 from 16 percent to 10 percent. The preliminary report shows that the gross profit is down by about 16 percent from Rs. 12.13 lakhs to Rs. 10.13 lakhs. After providing Rs. 2.56 lakhs (against Rs. 1.66 lakhs) for depreciation and Rs. 4.19 lakhs (against (Rs. 6.05 lakhs) for taxation, the net profit amounts to Rs. 2.63 lakhs, against Rs. 3.38 lakhs in the preceding year. The provision for development rebate is higher at Rs. 45,000, against Rs. 12,500, but allocation to the general reserve has been reduced from Rs. 1 lakh to Rs. 60,000. Employees' gratuity reserve gets Rs 4,000, against Rs. 7,500. The proposed preference and equity dividends absorb Rs. 1.57 lakhs (against Rs. 2.38 lakhs), leaving a balance of Rs. 9,705 to be carried forward, against Rs. 12,379 brought in. The directors state that the position concerning the availability of raw materials including pig iron continues to remain acute. The prices of raw materials in international markets have risen appreciably with the result that there has been a considerable fall in the quantities imported against licences issued by the Government. Licences for the current period for the import of essential raw materials are yet to be received.

Bombay Subarban Electric Fares Well

ALTHOUGH the dividend has only been maintained at 9 percent on the slightly increased capital following the conversion of a part of the B class convertible debenture loan, the working results of Bombay Suburban Electric Supply Ltd for the year ended March 1964 show an all-round improvement over the previous year's performance. The amount of energy sold, total revenue realised and the gross profit—all are higher than those of the previous year. Sales of energy have risen by 22.2 percent from 206 million kV to 252 million kV; the sale for lights, fans and other purposes has gone up by 12.8 percent and for motive power by 28.2 percent. The revenue from the sale of energy has increased from Rs. 1.996 crores to Rs. 2.583 crores and the income from hire of meters, refrigerators and other appliances has improved from Rs. 4.61 lakhs to Rs. 10.13 lakhs. The gross profit has gone up by 12.5 percent from Rs. 62.12 lakhs to Rs. 69.87 lakhs.

After providing Rs. 18.71 lakhs (against Rs. 16.72 lakhs) for depreciation and Rs. 14.11 lakhs (against (Rs. 12.87 lakhs) for taxation, the net profit amounts to Rs. 34.09 lakhs, compared with Rs. 30.09 lakhs in the preceding year. With Rs. 1.72 lakhs transferred from "reserve to augment production facilities" and Rs. 1.47 lakhs from "tariffs and dividends control reserve", the disposable surplus amounts to Rs. 37.28 lakhs. Appropriations include Rs. 3.36 lakhs (against Rs. 1.43 lakhs) for contingency reserve, Rs. 7.50 lakhs (against Rs. 3.10 lakhs) for rural electrification scheme reserve and Rs. 8.41 lakhs (against Rs. 4.73 lakhs) for development reserve and Rs. 1.67 lakhs (against nil) for dividend equalisation reserve. The interim and final dividends absorb Rs. 15.86 lakhs, against Rs. 15.75 lakhs in 1962-63. The final dividend absorbing Rs. 9.74 lakhs is being paid from the dividend

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reserve to which a sum of Rs. 9.73 lakhs has been allocated.

The Company proposes to make a further debenture issue of the order of Rs. 75 lakhs to finance its five-year development plan. This is on top of the convertible debenture issue of Rs. 87.50 lakhs issued recently and now fully employed in the undertaking. In addition, the Company is accepting call and short-term deposits from the public as temporary capital finance. During 1963-64, the Company incurred a capital expenditure of over Rs. 1 crore.

In his statement to shareholders, the chairman, Mr. A. N. Haksar, says that even larger capital expenditure will be required for the current year. The bulk of this expenditure will be on power and distribution transformers, high and low tension switchgear and cables necessary for the transmission and distribution of energy from the Company's increasing number of receiving stations to the sectors in the areas of supply where the density was now increasing. The phasing of the capital expenditure would, however, largely depend upon import licences being available for 22 kV switchgear and cables from abroad. The chairman says that the electric supply industry's request for offering relief to the investors by appropriate modification to the Electric (Supply) Act is still before the Government.

Tata Chemicals Raises Dividend

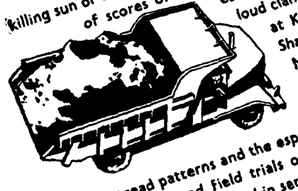
TATA Chemicals Ltd has stepped up the dividend for the year ended June 1964 from Re. 1 to Rs. 1.40 a share (Rs. 10-paid). This includes a bonus of 15 paise a share. The increase in the dividend seems well justified by the Company's improved performance during the year. According to the preliminary figures, which have been released adong with the announcement of the dividend, the total turnover of the Company has risen to a new high of Rs. 7.564 crores, which shows an increase of Rs. 41.69 lakhs over the previous year's figure of Rs. 7.147 crores. What is more significant, the gross profit has also gone up by Rs. 40 lakhs from Rs. 1.34 crores to Rs. 1.74 crores.

The ratio of gross profit to sales has improved from around 18.7 percent to 23 percent. The provision for depreciation has been raised from Rs. 44.18 lakhs to Rs. 69.50 lakhs, and a part of the increase is stated to be due to the additional allowance for third-shift working. Allocation to the development rebate, however, is down from Rs. 41 lakhs to Rs. 10.88 lakhs, but the figure for 1962-63 included arrears for previous years. Taxation absorbs Rs. 30.25 lakhs, against Rs. 10.40 lakhs, leaving a net profit of Rs. 58.47 lakhs, against Rs. 38.48 lakhs in the preceding year. After providing Rs. 11.85 lakhs (against Rs. 3.94 lakhs) to the general reserve, a sum of Rs. 46.62 lakhs (against Rs. 34.55 lakhs) has been transferred to the dividend reserve. Preference dividend absorbing Rs. 4.28 lakhs (the same) and equity dividend amounting to Rs. 42.33 lakhs (against Rs. 30.24 lakhs) are to be paid out of the dividend reserve. After making various appropriations, there remains a small surplus of Rs. 3,442 to be carried forward, against Rs. 3,923 brought in.



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New Capital Issues

SIX companies have been authorises to raise fresh capital exceeding Rs. 5.82 crores. Three of them are issuing bonus shares, two equities and another debentures. One company involves foreign collaboration. The consent of the Controller of Capital Issues is valid for 12 months in all cases. The following are the details:

Grindwell Abrasives Ltd, Army and Navy Building, Mahatma Gandhi Road, Bombay, will be issuing Rs. 6-lakh bonus capital in shares of Rs. 100 each to be allotted to the existing shareholders.

Ghaziabad Engineering Co. (P) Ltd, Ghaziabad, engaged in the manufacture of harrows and trailers and household electrical implements, will be issuing bonus shares of Rs. 1.75 lakhs on capitalisation of reserves.

Ahmedabad Advance Mills Ltd, Bombay, is to issue capital of Rs. 95 lakhs consisting of (i) Rs. 70 lakhs in 5½ percent mortgage debentures of Rs. 1,000 each for cash at par: (ii) Rs. 10 lakhs in ordinary shares of Rs. 100 each to be issued as bonus shares in the ratio of one share for every five shares held on capitalisation of the share premium account; and (iii) Rs. 15 lakhs in ordinary shares of Rs. 100 each for cash at par to the existing shareholders in the ratio of one share for every four shares held. The capital from the debentures and rights cash issue will be used to modernise and renovate the mills engaged in the production of cloth.

Hindustan Ferodo Ltd, Bombay, is to issue capital of Rs. 2,68,01,330 in equity shares of Rs. 10 each. Of this capital, Rs. 145 lakhs will be issued to Asbestos, Magnesia and Friction Materials Ltd, to take over its existing assets and Rs. 53,33,330 to its parent company of Turner and Newall Ltd, U.K., for cash at par. The rest of the capital of Rs. 69.68 lakhs will be offered to the Indian public by prospectus at a premium of Rs. 17 a share. The money will be used for expansion and manufacture of new articles.

Modi Spinning and Weaving Mills Co. Ltd, Modinagar, is to issue further capital of Rs. 86,50,820 in equity shares of Rs. 10 each as rights shares for cash at par. The capital will be used to finance the installation of 25,000 spindles for the manufacture of sewing thread, hosiery, etcetera.

Indian Copper Corporation Ltd, Calcutta, will be issuing capital of Rs. 1.25 crores in 7 percent registered debentures of Rs. 1,000 each for cash at par. The debentures will be issued to the Indian public by prospectus. The money will be used to finance the expansion of mine ore production and the setting up of a sulphuric acid plant.

The Stock Markets

LYONS RANGE STEADY DESPITE POLITICAL UNCERTAINTIES

Wednesday Evening.

THE Calcutta stock market, which has remained closed since 9th October for the Puja holidays, reopens today. (It was closed on 10th October due to the death of Mr. B. N. Chaturvedi, a former president). The holidays have provided the operators with an opportunity to understand the implications of various developments, but shares have been steady in kerb dealings.

Although the Central Cabinet has approved the outlay target for the fourth plan, which is substantially bigger than that of the third plan, this has caused no cheerfulness. Considering the shortfalls in the third plan, operators are inclined to think that a bigger plan is unrealistic under the present circumstances. The stock market is, for the time being, more concerned with the measures which the Government is likely to adopt to relieve the present strains in the economy. Prices of commodities have been rising unchecked in spite of the various steps taken. Although industrial production has somewhat increased during the first half of 1964, the rate of growth has been smaller than in the corresponding period of 1963. Despite the increase in the turnover of companies, their profits have been held down by rising production costs and heavier taxation.

Activity in the stock market has declined in recent months. Investment support has been poor. The majority of new issues have been quoted below par. New companies are finding it increasingly difficult to raise funds from the market. Unless the fiscal policy of the Government is suitably modified, confidence in the capital market will be difficult to revive.

Except for purchases by the Life Insurance Corporation and the Unit Trust, there has been little support from other sources. The stock market is at present facing a shortage of funds. As far as the supply of bank credit is concerned, the prospect is not encouraging. In view of the new restrictions imposed on the supply of credit, particularly by the Reserve Bank, the banking community is likely to be hard pressed for funds during the busy season which is about to start. Since interest rates have been raised, there will be little inclination to finance stock market activities with borrowed funds.

Political developments have in the meantime been adverse. The sudden overthrow of Mr. Khrushchev has caused fresh uncertainties.

In the circumstances, the stock market will be opening today in a cautious mood. Steel shares are unlikely to attract much support until the Government decides how the advances given to the Indian Iron and Steel Company and the Tata Iron and Steel Company will be repaid. Although the two Companies have been asked to go in for further expansion, they are expected to examine the financial and other implications of expansion very carefully. Selected engineering shares are fairly steady as the order-books of these companies are well filled. Unless the shortages of raw materials are aggravated, they are expected to work reasonably well. The prospect for good miscellaneous shares is considered fair because the supply of many commodities is short. Paper shares will respond if the Government makes up its mind about increasing the price of paper. Sugar shares are unlikely to attract interest due to the poor working of the industry. Investors in bank shares prefer to wait and see how the new credit policy of the Reserve Bank is going to work in practice.

Jute shares may be dealt in cautiously due to the high price of fibre. Coal shares lack interest as there is overproduction in certain grades of coal. Cotton mill shares have turned hesitant due to the imposition of partial control on cloth. Tea shares are being sold freely because of the decline in the average price of tea.

Government securities are dull and quiet, and the turnover has dropped. The 3 percent Conversion loan 1986 has fallen to around Rs. 62.90.

Bombay

SHARES RALLY IN ACTIVE TURNOVER

RAYONS RISE ON EXCISE DUTY CUT

Wednesday Evening.

INDUSTRIALS on the Bombay Stock Exchange, which were declining since about the end of August, sought new low levels during the past fortnight. On Wednesday, 14th October, when the market was at its worst, it stood within striking distance of its July low from where it had staged an impressive advance which had carried certain counters to the highest levels for the year. In the mood of frustration that had come to prevail because of the non-stop decline in prices for several weeks, the market cared little for the encouraging corporate news. The announcement of higher dividends by several important Companies like Delhi Cloth, Modi Spinning, Tata Chemicals, Bombay Burma, Investment Corporation of India, Scindia Steam and T. Manekial—these dividends had been well earned—fell flat on the market. Most of these shares lost some ground after the announcement of higher dividends and it was by no means just a case of selling on good news.

But the lowest levels recorded on 14th October were not seen again. The market took a turn, and it did so when the turn could have been the least expected. Its initial reaction to the relief in excise duty on viscose rayon filament yarn was one of mild dissatisfaction, the reduction, varying from 50 paise to Re. 1 a kilogram, was considered to be below expectations. What was really surprising was that the market, which had been unable to face up to encouraging corporate news, should have been virtually unmoved by sensational developments which can have an important bearing on the international political situation. The recent Kremlin shake-up, the Labour victory in the U.K. and the explosion of the atomic bomb by communist China—these developments which rocked world stock markets failed to stir the Indian ones.

Dalal Street did not merely manage to hold steady; it presented a remarkably firm appearance on 19th October, with most of the speculative counters recording an impressive recovery under the lead of rayon shares which had been the weakest spot for a long while. Between 14th and 19th October, National Rayon rose from Rs. 342 to Rs. 371, Century from Rs. 600 to Rs. 621, Tata Engineering and Locomotive from Rs. 256.50 to Rs. 266 and Tata Steel from Rs. 146.50 to Rs. 148—to mention only a few leading scrip. More significant than the recovery in prices is the change in sentiment. Bears who had

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Liabilities	1963	April 12, 1962		1963	*Assets* April 12, 1962
	Rs.	Rs.		Rs.	Rs.
Capital	2,500	2,500	Cash	33,993	27,992
Reserves	7,032	6,656	Investment	160	120
Deposits	94,503	80,382			
Other Liabilities	5,954	3,198	Loan & Discts.	74,069	63,006
Contra A/cs.	10,940	7,958	Contra A/cs.	10,940	7,958
Profit & Loss	699	790	Other assets	2,466	2,408
	1,21,628	101,484		1,21,628	1,01,484

been dominating the scene for a long while are now beginning to feel uneasy. Activity on the stock market, which had shrunk to negligible proportions in recent weeks, has registered a notable increase, though it is predominantly professional. It is quite possible that the recovery which is now getting under way might mark the beginning of a new important upward move.

Sectionwise, rayon shares which had been hammered down badly over the past few weeks because of the delay in the announcement of the widely anticipated relief in excise duty, have recorded a smart recovery on nervous short-covering and strong bull manipulation. On second thoughts, market men are arguing that, although the relief has not been quite up to expectations, the end of uncertainty about the duty will lead to a revival of demand. This will enable spinners to reduce their stocks which have been piling up for some time. Cotton textile shares have turned steadier on the argument that the downward revision of realisation multipliers is likely to affect the traders' margin rather than the profitability of mills which have been assured of a reasonable return; besides, the industry is expected to benefit from the decontrol of 55 percent of its production.

Steel shares have been dull and rather subdued for some time, but engineering shares received considerable attention and showed fair gains. Among shipping shares, Great Eastern suffered heavily after the dividend announcement and this affected Scindia also. But the latter rallied after the announcement of a higher dividend. Great Eastern also staged a moderate rally on reports that the dividend was likely to be raised in response to a strong protest by shareholders' representative. Sugar shares were fully steady. Dyes and chemicals continued to receive support at lower prices. Electric shares were fully steady. Bank and insurance shares were neglected. Business in cash shares was extremely restricted, but with sellers reserved, prices did not show any noticeable variations.

Madras

SHARES STEADY BUT TURNOVER POOR

PREFERENCE ISSUES IN DEMAND

Tuesday Evening.

THE Madras stock market has been steady during the past fortnight. But turnover has been restricted. Although corporate news has been satisfactory, operators and investors have tended to be cautious because of growing shortage of funds. The increase in the rates of interest made it difficult to finance the p chase of shares with borrowed fur Government securities have been c and prices have tended to decli Despite good enquiries for prefere shares, business has been small to a paucity of sellers. In clear scrip, interest has largely centred textile and miscellaneous shares. lected plantings have attracted att tion following good crop reports fr tea and coffee estates.

In banks, business has been sm but prices have been maintair Indian have come to hand at Rs. and Indian Overseas have been d at Rs. 149. In electric compan West Coast have been steady at 21.87 and Karaikkal at Rs. 1(Among sugar shares, E.I.D. have dr ped to Rs. 36.12, but Travancore steady at Rs. 8.12. K.C.P. have b



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maintained at Rs. 24. but Deccan have been easier at Rs 11.

In planting shares, Blue Mountain have dropped to Rs. 2.28 and Cochin Malabar to Rs. 6.22. Consolidated Coffee have been bought up to Rs. 24.12. Business has passed in Ouchterlony at Rs. 3.50 and in Periakaramalai at Rs. 3.31. Be Be Rubber are steady at Rs. 2.32 on declaring a taxable ordinary dividend of 3 percent. Nenmeny have come to hand at Rs. 22.55 on paying a taxable ordinary dividend of 10 percent. Emerald Valley have been transacted at Rs. 3.55 on paying a taxable ordinary dividend of 20 percent. Peermade have been sold down to Rs. 20.62 due to the announcement of an interim taxable ordinary dividend of 5 percent. In coffee shares, Badra have been done at Rs. 2.90 on declaring a taxable ordinary dividend of 10 percent. Ossoor are steady at Rs. 2.76, Swinton at Rs. 2.68 and Wartyhully at Rs. 2.67.

Among textile shares, South India Viscose are quiet at Rs. 116, but Travancore Rayon are steady at Rs. 19.90. Lakshmi have been taken at Rs. 132 and Madura at Rs. 35.25. Cannanore have been quoted at Rs. 98 on declaring a taxable ordinary dividend of 8 percent. Bangalore Woollen have been done at Rs. 263.60 ex dividend, and Buckingham have come to hand at Rs. 274.60. K. Rajendra have been quoted at Rs. 57.50, Mettur at Rs. 265.50 and Tirupati at Rs. 9.52.

In miscellaneous shares, Aluminium Industries have attracted support up to Rs. 23.25 on hopes of expansion. Ashok Leyland have been transacted at Rs. 6.90. In cement shares, Dalmia are steady at Rs. 13.25 and India Cement at Rs. 5.19. Mettur Chemical have met with support at Rs. 14.40, but F.A.C.T. are being freely offered down to Rs. 5.10. In paper shares, Mysore are steady at Rs. 12.50 and Seshasayee at Rs. 7.40. Tube Investments are quoted at Rs. 175 on declaring a taxable ordinary dividend of 111 percent. Parry's Confectionery have been maintained at Rs. 2.93 and Spencer at Rs. 21.50. Canara Workshops have come to hand at Rs. 26.35 on declaring a taxable ordinary dividend of 20 percent. Textool have been bought at Rs. 155 on paying a taxable ordinary dividend of 12 percent. Madras Rubber have declined to Rs. 9.60, but Kirloskar Electric have been maintained at Rs. 19.62.

THE TRANSACTIONS

[In the following list of stocks and shares in which transactions took place on 8th and 9th October, the figures indicate Opening Quotations, Highest for the week, Lowest for the week, Closing Quotations and Quotations for the corresponding Closing Date a Year Ago. The last-named is shown in parentheses and will not be given where such a quotation is not available.]

CLEARED SECURITIES

Birla Jute—Rs. 35/44—35/44—35/06—35/31—(32/56).
Dunlop Rubber—Rs. 32/44—32/94—32/31—32/69—(37/12).
Guest, Keen, Williams—Rs. 23/50—23/62—23/50—23/56—(37/69).
Hindustan Motors—Rs. 16/78—16/84—16/56—16/69—(18/34).
Howrah Jute—Rs. 16/00—16/00—16/00—16/00—(19/25).
Indian Aluminium—Rs. 31/69—31/81—31/56—31/81—(38/50).
Indian Copper—Rs. 3/36—3/38—3/34—3/35—(3/73).
Indian Iron—Rs. 25/18—25/24—24/94—25/12—(24/66).
Jaipur Udyog—Rs. 10/69—10/69—10/62—10/69—(12/37).
Kesoram Industries—Rs. 25/50—25/56—25/44—25/50—(26/31).
Orient Paper—Rs. 31/80—31/85—31/80—31/80—(37/05).
Rohtas Industries—Rs. 10/19—10/31—10/19—10/31—(13/69).
Textile Machinery—Rs. 26/10—26/15—25/90—26/15—(26/85).

GILT-EDGED

3 % Loan (1986)—Rs. 63/10—63/10—63/10—63/10.
3 % „ (1970-75)—Rs 90/20 s.t.—90/25—90/20—90/25.
3½% „ (1968)—Rs. 99/85—99/85—99/85—99/85.
4 % U.P. (1971)—Rs. 96/95—96/95—96/95—96/95.
4½% „ (1973)—Rs. 98/85—99/85—99/85—99/85.
4½% „ (1986)—Rs. 100/10—100/13—100/10—100/13.
4¼% West Bengal (1972)—Rs. 98/65—98/65—98/65—98/65.
4¾% Orissa (1976)—Rs. 97/00—97/00—97/00—97/00.

RAILWAY

Howrah-Amta—Rs. 34/50—34/50—34/50—34/50.

TEXTILES

Bharat Commerce—Rs. 19/75—19/75—19/62—19/75—(23/37).
Bowreah—Rs. 24/25—24/25—24/25—24/25—(24/59).
Elgin—Rs. 19/44—19/50—19/44—19/50—(22/00).
New Victoria (Pref.)—Rs. 2/12—2/12—2/12—2/12—(2/75).

COALS

Bengal—Rs. 244/00—244/00—244/00—244/00—(268/50).
Karanpura Collieries—Rs. 13/50—13/50—13/50—13/50—(16/00).
Selected Satgram—Rs. 106/00—108/00—106/00—108/00.
Western Bengal—Rs. 8/66—8/66—8/62—8/62—(8/94).

JUTES

Budge Budge—Rs. 128/00—128/00—128/00—128/00—(151/00).
Champdany—Rs. 21/75—21/81—21/75—21/81—(24/19).
Gourepore (Pref.)—Rs. 91/00—91/00—91/00—91/00—(88/00).
India—Rs. 15/25—15/25—15/12—15/12—(16/62).
Kanknarrah—Rs. 129/00—129/00—129/00—129/00—(139/00).
Kinnison—Rs. 114/00—114/00—113/00—113/00 x.d.—(139/00).
Lawrence (5½% Pref.)—Rs. 70/00—70/00—69/00 x.d.—69/00 x.d.
New Central—Rs. 10/50—10/56—10/50—10/56—(14/75).
Northbrook (Pref.)—Rs. 71/00—71/00—70/00 x.d.—70/00 x.d.
Presidency—Rs. 4/25—4/37—4/25—4/37—(5/69).

MININGS

Assam Sillimanite—Rs. 6/62—6/62—6/62—6/62.
Chrestien Mica—Rs. 9/09—9/09—9/09—9/09—(10/40).
Metal Corpn.—Rs. 6/19—6/31—6/19—6/31—(9/62).

CHEMICALS

Alkali & Chemical—Rs. 29/25—29/75—29/25—29/50—(34/75).
Bengal Chemical—Rs. 102/00—102/00—102/00—102/00—(102/00)
Chemicals & Fibres—Rs. 16/50—16/69—16/50—16/69.

ELECTRIC

Calcutta—Rs. 15/56—15/56—15/50—15/50—(14/44).

ENGINEERINGS

Britannia Eng.—Rs. 10/12—10/16—10/06—10/06—(10/25).
Bharat Ball Bearing—Rs. 11/94—11/94—11/94—11/94—(13/37).
Indian Iron & Steel (Pref.)—Rs. 87/00—87/00—87/00—87/00—(84/00).
Indian Malleable Casting—Rs. 5/19—5/19—5/19—5/19—(6/00).
Jay Eng.—Rs. 18/12—18/12—18/00—18/00—(21/19).
Jessop & Co.—Rs. 24/50—26/31—24/31—26/31—(26/50).
Kumardhubi—Rs. 5/62—5/62—5/62—5/62—(9/25).
Raymon—Rs. 5/25—5/31—5/15—5/19—(5/00).
Sen-Raleigh—Rs. 13/75—13/81—13/75—13/81—(15/19).

MISCELLANEOUS

Aluminium Corpn.—Rs. 11/44—11/44—11/44—11/44—(16/44).
Associated Hotels (Pref.)—Rs. 54/00—55/00—54/00—55/00.
B. I. Corpn.—Rs. 11/12—11/12—11/06—11/12—(8/87).
Do. (Pref.)—Rs. 114/50—115/00—114/50—115/00.
Calcutta Tramways—Rs. 12/00—12/31 s.t.—12/00—12/31 s.t.—(11/19).
Gillanders Arbuthnot—Rs. 13/25—13/25—13/25—13/25—(14/00).
Goodyear India—Rs. 23/00—23/06—23/00—23/06—(33/50)
Hindustan Aluminium—Rs. 13/19—13/31—13/19—13/31—(13/59).
Hindusthan Twyfords—Rs. 15/00—15/00—15/00—15/00—(14/69).
Imperial Tobacco—Rs. 8/25—8/25—8/25—8/25—(10/50).
India Carbon—Rs. 13/87—13/94—13/87—13/94.
Indian Tack & Nail—Rs. 9/50—9/56—9/44—9/44.
Metal Distributors—Rs. 8/94—8/94—8/94—8/94—(4/50).
National Insulated Cable—Rs. 25/25—25/25—25/06—25/19—(25/12).
National Tobacco (2nd Pref.)—Rs. 58/00—59/50—58/00—59/50
National Rubber Mnfg.—Rs. 10/87—11/00—10/81—11/00—(12/81).
Sirsilk—Rs. 6/87—6/87—6/87—6/87—(9/06).
Universal Cables—Rs. 10/69—10/72—10/69—10/72.
Usha Martin Black—Rs. 14/94—14/94—14/94—14/94—(17/19).
Walford Transport—Rs. 3/09—3/09—3/06—3/06—(3/65).

OIL

Indo-Burma Petroleum—Rs. 21/50—21/50—21/44—21/44—(23/31).

PAPERS

Bengal—Rs. 26/62—26/62—26/56—26/56—(28/69).
Seshasayee—Rs. 7/44—7/44—7/44—7/44—(7/53).
Star—Rs. 8/44—9/12—8/25—9/12—(8/81).
Titaghur—Rs. 12/19—12/25—12/19—12/25—(17/00).

SHIPPING

India Steamship—Rs. 6/94—7/00—6/84—6/97—(6/56).

SUGARS

Belsund—Rs. 8/81—8/81—8/81—8/81—(8/75).
New Savan—Rs. 3/19—3/19—3/19—3/19—(4/50).

TEAS

Gillapukhuri—Rs. 25/00—25/00—25/00—25/00—(25/44).
Grob—Rs. 6/31—6/37—6/31—6/37—(8/00).
Hasimara—Rs. 13/25—13/25—13/19—13/19—(14/25).
Joonktoolie—Rs. 17/50—17/62—17/50—17/62.
Katamullai—Rs. 9/75—9/81 s.t.—9/75—9/81 s.t.—(10/31).
Rydak—Rs. 23/25—23/37—23/25—23/37—(26/37).
Rungamattee—Rs. 47/00—47/00—47/00—47/00—(51/50).
Tezpore—Rs. 12/50—12/56—12/44—12/44—(14/94).
Tukvar—Rs. 3/50—3/50—3/44—3/44—(7/00).

London

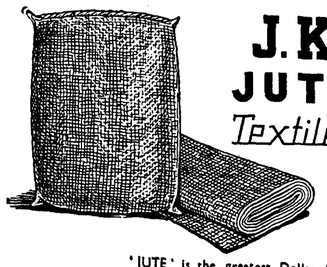
MARKET DEPRESSED BUT GOLD SHARES RISE

RECOVERY IN STEELS DUE TO SMALL LABOUR MAJORITY

THE stock market has recently passed through one of the most difficult periods it has experienced for a long time. It see-sawed because of the elections, while there were such factors as the keenly disappointing overseas trade figures, the fall of Mr. Khrushchev and the Chinese atomic development to contend with. Prices took a severe knock as a result of persistent small selling, but it was noticeable that the large investors and institutions did not participate to any extent and preferred to wait and see what the new Government's measures could be to cure the country's economic troubles. This attitude checked the small investors, and a better atmosphere prevailed later. Gilt-edged which had slumped on Bank rate fears turned upwards as these fears receded and equities looked a good deal steadier, and in places showed some recovery. Steel shares met with support on the view that renationalisation is impossible with so small a Government majority. Leading stocks like I.C.I., Turner and Newall, Tube Investments, Imperial Tobacco, Leyland Motors, Beechams and I. C. Tabulators first felt sharply, but later looked a good deal steadier. As usual, when domestic stocks came under pressure, buyers turned to gold shares and this process was witnessed once again. The gold share market had its busiest day in Monday for some time and prices advanced by several shillings.

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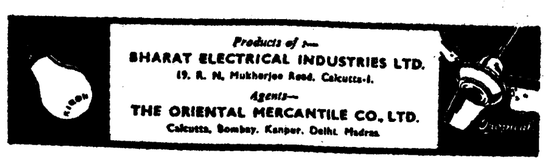
(In 000's of Rupees)	Week Ended 16-10-64	9-10-64	18-10-63
Liabilities—			
Notes in Banking Dept.	7,12,79	10,00,51	23,61,45
Notes in Circulation	24,37,93,34	24,35,35,75	22,61,33,25
Total Notes Issued	24,45,06,13	24,45,36,26	22,84,94,70
Assets—			
A Gold Coin and Bullion	1,17,76,10	1,17,76,10	1,17,76,10
Foreign Securities	85,45,69	85,45,69	92,45,69
Total of A	2,03,21,79	2,03,21,79	2,10,21,79
B Rupee Coin	1,05,68,73	1,05,84,73	1,20,41,89
Rupee Securities	21,36,15,61	21,36,29,74	19,54,31,02
Total	24,45,06,13	24,45,36,26	22,84,94,70

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long Term Operations) Fund	86,00,00	86,00,00	73,00,00
National Agricultural Credit (Stabilisation) Fund	9,00,00	9,00,00	8,00,00
National Industrial Credit (Long Term Operations) Fund	10,00,00	10,00,00	—
Deposits—			
(a) 1 Central Govt.	54,13,15	51,24,31	48,90,44
2 State Govts	15,65,70	13,19,81	11,01,13
(b) Banks :—			
(i) Scheduled Banks	1,09,48,20	96,77,75	81,92,43
(ii) State Co-operative Banks	2,58,13	2,52,49	1,84,78
(iii) Other Banks	3,43	1,58	12,11
(c) Others	1,41,87,92	1,36,13,19	1,63,05,84
Bills Payable	37,93,36	41,01,46	38,04,52
Other Liabilities	33,30,74	30,46,58	27,04,80
Total	5,85,00,65	5,61,37,17	5,37,95,85
Assets—			
Notes	7,12,79	10,00,51	23,61,45
Rupee Coin	5,55	4,97	2,85
Small Coin	8,89	8,58	3,47
National Agricultural Credit (Long Term Operations) Fund			
(a) Loans and Advances to :—			
(i) State Govts	28,23,00	28,23,64	27,10,97
(ii) State Co-operative Banks	11,97,62	11,97,89	9,91,20
(iii) Central Land Mortgage Banks	..	..	..
(b) Investment in Central Land Mortgage Bank Debentures	4,41,53	4,41,53	3,55,31
National Agricultural Credit (Stabilisation Fund			
Loans and Advances to State Co-operative Banks	..	..	..
Bills Purchased and Discounted :—			
(a) Internal	..	..	..
(b) External	..	..	..
(c) Govt Treasury Bills	..	..	..
Balances Held abroad	1,94,86,19	1,69,25,43	74,61,61
Loans and Advances to Govt.	9,12,81	8,84,27	7,99,70
Loans and Advances to :—	39,29,18	37,33,57	56,20,02
(i) Scheduled Banks	3,98,85	1,95,90	2,10,75
(ii) State Co-operative Banks	1,49,56,06	1,52,81,53	1,32,63,09
(iii) Others	2,34,08	2,35,58	2,03,05
Investments	1,07,29,99	1,07,53,41	1,72,99,93
Other Assets	26,64,11	26,50,36	25,12,45
Total	5,85,00,65	5,61,37,17	5,37,95,85

SCHEDULED BANKS

(In 000's of Rupees)	Week Ended 9-10-64	2-10-64	11-10-63
(i) Demand Liabilities—			
(a) Demand Deposits :			
(1) From Banks	55,16,78	54,37,59	51,75,25
(2) From others	11,62,30,89	11,50,18,45	9,63,78,30
(b) Borrowing from Banks	28,42,12	29,00,69	24,62,42
(c) Other	76,30,43	74,59,34	61,26,53
(ii) Time Liabilities—			
(a) Time Deposits :			
(1) From Banks	35,88,65	37,55,74	33,82,91
(2) From others	13,53,22,99	13,67,45,66	12,50,52,39
(b) Borrowing from Banks	21,43,47	20,67,37	21,94,16
(c) Others	12,78,81	12,90,01	9,74,42
(iii) Borrowing from State Bank—			
(a) Demand Liabilities	9,19,84	6,78,75	10,91,26
(b) Time Liabilities	29,51,68	29,75,00	16,77,00
(iv) Borrowing from Reserve Bank	1,90,57	65,06	1,92,95
(v) Cash	61,75,95	58,96,21	57,92,84
(vi) Balances with the Reserve Bank	94,67,74	96,98,21	87,15,99
(vii) Balances with other Banks in current account	21,34,43	21,48,30	21,44,01
(viii) Money at call and short notice	71,19,45	69,61,60	57,84,15
(ix) Investments in Central and State Govt. Securities	8,27,64,40	8,30,53,25	7,58,45,36
(x) (a) Loans Cash Credits and Overdrafts	14,63,66,62	14,62,82,85	12,40,80,85
(b) Due from Banks	14,90,47	14,43,21	12,59,99
(xi) Inland Bills purchased and discounted	1,81,21,27	1,80,13,35	1,74,64,59
(xii) Foreign Bills purchased and discounted	71,00,11	71,22,29	55,70,32
(xiii) Total of X, XI and XII	17,30,78,42	17,28,61,70	14,83,75,75



THE CALCUTTA MONEY MARKET

SMALL INCREASE IN ADVANCES

Wednesday, 21st October.

THERE has been a small increase in the general level of advances in the Calcutta money market during the past fortnight, the entire increase being accounted for by the textile mills. The requirements of the other major categories of borrowers—the jute and sugar industries, the iron, steel and engineering units and the foodgrains and seeds trade—are unchanged. In the inter-bank market, the call rate has dropped from 4½ percent to 3 percent. with lenders over.

The exchange market has been extremely quiet because of the holidays so there have been very few tea or gunny bills. The demand for remittances has also been poor. In London, sterling is weak, and shows small losses in relation to most of the major currencies.

BULLION WAS QUIET IN CALCUTTA during the past fortnight. Towards the close demand declined considerably. The price of silver dropped from the previous level of Rs. 256 to Rs. 253.25 a kilogram, quoted today. The price was quoted at 113d in London and at 129.3 cents in New York.

In sympathy with silver, gold was quiet and the price of 14-carat declined from Rs. 71.25 to Rs. 70.25.

DURING THE WEEK ENDED 16TH October, Government of India Treasury bills for Rs. 213,49,75,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 20th October. The total amount offered was Rs. 4 crores. Tenders at Rs. 99.375 percent were allotted 50 percent. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.500 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 26th October.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 21st October to 24th October at Rs. 99.391 percent, subject to the conditions previously announced that sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 12th October to 17th October amounted to Rs. 2,42,50,000.

ACTIVE NOTES ROSE BY Rs. 67.65 crores to Rs. 2,437.93 crores and the total note issue by Rs. 45.99 crores to Rs. 2,445.06 crores, according to the return of the Reserve Bank of India for the fortnight ended 16th October, 1964. The currency expansion was covered by raising rupee securities by Rs. 49.83 crores to Rs. 2,136.16 crores in the paper currency reserve. Deposits of the Central Government dropped by Rs. 21.79 crores to Rs. 54.13 crores while those of State Governments rose by Rs. 88 lakhs to Rs. 15.66 crores. Balances of scheduled banks at Rs. 109.48 crores showed a rise of Rs. 6.18 crores. Balances held abroad decreased by Rs. 1.22 crores to Rs. 9.13 crores while investments rose by Rs. 29.61 crores to Rs. 107.30 crores. Loans given to scheduled banks increased from Rs. 60.05 lakhs to Rs. 3.99 crores, of which advances against usance bills amounted to Rs. 1.70 crores (nil). Ways and means advances stood at Rs. 39.29 crores against Rs. 35.22 crores.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 9th October, 1964, shows Demand and Time liabilities at Rs. 1,322.20 crores (Rs. 28.42 crores on account of borrowings from banks) and Rs. 1,423.34 crores (Rs. 21.43 crores), compared with Rs. 1,308.16 crores (Rs. 29.01 crores) and Rs. 1,438.59 crores (Rs. 20.67 crores), respectively, in the previous week. Cash has increased by Rs. 2.90 crores to Rs. 61.76 crores, while balances with the Reserve Bank have declined by Rs. 2.30 crores to Rs. 94.68 crores. There is a drop of Rs. 2.89 crores to Rs. 827.64 crores in investments. Advances and bills discounted at Rs. 1,730.78 crores show a rise of Rs. 2.16 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.7 percent and 63.0 percent, against 5.7 percent and 62.9 percent.

THE RETURN OF THE STATE BANK OF India for the week ended 9th October 1964, shows a rise of Rs. 3.06 crores to Rs. 669.29 crores in total deposits. Investments in Government securities are down by Rs. 5.99 crores to Rs. 294.63 crores, while other authorised investments remain unchanged at Rs. 8.98 crores. Advances, including loans, cash credits, overdrafts, and bills discounted and purchased have declined by Rs. 1.86 crores to Rs. 327.58 crores. Cash and balances are, in consequence, shown at Rs. 28.97 crores or Rs. 22 lakhs less.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 23-10-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
23-10-64	26-1-65	2,00,00	Rs. 2.500%
9-10-64	12-1-65	2,00,00	Rs. 2.500%
1-10-64	4-1-65	2,00,00	Rs. 2.400%
25-9-64	28-12-64	2,00,00	Rs. 2.398%
18-9-64	21-12-64	2,00,00	Rs. 2.386%
11-9-64	14-12-64	2,00,00	Rs 2.400%
4-9-64	7-12-64	2,00,00	Rs. 2.400%
21-8-64	24-11-64	2,00,00	Rs 2.400%
14-8-64	17-11-64	2,00,00	Rs 2.400%
7-8-64	10-11-64	2,00,00	Rs 2.393%
31-7-64	3-11-64	2,00,00	Rs 2.390%
24-7-64	27-10-64	2,00,00	Rs 2.400%

(Monthly Maturities 000's omitted)

October, 1964	2,00,00
November, 1964	8,00,00
December, 1964	8,00,00
January, 1965	6,00,00
Total	24,00,00

CLEARING HOUSE RETURNS

Week	Rs (thousand) Calcutta	Bombay
16-10-64	.....	1,05,06,28
9-10-64	14,64,40	1,36,70,18
1-10-64	1,07,89,66	1,06,32,35

THE CALCUTTA TRAMWAYS COMPANY LIMITED

THE CHAIRMAN, MR. DAVID E. WEBB'S REVIEW

The Annual General Meeting of The Calcutta Tramways Company Limited was held on October 8th at 30 Cursitor Street, Chancery Lane, London, E.C.4.

Mr David E. Webb, F.C.A., Chairman of the company, presided and said :

The Accounts before you cover the working of your Company for the twelve months ended 31st December, 1963. Receipts continued their slow increase and were some £84,000 up on the preceding year, but this increase was offset, largely, by increased maintenance charges and power expenses and any increased surplus for the year which might have been foreseen was more than absorbed by the increased charges for Indian Taxation. There was left a sum of £56,359 to be transferred to Shareholders' Account, compared with £58,778 the previous year.

As mentioned last year in the same context, these figures are well below the sum of £87,457 to which shareholders are entitled under the terms of the Agreement with the Government of West Bengal.

In considering the dividend which they would recommend on the Ordinary Shares, your Directors were influenced by the fact that over the years the level of wages and salaries paid to our employees has been continually rising, the percentage of our surplus taken by Government by way of Indian Taxation has increased year by year but the shareholders have received no additional dividends and indeed have seen them reduced.

Your Board therefore felt that it was equitable for the shareholders to receive a small increase in dividend and they therefore recommend the payment of a dividend of 6% on the Ordinary Shares, which compares with 5% last year.

Although, on the surface, the past year appears to have followed closely the pattern of the preceding year, the battle to control expenditure was much fiercer. As I mentioned last year, it was time for the level of the emoluments of our employees to be raised, but this could not be done without adjustments to the fare structure. Negotiations were accordingly entered into with the Unions.

Fare Increase

It was not, however, until April of this year, 1964, the Government, with whom we had been in consultation, agreed with us on a date for the implementation of a fare increase. Even then the amount of the increase was restricted to one naya paisa (one-sixth of a penny) out of deference to the wishes of Government, although they are aware that this amount can do no more than finance the increasing costs on a very short term basis.

Agreement had previously been reached with the Unions for a revised wages and dearness allowance structure. For the first time, this agreement will run for a period of three years and under it the rate of dearness allowance is linked directly with the cost of living index and will be reviewed annually. We believe that this is a great step forward in our relations with our employees and we hope both the employees and the Company will enjoy continued industrial peace. I believe the agreement to be fair and it may well form the basis of future agreements, and I would like to thank all those who took part in those negotiations on both sides for the patience and sense of responsibility which they showed.

The current year, unfortunately, started with a period of general unrest in Calcutta, and our own staff were unsettled by the lengthy discussions with the authorities necessary to secure the implementation of a revised fare structure. Whilst there were a number of threats of strikes, I am glad to say that good sense prevailed and there were no major stoppages. In Calcutta food prices were rising and food itself was not plentiful. There were numerous demonstrations and these, by their very nature, are bound to affect our receipts, and by the end of the first quarter our receipts were approximately £80,000 down on the preceding year.

We are gradually recovering with the help of the increase in fares in May, but we are now paying the increased rates to our employees, which will amount to about £100,000 this year and £150,000 in a full year. Add to this considerable increases in the cost of electric power and it will be clear to all that we shall have great difficulty in producing results this year comparable with those of 1963.

I cannot report any progress on the long term programme of raising funds for capital development.

Capital Expenditure

Government have recently informed us of their inability to grant us a loan and we are faced with such items of capital expenditure as the new Majerhat Bridge completed at a cost to the Company of approximately £30,000, the Tollygunge Bridge re-alignment will have to be paid for in the near future, and still we have no funds out of which to provide for such expenditure. Until we can raise our fares to a level which will give us some surplus to set aside for such commitments, or until we can arrange a long term loan with the approval of Government, we have to meet these charges from our receipts which are already fully extended in meeting our normal expenditure of running and maintenance of existing stock. All this is extremely frustrating at the present time as we have been able to make advantageous purchases of some 30 sets of tramway trucks from Bombay and we are ready to build the necessary new bodies. To complete 30 new cars will cost over £200,000, a figure quite outside our present resources on the other hand we are being pressed on all sides to put new vehicles on the road and to get these new vehicles into service cannot but be of the greatest value to the transport facilities in Calcutta.

We are therefore continuing to investigate all possible sources of finance and I hope by this time next year that I will be able to report progress.

Finally, I would like to pay a very sincere tribute to our Agent and Senior Executive staff. They are called upon to play a variety of roles and in all these lengthy negotiations they must show great qualities of diplomacy, firmness and patience These tributes to them always come at the end of my speech, but I can assure them that their good work and helpful approach to our common problems is very much appreciated by our shareholders and the Board. We are very grateful to them.

This statement is not a report of the proceedings of the Annual General Meeting referred to above.



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NO FIRM ESTIMATE OF RESOURCES FOR FOURTH PLAN

(FROM OUR NEW DELHI CORRESPONDENT)

THE Central Cabinet has approved an outlay of Rs. 21,500 crores for the fourth plan with provision for another Rs. 1,000 crores if resources become available. This sum includes Rs. 7,000 crores for the private sector. The plan visualises a 6.5 percent rate of growth. The following are some of the allocations (in crores of rupees) with the outlay assumed at Rs. 22,500 crores:

	Anticipated expenditure in the third plan	Allocations in fourth plan
Agriculture	1,090	2,400
Irrigation	648	1,000
Total	1,738	3,400
Power	1,187	1,950
Small-scale industry	233	450
Organised industry	1,662	3,200
Transport and communications	1,940	3,000
Total	5,022	8,600
Social services	3,178	7,020
Total	8,200	15,620

The planners have laid down the following broad programme of priorities for industrial development:

(a) Completion of the investment programmes already taken in hand and intensive utilisation of the new capacity thus brought into existence;

(b) preference to the expansion of existing units over the establishment of new units wherever conditions justify since such a step would help secure additional capacity with less investment;

(c) rapid expansion of capacity under quick maturing schemes, especially in the field of essential consumer goods industries; and

(d) expansion of heavy and basic industries.

The table below presents the distribution of investment outlays between the public and private sectors under selected groups of industries.

DISTRIBUTION OF FIXED INVESTMENT OUTLAY: 1966-71

(Rs. crores)

	Total	Public sector	Private sector
Metals	1,500	1,250	250
Fertilisers and pesticides	450	300	150
Mining, mineral, oil and related developments	1,050	800	250
Machinery and engineering industries	800	500	300
Consumer goods	800	150	650
Intermediate goods	800	150	650
Miscellaneous	200	50	150
	5,600	3,200	2,400

In order to bring out the logic of the programme, it may be useful to group the various industries in the following broad categories.

(a) Industries manufacturing inputs for agriculture—these include fertilisers, pesticides, farm equipment and other material inputs. The programme provides for expansion of the nitrogenous fertiliser capacity to 2.2 million tons by the end of the fourth plan and that for phosphatic fertilisers to 1 million tons.

(b) Industries which produce finished consumer goods, including sugar, cloth, kerosene, bicycles, electric fans, etcetera. It is important to note that a large portion of the processing activity involved in the production of finished goods is done in the small sector.

(c) Metals and machine-building industries—these include steel, aluminium, zinc machinery and machine-building industries of all types. It is in this sector that production for import substitution will play a vital rôle. Unless this sector is expanded considerably, the country will continue to be dependant on substantial imports for meeting its needs.

(d) Intermediate goods—these include industrial chemicals, fuel, iron and steel castings, refractories and cement. The expansion in the output of fertilisers, consumer goods, metals and machinery generate a large increase in the requirements of chemicals, fuel and a wide variety of intermediates and some-finished products. Here again, the limitations of foreign exchange leave no alternative but to meet most of the requirements of these products through the expansion of indigenous production.

The lack of indigenous organisations for design, construction and engineering of projects is a major gap which will have to be bridged in order that India might become self-reliant. At present, the country depends mostly on foreign agencies for these services. As long as this deficiency remains and there is excessive dependence on foreign design and engineering personnel, the pace of development is bound to be slow. It will expose the development to avoidable uncertainties and pressures, besides involving a large drain on foreign exchange resources. It is, therefore, of vital importance for the future development of the country that attention is given to a healthy development of adequate design and construction organisations in certain selected fields (such as steel, coal, oil, power, fertilisers). These should be staffed by highly qualified technical experts working under proper leadership and within the framework of suitable rules and procedures to be able to play a major rôle in the country's industrial development

Some of the important industrial targets (capacity), are given in the table on the cols. 3 and 4.

In the process of reassessment, this figure has been stepped up to Rs. 18,000 crores, with the possibility of another Rs. 2,000 crores being added to it. The volume of foreign assistance is expected to be Rs. 3,200 crores. This is on the assumption that exports are worth Rs. 5,100 crores and commodity imports exclusive of P.L. 480 do not exceed Rs. 1,200 crores.

	Unit	1965-66	1970-71	Additional capacity during fourth plan
Iron and steel (steel ingots)	thousand tons	8,900 ('66-67)	16,500	7,600
Pig iron (for sale)	,,	1,200	4,000	2,800
Alloy tool and special steels	,,	50	500	450
Aluminium	,,	73	240	167
Iron ore	,,	26,000	54,000	28,000
Coal programme	'000	76,000	125,000	49,000
Merchant ships	'000 G.R.T.	60,	120	60
Chemical plant and machinery	Rs. crores	9	30	21
Coal and other mining machinery	'000 tons	45	45	—
Cotton textile machinery	Rs. crores	22	50	28
Cement machinery	,,	17.8	20	2.2
Paper machinery	,,	8	25	7
Sugar	'000 tonnes	3,200	4,500	1,300
Cement	,,	14,000	30,000	16,000
Cotton fabrics (mill-made)	million yards	5,600	6,000	500
Newsprint	'000 tonnes	30	165	135
Drugs and pharmaceuticals	,,	1,750	3,000	1,250
Motor-cycles and scooters	thousands	60	100	40
Motor-cars	,,	30	50	20
Electric fans	,,	2,800	3,500	700
Petroleum refining	million tonnes	15.25	28.25 (second phase)	13.0

Resources Budget

Resources to finance this plan (in crores of rupees), it is believed, will be raised as follows:

Surplus on the basis of existing level of taxation		1,910
Surplus from public undertakings		1,350
Small savings		1,000
Annuity deposits		200
Provident fund deposits		525
Miscellaneous receipts		860
		5,845
Market loans	1,600	
Deficit financing and P.L. 480 receipts	3,000	4,600
Additional taxation		2,500
		12,945
	or Rs.	13,000 crores

The Planning Commission has done some hard work in pruning the outlay demanded by 43 working groups, which had placed it at Rs. 24,162 crores, plus Rs. 7,000 crores for the private sector, thereby making a total of over Rs. 30,000 crores. It may be explained here that these estimates are based on 1963-64 prices. The Planning Commission's main anxiety over this "modest outlay" of Rs. 22,500 crores is that shortfalls under the third plan have made it necessary for the economy to strive for much higher rates of growth than had been originally envisaged for the successive plan periods, "if the objectives in relation to adequate employment and higher standards of consumption are to be reached by about 1975-76." The planners are also worried that the foreign aid of the existing magnitude may not be forthcoming after the fifth plan, hence the tendency to make hay while the sun shines.

The planners' strategy is not a new one. It was first evolved by the late Sir V. T. Krishnamachari, who silenced critics of the second plan outlay by claiming that agricultural production would go up by 25 percent, which would bring down the price level, thereby making the plan feasible. The planners of today assert that the crucial problem for the fourth plan is that of accelerating the tempo of development without accelerating inflationary trends in the economy.

Meanwhile, the National Council of Applied Economic Research has released to the Press its study on "attitudes towards and motivations for savings" from which the followings extracts are taken:

"It is interesting to note that even in urban India, a majority of urban households do not seem to possess much knowledge of the five year plans. This appears to be so irrespective of the age, education, occupation and the level of income. When questioned about the effect of the five year plans on their welfare, only the groups with high-income occupation and high education came forward to reply and there again described the plans as having a favourable effect on their own economic welfare. The low-income and occupation groups were totally ignorant.

"More job opportunities seem to be one of the specific reasons why households felt benefited by the five year plans. Inflation and higher taxes were found to be the two reasons why some households regard the five year plans as having a detrimental effect on their financial situation. It appears from this survey that a significant proportion of even the urban households in 1960 had little knowledge of the National Saving Certificates. Again, this was irrespective of income, occupation, education and age although the proportion of people having some knowledge of the certificates showed a tendency to rise with income and level of education.

"Opinions of urban households were divided on investment in gold in 1960 (prior to the promulgation of the Gold Control Rules). There were as many in favour of purchasing gold as there were against." This can hardly be regarded as a compliment to the planners and the plan publicity organised by the Central Ministry of Information.

According to the Council, high taxation and inflation have left very little margin for saving. But this has not deterred the planners who claim that notwithstanding the shortfalls in the national product and the emergency, the net investment during the five-year period, 1961-66, taking the public and private sectors together, is likely to reach a total of Rs. 11,700 crores at current prices. Net investment in both these sectors, in the last year of the plan ending in March 1966,

will probably be Rs. 2,600 crores to Rs. 2,900 crores or about 16 percent of net national income. "It is significant that these larger efforts at investment and savings have been undertaken, in spite of the sudden rise in defence spending."

It may be added that this country willingly agreed to two stiff doses of taxation solely because of the Chinese invasion. The emergency will not help the Government to raise Rs. 500 crores through additional taxation every year. On the contrary, it will provide the Opposition with a powerful weapon to beat the Congress down.

In the estimate of resources, market loans and deficit financing have been grouped together by this correspondent, largely because market borrowings too have become a type of deficit financing. The Prime Minister was realistic when, according to reports, he asked the planners to produce concrete proposals for raising production and for bringing down prices to the 1963-64 level. The planners perhaps are busy producing another paper on this subject. Notwithstanding claims to the contrary, the deficit financing contemplated for the next plan period will make inflation even worse. As Mr. Pierre-Paul Schweitzer said, expectations of continually rising prices often make inflation uncontrollable.

Food prices, between March 1961 and September 1964, have risen by 44.4 percent. These are the Planning Commission's own figures. Since then, sugarcane prices have been stepped up. Farm support prices have been announced. It is hoped that with the incentives now offered, the production of foodgrains will rise. Side by side, the Labour Ministry has been setting up wage boards, which have to recommend higher wages. The planners have conceded that in a number of instances it will be legitimate for undertakings to charge higher prices with the specific object of raising resources. Public undertakings have been advised to earn a minimum profit of 12 percent. The 1965-66 Budget proposals are still unknown. They may bring in more excise duties, raising prices further. As matters stand, it is difficult to visualise a return to the 1963-64 level of prices by 1966.

According to reports, the planners feel that the rise in prices has enhanced the incomes of producers and traders. Unless those incomes are converted into savings and investments, they will produce distortions in the economy and aggravate the unbalance. They have, therefore, suggested structural changes through a reduction of disparities in income and consumption. To achieve this, the Commission has suggested a ceiling on urban incomes. According to reports, at least four Cabinet Ministers are in favour of the proposal, but it has been rejected on the ground that the Planning Commission is not within its rights in suggesting a major policy decision.

As for efficiency in the implementation of the plans, irrigation provides a striking example. Under the first plan, the gross area of irrigation potential created was 6.5 million acres, of which, according to the Planning Commission, 3.1 million acres were utilised. Under the second plan, the utilisation was 8.3 million acres, against the created potential of 11.7 million acres. Under the third plan, the potential originally anticipated was 29.5 million acres, against utilisation of 22.8 million acres. The revised figures place the potential at 20 million acres and utilisation at 16 million acres. In the fourth plan, the additional potential is placed at 13 million acres and utilisation at 10 million acres. The plan outlay is Rs. 720 crores for continuing schemes and Rs. 155 crores for new schemes.

As far as agriculture is concerned, even the planners admit defeat. Yet there is no evidence to show that serious efforts are being made to step up agricultural production. The Planning Commission has all along laid down targets for food and cash crops. No attempt has yet been made to prevent the diversion of acreage from food to cash crops. Sugarcane illustrates the point. Unlike food, there has been no grow-more-sugarcane campaign, and yet the acreage under sugarcane has been rising almost each year. Last week, the Government fixed the prices of foodgrains and also of sugarcane. Sugarcane prices have been stepped up deliberately so as to produce more sugar. But no effort is contemplated to prevent the diversion of acreage from, say, wheat to sugarcane.

The planners have emphasised the need for the States to mobilise resources to the maximum. They have urged that in order that the sharing of responsibility is equitable and the measures taken are complementary to each other, steps should be taken, as early as possible, to evolve broad national policies for the administration of complex measures like urban land and property taxation, taxation of agricultural incomes, pricing of public undertakings and so forth.

Judging from the experience of the last two plans, the responsibility for raising finances has mainly devolved on the Centre. For political reasons, the States have not levied or enhanced betterment levies or increased land revenue. Indirect taxes are levied by both the Centre and the States. One advantage of such taxes is that their incidence is widespread and they do not stir public opinion.

The whole plan has been drawn up on a set of presumptions. It is taken for granted that production will be stepped up, leading to higher savings, higher investment, higher taxation and reduction in prices. When the third plan was launched, the late Prime Minister claimed that it would take India to the "take-off stage." Now the take-off stage is put off till 1977.

The five year plans have largely been used as the election manifestos of the Congress Party. Their success is judged not by the rise in production or the quality of the achievements, but by the amount of money the Government is able to spend.

Stagnation in agriculture and inadequate progress in the other sectors, coupled with increasing doses of created money, are largely responsible for the sharp rise in prices during the last years. The Planning Commission, however, is unable to give a correct estimate of the resources for the fourth plan, on the plea that the additional resources to be created by the Centre and the States during 1965-66 are still not known. The question asked here is whether there is room for additional taxation. The more pertinent question may be whether the fourth plan will be attractive enough to catch votes for the Congress.

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More Cities Covered

Telex exchanges are under installation in Kanpur, Nagpur and Coimbatore. They have already gained popularity in Bombay, Calcutta, Madras, New Delhi and Ahmedabad where as many as 1,200 applicants are on the waiting list. In 1963-64, over 2 million units were recorded at these five exchanges.

During the third plan period, the Government proposes to install Telex changes in Bangalore, Madurai, Trichinapalli, Ernaculam, Secunderabad, Poona, Baroda, Rajkot, Gauhati, Ranchi, Jamshedpur, Cuttack, Lucknow, Ambala, Ludhiana and Amritsar. The acute shortage of teleprinters is the primary reason which is holding up the expansion of Telex facilities in India. To meet the growing demand for this service, the Government has undertaken a scheme of expansion of Hindustan Teleprinters Ltd, which was set up to manufacture 1,000 units a year in 1960.

The agreement, recently signed between India and Olivetti, will step up the production of teleprinters to 7,500 units a year from the existing output of 1,300 units a year. This will be in addition to spares, the production of which will be progressively stepped up. The following is the schedule of expansion of teleprinter expansion:

1965-66	2,100 units
1966-67	2,700 units
1967-68	3,500 units
1968-69	5,400 units
1969 onwards	7,500 units

HEAVY PLATE AND VESSEL WORKS

Second Plan Project Revived

The second plan project to set up a heavy steel plate and vessel works in India is being revived in a modified form. The project was recommended by the Eric Coates mission, and Davy Ashmore was invited to prepare a project report for it. Originally, according to the project report, the proposed works was to be suitable for the manufacture of pressure vessels up to class I standards and up to 50 tons in weight of 2in. plate thickness in mild and stainless steels and other normal alloys used in the chemical and oil industries.

A foundry forge plant, which is being set up in collaboration with the Czech Government will produce spin pipes moulds and other items.

A team representing Voest of Austria is shortly due in New Delhi to negotiate with the Government of India for setting up a structural shop, somewhere in Uttar Pradesh. Financial and technical collaboration by Voest is possible. Mr. Samuel John of the Chicago Bridge Company of the U.S.A. is also due here in connection with the other part of the project to manufacture steel plate vessels, particularly those suitable for the chemical industry. Here again, financial and technical collaboration with the Indian Government is likely.

Thus the manufacture of heavy plates has been separated from that of vessels and their scope has been considerably modified. The vessel shop, which will be set up near one of the ports, will manufacture fertiliser and chemical equipment. It will be named a fabrication shop.

ELECTRICAL EQUIPMENT

Project Report Commissioned

The Central Government has asked the International General Electric Company of the U.S.A. to prepare a feasibility report for another heavy electrical plant to manufacture 200,000 to 300,000 kW generating units. The Government will share half the cost of the feasibility report.

Heavy Electricals of Bhopal has produced a project report for a foundry forge plant for heavy electrical equipment. The plant will manufacture heavy castings weighing 20 to 30 tons each. It is a Rs. 20-crore project for which a collaborator is required. It is proposed to locate the plant in Hardwar.

COAL WASHERY DESIGN

Talks with Poland

A Polish team is expected here shortly in connection with a coal washery design shop, which the Government is planning to set up.

POSTS AND TELEGRAPHS

Big Outlay Demanded

The Posts and Telegraph Board has asked for a Rs. 725-crore outlay during the fourth plan, as against Rs. 275 crores during the third and Rs. 75 crores during the second. The second and third plan outlays included Rs. 108 and Rs. 22 crores, respectively, from its own resources. In case, the full demand for Rs. 725 crores is conceded, the Posts and Telegraphs Department will be able to step up its resources to the extent of 33 percent, it is claimed. The Department visualises self-financing of its development by the end of the fifth plan.

This outlay of Rs. 725 crores, if granted, will, however, meet 80 percent of the demand for telephones in India, based on the 1961 census. The expansion visualised will be as follows:

In cities with over 1.5 million population	Six telephones a 100 of population
In cities with populations between 700,000 and 1.5 million	Four telephones a 100 of population
In cities of between 150,000 and 700,000 of population	Two telephones a 100 of population
In cities of between 50,000 and 150,000 of population	One telephone a 100 of population
Cities of below 50,000 population	0.1 telephones a 100 of population.

A comparison on the basis of 1960 figures should be interesting.

Country	Number of telephones a 100 of population
India	0.10
China	0.37
Iran	0.45
Bulgaria	0.77
Yugoslavia	1.27
Kuwait	1.13
Hongkong	3.20
Japan	5.21
East Germany	7.16
West Germany	9.98
U.K	15 03
Australia	20.88
Denmark	20.17
Switzerland	29.85
Canada	30.85
Sweden	35.90
U.S.A.	39.52

India hopes to improve her position. She will have 0.43 telephones a 100 of her population by the end of the fourth plan.

It may be added that revenue from trunk telephone calls will sharply increase in every three years. The following figures should be an indicator of how the revenu is being stepped up:

1962-63	Rs. 13.03 crore
1963-64	Rs. 15.54 crore
1964-65	Rs. 18.1 crore (Budget)

It may be added that 17 percent to 18 percent calls are cancelled or ineffective, due to overloading of lines. That there has been considerable improvement in the service should be evident from the fact that in 1963-64, 30 percent of calls were defective, as against 92 percent in 1953-54.

FERTILISERS

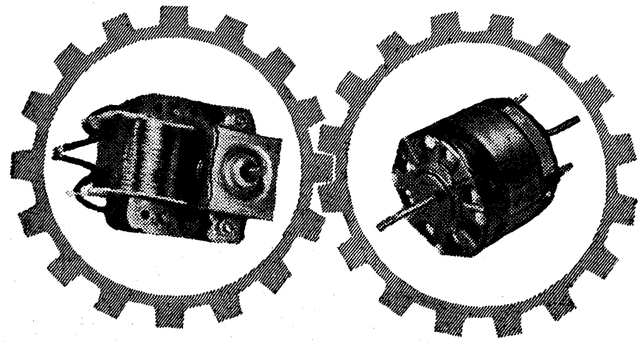
Study of Consumption

At the instance of the Government of India, the Mission in India of the U.S. Agency for International Development has made a report on the fertiliser needs of this country. The report says that if India is to achieve adequate foodgrains output by 1970-71, a radical increase in new inputs in agriculture will be required, foremost among which will be fertilisers. The Agency for International Development has estimated two very conservative sets of fertiliser targets based on different assumptions as to foodgrains requirements. The results are as follows:

Standstill target: If India is to feed its growing population at only present dietary levels but is also to achieve self-sufficiency in foodgrain

asian

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production by the mid-70's, the total chemical fertiliser nutrient consumption a year must reach 3.42 million tons by 1970-71 and 5.40 million tons by 1975-76. These standstill consumption targets *imply a productive* capacity plus imports as follows:

	Nitrogen capacity	Phosphate capacity	Potassium imports
	(Million tons)		
1970-71	2.18	1.09	.49
1975-76	3.42	1.71	.77

Minimum acceptable target: If by 1970-71, India is to improve slightly *the per capita* intake of foodgrains and achieve agricultural self-sufficiency, the annual nutrient consumption will have to be about 4.70 million tons. A per capita increase in daily grain intake of 2oz. by 1975-76 implies an annual nutrient consumption of 7.64 million tons by that date. The A.I.D. Mission considers these minimal improvements in foodgrain consumption essential to India's economic growth. The minimum acceptable targets imply a productive capacity plus imports as follows:

	Nitrogen capacity	Phosphate capacity	Potassium imports
	(Million tons)		
1970-71	2.98	1.43	.67
1975-76	4.84	2.42	1.09

India's present fertiliser production capacity, and capacity projected for completion by 1968, will leave her with a deficit of 2 million tons of nitrogen capacity and 1 million tons of phosphorus capacity by 1970-71. (Potassium will continue to be imported unless *domestic* reserves are discovered). The capital cost of covering the deficit will be in the neighbourhood of Rs. 487 crores, of which 40 percent or Rs. 194.8 crores will be foreign exchange. In addition, the capacity required to make up the deficit will demand an annual expenditure of foreign exchange for raw materials amounting to Rs. 100.4 crores.

Several steps can be taken at once which will hasten the construction of the necessary fertiliser plants and which can reduce the amounts of foreign exchange indicated above. Plans are ready for the five new public sector nitrogen plants which have been licensed. The F.C.I. Planning Division is staffed to design, engineer and erect two new plants a year, and should do so. Sites should be selected, and other preliminary steps taken, to expedite construction of two plants each year, plus advisable expansion of existing plants. The plans must be practicable, and possible delays, impediments and adverse factors foreseen and overcome in advance to the maximum extent possible.

A synthesis gas system should be installed in Rourkela to supplement the present cokeoven gas supply. Existing studies seem adequate to permit immediate choice of the best system so that work can begin. Sindri can be expanded at once to produce phosphorus fertiliser and sell a mixed product.

To expand India's sulphur production, the Pyrites Corporation should be organised, a General Manager appointed and procedures for pyrite mining established, with help from experienced foreign consultants, to provide ore sufficient for four sulpheric acid plants, each producing 1,000 tons a day. This will reduce the Rs. 23 crores of foreign exchange needed for sulphur to Rs. 15 crores in 1970-71.

Construction of a workshop to fabricate special equipment for the fertiliser and other chemical industries should be expedited. Such a workshop is now being considered by the Central Ministry of Industry. According to the Fertiliser Corporation of India, the shop will cost about Rs. 5 crores (Rs. 4 crores in foreign exchange) to build. By supplying high pressure vessels it would reduce the foreign exchange costs of fertiliser plant construction to 10-15 percent of the total cost.

The recently established F.A.C.T. Planning Division should, like that of the F.C.I., develop plans and supervise construction in southern India. This programme, promptly and efficiently put into effect, could increase public sector capacity to a total of about 1.5 million to 1.6 million tons of nitrogen in 1970-71. The scheme outlined above needs a detailed time schedule of required action to locate sites, develop preliminary financial and organisational plans and ensure quick and unimpeded project development. The schedule should list action to be taken, assign responsibility for these actions and a date for their completion.

If the schedule indicates that action by several agencies is necessary, it may be advisable to establish a fertiliser production committee at a high enough level to speed up usual procedures or eliminate those which cause undue delay. Such a committee's staff should be a task force composed of personnel from the various agencies involved who have the knowledge and initiative to solve problems and move matters rapidly. It should be clear from the beginning that this is not a study committee; it is a special action organisation whose sole objective is to increase as rapidly as possible India's capacity to produce fertilisers.

The remaining necessary capacity of 1.5 million tons should be financed and constructed as quickly as possible to reduce to a minimum the need for imports and the resulting foreign exchange outlays.

The present plans for expansion appear to represent the limit of financial, managerial and technical capacity of existing firms. The soundest and quickest way of expanding capacity seems to be through the attraction of experienced foreign private producers. Many private firms outside India are well experienced in estimating the fertiliser production situation in any given country, including natural resources available and imports required; plant location and design; energy, transport and storage facilities, financial requirements, the most suitable technology, staff selection and training; and other aspects.

A consortium of American firms is now interested in building five nitrogen plants in India to produce 1 million tons of nitrogen a year and a corresponding amount of phosphorus to produce in complex fertilisers. A feasibility study is needed to review the practicability of the proposed investment, determine what problems exist and prepare a schedule for dealing with them. The study should be carried out expeditiously and necessary action to implement the resulting scheme, if it is decided to proceed with it, should be taken as early as possible, preferably by the fertiliser production committee, which should be established in the meantime. In any case, it appears that the 1.5 million tons deficit can be made up by foreign collaboration with Indian concerns. Substantial interest in such undertakings in India is now evident by several foreign collaborators.

I.C.C.

Session in New Delhi

The next congress of the International Chamber of Commerce, the twentieth in the series, will be held in New Delhi from 7th to 12th February, 1965. The Prime Minister, Mr. Lal Bahadur Shastri, has agreed to inaugurate the session. The President of India, Dr. S. Radhakrishnan, will accord a reception is the delegates. The Central Minister for Commerce, Mr. Manubhai Shah, will invite the heads of delegation to a lunch. The provisional programme includes discussion on: (1) advertising in the age of economic expansion, social advancement and technological progress, (2) efficient shipping services through partnership; (3) the increased importance of arbitration in international business relationships; (4) international trade and economic development: (5) marketing in the age of economic expansion, social advancement and technological progress; (6) economic development and monetary unbalance; (7) new vistas for aviation and telecommunications, and (8) modernisation of legislation relating to patents, trade marks, know-how and other industrial property rights.



IRON AND STEEL BELT

Rise in Rail Traffic

A study of transport requirements of the iron and steel belt made by the National Council of Applied Economic Research, shows that the railways in the region carry as much as 50 percent of the traffic of the entire country, and the anticipated total originating tonnage in 1970-71 is expected to increase from 76 million in 1960-61 to 264 million in 1970-71. The railway traffic in the iron and steel belt in mineral products will constitute about 81 percent of the entire Indian railway traffic in 1970-71.

EXPORT PROMOTION

Incentive for Manufacturers

Further foreign exchange facilities, it is proposed, will be extended to manufacturer-exporters for the import of raw materials, components and spares required by them for the production of goods for export, according to a scheme drawn up and approved by the Central Government.

Under the scheme, commercial banks dealing in foreign exchange will obtain lines of credit from their principals, branches or correspondents abroad on the strength of an assurance from the Reserve Bank of India that necessary foreign exchange will be released to repay the credits by the due date. Against these lines of credit, exporters of proved export performance and recommended by the bank concerned will on approval by a committee to be appointed for this purpose by the Central Government, be granted import licences for raw materials, components and spares. This committee will consist of the Secretary, Central Ministry of Commerce, the Secretary, Central Ministry of Industry; the Additional Secretary, Central Ministry of Finance (E.A.D.); and the Director-General of Technical Development.

The exporter will be required to execute a bond undertaking to effect specified exports within a stipulated period. The import licences will be issued only for the value of raw materials or components permissible under the appropriate scheme and required for the production of the goods to be exported.

In the event of any failure on the part of the exporter to fulfil his obligation to effect additional overseas sales, the equivalent amount of foreign exchange will be debited to his entitlement as an actual user, in addition to other penalties under the scheme.

The facility will be available to manufacturer-exporters in specified industries. To start with, applications from manufacturer-exporters of only the non-traditional export items, such as those covered by the Engineering and Chemicals Export Promotion Councils, will be considered. The applications will be scrutinised by the inter-Ministerial committee whose decisions will be final. The exporter will have to undertake to negotiate documents through the bank approved for this purpose under the scheme.

The Export Credits and Guarantee Corporation will be the agency for the purpose, and all enquiries have to be addressed to the managing director of the Corporation, 4 Rampart Row, Fort, Bombay.

The following banks have joined the scheme:—*Indian banks:* (1) State Bank of India, (2) Bank of Baroda, (3) Central Bank of India, (4) United Commercial Bank, (5) Union Bank of India, (6) Dena Bank, (7) Punjab National Bank, and (8) United Bank of India.

Foreign banks (British): (1) National and Grindlays, (2) Mercantile, (3) Chartered, (4) Eastern.

Foreign banks (American): (1) Bank of America and (2) First City Bank of New York.

ALUMINIUM

Talks on Korba Project

Discussions for the setting up of an integrated aluminium project in Korba (Madhya Pradesh) have started between from Hungary and the Government of India. The project will have a capacity to manufacture 120,000 tonnes of alumina a year, and 30,000 tonnes of aluminium metal a year, supported by facilities to manufacture aluminium semis.

The Hungarian experts will discuss different technical aspects of the project with the representatives of different Ministries in New Delhi. After completing the first round of discussions, the experts will leave for Korba. Hungary is expected to provide technical and financial assistance for the project up to the alumina stage—bauxite mining and manufacture of alumina out of bauxite.

Arrangements for the manufacture of aluminium metal from alumina and aluminium semis are to be made separately after finalising the arrangements for the first stage up to alumina with Hungarians. It is expected that the experts will prepare a detailed preliminary report which will form the basis of an agreement between the two Governments.

The demand for aluminium by the end of the fourth plan is expected to be about 260,000 tonnes. This demand, it is proposed, will be met by the expansion of the present aluminium units and the establishment of new ones.

The Government has already finalised three schemes for producing 85,000 tonnes. These are the Koyna Aluminium Corporation, Maharashtra (25,000 tonnes), the Mysore aluminium project, Mysore (30,000 tonnes), and the Korba project in Madhya Pradesh (30,000 tonnes).

Expansion of the two existing units has also been finalised. These are: Alwaye, Kerala (10,000 tonnes) and the Hindustan Aluminium Corporation, Rihand, U.P. (40,000 tonnes). These are likely to increase the present installed capacity of the units from 62,500 tonnes to 113,000 tonnes.

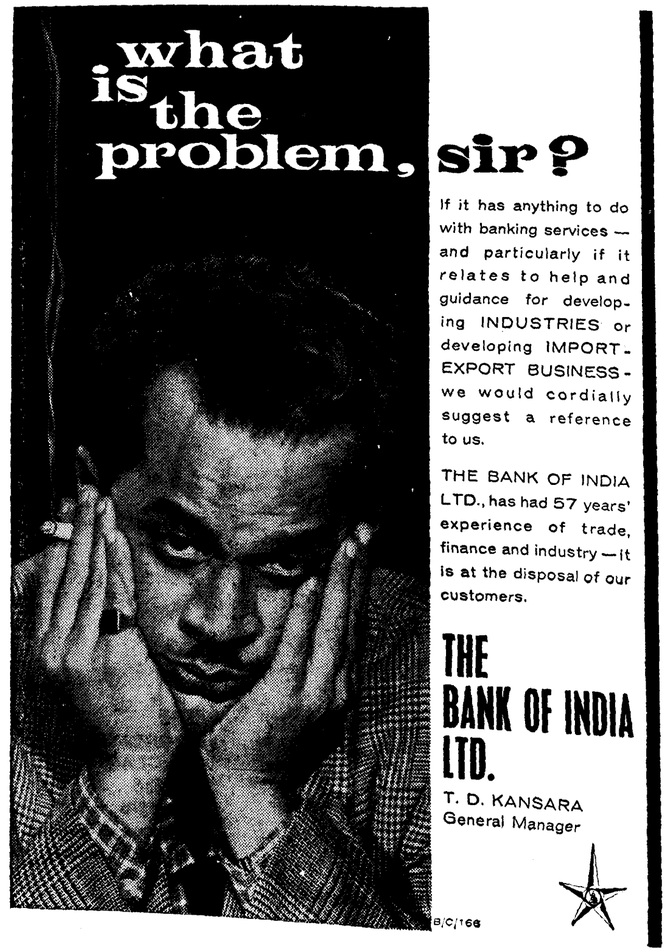
According to the licences issued, the annual metal production of about 142,500 tonnes is to be achieved by the end of the third plan. Since the licensed units are not proceeding according to schedule, it is likely that large-scale aluminium production may have to be undertaken in the public sector to make good the shortfalls and to provide a surplus for export.

ZINC

Talks on New Smelter

Talks for setting up a zinc smelter in the country have started between Polish experts and the Government of India. The smelter, which will be based on imported concentrates, will have a capacity of 30,000 tonnes. According to tentative estimates, it is expected to cost about Rs. 12 crores.

The experts will hold discussions with the metallurgical and power



experts of the Central Government after which they will visit different sites. It is expected that before returning to Poland, they will finalise the feasibility report and the time schedule for completing the detailed project report and setting up the smelter.

The demand for zinc at the end of the fourth plan is expected to be 225,000 tonnes, compared with 136,000 tonnes at the end of the third plan.

In addition to setting up a zinc smelter with Polish collaboration, the Government also proposes to develop the Zowar zinc deposits in Rajasthan from the present 18,000 tonnes of metal a year to about 50,000 tonnes a year. A committee is now studying the possibilities of increasing the capacity of the Zowar deposits, and is expected to submit a report shortly. The technical experts believe that the establishment of two more zinc smelters of 50,000 tonnes capacity each, based on imported concentrates, is feasible. A tentative provision of about Rs. 35 crores has been made for this purpose in the fourth plan.

HOUSING

New Central Programme

In consultation with the Planning Commission, the Central Ministry of Works and Housing has drawn up a four-point programme for meeting the housing shortage in the country. The most important point is the decision to create revolving funds for bulk acquisition and development of land in and around the growing towns where land prices are rising rapidly. Large-scale acquisition of land is considered the only way to check urban prices. The intention is to allot the land acquired under this programme to co-operative housing societies.

The Ministry has also decided that suitable machinery such as housing boards should be set up in the States to implement the schemes. This would ensure co-ordination among various implementing agencies and prove effective in checking the diversion of funds from housing to other projects.

ROAD DEVELOPMENT

Progress of Schemes

About 250 miles of roads, five bridges and a study of the Bombay city traffic have been completed under the plans visualised in the agreement with the International Development Association, an affiliate of the World Bank. The I.D.A. has provided a development credit of $60 million (Rs. 28.57 crores) for meeting part of the cost of certain selected road and bridge works in the States of Bihar, Maharashtra, Orissa and West Bengal. Also included in the scheme is a traffic study of Greater Bombay at a cost of $3,95,000 (Rs. 18.82 lakhs).

The total estimated cost of the works, including the Bombay traffic study, is about Rs. 50 crores. The I.D.A credit would meet about 55 percent of the expenditure on road and bridge works and 70 percent of the cost of machinery required on these works, the balance being met by the Government of India from the provision made in the third five year plan for national highways.

The credit covers construction or development of about 660 miles of roads, including 18 major bridges. Of the 660 miles of roads, 226 miles are being developed as single-lane roads, 416 miles as two-lane roads and the remaining 18 miles as four-lane roads, the latter comprising 14 miles of the eastern express highway in Bombay and about four miles of national highway No. 2 from Vivekananda bridge to its junction with the Durgapur expressway in West Bengal.

The progress so far on road works is: earthwork in embankment 83 percent; and road crust 38 percent. The eastern express highway in Bombay included in the programme is almost complete except for final asphalt surfacing in certain sections.

Of the 18 major bridges included in the programme five bridges, namely, across the Mahananda in Bihar, the Tansa in Maharashtra, the Birupa and the Mahanadi in Orissa, and the Kangsabati in West Bengal, have been completed. The bridge on the Mahanadi, which was opened recently, is 7,392 feet long, being the longest in India. Work on the remaining bridges is at various stages of progress. Machinery costing about Rs. 2.5 crores has already been procured for these works against a provision of about Rs. 4 crores.

The traffic study which is intended to provide a basis for development of a long-range road plan for Greater Bombay has been completed, and the U.S. firm which undertook this study has submitted its report. An overall expenditure of Rs. 27.54 crores has been incurred against these works up to the end of July 1964.

Among the bridges taken up for construction under the I.D.A. programme, the more important ones costing Rs. 1 crore or more are; a bridge across the river Sone at Dehri-on-Sone (Rs. 2.66 crores), a bridge across the Mahananda river in Bihar at Dhingraghat (Rs. 1.04 crores); a bridge in Maharashtra across the Basin Creek (Rs. 1 crore). The Mahanadi bridge near Cuttack has been completed at a cost of Rs. 1.86 crores. The bridge across the Rupnarayan at Kolaghat in West Bengal is estimated to cost Rs. 1.16 crores.

A special feature of the road construction work under this programme is that full thickness of the road crust, including blacktopping, is being laid in one stage. Built in accordance with the advanced techniques of road construction and with the help of machinery to ensure good quality and speedy execution, the roads are expected to cope with the traffic likely to develop during the next 15 to 20 years. Proper quality control is ensured through field laboratories at various work sites and Central laboratories which help in the assessment of properties and strength of the various materials used in the construction.

The roads are thus expected to provide a good riding surface and have better wearing qualities resulting in appreciable saving in maintenance costs, both of the road and the vehicles. The execution of the works is being done by the respective State public works departments on behalf of the Central Government. The roads wing of the Central Ministry of Transport exercises the overall control on these works.

According to the agreement, the scheme was scheduled to be completed by the end of September 1964. But because of the late arrival of certain items of machinery from abroad, such as earth-moving and compaction equipment, and soil stabilisers, the completion date has been extended to the end of June 1966.

FOODGRAINS

Releasing Official Stocks

The Government of India has been considering the question of bringing about an improvement in the system of distribution of Government foodgrains. It has now decided to constitute a study team consisting of Professor V. M. Dandekar, of the Gokhale Institute of Politics and Economics as leader, Dr. B. P. Dutia, deputy economic and statistical adviser, Central Ministry of Food and Agriculture and Dr. S. C. Gupta, deputy director, Agro-Economic Research Centre, Delhi University as members.

The team will review the working of fair price shops for foodgrains, the pricing of the grains sold through these shops and examine the general impact of the sale of foodgrains through fair price shops on the foodgrains market. It will submit its report with its recommendations within a period of three months from the date it starts its work. The team will have the power to co-opt such additional members as it thinks necessary.

Prices Fixed for Next Season

The Central Government has announced the prices it has fixed for paddy, rice, wheat, gram, bajra and maize for the 1964-65 season. Such a policy was recommended by a Ford Foundation team about four years ago, somewhat on the lines of the farm policy pursued in the United States.

Speaking at a Press conference, the Food Minister, Mr. C. Subramaniam made the following statement: "Pending the setting up of the Agricultural Prices Commission which would recommend the prices of agricultural products on a scientific basis, the Government had appointed the Foodgrains Prices Committee under the chairmanship of Mr. L. K. Jha to advise on the determination of prices for the coming season. On the basis of the recommendations of this committee, and in the light of the discussions held with the Chief Ministers and Food Ministers of State Governments, the Government has fixed the producer's prices at which it will be prepared to purchase all paddy offered to it at the declared assembling points. These prices are for standard varieties of paddy. The prices of other varieties of paddy would be determined by the State Governments in relation to the prices of standard varieties. In order to stabilise the paddy prices at reasonable levels, which in turn would impart stability to the rice prices, the Government has also determined the maximum statutory prices of paddy at assembling points, including the mills' and dealers' premises. These maximum prices will be higher by Re. 1 a quintal than the producer's prices. If paddy prices tend to rise above these maximum prices, the Government will step in to requisition paddy at these prices."

The paddy prices thus assured to the producer contain an element of incentive. These prices are higher than in the post-harvest period during the past three seasons. Having fixed reasonable prices for paddy for the producer, the Government has decided to evolve a three-tier price structure for rice by statutorily fixing the ex-mill wholesale prices, the wholesale prices at the consuming centres and the retail prices. In determining these prices, the Government has allowed reasonable costs and margins for the intermediaries, which vary from 4 to 7 percent.

The State Governments are being authorised to determine rice prices at the three stages for different varieties and at different places and enforce them along with the paddy prices from appropriate dates, depending on the arrival of the new crop. Reasonable costs and margins having been provided for in the price structure, it is hoped that the trade will co-operate in maintaining the prices at different stages within the statutory ceilings. In case the prices show a tendency to rise above the maximum statutory levels, the Government will requisition rice at the statutorily fixed prices. The enforcement of this price structure, it is hoped, will bring relief to the consumer. The producer's price of paddy at assembly points varies from Rs. 34 a quintal in Assam to Rs. 40 a quintal in Kerala. The Government has also decided to fix the producer's prices for wheat for the 1964-65 season starting from February-March 1965. These prices ars as follows:

	(Rs. a quintal)
Red variety ...	45.50
Common white variety	49.50
Superior variety ...	53.50

The State Governments are being authorised to announce producer's prices for gram within the range of Rs. 40 to Rs. 40.50 a quintal for the 1964-65 crop, which will start arriving some time in February-March 1965. The Government will be prepared to purchase all wheat and gram offered to it at these prices at the declared assembling points. The prices at subsequent stages of marketing will be determined before the new harvest.

As for coarse grains, State Governments are being authorised to fix prices for jowar, bajra and maize within the range of prices given below:

		(Rs. a quintal)
Jowar	yellow	38 to 38.50 (with the suitable discount for the red variety and a premium for the white variety).
Bajra	F.A.Q.	40 to 40.50
Maize	F.A.Q.	36 to 36.50

State Governments will be prepared to purchase these grains at the prices fixed by them at the declared assembling points, and, if necessary, to requisition the grains at these prices.

The Central Food Minister disclosed that for some years to come India would have to live with food shortages. To prevent a repetition of the present crisis, the Government has decided to cordon off big cities, in particular Bombay and Calcutta, where statutory rationing will be introduced. Another vulnerable area, Kerala, will similarly be cordoned off to introduce "informal" rationing, thereby guaranteeing the minimum availability of foodgrains to individuals. In other areas, the strategy is to multiply the number of fair price shops and offer assured supplies. In some "depressed" areas or labour localities, "low price" shops will be organised where the supply of food will be subsidised.

The Food Minister welcomed the consumer resistance movement in Delhi, and hoped it would become a national one, thereby effectively checking any unwarranted rise in prices. Side by side, a foodgrains trading corporation is being set up to enter the foodgrains market.

SUGARCANE

New Minimum Prices

The Central Government has announced two important measures of fering incentives to the sugar indus-

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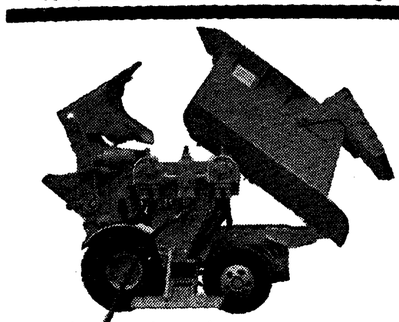


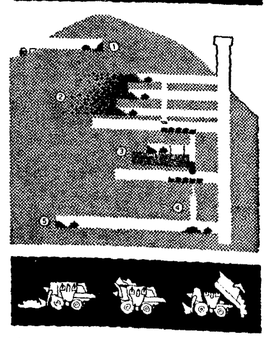
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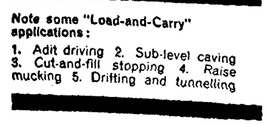
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try and canegrowers in the forthcoming season. These measures are based on the recommendations of the Sen Commission to increase sugar production.

The basic minimum price of cane at a recovery of 10.4 percent or below has been fixed at Rs. 5.36 a quintal "at the factory gate". The last year's price was Rs. 4.96 a quintal linked to a recovery of up to 9.4 percent.

An additional payment of 4 paise a quintal will be made for every 0.1 percent rise in the recovery. For the industry, the Government has decided to allow a rebate of 50 percent in the basic excise duty on any sugar produced in October-November 1964 that may be in excess of what factories produced during the same period in 1962. An official Press note said that an early announcement would be made on the other recommendations of the Sen Commission abuot fixing the ex-factory price of sugar, and allied matters.

CLOTH CONTROL

Advisory Body Appointed

The Central Commerce Minister, Mr. Manubhai Shah, in the course of a statement has disclosed that the Government has appointed a Textile Control Advisory Committee under the chairmanship of Mr. V. P. Naik, Chief Minister of Maharashtra, with 24 members consisting of representatives from the industry, representatives of trade, representatives of consumers including Members of Parliament, and representatives of textile labour and technical experts of the industry and the Textile Commissioner's office. The Naik Committee will continue to review all the technical and economic aspects of the cloth production and price control orders and will advise the Government from time to time. A panel of technologists has also been appointed with Mr. Fernandes, Additional Textile Commissioner, as its chairman.

Mr. Shah added that as this process of examination would take a few days more and as two Dussehra holidays were intervening, the Government had decided that the Production Control Orders and Price Control Orders on controlled varieties of cloth would come into force from 20th October, 1964, instead of from 15th October, 1964, and therefore, the voluntary price scheme will be discontinued from the midnight of Monday, 19th October, 1964, instead of the midnight of 14th October, 1964. He was confident that, on the whole, the estimated reduction of 5 percent to 8 percent in the prices of controlled categories of cloth would be realised in most of the varieties of controlled cloth.

BOKARO STEEL

Agreement on Second Stage

The Russian team which was here and Bokaro Steel Ltd have agreed to a project assignment. This is to be the basis of the detailed project report which Gipromez, the principal Soviet State design and engineering organisation for metallurgical plants, is to prepare. It is expected that the project report will be ready by June-July 1965, and the plant ordered soon afterwards.

The project assignment visualises a 4 million-tonne plant at Bokaro. The plant is to be built in two stages. The first stage is expected to have a capacity of 1.5 to 2 million tonnes of ingot steel and 700,000 to 800,000 tonnes of pig iron for sale. The plant is to be built on a continuing basis, that is, without a break in construction between stages I and II.

It has been agreed that the design and the engineering of the plant will be a Russian responsibility. It is, however, expected that Indian engineering and manufacturing capacity will be used to the fullest extent possible in the construction of the plant. The management of construction and operation will, however, be entirely in Indian hands. A time schedule for the construction of the plant is still to be settled between the Russian and Indian Governments. An inter-Government agreement on Bokaro is expected to be finalised in November 1964.

DOUBLE TAXATION

Talks with U.A.R. and France

An Indian tax delegation has returned after negotiations with the Governments of the United Arab Republic and France for agreements for the avoidance of double taxation of incomes.

In Cairo, the Indian and the U.A.R. delegations drew up a draft agreement which is comprehensive, covering all sources and types of incomes. It is based on the principles followed by India in similar agreements with other countries, subject to necessary modifications to suit the conditions prevailing in the U.A.R. and India. The agreement will come into force after the draft is approved by the two Governments and instruments of ratification have been exchanged.

In Paris, the Indian delegation completed the pending negotiations for an agreement with a tax delegation of the French Government. The discussions resulted in a settlement of the outstanding points relating to an earlier draft agreement for the avoidance of double taxation of incomes between the two countries on a comprehensive basis. This draft also embodies the principles which have been followed by India with other countries. A formal agreement is now expected to be concluded shortly.

SHIPPING FREIGHT

Agreement with U.S. Company

Following negotiations in the U.S.A. between the delegations of the Government of India and the American Shipping Conference serving the trade from the East Coast of the U.S.A. to India, it has been agreed that a general 25 percent discount on freight will be given on Government cargoes, apart from specially reduced rates negotiated for heavy lift cargoes and special equipment like power plants. The Conference has been persuaded to withdraw the additional "arbitrary" on cargoes' to Kandla and Visakhapatnam. These agreements are valid up to October 1965.

INDIAN INVESTMENT CENTRE OPENS EUROPEAN OFFICE

The Indian Investment Centre is opening its European Office in Dusseldorf on 29th October. This is the Centre's second branch office abroad, and its first in Europe. The official inauguration will be performed by Mr. Kurt Schmucker, Minister of Economic Affairs of West Germany. Mr. P. A. Menon, Ambassador of India to West Germany will be present on the occasion. Mr. G. L. Mehta, chairman of the Investment Centre, will proceed to Dusseldorf for the opening. A distinguished gathering comprising Ministers and officials of West German Government, prominent industrialists, bankers and business representatives from West Germany and other West European countries is expected to attend the function. The new office is headed by the resident director Mr. N. G. Swami. The office is located in "India Dugal House", Karlstr 76, Dusseldorf 4.

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London

U.K. CONFERENCE DEBATES ROLE OF INDUSTRY IN DEVELOPMENT

(FROM OUR LONDON CORRESPONDENT)

IS "development" possible without industrialisation in one form or another? The Fourth Cambridge Summer Conference, sponsored recently by the Department of Technical Co-operation and attended by officials from about 20 countries, devoted itself to an examination of the rôle of industrialisation in economic development. It was perhaps inevitable that the conference came to the conclusion that there was a place for both agricultural and industrial development—after all, even the development of agriculture demands an increased supply of the products of industry, while agricultural products largely depend on industrial processing—and that the emphasis given to one or the other would vary from country to country according to prevailing circumstances.

As the conference proceeded on this platitudinous level, it looked as if it would get bogged down by too much agreement on the obvious. For instance, there seemed to be a tendency to make room for anything and everything anybody cared to propose —for public, private, co-operative, and every other type of enterprise; for every kind of education and technical training; for centralisation and decentralisation; large units and small units; national protection and international common markets; grants and loans; increased taxation and tax relief; single exchange rates and multiple rates.

The danger was averted, and the conference was roused when one speaker, in terms widely criticised as "*too emotional*", claimed that the needless introduction of highly capitalised "western" methods of production into technically backward and poverty-stricken areas was destroying the livelihood of people faster than it could create new workplaces and was thus giving rise to the "twin disease" of mass unemployment and mass migration into metropolitan areas. This, it was said, unless counteracted at once, promised the '*immiseration*" of the people on a scale never before known. A basically new approach was needed—namely, the conscious development of an "intermediate technology" which would be vastly more productive than the traditional methods and yet vastly cheaper and simpler.

It was asked what was the use of five-year plans—such as those of India and Turkey—at the end of which there will be more unemployment than at the beginning? How can poor countries hope to cope with the torrential drift of people into metropolitan areas, where shanty towns and misery belts are growing often at ten times the rate of growth of the city itself? The question of "*intermediate technology*" then became the burning issue of the conference. In most of the developing countries, it was claimed, there are sectors which are irrevocably committed to employing the most advanced technology, *no matter how expensive* in capital, if they wanted to stay in business at all. What interested many people was the rest—the ordinary run-of-the-mill consumers' goods, agricultural implements, and building materials. They wanted to know if, where there is large-scale unemployment or underemployment, was there no way of making some use of wasted labour power, which was the greatest single economic asset that these areas possessed.

Capital and Technology

Some economists, as pointed out by Mr. E. F. Schumacher, Chief Economic Adviser to the National Coal Board, writing in the *Guardian*, argued that it was precisely where capital was scarce that it should be applied in the most concentrated way, because the higher the amount of capital a workplace, the higher would be the "surplus" available for further investment. Against this, others argued that where there was idle labour power, capital itself was in no way a fixed quantity, since labour could be put to work to produce more capital goods—provided only it could be made fruitful by means of a suitable technology.

An African planner claimed that development could never be based on indigenous labour alone, but depended solely on outside aid—a thesis which invited the question of how mankind as a whole could have had any development at all. It was precisely this implicit reliance on an outside *deus ex machina*, which was producing failure and a growing danger of social collapse in many developing countries. The main cause of this was seen as the heedless application of an unsuitable technology, a technology too sophisticated to be imitated and too expensive to spread to the masses. In answer, many delegates were able to point to numerous cases all over the world where simple, effective, low-capital methods of production were being successfully applied. What was needed was the conscious and systematic gathering of the know-how already existing. Examples of careful case studies were quoted from India, where it had been



shown that with a much smaller input of capital and a much larger use of labour, a wide variety of goods could be produced at a cost which made them fully competitive—at least in local markets—with the products of the West.

Some delegates were bitterly hostile to this idea. Others merely conceded that there might be a place for intermediate technology: but many felt that here was a novel and hopeful approach which deserved support. Doubt remained about the support of donor countries. All too often, it was claimed, aid could be easily mobilised for big and showy projects, but could not be obtained for less pretentious schemes—such as those which involved the creation of employment by means of "intermediate technology." It was not the purpose of the conference to come to final conclusions, to pass resolutions, or to make recommendations. Its purpose was to stimulate thought, and this purpose was fulfilled.

The latest survey of British industry's investment plan suggests that business men are confident that expansion will continue. The Board of Trade reports that capital expenditure by private industry and commerce is now expected to be about 14 percent higher this year than in 1963 and to show a further increase in 1965. Forecasts supplied by companies in August and September show that expectations in both the major sectors of private industry and commerce were considerably more optimistic than at the end of 1963, when the last forecasts were made. Investment was then expected to rise by about 10 percent between 1963 and 1964.

In its comments on the latest survey, the Board of Trade says the estimates "confirm the strength of the upward movement in investment which became noticeable towards the end of 1963 and which is reflected in the fiugres of actual expenditure in the first half of this year. They also make it clear that the present upturn will continue into 1965."

Companies' forecasts of their investment intentions show that capital expenditure by manufacturing industry is expected to be 14 percent higher than in 1963, compared with a rise of 8 percent estimated at the beginning of this year. On this basis the level of expenditure (at current prices), this year will not fall far short of that achieved in 1961 at the peak of the previous investment cycle. For most industry groups, expenditure on capital assets is expected to be greater in 1964 than in 1963, an exception being the metal manufacturing industry (mainly, iron and steel) whose expenditure has fallen considerably from the very high figures of 1961.

For the distributive and service trades, the 15 percent rise in capital expenditure between 1963 and 1964 which is now estimated confirms and adds precision to the estimates made in January, when it was thought that investment in this sector would go up by more than 10 percent. Expenditure by the distributive and service trades has risen fairly steadily in recent years and has not been marked to any great extent by the strong cyclical movement which has characterised investment by manufacturing industry. An increase of the magnitude now expected would raise the level of investment by this sector in 1964 to a point considerably higher than the previous peak reached in 1962. The enquiry confirms that expenditure by the shipping industry is likely to show a relatively bigger increase than the rest of the distributive and service sector.



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Jute

SCHEMES TO RAISE FIBRE OUTPUT DURING FOURTH PLAN

IN order to help the jute industry increase India's foreign exchange earnings during the fourth plan period, the Central Food and Agriculture Ministry has fixed the target for raw jute and mesta production at 8 million bales and 2 million bales, respectively, by 1970-71. High-level discussions among the officials of the Central and State Ministries concerned have been held to devise ways of achieving the target.

The consensus favours the extension of the package programme to 14 selected districts in West Bengal, Bihar and Assam. Besides, more irrigation facilities will be provided with the help of deep tube-wells and canals. Proper arrangements for an adequate and timely supply of better seeds and fertilisers are being devised. The Central Agriculture Ministry intends putting 200,000 acres more under jute in the white fibre belts in these three States. Simultaneously, double-cropping in the irrigated areas is visualised. Experts are optimistic about raising the average yield an acre from 2.3 bales to 3.3 bales in the belt. The Central Government, too, is believed to have expressed its readiness to extend adequate subsidies to help these States raise fibre output.

Exports of Jute Goods

The total value of jute goods exports from India during the first half of 1964 rose to Rs. 82 crores, or by 2 percent above the figure for the corresponding period of 1963. The figure would have been appreciably higher but for the decline in prices resulting from the better balance between demand and supply. Comparable figures for Pakistan, for the January-April period, show a 12-percent increase, from Rs. 9.7 crores in 1963 to Rs. 10.9 crores in 1964.

Stable and reasonably low prices resulting from mills operating at the maximum level and the availability of raw jute at more reasonable rates helped stimulate the consumption of jute bags and sacking in the U.K. But the pattern of imports there showed a remarkable shift from ready-made bags to hessian and other cloths. The full order-books of the bag-makers reflected this shift in the pattern of offtake.

Exports of jute manufactures from India, Pakistan, the U.K., France, West Germany and Belgium—the six countries which together produce most of the jute goods for world markets—increased by 23 percent to about 373,500 tons during the second quarter of 1964, compared with the figures for the previous quarter. The second-quarter figures were about 20 percent higher than those for the comparable period of 1963. Exports from India rose by about a third between the two quarters, while shipments from Pakistan were also reported to have registered a sharp increase. Among the four European countries, exports from the U.K. rose by 15 percent, and from West Germany by 23 percent. But France recorded a decline of almost 25 percent. Total exports of jute cloth during the first six months of 1964 from the six countries have been estimated at around 676,200 tons, which is 13 percent higher than the figures for the corresponding period of the previous year. India's share rose by 14 percent to about 500,000 tons and Pakistan's by 18 percent to around 124,000 tons.

I.J.M.A. Gunny Stocks

Stocks of jute goods with mills reporting to the I.J.M.A. have fallen from 132,400 tonnes at the end of August to 126,300 tonnes at the end of September. The decline is ascribed to the voluntary adjustment of production by individual mills, combined with the brisk seasonal offtake of heavy goods. Sacking stocks have dropped by 6,200 tonnes to 43,700 tonnes and miscellaneous goods by 2,500 tonnes to 11,000 tonnes. Hessian inventories have risen by 1,900 tonnes to 47,600 tonnes and carpet-backing by 700 tonnes to 24,000 tonnes. At the end of September 1963, the stocks were 107,400 tonnes—55,100 tonnes of sacking, 32,800 tonnes of hessian, 12,500 tonnes of carpet-backing cloth and 7,000 tonnes of miscellaneous goods.

Paper and Synthetics

There have been further reports indicating that paper sacks are gradually replacing jute bags. A number of U.S. companies are engaged in costly research for the development of suitable packing materials with paper and synthetic products. Already paper sacks have replaced gunny bags in fertiliser packing. Polyethylene packs are popular with the chemical industry. Other containers of synthetic origin have also been well received; the synthetic material is often a by-product of some chemical industry, and having practically no other use, is available at a low price. Efficient and less expensive techniques have been developed for mass production.

The high prices of gunnies, combined with an ample internal supply of paper and synthetic packaging materials of the right specifications, have accelerated the shift in demand. A trial shipment of paper-packed wool from South Africa, it is stated, has "surpassed the highest expectations" of some U.S. wool manufacturers. They have told the South African Wool Board that they are prepared to pay 1½d a lb more for wool packed in paper than for wool shipped in gunny packs. The International Wool Secretariat has announced that more paper sacks will be used by South Africa for wool shipments abroad.

Jute from West Pakistan

West Pakistan is gradually emerging as a producer of raw jute. The current season's crop on an area of about 650 acres is estimated at around 10,000 maunds. Experimental cultivation of the fibre was taken up by the West Pakistan Agricultural Development Corporation during the past season in the area irrigated by the Ghulam Mohammed Barrage. The experiment at the demonstration farm in Khalilo Qasim has yielded encouraging results.

This season's acreage would have been higher but for the heavy rain in the area. Of the area under jute, 150 acres have been reserved for the production of improved types of seeds. The East Pakistan Agricultural Development Corporation has been requested to supply adequate quantities of high-quality seeds. As soon as the W.P.A.D.C. can ensure the supply of jute, the West Pakistan Industrial Development Corporation proposes to set up a number of jute mills in the western wing in order to make it self-sufficient in jute goods.

THE JUTE MARKETS

Manufactured Goods: Opening on an optimistic note on reports of a sizable decline in jute goods stocks during September, the Calcutta market was firm during the past fortnight in spite of the long Puja holidays. The bullishness was helped by reports of a widespread jute workers' strike in East Pakistan, followed by the outbreak of violence and bloodshed in Khulna. Brisk enquiries from the Indian Government, and seasonal purchases by the sugar and food trades, helped the rise. The decline in heavy goods inventories during recent months, combined with the reluctance of mills to book orders at the prevailing levels, caused a sort of a squeeze in sacking. In spite of the rigorous restrictions to restrain speculation in T.S.D. contracts, kerb activity continued to interrupt normal trading. So the E.I.J.H.E. authorities imposed a fine of Re 1 a contract a day for any delay in the submission of T.S.D. contracts in raw jute and jute goods for registration with the Association. On the eve of the holidays, there was hectic covering by shorts and shippers in heavy goods and hessian. Sizable contracts were booked at the higher levels by mills after the start of the strike in the Pakistani jute mills. Completed transactions during the period included Government tenders for about 10,000 bales of B Twills for December delivery, good offtake by the sugar industry and moderate hessian business with the U.S.A., the U.K. Jute Control, Australia and some African countries. In the hedge market, prices continued to be firm in line with the general trend. Sacking for November closed with a larger gain than hessian after wide fluctuations. The turnover was fair and the undertone steady at the close.

Wednesday's quotations were as follows:

	Oct.	Nov.	Dec.	Jan.-Mar.
40in. 7½oz.	38.15	38.50	38.75	39.10
40in. 8oz.	41.00	—	—	—
40in. 10oz.	50.85	51.30	51.55	52.10
B Twills	154.25	153.00	152.25	151.50
Cornsacks	155.00	155.00	154.75	154.00
Heavy Cees (Plain)	153.75	152.50	152.00	151.25
A Twills	183.00	183.00	183.00	182.00
Liverpools	168.50	168.50	168.50	168.00

Raw Jute: Steady conditions prevailed in the raw jute market during the past fortnight despite the long Puja holidays. The maximum purchase quota of 175,000 bales for the week ended 17th October was duly lifted by the mills. In view of the small quota, preference was given to selected grade fibre, so its price rose further. Arrivals in the terminal markets fell to around 125,000 maunds a day, due to the reluctance of the growers to sell jute at the prevailing prices and also their preoccupation with the festivals. Agency prices remained firm above Calcutta parity levels. Mills too were reserved. The turnover was small and the undertone firm at the close. Transactions in Upper Assam White Bottoms for December did not commence in the hedge market.

Wednesday's quotations were as follows:

	Rates a maund Mid.	Bot.	Rates a quintal Mid.	Bot.
Assam-Agartala Jute	41.50	38.50	111.19	103.15
Northern Jute	40.50	37.50	108.51	100.47
Western Desal Jute	39.00	36.00	104.49	96.45
Selected Daissee	42.00	39.00	112.53	104.49
Assam-Agartala Tossa	42.00	39.00	112.53	104.49
Mesta:				
Assam-Northern	38.50	35.50	103.15	95.11
Local Daissee	38.50	35.50	103.15	95.11
Bihar Dist.	37.50	34.50	100.47	92.43

THE U.K. JUTE MARKETS

EASIER TREND IN FIBRE

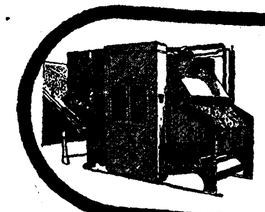
(FROM OUR DUNDEE CORRESPONDENT)

THERE has been an easier trend in raw jute prices over the past two weeks. At the beginning of the period, the Pakistani authorities adjusted E.P.C. values, and this resulted in most of the lower grades being reduced. In other words, they brought the official prices more into line with actual offers. Demand from Dundee

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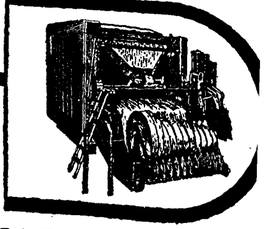
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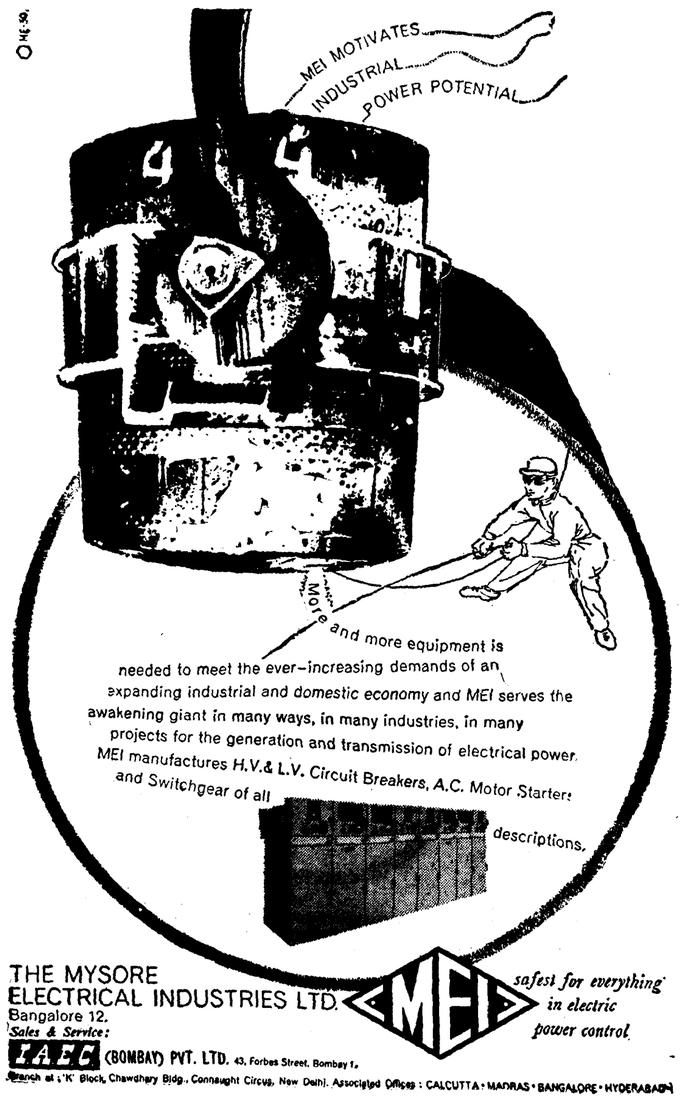
BM/LM

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

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

Description	30th September, 1964		31st August, 1964		Increase over (+) or decrease from (−) last month		30th September, 1964	
	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)
Hessian cloth and bag	15,13,73 (16.55)	47.6 (46.9)	14,53,60 (15.90)	45.7 (45.0)	+60.13 (+.65)	+1.9 (+1.9)	10,31,61 (11.28)	32.8 (32.3)
Sacking cloth and bag	10,16,82 (11.12)	43.7 (42.9)	11,53,97 (12.62)	49.9 (49.1)	−1,37,15 (−1.50)	−6.2 (−6.2)	12,37,59 (13.53)	55.1 (54.2)
Carpet-backing	1,91,76 (2.10)	24.0 (23.6)	1,85,79 (2.03)	23.3 (22.9)	+5,97 (+.7)	+0.7 (+0.7)	1,06,31 (1.16)	12.5 (12.3)
Others		11.0 (10.9)		13.5 (13.3)		−2.5 (−2.4)		7.0 (6.9)
Grand Total (000 Tonnes/Tons)		126.3 (124.3)		132.4 (130.3)		−6.1 (−6.0)		107.4 (105.7)

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



spinners has been small as they have already secured approximately half of their annual requirements from the present crop. Buying is taking place, but the quantities are small and of a selective nature.

During the past few days, there has been no change in prices quoted in Dundee despite the fact that China has been in the market for a substantial quantity of raw jute. At present, the Dundee market does not reflect the true position in Pakistan, as many offers are being made here of secured parcels at well under the generally quoted rates. Prices are lowest at £150 for Mill Firsts, at £137 for Export Firsts, at £126 10s for Export Lightnings and at £118 for Export Hearts, c.i.f. U.K. for October-November shipment. Grade Tossa-2/3 is available at £150 and Grade Tossa-4 at £137. There are sellers of Outport Tossa-2/3 at £125 and of Outport Tossa-4 at £119, October-November.

Cuttings are steady at £90 for S.N.C. and at £83 for N.C. Only a few offers of mesta are being made and prices are considered too high to be of interest to spinners. Grade A is at £116, grade B at £107 and grade C at £99, c.i.f. U.K. Prices of some grades of Siam jute have tended lower, but this has not brought out much buying interest from Dundee spinners. Offers are at £89 for grade A, at £84 for grade B, at £79 for grade C and at £74 for cuttings, delivered mill Dundee for November-December shipment.

The Calcutta goods market has been firm and prices are at the highest level for a very long time. This is unfortunate for buyers here as trading is being transferred from public to private business. Dealers are reluctant to acquire stocks when prices are at the present high level as considerable reductions could take place in the next month or two. Quotations are at 83s 8d for 40in. 10oz. and at 62s 11d for 7¼oz. a 100 yards c. and f. U.K. for October shipment, at 84s 2d and 63s 5d November and at 84s 6d and 63s 10d December. B Twills were at 258s 4d 256s 1d and 255s 9d for the respective shipment periods.

THE PAKISTANI JUTE MARKETS

FIBRE DULL: ARRIVALS SMALL

(FROM OUR DACCA CORRESPONDENT)

THE arrivals of loose jute at the baling centres remain small. In many cases, the percentage of Export Hearts is now over 70. The arrivals of tossa, which is at present producing good average quality, still remain small in proportion to those of white, and compared with the arrivals of last season at this time. There is no doubt that there is a strong seller's resistance and the beparis and growers do not intend to release their jute in quantity unless they get their price. Traditionally during the last week of September raw jute comes in large quantities, because of the need for cash before the Pujas. But this year, it has been different.

The river levels are at last falling. This will mean that it will be difficult for sellers to bring their jute to the baling centres even if they wish to do so in quantity. It is interesting to note that this season large quantities of jute have been left for seed. This may be the first sign that the 1965-66 crop will be a large one. From what has been seen of tossa arrivals, the average quality outturn will be worse than last year, the fibre quality in jat is as good as last year, but the district fibre is disappointing.

The pucca bale market has once again been inactive and prices at

which a little business has been done, have not moved very much.

The big surprise of the past fortnight has been the change in E.P.C. values. The increase in prices of many of the grades was expected. But the rise in cuttings is illogical. Very few overseas buyers can afford to pay such high prices for these grades. The increase in mesta is reasonable, but the really pleasant surprise is the reduction to very nearly the market value in Export Lightnings and Export Hearts, Outport Tossa 2/3, Outport Tossa-4 and Dundee Tossa-4 and Dacca Tossa 6s. The overseas buyers, however, never buy in a falling market for which the baler is duly grateful. The drop in E.P.C.s produced, if anything, a withdrawal of overseas buyers so that the odd position of steadier prices locally and easier prices overseas has arisen again.

There is also no doubt that overseas buyers will reduce their consumption, wherever possible. It is reported that Dundee will reduce by as much as 30 percent. Whether this is true or possible remains to be seen. Certainly it will require a reduction of 30 percent by all buying countries including India before the present level of prices can be brought down substantially. E.P.C. registrations for the second half of September were only 78,000 bales, which is rather low, although slightly better than that of the first half.

U.S. BURLAP CONSUMPTION AND STOCKS

U.S. burlap consumption during September 1964 was 500,000 yards more than during August 1964 and 1.6 million yards more than during September 1963. Bag cut-up was 57.4 million yards and piecegoods deliveries 23.9 million yards, compared with 58.7 million yards and 21 million yards, respectively, in September 1963. Consumption for the first nine months of 1964 is 19 million yards less than during the comparable period a year ago. U.S. spot and afloat stocks at the end of September decreased from the end of August by 6.4 million yards. At 274.5 million yards, 150.1 million yards were spots (down 2.2 million yards) and 124.4 million yards were afloats (down 4.2 million yards). Stocks represent about 3.7 months' supply.

U.S. burlap consumption (as reported to T.B.M.A.)

(In million yards)

	1964	1963
Jan.	71	61
Feb.	63	78
Mar.	63	75
Apr.	63	68
May	55	65
June	59	60
July	55	60
Aug.	89	53
Sept.	68	67
Oct.		68
Nov.		66
Dec.		65
Total	566	798
Mo. Av.	63	66

U.S. burlap consumption (estimated industry total)

(In million yards)

	1964	1963
Jan.	82	68
Feb.	73	89
Mar.	74	85
Apr.	74	77
May	64	76
June	70	69
July	64	68
Aug.	81	70
Sept.	81	80
Oct.		79
Nov.		77
Dec.		75
Total	663	913
Mo. Av.	74	76

U.S. burlap stocks (as reported to T.B.M.A.)

(In million yards)

	1964	1963
Jan.	240	266
Feb.	230	256
Mar.	227	261
Apr.	231	254
May	232	252
June	238	251
July	251	252
Aug.	223	235
Sept.	221	232
Oct.		230
Nov.		232
Dec.		245

U.S. burlap stocks (estimated industry total)

(In million yards)

	1964	1963
Jan.	291	306
Feb.	284	304
Mar.	273	304
Apr.	277	300
May	278	296
June	286	296
July	300	297
Aug.	280	279
Sept.	275	289
Oct.		278
Nov.		281
Dec.		294

Commodity Markets

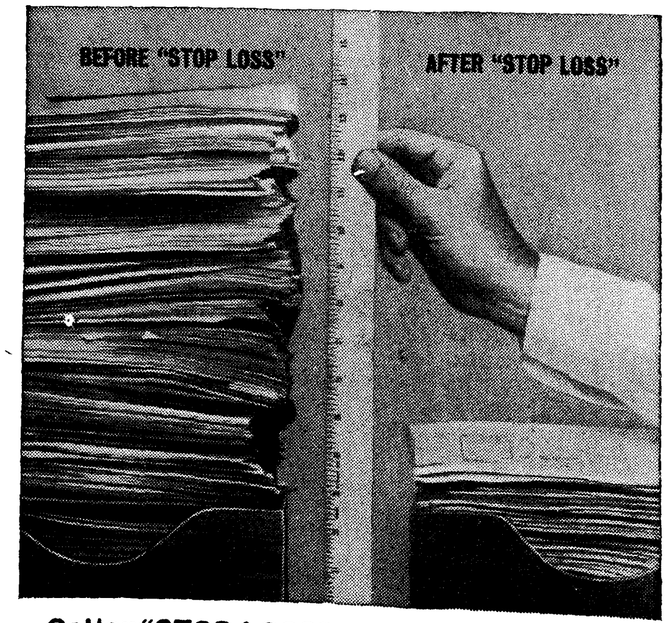
RUBBER PLANTERS OPPOSE AID TO SYNTHETIC PRODUCER

(FROM OUR SOUTH INDIAN CORRESPONDENT)

RUBBER planters in south India are resenting the Central Government's efforts to help the synthetic rubber manufacturer in U.P. The chairman of the Kerala Government-sponsored Plantation Corporation, Dr. E. K. Madhavan, told Pressmen a few days back that he had learnt from reliable sources that the Central Industries Ministry had advised manufacturers of rubber products to lift a certain percentage of their requirements in the form of synthetic rubber produced in the U.P. factory. If the manufacturers fail to lift the quota fixed for them, they are warned that restrictions will be imposed on their import of raw rubber and machinery. Dr. Madhavan feared that this official patronage to the synthetic manufacture would adversely affect the future of natural rubber produced in south India. Several other planting interests including the chairman of the Association of Planters of Kerala, have expressed their concern about the linkage between the import licence issued to the manufacturer and the offtake of synthetic rubber.

The price of synthetic rubber at present produced in the U.P. plant is higher than that of natural rubber and it does not appear that the manufacturer will be in a position to make it available to the consumer at a lower price in the near future. The S.B.R. produced by Synthetic and Chemicals Ltd is being sold at about Rs. 4 a kilogram, whereas the minimum price, exclusive of cess, fixed for natural rubber produced in the country for Group 1 is only Rs. 3.23. This is previsely rubber goods manufacturers are reluctant to buy the indigenous synthetic rubber. The Government's attitude is said to be that the synthetic rubber industry is only in its infancy in India and deserves special assistance until it gets over its teething troubles.

The chairman of the Rubber Board, Mr. Habeeb Mohammed, told the recent meeting of the Board that the Agricultural Refinance Corporation has approved the Rubber Board's scheme for financial accommodation for the expansion of rubber cultivation in the country. The scheme visualises the provision of loans to individual planters at the rate of Rs. 1,600 an acre and to planting companies at the rate of Rs. 2,100 an acre. Loans will be given only to those who plant more than 15 acres, and will be given through scheduled banks. The Rubber Board has formulated another scheme in consultation with State land mortgage banks and State Governments for subsidising the major portion of the

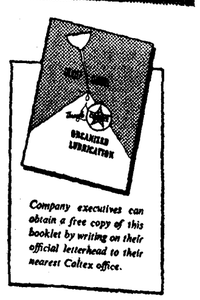


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interest payable to the land mortgage banks by borrowers.

CASHEW

Decrease in Supplies from Africa Likely

The cashew-processing industry in India received 154,524 tonnes of raw nuts from Africa in 1963-64, as against a local supply of just about 50,000 tonnes. African countries are now taking steps to establish processing industries there. An Italian firm has designed machinery capable of processing raw nuts up to the peeling stage. Plants are being erected in Portugal, Italy and Tanganyika. Once the new plants start production, the availability of raw nuts from Africa will be reduced considerably to the detriment of the processing industry in India.

This threat to the cashew-processing industry was discussed at length at the seminar organised recently under the auspices of the Indian Institute of Foreign Trade and the Cashew Export Promotion Council. The seminar felt that there is considerable scope for increasing the production of raw nuts in this country provided the plan targets are adhered to by the State Governments. During the seminar, it emerged that the machinery now entrusted with the task of achieving plan targets in regard to cashew requires to be strengthened. Cashew is not at present treated as a plantation crop for purposes of assessing land ceilings under land legislation. Unless it is accepted as a plantation crop for that purpose, it is felt that it will be difficult to persuade growers to take to cashew cultivation and thus increase the indigenous production of this valuable raw material.

Mr. M. K. K. Nayar, chairman of the Cashew Export Promotion Council, sounded a warning against the threat posed by the setting up of processing plants in other countries, while addressing the recent annual conference of the Council. In his opinion, the processing industry in India is going to face tough competition, and should prepare for it. "Wherever economies are possible, wherever standardisation in technology is advantageous, wherever the quality of the products can be improved, we should not hesitate in spending", he said. India should make it a point to produce the raw nuts necessary to feed her processing plants.

TEA

North Indian Output Increases

A Special Correspondent writes: The north Indian tea crop up to 30th September this year was reported at 441,223,796 lbs, compared with 397,644,191 lbs on the same date last year and 435,707,550 lbs in 1961.

The Tea Finance Committee, which is now investigating the financial conditions in the industry, is reported to have found that the planting side of the business requires assistance in two forms—relief from taxes and development funds from external sources. These views were reportedly expressed at a meeting held recently in Calcutta. Another meeting will be held in the first week of November. Meanwhile, details to support the above proposals will be worked out.

The general opinion is that the planting industry should be given some relief from Central and State taxes, or from both, so that producers are in a position to secure profits to plough them back into development. Further, additional finance should be arranged from the Agricultural Finance Corporation and/or banks on easy lending terms.

Under the fourth plan target, an additional 24,000 acres a year have to be planted. The estimated cost is given as Rs. 4,000 an acre, which would require Rs. 9.6 crores a year. This works out to Rs. 48 crores in five years. Of this sum, it is suggested that Rs. 25 crores, say, more than half, would have to be raised by loans.

In south India, it is reported, there is little scope for extensions. More intensive cultivation is recommended with greater use of fertilisers. These are moves in the right direction provided there are buyers for the larger supply.

As a matter of fact all the major producing countries are fast increasing production for export, but it is equally important that some sort of price stability is maintained. All indications point to the F.A.O. forecast of a surplus by 1965 proving correct. Then there remains the question of costs. At Rs. 4,000 an acre making a profit on extensions look problematical. If the charge of Rs. 4,000 is to be debited to revenue in future and a garden planting ten acres a year will incur an outlay of Rs. 2 lakhs on a five-year programme, that much less will be available for dividends.

A Tea Board release published recently draws attention to the upward trend of exports, but it adds, "On a financial year basis, tea exports as well as foreign exchange earnings from it recorded a fall in 1963-64 as compared to the previous year, the total value of exports being 209.3 million kilograms worth Rs. 123.2 crores, and 220.8 million kilograms worth Rs. 129.6 crores. It stated that the internal consumption of tea in India had risen steadily from 82.7 million kilograms in 1953-54 to 139.6 million kilograms in 1961-62: but in the 1964-65 season, according to annual reports by Calcutta tea booking firms there has been a drop in the home consumption.

With reference to prices this year, the Tea Board notes "that the average prices of tea sold particularly at Calcutta and London auctions during the current season showed a downward trend, but prices realised were not by and large unfair." Thanks to fortuitous circumstances such as less tea from south India and Ceylon, and the trouble in London docks which has restricted the supply offering for sale in the U.K., prices to-date are reasonably good.

It is reported that the West Bengal Government will halt further steps to acquire land from tea companies in this State, and will arrange for the return of land already taken over from tea interests where such land is suitable for tea planting. This assurance was given by Mr. P. C. Sen, Chief Minister, at a conference held in Calcutta recently for the formation of the State Export Advisory Board.

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COMPANY AND PUBLIC NOTICES

INDUSTRIAL DEVELOPMENT BANK OF INDIA

APPLICATIONS are invited for the following posts in the Industrial Development Bank of India:—

(A) *POSTS AND SCALES OF PAY:*

(i) Deputy Managers: Rs. 850-60-1150.

(ii) Officers Grade I: Rs. 430-430-55-815 EB 55-925-60-1045.

(iii) Officers Grade II: Rs. 375-20-535-25-560 EB 25-660-30-720.

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

In addition to pay, the selected candidates in all categories mentioned above will be eligible to draw local pay, house allowance, dearness allowance and other allowances at rates prescribed by the Bank from time to time. The present rates for local pay and other allowances are:

(i) Local pay at 10% of pay.

(ii) House rent allowance at 15% of pay with a minimum of Rs. 60/- and a maximum of Rs. 300/-.

(iii) Dearness allowance:

(a) *Deputy Managers:* Rs. 125/-, provided the pay plus dearness allowance does not exceed Rs. 1250/- per mensem.

(b) *Officers Grade I:* 20% of pay upto pay of Rs. 500/- and thereafter at 16⅔% with a maximum of Rs. 125/-, with marginal adjustments where necessary.

(c) *Officers Grade II:* 20% of pay with a maximum of Rs. 100/-.

(iv) an ad hoc allowance of 10% of pay with a maximum of Rs. 100/- per month payable upto 31-3-65.

(B) *QUALIFICATIONS:*

(i) *Deputy Managers and Officers Grade I:*

Applicants should have high academic qualifications—preferably a first class Master's degree or a Doctorate with proficiency in one or more of the following subjects—or should be members of the Institute of Chartered Accountants of India:

(a) Investment
(b) Banking
(c) Accountancy
(d) Cost Accounts
(e) Company Taxation
(f) Company Law and Management
(g) Corporate Finance
(h) Industrial Economics
(i) Techno-economic Surveys
(j) Statistics and Econometrics
(k) Marketing Economics
(l) Economic Planning

For posts of Deputy Manager preference will be given to applicants who have had practical experience and/or have done research work in the above fields and who have worked in banks or institutions financing industrial units or in industrial units in a responsible position for at least 5 years.

(ii) *Officers Grade II:*

Applicants should have a good academic record, preferably a first class Master's degree in Economics or Commerce or Statistics; weightage will be given to specialisation in subjects like Banking, Industrial Economics, Industrial Finance, Accountancy, Company taxation, Company Law and Management.

(C) *AGE LIMITS AS ON 1st NOVEMBER 1964:*

(i) *Deputy Managers:* Candidates should be between 30 and 40 years of age but the age limit may be relaxed in the case of candidates possessing exceptional qualifications.

(ii) *Officers Grade I:* Candidates should not ordinarily be over 35 years of age but the age limit may be relaxed in the case of candidates with exceptional qualifications.

(iii) *Officers Grade II:* Between 21 and 27 years. The maximum age limit is relaxable but not beyond 32 years in the case of:—

(a) candidates possessing special qualifications

(b) candidates belonging to the Scheduled Castes or Scheduled Tribes.

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

3. Applicants for the above posts must remit with their applications a fee of Rs. 7.50 for each post by cheque or bank draft on a scheduled Bank payable at Bombay or by Postal Order. *The application fee is in no case refundable.* In the case of candidates belonging to Scheduled Castes/Tribes, the fee will be Rs. 2/- for application for each post.

4. Applications in the candidate's own handwriting in the prescribed forms obtainable from the Industrial Development Bank's Office at Bombay, accompanied by copies (originals should not be sent) of certificates regarding age and educational qualifications, statements of marks secured in the graduate and post-graduate degree examinations and copies of two testimonials should be forwarded to the General Manager, Industrial Development Bank of India, Post Bag No. 10042, Reserve Bank Bldg., Mint Road, Fort, Bombay-1, so as to reach him on or before the 14th November 1964. Requests for supply of forms through post should be accompanied by a self-addressed and stamped envelope of size 9" × 4".

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

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

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

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

9. Candidates called for interview will be reimbursed single return railway/bus fares by the shortest route from their place of residence to Bombay, applicants for posts of Officers Grade II being paid II Class fares and those for higher posts, I Class fares.

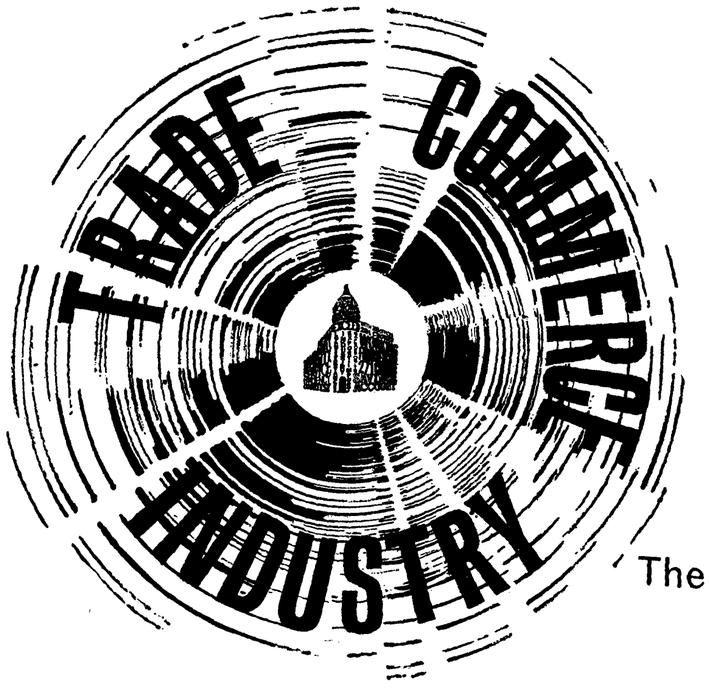
10. Canvassing in any form will be regarded as disqualification.

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F.C. COOPER: General Manager

BURN AND COMPANY LIMITED

NOTICE is hereby given that the Registers of Members and Share Transfer Books for 6% and 7% Preference shares in the Company will remain closed from the 31st October to the 10th November, 1964, both days inclusive for the purpose of payment of Preference Dividends for the half-year ending 31st October, 1964 on or after the 10th November, 1964, to those Preference Shareholders whose names appear on the Company's Registers of Members for 6% and 7% Preference Shares on the 10th November, 1964, or to their mandatees.

By Order of the Board.
MARTIN BURN LTD.,
F. G. LIVERSEDGE.
Managing Director,
Managing Agents.

Registered Office:
12, Mission Row,
Calcutta-1.
19th October, 1964.

THE CALCUTTA ELECTRIC SUPPLY CORPORATION LIMITED

(Incorporated in England)

NOTICE is hereby given that the Board of Directors of this Company have declared payment of an Interim Dividend on the Company's Preference Stock for the year ending 31st March, 1965 at the rate of £2-13-0.36/49d. per cent less Income Tax at 7s. 9d. in the pound equal to £1-12-6d. per cent. Payment will be made on 14th November, 1964 to those stockholders whose names are registered in the Company's Stock Register on 27th October, 1964.

Applications for transfers received in this Office before 12 O'clock noon on Tuesday, the 27th October, 1964, will, if otherwise satisfactory, be registered at that date for the purpose of participation in the above dividend.

By Order of the Board,
C. A. GUNTHER,
Acting Agent.

Victoria House,
Calcutta, the 10th October, 1964.

DALMIA CEMENT (BHARAT) LIMITED

REGISTERED OFFICE: DALMIAPURAM, (Madras State).

THE general meeting of the shareholders of the Company called to be held on 30-10-64 is cancelled and instead the general meeting of the shareholders of the Company will be held at Dalmiapuram, the Registered Office of the Company, on 20th November, 1964 at 11.00 a.m. Notices of the Meeting setting out the Agenda and Explanatory Statement on the special business to be transacted thereat have been sent to the shareholders by post.

By Order of the Board,
S. C. Aggarwal,
Secretary.

Dated: October 9, 1964.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
East Indian Coal Co. Ltd.	23-10-64	11-10 a.m.
Calcutta Electric Supply Corpn. Ltd.	23-10-64	..*
Bridge & Roof Co. (I) Ld. ..	29-10-64	12 noon
Dalmia Cement (Bharat) Ld. ..	30-10-64	11 a.m.
Megna Mills Co. Ld.	30-10-64	3 p.m.
India Jute Co. Ld. ..	30-10-64	4 p.m.

*Meeting will be held in U.K.

DIVIDENDS DECLARED OR PROPOSED.—East Indian Coal Co. Ltd.—Rs. 2 per share (o), subject to tax; Megna Mills Co. Ltd.—Rs. 1.20P per share (o), subject to tax; India Jute Co. Ltd.—Rs. 1.50P per share (o), subject to tax; Hasimara Industries Ltd.—15 p.c. (o), subject to tax.

HIDES AND SKINS

The market in skins continued firm and the prices showed an upward tendency. Stocks were higher than in the previous week.

Bazaar Sales

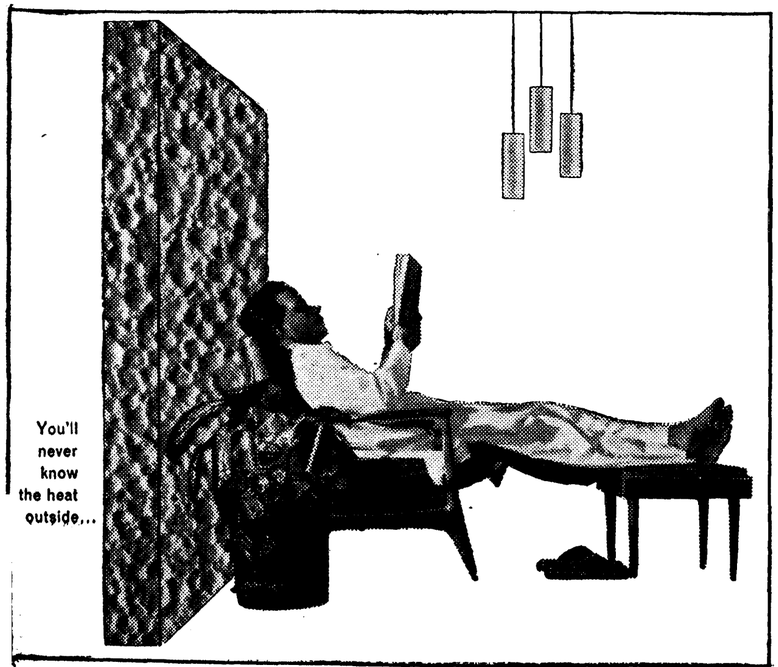
(Between 13th and 19th October 1964)

Cowhides: Wet salted (Ord) 9,500 pcs. on the basis of Rs. 7.50 to Rs. 9.62; Wet salted (Slaughtered) 31,000 pcs. on the basis of Rs. 10.50 to Rs. 16.50 and Rs. 19.50 to Rs. 28; Wet salted (Ord) 90 P a lb.

Goatskins: Wet salted (Patna, Daissee, Kustia) 80,300 pcs. on the basis of Rs. 380 to Rs. 400, Rs. 420 to Rs. 430 and Rs. 470 to Rs. 480; Wet salted (he-killed) on the basis of Rs. 5.25 and (she-killed) on the basis of Rs. 5 a piece; Assam 16,000 pcs. on the basis of Rs. 250 to Rs. 265; Purneah-Kissenganj 2,500 pcs. on the basis of Rs. 280 to Rs. 285.

COMPARATIVE STATEMENT OF TEA CROP & SALES FOR THE NINE MONTHS ENDED 30TH SEPTEMBER, 1964.

	Production Kgs.		Sales Kgs.		Average price per Kg.	
	1964	1963	1964	1963	1964	1963
Dhunseri Tea Co. Ltd.						
Dhunseri T.E.	275087	263666	164570	128517	6.70	5.91
Dhendai T.E.	161123	150672	83987	77870	6.63	6.42
Naga Hills Tea Co. Ltd.						
Dilli T.E.	247061	217320	143795	87441	6.81	7.01
Coorg Tea Co. Ltd.						
Glenlorna T.E.	89617	92676	60577	69591	5.20	4.28
Chandramalai Estates Ltd.						
Chandramalai T.E.	42166	32585	26018	26130	4.31	4.28



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THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

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Figures given after stroke (/) mean paise.

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Friday, 9th October, 1964.

BANKS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 9-10-64	7-10-64	A year ago
				Rs	Rs.	Rs.	Rs.
Allahabad Bank P.	18	15	15	100	249/00	249/00	258/00
Bank of Baroda	17	16	16	50	99/00	98/50	88/50
Bank of India	20	20	18	50	101/00	102/00	105/00
Central Bank of India	20	20	20	25	52/30	52/50	54/30
Chartered Bank	15	15	15	£1	sh. 47/3	sh. 49/-	sh. 64/-
Hindusthan Commercial	Nil	Nil	..	50	10/25	10/25	13/50
Hindusthan Mercantile	Nil	Nil	..	50	10/75	10/75	15/62
Hong Kong & Shanghai	sh. 15	sh. 16	sh. 16	HK$25	£22½	£22½	£18¾
India Bank	15	14	..	100	156/00	151/00	156/10

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 9-10-64	7-10-64	A year ago
				Rs.	Rs.	Rs.	Rs.
Indian Overseas Bank	14	12	14	100	149/00	149/50	147/00
National & Grindlays Bank	14	16	14	sh. 15	sh. 30/4½	sh. 31/9	sh. 33/-
Punjab National Bank	20	20	20	10	20/00	20/00	19/12
Union Bank of India	11 2/5	11 2/5	11 2/5	5	6/52	6/60	5/88
United Bank of India	6	6	7½	10	8/12	8/12	7/31
United Commercial Bank	12	12	12	50	73/25	73/25	68/50

JUTE MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 9-10-64	7-10-64	A year ago
				Rs.	Rs.	Rs.	Rs.
Agarpara P.	2½	2½	12-10*	10	9/56	9/56	10/56
Alexandra P.	15	42½	..	100	245/00	245/00	300/00
Alliance P	Nil	10	12½	100	106/00	106/00	159/00
Anglo-India P.	7½	10	12	100	190/00	190/00	236/00
Auckland P.	12	Nil	15	100	132/00	132/00	142/00
Bally P	25	25	25-20*	100	239/00	239/00	262/00
Barnagore P.	10	10	40	£5	230/00	230/00	200/00
Bengal P.	5	5	..	10	7/00	7/00	9/37
Birla P	15	15	15	10	35/31	35/44	32/69
Budge Budge P.	Nil	12	20	100	128/00	129/00	155/00
Calcutta P	Nil	Nil	..	10	8/12	8/12	8/12
Caledonian P.	5	15	..	100	132/00	132/00	190/00
Champdany P.	5	Nil	40-35*	10	21/81	21/75	24/00
Cheviot P	5	25	..	10	20/62	20/62	23/00
Chitvalsah P.	Nil	..	Nil	10	8/00	8/00	10/87
Clive P	Nil	Nil	..	10	8/00	8/00	9/37
Dalhousie P.	1	Nil	25	100	120/00	120/00	147/00
Delta P	Nil	12	16	100	141/00	141/00	168/00
Empire P.	7½	12½	15	10	13/81	13/81	17/75
Fort Gloster P.	10	12½	20	100	267/00	267/00	372/00
Fort William P.	22½	10	20	10	22/25	22/25	26/19
Ganges P	10	15	20-20*	10	13/12	13/12	16/25
General Industrial	10	13	14	10	15/00	15/00	15/31
Gourepore P.	25	20	20-20*	10	21/81	21/81	25/25
Hastings P.	6	6	6	100	128/00	128/00	128/00
Hooghly P.	20	7½	10	10	14/44	14/44	16/00
Howrah P.	10	Nil	10-12½*	10	16/00	16/00	19/19

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 9-10-64	7-10-64	A year ago
				Rs.	Rs.	Rs.	Rs.
Hukumchand P.	28½	26½	26½	7½	17/50	19/50	18/69
India	12	8	18	12½	15/12	15/44	18/00
Kamarhatty P.	Nil	20	20	100	155/00	155/00	196/00
Kanknarrah P.	Nil	15	15	100	129/00	126/00	136/00
Kelvin P.	15	5	20	100	143/00	143/00	195/00
Khardah P.	5	12½	12½	10	17/75	17/75	19/37
Kinnison P.	7	Nil	10	100	113/00	122/00	143/00
Lansdowne P.	Nil	Nil	Nil	100	111/00	111/00	97/00
Lawrence P.	15	10	10	100	109/00	109/00	112/50
Megna P.	12½	Nil	22	10	12/19	12/19	13/87
Naihati P.	Nil	Nil	..	100	85/00	85/00	93/00
Naskarpara	2½	5	..	10	5/50	5/50	8/00
National P.	Nil	10	10	10	19/50	19/50	23/87
Nellimaria P.	6	15	5	10	8/81	8/81	12/31
New Central P.	15	Nil	..	10	10/56	10/69	13/94
Northbrook P.	30	20	35	10	25/50	25/50	30/62
Nuddea	6	5	10-10*	10	16/60	16/60	..
Presidency	6	10	10	5	4/37	4/37	5/69
Rameshwara P.	Nil	Nil	Nil-Nil*	10	7/75	7/75	9/20
Reliance P	Nil	Nil	Nil	10	7/12	7/12	9/87
Samnugger P.	Nil	10	13	£1	10/50	10/50	10/50
Shree Ambica P.	6	Nil	..	10	30/00	30/00	35/00
Soorah P	25	25	..	10	19/19	19/19	23/37
Titaghur P.	Nil	13	10	£1	10/50	10/50	10/50
Union P	6	Nil	20	100	143/00	143/00	166/00
Victoria P.	Nil	10	10	£1	10/50	10/50	10/50
Waverley P.	30	60	30	1	8/44	8/44	8/00

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COAL COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 9-10-64	7-10-64	A year ago
				Rs.	Rs.	Rs.	Rs.
Amalgamated	12½	15	12½	10	20/19	20/19	26/12
Bengal P	21	19	16	100	244/00	255/00	268/50
Bengal Bhatdee	8	10	..	10	3/48	3/48	3/48
Bengal Nagpur	26	7	..	10	22/00	22/00	22/00
Bhalgora	Nil	..	..	10	4/25	4/25	4/75
Bharat Collieries P.	Nil	Nil	..	10	2/65	2/65	3/47
Bhulanbararee	Nil	Nil	..	10	10/00	10/00	11/94
Bokaro & Rampur	..	..	..	10	11/19	11/19	11/19
Borrea P	15	15	15	10	20/25	20/25	22/12
Burrakur P.	13	13	13	10	17/06	17/06	17/57
Central India	10	10	9	10	8/56	8/56	9/66
Central Kurkend P.	..	Nil	..	10	3/44	3/44	3/87
Churulia	..	..	..	4	3/06	3/06	3/06
Dhemo Main	Nil	..	..	10	3/95	3/95	4/50
East Indian	15	20⅝	20⅝	£1	28/25	28/25	30/12
Equitable P	10	10	10	10	21/50	21/50	23/50
Ghusick & Muslia	Nil	Nil	Nil	10	13/87	13/87	14/25
Guzdar Kajora	..	..	..	10	2/47	2/47	2/44
Hurriladih	Nil	..	..	10	5/44	5/44	8/12
Karanpura Development	5 / 15	3 / 9	3 / 9	100 / 10F	9/00	9/00	10/31
Karanpura Collieries P.	10	10	10	10	13/50	13/44	16/00
Katras Jherriah	40	25	30-30*	10	28/37	28/37	34/12
Khas Kajora P.	10 2/5	..	..	10	13/25	13/25	17/62

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 9-10-64	7-10-64	A year ago
				Rs.	Rs.	Rs.	Rs.
Mundulpur	..	..	..	10	2/69	4/69	2/69
Nazira	Nil	Nil	..	10	4/69	4/69	5/00
New Beerbhoom P.	10	12	10	10	16/50	16/50	19/25
New Manbhoom	9	12	12	10	10/00	10/00	15/25
North West	20	11	..	10	19/75	19/75	19/75
				7½	18/00	18/00	18/00
Ondal P.	7½	7½	5	10	13/50	13/50	13/50
Parasea P.	1½	..	..	10	14/00	14/00	12/62
Peneh Valley	10	10	12½	10	17/44	17/44	17/12
Pure Sitalpur	..	..	..	10	8/00	9/00	8/00
Raneegunge	17	17	17	10	13/00	13/00	15/75
Rewa	20	10	15	10	21/87	21/87	28/50
Samla							
Searsole	10	7½	..	10	7/81	7/81	10/00
Seebpore P.	Nil	Nil	..	2½	0/81	0/81	1/22
Sendra	42 6/7	35 5/7	28 4/7	7	34/75	34/75	34/75
South Karanpura	3½	2½	..	10	3/87	3/87	5/00
Standard	Nil	Nil	2½	10	6/35	6/35	8/56
Union	10	10	..	10	9/62	9/62	13/12
Western Bengal	Nil	5	..	10	10/25	10/25	10/87
West Jamuria	7½	9	9	10	8/62	9/44	8/75
	Nil	Nil	..	10	3/60	3/60	4/88

COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 9-10-64 Rs.	7-10-64 Rs.	A year ago Rs.
Basanti	..	..	..	10	8/50	8/50	11/25
Bengal Luxmi	..	..	..	40	30/00	30/00	30/00
Bengal Nagpur P.	Nil	..	..	10	2/44	2/44	3/06
Bharat Commerce	5	15	15	10	19/75	20/37	23/44
Birla Cotton	10	20	20	10	27/00	27/00	33/00
Bowreah P.	10	20	15	10	24/25	24/75	24/25
Cawnpore Textile	7 1/5	10	10	5	6/56	6/56	7/31
Delhi Cloth & Genl. P.	12	13	13-13*	25	51/31	52/94	47/25
Dunbar	20	20	15	10	27/19	27/19	28/62
Elgin P.	11½	17½	17½-17½*	10	19/50	19/75	22/12
J. K. Cotton (Rayon) P.	12½	..	..	10	10/62	10/62	13/31
Jaya Shree	10	10	..	10	13/50	13/50	16/56
Muir P	..	..	..	100	60/50	60/50	74/50
New Victoria P.	Nil	..	..	2½	1/28	1/28	1/53
Orissa Textiles P.	Nil	Nil	..	10	7/00	7/00	9/00
Rampooria Cotton	3	Nil	..	10	14/12	14/12	13/00
Swadeshi (Kanpur) P.	Nil	Nil	Nil	1	4/12	4/12	2/00
	5	..	..	10O	11/00	11/00	11/62
	5.51	..	..	10PO	6/37	6/37	6/87

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BOMBAY COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 20-10-64 Rs.	6-10-64 Rs.	A year ago Rs.
Ahmedabad Advance P.	16	12	..	100	145/50	144/00	145/00
Apollo	Nil	Nil	..	2	1/74	1/76	1/98
Beharilal Ramcharan	Nil	Nil	..	100	145/00	145/00	88/00
Bombay Dyeing, etc.	14	14	14	25	58/00	60/20	62/80
Bradbury P.	10	25	..	50	162/50	162/50	155/00
Century	30	30	..	100	619/00	615/00	604/00
Central India P.	Nil	Nil	Nil-Nil*	100	105/00	104/00	125/00
Coorla	11	11	..	100	173/00	173/00	146/25
Dawn	30	30	..	50	147/00	161/00	161/00
Edward Textiles	9	9	6	200	320/00	310/00	285/00
Elphinstone P.	18	22	18—18*	50	95/00	97/00	102/00
Finlay	23	23	..	100	305/00	305/00	335/00
Gokak	14	18	..	100	176/00	178/50	177/00
Hindoostan	50	50	..	250	940/00	940/00	950/00
India United	8	14	..	10	19/44	19/32	23/00
	13½	37½	..	1Dd	2/36	2/34	2/80
Indian	23 1/5	25	..	250	900/00	900/00	761/25
Indore Malwa United	8½	10	7½	100	211/00	210/00	200/00
Khatau Makanji P.	32	16	..	100	178/75	176/25	220/00
Kohinoor	15	18	18-21*	100	318/50	323/00	323/00
Lakshmi Vishnu P.	5.7	6	Nil-3*	100	83/00	83/00	93/50
Morarjee Goculdas P.	21½	24	24-20*	100	250/00	260/00	393/00
Mysore Spg. & Mfg. P.	14	14	..	50	36/00	35/50	55/00
New City of Bombay	Nil	Nil	..	100	150/00	150/00	155/50
New Great Eastern P.	Nil	12	..	100	160/00	160/00	191/50
Phoenix	15	20	..	100	230/00	233/00	254/00
Sassoon & Alliance	Nil	Nil	..	10	10/36	10/36	10/92
Sassoon Spinning	17	20	10-20*	10	37/75	37/75	45/00
Simplex	15	Nil	22-16*	50	125/50	125/50	125/50
Shree Niwas P.	18	20	14-8*	100	249/00	251/00	242/00
Svadeshi P.	17	19	17	100	263/50	263/00	254/50
Swan	36	21 3/5	..	100	275/00	275/00	275/00
Tata	20	22	20	25	49/50	50/00	58/50
Western India	46 2/5	25	..	250	850/00	850/00	785/00

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BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 20-10-64 Rs.	6-10-64 Rs.	A year ago Rs.
CEMENT ENGINEERING & METAL							
Associated Cement	12½	12	12	100	164/00	162/00	155/25
ELECTRIC LTG., POWER							
Ahmedabad Electricity	7	6	..	100	105/00	107/00	94/00
Andhra Valley Power P.	5½	5	5	1,000	1,245/00	1,270/00	1,032/50
Bombay Subarban Elec.	8	8½	8½	100	116/50	116/50	98/50
Tata Hydro Elec. Power P.	5½	5	5	100	128/00	132/00	107/00
Tata Power P.	5½	5	5	1,000	1,281/25	1,327/50	1,083/75
Alcock Ashdown	17	22½	19	100	290/00	294/00	320/00
Jost's Engineering	8	10	10—Nil*	50	47/00	47/00	60/00
Larsen & Toubro P.	12½	18	14—14*	10	21/60	21/68	25/85
Mackenzies	10	12	14	100	137/50	137/50	141/00
Premier Construction P.	43 1/3	33 1/3	30	30O	190/50	188/00	155/50
				3½F			
Tata Eng. & Locomotive P.	12½	14½	14½-14½*	100	264/00	266/75	290/00
Tata Iron & Steel P.	9.1	10.36	10.36-11*	75O	147/75	148/00	146/00
INSURANCE COMPANIES							
British India General	..	15	..	10	13/60	13/60	12/12
Jupiter General P.	..	4	..	15	7/00	7/00	9/20
New India	38	38	..	15	45/25	44/75	51/50
Vulcan	20	20	..	10	16/12	16/12	16/60
MISCELLANEOUS							
Belapur Sugar	38	50	..	50	225/00	225/50	206/50
Bombay Burmah Trading	30	33	33-33 1/5*	25	56/30	56/70	65/00
				20	42/00	42/75	50/00
Hindustan Lever	26	26	12—14*	10	29/75	30/75	41/50
Industrial Invt Trust	6½	6½	..	100	76/70	76/70	75/50
Kemp (Chemists)	12½	12½	..	200	253/75	263/75	275/00
National Rayon	22	..	..	100	368/00	358/00	383/50
Scindia Steam Navign.	3	3	3	20	16/08	15/96	12/28
Shivrajpur Synd.	80	Nil	Nil	10	16/00	17/00	23/00
Tata Chemicals P.	6	6½	6½—10*	10	19/44	19/40	17/80
Tata Oil P.	23	23	23—22*	25	48/50	50/70	66/50
Voltas	13	14	14—14*	100	265/50	267/50	272/50
Western India Match	16	16	16	100	236/00	243/50	257/00

* 1963

TEA COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 9-10-64 Rs.	7-10-64 Rs.	A year ago Rs.
ASSAM GARDENS							
Amluckie	Nil	10	7½	10	16/00	16/00	16/50
Anandabag P.	30	32½	20	10	33/25	33/25	33/25
Baghmari	Nil	15	7½	10	11/00	11/00	17/25
Barduar Tea	..	..	..	5	6/50	6/50	6/50
Basmatia	35	25	20	10	18/06	18/06	27/25
Bateli	30	30	..	5	17/06	17/06	17/50
Betjan	40	45	30	10	29/00	29/00	29/12
Bishnauth	13	13	20	10	14/37	14/37	19/94
Bokakhat	Nil	12	13	10	13/12	13/12	13/70
Bormah Jan P.	15	15	15	10	10/06	10/06	13/12
Bor Pukhuri	Nil	Nil	10	10	10/44	10/44	11/00
Brooke Bond P.	15	10	7½—7½‡	10	10/25	10/25	12/37
Dejoo Valley	15	20	30	10	40/00	40/00	60/00
Dessai & Purbuttia	Nil	10	15	100	170/00	170/00	200/00
Dhelakhat	12½	10	..	10	20/37	20/37	19/37
Dhunseri P.	20	15	10	10	10/00	10/00	11/75
Dibrugarh	40	40	30	10	27/50	27/50	32/50
Dimukusi P.	25	20	25	10	22/87	22/87	22/62
Dufflaghur	25	25	30	10	23/50	23/50	28/00
East India	Nil	Nil	10	10	10/19	10/19	16/12
Gohpur	Nil	5	20	10	13/06	13/06	16/25

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TEA COMPANIES—Contd.

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 9-10-64 Rs.	7-10-64 Rs.	A year ago Rs.
Grob	6	6	6	5	6/37	6/12	8/12
Hoograjuli (Assam)	20	20	17	10	27/62	27/62	27/12
Hoolungooree	10	7½	20	100	168/00	168/00	173/00
Jutlibari	30	30	20	10	27/87	27/87	31/50
Kingsley Golaghat P.	35	35	..	100	125/00	125/00	125/00
Kotamullai P.	Nil	Nil	Nil	5	9/81	9/75	10/31
Krishnabehari	15	8	10	10	11/30	11/30	11/70
Kyang Tea	Nil	..	..	10	8/06	8/06	8/06
Ledo	Nil	Nil	Nil	10	11/06	11/06	13/75
Maud Tea & Seed	10	7½	7½	10	12/00	12/00	14/81
Methoni	5	14	20	10	13/25	13/25	18/40
Moheema	Nil	Nil	..	10	11/50	11/50	11/50
Mothola	30	30	35	100	425/00	425/00	507/00
	5	15	25	10	26/50	26/50	26/50
Murphulani (Assam)	10.63	20.63	30.63	10	26/87	26/87	26/87
Naga Hills	10	10	10	10	21/25	21/25	22/25
Namburnadi	12	12	..	10	12/87	12/87	12/87
New Cinnatolliah	Nil	Nil	Nil	100	455/00	455/00	302/00
Rajgarh	40	13½	17½	10	18/56	18/56	19/00
Sapoi	22½	20	10	10	19/50	19/50	17/75
Seajull	22½	15	30	10	21/06	21/06	21/12
Teloijan	25	25	25	10	21/87	21/87	21/37
Tengpani	30	30	22½	10	36/50	36/50	35/00
Tezpore P.	20	12½	..	10	12/44	12/69	14/94
Tongani	Nil	Nil	..	10	5/00	5/00	5/31
Tyroon	10	15	25	10	24/75	24/75	30/37
CACHAR							
Arcuttipore	Nil	5	6	10	7/00	7/00	7/00
Baitakhal	2½	2½	..	10	6/00	6/00	8/06
Central Cachar	5	7½	6	100	73/00	73/00	85/00
Eastern Cachar	Nil	Nil	..	10	5/06	5/06	4/50
Kallinugger Khoreel	6	2	..	100	84/00	84/00	87/00
Hattikhira	Nil	8	Nil	10	6/50	6/50	8/75
Kunchanpore	Nil	Nil	..	10	6/00	6/00	6/00
Loobah	Nil	Nil	Nil	10	4/69	4/69	4/62
North Western	30	20	10	100	140/00	140/00	270/00
Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50
Roopacherra	Nil	10	Nil	10	9/94	9/94	9/62
Rungamattee	5	5	5	50	47/00	49/25	51/50
Sonai River	Nil	Nil	..	10	5/06	5/06	5/05
DARJEELING							
Bloomfield	Nil	..	..	10	3/25	3/25	3/12
Chamong	Nil	10	10	10	8/87	8/87	9/00
Darjeeling Tea & Chin.	30	30	30	100	197/00	197/00	197/00
Dilaram	6	4	..	100	102/50	102/50	102/50
Gielle	Nil	..	8 4/7-15*	10	18/12	18/12	11/69
Lingia P.	15	10	17½	10	13/37	13/37	14/00
Longview	12½	10	..	10	8/25	8/25	11/00
Margaret's Hope	15	15	15	10	11/81	11/81	12/25
Mim	22½	27½	27½	100	430/00	430/00	191/50
Nagri Farm	30	25	35	10	28/31	28/31	30/75
Okayti	25	25	25	100	600/00	600/00	600/00
Pashok	10	Nil	..	10	20/00	20/00	20/00
Poobong	Nil	Nil	5	10	10/50	10/50	7/50
Pussimbing P.	Nil	Nil	Nil	10	7/69	7/69	7/12
Rungiee Rungliot	35	20	7½	100	290/00	290/00	386/00
Seeyok	15	Nil	..	10	8/50	8/50	8/50
Singell	Nil	Nil	Nil	100	36/75	36/75	36/75
Singtom	2	Nil	2	10	3/25	3/25	3/50
Soom	50	40	40	10	39/00	39/00	34/00
Sungma	15	15	20	10	12/06	12/06	14/44
Teesta Valley	Nil	..	8 4/7-10*	10	12/81	12/81	13/12
Tukvar	Nil	Nil	..	10	3/44	3/50	7/00
DOOARS							
Banarhat P.	22½	21	21	100	161/00	161/00	241/00
Baradighi	30	25	25	10	21/12	21/12	24/12
Bhatkawa	15	15	20	10	16/00	16/00	17/06
Birpara P.	17½	12½	17½	100	142/00	142/00	162/00
Carron	20	5	7½	100	124/00	124/00	151/00
Choonabhuti P.	32½	20	20	100	176/00	176/00	210/00
Ellenbarrie	5	5	10	100	300/00	300/00	184/00
Engo	60	30	40	100	136/00	136/00	136/00
Ethelbari	5	5	7½	10	11/87	11/87	11/50
Gairkhata	25	20	11	10	16/12	16/12	21/50
Gopalpur	12	2	10	25	19/50	19/50	20/00
Hantapara P.	15	5	10	100	97/00	97/00	114/00
Hasimara P.	17	..	18—15*	10	13/19	13/31	14/12
Huldibari	22½	..	19 2/7-11*	10	11/44	11/44	13/50
Jaybirpara	10	Nil	Nil	10	8/50	8/50	12/00
Killcott	25	15	15	10	14/44	14/44	16/06
Manabarrie	10	6	10	10	59/50	59/50	59/50
Nagaisuree	25	15	15	100	141/00	141/00	140/00
New Dooars P.	35	20	14½	100	166/00	166/00	230/00
Oodlabari	12½	7½	..	100	14/00	14/00	14/00
Phaskowa	Nil	Nil	Nil	100	121/00	121/00	129/00
Rajabhat	Nil	Nil	6	10	10/19	10/19	12/12
Ranicherra	15	15	7½	10	12/00	12/00	13/37
Rydak	25	20	25	10	23/37	23/37	26/37
Sarugaon	40	40	40	10	37/00	37/00	36/31
TERAI							
Atal	5	..	..	10	5/37	5/37	6/75
Beigachi	20	20	..	10	23/12	23/12	22/50
Gungaram	20	12½	12½	100	129/00	129/00	131/00
New Chumta	15	..	12 6/7-20*	10	20/37	20/37	24/62
New Terai	22½	10	15	10	20/50	20/50	23/00
Pahargoomiah	20	20	2½	10	9/87	9/87	14/25
Putinbaree	14	14	..	10	55/00	55/00	45/00
Tirrihannah P.	60	60	60	10	49/00	49/00	49/00
CHITTAGONG							
Kodala	Nil	Nil	..	10	9/25	9/25	9/25
Kornafuli	Nil	Nil	..	10	11/25	11/25	9/31
Oodaleah	Nil	Nil	..	10	8/00	8/00	8/00
SYLHET							
Chundeecherra	Nil	Nil	Nil	10	29/75	29/75	26/00
Dauracherra	22½	22½	20	10	14/50	14/50	11/75
New Samanbagh P.	25	Nil	Nil	10	20/25	20/25	18/37
Patrakola	32½	40	15	100	186/00	186/00	130/00
Rajnagar	Nil	Nil	Nil	10	9/56	9/56	9/50
Teliapara	22½	22½	10	100	202/00	202/00	110/00

‡ Hectares

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MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 9-10-64 Rs.	7-10-64 Rs.	A year ago Rs.
MININGS							
Burma Mines	2 3/5	Nil	Nil	3½S	0/44	0/44	0/44
Chrestien Mica Industries P.	15	12½	..	10O	9/09	9/06	10/40
	25	20	..	5Dd	6/53	6/53	6/87
Indian Copper Corporation	27	27	..	2s	3/35	3/36	5/52
Metal Corporation P	Nil	..	..	10O	6/31	6/25	8/31
Orissa Mineral Development	36	28	20	10	19/69	19/69	27/69
CEMENT, LIME, SLATE, ETC.							
Ashoka Cement	7	7	7—7*	10	6/69	6/69	7/06
Assam Bengal Cement	..	..	..	10O	4/87	4/87	4/81
				1Dd	0/59	0/59	0/59
Bengal Potteries	15	..	..	2½	4/27	4/27	5/37
Bisra Stone Lime	30	30	10	..	17/62	17/62	23/50
Dalmia Cement (Bharat) P.	12	12	12	10O	12/91	13/19	12/87
				1Dd	3/06	3/06	2/81
Jaipur Udyog P.	6	8	8.36	10	10/69	10/75	12/31
Kumardhubi Fireclay & Silica P.	18	18	18	10	18/45	18/45	18/45
Orissa Cement P.	15	15	10	10	11/31	11/31	15/37
Reliance Firebricks & Pottery	22	15	10	10	22/75	22/75	22/75
Sone Valley Portland Cement	4	6	8	10	4/00	4/00	4/62
Sutna Stone & Lime	27½	30	35	10	27/00	27/00	28/31
CHEMICAL INDUSTRIES							
Alkali & Chemical Corpn. of (1)	12	15	15—15*	10	29/50	28/94	34/50
Bathgate & Co Ltd P	Nil	Nil	..	5	0/84	0/84	0/84
Bengal Chemical & Pharm. P.	7	10	..	100	102/00	103/00	98/00
Calcutta Chemical P.	18	18	18	10	17/25	17/25	17/87
Frank Ross P	..	..	..	6	3/19	3/19	2/19
Smith Stanistreet P.	25	25	25-22½*	5	13/69	13/69	12/31
ELECTRIC LIGHTING, POWERS							
Agra Electric Supply	11	11	11	100	125/00	125/00	118/00
Bareilly Electric Supply	11	11	11	10	11/44	11/44	12/37
Bhagalpur Electric Supply	11	11	11	10	12/87	12/87	11/62
Calcutta Electric Supply	8	10	8	8	6/56	6/56	6/56
Cuttack Electric Supply	7	7½	7½	£1	15/50	15/56	14/87
Dishergarh Power Supply P.	7½	10	10	10	15/00	15/00	11/87
Jhanshi Electric Supply	10	10	10	100	86/00	86/00	88/00
Jubbulpore Electric Supply	..	..	..	10	5/90	5/90	5/90
Mirzapur Electric Supply	10	10	10	10	11/62	11/62	11/25
Muzafferpore Electric Supply	..	..	..	..	7/50	7/50	12/00
Muttra Electric Supply	12½	12½	12½	10	17/75	17/75	11/50
Patna Electric Supply	..	..	..	10	11/06	11/06	11/06
Shahjahanpur Electric P.	10	10	10	10	10/37	10/37	10/00
Sitsu (Jharkah) Electric	6½	6½	6½	10	6/62	6/62	7/50
United Provinces Electric	10	9	9	10	9/62	9/62	8/50
Upper Jumna Valley Electric	13½	13½	13½	11	25/32	25/37	14/37

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MISCELLANEOUS COMPANIES—Contd.

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 9-10-64	7-10-64	A year ago
				Rs.	Rs.	Rs.	Rs.
ENGINEERING & METAL							
Arthur Butler (Muzafferpore) P.	Nil	10	..	10	15/00	15/00	14/94
Bhartia Electric Steel	10	12½	15	10	15/00	15/00	14/31
Braithwaite India P.	25	14	20	10	32/50	32/50	34/25
Bridge & Roof	30	30	..	10	52/25	52/25	52/25
Britannia Building & Iron P.	Nil	Nil	..	10	3/62	3/62	3/25
Britannia Engineering P.	10	10	..	10	10/06	10/19	10/31
British India Electric Cons.	20	15	..	10	29/12	29/12	31/00
Burn P (Engineering)	28½	28½	25	100	278/00	278/00	590/00
Calcutta Steel	15	15	12½-15*	10	13/94	13/94	13/87
Dalmia Iron	10	10	10	10	11/25	11/25	11/00
Guest, Keen, Williams	14	14	12	10	23/56	23/56	37/62
Hooghly Docking	Nil	12½	..	50	80/00	80/00	86/00
Indian Iron & Steel P.	16	16	16	10	25/12	25/14	24/30
Indian Malleable Casting	..	..	..	50	5/19	4/56	6/00
				10d	2/81	2/81	2/06
Indian Standard Wagon P.	28½	28½	20-20*	10	36/94	36/94	35/50
Indian Steel & Wire Products	24	23	18	100	31/75	31/75	36/25
Industrial Containers	10	10	..	10	25/62	25/62	21/37
Jay Engineering	17 3/20	15	10	10	18/00	18/25	20/87
J. K. Steel P	20	10	30	10	18/00	18/00	16/31
Jessop & Co. P.	8.58	8.58	10	10	26/31	24/19	26/75
Kumardhubi Engineering P.	11½	15	Nil-16⅔	3	5/62	5/59	9/37
Marshall Sons (India)	Nil	Nil	..	2	3/47	3/47	2/66
National Iron and Steel	Nil	Nil	..	10	6/19	6/19	6/00
Saran Engineering	10	12½	10	4	8/69	8/69	8/78
Steel Containers	20	20	..	10	24/31	24/31	29/50
Textile Machinery	10	..	17½	10	26/15	26/10	26/25
SUGAR BREWERIES, ETC.							
Balrampur Sugar	8	4	Nil	2½	1/56	1/56	1/81
Belsund Sugar	10	6 2/3	3 1/3	7½	8/81	8/87	8/75
Bharat Sugar P.	15	15	15	10	14/50	14/50	13/00
Carew (Sugar) P.	Nil	Nil	Nil	10	12/50	12/50	11/06
Cawnpore Sugar P.	Nil	Nil	Nil	10	9/87	9/87	9/75
Champaran Sugar	12	Nil	Nil	10	11/44	11/44	13/81
Durbhanga	Nil	5	..	10	8/37	8/37	8/69
New Savan Sugar and Gur	..	..	..	10	3/19	2/94	4/50
Purtabpur Sugar P.	..	..	..	10	9/12	9/12	11/50
Ramnugger Cane & Sugar P.	35	30	15	10	24/25	24/25	28/50
Raza Buland	10	10	10	10	10/06	10/06	10/19
Ryam Sugar P.	..	..	..	10	4/12	4/12	3/56
Samastipur Central Sugar	..	..	..	10	3/75	3/75	5/94
Shree Krishna Gyanoday Sugar P.	..	..	..	10	8/56	8/56	7/81
Shree Sitaram Sugar	..	..	..	10	7/28	7/28	7/12
Sitalpore Sugar	Nil	Nil	Nil	10	3/69	3/69	3/94
United Provinces	5	Nil	..	10	12/00	12/00	9/00
Upper Ganges Sugar P.	72½	72½	..	10	60/25	60/25	85/00
MISCELLANEOUS							
A. Firpo (Restaurateur)	10½	5	..	10	5/90	5/90	5/90
Aluminium Corporation P.	12	12	5	10	11/44	12/00	17/00
Anderson Wright Ltd. P.	Nil	6	..	10	11/50	11/50	11/50
Angelo Bros.	28½	28	28	10	25/00	25/00	24/37
Assam Match	20	20	20	10	25/25	25/25	28/75
Assam Saw Mills & Timber	Nil	3	..	3	2/44	2/44	2/69
Associated Battery	15	15	15	10	24/50	24/50	26/00
Associated Hotels of India P.	10	10	15	10	10/37	10/37	10/31
Balmer Lawrie & Co.	25	25	22½	100	236/00	236/00	251/50
Bararee Coke	Nil	15	15	10	20/75	20/75	21/37
Birds Investments P.	10	10	..	10	8/81	8/81	10/50
Britannia Biscuit P.	30	25	21	10	36/62	36/62	42/25
British India Corporation P.	7	9	15	5	11/12	11/12	8/75
British Paints	15	10	15	10	24/75	24/75	20/94
Calcutta Silk Manufacturing P.	Nil	..	..	10	6/94	6/94	6/94
Clive Row Investment	7½	7½	8	10	9/00	9/00	8/75
Duncan Brothers & Co. Ltd. P.	14	14	12	100	137/00	137/00	140/00
Dunlop Rubber Co (India) P.	20	15	17½	10	32/69	32/12	37/37
Dyer Meakin (Breweries)	30	..	..	5	26/12	26/12	29/25
Eastern Investments Ltd. P.	14	12	10	100	102/00	102/00	119/50
Electric Construction	10	10	10	10	13/75	13/75	14/06
French Motor Car	20	..	..	20	31/75	31/75	35/12
Ganges Rope	20	20	20	100	252/00	252/00	236/00
General Investments Trust P.	5	5	5	75	43/00	43/00	43/00
Gillanders Arbuthnot & Co Ltd. P.	11	11	11	10	13/25	13/31	14/12
Gladstone Lyall & Co. Ltd. P.	..	..	..	10			
Godfrey Phillips (India) Ltd. P.	40	30	..	10	22/00	22/00	28/12
Great Eastern Hotel	6	..	..	250	260/00	260/00	250/00
Hindustan Aluminium P.	Nil	Nil	Nil	10	13/31	13/31	13/81
Hindustan Motors P.	12	12½	11½	10	16/69	16/78	18/12
Hindusthan Pilkington	12	Nil	Nil	10	14/37	14/37	16/56
Hindusthan Pwyfords P.	Nil	Nil	Nil	10	15/00	15/94	14/84
Hare Miller & Co. Ltd.	6	..	..	10	5/00	5/00	5/32
Imperial Tobacco	9	9	8	10	8/25	8/37	10/50
Indian Aluminium Co. Ltd. P.	15	17½	17½	10	31/81	31/75	38/62
Indian Cable P.	22½	22½	22½	10	35/31	35/31	38/12
Indian Oxygen	15	12	12	10	24/50	24/50	29/37
Indian Rubber Manufacturers P.	30	36	..	10	22/00	22/00	19/87
Indian Wood Products	30	30	25	10	27/62	27/62	29/62
Isaac Holdens	Nil	Nil	5	10	11/31	11/31	15/25
Investments and Finance P.	7½	7½	7½	100	55/00	55/00	55/00

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 9-10-64	7-10-64	A year ago
				Rs.	Rs.	Rs.	Rs.
J. K. Synthetics	3	Nil	10	10	12/94	12/94	11/8
James Wright P.	..	..	..	50	2/75	2/75	2/1
	..	..	..	1Dd	00/43	00/43	00/4
Jardine Henderson Ltd. P.	7	6	7	100	70/50	70/50	81/5
Jay Shree Industries P.	12½	..	..	10	14/75	14/75	18/1
Kesoram Industries P.	12	12	13	10	25/50	25/50	25/6
Macfarlane & Co.	..	..	..	50	4/50	4/50	6/1
	..	..	..	1Dd	1/81	1/81	2/1
Macneill & Barry Ltd. P.	8	7½	8½	100	95/00	95/00	93/5
Martin Burn Ltd. P.	27½	25	25	10	26/44	26/44	27/1
McLeod & Co. P.	15	18	..	100O	230/00	230/00	210/0
Metal Box Co. of India Ltd. P.	25	19	..	10	31/00	31/00	51/2
National Insulated Cable P.	25	25	18	10	25/19	25/50	24/8
National Pipe & Tubes P.	20	20	20	10	28/25	28/25	27/5
National Rolling & Steel Ropes	15	15	15	10	24/37	24/37	21/4
National Rubber P.	6½	8	10	10	11/00	11/00	12/5
National Tobacco P.	7	7	..	10	11/75	11/75	11/7
New India Investment Corpn.	..	..	..	75	63/00	63/00	59/5
Octavius Steel P.	7½	7½	..	100	..	..	..
Philips India	12	13	15	10	27/62	27/62	30/3
Publicity Society	75	75	50	4	25/06	25/06	22/6
Rallis India P.	8½	8½	10	100	123/0	123/00	132/0
Rohtas Industries P.	10	8	9	10	10/31	10/25	13/6
Sirsilk P.	..	..	..	10	6/87	7/62	9/2
Sen-Raleigh Industries P.	8	8	Nil	10	13/81	13/69	15/1
Shaw Wallace P.	15	7½	12½	10	15/37	15/37	17/5
Spencer's Hotel	2½	..	..	2	1/25	1/25	0/6
Union Carbide	18	12½	15	10	32/75	32/75	42/0
Walford Transport	30	30	..	10	3/06	3/06	3/8
INSURANCE COMPANIES							
Concord of India	20	20	20	5	9/75	9/75	11/1
Hercules	26½	26½	..	10	23/50	23/50	22/5
Ruby General	13½	15½	..	8	12/19	12/19	10/1
Standard General	..	..	..	10	7/75	7/75	6/2
Triton	50	50	..	25	127/00	127/00	124/0
FLOUR MILLS							
Bengal	25	25	30	10	33/75	33/75	29/0
Delhi P.	..	..	..	10	14/00	14/00	14/0
Ganesh P.	..	..	..	12½	10/62	10/62	14/0
Hooghly	Nil	Nil	5	10	19/75	19/75	19/1
United	10	7½	10	10	27/81	27/81	27/6
OIL COMPANIES							
Attock Oil	13½	13½	..	£1	sh. 32/6	sh. 30/6	sh. 34/
Burmah Oil P.	..	11½	12½	£1	sh. 56/6	sh. 60/-	sh. 65/
Indo Burmah Petroleum P.	25	22½	17½	10	21/44	21/37	23/0
Tide Water Oil	35	35	35	10	37/00	37/00	27/1
PAPER MILLS							
Bengal P.	27½	20	..	10	26/56	26/69	27/7
India Paper Pulp	13	12	15	10	16/56	16/56	18/5
Orient Paper P	22½	22½	20	10	31/80	31/65	37/5
Shree Gopal Paper P.	17 6/7	17 6/7	17 6/7	10	25/75	25/75	26/7
Sirpur P.	8½	8½	5	10	11/81	11/81	13/6
Star Paper P.	Nil	Nil	Nil	10	9/12	8/12	9/0
Titaghur P.	13	13	13	2½PO	3/37	3/37	3/8
	20	10	10	10AO	12/25	12/12	17/1
	20	10	10	10BO	12/25	12/12	17/1
West Coast P.	7½	..	..	100	164/00	164/00	155/0
PRESSING COMPANY							
Camperdown	11	..	..	100	110/00	110/00	105/0
REAL PROPERTY STORAGE							
Bengal Bonded Warehouse	8	8	9	A500	1,250/00	1,250/00	1,050/0
				B62½	125/00	125/00	135/0
				C100	186/00	186/00	122/0
				D12½	45/00	45/00	14/1
Calcutta Safe Deposit	..	..	..	100	7/81	7/81	8/0
Humayan Properties P.	..	..	..	10O	11/00	11/00	11/0
	..	..	..	1Dd	2/10	2/10	2/1
Midnapore Zemindary P.	Nil	Nil	Nil	85	34/25	34/25	11/0
TRAMWAYS & STEAMER							
Bengal Assam Steamship P.	7½	10	10	100	105/50	105/50	135/0
Calcutta Landing & Shipping	7½	22	6	10	21/00	21/00	34/0
Calcutta Steam Navigation	Nil	Nil	Nil	10	7/62	7/62	9/2
Calcutta Tramways P	5	5	5	£1	12/31	12/00	11/2
Fraser	..	..	..	10	10/00	10/00	10/0
India General Nav. Railway P.	..	..	..	£10	36/25	36/25	39/0
India Steamship P.	Nil	Nil	Nil	10	6/97	7/00	6/5
Port Shipping	Nil	..	..	10	17/31	17/31	14/9

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STERLING UNDER A LABOUR GOVERNMENT

BRITAIN'S new Labour Government has made a great show of getting down to tackling the country's economic problems without delay; and it has no doubt done its electoral image much good in the process. On Monday, it announced its decision to levy a temporary surcharge of 15 percent on imports, and to offer certain indirect tax rebates to promote exports, as part of an eight-point programme to boost the economy. On the evidence of the latest statistics, the British balance of payments is in an even sorrier state than was previously supposed, and certainly worse than was revealed by the outgoing Government. The Conservatives based their stated views on the absence of any immediate "financial" crisis, a fact which Mr. Wilson has conceded partly for reasons connected with international confidence in the pound, and partly because there are ample borrowing facilities available to overcome short-term difficulties. Yet with the prospect of a payments deficit this year in the region of £800 million, it was difficult to excuse the former Government's attitude of "wait and see" on the import question and "something will turn up" on the export one. By contrast, Labour is showing itself determined to find the solution to both the long- and the short-term problems, although whether it will be successful in doing so is another matter. The bleak fact it has to face is that although the growing deficit on current account, and the immediate threat it represents to the pound and to the sterling area's reserves, may respond to whatever measures it has at its disposal, there is no guarantee that anything more than a mere breathing space will have been gained. The lessons of the past few years are that the British economy is structurally unsuited to earning its living in a world where it no longer enjoys any large and captive markets for its exports.

It cannot be denied that Mr. Wilson has grasped this fundamental truth, or that, unlike his predecessors, he does have some firm ideas as to what must be done to change things. The doubts arise on two main points. The first is that what he has in mind might in the event prove wrong or ineffective. The second is that due to the small majority the Labour Government enjoys in the House of Commons, it will be impossible to implement his ideas anyway. Fortunately, there is some excuse for confidence on this point. Neither the Conservatives nor the Liberals are particularly anxious for another election in the near future, or at any rate until Labour has been allowed sufficient rope to hang itself. So, provided Mr. Wilson's proposals for dealing with Britain's economic problems do not contain too much socialism, it can be reasonably expected that his political opponents will co-operate at least until such time as the electorate has been able to form fresh judgments.

Labour's prospects are, therefore, best in the short term. This means it has a relatively free hand in choosing the temporary measures necessary for coping with the recent alarming growth in the balance-of-payments deficit. The two weapons readiest to the new Government's hand were much the same as those which would probably have had to be used by the Conservatives if they had stayed in power, namely, Bank rate and import restrictions. Labour has never opposed Bank rate increases on principle, provided longer-term rates can be effectively insulated from them. The main difficulties in using this method of safeguarding the reserves against a run on sterling are that it might damage internal confidence and arouse foreign resentment. The new Government has already declared its intention not to interfere with internal growth. But its promises in this field will be accepted by British industry in direct proportion to the extent it eschews its old predilection towards austerity and controls for their own sake. It is going to be difficult enough for Labour to persuade industrialists that they have an honoured and vital rôle in the plans for scientific growth and prosperity without frightening them with the long-discredited policy of monetary restraint. Besides an increase in Bank rate would not have been acceptable to foreign opinion. The United States, itself under balance-of-payments pressure, has already expressed disapproval and has stated the firm view that external economic problems should be tackled in other ways. Even a temporary change in the U.K. Bank rate would embarrass the United States, and it might have the same effect on some European countries. That is one reason why feeling in Labour circles is against it; another is that it has still to be proved that long-term interest rates can be kept at their present level, much less reduced, if short-term ones are allowed to rise. Labour is committed to a policy of cheaper credit for house buyers. It might damage its chances at the next election irreparably if this were the first of its promises to be broken.

Problems of equal complexity would have faced any Labour decision to use physical controls on imports. Again, these may only have been practicable in the short-term; over a longer period they might have not only attracted retaliation, but also deprived British industry of its main spur to greater competitiveness. Generally speaking, import controls in Britain should be confined to manufactures, chiefly consumer goods. Much the same can be said for surcharges on imports, otherwise industrial costs would be increased. From this point of view, the flat surcharge of 15 percent on imports may be subject to criticism.

The ideas so far expressed by the new Government about exporting are mostly of a longer-term nature. The latest statistical information indicates that exports are more likely to fall than rise during coming months, if only because what limited buoyancy does exist in the internal economy is diverting the attention of those companies which find it most difficult to export anyway, namely, the small ones. Labour intends to overcome this problem by providing group facilities to the smaller exporters. The eight-point programme announced by the Government allows exporters rebates on some indirect taxes such as on oil and petrol and vehicle licences. The rebates may average only 1 percent to 1½ percent of the value of exports. But any direct move to subsidise exports could not only attract retaliation; it would.

in effect, amount to a devaluation of the pound, or at least to selective exchange rates. Such expediencies have proved dangerous and ineffective in other countries, and might in the long run be more damaging to sterling than the current British balance-of-payments situation threatens to be. It is something which any Government as precariously in power as Labour would be anxious to avoid.

It is on its long-term plans for the British economy that Labour will be judged, although this is where its narrow majority will undoubtedly prove most troublesome. The new Ministry of Economic Affairs, under the Party's deputy leader, Mr. George Brown, has been established for the purpose of tackling the structural economic weaknesses which are responsible for the rare capacity Britain has shown among developed countries to combine balance-of-payment deficits with a very low growth rate; the Treasury is now restricted to the limited creative rôle of reforming the tax system. Too slow an increase in productivity is, of course, at the root of the trouble, and it is on this that the Economic Affairs Ministry will have to focus its main attention. Some of its suggestions may smack of socialism, and the subsequent opposition would undoubtedly place a severe strain on the Government's slender majority. But others, such as increased tax incentives for labour-saving investment, should be reasonably acceptable to both sides of the Commons, as indeed will the proposal to intensify the work of the "little Neddies". These are the industrial sub-committees of the main National Economic Development Council set up by the outgoing Government, and their task is to investigate the reasons for low productivity in individual industries and make suggestions, even perhaps exert pressure, to get them put right. The whole concept is excellent in theory, and in practice it should be acceptable enough provided it does not disguise any socialistic moves, especially nationalisation. But because the life of the new Government promises to be a short one, even under the most favourable circumstances, it seems unlikely that there will be time for substantial results to show in Britain's growth and exporting potential.

The fact of a narrow majority is at once the strength and weakness of the Labour administration. On the one hand, it sharpens the instinct to choose only those policies which will ensure survival at the next election, and so permit Mr. Wilson, if he so wishes, to defy his left-wing extremists. On the other, it severely limits the power to introduce controversial measures, however desirable. The determined way Labour has set about the problems facing Britain would appear to bode well for the future of sterling, as indeed for its own future as a Government. Yet it must be remembered that Mr. Wilson is balanced on a political razor's edge, and this is not the best location from which to launch far-reaching policies of reform. The verdict on sterling, therefore, must remain an open one for many months to come, whether the short-term policies Labour is introducing prove effective or not. Indeed, it is in the longer term that the main danger lies, because structural problems take a considerable time to solve; and time, as distinct from good intentions, is what Labour probably has least of.

BANKS FACE STRINGENCY

THE Reserve Bank of India has decided that it will give advances to commercial banks against usance bills only from November to June, instead of from October to September. The main object of reducing the period is to restrain the supply of credit during the coming busy season which is expected to start in a few days' time. It is true that most of the advances against usance bills are taken between November and April which virtually represent the duration of the busy season. But with the industrialisation of the economy the seasonal character of advances has been fading away and they are tending to become more perennial in character. This is why the advances given by banks, having risen during the busy season, do not drop correspondingly during the following slack season. During the last busy season (1963-64) the rise in the advances of scheduled banks amounted to Rs. 377 crores, but in the 1964 slack season they have dropped by only Rs. 124.38 crores. Since most of the advances have been used to finance genuine economic activity, their expansion should not by itself cause concern. But having failed to check inflation, the Government and the Reserve Bank find a convenient scapegoat in the banking community. They forget that if the Reserve Bank really exercises its control over banking operations with the efficiency and vigilance it claims, very little credit could have gone for speculative purposes. In fact, as Government spokesmen have themselves admitted, speculation and hoarding have been financed mainly by the large amounts of unaccounted money.

In view of the changing character of the economy, banks have found it necessary to give advances against usance bills even after the busy season, although such advances are naturally much smaller during the slack season. In fact, they amounted to only Rs. 1.70 crores during the week-ended 16th October, 1964. But under the new regulations of the Reserve Bank, commercial banks are likely to advance money against usance bills only between November and June, because they will not obtain any corresponding accommodation from the Reserve Bank in the other months. This apart, banks will be chary of giving loans against usance bills after April since these bills attract a quarterly stamp duty of 0.50 percent. The cost of such borrowings will tend to rise every day after 1st April. In the circumstances, it is clear that accommodation from the Reserve Bank against usance bills will drop. To discourage bank advances against usance bills is a retrogade step; these advances are about the most liquid ones and the Reserve Bank itself introduced the bill market scheme about 13 years ago to encourage banks to borrow against usance bills.

The latest step, combined with the earlier measure to link commercial banks' borrowings from the Reserve Bank with their liquidity ratio, is worrying financial circles. It is wondered whether the banks will be able to meet adequately the genuine credit requirements of the coming busy season. The Reserve Bank seems to think that expansion of bank credit during the next busy season should not be as large as during the last one (1963-64). But it is difficult to support this view. Prices of almost all commodities have risen sharply, so the cost of inventories has increased. Industrial production has grown, albeit at a slow pace, in recent months, and more funds are required to finance the increase in turnover. It is also expected that agricultural production during 1964-65 will be larger than in 1963-64. In the circumstances, credit requirements during the coming busy season are expected to be as large as, if not more than, those of the previous one.

The question is whether commercial banks will have enough funds to finance the large credit demand. As far as their own resources are concerned, the prospect is not encouraging. Deposits of scheduled banks have been growing at a slow pace. The rate of growth has slowed down during the past couple of months. Deposits rose by more than Rs. 40 crores a month between April and August, but they increased by only Rs. 20 crores a month in September and October. The recent adjustment in deposit interest rates does not seem to have stimulated the growth of deposits. The small rise in deposits since April has been counteracted by the slow return of advances during the current slack season. Although the investment portfolio of scheduled banks has risen by Rs. 185.12 crores since April, they will not be able to obtain much cash by selling their holdings as they did formerly, since the statutory liquidity ratio of banks has been raised to 28 percent. This apart the sale of securities has also become difficult due to the restricted open market operations of the Reserve Bank.

The supply of Reserve Bank credit constitutes about the most important source of funds under present circumstances. But commercial banks have been restrained from borrowing from the Reserve Bank by the new regulations. Although no restriction has been put on the volume of borrowings, they have been limited indirectly. If the net liquidity ratio of a bank drops below 28 percent, it has to pay a penal rate of interest on its borrowings from the Reserve Bank. Since the liquidity ratio of commercial banks (other than the State Bank of India) is slightly above 28 percent, they will be reluctant to borrow much. Furthermore, their borrowings will be restrained because they cannot lend money at a rate of more than 9 prcent. As far as the State Bank is concerned, it will be able to borrow substantial sums from the Reserve Bank at Bank rate due to its high liquidity ratio. In the circumstances, it looks as if many constituents of banks will switch over to the State Bank since that will enable them to borrow more funds. It is noteworthy that the deposits of the State Bank have tended to increase at a faster rate for this reason. Besides its deposit rates too have been raised in line with those of other banks.

FOODGRAIN PRICES

THE best that can be said of the Government's policy for fixing foodgrain prices (in the case of paddy and rice, wheat, gram, bajra and maize) is that—on paper—it indicates a more orderly approach to the problem. It is, however, too early to judge the effectiveness of any measures devised in support of the policy. In any case, it is not going to have any immediate impact. The producers' prices now fixed for the five foodgrains, particularly for the standard varieties of paddy, are higher than the average of the prices prevailing in the post-harvest period during the past three seasons. This should make it attractive for the cultivators to offer their produce to the Foodgrains Trading Corporation which will be entering the foodgrains market in due course on behalf of the Central Government. It is estimated that at least one-third of the foodgrains produced are disposed of immediately after the harvest by the weaker sections of the farming community. The Foodgrains Trading Corporation should not, therefore, find it difficult to acquire a fair proportion of the marketable surplus in the 1964-65 season—provided it has the absorptive capacity.

State Governments have been asked to fix the prices of other varieties of rice in relation to that fixed for the standard grades. But this is likely to pose a problem for deficit States like West Bengal. This State has to import a substantial quantity of rice from Orissa, and the latter may not accept the prices which the former may fix for non-standard varieties. This has been a major difficulty during the past year. West Bengal has not got even one-third of its usual supply from Orissa as producers in the latter State consider West Bengal's prices unremunerative. Unless the Centre takes a hand in such disputes (which it has so far been reluctant to do) or it makes up the deficit from its own stocks (which it cannot easily do), such controversies are likely to hold up free movement between States. But much greater difficulties will centre on the enforcement of the rice prices which State Governments have to fix at the ex-mill level, at the wholesale level in consuming centres and for retailers. These prices are, of course, based on those fixed for paddy and allow a margin of profit for intermediaries as well as traders. Mr. Subramaniam has said that should prices tend to go above the ceilings at any of these points, the Government will requisition stocks at the statutorily fixed prices. But this does not look like much of a safeguard for the consumer if, for example, the behaviour of the fish market in Calcutta since price control is any guide.

In a rather petulant mood, the Prime Minister, Mr. Lal Bahadur Shastri, on Monday urged the States to give summary punishment to offending food traders. But even the application of the Defence of India Rules against certain wholesalers or retailers has not ensured a better supply in many cities. The threat of the Government might be more effective if it could ensure an alternative channel of supply all over the country. This is to be attempted through the establishment of the Foodgrains Trading Corporation; but it lacks the administrative machinery, and there is not even enough storage space yet to keep a buffer stock of 5 million tons of foodgrains with which to stabilise prices. As for the proposal to introduce statutory rationing in all cities with a population of 1 million or more, there is a considerable difference of opinion among the State Chief Ministers. While Mr Naik of Maharashtra thinks it will be too costly, Mrs. Kripalani of Uttar Pradesh considers it unworkable, as cities with smaller populations might suffer seriously. The idea of introducing statutory rationing in big cities is based on the theory that they suck in too much of the food surplus from the countryside; and their cordoning off is, therefore, likely to leave more food for the rural population. But here again, much will depend on the administrative competence and the resourcefulness of those entrusted with the work.

It is expected that price-fixing will continue from season to season for the major crops. But the measures for controlled distribution, through rationing, more fair-price shops and large-scale food procurement operations by the Government, cannot provide a permanent answer to the food shortage. Other measures have to be taken so as to increase food output by at least 5 percent a year. This is what the fourth plan draft visualises, but considering that the annual rate of growth in farm production has stagnated around 2.2 percent between 1953-54 and 1960-61, and since then there has been virtually no increase in output, the task is a difficult one. Meanwhile, the population continues to increase by a steady 2.2 percent or more each year, while money supply has gone up at much faster rate. On top of this, producers and traders have been withholding supplies in the cool expectation that prices will rise further. The Chief Ministers who have gathered in the capital have to consider the short-term and long-term aspects of the food crisis in all seriousness, and implement the measures they devise with all the resources at their command.

Current News and Comment

Incentives for Sugar Production

There was a shortfall of nearly 700,000 tons in the production of factory sugar in 1963-64, as the total output was about 2.6 million tons, against the target of 3.3 million tons. The 1964-65 crushing season will start shortly. The incentive which the Central Government has announced in the shape of a 50-percent rebate in the basic excise duty on sugar production in October-November 1964 in excess of the output during the corresponding period of 1962, is not likely to prove effective. The reason for this is obvious. The price which *gur* and *khandsari* producers are able to pay for sugarcane is higher than what the sugar factories can possibly afford with the present ex-factory prices for their product. Even the ex-factory sugar prices for the four zones ranging from Rs. 116.50 a quintal to Rs. 125 a quintal which the Sugar Price Enquiry Commission has recommended, are not likely to provide the necessary incentives to the mills to increase this production in the next crushing season, in spite of the fact that the standing sugarcane crop is better than last year's. The real point is that unless the diversion of sugarcane to *khandsari* and *gur* units is effectively prevented or the sugar factories are given the means to offer competitive prices for sugarcane it may not be possible for them to get an adequate supply of the raw material.

In the 1963-64 crushing season, the Government allowed the sugar industry a rebate of 50 percent for additional production during the early part, 20 percent during the middle part and again, 50 percent for the last part of the crushing season. But this did not prove effective. What hope could there be that the Sen Commission's recommendation that an excise rebate of 20 percent should be allowed if additional production of 10 percent is achieved and a rebate of 40 percent should be allowed if production is in excess of 10 percent over the 1963-64 output, would provide an adequate incentive? As experience of the 1963-64 crushing season shows the Government might lose excise revenue through these rebates without the production of factory sugar increasing to any marked extent. The Sen Commission has recommended that restrictions should be placed on *gur* and *khandsari* units, and ceiling prices should be fixed for their output. There are great practical difficulties in enforcing this recommendation.

Modernisation of Woollen Industry

The Government of India some time ago asked the International Wool Secretariat to study, from both the economic and technical points of view, the advisability of modernising equipment in the Indian wool textile industry. The I. W. S. has submitted its report, and the modernisation plan it has recommended visualises the installation of some 200 new "complex loom assemblies" at an estimated cost of £1.7 million. In making its recommendations, the Secretariat has been guided mainly by the Government's expressed wish that the modernisation operations should be self-financing in view of the continuing shortage of foreign exchange. The report concedes that the proposed modernisation programme will be far short of the industry's absolute needs, but it adds that it would have been quite useless to make recommendations that could not be justified from the point of view of India's national interest and would consequently have been unacceptable to the Government. The national interest, it says, will be best served by modernising just enough capacity for the output required to increase exports.

The Government's main concern is to get the maximum increase in exports for any foreign currency it may provide. It would, therefore, be wasteful to provide more modern equipment than is necessary to produce the volume of cloth that is likely to be exported. This means that the problem has to be viewed in the light of the maximum increase in exports that is likely to be achieved in the foreseeable future. The I. W. S. says that with modern equipment, the industry will be able to produce cloth of excellent quality and will be in a position to export even to the most sophisticated markets. It has expressed the confidence that the annual exports of cloth can be stepped up from the present 400,000 to 2 million linear metres within a period of four to five years. This five-fold increase in exports is not a formal economic or statistical estimate; it is in the nature of a sound commercial judgment. However, the report points out that the industry is not export-oriented and a great effort will be necessary on the part of the Government to persuade wool textile industrialists that their only chance of making fuller use of their severely underemployed capacity is to export.

The Government has been urged to do its best, both in terms of financial incentives and administrative arrangements, to facilitate the industry's task. The Secretariat has recommended that the Government should establish a strategic reserve or stockpile of wool on which manufacturers can draw against export orders with the minimum delay and formality. The I. W. S. says that taking into account the relevant technical factors (type of new looms to be installed, their likely output, given local conditions, etcetera) some 200 new " complex loom assemblies" will be required to achieve the proposed export target of 2 million linear metres. The Secretariat is against piecemeal modernisation. It has, therefore, recommended that each new piece of machinery should be part of a balanced plan of modernisation in the firm concerned, the whole to be within the limits suggested in the report. While the opportunity to modernise will no doubt be given to the whole industry, it is obvious that some firms will be able to take better advantage of it than others.

The report says that there is no point in providing a mill with the most up-to-date machinery if it is not in a position to take advantage of such equipment. For modernisation to be effective in terms of being self-financing, those firms that have the greatest potential for increasing exports will need to be given priority in the allocation of new machinery. The Secretariat says that if the proposed export target of 2 million linear metres is achieved, there will be a sizable foreign exchange surplus, well over £500,000 a year, over and above the foreign exchange required for servicing the loan and paying for the additional imports of raw materials. Apart from satisfying the basic condition that modernisation be self-sufficient in terms of foreign exchange, the plan recommended by the Secretariat will give India a wool textile industry of which a sizable proportion (in terms of output) would operate up-to-date, efficient machinery for export purposes. The foreign exchange earning capacity of the country would go up, although modestly, and the benefit to the Indian consumer would be far from negligible in the long run.

Prospects for Art Silk

The rayon industry in India has made remarkable progress over the past decade, which is quite in line with the world trends in the production of synthetic fibre and fabrics. The industry seems to have a bright future as the production of natural fibres may not be able to keep pace with growing requirements because of the increasing pressure on land for cultivating foodgrains and other cash crops. While man-made fibre might well be described as a fibre of the future, the further development of the rayon industry in India will depend to a considerable extent on its ability to rehabilitate and modernise itself. The need for modernisation can scarcely be overemphasised. Some of the machinery in the industry is so old that it will soon become unserviceable. Furthermore, foreign competition in the export markets for fabrics is growing keener. This competition is not confined only to price but also extends to the quality and designs of fabrics. The planning sub-group had recently estimated the total requirements of machinery for the industry at Rs. 31.50 crores, and it had recommended that Rs. 14.25 crores should be spent on rehabilitation and modernisation of the industry during the remaining period of the third plan. The import component in an outlay of Rs. 14.25 crores is estimated around Rs. 6.25 crores.

The Government is not unaware of the pressing need for modernisation in the art silk industry. Since June 1963, manufacturer-exporters have been allowed to utilise the total value of the licence granted against exports of rayon and synthetic fabrics for importing machinery. But the tendency mostly has been to prefer import of yarn on considerations of higher premiums available thereon with the result that the volume of imports of machinery under the export promotion scheme has been negligible. The Government now proposes to link export assistance with modernisation. The Central Minister of Commerce, Mr. Manubhai Shah, told a special meeting of spinners and exporters convened in Bombay on 21st October under the auspices of the Silk and Rayon Textiles Export Promotion Council, that 20 percent of the import entitlements against fabric exports will have to be compulsorily used for importing machinery for the rehabilitation and modernisation of the industry. Imports of yarn under the export promotion scheme for fabrics would be restricted to only 50 percent of the value of fabric exports.

Those who would not like to import machinery would be required to surrender the 20-percent portion of the entitlement against cash compensation to a pool from which imports of machinery would be allowed to others for modernisation and rehabilitation purposes under an easy hire-purchase scheme. The Textile Commissioner has been asked to work out the scheme in consultation with the representatives of the Silk and Rayon Textiles Export Promotion Council and of financing institutions, namely, the Industrial Finance Corporation and the Export Credit and Guarantee Corporation. It is about a year ago that the Board of Trade's study group had suggested that a provision should be made in the export promotion scheme requiring manufacturer-exporters to utilise compulsorily 20 percent of their entitlement for import of machinery. But this suggestion had remained unimplemented all this while. It is good

that the Government has now made up its mind to link export assistance with modernisation. On the basis of current exports of rayon fabrics, about Rs. 2 crores to Rs. 2.5 crores worth of foreign exchange should be available every year for the pool that is proposed to be created. This will go a long way in helping the art silk industry to rehabilitate and modernise itself during the next few years. This will make it possible for the industry to turn out quality fabrics which will be acceptable to overseas buyers.

Decentralising Managerial Decisions

Indian managers should ponder over the observation of Mr. Harold F. Smiddy, former vice-president for management of the G.E.C. of America, that top management should make only vitally important decisions leaving the lesser ones to subordinates. Mr. Smiddy made the observation at the recent two-day seminar in Bombay sponsored jointly by the Bombay Management Association, the All-India Management Association and the United States Agency for International Development. This would make it possible for top management to see the trees as distinct from the forest, and to devote time to decisions which really matter. It would also give the subordinates a feeling of importance and would ensure better co-ordination of work.

It is doubtful, however, whether much use could be made in Indian conditions of technological developments like automation, computers and communication media for providing information to top management for making the necessary decisions. The cost involved is enormous. Moreover, the value of such information is fully realised when the economy is sufficiently developed and large scale production is possible. Some of the units in India are already using such facilities, but the scope for their expansion, under existing conditions, is limited. As was emphasised by Dr. Howard K. Hyde, Chief Management Adviser to the United States A.I.D. Mission in India in his inaugural speech, the application of scientific methods to the solution of managerial problems in the U.S.A. has resulted in improved production and cost saving of a spectacular nature. The time for that has not arrived in India yet, but it will come to this country sooner or later if an effort is made to keep abreast of modern technology in as many ways as possible.

Cloth Output and Stocks Up

Indian cotton mills' output of cloth in September is provisionally placed at 441 million yards, compared with 421 million yards in the preceding month and 401 million yards in September 1963. The September figure raises the total output for the first nine months of the current year to 3,794 million yards, which shows an increase of 168 million yards over the figure, in the same period last year. Yarn output in September is placed at 183 million lbs, compared with 176 million lbs in the previous month and 169.6 million lbs in September 1963. The output of yarn during January-September comes to 1,565 million lbs, against 1,456 million lbs during the corresponding period last year.

Cloth stocks with the mills at the end of September at 339,000 bales (of 1,500 yards each) showed a marked increase of about 50,600 bales over the previous month, the unsold stocks having risen from 113,100 bales to 141,700 bales. The increase in stocks is due to reduced offtake mainly because of the continuing uncertainty about cloth prices under the new scheme of statutory control over production and prices. Offtake is expected to pick up with the end of uncertainty about prices for the controlled varieties.

Shipments of cotton piecegoods from Bombay port during September are provisionally placed at 30.85 million yards, valued at Rs. 2.740 crores; compared with 27.87 million yards valued at Rs. 2.413 crores in the preceding month. The September figures raise the total exports from Bombay during the first nine months of the current year to 337.74 million yards, valued at Rs. 30.23 crores, which compares with 343.23 million yards worth Rs. 25.03 crores in the same period last year. Thus while the volume of exports are lower, export earnings are higher which indicates an improvement in the price realisation a unit. This is attributable partly to firm conditions in international markets, and partly to diversification of the country's textile export trade in the direction of better grades of textiles and processed materials.

An Uneasy Compromise

The demand for an increase in the official price of gold, repeated by the South African Finance Minister in Tokyo, is an annual routine. Some observers predicted before the I.M.F. meeting that this increase was ultimately inevitable, but after the meeting even they were inclined to admit that it might be delayed so long that the world would lose interest in monetary gold. The French Finance Minister, strongly critical of the gold exchange standard, emphasised in Tokyo the beilef of some European monetary authorities—particularly his own country's—that the world's monetary system should be firmly based on gold. When a journalist suggested that the logic of this belief implied a realistic revaluation of gold, M. Giscard d'Estaing answered dryly that the French authorities recognised $35 an ounce as the correct price. It is arguable that the French policy, interpreted strictly, would be unworkable. But as the Fund is substantially increasing its resources, whether the deflationists approve or not, the problem of inadequate liquidity, in a system based on gold, will not soon become urgent.

The I.M.F. meeting did not resolve (it was not expected to resolve) the differences of opinion between the deflationists, as represented by M. Giscard d'Estaing, and the expansionists, as represented by Mr. Reginald Maudling, former U.K. Chancellor of the Exchequer. But its decisions implied a unity of policy on the method of easing the problem of liquidity, regardless of differences of opinion whether at any particular time the problem existed or not. When reserves are inadequate they may be augmented directly or they may be supplemented by outside assistance. The policy of the Fund, as a whole, is to provide such assistance. It is not self-evident that this is the better policy, although it is, in present circumstances, the easier. Britain, representing the sterling area, suffers from a chronic deficiency of reserves of gold and foreign currency. Periodic crises are feared, and sometimes occur, as a consequence of this deficiency. Outside assistance is available and is sometimes used; but in the past it has merely delayed, not avoided the need for, the "appropriate corrective measures" that the Fund mentioned approvingly in its latest annual report.

The difference between the two methods of relieving strain is not superficial but basic. If Britain, for example (indeed, Britain particularly), had adequate reserves, so that the need to rely on outside help would not arise, she could use these reserves as a shock-absorber when changes in external markets (for money or goods) caused temporary disequilibrium in her payments, and her internal economy could maintain a steady course. "Corrective measures" are "appropriate", of course, if the cause of the disequilibrium is internal and permanent; but it is too easy to assume that any disequilibrium that requires external assistance requires also internal correctives. With adequate reserves in the first place it would be necessary to apply for external assistance only in exceptional circumstances. The I.M.F. is presumably not deaf to such reasoning, but it is, of course, aware that the quickest means of adjusting the level of aggregate reserves (the proper distribution of them is another problem) is by raising the price of gold, and its policy against this revaluation seems unalterable. Yet both the I.M.F. and "the Group of Ten", in their reports on international liquidity, have recognised the deficiency of the gold content of reserves.

The simple solution of the problem, raising substantially the price of gold, would not only increase the value of existing monetary reserves but also draw into monetary reserves a large proportion of private stocks—if the authorities emphasised that the change was a once-for-all adjustment, not the start of a continuing process. But it is arguable from the opposite point of view that the persistent official resistance to revaluation will have the same effect, by discouraging holders whose patience must at some time be exhausted. Analysis of recent American statistics suggests, indeed, that in the first half of this year the flow of gold into private stocks virtually ceased.

This apparent change of inclination is important, but it does not imply that stocks of monetary gold, at the current price, will soon be adequate In the last ten years or so the total of available national monetary reserves (gold and foreign currency combined) has increased by about one-third, while the value of international trade has approximately doubled. Such a comparison is not clear proof that reserves are now inadequate, but it shows a disparity much wider than the flow of newly-mined gold could correct within a reasonable time.

"CAPITAL" CHRISTMAS TOY FUND

STATEMENT OF ACCOUNTS FOR 1963

	Rs. P	Rs. P
Balance from 1962	306.25	
Collection for 1963	4,174.94	4,481.19*
Less cost of toys distributed to 10,267 children in 1963	4,339.68	
Postage	15.00	
Miscellaneous	6.80	4,361.48
Balance in 1963 B.F.		119.71

* This amount includes sums received late and not acknowledged previously:

	Rs.
1. Associated Electrical Industries (India) Private Ltd	100 00
2. Staff of the Associated Electrical Industries (India) Private Ltd.	61.00
3. P. S. Shavaksha	25.00
	186.00

CALCUTTA PORT TRUST

THE Calcutta Port Trust was inaugurated about thirty-five years ago, and from the first was an unqualified financial success. The revenue largely exceeded expenditure, extravagance was the order of the day, and frequent representations were made by the mercantile community on the subject. The late Mr. George Yule in his address to the Chamber of Commerce in 1879, specially drew attention to the subject. As a result remissions of dues were made from time to time, and the Port-Due of 4 annas per ton on vessels in entering the port was gradually reduced until it was finally abolisned In 1885 a Bill was introduced into the Bengal Legislative Council to authorize the construction of wet docks at Kidderpore. Mr. H. J. Reynolds, who was then the Senior Member of the Board of Revenue, and the Government Chairman of the Port Trust, emphatically stated that the construction of these Docks would lighten the burdens on trade and enable Calcutta to compete on more favourable terms, with places possessed of greater natural advantages There was considerable opposition to the construction of these Docks, and a memorial was submitted to the Government in March 1885 signed by a very large number of Calcutta firms strongly deprecating their construction, but Mr. Reynolds' party prevailed and the Docks are here. To begin with the estimate was largely an estimate of 230 lakhs. So far from lightening the burdens on the port the Docks have worked at a steady deficit. The figures for the last two years are not given in the Administration Reports, but we may fairly assume that the loss on the working of the Docks for the last 11 years has not been less than 150 lakhs of rupees. In other words so far from lightening they have increased the burdens on the Port to the tune of at least one million pounds sterling. As a consequence the Port-Dues of 4 annas per ton have been re-imposed on the shipping and a Special Toll of 4 annas per ton levied on goods.

FROM

CAPITAL

27th October, 1904

A Ditcher's Diary

"CAPITAL" DOES NOT, IN POINT OF FACT, CELEBRATE its birthday. It falls next week, as we cross into our seventy-seventh year of publication, and a traditional modesty nurtured by age is alone enough to remind us that this is no time for lavish rejoicing or bacchanalian orgy. Anniversaries punctuating one's seventies, it appears to us, are more appropriately an occasion for quiet thought and sentimental reflection; and it is perhaps only right that, at this time of year, our thoughts should turn to the favourite of our progeny, by which I refer, of course, to the *Capital* Christmas Toy Fund, which this week opens for subscription. The progress of the Fund has been giving us cause for anxiety for some years: collections last year totalled Rs. 4,174.94 which, although better than on some previous occasions, was still rather short of the Rs. 4,410 we managed to get in 1961. The purpose of the Fund, as readers know, is as good as any: to try and bring a little warmth and happiness into the lives of thousands of poor children, many of them orphans, by presenting them with a toy for Christmas each year. The trouble, however, is that while subscriptions to the Fund have fluctuated unpredictably from year to year, the cost of toys has risen steadily, with the result that the little we have been able to give has had to be more thinly spread. I am well aware that it is not toys alone that have become more expensive; in both magnitude and intensity, other demands on one's purse have multiplied so rapidly these days that not many have much to spare. But allowing for the paradox that the country has reached the stage where only life is cheap but living is dear, I should like to suggest in all humility that our obligation to the children the Fund serves is not thereby diminished. The Fund makes no distinction of race, colour or creed in choosing its children. By contributing generously, you can bring a ray of light and cheerfulness on Christmas morning to many young and needy ones to whom life otherwise has very little to offer. So please give all you can, whether it be cheques, cash or toys—addressed to the *Capital* Christmas Toy Fund, 5 Mission Row, Calcutta 1.

ONLY A LITTLE WHILE AGO ALL THE EXPERTS WERE telling us that China could not possibly make an atom bomb in years. Now they seem all agreed that China can make a hydrogen bomb before you can say Jack Robinson Either way I am, by and large, unworried. Some in this country seem convinced that we should now go and make an atom bomb: whether this has in part been inspired by Dr. H. J. Bhabha, I have no means of knowing for certain. Reactor plants are by nature non-vegetarian. I have no time at all for people who are all the time considering costs; accounting minds are some of the most obstructionist I have known. On the other hand, it seems already time for India to count the cost of the emergency. As it happened, I recently came across a man engaged in road making for the last four years or so. He told me that roads were being built all right, "but . . . . ." I promptly told him that I was delighted to hear this because in general terms the difference between India and the United States was that in the States plenty of dollars might be salted away but the road was there, while in India rupees vanished with no road to show. Then I was told that our frontier roads were costing us about ten times the money any auditor was likely to pass. Money nowadays is, of course, what your press in Nasik can churn out; but there is a great deal to be said for enquiring at some point where the money is going and how it is likely to be used in the days to come. I put it to the Government of India that a fantastic amount of waste is now going on in the name of the emergency, and it is no longer in the sense that we have to do certain things and it does not matter what the cost may be. What I am up against is, in the plainest of terms, an emergency in aid of contractors. Mr. Lal Bahadur Shastri has already called for smaller cars; he should soon demand a less expensive emergency.

WHEN THE *Sun*, WHICH ROSE AFTER THE *Daily Herald* went down, recently wrote to thank God that Sir Alec Douglas-Home's son was not the editor of *The Times*, it was not very clear whether the comment was a compliment to Sir William Haley or otherwise. To be the editor of an important national newspaper is fine; to be, in addition, son-in-law of the supreme executive of the country may seem paradise enough. Although it never seemed that Mr. Adzhubei was a full-time working journalist, for he was too often travelling abroad, I have no reason to think that he was appointed editor of *Izvestia* only because he had had the good fortune (?) to marry Mr. Khrushchev's daughter. Quite possibly he was a good newsman. One does not, of course, know how these things are organised in the Soviet Union; but one suspects that Mr. Adzhubei was not exactly comfortable when writing for his paper; a certain hot breath ran down his neck. To be punished for one's father-in-law's sins can hardly be a pleasure; yet it seems more than likely that Mr. Adzhubei is now a freer man. He has not indeed the freedom of speech or writing but he has the freedom of silence. And the more I reflect on the world we live in, the more I am aware of the value of this particular freedom. Ordinary readers of newspapers will never know how strenuous it is to have to pronounce on every problem in the world and appear knowledgeable. I daresay I am letting my trade union down; to argue that knowledge is only another name for the technique of concealing one's ignorance is to my profession sacrilege. Yet there it is. It is good to be reminded still that a writer derives his power, such as it is, not from his father-in-law but from his quill. Last week I offered a job for Mr. Khrushchev in India: if Adzhubei can survive the competition he may have it too.

THERE SEEMS TO BE SOMETHING QUITE SYMBOLIC in the fact that the first difficulty the new Labour Government has come up against in its programme for active reform should be the House of Lords. Under a law passed in 1707, it appears, a certain proportion of Ministers in any British Government must come from the upper house. Whatever justification the ruling may have had in the days of good Queen Anne, it certainly has none now, especially since peers have been able to renounce their titles. When this latter provision was enacted just in time to enable Lord Home to succeed Mr. Macmillan as Prime Minister, it was said that in future members of the Lords who desired to serve in the Government would automatically be expected to give up their titles and seek election to the lower house. That seemed sensible enough in these democratic times. But while this ancient law stands in the way, it will not be possible to build any such admirable custom, and this must be particularly irritating to the progressive-minded Mr. Wilson. Of course, the best way out would be to undertake the entire reform of the House of Lords, which is now far and away Britain's most picturesque anachronism. But this might not be possible with Mr. Wilson's small majority, and he may not want to reserve time anyway for such long-term reforms when immediate problems are obviously pressing. What seems more likely to happen is that the law of 1707 will be amended, leaving the House of Lords much as it was before, although, of course, no longer entitled to an automatic share in the country's government. Such action would be unsatisfactory enough, but it would certainly be better than the alternative course of appointing some Ministers to life peerages. This could prove far too inconvenient, especially if by-elections had to be fought in marginal constituencies or when the Minister concerned subsequently wished to relinquish his title and found himself unable to do so. The fact is, of course, that the House of Lords ought to have been reformed years ago, and would have been too if such a move had not seemed likely to strengthen its influence and prestige. As things are, unlike India's Rajya Sabha, the upper house is weak and unrepresentative; which

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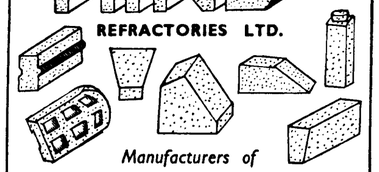
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is something most British Governments have found highly convenient. This could apply particularly to Mr. Wilson's Ministry, which is, after all, weaker in the Commons than any Government has been since Mr. Attlee's in 1950.

I SEE THAT THE ANNUAL SERIES OF SYMPHONY concerts organised by the Calcutta School of Music will be starting less than four weeks from now. These concerts have always provided excellent entertainment for lovers of western music, and figure as major events in the cultural life of Calcutta. From the prospectus I have received, I notice that the fare for the 1964-65 season is an unusually rich and promising one. The famous London Symphony Orchestra will be giving two concerts at Rabindra Smarani on 22nd November and 23rd November—playing old favourites from western classical music, including Beethoven's famous First Symphony. The list of soloists for the season is equally impressive, and it suits a particular predilection of mine that it should be weighted in favour of pianists. Erich Gruenberg, the Viennese-born leader of the London Symphony Orchestra, will play the violin on 26th November. Luigi Infantino, the celebrated tenor, will appear on 10th December. George Vasarhelyi, Ruth Slenczynska, Raffi Petrossian and Calcutta's own Liesl Stary will be the distinguished pianists of the New Year. The concerts given by the Calcutta Symphony Orchestra, playing as usual under the baton of Bernard Jacob, will be held at the New Empire Theatre. In order to encourage local talent, it is hoped that the principal soloist will be followed by a local performer on all the days. I have always looked upon the concerts organised by the Calcutta School of Music as a welcome interlude in the otherwise humdrum cultural life of this city. Year after year, it has managed to present to local audiences music from internationally renowned virtuosi. But by its very nature this is an expensive business. The ability of the Calcutta School to continue its good work depends on the measure of public support it receives for its concerts. It deserves their wholehearted patronage, and the coming season will provide an excellent occasion to show that it is going to get it.

NOBODY TO THIS DAY SEEMS TO KNOW THE ANSWER to what a contemporary a year ago craftily called "The 1,000-KW Question". (I never could make up my mind whether the oblique hint was at $64,000 or a couple of Keelers; but let that pass.) I have since seen reports, if so they may be called, of efforts, if so they may be called, to obtain a powerful medium-wave transmitter from a source less tainted than the Voice of America. I think of all this because I have just had a letter from a friend now holidaying in North Bengal who says that, although he is of some mornings perverse enough to want to hear the All India Radio news bulletin, he can get little or none of it. It is possible, he says, that his tiny transistor set, on which he paid a large Customs duty and for which he holds a licence, hasn't got the hottest of batteries (they're ageing, like him) but, how come, he asks, that every time he turns the set on he gets Radio Peking close and clear? Surely, Siliguri is nearer home. The only announcement he ever heard from Siliguri, my friend says with translucent exaggeration, was that, because of a breakdown in the power supply, there had been an unavoidable interruption in transmission. My friend, with his congenital contrariness, asks, "When, oh when, on earth is this station on the air; and then to what purpose?" What I gather is that there is a total failure of communication between the heart of Indian Authority and its very vulnerable limbs around the knee and the ankle. Mrs. Indira Gandhi will promptly be shown a cutting of this paragraph and told that somebody needs to go to Canada or Scotland to study broadcasting problems in mountainous regions. (I do *not* apologise to the gentlemen who can no longer show the cutting because I've spilled the beans.) My dear Mrs. Gandhi, they'll tell you they need more equipment and personnel to do the job; perhaps they do, although the job may still not be done. Nobody has yet explained to me why reports from those regions by Desmond Doig of the *Statesman* have always had a greater immediacy and intimacy than those filed by Indian correspondents full of aloofness. It's men, not personnel, Mrs. Gandhi wants.

THE DITCHER

Guide for Investors

CALCUTTA ELECTRIC SUPPLY SALES AND PROFIT INCREASE

ALTHOUGH sales of energy by the Calcutta Electric Supply Corporation have tended to increase, the clear profit for 1963-64 has for the first time been equal to the "reasonable return" in several years because of the substantial saving in Indian taxation, combined with a large development rebate. Since these two factors are unlikely to recur, the Company has had to increase the charge for electricity towards the close of 1963-64 to ensure that the clear profit is at least equal to the standard return which is based on a standard rate of 6.5 percent, instead of the former 6 percent. This result is expected to be achieved during the current year.

In his review circulated to the shareholders along with the report and accounts for 1963-64, Mr. I. A. Macpherson, chairman, pointed out (a full text of the statement is printed on a later page in this issue of *Capital*) that the revenue from the sale of electricity and from metre rents rose by 13 percent to £14.8 million. Expenditure also rose correspondingly. All tax savings, sums transferred to the development rebate and contingencies reserve have been invested in the undertaking. The allocation to depreciation of more than £1 million, combined with retained funds, has played a major part in financing the expansion undertaken. Capital expenditure during 1963-64 amounted to £2.7 million. In addition to normal transmission and distribution expenditure, large sums have been spent on the new Cossipore extension. The cost of the southern receiving station has also been considerable.

As for raising funds, the Company has to bear in mind that it can be taken over by the Government of West Bengal or by the State Electricity Board on 1st January, 1970. After negotiating with the Government, the Company has arranged for a loan of Rs. 4.7 crores from the State Bank of India repayable on 30th December, 1969. The bank will charge an interest of 7 percent. Since the "reasonable return" for the Company amounts to 6.5 percent, the directors will apply to the State Government to rectify the anomaly. If the Government takes over the Company in 1970 and repays its loan, the Company will refund the amount to the Government in three equal annual instalments beginning from January 1971. If the undertaking is not taken over, the Company will arrange to raise money from the market. The chairman also mentioned that capital expenditure from 1963-64 to 1969-70 may amount to about £18½ million, but the bulk of the funds will be obtained from internal resources.

Referring to the Company's growth, Mr. Macpherson pointed out that the commissioning of the 50 MW extension to the new Cossipore generating station and the southern receiving station, combined with the increased supply of power from the West Bengal State Electricity Board, has permitted relaxation of the restrictions on power supply. Although the consumption of power during the first five months of the current year is not as high as it was expected earlier, it is likely to increase soon as industry instals power-consuming plants, which have so far been held back. There has been a substantial rise in the consumption of high tension power. It has been largely used by the jute industry, engineering workshops, cotton mills, steel works, rolling mills, chemical works and paper mills. Small industries consume a substantial part of low tension power. Larger sales of energy for lights and fans reflect the growth of housing in and around Calcutta.

Periakaramalai Tea Profit Up

THE chairman of the Periakaramalai Tea and Produce Co. Ltd told the shareholders at the annual general meeting that despite the shortfall in crop, the gross income from tea had shown an increase of about Rs. 2 lakhs or a net increase of 29 paise a kilogram, for the year ended March 1964. Although there was a general rise in tea prices, the main factor which brought about this substantial increase in price was finer plucking and the resultant improvement in quality.

Another encouraging feature is that the management is not only trying to improve the quality, but effort is also being made to bring down the cost. The saving in the year's expenditure is considerable, being about Rs. 2¼ lakhs, compared with the previous year's. The chairman, however, added that the Company's efforts in bringing down costs were being nullified by the enforced increase in the wage structure and the rise in the cost of materials. The second interim wage increase for tea plantation workers, now announced by the Government, would cost the Company about Rs. 1,80,000 a year. The chairman stated that in view of the increasing costs, the only way to bring down the cost a kilogram was to increase the yield. So the Company is planting high yielding clones.

The chairman added that the decision of the European Economic Community to exempt tea from import tariffs from this year would help India. While the Government's gesture in allowing a rebate on income tax, supertax and surtax was appreciated, the chairman said that the continuance of the excise duty on tea was causing concern, as it was diluting the benefit of the above rebate.

Tube Investments Earns More

A MARKED rise in the profit of Tube Investments of India Ltd for the year ended July 1964, has enabled the directors to recommend a higher dividend of 11¼ percent for the year, against 10 percent. According to advance figures available, the net profit of the Company for the year amounts to Rs. 48,52,954 after providing Rs. 43,20,080 for depreciation, Rs 75,795 for development rebate reserve and Rs. 51,00,000 for taxation. The net profit for the previous year amounted to Rs. 40,08,091 after providing Rs. 40,43,127 for depreciation, Rs 3,22,390 for development rebate reserve and Rs. 45,25,000 for taxation.

Adding to the year's net profit of Rs. 48,52,954, a sum of Rs. 50,510 brought forward from the previous year and a sum of Rs. 3,13,150 as provision for taxation written back, the total available for appropriation comes to Rs. 52,16,614. Out of this, a sum of Rs. 22,50,000 is transferred to general reserve, against Rs. 13,00,000. A sum of Rs. 1,50,000 is transferred to dividend equalisation reserve, against Rs. 2,00,000. The proposed dividend of 11¼ percent absorbs Rs. 28,12,500. The balance of Rs. 4,114 is carried forward to the next year.

Dunlop Rubber Expanding

DUNLOP Rubber Company (India), which makes tyres, foam rubber products, hoses, belting and cycle rims, is embarking on major expansion schemes costing £2.6 million at its factories in West Bengal and Madras. The capital expenditure involved will be largely met by one-for-three rights issue to ordinary shareholders at Rs. 20 a Rs. 10 share. This will produce about £2,250,000.

Dunlop of England, which holds 51 percent of the ordinary capital, is subscribing for its proportion of new shares in full in the form of plant and machinery from the United Kingdom. The expansion scheme is part of the Dunlop group's £60 million three-year capital expenditure programme announced in May by the chairman, Sir G. Edward Beharrell.

Larsen and Toubro Sales Rise

LARSEN and Toubro's sales for the half-year ended September 1964 amounted to Rs. 3.54 crores, compared with Rs. 2.75 crores for the corresponding period of 1963. This represents an increase of 29 percent. The value of the output from the Company's workshops at Powai, Bombay, is up by 21 percent, compared with the value of output for the same period last year.

Simon-Carves Share Offer

SIMON-CARVES India Ltd is offering 599,993 ordinary shares of Rs. 10 each for subscription at par. (Details of the issue appear on a later page in this issue of *Capital.*) Simon-Carves Ltd of the U.K. will be allotted 350,000 shares for consideration other than cash. It has also agreed to subscribe for 10,000 ordinary shares. The directors and their friends will take up 19,993 shares. The remaining 220,000 shares are being offered to the public. The list opens on 12th November, 1964, and will close on 18th November, 1964, or earlier at the discretion of the directors. The board of directors consists of Messrs Jagjivandas Hiralal Doshi, Leslie Dobson, Norman Hinton, Barendra Prasad Ray, Victor Robinson, Ronald Frank Orme, Stuart Roy Horner, Peruvamba Seshaiyer Vanchi and Ashoke Kumar Sinha Roy.

The Company was incorporated on 11th February, 1963 with an authorised capital of Rs. 1 crore divided into ordinary shares of Rs. 10 each. The Company is a leading firm of mechanical, chemical, civil, electrical and constructional engineers. It carries out engineering work in the field specialised by Simon-Carves Ltd of England. It will be a subsidiary of the U.K. Company, enjoying technical assistance from the latter. It will take over the Indian assets of the U.K. Company. Since the commencement of business on 21st June, 1963, orders for Rs. 10.5 crores have been received by the Company.

Hasimara Industries Earns Less, Pays the Same

HASIMARA Industries Ltd has repeated the taxable ordinary dividend of 15 percent for the year ended March 1964. The yield amounts to 11.4 percent at the present price of Rs. 13.19 a share of Rs. 10 each. Although the weather was favourable, the production of tea suffered due to the attack of red spiders and a crop of 2.99 million kilograms was produced. The average sale price rose from Rs. 5.78 to Rs. 5.97 a kilogram. The crop for 1964 has been estimated at 3.1 million kilograms costing Rs. 1.24 crores. The Company is running the Seksaria Cotton Mills in Bombay as a licensee of the Mills. The licence fee has been cut from Rs. 2 lakhs to Rs. 1.80 lakhs a month. The directors of Hasimara Industries have persuaded Seksaria Cotton Mills Ltd and its shareholders to give the former the right to control the composition of the board of directors of Seksaria Cotton Mills.

The trading profit has dropped from Rs. 36.46 lakhs for 1962-63 to Rs. 29.90 lakhs for 1963-64, after providing Rs. 2.68 lakhs (against Rs. 2.64 lakhs) for repairs to buildings and Rs. 7.27 lakhs (against Rs. 3.79 lakhs) for repairs to machinery. Depreciation is allocated Rs. 4.44 lakhs (against Rs. 4.45 lakhs), development rebate reserve Rs. 11,000 (the same) and taxation Rs. 13.55 lakhs (against nil). A sum of Rs. 14.50 lakhs has been provided for taxation relating to the previous year. General reserve absorbs Rs. 3 lakhs (against Rs. 6 lakhs) and the carry-forward is Rs. 1.26 lakhs, against Rs. 1.60 lakhs brought in.

Deccan Sugars Repeats on Increased Capital

THE directors of Deccan Sugars and Abkhari Co. Ltd have recommended a final dividend of 11¼ percent on the increased capital, making a total of 18 percent for the year ended May 1964 (against 18 percent). The working results for the year are encouraging, showing a rise in profit over the previous year.

According to advance figures available, the net profit subject to taxation amounts to Rs. 33,73,758 (against Rs. 29,00,521). Out of this, the provision for taxation amounts to Rs. 18,55,367 (against Rs. 16,82,923). This leaves a net prot of Rs. 15,18,391 after taxation (against Rs. 12,17,598). With the amount of Rs. 9,587 brought forward from the previous year, the total available for appropriation comes to Rs. 15,27,978. Out of this, a sum of Rs. 1,35,000 is transferred to development rebate reserve (against Rs. 1,80,000). A sum of Rs. 5,30,000 is transferred to rehabilitation reserve (against Rs. 2,50,000).

Interim preference dividend at 4.55 percent has absorbed Rs. 31,850. The final preference dividend at 4.55 percent amounts to Rs. 31,850. The interim ordinary dividend of 6½ percent has absorbed Rs. 2,58,960. The final dividend of 11¼ percent now proposed on the increased capital will absorb Rs. 5,34,520. The balance

of Rs. 5,798 is carried forward to the next year.

Bayer (India) Expanding

BAYER (India) Ltd which is at present engaged in the manufacture of insecticides, fungicides, weedicides and pharmaceuticals at its factory in Dadar (Bombay) is embarking on a huge expansion programme which is estimated to cost about Rs. 3.50 crores. The Company has been licensed to manufacture annually 250 tons of ethyl parathion, 200 tons of methyl parathion, 1,903 tons of chemicals and 6,703 kilograms of basic pharmaceutical chemicals. The Company proposes to set up a plant in Thana (Bombay) for the manufacture of these items. The Company hopes to be able to reach full production within three or four years and when in full production, the annual turnover will be of the order of about Rs. 5 crores.

The cost of the expansion programme, estimated around Rs. 3.50 crores, it is proposed, will be met by the issued capital of Rs. 2.65 crores and borrowings from financial institutions. The Life Insurance Corporation and the I.C.I.C.I. are reported to have agreed to give loans amounting to Rs. 1 crore and Rs. 50 lakhs, respectively. The Company has received the permission of the Controller of Capital Issues to increase its authorised capital from the present Rs. 10 lakhs to Rs. 3 crores and the paid-up capital from Rs. 4 lakhs to Rs. 2.65 lakhs. The Company's foreign collaborators, after whom the Indian Company is named, will subscribe up to 56 percent of the capital, and this has already been approved by the Government of India The promoters, directors and their friends are taking up 58,570 equity shares of Rs. 100 each and the remaining 56,270 equity shares will be offered for public subscription shortly. The entire public issue has been underwritten. In the year ended March 1964, the Company earned a net profit of Rs. 3.66 lakhs and it paid a dividend of 20 percent on a capital of Rs. 4 lakhs.

Morarjee Mill Cuts Dividend Again

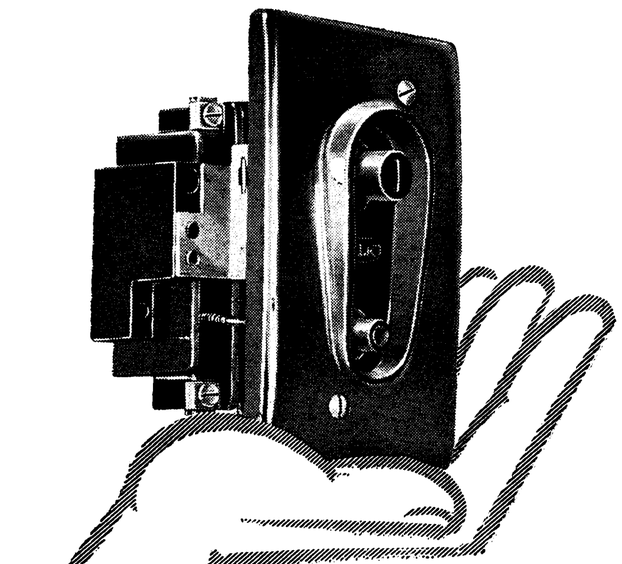
THE Morarjee Goculdas Spinning and Weaving Co. Ltd reports disappointing results for the year ended June 1964, and the directors have been obliged to effect a further cut in the dividend for the second year in succession. The dividend for 1963-64 has been recommended at 15 percent, compared with 20 percent in 1962-63 and 24 percent in 1961-62. In spite of an increase of about 31 percent in the sales from Rs. 5.83 crores to Rs. 7.65 crores, the gross profit has declined by about 28 percent from Rs. 71.17 lakhs to Rs. 51.22 lakhs. The profit margin has been reduced from 12.2 percent to 6.7 percent. This is attributed to the all-round increase in costs, some dislocation in production arising from the implementation of the expansion programme and the supply of cloth for defence purposes at uneconomic prices.

After providing Rs. 40.37 lakhs (against Rs. 36.21 lakhs) for depreciation, Rs. 2.10 lakhs (against Rs. 13 lakhs) for development rebate reserve and Rs. 2.25 lakhs (against Rs. 1.65 lakhs) for taxation, the net profit amounts to Rs. 5.45 lakhs (against Rs. 18.75 lakhs). After taking credit for Rs. 1.15 lakhs (against nil) being refund of excess managing agency commission of the previous year, transferring Rs. 10.710 (against nil) from unclaimed dividends account and writing back Rs. 1.45 lakhs (against nil) being excess provision for 1962-63 and withdrawing Rs. 3.37 lakhs (against Rs. 6.26 lakhs) from general reserve, the directors have provided Rs. 11.52 lakhs (against nil) for additional depreciation for the previous year. In 1962-63, the directors had set apart a sum of Rs. 18.85 lakhs being additional provision for bonus for previous years and Rs. 7.25 lakhs being provision for taxation of earlier years. The preference dividend claiming Rs. 1.11 lakhs (the same) and ordinary dividend claiming Rs. 7.76 lakhs (against Rs. 10.35 lakhs) will be paid out of the reserves. No dividend is being paid on the 22,976 new equity shares issued in June 1964. The Rs. 100-paid share of Morarjee Mills is quoted around Rs. 260, offering a gross return of about 5.7 percent.

Less from Cooper Engineering

COOPER Engineering Ltd has maintained the dividend for the year ended June 1964 at 8 percent. This is on the increased capital, though the total distribution is not much larger at Rs. 7.91 lakhs, against Rs. 7.23 lakhs in the preceding year. Sales and gross profit show an increase, but as against a rise of about 19 percent in the turnover from Rs. 2.617 crores to Rs. 3.11 crores, the increase in gross is only marginal, from Rs. 22.97 lakhs to Rs. 23.18 lakhs. After providing Rs. 22.60 lakhs (against Rs 18.69 lakhs) for depreciation and Rs. 1.35 lakhs (against Rs. 3.92 lakhs) for development rebate, the year's working shows a loss of Rs. 1.11 lakhs, against a net profit of Rs. 11,375 in the previous year. After taking credit for Rs. 3.76 lakhs (against Rs. 83,065), being provisions no longer required and including the small surplus of Rs. 153 brought in from the previous year, the directors have transferred Rs. 2.65 lakhs (against Rs. 95,000) to the general reserve. The proposed dividend is being paid out of the general reserve.

The directors state that production at both the factories continued to rise and sales kept pace with it and set a new record. The decline in the profit margin is attributed to the increased cost of raw materials, labour and several other items without a corresponding rise in selling prices of the Company's products. Currently, diesel engines and shaping machines constitute the major product lines of the Company and account for the bulk of the current year. Deliveries of furnaces are being made to clients in different parts of India. The Company has received several good orders.



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remained unchanged for several years and applications for suitable revisions are pending with the Government. The Company has, however, recently received the Government's approval to raise the selling prices of some of the diesel engines and shaping machines and it expects to get the approval for some more products. The full impact of the upward revision of prices will be reflected in the results of the current year.

The I.C.I.C.I. has sanctioned a foreign exchange loan of Rs. 18.5 lakhs for the proposed manufacture of vertical turret lathes. All the preliminaries connected with the loan have been completed and the requisite machinery is being ordered. Progress has also been made on the automatic loom project and parts necessary to produce for the first 50 looms have been received. Import licence for the next set of parts is likewise in hand and the components are expected towards the end of 1964. The collaboration agreement with a West German firm for the manufacture of gear hobbling machines has been approved by the Government with some amendments and the agreement has been finalised.

Investment Corporation Pays More

THE Investment Corporation of India Ltd has raised the dividend for the year ended June 1964 from 7.5 percent to 8.5 percent. This restores the cut effected in the preceding year. The preliminary report shows that the Company has fared much better than in the preceding year. Income by way of net dividend on shares and interest on securities has risen by nearly 31 percent from Rs. 22.69 lakhs to Rs. 29.71 lakhs and the pre-tax profit has gone up by about 41 percent from Rs. 21.81 lakhs to Rs. 30.83 lakhs. The provision for taxation is slightly higher at Rs. 9 lakhs, against Rs. 8.12 lakhs.

A sum of Rs. 1 lakh (against nil) has been transferred to the general reserve and Rs. 2.69 lakhs (against nil) have been transferred to the general reserve A, being the amount of foreign dividends. The reserve for retiring gratuity gets Rs. 50.000, against nil in the preceding year. The directors have set aside Rs. 17.50 lakhs (against Rs. 15 lakhs) to the dividend reserve. The proposed dividends—preference and ordinary—absorbing Rs. 17.62 lakhs (against Rs. 14.84 lakhs) are to be paid out of the dividend reserve. The Rs. 100-paid share of the Investment Corporation is quoted nominally around Rs. 95, offering a gross return of about 9.6 percent.

Wellman Incandescent India Incurs Loss

WELLMAN Incandescent India Ltd has incurred a loss of Rs. 6.02 lakhs for the year ended March 1964, against one of Rs. 3.84 lakhs for 1962-63, after providing Rs. 82,999 (against Rs. 25,340) for depreciation. The dividend has been passed and a debit balance of Rs. 9.82 lakhs has been carried forward. The sales value of contracts was slightly lower than was expected earlier. There was considerable delay in the issue of import licences for components to be built into the furnaces on order. There was also delay in the supply of bulk power by the West Bengal State Electricity Board. But the directors hope that the results for the current year will be more satisfactory. Bulk import licences have been received concerning orders due for execution during

Bharat Bijlee Maintains Dividend

BHARAT Bijlee Ltd has maintained the dividend for the year ended June 1964 at 8 percent. The dividend for 1963-64, however, is on the increased capital, the new 10,000 shares being entitled to a proportionate dividend of Rs. 7 a share, against Rs. 8 on the old 20,000 shares. The total distribution by way of dividend will be larger at Rs. 2.30 lakhs, against Rs. 1.90 lakhs in the preceding year. The preliminary report shows that the Company has fared reasonably well. Despite a small decline in the sales from Rs. 1.08 crores to Rs. 1.07 crores, the gross profit is slightly higher at Rs. 14.38 lakhs, compared with Rs. 14.21 lakhs in 1962-63. After providing Rs. 3.27 lakhs (against Rs. 2.91 lakhs) for depreciation, Rs. 48,000 (against Rs. 45,000) for development rebate and Rs. 6.90 lakhs (against Rs. 6.92 lakhs) for taxation, the net profit is shown at Rs. 3.73 lakhs, against Rs. 3.93 lakhs. After writing back excess provisions made last year amounting to Rs. 61,000, the directors have transferred Rs. 4.35 lakhs (against Rs. 3.45 lakhs) to the dividend reserve, leaving a sum of Rs. 2,000 to be carried forward, against Rs. 2,745 brought in. The proposed dividend is to be paid out of the dividend reserve. The Rs. 100-paid share of Bharat Bijlee is currently quoted around Rs. 139, offering a gross return of about 6 percent.

Assam Frontier-Budla Beta Merger

PLANS for a merger of Assam Frontier Tea and Budla Beta Tea involve the exchange of one 6 percent £1 preferred and four £1 ordinaries of Assam Frontier for every five £1 units of Budla Beta.

With Assam Frontier preferred at 24s and the ordinary at 26s, the terms value Budla Beta at about 25s 6d, or 5s 9d above the market level. The two companies have identical boards, the same secretaries, R. G. Shaw and Company, and the same agents in the East. Seven of the Assam Frontier estates are in the same area as the Budla Beta properties.

Inchcape Earns Less

DIRECTORS of Inchcape, general merchants and shipping agents, are proposing to pay a final of 7½ percent for the year ended 31st March. This makes 11½ percent against the equivalent of 10 2/3 percent in 1962-63. Pre-tax profits fell from £1.21 million to £1.17 million, but tax took £71.000 less at £394,000, leaving the amount attributable to the parent company £19,000 higher at £679,000.

The figures only include dividends receivable in Britain from Indian subsidiaries, not the fell earnings. In 1963 earnings amounted to £399,000 net, after tax of £1.59 million, compared with £324,000 after tax of £1.09 million in the previous year. Indian dividends paid or payable to Inchcape and its British subsidiary were £195,000, against £197,000.

Cannanore Spinning Repeats

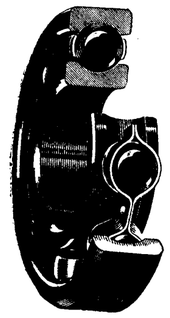
A RISE in profit and sales and the maintenance of the dividend at 8 percent are the main features of the working of the Cannanore Spinning and Weaving Mills Ltd for the year ended March 1964. The profit for the year amounts to Rs. 8,59,499 after providing Rs. 1,76,107 for depreciation, as against the previous year's profit of Rs. 3,89,408 after providing Rs. 1,96,009 for depreciation.

With Rs. 33,804 brought forward from the previous year and Rs 3,03,527 transferred from general reserve, the total available for appropriation comes to Rs. 11,96,830. Out of this, bonus for employees amounted to Rs. 42,726. A sum of Rs. 8,50,577 is transferred to development rebate reserve (against Rs. 737). No provision is made for taxation (against Rs. 1,60,000 in the previous year). The dividend at 8 percent on the increased capital has absorbed Rs. 3,03,527. As no surplus was available for payment of dividend, the directors transferred the sum of Rs. 3,03,527 from general reserve. Total sales for the year amounted to Rs. 86,10,389 (against Rs. 81,62,412).

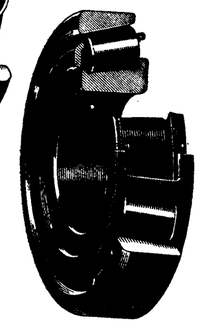
The directors' report says that the working results of the Company

NEWS from SKF

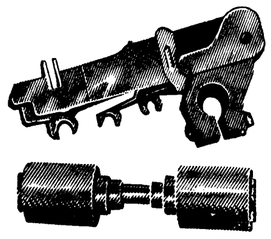
Here is a preview of some of the SKF specialities which will be manufactured in India, when the new plant at Chinchwad goes into operation. Meantime, part manufacture and assembly has already commenced in Bombay—maintaining all the technical skill and know-how which has made the name SKF world famous.



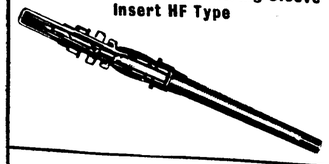
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THE SKF BALL BEARING CO. PRIVATE

would have been better but for the stoppage of the mills for 11 full days due to power cut and peak-load restrictions. The second unit at Palloor, Mahe, was formally inaugurated in February 1964. The Industrial Finance Corporation of India has sanctioned an additional loan of Rs. 17 lakhs for meeting the increased capital expenditure at the Mahe unit.

Rajesh Textile Fares Well

RAJESH Textile Mills Ltd has raised the dividend for the year ended June 1964 from 9 percent to 10 percent. The preliminary report shows that the Company has fared well during the year, with the gross profit up by about 8 percent from Rs. 41.65 lakhs to Rs. 45.07 lakhs. Appropriations include depreciation Rs. 14.83 lakhs (against Rs. 11.01 lakhs), development rebate Rs. 2.01 lakhs (against Rs. 3.47 lakhs), taxation Rs. 21.26 lakhs (against Rs. 15.37 lakhs), donations Rs. 25,500 (against Rs. 1.40 lakhs) and general reserve Rs. 1.60 lakhs (against Rs. 3.50 lakhs). A sum of Rs. 1.84 lakhs has been transferred from the development rebate reserve to meet the shortfall in dividend distribution. After providing for the proposed dividend which absorbs Rs. 4.96 lakhs (against Rs. 4.46 lakhs) there remains a surplus of Rs. 1,912 to be carried forward, against Rs. 41,527 brought in.

Gammon India Raises Dividend

GAMMON India did very well during the year ended March 1964. Its turnover increased by about 22 percent from Rs. 5.55 crores to Rs. 6.80 crores and the gross profit shot up by nearly 58 percent from Rs. 52.08 lakhs to Rs. 82.48 lakhs. The shareholders have been duly rewarded by the increase in the dividend from Rs. 1.10 to Rs. 1.20 a share of Rs. 10. The directors' report holds out the promise of encouraging results during the current year. The Company continues to have a full order book. New contracts secured during 1963-64 were of the order of Rs. 11.5 crores, whereas the work completed amounted to Rs. 6.80 crores. The Company has been making extensive efforts to equip itself with additional modern plant so that it can competently meet the demands, judged by the highest modern standards, being made on it for the economical execution of works of the greatest technical difficulty.

Expenditure incurred on plant and equipment during 1963-64 was of the order of Rs. 1.307 crores, against Rs. 36.33 lakhs in the preceding year. In the current year, expenditure on plant and equipment is expected to be around 50 percent of that in 1963-64. The directors feel that the large sums spent on plant and equipment will enable the Company to achieve to a substantial extent the vital aims in view. The directors add that the management is compelled to keep its capital needs continuously under consideration, which, if too stringently restricted, would influence the amount of work which it could finance.

Prices and costs, however, continued to increase during 1963-64 and the same trend continues in the current year. Construction contracts frequently run for several years and the effect of rising costs has to be kept in mind when assessing the trend of earnings. The directors state that the demand for the Company's services continues, but due to the limited resources available, the intake of new work has been limited to Rs. 11.5 crores, compared with Rs. 16 crores in the previous year. The Company's capital structure remains small in relation to its turnover and it is utilising bank borrowings to the maximum degree possible.

The paid-up capital of the Company was increased during the year from Rs. 1.15 crores to Rs. 1.38 crores by the issue of 230,000 equity shares of Rs. 10 each at a premium of Rs. 1.50 a share. It has received permission to issue preference shares worth Rs 50 lakhs, but these have not yet been issued. The various subsidiaries of the Company showed satisfactory results during 1963-64. Only Gamsha Pipes showed a loss of Rs. 52,583, bringing the total loss to-date to Rs. 1.14 lakhs. The performance during the current year is not expected to be any better. The Gammon group companies, in which Gammon India Ltd. is interested as a shareholder, following are the details:

New Capital Issues

SIX companies have been authorised to raise fresh capital aggregating Rs. 9.52 crores. Of these, one is issuing bonus shares, three are issuing equities, the fifth is floating debentures and the sixth equities and preference shares. One company involves foreign collaboration. The consent of the Controller of Capital issues is valid for a year in all the cases except one in which it is valid only up to 1st May next year. The following are the detalis:

Geep Flashlight Industries Ltd, Allahabad, will issue a further capital of Rs. 3 lakhs dividend into 3,000 equity shares of Rs. 100 each as bonus shares on capitalisation of the Company's reserves to a like extent.

Electric Construction and Equipment Co. Ltd, Calcutta, is to issue a capital of Rs. 84,56,600, divided into equity shares of Rs. 59,06,600 and preference shares of Rs. 25,50,000. The capital is required to complete several projects of the Company in Hyderabad, Budge Budge, Bandel and Sonepat estimated to cost Rs. 1.37 Crores.

Associated Cement Companies Ltd, Bombay, is to issue a capital of Rs. 7 crores in 7 percent a year debentures of Rs. 1,000 each, for cash at par. The debentures will be offered to the public with first option to the existing shareholders of the Company. The money will be used to finance the Company's expansion, renovation and new factories.

Lucas-TVS Ltd, Madras, is to issue a further capital of Rs. 50 lakhs, divided into 50,000 equity shares of Rs. 100 each, for cash at par, to be subscribed privately by the Company's foreign collaborators—Messrs Joseph Lucas (Industries) Ltd., U. K., and Messrs T. V. Sundaram Iyenger & Sons Pvt. Ltd, Madras. The money will be utilised to meet the increased capital requirements of the Company's project.

Benger Laboratories (India) Ltd, Bombay, is to issue Rs. 50 lakhs in equity shares of Rs. 100 each at par. to be offered to the existing shareholders of Tata-Fison Ltd on the amalgamation of the latter with the former as approved under the orders of the Bombay High Court. The shares will be issued in the proportion of 10 shares for one share of Rs. 1,000 each (fully paid up) of Tata-Fison Ltd.

Goodyear India Ltd, Calcutta, is to issue a further capital of Rs. 64,00,000 divided into 640,000 equity shares of Rs. 10 each for cash at a premium of Rs. 7 a share. The entire issue will be made to the existing Indian shareholders in the ratio of eight shares for every five shares held. The capital will be used to finance the expansion scheme involved in the manufacture of rubber tyres and tubes, etc. The consent is valid up to 1st May, 1965.

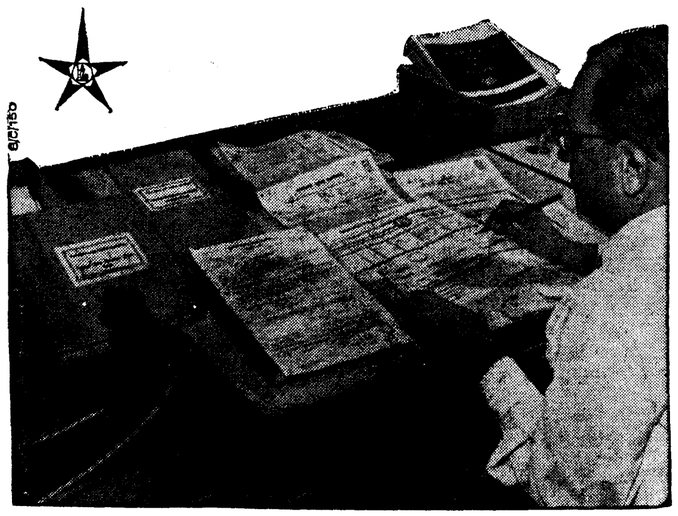
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The Stock Markets

SPECULATIVE SUPPORT LIFTS SHARE PRICES

Wednesday Evening.

THERE has been a fair improvement in the Calcutta stock market during the past week. The support has, nevertheless, been mainly speculative in character. So the prices of clearing shares have been substantially marked up. There has also been a considerable volume of short-covering. Excepting scattered support for selected scrip, turnover in cash shares is small. Jessop, in particular, have met with hectic support and risen sharply. But they have reacted towards the close due to profit-taking.

Operators seem to have been influenced by several rumours. One is that Mr. T. T. Krishnamachari, Central Finance Minister, will soon abolish the taxes on bonus shares and dividends. There is no doubt that these taxes have impaired the confidence of investors, but it is doubtful whether the Government will withdraw these taxes before the next Budget. In the meantime, the depression in the capital market continues in spite of support from Government financing institutions. Unless the outlook for corporate profits and dividends improves due to a modification of the fiscal policy, investors will not take the risk of putting money in equities.

Lyons Range is impressed by a New Delhi report that the Advisory Committee on Capital Issues has made two significant recommendations. Firstly, the restriction on the transfer of shares allotted privately by a public limited company should be removed. Secondly, the margin on carryover transactions needs to be relaxed. But such relaxation will tend to promote speculation in shares and it is not likely to help in restoring confidence.

In the meantime, the economic and political situation has worsened. Despite the efforts of the Government, inflation has not been checked. The new credit policy of the Reserve Bank will tend to reduce the flow of funds into the stock market. The meeting between the Home Ministers of India and Pakistan due to be held towards the close of November is awaited with keen interest. In view of these uncertainties, the improvement in the stock market is not expected to continue. A fall in share prices in the near future is not ruled out.

Indian Iron have risen smartly, although they have reacted towards the close due to profit-taking. The support is largely based on rumours that the prices of controlled items of steel may soon be raised. Jessop have reacted, after an earlier sharp rise. Other engineering shares like Guest, Keen, Williams, Texmaco. Britannia Engineering, J. K. Steel and Braithwaite are about steady.

The prices of clearing miscellaneous shares have tended to drop towards the close due to profit-taking. Dunlop Rubber have, nevertheless, attracted support on the prospect of a bonus issue. Goodyear India are steady on the prospect of an ordinary rights share issue. but it is doubtful whether the support will be sustained in view of the heavy premium at which the new shares will be issued. The losses so far increased by the Company will be an additional deterrent. Support has been forthcoming for Alkali and Chemical. Associated Battery and Union Carbide.

Among new shares, Hindusthan Twyfords are steady. New Asiatic Insurance have attracted attention on the prospect that the Company will undertake industrial and trading ventures. Managing agency shares are hesitant since Mr. T. T. Krishnamachari observed that the Government will seek to eliminate the system as early as possible. Bank and electric shares have been neglected. Paper shares are about steady.

Jute and cotton mill shares are being dealt in cautiously due to fears that the export of these commodities will suffer because of the levy of a surcharge on imports by the U.K. Except for Birla, other jute shares have been neglected. Stray business has passed in coal and tea shares around previous levels.

Government securities are quiet and turnover has been negligible. The 3 percent Conversion Loan 1986 has dropped to Rs. 62.60. Institutional support is absent. Nearly all State Government loans are available at a discount.

Bombay

TAX CHANGE RUMOURS BOOST SENTIMENT

STEELS RISE ON FURTHER DECONTROL PROSPECTS

Wednesday Evening.

DALAL Street pushed its way further up last week. The going was by no means easy, which, however, should cause no surprise because there was no particularly encouraging news to give the market a real drive. Interest remained very selective, but there was a considerable increase in turnover although activity continued to be predominantly professional. Fluctuations in the leading scrip were irregular and, barring certain counters, net changes over the week were rather small. However, the market, which had long been under persistent pressure at every small rally, now seemed to be attracting considerable support at setbacks. It might be rash to read too much into the recent recovery, but the mood of subdued optimism obtaining now is in pleasant contrast to the feeling of despondency that had prevailed in the market until very recently.

It seems significant that the market should be veering round to the constructive side in face of the political uncertainty that has been created by the Moscow shake-up and the nuclear explosion by China. In its constructive frame of mind, Dalal Street did not express any great concern over the draft memorandum on the fourth plan and the prospect of increased taxation in order to mobilise resources for financing it. In fact, the stock exchange operators noted with satisfaction the hint in the draft memorandum that the public undertakings should earn at least 12 percent on investment; the market is not perhaps unjustified in thinking that this marks a change in official attitude towards reasonable return that an industry should earn on its investment.

The mood of the market has no doubt undergone a change, but it is difficult to say how the recovery will progress. This is because outside participation in the market is still virtually absent. Activity is mostly centred round the popular speculative scrip; cash shares continue to be neglected although selling pressure seems to have nearly dried up. The market has recently been thick with rumours that the capital gains tax on bonus issues is likely to be abolished shortly, and that the dividend tax will also be suitably modified.

Rayon shares which had led the recent recovery and had recorded impressive gains in the preceding week were unable to make further important headway, and came under heavy pressure at the week-end. National Rayon rose further from Rs. 367 to Rs. 371.50, but reacted sharply from

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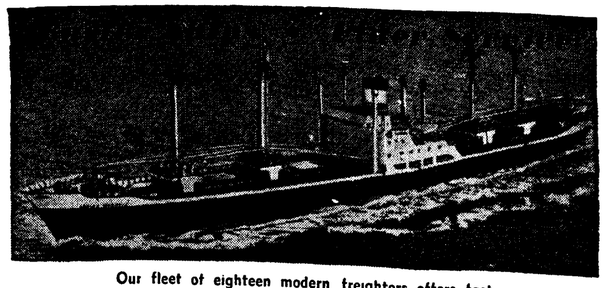
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Rs. 371 to Rs. 357. Century moved down in sympathy from Rs. 619 x.d. to Rs. 615 (ex dividend); earlier in the week, they had been marked up from Rs. 168 c.d. to Rs. 623 c.d.

Steels which had been dull and subdued for a long while recorded a spectacular rise near the week-end on keen bull support induced presumably by hopes of further decontrol of certain items and increase in the retention prices of controlled varieties. In a matter of few days, Indian Iron shot up from Rs. 25 to Rs 26.50 but shaded slightly to Rs. 26.20 at the close. Tata Steel advanced from Rs. 147.50 to Rs. 151, but later reacted to Rs. 149. The week-end quotations were slightly lower due to corrective profit-taking.

Cotton mill shares maintained a steady tone, but business was limited. Operators seemed disinclined to increase their commitments until a clear picture emerges of the cloth price pattern and of the trend of cloth offtake.

Shipping shares were firm, particularly Great Eastern because of the upward revision of the dividend from 73 paise to Rs. 1.08 a share. The increase in the dividend which has been made in response to strong representation by the Bombay Shareholders Association has been welcomed, but not without adverse comment. Great Eastern which had been marked down from Rs. 13.56 to Rs 11.88, following the disappointment over the initial dividend announcement, have recovered to Rs. 12.68 after the recent announcement about the increase. Scindia subsequently recovered from Rs. 15.30 to Rs. 16.12 but later fell back to Rs 15.95.

Motor-vehicle and engineering shares have been attracting fairly good support at setbacks, but net changes over the week were small. Chemical and cement shares have been distinctly steady. There has been little doing in sugar shares, which, have, however, been keeping fully steady. Electric, bank and insurance shares kept steady without much business. Cash scrip were steady mainly due to scarcity of offerings.

Madras

SHARES STEADY DUE TO BOMBAY ADVICES

FEARS OF DECLINE IN BANK CREDIT

Tuesday Evening.

THE Madras stock market has been steady during the past week in response to the improvement in Dalal Street. The prices of clearing shares in particular have tended to harden due to a fair amount of support from outside sources. Selective support has been extended to cash shares. Operators and investors take a bullish view of the recommendation of the Advisory Committee for Capital Issues that the restriction on the transfer of shares allotted privately by a public limited company should be relaxed.

Towards the close, operators have become cautious because of fears that the supply of bank credit to the stock market will shrink due to the Reserve Bank's policy of credit restraint. Support has centred on selected tea and coffee shares on reports of good crops. Good miscellaneous shares have also attracted attention following encouraging corporate news. A fair amount of business has been transacted in Government securities. Selected preference shares have met with support.

Despite a limited turnover in bank shares, Indian Overseas have improved to Rs. 150.50. In electric companies, Karaikkal have attracted support at Rs. 10.25 on paying a taxable ordinary dividend of 10 percent. South Madras have been taken at Rs. 12 on declaring an interim taxable ordinary dividend of 5½ percent. In sugar shares, Deccan are sluggish at Rs. 11.10 despite the repetition of the dividend of 18 percent, including a final of 11½ percent on the increased capital. E.I.D. have improved slightly to Rs. 35.75, while Kothari are sluggish around Rs. 6.20. Travancore are steady at Rs. 8.12 and India have attention up to Rs. 8.90.

In the planting section, Consolidated Coffee have been a smart feature at Rs. 23.90. Blue Mountain have dropped slightly to Rs. 2.26, while Cochin Malabar are steady at Rs. 6.22. Ouchterlony and Periakaramalai have been maintained. Interest has been taken in rubber shares like Thamarapally, Travancore and Mercara. In tea shares, Nelliampathy, Emerald Valley and Nonsuch have been supported. In composite gardens producing both tea and coffee, Stanes Amalgamated have been steady at Rs. 13.75. In the coffee section, Kumergode, Ossoor and Rajendra have been prominent.

In textile shares, South India Viscose have dropped to Rs. 115, while Travancore Rayon have improved to Rs. 19.75. Madura have gained at Rs. 35.60, but Lakshmi have been maintained. Loyal are being offered freely down to Rs. 40 on paying a poor dividend of only 3 percent, subject to tax. Asher have declared a taxable ordinary dividend of 10 percent. Bangalore Woollen, Buckingham and Ramakrishna are steady. Mettur, Anglo-French and Cannanore have attracted support.

Among miscellaneous shares, Aluminium Industries are very steady at Rs. 23.35 on prospects of expansion. Ashok Leyland have hardened to Rs. 6.90 and Mettur Chemical have been maintained. In cement shares, India have improved to Rs. 5.20, while Dalmia are steady at Rs. 13.25. In engineering shares, Indian Steel Rolling have been taken at Rs. 9.85. In paper shares, Seshasayee and Mysore have been bought. Standard Motors and Tube Investments have gained fractionally. A. V. Thomas are steady at Rs. 4 on declaring a taxable ordinary dividend of 7½ percent. Kirloskar Electric have hardened to Rs. 19.62 on replacement buying, while Madras Rubber have weakened to Rs. 9.50. Parry's Confectionery, Spencer and Textool are fully steady.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 35/19—36/69—34/75—36/12—(32/56).
Burrakur Coal—Rs. 16/81—16/81—16/81—16/81—(17/37).
Dunlop Rubber—Rs. 33/25—34/69—32/87—34/44—(37/06).
Guest, Keen, Williams—Rs. 23/19—24/06—23/06—23/44—(37/69).
Hindustan Motor—Rs. 16/50—17/25—16/41—16/75—(18/94).
Howrah Jute—Rs. 16/06—16/06—16/00—16/06—(19/25).
Indian Aluminium—Rs. 31/62—32/69—31/39—31/94—(37/94).
Indian Copper—Rs. 3/37—3/50—3/35—3/45—(3/69).
Indian Iron—Rs. 25/00—26/44—24/94—26/08—(24/70).
Indian Cable—Rs. 35/50—35/62—35/37—35/62—(36/75).
J. K. Cotton—Rs. 10/50—10/69—10/37—10/44—(13/19).
Jaipur Udyog—Rs. 10/72—10/81—10/50—10/50—(12/41).
Kesoram Industries—Rs. 25/37—26/12—25/06—25/50—(26/62).
Orient Paper—Rs. 31/10—32/30—31/10—31/40—(36/85).
Orissa Cement—Rs. 11/37—11/62—11/37—11/37—(15/25).
Rohtas Industries—Rs. 10/06—10/31—10/00—10/12—(13/75).
Textile Machinery—Rs. 26/00—26/90—26/00—26/20—(27/35).

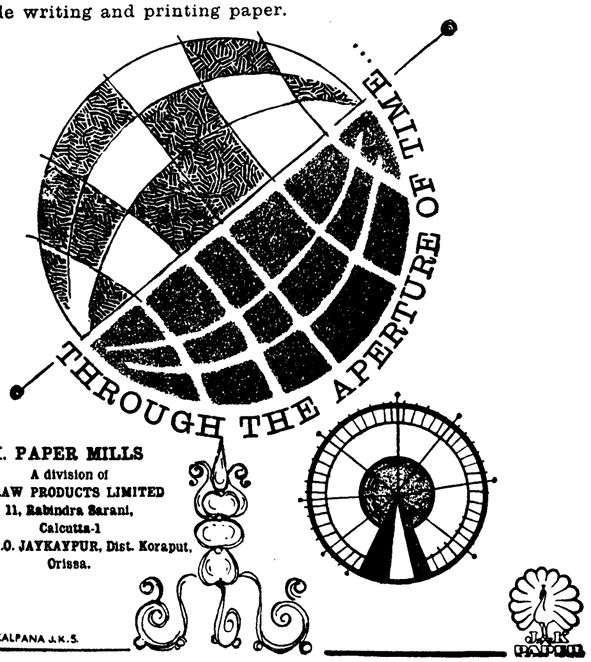
GILT-EDGED

3 % Loan (1986)—Rs. 63/00—63/00—62/40—62/40.
3 % „ (1970-75)—Rs. 90/20—90/23—90/20—90/20.

Sir Isaac Newton held that gravity is a force, whereas Einstein regarded it as a property of space, which he believed was curved. But they had one thing in common. Both the Law of Gravitation and the Theory of Relativity were put down on papers for the consumption of knowledge-hungry world.

The world's first paper was made by the wasp for nesting purposes. The Egyptians manufactured Paper by cutting strips from the stem of the Papyrus plant-moistening them and laying them flat.

In modern India, J. K. Paper Mills produce all quality high grade writing and printing paper.



J. K. PAPER MILLS
A division of
STRAW PRODUCTS LIMITED
11, Rabindra Sarani,
Calcutta-1
Mills: P.O. JAYKAYPUR, Dist. Koraput, Orissa.

3 % Loan (1966-68)—Rs. 98/45—98/45—98/45.
3½ % „ (1965)—Rs. 100/05—100/05—100/05—100/05
3¾ % „ (1974)—Rs. 96/35—96/35—96/35—96/35.
3¾ % „ (1968)—Rs. 99/85—99/85—99/85—99/85.
4 % „ (1969)—Rs. 99/55—99/55—99/55—99/55.
4 % „ (1970)—Rs. 99/00—99/05—99/00—99/05.
4 % „ (1972)—Rs. 98/75—98/75—98/75—98/75.
4 % „ (1973)—Rs. 98/70—98/70—98/70—98/70.
4 % „ (1979)—Rs. 97/70—97/70—97/70—97/70.
4 % West Bengal (1968)—Rs. 98/70—98/70—98/65—98/70.
4 % Bihar (1969)—Rs. 98/25—98/25—98/25—98/25.
4 % Orissa (1969)—Rs. 98/25—98/30—98/25—98/30.
4 % Madras (1968)—Rs. 98/80—98/80—98/70—98/70.
4 % U.P. (1967)—Rs. 98/65—99/25—98/65—99/25.
4½ % Loan (1973)—Rs. 100/05—100/13—100/05—100/13.
4½ % „ (1986)—Rs. 100/10—100/13—100/10—100/13.
4¾ % „ (1989)—Rs. 100/03—100/03—100/00—100/00
4½ % Madras (1974)—Rs. 98/05—98/05—98/05—98/05.
4¾ % West Bengal (1976)—Rs. 99/40—99/40—99/40—99/40.
4¾ % Andhra Pradesh (1976)—Rs. 96/75—96/80—96/75—96/75.
4¾ % Madras (1976)—Rs. 97/00—97/00—97/00—97/00
4¾ % U.P. (1976)—Rs. 97/00—97/05—
4¾ % Orissa (1976)—Rs. 96/90—96/90—96/65—96/70.
4¾ % U.P. (1970)—Rs. 98/85—98/85—98/85—98/85.
4¾ % Bihar (1976)—Rs. 96/70—96/70—96/70—96/70.

BANK

United Bank of India (Rs. 10/- paid)—Rs. 8/12—8/19—8/06—8/19—(7/44).

RAILWAYS

Ahmadpur Katwa—Rs. 25/37—26/25—25/37—26/25—(26/00).
Bankura Damodar—Rs. 25/37—26/25—25/37—26/25—(26/50).
Burdwan Cutwa—Rs. 25/37—26/25—25/37—26/25—(26/50).
Chaparmukh Silghat—Rs. 29/00 s.t.—29/00—28/50—28/50—(40/00).
Futwa Islampur—Rs. 27/00 s.t.—27/00—25/75—25/75—(28/70).

TEXTILES

Bowreah—Rs. 24/31—24/37—24/31—24/37.
Basanti (Pref.)—Rs. 7/09—7/09—7/09—7/09.
Cawnpore—Rs. 6/25—6/31—6/19—6/31—(7/56).
Elgin—Rs. 19/62—19/69—19/37—19/56—(22/81).
Jaya Shree—Rs. 13/25—13/37—13/19—13/25—(16/50).
Jagatjit—Rs. 15/00—15/00—15/00—15/00.
New Victoria (Pref.)—Rs. 2/16—2/16—2/06—2/16—(2/69).
Rajasthan Spng.—Rs. 9/75—9/94—9/00—9/94.
Swadeshi (Pref.)—65/00—65/00—65/00—65/00—(68/00).

COALS

Bengal—Rs. 245/50—245/50—245/50—245/50—(280/500).
Bhalgora—Rs. 4/00—4/00—4/00—4/00—(3/56).
Bharat Collieries—Rs. 3/00—3/00—2/62—2/62—(3/53).
Central India—Rs. 8/50—8/56—8/44—8/44—(10/00).
Dhemo Main—Rs. 3/75—3/75—3/75—3/75—(4/50).
Karanpura Collieries—Rs. 13/44—13/44—13/44—13/44—(16/00).
Do. (Pref.)—Rs. 46/50—46/50—46/50—46/50.
New Beerbhoom—Rs. 16/44—16/50—16/44—16/50—(19/25).
Rancegunge—Rs. 12/25 x.d.—12/75—12/25—12/75—(14/25).
South Karanpura—Rs. 6/00—6/00—6/00—6/00—(8/62).
Union—Rs. 10/00—10/00—10/00—10/00—(10/12).
Western Bengal—Rs. 8/56—8/62—8/53—8/56—(8/87).

JUTES

Agarpara—Rs. 8/75—8/81—8/75—8/81—(10/50).
Alliance—Rs. 103/00—106/00—103/00—106/00—(161/00).
Anglo-India—Rs. 189/00—189/00—189/00—189/00—(234/00).
Budge Budge (Pref.)—Rs. 96/50—97/00—96/50—97/00.
Champdany—Rs. 21/75—21/81—21/75—21/81—(24/62).
Cheviot—Rs. 20/12—20/25—20/06—20/19—(22/56).
Chitavalsah—Rs. 7/75—7/75—7/75—7/75—(11/06).
Clive (6% Pref.)—Rs. 54/00—54/00—54/00—54/00—(68/50).
Dalhousie—Rs. 110/00—110/00—110/00—110/00—(147/00).
Empire—Rs. 13/75—13/75—13/75—13/75—(17/75).
Do. (Pref.)—Rs. 93/50—94/00—93/00—93/00.
Ganges—Rs. 12/94—13/25—12/81—12/81—(14/75).
Do. (Pref.)—Rs. 104/00—104/00—104/00—104/00.
Gourepore—Rs. 20/50—20/50—20/50—20/50—(25/25).
Howrah (7% Pref.)—Rs. 92/50—93/00—92/50—93/00.
Hukumchand (Pref.)—Rs. 96/00—96/00—96/00—96/00.
India—Rs. 15/19—15/25—15/12—15/25—(16/62)
Kankinarrah—Rs. 130/00—139/00—130/00—137/50—(144/00).
New Central—Rs. 10/62—10/75—10/50—10/69—(14/81).
National—Rs. 19/12—19/25—19/00—19/25—(23/87).
Nuddea—Rs. 10/75—10/81—10/75—10/81.
Presidency—Rs. 4/19—4/31—4/19—4/25.
Waverley—Rs. 8/00—8/00—8/00—8/00—(8/00).

MININGS

Assam Sillimanite—Rs. 6/59—6/59—6/59—6/59.
Metal Corpn.—Rs. 6/25—6/25—6/16—6/16—(8/84).

CEMENTS

Ashoka—Rs. 6/75—6/81—6/75—6/81—(7/06).
Bengal Potteries—Rs. 4/19—4/19—3/87—3/87—(5/37).
Dalmia (Bharat)—Rs. 13/25—13/25—12/87—13/12—(12/81).
Kalyanpur Lime and Cement—Rs. 110/00—110/00—110/00—110/00.
Sone Valley—Rs. 4/00—4/00—3/81—3/91—(4/90).

CHEMICALS

Alkali and Chemical—Rs. 29/62—30/37—29/50—30/19—(34/75).
Do. (Pref.)—Rs. 85/00—87/00—85/00—87/00.
Chemicals and Fibres—Rs. 16/50—16/62—16/25—16/37.

PUBLIC UTILITIES

Calcutta—Rs. 15/50—15/50—15/06—15/06—(14/37).
Do. (Pref.)—Rs. 8/62—8/62—8/56—8/56.
Muttra—Rs. 11/00—11/06—11/00—11/06—(11/06).
Patna—Rs. 10/44—10/44—10/31—10/31—(10/62).
United Provinces—Rs. 210/00—210/00—198/00—198/00—(116/00).

ENGINEERINGS

Bharat Ball Bearing—Rs. 11/37—11/62—11/25—11/50.
Britannia Eng.—Rs. 10/00—10/00—9/56 s.t.—9/56 s.t.—(10/44).
Bhartia Electric Steel—Rs. 14/87—15/12—14/87—15/12—(15/12).
Braithwaite & Co.—Rs. 32/94—33/06—32/75—32/75—(35/12).
Calcutta Steel—Rs. 13/62—13/62—13/62—13/62—(13/94).
Dalmia Iron—Rs. 11/25—11/62—11/25—11/62—(11/12).
Hindusthan Wires—Rs. 9/50—9/75—9/50—9/75—(10/25).
Indian St. Wagon (Pref.)—Rs. 109/00—109/00—109/00—109/00—(116/50).
Indian Iron (Pref.)—Rs. 87/00 s.t.—87/00—87/00—87/00—(84/25).
Jessop & Co.—Rs. 27/25—27/50—25/50—25/56—(26/25).
J. K. Steel—Rs. 17/75—17/87—17/75—17/87—(16/37).
Kumardhubi—Rs. 5/62—5/69—5/59—5/62—(9/25).
Machinery Manfrs.—Rs. 22/87—22/87—22/87—22/87.
Saran Eng.—Rs. 9/12—9/12—9/12—9/12—(8/78).
Textile Machinery (6½% Pref.)—Rs. 103/00—104/00—103/00—103/50—(100/50).

INSURANCE

New Asiatic—Rs. 7/56—8/31—7/50—8/25—(8/12).

MISCELLANEOUS

Aluminium Corpn.—Rs. 11/44—11/44—11/37—11/37—(16/62).
Associated Battery—Rs. 23/87—24/62—23/87—24/62—(26/00).
Asiatic Oxygen—Rs. 8/37—8/37—8/31—8/31—(14/13).
Angelo Brothers—Rs. 25/50—25/50—25/50—25/50—(24/25).
B. I. Corpn.—Rs. 11/06—11/12—11/00—11/12—(8/81).
Bharat Nidhi—Rs. 5/37—5/44—5/37—5/41—(6/75).
Bhartia Sons—Rs. 2/66—2/66—2/66—2/66—(2/62).
Balmer Lawrie—Rs. 236/00—238/00—236/00—238/00—(260/00).
Calcutta Tramways—Rs. 11/44—11/56—11/44—11/50—(11/19).
Dr. Paul Lohmann—Rs. 8/37—8/37—8/12—8/31—(13/75).
Duncan Brothers—Rs. 125/00—125/00—110/00 s.t.—110/00 s.t.—(140/00).
Dunlop Rubber (2nd Pref.)—Rs. 68/00—68/00—68/00—68/00—(68/00).
East Anglia Plastics—Rs. 8/00—8/00—8/00—8/00.
English Electric—Rs. 15/75—15/81—15/75—15/81—(14/15).
Eastern Investment—Rs. 101/00—101/00—101/00—101/00—(121/00).
Electric Construction—Rs. 14/00—14/06—13/94—14/00—(13/87).
Fort Gloster (Partly Paid)—Rs. 163/00—164/00—163/00—164/00.
Do. (2nd Pref.)—Rs. 71/00 x.d.—71/00—71/00—71/00.
Goodyear India—Rs. 21/62 s.t.—22/87—21/50—21/75.
Gwalior Rayon—Rs. 38/00—38/00—38/00—38/00.
Gillanders Arbuthnot—Rs. 13/00—13/00—13/00—13/00—(14/00).
Hindustan Aluminium—Rs. 13/25—13/56—13/25—13/56—(13/62).
Hindusthan Gas—Rs. 19/31—19/31—19/00—19/12—(23/25).
Hindusthan Twyfords—Rs. 15/50—15/87—15/31—15/69—(15/00).
Hoare Miller—Rs. 4/25—4/25—4/25—4/25—(5/62).
Hindusthan Development—Rs. 3/87—3/94—3/87—3/94—(4/06).
Imperial Tobacco—Rs. 8/31—8/37—8/25—8/25—(10/31).
Indian Oxygen—Rs. 24/25—24/50—24/25—24/37—(28/50).
Inchek Tyres—Rs. 6/75—6/75—6/75—6/75.
J. K. Synthetics—Rs. 12/94—13/03—12/75—12/75—(11/75).
Jayshree Tea Industries—Rs. 14/69—14/81—14/69—14/75—(18/56).
Martin Burn—Rs. 26/94—27/12—26/94—27/12—(27/81).
Do. (Pref.)—Rs. 90/00—90/00—90/00—90/00—(85/50).
McLeod & Co. (1st Pref.)—Rs. 46/00—46/00—46/00—46/00—(44/50).
Do. (2nd Pref.)—Rs. 60/00 c.t. s.t.—62/50—60/00—62/50—(59/75).
Metal Distributors—Rs. 9/12—9/12—8/75—9/12—(4/69).
Metal Box—Rs. 31/25—31/25—31/25—31/25—(53/50).
National Tobacco—Rs. 11/25—11/25—10/94—11/12—(11/75).
National Pipes & Tubes—Rs. 29/00—29/00—29/00—29/00—(28/37).
National Rolling & Steel Ropes—Rs. 24/00—24/37—24/00—24/37—(21/44).
National St. Duncan—Rs. 71/25—71/25—71/25—71/25—(88/00).
Nav. Bharat Vanijya—Rs. 2/50—2/50—2/50—2/50.
Do. (Pref.)—Rs. 70/00—70/00—70/00—70/00.
National Insulated Cable—Rs. 25/19—25/19—25/00—25/00—(25/19).
Phillips Carbon—Rs. 12/87—13/56—12/87—13/06—(17/25).
Rallis India—Rs. 123/00—123/00—123/00—123/00—(130/00).
S. S. Duncan—Rs. 10/06—10/12—10/00—10/00.
Sirsilk—Rs. 7/00—7/06—6/94—6/94—(8/94).
Shaw Wallace—Rs. 16/62—17/12—16/62—17/12—(16/69).
Shree Ganga Cold Storage—Rs. 10/25—10/31—10/25—10/31.
Tungabhadra Industries—Rs. 10/06—10/06—10/06—10/06.
Universal Cables—Rs. 10/56—10/72—10/56—10/56—(12/62).
Usha Martin—Rs 14/87—14/87—14/87—14/87—(17/69).
Walford Transport—Rs. 3/09—3/09—3/00—3/00—(3/87).

OIL

Indo-Burma Petroleum—Rs. 22/00—22/00—22/00—(23/31).

PAPERS

Bengal—Rs. 26/50—26/62—26/50—26/56—(28/62).
Ballarpur—Rs. 18/00—18/06—18/00—18/06—(18/87).
India Paper Pulp—Rs. 16/50—16/56—16/44—16/06 s.t.—(18/81).
Orient (2nd Pref.)—Rs. 59/50—59/50—59/50—59/50.
Sirpur—Rs. 11/62—11/69—11/56—11/56—(12/94).
Star—Rs. 10/00—10/00—9/05—9/50—(8/81).
Do. (3rd Pref.)—Rs. 89/00—89/00—89/00—89/00
Do. (1st Pref.)—Rs. 66/00—66/00—66/00—66/00—(65/00).
Straw Products—Rs. 8/75—8/75—8/56—8/56—(10/12).
Titaghur—Rs. 12/00—12/37—12/00—12/31—(17/25).

REAL PROPERTIES

Midnapore Zemindary—Rs. 33/00—33/00—32/75—32/75—(11/00).
Sahu Properties—Rs. 2/50—2/50—2/50—2/50.

SHIPPINGS

Calcutta Steam—Rs. 7/31—7/31—7/25—7/25—(9/25).
India Steamship—Rs. 7/00—7/00—6/25—6/25—(7/09).
Do. (Pref.)—Rs. 58/00—58/00—58/00—58/00.
India General Nav.—Rs. 36/50—36/50—36/50—36/50—(39/00).
Port Shipping—Rs. 17/50—17/50—17/25—17/31—(14/62).

SUGARS

Balrampur—Rs. 1/62—1/62—1/56—1/56—(1/81).
Darbhanga—Rs. 8/56—8/56—8/56—8/56—(8/69).
Raza Buland—Rs. 10/19—10/25—10/12—10/25—(10/31).
Samastipore Central—Rs. 3/50—3/62—3/50—3/62—(5/94).
Shree Krishna Gyanoday—Rs. 8/50—8/56—8/50—8/56—(9/15).
Tulsipur—Rs. 4/62—4/62—4/56—4/56.

TEAS

Baghmari—Rs. 11/25—11/25—11/25—11/25—(17/25).
Dauracherra—Rs. 14/50—14/94—14/50—14/94—(11/75).
East India—Rs. 10/25—10/31—10/25—10/31—(16/00).
Gillapukri—Rs. 23/00—23/00—23/00—23/00—(25/44).
Hanuman—Rs. 10/12—10/22—10/12—10/22.
Joonktollee—Rs. 17/37—17/50—17/37—17/50.
Kotamullai—Rs. 10/25—10/31—10/25—10/31—(10/31).
Ledo—Rs. 13/50—13/50—13/50—13/50—(13/75).
Moheema (Pref.)—Rs. 4/75—4/75—4/75—4/75—(4/75).
Nagri Farm—Rs. 28/00—28/12—28/00—28/12—(30/75).
Patrakola—Rs. 190/00—190/00—172/00—172/00—(129/00).
Soom—Rs. 30/00—30/00—30/00—30/00—(34/00).
Sapoi—Rs. 16/06—16/12—16/06—16/12—(17/25).
Tongani—Rs. 5/12—5/19—5/12—5/19—(5/31).
Teloijan—Rs. 19/00—19/00—19/00—19/00—(21/37).

DEBENTURES

5 % Calcutta Electric Supply—Rs. 95/50 s.t.—95/50—95/50—95/50.
6½ % Indian Aluminium—Rs. 96/00—96/00—96/00—96/00.
7 % Birla Jute—Rs. 99/50—99/50—99/50—99/50.
5½ % Fort Gloster Ind.—Rs. 98/75—99/00—98/75—99/00.

London

MARKET IMPROVES ON POLICY STATEMENT

GILT-EDGED RISE: GOLD SHARES NEGLECTED

London, 28th October.

IT was an eventful week in the stock market last week. In view of the many conflicting influences at work, it gave a creditable performance. After shaking off the election result, buyers soon became active again. Then last Friday, came a rumour that the dollar premium would be abolished and the week ended somewhat nervously with dollar stocks being lowered sharply and the dollar premium declining. The same conditions were experienced on Monday morning in advance of the Government's economic policy statement, but when its contents were disclosed, which contradicted the rumours, the market took on a distinctly firm appearance.

I.C.I., Turner and Newall, Bowaters, B.M.C., Distillers, Associated Cement and G.E.C. were the leaders to show up well. Gilt-edged met with a good investment demand and prices were better. Gold shares were wanted at one time, but neglected later.

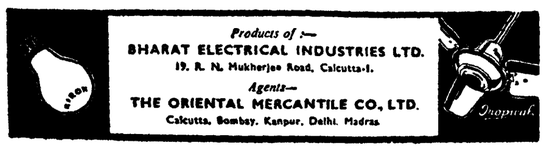
RESERVE BANK

	ISSUE DEPARTMENT (In '00's of Rupees)	Week Ended 23-10-64	16-10-64	25-10-63
Liabilities—				
	Notes in Banking Dept.	21,82,06	7,12,79	18,80,13
	Notes in Circulation	24,09,28,80	24,37,93,34	22,51,57,83
	Total Notes Issued	24,31,10,86	24,45,06,13	22,70,17,96
Assets—				
A.	Gold Coin and Bullion	1,17,76,10	1,17,76,10	1,17,76,10
	Foreign Securities	85,45,69	85,45,69	92,45,69
	Total of A	2,03,21,79	2,03,21,79	2,10,21,79
B	Rupee Coin	1,06,72,35	1,05,68,73	1,20,65,15
	Rupee Securities	21,21,16,72	21,36,15,61	19,39,31,02
	Total	24,31,10,86	24,45,06,13	22,70,17,96

BANKING DEPARTMENT				
Liabilities—				
	Capital Paid-up	5,00,00	5,00,00	5,00,00
	Reserve Fund	80,00,00	80,00,00	80,00,00
	National Agricultural Credit (Long Term Operations) Fund	86,00,00	86,00,00	73,00,00
	National Industrial Credit (Long Term Operations) Fund	9,00,00	9,00,00	8,00,00
		10,00,00	10,00,00	...
Deposits—				
(a)	Central Govt.	83,45,42	54,13,15	47,96,79
	2. State Govts.	12,59,28	15,65,70	14,79,87
(b)	Banks :—			
	(i) Scheduled Banks	1,00,91,72	1,09,48,20	1,18,49,62
	(ii) State Co-operative Banks	3,19,40	2,58,13	2,02,31
	(iii) Other Banks	1,34	3,43	5,15
(c)	Others	1,37,99,46	1,41,87,92	1,61,12,50
	Bills Payable	42,59,22	37,93,38	30,28,14
	Other Liabilities	34,57,09	33,30,74	28,51,13
	Total	6,05,32,93	5,85,00,65	5,69,25,51
Assets—				
	Notes	21,82,06	7,12,79	14,80,13
	Rupee Coin	4,12	5,55	4,03
	Small Coin	8,82	8,09	3,42
	National Agricultural Credit (Long Term Operations) Fund			
(a)	Loans and Advances to :—			
	(i) State Govts.	24,22,99	23,23,00	27,10,41
	(ii) State Co-operative Banks	11,92,04	11,97,62	9,84,97
	(iii) Central Land Mortgage Banks	...	...	...
(b)	Investment in Central Land Mortgage Bank Debentures	4,41,53	4,41,53	3,55,31
	National Agricultural Credit (Stabilisation Fund Loan and Advances to State Co-operative Banks	...	...	...
	Bills Purchased and Discounted :—			
(a)	Internal	...	...	...
(b)	External	...	...	...
(c)	Govt Treasury Bills	1,99,23,45	1,94,86,19	72,50,06
	Balances held abroad	8,75,79	9,12,81	9,94,48
	Loans and Advances to Govt.	44,95,66	39,29,18	36,38,17
	Loans and Advances to :—			
(i)	Scheduled Banks	43,80	3,98,85	1,75,00
(ii)	State Co-operative Banks	1,49,40,86	1,49,56,06	1,25,17,00
(iii)	Others	2,35,09	2,34,08	2,02,05
	Investments	1,07,00,73	1,07,29,99	2,96,74,64
	Other Assets	26,65,99	26,64,11	23,31,84
	Total	6,05,32,93	5,85,00,65	5,69,25,51

SCHEDULED BANKS

	(In 000's of Rupees)	Week Ended 16-10-64	9-10-64	18-10-63
(i)	Demand Liabilities—			
(a)	Demand Deposits :			
	(1) From Banks	58,92,13	55,16,78	51,53,69
	(2) From others	11,73,23,77	11,62,30,89	9,62,80,06
(b)	Borrowing from Banks	31,60,39	28,42,12	21,65,35
(c)	Other	79,95,92	76,30,43	59,48,97
(ii)	Time Liabilities—			
(a)	Time Deposits :			
	(1) From Banks	31,90,78	35,88,65	33,57,09
	(2) From others	13,37,54,76	13,53,22,99	12,53,27,16
(b)	Borrowing from Banks	16,77,26	21,43,47	23,42,98
(c)	Others	12,74,06	12,78,81	9,60,37
(iii)	Borrowing from State Bank—			
(a)	Demand Liabilities	9,64,98	9,19,84	8,30,76
(b)	Time Liabilities	30,97,00	29,51,68	18,46,82
(iv)	Borrowing from Reserve Bank	4,18,00	1,90,57	1,33,90
(v)	Cash	65,91,00	61,75,95	56,97,86
(vi)	Balances with the Reserve Bank	1,04,45,72	94,67,74	75,19,96
(vii)	Balances with other Banks in current account	21,40,68	21,34,43	21,51,37
(viii)	Money at call and short notice	74,26,90	71,19,45	56,78,81
(ix)	Investments in Central and State Govt. Securities	8,17,64,36	8,27,64,40	7,69,08,85
(x)	(a) Loans, Cash Credits and Overdrafts	14,59,58,45	14,63,86,62	12,46,51,00
	(b) Due from Banks	17,63,37	14,90,42	12,18,81
(xi)	Inland Bills purchased and discounted	1,82,74,18	1,81,21,27	1,73,09,70
(xii)	Foreign Bills purchased and discounted	73,48,15	71,00,11	56,39,11
(xiii)	Total of X, XI and XII	17,33,44,15	17,30,78,42	14,88,18,62



THE CALCUTTA MONEY MARKET

CALL RATE DECLINES FURTHER

Wednesday, 28th October.

THE general level of advances in the Calcutta money market has remained unchanged during the past week. Advances to cotton mills are slightly down, whereas the credit given to jute mills has risen slightly. There is no change in the requirements of the other major categories of borrowers, namely, sugar factories, the iron, steel and engineering industries, and the foodgrains trade. In the interbank market, conditions have been easy and the call rate has declined further from 1½ percent to ¾ percent.

The exchange market has been active, with a good supply of tea and gunny bills. The demand for remittances has been fairly good. In London, sterling shows improvement against all important currencies in response to the measures announced by the Labour Government for reducing the trade deficit.

SILVER WAS STEADY DUE TO THE demand for the Diwali festival. The price rose from the previous week's level of Rs. 253.25 to Rs. 254.75 a kilogram, quoted today. It was quoted at 113d in London and at 129.3 cents in New York.

In spite of the rise in silver gold was quiet due to the lack of demand and the rice of 14-carat declined from Rs. 70.25 to Rs. 69.25.

DURING THE WEEK ENDED 23RD October, Government of India Treasury bills for Rs. 20,59,50,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 27th October. The total amount offered was Rs. 47,00,000. Tenders at Rs. 99,400 percent accepted in full. Lower tenders were rejected. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.400 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 2nd November.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 28th October to 31st October at Rs. 99.416 percent subject to the conditions previously announced that sales can be stopped at any time without notice, if the Government thinks it necessary. These bills sold from 21st October to 24th October amounted to Rs. 27,63,75,000.

ACTIVE NOTES DROPPED BY Rs. 28.64 crores to Rs. 2,409.29 crores during the week ended 23rd October, 1964, according to the return of the Reserve Bank of India. The total note issue also declined by Rs. 13.95 crores to Rs. 2,431.11 crores. Notes held in the Banking Department consequently rose by Rs. 14.79 crores to Rs. 21.82 crores. The currency contraction was adjusted by reducing rupee securities by Rs. 14.99 crores to Rs. 2,121.17 crores. Deposits of the Government of India rose by Rs. 29.32 crores to Rs. 83.45 crores while those of State Governments decreased by Rs. 3.07 crores to Rs. 12.59 crores. Balances of scheduled banks at Rs. 100.92 crores showed a drop of Rs. 8.56 crores. Balances held abroad declined by Rs. 37 lakhs to Rs. 8.76 crores and investments by Rs. 29 lakhs to Rs. 107.01 crores. Loans to scheduled banks declined from Rs. 3.99 crores to Rs. 43.80 lakhs of which advances against usance bills amounted to nil, against Rs. 1.70 crores. Ways and means advances stood at Rs. 44.96 crores (Rs. 39.29 crores).

THE RETURN OF THE STATE BANK OF India for the week ended 16th October, 1964, shows a drop of Rs. 4.95 crores to Rs. 664.34 crores in total deposits Investments in Government securities are down by Rs. 4.01 crores to Rs. 290.60 crores, while other authorised investments remain unchanged at Rs. 8.98 crores. Advances, including loan, cash credits, overdrafts and bills discounted and purchased have increased by Rs. 1.72 crores to Rs 329.30 crores Cash and balances are, in consequence, shown at Rs. 17.12 crores or Rs. 11.85 crores less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 16th October, 1964, shows Demand and Time liabilities at Rs. 1,343.72 crores (Rs. 31.60 crores on account of borrowings from banks) and Rs. 1,398.97 crores (Rs. 16.77 crores), compared with Rs. 1,322.20 crores (Rs. 28.42 crores) and Rs. 1,423.34 crores (Rs. 21.43 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have increased by Rs. 4.15 crores and Rs. 9.78 crores to Rs. 65.91 crores and Rs. 104.46 crores, respectively. There is a drop of Rs. 10 crores to Rs. 817.64 crores in investments. Advances and bills discounted at Rs. 1,733.44 crores show a rise of Rs. 2.66 crores. The ratios to total liabilities of cash and balances and of advances and discounts are, in consequence, shown at 6.2 percent and 63.2 percent, against 5.7 percent and 63.0 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 30-10-64

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
30-10-64	2-2-65	2,00,00	Rs. 2.400%
23-10-64	26-1-65	2,00,00	Rs. 2.500%
9-10-64	12-1-65	2,00,00	Rs. 2.500%
1-10-64	4-1-65	2,00,00	Rs. 2.400%
25-9-64	28-12-64	2,00,00	Rs. 2.399%
18-9-64	21-12-64	2,00,00	Rs. 2.388%
11-9-64	14-12-64	2,00,00	Rs. 2.400%
4-9-64	7-12-64	2,00,00	Rs. 2.400%
21-8-64	24-11-64	2,00,00	Rs. 2.400%
14-8-64	17-11-64	2,00,00	Rs. 2.400%
7-8-64	10-11-64	2,00,00	Rs. 2.393%
31-7-64	3-11-64	2,00,00	Rs. 2.399%

(Monthly Muturities 000's omitted)

November, 1964	8,00,00
December, 1964	8,00,00
January, 1965	6,00,00
February, 1965	2,00,00
Total	24,00,00

CLEARING HOUSE RETURNS

Week	Rs (thousand) Calcutta	Bombay
23-10-64	1,14,05,51	1,28,69,67
16-10-64	.....	1,05,06,28
9-10-64	14,64,40	1,36,70,15
1-10-64	1,07,89,66	1,06,32,35

THE CALCUTTA ELECTRIC SUPPLY CORPORATION

MR. I. A. MACPHERSON'S REVIEW

The Sixty-seventh Annual General Meeting of The Calcutta Electric Supply Corporation, Ltd., was held on October 23 at Victoria House, Vernon Place, London, W. C., Mr. I. A. Macpherson, M.B.E., the chairman, presiding.

The following is his review which had been circulated with the report and accounts for the year ended March 31, 1964 :—

Shortly after our last Annual General Meeting Sir William Lamond intimated that he wished to vacate the chair and my colleagues did me the honour of electing me in his place. I am sure that stockholders will agree that my first duty in this Review must be to thank Sir William for all he has done for the Company since he became a director in 1949 and particularly since November, 1961, when he agreed to become chairman on the sudden death of Sir Harry Burn. Fortunately for us Sir William remains a director and we still have the benefit of his advice and guidance.

The event which, for us, as for everyone in or connected with India, overshadows all others has been the death, on May 27, of Pandit Nehru. It would be a presumption for me to try to add to the world-wide tribute already paid him, but I may perhaps be permitted to remark that it would be difficult, if not impossible, for a company such as this to operate under any other system than that of the parliamentary democracy of which, in India, Pandit Nehru was the architect and custodian

At our last meeting stockholders confirmed the election to the board of Sir Waler Michelmore. To our great regret, Sir Walter has recently advised us that for personal reasons he has felt obliged to tender his resignation which the board have, although with great reluctance, accepted. His wide experience of Indian affairs has made him a valued counsellor and, although he was with us for only a short time, he was able to make a valuable contribution to our discussions for which we are indeed grateful to him.

Growth of Undertaking

In his review of our operations for the last few years my predecessor has referred to the power shortage in India in general, and in Calcutta in particular, and to the regulative measures which the Government had to adopt to ensure the optimum utilization of available power resources. These measures were aimed primarily at reducing the peak demand on the Company's system and (as the following table indicates) have had relatively little effect on the number of units sold and consequently on the Company's Revenue Receipts. The commissioning last October of the 50 MW extension to our New Cossipore Generating Station and more recently of our Southern Receiving Station designed to take in power from the West Bengal State Electricity Board have already allowed several of the restrictions to be relaxed. At present we are importing a permitted maximum of about 110 MW from the Damodar Valley Corporation and 50 MW from the State Board, and there is already a significant increase in our maximum demand which has not, however, been accompanied by a corresponding increase in units sold. Towards the end of this year, when the output of further generating plant will be put at the disposal of the State Board, our off-take at Southern Receiving Station will be stepped up to 80 MW and the position will be further relieved when, during the first half of next year, we commission our Belur Receiving Station, designed to take in 100 MW of power from the State Board's Bandel Generating Station which is expected to begin generating at about the same time. Provided they are backed by adequate State Board resources, the commissioning of these two Receiving Stations should enable Government to relax the restrictions remaining.

Restrictions notwithstanding our outturn during the year again broke all previous records as the following figures will show.

	Year ended March 31 1960	1961	1962	1963	1964
Units sent out from generating stations (millions)	1,663	1,736	1,565	1,730	1,955
Units imported (millions)	303	390	665	803	804
Units delivered to the System (millions)	1,966	2,126	2,230	2,533	2,739
Units sold (millions)	1,817	1,955	2,049	2,328	2,525
Maximum demand in MW sent out	370	392	410	416	464
Load factor	60%	62%	62%	69%	68%

The year 1961-62 is not typical because the figures were seriously affected by the major plant breakdown which occurred during the first half of that year and which led to the introduction of the restrictions, the effect of which is disclosed in the sharp increase in the load factor after 1962. Over the period as a whole the average rate of growth in terms of units (as opposed to demand) was about 8¼ per cent compound and although this rate has not been maintained during the first five months of the current year it is reasonable to expect that as industry in general installs power consuming plant which has been held back pending the full availability of supplies from the State Board, the rate of growth will assume a more buoyant trend.

Sales of Energy

Most of the increase in terms of units sold came from the high tension power consumers. Every large industry on our supply consumed more energy. The most important is the jute industry which had a record production and the largest export for 15 years. Other industries in order of energy consumed were engineering workshops, cotton mills, steel works, and rolling mills, chemical works, and paper mills.

The low tension power consumers comprise many small scale industries which in total had another buoyant year, consumption again showing an appreciable increase. There was again a marked increase in power consumption for domestic purposes mostly due to the increasing use of air-conditioners.

The larger sales of energy for lights and fans reflect the continued construction of residential accommodation mostly in the outer suburbs of Calcutta, but also in certain of the small municipalities in the Company's Licensed Area

Nearly 96 per cent of the Bulk Supplies are for the State Board whose consumption increased by more than 28 million units The Board distributes entirely outside the Company's Licensed Area and will shortly substitute power from their own generating stations for the main bulk supply now being provided by the Company. The increased sales under special contracts came from our special tariff for large buildings, such as blocks of offices and flats, hotels and cinemas.

Revenue Account

Revenue from the sale of electricity and for meter rents at £14.8 million was over £1.7 million (13 per cent) up on last year. This is a much higher rate of increase than is suggested by the increase in units sold. The main reason is that the monetary figure of sales includes coal surcharge revenue which arises by reason of increases in the delivered cost of coal—increases which, of course, are also reflected in additional revenue expenditure. The revenue account shows that revenue expenditure increased by almost £1.2 million; of this £885,000 was due to enhanced generation transmission and distribution costs. During the year our stations, in generating 2,077 million units, burnt 1.49 million tons of coal at a cost of £4.48 million, comparative figures for the previous year having been 1,841 million units, 1.38 million tons and £3.51 million. Quite apart from the 10 per cent increase during the year in the controlled price of coal and freight (which was, of course, recovered through our coal surcharge) this increased expenditure on coal was a natural consequence of increased output and would in fact have been even greater but for the continued success of our new policy for the procurement of coal to which a reference was made last year Administration and general establishment charges increased by £100,000, of which £40.000 was for additional premium payable to the Government of India for emergency risks insurance, now discontinued. Interest charges increased by £108,000 because we had to make almost the maximum use of our overdraft facility with National & Grindlays Bank to which I refer again later.

Indian Taxation

The net revenue account shows that despite an increase of about £560,000 in the balance brought down from the revenue accont for the charge for Indian taxes declined by nearly £150,000. This is, for the most part, due to the fact that our estimated Indian income tax liability on the profits of the year has been greatly reduced by income tax development rebate claimed on new plant commissioned during the year, including the New Cossipore extension and the Southern Receiving Station. This saving of Indian tax (not all of which is admitted by the Indian tax authorities) amounts to some £575,000 the equivalent figure for the previous year having been £132,000. It is this saving of tax, stemming from the income tax development rebate, that gives rise to the appropriation in the net revenue account of £201,021 to the development reserve. This is a mandatory appropriation under the Electricity (Supply) Act and has the effect of equating the Company's clear profit with the reasonable return allowed by that Act.

Reference is again made in the notes on the accounts to a contingent liability now estimated at £801,000 in respect of Indian taxes under appeal. As explained last year, this claim concerns the admissibility of development rebate on capital expenditure on mains, service connexions, &c. Although the Company has been successful in the first stage of its appeal against the authorities' ruling in this matter, they will, we understand, take the matter further and in the circumstances we have thought it prudent to build up a taxation contingency reserve with an initial appropriation of £250.000, which is accordingly debited in the net revenue account. As last year, we have again made a special appropriation to plant expansion and contingencies out of net revenue, although this year it has been increased to £550.000 I would emphasize that this latter appropriation, together with those to the development rebate and to the taxation contingency reserve, remained invested in the undertaking where, in conjunction with the revenue account allocation to depreciation of over £1 million, they played a major part in financing the expansion of the undertaking during the year. a matter to which I refer again in my comments on the balance-sheet.

Increase in Rates

Although the Company's clear profit was, for the first time for several years, equal to the reasonable return this was in large measure due to the substantial saving in Indian taxes, to which I have already referred, arising out of development rebate. Had it not been for this, the clear-profit would have been substantially less than the reasonable return. As it was foreseen that we would not again benefit from development rebate on the same scale and that our clear profits would in consequence be less than our reasonable return, we have had no option but to put into effect the further increases in our charges for electricity which were introduced towards the end of the year 1963/64. These increases were designed to enable the Company, in a normal year, to earn its reasonable return which, as was explained last year, is now based on a standard rate of 6½ per cent instead of the former 6 per cent. In the absence of unforeseen circumstances we hope to be able to achieve this result in the current year.

Balance-sheet

I come now to the balance-sheet and, dealing first with the assets side, I refer stockholders to the separate account of capital expenditure and depreciation from which it will be seen that capital expenditure during the year totalled £2.7 million. In addition to normal transmission and distribution expenditure, this figure includes the balance of the cost of the New Cossipore extension and also the cost of the Southern Receiving Station. Among current assets, the large increase in sundry debtors calls for comment. To the extent of about £400,000 it is due to arrears of coal surcharge revenue collected after the end of the year; as to the balance, it reflects the increase in rates, to which I have already referred and normal growth. Stores were down. Our quite large holding of Treasury Bills at the beginning of the year was realized to meet our commitments on capital account. On the liability side, the overdraft at £1¼ million is up by £500,000 and the figure of £3.8 million for sundry creditors is still unusually large, although marginally down compared with the previous year. This figure includes about £1 million owed to manufacturers in the United Kingdom who supplied plant for the Cossipore Extension. I shall now briefly recount the steps we have recently taken to place the financing of this £3½ million project on a more permanent basis.

Finance

In ordinary circumstances we should have achieved this by an issue of shares or debentures, or both, as we have done in the past, but we were advised that this would not be practicable in view of the fact that, under its licence, the

Company can be taken over by the Government of West Bengal or by the State Electricity Board on January 1, 1970, provided either of those authorities gives one year's notice of its intention. We had, therefore, to explain to the Government of West Bengal that if Government could not tell us now either that we would not be taken over in 1970 (in which case we would have hoped to be able to raise medium term finance), or alternatively, that they would be taking us over in 1970 (in which case a short term loan repayable out of the compensation monies would have been possible) we saw no prospect of being able to raise the money unless Government themselves would guarantee repayment on January 1, 1970. These were the alternatives that Sir Owain Jenkins and I discussed with Government during a visit we made to India in September last year. Government's decision was that they would be prepared to guarantee repayment and on receipt of this assurance we were able to go ahead and arrange a loan from the State Bank of India. The terms of this loan, as finalized by Mr. Hobson, Mr. Gauntlett and myself on a further visit we made early this year, are briefly that it is for a sum of Rs. 4.7 crores (£3½ million) repayable on December 30, 1969, and secured by a floating charge ranking after the charge securing the existing debenture stock, the rate of interest being 1 per cent above the State Bank of India advance rate (at present 6 per cent). This means that we are at present paying 7 per cent for this money and it will strike stockholders that the Company is being penalized by having to pay at this rate on money on which it is allowed by the Electricity (Supply) Act to earn a reasonable return of only 6½ per cent. That Act does, however, make provision for rectifying an anomaly such as this and it is the board's intention to apply to the State Government to put this right.

Our agreement with the Government of West Bengal provides that if the Company is taken over the outstanding balance of the loan will be repaid by Government to the Bank and will be deducted from the compensation monies due to the Company on acquisition. If, on the other hand, by the 1st day of January, 1969, the Company has not received notice that it is to be taken over on January 1, 1970, which will mean that its licence is automatically extended for a further period of 20 years, then it will take immediate steps to raise money on the market, or otherwise so as to be in a position to repay the Bank in full on December 30, 1969. If the Company is unsuccessful and in consequence Government have to repay the Bank under the terms of the guarantee then the amount so repaid by Government will be refunded by the Company to the Government in three equal annual instalments commencing in January, 1971. The documents incorporating these arrangements were executed early in June and the first tranche of the loan, namely Rs. 325 lakhs, was drawn later that month, whereupon our overdraft with National and Grindlays Bank was repaid as were also certain of the large sums owed to plant manufacturers. The remaining tranche of the loan, namely Rs. 145 lakhs, will be drawn on April 1, 1965. I should like to place on record how greatly we have appreciated the help and cooperation that we have received from Government and from the State Bank of India in making these arrangements. Our sincere thanks are due also to our friends National and Grindlays Bank without whose help the extension at New Cossipore, which has made such a vital contribution towards the relief of the Calcutta power shortage, would not have been possible.

Forward Capital Expenditure

Our forward estimates indicate that during the period 1963-64 to 1969-70 capital expenditure will amount to some £18½ million (Rs. 25 crores) inclusive of the unpaid balance of expenditure on April 1, 1963 on the New Cossipore extension. Provided the Company can continue to earn its reasonable return we estimate that we can look to internal sources (mainly depreciation and retained earnings) to provide about £15 million of this sum. The recent loan from the State Bank will bridge this gap which means that, as far as can at present be foreseen, it should provide the balance of the funds we shall need for the development of the undertaking in order to fulfil our statutory obligations until 1970. The overwhelming bulk of this expenditure is, of course, on transmission and distribution and in our estimates provision is made for four 132 kV receiving stations at a cost of nearly £5 million to cater for the ever increasing supplies from the State Board. As already mentioned the first of these was commissioned earlier this year and Mr. Hobson and I had the opportunity of inspecting it when the final tests were being made. We were greatly impressed by the high standards of design and construction which had been achieved and which reflect great credit on our own engineers who have not previously been called on to provide 132 kV equipment or to lay and joint gas filled cables at that pressure. Mr. Hobson also assures us that the Company's plant in general is being efficiently operated and well maintained. The new machine at New Cossipore, first put on load almost a year ago, is making a significant contribution to our output and has helped to reduce overall generating costs.

Training

The continuing growth of the undertaking makes it necessary to ensure that adequately qualified men are available for senior appointments in the Company and these are now increasingly being filled by those of our Indian engineers who have received post graduate training in the United Kingdom under the Company's training scheme introduced shortly after the war. This scheme has proved a great success and there are at the present time more of our engineers being trained under this scheme than at any time previously. Our thanks are due to the Electricity Council, the Area Boards and the various manufacturing companies who provide facilities over here for this training.

Tribute to Staff

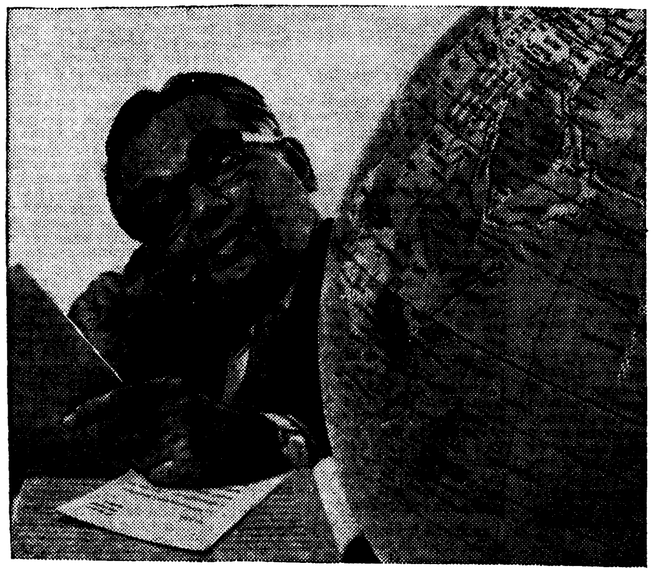
More important than the machines are the men that operate them. A public utility such as this calls for ability, energy and devotion to duty quite out of the ordinary on the part of the men that serve it and our very sincere thanks are due to our officers, staff and workmen who, I am proud to say, are never found wanting. Mr. Kanga has now completed 18 months in the exacting position of Agent and has in full measure justified the board's confidence in him. To him, as to Mr. Gunther, Chief Engineer, and Mr. Sen Gupta, Commercial Manager, our special thanks are due. To Mr. Colley, in London, we are also indebted for his valuable services during the year in his responsible position of Secretary.

The report and accounts were adopted and the other formal business having been transacted the proceedings terminated.

(This statement is not a report of the proceedings of the Annual General Meeting referred to above.)

Get local help for your foreign exchange problems

Your State Bank Agent is just a telephone call away!



The State Bank of India and its Subsidiaries have 1700 branches at home and several branches abroad to deal with your problems regarding import and export trade.
Services rendered include
- Exchange Control Formalities
- Foreign Bills • Letters of Credit
- Packing Credit Facilities
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- Foreign Travel Regulations and Facilities.

World wide network of Correspondents.

Our special information service deals with all your questions on:

(a) trading opportunities in other countries and names of likely buyers or suppliers
(b) reports about the standing and financial status of business people in any part of the world, and their ability to fulfil contractual obligations
(c) the currency and customs formalities of the country you do business with

In approved cases, we also furnish Letters of Introduction entitling you to the courtesies of our offices and correspondents in all principal centres of the world.

STATE BANK OF INDIA

Ayers SB.578D

ANNOUNCEMENT REGARDING THE PROPOSED ISSUE OF CAPITAL

This is NOT a Prospectus. Persons interested in full details may obtain copies of the Prospectus from the Registered Office of the Company, or from the Bankers to the issue and Brokers mentioned hereinafter.

SIMON-CARVES INDIA LIMITED

(Incorporated on 11th February 1963 under the Companies Act 1956)

Registered Office: 'Simon House', Transport Depot Road, Calcutta-27.

EXISTING AND PROPOSED ACTIVITIES OF THE COMPANY

The Company carries on and will carry on, as its main business, all or any of the trades, businesses or professions of mechanical, chemical, civil, electrical, constructional or nuclear engineers, builders, contractors, manufacturers, hirers, exporters and importers of and dealers in plant, machinery, apparatus, instruments, utensils, tools and implements of all kinds and spare parts therefor and also the construction, either for itself or as contractors for any other company, firm or person of plant and coke ovens for the carbonising of coal according to methods known as the Simon-Carves principle or in accordance with such other methods or principles as the Company may from time to time decide upon whether the same are now or may hereafter become known or discovered.

Besides, the Company will carry out engineering work in the field of specialities of Simon-Carves Limited of Cheadle Heath, Stockport, England, including preparation of designs and drawings, procurement of machinery, equipments and tools, and the construction and commissioning of plants. The Company will also undertake the preparation of designs and drawings, the procurement of machinery, equipments and materials, and the construction of plants which are not specialities of Simon-Carves Limited of U.K., in accordance with customer's specifications.

It is intended that the Company will be a subsidiary of Simon-Carves Limited of U.K. The Company will have technical consultancy with and technical assistance from Simon-Carves Limited of U.K. while carrying out its business.

The Company has been incorporated with the intention of taking over the appropriate assets in India (including a number of essential items of heavy plant and equipment) of Simon-Carves Limited of U.K. and accordingly an Agreement and a Supplemental Agreement dated 28th June 1963 and 22nd November 1963 respectively have been entered into with the said U.K. Company.

Since the commencement of business on 21st June 1963, orders valued at approximately Rs. 10.5 crores have been received by the Company.

BOARD OF DIRECTORS

Names and Addresses	Descriptions & Occupations
1. **Mr. Jagjivandas Hiralal Doshi,** Chairman, "Bindu", Ghodbunder Road, Bombay 57.	Industrialist & Businessman. **Director of:** Amar Dye-Chem Ltd. Amritlal & Co. Private Ltd. & other companies.
2. **Mr. Leslie Dobson,** 5, Sandy Lodge, Lane Northwood, Middlesex England	Engineer. **Director of:** Simon-Carves of Canada Ltd. Simon Engineering Ltd. & other companies.
3. **Mr. Norman Hinton,** "Sevenoaks" Chester Road, Mere, Cheshire, England.	Chartered Accountant. **Director of:** Simon-Carves Ltd. Simonacco Ltd. Simon Engineering Ltd. & other companies.
4. **Mr. Barendra Prasad Ray,** 29, Netaji Subhas Road, Calcutta-1.	Solicitor. **Partner of:** Orr Dignam & Co. King & Partridge. **Director of:** Birds Investments Ltd. The Bisra Stone Lime Co. Ltd. Braithwaite and Co. (India) Ltd. The British India Corpn. Ltd. Goodyear India Ltd. Howrah Mills Co. Ltd. Wellman Incandescent India Ltd. & other companies.
5. **Mr. Victor Robinson,** 282, Bramhall Lane South, Bramhall, Cheshire, England.	Engineer. **Director of:** Simon-Carves Ltd. Metallurgical Equipment Export Co. (Phoenix) Ltd. Newsham Construction Ltd. & other companies.
6. **Mr. Ronald Frank Orme,** 210B, Golf Links, New Delhi.	Engineer **Director of:** Simon-Carves (Export) Ltd.
7. **Mr. Stuart Roy Horner,** 2B, Burdwan Road, Alipore, Calcutta-27.	Engineer & Managing Director.
8. **Mr. Peruvamba Seshaiyer Vanchi,** 91/S Block E, New Alipore, Calcutta-53.	Business Executive and Deputy Managing Director.
9. **Mr. Ashoke Kumar Sinha Roy,** 38/1, Broad Street, Calcutta 19.	Engineer & Wholetime Director.

SHARE CAPITAL

Authorised:		
10,00,000 Equity Shares of Rs. 10/- each	...	Rs. 1,00,00,000
Issued, Subscribed & Fully Paid Up:		
7 Equity Shares of Rs. 10/- each	...	Rs. 70
PRESENT ISSUE		
5,99,993 Equity Shares of Rs. 10/- each	...	Rs. 59,99,930
Out of this present issue:		
(i) 3,50,000 Equity Shares of Rs. 10/- each will be issued at par and allotted to Simon-Carves Ltd. of U.K. and/or its nominees as fully paid up for consideration otherwise than in cash		Rs. 35,00,000
(ii) Simon-Carves Ltd. of U.K. has agreed to subscribe for 10,000 Equity Shares of Rs. 10/- each at par for cash		Rs. 1,00,000
(iii) The Directors, their friends and associates have agreed to subscribe for 19,993 Equity Shares of Rs. 10/- each at par for cash ...		Rs. 1,99,930
Now offered for PUBLIC SUBSCRIPTION 2,20,000 Equity Shares of Rs. 10/- each at par for cash		Rs. 22,00,000
		Rs. 59,99,930

SOLICITORS
Messrs. Orr, Dignam & Co.,
29, Netaji Subhas Road, Calcutta-1.

AUDITORS
Messrs. Price, Waterhouse Peat & Co.,
B-4, Gillander House, 8, Netaji Subhas Road, Calcutta-1.

BANKERS
National & Grindlays Bank Ltd.,
Lloyds Branch, 29, Netaji Subhas Road, Calcutta-1.

BANKERS TO THE ISSUE
National & Grindlays Bank Ltd.,
Lloyds Branch 29, Netaji Subhas Road, Calcutta-1.

The United Commercial Bank Ltd.,
8 & 10, Brabourne Road, Calcutta-1.

The Bank of India Ltd.,
Post Box No 238, 70-80, Mahatma Gandhi Road, Bombay-1.

MANAGING BROKERS
Messrs. G. M. Pyne,
Allahabad Bank Buildings, 14, India Exchange Place, Calcutta-1.

BROKERS

Calcutta
Messrs. C. Mackertich,
7, Lyons Range, Calcutta-1.

Messrs. Bagla & Co.,
8, Lyons Range, Calcutta-1

Messrs. Brijnath Khandelwal & Co.,
13, India Exchange Place, Calcutta-1.

Bombay
Messrs. A. B. Pandit & Co.,
32, Apollo Street, Fort, Bombay-1.

Messrs. Lewis & Jones,
Bank of Baroda Building, Apollo Street, Fort, Bombay-1.

Messrs. Batlivala & Karani,
Union Bank Building, Dalal Street, Fort, Bombay-1.

Messrs. Merwanjee Bomanjee Dalal,
Allahabad Bank Building, Apollo Street, Fort, Bombay-1

New Delhi
Messrs. Raj Paul Chadha & Co.,
Delite Cinema Building, Asaf Ali Road, New Delhi-1.

Messrs. P. Roy Company,
3/8, M. M. Road, Jn. Panchkuin Road, New Delhi-1

Messrs. H. P. Mehta & Co.,
Connaught House, Connaught Place, New Delhi-1

Messrs. M. R. Dhawan & Co.,
4/8, Asaf Ali Road, New Delhi-1

Madras
Messrs. Paterson & Co.,
Post Box No. 48, 22, Errabalu Chetty Street, Madras-1.

Messrs. Maconochie & Co.,
Post Box No. 291, Mercantile Bank Buildings, Madras-1

Messrs. Kothari & Sons,
Post Box No. 267 "Oriental Buildings", Armenian Street, Madras-1

APPLICATIONS:
Copies of Application Foms and Prospectus can be obtained from the Registered Office of the Company, or from the abovementioned Bankers to the Issue and Brokers.

THE SUBSCRIPTION LIST WILL OPEN AT THE COMMENCEMENT OF BANKING HOURS ON 12TH NOVEMBER 1964 AND WILL CLOSE AT THE CLOSE OF BANKING HOURS ON 18TH NOVEMBER 1964, UNLESS CLOSED EARLIER AT THE DISCRETION OF THE DIRECTORS BUT NOT BEFORE THE CLOSE OF BANKING HOURS ON 14TH NOVEMBER 1964.

POYSHA MAKES QUALITY CANS FOR MAJOR INDUSTRIES



FOR FOODS. Poysha is one of the very few producers of open-top sanitary cans needed by the foods industry.



FOR OILS. Leading brands of lubricating oils, greases, cooking oils and vanaspati come in lithographed Poysha cans.



FOR PAINTS. Last year, paints worth crores of rupees were packed in decorated Poysha cans.



FOR PHARMACEUTICALS... and chemicals, dyes and defence requirements, too. Poysha supplies a large part of their needs.

WILL SERVE OTHERS WITH THREE NEW FACTORIES

One of India's two largest manufacturers of tin containers, Poysha will soon be a nation-wide organisation that will offer on-the-spot services with 3 new factories. At Dighe (Bombay), Poysha will make 4 million cans a month, to serve industries in Western and Central India. At Cochin, Poysha's second new factory will make 3 million cans a month for the fishing, pineapple and other industries in the South. At Ghaziabad (Delhi), Poysha's third factory will also produce 3 million cans a month for the rich fruit and vegetable districts of Northern and Eastern India.

This production is on a single-shift basis. If at any time circumstances demand more output, this can readily be achieved by working multiple shifts.

To finance this increase of Poysha's capacity to a crore of cans every month, the Company is raising its Paid-Up Capital from Rs 25 lakhs to Rs 110 lakhs.

FOR PERFECT PROTECTIVE PACKAGING **POYSHA INDUSTRIAL COMPANY LIMITED**

Messent Road, P.O. Tank Road, Bombay 33-DD. 13, DLF Industrial Estate, Najafgarh Road, New Delhi-15

CAS/PI-16

New Delhi

OVERSEAS COMMUNICATIONS OF INDIA NEED MODERNISATION

(FROM OUR NEW DELHI CORRESPONDENT)

INDIA'S overseas communication system is regarded as inadequate by modern standards. This country's communications with overseas countries at present take place almost wholly through short-wave wireless transmissions. The service is subject to fading and interruptions and is not as reliable as other modern forms of communications. In addition, the number of circuits which can be operated is severely limited by the shortage of interference-free frequencies in the international sector.

India's overseas communications have thus been very restricted. It has not been possible to put through more than 1,200 minutes of conversation a day to all destinations in the world. Without going in for modern forms of communication, it is not possible to increase this service substantially. The demand for telephone and telex services is considerably in excess of what can be provided at present.

In the last eight years, two forms of overseas communication have been developed, namely, submarine cable telephone wideband system and satellite communications. The wideband submarine telecommunication cables are already in extensive use, especially across the Atlantic and the Pacific. More are being laid. The satellite communication systems have been very much in the news with Telstar and synchronous satellites.

India needs communication channels with the U.K., north-western Europe, North America, Japan and south-east Asia. The traffic to other parts of the world is not yet substantial. The establishment of either submarine cables or satellite communication will provide reliable, 24-hour telephone circuits, in almost unlimited number, to most parts of the world. The expenditures involved in setting up these types of communication are: (a) capital investment; and (b) the financial and operational arrangements in exploiting these circuits of communication to different areas of the world.

Commonwealth Cable System

The submarine cable system of interest to India is the Commonwealth cable system. Cables have already been laid between England and Canada, and from Canada to New Zealand and Australia, and are being laid to connect North Borneo, Singapore and Hongkong. Other cables across the Pacific from Hongkong to Japan and from Japan to America are also available to Commonwealth users. India is interested in extending the cable from Malaysia to India.

The capital cost of this extension will be of the order of £5 million, of which India may be expected to contribute £1 million. The cable will provide 80 or more circuits. Under the Commonwealth wayleave scheme, India will have access to south-east Asia, Australia, North America and the U.K., without having to invest further capital, through the circuits existing in the Commonwealth pool. There are no rental charges for the circuits, but the total revenue is shared among the participating countries according to certain well-defined principles. Since the bulk of the traffic is across the Atlantic, extension of the submarine cables should benefit India financially. The scheme can be completed by the middle of 1966, provided India is able to persuade the other Commonwealth partners to accept this extension. This is a matter for negotiation. Apart from the capital cost, which earns profits based on the total Commonwealth traffic, there is no other expenditure. All the operational, financial and technical aspects have already been completed.

All the countries in the world are embarking on both cable and satellite communication. Thinking in India also proceeds on these lines. If the plans are approved by the Government, India can expect a reliable worldwide communication from 1966 onwards.

FOURTH PLAN

N.C.A.E.R. Study on Strategy

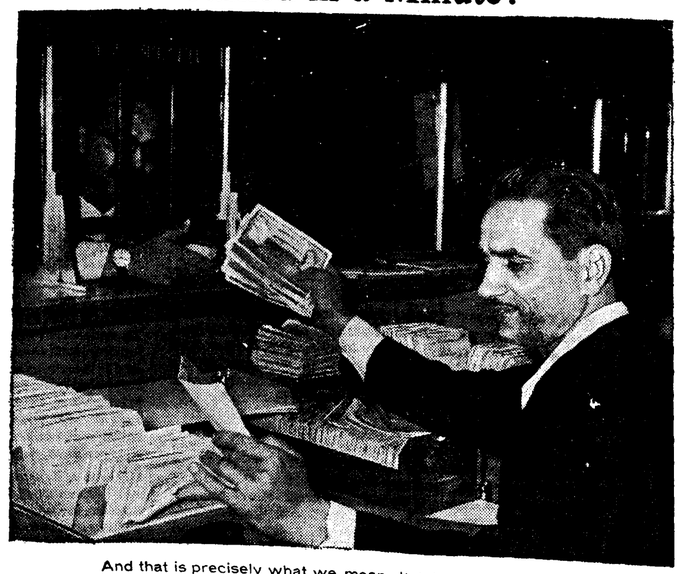
The National Council of Applied Economic Research has published a study on the strategy for the fourth plan, in the course of which it says that the plan puts emphasis more on the shifts in policies as well as on new measures which need to be taken to ensure the attainment of certain urgent objectives than on the size of the investment and outlay targets *per se*. These objectives have been stated repeatedly. Among these one was specially emphasised by the Prime Minister, Mr. Lal Bahadur Shastri, in his recent broadcast. Mr. Shastri said that it had become essential to ensure by all possible means that every man gets the necessary quantity of food at reasonable prices. The Planning Commission also stresses this and other urgent objectives, namely, (a) to ensure a minimum level of living to every family, (b) to provide employment to all those who seek it, and (c) to narrow economic and social disparities.

According to the Council, it is not enough to repeat these objectives unless the required measures are taken to ensure their attainment. This has not been done adequately. One of the reasons for this is the all-comprehensive terms in which these objectives are put which gives them a somewhat nebulous character. The time has come to give a more concrete content to these objectives, both in terms of the tangible results sought to be achieved and the time span in which these are to be achieved. Keeping these ends in view, the Council has suggested the following measures:

(1) As it may be difficult to ensure a minimum in all consumption needs, let the Government undertake the responsibility for providing a minimum consumption of foodgrains to all within the fourth plan itself. Since this objective cannot be achieved in spite of a 5 percent rate of growth in agriculture and a 6.5 percent rate of growth in the national income as postulated, the Council suggests measures which would deliberately change the distributive system in order to attain the end in view. These measures are rationing in urban areas and rural public works in the countryside.

(a) Rationing is recommended not only as a temporary measure for the year in which stress is felt, but as a more or less permanent mechanism for a more equitable distribution of scarce consumer goods. The Council recognises that in face of a rapidly rising population and the intense desire to accelerate the growth of the

Cashed in a Minute!



And that is precisely what we mean. It takes no longer than a minute to cash your cheque at any PNB office with the Teller System.

The streamlined Teller System eliminates tokens, queues, all tedious and unnecessary waiting and delay.

PNB was the first bank to have introduced the Teller System as far back as 1954. Today, PNB has 90 branches operating this system and plans to introduce this on-the-spot service in 60 more branches throughout the country.

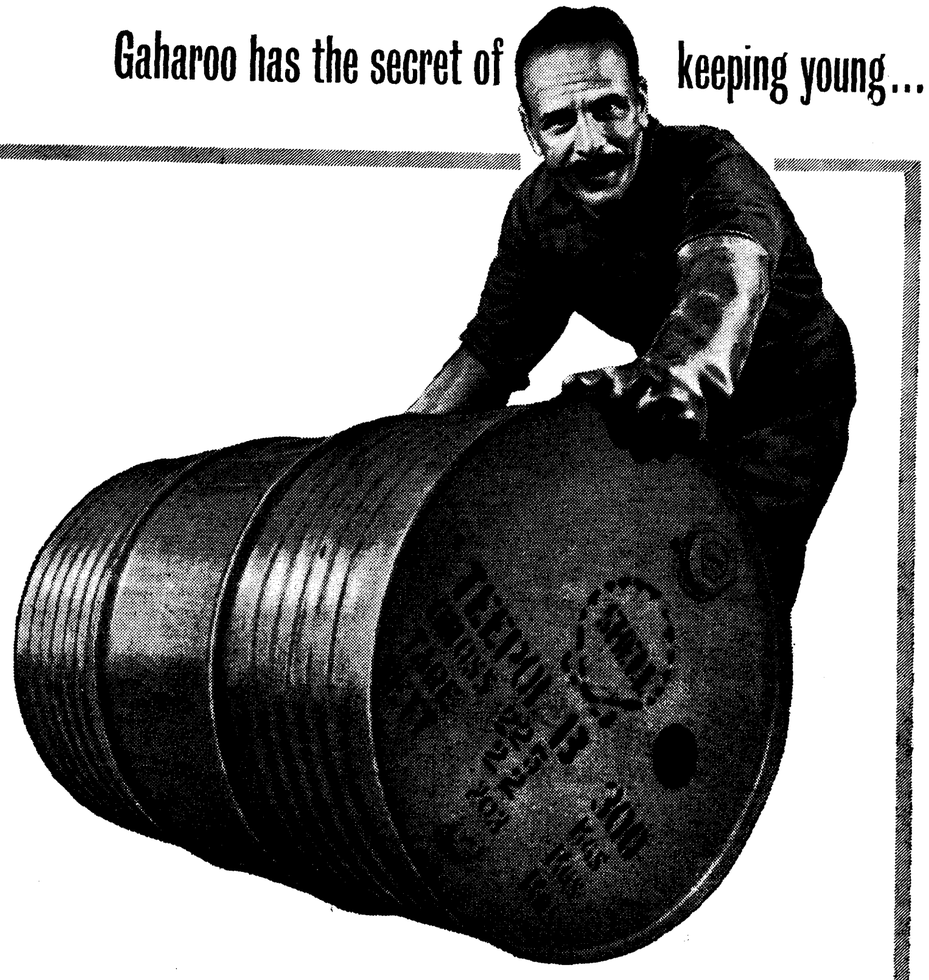
PNB—*the People to Bank on*

THE PUNJAB NATIONAL BANK LTD.

The Oldest Name in Modern Indian Banking

PNB 3022 C

Gaharoo has the secret of keeping young...



Gaharoo Kaloo used to be the champion wrestler in his village. Today, no one would guess that he is fifty...and a grandfather. Dumb-bells. Ten press-ups every morning. Regular sessions at the gym. This is how Gaharoo keeps fit, young and on top of the job. His personal philosophy: 'Keep to the straight path. Never quarrel. Put your whole self into your work...'

THE RIGHT ATTITUDE

It is just this attitude which has won Gaharoo the respect of his work-mates and which makes him good at his job in the Benzine Installation, Sewree, Bombay. He attends to the blending of Chemicals and the filling of containers. Accuracy matters. If too much were to go in...the Company would lose. If too little...the customer would complain. A careful check on the dips and meters is a must. Gaharoo is careful.

TODAY, AS EVER, PEOPLE LIKE GAHAROO ARE WORKING FOR YOU

To understand Gaharoo one must know that he comes of farming stock—yet, even as a little boy he felt the city's pull. And to the city he migrated when still only a youth. The adjustment was made long ago. Gaharoo spends his holidays on a farmstead at Pratapgarh... which he has added to with his own savings. His working life with Burmah-Shell is equally active and rewarding. After 22 years with the Company, Gaharoo says, quite sincerely, 'This is a job I like.'

Gaharoo and people like him—at all levels of responsibility—are Burmah-Shell. Today, as ever, they are hard at work... working to ensure that vital petroleum products, essential to India's growth and progress, are brought to you at the right place and time, in the right quantities.

BURMAH-SHELL

BURMAH-SHELL are People in the service of the People

economy, there is bound to be a scarcity of essential consumer goods for several years. It also feels that it would be impossible to provide resources for such development as is desired, unless the minimum requirement of the masses is safeguarded. This is an essential condition for allocating resources for heavy, basic and other industries. The establishment of a rationing system on a more firm basis would in time make it more efficient and hence less costly. This in turn would enable other essential commodities to be brought within the scope of rationing if this is found necessary.

Surplus Rural Manpower

(b) In the rural areas, a different approach will need to be adopted. Here there is a large surplus of manpower, a good part of which is also poor and ill-fed. This manpower is a potential capital asset in as much as it can be used for increasing capital formation in the rural areas. This has not been done—at least not adequately. The Council believes that the utilisation of this surplus manpower in the rural areas is a most urgent task—a task which will also be rewarding. The urgency arises out of the need to provide employment to those millions who cannot even afford a minimum consumption of food. It is rewarding because, if organised properly, it can within a span of five years provide the workers sufficient income to make it possible for them to have a minimum level of consumption.

The surplus manpower in rural areas is sought to be used through a nation-wide rural public works programme. These rural public works will engage village folk whose level of consumption is below the minimum in works which are of a capital nature. The workers will be paid in foodgrains (about 75 percent) as well as in cash. A good part of the foodgrains required for payment would come from the better-off families in the village who will gain substantially from the capital assets created through the rural works.

The Council wishes to emphasise that the current thinking in the Government has been mainly in terms of reducing inequalities between the rich and the moderately rich. This has missed the real issue, which is that there are millions in this country who lack incomes even for a minimum level of food consumption. This is the real cause of poverty and also of disparity.

An advantage of the rural public works, which will be organised in close co-ordination with other agricultural and related programmes will be that through adding to the pace of capital formation, it would further increase both agricultural and industrial output. While the rural works would be conducted essentially at the village and district levels, the programme itself should be conceived as a national programme and the organisation to handle it must be built on national lines. It should be financed from PL 480 funds.

The Planning Commission has been unable to get over the traditional thinking on unemployment. While in each successive plans, they have talked of backlogs and new employment, the country is no nearer a solution. The concept of backlog of unemployment in the rural sector is of doubtful value and help. The so-called unemployment in rural areas is really serious under-employment. To cull out a category of backlog out of this has no statistical basis and it only takes the attention away from the basic nature of the problem as it is found in rural areas. The National Council's approach, as already outlined, is in terms of providing employment opportunities to all those who seek employment from the rural areas, at least to the extent that would ensure minimum consumption of foodgrains. It may be added that the Council is pressing for a minimum 5 percent annual rate of growth of agriculture which would also help in bringing about a reduction in the present inequalities of income between the rural and urban areas.

Even on the assumption that the rate of growth of 5 percent in agriculture would be maintained during the fourth plan, the level of productivity in this sector would still be far below the productivity in other sectors. If this gap is to be covered within a reasonable period of time, it is essential to make rapid strides in industrialisation to enable larger transfers from the agricultural working force into industry. It is partly with this end in view and partly recognising that rapid industrialisation is necessary to bring about a self-generating economy in the near future that the National Council has laid equal stress on industrialisation.

The Council has also suggested that the plan itself should contain a method by which, if there is a shortfall in the rate of growth in the agricultural sector, proper co-ordination measures can be taken to ensure that the injury to the rest of the economy is minimised. The Council has pleaded for definite measures to be taken to ensure a 5 percent rate of growth in agriculture over the plan period, making full allowance for the weather factor.

It is recommended that services and social overheads should be further strengthened. In this field, recommendations made are in line with the Planning Commission's thinking. It is felt that there should be no attempt to slow down the pace of expansion in mass education. The Council is supported in this view by its study of the use of fertilisers which has shown that the literate and educated farmers have got a greater propensity to use fertilisers than the uneducated. To educate the farmers, schooling alone is not sufficient. It is also necessary to build up a corps of technicians whose help and guidance should be easily available to the farmers.

Maintenance Imports

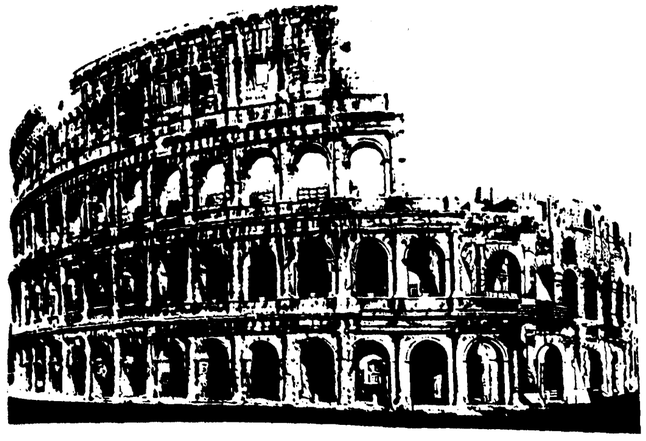
The Council feels that the need for maintenance imports must be met by exports and that the present export target of Rs. 5,100 crores falls short of the requirements of Rs 5,500 crores of maintenance imports. It is suggested, therefore, that the export policy should be more clearly defined and that towards this end, the Industrial Policy Resolution should be amended with a view to giving due importance to industries with export potential. This is stressed specially because it appears that not only the State Governments but even the Ministries at the Centre have not properly appreciated the importance of exports.

In line with the above, it seems necessary that there should be a much deeper economic analysis of the relative value of investment in terms of foreign exchange gains in import-saving industries *vis-à-vis* export promotion industries.

Apart from the deviation in approach outlined above, the Council's suggestions on the investment and outlay targets are more or less in line with the Planning Commission's current thinking. The Council postulates a rate of growth of 6.3 percent a year for the fourth plan and puts the level of investment required for the achievement of this rate of growth at Rs. 18,520 crores and the level of total outlay at Rs. 20,765 crores at 1960-61 prices. To what extent these investment targets and outlays will be feasible will depend not only on the resources, but also on the country's ability to maintain a stable price level. Both of them present some uncertain elements.

If the agricultural target of 5 percent is realised and the targets indicated in other sectors are also realised, it is obvious that the raising of the necessary financial resources will not be too difficult. To some extent, therefore, the physical and financial resources are closely interrelated.

QUANDO...QUANDO...QUANDO♫...?



Bombay-Rome Non-Stop

by ALITALIA

ALITALIA will be the first airline to fly non-stop from Bombay to Rome, by big, swift DC-8 Rolls-Royce Jets. Famed Winged Arrow Service!

♫WHEN...?

On 4th November 1964, then every Wednesday.

GASA-128

London

U.K. BUSINESS REACTION TO LABOUR VICTORY

(FROM OUR LONDON CORRESPONDENT)

WILD fluctuations were recorded on the London Stock Exchange as the election results came through. At first jobbers marked down prices sharply, and the heaviest falls were, of course, in steel and property shares. But when the figure revealed Labour's small majority there was a strong recovery.

It was being said that the Government would probably be unable to get some of its more controversial measures through, such as steel nationalisation and the fiercer types of business taxation. Some City people positively warmed to the prospect of a Labour Government with a tiny majority. But the foreign trade figures quickly recalled the stern economic realities.

With exports in September sharply lower than in August and imports only slightly lower, the trade gap, on the basis of seasonally adjusted figures, rose to £111 million, against £93 million in August. In balance of payments, the estimated deficit is £59 million compared with £49 million in August. In the first nine months of the year exports have been 4 percent higher than the average for 1963 and imports 14 percent higher. The payments deficit on "visible trade" for the first three quarters of 1964 has been running at an annual rate of over £500 million.

There was no significant pressure on sterling, but after the trade figures and the election outcome the exchange rate was allowed to drop to its "floor" of $2.78¼. From enquiries which poured into the City from all parts of the globe one got the impression that people abroad are holding their hands until they can see more clearly what kind of Government is taking over in Britain and how it will deal with the economic difficulties which are becoming urgent.

Prospects for Shares

A leading broker's reading of the stock market outlook was that share prices would go lower. Financial trouble, he thought, would come to a head almost at once and must lead to restrictions of one kind or another. He suspected that Mr. Wilson might choose to bring the crisis quickly into the open so as to pin the blame clearly on the outgoing Government. Amid confusion investors as a whole were sitting tight and waiting; but he expected selling to develop within a few days.

The investment manager of a large insurance company also took a generally pessimistic view. He pointed to an unprecedented situation with three areas of extreme uncertainty—economic, internal politics and world politics. He thought the market would fall gradually between now and January-February, when he felt that another election might be held and the polls might favour the Tories. Markets would be very thin, and it would be difficult to transact business. He said there was very little weight of accumulated funds, and this factor had been exaggerated. His fund would examine equity sections as a whole, but would not devote as much of its funds to U.K. equities as before.

The Association of Unit Trust Managers said there had been no marked decline in unit trust values. There was no backlog of funds. Nobody was likely to buy for at least a few days. A leading pension fund manager said he was not alarmed by the situation. His fund bought for the very long term. He was not worried about Labour getting in with a precarious majority because he did not think the situation would last longer than 18 months. Meanwhile he had to buy for 20 to 30 years ahead. There was no weight of funds uninvested, and new funds would continue to be invested as they came in. But they would not do anything before the Queen's Speech or an informative policy speech from Mr. Wilson. The market had discounted Labour with a working majority off and on for 18 months, and there was not likely to be any great fall in share prices, though this was subject to what Mr. Wilson did to put the balance of payments right. He looked for idle markets without large rises or falls.

A stockbroking firm, commenting on the election in a circular to clients, considered the result especially unfortunate in view of the urgency of the balance-of-payments position. On the trade figures, it said no eleventh-hour revival in exports had occurred. A degree of liquidity was still advisable for investors, though it would also be a prudent move to invest a proportion of funds abroad. It picked out leading Canadian equities as offering worthwhile opportunities.

Advance Trade Figures

The trade figures are bad enough to shatter the hope that the payments deficit will gradually diminish without any deliberate action. Seasonally adjusted, exports in September were down to £346 million—August £370 million—and imports to £471 million, against £479 million. With exports once again disappointing, the deficit on trade in the balance of payments is estimated at £59 million, bringing the gap for the first nine months of the year up to an annual rate of over £500 million. What is known of the trends in the invisible earnings and long-term capital account does not suggest much help from those transactions for the overall payments gap.

Exports in the third quarter were 1 percent less than in the second quarter, and in the first nine months of the year they were 4 percent more than the average for 1963. Imports in the third quarter were the same as in the previous three months, and in the first nine months of the year they were 14 percent up on the previous year. These figures have two meanings: the economy has failed to export goods at the rate required to sustain economic growth at 4 percent a year; and the steep rise in imports, which was thought to be a passing phase of the growth experiment, turns out to be distressingly persistent.

Clearly it will be one of the first tasks of the new Government to make an urgent review of the foreign trade situation and to devise remedies. Fortunately the crisis is not such as that have passed a number of times before. There is no run on sterling. Though there was some precautionary selling of sterling and some support was given after the rate had been allowed to fall to its virtual floor of $2.78¼, this was not costly for the reserves.



LET A LATHE MAKE HIS LIFE

Ramlal: Abdul, I have brought my son Narayan to show him your workshop.

Abdul: With pleasure, Ramlal. Narayan, now that you have finished your studies what you wish to do for the future?

Narayan: Uncle, we came here to seek your advice in this matter.

Abdul: I shall gladly give it. Let us go on our round of the workshop.

Ramlal: Abdul, I am seeing your workshop after some years and I am glad to observe that you have very much increased your operations.

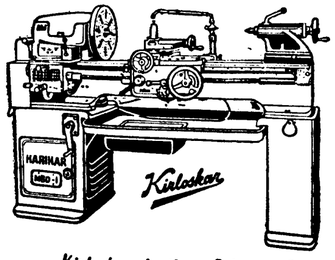
Abdul: You are right. I had only one Harihar Lathe when I started. I have built up by intelligent and hard work a reputation for good workmanship and my business is growing every year. We insist here on always doing a thorough job.

Ramlal: I am very happy about your progress. But tell me, Abdul, why you have all Mysore Kirloskar Lathes only installed here?

Abdul: Ramlal, the first lathe gave me such satisfactory work that I bought another of the same model. I then made a rule that we should have only Mysore Kirloskar Lathes in this workshop. Made by a pioneer manufacturer, these Lathes are dependable, sturdy, always uptodate in design and construction. They are economical and need practically no servicing.

Ramlal: Now turning back to the question of Narayan's future what do you suggest?

Abdul: Well, seeing my workshop is an advice in itself. I suggest that you get him started as I did with a Kirloskar Lathe and lead him to a life of independence. If he wants I shall arrange for his training in my workshop where he will learn to operate these various lathes made by Kirloskar.



Kirloskar Lathes - Pilots of Progress

MANUFACTURERS:

THE MYSORE KIRLOSKAR LTD.

Regd. Office: YANTRAPUR P. O., HARIHAR, (MYSORE STATE)

Please Contact: **BATLIBOI** & COMPANY PRIVATE LIMITED | P-10, Mission Row Extension, Calcutta-1.

MK 964

Jute

GUNNY OUTPUT AND OFFTAKE UP, BUT PROSPECTS NOT ROSY

IN spite of the erratic conditions prevailing in the gunny market and the high price of raw jute since the beginning of the new season, the industry seems to have done fairly well during the quarter ended September 1964. Compared with the production and offtake during the corresponding period of 1963, the industry's performance has been good this year. Working for the same 624 hours, mills reporting to the I.J.M.A. have produced 333,200 tonnes in July-September this year, against 316,300 tonnes in the corresponding period of 1963. Output of hessian has risen from 135,700 tonnes to 142,700 tonnes, of sacking from 127,200 tonnes to 134,400 tonnes and of miscellaneous goods from 28,700 tonnes to 32,400 tonnes; output of carpet-backing cloth has, however, dropped fractionally from 24,700 tonnes to 23,700 tonnes.

Total despatches have increased from 303,000 tonnes to 331,900 tonnes—of hessian from 136,600 tonnes to 141,500 tonnes, of heavy goods from 117,300 tonnes to 135,700 tonnes, of carpet-backing cloth from 18,500 tonnes to 20,700 tonnes and of other goods from 30,600 tonnes to 34,000 tonnes. The consumption of burlap in the U.S.A. has also risen from 217.1 million yards to 225.7 million yards. But exports show a fractional decline from 237,000 tonnes to 236,200 tonnes. Shipments of hessian have risen from 126,900 tonnes to 127,900 tonnes, of carpet-backing cloth from 18,500 tonnes to 20,700 tonnes and of other goods from 23,300 tonnes to 23,500 tonnes; but sacking shipments have dropped by 4,200 tonnes to 64,100 tonnes, mainly due to the competition from Pakistan.

Internal consumption has picked up appreciably during the quarter from 66,000 tonnes to 95,700 tonnes. The offtake of sacking has risen from 49,000 tonnes to 71,600 tonnes mainly because of purchases by the Central Government. The offtake of hessian also has increased from 9,700 tonnes to 13,600 tonnes and of other goods from 7,300 tonnes to 10,500 tonnes.

Prospects Not Rosy

In spite of the fair statistical position so far, it would be wrong to paint a rosy picture about the prospects. For most of the deliveries effected during the past quarter, orders were booked by the mills well before the upsurge in fibre prices in the middle of July. Thereafter the price of raw jute has settled around Rs. 38.50 a maund, f.o.r., ready, Calcutta, basis Assam Bottoms, despite the adoption of various restrictive measures by the authorities and the exercise of voluntary restraint by the industry. Prices of jute goods have also risen, but the disparity between fibre and gunny prices has increased, narrowing down the margin of profit.

Industry circles feel that at the current level of fibre prices, mills can make very little profit on sacking, while the margin on hessian has been squeezed to practically uneconomic levels. Carpet-backing cloth has also become less profitable as demand has failed to keep pace with the supply. Since the beginning of the strike in the Pakistani industry, Clive Row has been led to believe that the loss of output in Pakistan will be considerable and that Indian mills will have a rush of orders from overseas. But so far the expected orders have not come. It remains to be seen what benefits will flow to India from the setback to the Pakistani industry.

To stabilise the industry in this country, it is imperative that all possible assistance should be given to the mills to cut their production costs. Besides, well-conceived measures are necessary to bring down the prices of raw jute to more realistic levels so that mills can continue production at the maximum levels, helping India to meet the expanding world demand for packaging materials without inviting the threat of substitutes.

Sharp Fall in September Output

In spite of an increase in the number of working hours from 200 in August to 208 in September, mills reporting to the I.J.M.A. have reported a sharp drop in the output of gunnies from 111,500 tonnes to 104,000 tonnes. The decline in production is attributed to the sealing of some looms by mills on their own initiative. No precise idea is available as to the loomage affected so far. But the decline in tonnage on the basis of production in August is of the order of 10.4 percent.

Circles close to the industry believe that the cutback is due partly to a shortage in the availability of matching fibre for batching and partly to the big stocks of gunnies. In view of the erratic conditions in the gunny market and the high prices of raw jute, mills may have considered it prudent to modify their production plans. The maximum decline has been in the output of miscellaneous goods from 11,300 tonnes to 7,100 tonnes. Heavy goods output has dropped from 45,100 tonnes to 42,900 tonnes, carpet-backing cloth from 8,100 tonnes to 7,400 tonnes and hessian from 47,000 tonnes to 46,600 tonnes.

In September 1963, the mills worked for 200 hours at the maximum level, producing 100,900 tonnes of gunnies—44,200 tonnes of hessian, 41,500 tonnes of sacking, 8,100 tonnes of carpet-backing and 7,100 tonnes of other goods.

Drop in Gunny Offtake

A decline in the export offtake from mills reporting to the I.J.M.A. from 80,600 tonnes in August to 74,900 tonnes in September has caused a drop in the despatches of jute goods from 114,900 tonnes to 109,100 tonnes. Of the total offtake, that of hessian has fallen by 2,300 tonnes to 45,200 tonnes, of miscellaneous goods by 2,600 tonnes to 8,800 tonnes, of carpet-backing cloth by 500 tonnes to 6,600 tonnes and of heavy goods by 400 tonnes to 48,500 tonnes.

Exports of hessian have declined by 2,400 tonnes to 40,400 tonnes, of other goods by 2,500 tonnes to 5,500 tonnes, of carpet-backing by 500 tonnes to 6,600 tonnes and of sacking by 300 tonnes to 22,400 tonnes. Internal consumption has been about maintained. The total has been 34,200 tonnes in September, against 34,300 tonnes in August. Of this, offtake of sacking has been 26,100 tonnes (against 26,200 tonnes), of hessian 4,800 tonnes (against 4,700 tonnes) and of miscellaneous goods 3,300 tonnes (against 3,400 tonnes).

In September 1963, the total offtake was 96,500 tonnes—45,800 tonnes of hessian, 35,500 tonnes of sacking, 6,600 tonnes of carpet-backing cloth and 8,600 tonnes of other goods. Exports absorbed 42,500 tonnes of hessian, 19,100 tonnes of heavy goods, 6,600 tonnes of carpet-backing and 5,800 tonnes of other goods, making a total of 74,000 tonnes. Internal consumption totalled 22,500 tonnes—3,300 tonnes of hessian, 16,400 tonnes of sacking and 2,800 tonnes of miscellaneous goods.

U.S. Burlap Consumption Up

Burlap consumption in the U.S.A. has risen fractionally from 80.8 million yards in August to 81.3 million yards in September. The country consumed 79.7 million yards in September 1963. The total offtake for the nine-month period ended September 1964 is 662 million yards, against 680.8 million yards for the corresponding period of 1963. The monthly average so far comes to 73.55 million yards this year, against 75.64 million yards last year. U.S. stocks at the end of September also declined to 274.5 million yards from 280.9 million yards a month earlier. Of these, 150.1 million yards (against 152.3 million yards) were spot stocks and 124.4 million yards (against 128.6 million yards) were afloat.

In September 1963, the closing stocks were 288.6 million yards—161.6 million yards spot and 127 million yards afloat. At the September level of consumption, the stocks will last 3.37 months. The corresponding stock duration on the same basis at this time a year ago was 3.62 months.

THE JUTE MARKETS

Manufactured Goods: Despite brisk buying by the Government of India, easier conditions prevailed in the Calcutta gunny market during the past week. A setback in exports, coupled with a decline in overseas business, produced a bearish impact. Reports of an increase in the consumption of burlap and a decline in stocks in the U.S.A. during September, combined with scattered hessian business with that country, and woolpack sales to Australia failed to arrest the drift. Earlier in the week mills emerged as keen sellers for all positions, depressing prices. Towards the close, the possible effect of the levy of a 15 percent surcharge into the U.K. on imports, rumours about the end of the strike in Pakistani jute mills, end-of-account considerations and some amount of short-selling caused big fluctuations in the prices of sacking for November. Hessian also softened somewhat after minor movements in sympathy with heavy goods. The hedge market trend depressed sentiment in the spot market as well. Prices eased appreciably in heavy goods and to a small extent in hessian. Completed business included an Indian Government tender for about 20,000 bales of B Twills for October-November delivery. Turnover was fair in heavy goods and moderate in hessian. The undertone was hesitant at the close.

Wednesday's quotations were as follows:

40in. 7½oz.	37.10	37.30	37.50	37.85
40in. 8oz.	39.75	—	—	—
40in. 10oz.	49.10	49.60	49.85	50.45
B Twills	147.15	145.90	145.00	144.25
Cornsacks	150.25	150.00	148.00	146.75
Heavy Cees (Plain)	148.00	145.90	144.75	143.75
A Twills	175.50	175.50	175.50	174.00
Liverpools	158.50	159.50	159.50	160.00

Raw Jute: Prices of raw jute softened by about Re. 1 a maund during the past week because of an easier trend in the terminal markets and the keenness of weak holders to dispose of their stocks even at a discount. With the feeder roads drying up, daily arrivals of fibre improved from 110,000 maunds to 175,000 maunds. Growers and stockists were eager to sell part of their holdings to meet their Diwali festival expenses. But upcountry prices continued to rule above the Calcutta parity levels. After practically completing the maximum purchase quota of 175,000 bales for the week ended 31st October, mainly in selected-grade jute for ready and near delivery, mills became cautious. They were awaiting a further decline in prices, and transacted business with weak holders at slightly lower levels. It produced a bearish impact. In view of the priority allotted by the railways for the movement of jute from the agency stations to Calcutta and the brisk transport of fibre by river, arrivals were heavier in the Cossipore market. Sellers seemed anxious to clear their stocks. The forthcoming end-of-account considerations were bearish. Turnover was moderate, and the undertone hesitant at the close.

Wednesday's quotations were as follows:

Assam-Agartala Jute	40.00	37.00	107.17	99.13
Northern Jute	39.50	36.50	105.83	97.79
Western Desal Jute	38.50	35.50	103.15	95.11
Selected Daisee	40.50	37.50	108.51	100.47
Assam-Agartala Tossa	40.00	37.00	107.17	99.13
Mesta: Assam-Northern	38.00	35.00	101.81	93.77
Local Daissee	37.50	34.50	100.47	92.43
Bihar Dist.	36.50	33.50	97.79	89.75

THE U.K. JUTE MARKETS

LITTLE CHANGE IN FIBRE

(FROM OUR DUNDEE CORRESPONDENT)

VERY little change took place in the raw jute market during the past week. The position was quiet, and shippers refused to accept less than their quoted rates. There was nothing to indicate that any major alteration should take place in values. The actual size of the crop is the main factor, and it is impossible to ascertain any reliable estimate at present.

Dundee spinners showed very little interest in shipment jute and the business passing was mainly for ex warehouse parcels. A substantial quantity of jute will be coming to the U.K. within the next two to three months and a portion of this is still unsold to spinners. This is making the position very irregular here, as there are always sellers willing to accept less than the generally quoted rates.

Offers were made at £150 for Mill Firsts, at £137 for Export Firsts, at £124 10s for Export Lightnings and at £118 for Export Hearts, c.i.f. U.K., for October-November shipment. Offers of Grade Tossa-2/3 were scarce with the lowest price at £150. Grade Tossa-4 and Dacca Tossa-6 were available at £137. Outport Tossa-2/3 ranged from £125 10s and Outport Tossa-4 from £117 10s, October-November.

Prices of cuttings were firm at £92 10s for S.N.C. and at £84 for N.C. Only a few offers of mesta were made and prices were dear at £112 10s for A. at £103 10s for B and at £97 10s for C. for November-December shipment.

The Calcutta goods market was steady and sellers here took much more interest in the position as the import of hessians for bag-making purposes are being returned to private trading. Prices are at 83s 3d for 40in. 10oz. and at 63s 1d for 7½oz. a 100 yards c. and f. U.K. for October shipment, at 83s 9d and 63s 5d November and at 84s 2d and 63s

8d December. B Twills were at 257s 7d, 255s 4d and 254s 7d for the respective shipment periods.

THE PAKISTANI JUTE MARKETS

FIBRE UNCHANGED

(FROM OUR DACCA CORRESPONDENT)

THERE was little change in the market during last week, although Russia and China made substantial purchases. Other communist countries have been buying but this has had no effect on the pucca bale market. It has had even less effect on the overseas market. More and more spot and afloat jute is being offered at discount prices. In the meantime the markets remain firm in the interior with occasional spurts of buying by odd balers, who have managed to find some finance.

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

The Indian Jute Mills Association reports the production of jute goods for the month of September as follows:

Description	Quantity
1. Gunny Bags	
(a) Hessian	
8,946 tonnes	(8,805 tons)
2,32,67 thousand metres	(2,54.5 lakh yds.)
1,70,8 lakh nos.	
(b) Sacking	
41,869 tonnes	(41,208 tons)
9,18.50 thousand metres	(10,04.5 lakh yds.)
4,78.5 lakh nos.	
2. Gunny cloth	
(a) Hessian	
37,669 tonnes	(37,074 tons)
12,81.53 thousand metres	(14,01.5 lakh yds.)
(b) Sacking	
1,070 tonnes	(1,053 tons)
23,70 thousand metres	(25.9 lakh yds.)
3. Carpet backing	
7,358 tonnes	(7,242 tons)
56,10 thousand metres	(61.4 lakh yds.)
4. Other manufactures	
7,053 tonnes	(6,941 tons)
5. Total production	
(All kinds)	
1,03,965 tonnes	(1,02,323 tons)

Summary

	(000 metres and 00,000 yds.) Sept. '64	Aug. '64	Sept. '63
Hessian	15,14.20	15,22,78	14,56,12
	(16,56)	(16,65)	(15,92)
Sacking	9,42,20	9,79,49	9,04,13
	(10,30)	(10,71)	(9,89)
Carpet Backing	56,10	63,16	62,75
	(61)	(69)	(69)
	(000 tonnes and tons)		
	Sept. '64	Aug. '64	Sept. '63
Hessian	46.6	47.0	44.2
	(45.9)	(46.2)	(43.5)
Sacking	42.9	45.1	41.5
	(42.3)	(44.4)	(40.8)
Carpet Backing	7.4	8.1	8.1
	(7.2)	(8.0)	(7.9)
Others	7.1	11.3	7.1
	(6.9)	(11.2)	(7.1)
Grand total	104.0	1,11.5	100.9
	(102.3	(1,09.8)	(99.3)
Hours worked	208.0	200.0	200.0

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

DR. MACMILLAN GETS BRITISH TEXTILE INSTITUTE AWARD

Dr. W. G. Macmillan, Research Director of the Indian Jute Mills Association, is to receive the British Textile Institute medal for 1964. This award was instituted in 1921 as a means by which recognition could be given to distinguished service to the textile industry in general and to the Textile Institute in particular.

Dr. Macmillan will be retiring from India next year after more than 27 years as head of the Association's Research Institute (originally Research Department). The award of the British Textile Institute medal is a notable tribute to Dr. Macmillan's services in the field of jute textiles research.

Commodity Markets

BUMPER TEA OUTPUT IN NORTH INDIA

(FROM OUR SOUTH INDIAN CORRESPONDENT)

TRADE estimates place tea production in south India during September at 17.4 million lbs, against 12.7 million lbs in the same month last year. This brings the crop for the first nine months of the year to about 127.4 million lbs. When compared with the production figures for the corresponding period of 1963, this represents a fall of 15.9 million lbs. Planting opinion is that it is almost impossible to cover this gap in the remaining quarter of the year although some reduction of the shortfall is possible. North India has, however, produced a record crop exceeding its 1961 output. From the present trend it appears that this area will produce over 600 million lbs this year. This excellent performance by north Indian gardens, which were lucky in having very favourable weather this year, might completely wipe off the deficit in the south; according to one estimate, the total Indian production in 1964 may show a 40-million-lb gain over the 1963 output of about 760 million lbs.

Tea exports from India are lagging behind last year's. Exports up to the end of July are placed at 166 million lbs, against 203 million lbs in the same period last year. Although production in north India has been higher, exports have been lower up to the end of June. The explanation given is that very little tea was available during the first few months of 1964 as a consequence of two successive years of lower production and higher exports. The new season's tea was available only from last June. It is said that exports from June have been on the high side. Exports from south India also have been lower and this is attributed to lower production resulting from the unprecedented drought in this region in the first half of the year. Conditions have improved since then and production has been picking up. The shortfall in south Indian exports, it is expected, will be covered with the increase in production. Official expectation is that despite the initial shortfalls the export this year will reach at least 510 million lbs.

A special correspondent adds: A notification dated 18th October from New Delhi states. "There has been a substantial fall in the exports of tea during the first half of this year. This is partly explained by a smaller carryover from last year's crop and also by a fall in production in south India. The exports during June, July and August have, however, shown a trend of increase. If this continues, the exports of tea this year might reach last year's level." North Indian output up to 15th October shows a further increase at 487,087,774 lbs. This compares with 451,937,446 lbs in 1963 and 486,405,512 lbs in 1961. This takes this year's production to an all-time high as far as north India is concerned. Exports have improved since July, and the figures suggest that final results for the year as a whole will be good. The doubtful factor is prices. Teas have so far sold at somewhat better rates than expected, and the commodity continues to realise satisfactory prices on the London market also, where good Assam and Dooars types have fetched high prices up to the sale on 19th October.

COFFEE

Pool Receipts Touch New High

Our South Indian Correspondent writes:

Actual receipts of coffee in the Coffee Board's pool until last month from the 1963-64 crop have touched a new high of 68,450 tonnes, comprising 28,400 tonnes of Plantation, 10,450 tonnes of Arabica Cherry and 29,600 tonnes of Robusta. Corresponding receipts for the last season were 55,336 tonnes—24,405 tonnes of Plantation, 9,199 tonnes of Arabica Cherry and 21,732 tonnes of Robusta. Out of the 1963-64 crop, 28,623 tonnes comprising 17,050 tonnes of Plantation, 3,976 tonnes of Arabica Cherry and 7,597 tonnes of Robusta have been sold for export by the Board up to the end of September 1964. Releases in the internal market during the first nine months of the year were for a total of 25,454 tonnes. The corresponding figure for the previous year was 25,110 tonnes. The Coffee Board has carried out a large marketing operation by disposing of 28,623 tonnes of coffee for export and 25,454 tonnes for internal consumption during the first nine months of 1964.

How much of the internal consumption of around 34,000 tonnes a year is due to the release policy of the Coffee Board and how much of it is due to a marked sense of adequacy is not clear. But with production reaching about 70,000 tonnes in 1964-65, the export quota granted to this country of just over 22,000 tonnes under the International Coffee Agreement is wholly inadequate. Given favourable weather, the Indian production could be well over 80,000 tonnes of which 45,000 tonnes should be easily available for export. The special study group deputed to India by the International Coffee Organisation to study on the spot the country's export potential may be convinced of this fact.

CASHEW NUTS

Sales Promotion Office in Brussels

The Cashew Export Promotion Council's office for sales promotion in western Europe is expected to start functioning in Brussels shortly. West European countries offer a great market potential for Indian cashew, and the attempt of the Council is to tap this market fully. With the coming into being of a rival industry based on mechanisation in other parts of the world, India's monopoly in cashew trade will be disturbed. Mechanised units are being set up in some of the African countries from where India gets the bulk of her raw material supply at present. This is a real challenge for the cashew processing industry. If the processors here make a conscious effort towards improving the product and instituting appropriate measures to project the image of the Indian cashew nuts in the consumers' mind, it will not be difficult to meet this challenge.

CARDAMOM

Preliminaries for Setting Up Board

Mr. H. Sitarama Reddy, chairman of the Cardamom Development and Marketing Committee, has disclosed that the preliminaries for setting up a Cardamom Board have been finalised and it will come into existence after Parliament approves the scheme for its constitution in its December session. He said this while addressing the cardamom growers of Bodinayakanud recently.

MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA

(Base: August 1939)

THE Middle Class Cost of Living Indices, by groups, have now been brought up to September 1964. As compared with August, the September index for Food shows an increase of 9 points. The indices for Fuel & Lighting, Clothing and Miscellaneous remain unchanged at 308, 620 and 331 points, respectively.

Combining all the factors, the Middle Class Cost of Living Index for Calcuta shows that the cost of living rose by 5 points during September 1964.

Middle Class Cost of Living Index Number for Calcutta. Prices in August 1939=100

Groups	Weights	GROUP INDICES												
		Sept., 1963	Oct., 1963	Nov., 1963	Dec., 1963	Jan. 1964	Feb. 1964	Mar., 1964	April 1964	May, 1964	June 1964	July 1964	Aug., 1964	Sept., 1964
Food ..	53.6	606	608	598	591	584	576	583	595	599	608	616	626	635
Fuel and Lighting ..	4.4	308	308	308	308	308	308	308	308	308	308	308	308	308
Clothing ..	12.4	609	609	609	609	609	609	609	609	609	609	609	620	620
Miscellaneous ..	29.6	317	317	321	321	321	321	321	321	331	331	331	331	331
Combined Index ..	100.0	507	509	505	501	497	493	497	503	508	513	518	524	529

Compiled and constructed by the Statistical Department of "Capital".

COMPANY AND PUBLIC NOTICES

BROOKE BOND ESTATES INDIA LIMITED

Notice of the Seventeenth Annual General Meeting

NOTICE is hereby given that the Seventeenth Annual General Meeting of the Shareholders of the Company will be held at the Registered Office of the Company, "Brooke House", 2, Metcalfe Street (Ganesh Chandra Avenue), Calcutta on Tuesday, the 1st December, 1964 at 2-30 p.m. for the following purposes:—

1. To consider and to adopt the Profit and Loss Account for the year ended 30th June, 1964, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To declare dividends on Ordinary and Preference Shares.
3. To appoint Directors in the places of those retiring.
4. To re-appoint the Auditors and to fix their remuneration.

NOTICE is also hereby given that the Register of Members of the Company will be closed from the 6th November to 1st December, 1964 both days inclusive.

By Order of the Board,

BROOKE BOND ESTATES INDIA LIMITED,

D. A. SHARMAN,

Secretary.

Note: 1. A member entitled to vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

CALCUTTA, 28th October, 1964.

THE BARNAGORE JUTE FACTORY COMPANY, LIMITED

(Incorporated in England with Limited Liability)

DIVIDENDS.

THE following Dividends have been recommended in respect of the year ended 31st March, 1964, payable on the 9th December, 1964:—

1. On the Preference Shares @5% (Five Shillings per share) less U.K. Income-tax of Seven Shillings and Nine Pence in the £ Sterling.
2. On the Ordinary Shares @ 30% (£1-10s-0d per share) less U.K. Income-tax of Seven Shillings and Nine Pence in the £ Sterling.

Payment of any Dividend declared will be made only to those Members whose names are registered in the Books of the Company on 2nd December, 1964 or to their Mandatees.

Dividend Warrants to Members on the Calcutta Register will be made payable in Calcutta.

No applications for warrants will be necessary. Claims on behalf of holders of shares on blank transfer will not be entertained.

The Share Transfer Books will be closed from 19th November to 2nd December, 1964, both days inclusive.

By Order of the Board,

JARDINE HENDERSON, LIMITED,

C. EVANS,

Secretary,

Agents.

4, Clive Row,

Calcutta-1, 19th October, 1964.

DHELAKHAT TEA COMPANY, LIMITED

21st October, 1964.

Explanatory Statement as required under Section 173 (2) of the Companies Act, 1956

To

THE SHAREHOLDERS:

DHELAKHAT TEA COMPANY, LIMITED.

SIR/MADAM,

The Company often purchases from its Managing Agents, namely, James Warren & Co Ltd., tea garden supplies of all kinds including tea machinery, motor-vehicles, tractors and implements, accessories and spare parts therefor and tools and other tea garden requisites in all of which James Warren & Co. Ltd. regularly trade or do business and which the Company may require for the purpose of its business. The Company finds it advantageous to have normal trading transactions in respect of the said tea garden supplies with the Managing Agents which they had in the past. It is considered desirable that the Company should execute an Agreement with its Managing Agents to be effective from 1st September, 1964 for the said tea garden supplies. An Agreement on the lines indicated in the Special Resolution set out in the annexed notice will be executed after its approval by the shareholders.

The Managing Agents of the Company hold 37,409 shares in the Company and may accordingly be deemed to be concerned or interested in the resolution to the extent of such shareholding.

To the extent of their qualification shares and additional shares held by Mr. A. N. Roy, a Director in the Company, the Directors may be deemed to be interested in the proposed Resolution.

Mr. A. K. J. Henderson may also be deemed to be interested as a person appointed to the Board of the Company by the Managing Agents under a provision in that behalf contained in the Company's Articles of Association.

By Order of the Board,

JAMES WARREN & COMPANY, LIMITED,

Managing Agents.

DHELAKHAT TEA COMPANY, LIMITED

NOTICE is hereby given that an Extra-ordinary General Meeting of the members of Dhelakhat Tea Co. Ltd. will be held at the Registered Office of the Company at 31, Chowringhee Road, Calcutta, on the 21st day of November, 1964, at 9 a.m. to consider and if thought fit to pass the following Special Resolution:—

"RESOLVED that pursuant to Section 360 of the Companies Act, 1956 the Company hereby approves of a contract (a draft of which is placed before the meeting and signed by the Chairman for identification) being entered into between the Company of the one part and James Warren & Co. Ltd., the Managing Agents of the Company, of the other part in respect of purchase by the Company from the Managing Agents, of Tea Garden supplies of all kinds including tea machinery, motor-vehicles, tractors and implements, accessories and spare parts therefor and tools and other tea garden requisites in all of which the Managing Agents regularly trade or do business and which the Company may require for the purpose of its business, PROVIDED that the Company shall pay for such supplies from James Warren & Co. Ltd. at such times as may from time to time be mutually agreed and at such prices as may from time to time be mutually agreed but so that any such prices should not be less favourable to the Company than market rates or which are otherwise reasonable."

By Order of the Board,

JAMES WARREN & COMPANY, LIMITED,

Managing Agents.

Registered Office:

31, Chowringhee Road, Calcutta.

Dated the, 21st October, 1964.

Notes: (1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

(2) The draft of the Agreement referred to in the resolution is available for inspection by any member of the Company at the Registered Office of the Company between the hours of 10 a.m. and 5 p.m. on any working day prior to the meeting.

(3) The Share Transfer Books of the Company will remain closed from 14th November, 1964 to 21st November, 1964, both days inclusive.

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

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Bridge & Roof Co. (I) Ld. ..	29-10-64	12 noon
Dalmia Cement (Bharat) Ld. ..	30-10-64	11 a.m.
Megna Mills Co. Ld.	30-10-64	3 p.m.
India Jute Co. Ld. ..	30-10-64	4 p.m.
Dhelakhat Tea Co. Ld. ..	21-11-64	9 a.m.
Brooke Bond Estates India Ld. ..	1-12-64	2-30 p.m.

DIVIDENDS DECLARED OR PROPOSED.—American Refrigerator Co. Ltd.—10 p.c., subject to tax; The Barnagore Jute Factory Co. Ltd.—30 p.c. (o), less U.K. Income-tax of seven shillings and nine pence in the £ sterling.

HIDES AND SKINS

The market was steady. Stocks were higher than in the previous week.

Bazaar Sales

(Between 20th and 26th October, 1964)

Cowhides: Wet Salted (Ord) 11,000 pcs on the basis of Rs. 7.50 to Rs. 11.62: Wet Salted (slaughtered) 41,000 pcs on the basis of Rs. 10.50 to Rs 16.50 and Rs. 19 to Rs. 28; Wet Salted (Ord) 2,500 pcs on the basis of 90 P a lb.

Goatskins: Wet Salted (Patna, Daissee, Kustia) 78,700 pcs on the basis of Rs. 380 to Rs. 390, Rs. 460 to Rs. 470 and Rs. 500 to Rs. 510; Wet Salted (he-killed) on the basis of Rs. 5.25 and (she-killed) on the basis of Rs. 5 a piece; Purneah-Kissenganj 8,500 pcs on the basis of Rs. 290 to Rs. 300.

Bazaar Stocks

(26th October, 1964)

Cowhides: Wet Salted (Ord.) 91,300 pcs.

Goatskins: Wet Salted (Patna, Daissee, Kustia, Killed) 1,28,500 pcs; Assam-Dinajpur 1,37,000 pcs.; Muzafferpore - Purneah - Kissenganj-Patna-Pakur 237,000 pcs.

5% PER CENT MADRAS STATE ELECTRICITY BOARD BONDS, 1976.

FOR Rs. 300 LAKHS.

(PAYMENT OF INTEREST AND REPAYMENT OF PRINCIPAL, GUARANTEED BY THE GOVERNMENT OF MADRAS.)

The Bonds will be trustee securities under the Indian Trusts Act and also approved securities for the purposes of the Insurance Act and the Banking Companies Act. The Bonds will be treated on par with Government Securities for the purpose of advances under Section 17 (4) (a) of the Reserve Bank of India Act, 1934.

ISSUE PRICE Rs. 99.75 PER CENT.

REDEEMABLE AT PAR ON THE 16th NOVEMBER, 1976.

Subscriptions will be received in cash or cheques from the 16th November, 1964. But the lists will be closed without notice as soon as the total subscriptions amount to approximately Rs. 300 lakhs and in any case not later than the close of business on the 21st November, 1964.

Applications will be received at all branches of the State Bank of India within the State of Madras and at the State Bank of India at Madras, Bombay, Hyderabad, Calcutta, Delhi, Bangalore and Bangalore City.

Copies of the Notification announcing the terms of issue and application forms are available at all the receiving offices mentioned above, at all treasuries and sub-treasuries in the State of Madras and at all offices of the State Electricity Board.

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock Exchange Associations and other sources.

Figures given after stroke (/) mean paise.

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Wednesday, 28th October, 1964.

GOVERNMENTS LOANS

GOVERNMENT OF INDIA

Outstanding Amount	Interest per cent	Year of issue	Repayable	Market quotations
Rs.				Rs.
2,48,91,06,000	3	1946	1986 or later	62.40
8,93,33,000	3	1896-97	At the option of the Government of India after a months notice	63/00
14,77,48,000	2½	1946	1976	83/15
1,10,11,78,000	3	1943	1966-68	98/45
1,15,05,83,000	3	1948	1970-75	90/20
1,53,67,92,000	3½	1955	1965	100/05
86,63,53,000	3½	1956	1974	96/35
56,99,30,000	3½	1957	1967	100/00
1,97,40,92,000	3½	1956	1967	99/75
70,00,000	3½	1958	1968	99/00
1,56,64,22,000	3½	1958	1968	99/85
1,90,85,42,000	3½	1959	1969	97/95
82,65,41,000	3½	1960	1966	100/00
71,78,00,000	4	1964	1970	99/05
1,54,70,22,000	4	1957	1972	98/75
94,51,44,000	4	1958	1973	98/70
81,06,39,000	4	1959	1979	97/70
98,05,17,000	4	1960	1980	97/90
65,96,55,000	4	1961	1981	98/00
84,12,53,000	4	1963	1969	99/55
69,74,00,000	4½	1964	1989	100/00
1,08,86,71,000	4½	1963	1973	100/13
28,07,95,000	4½	1962	1972	100/15
52,01,71,000	4½	1963	1986	100/13
1,14,03,37,000	4½	1962	1985	100/00

BOMBAY

3,40,24,300	4	1952	1964	99/95
6,57,22,800	4½	1957	1968	98/40
6,58,20,700	4½	1958	1970	99/00
4,35,25,000	4½	1958	1971	98/70

MADHYA PRADESH

2,03,28,800	3	1948	1964	98/50

MADRAS

5,24,81,200	4	1952	1964	99/95
5,55,57,300	4½	1958	1970	99/00

UTTAR PRADESH

1,55,31,200	3	1938	1961-66	94/00
5,89,13,900	4	1952	1964	99/95
7,65,53,900	4½	1958	1970	98/80

WEST BENGAL

2,00,00,000	4	1952	1964	99/95
7,58,72,200	4	1952	1967	99/45
7,11,46,100	4	1956	1968	98/70
5,10,49,700	4½	1958	1970	98/75
7,69,69,400	4	1959	1971	98/00
7,00,00,000	4	1960	1969	98/70
7,00,00,000	4½	1961	1972	98/65
7,00,00,000	4½	1962	1974	99/50

MYSORE

2,93,83,200	4	1933	1952-63	100/00

PORT TRUST LOANS

CALCUTTA

Amount	Interest per cent	Year of issue	Repayable	Market quotations
Rs.				Rs.
90,24,300	4	1914	1974	98/25
76,90,100	4	1915	1975	98/25
68,02,300	3	1921	2nd 1981	82/00
1,50,00,000	6½	1921	2nd 1981	144/00N
£892,600	5	1923	1953-83	£61
£901,000	5	1924	1954-84	£61
1,24,00,000	4½	1957	1987	99/50
	4½	1958	1988	99/00
50,00,000	4½	1959	1989	99/00
1,50,00,000	4½	1961	1971	98/75
80,00,000	4	1931	1991	93/00
60,00,000	3½	1935	1965	99/00
50,00,000	3	1946	1976	83/50
50,00,000	3	1945	1-2-2005	72/00
50,00,000	3	1945	1-2-1975	83/75
25,00,000	3	1938	1963-65	93/00
50,00,000	3	1946	2006	72/00
50,00,000	2½	1947	1977	78/50
50,00,000	3	1948	1978	83/00
50,00,000	3	1950	1980	81/00
50,00,000	3	1951	1961	80/50
50,00,000	4½	1953	1963	98/75
50,00,000	4	1953	1983	97/50
90,00,000	4	1955	1985	97/25
77,00,000	4	1956	1986	97/25
1,00,00,000	4	1959	1969	99/50
1,00,00,000	5	1963	1993	..

BOMBAY

Amount	Interest per cent	Year of issue	Repayable	Market quotations
Rs.				Rs.
36,50,000	4	1904	1964	96/00
35,00,000	4	1905	1965	96/00
15,00,000	4	1906	1967	96/00
44,00,000	4	1907	1968	96/00
75,00,000	4	1908	1968	96/00
40,00,000	4	1909	1970	92/00
56,00,000	4	1910	1971	92/00
75,00,000	4	1911	1972	92/00

STERLING LOANS

£892,600	5	1923	1953-83	£63
£901,000	5	1924	1954-84	£63
£835,100	5½	1932	1962	£96½

MADRAS

28,48,275	3½	1947	1977	A
9,88,000	3	1947	1977	A
8,00,000	3	1949	1979	A

IMPROVEMENT TRUST LOANS

CALCUTTA

Amount	Interest per cent	Year of issue	Repayable	Market quotations
Rs.				Rs.
50,00,000	4	1934	1964	99/25
35,00,000	3½	1935	1965	96/00
30,00,000	3	1936	1966	92/50
20,00,000	3	1938	1963-68	92/00
80,00,000	4	1952	1962	100/00
1,02,00,000	4	1956	1968	98/50
75,00,000	4½	1958	1968	101/00

BOMBAY

60,00,000	4	1903	1963	98/25
50,00,000	4	1904	1964	98/25
20,00,000	4	1906	1966	97/50
15,00,000	4	1907	1967	97/50
30,00,000	4	1908	1968	£95½N
£566,600	4	1909	1969	£95½N
£333,000	4	1910	1970	£100/00
25,00,000	4	1912	1972	95/00
13,00,000	4	1913	1973	95/00
50,00,000	4	1914	1974	95/00
25,00,000	4	1916	1976	95/00
66,00,000	6	1920	1945-80	119/50
25,00,000	4	1927	1961-70	99/75
10,00,000	3½	1936	1966	89/00

MUNICIPAL LOANS

CALCUTTA

Amount	Interest per cent	Year of issue	Repayable	Market quotations
Rs.				Rs.
66,88,000	3½	1951	1966	98/50
10,00,000	5½	1932	1962	100/75N
33,91,000	3½	1935	1965	96/00
72,50,000	4½	1954	1979	100/00
60,00,000	3	1936	1966	93/00
47,50,000	3	1938	1968	92/50
21,10,000	3½	1942	1972	92/00
87,36,000	4	1952	1962	99/75
2,22,72,000	4	1955	1985	97/25N
1,67,32,000	4½	1958	1970	101/00N
73,36,000	4½	1958	1968	100/50
57,72,000	4½	1961	...	..

BOMBAY

Amount	Interest per cent	Year of issue	Repayable	Market quotations
Rs.				Rs.
20,00,000	4	1913-13	1974	95/00
2,00,34,000	3½	1951	1966	89/00
8,25,00,000	3½	1947	1977	82/00
2,13,14,500	3½	1949	1979	82/00
4,00,00,000	3½	1950	1965	95/00

MADRAS

Amount	Interest per cent	Year of issue	Repayable	Market quotations
Rs				Rs.
15,00,000	3½	1951	1961	107/00

2½% U.P Zemindary Abolition Compensation Bond (per Rs 100) Rs 41/90*

* Ex eight instalments but inclusive of accrued interest.

These notes refer to the Debentures on the next page.

Option to repay at par on 6 months notice—

(a) Option to extend the redemption period for further 10 years.

(b) at any time after.

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

(d) Option to redeem at 21% Prem. after 14-5-64 and before 15-5-69.

Option to repay on 6 months notice—

(e) at any time after 30-6-61 at 101%.

(f) at 101% between 1-1-60 & 31-12-64.

(g) at 102/8% after 30-6-59 but before 30-6-64.

(h) at any time after 30-6-65 at 101%.

Option to repay on 3 months notice—

(i) at any time at 3% Premium.

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

(k) at any time at par.

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

(m) redeemable at 103% on 31-12-64 with option to redeem on any interest date at same premium after 30-6-59.

(n) at any time on two months notice—

(o) to be redeemed at a premium of 10% Rs. 10,000 to be redeemed annually by drawing on 3 months notice with option to redeem all after 8 years from date of issue on 6 months notice. Option not exercised repayment to be made after full term.
Option to repay

(p) at par after September 1960.

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

(r) with option to redeem at 101% after 10 years or at 100/8% after 12 years.

(s) Rs 1 lac Debentures to be redeemed annually by drawing from 1-6-56 with option to redeem at 100/8% between 1-6-57 to 1-6-60 and at 101% afterwards.

(t) with option to redeem at 101% after 10 years or at 100/8% after 13 years.

(u) with option to redeem all or any of the Debts at 101% at any time after 31-3-64 and at 100/8% at any time after 31-3-68.

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

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

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

(y) Redeemable (a) at 102% on 1st October. 1974 or in the event of voluntary liquidation of the undertaking being purchased or in the event of the Security becoming enforceable or (b) at 105% at any time after 31st March 1953 on 3 months notice from the Co (c) also redeemable out of a sinking fund (commencing in 1938) by drawing at 102% or purhase at or under 102%

(z) Also redeemable out of a cumulative sinking fund of 1½% per annum commencing in 1943 by purchase at any price less than par or by annual drawing at par.

JOINT STOCK COMPANIES' DEBENTURES

Amount Authorised	Amount Outstanding	Rate of Interest per cent	NAME OF COMPANIES	Year of Issue	MARKET PRICE 28-10-64.	MARKET PRICE 9-10-64	A year ago	Interest payable	Principal Repayable	Remarks
Rs.	Rs.						Rs.			
			(CALCUTTA)							
			COAL							
60,00,000	60,00,000	6½	Bengal	1961	99/00	99/00	100/00	1st May 1st Nov.	31-10-75	(X)
30,00,000	30,00,000	6	Bharat Collieries	1944	90/00	90/00	90/00	30th April 31st Oct.	30-6-64	..
20,00,000	20,00,000	4½	Burrakur	1947	90/00	90/00	85/00	30th June 31st Dec.	30-6-67	(G*)
50,00,000	50,00,000	5½	Equitable	1953	97/00	97/00	98/00	1st July 1st Jan.	14-12-68	(r*)
			COTTON MILL							
4,00,000	4,00,000	6	Bengal Nagpur	1897	90/00	90/00	85/00	10th May 10th Nov.	15-11-66	(l)
			JUTE MILLS							
15,00,000	12,00,000	5½	Agarpara	1939	91/50	91/50	92/00	1st Oct 1st April	31-3-69	..
15,00,000	15,00,000	4	Auckland	1945	94/00	94/00	78/00	30th June 31st Dec.	31-12-64	(F)
9,00,000	6,00,000	5½	Alexandra	1939	91/50	91/50	91/00	30th June 31st Dec.	30-6-69	(g)
10,00,000	10,00,000	6½	Bengal (2nd Mortgage)	1940	95/50	95/50	95/50	30th June 31st Dec.	30-6-65	(b)
12,00,000	10,69,000	5	Chitavalsah	1951	93/00	93/00	88/50	30th June 31st Dec.	30-6-66	(e)
25,00,000	17,73,000	5½	Dalhousie	1954	95/00	95/00	90/00	31st March 30th Sept.	31-3-69	(u*)
10,00,000	8,86,000	5	Empire	1951	92/00	92/00	91/00	15th Jan 15th July	15-7-66	(e*)
25,00,000	8,87,000	5½	Fort Gloster	1952	99/00	98/00	98/00	31st March 30th Sept.	30-9-66	(Q*)
30,00,000	30,00,000	5½	Howrah	1955	93/50	93/50	92/50	31st March 30th Sept.	31-3-70	(N)
25,00,000	25,00,000	5	Kinnison	1949	97/00	97/00	90/00	30th June 31st Dec.	31-12-64	(f*)
25,00,000	12,04,000	5½	Kamarhatty	1955	97/50	97/50	89/50	30th June 31st Dec.	30-6-70	(h*)
25,00,000	25,00,000	5½	Nathati	1952	92/00	92/00	90/00	30th June 31st Dec.	31-3-67	(l*)
5,00,000	5,00,000	6½	Nellimarla	1939	92/00	92/00	92/00	14th Nov 14th May	14-3-74	(d)
20,00,000	20,00,000	4	Northbrook	1945	94/00	94/00	85/00	30th June 31st Dec	31-12-64	(B)
25,00,000	25,00,000	5	Reliance	1950	94/50	94/50	91/00	31st March 30th Sept.	30-9-65	(M*)
12,00,000	12,00,000	5½	Union	1937	95/50	95/50	95/00	31st March 30th Sept.	31-3-67	..
10,00,000	10,00,000	6½	Waverley	1925	90/00	90/00	80/00	31st Jan. 31st July	31-7-72	..
			MISCELLANEOUS							
30,00,000	18,80,000	4½	Associated Hotels of India	1948	850/00	850/00	850/00	1st Jan. 1st July	31-12-62	(v)
10,00,000	9,96,000	7	Aluminium Corporation of India Ltd.	1948	97/00	97/00	92/00	1st Jan 1st July	31-12-65	(U)
5,00,000	5,00,000	4½	Bareilly Electric Supply Co. Ltd.	1949	97/00	97/00	88/00	30th June 31st Dec.	31-12-64	(m*)
12,00,000	12,00,000	4½	Benares Elec Ltd & Power Co Ltd.	1949	97/00	97/00	90/00	30th June 31st Dec.	31-12-64	(m*)
1,00,00,000	90,00,000	5	Buckingham & Carnatic Co Ltd.	1952	100/00	100/00	100/00	1st April 1st Oct.	1-3-72	(T*)
5,00,000	5,00,000	5½	Britannia Engineering	1945	94/00	94/00	94/00	30th June 31st Dec.	31-12-69	(g)
8,00,00,000	8,00,00,000	5½	Burmah Shell Refineries Ltd	1954	93/00	93/00	93/75	1st March 1st Sept.	1-9-69	(K*)
2,66,00,000	2,32,89,400	5	Calcutta Electric Supply Corporation	1950	95/50	95/50	90/50	1st Jan 1st July	1-1-70	(*)
£350,000	£325,280	4½	Calcutta Tramways	1900	£66/00	£66/00	£66/00	1st Jan 1st July	..	(w)
£250,000	£157,788	5	Calcutta Tramways	1933	£74/00	£74/00	£74/00	1st April 1st Oct.	1-10-74	(y)
19,50,000	17,50,000	7	Carew & Co	1938	99/00	99/00	100/00	1st June 1st Oct.	1-6-63	(s)
5,50,000	2,46,000	6½	Carew & Co (2nd Mortgage)	1941	95/00	95/00	95/00	1st March 1st Sept.	28-2-70	(i)
21,00,000	21,00,000	5½	Chowringhee Properties	1915	85/00N	85/00N	85/00N	1st Feb. 1st August	1-2-64	..
25,00,000	15,03,000	4½	Clive Buildings	1936	82/00	82/00	82/00	1st July 1st Jan.	1-7-86	(A)
1,00,00,000	1,00,00,000	6½	Dalmia Cement	1946	86/00	86/00	86/00	31st March 30th Sept.	1970	(p)
1,30,00,000	1,04,55,000	6½	Dunlop Rubber Co (I) Ltd.	1950	99/25	99/25	100/25	1st Jan 1st July	1-1-73	(b*)
1,00,00,000	1,00,00,000	6½	Dunlop Rubber Co (I) Ltd.	1958	99/25	99/25	100/25	1st Jan 1st July	1-1-73	(w*)
1,00,00,000	91,80,000	5½	Indian Cable Co Ltd	1954	94/50	94/50	90/00	1st Jan 1st July	30-6-69	(t*)
20,00,000	20,00,000	5½	Kumardhubi Fireclay & Silica Works	1954	92/00	92/00	92/00	31st Dec	31-12-69	(D*)
10,00,000	10,00,000	4	Kumardhubi Engineering Works Ltd.	1946	90/00	90/00	84/00	31st May 30th Nov.	31-5-71	(O)
6,50,000	6,50,000	6	Katakhal Lala Bazar Railway	1945	85/00	85/00	85/00	30th June 31st Dec.	31-12-74	(*)
45,00,000	39,70,000	4	McLeod & Co Ltd (Con Notes)	1947	410/00 P note	410/00 P note	410/00 P note	30th June 31st Dec.	31-12-72	(l*)
1,00,00,000	74,75,000	5	Macneill & Barry Ltd	1951	77/50	77/50	85/00	1st April 1st Oct.	1-4-71	(P*)
12,00,000	12,00,000	4	National Tobacco Co India Ltd.	1946	93/00	93/00	85/00	30th June 31st Dec.	30-6-66	(S)
20,00,000	20,00,000	5	Patna Electric Supply Co. Ltd.	1949	97/00	97/00	90/00	31st May 30th Nov.	31-12-64	(V)
1,00,00,000	50,50,000	6	Rontas Industries Ltd.	1946	90/00	90/00	96/00	30th June 31st Dec.	31-12-69	(a*)
4,00,00,000	4,00,00,000	5½	Esso Standard Ltd	1953	93/25	93/25	91/00	1st May 1st Nov.	1-5-68	(H)
10,00,000	10,00,000	5½	Shree Gopal Paper Mills Ltd.	1944	95/00	95/00	95/00	Jan & July	15-7-66	(E*)
£200,000	£200,000	4½	Shahdara (Delhi) Saharanpur Rly.	1905	£64N	£64N	£64N	1st Jan 1st July		
15,00,000	11,40,000	5	Sijua Jherriah	1951	91/00	91/00	91/00	1st Jan 1st July	30-6-76	(*L)
30,00,000	30,00,000	4½	United Provinces Elec. Supply Co. Ltd.	1949	97/00	97/00	90/00	31st March 30th Sept.	31-12-64	(C*) (*m)
			TEA							
2,50,000	2,50,000	6	Baitakhal	1943	95/00	95/00	95/00	30th June 31st Dec.	1-7-63	..
			(BOMBAY)							
1,00,00,000	98,28,000	4	Andhra Valley Power Supply	1940	98/50	98/50	98/50	1st April 1st Oct.	1952	..
60,00,000	50,00,000	4	Tata Power	1941	86/00	86/00	86/00	..	1951-55	..

(Continued from foot of previous page)

(A) Repayable at par by 1986 by annual Drawings on 1st July each year. May repay the issue in full after 30th June 1961 on 6 months notice.

(B) Repayment at par on 31st Dec. 1964 with the option of repayment on 31-12-54 or any subsequent interest date at a prem of 2%

(C) Rs. 36,000 to be redeemed at par annually by drawing.

(D) With option to redeem any part at 101% after 31-12-64 and at 100½% after 31-12-66

(E) Rs. 80 Lacs will be redeemed annually by drawings from 1st May 1964 onwards. The Co. has option to redeem all Debentures at 101% on 1st May 1963 on 6 months notice.

(F) Option to redeem all or any of the Debentures at a premium of Rs. 1/- per cent by giving one month's notice on the 31st December 1954 or any subsequent interest date

(G) May be redeemed on 30th June. 1967 at a premium of 1% or on 30th June. 1965, at a premium of 1½.

(H) May be redeemed at a premium of Rs. 20/- per debenture (i.e. 2%) if redeemed earlier than 31st Dec. 1955 on 3 months notice

(I) The Company has option to repay all or any at par by giving notice for 3 months expiring on any interest date after 30th Sept. 1955. At any time on or after 1st Oct. 1957 the holders may convert each note of Rs 500/- into 25 ordinary shares to take effect on 1st Oct in each year on giving 15 days notice prior to such day

(J) May be redeemed at 101% at any time after 31st March. 1963 and at 100½% on any time after 31st March 1955.

(K) Rs. 1,500,000 Debentures will be redeemed at par annually by drawing from 1-9-65 Any Debenture outstanding on 1-9-69 will be redeemed on that date with option to redeem all Debentures at 101% on 1-9-64.

(L) Any time on 6 months notice.

(M) At par in September 1960

(N) May be redeemed at the end of 1965 or thereafter at 101%

(O) Option to repay at par on or after 31st May. 1961.

(P) Redeemable at par on 31st Dec., 1972 with option to redeem at par at any time on 6 months notice after 30th June 1958. At any time after 31st Dec. 1948 each note of Rs. 500/ may be converted into two ordinary shares of Rs 100/ each ranking for dividend from 1st January following

(Q) With option to redeem annually Rs 3,00,000/- at par after 31-3-58 by drawing or by purchase in the open market

(R) May be redeemed annually at par by drawing after 10th year also the whole issue at 101% on or after 31-3-63

(S) (Option to repay at par one month's notice). At any time after 1st October. 1956.

(T) (Option to repay at par on 6 months notice) after 1-1-67

(U) (Option to repay on 3 months notice). At any time after 31st December 1960

(V) May be redeemed at par on 30-6-56 or any subsequent interest date on one month's notice.

(W) After giving six months notice

(X) Rs 5,00,000 will be redeemed each year from and after 1964.

These Debentures are registered and are transferable by transfer Deeds.

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations 28-10-64. Rs.	A year ago Rs.
	BANK					
1901	Allahabad Bank (May Nov.)	15.00	6	100	95/00	96/50
	COALS					
1896-97	Borrea (June Dec.)	4.00	6½	100	84/00	84/00
1901-19	Burrakur (Jan July)	22.98	7	100	101/50	100/00
1946	Burrakur (June Dec.)	4.50	6T	10	6/37	6/00
1895	Equitable (May Nov.)	4.00	6	100	90/00	80/00
1931	Khas Kajora (March Sept.)	1.93	5	10	8/75	9/00
1920	New Beerbhoom (Jan July)	2.00	7	10	10/62	10/50
1898-00	Ondal (June Dec.)	2.00	5½	100	85/00	85/00
	COTTONS					
1902	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	80/50	70/00
1884	Bangalore (Jan July)	6.00	6	100	92/59	98/44
1938	Basanti (Oct.)	5.00	6½	10	7/09	7/00
1896	Bengal-Nagpur (Apr Oct.)	3.00	7	100	48/00	48/00
1900	Bowreah "A" (Apr Oct.)	6.00	8	100	109/00	114/00
1900	Bowreah "B" (6) (1) (Apr Oct.)	6.00	7	100	93/00	88/00
1919	Bradbury "B" (Jan Dec.)	14.85	7	50	60/00	61/00
1920	Buckingham & Carnatic (Jan July)	21.30	7½	100	111/10	109/00
1928	Cambodia (July)	1.00	7	100	68/85	83/63
1912	Central India (Apr. Oct.)	50.00	5	500	420/00	483/75
..	Delhi Cloth & General (Oct.)	20.00	4½	25	16/63	16/63
1912	Elgin (May Nov.)	11.00	8	100	111/00	113/00
1943	Elgin "B"	10.00	5	10	6/44	6/50
1919	Elphinstone (May Nov.)	25.00	7T	100	78/50	76/00
1919	Kesoram (June Dec.)	20.00	7	100	107/00	107/50
1925	Khatau Makanji (Nov.)	10.00	6	100	88/00	83/50
1937	Kothari (Nov.)	12.00	6	10	7/23	7/75
1900	Muir (Feb Aug.)	30.00	6	100	98/50	122/00
1913	New Great Eastern (Mar.)	8.00	5½	200	120/00	120/00
1920	New Victoria (Apr. Oct.)	16.06	6	5	2/16	2/69
1933	Palani Andavar (Mar.) **	2.00	7	50	115/45	115/45
1935	Svadeshi (Bombay) (May)	15.00	5	100	86/50	86/00
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	65/00	68/00
1931	Vasanta (Apr Oct.)	3.00	6½	100	79/70	86/14
1908	Vishnu (Apr.)	16.00	7	500	390/00	405/00
	JUTES					
1927	Agarpara (Jan. July)	10.00	7	100	100/00	96/50
1905	Alexandra (Feb Aug.)	9.00	7	100	96/00	85/50
1895	Alliance (March Sept.)	15.00	6	100	71/00	76/00
1917	Anglo-India (May Nov.)	40.00	7	100	101/50	99/00
1909	Auckland (July Jan.)	10.00	5½	100	71/00	77/00
1945	Auckland (July Jan.)	15.00	4½	100	60/50	57/00
1918	Bally (Jan July)	20.00	7	100	111/00	111/00
1896	Barnagore (Oct Dec.)	£200	5T	£5	42/00	38/00
1940	Bengal (June Dec.)	10.00	5½	100	70/00	70/00
1919	Birla (June Dec.)	23.64	7½T	100	97/00	90/00
1894	Budge Budge (May Nov.)	9.00	7	100	95/00	90/50
1934	Calcutta (Jan July)	6.00	6½	100	63/00	72/00
1915	Caledonian (June Dec.)	10.00	7	100	92/00	93/00
1919	Cheviot (June Dec.)	10.00	7	100	96/00	99/00
1928	Chitavalsah (Mar Dec.)	5.00	7	100	89/00	89/00
1900	Clive (First) (May Dec.)	8.00	6	100	54/00	68/50
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	63/00	70/00
1903-13	Dalhousie (July Jan.)	11.76	7	100	90/00	93/00
1897	Delta (June Dec.)	5.00	6	100	93/00	64/75
1912	Empire (Jan July)	10.00	7	100	91/00	96/00
1890-93	Fort Gloster (Jan July)	14.00	7	100	71/00	111/00
1948	Fort Gloster (2nd)	7.00	5	100	69/50	66/62
1911	Fort William (May Nov.)	10.00	7	100	104/00	115/00
1916	Ganges (June Dec.)	6.00	8	100	91/00	106/00
1895-04	Gourepore (June Dec.)	26.50	6	100	85/00	88/00
1935	Hastings (Aug Feb.)	25.00	6	100	89/00	91/50
1913	Hooghly (July)	11.76	10	10	13/50	13/06
1890	Howrah (Jan July)	8.75	7	100	93/00	90/50
1903-06	Howrah "A" (Jan July)	17.50	7	100	96/00	94/50
1919	Hukumchand (June Dec.)	40.00	7	100	100/00	98/00
1898-04	Kamarhatty (Apr Oct.)	16.00	6	100	81/00	81/00
1900	Kanknarrah (Apr Oct.)	10.00	6	100	81/00	81/50
1935	Kedarnath (Jan July)	2.00	7	100	90/50	90/00
1907	Kelvin (Mar Sept.)	10.00	7	100	96/50	100/00
1895-09	Khardah (May Nov.)	9.00	6	100	74/00	77/50
1900-13	Kinnison (July Jan.)	15.00	7	100	86/00	98/00
1905	Lansdowne (July Jan.)	15.00	7	100	94/00	114/00
1912	Lawrence "A" (July Jan.)	5.00	7	100	98/00	95/00
1906-07	Lawrence "B" (July Jan.)	10.00	5½	100	69/00	71/00
1905-06	Naihati (July Jan.)	7.50	7	100	115/00	112/00
1945	Naihati (July Jan.)	10.00	4½	100	90/00	90/00
1917	National (May Nov.)	5.00	7	100	95/50	93/50
1939	Nellimarla (Apr Oct.)	5.00	6	100	71/00	76/00
1915	New Central (Jan July)	33.00	7	100	91/00	94/00
1908-09	Northbrook (July Jan.)	15.00	7	100	70/00	73/00
1935	Rameshwara (Jan July)	7.00	6	10	13/81	12/50
1906-12	Reliance (Jan July)	20.00	7	100	114/00	121/50
1928	Shree Ambica (Mar Sept.)	11.70	7½	100	96/00	90/00
1920	Soorah (Feb Aug.)	10.00	7	100	104/00	105/50
1901-02	Union (July Jan.)	6.00	7	100	98/50	98/50
1913	Waverley (Mar Sept.)	7.50	5	50	40/00	42/50
	MISCELLANEOUS					
1937	Alkali & Chemical (Mar Sept.)	31.00	5	100	87/00	90/00
1938	Aluminium Corpn (Oct.)	20.00	6	100	93/50	93/50
1944	Aluminium Corpn (Oct.)	20.00	5	100	66/00	62/00
1949	Anderson Wright (Dec.)	20.00	4½	100	66/62	66/62
1917	Andhra Valley Power (May Nov.)	49.34	7T	1,000	996/25	1,025/00
1919	Arthur Butler (Mar.)	1.30	7	10	10/00	12/00
1916	Asstd Hotels of India (Mar Sept.)	21.67	7T	100	55/00	54/00

Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations 28-10-64. Rs.	A year ago Rs.
1895	Bengal Assam Steamship (Nov.)	3.00	7	60	57/50	54/75
1926	Bengal Chemical (Aug.)	6.25	7½	10	11/81	11/62
1889	Bengal Paper Mill (Mar Sept.)	2.00	7	50	51/00	51/00
1928	Bengal Paper Mill "A" (Mar. Sept.)	4.00	7	100	98/00	98/00
1936	Birds Investments (Dec.)	24.00	5½T	100	52/50	52/50
1962	Braithwaite & Co	40.00	9T	100	113/00	107/00
1918	Britannia Biscuit (Feb Aug.)	15.00	8	10	11/00	11/00
1920	British India Corporation (Feb.)	81.00	8	100	115/00	108/50
1995-99	Burn Eng (1st & 2nd) (Feb Aug.)	13.00	7	100	114/00	120/00
1903-5	Burn Engineering (Feb Aug.)	15.00	6	100	102/50	103/00
1909-11	Calcutta Electric Supply (Mar Sept.)	£1,900	5	£1	8/56	8/00
1937	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	70/50	70/00
1906	Calcutta Tramways (Jan July)	£250	5T	£1	8/25	8/25
1938	Carew & Co (Jan.)	8.00	6½	100	73/50	73/25
1905-24	Cawnpore Sugar Works (Feb Aug.)	10.00	8	100	116/00	104/50
1940	Chrestien Mica Industries Ltd.	30.00	5½T	100	38/87	39/00
1937	Dalmia Cement (Bharat)	35.00	6	10	8/44	8/12
1916	Delhi Flour Mills (Oct.)	90.00	7T	100	101/00	101/00
1935	Deshergarh Power Supply "A" (Jan.)	16.00	5	100	60/50	67/00
1940	Duncan Brothers & Co Ltd.	45.00	4	100	57/00	56/50
1926	Dunlop Rubber "First" (Jan July)	30.00	8	100	102/00	104/75
1936	Dunlop Rubber "Second" (Apr.)	40.00	5½T	100	68/00	68/00
1897	East India Distilleries (Jan July)	£200	7	20st	15/64	18/90
1908	General Investment & Trust (Feb Aug.)	1.00	5	100	56/00	56/00
1947	General Investment & Trust (Feb Aug.)	1.00	6T	100	48/00	48/00
1946	Gillanders Arbuthnot (Apr Oct.)	25.00	8T	100	53/00	55/00
1946	Gladstone Lyall & Co Ltd.	15.00	6T	100	60/00	60/00
1948	Godfrey Phillips India Ltd.	30.00	5½T	100	59/75	60/75
1940	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	62/00	62/00
1940	Gwalior Sugar (Dec.)	5.00	7	100	62/00	62/00
1936	Humayan Properties Ltd (Nov.)	12.00	6	10	7/56	6/81
1936	Indian Aluminium (Mar Sept.)	40.00	5T	100	65/00	66/75
1927	Indo Burma Petroleum (Jan July)	50.00	7T	100	68/00	70/00
1899	India General Navg & Railways	£244	6	£10	83/50	65/00
1923	Indian Cable Co (Nov.)	12.88	6	10	31/75	31/75
1918	Indian Standard Wagon (Aug or Sept.)	19.66	7	100	109/00	116/50
1936	Indian Iron & Steel	2,69.95	5	100	87/00	84/25
1936	Investment and Finance (Feb Aug.)	2.00	5	100	48/00	69/00
1935	Investment and Finance (Feb Aug.)	2.00	6T	100	42/00	60/00
1937	James Wright (Jan July)	1.30	6	50	14/00	14/00
1937	Jardine Henderson Ltd.	50.00	5½T	100	60/50	55/00
1941	Jessop & Co	10.00	5	100	76/25	75/50
1915	Kumardhubi Engineering (June)	12.00	5	100	72/00	68/00
1915	Martin Burn Ltd.	30.00	5	100	90/00	85/50
1946	McLeod & Co.	10.00	5T	100	46/00	44/50
1930	McLeod & Co.	40.00	5	100	62/50	59/75
1936	Mettur Chemical & Industrial (Sept.)	20.00	6	10	8/23	9/25
..	Metal Box Co of India Ltd	30.00	6T	100	75/00	77/50
1938	Mysore Chemical Mfg (Sept.)	2.00	6	10	6/73	7/83
1942	National Tobacco (June Dec.)	25.00	5	100	68/00	66/50
1944	National Tobacco (Jan Dec.)	20.00	4½	100	59/50	58/00
1917	Poona Electric Supply Co Ltd (June Dec.)	4.00	7	100	99/50	99/50
1935	Premier Construction "First" (Apr.)	10.00	6½T	100	74/00	72/00
1936	Premier Construction "Second" (Apr.)	15.00	6½T	100	77/00	70/00
1922	Purtabpore (Sugar) (Oct.)	6.00	10	10	13/44	10/56
1936	Ramnugger Cane & Sugar (Aug.)	4.00	6	100	82/00	82/00
1933-36	Rohtas Industries (April)	20.00	7	100	108/00	99/50
1935	Rohtas Industries "B" (April)	86.00	4½	100	58/75	58/25
1944-48	Shaw Wallace & Co Ltd.	75.00	6T	100	56/75	57/00
1936	Shree Gopal Paper	7.50	7	100	99/50	99/00
1936-38	Shree Krishna Gyanoday Sugar "A" (Oct.)	6.00	6	100	62/00	62/00
1937	Shree Krishna Gyanoday Sugar "B"	12.00	5	100	45/00	70/00
1918	Smith Stanistreet (Chemists) (Nov.)	5.00	10	50	74/50	62/50
1933	South Behar Sugar (Oct.)	5.00	9	100	20/50	20/50
1897	Spencer & Co "A" (Provisions) (Jan July)	23.20	6½T	10	6/61	6/58
1923	Spencer & Co "B" (Provisions) (Jan July)	36.80	8½T	10	9/59	9/50
1936	Star Paper (Apr Oct.)	10.00	5	100	66/00	65/90
1925	Surat Electricity (April)	5.00	6½	100	102/50	104/00
1939	Tata Chemicals (Nov.)	60.00	5	100	93/50	95/00
1910	Tata Hydro Electric Power (Sept Mar.)	89 28	7	100	103/50	104/00
1906	Tata Iron & Steel (First) (Nov.)	75.00	6T	150	126/25	121/25
1918	Tata Iron & Steel (Second) (May)	6.93.82	7½T	100	109/00	101/50
1919	Tata Power (May Nov.)	86.97	7½	1,000	1,036/25	1,030/00
1928	Titaghur Paper Mills (Mar Sept.)	11.50	8	100	116/50	117/00
1936	Titaghur Paper Mills "2nd" (Mar Sept.)	15.00	4½	100	64/25	66/50
1934	Vellore Electric (Sept Mar.)	1.25	6	10	5/78	6/25
	TEAS					
1903	Amluckie (May Nov.)	75.00	7	10	21/96	21/96
1901	Banarhat (Jan.)	4.00	6½	100	81/75	91/00
1900	Birpara (Jan.)	1.00	8	100	104/00	104/00
1947	Brooke Bond Estate India Ltd.	35.00	6T	100	55/00	56/00
1914	Choonabhutti (Jan.)	2.00	6½	100	80/50	90/50
1901	Dimakusi (June Dec.)	70.00	8	10	8/25	9/50
..	Dhunseri	1.20	10	10	7/00	7/00
1894	Gielle (Sept.)	2.00	6	100	59/50	60/00
1901	Hantapara (Jan.)	50.00	8	100	89/84	89/84
1904	Hasimara (Mar.)	3.00	7	100	83/00	86/50
1897-99	Kingsley Golaghat (Dec.)	2.40	6	100	85/00	85/00
1929	Moheema (May Nov.)	3.20	6	10	4/75	4/75
1907	New Dooars (Jan.)	2.00	6½	100	87/00	91/00
1903	New Samanbagh (Nov.)	1.00	8	100	90/50	90/50
1888	Okayti (Dec.	50.00	7	100	84/50	84/50
1914	Peermade (July)	1.80	6	100	73/30	82/77
1916	Pussimbing (Jan.)	2.05	7	100	93/00	89/50
1909	Sonai River (May)	1.00	8	100	66/00	100/00
1932	Tezpore (Jan.)	2.06	8	10	7/37	7/06
1922	Tirrihannah (May Nov.)	1.00	10	10	11/46	11/46

BANKS

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

Paid-up Capital Ordinary Rs.	Reserve & other Funds Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 28-10-64. Rs.	9-10-64 Rs.	A year ago
67,50,000	1,33,55,000	24,28,10,621	26,41,432	4,67,637	12	Allahabad Bank P.	18	15	15	100	249/00	249/00	258/00
2,00,00,000H	2,44,93,760	45,38,16,085	75,00,247	2,96,969	12	Bank of Baroda	17	16	16	50	99/00	99/00	93/00
4,05,00,000H	4,86,00,000	50,72,83,602	1,25,00,000	4,19,847	12	Bank of India	20	20	18	50	101/00	101/00	107/00
2,63,01,800H } 52,50,000 }	5,53,41,648	91,06,63,918	1,89,26,426	91,510	12	Central Bank of India	20	20	20	25	52/50	52/30	55/50
£6,600,000	£7,900,000	£208,379,848	£1,069,378	£574,024	12	Chartered Bank	15	15	15	£1	sh. 48/9	sh. 47/3	sh. 60/9
1,25,00,000H	10,00,000	3,70,50,489	9,68,909	17,401	12	Hindusthan Commercial	Nil	Nil	..	50	10/25	10/25	13/50
50,00,000H	3,10,000	1,52,63,057	2,11,49,462	52,289	12	Hindusthan Mercantile	Nil	Nil	..	50	10/75	10/75	15/62
HK$79,046,125	HK$240,000,000	HK$3,117,934,633	HK$47,716,320	HK$5,511,638	12	Hong Kong & Shanghai	sh. 15†	sh. 16†	sh. 16†	HK$25	£22⅛	£22⅛	£19½
85,80,000	78,34,584	20,39,37,477	17,00,155	1,61,942	12	Indian Bank	15	14	15	100	159/00	156/00	155/00
1,00,00,000	93,62,535	17,03,88,147	16,23,334	1,01,850	12	Indian Overseas Bank	14	12	14	100	150/50	149/00	147/75
£5,703,000	£5,400,000	£131,367,034	£679,318	£357,227	12	National & Grindlays Bank	14	16	14	sh. 15	sh. 31/4½	sh. 30/4½	sh. 32/9
2,00,00,000	3,07,10,000	84,19,60,154	1,25,56,166	2,27,073	12	Punjab National Bank	20	20	20	10	20/00	20/00	19/12
1,00,00,000	76,00,000	22,00,55,074	27,36,301	1,57,743	12	Union Bank of India	11-2/5	11 2/5	11 2/5	5	6/56	6/52	6/12
2,68,84,370	1,00,30,000	31,22,05,273	26,39,808	4,15,814	12	United Bank of India	6	6	7½	10	8/19	8/12	7/44
2,79,66,812	3,20,00,000	49,86,00,180	76,42,869	75,941	12	United Commercial Bank	12	12	12	50	73/25	73/25	69/50

† Per share

JUTE MILLS

Paid-up Ordinary Capital Rs.	No. of Looms	Net Block Account Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	Mg. Agts., Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 28-10-64. Rs.	9-10-64 Rs.	A year ago Rs.
60,00,000	879	99,81,890	76,63,500	8,86,951	19,88,920	30,951	3	79	Agarpara P.	2½	2½	12—10*	10	8/81	9/56	10/50
6,00,000	440	30,57,138	21,01,100	6,26,077	22,41,118	32,706	12	165	Alexandra P.	15	42½	..	100	245/00	245/00	300/00
30,00,000	2,561	57,64,872	26,04,850	5,25,867	18,38,975	1,05,589	5	165	Alliance P.	Nil	10	12½	100	106/00	106/00	161/00
59,04,900	1,264	1,41,77,325	1,15,30,000	71,28,938	35,65,975	55,895	8	63	Anglo-India P.	7½	10	12	100	189/00	190/00	234/00
40,00,000	810	74,93,222	32,04,394	5,13,154	39,08,352	1,752	3	21	Auckland P.	12	Nil	15	100	132/00	132/00	144/50
20,00,000	955	1,02,10,363	46,32,069	6,64,478	15,79,586	24,424	8	22	Bally P	25	25	25—20*	100	239/00	239/00	261/00
£275,000	1,889	£410,423	£9,73,990	£1,82,998	£5,10,306	£1,341	8	128	Barnagore P.	10	10	40	£5	230/00	230/00	212/00
45,00,000	600	49,61,854	15,46,700	8,93,663	5,85,851	1,33,355	6	235	Bengal P.	5	5	..	10	7/00	7/00	9/37
1,59,56,210	1,373	7,39,53,838	4,30,61,136	96,39,875	1,11,00,518	40,062	3	22	Birla	15	15	15—15*	10	36/12	35/31	32/56
36,00,000	991	46,08,736	20,48,440	16,71,597	43,23,494	35,907	10	2	Budge Budge P.	Nil	12	20	100	128/00	128/00	155/00
7,47,380	502	12,59,648	4,17,958	1,73,320	41,970	48,461	6-12	62	Calcutta P	Nil	Nil	..	10	8/12	8/12	8/12
18,00,000	616	54,89,909	40,88,628	4,33,492	19,561,178	7,332	11	440	Caledonian P.	5	15	15—15*	100	132/00	132/00	180/00
29,58,200	1,400	76,11,573	1,01,10,201	4,04,567	30,87,988	30,261	8	304	Champdany P.	5	Nil	40—35*	10	21/81	21/81	24/62
38,58,750	1,131	67,05,590	72,45,112	12,64,351	41,57,638	1,02,122	11	2	Cheviot P	5	25	..	10	20/19	20/62	22/56
30,15,000	500	51,15,293	36,54,850	16,26,307	—480,984	—410,550	7	165	Chitavalsah P.	Nil	5	Nil	10	7/75	8/00	11/06
16,00,000	959	13,80,489	25,12,433	1,35,556	1,51,574	18,647	8	318	Clive P	Nil	Nil	..	10	8/00	8/00	9/19
31,49,200	766	64,54,820	24,37,694	4,25,057	16,78,204	9,930	3	21	Dalhousie P.	1	Nil	25—7½*	100	110/00	120/00	147/00
56,00,000	1,599	1,12,10,485	74,12,967	3,45,236	37,84,549	23,475	11	2	Delta P.	Nil	12	16	100	141/00	141/00	171/00
15,00,000	500	41,34,892	42,21,700	9,25,844	15,13,538	84,695	8	165	Empire P.	7½	12½	15	10	13/75	13/81	17/75
63,00,000	1,884	2,17,21,868	1,38,61,438	8,53,676	45,25,110	15,622	3	138	Fort Gloster	10	12½	20—15*	100	267/00	267/00	350/00
41,89,189	1,019	1,37,28,309	42,14,377	2,17,281	10,00,019	4,080	3	234	Fort William P.	22½	10	20—15*	10	22/25	22/25	26/94
84,32,100	[illegible]	1,77,10,278	83,61,398	1,52,730	51,58,075	43,666	3	367	Ganges P	10	15	20—20*	10	12/81	13/12	14/75
43,20,000	[illegible]	1,30,91,315	46,54,205	1,29,361	21,04,959	9,681	12	359	General Industrial	10	13	14	10	15/00	15/00	15/37
48,00,000	1,394	1,34,74,293	82,53,423	48,11,745	65,24,022	41,505	3	19	Gourepore P.	25	20	20—20*	10	20/50	21/81	25/25
40,00,000	1,070	1,07,49,461	1,22,75,042	66,04,302	28,52,320	2,274	3	234	Hastings P.	6	6	6—6*	100	128/00	128/00	128/00
16,80,000	720	32,20,357	44,86,659	2,59,301	9,22,006	4,294	3	356	Hooghly P.	20	7½	10	10	14/44	14/44	16/00
65,62,500	1,940	62,81,418	51,91,579	14,93,084	40,60,622	.	8	128	Howrah P.	10	Nil	10-12½*	10	16/06	16/00	19/25
52,50,000	2,272	1,50,08,913	1,08,90,055	23,39,044	57,69,850	2,904	8	35	Hukumchand P.	28⅜	26⅜	26⅔-26⅔*	7½	17/50	17/50	21/87
87,30,000	790	1,37,65,684	59,89,948	36,44,107	28,13,519	8,630	3	355	India	12	8	18—12*	12½	15/25	15/12	16/62
43,20,000	[illegible]	48,38,710	36,84,700	8,25,320	43,90,084	..	12	128	Kamarhatty P.	Nil	20	20	100	155/00	155/00	195/00
54,00,000	1,527	43,79,575	16,53,308	4,87,955	45,55,022	..	12	128	Kanknarrah P.	Nil	15	15	100	137/50	129/00	144/00
28,00,000	703	1,27,62,408	72,61,800	15,66,004	32,65,397	94,936	5	165	Kelvin P	15	5	20	100	143/00	143/00	198/00
54,00,000	1,530	93,03,019	73,68,631	6,07,972	42,70,729	3,379	3	382	Khardah P.	5	12½	12½	10	17/75	17/75	19/37
48,00,000	1,250	77,11,483	47,87,477	23,71,495	29,49,140	13,127	3	106	Kinnison P.	[illegible]	Nil	10—5*	100	113/00	113/00	139/00
24,48,000	931	27,71,700	5,13,600	13,13,411	11,11,224	6,707	8	21	Lansdowne P.	Nil	Nil	Nil—12½*	100	111/00	111/00	98/00
28,00,000	840	20,00,065	14,09,475	45,59,844	12,94,083	664	3	21	Lawrence P.	15	10	10	100	109/00	109/00	112/50
81,65,200	1,294	2,36,34,876	90,18,605	4,20,464	67,99,536	3,495	3	355	Megna	12½	Nil	22—12*	10	12/19	12/19	14/00
29,98,900	615	88,18,934	41,42,655	3,53,015	5,69,802	32,760	3	101	Naihati P.	Nil	Nil	Nil—Nil*	100	85/00	85/00	93/00
20,00,000	425	16,79,854	15,55,000	28,11,429	1,98,943	17,816	1-10	107	Naskarpara	2½	5	..	10	5/50	5/50	8/00
35,00,000	852	2,82,38,827	97,30,449	23,86,188	28,36,819	4,576	10	378	National P.	Nil	10	10	10	19/25	19/50	23/87
26,25,000	816	35,16,713	36,29,172	14,01,935	4,40,187	35,230	7	165	Nellimarla P.	6	15	5	10	8/81	8/81	13/87
1,56,00,000	1,765	3,08,96,118	2,42,19,122	26,20,231	—18,53,066	15,530	3	335	New Central P.	15	Nil	..	10	10/69	10/56	14/81
16,79,880	567	54,75,607	56,86,689	4,76,913	33,32,174	1,076	3	21	Northbrook P.	30	20	35	10	25/50	25/50	31/00
66,79,500	1,092	97,24,747	61,30,745	7,56,539	20,44,821	20,062	3	19	Nuddea	6	5	10—10*	10	10/81	10/60	..
35,00,000	400	24,42,457	13,65,554	8,76,427	7,59,908	17,103	7	165	Presidency	6	10	10	5	4/25	4/37	5/75
30,00,000	806	40,98,695	5,66,488	98,624	6,61,516	16,893	8	166	Rameshwara P.	Nil	Nil	Nil—Nil*	10	7/75	7/75	9/20
40,50,000	1,276	53,44,192	6,91,790	5,98,162	14,79,976	8,85,502	8	128	Reliance P	Nil	Nil	Nil—Nil*	10	7/12	7/12	9/31
£600,000	2,013	£1,602,126	£1,398,262	£285,022	£197,841	£2,892	12	64	Samnugger P.	Nil	10	13	£1	10/50	10/50	10/50
30,00,000	911	47,47,618	15,81,656	27,81,388	2,13,128	3,184	3-9	61	Shree Ambica P.	6	Nil	..	10	30/00	30/00	35/00
14,00,000	401	21,82,940	17,16,854	14,69,644	18,77,802	26,425	12	166	Soorah P	25	25	..	10	19/19	19/19	23/50
£600,000	1,794	£1,631,120	£1,276,938	£347,424	70,811	£3,525	12	64	Titaghur P.	Nil	13	10	£1	10/50	10/50	10/50
66,98,600	1,326	50,79,284	42,63,667	13,52,676	31,60,784	603	3	21	Union P.	6	Nil	20	100	143/00	143/00	166/00
£400,000	1,331	£1,372,172	£1,002,577	£193,286	£48,412	£1,951	12	64	Victoria P.	Nil	10	10	£1	10/50	10/50	10/50
2,50,000	465	7,64,459	9,70,000	15,49,934	9,93,458	57,655	5	165	Waverley P.	30	60	30	£1	8/00	8/44	8/00

* 1964

COAL COMPANIES

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

Paid-up Capital Ordinary Rs.	Net Block Account Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 28-10-64. Rs.	9-10-64 Rs.	A year ago Rs.
35,50,000	68,05,441	59,90,550	1,49,662	22,72,946	16,512	12	236	Amalgamated	12½	15	12½-12½*	10	20/19	20/19	26/00
1,20,00,000	4,10,81,913	2,88,23,173	30,83,212	62,75,084	1,03,409	10	2	Bengal P	21	19	16	100	245/50	244/00	280/00
4,49,350	4,37,882	1,30,132	91,796	43,397	4,471	10	2	Bengal Bhatdee	8	10	..	10	3/48	3/48	3/48
2,25,000	3,06,216	5,45,835	5,19,015	1,55,638	16,129	12	368	Bengal Nagpur	26	7	..	10	22/00	22/00	22/00
15,97,000	25,07,455	4,47,308	14,214	—2,45,265	—6,47,481	9	153	Bhalgora	Nil	..	..	10	4/00	4/25	3/53
40,00,000	67,23,620	2,75,000	21,19,681	11,80,816	2,120	9	152	Bharat Collieries P.	Nil	Nil	..	10	2/62	2/65	3/50
7,15,000	14,96,845	11,02,872	64,329	—3,06,406	—4,92,536	6	335	Bhulanbararee	Nil	Nil	..	10	10/00	10/00	11/94
16,00,000	38,87,275	16,18,636	7,185	1,21,936	—79,196	12	362	Bokaro & Ramgur	..	..	..	10	11/19	11/19	11/19
7,50,000	29,24,890	29,11,605	7,46,652	9,82,707	6,037	12	106	Borrea P	15	15	15	10	20/25	20/25	22/12
90,92,480	2,64,32,234	1,60,36,371	32,82,964	41,00,007	10,459	6	21	Burrakur P.	13	13	13	10	16/81	17/06	17/37
49,97,000	58,89,392	10,46,028	14,70,133	9,89,517	20,778	3	166	Central India	10	10	9—10*	10	8/44	8/56	10/00
8,00,000	18,69,439	12,97,490	98,040	6,357	214	12	..	Central Kurkend P.	Nil	Nil	..	10	3/44	3/44	3/87
6,00,000	..	1,55,159	6,05,872	63,765	7,043	12	106	Churulia	..	..	..	4	3/06	3/06	3/06
16,00,000	25,01,305	Nil	19,429	—6,45,261	—5,39,034	12	444	Dhemo Main	Nil	..	..	10	3/75	3/95	4/50
£384,000	£1,183,392	£828,529	£304,532	£225,291	..	4	128	East India	15	20¾	20¾—15*	£1	28/25	28/25	32/00
29,63,700	1,36,20,784	1,22,22,090	33,81,520	14,35,632	1,57,517	12	19	Equitable P.	10	10	10	10	21/50	21/50	23/50
15,00,000	22,69,942	71,000	31,302	7,080	—6,48,987	3	307	Ghusick & Muslia	Nil	Nil	Nil	10	13/87	13/87	14/25
6,50,000	4,21,847	Nil	12,025	10,670	—14,705	12	20	Guzdar Kajora	..	..	..	10	2/47	2/47	2/44
8,00,000	5,43,022	..	16,702	—10,172	—3,65,025	12	393	Hurriladih	Nil	..	..	10	5/44	5/44	7/06
15,00,000O 5,00,000F	26,00,237	29,37,098	36,07,570	94,026	1,570	12	21	Karanpura Development	6 15	3 9	3 9	10O 10F	9/00	9/00	12/06
20,00,000	45,84,112	17,65,600	34,320	17,46,069	1,971	2	21	Karanpura Collieries P.	10	10	10—12*	10	13/44	13/50	16/00
14,90,460	23,78,946	20,19,953	9,49,954	14,96,787	22,818	1	2	Katras Jherriah	40	25	30—30*	10	28/37	28/37	34/12
1,38,400	6,75,000	95,000	11,80,294	49,776	1,918	6-12	337	Khas Kajora P.	10 2/5	..	..	10	13/25	13/25	17/62
6,65,750	5,95,833	Nil	9,780	—1,60,535	—16,47,497	3	372	Mundulpur	..	..	..	10	2/69	2/69	2/69
7,48,240	3,39,261	56,489	7,29,802	1,15,573	74,711	12	347	Nazira	Nil	Nil	..	10	4/69	4/69	5/00
81,97,210	88,87,936	46,16,139	4,45,645	17,86,837	15,709	10	2	New Beerbhoom P.	10	12	10	10	16/50	16/50	19/25
10,00,000	11,60,730	6,73,184	79,733	—38,584	—66,880	3	202	New Manbhoom	9	12	12—Nil*	10	10/00	10/00	15/25
1,15,000 1,57,500	7,05,719	4,31,409	40,364	1,44,042	15,045	12	441	North West	20	11	..	10 7½	19/75 18/00	19/75 18/00	19/75 18/00
1,50,000	1,94,347	12,52,534	22,90,175	—20,571	..	12	447	Ondal P.	7½	7½	5	10	13/50	13/50	13/50
16,68,000	36,04,636	4,56,392	4,10,353	3,23,446	1,327	12	207	Parasea P.	1½	Nil	1½	10	14/00	14/00	14/00
15,75,000	38,39,919	30,64,325	4,82,017	4,60,368	7,234	3	236	Pench Valley	10	10	12½—7½*	10	17/44	17/44	17/50
2,50,000	5,62,405	7,500	11,530	4,903	18,581	6-12	5	Pure Sitalpur	..	..	..	10	8/00	8/00	8/00
41,97,070	66,97,906	48,90,000	10,13,795	5,70,878	15,752	3	370	Raneegunge	Nil	17	17—14*	10	12/75	13/00	14/25
13,50,000	42,14,846	32,96,490	4,30,299	19,16,691	8,453	12	236	Rewa	20	10	15	10	21/87	21/87	28/50
37,50,000	74,38,430	38,61,070	1,69,086	12,37,914	26,993	12	48	Sanka	10	7½	..	10	7/81	7/81	9/00
2,50,000	4,47,534	74,281	10,748	—19,279	—4,27,396	1	353	Searsole	Nil	Nil	..	2½	0/81	0/81	1/22
2,80,000	13,16,067	14,49,316	7,39,416	4,60,584	16,284	12	2	Seebpore P.	42 6/7	35 5/7	28 4/7	7	34/75	34/75	34/75
12,84,000	5,598	6,35,222	18,68,748	51,177	382	12	106	Sendra	3½	2½	2½—3*	10	3/87	3/87	5/00
17,50,000	32,03,711	11,77,056	36,734	1,89,147	3,001	8	21	South Karanpura	Nil	Nil	2½	10	6/00	6/35	8/62
8,00,000	1,30,000	16,18,969	26,21,147	1,34,224	4,723	12	106	Standard	10	10	10—10*	10	9/62	9/62	13/12
2,50,000	4,36,300	3,23,000	36,660	1,37,973	1,77,952	12	..	Union	Nil	5	..	10	10/00	10/25	10/12
49,98,000	70,93,123	13,86,684	13,28,761	11,36,233	32,575	3	166	Western Bengal	7½	9	9	10	8/56	8/62	8/87
7,00,000	26,06,335	Nil	47,091	—6,51,403	—6,23,711	12	444	West Jamuria	Nil	Nil	..	10	3/60	3/60	4/56

* 1964

COTTON MILLS

Paid-up Capital Ordinary Rs.	Number on Spindle	Looms	Net Block Account Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 28-10-64 Rs.	9-10-64 Rs.	A year ago Rs.
15,00,000	14,108	356	14,06,683	3,15,002	12,59,541	26,012	41,532	12	49	Basanti P.	3	Nil	..	10	8/50	8/50	13/75
7,11,280	36,000	932	17,17,120	2,20,369	30,842	3,66,177	47,818	3	27	Banga Luxmi	6½	Nil	..	40	30/00	30/00	30/00
37,00,000	31,476	624	17,77,373		93,872	—6,24,150	—6,86,163	12	223	Bengal Nagpur P.	Nil	Nil	..	10	2/44	2/44	3/06
50,00,000	..	..	1,66,35,360	49,94,800	52,56,090	28,04,759	17,588	12	394	Bharat Commerce P.	15	15	..	10	19/75	19/75	24/25
89,95,950	38,764	992	60,94,300	1,21,02,782	63,37,204	39,77,025	1,67,525	3	22	Birla Cotton	20	20	..	10	27/00	27/00	33/00
83,60,000	43,136	841	1,13,15,319	45,62,881	2,74,548	14,72,717	7,833	12	138	Bowreah P	20	15	15	10	24/37	24/25	25/62
30,00,000	22,000	510	40,26,405	68,61,034	5,45,176	9,97,828	11,228	12	25	Cawnpore Textiles	10	10	..	5	6/31	6/56	7/56
8,38,36,225	1,97,348	3,307	9,79,20,896	8,21,37,642	91,82,065	2,15,43,296	1,46,548	6	238	Delhi Cloth & Genl. P.	13	13	13	25	51/44	51/31	49/75
38,00,000	43,049	518	65,71,796	61,81,868	1,65,881	25,16,474	36,763	12	138	Dunbar	20	15	17½	10	27/19	27/19	29/75
63,00,000	54,000	1,200	1,20,30,927	2,33,36,673	87,18,503	41,89,328	5,435	9	389	Elgin P.	17½	17½	17½	10	19/56	19/50	22/81
1,25,00,000	..	..	3,48,97,571	56,34,321	85,50,730	19,28,764	1,22,795	12	158	J. K. Cotton (Rayon) P.	12½	Nil	..	10	10/44	10/62	13/19
73,77,250	6,272	202	1,35,97,000	51,88,685	4,20,764	43,21,513	12,265	12	22	Jaya Shree	10	10	10	10	13/25	13/50	16/50
80,00,000	38,000	1,825	47,44,548	52,19,301	92,65,055	18,77,941	—7,77,290	12	206	Muir P	..	..	..	100	60/50	60/50	74/50
86,11,583	78,848	1,367	47,49,840	3,96,960	1,09,256	12,73,361	—63,55,495	12	237	New Victoria P.	Nil	Nil	..	2½	1/28	1/28	1/50
48,00,200	..	..	1,08,10,352	78,144	2,34,188	12,34,741	—22,17,524	3	399	Orissa Textiles P.	Nil	..	..	10	7/00	7/00	9/00
19,47,750O 5,00,000Dd	23,196	795	15,49,229	80,772	2,37,475	3,38,087	..	6	4	Rampooria Cotton	3 Nil	Nil Nil	.. ..	10 1	14/12 4/12	14/12 4/12	13/00 2/00
17,50,000O 1,57,50,000Po	1,14,836	2,077	4,48,79,351	2,63,83,071	2,15,81,189	76,20,241	5,044	12	333	Swadeshi (Kanpur) P.	.. ..	.. ..	.. ..	10O 10PO	11/00 6/37	11/00 6/37	11/62 6/81

TEA COMPANIES

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

Paid-up Capital Ordinary Rs.	Net Block Accounts Rs.	Reserve & other Funds Rs.	Area Hectares	Outturn and Average Price per Kg realised for crop 1962 Kgs.	1962 Rs	1963 Kgs.	1963 Rs	Estimate 1964 Kgs.	Net Profits including taxation Rs.	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 28-10-64 Rs.	9-10-64 Rs.	A year ago Rs.
												ASSAM							
4,45,700	18,16,361	..	368	4,13,012	5.67	3,93,565	5.12	4,47,900	..	12	165	Amluckie P.	10	7½	5	10	16/00	16/00	16/50
7,00,000	12,87,737	8,53,082	520	3,01,064	6.71	3,05,534	6.38	3,37,500	1,57,003	12	88	Anandabag P.	32½	20	12½	10	33/25	33/25	33/25
5,50,000	18,46,941	..	..	3,20,928	5.99	2,92,672	5.74	3,62,900	..	12	165	Baghmari	15	7½	Nil	10	11/25	11/00	17/25
1,80,000	..	..	..	..	..	..	..	..	..	12	349	Barduar Tea	..	..	..	6	8/50	8/50	8/50
7,65,000	19,19,779	10,58,955	164	2,86,800	6.60	2,38,500	6.40	2,90,000	93,901	12	2	Basmatia	25	20	7½	10	18/06	18/06	27/25
4,95,900	6,83,583	..	..	3,35,928	4.25	4,12,342	4.34	4,12,000	..	12	345	Bateli	30	30	30	5	17/06	17/06	17/50
6,40,000	12,45,706	12,30,747	510	4,05,929	6.66	3,77,284	6.20	4,24,600	3,19,017	12	88	Betjan	45	30	25	10	29/00	29/00	29/19
33,00,000	39,79,551	18,42,000	2,566	15,17,589	6.71	14,55,468	6.20	15,61,600	3,64,100	12	279	Bishnauth	13	20	7½	10	14/37	14/37	19/94
6,00,000	11,68,235	5,03,003	..	2,09,073	7.12	..	..	..	2,62,960	12	202	Bokakhat	12	13	..	10	13/12	13/12	13/70
7,50,000	13,90,224	11,90,375	..	3,00,721	5.85	..	..	..	3,94,885	12	165	Bormah Jan P.	15	15	..	10	10/06	10/06	13/25
4,50,000	7,46,000	1,66,688	243	2,58,733	6.32	2,50,309	5.71	2,72,700	—61,009	12	279	Bor Pukhuri	Nil	10	Nil	10	10/44	10/44	11/00
35,00,000	68,93,654	15,66,180	..	13,51,189‡	5.27	..	..	..	9,51,721	6	127	Brooke Bond	10	7½	7½	10	10/25	10/25	12/72
1,20,000	9,24,434	9,31,522	..	2,00,496	5.90	..	..	..	2,85,668	12	165	Dejoo Valley	20	30	..	10	40/00	40/00	60/00
8,40,000	15,03,068	10,10,142	558	5,97,724	6.12	4,74,509	6.22	5,33,773	3,36,682	12	128	Dessai & Parbuttia	10	15	12½	100	170/00	170/00	200/00
17,53,440	24,29,411	..	..	6,22,165	2.96	2,94,761	6.64	3,26,545	..	12	214	Dhelakhat	10	8	10	10	20/37	20/37	20/25
7,00,000	20,59,002	8,86,030	562	5,54,691	5.45	6,16,178	5.55	6,20,000	3,01,110	12	365	Dhunseri P.	15	10	10	10	10/00	10/00	11/75
4,50,000	17,18,470	16,36,695	..	3,01,917	6.68	..	..	..	5,86,443	12	165	Dibrugarh	40	30	..	10	27/50	27/50	32/50
4,73,400	10,40,300	9,72,100	266	2,97,513	6.44	3,74,657	6.13	3,37,500	4,70,171	12	279	Dimakusi P.	20	25	30	10	22/87	22/87	22/62
7,00,620	14,67,400	15,89,500	273	4,03,594	6.70	4,02,568	6.34	4,36,000	2,46,743	12	279	Dufflaghur	25	30	20	10	23/50	23/50	28/06
10,00,000	20,23,880	8,76,500	497	4,94,612	6.30	4,58,567	5.85	5,17,000	—2,38,981	12	279	East India	Nil	10	Nil	10	10/31	10/19	16/00
5,03,760	15,35,889	6,34,672	264	3,19,832	..	3,27,853	..	..	89,461	12	354	Gillapukri	20	15	12½	10	23/00	25/00	25/44
6,76,000	12,41,500	7,48,500	228	2,59,394	7.44	..	..	..	4,74,030	12	279	Gohpur	5	20	..	10	13/06	13/06	15/75
23,29,085	56,04,055	36,07,741	1,059	10,39,276	6.17	10,04,928	6.09	10,80,000	45,819	12	202	Grob	6	6	3	5	6/37	6/37	8/15
5,00,000	14,09,777	7,61,908	..	3,45,217	..	3,50,876	..	..	1,32,740	12	354	Hoograjuli	20	17½	12½	10	27/62	27/62	27/12
8,70,000	16,05,713	26,50,646	310	2,78,400	6.64	2,58,600	6.62	76,061	2,90,000	12	2	Hoolungoorie	7½	20	15	100	168/00	168/00	199/00
9,00,000	20,42,643	11,69,455	804	5,33,423	6.50	4,92,625	6.23	5,57,700	2,73,921	12	88	Jutlibari	30	20	14	10	27/87	27/87	31/50
2,40,000	..	..	..	..	..	..	..	..	..	12	236	Kingsley Golaghat P.	35	..	..	100	125/00	125/00	125/00
1,80,000	21,94,612	1,77,500	517	4,88,346	4.97	5,86,302	4.63	5,60,000	1,75,587	12	63	Kotamullai P.	Nil	Nil	Nil	5	10/31	9/81	10/31
5,00,000	10,88,222	3,29,728	353	1,66,356	6.02	1,47,651	6.17	1,80,000	64,621	12	41	Krishnabehari	8	10	6	10	11/30	11/30	11/80
2,00,000	..	..	..	..	..	..	..	..	..	12	236	Kyang Tea	..	..	..	10	8/06	8/06	8/06
6,50,000	16,02,991	9,85,234	270	2,81,500	5.30	3,00,600	5.06	3,00,000	28,762	12	63	Ledo	Nil	Nil	Nil	10	13/50	11/06	13/75
8,00,000	11,99,968	1,30,508	275	2,10,642	5.26	..	..	..	1,25,716	12	..	Maud Tea & Seed	7½	7½	..	10	12/00	12/00	14/81
10,00,000	16,18,885	14,63,370	262	3,74,221	7.12	3,50,854	6.39	5,90,000	2,25,877	12	202	Methoni	14	20	11	10	13/25	13/25	16/19
4,80,000	..	..	..	..	..	..	..	..	1,26,539	12	..	Moheema	Nil	..	..	10	11/50	11/50	11/50
1,50,000	3,91,923	14,90,825	188	1,22,745	..	1,79,058	..	..	..	12	138	Mothola	30	35	35	100	425/00	425/00	507/00
1,75,000O 2,00,000Po	15,71,082	9,67,447	165	1,71,400	8.41	1,69,500	6.82	2,00,000	1,89,528	12	2	Murphulani (Assam)	15 20.63	25 30.63	17½ 23.13	10 10	26/50 26/87	26/50 26/87	26/50 26/87
4,00,000	13,49,106	12,81,235	220	3,26,748	5.10	3,04,796	..	3,40,000	2,18,849	12	143	Naga Hills	10	10	10	10	21/25	21/25	22/25
5,35,000	..	..	..	..	..	..	..	..	..	12		Namburnadi	12	..	..	10	12/87	12/87	12/87
5,00,000	4,52,000	8,28,237	311	2,96,696	7.64	3,29,182	5.59	3,10,000	1,91,821	12	63	New Cinnatolliah	Nil	Nil	5	100	455/00	455/00	302/00
6,00,000	15,30,769	7,94,922	170	2,30,700	6.35	1,99,100	5.84	2,30,000	1,58,579	12	2	Rajgarh	13½	17½	12½	10	18/56	18/56	19/00
13,50,000	25,76,607	4,53,937	..	6,04,795	..	..	..	..	1,40,864	12	354	Sapoi	20	10	..	10	16/12	19/50	17/25
2,49,000	6,64,400	7,35,000	213	2,07,643	7.36	2,01,112	6.63	2,17,800	1,26,915	12	279	Seajuli	15	30	25	10	21/06	21/06	21/12
5,98,000	17,86,091	15,24,544	..	3,90,802	5.61	..	..	..	5,06,871	12	88	Teloijan	25	25	..	10	19/00	21/87	21/37
8,00,000	12,89,565	7,46,597	490	3,38,378	6.81	3,40,080	6.52	3,73,787	2,56,410	12	88	Tengpani	30	22½	12	10	36/50	36/50	35/00
19,82,880	36,21,344	24,74,580	2,112	23,01,040*	2.62	25,21,280*	2.41	23,40,000*	8,41,736	12	236	Tezpore	12½	12½	12½	10	12/44	12/44	15/19
7,50,000	..	..	..	..	..	..	..	..	..	12	95	Tongani	Nil	..	..	10	5/19	5/00	5/31
5,20,000	35,17,473	30,30,165	..	6,51,147	5.76	..	..	..	7,11,074	12	165	Tyroon	15	25	..	10	24/75	24/75	31/12
												CACHAR							
3,00,000	..	..	..	1,39,861	4.03	..	..	..	..	12	..	Arcuttipore	5	6	..	10	7/00	7/00	7/00
4,00,000	..	..	..	..	..	..	..	..	..	12	35	Baitakhal	2½	..	7½	10	6/00	6/00	8/06
11,00,000	12,50,663	9,58,809	310	3,15,866	4.92	3,30,923	4.85	3,77,000	2,79,622	12	128	Central Cachar	7½	5	..	100	73/00	73/00	85/00
7,00,000	..	..	..	..	..	..	..	..	..	12	383	Eastern Cachar	Nil	..	..	10	5/06	5/06	4/50
4,50,000	3,31,773	2,80,000	..	..	..	..	..	..	—54,506	12	384	Kallinugger Khoreel	2	..	..	100	84/00	84/00	87/00
12,60,000	19,62,879	14,26,438	943	5,80,232	3.97	6,63,197	4.45	6,70,000	45,217	12	202	Hattikhira	8	Nil	Nil	10	6/50	6/50	8/75
3,60,000	..	..	..	..	..	..	..	..	..	12	63	Kunchunpore	Nil	..	..	10	6/00	6/00	6/00
5,63,690	5,28,079	1,57,990	231	1,51,283	4.26	1,71,112	4.63	1,65,000	59,885	12	202	Loobah	Nil	Nil	Nil	10	4/69	4/69	4/56
12,60,000	22,28,419	11,42,054	2,221†	5,18,387	4.33	..	..	..	6,13,497	12	..	North Western	20	10	..	100	140/00	140/00	175/00
2,59,050	6,14,069	1,01,916	239	2,13,805	4.21	2,25,257	4.63	2,30,000	68,688	12	202	Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50
2,60,000	6,82,449	2,92,663	..	1,95,018	4.62	..	..	..	—1,73,960	12	165	Roopacherra	10	Nil	..	10	9/94	9/94	9/81
5,25,000	12,50,875	12,23,600	316	2,79,277	4.46	2,93,522	4.34	12,87,000	80,082	12	63	Rungamattee	5	5	5	50	47/00	47/00	51/50
4,00,000	..	..	..	..	..	..	..	..	..	12	..	Sonai River	Nil	..	..	10	5/06	5/06	5/05
												DARJEELING							
3,99,750	..	..	..	..	..	..	..	..	..	12	101	Bloomfield	..	..	..	10	3/25	3/25	3/12
2,79,900	3,72,700	1,55,000	165	77,090	8.74	..	..	..	51,557	12	279	Chamong	10	10	..	10	8/87	8/87	9/00
3,75,900	..	..	..	3,13,229	5.63	..	..	..	..	12	139	Darjeeling Tea	20	30	..	100	197/00	197/00	197/00
2,00,000	..	..	..	..	..	..	..	..	..	12	200	Dilaram	4	..	..	100	102/50	102/50	102/50
2,00,000	6,39,479	3,58,163	..	1,37,275	7.58	..	..	..	1,97,231	2	74	Gielle P.	..	8 4/7	15	10	18/12	18/12	11/69
7,00,000	10,17,300	2,75,676	428	3,11,895	7.70	3,07,000	7.37	3,22,000	2,75,870	12	279	Lingia P.	10	17½	15	10	13/37	13/37	14/00
10,32,000	..	..	..	..	..	..	..	..	..	12	95	Longview	10	..	..	10	8/25	8/25	11/00
4,00,000	5,16,891	5,85,879	..	1,77,960	8.18	..	..	..	2,23,445	12	165	Margaret's Hope	15	15	..	10	11/81	11/81	12/25
1,59,000	4,35,272	3,84,726	187	1,08,800	8.99	1,05,600	6.94	1,10,000	—49,706	12	2	Mim	27½	27½	Nil	100	430/00	430/00	491/50
2,99,900	19,18,100	16,26,000	279	2,14,750	9.03	2,07,707	7.66	2,23,900	3,42,887	12	279	Nagri Farm	25	35	35	10	28/12	28/31	30/75
4,00,000	3,93,839	3,21,500	205	99,331	10.07	..	..	..	2,40,000	12	390	Okayti P.	25	25	..	100	600/00	600/00	600/00
3,30,000	..	..	..	..	..	..	..	..	..	12	..	Pashok	Nil	..	..	10	20/00	20/00	20/00
3,00,000	4,55,324	1,77,500	194	1,22,495	6.65	1,12,874	6.44	1,20,000	34,269	12	63	Poobong	Nil	5	Nil	10	10/50	10/50	7/50
2,05,000	5,15,133	2,27,703	570	1,16,997	5.95	95,502	5.81	1,26,000	15,481	12	361	Pussimbing P.	Nil	Nil	Nil	10	7/69	7/69	7/12
1,40,000	4,97,834	5,63,000	138	85,234	6.64	86,726	7.21	95,000	2,834	12	63	Runglee Rungliot	20	7½	5	100	290/00	290/00	386/00
3,00,000	..	..	..	..	..	..	..	..	..	12	385	Seeyok	Nil	..	..	10	8/50	8/50	8/50
6,25,000	7,48,893	10,816	..	1,38,742	6.51	..	..	..	47,720	12	398	Singell	Nil	Nil	..	100	36/75	36/75	36/75
9,00,000	..	..	..	1,23,431	6.92	..	..	..	..	12	101	Singtom	Nil	2	..	10	3/25	3/25	3/50
4,50,000	5,56,200	5,68,100	224	1,60,068	8.53	1,58,073	7.82	1,57,800	2,22,529	12	279	Soom	40	40	30	10	30/00	39/00	34/00
6,25,000	13,51,854	13,02,062	..	1,89,392	9.58	..	..	..	..	12	165	Sungma	15	20	..	10	12/06	12/06	14/75
3,20,000	9,98,901	8,67,133	..	2,03,428	6.16	..	..	..	..	2	74	Teesta Valley	..	8 4/7	10	10	12/81	12/81	13/12
12,00,000	..	..	..	..	..	..	..	..	..	12	..	Tukvar	Nil	..	..	10	3/44	3/44	6/00

† Acres * lbs. ‡ 1963

TEA COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Area Hectares	Outturn and Average Price per Kg. realised for crop 1962 Kgs.	1962 Rs	1963 Kgs.	1963 Rs	Estimate 1964 Kgs.	Net Profits including taxation	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 28-10-64.	9-10-64	A year ago
Rs	Rs	Rs.							Rs.							Rs.	Rs.	Rs.	Rs.
												DOOARS							
27,00,000	70,10,077	33,43,960	1,052	14,84,400	4.86	14,09,900	5.15	15,15,000	8,20,033	12	2	Banarhat P.	21	21	17	100	161/00	161/00	241/00
12,00,000	29,84,113	24,11,835	436	6,66,481	5.13	6,59,968	4.93	..	4,47,910	12	128	Baradighi	25	25	15	10	21/12	21/12	24/00
9,00,000	19,19,630	30,59,434	..	7,00,569	4.58	..	..	..	5,74,606	12	386	Bhatkawa	15	20	..	10	16/00	16/00	17/06
9,00,000	26,32,750	23,52,500	586	6,69,958	5.01	6,79,448	4.71	6,70,000	3,87,508	12	63	Birpara P.	12½	17½	10	100	142/00	142/00	162/00
6,00,000	12,37,708	10,38,000	244	2,80,187	4.70	2,68,883	4.30	2,95,000	—37,664	12	63	Carron	5	7½	Nil	100	124/00	124/00	151/00
9,00,000	25,37,049	14,59,389	365	5,21,400	4.69	4,00,700	5.07	52,50,000	84,373	12	2	Choonabhutti P.	20	20	7½	100	176/00	176/00	210/00
3,00,000	5,93,417	6,45,000	197	2,25,971	4.59	2,34,951	4.42	2,10,000	98,827	12	63	Ellenbarrie	5	10	7½	100	300/00	300/00	184/00
1,20,000	3,71,713	3,31,056	266	1,63,195	3.85	1,62,151	4.11	1,70,000	63,192	12	397	Engo	30	40	30	100	136/00	136/00	136/00
4,90,000	9,33,182	71,548	..	2,64,339	..	..	..	..	..	12	354	Ethelbari	5	7½	..	10	11/87	11/87	11/50
7,50,000	15,18,748	10,75,265	872	5,04,794	5.46	4,69,544	5.18	5,15,320	1,13,960	12	88	Gairkhata	20	11	7	10	16/12	16/12	21/50
14,00,000	27,81,035	19,25,521	425	5,85,748	..	..	..	..	2,00,689	12	387	Gopalpur	2	10	..	25	19/50	19/50	20/00
36,00,000	54,86,904	43,81,500	1,051	13,74,053	4.76	14,23,297	4.52	14,00,000	5,98,697	12	63	Hantapara P.	5	10	7½	100	97/00	97/00	114/00
64,00,000	70,47,491	75,82,749	..	30,66,464	5.78	..	..	..	30,07,101	3	74	Hasimara	..	18	15	10	13/19	13/19	14/81
16,50,000	26,67,650	17,26,078	..	6,99,826	4.51	..	..	..	2,06,848	2	74	Huldibari	..	19 2/7	11	10	11/44	11/44	13/50
7,00,000	8,95,117	5,13,133	246	1,88,900	5.59	..	..	..	—61,500	12	2	Jaybirpara	Nil	Nil	..	10	8/50	8/50	12/31
13,50,000	32,41,680	36,28,241	598	8,24,799	4.59	7,89,297	4.47	8,00,000	3,21,920	12	63	Killcott	15	15	10	10	14/44	14/44	16/06
2,00,000	15,83,652	5,65,701	..	2,53,887	..	246,001	..		13,735	12	354	Manabarrie	6	10	10	10	59/50	59/50	59/50
9,60,000	22,35,359	24,09,000	477	5,07,732	4.76	4,67,868	4.62	4,90,000	—12,429	12	63	Nagaisuree	15	15	5	100	141/00	141/00	140/00
14,00,000	36,15,282	21,01,728	471	6,40,900	5.10	5,90,200	5.01	6,75,000	—73,566	12	2	New Dooars P.	20	14½	Nil	100	166/00	166/00	230/00
6,40,000	13,89,457	6,58,184	292	3,26,073	3.55	3,49,153	4.42	3,51,500	8,839	12	363	Oodlabari	7½	Nil	7½	100	14/00	14/00	13/62
2,50,000	3,90,597	3,37,500	126	1,26,816	4.64	1,24,724	4.39	1,30,000	—20,200	12	63	Phaskowa	Nil	Nil	Nil	100	121/00	121/00	129/00
6,00,000	9,17,349	11,90,832	..	3,91,886	4.70	3,68,115	4.70	3,66,500	1,16,562	12	165	Rajabhat	Nil	6	6	10	10/19	10/19	10/69
7,65,000	17,57,543	17,47,050	..	4,76,526	5.07	..	..	..	1,63,000	12	165	Ranicherra	15	7½	..	10	12/00	12/00	12/50
14,92,800	37,15,740	31,72,862	736	9,78,337	5.44	10,22,018	5.23	..	8,09,998	12	128	Rydak	20	25	25	10	23/37	23/37	26/37
3,46,000	13,81,974	12,21,589	279	3,30,000	4.76	3,79,500	4.63	..	3,25,246	12	44	Sarugaon	40	40	40	10	37/00	37/00	26/31
												TERAI							
4,50,000	..	..	..	..	..	..	..	..	..	12	101	Atal	..	..	..	10	5/37	5/37	8/75
5,00,000	..	..	..	..	..	..	..	..	..	12	345	Belgachi	20	..	..	10	23/12	23/12	22/50
13,44,000	23,77,032	28,68,000	665	7,22,909	4.63	8,02,864	4.33	7,50,000	4,38,359	12	63	Gungaram	12½	12½	10	100	129/00	129/00	130/00
3,00,000	6,69,527	9,72,507	..	2,95,710	4.54	..	..	..	2,25,077	2	74	New Chumta	..	12 6/7	20	10	20/37	20/37	24/62
7,20,000	..	..	..	3,33,644	4.04	..	..	..	..	12	139	New Terai	10	15	..	10	20/50	20/50	23/00
11,70,000	..	..	..	4,71,480	4.45	..	..	..	..	12	139	Paharganmiah	20	2½	..	10	9/87	9/87	14/25
1,00,000	..	..	..	..	..	..	..	..	..	12	63	Putinbaree	14	..	..	10	55/00	55/00	45/00
2,20,000	..	..	..	3,84,347	5.05	..	..	..	..	12	165	Tirrihannah P.	60	60	..	10	49/00	49/00	49/00
1,25,000	..	..	..	..	..	..	..	..	..	12	139	Kodala	Nil	..	..	10	9/25	9/25	9/25
2,40,000	..	..	..	..	..	..	..	..	..	12	139	Kornafuli	Nil	..	..	10	11/25	11/25	9/31
2,00,000	..	..	..	..	..	..	..	..	..	12	139	Oodaleah	Nil	..	..	10	8/00	8/00	8/00
												CHITTAGONG							
												SYLHET							
3,00,000	13,56,430	20,59,293	667	2,14,907	7.92	2,32,138	7.61	2,54,012	6,06,230	12	..	Chundeecherra	Nil	Nil	Nil	10	29/75	29/75	26/00
6,00,000	10,31,611	23,60,861	236	2,03,558	8.17	2,33,398	6.87	2,18,000	6,63,292	12	63	Dauracherra	22½	20	Nil	10	14/94	14/50	11/75
5,59,930	15,08,299	20,08,800	1,108	11,48,080	3.34	11,40,560	2.74	1,10,400	7,46,754	12	236	New Samanbagh P.	Nil	Nil	Nil	10	20/25	20/25	18/37
36,00,000	65,96,023	1,80,01,644	1,799	17,98,140	8.16	19,04,713	6.83	18,87,000	58,03,923	12	63	Patrakola	40	15	Nil	100	172/00	186/00	129/00
3,20,000	4,21,718	1,48,642	740†	4,24,800*	3.23	..	..	..	4,07,821	12	236	Rajnagar	Nil	Nil	..	10	9/56	9/56	9/50
9,00,000	21,89,888	38,62,827	485	3,59,737	8.08	3,75,942	6.80	4,17,000	6,87,001	12	63	Tellapara	22½	10	Nil	100	202/00	202/00	110/00

† Acre

MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 28-10-64.	9-10-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
								MININGS							
£2,369 796	..	£222.628	£2,755,618	£10.242	£180.384	12	153	Burma Mines	Nil	Nil	Nil	31S	0/44	0/44	0/44
30,00,000O } 15,00,000Dd }	37,08,889	32,54,468	34,05,355	15,96,846	13,914	12	312	Chrestien Mica Industries P.	12½ / 20	..	..	10O / 5Dd	9/09	9/09	10/40
£1,371,300	£1,758,381	£225,873	£755,274	£1,057,163	£72,310	12	68	Indian Copper Corporation	27	18	..	2s	6/53	6/53	6/87
50,00,000	51,72,031	10,43,352	53,971	5,66,976	14,41,622	3	343	Metal Corporation P.	Nil	Nil	..	10O	3/45	3/35	3/69
20,00,000	46,05,415	67,67,431	55,46,956	13,17,757	38,801	6	21	Orissa Mineral Development	28	20	..	10	6/16	6/31	8/84
								CEMENT, LIME, SLATE, ETC.					19/69	19/69	27/37
59,90,843	1,58,98,785	17,06,000	2,33,036	4,97,991	10,914	3	381	Ashoka Cement	7	7	7	10	6/81	6/69	7/06
43,14,600O } 70,976Dd }	41,51,412	21,43,429	29,64,072	1,70,813	6,44,675	3	60	Assam Bengal Cement	Nil	Nil	..	10O / 1Dd	4/87	4/87	4/81
55,23,146	98,02,889	19,77,396	66,723	24,46,663	1,703	12	155	Bengal Potteries	12	12	..	2½	0/59	0/59	0/59
40,00,000	73,55,750	28,31,157	3,76,724	23,10,445	50,122	3	21	Bisra Stone Lime	30	10	..	10	3/87	4/27	5/37
1,73,49,650O } 5,00,000Dd }	1,87,13,180	1,43,86,260	2,06,26,145	1,06,24,610	..	12	123	Dalmia Cement (Bharat) P.	12	12	12	10O / 1Dd	17/62	17/62	22/50
2,50,00,000	5,31,92,513	2,27,42,184	35,61,930	68,71,783	16,727	3	335	Jaipur Udyog P.	8	8	10—10*	10	13/12	12/91	12/81
30,00,000	89,55,197	56,55,899	6,48,783	21,48,526	25,499	12	21	Kumardhubi Fireclay & Silica P.	18	18	..	10	3/06	3/06	2/81
2,25,00,000	3,77,58,590	1,36,03,808	30,93,905	98,75,491		12	362	Orissa Cement P	15	10	..	19	10/50	10/69	12/41
6,00,000	20,07,006	21,78,065	17,41,738	4,85,806	30,441	12	363	Reliance Firebricks & Pottery	15	10	..	10	18/45	18/45	18/45
75,00,000	63,28,018	44,95,600	5,26,119	12,18,128	6,195	2	223	Sone Valley Portland Cement	6	8	8	8	11/37	11/31	15/25
12,04,570	31,17,215	13,90,910	2,60,870	8,80,262	5,375	12	357	Sutna Stone & Lime	30	35	20	10	22/75	22/75	22/75
							3						3/91	4/00	4/90
													27/00	27/00	28/31

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 28-10-64.	9-10-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
								CHEMICAL INDUSTRIES							
52,00,000 } 2,48,00,000A	8,04,72,738	2,26,33,273	3,46,012	1,10,87,234	5,871	9	121	Alkali & Chemical Corpn of (I)	15	15	15	10	30/19	29/50	34/75
20,00,000	17,39,281	15,681	11,245	—88,949	—9,86,991	12	442	Bathgate & Co Ltd P.	Nil	..	..	5	0/84	0/84	0/84
15,00,000O } 11,08,900A } 22,54,700B }	76,41,344	68,84,605	21,11,440	18,06,053	1,30,717	3	245	Bengal Chemical & Pharm P.	10	10	..	100	102/00	102/00	102/00
15,00,000	36,34,102	22,82,883	19,49,050	12,04,892	6,978	6	377	Calcutta Chemical P.	18	18	..	10	17/25	17/25	17/87
4,95,000	99,022	Nil	41,554	72,146	2,560	2	129	Frank Ross P	4 1/6	3½	..	6	3/19	3/19	2/19
20,00,000	13,61,137	17,67,251	7,35,789	13,17,366	19,167	6	191	Smith Stanistreet P.	25	25	22½	5	13/69	13/69	12/31
								ELECTRIC LIGHTING, POWERS							
19,99,600	1,18,31,088	51,52,883	23,86,788	2,30,678	13,612	3	32	Agra Electric Supply	11	11	11	100	125/00	125/00	118/00
8,00,000	33,64,320	16,30,275	6,14,845	1,45,861	1,852	3	32	Bareilly Electric Supply	11	11	11	10	11/44	11/44	12/37
17,00,000	1,05,78,889	54,27,530	13,74,815	3,49,029	5,522	3	32	Benares Electric Supply	11	11	11	10	12/87	12/87	11/62
5,91,360	15,65,473	8,07,902	2,70,659	1,36,558	41,730	3	202	Bhagalpur Electric Supply	10	8	..	8	6/56	6/56	6/56
£4,262,646	£21,040,641	£10,815,240	£173,698	£1,599,019	£100,524	3	90	Calcutta Electric Supply P.	7½	7½	..	£1	15/06	15/50	14/37
6,60,040	..	..	..	..	..	3	202	Cuttack Electric Supply	10	Nil	..	10	15/00	15/00	11/87
43,20,000	84,69,786	43,52,031	35,04,850	26,80,041	45,007	3	2	Dishergarh Power Supply P.	10	10	10—10*	100	86/00	86/00	88/00
5,34,640	17,29,086	96,513	95,409	65,283	3,590	3	168	Jhansi Electric Supply	Nil	7	..	10	5/90	5/90	5/90
22,49,550	70,77,611	29,85,246	5,14,229	2,97,774	3,286	3	32	Jubbulpore Electric Supply	10	10	10	10	11/62	11/62	11/25
4,95,000	6,70,324	2,24,149	1,09,770	46,495	39,015	3	258	Mirzapur Electric Supply	..	..	..	9	7/50	7/50	12/00
5,82,390	24,50,815	6,87,284	3,48,986	2,22,292	22,259	3	202	Muzaffarpore Electric Supply	12½	12½	..	10	17/75	17/75	11/50
6,99,700	13,47,574	1,14,377	2,15,991	83,664	18,988	3	329	Muttra Electric Supply	9	9	..	10	11/06	11/06	11/06
35,07,380	98,50,374	48,67,675	3,95,468	12,96,460	1,27,547	3	202	Patna Electric Supply	10	10	..	10	10/31	10/37	10/62
9,10,000	8,77,208	2,86,692	3,19,022	1,58,667	17,201	3	202	Shahjahanpur Electric P.	6½	6½	..	10	6/62	6/62	7/50
16,80,000	24,13,949	16,03,685	9,75,497	4,58,680	3,975	3	21	Sijua (Jherriah) Electric	9	9	..	10	9/62	9/62	8/50
56,00,000	2,78,66,926	80,13,213	29,14,259	4,35,432	9,311	3	32	United Provinces Electric	11	11	11	100	198/00	210/50	116/00
5,00,000	20,91,859	12,25,998	7,11,286	48,760	1,934	3	32	Upper Jumna Valley Electric	13½	13½	13½	10	25/37	25/37	14/37
								ENGINEERING & METAL							
6,00,000	17,68,727	7,28,551	3,76,395	8,30,823	4,14,416	12	300	Arthur Butler (Muzaffarpore) P.	Nil	10	..	10	15/00	15/00	14/94
50,00,000	41,22,015	56,58,221	3,98,490	44,22,016	2,263	12	31	Bhartia Electric Steel	10	12½	15	10	15/12	15/00	15/12
4,00,00,000	2,22,25,340	1,40,28,433	27,21,380	1,24,47,705	..	12	289	Braithwaite & Co. (India) P.	25	14	20	10	32/75	32/50	35/12
12,00,000	72,34,505	58,62,090	6,74,545	23,90,816	..	12	24	Bridge & Roof	30	30	30	10	52/25	52/25	52/25
19,88,670	39,85,103	6,09,796	1,36,988	2,31,949	—4,05,003	12	192	Britannia Building & Iron P.	Nil	Nil	Nil—Nil*	10	3/62	3/62	3/25
1,00,00,000	1,24,97,389	52,95,465	1,14,787	24,17,175	5,115	12	165	Britannia Engineering P.	10	10	..	10	9/56	10/06	10/44
25,00,000	33,60,837	23,97,576	14,403	22,04,192	..	12	24	British India Electric Cons.	20	15	15	10	29/12	29/12	31/00
1,68,00,000	3,72,24,252	2,29,82,397	67,36,942	97,05,514	..	6	52	Burn P (Engineering)	28½	28½	25—15*	100	278/00	278/00	670/00
4,00,00,000	63,22,965	22,70,823	23,44,551	52,92,495	1,57,572	3	437	Calcutta Steel	15	15	12½-15*	10	13/62	13/94	13/94
80,00,000	1,25,35,558	43,00,000	1,84,809	26,72,847	6,868	9	434	Dalmia Iron	10	10	10	10	11/62	11/25	11/12
6,32,18,740	6,68,87,945	5,12,05,807	2,59,97,966	2,17,43,217	..	12	227	Guest, Keen Williams	14	14	12	10	23/44	23/56	37/69
17,50,000	18,91,774	11,04,000	21,473	3,81,335	3,237	12	32	Hooghly Docking	Nil	12½	10	50	80/00	80/00	95/00
12,44,08,990	59,94,26,612	41,05,47,562	5,88,65,054	11,51,21,913	..	6	32	Indian Iron & Steel P.	16	16	16—17*	10	26/08	25/12	24/70
3,85,000O } 1,54,000Dd }	11,52,812	14,001	1,82,994	—4,15,836	—4,03,294	3	223	Indian Malleable Casting	Nil	Nil	..	5O	5/19	5/19	6/00
77,97,000	58,96,726	1,25,90,911	58,71,000	1,79,18,483	..	6	32	Indian Standard Wagon P.	Nil	Nil	..	1D	2/81	2/81	2/06
96,79,740O	3,43,55,519	3,41,31,025	1,54,09,567	—37,25,817	8,022	3	122	Indian Steel & Wire Products	28½	28½	20-20*	10	36/94	36/94	35/75
12,00,070	7,13,344	5,39,415	3,634	17,25,389	..	12	24	Industrial Containers	24	23	18	10O	31/75	31/75	35/25
1,51,87,500	2,77,46,365	1,40,12,181	10,13,586	29,24,188	4,084	6	443	Jay Engineering	10	10	..	10	25/62	25/62	21/37
90,00,000	59,72,635	35,85,700	10,46,989	20,48,860	86,647	6	132	J. K. Steel P	17 3/20	15	10—8*	10	18/00	18/00	21/19
2,04,00,000	4,03,12,353	3,00,16,258	77,10,062	1,47,51,086	64,915	10	290	Jessop & Co. P.	20	10	15	10	17/87	18/00	16/37
27,64,800	65,86,747	65,04,900	4,81,457	34,49,008	3,146	11	21	Kumardhubi Engineering P.	8.58	8.58	10	10	25/56	26/31	26/25
10,50,000	3,10,043	19,18,004	4,98,040	1,69,624	—16,90,253	6	170	Marshall Sons (India)	11½	15	16½	3	5/62	5/62	9/25
49,96,000	61,94,985	13,58,398	3,83,036	2,56,716	—4,42,917	3	192	National Iron and Steel	Nil	Nil	Nil	2	3/47	3/47	2/56
8,00,000	9,79,466	20,52,302	2,49,725	5,14,476	13,304	2	25	Saran Engineering	10	12½	..	10	6/19	6/19	6/00
14,00,070	11,26,150	15,36,386	2,31,497	13,63,971	..	12	24	Steel Containers	20	20	10	4	9/12	8/69	8/78
4,80,00,000	2,88,27,452	1,25,61,066	9,59,687	2,04,38,226	54,305	12	22	Textile Machinery	10	12½	17½	10	24/31	24/31	29/50
											12½-15*	10	26/20	26/15	27/35
								SUGAR BREWERIES ETC.							
14,00,000	17,74,143	10,85,375	21 121	—1,66,279	—1,53,368	8	371	Bairampur Sugar	8	4	Nil	2½	1/56	1/56	1/81
29,23,537	27,33,655	11,43,842	8,71,871	—30,816	2,237	9	234	Belsund Sugar	10	6⅔	3½	7½	8/81	8/81	8/81
15,00,000	8,17,746	22,06,086	4,75,535	58,20,900	133	6	89	Bharat Sugar P.	15	15	15	10	14/50	14/50	13/31
32,00,000	48,01,728	55,23,048	6,92,990	—16,68,824	—42,63,672	10	25	Carew (Sugar) P.	Nil	Nil	Nil	10	12/50	12/50	4/00
30,00,000	98,13,767	58,73,563	1,37,198	—49,013	—8,50,783	6	25	Cawnpore Sugar P.	Nil	Nil	Nil	10	9/87	9/87	9/75
18,00,000	29,70,913	47,91,301	1,79,345	4,77,197	1,97,076	8	395	Champaran Sugar P.	12	Nil	Nil	10	11/44	11/44	13/81
38,01,380	25,88,250	31,90,540						Durbhanga	Nil	5	..	10	8/56	8/37	8/69
11,00,000	6,45,722	3,75,000	10,90,564	95,437	52,205	6	140	New Savan Sugar and Gur							
9,00,000	19,47,931	57,86,996	2,05,743	2,86,458	4,006	10	400	Purtabpur Sugar P	5 3/5	3 7/10	..	10	3/19	3/19	4/50
16,50,820	41,61,410	44,91,845	20,03,707	19,78,012	10,419	10	92	Ramnuggar Cane & Sugar P.	Nil	Nil	..	10	9/12	9/12	11/50
85,00,000	57,79,829	4,72,778	3,77,846	4,24,492	13,208	6	25	Raza Suland	35	30	15	10	24/25	24/25	28/50
4,00,000	6,07,238	18,54,087	2,09,162	—2,24,407	—2,20,858	6	..	Ryam Sugar P.	10	10	10	10	10/25	10/06	10/31
11,00,000	22,10,161	25,93,624	21,94,755	16,75,658	34,778	6	335	Samastipur Central) Sugar	Nil	Nil	..	10	4/12	4/12	3/56
39,99,000	67,63,905	11,65,178	11,16,368	1,90,057	7,991	6	140	Shree Krishna Gyanoday Sugar	Nil	Nil	..	10	3/62	3/75	5/94
7,94,900	13,54,858	66,548	66,643	—7,18,697	—7,19,847	6	94	Shree Sitaram Sugar	10	Nil	..	10	8/56	8/56	9/15
3,99,950	20,47,130							Sitalpore Sugar	..	..	..	10	7/28	7/28	7/12
									Nil	Nil	Nil	10		3/69	3/94
16,00,000	42,22,843	19,40,304	2,03,163	—11,15,414	—9,17,167	6	341	United Provinces	5	Nil	..	10	12/00	12/00	10/00
6,00,000	90,57,769	67,09,675	9,18,326	37,10,12..	25,765	6	316	Upper Ganges Sugar P.	12½	12½	..	10	60/25	60/25	85/00

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MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary Rs.	Net Block Accounts Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net profits including taxation Rs.	Carry forward Rs.	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share Rs.	Latest Market Quotations as available until 28-10-64. Rs	9-10-64 Rs.	A year ago Rs.
								MISCELLANEOUS							
8,00,000	3,65,800	2,09,907	5,89,590	1,44,140	2,623	10	85	A Firpo (Restaurateur)	10½	5	..	10	5/90	5/90	**5/90**
1,17,18,750	7,78,41,082	2,43,57,285	3,43,934	39,67,851	22,287	3	132	Aluminium Corporation P.	12	12	5—9*	10	11/37	11/44	16/62
20,00,000	42,19,493	17,50,000	53,08,486	4,79,403	25,172	12	382	Anderson Wright P.	Nil	6	6	10	11/50	**11/50**	**11/50**
30,00,000	16,96,720	44,23,928	21,81,674	26,48,673	2,17,061	8	268	Angelo Bros.	22½	28	28	10	25/50	25/00	**24/25**
30,00,000	23,93,699	43,10,024	16,21,703	25,26,521	18,162	12	274	Assam Match	20	20	20	10	25/25	25/25	**27/50**
13,99,998	20,06,639	20,17,850	6,814	1,70,203	94,397	9	348	Assam Saw Mills & Timber	Nil	3	..	3	2/44	2/44	**2/50**
1,18,00,000	54,61,855	98,34,917	67,73,791	53,69,644	7,978	8	391	Associated Battery	15	15	15	10	24/62	24/50	**26/25**
20,00,000	1,41,96,365	57,08,103	7,65,347	2,25,357	4,66,650	3	204	Associated Hotels of India P.	10	10	10	10	10/37	10/37	**10/31**
80,01,400	50,84,811	1,26,93,254	1,02,37,288	47,75,572	..	12	336	Balmer Lawrie & Co.	25	25	22½	100	238/00	236/00	260/00
12,00,000	5,56,579	15,08,889	7,13,214	14,18,987	..	3	128	Bararee Coke	Nil	15	15—20*	10	20/75	20/75	22/25
44,00,000	..	9,27,823	68,58,981	2,87,091	50,926	9	160	Birds Investments P.	10	10	..	10	8/81	8/81	10/50
68,95,530	1,33,47,478	1,00,95,705	6,42,608	92,16,110	745	3	50	Britannia Biscuit P.	30	25	21—21*	10	36/62	36/62	42/00
3,25,00,000	92,71,518	2,59,58,217	1,52,24,566	2,20,29,077	23,545	12	33	British India Corporation P.	7	9	15	5	11/12	11/12	8/81
50,00,000	22,64,569	49,02,950	5,98,751	38,24,033	2,226	12	392	British Paints	12½	10	15	10	24/75	24/75	20/00
5,00,000	6,83,781	1,65,739	1,54,429	2,63,717	5,201	3	213	Calcutta Silk Manufacturing P.	Nil	..	..	10	6/94	6/94	6/94
1,38,80,000	..	14,77,612	1,78,11,400	14,89,122	2,75,442	12	2	Clive Row Investment	7½	7½	8	10	9/00	9/00	8/75
1,08,00,000	27,30,517	1,26,67,000	2,75,14,550	41,14,029	22,124	12	169	Duncan Brothers & Co. P.	14	14	12	100	110/00	137/00	140/00
4,50,00,000	6,45,91,744	6,23,00,650	26,09,266	3,27,69,401		12	96	Dunlop Rubber Co. (India) P.	20	15	17½	10	34/44	32/69	37/06
27,56,355	1,31,99,222	1,76,30,095	24,30,790	1,00,50,837	12,604	3	116	Dyer Meakin (Breweries)	30	..	..	5	26/12	26/12	29/50
76,89,000	..	65,11,801	1,78,16,453	13,76,534	1,51,252	12	21	Eastern Investments P	14	12	10	100	101/00	102/00	121/00
60,93,400	95,80,000	34,47,000	14,32,081	29,35,962	21,399	10	388	Electric Construction P.	10	10	10	10	14/00	13/75	13/87
30,00,000	28,94,555	27,23,508	19,90,832	15,65,118	2,10,371	3	51	French Motor Car	20	20	..	20	**31/75**	**31/75**	35/37
14,00,000	19,96,247	19,89,048	71,342	14,62,246	6,552	12	19	Ganges Rope	20	20	20	100	252/00	252/00	236/00
2,25,000	..	73,065	5,20,619	26,463	42	2	21	General Investment & Trust P.	5	5	5—5*	75	43/00	43/00	43/00
65,00,000	30,85,392	61,69,746	1,64,23,851	20,60,591	19,276	3	105	Gillanders Arbuthnot & Co. P.	11	11	11—9.6	10	13/00	13/25	14/00
40,00,000	17,69,681	7,21,344	36,90,302	5,43,666	8,524	12	209	Gladstone Lyall & Co. P.	Nil	Nil	..	10			
40,00,000	32,95,341	35,10,500	91,044	34,34,324	2,446	12	310	Godfrey Phillips (India) P.	40	30	20	10	22/00	22/00	28/12
30,00,000	43,74,366	17,66,560	1,60,432	1,09,512	794	3	225	Great Eastern Hotel	6	7	..	250	260/00	260/00	250/00
5,99,15,000	12,12,97,991	1,57,327	36,27,386	4,65,783	—1,90,67,923	12	438	Hindustan Aluminium P.	Nil	Nil	Nil	10	13/56	13/31	13/62
8,09,49,550	9,32,49,223	3,80,11,174	2,06,12,407	2,91,89,156	13,299	3	22	Hindustan Motors P.	12	12½	11½-11½*	10	16/75	16/69	18/94
1,80,00,000	8,43,03,252	44,59,689	19,50,134	11,58,982	—12,90,310	10	..	Hindusthan Pilkington	12	Nil	Nil	10	14/37	14/37	17/31
39,91,300	88,43,937	1,02,500	35,826	7,40,556	—5,10,975	3	211	Hindusthan Twyfords P.	Nil	Nil	Nil-Nil*	10	15/69	15/00	15/00
30,20,000	23,35,537	16,00,000	24,48,098	8,91,968	86,500	12	294	Hoare Miller & Co.	6	..	..	10	4/25	5/00	5/62
15,16,00,000	8,50,75,083	11,33,81,191	2,19,30,404	2,89,22,010	80,158	3	325	Imperial Tobacco	9	9	8—6½*	10	8/25	8/25	10/31
6,00,44,460	13,31,09,732	5,02,72,274	1,30,56,534	3,74,31,246	4,12,610	12	293	Indian Aluminium P.	15	17½	17½	10	31/94	31/81	37/94
2,48,65,450	2,77,06,309	3,70,04,031	64,21,577	1,89,87,484	9,790	3	34	Indian Cable	22½	22½	22½—25*	10	35/62	35/31	36/75
3,64,00,000	5,80,31,205	2,05,01,886	32,59,129	1,40,40,263	35,587	9	366	Indian Oxygen	15	12	12	10	24/37	24/50	28/50
8,27,970	8,82,919	12,42,783	10,99,551	12,01,372	53,791	3	223	Indian Rubber Manufacturers P.	30	36	..	10	22/00	22/00	19/87
20,00,000	3,08,827	29,55,665	1,44,979	17,93,931	3,056	9	88	Indian Wood Products	30	30	25	10	27/62	27/62	29/62
79,78,310	81,32,468	22,85,500	6,19,214	21,27,050	17,347	12	63	Isaac Holdens	Nil	Nil	5	10	11/31	11/31	15/75
5,00,000	..	3,15,956	13,17,443	96,660	19,473	2	21	Investments and Finance P.	7½	7½	7½—7½*	100	55/00	55/00	**55/00**
1,25,00,000	1,51,51,941	36,00,000	1,25,80,918	26,30,706	30,393	6	439	J. K. Synthetics	3	Nil	10	10	12/75	12/94	11/75
5,87,500C	2,28,843	Nil	5,88,284	—1,19,242	—1,18,804	12	281	James Wright P.	..	..	..	50	2/75	2/75	2/75
1,17,500D									..	..	..	1Dd	00/43	00/43	00/43
2,00,00,000	60,80,909	1,00,37,759	5,52,66,992	44,78,489	..	3	39	Jardine Henderson P.	7	6	7—7*	100	70/50	70/50	80/00
1,09,33,290	2,45,94,981	72,53,990	9,89,540	36,94,613	41,622	12	22	Jay Shree Industries P.	12½	12½	12½	10	14/75	14/75	18/56
1,99,95,660	8,39,79,825	4,95,51,451	64,88,007	1,50,15,072	14,501	3	22	Kesoram Industries P.	12	12	13—15*	10	25/50	25/50	26/62
6,34,000C	3,17,363	6,02,958	8,21,617	—14,078	—4,849	3	133	Macfarlane & Co.	Nil	Nil	..	50	4/50	4/50	6/75
66,000Dd									Nil	Nil	..	1Dd	1/81	1/81	2/19
1,50,00,000	1,08,42,842	1,10,08,357	3,08,97,102	45,30,173	40,503	12	334	Macneill & Barry P.	8	7½	8½	100	95/00	95/00	93/50
1,47,12,250	69,29,198	1,38,23,546	2,13,42,011	91,60,378	1,289	9	309	Martin Burn Ltd. P.	27½	25	25	10	27/12	26/44	27/81
47,12,000	18,46,595	90,33,368	2,73,18,501	25,28,932	..	12	282	McLeod & Co. P.	15	18	..	100	230/00	230/00	210/00
3,22,00,000	3,39,11,209	2,96,70,151	44,50,023	1,54,09,781	2,480	3	167	Metal Box Co. of India P.	25	25	19—18*	10	31/25	31/00	53/50
1,35,00,000	65,15,441	1,31,43,467	11,00,897	1,00,47,768	40,361	3	7	National Insulated Cable P.	25	25	18—20*	10	25/00	25/19	25/19
30,00,000	23,88,847	36,90,300	12,33,457	30,79,310	19,484	9	7	National Pipes & Tubes P	20	20	20	10	29/00	28/25	28/37
40,00,000	34,43,104	43,03,095	14,39,946	30,01,359	10,564	6	7	National Rolling & Steel Ropes	15	15	15	10	24/37	24/37	21/44
50,00,000	68,13,665	21,55,713	14,06,275	22,44,282	58,629	12	375	National Rubber P	6½	8	10	10	11/00	11/00	12/81
79,97,000	74,92,596	1,29,48,132	33,63,423	26,23,104	3,26,438	12	79	National Tobacco P	7	7	8	10	11/12	11/75	11/75
23,31,600	1,014	13,02,891	9,90,509	6,26,950	40,375	12	35	New India Investment Corpn.	82/5	82/5	..	75	63/00	63/00	59/50

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MISCELLANEOUS COMPANIES—Contd.

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Paid-up Capital Ordinary Rs.	Net Block Accounts Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts Closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share Rs.	Latest Market Quotations as available until 28-10-64 Rs.	9-10-64 Rs.	A year ago Rs.
								MISCELLANEOUS (Contd.)							
60,00,000	6,27,241	59,20,402	91,23,845	14,28,049	24,342	12	321	Octavius Steel P.	7½	7½	..	100	..	..	..
2,40,00,000	2,57,91,597	1,13,85,086	37,59,800	1,65,57,208	43,297	12	369	Philips India	12	13	15	10	27/62	27/62	30/75
2,86,200	53,496	6,12,800	1,02,081	4,43,784	48,408	3	149	Publicity Society	75	75	50	4	25/06	25/06	22/62
2,25,00,000	1,04,34,519	67,80,570	1,53,00,153	73,34,623	5,962	8	332	Rallis India P	8½	8½	10	100	123/00	123/00	130/00
5,00,00,000	7,68,08,083	3,62,96,433	1,17,74,495	76,94,277	1,697	8	335	Rohtas Industries P.	10	8	9—8*	10	10/12	10/31	13/75
94,27,380	5,58,68,835	Nil	14,04,497	1,80,253	37,513	9	22	Sirsilk P	..	..	..	10	6/94	6/87	8/94
1,35,00,000	2,41,71,538	86,99,991	20,94,175	11,62,162	4,301	9	376	Sen Raleigh Industries P.	8	8	Nil	10	17/12	13/81	15/19
75,00,000	96,97,751	69,54,952	1,85,84,497	58,21,689	3,55,748	12	278	Shaw Wallace P.	15	7½	12½	10	15/00	15/37	16/69
3,00,000	1,33,174	23,169	80,501	17,483	1,739	12	111	Spencers Hotel	2½	..	..	2	1/25	1/25	0/65
2,80,00,000	5,43,90,903	3,80,54,275	42,48,951	2,68,66,630	1,93,068	12	301	Union Carbide	18	12½	15	10	32/75	32/75	41/12
10,51,000	7,73,634	30,76,582	11,34,568	10,01,022	21,687	12	195	Walford Transport	30	30	27	10	3/00	3/06	3/87
								INSURANCE COMPANIES							
13,50,000	7,94,162	12,60,000	1,56,64,497	10,02,726	25,429	12	174	Concord of India	20	20	20	5	9/75	9/75	11/12
24,00,000	1,36,130	1,19,24,652	1,28,63,865	11,01,955	21,084	12	248	Hercules	26½	26½	26½	10	23/50	23/50	22/56
32,00,000	22,25,063	1,49,05,006	1,63,93,712	28,55,873		12	38	Ruby General	13½	15½	15½	5	12/19	12/19	10/56
8,00,000		21,62,472	27,82,806	2,493	12,241	12	..	Standard General	..	..	..	10	7/75	7/75	6/25
5,75,000	16,150	77,88,770	1,05,97,904	8,24,867	..	12	39	Triton	80	50	50	25	127/00	127/00	128/00
								FLOUR MILLS							
12,00,000	4,12,000	31,52,123	9,74,078	13,79,503	..	12	24	Bengal	25	25	30	10	33/75	33/75	29/00
5,60,000	6,51,040	2,47,038	2,17,808	1,05,473	1,26,880	10	97	Delhi P.	..	..	..	10	14/00	14/00	14/00
48,90,137	47,18,433	77,72,310	58,85,368	33,81,767	4,07,338	9	175	Ganesh P.	..	..	..	12½	10/62	10/62	14/06
9,00,000	4,40,285	4,52,302	17,475	4,58,269	1,45,883	12	236	Hooghly	Nil	Nil	5	10	19/75	19/75	19/75
5,00,000	2,81,809	8,41,748	1,08,638	3,16,243	8,262	11	236	United	10	7½	10	10	27/81	27/81	27/81
								OIL COMPANIES							
£2 900,001	£2,280,344	£2,000,442	£296,893	£1,405,917	£192,796	12	249	Attock Oil	13¼	13 1/3	13½	£1	sh. 32/6	sh. 32/6	sh. 34/9
£94,062,159	£28,669,445	£26,020,826	£118,296,989	£24,063,315	£1,241,331	12	52	Burmah Oil P.	..	11½	12½	£1	sh. 58/6	sh. 56/6	sh. 69/-
1,00,00,000	63,60,473	1,10,69,746	3,07,80,407	52,60,638	1,79,343	12	249	Indo Burmah Petroleum P.	25	22½	22½	10	22/00	21/44	23/31
6,00,000	3,08,556	9,90,737	3,38,958	5,47,290	23,403	10	2	Tide Water Oil	35	35	35	10	37/00	37/00	29/50
								PAPER MILLS							
68,44,348	3,75,21,799	95,96,950	4,43,746	3,52,330	..	12	436	Bengal P	27½	20	20	10	26/56	26/56	28/62
98,20,000	1,13,18,693	97,14,186	1,15,420	42,51,215	43,578	3	7	India Paper Pulp	13	12	15—15*	10	16/06	16/56	18/81
1,90,87,250	6,87,00,000	57,39,270	1,08,97,843	1,40,08,528	93,457	3	22	Orient Paper P	22½	22½	20	10	31/40	31/80	36/85
1,25,51,920	3,30,51,371	3,08,30,792	1,23,87,315	1,29,79,069	43,420	12	140	Shree Gopal Paper P.	17 6/7	17 6/7	18	10	25/75	25/75	26/62
2,73,19,050	4,28,25,108	94,29,176	63,90,889	2,93,680	1,08,791	6	22	Sirpur P	8¼	8½	6	10	11/56	11/81	12/94
1,00,00,000									Nil	Nil	Nil	10	9/50	9/12	8/81
10,00,000A	4,04,77,968	8,52,085	2,98,345	34,96,055	10,37,344	9	86	Star Paper P.							
6,37,500PO									13	13	13—13*	2½PO	3/37	3/37	3/15
2,23,87,880AO	4,98,53,383	3,19,44,056	31,73,789	13,76,397	12,254	8	106	Titaghur P.	20	10	10—2½*	10AO	12/31	12/25	17/25
56,04,800BO									20	10	10—2½*	10BO	12/31	12/25	17/25
1,50,00,000O	4,95,97,051	95,00,000	1,73,752	58,44,198	17,196	6	373	West Coast P.	7½	..	..	100	164/00	164/00	158/00
								PRESSING COMPANY							
4,30,000	1,81,531	1,45,000	5,34,786	65,294	24,928	7	326	Camperdown	11	..	..	100	110/00	110/00	104/00
								REAL PROPERTY STORAGE							
10,00,000A												A500	1250/00	1,250/00	1,050/00
1,25,000B	14,69,599	8,53,120	3,54,870	1,24,262	3,212	4-10	73	Bengal Bonded Warehouse	8	8	9	B62½	125/00	125/00	135/00
2,00,000C												C100	186/00	186/00	122/00
25,000D												D12½	45/00	45/00	14/15
7,42,150	11,68,346	6,23,135	33,823	81,259	3,142	3	6	Calcutta Safe Deposit	Nil	Nil	..	100	7/81	7/81	8/90
1,00,00,780O	19,85,065	9,01,500	13,43,272	3,61,778	1,33,593	9	432	Humayun Properties P.	3	Nil	..	10O	11/00	11/00	11/00
2,00,000Dd									..	..	..	1Dd	2/10	2/10	2/10
79,90,000	8,080	Nil	13,10,942	—74,850	—19,01,272	4	3	Midnapore Zemindary P.	Nil	Nil-Nil*	Nil	85	32/75	34/25	11/00
								TRAMWAYS & STEAMER							
20,00,000	40,37,049	33,73,558	9,90,121	5,76,314	54,558	10	2	Bengal Assam Steamship P.	7½	10	10	100	105/50	105/50	140/00
8,25,000	4,66,783	7,61,818	9,53,643	79,944	17,786	10	89	Calcutta Landing & Shipping	7½	22	6	10	21/00	21/00	14/00
12,60,000	47,23,178	14,01,984	1,02,898	63,719	—11,281	t	98	Calcutta Steam Navigation	Nil	Nil	Nil	10	7/25	7/62	9/25
£700,000	£2,869,537	£1,565,916	£315,682	£153,252	£2,006	12	38	Calcutta Tramways P	..	5	5	£1	11/50	12/31	11/19
8,04,880	8,97,987	3,56,706	33,440	1,35,098	—637	3	139	Fraser & Co	..	..	..	10	10/00	10/00	10/00
£655,880	£1,970,808	£432,856	£419 913	—£80,988	—£84 854	8	131	India General Nav. & Railway P	Nil	Nil	..	10	36/50	36/25	39/00
8,47 50,000	15,60,63 417	1,57,29,564	1,17 13,241	—30,02,498	17,363	12	291	India Steamship P.	Nil	Nil	Nil	10	6/25	6/97	7/09
14,08,220	14,10,633	7,11,906	30,216	5,51,124		12	..	Port Shipping	Nil	Nil	12	10	17/31	17/31	14/62

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BOMBAY COTTON MILLS

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

Paid-up Capital Ordinary	Number of Spindles	Looms	Net Block Account	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agents Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up Per Share	Latest Market Quotations as available until 27-10-64	20-10-64	A year ago
Rs.			Rs.	Rs.	Rs.	Rs.	Rs.							Rs	Rs.	Rs.	Rs.
40,00,000	48,652	1,016	1,28,56,156	46,70,828	20,69,878	10,39,741	26,620	..	269	Ahmedabad Advance P.	12	..	..	100	145/50	145/50	145/00
50,00,000	48,254	896	20,17,010	9,99,960	10,78,394	1,49,501	2,24,486	12	229	Apollo	Nil	..	..	2	1/80	1/74	2/22
40,00,000	41,135	980	43,32,511	11,42,781	4,76,501	1,42,728		3	350	Beharilal Ramcharan	Nil	..	..	100	145/00	145/00	92/00
2,50,98,000	2,03,942	4,911	5,87,37,535	3,82,76,018	47,87,842	62,56,837	67,586	12	199	Bombay Dyeing, etc.	14	14	..	25	57/50	58/00	63/60
10,00,000	35,052	848	32,07,778	34,59,612	5,45,173	10,89,180	1,37,996	3	262	Bradbury P.	25	..	..	50	162/50	162/50	157/50
1,27,75,700	1,18,296	2,760	4,98,32,541	3,26,61,468	25,80,077	80,66,350	9,53,042	12	22	Century	30	..	..	100	617/00	619/00	631/00
46,87,500	1,15,188	2,062	2,99,18,629	10,75,722	15,14,712	3,59,289	—40,19,762	6	269	Central India P.	Nil	Nil	Nil	100	104/00	105/00	121/00
26,00,000	24,916	719	37,34,829	32,52,434	1,01,653	1,46,029	1,28,751	3	68	Coorla	11	..	..	100	173/00	173/00	152/50
29,00,000	43,512	..	33,97,504	29,03,230	5,19,246	23,98,267	2,06,873	12	262	Dawn	30	..	..	50	147/00	147/00	153/00
34,00,000	49,161	920	74,35,701	43,13,002	1,86,928	—9,41,132	—9,38,834	12	260	Edward Textiles	9	6	..	200	320/50	320/00	285/00
2,98,63,675	47,700	886	1,36,80,735	56,02,280	2,57,709	10,62,512	12,247	12	59	Elphinstone P.	22	18	18	50	95/00	95/00	102/00
50,00,000	63,212	784	85,32,658	71,62,852	16,838	4,09,432	37,155	12	241	Finlay	23	..	..	100	304/00	305/00	330/00
39,04,700	77,966	..	19,75,309	43,25,176	23,64,706	12,85,523	85,195	12	56	Gokak	18	..	..	100	177/00	176/00	183/00
12,00,000	40,856	1,116	64,14,595	68,13,239	10,75,932	4,27,854	5,195	3	305	Hindoostan	50	..	..	250	940/00	940/00	950/00
2,00,00,000 / 60,00,00,000	2,48,870	6,498	4,41,45,022	3,84,70,022	31,82,629	1,32,22,197	5,89,816	12	15	India United	14 / 37½	.. / ..	.. / ..	10 / 1Dd	19/68 / 2/36	19/44 / 2/36	22/52 / 2/84
9,00,000	47,824	1,202	75,60,490	61,57,161	4,26,274	..	..	3	305	Indian	25	..	..	250	900/00	900/00	800/00
50,00,000	50,074	1,426	74,72,293	26,00,000	26,71,578	4,58,532	8,880	12	103	Indore Malwa United	10	7½	..	100	212/00	211/00	196/00
59,85,000	65,260	1,514	1,07,21,545	82,79,165	25,00,707	76,87,297	38,751	6	149	Khatau Makanji P.	16	..	..	100	175/00	178/75	218/75
1,00,00,000	1,20,504	1,846	1,76,50,904	1,36,17,072	20,69,195	65,91,664	9,095	12	146	Kohinoor	18	18	21	100	319/50	318/50	331/00
89,60,000	49,880	1,369	1,72,98,220	72,37,399	5,89,295	—72,073	—18,72,053	12	83	Lakshmi Vishnu P.	6	Nil	3	100	85/00	83/00	101/00
51,75,000	71,652	1,620	2,44,04,458	78,75,201	1,68,667	33,39,748	..	6	104	Morarjee Goculdas P.	24	24	20	100	260/00	250/00	395/00
39,68,250	50,480	500	55,13,433	39,56,794	22,08,037	2,05,250	Nil	2	261	Mysore Spg & Mfg P.	14	..	..	50	38/00	36/00	50/00
24,00,000	45,944	432	23,52,760	7,45,700	10,79,000	15,67,753	8,456	12	..	New City of Bombay	Nil	..	..	100	150/00	150/00	155/00
30,00,000	46,884	1,029	22,27,098	25,72,444	27,32,568	12,48,697	153	12	..	New Great Eastern P.	12	..	..	100	160/00	160/00	189/00
48,00,000	54,244	728	53,94,222	35,02,899	1,54,21,523	21,027	27,380	12	119	Phoenix	20	..	..	100	228/00	230/00	232/00
10,00,000	9,520	277	13,17,604	2,78,222	9,963	3,22,456	—1,07,771	12	257	Sassoon & Alliance	Nil	..	..	10	10/36	10/36	10/92
11,99,900	13,82,957	..	7,34,142	14,05,223†	58,232	16,942	t	12	339	Sassoon Spinning	20	10	20	10	37/75	37/75	45/00
60,48,000	49,840	1,258	1,19,42,498	50,19,415	1,34,242	32,70,817	9,856	3	379	Simplex	Nil	22	16	50	125/00	125/50	122/00
1,00,00,000	77,436	1,640	1,62,20,494	88,36,202	95,49,874	35,49,582	51,723	12	327	Shree Niwas P.	20	14	8—9*	100	248/00	249/00	268/00
1,00,00,000	65,040	2,000	1,96,83,714	1,42,81,829	24,73,107	35,08,617	8,176	12	269	Svadeshi P.	19	17	..	100	263/00	263/50	253/50
36,00,000	40,328	549	56,94,838	71,73,391	7,774	4,20,551	26,062	12	241	Swan	21 3/5	..	..	100	272/00	275/00	273/75
65,57,875	63,248	1,800	2,12,86,475	1,12,83,538	11,32,192	20,80,953	1,422	12	269	Tata	22	20	..	25	48/75	49/50	59/00
12,00,000	45,508	1,308	62,07,441	12,11,933	31,81,227	52,10,985	8,027	3	205	Western India	25	..	..	250	850/00	850/00	875/00

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BOMBAY MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including Taxation	Carry Forward	Accounts closed	Mg. Agents Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 27-10-64	20-10-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
								CEMENT							
19,06,68,750	28,49,18,158	12,76,85,523	5,86,09,994	5,14,17,638	68,243	7	63	Associated Cement	12	12	12	100	164/50	164/00	156/25
								ELECTRIC LTG. POWER							
8,74,77,100	11,81,05,785	1,36,05,785	30,82,878	78,42,903	638			Ahmedabad Electricity	6	..	..	100	105/50	105/00	947/30
3,02,77,000	9,34,77,781	1,23,89,917	32,52,570	52,28,395	36,154	3	146	Andhra Valley Power P.	5	5	..	1000	1,255/00	1,245/00	1,042/50
1,75,00,000	3,95,16,553	1,21,07,263	17,22,888	39,87,421	3,370	3	267	Bombay Suburban Elec.	8½	8½	..	100	116/00	116/50	99/50
3,39,99,975	7,17,76,350	1,39,56,841	51,65,971	60,68,806	27,536	3	146	Tata Hydro Elec Power P.	5	5	..	100	127/75	128/00	107/25
8,15,36,000	17,59,03,832	3,61,11,341	57,28,733	1,22,80,113	29,988	3	267	Tata Power P	5	5	..	1000	1,291/25	1,281/25	1,085/00
								ENGINEERING & METAL							
33,42,200	17,06,292	44,16,374	1,54,08,311	5,79,666	1,35,829	12	268	Alcock Ashdown	22½	19	..	100	291/00	290/00	319/00
14,75,050	7,99,713	4,61,618	2,25,568	—24,763	—33,604	3	115	Jost's Engineering	10	10	Nil	50	47/00	47/00	60/00
1,65,00,000	1,36,83,136	1,15,74,779	1,09,19,945	48,29,564	11,973	3	851	Larsen & Toubro P.	18	14	14	10	21/72	21/60	25/00
11,00,000	1,03,70,225	3,45,914	..	..	1,016	7	283	Mckenzies	12	14	..	100	137/50	137/50	137/50
2,50,000O / 1,31,250F	5,834	1,00,53,052	1,79,52,042	3,35,178	59,102	12	284	Premier Construction P.	33 1/3	30	..	300 / 33⅓F	187/00	190/50	166/50
7,99,97,300	17,30,38,018	5,09,28,017	13,84,385	3,61,61,616	14,962	3	269	Tata Eng. & Locomotive P.	14½	14½	14½	100	268/50	264/00	287/75
27,55,70,601	1,00,15,07,970	50,23,25,401	16,55,31,274	16,47,12,030	2,44,126	3	269	Tata Iron & Steel P	10.36†	10.36†	11—12*†	750	149/50	147/75	146/75
								INSURANCE COMPANIES							
20,00,000	..	23,84,913	95,96,033	4,24,629	1,18,606	12	297	British India General	15	15	..	10	13/44	13/60	13/00
18,74,940	25,01,134	2,88,61,155	2,61,49,442	38,951	4,65,316	12	55	Jupiter General P.	4	Nil	..	15	7/00	7/00	9/20
1,42,42,125	23,46,782	3,80,68,899	9,61,74,741	92,81,230	44,28,397	12	179	New India	38	38	..	15	44/25	45/25	58/00
15,99,270	..	29,41,860	59,86,789	6,05,803	3,81,242	12	255	Vulcan	20	20	..	10	16/24	16/12	16/76
								MISCELLANEOUS							
70,49,650	41,70,604	1,23,53,608	1,09,82,038	67,94,850	3,00,263	9	42	Belapur Sugar	50	40	..	50	225/00	225/00	240/00
1,83,50,000 / 84,00,000	3,34,19,072	2,76,00,447	1,67,73,491	1,13,92,935	2,25,985	5	285	Bombay Burmah Trading	33	33	33-1/5	25	56/60	56/30	65/00
8,24,36,000	6,05,91,322	4,82,83,719	47,53,662	4,30,51,407	..	12	91	Hindustan Lever	26	12	14	20	42/00	42/00	50/00
99,99,250	3,754	20,08,796	1,44,31,515	8,97,490	30,418	12	498	Industrial Invt Trust.	6½	..	..	10	29/75	29/75	39/00
11,99,900	13,82,957	7,34,142	14,05,223†	58,232	16,942	t	97	Kemp (Chemists)	12½	..	..	100	76/70	76/70	77/00
3,41,13,100	7,40,36,031	2,03,71,186	27,33,067	1,69,61,608	6,41,151	12	352	National Rayon	22	..	..	200	253/75	253/75	271/00
11,27,98,680	25,25,08,058	11,58,24,547	11,18,89,983	48,75,907	2,82,649	t	198	Scindia Steam Navign.	3	3	..	100	358/00	368/00	389/00
21,00,000	47,55,927	61,15,000	3,17,297	—3,40,349	—23,63,858	11	146	Shivrajpur Synd.	Nil	Nil	Nil	20	16/00	16/08	14/88
3,02,33,815	6,32,84,424	1,44,04,272	23,87,449	89,88,449	3,923	6	269	Tata Chemicals P.	6½	6½	10	10	16/92	16/00	23/00
1,06,06,475	2,21,88,319	1,25,42,386	47,75,468	50,73,815	1,187	t	269	Tata Oil P	23	23	22	10	19/36	19/44	17/48
4,55,00,000	1,37,35,974	3,64,27,137	85,33,891	1,76,87,313	Nil	8	360	Voltas	14	14	14	25	49/25	48/50	67/00
8,78,00,000	2,77,62,199	2,98,63,675	1,60,81,755	1,16,48,391	44,408	12	274	Western India Match	16	16	16	100	236/00	236/00	258/00

† per share. * 1964.

SOUTH INDIA PLANTATION COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Outturn and Average Price per kg/lb Acreage	Outturn and Average Price per kg/lb Lbs.	Outturn and Average Price per kg/lb Rs.	Net Profits	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share	Latest Market Quotations as available until 27-10-64.	20-10-64	A year ago
Rs.	Rs.	Rs.				Rs							Rs.	Rs.	Rs.	Rs.
6,75,000	16,06,067	1,50,000	1,992	7,996cwt	9.68	1,19,757	3	401	Amalgamated P.	10	10	..	10	9/21	10/01	10/01
8,50,000	12,57,795	5,72,253	878	1,12,000	1.48	70,011	12	402	Anandam P.	18	15	..	10	14/35	14/25	14/19
8,25,000	6,09,131	1,50,000	402	1,28,802	1.47cts	3,501	2	403	Athimattam	5	Nil	..	2	1/20	1/20	1/18
16,98,990	13,96,078	4,83,841	1,630	225 168†	4.34	4,11,296	3	287	Balanoor P.	12	12	..	10	11/20	11/20	13/12
3,00,000	3,68,575	2,25,000	171‡	43,490†	3.4	62,815	5	404	Baimadies P.	5	Nil	5—10*	2	1/85	1/69	1/78
47,32,230	13,36,710	3,36,258	477	3,06,241	1.65cts	93,110	5	270	Be Be P	5	Nil	..	5	2/32	2/32	2/03
64,00,000	1,23,45,152	25,11,425	1,329	8,53,764†	4.81	12,37,848	6	141	Blue Mountain	10	10	10	2	2/25	2/28	2/67
14,00,100	28,67,681	20,95,127	1,856‡	8,51,234†	4.55	9,04,350	3	210	Chembra Peak	20	20	20—25*	2	4/97	4/97	4/50
26,91,279	46,12,278	19,45,895	3,257‡	11,32,759†	3.41	10,13,193	2	210	Cochin Malabar P.	20	20	12—12*	3	6/22	6/22	6/18
12,50,000	39,31,706	30,58,661	2,710	19 48,320	..	5,71,249	6	405	Coffee Lands P	12	9	..	10	19/00	18/25	14/87
72,58,000	1,15,74,494	63,44,278	7,001	60,81,120	..	25,60,562	6	406	Consolidated Coffee P.	20	15	..	10	24/84	24/12	21/75
8,66,730	21,85,500	13,90,424	441	4,52,382	2.25	56,592	9	203	Cooncor P.	15	17½	17½	10	16/80	16/80	17/83
4,80,000	10,36,448	4,76,798	432	3,53,888	1.52	1,19,880	3	407	Coorg P.	20	15	..	2	4/85	4/85	4/60
6,00,000	11,82,508	2,17,761	1,026	1,57,785	1.47	46,942	3	12	Cottanad Plantation P.	10	6½	..	10	10/30	10/30	9/31
6,00,000	8,89,831	4,80,155	345	3,25,310†	2.66	1,25,313	12	212	Devashola (Nilgiri)	20	15	..	10	30/65	30/65	24/60
6,74,650	9,14,594	3,31,040	450	1,38,386†	4.26	1,36,712	3	287	Devon P	12	12	..	10	12/35	12/35	11/96
7,50,000	3,38,952	1,26,500	197	1,12,936†	2.66	28,121	12	408	Emerald Valley	Nil	6	..	5	6/55	6/55	5/80
4,50,000	3,64,462	20,000	278	32,830	..	40,424	12	409	Gokul	10	10	..	2	1/95	1/97	2/25
20,00,000	42,82,150	17,77,500	1,465	17,21,550	2.04	2,13,414	12	410	Hatteyburia P.	12½	11	..	10	12/25	12/25	12/25
11,85,700	28,02,058	10 77 705	1,528	9 59 804	1.67	3,60,461	7	402	Kailas	25	30	..	2	6/25	6/26	6/28
9,00,000	12,32,263	7,23,749	378‡	3,14,942†	..	4,04,443	3	210	Kaiasa Tea Produce	25	15	15	2	4/12	4/12	4/25
17,17,076	28,48,525	14,32,010	811‡	4,62,975†	5.54	7,80,209	10	210	Kil Kotagiri P.	25	25	20	2	5/05	5/05	5/30
5,00,000	3 11 259	1,21,604	267	405 757	2 31	36,685	12	203	Lucky Valley	10	10	..	10	11/75	11/75	12/00
13,50,000	19,78,359	9,14,031	1,785‡	3,42,748†	3.03	4,63,747	3	411	Malankara	16	14	14—16*	10	15/72	15/72	15/92
40,50,000	67,47,600	17,25,166	4,013	12,60,448†	3.85	9,94,509	3	270	Midland Rub. & Prod P.	12½	12½	10—10*	10	10/55	10/55	11/00
14,06,250	33,33,804	7,45,541	1,587	4,98,396	2.90	1,60,000	3	402	Nilgiri P.	10	10	..	10	8/30	8/60	8/65
33,10,000	24,28,291	11,02,621	1,054	7,29,100†	2.92	16,62,532	1	14	Nonsuch	20	20	20	10	21/87	21/87	23/80
9,75,000	11,21,586	3,67,000	293‡	2,29,900†	..	3,27,700	3	210	Ossoor	15	15	15	2	2/76	2/76	3/30
19,45,980	33,19,864	24,42,874	7,970‡	6,55,342†	4.48	—5,06,184	10	210	Ouchterlony	12	6	..	2	3/50	3/50	4/70
17,00,000	27,55,157	13,87,519	1,099‡	10,69,078†	4.19	7,13,678	12	9	Parkside Neilgherry	22½	27½	25	10	25/20	25/20	27/00
17,00,000	27,36,576	12,82,318	4,968	10,83,565†	4.20	11,29,838	12	9	Peermade P.	25	20	12½	10	20/85	20/62	20/50
6,00,000	7,90,314	1,35,530	1,167	5,83,268	1.50	1,65,244	2	259	Peninsular	20	20	17½	10	21/25	21/25	20/75
97,94,880	78 72,019	20,88 711	2,074‡	23.46.900	3.88	13,16,964	3	210	Periakaramalai	20	12½	15	2	3/22	3/31	3/45
13,50,000	48,44,469	13,58,959	952‡	845,000†	3.16	8,05 161	6	270	Rajagiri Rub. & Prod P.	20	20	..	10	22/60	22/50	18/60
2,00,000	3,14,567	1,53,963	711	3,320cwt	1.32	1,18,791	3	412	Rajendra P.	25	20	..	5	13/00	13/00	11/30
1,25,000	1,90,373	15,000	216	..	..	43,141	3	413	Swinton	6	Nil	..	2	2/68	2/68	2/60
10,00,000	20 71 084	2,48,373	1,454	4,30,695	1.51	63,263	3	172	Teekoy P.	4	6	..	10	6/50	6/27	6/10
9,15,300	14,26,883	10,75,840	2,365	2,35,780	3.20	2,77,689	9	210	Thirumbadi	12	10	10	1	1/77	1/77	2/00
5,00,000	3,51 402	16 742	1,307	2 23 94	3.21	40 894	12	414	Travancore Rubber	12	12	..	10	11/50	11/50	11/25
41,00,000	72,63,801	12,63,584	2,535‡	12,19,484†	..	10,61,172	12	9	Travancore Rub & Tea P.	10	10	..	10	8/40	8/40	9/80
30,00,000	23,48,701	1,36,000	3,028	6,38 402	1.00	2,02,762	12	271	Tropical Plantation	8	8	..	25	19/65	19/65	20/50
25,75,000	24,78,11	16,00,000	1,267	9,63,293	2.16	1,00,000	12	410	Twyfords	6	5	..	10	9/00	9/00	8/10
21,93,280	30,03,223	17,04,989	3,638	8,28,976†	5.11	12,85,658	3	250	United Nilgiri	22	22	..	10	22/22	22/22	24/00
6,80,010	9,26,839	2,82,051	962	1,94,400	1.50	2,20,096	12	414	Vaikundam	30	35	..	10	34/30	34/30	33/75
47,25,000	78,06,431	21,33,763†	2,214‡	13,41,277†	3.77	15,22,472	6	157	Waterfall Estates P.	10	10	10	2	2/33	2/33	2/50
9,95,000	12,64,609	5,35,454	971	1,65,429	1.78	88,225	3	416	Woodland P.	10	Nil	..	10	6/50	6/50	7/50

‡Hectares † Kgs. * 1964

SOUTH INDIA COTTON MILLS

Paid-up Capital Ordinary	Number on Spindles	Looms	Net Block Account	Reserve & other Funds Premium & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share	Latest Market Quotations as available until 27-10-64.	20-10-64	A year ago
Rs.			Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
2,21,50,000	46,240	1,157	1,13,35,197	2,05,37,667	29,35,225	1,33 49,220	8,778	12	445	Bangalore W C. Silk P.	18	18	24	100	267/00	263/60	226/
5,89,78,000	1,20,288	2,752	3,98,78,769	4,24,41 649	32,42,332	1,00,04,894	34,777	12	445	Buckingham & Carnatic P.	18	18	18	100	278/00	274/60	268/
30,00,000	28,000	—	22,72,373	51,406	96,802	1,68,513	42,421	12	433	Cambodia P	12	9	..	10	8/35	8/35	12/
55,99,600	13,864	—	74,98,712	39,35,014	3,68,959	20,35,517	..	12	188	Coimbatore Cotton	16	9	..	100	170/00	164/00	167/
80,76,900	42,832	407	47,91 212	7,98,681	22,227	—7,52,342	—10,23,340	6	46	Coimbatore Spg & Wvg.	16	8	..	50	115/50	115/50	68/
67,20,000	30,512	200	1,08,14 489	23,10,438	10,00,190	5,62,227	31,244	12	141	Kothari Textiles P.	8	8	6	10	8/28	8/30	9/
1,06,50,000	1,10,800	—	2,04,58,691	1,02,72,660	64,27,750	66,04,914	25,194	3	186	Lakshmi	25	20	20-20†	100	132/00	132/00	136/
1,75,02,480	3,00,000	—	5,13,24,237	5,09 41,668	1,06,32,123	1,01,11,071	59,354	12	108	Madura							
60,00,000	24,252	603	16,80,682	8,00,000	24,24,908	7,39,437	2,687	12	60	Mettur Industries	30	15	15	15	35/50	35/25	33/
4,00,000	20,137	Nil	1,36,608	43,50,000	11,97,728	16,77,243	91,696	12	47	Palani Andavar P.	30	22½	20	100	265/00	265/50	284/
21,00,000	48,974	270	43,85,330							Vasanta P.	50	35	..	10	193/15	193/15	202/
											25	20	..	100	234/00	234/00	276/

‡ Hectares † 1964

SOUTH INDIA SUGAR MILLS

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net profits	Carry forward	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share	Latest Market Quotations as available until 27-10-64.	20-10-64.	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
30,00,000	62,64,264	26,55,000	5,52,400	10,92,779	22,959	9	417	Andhra P.	16	12	..	10	13/04	13/04	17/36
40,00,000	80,62,883	12,61,424	1,58,472	13,46,266	1,40,987	6	218	Cauvery P.	8	6	..	100	99/50	99/50	110/50
39,84,000	80,95,449	50,28,500	10,91,223	29,00,521	9,587	5	218	Deccan Sugar	12	18	18	5	11/10	11/00	11/70
£1,127,700	£3,463,073	£2,075,782	£414,795	£643,473	£21,999	9	319	E.I.D.-Parry	21 3/7	28 3/7	..	£1	35/75	36/12	37/40
63,97,650	39,62,680	15,44,338	64,64,375	12,35,437	69,501	9	418	Indian Sugar P.	10	8	8	10	8/90	8/90	8/65
12,45,572	1,22,66,623	18,99,861	1,51,052	5,99,416	2,090	6	419	Jeypore P.	15	15	..	10	15/23	15/23	16/00
10,52,200	2,87,27,773	1,23,75,000	31,53,982	20,76,426	91,745	6	420	K. C. P.	15	15	..	10	24/00	24/00	23/90
79,98,000	1,40,86,784	Nil	3,14,482	—16,486	—1,26,762	6	141	Kothari	Nil	Nil	Nil	10	6/20	6/20	7/00
21,79,280	69,98,950	1,19,98,416	46,28,924	1,22,390	4,559	6	264	Mysore	30	30	30	10	27/75	27/75	46/75
30,00,000	35,93,381	11,41,000	10,12,037	4,88,902	1,46,735	4	218	Travancore P.	7½	5	..	10	8/12	8/12	7/45
50,00,000	46,26,876	72,96,098	1,01,16,243	37,47,578	..	3	320	United Breweries	60	25	Nil—9*	10	24/50	24/50	33/37

SOUTH INDIA MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net profits	Carry forward	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share	Latest Market Quotations as available until 27-10-64.	20-10-64.	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
1,00,00,000	86,99,116	39,83,750	10,36,603	19,80,945	1,52,818	3	421	Aluminium Industries	18	18	..	10	23/35	23/25	18/35
71,93,170	76,52,046	10,34,008	6,28,302	11,87,102	2,761	12	16	Andhra Cement P.	10	9	9—9†	10	9/90	9/90	9/60
3,02,67,658	1,59,93,383	25,63,610	1,84,694	30,01,343	20,076	12	422	Ashok Leyland	8	8	..	5	6/90	6/90	7/50
1,00,00,000	17,47,681	49,33,435	2,75,867	19,86,813	4,39,222	12	423	Binny	22½	21	..	100	265/00	265/00	291/40
7,50,000	5,45,587	56,538	41,650	93,226	—1,46,143	12	270	Brunton & Co.	Nil	Nil	..	10	4/50	4/50	5/03
24,99,000	40,82,511	3,52,644	62,051	3,35,186	4,810	12	424	Enfield P.	4	4	..	10	10/30	10/30	9/12
2,24,44,750	3,21,08,642	66,66,496	73,60,473	51,26,679	1,38,608	3	425	India Cement P.	9	12	..	5	5/19	5/19	5/53
23,82,792	16,92,196	2,50,222	93,924	2,16,803	2,977	12	230	Indian Steel Rolling P.	12½	10	..	10	9/85	9/70	10/40
1,40,00,000	1,39,97,059	37,48,801	36,09,251	29,82,180	11,631	3	253	Metlur Chemical Industries P.	12½	13½	18½	10	14/40	14/40	13/05
24,81,220	12,69,939	10,47,778	17,48,674	8,48,641	8,514	3	233	Mysore Chem. & Fert.	10	5	..	10	7/95	7/93	8/10
8,00,000	5,20,889	4,52,189	2,18,413	2,33,791	85,187	3	151	Mysore Chemical Mfgs. P.	20	20	..	10	15/50	15/50	16/70
6,56,250	5,13,585	9,38,696	6,374	1,23,899	3,146	3	426	Mysore Lamp P.	25	37	..	10	29/60	29/60	30/00
25,00,000	55,50,342	37,12,500	2,43,664	14,29,395	36,663	3	226	Mysore Paper	15	15	..	10	11/78	12/50	12/70
10,00,000	7,56,329	3,16,884	29,32,342	75,422	622	3	201	Mysore Tobacco	Nil	10	..	10	11/02	11/02	10/50
10,00,000	6,54,848	8,02,000	2,60,194	4,84,835	1,51,607	3	218	Parry's Conf.	30	26	..	1	2/90	2/93	3/40
40,00,000	82,50,079	1,03,14,883	40,58,627	23,52,432	10,74,117	6	221	Spencer (Provisions)	18	18	..	10	21/50	21/50	20/37
47,00,000	86,53,610	20,65,000	51,902	7,65,966	3,869	12	427	Standard Motors P.	7	6	..	10	10/20	10/20	11/15
11,56,300	5,95,547	14,04,007	16,66,624	4,19,707	41,732	9	7428	T. Stanes P.	15	32½	..	10	28/55	28/55	27/40
39,84,400	42,58,650	13,07,759	26,027	6,92,616	932	4	429	Textool	15	15	..	100	155/00	155/00	155/00
2,50,00,000	4,24,61,684	2,14,79,630	72,21,483	85,33,091	50,510	7	430	Tube Investments	10	10	10	100	174/00	175/00	228/00

†1964

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	Net Earnings	Carry Forward	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share	Latest Market Quotations as available until 28-10-64.	9-10-64.	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
17,24,000	18,02,732	12,576	—2,52,424	..	3	165	Ahmedpur Katwa	1.90	1.75	..	100	26/25	24/87	26/00
21,69,300	35,00,464	6,11,706	2,54,450	1,080	3	32	Arrah Sasaram	5	5	4	100	31/62	31/62	29/50
34,00,000	35,33,840	21,816	—4,66,034	..	3	165	Bankura Damoodar	1.90	1.75	..	100	26/25	24/87	26/50
17,80,000	20,25,834	10,772	—3,07,176	..	3	165	Burdwan Cutwa	1.90	1.75	..	100	26/25	24/87	26/50
31,00,000	28,10,290	46,916	1,59,749	2,620	3	32	Chaparmukh-Silghat	2.90	2.80	2.40	100	28/50	35/00	40/00
4,75,000	1,48,268	5,33,369	1,35,796	3,691	3	296	Cherra Chhatak Ropeway	12	12	..	5	4/62	4/62	5/75
2,47,650	2,28,169	59,790	42,389	4,003	3	101	Darjeeling Ropeway	..	..	..	10	8/50	8/50	9/12
40,00,000	49,60,137	14,51,000	19,14,361	35,951	3	335	Dehri Rohtas	20	15	..	10	11/19	11/19	13/12
11,49,700	16,09,728	2,500	26,271	806	3	32	Futwah Islampur	1.90	1.90	1.80	100	25/75	28/70	28/70
16,00,000	49,11,910	12,56,213	1,82,293	6,372	3	32	Howrah Amta (P)	5	4½	4	100	34/50	34/50	40/00
6,00,000	13,66,352	5,29,960	90,311	2,342	3	32	Howrah Sheakhala	5	4½	4	100	36/50	36/50	45/00
5,91,100	11,74,348	15,024	73,560	160	3	165	Katakhal Lala Bazar	3.10	1.90	..	100	41/00	41/00	41/00
13,00,000	61,42,583	16,81,057	19,411	Nil	3	32	Shahdara (Delhi)	3	Nil	Nil	100	52/00	52/00	52/00

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

1. Anderson Wright Ltd.—7, Wellesley Place, Calcutta.
2. Andrew Yule & Co., Ltd.—6, Clive Row, Calcutta.
3. S. N. Beri—6, Middle Road, Hastings, Calcutta
4. Hazareemull, Heeralall—148, Cotton Street, Calcutta.
5. Amritlal Ojha & Co., Ltd.—"Security House" Netaji Subhas Road, Calcutta.
6. Alcock, N. C.—Huitsdrof Mills, Colombo.
7. Associated Industrial Development Co (Private) Ltd.—"Nicco House", Hare Street, Calcutta-1
8. Agarwala, S. L.—Indian Insurance Building, Old Cantonment Road, Dehra-Dun.
9. Aspinwal & Co. (Travancore) Ltd.—Chavadi Parambu North Commercial Canal Road, Alleppy
10. Aryan Planter Agency—P-12, Chowringhee Square, Calcutta.
11. Allum Bharucha & Co.—214, Hornby Road, Bombay
12. Associated Planters Private Ltd.—25, General Patters Road, Madras.
13. Antony M. K.—Alleppey
14. Harrison And Crossfield Ltd.—Cochin.
15. Agarwal & Co.—E. D. Sassoon Building, Dougall Road, Ballard Estate, Bombay.
16. V. Ramkrishna—Ramkrishna Bldgs., 38, Mount Road, Madras-6.
17. Amte & Co.—Hubli.
18. B. M. Krishan—Srt. Jayachamaraja Wadiyar Road, Bangalore-2
19. Macneill and Barry Ltd.—2, Fairlie Place, Calcutta
20. Ojha Brothers Ltd.—Security House, Netaji Subhas Road, Calcutta
21. Bird & Co. (Private) Ltd.—Chartered Bank Buildings, Calcutta
22. Birla Bros Private Ltd.—8, India Exchange Place, Calcutta.
23. Babulal & Co. Ltd.—13, Syed Salley Lane, Calcutta
24. Balmer Lawrie & Co., Ltd.—21, Netaji Subhas Road, Calcutta
25. British India Corporation Ltd.—Sutherland House, Kanpur
26. R. L. Thompson—Agraharam Road, Bangalore-2
27. Bengal Textile Agency Ltd.—11, Clive Row, Calcutta
28. Swadeshi Enterprise Ltd.—41, Chowringhee Road, Calcutta.
29. Beardsell W. A. & Co. Private Ltd.—Second Line Beach, Madras.
30. Bhagyalakshmi & Co.—Delhi Road, Udamalpet Dt. Coimbotore
31. Rameshwar Tantia—1 & 2, Old Court House Street, Calcutta
32. Martin Burn Ltd.—12, Mission Row, Calcutta
33. K. M. Wilcox—Sutherland House, Kanpur
34. Dr. W. J. J. Curry—9, Hare Street, Calcutta.
35. Ramdutt Ramkissendas—9, Brabourne Road, Calcutta
36. Bajoria & Co.—27, Brabourne Road, Calcutta
37. Birla L. N.—8, Royal Exchange Place, Calcutta
38. Birla B. M.—"India Exchange", Calcutta-1
39. John Valentine Jardine Paterson—4, Clive Row, Calcutta
40. Bhargava, R. K.—Mohalla Masjid Bagh, Badshanagar
41. Biharilal Lahoty—161-1, Mahatma Gandhi Road, Calcutta.
42. W. H. Brady & Co., Ltd.—Brady House, 12-14, Veer Nariman Road, Bombay-1
43. Britlal Bilasyal & Co.—Aga Khan Buildings, Dalal Street, Fort, Bombay.
44. Punam Chand Batia—19, Circular Garden Reach Road, Calcutta.
45. Chakravarti Sons & Co.—22, Canning Street, Calcutta
46. G. L. Purushotham Naidu—24, Krishnaswamy Mudaliar Road, Coimbatore.
47. Chetty R. K. S. & Bros.—Singanallur, Coimbatore-5
48. S. R. Poddar—33, Netaji Subhas Road, Calcutta.
49. Calcutta Agency Ltd.—24, Netaji Subhas Road, Calcutta
50. Chanda, A. P.—15, Taratola Road, Calcutta.
51. Shoobridge, F. G.—234-3, Lower Circular Road, Calcutta
52. W. E. Eadie—175, West George Street, Glasgow C.2.
53. Cement Agencies (Private) Ltd.—121, Queen's Road, Fort, Bombay
54. Consolidated Elec. Agencies—17B, Elphinstone Circus, Fort, Bombay
55. K. S. R. Iyer—Imperial Bank Buildings, Bank Street, Fort, Bombay.
56. Chinoy, P. M. & Co., Ltd.—Radio House, Apollo Bunder, Bombay.
57. Cumberbatch & Co.—Colombo.
58. Cowasjee Jehangir & Co., Ltd.—Ready Money Mansion, Churchgate Street, Fort, Bombay
59. N. K. Jalan—Kamini Chamber, 33, Nicol Road, Ballard Estate, Bombay.
60. Chandrie & Co., Ltd.—Madras
61. Bagaria More Co., Ltd.—5, Clive Row, Calcutta
62. Dayaram & Sons—9, Old Court House Street, Calcutta
63. Duncan Brothers & Co., Ltd.—31, Netaji Subhas Road, Calcutta
64. Duff Thomas & Co.—2 and 3, Clive Row, Calcutta
65. Dass Bros.—29, and 30, Strand Road, Calcutta
66. A. K. Das—15, Netaji Subhas Road, Calcutta
67. Day, P. E.—Anderson's House, Bishopsgate, London, E.C.2
68. Hari Brothers Private Ltd.—Scindia House, New Delhi.
69. Dadabhoy Sir M. B.—Kampte Road, Civil Lines, Nagpur
70. N. D. Bangur—14, Netaji Subhas Road, Calcutta.
71. B. C. Roy—Hindusthan Building, 4, Chittaranjan Avenue, Calcutta.
72. Duffs, J. C. & Co., Ltd.—National Bank Buildings, Netaji Subhas Road, Calcutta
73. C. C. Dey—25, Netaji Subhas Road, Calcutta
74. Davenport & Co. Private Ltd.—6, Church Lane, Calcutta
75. Desai, R. M.—14, Nicol Road, Ballard Estate, Fort, Bombay.
76. Dodwell & Co. Ltd.—Glennie Street, Slave Island, Colombo
77. Darragh Small & Co., Ltd.—Alleppey.
78. Dadabhoy B. A. & Co.—Ilaco House, Sir Phirozeshah Mehta Road, Bombay.
79. B. N. Elias & Co. Private Ltd.—1 and 2, Old Court House Corner, Calcutta.
80. Eastern Corpn. Ltd.—7, Wellesley Place, Calcutta
81. Ebeling, A. F.—Rawalpindi.
82. Poddar, P. L.—135, Canning Street, Calcutta
83. Pratapsingh Mathuradas—9, Wallace Street, Fort, Bombay
84. S. B. Industrial Development Co., Ltd.—12, Old Court House Street, Calcutta.
85. A. Firpo, Jr.—18/2, Chowringhee, Calcutta.
86. Forbes, Forbes, Campbell Ltd.—Forbes Buildings, Home Street, Fort, Bombay.
87. S. V. S. Iyer—88C, Old Prabhadevi Road, Bombay-28
88. Gillanders Arbuthnot & Co., Ltd.—Clive Buildings, Netaji Subhas Road, Calcutta.
89. Gladstone Lyall & Co., Ltd.—4, Fairlie Place, Calcutta
90. H. C. Bowker—"Victoria House", Calcutta.
91. P. L. Tandon—India House, Fort Street, Bombay
92. Govan Bros. (Rampur) Private Ltd.—4, Scindia House, New Delhi.
93. Govan Bros Ltd.—Malhotra Buildings, Queensway, New Delhi
94. R. N. Datta—93-A, Dharamtalla Street, Calcutta
95. Daga & Co., Ltd.—9, Royal Exchange Place, Calcutta
96. M. L. Bexon—37B, Free School Street, Calcutta-16
97. Govan, R. G. & Co.—Scindia House, Connaught Circus, New Delhi.
98. Turnbull, R. W.—P-4, Mission Row Extension, Calcutta
99. Abinash Chandra Das—Jalpaiguri.
100. Guha, Nalini Kumar—18/11/1-B, Raja Raj Ballav Street, Calcutta
101. Parusnottamlall—5, Clive Row, Calcutta
102. George, A. V. & Co., Ltd.—Ancherl Bank Bldgs., Kottayam, Travancore.
103. Kundila, G. Seksaria—139, Meadow Street, Fort, Bombay
104. Gopikisan Piramal—Dr. Ambedkar Road, Parel, Bombay-12.
105. John Whitlon Easson—Gillander House, Netaji Subhas Road, Calcutta.
106. F. W. Heitgers & Co. (Private) Ltd.—Chartered Bank Buildings, Calcutta.
107. Howrah Trading Co., Ltd.—8, Dalhousie Square East, Calcutta.
108. A. & F. Harvey Ltd.—Pandyan Building, West Veli Street, Madurai.
109. Holmes Wilson & Co. Ltd.—"Stephen House", Calcutta
110. R. G. Khanna—Solan Brewary, Simla.
111. Hotel (Control) Private Ltd.—4 & 4/1, Wellesley Place, Calcutta
112. Glass, O. H.—Bibbao House, 36, New Broad Street, London, E.C.2
113. B. P. Khaitan—14, Netaji Subhas Road, Calcutta.
114. Harrison & Crosfield Ltd.—Calcutta.
115. F. V. Braddeley—The Great Social Buildings, Sir Phirozeshah Mehta Road, Fort, Bombay.
116. K. G. Khanna—Solan Brewery (H.P.).
117. Hari Sons—Aviur (Cochin State)
118. Hormusjee Sons & Co.—605, Girgaum Road, Dhobi Talao, Bombay-2.
119. Ramnarayan Sons Ltd.—Bombay.
120. Industrial Financing Co.—63, College Street, Calcutta
121. Imperial Chemical Industries (India) Private Ltd.—34, Chowringhee, Calcutta.
122. Indra Singh & Sons Private Ltd.—7, Wellesley Place, Calcutta.
123. Hari Brothers Private Ltd.—Scindia House, New Delhi
124. R. Raja Rao—Honnawal Road, Shimoga
125. Iyer, I. R. Anantharam & Bros. Ltd.—Pushpagiri, Trichur
126. N. Sirur & Co. Private Ltd.—70, Forbes Street, Fort, Bombay
127. J. P. Hannay—2 Metcalfe St., Calcutta.
128. Jardine Henderson Ltd.—4, Clive Row, Calcutta.
129. S. S. Bhimwal—7, Chowringhee Road, Calcutta
130. Jhajharia Bros. Ltd.—138, Harrison Road, Calcutta.
131. Jain, N. K. & Co. Ltd.—"Devashram", Arrah, Shahabad
132. J. K. Industries (Private) Ltd.—7, Council House Street, Calcutta
133. James & Co. Ltd.—25, Netaji Subhas Road, Calcutta
134. Jute Industries Ltd.—4, Lyons Range, Calcutta
135. John, V. C.—Kottayam, Travancore State.
136. Jones H. Edwin—Oriental Building, Bombay Elec. House, Ahmedabad
137. John, Kurian—Kottayam, Travancore State.
138. Kettlewell Bullen & Co. Ltd.—21, Strand Road, Ca cutta
139. Kilburn & Co. Private Ltd.—4, Fairlie Place, Calcutta
140. Karamchand Thapar & Bros. Private Ltd.—Thapar House, 25, Brabourne Road, Calcutta-1
141. Kothari & Sons Agency Private Ltd.—Armenian Street, Madras
142. R. Suryanarayan Rao—Channapatna, Mysore State
143. S. L. Dhanuka—P-15, Bentinck Street, Calcutta
144. Khaitan, D. & Sons—14, Netaji Subhas Road, Calcutta.
145. P. S. Nilkantan—1, Waterloo Street, Calcutta
146. Killick Industries Ltd.—Mome Street, Fort, Bombay.
147. Kanga, R. D.—Electric House, Post Fort, Bombay
148. Kurian John—Alleppey.
149. Khatau Makanji & Co.—6, Ballard Road, Fort, Bombay.
150. Killick, A. S.—2&3, 2nd Line Beach, Madras
151. S. Ramanathan—Chickbanavar P.O., Bangalore Dt
152. Broken Hill Secretariat Ltd.—31, Dover Street, London, E.C.2
153. Low, H. V. & Co. Private Ltd.—3, Synagogue Street, Calcutta.
154. Lomas, J. E. W.—19, St. Swithin's Lane, London, E.C.4
155. Bharat Ram Bhagat & Co.—45, Tangra Road, Calcutta
156. Hind Agents Ltd.—Indu House, 15, Dougall Rd., Ballard Estate, Bombay.
157. Kothari Mehta & Co. Private Ltd.—Armenian Street, Madras
158. Padampat Singhania—Kamala Tower, Kanpur.
159. Lala Gurusharan Lall—Guraru Dist., Gaya
160. Lovelock & Lewes—4, Lyons Range, Calcutta.
161. Lohia, D. D.—173, Harrison Road, Calcutta.
162. G. S. Solomon—Dare House, Parry's Corner, Madras
163. Mackinon Mackenzie & Co. Private Ltd.—16 Strand Road, Calcutta.
164. L. R. Anantaram Iyer & Bros. Ltd.—Pushpagiri, Trichur
165. McLeod & Co. Ltd.—8, Netaji Subhas Road, Calcutta
166. Hindusthan Investment Corporation Ltd.—15, India Exchange Place, Calcutta
167. B. Barker—Barlow House, 59C, Chowringhee Road, Calcutta
168. Moona Lall & Sons—120/1, Civil Lines, Jhansi
169. K. P. Goenka—31, Netaji Subhas Road, Calcutta.
170. Marshalls (Direction) Private Ltd.—33/1, Netaji Subhas Road, Calcutta
171. W. & Malden—P.O. Lohat, Dist. Darbhanga
172. East India Agencies Private Ltd.—Palai, Kerala State
173. Moulton G. S. & Co. (India) Ltd.—11 and 12, Esplanade Mansions, Calcutta.
174. N. M. Cole—3, Clive Row, Calcutta.
175. Satya Narain Gupta—Subzimandi, Delhi.
176. Moton & Co.—Maung Pauley Street, Rangoon
177. H. B. Marshall—1, Humayan Place, Calcutta.
178. Madura & Co. Ltd.—Cochin.
179. A. D. Shroff—New India Assurance Bldgs., Mahatma Gandhi Road, Fort, Bombay
180. Mafatlal Gagalbhai & Sons—Rustam Bldgs., 29, Churchgate Street, Fort, Bombay.
181. Murphy, C.—Rampart Row, Fort, Bombay.
182. Mehta, Chunilal V. & Co. Ltd.—Queen's Mansions, Prescott Road, Bombay
183. Sir V. N. Chandavarkar—Standard Buildings, Hornby Rd., Fort, Bombay.
184. Mysore Industrial Development Co.—33, Gandhinagar, Bangalore City
185. Mascarenhas, B. M.—Platform Road, Bangalore City
186. Naidu, G. Kuppuswamy & Co.—Pappanaikenpalayam, Coimbatore.
187. Best & Co. Ltd.—The Hyderabad Laminated Products Ltd., Secunderabad-3
188. R. Beema Naidu & Co.—Singanallur, Coimbatore.
189. Naidu, A. G. Guruswamy & Co.—Peelamedu, Coimbatore.
190. Naidu, P. S. Govindaswami & Sons—Coimbatore
191. H. Roychowdhuri—18, Convent Road, Entally, Calcutta
192. B. D. Agarwalla—Stephen House, 4, Dalhousie Square, Calcutta.
193. Kesarmal Manocha—529/1, Hall Bagh, Amritsar.
194. G. V. Swalka—"Pollock House", 18B, Brabourne Road, Calcutta.
195. A. Maiti—71, Park Street, Calcutta.
196. Srinivasan, S. D.—7, Council House Street, Calcutta
197. Narainda Lachmandas Ltd.—Rajpurwa, Kanpur
198. Dharamsey M. Khatau—Scindia House, Dougall Road, Ballard Estate, Bombay.
199. Nowrosjee Wadia & Sons (Private) Ltd.—Neville House, Ballard Estate, Bombay
200. Dooduwala & Sons—5, Muktaram Babu Street, Calcutta-7.
201. R. Arunachalam—17, Richmond Road, Bangalore-1
202. Octavius Steel & Co., Ltd.—14, Old Court House Street, Calcutta
203. Matheson Bosanquet & Company Ltd.—Belmount, Coonoor, Nilgiris.
204. Oberoi Hotels (India) Private Ltd.—17, Chowringhee, Calcutta
205. Oakley Bowden & Co., Ltd.—15 Armenian Street, Madras.
206. Ogale Glass Works Ltd.—43, Gandhinagar, Bangalore City
207. Deepchand Kisenlal—25, Netaji Subhas Road, Calcutta
208. Indian Textile Syndicate Ltd.—Kanpur
209. E. R. Elliot Lockhart—4, Fairlie Place, Calcutta
210. Peirce Leslie & Co., Ltd.—8/222, Beach Road, Calcutta, Kerala.
211. H. L. Somany—2, Wellesley Place, Calcutta
212. P. G. Krishna Iyer—Mount Pleasant, Coonoor, Nilgiris.
213. Poddar, K. N.—37, Vivekananda Road, Calcutta
214. James Warren & Co., Ltd.—31, Chowringhee Road, Calcutta.
215. Parkins Ltd.—Kottalam.
216. Parkin, O. & Co.—26 Apollo Street, Fort, Bombay
217. L. C. Kanoi—P-8, Mission Row Extension, Calcutta.
218. Parry & Co., Ltd.—Dare House, Parry Corner, Madras
219. India Sugar Agencies Ltd.—Mangalore
220. Price, R. G. N.—National Bank Bldgs, Madras
221. Z. R. Irani—1/153, Mount Road, Madras
222. Chrestien Mica Industries Ltd.—Lyons Range, Calcutta
223. R. N. Agarwala—4, Lyons Range, Calcutta
224. Lonia Brothers Ltd.—139, Cannin Street, Calcutta
225. Roy, B. K.—1, 2 and 3, Old Court House Street, Calcutta.
226. M. D. Shivanenjappa—Kampegowda Road, Bangalore 9.
227. W. Morrice—41, Chowringhee Road, Calcutta-16
228. Ramnarain Sons Ltd.—Bank Street, Fort, Bombay
229. Rajputna Textile (Agencies) Ltd., Delisle Road, Chenchpoka, Bombay
230. Rajam C.—Oriental Bldgs., Armenian Street, Madras.

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

231. Ramamurthy, A.—Ravakhada (Orissa), Koraput Dist.
232. Ratnams Ltd.—Pugalur, Trichinopoly.
233. T. Shamanna—1129, Vani Vilasa Road, Mysore.
234. Bangur Bros. Ltd.—14, Netaji Subhas Road Calcutta.
235. Soorajmull Nagarmull—8, Dalhousie Square East, Calcutta.
236. Shaw Wallace & Co., Ltd.—4/5, Bankshall Street, Calcutta.
237. Srivastava J. P. & Sons—Kanpur.
238. Bharat Ram Charat Ram & Co Private Ltd.—Bara Hirdu Rao, Delhi.
239. A. R. Kalairaja Chettiar—Coimbatore.
240. A. K. T. K. M. Narayanan Namboodr.-pad—Kallai Malabar.
241. Singh, Ranjit—Lucknow.
242. N. L. Roy & Co.—9, Royal Exchange Place, Calcutta.
243. Shyamlal Agarwal—9, Dalhousie Sq. East, Calcutta
244. Sovaram Keshavdeo—15, Netaji Subhas Road, Calcutta
245. Dr B. N. Ghose—6, Ganesh Avenue, Calcutta-13.
246. Sundaren, S.—Indian Mercantile Chambers, Nicol Road, Bombay.
247. Singhania Padampat—Kamala Tower, Kanpur.
248. E. K. Srinivasan—16, Hare Street, Calcutta.
249. Steel Bros & Co., Ltd.—Gillanders House, Netaji Subhas Road, Calcutta.
250. T. Stanes & Co.—Coimbatore.
251. Southern India Plantations Agency Ltd.—Coonoor
252. Saha, Banuballav—18/11/1B, Raja Raj Ballav Street Calcutta
253. R. B Pradhan—Empire House, 214, Hornby Road, Bombay.
254. Sindia, M Ramchandra Rao—3rd Road, Chamarajpet, Bangalore City.
255. Setalvad, J C—73, Oppo. Churchgate Station, Fort, Bombay.
256. Scindia Steam Navigation Co., Ltd.—Ballard Estate, Bombay.
257. Ramnath A Podar—Podar Chambers, Parsee Bazar St., Fort, Bombay.
258. Swedish Match Co.—Nicol Road, Ballard Estate, Bombay
259. S. Ramashramony Aiyer—Trivandrum.
260. Puranmal Bubna Sons—Indu House, Dougall Road, Ballard Estate, Bombay.
261. N. Sirur & Co. Private Ltd.—70, Forbes Street, Fort, Bombay.
262. Ramnarayan Sons Ltd.—Bank Street, Fort, Bombay.
263. Seshasayee Bros, Private Ltd.—Mettur Dam, R.S
264. V. Venugopal Naidu—Sir Jayachamaraja Wadiyar Road, Bangalore-2.
265. Shree Hanuman Invt. Co. Ltd.—173, Harrison Road, Calcutta.
266. Talukdar, B. S.—Amiasadarpur, Nadia, West Bengal.
267. Tata Hydro-Elec. Agency, Ltd.—34, Bruce Street, Bombay.
268. Turner Morrison & Co., Ltd.—6, Lyons Range, Calcutta
269. Tata Industries Private Ltd.—Bombay House, Bruce Street, Fort Bombay.
270. Thomas A. V. & Co., Ltd.—Alleppey.
271. Thomas, P. T.—Kottayam, S India.
272. Thomas, M. K. & Co., Ltd.—Trivandrum.
273. Tayabjee, O. S.—159, Gunfoundry Rd., Hyderabad (Deccan).
274. A. Hydari and S Gothberg—Indian Mercantile Chambers, Nicol Road, Ballard Estate Bombay
275. United Eastern Agencies—Bombay House, Bruce Street, Fort Bombay.
276. United Agencies Ltd.—Punalur.
277. Villiers Private Ltd.—F-3, Clive Buildings Calcutta.
278. S. M Smith—4, Bankshall St., Calcutta.
279. Williamson Magor & Co., Ltd.—4, Mangoe Lane, Calcutta.
280. Whitman, Mj. M. C.—Mayo Road, Rawalpindi.
281. N. K. Jhajharia—22, Chittaranjan Avenue, Calcutta.
282. C. Hockley—3, Netaji Subhas Road, Calcutta.
283. P. R. Jhunjhunwala—Sewrie, Bombay-15.
284. Walchand & Co., Ltd.—Ballard Estate, Fort Bombay.
285. Wallace & Co.—9, Wallace Street, Bombay
286. Wilkinson, A.—117/119, Esplanade Road Bombay.
287. Young India Agencies Private Ltd.—179/1, Mount Road, Madras-2.
288. Dass Group Private Ltd.—29, Strand Road Calcutta.
289. B. L. Mathur—4, Clive Row, Calcutta-1.
290. K. S. Basu—63, Netaji Subhas Road, Calcutta.
291. Lionel Edwards (Private) Ltd.—21, Old Court House Street, Calcutta.
292. R. N. Jhunjhunwalla & Co., Ltd.—9, Ezra Street Calcutta
293. A. J. Zullig—31, Chowringhee Road, Calcutta.
294. R. L. Rampuria—5, Fairlie Place, Calcutta.
295. Premnath & Sons, Ltd.—New Delhi.
296. S. N. Tantia—1 & 2, Old Court House Corner, Calcutta
297. F. H. Menta—Mehta House, Apollo Street, Bombay
298. L. S. Vaidyananthan—Oriental Buildings, Bombay
299. Kishore M. Premchand—61, Apollo Street, Fort, Bombay
300. North Bihar Trading Co. (Private) Ltd.—11, Brabourne Road, Calcutta
301. J. W. L. Russell—1 & 3, Brabourne Road Calcutta-1
302. Mitra Mondal—Khatauli, Dt, Muzaffarnagar.
303. G. S. Shroff—2, Hardinge Avenue, New Delhi
304. James Finlay & Co., Ltd.—2, Netaji Subhas Road, Calcutta.
305. Thakersey Mooljee & Co.—16, Apollo Street, Fort, Bombay
306. Jatia Brothers Ltd.—21, Rupchand Roy Street, Calcutta.
307. Bhatter s Agency Ltd.—18, Netaji Subhas Road Calcutta
308. The Hyderabad Constructions Co., Ltd.—Kothagudium Collieries, Singareni, P.O., Deccan.
309. T. Leslie Martin—12, Mission Row, Calcutta.
310. D. S. Barron—Chakala, Andheri P.O., Bombay.
311. Pyne & Sons—23A, Netaji Subhas Road, Calcutta
312. Ram Kumar Agarwalla & Sons—4, Lyons Range, Calcutta.
313. Bullion Co., Ltd.—7, Canning Street, Calcutta.
314. Brooke Bond India Ltd.—2, Metcalfe Street, Calcutta.
315. Anderson Wright (Ramgarh) Ltd.—7, Wellesley Place Calcutta.
316. The Cotton Agents Private Ltd.—14, Radha Bazar Lane Calcutta-1.
317. Bird & Co. (Pakistan) Ltd.—Narayanganj.
318. Shree Krishna Investment Co. Ltd.—1-B, Halwasiya Road, Calcutta.
319. R. V. R. Iengar—Dare House, Parry's Corner, Madras.
320. F. W. J. Penn—32, Grant Road, Bangalore-1.
321. B. Ghosh—14, Old Court House Street, Calcutta.
322. Messrs. Tata Sons Ltd.—New India Assurance Buildings Mahatma Gandhi Road Fort, Bombay-1.
323. Anderson Wright & Co.—7, Wellesley Place, Calcutta.
324. Indo Corporation Private Ltd.—5, Swinhoe Street, Calcutta-19
325. Brian Granger Pearson—Virginia House, 37 Chowringhee, Calcutta.
326. B. L. Pyne—14, India Exchange Place, Calcutta.
327. Marwar Textiles (Agency) Ltd.—Waudby Road Fort, Bombay-1.
328. John Taylor & Sons (India) Ltd.—Mysore Oorgram South India.
329. Sri G. D Bhagat—15, Shib Thakur Lane Calcutta
330. Mahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.
331. N. L. Roy & Sons—Canning Street, Calcutta.
332. A. D. Mango—16 Hare Street, Calcutta.
333. Mungturam Jaipuria—Swadeshi House, Civil Lines Kanpur
334. R. Mackay Fallack—2, Fairlie Place, Calcutta.
335. Sahu Jain Ltd.—11, Clive Row, Calcutta
336. Tulsidas Kilachand—Scindia House, Dougall Road Bombay
337. Beriwala & Co.—63, Netaji Subhas Road Calcutta.
338. D R Sons Ltd—Hornby Road Fort, Bombay
339. M G Investment Corpn Ltd—Mafatlal House, Backbay Reclamation, Bombay-1.
340. K. O. Cherivan—Travancore
341. N. L. Kanoria—India Exchange, Calcutta-1
342. O N Chatterjee—2, Royal Exchange Place, Calcutta.
343. Indra Singh—135, Canning Street, Calcutta-1.
344. V. J. Pilani—Victoria Bunder, Colaba.
345. The National Tea Corporation—130, Cotton Street Calcutta
346. Seshasayee Brothers (Travancore) Ltd, —Eloor Factory Alwaye.
347. Tantia Brothers Private Ltd.—1 & 2, Old Court House Corner, Calcutta.
347. M D Jalan—62, Ballygunge Circular Road, Calcutta-19
349. Seth Sonanlal Murarka—19, Circular Garden Reach, Calcutta-23.
350. K Agarwal—Empire House, Dr. Dadabhoy Naoroji Road Fort, Bombay.
351. L & T. (Management) Private Ltd.—I. C. House, Dougall Road, Ballard Estate, Bombay.
352. Chinai And Co. Private Ltd.—Sadhana Rayon House, Dr. Dadabhai Naoroji Road, Bombay-1.
353 N. K. Jhajnaria—14, Netaji Subhas Road, Calcutta
354 L. C. Kanor—P-8, Mission Row Extension, Calcutta.
355. T. R. Jalan—16, Strand Road, Calcutta.
356. R. Bajoria—10, Clive Row, Calcutta.
357. A. K. Jain—11, Clive Row, Calcutta
358. L. P. Goenka—14, Old Court House Street, Calcutta-1.
359. G. D. Kothari—15, India Exchange Place, Calcutta.
360. R. E. S. Talyarkhan—Volkart Building, 19, Graham Road, Bombay-1.
361. N. K. Bose—85, Netaji Subhas Road, Calcutta
362. Daimia Agencies Private Ltd.—Rajgangpur (Orissa).
363. C. L. Nahata—14, Old Court House Street, Calcutta.
364. W. A. C. H Bosschaart—7, Justice Chandra Madhab Road, Calcutta-20.
365. S. L. Dhanuka & P. L. Dhanuka—9, Mission Row, Calcutta
366. A. K. Sen—48/1, Diamond Harbour Road, Calcutta-27.
367. Laksmipat Singhania—7, Council House Street, Calcutta
368. Kalyanji Mavji & Company—14, Netaji Subhas Road, Calcutta.
369. P. L. Batia—7, Canning Street, Calcutta.
370. Pannalal Saraogi—8, Lyons Range, Calcutta-1.
371. G. L. Saraogi—56, Sir Hariram Goenka Street, Calcutta-7.
372. H. K. Newar—9, Brabourne Road, Calcutta.
373. C. L. Maheswari—Shreeniwas House, Waudby Road, Fort, Bombay
374. Talukdar Law & Co. Private Ltd.—4, Chittaranjan Avenue Calcutta-13.
375. K. N. Mookerjee—Leslie House, 19, Chowringhee Calcutta-13.
376. K. D. Ganguli—Mercantile Buildings, Lalbazar Calcutta
377. K. C. Dass & B Maitra—35, Panditia Road, Calcutta-20.
378 R. N. Goenka—18-A, Brabourne Road, Calcutta.
379. S. R. Damani—30, Clerk Road, Bombay-11.
380. British India Corporation Ltd.—Sutherland House, Kanpur.
381. A. K. Jain—Daimianagar, Bihar.
382. B. P. Kedia—7, Wellesley Place, Calcutta-1.
383. W. H. G. Baird—9, Brabourne Road, Calcutta.
384 Punam Chand Batia—19, Circular Garden Reach Road Calcutta-23.
385 G. P. Kanoria—3 Clive Row, Calcutta.
386. D N. Jalan— McLeod House 3, Netaji Subhas Road Calcutta
387. Shiodendra Sankar Sarbadhyaksha—Jalpaiguri
388 A. V. Birla—9, Kaliprasanna Singhee Road Calcutta-2
389. British India Corporation Ltd.—Kanpur
390. T. Hatan—16/A, Chowringhee Road, Calcutta-13.
391. R. M. Cox—59C, Chowringhee Road, Calcutta-20
392 R. A Godwin—32, Chowringhee Road, Calcutta-16
393 Khatau M Snethia—14 Netaji Subhas Road Calcutta-1
394. B M. Birla—India Exchange, Calcutta-1
396. D. Manson—21, Netaji Subhas Road, Calcutta
397. N. M Bhuwalka—135, Canning Street, Calcutta
398. Hoare Miller & Co., Ltd.—5, Fairlie Place, Calcutta.
399. B. Patnaik & Co. Private Ltd.—P.O. Chowdwar, Cuttack.
400. R. K. Kanoria—9, Brabourne Road, Calcutta-1
401. K. V. Venkitasubramoney Iyer—Seetagundy Estate, Sitharkunda P.O., Palghat Dist Kerala State
402. A V George & Co., Ltd.—Ancherll Bank Buildings, Post Box 1, Kottayam, Kerala State.
403. Mathew Sebastian—Thodupuzha Kerala State
404. Planting Agencies Private Ltd.—Oriental Buildings, Armenian Street, Madras-1
405. The Consolidated Coffee Estates (1943) Ltd.—Pollibetta Coorg
406. C. I. Machia—Pollibetta, S. Coorg.
407. Srinivas Agencies—Coimbatore-2.
408. K. N. Krishna Iyer—22, Royapettah High Road Madras-14.
409. Yong India Agencies Pvt. Ltd.—Monorama Bldgs. K. K. Road, Kottayam (Kerala State)
410. Parkins Private Ltd.—Kottayam.
411. Johnsons Estates & Agenies (Private) Ltd.—Malankara Bldgs., Kodimatha, Kottayam Kerala.
412. Associated Planters (Pvt.) Ltd.—25, General Patters Road Madras-2
413. J. R. Motishaw—Mercantile Bank Building, 16, First Line Beach, Madras-1.
414. K. V. Mathew—Kottayam, Kerala State.
415. K. Ramachandran—Patton Palace, P.O. Trivandrum-4
416. N. Kunjukrishna Pillai—T. C. 6/750, Patton Palace P.O. Trivandrum-4
417. Rango Rao & Co.—Venkatarayapuram, Tannku, West Godavari Dist, Andhra Pradesh.
418. The India Sugar Agencies Private Ltd.—139 Meadows Street, Fort, Bombay-1.
419. R. S. Industrial Corporation Private Ltd.—Rayagada, Koraput Dist., Orissa State
420. V Ramakrishna Sons (Private) Ltd.—38 Mount Road, Madras-6.
421. Seshasayee Brothers (Travancore) Pvt. Ltd.—1, Ceramic Factory Road, Kundala (Kerala)
422. Sir A Ramaswamy Mudaliar—Ennore, Madras.
423. P. J. M. Leigh—7, Armenian Street, Madras-1.
424. K. R. Sundaram Iyer—Tiruvottiyur, Madras-19
425. Essen Private Ltd.—175/1, Mount Road, Madras-2
426. J. L. D'sa—Old Tumkur Road, Malleswaram, Bangalore-12
427. The Standard Motor Co. (India) Pvt. Ltd.—29, Mount Road Madras-2.
428. E. H Stanes—6/33, Race Course Road, Coimbatore-1
429. Balasundaram & Co.—Satyamangalam Road, Ganapathy P.O., Coimbatore-6.
430. A. M. M. Arunachalam—52/53, Jehangir Street, Madras-1.
431. J. M. Parsons—2, Fairlie Place, Calcutta-1.
432. Mahabir, S. J. B. Rana—1, Humayan Place, Calcutta.
433. G. N. Sam & Co.—'Senthottam' Sowripalyam P.O., Coimbatore-4.
434. G. Kejriwal—Rajgangpur, Dist. Sundergarh Orissa State
435. D. C. Ghosh & Co (Agents) Private Ltd.—11, Government Place East, Calcutta.
436 N. D. Bangur—14, Netaji Subhas Road Calcutta.
437. R. N. Bhotika—4, Old Court House St., Calcutta
438 Birla Gwalior Private Ltd.—Industry House, 159, Churchgate Reclamation, Bombay-1.
439. R. S. Bajpai—Kamala Tower, Kanpur.
440. R. L. Jatia—9, Brabourne Road, Calcutta-1
441. S. K Agarwalla—24, Netaji Subhas Road Calcutta-1
442. S. P Bhoumick—17, 18 & 19, Old Court House Street Calcutta
443. Madan Mohan Lall Shri Ram Private Ltd.—D.C.M. Premises, Bara Hindi Rao, Delhi-6.
444. I. R. Jalan—2, Brabourne Road, Calcutta-1
445. A. D. Galloway—7, Armenian Street, Madras-1
446 Talukdar Law & Co. Private Ltd.—Hindusthan Bldg. Calcutta-13
447 Pran Prashad—Chartered Bank Bldgs.

JAMES MURRAY

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Kothari Sugar
Modella Woollens
New Asiatic Insurance
Nuboard Manufacturing
P. and O. Steam Navigation
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MANY SPEECHES BUT FEW DECISIONS FROM N.D.C.

THE two-day session of the National Development Council which was held in New Delhi last week does not appear to have been a particularly fruitful affair. The fact is not surprising: the Council is supposed to be the country's top economic policy-making body, but it is several years since it degenerated into a forum for windy speeches and sectional protests from which vital policy decisions rarely emerge. The first major issue before the session related to the size and pattern of India's fourth five year plan. The second major issue—second only because it was discussed more fully at the meetings of State Chief Ministers just before and after the formal N.D.C. session—centred on the measures necessary to deal with the food crisis now afflicting the country. In the case of both, there was a wide measure of agreement on generalities, so the usual resolutions were cheerfully made and heartily endorsed. But when specific measures to implement the resolutions came to be mentioned, the area of agreement seemed suddenly to shrink: asked to sanction positive action, many of the Chief Ministers responded with a stony silence implying that the suggestions were beyond comprehension, while others spoke up only to point to their local difficulties. That debates of this genre should sometimes be rambling and inconclusive, is understandable. The National Development Council, however, has yet to demonstrate that it is moving from the stage of a debating society to a fount of leadership and action.

The handicaps under which the Council laboured are not difficult to appreciate. The chief of these was that the main subject under discussion —the fourth five year plan—is still a vague fantasy, dreamed up by the perspective planners and endorsed puzzlingly by the Planning Commission and the Central Cabinet. The Council might have been expected to look a little more closely into the feasibility of a Rs. 21,500-crore or Rs. 22,500-crore plan. The cue for such an examination was provided by the Central Finance Minister, Mr. T. T. Krishnamachari, who declared in a curious and unnecessarily obscure phrase that "we tried to stretch the resources position to an extent almost co-terminus with elasticity"—thereby presumably implying that the resources for so large a plan might not be available. The point was put more directly by Mr. Asoka Mehta, deputy chairman of the Planning Commission, when he said: "The resources in sight are anything between Rs. 10,500 crores and Rs. 11,500 crores, while we have suggested a public sector investment outlay (sic) of Rs. 15,000 crores. But we feel that, by better planning and better effort, we may be able to perhaps raise resources".

The National Development Council might have been expected to ask, specifically, by what miracles of "better planning and better effort" it was hoped to find another Rs. 4,000 crores or Rs. 5,000 crores. But it did nothing of the sort. Nor did it bother to question the deception underlying the planners' outlay estimates in that they are based on 1963-64 prices, whereas prices are already about 17 percent higher than they were a year ago and there is no sign of their coming down appreciably in the foreseeable future. Mr. Mehta casually highlighted another weakness of the fourth plan proposals when he mentioned that although "the size of the fourth plan is twice that of the third plan, . . . still the foreign assistance or exchange component of it is kept where it was in the third plan". But the learned Chief Ministers and others at the N.D.C. meeting could not be persuaded to take interest in such egregious anomalies either.

What then, might one ask, did the distinguished members of the National Development Council talk about? Judging from one official summary of the results, it seems they agreed, to begin with, that for India a big plan would be a Good Thing. The annual rate of growth to be aimed at would be "not less than 6 percent"—a minor but welcome departure, perhaps, from the mathematical mumbo-jumbo which earlier led the planners to postulate such precise growth rates as 6.3 percent, 6.5 percent or 7 percent. It was agreed that a lot of things would be expanded and improved—agriculture, consumer goods industries, other industries, power, transport, productivity, family planning programmes, and employment. It was also agreed that progress would be accelerated by "appropriate advance action programmes", "preparation of detailed project reports", "careful selection of quick-yielding schemes" and "completion of administrative arrangements by starting training programmes and placing the trained staff in position". If these struck outside observers as fashionable slogans whose emptiness had been proven by a decade of experience, the Council was not dismayed. The only dissonant contribution it proceeded to make was that while agriculture was rightly to receive top priority, and the allocation for social services had been substantially increased, the provisions for power, major irrigation, transport and industries "had not been stepped up adequately." Many will now hope that if any such stepping up has to be done, it will be at the cost of social services and not of agriculture.

More important than the question of allocation of resources between various sectors of the economy was how the resources were going to be raised for a start. Few of the members of the N.D.C. seemed to be particularly interested to know where the money for the private sector's investment target of Rs. 7,000 crores would come from; the assumption appeared to be accepted that private entrepreneurs would always somehow manage to pluck money off trees or secure it by alchemy out of thin air. But even on the question of raising money to finance the public sector's outlay the discussion was vague and directionless. The Centre has for some years now been getting angrier and angrier that the States do not raise enough money; the Prime Minister, Mr. Shastri, said so politely, and so did Mr. Krishnamachari. On Mr. Asoka Mehta's showing, however, the States have not done too badly, for they "promised Rs. 610 crores in the third plan and by now Rs. 570 crores are likely to be raised"—with one more set of State Budgets still to come before the current plan ends. (It is hoped that these figures are reliable, since the official Prog-

Mr. Mehta's speech contains some surprising inaccuracies.)

The burden of Mr. Krishnamachari's speech at the session was that most of the extra Rs. 3,000 crores to be raised through additional taxation, etcetera, would have to be raised by the States themselves This the State Chief Ministers were quite clearly reluctant to accept. They presumably could not shake themselves away from their old view that the States have hardly any new sources of revenue left to tap, so the Centre should give more aid and also share more of the proceeds of income tax with them. Mr. Shastri made the specific suggestion that betterment levies could be imposed, and that State taxes would be more acceptable to the rural population if they could be related directly to the benefits they financed. Mr. Krishnamachari offered other suggestions: that evasion could be checked by merging sales taxes into excise duties in the case of a larger number of commodities; that agricultural income tax could be collected along with the ordinary income tax; and that the Centre could take over the financing and implementation of individual projects which the States might find burdensome. On all these points, however, the response was indifferent, if not negative. The States were more concerned with protecting their rights and their autonomy than with seeking a practical via media for implementing plan programmes vigorously.

In the course of his speeches that were otherwise admirable for their directness and simplicity, Mr. Shastri made two controversial proposals. The first was for setting up a National Planning Council, consisting of scientists, engineers, economists and experts, to help the Planning Commission on a wholetime basis. If the intention was to dilute the influence of politicians and amateur busybodies who now dominate the Commission, there might have been something to be said for the idea. But, many might ask, if the Commission does not already have such expert talent at its disposal, what on earth is it doing? Rather than set up yet another Council, might it not be better to rid the Commission of the surplus fat it has acquired over the years, let it induct the experts it needs and then become a technical body far less susceptible to political pressures than it is at present? Mr. Shastri's second suggestion was that the Government should establish basic consumer goods industries in the public sector to manufacture such essential requirements as cloth, sugar, cement, drugs and medicines. But he perhaps forgot that if the supply of these commodities is short, it is to a large extent because of the Government's own industrial and import licensing policies. Secondly, the main problem which most of these industries face is that of getting enough raw materials for full-capacity working; to establish new capacity in the public sector without first attending to the raw material supply would be a waste of effort and money. Finally, there is one category of consumer goods which is more important than all these, which Mr. Shastri's Government is supposed to be looking after, and of which it has made a complete hash—agricultural products, and in particular food. It is time the Government attended to this one first and talked about the others later.

CODE FOR MINISTERS

THE code of conduct for Central and State Ministers announced last Thursday is based, although only to a limited extent, on the Santhanam Committee's report, which drew pointed attention to popular feelings about the prevalence of corruption in high places. In order to strengthen public confidence in the integrity of the Government at the highest levels, the Committee recommended that a code of conduct should be evolved for Ministers, under which they should be required to disclose their assets and liabilities, property acquired and gifts accepted. After some initial hesitation, stemming no doubt from the delicate nature of the task and the embarrassments that might arise, New Delhi has at last brought a code into force. It prescribes that Central and State Ministers should not only declare all their assets, including cash holdings and jewellery, to the Prime Minister or the Chief Minister concerned; they should also sever their connections with the conduct of any business in which they were interested before assuming ministerial responsibilities. In the case of business concerns supplying goods or services to the Government, or which primarily depend on licences, permits, quotas or leases, the Ministers have to sever all connections, while in the case of other firms they are permitted merely to retain their ownership. The code also forbids such things as the acceptance of valuable gifts by a Minister except from a close relative and the contracting of certain types of debts by members of his family.

While the restrictions written into the code of conduct should go some way towards giving the administration a cleaner look, it suffers from certain weaknesses. The code lays down that the authority for dealing with breaches of its injunctions will be the Prime Minister in the case of Central Ministers, the Prime Minister and the Home Minister in the case of Chief Ministers, and the Central Home Minister and the Chief Minister in the case of State Ministers. However, experience does not suggest that this procedure will always ensure a satisfactory solution. The leader of a Party inevitably has strong political loyalties, which may well cause him to turn a blind eye to things he does not wish to see. Occasions could arise when the prestige of the Party and its prospects at the polls may outweigh the desire to bring an errant colleague to book. In any case, if the decision happens to be favourable to a Minister accused of corruption, it is liable to be suspect in the eyes of the public. A fundamental principle of jurisprudence is that justice must not merely be done, but must also be seen to be done. It will be difficult for the Prime Minister or the Chief Ministers, in view of their primary position as leaders of political Parties, to satisfy this requirement.

Perhaps foreseeing this difficulty, the Santhanam Committee suggested that specific allegations of corruption against a Minister should be promptly investigated by "an agency whose findings will command respect". It wanted that the President should constitute a national panel on the advice of the Prime Minister, and that an *ad hoc* committee selected from this panel by the President should ascertain whether there was a *prima facie* case. It is surprising that this recommendation has been ignored The procedure as laid down in the code may bring the Prime Minister or the Chief Ministers, as the case may be, into the vortex of a distasteful controversy if the verdict on a suspect Minister happens to be favourable to him. Recent charges of corruption against certain Chief Ministers should illustrate the point.

Referring to the raising of funds, the code lays down that no Minister should accept contributions for any purpose, whether political, charitable or otherwise. In the same breath, it permits Ministers to associate themselves with the raising of funds for a political Party. The only condition that it puts is that the Minister concerned should ensure that such contributions are sent to a specified office-bearer of the Party and not to himself. Obviously, this is more a step against personal corruption than against collective corruption. The use of ministerial influence for Party purposes, including the collection of funds, is among the most prolific causes of corruption. As the Santhanam Committee pointed out, "the public belief in the prevalence of corruption at high political levels has been strengthened by the manner in which funds are collected by political Parties, especially at the time of elections". The licence-permit raj, to use Mr. Rajagopalachari's phrase, has created ample opportunities for dispensing political favours. Contributions to Party funds have often opened the door to corruption, since a *quid pro quo* is sought in the shape of official favours. Unfortunately, New Delhi has chosen to shut its eyes to this glaring impropriety.

U.K. SURCHARGE CRITICISED

THE British Government's decision to levy a surcharge of 15 percent on processed and manufactured imports has caused widespread anxiety in India, particularly among exporters of leather goods, coir products and engineering items. The Federation of Indian Chambers of Commerce and Industry says that while the motives of the Labour Government are understandable, "the measures announced, howsoever temporary, represent a reversal of the liberal trading system which the U.K. has been following *vis-à-vis* Commonwealth products". India's exports to Britain account for over 20 percent of her foreign exchange earnings. According to rough estimates, Indian exports to Britain may fall by about Rs. 5 crores or Rs. 10 crores as a result of the levy. Among the major exports which might be hit, it is said, are jute, yarn and cloth. Shippers in India are not yet sure to what extent Britain's consumption of gunnies will be affected. India's competitive position in relation to Pakistan might not suffer since the levy will fall equally on imports from all sources. But the Dundee industry will regain a measure of protection—thus reversing the trend of recent years, when the mark-up on the U.K.'s jute goods imports has been steadily reduced.

There is some doubt about the impact of the levy on exports of cotton textiles. While many feel that they may be affected, official circles think that in view of the long-term agreement with Lancashire, the surcharge should not affect the quota already fixed for next year. However, in order to remain competitive, Indian exporters may have to accept lower prices. Critics have pointed out that most of the Indian industries which will be affected are labour-intensive and so the import surcharge may cause widespread distress here. For instance, about 90 percent of this country's coir products are exported, more than half of them to Britain. Again, leather goods worth about Rs. 14 crores are shipped to Britain every year. Indian exporters of leather have already been advised by importers in the U.K. to suspend further shipments until the question of exemption for the commodity from the new levy is settled. A particular cause for anxiety is the effect of the levy on India's developing lines of export, such as engineering goods. Britain's purchases of items like sewing machines, fans, electrical appliances, diesel engines, steel pipes and other rolled steel products are not large. But she has started buying these items from India only recently, and the Indian engineering industry has been hoping to step up its exports. The Government too has been trying to develop the export of non-traditional items; the British surcharge now deals an unexpected blow to such ambitions.

It is true that the world expected the new British Government to devise fresh methods of dealing with its recurring economic problem. The traditional increase in Bank rate and restrictions on the supply of credit would have convinced no one that Britain had entered a new era in which economic growth would be continuous and sterling would be protected by the nation's strength, not by expedients. However, resentment is widespread and bitter against the methods adopted. Even Britain's friends in the Commonwealth and the E.F.T.A. have expressed pained surprise at the undiscriminating 15 percent surcharge on processed or manufactured imports. (The surcharge does not discriminate between G.A.T.T., the Ottawa Agreement, and the E.F.T.A. Convention: it contravenes all of them.) The sympathetic reaction of the U.S. Treasury is exceptional.

Yet, as seen from London, the simple truth is that no corrective for sterling's troubles could be painless, either for Britain or for other countries. Although nearly half of U.S. exports to Britain (reckoned on the basis of last year's trade) is subject to the new levy, the U.S. Treasury for one has said frankly that the surcharge is preferable to a rise in the U.K. Bank rate. From Britain's point of view, the primary objection to an increase in Bank rate is that it would rapidly "cool" an economy that is not "overheated". There is the secondary but important objection that it would increase the cost of servicing the overseas-owned sterling balances held in Britain. Nearly all of these balances, aggregating some £4,000 million, are employed in media whose rates are linked with Bank rate, and an increase of one point in Bank rate (the minimum increase that could be effective in the present situation) would immediately add some £30 million to the annual cost of servicing the debts. It seems an illogical method of reducing a payments deficit in the short run. And in the long run its effects might be even worse; for industrialists' investment plans are sensitive to changes in Bank rate, and if these plans were scaled down the necessary modernisation of British industry would be delayed.

Despite these strong arguments against the orthodox methods, the U.K. Government's prompt introduction of new methods has surprised the City of London. In the weeks preceding the general election, leaders of the Labour Party had stated clearly that they were prepared to use short-term interest rates as a defensive weapon in a critical situation—and the City is not yet convinced that this weapon has been permanently withdrawn from service. But it can be assumed henceforth that the U.K. Bank rate will be changed only if the U.S. authorities do not object. It is significant that in a peculiarly difficult situation the two countries' monetary policies have coincided even more closely than before, while the U.K. has risked (and incurred) the wrath of other foreign countries. The monetary link between the U.S.A. and the U.K. has undoubtedly been strengthened; and some observers see significance in the fact that an important policy statement on the U.K. Bank rate was uttered, for American ears, not by one of Britain's economic Ministers but by her Foreign Secretary, Mr. Gordon Walker.

There remains the problem of European hostility towards the new U.K. policy. The Europeans say that Britain has evaded her responsibilities and imposed on her trading partners the burden of correcting her payments deficit. The British (and American) reply to this argument is that other methods of correction would harm her trading partners even more. The short-term alternatives, in the official British view, are a general deflation of demand in the home market, which would probably reduce imports more than the surcharge will do, or devaluation of the currency, which would throw the whole world's monetary system into confusion. If India's reaction to the U.K. import surcharge has been milder than Europe's, it is partly because she feels that one of these alternatives—to devalue sterling—would have been even more unpalatable to her. Britain's arguments for restricting her imports temporarily are well understood in this country. But it is regretted that no way has been found to exempt the simpler manufactures of the underdeveloped countries from the surcharge. India cannot get away from the fact that her own payments difficulties are far more intractable than Britain's; anything that tends to accentuate those difficulties by harming her exports cannot but be deplored.

Current News and Comment

The Capital Market Slump

The annual statement of Mr. J. R. D. Tata, chairman of the Investment Corporation of India, which has been circulated with the directors' report, will be read with interest not only by the shareholders of the Corporation but by all those who are concerned with the continuing slump in the capital market and the problem of unaccounted money. Both the depression in the capital market and the growth of unaccounted money are attributed to the Government's fiscal policies. It is the fiscal policy, more than anything else, concerning individuals which has driven ever more of the country's trade underground in a frantic attempt to escape from the intolerable burden of taxation. Mr. Tata says that raiding the houses and offices of suspected tax evaders and black marketeers will no doubt bring some unaccounted money to the surface, but it is unlikely to form more than a minute fraction of the total of such funds A lasting and effective solution of this problem can be found only in a lightening of the total burden of taxation on capital and income, coupled with powerful deterrents against tax evasion as exist in the U.S.A.

Mr. Tata has blamed the twin forces of inflation and taxation for the depressed state of the capital market. Corporate profitability has improved, but it is the individual who promotes and builds the corporate body and he must be left with the wherewithal to save and the desire to invest if the flow of individual savings to the corporate sector is to continue. The Life Insurance Corporation and other financial institutions have done everything which can be expected of them to support a sagging and dispirited market, but such pump-priming can only bring about temporary rallies unless the root causes of the country's economic malady are removed.

Mr. Tata has strongly criticised the action of the tax authorities in seeking to change, for no apparent or justifiable reason, the treatment for tax purposes of the surplus realised on sale of investments and to tax the corporation as a dealer in shares, thus subjecting all capital gains to a higher rate of tax. Mr. Tata says that the principal rôle of an investment corporation is to hold investments and not to deal in them, changes in the portfolio being incidental and only for the purpose of protecting and improving the portfolio. The new taxation procedure is also discriminatory as the Unit Trust of India enjoys immunity from such taxation. Since the nature of the corporation's activities has remained the same over the past 25 years, the new taxation procedure is very unfair. The chairman has expressed confidence in the concern's potentiality in serving the corporate community and the investing public. The corporation has come to be looked upon as specialists in the field of administration and management of new corporate issues and company transfer registers and records.

Survey of Indian Exports

About 100 countries imported more goods from India during 1963-64 than in the preceding year, but 76 countries reduced their offtake of Indian goods, according to a survey made by the World Trade Department of the Indian Chamber of Commerce of this country's export performance during the year. The countries whose offtake of Indian goods increased were Argentina, Belgium, Ceylon, Czechoslovakia, Malaysia, West Germany, Japan, the U.S.A. and Russia. Among those who reduced their purchases, Indonesia, Iran, Nigeria, East Pakistan, Poland and Yugoslavia were important. Exports to the dollar area increased from Rs. 143 crores in 1962-63 to Rs. 157 crores in 1963-64, to the European Common Market from Rs. 48 crores to Rs. 57 crores, to east European countries from Rs. 92 crores to Rs. 109 crores, to the sterling area from Rs. 268 crores to Rs. 283 crores and to other soft currency areas from Rs. 170 crores to Rs. 188 crores. During 1963-64, India had a deficit in the balance of trade with 28 important countries. The deficit continued to be large especially with the U.S.A. (Rs. 262 crores), West Germany (Rs. 70 crores) and Iran (Rs. 43 crores).

In a detailed analysis of India's export trade with individual countries, the survey draws attention to the increasing competition which indian tea is facing in the U.K. For instance, Kenya stepped up her tea exports to the U.K. from 20.14 million lbs in 1962 to 21.19 million lbs in 1963, the Netherlands from 2.34 million lbs to 4.75 million lbs, Indonesia from 7.97 million lbs to 10.89 million lbs, China from 3.53 million lbs to 5.93 million lbs, Formosa from 430,000 lbs to 1.11 million lbs and Japan from 690,000 lbs to 770,000 lbs. India and Ceylon, of course, continue to remain the major suppliers, but the competition from the new sources should not be under-estimated.

India's exports to the U.S.A. increased to Rs. 128 crores in 1963-64 from Rs. 114 crores in 1962-63, but her share in the total U.S. imports continued to be negligible being less than 2 percent. Similarly, this country's trade with Latin America is also very little. Out of the total import of Rs. 4,000 crores a year by South American countries, India's share was only Rs. 17 crores. The survey also indicates the vast scope there is for increasing India's exports to the countries of west Asia and south-east Asia.

Tracing the trend of exports over a long period, the survey says that although India's export performance in recent years has been improving steadily, there is a great need to intensify the efforts. World exports went up from $54,000 million in 1948 to $836,000 million in 1933, a rise of 152 percent, but India's exports improved only by 20 percent. The country's share in world exports, in fact, fell from 2.5 percent to 1.2 percent in this period; and, more significant, its share in the export of under-developed countries also declined from 8.3 percent in 1948 to 5.2 percent in 1963. India's *per capita* figure in 1963-64 was just £1 6s, compared with £123 in Canada, £150 in the Netherlands and £79 in the U.K. In 1963-64, only 78 percent of India's imports was financed by exports.

Export Council for Woollen Goods

Indian exports of woollen manufactures in 1963-64 were valued at Rs. 8.017 crores of which woollen fabrics (1.05 million metres) accounted for Rs. 1.47 crores and hosiery (200,000 kilograms) for Rs. 59.1 lakhs. In terms of international trade in woollen fabrics, this country's exports are infinitesimally small, around 0.7 percent. This indicates that there exists a vast scope for stepping up the export of woollen goods from India. In its report on the economics of modernisation in the Indian wool textile industry, the International Wool Secretariat has expressed the view that with modern machinery, some additional expertise and freedom to buy raw wool, Indian wool textile firms could produce cloth of quality and price that could compete successfully anywhere in the world. Given modernisation of equipment, the biggest obstacle to increasing exports of Indian woollen products would be lack of initiative on the part of potential exporters and not its scope in the foreign markets.

It is in this context that the setting up of the Export Promotion Council for Wool and Woollens should be welcomed. By focussing attention on the various problems facing the export trade, the Council should be able to give a new push to the export drive. To begin with, the Council, which was inaugurated by the Central Minister of Commerce, Mr. Manubhai Shah, on 30th October, has decided to impose a levy of 10 percent on the face value of import licences issued for the import of wool. The levy is voluntary in the sense that the Government has nothing to do with it and it would be irrespective of the membership of the Council. The proceeds would be used exclusively for promoting the exports of woollen goods in a manner which has been left to the discretion of the Council. It has been advised to form a sub-committee to look after the question of cash incentives for exports as this would facilitate speedy decisions on these cash incentives and any alterations that might be required to be made in future. Among other things, the Council would be required to enforce strict quality control and look into the industry's needs of modern machinery.

The chairman, Mr. R. K. Birla, who is also the president of the Indian Woollen Mills Federation, has rightly pointed out that crusading efforts are needed to increase India's exports of wool and woollen products. All that is produced in the country is practically consumed in the home market, and there is very little inducement for manufacturers to traverse over untrodden fields. For competitive price and quality, the two important factors on which exports depend, the woollen industry needs to use its capacity fully and to undertake large-scale modernisation. Mr. Birla has urged the Council to build a stockpile of good quality wool so that manufacturers can draw their raw material from it and work to full capacity. It is comforting to hear from the Central Minister of Commerce that Australia has agreed to supply Rs. 3 crores worth of wool to be used as a stockpile. As for the replacement of obsolete and outmoded machinery which is essential for producing export-worthy quality cloth, Mr. Manubhai Shah stated that the import of machinery would have to be

financed out of export earnings. He discounted prospects of an increase in the rate of import entitlements from the present level of 85 percent. Mr. Shah said that out of a 4 million yen credit, licences valued at Rs. 95 lakhs had actually been issued for the import of woollen machinery from Japan and the balance had to be utilised for the import of certain woollen machinery from other countries like Italy as such machinery was not available in the former country. He also announced that an agreement had been finalised with Russia for the import of woollen machinery worth Rs. 1 crore. It would be up to the Council to consider how much machinery had to be imported from Italy or Russia and who should be the parties to whom import licences should be issued. Mr. Shah assured the hosiery industry that the issue of import licences for machinery would be expedited and urged the Council to form panels to avoid unfair competition among exporters of hosiery goods. He suggested that each exporter might be allotted a specified market in order to intensify the export drive.

Management Development Programme

Management and productivity have now become bywords. With so many management associations and productivity councils, there are also many programmes on productivity and management matters. A man of business would naturally want to know the practical outcome of all this activity and the energy and efforts invested in it. Not only the business man, but also the executives themselves often complain of being subjected to too much of it. It was quite refreshing to hear a new note being struck in the management development programme organised recently in Bombay by the Business and Industrial Consultations Combine (B.I.C.C.). The programme was inaugurated by the vice-chairman of the National Productivity Council, Mr. Prabhu V. Mehta, in the presence of a small but selected audience of about 80, including some from business and industry, the Productivity Council, management associations and industrial associations.

In his inaugural speech, Mr. Mehta highlighted the three chief goals of any business enterprise—satisfaction of the capital, satisfaction of the consumer and satisfaction of employees. All the three being vital and mutually interdependent, it is difficult to give priority to any one goal. Mr. Mehta said that if these goals were kept constantly in view and one kept asking questions as to where things might be wrong and how matters could improve by understanding each other's view point, "we cannot be far out." But just as common sense is not so common, this attitude which appears so obvious is really uncommon in practice.

While introducing the programmes, the programme director, Dr. R. M. Shah, brought out some novel features. He explained that these programmes aim not only at an intellectual acceptance on the basis of individual's own experiences, but also at psychological acceptance and integration so that even unconscious attitudes and reactions may tend to work in directions most fruitful in a given realistic situation. These programmes put equal emphasis on all techniques and technologies, including management technology itself, and put special emphasis on operational actions and adjustments for results. The approach underlying the programme is important not only to business and industry, but also to any field where conditions need to improve especially. In a country like India, it applies more particularly to Government administration which sets the pace for economic growth of the country as a whole. Dr. Shah added that it was possible almost to double the rate of national economic growth if the leaders of business and industry and the Government could tap the best philosophy, know-how and action for this purpose.

Increasing Engineering Goods Exports

India's engineering goods exports have improved over the years. The volume as well as value have both increased, and the range of products sold overseas has also widened. From only Rs. 4.39 crores in 1957, the value of goods exported increased to about Rs. 14 crores in 1963, that is, an increase of nearly 300 percent in seven years. The significance of this achievement looks small if one takes the earning figures as a proportion of the country's total exports, but judged from the point of view that it represents a healthy diversification of the country's foreign trade, and India is now able to export relatively more sophisticated goods, the achievement is praiseworthy. A wide range of capital goods like machine tools, and machinery for sugar, jute, oil, textile, tea, printing and paper-making industries are now being sold abroad. The many items of producer goods exported include electric motors, transformers (power and distributor), generators, switchgears, gas plants, pumps and diesel engines. The consumers goods items show an even wider range. The main markets naturally lie in south-east Asia (41.5 percent of the total) and west Asia (22 percent) and Africa (17.9 percent). But it is encouraging that European countries are taking as much as 13.5 percent.

Good though the achievement is, it is not considered satisfactory even by the industry. The country's total production of engineering goods at present is worth about Rs. 500 crores, and exports form only 3 percent of this total. Considering the need to diversify India's foreign trade, in step with industrial progress, the engineering industry should at least be able to export 8 percent to 10 percent of the output in a few years' time. According to a market survey by the Engineering Goods Export Promotion Council, the opportunities for expansion are quite considerable, especially to the developing countries in Asia and Africa. So the main obstacle to expanding India's engineering goods are mainly internal. A seminar jointly organised by the Indian Institute of Foreign Trade and the Engineering Export Promotion Council was a welcome move. It provided a forum to discuss the difficulties and visualise future prospects. This was attended by leading manufacturers, and exporters, the trade associations concerned and representatives of the Central Ministries of Commerce, Industry and Finance. Sir A Ramaswamy Mudaliar, who inaugurated the seminar, rightly stressed that costs and quality are fundamental factors which not only help the expansion of exports, but also in projecting the image of India as a manufacturer of quality goods. The seminar discussed all aspects of export promotion, including specific problems like machinery and transport equipment assistance for exporters and overseas marketing strategy with a view to raising the value of exports from the present level of Rs. 13 crores to Rs. 50 crores by 1970-71. Among the main recommendations was the suggestion that the Government should set up an export industries materials corporation in order to deal with the present critical raw materials situation better.

Promoting Foreign Investment in India

While inaugurating the Indian Investment Centre's European office in Düsseldorf, West Germany, last Thursday, Mr. G. L. Mehta, chairman, praised the Government of India's policies in promoting the inflow of foreign capital to India. Many of his observations are correct, for the Government has taken some positive steps in recent years to encourage foreign investors. The inflow of foreign investment into a country is admittedly a two-way process—it depends not only on the capacity of the capital-exporting country but also on the receptivity of the capital-importing one. It is true that in India, foreign capital has been welcome, and there are growing opportunities for its profitable employment. Mr. Mehta said that the higher rate of earnings and the plough-back of profits in foreign-controlled enterprises and the increased rate of inflow of capital into the manufacturing sector are indications of the wide investment opportunities in India and the growing interest of foreign investors. High production targets under five year plans offer immense opportunities to foreign investors. Furthermore, the Indian economy offers assurances of suitable markets, a diversified industrial structure, a growing demand for manufactured products and a well-developed infra-structure.

The success of economic planning, which the Government has undertaken for the past 14 years, depends primarily on the consent and co-operation of the people and not on coercion and regimentation. In all this development, private enterprise, including ventures with technical and financial collaboration of foreign entrepreneurs, plays a laudable rôle. The Indian Constitution also provides for compensation in case of acquisition of property by the State and prohibits discrimination. Mr. Mehta said that he knew of no single case of discrimination between an Indian and a non-Indian concern since the country's independence; once an industry is permitted to be established, it is treated on a basis of equality. Moreover, the Government offers all facilities for the remittance of interest, dividends and profits as well as the repatriation of capital. The country has also an enviable record in meeting its foreign obligations —Government and private.

But in this assessment of prospects for foreign investors in India, Mr. Mehta did not refer to any of the discouraging factors. He could have referred to the industrial policy of the Government which pampers public enterprise at the cost of the private sector. The Prime Minister, Mr. Lal Bahadur Shastri, in fact, proposed at the recent meeting of the National Development Council the starting of even consumer goods industries in the public sector. This apart, the spate of labour legislation which Parliament has passed in recent years and the crushing burden of taxation have deterred the flow of foreign investment to this country.

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The Fund totals Rs. 699.71, including a carry-forward of Rs. 119.71.

A JUTE MILL IN KERALA

A CORRESPONDENT in Ellore writes that the Mothay family, the zemindars of Vissannapett, bankers and merchants, whose rice mills have proved a success in that quarter are floating a limited company for the manufacture of gunnies under the style of the Krishna Jute and Cotton Mills Co., Ltd., with a capital of Rs. 5 lakhs divided in Rs. 100 shares. He further states that a site has been selected for the works at Ellore, by a Calcutta Jute expert of thirty years experience. The locality chosen has access to an abundant supply of water, is in the neighbourhood of plenty of cheap labour, and has a gunny market at its door. It is also stated that the extensive lands surrounding the Kolar Lake, four miles distant "can well afford to supply sufficient raw jute to the mill at a very cheap rate." "I hae ma' doots" on this point, and would also observe that to entrust the erection of the mill and its machinery as well as its future management to two of the Mothay gentlemen (as is to be done, according to my correspondent) merely because they have a natural turn for mechanics, and managed to erect a rice mill "without any assistance of outside engineers," is not a statement likely to make outsiders rush in and take shares in the concern. We are always glad to welcome the appearance of native enterprise, and there can be no objection to wealthy people like the Mothay family experimenting with their own money in trying to erect and run a Jute Mill under the management of totally experienced youngsters of their own connection, but they would have been better at the outset to import experienced management, otherwise nothing but mistakes accompanied by much loss will be first results.

FROM

CAPITAL

3rd November, 1904

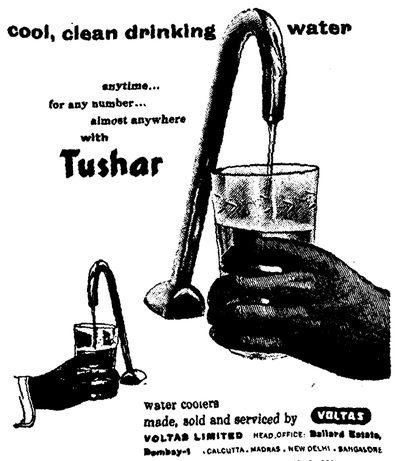
A Ditcher's Diary

THE AMERICANS HAVE IN THEIR WISDOM DECIDED that President Lyndon B. Johnson is a lesser evil in the White House than Senator Barry Goldwater might be. This is certainly not a very generous way of summing up the verdict of the U.S. Presidential elections; but, somehow, I cannot bring myself to be more full-throated. Nearly a year after the assassination it is permissible to say that President Kennedy was more promise than fulfilment; but I think it was Oscar Wilde who once said that the only map that interested him was the map of the future. President Johnson evokes no dreams, inspires no visions. He is a little too empirical, sleek and calculating for my taste. That the world has been spared the disaster that Barry Goldwater threatened to be is something to be thankful for: no doubt about that. But all will agree that the campaign did little credit to either candidate. States like Mississippi and Alabama went Republican; changes in voting habits are no bad thing, but everyone knows what brought about the change this time. Of both the popular vote and the electoral college President Johnson secured a considerable majority: what mandate the majority is for is overwhelmingly obscure, for Mr. Johnson is a master of the art of evasion. It is not true, however, that the extremism of Barry Goldwater had a very great or dangerous impact on Democratic stances. From the point of view of countries like India, it is a great thing that foreign aid will not be much affected: with a fairly comfortable majority in Congress, President Johnson should, if he so wishes, be able to increase foreign aid. On foreign policy, it may be some time before the Administration sizes up the new leaders in the Kremlin; in south-east Asia commitments may neither expand nor contract, unless China chooses to alter the *status quo* drastically. But the most important thing is that Mr. Johnson will for the next four years act with greater confidence than hitherto. In Mr. Hubert Humphrey the President has a mate known for his liberalism: he is certainly very conscious of America's world rôle. Yet the world outside will not easily forget that so many Americans found it in their heart to vote for Barry whose Goldwaterism has not yet been finally buried. Whether the presence of two Kennedys instead of one in the Senate is a matter of unmitigated joy to President Johnson may not be known for some time.

DISSIDENT CONGRESSMEN—MAY THEIR NUMBERS increase!—can be up to anything, including bringing down a Congress Government, as in Kerala a few weeks ago; but their responsibility for the recent rioting in Orissa may have been exaggerated by gentlemen whose incompetence and worse may explain the affair better. I have not the time to examine the rights or wrongs of what the students have to say about a bus conductor or a radio dealer; they were downright culpable when they took the law into their hands and turned it into lawlessness of a kind that has covered them with disgrace. The Orissa administration, never among the most competent in the country, soon realised that it was simply not equal to the challenge; the army was called in, although, as I write, only the Orissa Government seems to believe that all is "under control". While the immediate task, obviously, is to stop disorder and the destruction of property and life, New Delhi should think hard on the evils it has so long connived at. The heart of the matter in Orissa is that, ever since Mr. Biju Patnaik took over, the "bitch goddess", success, has seized the mind and soul of Orissa. The mid-term election victory was a personal *tour de force* for Mr. Patnaik; the manner in which he dismissed questions on the means adopted has been well imitated by his *chela*, Mr. Biren Mitra; and, all these months, the Centre and the Congress High Command did not so much as indicate the slightest disapproval. In fact, in Mr. Nehru's time, Mr. Patnaik was treated with extreme reverence in the Ministry of External Affairs and the Ministry of Defence; for what reason and purpose, the people may never be told. Nothing has yet been proved against the financial activities of Messrs Patnaik and Mitra; but around them has been created an atmosphere of such vicious suspicion that they have lost their moral right to suppress the erring students or the rowdies who inevitably took advantage of the trouble started by them. It may sound very old-fashioned that I speak of the moral right of Governments to govern; but it remains a powerful factor even in the debased politics of our time. Not by votes alone can a Government sustain itself.

THAT THE LABOUR GOVERNMENT WILL FIND IT very difficult to rule for long without the co-operation of the Liberal Party is clear from the small majority it has won. So it is inevitable, I suppose, that the old suggestion for a merger between the two Parties should have been heard again. This time it has come from the Labour side, no doubt with an eye on that majority, as well as from Mr. Jo Grimond, the Liberal leader. What Mr. Grimond has in mind is a marriage between his own Party and Labour's right wing; interestingly enough, he has included the more progressive elements of the Conservative Party as well. This would leave the two extremes, the diehard Tories on the one side and the equally diehard socialists on the other, out in the cold. If the latter then joined the communists, or more likely after the Khrushchev episode, absorbed them, then that would tidy up the British political scene even further. The idea has its merits. Certainly the evidence of last month's elections supports the view that although the majority of voters plumped for radical reforms, there was no corresponding mandate given for socialistic experiments. I think the point is that Britain has outgrown socialism, as indeed Russia would soon have done had that arch-capitalist, Mr. Khrushchev, stayed in power a little longer; and indeed the new spirit of progress in the world is too strong to tolerate *dogma for long*. So far Mr. Wilson appears to have rejected the idea of a Lib-Lab combination against the Conservatives. Apart from being too preoccupied with tackling the economic situation, he is no doubt hoping that Labour's record between now and the next election will be impressive enough to take care of the *majority problem for him*. But if, as I suspect, he finds his position being endangered by the demands of his own left wing for more socialism, he might begin to take a different view. It was the first Labour Prime Minister who decided that the only way he could serve his country's interests was to split his Party and govern with the active co-operation of his former opponents. Mr. Wilson, who would then undoubtedly be the last one, could easily find himself in a similar position. Which might be unfortunate for the Labour Party, but could quite conceivably be the best thing for Britain.

HOW UNGRATEFUL THE WORLD'S COMMUNIST Parties have shown themselves in questioning Moscow about the new leadership! For years they have had all their difficult thinking done for them; they have simply not needed to do anything for themselves. Now, instead of dutifully performing the mental somersault required of them, something any sensible communist should have reconciled himself to in advance, they are busy pestering their betters about matters which really concern them not at all. Have they not realised yet that their only purpose is to serve the interests of Russia's foreign policy? Certainly it is not to reason why. Anyway, if they are anxious to avoid this unseemly nonsense in future I suggest they do a little preparation now. I mean that they should get themselves mentally adjusted to the idea of accepting as their leader whoever emerges



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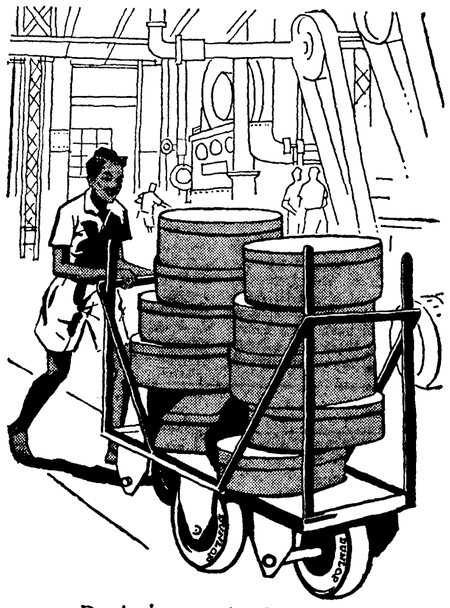
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from the present struggle for power in the Kremlin. This is rather difficult because we do not yet know who it is going to be. But one thing we can deduce from past experience is that some personality will emerge, only to be eclipsed, of course, in his turn, either during his lifetime like Khrushchev, or posthumously like Stalin. After each successive Russian leader since Lenin there has always been a period of joint responsibility until a single figure has achieved predominance. So far, it has been the Party Secretary—Stalin, Malenkov, Khrushchev—which would suggest that this time it is going to be Brezhnev, although that might be altogether the wrong conclusion to draw. Somewhere behind the new pair, Brezhnev and Kosygin, may be lurking a comparatively unknown individual who is at present battling his way to the top. The point I am trying to make is that whereas non-communists can sit back and watch the Kremlin's power struggles with detached amusement, or occasionally a little apprehension, for the dedicated communist this is just not possible. Mental agility of the highest order is what is required of him. I remember in George Orwell's *1984* the hero marvelling at the ease with which a public spokesman who was loudly condemning an enemy State was able to switch names in midsentence when told there had been a change in alignment. This is the kind of talent that communists have to cultivate. It simply does not become them to behave like normal bewildered human beings and show an interest in what is going on in the higher ranks of their leadership.

IT IS ALL TO THE CREDIT OF MR. LAL BAHADUR Shastri and Mr Swaran Singh that they have started paying serious attention to India's immediate neighbours rather than settling other people's disputes in Timbuktoo or somewhere, but I am unable to participate in the orgy of jubilation that has followed the recent agreement between Mrs. Sirimavo Bandaranaike and Mr. Shastri. It is one thing to say that this pact was the best India could get; quite another to pretend that there has been a great diplomatic triumph. Considering the natural expected increase in the Indian population in the next fifteen years, the number India has agreed to take back from Ceylon is not very large; but the principle of taking back people of Indian origin creates a precedent. Indian emigrants abroad have much to answer for; their unpopularity seems almost universal. But they are not in their new countries without performing specific economic functions. Moneylenders are nowhere loved; money is, everywhere. And Tamil money in Ceylon keeps a good part of the business there going. I once met a U.N. official, a man from Jaffna. He was full of bitterness against the Ceylon Government; he could speak Sinhalese but felt that he should not be forced to do so. Nor should his children be educated in Sinhalese. What language, then, would he choose? I was surprised when he said that he did not very much care whether his children learnt Tamil as long as they knew English well. Then came up the question of shrinking economic opportunities for Tamils. This may well be the gravamen of Tamil complaints. The economy of Ceylon has not been making much progress; in sectors, it has been running down. There is not an awful lot India can do to help; but it is not generally known that Peking buys tons and tons of rice in Burma and sells it to Ceylon for rubber. Time was when India could have got in on this deal, with great political advantages which China is now enjoying to India's acute embarrassment. If there were any economic advisers in the team that negotiated the agreement with the Ceylon Premier, the public has not heard of them. The political is not the only level at which diplomacy has to be conducted.

A LADY DRIVER STOPPED AT THE TRAFFIC LIGHTS AS they changed to red. When they turned to green again, she couldn't find the correct gear to move off. By the time she found it, the lights had turned red again.

After all this had happened four times, a fuming quarter-mile queue of hooting cars had collected behind her.

A policeman strolled across. "What's the matter, madam. Haven't we got the shade you like?"

THE DITCHER

Guide for Investors

STOCK EXCHANGES OPPOSE CURB ON BLANK TRANSFER SYSTEM

(FROM OUR BOMBAY CORRESPONDENT)

THE eight recognised stock exchanges in India have made a joint representation urging the Central Government to drop Clause 13 of the Companies (Second Amendment) Bill, 1964, which seeks to limit the currency of blank transfers to six months in the case of shares dealt in on recognised stock exchanges and to two months in any other case. The memorandum is detailed and well-reasoned and deserves to be considered by the authorities carefully. The proposal to retrict the currency of blank transfers has emanated from the Vivian Bose Commission which investigated the affairs of Dalmia-Jain concerns.

The Commission recommended the restriction on the ground that the system led to (a) concealment of beneficial owners' identity behind their nominees, (b) tax evasion by investment of secret profits in holdings on blank transfers, (c) window-dressing of balance-sheets through substitution of inter-company loans and advances by investment and (d) the creation of ficticious investment losses for reducing taxable profits. The stock exchange authorities have submitted that the Vivian Bose Commission was appointed in 1956, and, primarily, its enquiry related to the period before that year. And for the most part, it pertained to private limited companies and companies not listed on the stock exchanges.

Even if the evils pointed out be assumed as due to the blank transfer system, they could not be attributed to companies listed on the stock exchanges. In any event, the evils have been remedied by post-1956 legislation, such as the Companies Act, 1956, the Securities Contracts (Regulations) Act, 1956, and the Income Tax Act, 1961. The amending Bill also contains provisions prohibiting holding of shares in ficticious names and seeking to enforce compulsory disclosure of beneficial interest when a nominee's holding exceeds 5 percent of the Company's equity capital.

The memorandum says that these statutory provisions have gone far beyond what any restriction on the currency of blank transfers could possibly achieve. It is further pointed out that blank transfers are not the same as nominee holdings which exist independently of the blank transfer system. The proposed restrictions would not, therefore, bring about disclosure of beneficial interest, nor would they solve the problem of nominee holdings. Restrictions on currency of blank transfers may divert investment of secret profits from shares to other channels, but it cannot check tax evasion. Government securities in the form of promissory notes transferable by endorsement are more perfect forms than shares on blank transfer for holding secret profits.

The memorandum points out that the blank transfer system has a historical justification. It has been in vogue since the inception of joint-stock enterprise. It is found in all parts of the world in one form or another. It is an integral part of the stock exchange mechanism and it gives the market its essential and indispensable qualities of liquidity, continuity and stability. Any restriction on the currency on blank transfers will impede the free negotiability of shares, seriously impair market liquidity, disrupt the structural balance of the market by penalising long-term operations, and adversely affect price continuity by producing sharp fluctuations. It would also lead to multiple rates for same shares at the same time according to the duration of transfer deeds and create other technical problems such as the uncertainty about what is to happen to the shares when registration is not effected within the prescribed period because the holder is either ill or dead or abroad, or when the transfer deed is lost or stolen, or when delay occurs either in transit or due to other causes too numerous to mention outside the control of the holder.

It is further pointed out that the proposed restriction would render the financing of corporate activity more difficult and would curtail banking and other credit facilities. This will affect business practices and upset the habits of the commercial community. The stock exchange authorities have suggested that instead of seeking to restrict the currency of blank transfers, the legitimate interests of holders on blank transfer should be safeguarded and the same status should be conferred on shares as is enjoyed by Government securities and negotiable instruments in general, by including in the Companies Act appropriate provisions on the lines of the Uniform Commercial Code and the Uniform Stock Transfer Act which have been adopted throughout the U.S.A. At a time when the economy of the country is severely strained and the stock exchanges have scarcely recovered their poise, there could be no better way of improving market liquidity and negotiability as well as of reviving stock exchange activity and the confidence of investors, than by withdrawing the proposed law.

Rights Issue by Philips India

THE ordinary shares of Philips India Ltd have met with support around Rs. 27 on the prospect of a rights issue. The Company is approaching the Controller of Capital Issues for consent to issue 400,000 rights ordinary shares of Rs. 10 each at premium of Rs. 6 a share. Although N. V. Philips' Gloeilampenfrieken of Holland is entitled to 309,090 shares on a rights basis, it will subscribe for only 100,000 shares. The remaining shares will be offered to the existing shareholders in India in the proportion of three new shares for every five held. As a result, the proportion of shares held by the Indian shareholders will increase from 23 percent to about 31 percent.

The issue is being bullishly interpreted since the Company is expected to maintain at least the taxable ordinary dividend of 15 percent declared for 1963. The profit for that year amounted to Rs. 1.66 crores, out of which the dividend absorbed only Rs. 33 lakhs. If the same dividend were to be paid on the new shares, a further Rs. 6 lakhs would be required. The Company should find no difficulty in paying this amount. On the basis of the present price, the ex-right value of each share works out to Rs. 22.87. So on the basis of a 15-percent dividend, the shares look attractive. Their growth value has been indicated by the steady progress the Company has made during the past three years. Sales rose from Rs. 6.82 crores in 1961 to Rs. 10.63 crores in 1963. The percentage of profit to sales improved from 10.4 to 15.8, and the dividend rose from 12 percent to 15 percent. The Company has, in fact, made all-round progress since 1957 when it first issued shares to the Indian public.

The factory in Loni, near Poona, is now well established as the leading integrated manufacturing centre of radio sets and components. In 1960, the Company acquired its own light factory in Bombay. It is at present manufacturing incandescent lamps, fluorescent lamp starters and burners. It is also producing tungsten, molybdenum wire and tungsten coils which were hitherto imported. It is building a new factory in Kalwa, near Bombay, to produce various kinds of lamps and components. Production is expected to begin next year. It is expected that manufacturing activities of the Company will increase in the near future. It is intended to install modern capital equipment, use greater manpower and build a wider marketing organisation. The proceeds of the new issue will be largely used to finance modernisation and expansion. The net block of the Company rose from Rs. 1.66 crores in 1961 to Rs. 2.58 crores in 1963. It may be relevant to point out that the earlier idea of issuing new shares for only Rs. 16.66 lakhs has now been revised. The increased new shares are intended to provide funds for meeting the short and long-term requirements of the Company.

Goodyear India Rights Offer

THE shareholders of Goodyear India Ltd have been dealt in cautiously due to the decision of the Company to issue 400,000 rights ordinary shares of Rs. 10 each at a premium of Rs. 7 a share to existing Indian shareholders in the proportion of eight new shares for every five shares held. After the issue has been completed, the Indian participation in Goodyear India will rise from 20 percent to nearly 40 percent. The ex-rights value of the shares on the basis of the current price of Rs. 21.25 a share works out to Rs. 18.63 a share. Whether the ex-rights price will succeed in commanding the same premium as at present remains to be seen. Judging by the performance of the Company during 1962 and 1963, the premium at which the new shares are being issued looks excessive. The Company incurred substantial losses in both the years. It is true that the working has improved during the current year. During January-September 1964, sales have amounted to Rs. 9 crores, against Rs. 7.2 crores for the corresponding period of 1963.

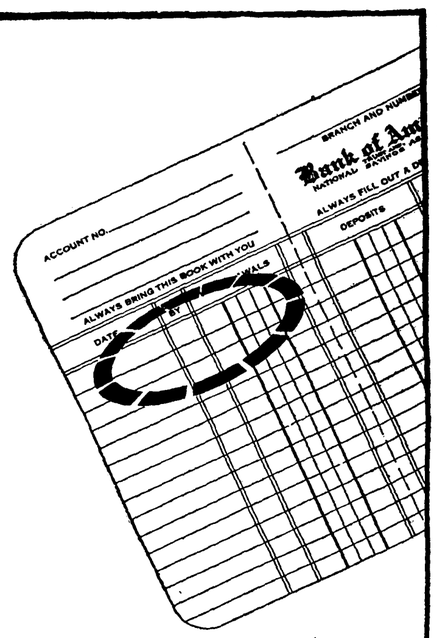
The Company has earned a profit of Rs. 22 lakhs during the first nine months of 1964, against a loss of Rs. 51 lakhs incurred for the corresponding period of 1963. If the progress is maintained up to the end of 1964, it is doubtful whether the Company will pay any dividend considering that substantial sums are needed to finance the expansion which is being undertaken. At the same time, the payment of a dividend has been long overdue because the Company has paid no dividend since 25th April, 1961, when the Indian public were offered the ordinary shares of the Company at a premium of Rs. 7 a share for the first time. The decision of the directors to issue bonus shares, subject to the approval of the Government, by capitalising the share premium account has caused little cheerfulness. Judging by the premia collected earlier and the premia to be collected on the present issue, it looks as if the Company may not be able to issue bonus shares, if it decides to do so, in the ratio of more than one bonus share for every four shares held. Anyway, to issue bonus shares before reaching the dividend-paying stage is not convincing.

Although operating costs during the current year are believed to have decreased, the profit earned has largely been due to the increase in the prices of tyres and tubes sanctioned since the beginning of 1964. It is also hoped that the difficulties relating to the supply of power and water at the Ballabgarh factory, near Delhi, have now been relieved. The proceeds of the new issue will be largely used to finance the expansion which is being undertaken. The output capacity will be raised from 210,000 tyres to 310,000 tyres a year before the end of 1965. The Government has also renewed the overall industrial licence of the Company to manufacture 510,000 tyres until December 1968. The parent Company—Goodyear Tire and Rubber Co. of the U.S.A.—will not participate in the new share issue, but it will provide a dollar loan equivalent to Rs. 80 lakhs to the Indian Company for buying foreign plant and machinery.

Delhi Cloth Earns More, Pays More

THE Delhi Cloth and General Mills Co. Ltd reports encouraging results for the year ended June 1964, with sales up by about 12 percent from Rs. 41.77 crores to Rs. 46.78 crores and gross profit up by nearly 16 percent from Rs. 3.39 crores to Rs. 3.94 crores. The directors have raised the dividend from 13 percent to 15 percent and, in addition, the shareholders will receive a diamond jibilee dividend of 2 percent, raising the total distribution for 1963-64 to 17 percent. The directors have had to draw on the reserves in order to provide for the payment of higher dividend, but they have justified it on the ground that the Company is expected to do better in coming years as the new units will be yielding promising results. After providing Rs. 2.41 lakhs (against Rs. 1.10 lakhs) for depreciation, Rs. 95 lakhs (against Rs. 33 lakhs) for development rebate and Rs. 27 lakhs (against Rs. 1.05 crores) for taxation, the net profit amounts to Rs. 21.36 lakhs, compared with Rs. 77.43 lakhs in the preceding year. After adding Rs. 60 lakhs (against Rs. 5.25 lakhs) transferred from past reserves, Rs. 27 lakhs (against nil) from surplus provision made for taxation, Rs. 95,675 (against nil) refunded by managing agents and Rs. 1.47 lakhs (against Rs. 4.03 lakhs) brought forward from the previous year, the disposable surplus amounts to Rs. 1.11 crores. Out of this, the dividend reserve has been allocated Rs. 73.90 lakhs (against Rs. 36.45 lakhs), jubilee dividend reserve Rs. 8.80 lakhs (against nil), development rebate reserve for previous years Rs. 3.51 lakhs (against nil), and depreciation of triple shifts for 1962-63 Rs. 21.79 lakhs, leaving a sum of Rs. 2.80 lakhs to be carried forward.

In the context of increasing cost of materials and wages, the working of



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the textile units is considered to be satisfactory. The Hissar Textile Mills has started manufacturing mixed fibre yarns which are in good demand. The working of the chemical units, including the *vanaspati* factory, has continued to be satisfactory. The sugar factories, however, worked for only a part of the season because of the inadequate cane supplies and this hampered the working of the distillery also. The directors state that the Company has been able to maintain its position in the export market in spite of restrictions on imports enforced in several foreign countries. The expansion of the crushing capacity of the Mawana sugar unit from 1,500 to 3,000 tons a day has been progressing well. The P.V.C. plant has gone into operation and its products have been well received. The erection of buildings and installation of machinery of the rayon tyre-cord project is progressing according to schedule and the plant is expected to go into production by the end of this year. As the Company was able to obtain medium-term loans of Rs. 1.50 crores from banks for machinery needed for the rayon tyre cord project in Kota, the directors did not consider it necessary to issue ordinary and preference shares for which the shareholders' permission had been taken at the last annual general meeting. The question of the issue of these shares will be considered again as and when necessary.

Brooke Bond Raises Dividend

IN line with the best expectations, Brooke Bond is raising its tax free dividend from 6 to 7½ percent by repeating the 4½d a share payment on capital increased by a one-for-four scrip issue. When the issue was made last year, the chairman said that some increase could be expected, but not necessarily as much as this.

Profits have done better than expected. From sales of £122.8 million (£5.4 million higher) the Company has managed a jump of 19 percent in pre-tax profits to £7.2 million. Tax is again high at 57½ percent, but at £3.08 million, net profits are still comfortably over the £3 million indicated in April. The net profit excludes a sum of £21,000 arising in Ceylon, but which is not at present remittable. Earnings on the £14.1 million ordinary capital of this tea growing, merchanting and distributing group have increased from 17.3 percent to 21.2 percent tax free.

The best feature of the results is the way the Company has managed to go on widening its margins—the ratio of profits to sales rising from 5.2 percent to 5.9 percent. This, in turn, suggests that the running is being made overseas rather than in the home market, where there is little growth and increases in sales are not usually accompanied by commensurate rises in profits. Probably the South African Company helped as it did last year, and there could have been further benefits from the merger of the three U.K. trading subsidiaries. At around 12s 3d, Brooke Bond gives the useful yield of 5 percent, covered 2.8 times by earnings.

New Asiatic to Change Business

THE New Asiatic Insurance Co. Ltd will soon undertake industrial and trading ventures. The Company stopped accepting insurance business in 1961. Since then the Company has been trying to get the necessary permission from the Controller of Insurance to do other business in order to ers. The Court has now ordered the refund of deposits under the Insurance Act. So it will now be possible for the Company to divert its funds to trade or industry.

An extraordinary general meeting of the shareholders for the change of objects, articles and name of the Company has been convened. The name of the Company will be changed to "the New Asiatic Industries Ltd" or such other name as the Central Government allows and the directors think fit.

Scindia Steam Results Disappoint

THE increase in the dividend for the year ended June 1964 from Re. 1 to Rs. 1.25 by the Scindia Steam Navigation Company had raised expectations that the Company had fared much better during 1963-64 than in the preceding year. The preliminary report belies these expectations. The gross profit has recorded only a nominal increase from Rs. 3.306 crores to Rs. 3.328 crores. It is little comfort that the profit is higher in spite of a decline in the turnover from Rs. 18.22 crores to Rs. 17.64 crores, which is attributed to a decline in the cargo and less number of voyages undertaken. The directors' full report alone can provide an explanation as to why the cargo and the number of voyages were less during 1963-64. Since the Company has had to provide a substantially larger sum of Rs. 97.5 lakhs against Rs. 9 lakhs for development rebate because of the acquisition of new ships during the year, the tax liability is considerably less at Rs. 14.45 lakhs, against Rs. 61.23 lakhs.

The provision for depreciation is only slightly higher at Rs. 1.98 crores, against Rs. 1.92 crores. After making these appropriations, the remaining surplus is too small to provide for the payment of the proposed dividend which absorbs Rs. 70.40 lakhs, against Rs. 56.23 lakhs. The directors, therefore, have had to withdraw as much as Rs. 50 lakhs (against nil) from the general reserve to meet the dividend liability. The surplus of Rs. 1.79 lakhs has been carried forward, against Rs. 7.74 lakhs brought in. The directors have stated that 18 percent of the proposed dividend has been provisionally determined to be exempt from taxation under the provisions of the Income Tax Act.

Burmah Oil Raises Dividend

SHARES of Burmah Oil, which have been a firm market recently in front of the group's interim dividend statement, reacted slightly after the interim and half-yearly profit figures were announced. They fell 9d. The board is paying 8d free of tax a £1 unit, plus a capital distribution of 3d. The two together equal 4 7/12 percent tax free. Last year's interim payments were equivalent to 4 percent on the capital since increased by the one-for-four scrip issue.

Group trading income, including dividends from trading investments, reached £5.88 million in the six months ended 30th June, compared with £11.09 million in the whole of last year. The apparent increase over 1963 would have been more impressive but for a jump in the depreciation charge to £2.21 million from the 1963 total of £3.26 million. Other dividends and interest (mainly the income from the holdings in British Petroleum and Shell) are given as £7.65 million. This represents one-half of the estimated receipts for 1964. The figure for the whole of last year was £12.97 million. The capital distribution from B.P. is excluded.

Group pre-tax profits from all sources, therefore, amounted to £13.54 million during the six months, against the 1963 total of £24.06 million. Tax took a slightly higher proportion at £5.51 million, leaving net profits applicable to the group of £7.64 million. Last year's total was £13.91 million. Net trading profits appear to be running at about £6½ million, against the forecast of £8 million by 1966 made at the time of the unsuccessful bid by B.P. and Shell. Burmah's own trading assets are now being valued by the market at around 15s to give a prospective earnings yield of about 12½ percent.

P. and O. Shares in South India Shipping

P. AND O. Steam Navigation Company of Britain and the Anglo-Norness Shipping Company, which are associated in bulk carrying trade, have decided to take up a 35 percent and 5 percent share, respectively, of the initial issued capital of Rs. 2 crores (£1.5 million) of the newly formed South India Shipping Corporation. The project has been approved by the Shipping Development Fund Committee of the Government of India. The Corporation has already placed an order with the Bremen Vulkan Shipyard for five 38,000-ton bulk carriers designed to carry foodgrains and other bulk cargoes.

Mr. A. D. Shroff is the chairman of the Corporation. P. and O. Steam Navigation Company will be represented on the Corporation's board by Mr. K. M. Campbell of London and Mr. J. W. Anson, Bombay. Lord Inchape who has large industrial interests in India has also agreed to join the board of directors.

Jokai Bids for Three Tea Groups

Proposals for the merger of Jokai Tea Holdings with Jhanzie Tea Holdings, and two other tea companies, were announced the other day. The plan would produce a group with gross assets of about £8 million and a stock market capitalisation of about £3 million. The other two companies involved are British African Tea Estates (Holdings), and the British Indian Tea Company. This is a subsidiary of British Indian Tea Company (Holdings) for which no offer is being made.

All three offers by Jokai are on a share exchange basis. Terms are nine £1 ordinary of Jokai for every 10 £1 ordinary in Jhanzie; eight Jokai for every ten in British African and seven Jokai for every ten ordinary in British Indian. The £1 ordinary of Jokai closed before the bids and latest results were known, at 26s 3d. On this basis, Jhanzie Ordinary are valued at 23s 7½d, against a market quotation of 21s 9d. British Indian also owns 128,000 of the 580,000 £1 shares in the unquoted British African. Jokai holds 144,000 shares in British African and Jhanzie 120,000 shares. The offer is for the shares not already owned by these two companies.

Results for the latest years are also announced by the companies. Jokai is cutting its tax-free dividend total from 11 percent to 8 percent with a 5 percent final: profits after tax are down from £246,133 to £132,497, Jhanzie's final of 2½ percent makes a tax-free total of 5 percent, against 11½ percent, with profits down from £81,193 to £24,665. British Indian is paying 9 percent tax free, a 1 percent cut, and its profits are down from £33,953 to £21,056, after tax.

Assam-Dooars Merger Plan

THREE tea companies in the Walter Duncan and Goodricke group—Assam-Dooars, Hope and Lankapara—are preparing to merge. The new group would have gross assets of about £3.4 million. Assam-Dooars, the biggest in the group, offers one of its £1 ordinary shares plus 1s cash for each Hope Ordinary, and one of its £1 shares with 2s cash for each Lankapara share.

Hope preference holders will receive a one-for-one exchange in 6 percent preference shares. A dividend of at least 15 percent is forecast on Assam-Dooars enlarged capital.

Baranagore Jute Dividend Cut

AS had been expected, profits of Barnagore Jute were lower last year than in 1962-63, and the dividend is being cut from 40 percent to 30 percent. Pre-tax profits have fallen from £510,306 to £309,474 and net earnings, after a sharply lower tax charge, are down from £220,306 to £116,474.

Tata Chemicals Pays More

THE chairman of Tata Chemicals Ltd, Mr. J. R. D. Tata, had stated last year that the Company had attained the stage of self-sustaining growth and that, barring unforeseen circumstances, shareholders could look forward to the enjoyment of the fruits of their investment and of their faith in the Company. This forecast has been fully borne out by the Tata Chemical's performance

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Cawnpore Textiles Ltd. — Champaran Sugar Co., Ltd.
Brushware Limited — Saran Engineering Co., Ltd.

Secretaries for Beta Picker & Co., Ltd.

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during the year ended June 1964, which, incidentally, marks the silver jubilee of the Company. For the first time, the daily average production of soda ash exceeded 400 tonnes, this putting a seal on the effective completion of the expansion programme. Soda ash output during 1963-64 at 153,000 tonnes showed an increase of 19 percent over the previous year's figure of 128,000 tonnes. The Company's turnover increased from Rs. 7.15 crores to Rs. 7.56 crores and the gross profit rose from Rs. 1.40 crores to Rs. 1.83 crores. The dividend has been stepped up for the second year in succession from Re. 1 to Rs. 1.40 a share, inclusive of a bonus of 15 paise a share.

The chairman says that the Company is planning to increase its soda ash capacity from 400 tonnes to 600 tonnes a day which can be achieved relatively quickly—within two years—and financed from the Company's internal resources. The increased output will not only lead to higher revenues, but also reduced costs. Mr. Tata says that while no final decision has yet been reached as the full ultimate expansion of soda ash making capacity that could be undertaken in Mithapur, taking all the relevant technical and economic factors into account, it would seem that a production of the order of 1,000 tonnes a day would not be an unduly optimistic goal, thanks largely to the Company's greatly decreased dependence on fresh water in the manufacturing processes.

Modella Woollens Pays More

MODELLA Woollens Ltd has raised the dividend for the year ended June 1964 from 6 percent to 7 percent—60 paise to 70 paise a share—and what is more, the increased dividend is payable on the enlarged capital of Rs. 65 lakhs following the allotment of 163,300 shares of Rs. 10 each to the foreign collaborators, Robt. Jowitt and Sons Ltd on 1st October, 1963. The new shares are entitled to a proportionate dividend for nine months. The increased dividend distribution seems fully justified by the Company's improved performance during the year. The preliminary report shows an increase of 26.5 percent in the gross profit from Rs. 18.11 lakhs to Rs. 22.91 lakhs.

Appropriations include depreciation Rs. 11.46 lakhs (against Rs. 5.25 lakhs), development rebate Rs. 65,000 (against Rs. 5.82 lakhs). taxation Rs. 3.55 lakhs (against Rs. 1.32 lakhs), general reserve Rs. 2.50 lakhs (the same), preliminary expenses written off Rs. 50,000 (against Rs. 56,626) and dividend Rs. 4.32 lakhs (against Rs. 3.10 lakhs). The marked increase in depreciation is due to provision of full depreciation for the Chandigarh wool top unit which commenced production in February 1963; in addition, the amount includes Rs. 93,666 being extra depreciation for third shift for the previous year. The Company is making an application under Section 197 (3) of the Income Tax Act for ascertaining the percentage of dividend exempt from tax under Section 85, last year, the dividend of 6 percent was exempt from tax to the extent of 76.625 percent. The Rs. 10-paid share of Modella Woollens is currently quoted around Rs. 12.76.

Gangapur Sugar Disappoints

GANGAPUR Sugar Mills Ltd—a subsidiary of Belapur Co. Ltd—reports disappointing results for the year ended June 1964. Sales of sugar dropped sharply from Rs. 1.37 crores to Rs. 43.30 lakhs and the working resulted in a loss of Rs. 11.39 lakhs, against a profit of Rs. 10.05 lakhs in the previous year. No provision has been made for depreciation and development rebates; in the preceding year, a sum of Rs. 8.99 lakhs had been set aside for depreciation and Rs. 4,988 had been provided for development rebate. Arrears of depreciation have risen from Rs. 44.68 lakhs to Rs. 48.30 lakhs, but arrears of development rebate are a little lower at Rs. 17.47 lakhs, against Rs. 18.73 lakhs due to the adjustments made under assessment orders passed by the incometax department for the previous years. There is also a liability of Rs. 6.70 lakhs on account of arrears of dividend on preference shares.

The directors state that the Company's working results were adversely affected because the Company could not secure sufficient cane to run the factory. The nomal suppliers were reluctant to sell cane to the factory because of the high prices of *gur*. Despite the help given by the Maharashtra Government in securing cane, the Company could obtain only about 30,000 tons. The Company had the further misfortune that after running for 28 days and crushing 18,678 tonnes of cane, the bearings of the rotor got burnt and consequently, the turbine failed. As repairs normally take more than a month it was thought advisable to close the factory and send the balance of the cane to Belapur for crushing. As for the current season, the directors state that with the help of advances, they hope to secure more cane, but the quantity would hardly be sufficient for an economic crush by the factory. They are, however, making all efforts to get as much additional cane as possible.

Asher Textiles Cuts Dividend

ASHER Textiles Ltd, Tirupur, has fared badly during the year ended June 1964, and the directors have been compelled to reduce the dividend from 12.5 percent to 10 percent —Rs. 12.50 to Rs. 10 a share. The Company's sales are down by about 10 percent from Rs. 91.47 lakhs to Rs. 82.29 lakhs, and the gross profit has fallen by nearly 26 percent from Rs 13.16 lakhs to Rs. 9.81 lakhs. Explaining the decline in profits, the directors state that while yarn prices remained fixed at the same ceiling as in the preceding year, the cost of cotton consumed was about Rs. 100 a candy more than in the previous year. Moreover, the Company's production suffered as a result of the strike and lock-out for 14 days. The working also suffered on account of loss of production and payment of lay-off compensation to workers for 17 days due to 100 percent power cut which was in force in the beginning as well as at the end of the accounting year of the Company.

Appropriations of the year's profits include depreciation Rs. 4.50 lakhs (against Rs. 3.67 lakhs), development rebate reserve Rs. 1.07 lakhs (against Rs. 60,000), taxation Rs. 1.20 lakhs (against Rs. 5.55 lakhs), gratuity reserve Rs. 50,000 (against Rs. 20,000), bonus relating to previous years Rs. 77,900 (against Rs. 42,368), charity and donations Rs. 6,215 (against Rs. 23,703) and dividends Rs. 1.20 lakhs (against Rs. 1.50 lakhs). After making various appropriations, there remains a surplus of Rs. 8,263 to be carried forward, against Rs. 9,862 brought in.

The Company has a paid-up capital of Rs. 11.98 lakhs which is supported by reserves and surplus amounting to Rs. 12.08 lakhs. The gross block of the Company valued at Rs. 71.17 lakhs has been written down to Rs. 31.93 lakhs.

Ahmedabad Electricity Repeats Dividend

AHMEDABAD Electricity did fairly well during the year ended March 1964. It realised Rs. 8.12 crores from the sale of its energy—17 percent more than in the preceding year. The gross profit increased by 22.8 percent from Rs. 1.75 crores to Rs. 2.15 crores. The dividend, however, had just been maintained at 8 percent. The chairman, Mr. Kasturbhai Lalbhai, assured the shareholders at the annual meeting that they could look forward to still better results for the current year; the revised rates of electric energy raised in November 1963 would be fully reflected in the accounts for the current year. The chairman stated that the benefit of the increase in the Bank rate from 4½ percent to 5 percent would not, however, be reflected in the reasonable return permitted to electrical undertakings in the current year. The standard rate applicable for 1964-65 remains unchanged at 6½ percent. The Company will be able to earn a return of 7 percent from 1st April, 1965, provided Bank rate remained at 5 percent at the commencement of the next financial year (1965-66).

Justifying the dividend policy of the management, Mr. Kasturbhai Lalbhai pointed out that in the past the Company paid a maximum dividend that could be paid under the Electricity (Supply) Act, the dividend having been stepped up with the increase in the reasonable return. While unwilling to make any firm commitment, the chairman hinted at the possibility of a higher dividend for the current year. He disclosed that the directors are considering the diversification of the Company's activities by undertaking new lines. A scheme is already under active consideration for the manufacture of fractional horse power motors with foreign technical collaboration. The directors have no intention at present of asking the shareholders for fresh capital for financing the expansion schemes. Mr. Kasturbhai Lalbhai stated that by 1966, the existing generating capacity of the Company would fall short of the rising demand in the Company's area of supply.

Ruby Mills Steps up Distribution

THE Ruby Mills Ltd has raised the dividend for the year ended March 1964 from 10 percent to 12 percent (Rs. 2.50 to Rs. 3 a share of Rs. 25) which seems to be well justified by the Company's improved performance during the year. Sales of cloth, yarn and waste are up by about 12 percent from Rs. 1.27 crores to Rs. 1.42 crores, and the gross profit has gone up by nearly 20 percent from Rs. 13.01 lakhs to Rs. 15.61 lakhs. The provision for depreciation has been raised from Rs. 6.33 lakhs to Rs. 9.43 lakhs, but allocation to the development rebate reserve is lower at Rs. 1.50 lakhs, against Rs. 3.70 lakhs. Taxation absorbs Rs. 3 lakhs, against Rs. 1.15 lakhs. The proposed dividend absorbs Rs. 1.80 lakhs, against Rs. 1.50 lakhs, leaving a sum of Rs. 24,674 to be carried forward, against Rs. 36,676 brought in. The Rs. 25-paid share of Ruby Mills is quoted around Rs. 40.

Shah Construction Fares Well

SHAH Construction Co. Ltd has maintained the dividend for the year ended June 1964 at 10 percent, which, however, is payable on the enlarged capital as raised by the issue of Rs. 10 lakhs during the year, the new capital ranking for proportionate dividend. The preliminary report shows that the Company has fared much better than in the preceding year, with the gross profit up by 23.6 percent from Rs. 14.06 lakhs to Rs. 17.39 lakhs. The provision for depreciation is higher at Rs. 3.89 lakhs, against Rs. 2.95 lakhs and development rebate gets Rs. 1.64 lakhs, against Rs. 1.46 lakhs. Taxation accounts for Rs. 7.55 lakhs, against Rs. 6.20 lakhs. The proposed dividend absorbs Rs. 4.25 lakhs, against 4 lakhs, leaving a sum of Rs. 83,000 to be carried forward, against Rs. 77,000 brought in.

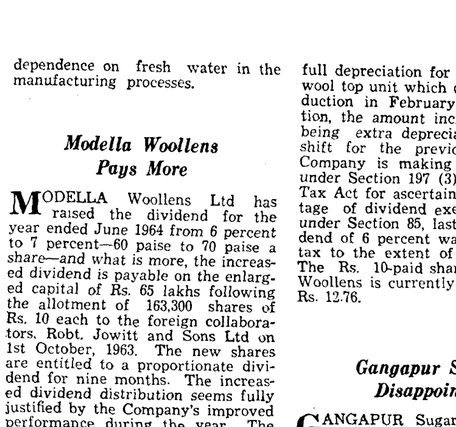
The directors state that during the year, various large contracts have been secured by the Company and by partnership and total work on hand is estimated at over Rs. 15 crores. These include the construction of a 23-storeyed building at Nariman Point, construction of office buildings and residential apartments. The Company has also secured the construction of head works in Mahi river bed under a French patent for the Gujarat refinery project in Koyali, Baroda. The work has already commenced and all the accessories are now being imported from France. The Company has secured an import licence for Rs. 12.57 lakhs for the import of most modern equipment for pile driving manufactured by a French firm. After the import of the machinery, the Company will be able to undertake piling work for the construction of docks, jetties, bridges, etcetera. The Rs. 100-paid share of Shah Construction is currently quoted around Rs. 125, offering a gross return of 8.5 percent.

Nuboard Manufacturing: A New Chipboard Venture

NUBOARD Manufacturing Co. Ltd is a new Company which proposes to set up a factory in Rampur, Uttar Pradesh, for the manufacture of chipboard. The Company has been licensed to manufacture 7,200 tons of chipboard a year. Considerable progress is reported to have already been made in the implementation of the project. The construction of the factory has been completed and machinery has reached the site. Erection of machinery is likely to be completed within the next three or four months. If all goes well, the factory is expected to go on stream in April 1965. The project is estimated to cost Rs. 37 lakhs, which will be met by the issued capital of Rs. 25 lakhs, a loan of Rs. 5 lakhs from the foreign promoters and the remaining Rs. 7 lakhs by borrowings from directors and banks.

Mr. Mahendra R. Patel, Mr. Somabhai V. Patel and Mr. Dayabhai V. Patel, the three non-resident directors from British East Africa who have promoted the venture, will subscribe for shares worth Rs. 12.50 lakhs —half the issued capital—in sterling to meet the cost of machinery imported from West Germany. The authorised capital of the Company will be Rs 50 lakhs—all in equity shares of Rs. 10 each, of which Rs. 25 lakhs is being issued in the first instance. The non-resident promoters are taking up shares worth Rs. 12.50 lakhs, the Indian promoters and their friends will take up shares of the value of Rs. 6.37 lakhs. The balance of Rs. 6.13 lakhs will be offered for public subscription very shortly. The board of directors includes Mr. Mahendra J. Shah, Mr. Harshavadan J. Shah and Mr Vasantlal D. Mehta

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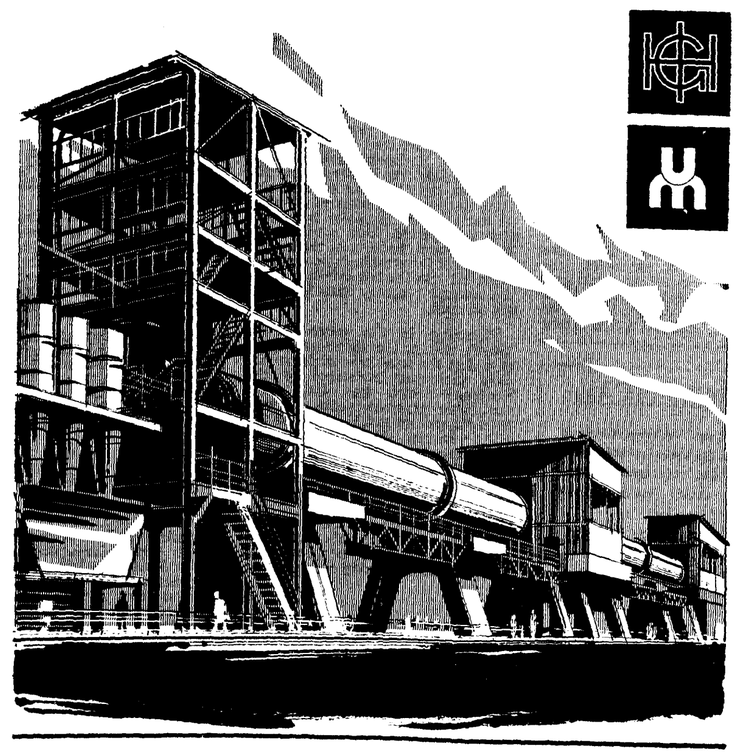
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Poysha Industrial Share Offer

POYSHA Industrial Co. Ltd is offering 600,000 equity shares of Rs. 10 each at par for public subscription to raise funds for financing its expansion schemes. The list will open on 13th November and will close on 23rd or earlier but not before 16th November. (Fuller details appear on a later page in this week's issue of *Capital*.) The Company is engaged in the manufacture of a wide variety of containers ranging from simple slip-cover-cans such as are used for cosmetics and other dry products to friction-top cans for paints, open top sanitary cans for fruits and vegetables and other precision-made containers. Metal cans, mostly decorated and lithographed, are manufactured by the Company in a variety of sizes and shapes to meet the needs of the different products to be packed. It also makes other light-gauge tinplate and sheet-metal products. Its wholly owned subsidiary, Colrige Ltd, is engaged in the manufacture of rigid containers and collapsible metal tubes for cosmetics, pharmaceutical and other industries. Another subsidiary, Kaia Can Co. Ltd, will be manufacturing containers at its factory to be established near Anand, mainly for the requirements of Kaira District Co-operative Milk Producers' Union Ltd.

Poysha Industrial now proposes to establish two additional factories, one in Cochin to cater to the requirements of south India and the other in Ghaziabad to take care of north and east Indian requirements. The Company's existing main factory in Bombay is proposed to be shifted to the Kalva industrial area near Thana and it will be fully modernised. The modernisation and expansion programme will increase the Company's capacity from 4 million to 10 million cans a month on a single-shift basis. The factory of Colrige, which is now in rented premises, is also being shifted to Kalva. Poysha Industrial has an authorised capital of Rs. 1.50 crores, of which Rs. 25 lakhs has been issued so far. It is now proposed to make a further issue of Rs. 85 lakhs, raising the issued capital to Rs. 1.10 crores. Out of the proposed issue, shares worth Rs. 25 lakhs are being offered to the existing shareholders and the remaining Rs. 60 lakhs to the public. The entire public issue has been underwritten.

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Prospects for Kothari Sugars and Chemicals

THE Working of Kothari Sugars and Chemicals Ltd for the year ended June 1964, has resulted in a gross profit of Rs. 12,31,471 before providing for depreciation. As no depreciation was provided in last year's accounts, depreciation to the tune of Rs. 23,02,889 has to be provided in the current balance-sheet for two years. After setting off the profit against this provision, there is left a balance depreciation of Rs. 10,71,418 still to be provided for. No development rebate could be provided for want of adequate profits.

The directors state in their report that by and large, the Company had no serious trouble with the machinery and plant. It started crushing on 14th December, 1963, and closed the season on 18th May, 1964, with a total crushing of 129,005,457 metric tonnes of cane and a production of 11,431,682 tonnes of sugar, at 8.86 percent recovery, against 9.42 percent recovery during the previous season. The report adds that the percentage of recovery in the trial season in the previous year was higher due to the fact that the Company crushed the came during the months of January to April, which normally is a peak recovery period. But during the 1963-64 season, because of the longer duration of the crushing season which extended into the hot month of May, the overall recovery was lower at 8.86 percent.

Referring to the prospects for 1964-65 season, the directors' report says that the total area under sugarcane plantation registered by the Company which was 4,000 acres during the previous season, has now been stepped up to 6,300 acres for the 1964-65 season. At the average rate of 30 tonnes an acre, it will be possible to obtain 189,000 tonnes of cane. Hence they feel that it will be possible for the Company to step up its crushing by 45 percent, and if the climate conditions are not unfavourable, it should be possible to produce 17,000 tonnes of sugar, compared with 11,431.682 tonnes during the year.

Antifriction Bearings Making Good Progress

THE Rs. 10-paid share of Antifriction Bearings Corporation Ltd is currently quoted around Rs. 7. But from what the Company's joint managing director, Mr. Dhirajlal S. Gandhi, told the members of the Bombay stockbrokers' social forum when they recently visited the factory, investors can look forward to better times ahead. It was in November 1963 that the Company commenced production of its main item of manufacture—taper roller and cylindrical roller bearings. The teething troubles are over and production is increasing gradually. The products are stated to be according to international standards and precision.

The Company's turnover in 1964 is likely to be of the order of Rs. 25 lakhs, against Rs. 9.69 lakhs in 1963 and sales during 1965 are expected to reach Rs. 50 lakhs. Mr Gandhi stated that the Company hoped to produce 210,000 pieces of bearings of which thrust bearings would be about 100,000 pieces. In 1965, the production was likely to increase to around 470,000 pieces of which 360,000 pieces would be of roller bearings and cylindrical bearings and the balance would be thrust bearings. It is hoped that during 1965, the Company would be able not only to wipe out all the carried forward losses, but it would be in a position to provide the full amount of depreciation and development rebate. Mr. Gandhi made no commitment on the dividend, but it might not be too optimistic to expect a maiden dividend for 1965.

Share Offer by Podar Mills

THE Podar Mills Ltd, Bombay, is embarking on a big expansion programme which is estimated to cost about Rs. 2.45 crores. This is proposed to be met by the fresh capital issue of Rs. 95 lakhs, medium-term bank loans of Rs. 1.26 crores and foreign exchange loan of Rs. 24.15 lakhs from the I.C.I.C.I. Out of the proposed share capital issue of Rs. 95 lakhs comprising Rs. 55 lakhs in equity shares and Rs. 40 lakhs in 9.5 percent cumulative redeemable first preference shares, the directors and their friends will take up equity shares worth Rs. 15 lakhs. The remaining capital which will be offered for public subscription has been fully underwritten. The subscription list will open on 16th November and will close on the 30th or earlier. The existing shareholders will have preferential allotment and will be given full allotment applied by them and only the balance will be allotted to the public.

The Company has at present a composite textile mill in Bombay with a capacity of 38,880 spindles and 930 looms. It has spent nearly Rs. 1.25 crores over the past ten years on rehabilitation and modernisation. The Company is setting up a cotton spinning unit in Jaipur in the compound of Jaipur Spinning and Weaving Mills Ltd, which is a subsidiary of the Podar Mills. The new unit is expected to start production in 1965. Construction of the building has already started and orders for indigenous machinery have been placed.

Progress of Facit Asia

IN their second annual report for the year ended March 1964, the directors of Facit Asia Ltd state that the construction of the factory building was completed in record time and all the machinery, tools, etcetera, were duly installed. Since April 1964, the Company has assembled 400 units each of C1-13 calculators and H9S6 adding machines out of the components imported again *ad hoc* licences granted by the Government. During the first phase of the manufacturing programme which spreads over a period of nine months from October 1964, the Company plans to produce 1,200 units each of calculators and adding machines with 50 percent indigenous content.

Necessary raw materials and components have been imported and production of indigenous parts has been taken up. The working results of the Company for the year ended March 1964 show a loss of Rs. 1.61 lakhs, which, together with a deficit of Rs. 16,015 brought forward from the previous year, has been carried forward. Shares of the total value of Rs. 9.70 lakhs were issued during the year to AB Atvidabergs Industrier of Sweden in terms of the collaboration agreement against the price of machinery and tools supplied by them. Further, equity shares worth Rs. 1.60 lakhs were allotted to them in May last, raising the paid-up capital to Rs. 25.30 lakhs. The Rs. 100-paid share of Facit Asia is quoted nominally around Rs. 99.

Albright Morarji Pandit

ALBRIGHT Morarji and Pandit Ltd is a new company which has been formed to undertake the manufacture of phosphoric acid. The plant, it is proposed, will be located in Ambernath near Bombay. The factory will have an annual production of 17,500 tonnes of phosphoric acid to be used in the manufacture of detergents and industrial phosphates. A part of the output will be sold to Dharamsi Morarji Chemical for the manufacture of triple superphosphate fertiliser. The project is estimated to cost about Rs. 2 crores.

Details about securing the necessary finance for the project are being worked out. The Company is likely to have an issued capital of Rs. 1 crore in equity shares of which 45 percent will be taken up by the British firm of Albright and Wilson Ltd, which is collaborating in the venture. Dharamsi Morarji will take up another 27 percent and 3 percent of the capital will be held jointly by Mrs. Sharda Mukherjee and Mr S. P. Pandit. The balance of 25 percent will be offered for public subscription in the near future. The promoters are awaiting the Government's approval of the collaboration agreement.

More from Travancore Sugars and Chemicals

THE chairman of the Travancore Sugars and Chemicals Ltd discussed, at the annual general meeting of the Company, the difficulties experienced by the sugar industry in general and the Company in particular. Production of sugar at 9,032 tonnes fell substantially short of last year's figure of 12,000 tonnes, because of the high *gur* prices which resulted in the diversion of cane for jaggery making. The chairman, Mr. H. V. R. Iengar, observed in this connection that in the absence of any law prohibiting the manufacture of jaggery in the natural area of the sugar factory, such diversion of cane would hibiting the manufacture of *jaggery* prices were high. Sales of sugar were greater in 1964 because of a carryover of 7,000 tonnes and higher releases to meet sugar scarcity in Kerala. He pointed out that the profit margin was lower as the higher costs of production were not adequately compensated in the selling price of sugar.

Referring to the future outlook for the factory next year, Mr. Iengar said that the outlook was somewhat obscure as the Government has already increased the cane price by 25nP a maund from 1st November, 1964, but without any indication of a higher price for sugar. The Sugar Enquiry Commission is at present examining the cost structure of the industry and its recommendations are expected shortly.

The dividend on ordinary shares has been increased to 7.5 percent from 5 percent in the previous year. An application has already been made to the Government for capitalising the sum of Rs. 600,000 out of the sum of Rs. 6,50,000 available in the share premium account, by the issue of one bonus share for every five ordinary shares held.

The Stock Markets

MOVE TO CURB BLANK TRANSFERS WORRIES LYONS RANGE

Wednesday Evening.

DULL conditions prevailed during the Diwali session of the Calcutta stock market on Tuesday. The market was closed on Wednesday. Lyons Range is disappointed because there is no indication that the Government will modify the fiscal system to stimulate activity in the capital market until the next Budget. In the meantime, many unfavourable developments have taken place, so operators are inclined to lighten their commitments as soon as their holdings show a profit. Turnover has shrunk considerably, and it is largely confined to clearing shares. Business in cash shares has been small, although prices of selected scrip have tended to harden due to good corporate news.

The worry, for the time being, is due to the proposed amendment of the Companies Act to restrict the period of holding shares on blank transfer to six months. All the stock exchanges have, in a joint memorandum to the Government, protested against the prosposed measure. Despite some abuses of the system of blank transfer, it is thought that the move will do more harm than good. There is no doubt that blank transfer has contributed to the liquidity and negotiability of stocks and shares. The restriction will discourage investors by impairing the liquidity of shares. The supply of institutional credit, particularly from banks to the stock market, will also suffer. In view of the prevailing depression in the capital market, there is no point in reducing the negotiability of shares.

It may be relevant to point out that in the U.S.A. the system of blank transfer has been reinforced by statutory provisions to safeguard the interest of holders of shares under blank transfer. The restriction may divert funds from stocks and shares to channels which are not productive. There is enough scope for concealing unaccounted money in the form of gold, silver and jewellery. Since Government securities are transferable by endorsement and delivery, there is no reason to penalise holders of shares under blank transfer.

If the Government is determined to impose the restriction, the validity period of blank transfers should be extended at least up to the time when the share transfer book of a company is closed. Furthermore, the restriction should be followed by a substantial reduction in the stamp duty on share transfers, which is now very high.

The observation of Mr. T. T. Krishnamachari, Central Finance Minister, that the Government would terminate the managing agency system in selected industries next year has also caused a good deal of concern. The main point to consider is whether managing agents can be substituted by efficient directors. Not many qualified men are available who can serve as directors. There is no doubt that managing agents are still playing an important rôle in economic development. The abuses of the system have been eliminated to a large extent by the numerous restrictions imposed on their activities and remuneration.

Indian Iron have recovered slightly due to short-covering. In the engineering section, Jay Engineering have improved on replacement buying. Jessop have also recovered. Among clearing miscellaneous shares, Dunlop Rubber are steady. Goodyear India are sluggish due to the Company's decision to issue rights shares at a heavy premium. But Philips India have attracted support on the prospect of a rights issue. New Asiatic Insurance have gained on the Company's decision to undertake industrial or commercial ventures. Sirpur Paper are steady on paying a larger dividend.

Jute shares are hesitant since the surcharge of 15 percent on imports of manufactured goods into the U.K. may reduce the offtake of jute goods by that country. Coal and tea shares have lacked interest. Cotton mill shares are being cautiously dealt in due to the introduction of partial control on cloth. Government securities are dull and quiet. Institutional interest has been lacking. The 3 percent Conversion Loan 1986 has dropper to Rs. 62. State Government loans are available at a discount.

Bombay

DULL TRADING IN THE MOORAT SESSION

TURNOVER SMALL DESPITE GOOD CORPORATE NEWS

Wednesday Evening.

MOORAT trading in the Bombay Stock Exchange was unusually dull on Monday and the normal Dewali enthusiasm was not in evidence. There was a limited turnover, since both speculatives and investment interest was generally at a low ebb. Dalal Street had a rather difficult time last week. It not only failed to push its way beyond the previous week's high reached on 26th October but it lost most of the ground it had gained after 14th October. Although the preceding rise had been fairly impressive, last week's setback was not due merely to corrective profit-taking. There was a considerable amount of tired bull liquidation because of the continued lack of any worthwhile outside support. Bears too took their chance as the flow of news was not favourable from the market angle. Although the corporate news continued to please operators with several instances of higher dividend announcements, the market had to contend with many adverse factors.

The deliberations of the National Development Council on the fourth plan draft memorandum brought no cheer. Apart from the prospects of heavier additional taxation implied in the financing of the massive outlay of Rs. 2,100 crores to Rs. 2,500 crores, the market felt uneasy at the Prime Minister's suggestion that the public sector should enter the field of consumer goods industry. This was regarded as a further encroachment on the private sector's sphere of activity. Misgiving were also expressed over the possible impact on India's exports to the U.K. of Britain's decision to levy a surcharge of 15 percent on imports. The Central Finance Minister, Mr. T. T. Krishnamachari's statement that the Government was considering the gradual abolition of the managing agency system and his hint about the possible revival of the compulsory deposit scheme for the corporate sector had also an unsettling effect on the market.

Later in the week, however, the market turned a little steadier. Short covering and modest replacement buying enabled it to stage a modest rally, and the price pattern over the week-end showed a sprinkling of small, though widespread, losses. Sentiment during the latter part of the week was helped by the Russian Prime Minister's statement that there would be no change in that country's economic, technical and military aid to India because of the recent shake-up there. Reports suggesting that the steel producers might be allowed a special element in the retention prices to enable them to repay their loans to the Government also aided sentiment. There were also reports that the Government would resume negotiations with Tatas for the expansion of capacity at the Jamshedpur works from 2 million tons to 3 million tons because of the likely delay in the setting up of the Bokaro plant.

That the stock market should be unable to present a firm appearance in spite of improvd corporate profitability and higher dividends shows that investors' confidence has been rudely shaken. It appears that confidence is unlikely to revive unless the Government suitably modifies its fiscal policies. It is possible that the

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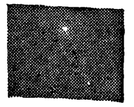
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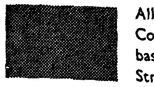
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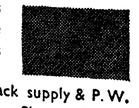
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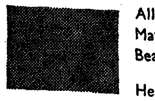
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PRESSMAN

Government might be obliged to have a fresh look at the stock market if it finds that the Unit Trust is running into difficulties. The latter cannot hope to do well if equity prices remain subdued. Although the Government has not been altogether unconcerned about the continuing slump in the stock market, it has *failed to take* appropriate measures to restore confidnce in the market. It is rported that the officials of the Industrial Development Bank have had discussions with stockbrokers and institutional investors to find out their views on the prolonged depression in the capital market. The Government is possibly thinking of taking some fresh measures to tone up the investment market. The least that the Governmnt can do without affecting the revenue to the exchequr is to abolish the capital gains tax on bonus issues and also the dividend tax.

Sectionwise, rayons continued to be distinctly weak, with Century Mills declining sharply from Rs. 617 to Rs. 599 on reports that the Company might be forced to reduce its rayon and tyre-cord production due to an acute shortage of caustic soda. Textiles were subdued, and the weakness was pronounced in Morarjee Mills because of the Company's disappointing results. Steels eased mainly on corrective profit-taking; the preceding rise had been very steep, particularly in Indian Iron. Shipping shares were easier. Scindia's results failed to impress and the spurt in Great Eastern which followed the upward revision of the dividend attracted heavy profit-taking. Engineering shares held comparatively steady. Among miscellaneous scrip, Sirpur firmed up after the announcement of a substantially higher dividend. Business in other sections was limited and the general tone was quietly subdued, except in electrics which were distinctly steadier.

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

Madras

BOMBAY ADVICES SUBDUE MARKET

SHORTAGE OF FUNDS AFFECTS SENTIMENT

Tuesday Evening.

ALTHOUGH the Madras stock market was officially closed on 3rd November, the members were permitted to transact business in Deepavali *moorat* trading. The earlier improvement has not been maintained towards the close due to the drop in the Bombay stock market. Turnover in clearing and cash shares has been poor, although selling pressure has been absent. Buyers are restrained in view of some unfavourable developments.

If the restriction on blank transfer, as is proposed in the amendment to the Companies Act, is imposed, the liquidity of stocks and shares will suffer greatly. Investors are worried since the Government is likely to terminate the managing agency system in selected industries. The market has also been suffering from the shortage of funds. The supply of bank credit for stocks and shares is expected to shrink further due to the approach of the busy season.

Government securities have been dull, and stray business is being transacted. Interest has been shown in good preference shares. Selected electric companies have been bought. South Madras have been done at Rs. 12 and Vellore at Rs. 14.42. Despite limited business in bank shares, Indian Overseas are steady at Rs. 150.50 and Indian at Rs. 159. *Support has been forthcoming* for selected sugar shares. Deccan are steady at Rs. 11.10 and E.I.D. at Rs. 35.87. K.C.P. have been taken at Rs. 24 and Jeypore at Rs. 16.50. Travancore have come to hand at Rs. 7.80 and Mysore at Rs. 27.75.

Selected tea and coffee shares have been steady in the planting section. Consolidated Coffee have changed hands at Rs. 24.84 and Cochin Malabar have been bought at Rs. 6.22. Blue Mountain have reacted to Rs. 2.24, but *Periakaramalai are steady* at Rs. 3.38. Business in Ouchterlony has been done at Rs. 3.50. In rubber shares, Rajagiri have come to hand at Rs. 22.60 on declaring a taxable final ordinary dividend of 15 percent. In tea shares, Nelliampathy are steady at Rs. 5.20 on paying a taxable ordinary dividend of 20 percent. The payment of a final taxable ordinary dividend of 10 percent has helped to improve Nonsuch to Rs. 22.50 Parkside are quoted at Rs. 25.20 on declaring a taxable final ordinary dividend of 15 percent. Among composite gardens producing both tea and coffee, Stanes Amalgamated have hardened to Rs. 13.50 on declaring a taxable ordinary dividend of 12 percent. Among coffee shares, Bababudin are quoted at Rs. 5 and Cowcoody at Rs. 4.92. Swinton have been taken at Rs. 2.68 on declaring an interim taxable ordinary dividend of 10 percent. Interest has been taken in Kumergode, Ossoor and Rajendra.

Textile shares have shown mixed trends. South India Viscose have lost at Rs. 113.50, but Travancore Rayon are steady at Rs. 19.50. Madura have been maintained at Rs. 35.40 and Lakshmi at Rs. 132. Bangalore Woollen have met with support up to Rs. 267 and Buckingham are quoted at Rs. 278. Rajapalayam have come to hand at Rs. 138, Ramakrishna at Rs. 139.40 and Vijayamohini at Rs. 89.

In miscellaneous shares, Aluminium Industries have reacted to Rs. 23.12, but Ashok Leyland are steady at Rs. 6.93. Dalmia Cement have been taken at Rs. 13.20 and India Cement at Rs. 5.18. Mettur Chemical have been maintained at Rs. 14.40. F.A.C.T. have met with support up to Rs. 5.30. Seshasayee Paper are easier at Rs. 7.30 and Mysore Paper at Rs. 11.78. Tube Investments have been done at Rs. 174 and Kirloskar Electric at Rs. 20.70. Mysore Coffee Curing have come to hand at Rs. 12.14 on declaring a taxable ordinary dividend of 10 percent. Parry's Confectionery have been maintained at Rs. 2.90, Spencer at Rs. 21.50 and Textool at Rs. 144.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 35/81—35/87—35/37—35/87—(32/62).
Dunlop Rubber—Rs. 34/37—35/00—34/00—35/00—(37/81).
Guest, Keen, Williams—Rs. 23/37—23/50—23/06—23/44—(41/37).
Hindustan Motors—Rs. 16/69—16/94—16/50—16/87—(19/81).
Howrah Jute—Rs. 15/50—15/50—15/50—15/50—(19/25).
Indian Aluminium—Rs. 31/81—32/06—31/62—32/00—(38/75).
Indian Copper—Rs. 3/40—3/43—3/37—3/40—(3/66).
Indian Iron—Rs. 25/92—25/98—25/44—25/64—(25/00).
Indian Cable—Rs. 35/50—35/56—35/37—35/50—(37/37).
I. K. Cotton—Rs. 10/50—10/50—10/31—10/44—(13/31).
Jaipur Udyog—Rs. 10/31—10/56—10/31—10/50—(12/44)
Kesoram Industries—Rs. 25/37—25/37—25/00—25/19—(27/25).
Orissa Cement—Rs. 11/37—11/44—11/31—11/44—(15/56).
Orient Paper—Rs. 31/40—31/50—30/90—31/20—(39/50).
Rohtas Industries—Rs. 10/12—10/25—10/00—10/16—(14/31).
Shree Gopal Paper—Rs. 25/31—25/50—25/19—25/50—(26/87)
Textiles Machinery—Rs. 26/10—26/10—26/00—26/10—(28/10).

GILT-EDGED

3 % Loan (1986)—Rs. 61/90—62/25—61/90—62/10.
3 % „ (1966-68)—Rs. 98/45—98/45—98/45—98/45.
3 % „ (1970-75)—Rs. 90/10—90/10—90/10—90/10.
3½% „ (1969)—Rs. 97/95—97/95—97/95—97/95.
3½% „ (1968)—Rs. 99/85—99/85—99/85—99/85.
4 % „ (1969)—Rs. 99/55—99/55—99/55—99/55.
4 % „ (1970)—Rs. 99/00—99/05—99/00—99/05.
4 % Madras (1968)—Rs. 98/70—98/70—98/70—98/70.
4 % West Bengal (1968)—Rs. 98/65—98/65—98/65—98/65.
4½% Madras (1976)—Rs. 97/00—97/08—97/00—97/08.
4½% Orissa (1976)—Rs. 96/70—96/75—96/70—96/75.
4½% U.P. (1974)—Rs. 98/00—98/05—98/00—98/05.
4½% „ (1976)—Rs. 97/00—97/05—97/00—97/05.
4½% Loan (1989)—Rs. 100/00—100/00—100/00—100/00.

BANKS

United Bank of India (Rs. 10/- paid)—Rs. 8/12—8/12—8/06—8/06—(7/69)
Do. (Conty) (Rs. 20/-) (Rs. 10/- paid)—Rs. 7/62—7/62—7/62—7/62—(6/75).
United Commercial—Rs. 72/75—72/75—72/75—72/75—(73/50).

TEXTILES

Bharat Commerce—Rs. 19/62—19/75—19/50—19/75—(24/62).
Elgin (8% Pref.)—Rs. 113/00—113/00—113/00—113/00.
Jaya Shree—Rs. 13.12—13/25—13/06—13/12—(17/00).
New Victoria—Rs. 1/25—1/25—1/25—1/25—(1/53).

COALS

Amalgamated—Rs. 19/75—19/75—19/75—19/75—(26/00).
Bhalgora—Rs. 3/56—3/62—3/56—3/62—(3/53).
Bengal—Rs. 242/00—242/00—239/00—241/00—(273/00).
Bharat—Rs. 3/00—3/00—3/00—3/00—(3/62).
Central India—Rs. 8/50—8/50—8/50—8/50—(10/12).
Karanpura Collieries—Rs. 13/12—13/12—13/06—13/06—(16/00).
Western Bengal—Rs. 8/50—8/62—8/50—8/50—(9/12)

JUTES

Agarpara—Rs. 9/00—9/00—9/00—9/00—(10/62).
Anglo-India—Rs. 190/00—191/00—180/00—180/00—(234/00).
Cheviot—Rs. 20/12—20/25—20/12—20/25—(22/56).
Fort William—Rs. 20/00—20/00—20/00—20/00—(26/94).
Ganges—Rs. 12/87—12/94—12/75—12/75—(15/00).
Kinnison—Rs. 108/00—108/00—108/00—108/00—(141/00)
Lansdowne (Pref.)—Rs. 88/50—89/00—88/50—89/00
New Central—Rs. 10/69—10/81—10/56—10/69—(14/84).
National—Rs. 19/00—19/12—19/00—19/12—(23/87).
Presidency—Rs. 4/31—4/31—4/25—4/25—(5/81).
Waverley (Pref.)—40/75—41/50—40/75—41/50.

MININGS

Assam Sillimanite—Rs. 6/75—6/75—6/56—6/62.
Bisra Stone Lime—Rs. 18/50—18/50—18/50—18/50—(22/12).
Metal Corpn.—Rs. 6/19—6/19—6/00—6/00—(8/84).
Orissa Minerals—Rs. 20/00—20/06—19/94—19/94—(27/37).

CEMENTS

Ashoka—Rs. 6/69—6/81—6/69—6/81—(7/31).
Dalmia (Bharat)—Rs. 13/12—13/25—13/06—13/19—(13/12).
Sone Valley—Rs. 3/87—3/91—3/87—3/91—(4/97).

CHEMICALS

Alkali & Chemical—Rs. 30/00—30/37—30/00—30/19—(35/50).
Do. (Pref.)—Rs. 85/50 x.d.—85/50—85/50—85/50.
Bengal Chemical—Rs. 102/00—102/50—101/50—101/50—(102/00).
Calcutta Chemical—Rs. 19/00—19/12—19/00—19/12—(17/87).
Chemicals & Fibres—Rs. 16/00—16/19—16/00—16/06.

ELECTRICS

Calcutta—Rs. 15/19—15/25—14/94—15/12—(14/44).
Do. (Pref.)—Rs. 8/69—8/75 S.T.—8/37—8/44 x.d.
Dishergarh ("A" Pref.)—Rs. 70/00 c.t.—70/00—70/00—70/00.
Jubbulpore—Rs. 11/00—11/19—10/94—11/19—(11/25).
United Provinces—Rs. 202/00—202/00—202/00—202/00—(136/50).

ENGINEERINGS

Bhartia Electric Steel—Rs. 15/06—15/19—15/06—15/12—(15/12).
Britannia Eng.—Rs. 9/78—9/85—9/75—9/75—(10/62).
Braithwaite & Co.—Rs. 32/75 c.t.—32/75—32/75—32/75—(35/75).
Dalmia Iron—Rs. 12/06—12/06—12/06—12/06—(11/44).
Hindusthan Wire—Rs. 9/75—9/75—9/62—9/62—(10/81).
Indian St. Wagon—Rs. 36/62—36/69—36/62—36/69—(36/62).
Jay Eng.—Rs. 18/56—20/06—18/56—20/00—(21/19).
Jessop & Co.—Rs. 25/00—26/12—24/37—26/00—(26/50).
J. K. Steel—Rs. 17/62—17/75—17/62—17/75—(16/81).
Kumardhubi—Rs. 5/50—5/62—5/50—5/50—(9/25).
Saran Eng.—Rs. 8/50—8/56—8/50—8/56—(8/78).
Textile Machinery (6% Pref.)—Rs. 104/00—104/00—104/00—104/00.

INSURANCE

New Asiatic—Rs. 8/44—8/50—8/44—8/44—(9/06).
Ruby General—Rs. 12/06—12/12—12/06—12/12—(10/56).

MISCELLANEOUS

Angelo Brothers—Rs. 26/00—26/12—25/94—25/94—(26/12).
Associated Battery—Rs. 24/75—24/75—24/00—24/12—(28/37).
Assam Hardboard—Rs. 7/62—7/75—7/62—7/75—(4/75).
Asiatic Oxygen—Rs. 8/37—8/37—8/37—8/37—(13/75).
Airways India—Rs. 4/00—4/12—4/00—4/12.
British Paints—Rs. 24/50—24/62—24/50—24/62—(22/12).
B. I. Corpn.—Rs. 10/87—10/87—10/81—10/81—(8/25).
Do. (Pref.)—Rs. 115/50—115/50—115/50—115/50.
Bharat Nidhi—Rs. 5/37—5/41—5/37—5/41.
Balmer Lawrie—Rs. 235/00—238/00—235/00—238/00—(257/00).
Calcutta Tramways—Rs. 11/62—11/69—11/62—11/69—(11/25).
Clive Row Investment—Rs. 8/62—8/62—8/62—8/62—(8/60.
Dunlop Rubber (2nd Pref.)—Rs. 68/00—68/00—68/00—68/00.
English Electric—Rs. 15/62—15/62—15/31—15/37.
Electric Construction—Rs. 13/72—13/81—13/69—13/81—(14/25).
Electro Equipment Corpn.—Rs. 5/25—5/25—5/25—5/25.
Goodyear India—Rs. 21/50—21/50—20/44—21/12—(33/37).
Gillanders Arbuthnot—Rs. 13/12—13/12—13/00—13/00—(14/00).
Gwalior Rayon—Rs. 37/25—37/25—37/25—37/25—(49/00).
Hindustan Aluminium—Rs. 13/25—13/25—13/06—13/19—(13/94).
Hindusthan Development—Rs. 3/72—3/78—3/65—3/69—(4/12).
Hindusthan National Glass—Rs. 5/47—5/50—5/47—5/50.
Imperial Tobacco—Rs. 8/31—8/37—8/31—8/37—(10/50).
Indian Plastics—Rs. 8/00—8/03—7/94—7/94.
Inchek Tyres—Rs. 6/56—6/75—6/56—6/75.
Indian Oxygen—Rs. 24/25—24/25—24/24—24/24—(28/50)
Jardine Henderson—Rs. 69/25 c.t.—70/00 S.T.—69/25—70/00 S.T.—(80/00).
Do. (Pref.)—Rs. 58/00—58/00—58/00—58/00
Jayshree Tea Industries—Rs. 14/69—14/81—14/50—14/81—(18/62).
J. K. Synthetics—Rs. 12/81—12/87—12/75—12/81—(12/19).
Metal Box (Pref.)—Rs. 77/00—77/00—770/00—77/00.
Martin Burn—Rs. 27/12—27/12—26/94—27/12—(29/12).
Metal Distributors—Rs. 9/00—9/00—9/00—9/00—(4/56).
National Rubber Mnfg.—Rs. 10/84—10/90—10/84—10/90—(12/87).
Do. (New)—Rs. 5/19—5/22—5/12—5/22.
National Insulated Cable—Rs. 25/06—25/12—25/06—25/12—(25/87).
National Tobacco—Rs.11/06—11/06—11/06—11/06—(12/50).
Phillips India—Rs. 27/50—27/50—27/00—27/00—(30/87).
Phillips Carbon—Rs. 13/00—13/00—13/00—13/00—(17/00).
Rallis India—Rs. 124/00—124/00—124/00—124/00—(131/50).
Sirsilk—Rs. 7/12—7/12—6/94—6/94—(10/50).
S. S. Duncan—Rs. 9/94—10/06—9/94—10/06.
Shree Ganga Cold Storage—Rs. 10/50—10/50—10/50—10/50.
Union Carbide—Rs. 30/75—30/75—30/75—30/75—(42/00).
Universal Cables—Rs. 10/62—10/69—10/12 S.T.—10/12 S.T.—(12/50).
Universal Electrics—Rs. 7/94—8/19—7/94—8/12.
Usha Martin Black—Rs. 14/37—14/37—14/25—14/25—(18/00).
Walford Transport—Rs. 3/06—3/06—2/94—2/94—(3/97)

OIL

Indo-Burma Petroleum—Rs. 21/00—21/19—20/75—21/06—(23/87).

PAPERS

Bengal—Rs. 26/75—26/75—26/62—26/75—(28/56).
Indian Paper Pulp—Rs. 16/56—16/62—16/56—16/62—(19/25).
Orient (1st Pref.)—Rs. 91/00—91/00—91/00—91/00.
Shree Gopal (2nd Pref.)—Rs. 99/00—99/00—99/00—99/00.
Sirpur—Rs. 11/75—12/31—11/75—12/31—(14/56).
Star (7% Pref.)—Rs. 89/50—89/50—89/50—89/50.
Straw Products—Rs. 8/56—8/75—8/56—8/75—(10/37).
Titaghur—Rs. 12/37—12/37—12/31—12/31—(17/56).

REAL PROPERTIES

Midnapore Zemindary—Rs. 33/25—34/00—33/25—34/00—(11/00).
Sahu Properties—Rs. 2/56—2/62—2/56—2/62.

SHIPPING

India Steamship—Rs. 6/19—6/56—6/16—6/47—(7/47.

PRESSINGS

Hooghly Ganges Hyd.—Rs. 5/00—5/00—5/00—5/00.
Do. (Pref.)—Rs. 45/00—45/00—45/00—45/00.

SUGARS

Mohini—Re. 0/94—1/00—0/91—0/94.
Tulsipur—Rs. 4/62—4/62—4/62—4/62.

TEAS

Birpara—Rs. 144/00—144/00—143/00—143/00—(162/00).
Bor Pukhuri—Rs. 10/44—10/50—10/44—10/50—(11/00).
Carron—Rs. 125/00—125/00—125/00—125/00—(151/00).
Dauracherra—Rs. 14/75—14/75—14/75—14/75—(11/50)
Dhelakhat—Rs. 20/56—20/62—20/56—20/62—(20/25).
Dufflaghur—Rs. 24/25—24/25—24/25—24/25—(28/06).
Gungaram—Rs. 140/00—140/00—140/00—140/00—(130/00)
Hasimara—Rs. 13/25 c.d.—13/37 c.d.—13/25 c.d.—13/37—(13/81).
Lingia—Rs. 14/75—15/00—14/75—15/00—(14/00).
Moheema (Pref.)—Rs. 4/69—4/81—4/69—4/81.
Patrakola—Rs. 170/00—171/00—169/50—169/50—(110/00).
Rydak—Rs. 22/75—22/87—22/75—22/87—(26/37).
Sapoi—Rs. 16/25 S.T.—18/12—15/87—15/81—(17/25).

DEBENTURE

6½% Naskarpara Jute—Rs. 100/00—100/00—100/00—100/00.

London

INDUSTRIALS RISE ON GOOD COMPANY NEWS

GILT-EDGED IN DEMAND

London, 4th November.

IT was another eventful week in the stock market with sentiment almost completely dominated by politics. A major item was the Government's measures to improve the economic situation and although the 15-percent import surcharge has caused some fairly violent criticism from abroad, it jolted the foreign speculative sellers of sterling and rates moved in favour of London. The move to stimulate exports has started a search for the shares of those companies with important export outlets. These was a general disposition to hold off in front of the Queen's speech at the opening of parliament, but its contents had been fairly well discounted. Gilt-edged had a good following at times and prices responded well.

5% PER CENT MADRAS STATE ELECTRICITY BOARD BONDS, 1976.

FOR Rs. 300 LAKHS.

(PAYMENT OF INTEREST AND REPAYMENT OF PRINCIPAL, GUARANTEED BY THE GOVERNMENT OF MADRAS.)

The Bonds will be trustee securities under the Indian Trusts Act and also approved securities for the purposes of the Insurance Act and the Banking Companies Act. The Bonds will be treated on par with Government Securities for the purpose of advances under Section 17 (4) (a) of the Reserve Bank of India Act, 1934.

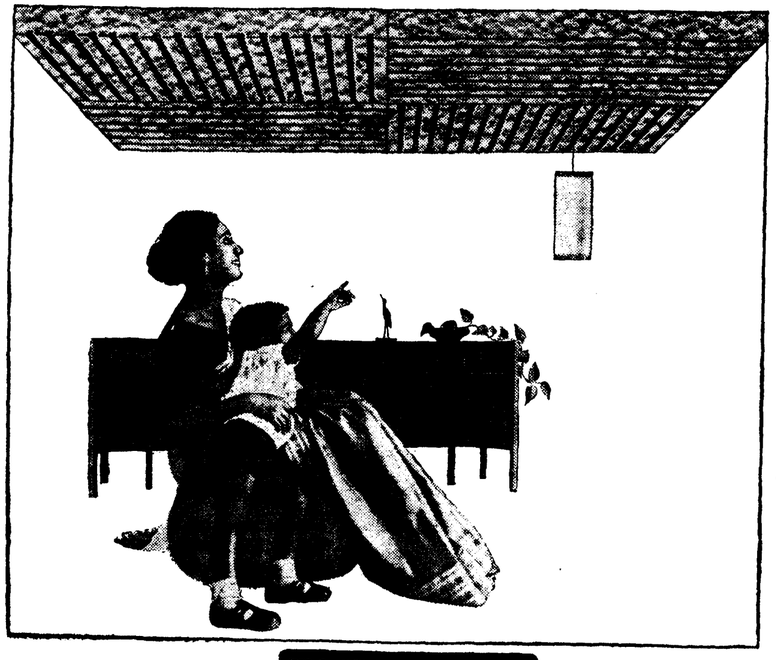
ISSUE PRICE Rs. 99.75 PER CENT.

REDEEMABLE AT PAR ON THE 16th NOVEMBER, 1976.

Subscriptions will be received in cash or cheques from the 16th November, 1964. But the lists will be closed without notice as soon as the total subscriptions amount to approximately Rs. 300 lakhs and in any case not later than the close of business on the 21st November, 1964.

Applications will be received at all branches of the State Bank of India within the State of Madras and at the State Bank of India at Madras, Bombay, Hyderabad, Calcutta, Delhi, Bangalore and Bangalore City.

Copies of the Notification announcing the terms of issue and application forms are available at all the receiving offices mentioned above, at all treasuries and sub-treasuries in the State of Madras and at all offices of the State Electricity Board.



Thermocole

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THERMOCOLE is foamed polystyrene: the lightest rigid insulation material. It is available in white slabs, as well as in gaily patterned tiles that make attractively gay false ceilings.

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THERMOCOLE is versatile. It is ideal for insulating roofs, walls and floors in all kinds of buildings. It is also excellent for fabricating light-weight insulating partitions and doors.

THERMOCOLE is feather-light yet strong, durable and easy to work with. It cuts structure and labour costs. Efficiency with economy—that's the insulation THERMOCOLE provides.



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YOUR GUARANTEE OF QUALITY IN EXPANDED POLYSTYRENE

TC 40-511

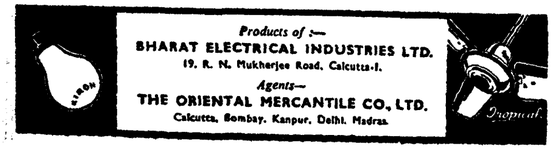
RESERVE BANK

ISSUE DEPARTMENT (In '00's of Rupees)	Week Ended 30-10-64	23-10-64	1-11-63
Liabilities—			
Notes in Banking Dept.	34,14,58	21,82,06	26,55,77
Notes in Circulation	23,97,27,85	24,09,28,80	22,43,92,41
Total Notes issued	24,31,42,43	24,31,10,86	22,70,48,18
Assets—			
A. Gold Coin and Bullion	1,17,76,10	1,17,76,10	1,17,76,10
Foreign Securities	85,45,69	85,45,69	92,45,69
Total of A	2,03,21,79	2,03,21,79	2,10,21,79
B Rupee Coin	1,07,03,92	1,06,72,35	1,20,95,37
Rupee Securities	21,21,16,72	21,21,16,72	19,39,31,02
Total	24,31,42,43	24,31,10,86	22,70,48,18

BANKING DEPARTMENT			
Liabilities—			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long Term Operations) Fund	86,00,00	86,00,00	73,00,00
National Agricultural Credit (Stabilisation) Fund	9,00,00	9,00,00	8,00,00
National Industrial Credit (Long Term Operations) Fund	10,00,00	10,00,00	—
Deposits—			
(a) 1. Central Govt.	95,93,41	83,45,42	43,67,83
2. State Govts.	11,72,58	12,59,26	7,36,61
(b) Banks :—			
(i) Scheduled Banks	89,14,79	1,00,91,72	98,72,70
(ii) State Co-operative Banks	3,15,98	3,19,40	2,34,18
(iii) Other Banks	1,46	1,34	2,57
(c) Others	9,00,00	9,00,00	1,87,75
Bills Payable	1,42,16,14	1,37,99,46	1,63,77,22
Other Liabilities	42,64,95	42,59,22	32,89,28
	35,22,85	34,57,09	28,78,68
Total	6,10,02,16	6,05,32,93	5,49,59,07
Assets—			
Notes	24,14,58	21,82,06	26,55,77
Rupee Coin	9,49	4,12	2,00
Small Coin	9,27	8,62	3,77
National Agricultural Credit (Long Term Operations) Fund			
(a) Loans and Advances to :—			
(i) State Govts	28,21,40	28,22,99	27,07,52
(ii) State Co-operative Banks	11,86,33	11,92,04	9,75,10
(iii) Central Land Mortgage Banks	...	...	...
(b) Investment in Central Land Mortgage Bank Debentures	4,41,53	4,41,53	3,55,31
National Agricultural Credit (Stabilisation) Fund			
Loan and Advances to State Co-operative Banks	...	...	...
Bills Purchased and Discounted :—			
(a) Internal	...	...	...
(b) External	...	...	...
(c) Govt. Treasury Bills	...	...	...
Balances Held abroad	1,81,85,40	1,99,23,45	53,38,21
Loans and Advances to Govt.	8,32,79	8,75,79	7,31,26
Loans and Advances to :—	47,26,56	44,95,66	37,14,29
(i) Scheduled Banks	1,68,25	43,80	2,03,85
(ii) State Co-operative Banks	1,58,39,78	1,49,40,86	1,24,60,12
(iii) Others	2,06,58	2,35,09	2,25,80
Investments	1,04,39,48	1,07,00,73	2,30,09,66
Other Assets	27,20,72	26,65,99	25,76,41
Total	6,10,02,16	6,05,32,93	5,49,59,07

SCHEDULED BANKS

(In '000's of Rupees)	Week Ended 23-10-64	16-10-64	25-10-63
(I) Demand Liabilities—			
(a) Demand Deposits :			
(1) From Banks	60,06,18	58,92,13	55,04,97
(2) From others	11,97,75,90	11,73,23,77	9,74,75,02
(b) Borrowing from Banks	28,98,27	31,60,39	18,92,55
(c) Other	78,96,91	79,95,92	62,32,92
(II) Time Liabilities—			
(a) Time Deposits :			
(1) From Banks	32,77,01	31,90,78	34,74,37
(2) From others	13,31,41,53	13,37,54,76	12,58,80,75
(b) Borrowing from Banks	15,58,04	16,77,26	25,07,23
(c) Others	12,50,25	12,74,06	9,57,22
(III) Borrowing from State Bank—			
(a) Demand Liabilities	9,55,79	9,64,98	8,58,75
(b) Time Liabilities	30,93,00	30,97,00	17,70,69
(IV) Borrowing from Reserve Bank	60,30	4,18,00	1,87,75
(V) Cash	68,67,86	65,91,00	56,45,67
(VI) Balances with the Reserve Bank	1,19,79,45	1,04,45,72	1,13,77,18
(VII) Balances with other Banks in current account	22,31,64	21,40,68	23,70,94
(VIII) Money at call and short notice	73,11,40	74,26,90	59,74,51
(IX) Investments in Central and State Govt. Securities	8,39,45,12	8,17,64,36	7,59,33,88
(X) (a) Loans, Cash Credits and Overdrafts	14,46,86,55	14,59,58,45	12,37,66,19
(b) Due from Banks	19,02,90	17,63,37	13,09,22
(XI) Inland Bills purchased and discounted	1,83,92,18	1,82,74,18	1,73,97,61
(XII) Foreign Bills purchased and discounted	72,10,97	73,48,15	57,30,85
(XIII) Total of X, XI and XII	17,21,92,60	17,33,44,15	14,82,03,87



Money

THE CALCUTTA MONEY MARKET

SHARP RISE IN CALL RATE

Wednesday, 4th November.

THE general level of advances has decreased a little in the Calcutta money market during the past week. Almost all the main categories of borrowers have contributed to the fall—the jute and sugar mills, the iron, steel and engineering industries, and the foodgrains and seeds trade. The requirements of the textile mills, however, are unchanged. In the interbank market, conditions have been tight, and the call rate has jumped from 1 percent to 5 percent.

The exchange market is fairly active, with a good supply of both tea and gunny bills. The demand for remittances is fair. In London, sterling has shown a mixed trend, but fluctuations have been within narrow limits.

SILVER WAS STEADY IN CALCUTTA during the past week due to the Diwali demand. The price closed at Rs. 249.50. It was quoted at 112⅛d in London and at 129.3 cents in New York.

Gold was quiet and the price of 14-carat amounted to Rs. 69.25.

DURING THE WEEK ENDED 30TH October, Government of India Treasury bills for Rs. 46,89,25,000 were sold in favour of the Reserve Bank.

TENDERS FOR Rs. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 3rd November. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.375 percent were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.500 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 9th November.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 4th November to 7th November at Rs. 99.391 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 28th October to 31st October amounted to Rs. 7,01,50,000.

ACTIVE NOTES DROPPED BY Rs. 12.01 crores to Rs. 2,397.28 crores, according to the return of the Reserve Bank of India during the week ended 30th October, 1964, while the total note issue was Rs 31 lakhs larger at Rs. 2,431.42 crores. Notes held in the Banking Department consequently rose by Rs. 12.33 crores to Rs. 34.15 crores. Deposits of the Government of India increased by Rs. 12.48 crores to Rs. 95.93 crores while those of the State Governments dropped by Rs. 86 lakhs to Rs. 11.73 crores. Balances of commercial banks at Rs. 89.15 crores showed a fall of Rs. 11.76 crores. Balances held abroad decreased by Rs. 42 lakhs to Rs. 8.33 crores. Investments at Rs. 104.39 crores showed a decline of Rs. 2.92 crores. Loans to scheduled banks dropped from Rs. 2.35 crores to Rs. 1.68 crores, of which there was no advance against usance bills. Ways and means advances stood at Rs. 47.27 crores, against Rs. 44.96 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 23rd October, 1964, shows a rise of Rs. 6.72 crores to Rs. 671.06 crores in total deposits. Investments in Government securities are up by Rs. 9.88 crores to Rs. 300.48 crores, while other authorised investments remain unchanged at Rs. 8.98 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have risen by Rs. 1.55 crores to Rs. 330.85 crores. Cash and balances are, in consequence, shown at Rs. 49.05 crores or Rs. 31.93 crores higher.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 23rd October, 1964, shows Demand and Time liabilities at Rs. 1,365.77 crores (Rs. 28.98 crores on account of borrowings from banks) and Rs. 1,392.27 crores (Rs. 15.58 crores), compared with Rs. 1,343.72 crores (Rs. 31.60 crores) and Rs. 1,398.97 crores (Rs. 16.77 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have risen by Rs. 2.77 crores and Rs. 15.33 crores to Rs. 68.68 crores and Rs. 119.79 crores, respectively. There is a rise of Rs. 21.81 crores to Rs. 839.45 crores in investments. Advances and bills discounted at Rs. 1,721.93 crores show a drop of Rs. 11.51 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 6.8 percent and 62.4 percent, against 6.2 percent and 63.2 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 6-11-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
6-11-64	9-2-65	2,00,00	Rs. 2.500%
30-10-64	2-2-65	2,00,00	Rs. 2.400%
23-10-64	26-1-65	2,00,00	Rs. 2.500%
9-10-64	12-1-65	2,00,00	Rs. 2.500%
1-10-64	4-1-65	2,00,00	Rs. 2.400%
25-9-64	28-12-64	2,00,00	Rs. 2.399%
18-9-64	21-12-64	2,00,00	Rs. 2.386%
11-9-64	14-12-64	2,00,00	Rs. 2.400%
4-9-64	7-12-64	2,00,00	Rs. 2.400%
21-8-64	24-11-64	2,00,00	Rs. 2.400%
14-8-64	17-11-64	2,00,00	Rs. 2.400%
7-8-64	10-11-64	2,00,00	Rs. 2.393%

(Monthly Muturities 000's omitted)

November, 1964	6,00,00
December, 1964	8,00,00
January, 1965	6,00,00
February, 1965	4,00,00
Total	24,00,00

CLEARING HOUSE RETURNS

Week	Rs (thousand) Calcutta	Bombay
30-10-64	1,20,38,84	1,39,24,78
23-10-64	1,14,05,51	1,28,99,87
16-10-64	.....	1,05,06,28

ANNOUNCEMENT REGARDING THE PROPOSED ISSUE OF CAPITAL

This is NOT a Prospectus. Persons interested in full details may obtain copies of the Prospectus from the Registered Office of the Company or from the Underwriters, Bankers, Brokers and Issue House named hereinafter.

POYSHA INDUSTRIAL COMPANY LIMITED

(Incorporated under the Companies Act, 1956)

Registered Office : Messent Road, P.O. Tank Road, Bombay-33 DD.

EXISTING AND PROPOSED ACTIVITIES OF THE COMPANY

The Company is engaged in the manufacture of a wide variety of containers ranging from simple slip-cover-cans such as are used for cosmetics and other dry products to friction-top cans for paints, open top sanitary cans for fruits and vegetables, and other precision-made containers. Metal cans, mostly decorated and lithographed are manufactured by the Company in a variety of sizes and shapes to meet the needs of the different products to be packed. The Company also makes other light-gauge tinplate and sheet-metal products.

The Company's wholly owned subsidiary, Colrige Limited, is engaged in the manufacture of rigid containers and collapsible metal tubes for cosmetic, pharmaceutical and other industries.

Another subsidiary, Kaira Can Company Limited, will be manufacturing containers at its factory to be established near Anand mainly for the requirements of Kaira District Co-operative Milk Producers' Union Limited.

The proposed activities of the Company as well as of subsidiaries will be the same as described above.

LOCATION OF THE FACTORIES.

The Company's existing factory is at present situate at Messent Road, P. O. Tank Road, Bombay-33 DD. The Company has a branch factory viz., a reforming unit at Najafgarh Road, Motinagar, New Delhi-15.

The Company proposes to establish two additional factories, one at Cochin in the South to cater to the requirements of South India and the other at Ghaziabad in North India to take care of North and East Indian requirements.

The main factory situate at Messent Road, P. O. Tank Road, Bombay-33 DD., is proposed to be shifted to the Kalva Industrial Area near Thana of the Maharashtra Industrial Development Corporation and fully modernised.

The modernisation and expansion programme will increase the Company's capacity from 40 lakhs to 1 crore of cans per month, on a single shift basis.

The factory of Colrige Limited, a wholly owned subsidiary which is now in rented premises at Sewri, is also proposed to be shifted to the new site near Thana of this Company.

The factory of another subsidiary of this Company, Kaira Can Company Limited, is proposed to be established near Anand in Gujarat State.

BOARD OF DIRECTORS

1. **Shri Madanmohan R. Ruia, Chairman,** 96, Nepean Sea Road, Bombay-6.
2. **Shri Dayanand C. Kothari,** "Kothari House", 15, Kothari Road, Madras-31.
3. **Shri Chandrakant M. Khatau,** 6, Wilderness Road, Malabar Hill, Bombay-6.
4. **Shri Vijay M. Merchant,** Mewar, 40A, Peddar Road, Bombay-26
5. **Shri Narendra N. Kapadia,** Malhotra's Bungalow, *T-1/54, Juhu Tara,* Bombay-54.
6. **Shri Kumaril V. Mehta,** 25, Doongersey Road, Malabar Hill, Bombay-6.
7. **Shri Rasiklal M. Kapadia,** 'Lansdowne Court', Flat No. 1 5, Lansdowne Road, Calcutta-20.
8. **Shri Bhogilal P. Shah,** 'Karunasagar', No. 5, Deodhar Road, Matunga, Bombay-19.
9. **Shri Dhananjaya R. Mehta,** 75, Warden Road, Bombay-26.
10. **Shri Harkishan N. Kapadia,** "Villet Villa" Ghodbunder Road, Bombay-54
11. **Shri Harshad N. Kapadia,** *Ocean View Annexe, 3rd Floor* Warden Road, Bombay-26.
12. **Shri Jayantilal R. Mehta,** 75 Warden Road, Bombay-26.

SHARE CAPITAL

Authorised :
15,00,000 Equity shares of Rs. 10/- each ... Rs. 1,50,00,000

Subscribed :
2,50,000 Equity shares of Rs. 10/- each ... Rs. 25,00,000

Paid-up : Rs. 24,98,625

PRESENT ISSUE :
8,50,000 Equity shares of Rs. 10/- each ... Rs. 85,00,000

Out of the Present Issue :
2,50,000 Equity shares of Rs. 10/- each have been offered to the existing Shareholders by way of rights. ... Rs. 25,00,000

NOW OFFERED FOR PUBLIC SUBSCRIPTION FOR CASH AT PAR :
6,00,000 Equity shares of Rs. 10/- each payable as follows :
(i) Rs. 2.50 per Share on application
(ii) Rs. 2.50 per Share on allotment, and
(iii) the balance of Rs. 5/- per equity Share payable on further calls as may be determined by the Directors, but no call shall exceed Rs. 2.50 per Share and there shall be an interval of at least three months between any two calls ... Rs. 60,00,000

MANAGING AGENTS
Industrial Factors Private Limited,
Jiji House,
Raveline Street,
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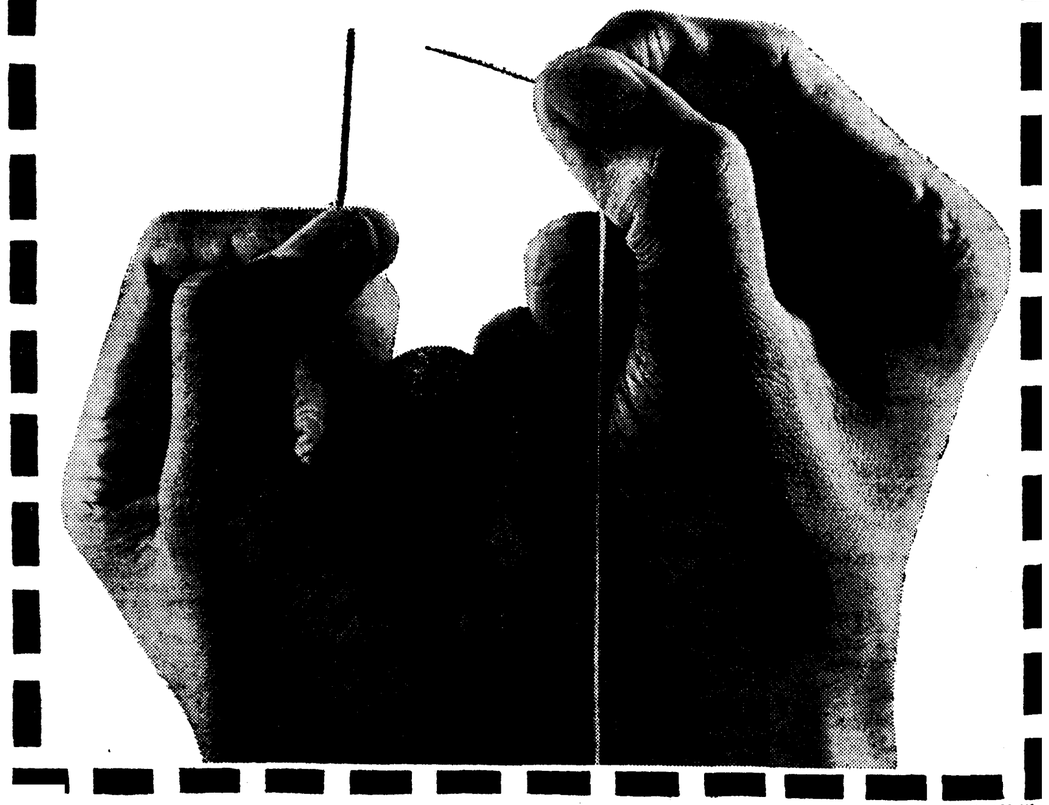
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New Delhi

N.D.C. DISCUSSES FINANCING OF FOURTH PLAN

(FROM OUR NEW DELHI CORRESPONDENT)

AN image of India very different from the one painted for the last 17 years emerged from the two-day session of the National Development Council held here last week. In contrast to the meetings held during the late Mr. Nehru's *régime*, the latest one indicated the lack of a unity of purpose and of an all-India outlook.

The past week commenced here with the much-advertised Food Ministers' Conference. The Prime Minister, Mr. Lal Bahadur Shastri, and the Central Minister for Food and Agriculture, Mr. C. Subramaniam, had already elucidated the Government's food policy. Statutory rationing, it was decided, should be introduced in Calcutta and Bombay, which were to be cordoned off from the rest of the States. This experiment was to be followed with the introduction of rationing in other cities with a population of 1 million or over. Provision has to be made for a larger number of fair price and cheap price shops, the latter for labour and other depressed localities. The plan aims to abolish the existing zonal system.

The Scheme Opposed

The scheme was largely opposed by the surplus States, who declined to share in the scarcity of the deficit ones. The Chief Ministers of Maharashtra and West Bengal were opposed to statutory rationing, largely on administrative grounds. So the conference deferred its decision till the Guntur session of the All India Congress Committee.

The session of the National Development Council was inaugurated by Mr. Shastri who was sympathetic to the common man and urged that some essential consumer goods industries should be started in the public sector. The State Chief Ministers, however, expressed dissatisfaction over the provisions made for their States and made it clear that the financing of the fourth plan by raising additional resources was the sole responsibility of the Centre. They were worried over the debts the States owed to the Centre and the growing interest burden on them. They also criticised the scheme of priorities devised by the planners and, in particular, the enhanced provisions made for education. They demanded larger allocations for irrigation, power and transport. The States, however, agreed to the size of the plan—Rs. 21,500 crores or Rs. 22,500 crores. Thereafter, the Council set up committees to appraise resources, (2) on industries, power and transport, (3) on social services, (4) on agriculture and irrigation and (5) on hill areas.

The Central Finance Minister, Mr. T. T. Krishnamachari, said that he did not want to take the responsibility of financing the States' plans and saddle himself with that responsibility. "I tell you, it will be wrong for you to depend upon the Centre for everything you want to do. The resource mobilisation for Rs. 3,000 crores must be a joint effort and your contribution and help and guidance are very necessary for this purpose. Secondly, we should also investigate the outlay on the plan and how much could be definitely earmarked as a Central responsibility, which will mean interest, but interest on the investment for which the Centre will be responsible to see that it is adequately serviced and processed, and how much will be the matching contribution," he added.

New Suggestion from T. T. K.

Mr. Krishnamachari made a new suggestion. He said that "the Centre should take up some specific responsibilities. The Centre cannot operate the States' spheres but specific responsibility in relation to some major items like power, even transport if you want, maybe, some hydraulic schemes and maybe even industrial ventures. The advantage of a direct responsibility is this. I have not got the figure for the current year but up to last year the States have taken loans up to Rs. 3,000-odd crores and every time you have to pay the interest. The interest is adjusted according to the nature of the loan, like the loan for social overheads, the loan for industry and so on. But even so, there is the current responsibility for adding interest to the principal and adding interest on the interest. It might be an advantage if the Centre keeps the account and keeps the interest as a Centre's liability. And, ultimately, the State has got the benefit of it; and if the Centre gets the benefit, the State gets it in turn."

It is a matter for some concern that the thinking of the Chief Ministers, as reflected by the discussion, was not influenced by the memorandum circulated to them by the Planning Commission. Similarly, the keystone of planing—namely, implementation through an efficient administration—was hardly mentioned except by the Central Home Minister, Mr. Gulzarilal Nanda. It is also significant that the members of the Hindi bloc—U.P., Madhya Pradesh and Bihar—laid greater emphasis on industrialisation than on education in which they are regarded as backward areas. Side by side, provincialism is running riot. The contradiction is evident. In the absence of education, outside technical and trained personnel will have to be imported to manage the industries which the Chief Ministers of the Hindi bloc want in their States.

There will be another meeting of the National Development Council after the reports of the five committees have been received. Meanwhile, the Planning Commission is embarking on a discussion of the plan in its first draft form.

THIRD PLAN

Defects Analysed

For the second time during the current year, the Planing Commission has been engaged in introspection. A paper was circulated to the recent two-day session of the National Development Council. The study has broadly grouped the shortcomings of the third plan under the following heads:

(1) Gaps between the declared social objectives and the means and instruments envisaged in the plan;

(2) Contradictions between current economic and social policies and plan objectives and policies;

(3) Difficulties arising from the nature of the federal structure and

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from weaknesses in State administration;

(4) Inadequate emphasis on the management function in relation to planning;

(5) Setting of inappropriate targets;

(6) Balance between projects and schemes requiring long and shorter periods of gestation and the lengthening out of gestation periods;

(7) Dispersal of resources in place of concentrated deployment;

(8) Problem of achieving effective administrative and technical coordination at the area level;

(9) Insufficient attention to costs, productivity and returns;

(10) Role and functioning of the organised private sector in relation to planned development;

(11) Inadequacies in reporting, evaluation and appraisal of progress and shortcomings; and

(12) Weaknesses in the organisation for planning at various levels and in data and analysis for planning.

The study claims that "between the statement of social objectives and the practical ability to achieve them, there has been a gap, whose very continuance now throws increasing doubt on the process of planned development. This statement is true, for instance, of such objectives as the establishment of greater equality of opportunity, bringing about reduction in disparities in income and wealth and a more even distribution of economic power, ensuring adequate expansion of employment opportunities, using the country's manpower resources and meeting the minimum needs of the bulk of the population. During any given period, there is a conflict between measures and policies for attaining economic growth and for enlarging social justice.

In its analysis, the study admits that "the degree of discipline in policy, so essential for effective and continuous administrative action, had not been available in many key areas. This has been the position over the years, both at the national and State levels and, in spite of the existence of the National Development Council and several favourable political factors, between the Centre and the States.

A Wide Gap

"There has hitherto been a wide gap between plan objectives and policies and current policies. This has reduced the effectiveness of plans without giving corresponding advantage in managing the current problems of the economy. This observation is true, for instance, in the manner in which the Government has dealt for several years with such problems as food distribution, fixing of relative prices of agricultural and industrial commodities, control of inflationary pressures, implementation of land reform, and growth of corporate enterprise in the private sector.

"It is pointed out by way of explanation that the distribution of subjects under the Constitution between the Union and the States did not give to the Central Government sufficient power to ensure economic and social development for the country as a whole either on an adequate scale or on uniform lines. The plans have sought to overcome this limitation to some extent. Through various forums, the Central Government is able to initiate consultations over a wide field and thus exert a certain advisory influence with the States. Through the resources for development which the Centre makes available, a measure of direction can be given to the scheme of development in the States. Rigid procedures for the administration of Central assistance inhibit action in the States. On the other hand, if agreed priorities are not observed and Central assistance meant for given purposes is not well applied or is diverted to other purposes, planning breaks down.

"There have been indications of this during the third plan. In particular, in States whose financial situation was not satisfactory, planning has suffered and priorities have been affected in several aspects. An important lesson for the fourth plan, therefore, is that procedures relating to Central assistance, while permitting a reasonable measure of change and flexibility, should have built into them certain sanctions which will ensure that plan programmes and priorities are not disregarded in any State simply because, for the moment, this seems to be the easier way. This is a matter which merits consideration as much from the point of view of individual Ministries and State Governments as in a larger national perspective.

Fixing Realistic Targets

"One error which has often occurred is to propose targets and judge achievements in terms of expenditure incurred. Wherever the targets are fixed, they should be related to physical tasks and achievements. Against these, certain estimates of expenditures have to be set. Any expenditure is intended to represent a certain performance in physical sense. It is of the utmost importance, therefore, that performance budgeting should be developed as a tool of planning and plan implementation.

"If the gestation period of a project is longer than has been planned, this should ordinarily be regarded as a failure in the management function. As suggested earlier, the failure constitutes a blot both on planning and on implementation. In the past, the lengthening out of gestation periods has frequently been ascribed to foreign exchange difficulties. That there have been foreign exchange problems is not denied. However, it is also true that in many instances, there have been other and more serious factors. Delays, for example, in making steel or cement available during the construction phase or in organising procurement of raw materials and components, both from within the country and from abroad, indicate that materials planning and management have not been given that central place in planning and plan implementation which is due to them. This has been realised for the past two years, but the steps taken to correct this known deficiency have been quite inadequate. As an important preparatory step for the fourth plan, a programme

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regular flow of key materials to projects under construction and procurement of raw materials and components for projects in operation should be taken in hand from now on.

"The main reason why it is possible to neglect what is accepted in theory as the correct approach, is that in Indian planning there has so far been very little insistence on the appraisal of costs and benefits and on comparisons between returns on alternative investments. This is a key area for action in the fourth plan.

"There should be greater emphasis on sound technical and economic investigation, on taking correct decisions on the basis of requisite information and date, and on implementation and smooth flow of benefits. Secondly, each year every large enterprise should undertake forward planning, both in physical and in financial terms, for a further period of five years. This would ensure that their estimates of cost and time and of physical benefits were reviewed systematically and, whatever changes or replanning were needed, could be undertaken as a matter of normal practice and incorporated into the plan. Current economic policies could then be more closely related to plan objectives and targets.

"Ten years ago, when the approach to community development and national extension was being worked out, it seemed hard to contemplate that, for years on end, only a proportion of the villages of India should receive the benefits of the proposed development. It was then thought that there would be no contradiction between the extension of community development so as to cover the entire countryside and the growth of agricultural production, provided (a) the necessary priority which the plans contemplated was always given to agriculture and (b) extension services were established by each State Government first in areas which already had irrigation or assured rainfall or which were likely to come under irrigation in accordance with plan programmes.

Intensive Development

"Neither of the two assumptions were fulfilled to the extent plans and policies had postulated. Be that as it may, the fact that growth in agricultural production—after attaining a certain level—seems to have come to a halt, has led the Government to stress the strategy of intensive area development. This has special application for agricultural and rural development. In other fields, areas selected for intensive development have a more limited purpose, such as testing of improved methods, training of personnel, etcetera. A common danger in planning is that certain lables may be used, but the content may be quite different. This aspect has to be watched in applying the idea of intensive development in every field and specially in agriculture.

"The choice between dispersed and concentrated deployment of resources arises in other fields as well, for instance, in determining locations for industrial development, in considering how speedily the less developed areas are to be brought to a level with the more advanced areas, or in considering how the rural industrialisation programme should be implemented. In practice, it is not possible to pursue either course completely at the cost of the other. Where the fourth five year plan should differ from earlier plans is in posing the issues in each case, working out its implications with the tools of economic and statistical analysis, and in formulating a precise programme in which there would be proper time phasing and assessment of costs and benefits. Admittedly, economic criteria alone will not be decisive, but they should be applied and political after considering the results of the economic appraisal.

"Cost productivity and returns are an aspect, firstly, of the criteria of investment which are followed and, secondly, of management at each stage of a project or scheme, but something more is also involved. Technological improvement and raising of levels of productivity are basic to economic progress. They have to be built not only into the general design of a plan but into each of the activities included in it. In other words, productivity has to be a matter of continuing concern. Costs and returns are in themselves both tests of productivity and instruments for achieving higher productivity. In the past, these aspects have received only casual consideration.

Rôle of Private Sector

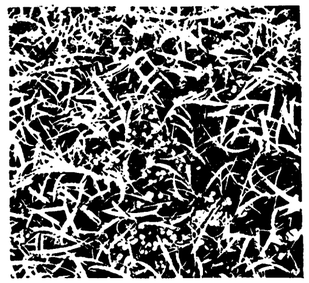
"Rôle and functioning of the organised private sector in relation to planned development. At the beginning of the first plan, a general view was taken of the place of the private sector in the national economy. This led to the passing of the Industries (Development and Regulation) Act of 1951. The Industrial Policy Resolution of 1956 carried the matter a little further, specially by way of demarcating fields of industrial development in which the public sector or the private sector would play a major part. In the light of experience over the past several years, it is necessary to review the 1956 Resolution and bring it in line with present-day needs.

"It is also necessary to review the 1951 legislation because, apart from the provisions made for the licensing of industries, provisions concerning the machinery of development in the private sector (Development Councils and the Central Advisory Council of Industries) have not fulfilled their purpose. In an economy which is to develop according to a plan and at the same time assign a considerable rôle to the private sector, it has now become necessary to give fresh thought to the structure of industrial organisation, to the rôle of the newly emerging managerial and technical cadres and to the part which labour should play in responsible decisions affecting industrial development and economic policy. Recent experience of difficulties in ensuring development of priority industries in the private sector, in obtaining resources, in promoting the application of scientific and technological research and attaining higher levels of productivity, in negotiating collaboration agreements and, finally, in working with the Development Councils and Industrial Associations, deserves close and critical attention."

F.B.I.

Team Expected in India

The Federation of British Industries is likely to send to India a team of British industrialists interested in investment and collaboration in Indian ventures in the near future.



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U.K. MEASURES TO DEAL WITH THE ECONOMIC CRISIS

(FROM OUR LONDON CORRESPONDENT)

THE new Government lost no time in tackling the economic crisis, and in a blaze of publicity on Monday of last week—a White Paper, Ministerial Press conference, a television and radio broadcast to the nation by the Prime Minister, and discussions with representatives of the T.U.C. and employers' organisations—the measures to be adopted were made available to one and all. The main measures include:

(1) A levy of 15 percent on all imports other than foodstuffs, basic raw materials, and unmanufactured tobacco. (2) Tax relief measures for exporters and improvements in export credit facilities. (3) Immediate action to establish an incomes policy and a price review body. (4) The establishment of severance payments, improved transfer grants, and other measures to increase mobility of labour.

(5) Rapid development in underemployed areas. (6) A "strict review" of Government expenditure, including an urgent re-examination of the Concord supersonic air liner project. (7) A careful costing of the social programmes to be announced in the Queen's Speech. (8) Consultation with the International Monetary Fund on Britain's use of its drawing rights.

Apparently when the Ministers got down to studying the situation, it was found to be even worse than had been anticipated, for the payments deficit for 1964 threatened to work out at between £700 million and £800 million. Something had to be done at once to call a halt and direct action to reduce imports and to stimulate exports was decided on, as the situation did not seem to demand a damper on demand at home and the Government rejected deflation given to the fact that the shock tactic measures were short-term and, therefore, temporary, but they would have to be followed by more fundamental action to remove the recurrent threat of financial crises whenever the economy was allowed to expand.

The "surcharge" of 15 percent on nearly one-third of British imports is expected to save something like £200 million a year. Just how much is saved depends, of course, on how far the British public insists on buying imported goods in spite of the extra charge. At home, the surcharge should bring in additional revenue at about £170 million a year. On the other hand, the cost of the tax rebates for exporters (averaging 1½ percent of the value of goods and based on indirect taxation) is likely to cost the Exchequer about £70 million a year.

Temporary Surcharge

While the "strictly temporary" surcharge will apply equally to imports from all countries, the fact that foodstuffs, raw materials, tobacco and certain other products are exempted, means that the charge will fall with different weight on the imports from different groups of countries. Thus it will affect 57 percent of British imports from the Common Market, 36 percent of imports from E.F.T.A. countries, 48 percent of purchases from the United States, and 13 percent of imports from all other countries, including the Commonwealth. These percentages are based on 1963 trade.

Even without any change of policy, next year's payments gap would have been much smaller. The £200 million import saving might bring it down to a reasonable level that could be held until the longer-term policies begin to take effect. The real key to success will be higher productivity and all round stabilisation of costs. The speed with which the new Labour Government has been able to move owes at least some acknowledgment to help from the work the Conservative Government did just before the election. Mr. Brown referred at the Press conference to the "problems inherited from the Conservative Government." Mr. Maudling admitted later in the day that this was true, but pointed out that the Labour Ministers had also inherited the solutions from the same source. He pointed out that they had accepted the diagnosis which had been made at the Treasury when he was Chancellor, and the spadework already done by the civil servants. In consequence, they had adopted policies which the Conservatives would not oppose in principle, but they would examine very carefully the details.

The Finance Bill needed to give effect to the immediate measures has been promised "at the earliest possible moment after Parliament meets," but this cannot be until the debate on the Queen's Speech has ended. It is not clear yet whether the Bill, when it comes, will include any or many proposals not mentioned in the White Paper. The parties at Westminster will judge the White Paper by two standards: the adequacy or necessity of the special measures now promised, and the indications of longer-term policy which made parts of it read like a re-issue of Labour's election manifesto. The tion and "stop-go" as remedies for a payments deficit. Emphasis was final test will be how quickly and completely the Government can realise the two conditions which the White Paper lays down for putting Britain on its own feet again:

(1) That the energies of "all its people" are enlisted, and

(2) That "all sections of the community share in the efforts and in the contributions they are asked to make on a basis of social justice and equality."

Both sides of industry have endorsed the Government's short-term plans, which were expounded to them at separate meetings in Downing Street. They are, however, somewhat less forthcoming concerning the longer-term proposals. The employers, for instance, were unconvinced that the proposed price review body could work without taking excessive wage settlements and restrictive practices into its calculations, and declared themselves unhappy about the re-examination of the Anglo-French Concord project. "The future of our aircraft industry may be at stake. We counsel deliberation in reaching a decision." On this question, French reaction was also cautious, awaiting clarification from Mr. Roy Jenkins, the Minister of Aviation, who is now in Paris for discussions, but it carried the suggestion of retaliatory moves if the project were to be cancelled.

Overseas Reaction

Overseas reaction has been mixed. The United States Treasury welcomed the moves as prompt and effective, and a spokesman for the West German Economics Ministry said that while his Government regretted any restriction of international trade, it understood the British measures in view of her balance of payments position. The Danes accused Britain of breaking the terms of the European Free Trade Area agreement and the Norwegians have also entered a protest along the same lines. The Irish claim that the Anglo-Irish trade agreement of 1938 has been contravened. The Common Market countries as a whole take a strongly critical view of the proposals and deplore the fact that there was no prior consultation before the Labour Government brought in the new measures. On the whole, the reactions of the Commonwealth countries are sympathetic if not entirely approving, but then Commonwealth trade is, after all, probably the least affected.

Long-term Plans

Mr. Wilson's broadcast was aimed at bracing the country for a much stronger effort to increase exports. The surcharge, he said, would not ultimately shelter the inefficient firm, and to think of it as providing an easy way out would be a recipe for industrial and national suicide. The Government regarded its long-term plans to stimulate exports as being more important than the emergency measures. Britain must make a real drive for economic strength. There must be a sharper cutting-edge in sales—and the impetus must come from the board room now. "We have to think less of what can get out of the economy and a great deal more of what we can put into it."

He condemned those who spent so much time on tax-avoidance and on trying to secure capital gains rather than more production. "We cannot afford attitudes anywhere on either side of industry which stand in the way of higher production or lower costs. The old-fashioned restrictive ideas have no place. We must get rid of monopoly practices, over-manning the job, costly demarcation arguments and the temptation to indulge in wild-cat strikes."

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Liabilities / *Assets*

	1963	April 12, 1962		1963	April 12, 1962
	Rs.	Rs.		Rs.	Rs.
Capital	2,500	2,500	Cash	33,993	27,992
Reserves	7,032	6,656	Investment	160	120
Deposits	94,503	80,382			
Other Liabilities	5,954	3,198	Loan & Discts.	74,069	63,006
Contra A/cs.	10,940	7,958	Contra A/cs.	10,940	7,958
Profit & Loss	699	790	Other assets	2,466	2,408
	1,21,628	101,484		1,21,628	1,01,484

Jute

F.A.O. EMPHASISES SCOPE FOR STABILISING FIBRE PRICES

A RECENT report prepared by the U.N. Food and Agriculture Organisation says that there is great scope for international collaboration in stabilising the prices of jute and allied fibres and the products made from them. It has suggested some basic improvement in marketing, including the revision of grading practices and expansion of warehousing facilities. It has recommended that the scope for adopting a buffer stock policy at the international level should be examined. The carryover stocks held by the major producing countries may be taken over by a buffer stock agency. The report examines methods of stabilising the jute economy on a world scale by adopting various means, ranging from the setting up of advisory committees for co-ordinating national buffer stocks and price policies to the establishment of an international buffer stock financed by world agencies.

World production and consumption of jute, kenaf and allied fibres, says the report, have increased by more than 4 percent annually during the past ten years. A steady increase is visualised in the demand for jute products until 1970 throughout the world, but more so in the developing countries than in the industrialised countries of the West. The present levels of output and offtake are about 40 percent higher than before the second World War. With the emergence of more countries as manufacturers of jute goods and also with the expansion of facilities in most of the erstwhile producing countries, western Europe's share in the manufacture of gunnies has declined from 34 percent of the world total to 18 percent. India's share has fallen from 55 percent to 42 percent. Now the developing countries, including China, consume as much of jute and allied fibres as the rest of the world because of the remarkable increase in their industrial and farm production. In the advanced countries, the consumption of jute goods and other packaging materials has kept pace with the increase in gross national product. Although jute goods have lost some of their former uses in packaging, new uses have been evolved for them in floor paving, wall decoration and carpet backing.

Indian Share in Fibre Output

While Pakistan's share of the world jute output has dropped from 70 percent in 1948-49 to 46 percent in 1963-64, a substantial increase has been achieved in India and some other countries, including China, Formosa, Thailand, Burma, Russia and Brazil. Pakistan's jute production at 1.1 million tons in 1963-64 has remained more or less stationary since 1947, while India's production has gone up fourfold from 300,000 tons to 1.3 million tons during the same period. Burma, which was not growing any jute in 1949, now produces 14,000 tons. Between 1949 and 1963 China's production has gone up from 35,000 tons to 356,000 tons, Brazil's from 18,000 tons to 73,000 tons, Formosa's from 6,000 tons to 10,000 tons and Thailand's from 5,000 tons to 163,000 tons.

Apart from the geographical shifts in cultivation, there has been a marked change in the composition of jute cultivation during recent years, with increasing emphasis on the production of mesta, an inferior variety of fibre. Mesta production, which constitued 22 percent of the world output in 1952-55, has now risen to 39 percent. The main reasons for the switchover to mesta production have been the desire of the developing countries to reach self-sufficiency in producing their own bagging material and the difficulty experienced by most countries in producing high quality jute, which only grows in rich alluvial soils under tropical climatic conditions.

Sharp Rise in Demand

As for consumption, the study shows that it was only 3.5 percent higher in 1959-61 than the prewar level of 1937. In the U.S.A., one of the largest buyers of jute products, there was a sharp drop in demand in the immediate postwar period due to a shortage of jute goods. But subsequently the demand for jute products, particularly for tufted carpets, floor coverings and wrapping materials for textiles, has increased sharply. Analysing postwar trends in the consumption of jute goods in Far Eastern countries, the study says that India has emerged as the foremost consumer in the region. The offtake has risen at an annual rate of 9 percent since 1955. But in Pakistan it has not been more than 1.5 percent due to the country's emphasis on increased exports.

The report warns that the long-term expansion of the market for jute goods will depend on the degree of stability in the prices and supplies of these materials. With increasing competition from synthetics and substitutes, whose prices are comparatively steady, the problem is becoming serious. During the last decade and a half, jute prices have appeared to be very unstable. In the last few months, too, there have been sharp fluctuations.

Hedge Trading

Hedge trading has commenced from Tuesday in sacking and hessian for February delivery with the approval of the Forward Markets Commission. Trading is subject to the same conditions of free limits and limits on price increases and special margins as are applicable to hedge contracts in jute goods for November delivery. The East India Jute and Hessian Exchange has fixed ceilings on the total volume of daily transactions in the hedge contracts (of a ring member) in jute goods for February 1965 delivery at 2.5 million yards of hessian cloth and 3,500 bales of sacking bags during the period of simultaneous trading in the same goods for November delivery. After the closure of the latter contracts, the daily ceilings will be raised to 3 milion yards of hessian cloth and 4,000 bales of sacking bags.

By another notification the authorities have withdrawn from 3rd November the free limits concerning special margins against November delivery hedge contracts. From that date the ceilings for the total volume of daily transactions in November delivery hedge contracts of a ring member have been fixed at 1,000,000 yards of hessian and 1,000 bales of sacking.

Strike Threat by Jute Mill Workers

A number of jute mill workers have for some time now been agitating for a bonus in terms of the Bonus Commission's recommendations, instead of what is being paid to them under the Wage Board's award since last year. There has been a wastage of man-hours, as a result of which the production loss during September is estimated at around 3,000 tonnes. A meeting of the National Union of Jute Workers, affiliated to the Indian National Trade Union Congress, decided in Calcutta last week to organise a day's token strike in December "as a protest against the non-implementation of the recommendations of the Bonus Commission". The meeting criticised the attitude of the employers, and felt that the State Government had also shown "dilatoriness in tackling the dispute". Labour leaders stated at the meeting that with the Central Government's acceptance of the Bonus Commission's recommendations, jute mill operatives were eligible for a bigger bonus than is being drawn by them under the Wage Board's award. The guaranteed minimum, irrespective of profit or loss, under the Bonus Commission's report is 4 percent of the total wages, including dearness allowance, earned by a worker during a year, or Rs. 40, whichever is higher. The maximum limit is 20 percent of the total earnings as specified before or about 75 days' total wages.

THE JUTE MARKETS

Manufactured Goods: Divergent trends marked trading in the Calcutta gunny market during the past week. There was rapid covering in sacking for November following the large Burmese Government tender on Wednesday of last week. But prices declined sharply from the week's highest levels on tired long liquidation combined with some short-selling. Sacking for November closed with a comfortable gain from the week's opening levels after wide fluctuations. Prices eased in the spot market as more mills emerged as keen sellers for all positions. Overseas interest was small. Routine hessian business was reported with the U.S.A. and Russia. Besides, due-date and shipper-covering helped sentiment. A squeeze was felt in heavy goods for October and November deliveries helping their prices to rise sharply. But offerings exceeded enquiries for December and later deliveries, so there was a sharp setback in their closing prices. Hessian continued to move in sympathy with the general trend after narrow fluctuations. Trading in hessian cloth and sacking bags for November delivery commenced from Tuesday. The Moorat trading on Diwali eve was dull, and prices hovered around the previous levels. Turnover was fair in heavy goods and moderate in hessian. The closing undertone was steady in the close of the week. Trading in Upper Assam White Bottoms for December delivery had not yet commenced in the hedge market.

Monday's quotations were as follows:

	Rates a maund		Rates a quintal	
	Mid.	Bot.	Mid.	Bot.
Assam-Agartala Jute	40.50	37.50	108.51	100.47
Northern Jute	40.00	37.00	107.17	99.13
Western Desal Jute	39.00	36.00	104.49	96.45
Selected Daissee	41.00	38.00	109.85	101.81
Assam-Agartala Tossa	40.50	37.50	108.51	100.47
Mesta: Assam-Northern	38.50	35.50	103.15	95.11
Local Daissee	38.00	35.00	101.81	93.77
Bihar Dist.	37.00	34.00	99.13	91.09
Bihar Dist.	37.00	34.00	99.13	91.09

THE U. K. JUTE MARKETS

IMPORT DUTY IMPOSED ON MANUFACTURES

(FROM OUR DUNDEE CORRESPONDENT)

THE main feature of the past week was the announcement by the British Government that an import duty of 15 percent was being imposed on most manufactured articles. This includes jute yarns and cloth. The announcement more or less brings back the protection the Dundee jute industry lost in September, when 10 percent of the mark-up on imported hessian cloth, used mainly for bag-making purposes, was eliminated and the range widened by the addition of other goods. In effect, a mark-up of 15 percent is now in force. It is, however, stated that the duty now imposed will be of a temporary nature.

The import of hessians into the U.K. in bag-making widths is in the process of being transferred from public to private trading, and the import duty of 15 percent will make the position difficult for firms in the trade. It is unfortunate for sack sewers in the U.K., since it will increase the cost of their commodity before they have had the benefit of cheap cloth which they have striven to obtain for so long.

Jute manufacturers in the U.K. are busy, and some fair orders have been received during the past week. It is difficult to increase production because of the shortage of skilled labour. Meanwhile, more enquiry has been made for such heavy goods as sacking and tarpaulins.

It is impossible for Dundee to supply the whole needs of the carpet trade as far as yarns are concerned, so fair quantities are imported every year. The imported yarns will now be subject to an import duty of 15 percent.

The raw jute market is much quieter than in the previous week. Sellers are anxious for business and although lower prices are being demanded, it is not bringing out much business. Holders of secured parcels are anxious to dispose of their stocks and some low prices are being accepted. Offers are being made at £150 for Mill Firsts, at £136 for Export Firsts, at £123 15s for Export Lightnings and at £115 10s for Export Hearts, c.i.f. U.K., for November-December shipment. Grade Tossa-2/3 is at £150 and Grade Tossa-4 at £134 15s. Output Tossa-2/3 ranges from £129 and Outport Tossa-4 from £114, November-December. As far as afloat parcels are concerned, less than the above rates would be

	Ready	Nov.	Dec.	Jan.-Mar.
40in. 7½oz.	37.75	38.15	38.35	38.70
40in. 8oz.	40.50	—	—	—
40in. 10oz.	50.00	50.60	50.85	51.45
B Twills	154.40	153.35	150.50	148.10
Cornsacks	157.50	158.00	154.00	151.00
Heavy Cees (Plain)	154.40	153.00	150.00	147.00
A Twills	181.00	181.00	181.00	178.00
Liverpools	166.00	167.00	166.50	165.50

Raw Jute: Steady conditions prevailed in the raw jute market during the past week. Daily arrivals declined somewhat in the terminal markets. Growers became cautious. The maximum purchase quota of 175,000 bales for the week ending 7th November proved to be meagre. Against a monthly consumption of about 600,000 bales, mill offtake under the quotas was of the order of 700,000 bales. Selective mill support for better-grade fibre, of which there was a shortage, helped its price to harden appreciably. Routine "lucky day" transactions were reported on Diwali evening around the previous levels. Turnover was moderate, and the undertone steady at the close. Trading in Upper Assam White Bottoms for December delivery had not yet commenced in the hedge market.

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with offers at £90 for S.N.C. and at accepted. Cuttings are also quieter £80 for N.C. Mesta is steady and the prices asked for are of no interest to Dundee spinners. The prices are at £112 10s for A, at £102 for B, at £94 for C and at £76 for cuttings, c.i.f. U.K., for November-December shipment.

The Siam jute market is also quieter. Offers are at £84 10s for grade A, at £79 10s for grade B, at £76 for grade C and at £73 10s for cuttings, delivered mill Dundee for November-December shipment.

Prices of Calcutta goods are at a lower level and fairly substantial reductions have taken place in the case of sackings. Quotations, which are subject to a 15-percent import duty are at 80s 8d for 40in. 10oz. and at 61s 5d for 7¼oz., c. and f. U.K. for prompt shipment, at 81s 5d and 61s 10d November and at 81s 9d and 62s 1d December. B Twills are at 245s 7d, 244s and 242s 6d for the respective shipment periods.

THE PAKISTANI JUTE MARKETS

ARRIVAL OF POOR QUALITY FIBRE CONTINUES

(FROM OUR DACCA CORRESPONDENT)

LOOSE jute arrivals continue to be of poor quality, and arrivals last week were spasmodic. Once again, prices in the interior varied considerably according to the financial status of the majority of the balers in the area. Where there is a shortage of finance, sellers are beginning to allow credit and charge relatively higher prices. Shortage of finance is probably the most serious problem in the market this year and is of course one of the most bearish factors. Despite this, in no baling centre does the supply exceed demand. It is, therefore, easy to imagine what will happen when finances improve. Except for the areas which traditionally supply wet jute, the condition of jute this season is quite good.

In the local pucca bale market, there were small transactions in Export Hearts and Export Lightnings mostly from northern areas, but little or no transactions in tossa. It is only the shortage of finance and the lack of consumption by the mills, which is keeping the market so dull. If it were not for this reason, prices at least for tossa would be considerably higher. In cuttings, there have been some transactions in the ready position round about E.P.C. prices at about £73 f.o.b. The forward position has been neglected completely, and already extensions are being asked for sales made for October delivery. There is no doubt that the large quantities transacted for the January-February-March position will remain largely undelivered and there will be settlement resulting in a glut of cuttings in the market. India might take some but generally speaking, one must expect this market to go down. The question is whether E.P.C.s for cuttings will be similarly reduced.

The market in Pakistan itself was largely neglected during the last week. Attention was centred more than ever on the overseas market where buyers, taking full advantage of the situation in Pakistan, have been forcing prices down. Despite reports to the contrary, there is no doubt that even if overseas consumption is reduced by 20 percent, there will be a shortage of raw jute, or at least no carryover, which amounts to the same thing.



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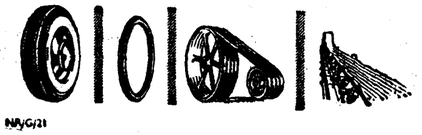
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Commodity Markets

STEADY RISE IN CASHEW EXPORTS

(FROM OUR SOUTH INDIAN CORRESPONDENT)

INDIA'S cashew exports are climbing new heights. During September, 4,300 tonnes of cashew kernels were exported, bringing the total for the first nine months of the year to 39,300 tonnes. The earning was Rs. 19.24 crores. Both were the highest on record. Compared with the export earning in the same period of last year, it was Rs. 2.77 crores higher. The export of cashew shell oil during this period was to the tune of 10,200 tonnes, valued at Rs. 1.52 crores compared with 5,900 tonnes worth Rs. 73 lakhs exported during the same period of 1963. If the present trend continues, India's export earning on cashew products will be another record in 1964. The main buyers of Indian cashew kernel during this period were the United States, Russia, East Germany, the U.K., Australia and Canada.

The 1964 production of almond and filberts, two edible nuts which are in a way rivals of cashew in the world market, was larger than the previous year's. Almond harvest is placed at 125,300 short tons, shelled basis. Production this season is large, exceedng the five year (1958-62) average of 104,300 tons as well as the harvests of 75,600 and 115,900 tons in 1962 and 1963, respectively. However, the 1964 crop will be below the 1961 crop which was a record at 155,500 tons. Total supplies including stocks in producing countries for 1964-65 are now indicated at 136,100 tonnes. The 1964 filberts harvest is now forecast at 230,400 short tons, unshelled basis, compared with 175,900 tons in 1963 and the previous record of 194,900 tons in 1956. The average for 1958-62 was 162,600 tons. The United States which is the main market for cashew is a producer of both these nuts. Her harvest of almond in 1964 is estimated at 37,000 tons, slightly above the 1963 harvest and about 9,000 tons more than the five-year average. As far as filberts is concerned, U.S. production at 8,400 tons was a 1,500 ton gain over the 1963 crop, but 800 tons less than the five-year average of 9,200 tons.

TANNIN

Award for Invention

The Inventions Promotion Board, New Delhi, has awarded a prize of Rs. 1,000 to Dr. K. S. Madhavan Pillai, Head of the Industrial Research Laboratory attached to the Industries Department of the Kerala Government, for his detection and production of tanning materials from cashew skins. It has been found by Dr. Pillai that the brown skin peeled off the roasted cashew kernel contains 40 percent of extractable tannin, which could be used as a substitute for wattle bark. India now imports about 10,000 tons of wattle bark worth over Rs. 1 crore from east Africa. The use of the process developed by Dr. Pillai would help to extract more than 1,000 tons of tannin worth over Rs. 10 lakhs from about 3,000 tons of cashew skin annually thrown away as waste.

SPICES

Exports Rise

The Spices Export Promotion Council reports that India has earned Rs. 10.15 crores during January-July 1964 through the export of spices. This was Rs. 1.87 crores more than the export earning on spices in the same period of last year. The items that showed increases were cardamom, ginger, pepper, chillies, turmeric, cassia, fennel seed and aniseed. Pepper exports from India have been lesser this year. Exports during the first seven months of 1964 were to the tune of 11,537,477 kilograms, compared with 12,114,903 kilograms. However, the value realised thereon was higher by about Rs. 14 lakhs this year. Trade circles attribute this quantitative fall in export to the poor offtake by the U.S.A. which is India's main buyer. The U.S.A. has turned to Singapore and Indonesia where prices have been cheaper by a few cents a lb. More than 50 percent of the exports this year were to the communist countries which are new markets for Indian pepper.

CARDAMOM

Higher Auction Price

In the first auction sale for new season cardamom at Cochin last week (26th October) buyers were active and they lifted the 2,935 kilograms on offer at prices which, on an average, were Rs. 2 to Rs. 4 a kilogram above the last season's prices. The sale average was Rs. 19.10, against Rs. 14.99 a kilogram of the corresponding sale of last year. The highest price of Rs. 22.65 a kilogram was realised by a 90-kilogram lot of the Chulika Estate.

COFFEE

Growing Export Surplus

The chairman of the Mysore State Planters Association, Mr. A. M. Appaiya, made a plea for getting India's export quota raised, under the International Coffee Agreement, from the present 22,000 tonnes to 50,000 tonnes a year. Addressing the annual general meeting of his association recently he said that the fixing of export quotas on the basis of past exports, without taking into consideration the production trends was particularly disadvantageous for a country like India. The Indian export quota represented a meagre 33 percent of the production, as against a quota of up to 80 percent of the maximum production fixed for the chief coffee growing countries. Mr. Appaiya said that he was sure the investigation team of the International Coffee Council which was due to visit this country later in the year, would appreciate the Indian position and recommend to the Council a suitable export quota commensurate with the country's production and surpluses. Production during the third-plan period would suffice to meet the internal demand at present levels, and above a surplus of 50,000 tonnes for export.

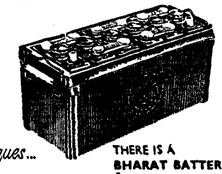
Reviewing the record performance of the coffee planting industry during the last decade, Mr. Appaiya said that the year just completed had seen the crop touch 68,000 tonnes, the highest crop ever harvested. Mysore's share in this was roughly 53,000 tonnes. The 1965-66 crop was expected to touch the 75,000 tonnes mark. On the basis of this production forecasts, big surpluses of the order of 45,000 to 50,000 tonnes of coffee would be available in the coming year, he said.

To meet the growing internal demand and increased exports it would be necessary to raise the level of production by about 25,000 tonnes over the third plan target. The industry had already taken steps to maximise production. The development scheme submitted by the industry would seek to make it available the requisite financial assistance for the rapid rehabilitation of old stands of coffee, thus increasing production by about 10,000 tonnes a year. This would leave a gap of 15,000 tonnes which could be met only by increasing the area under the coffee crop. Trends in production had indicated that a substantial portion of this increase in crop would have to come from Mysore State. Attempts to grow coffee in new areas had not been very successful. The aim should be to bring an additional 30,000 acres under coffee cultivation during the course of the next six years. The Government should give serious consideration to making available land for genuine coffee cultivation at the rate of 5,000 acres a year.

In an address to the conference, which was read out in his absence, Mysore's Chief Minister, Mr. Nijalingappa, assured that the proposed land revenue revision would not cripple the plantation industry in the State. The objections filed by the industry under the rules of the Land Revenue Act would be considered by the Government, and also discussed by the State Legislature before a final decision was taken. The Government, the Chief Minister pointed out, was very much interested in increasing the production of coffee and other plantation crops.

The Mysore Government, he disclosed, had decided to undertake rubber plantation to expand the area under rubber. There was also suffi-

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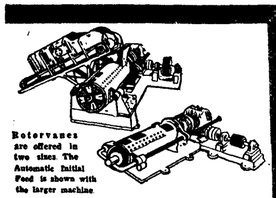
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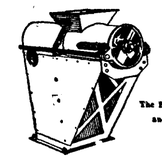
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cient scope for expansion of the areas under coffee, cardamom, tea, pepper and orange. In this connection, he said that if the various schemes for stepping up production were to succeed, research was definitely an important factor that would demand attention.

COTTON TEXTILES

Higher Activity

The improved level of activity in the cotton textile industries of the non-communist world was maintained in the second quarter of the year, according to the Cotton Board's latest *Quarterly Statistical Review* just published. In that quarter, cotton yarn output in those countries for which regular statistics are available is estimated to have been about 3 percent greater than in the same period of 1963. This compares with the 5 percent increase recorded in the first quarter. As in the previous quarter, the expansion compared with a year earlier was very widely spread, with increases in cotton yarn production reported for the U.K., Continental Western Europe, the U.S.A., India, Pakistan and Japan.

The statement in the previous issue of the *Review* that world trade in cotton piecegoods in the first quarter was rather greater than in the same period of 1963, needs to be revised in the light of later information. In fact, it appears that exports from the main non-communist exporting countries were about 1 percent less than a year earlier. In the second quarter, on the other hand, shipments seem to have been about 6 percent greater than in the second quarter of last year, thus reversing a three-year-long downward trend. Exports from Japan, India, the U.S.A. and Continental Western Europe were greater than a year earlier, but British shipments still continued to run slightly below last year's level.

World trade in man-made fibre fabrics continues to boom. In the second quarter of this year, exports from the principal non-communist exporting countries were about 8 percent greater than in the same period of 1963, a similar percentage increase to that recorded in the first quarter. The U.K., Continental Western Europe as a whole, Japan and the U.S.A. all exported more than in the second quarter of last year.

The longer-run prospects for the U.K. industry are clouded by two unfavourable factors, the disappointing performance of retail sales and the large increase in imports this year. The lack of buoyancy in retail sales, coupled with the greatly increased volume of imported cotton piece goods and made-up goods has led to a disquieting increase of stocks "in the pipeline." Stocks of cloth held by weavers, converters and grey cloth importers are estimated to have increased by about 44 million square yards in the second quarter, the increase being entirely in cotton cloth. Moreover, stocks beyond the converting stage also seem to be rising. The situation is not quite as bad as might appear at first sight, since a good deal of the increase has been caused by India shipping the bulk of her annual quota in the first half of the year. Nevertheless, there is no doubt that supplies of cotton textiles this year will be appreciably in excess of the final offtake.

The Indian cotton industry continues to enjoy boom conditions. Cotton yarn production in the second quarter of the year was about 3 percent greater than a year earlier. Over the same period, the increase in mill production of cotton cloth was about 2 percent while the expansion in the output of the decentralised handloom and powerloom sectors has been much greater. The "voluntary" price regulation scheme which has been in operation for the last few years is apparently to be scrapped and replaced by a system under which there will be statutory price controls on popular varieties of cloth, amounting in total to 45 percent of production for the home market, and no controls over the remaining types.

Indian Piecegoods Exports

In the first quarter of 1964, Indian exports of cotton piecegoods were slightly greater than in the same period of 1963 while in the second quarter, according to preliminary information, they were considerably greater than a year earlier. This expansion is largely illusory, however, since it is entirely accounted for by the "bunching" of most of the permitted exports to the U.K. into the first half of the year. Shipments to other markets have been smaller so far this year than in the corresponding period of last year, the main losses being in exports to the U.S.A., East Africa, the Sudan, Burma and Singapore.

In the first quarter of 1964, exports of cotton piecegoods from Hongkong appear to have been slightly smaller than in the same period of 1963, which was a record year for this trade. As an indication of the success of the efforts being made to move into higher qualities of production, it is reported that the average count of cotton yarn spun in the industry is now 30's. It is also reported that 100,000 new spindles have been installed in the last 12 months, mostly as replacements for old spindles which have been exported as second-hand. It is considered that spinning capacity has just about reached its maximum limit now. On the other hand, several extensions to finishing capacity are planned. Some of these are designed to cope with synthetic fibre fabrics.

With the commissioning of the smelter with a capacity of 10,000 tonnes in Mettur in December this year and the first stage of the expansion of the Alwaye smelter by 5,000 tonnes early in 1965, the installed capacity of aluminium during 1964-65 is expected to increase by 15,000 tonnes to 68,000 tonnes. A further increase to 100,000 tonnes a year during 1965-66 is expected following the expansion of the Rihand smelter and Alwaye smelter.

The actual production of the metal will also increase from 55,000 tonnes to 60,000 tonnes during 1964-65 to 70,000 tonnes during 1965-66 and to 100,000 tonnes during 1966-67. The third plan targets for installed capacity and production of aluminium were 87,500 tonnes and 80,000 tonnes, respectively. These targets were later revised to 110,000 tonnes and 100,000 tonnes. The demand for aluminium by the end of the fourth plan is placed at 260,000 tonnes.

Steps are being taken for setting up an integrated aluminium project in Korba, Madhya Pradesh. As already reported, Hungarian experts are already in India and are having talks with the Government of India on this matter.

NON-FERROUS METALS

Production and Demand

Our New Delhi Correspondent writes: The Central Ministry of Steel and Mines has estimated that the demand for aluminium will go up to 260,000 tonnes by the end of the fourth plan, compared with 100,000 tonnes by the end of the third. The demand for copper and zinc is similarly expected to reach 250,000 tonnes and 225,000 tonnes, respectively, against the third plan consumption of 138,000 and 136,000 tonnes. The consumption of lead is placed at 145,000 tonnes by the end of the fourth plan, against the third plan estimate of 65,000 tonnes.

Capacity of Korba Project

The Korba project will have a capacity of 120,000 tonnes a year of alumina, 30,000 tonnes a year of aluminium metal supported by facilities to manufacture aluminium semis. In addition, the Government has already finalised three schemes for producing 85,000 tonnes of aluminium and two schemes for the expansion of the two existing units; increasing the present installed capacity from 62,500 tonnes to 113,000 tonnes.

As for copper, the Ministry has taken up four projects to produce 58,000 tonnes of the metal during the fourth plan period. These are likely to cost Rs. 39 crores.

Requirements of copper, according to present indications, are expected to go up to 250,000 tonnes by the end of the fourth plan, compared with 138,000 tonnes by the end of the current plan.

To meet the enhanced estimated requirements of zinc, the Ministry has drawn up various projects where investigation, research and pilot-plant tests are necessary to prove reserves. These projects, when fully implemented, will go a long way in meeting the additional requirements and are estimated to cost about Rs. 72 crores.

The demand for the metal at the end of the fourth plan is placed at 225,000 tonnes, compared with 136,000 tonnes at the end of the third plan.

The Ministry has also initiated talks for foreign collaboration with Polish experts for setting up a zinc smelter in the country. The smelter, which will be based on imported concentrates, will have a capacity of 30,000 tonnes and is estimated to cost about Rs. 12 crores.

TEA

Joint Indo-Ceylon Move for Export Promotion

(BY A SPECIAL CORRESPONDENT)

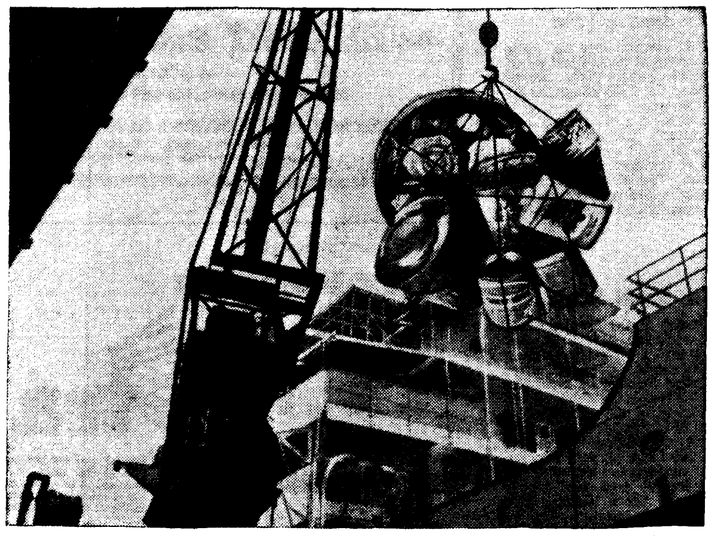
IT has been decided to set up a joint Indo-Ceylon Tea Commission to promote export sales in the principal tea consuming countries. The decision was taken at a recent meeting between the Ceylon Minister for Internal and External trade and the Central Minister for Commerce of India. The Commission is expected to "consist of three officials from each Government." It will meet periodically to chalk out measures for the development of the tea industry in the two countries, for sales promotion and for the fixing of tea prices". When the auctions of leaf teas were resumed in Calcutta in the last week of October, there was a good general demand for Dooars B.O.P. grades, but fannings and some Assams were lower. Sale of Dusts reported a similar mixed tendency. Colombo advices report a strong general demand with good bidding for Western high growns. But some of the best liquoring teas were irregular, as were medium grades.

At the London Auction on 28th October, there were 26,632 packages from north India. Demand was less and buyers more selective and prices for Assams were easier. Others showed little change from Monday's rates.

Sales of tea in Calcutta up to 7th October, totalled 42,064,507 kilograms at the rate of Rs. 5.75 a kilogram, compared with 43,669,157 kilograms at the rate of Rs. 5.74 a kilogram a year ago. In spite of the larger crop offerings have not been very heavy, which of course means larger supplies will follow. Dust prices at Rs. 4.95 a kilogram this year compare with Rs. 4.94 a kilogram a year ago.

Exports from 1st July to 15th October, 1964, total 70,197,519 kilograms, compared with 64,645,033 kilograms. Of this, exports to the U.K. amounted to 49,593,732 kilograms, compared with 46,226,483 kilograms a year ago.

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77, NETAJI SUBHAS ROAD, CALCUTTA-1



In quest of gold

More and more Indian manufacturers are today earning valuable foreign exchange by selling their products abroad. Exports of cashew nuts, fish, vanaspati, toiletries and other consumer goods in Metal Box packages alone earned over Rs 8 crores last year. That's a lot of foreign exchange, and for the nation it's as good as gold.

To sell in highly competitive overseas markets the product must be of the finest quality. *And so must the package.* It must be of the *right size* and must have the *right finish.* And an *attractive surface design* that will score over competition in sales appeal.

All this requires research, experience, resources. Metal Box have them. They also have access to the fund of marketing and technical know-how of their world-wide associates. This is why Metal Box can provide a comprehensive packaging service as no one else can. This is why, too, so many packers come to Metal Box for advice, send their goods abroad in packages designed and manufactured by Metal Box.

And Metal Box customers are not located in India alone. Last year Metal Box exported nearly Rs 30 lakhs worth of containers, closures and machinery direct to packers abroad.

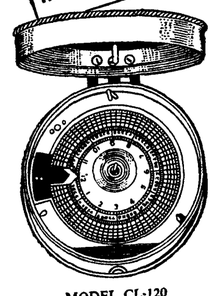
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COMPANY AND PUBLIC NOTICES

THE BOMBAY BURMAH TRADING CORPORATION LIMITED

NOTICE

NOTICE is hereby given that the *One Hundred and First Annual* General Meeting of the Shareholders of the Corporation will be held at the Tata Auditorium, Bombay House, 24, Bruce Street, Fort, Bombay 1, on Wednesday the 25th November, 1964, at 4-30 p.m. (S.T.), for the purpose of transacting the following business:

1. To consider and approve the *Statement of Accounts* for the year ended 31st May, 1964 and the Balance Sheet as well as the Reports of the Board of Directors and Auditors.
2. To sanction the declaration of a dividend.
3. To appoint a Director in place of Mr. M. G. R. Aitken who has attained the age of 67 years and who retires by rotation and, being eligible, offers himself for re-appointment; and to consider and, if thought fit, to pass the following Ordinary Resolution of which special notice as required by Section 281 of the Companies Act, 1956 has been received by the Corporation:—

   "Resolved that Mr. M. G. R. Aitken who has attained the age of 67 years and who retires by rotation be and is hereby re-appointed a Director of the Corporation and it is hereby specifically declared that the age limit for Directors prescribed under Section 280 of the Companies Act, 1956, shall not apply to him."
4. To appoint a Director in place of Mr. Arvind N. Mafatlal who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Neville N. Wadia who retires by rotation and, being eligible, offers himself for re-appointment.
6. To appoint the Auditors of the Corporation *to hold office* for the period until the conclusion of the next Annual General Meeting and to fix their remuneration.
7. To appoint Branch Auditors at a remuneration to be fixed by the Board of Directors.
8. To consider, and if thought fit, to pass the following resolution as an Ordinary Resolution:—

   "Resolved that the capital of the Company be and is hereby increased to Rupees Ten Crores (Rs. 10,00,00,000) by the creation of Twenty-eight Lakhs (28,00,000) shares of Rupees Twenty-five (Rs. 25) *each*."
9. To consider, and if thought fit, to pass the following as a Special Resolution:—

   "Resolved that Article 67 of the Company's Articles of Association be deleted."

By Order of the Board,
WALLACE AND COMPANY,
Secretaries and Treasurers.

Registered Office:
9, Wallace Street,
Fort, Bombay 1.
Dated the 8th day of October, 1964.

Notes: (1) Any member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.

(2) *In respect of Items Nos. 3, 8 and 9, the Explanatory Statements as required under Section 173 of the Companies Act, 1956 have been posted to the shareholders.*

(3) The *Memorandum* and Articles of Association of the Company will be open for inspection at the Registered Office of the Company at 9, Wallace Street, Fort, Bombay on any working day, except Saturdays, between the hours of 3 p.m. and 5 p.m., and on Saturdays between the hours of 11 a.m. and 1 p.m.

(4) The Transfer Books of the Corporation will remain closed from the 3rd day of November, 1964 to the 24th day of November, 1964, both days inclusive, for the purposes of the Annual General Meeting.

(5) Warrants in respect of dividend, if declared, will be posted to shareholders on the 27th day of November, 1964. Dividend will be payable on and from that date to those shareholders whose names stand on the Register at the close of business on the 24th November, 1964.

JESSOP & CO. LTD.

NOTICE is hereby given that in compliance with the *provisions of* the Preference Shares (Regulation of Dividends) Act, 1960, the Board of Management has sanctioned the payment of an Interim Dividend on 5% Cumulative Preference Shares for the half-year ending 31st October, 1964, at the rate of Rs. 3.25 per share subject to deduction of tax in accordance with the *Finance* Act currently in force.

The Preference Share Transfer Register will be closed from 16th November, 1964 to 20th November, 1964, *both days inclusive*.

Dividends will be paid only to the Shareholders whose names are registered in the Books of the Company on the 20th November, 1964, or to *their Mandatees*.

By Order of the Board,
K. S BASU,
Secretary.

63, Netaji Subhas Road,
Calcutta, 30th October, 1964.

THE INDO-BURMA PETROLEUM COMPANY LTD.

Regd. Office: Gillander House, Netaji Subhas Road, Calcutta

NOTICE is hereby given that the Board of Directors have declared an Interim Dividend of Re. 0.50 (Paise Fifty only) per share less tax to be deducted in accordance with the provisions of Section 194 of the Income Tax Act. 1961, on the Ordinary Share Capital of the Company for the year ending 31st December, 1964, payable on the 30th November, 1964.

The Ordinary Register of Members of the Company will be closed from the 13th November, 1964 to 27th November, 1964, both days inclusive.

By Order of the Board,
STEEL BROTHERS AND CO. LTD.,
Managing Agents.

27th October, 1964.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Dhelakhat Tea Co. Ld. ..	21-11-64	9 a.m.
Bombay Burmah Trading ..	25-11-64	4-30 p.m.
Brooke Bond Estates India Ld ..	1-12-64	2-30 p.m.

DIVIDENDS DECLARED OR PROPOSED.—Katras Jherriah Coal Co. Ltd.—50 P per share (o) (Int.), less less: Budge Budge Jute Mills Co. Ltd.—Rs. 3 per share (o) (Int.), subject to tax; Indo-Burma Petroleum Co. Ltd.—50 P per share (o) (Int.), less tax.

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The accumulated experience of over 110 years has given HOPKINSONS its great reputation for faultlessly efficient and absolutely reliable valves for the textile, steel, nuclear and almost every form of industrial engineering.

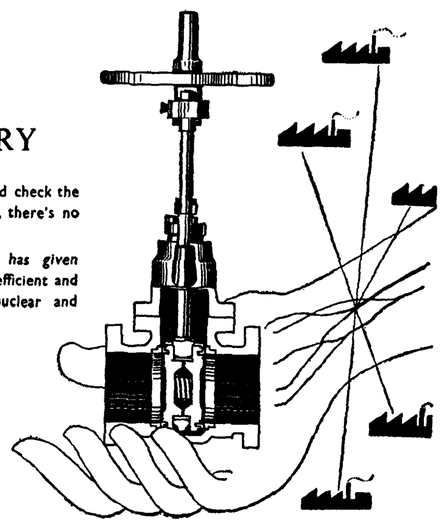
Sole Representatives in India:

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

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

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Tuesday, 3rd November, 1964.

BANKS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until: 3-11-64	28-10-64	A year ago
				Rs	Rs.	Rs.	Rs.
Allahabad Bank P.	18	15	15	100	249/00	249/00	258/00
Bank of Baroda	17	16	16	50	99/00	99/00	97/00
Bank of India	20	20	18	50	101/25	101/00	111/00
Central Bank of India	20	20	20	25	52/50	52/50	63/00
Chartered Bank	15	15	15	£1	sh. 49/3	sh. 48/9	sh. 60/1½
Hindusthan Commercial	Nil	Nil	..	50	10/25	10/25	13/50
Hindusthan Mercantile	Nil	Nil	..	50	10/75	10/75	15/62
Hong Kong & Shanghai	sh. 15	sh. 16	sh. 16	HK$25	£21¾	£22¼	£18¾
India Bank	15	14	..	100	159/00	159/00	156/25

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until: 3-11-64	28-10-64	A year ago
				Rs	Rs	Rs.	Rs.
Indian Overseas Bank	14	12	14	100	150/50	150/50	147/50
National & Grindlays Bank	14	16	14	sh. 15	sh.31/9	sh. 31/4½	sh. 32/9
Punjab National Bank	20	20	20	10	20/00	20/00	19/12
Union Bank of India	11 2/5	11 2/5	11 2/5	5	6/60	6/56	6/32
United Bank of India	6	6	7½	10	8/06	8/19	7/69
United Commercial Bank	12	12	12	50	72/75	73/25	73/50

JUTE MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until: 3-11-64	28-10-64	A year ago
				Rs.	Rs	Rs.	Rs.
Agarpara P.	2½	2½	12-10*	10	9/00	8/81	10/62
Alexandra P.	15	42½	..	100	245/00	345/00	300/00
Alliance P	Nil	10	12½	100	106/00	106/00	161/00
Anglo-India P.	7½	10	12	100	180/00	189/00	234/00
Auckland P.	12	Nil	15	100	132/00	132/00	144/50
Bally P	25	25	25-20*	100	239/00	239/00	261/00
Barnagore P.	10	10	40	£5	230/00	230/00	214/00
Bengal P.	5	5	..	10	7/00	7/00	9/37
Birla P	15	15	15	10	35/87	36/12	32/62
Budge Budge P.	Nil	12	20	100	128/00	128/00	155/00
Calcutta P	Nil	Nil	..	10	8/12	8/12	8/12
Caledonian P.	5	15	..	100	132/00	132/00	180/00
Champdany P.	5	Nil	40-35*	10	21/81	21/81	24/62
Cheviot P	5	25	..	10	20/25	20/19	22/56
Chitvalsah P.	Nil		Nil	10	7/75	7/75	11/25
Clive P	Nil	Nil		10	4/06	8/00	9/19
Dalhousie P.	1	Nil	25	100	110/00	110/00	147/00
Delta P	Nil	12	16	100	141/00	141/00	171/00
Empire P.	7½	12½	15	10	13/75	13/75	17/75
Fort Gloster P.	10	12½	20	100	267/00	267/00	368/00
Fort William P	22½	10	20	10	20/00	22/25	26/94
Ganges P	10	15	20-20*	10	12/75	12/81	15/00
General Industrial	10	13	14	10	15/00	15/00	15/37
Gourepore P.	25	20	20-20*	10	20/50	20/50	25/25
Hastings P.	6	6	6	100	128/00	128/00	128/00
Hooghly P.	20	7½	10	10	14/44	14/44	16/00
Howrah P.	10	Nil	10-12½*	10	15/50	16/06	19/25

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until: 3-11-64	28-10-64	A year ago
				Rs.	Rs.	Rs.	Rs.
Hukumchand P.	28½	26½	26½	7½	17/50	17/50	21/87
India	12	8	18	12½	15/25	15/25	18/62
Kamarnatty P.	Nil	20	20	100	155/00	155/00	200/00
Kanknarrah P.	Nil	15	15	100	137/50	137/50	144/00
Kelvin P	15	5	20	100	143/00	143/00	198/00
Khardah P.	5	12½	12½	10	17/75	17/75	19/37
Kinnison P	7	Nil	10	100	108/00	113/00	141/00
Lansdowne P.	Nil	Nil	Nil	100	111/00	111/00	98/00
Lawrence P.	15	10	10	100	109/00	109/00	112/50
Megna P	12½	Nil	22	10	12/19	12/19	13/87
Naihati P	Nil	Nil	..	100	85/00	85/00	92/00
Naskarpara	2½	5	..	10	5/50	5/50	8/00
National P	Nil	10	10	10	19/12	19/25	23/87
Nellimaria P.	6	15	5	10	8/81	8/81	12/75
New Central P.	15	Nil	..	10	10/69	10/69	14/84
Northbrook P.	30	20	35	10	25/50	25/50	31/00
Nuddea	6	5	10-10*	10	10/81	10/81	
Presidency	6	10	10	5	4/25	4/25	5/81
Rameshwara P.	Nil	Nil	Nil-Nil*	10	7/75	7/75	9/20
Reliance P	Nil	Nil	Nil	10	7/12	7/12	9/31
Samnugger P	Nil	10	13	£1	10/50	10/50	10/50
Shree Ambica P.	6	Nil	..	10	30/00	30/00	35/00
Soorah P	25	25	..	10	19/19	19/19	23/50
Titaghur P.	Nil	13	10	£1	10/50	10/50	10/50
Union P	6	Nil	20	100	143/00	143/00	166/00
Victoria P.	Nil	10	10	£1	10/50	10/50	10/50
Waverley P.	30	60	30	1	8/00	8/00	9/06

* 1964

COAL COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until: 3-11-64	28-10-64	A year ago
				Rs.	Rs	Rs.	Rs.
Amalgamated	12½	15	12½	10	19/75	20/19	26/00
Bengal P	21	19	16	100	241/00	245/50	273/00
Bengal Bhatdee	8	10	..	10	3/48	3/48	3/48
Bengal Nagpur	26	7	..	10	22/00	22/00	22/00
Bhalgora	Nil	..	..	10	3/62	4/00	3/53
Bharat Collieries P.	Nil	Nil	..	10	3/00	2/62	3/62
Bhulanbararee	Nil	Nil	..	10	10/00	10/00	11/94
Bokaro & Rampur	..	..	..	10	11/19	11/19	11/19
Borrea P	15	15	15	10	20/25	20/25	22/12
Burrakur P.	13	13	13	10	16/81	16/81	17/12
Central India	10	10	9	10	8/50	8/44	10/12
Central Kurkend P.	..	Nil	..	10	3/44	3/44	3/87
Churulia	..	..	..	4	3/06	3/06	3/06
Dhemo Main	Nil	..	..	10	3/75	3/75	4/50
East Indian	15	20⅝	20⅝	£1	28/25	28/25	31/44
Equitable P	10	10	10	10	21/50	21/50	23/50
Ghusick & Muslia	Nil	Nil	Nil	10	13/81	13/81	14/25
Guzdar Kajora	..	..	..	10	2/47	2/47	2/44
Hurriladih	Nil	..	..	10	5/44	5/44	7/06
Karanpura Development	5	3	3	100	9/00	9/00	12/06
	15	9	9	10F			
Karanpura Collieries P.	10	10	10	10	13/06	13/44	16/00
Katras Jherriah	40	25	30-30*	10	28/37	28/37	34/12
Khas Kajora P.	10 2/5	..	..	10	13/25	13/25	17/62

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until: 3-11-64	28-10-64	A year ago
				Rs.	Rs	Rs.	Rs.
Mundulpur	..	..	..	10	2/69	4/69	2/69
Nazira	Nil	Nil	..	10	4/69	4/69	5/00
New Beerbhoom P.	10	12	10	10	16/50	16/50	19/25
New Manbhoom	9	12	12	10	10/00	10/00	15/25
North West	20	11	..	10	19/75	19/75	19/75
				7½	18/00	18/00	18/00
Ondal P.	7½	7½	5	10	13/50	13/50	13/50
Parasea P.	1½	..	..	10	14/00	14/00	14/00
Pench Valley	10	10	12½	10	17/44	17/44	17/50
Pure Sitalpur	..	..	..	10	8/00	8/00	8/00
Raneegunge	17	17	17	10	12/75	12/75	14/25
Rewa	20	10	15	10	21/87	21/87	28/50
Samla	10	7½	..	10	7/81	7/81	9/00
Searsole	Nil	Nil	..	2½	0/81	0/81	1/22
Seebpore P.	42 6/7	35 5/7	28 4/7	7	34/75	34/75	34/75
Sendra	3½	2½	..	10	3/87	3/87	5/00
South Karanpura	Nil	Nil	2½	10	6/00	6/00	8/62
Standard	10	10	..	10	9/62	9/62	13/12
Union	Nil	5	..	10	10/00	10/00	10/12
Western Bengal	7½	9	9	10	8/50	8/56	9/12
West Jamuria	Nil	Nil	..	10	3/60	3/80	4/56

COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 3-11-64	28-10-64	A year ago
				Rs.	Rs.	Rs.	Rs.
Basanti							
Bengal Luxmi	..	..	..	10	8/50	8/50	13/75
Bengal Nagpur P.	..	..	..	40	30/00	30/00	30/00
Bharat Commerce	Nil	..	..	10	2/44	2/44	3/06
Birla Cotton	5	15	15	10	19/75	19/75	24/62
Bowreah P.	10	20	20	10	27/00	27/00	33/00
	10	20	15	10	24/37	24/37	26/31
Cawnpore Textile	7 1/5	10	10	5	6/31	6/31	7/56
Delhi Cloth & Genl. P.	12	13	13-13*	25	51/25	51/44	53/75
Dunbar	20	20	15	10	27/19	27/19	30/56
Elgin P.	11½	17½	17½-17½*	10	19/56	19/56	23/12
J. K Cotton (Rayon) P.	12½	..	..	10	10/44	10/44	13/31
Jaya Shree	10	10	..	10	13/12	13/25	17/00
Muir P.	..	..	..	100	60/50	60/50	74/50
New Victoria P.	Nil	..	..	2½	1/25	1/28	1/53
Orissa Textiles P.	Nil	Nil	..	10	7/00	7/00	9/00
Rampoorla Cotton	3	Nil	..	10	14/12	14/12	13/00
Swadeshi (Kanpur) P.	Nil	Nil	Nil	1	4/12	4/12	2/00
	5	..	..	100	11/00	11/00	12/62
	5.51	..	..	10PO	6/37	6/37	6/81

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BOMBAY COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 3-11-64	27-10-64	A year ago
				Rs.	Rs.	Rs	Rs.
Ahmedabad Advance P.	16	12	..	100	150/00	145/50	145/00
Apollo	Nil	Nil	..	2	1/72	1/80	2/14
Beharilal Ramcharan	Nil	Nil	..	100	145/00	145/00	93/00
Bombay Dyeing, etc.	14	14	14	25	58/50	57/50	64/00
Bradbury P.	10	25	..	50	145/00	162/50	157/50
Century	30	30	..	100	599/50	617/00	252/50
Central India P.	Nil	Nil	Nil-Nil*	100	101/00	104/00	122/50
Coorla	11	11	..	100	173/50	173/00	155/00
Dawn	30	30	..	50	148/00	147/00	155/00
Edward Textiles	9	9	6	200	322/00	320/50	285/00
Elphinstone P.	18	22	18—18*	50	95/00	95/00	103/00
Finlay	23	23	..	100	307/00	304/00	335/00
Gokak	14	18	..	100	177/50	177/00	186/00
Hindoostan	50	50	..	250	940/00	940/00	950/00
India United	8	14	..	10	19/60	19/68	22/60
	13¾	37¼	..	1Dd	2/38	2/36	2/88
Indian	23 1/5	25	..	250	900/00	900/00	800/00
Indore Malwa United	8½	10	7½	100	215/00	212/00	200/00
Khatau Makanji P.	32	16	..	100	176/25	175/00	215/00
Kohinoor	13	18	18-21*	100	317/50	319/50	335/50
Lakshmi Vishnu P.	5.7	6	Nil-3*	100	85/00	85/00	104/00
Morarjee Goculdas P.	21½	24	24-20*	100	250/00	260/00	406/00
Mysore Spg. & Mfg P.	14	14	..	50	38/00	38/00	51/00
New City of Bombay	Nil	Nil	..	100	150/00	150/00	155/00
New Great Eastern P.	Nil	12	..	100	160/00	160/00	187/00
Phoenix	15	20	..	100	227/50	228/00	236/00
Sassoon & Alliance	Nil	Nil	..	10	10/36	10/36	11/24
Sassoon Spinning	17	20	10-20*	10	37/75	37/75	45/50
Simplex	15	Nil	22-16*	50	123/00	125/00	131/00
Shree Niwas P.	18	20	14-8*	100	247/00	248/00	270/00
Svadeshi P.	17	19	17	100	263/00	263/00	265/00
Swan	36	21 3/5	..	100	273/00	272/00	275/00
Tata	20	22	20	25	49/00	48/75	58/50
Western India	46 2/5	25	..	250	850/00	850/00	875/00

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BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 3-11-64	27-10-64	A year ago
				Rs	Rs.	Rs	Rs.
CEMENT ENGINEERING & METAL							
Associated Cement	12½	12	12	100	165/25	164/50	159.50
ELECTRIC LTG., POWER							
Ahmedabad Electricity	7	6	..	100	107/00	105/50	94/30
Andhra Valley Power P.	5½	5	5	1,000	1,267/50	1,255/00	1,057/50
Bombay Suburban Elec.	8	8½	8½	100	116/50	116/00	100/75
Tata Hydro Elec. Power P.	5½	5	5	100	129/00	127/75	107/50
Tata Power P.	5½	5	5	1,000	1,302/50	1,291/25	1,100/00
Alcock Ashdown	17	22½	19	100	291/00	291/00	321/00
Jost's Engineering	8	10	10—Nil*	50	47/00	47/00	60/00
Larsen & Toubro P.	12½	18	14—14*	10	21/84	21/72	25/40
Mackenzies	10	12	14	100	137/50	137/50	137/50
Premier Construction P.	43 1/3	33 1/3	30	30O	187/00	187/00	170/00
				33F			
Tata Eng & Locomotive P.	12½	14½	14½-14½*	100	266/00	268/50	297/00
Tata Iron & Steel P.	9.1	10.36	10.36-11*	75O	148/00	149/50	148/00
INSURANCE COMPANIES							
British India General	..	15	..	10	13/44	13/44	13/00
Jupiter General P.	..	4	..	15	7/00	7/00	9/20
New India	38	38	..	15	45/50	44/25	60/50
Vulcan	20	20	..	10	16/52	16/24	16/76
MISCELLANEOUS							
Belapur Sugar	38	50	..	50	221/00	225/00	268/00
Bombay Burmah Trading	30	33	33-33 1/3*	25	56/40	56/60	67/00
				20	42/50	42/00	50/80
Hindustan Lever	26	26	12—14*	10	30/25	29/75	39/00
Industrial Invt Trust	6½	6½	..	100	81/00	76/70	77/00
Kemp (Chemists)	12½	12½	..	200	253/75	253/75	271/00
National Rayon	22	..	..	100	357/00	358/00	404/00
Scindia Steam Navign.	3	3	3	20	15/68	16/00	15/32
Shivrajpur Synd.	80	Nil	Nil	10	17/00	16/92	23/00	
Tata Chemicals P.	6	6½	6½—10*	10	19/24	19/36	18/08
Tata Oil P.	23	23	23—22*	25	48/50	49/25	68/30
Voltas	13	14	14—14*	100	266/50	268/00	273/50
Western India Match	16	16	16	100	236/00	236/00	270/00

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TEA COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 3-11-64	28-10-64	A year ago
				Rs.	Rs.	Rs.	Rs.
ASSAM GARDENS							
Amluckie	Nil	10	7½	10	16/00	16/00	18/37
Anandabag P.	30	32½	20	10	33/25	33/25	33/25
Baghmari	Nil	15	7½	10	11/25	11/25	17/25
Barduar Tea	..	..	..	5	8/50	8/50	8/50
Basmatia	35	25	20	10	18/00	18/06	17/25
Bateli	30	30	..	5	17/06	17/06	17/50
Betjan	40	45	30	10	29/00	29/00	29/19
Bishnauth	13	13	20	10	14/37	14/37	19/94
Bokakhat	Nil	12	13	10	13/12	13/12	13/70
Bormah Jan P.	15	15	15	10	10/06	10/06	13/25
Bor Pukhuri	Nil	Nil	10	10	10/50	10/44	11/00
Brooke Bond P.	15	10	7½—7½‡	10	10/25	10/25	12/72
Dejoo Valley	15	20	30	10	40/00	40/00	80/00
Dessai & Purbuttia	Nil	10	15	100	170/00	170/00	200/00
Dhelakhat	12½	10	..	10	20/62	20/37	20/25
Dhunseri P.	20	15	10	10	10/00	10/00	11/75
Dibrugarh	40	40	30	10	27/50	27/50	32/50
Dimukusi P.	25	20	25	10	22/87	22/87	22/62
Duffiaghur	25	25	30	10	24/25	23/50	28/06
East India	Nil	Nil	10	10	10/31	10/31	16/00
Gillapukri	25	20	15	10	23/00	23/00	25/44
Gohpur	Nil	5	20	10	13/06	13/06	15/75

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TEA COMPANIES—Contd.

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 3-11-64	28-10-64	A year ago
				Rs.	Rs.	Rs.	Rs.
Grob	6	6	6	5	6/37	6/37	8/15
Hoograjuli (Assam)	20	20	17	10	27/62	27/62	27/12
Hoolungooree	10	7½	20	100	168/00	168/00	199/00
Jutlibari	30	30	20	10	27/87	27/87	31/50
Kingsley Golaghat P.	35	35	..	100	125/00	125/00	125/00
Kotamullai P.	Nil	Nil	Nil	5	10/31	10/31	10/31
Krishnabehari	15	8	10	10	11/30	11/30	11/80
Kyang Tea	Nil	..	..	10	8/06	8/06	8/06
Ledo	Nil	Nil	Nil	10	13/50	13/50	13/75
Maud Tea & Seed	10	7½	7½	10	12/00	12/00	14/81
Methoni	5	14	20	10	13/25	13/25	16/19
Moheema	Nil	Nil	..	10	11/50	11/50	11/50
Mothola	30	30	35	100	425/00	425/00	507/00
Murphulani (Assam)	5	15	25	10	26/50	26/50	26/50
	10.63	20.63	30.63	10	26/87	26/87	26/87
Naga Hills	10	10	10	10	21/25	21/25	22/25
Namburnadi	12	12	..	10	12/87	12/87	12/87
New Cinnatolliah	Nil	Nil	Nil	100	455/00	458/00	302/00
Rajgarh	40	13½	17½	10	18/56	18/56	19/00
Sapoi	22½	20	10	10	15/81	16/12	17/25
Seajuli	22½	15	30	10	21/06	21/06	24/12
Telotjan	25	25	25	10	19/00	19/00	21/37
Tengpani	30	30	22½	10	36/50	36/50	35/00
Tezpore P.	20	12½	..	10	12/44	12/44	15/19
Tonpani	Nil	Nil	..	10	5/19	5/19	5/31
Tyroon	10	15	25	10	24/75	24/75	31/12
CACHAR							
Arcuttipore	Nil	5	6	10	7/00	7/00	7/00
Baitakhal	2½	2½	..	10	6/00	6/00	8/06
Central Cachar	5	7½	5	100	73/00	73/00	85/00
Eastern Cachar	Nil	Nil	..	10	5/06	5/06	4/50
Kallinugger Khoreel	6	2	..	10	84/00	84/00	87/00
Hattikhira	Nil	8	Nil	10	6/50	6/50	8/75
Kunchanpore	Nil	Nil	..	10	6/00	6/00	6/00
Loobar	Nil	Nil	Nil	10	4/69	4/69	4/56
North Western	30	20	10	100	140/00	140/00	175/00
Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50
Roopacherra	Nil	10	Nil	10	9/94	9/94	9/81
Rungamattee	5	5	5	50	47/00	47/00	51/50
Sonai River	Nil	Nil	..	10	5/06	5/06	5/05
DARJEELING							
Bloomfield	Nil	..	..	10	3/25	3/25	3/12
Chamong	Nil	10	10	10	8/87	8/87	9/00
Darjeeling Tea & Chin.	30	30	30	100	197/00	197/00	197/00
Dilaram	8	4	..	100	102/50	102/50	102/50
Gielle	Nil	..	8 4/7-15*	10	18/12	18/12	11/69
Lingia P.	15	10	17½	10	15/00	13/37	14/00
Longview	12½	10	..	10	8/25	8/25	11/00
Margaret's Hope	15	15	15	10	11/81	11/81	12/25
Mim	22½	27½	27½	100	430/00	430/00	191/50
Nagri Farm	30	25	35	10	28/12	28/12	30/75
Okayti	25	25	25	100	600/00	600/00	600/00
Pashok	10	Nil	..	10	20/00	20/00	20/00
Poobong	Nil	Nil	5	10	10/50	10/50	7/50
Pussimbing P.	Nil	Nil	Nil	10	7/69	7/69	7/12
Rungliee Rungliot	35	20	7½	100	290/00	290/00	386/00
Seeyok	15	Nil	..	10	8/50	8/50	8/50
Singell	Nil	Nil	Nil	100	36/75	36/75	36/75
Singtom	2	Nil	2	10	3/25	3/25	3/50
Soom	50	40	40	10	39/00	30/00	34/00
Sungma	15	15	20	10	12/06	12/06	14/75
Teesta Valley	Nil	..	8 4/7-10*	10	12/81	12/81	13/12
Tukvar	Nil	Nil	..	10	3/44	3/44	6/00
DOOARS							
Banarhat P.	22½	21	21	100	161/00	161/00	241/00
Baradighi	30	25	25	10	21/12	21/12	24/00
Bhatkawa	15	15	20	10	16/00	16/00	17/00
Birpara P.	17½	12½	17½	100	143/00	142/00	162/00
Carron	20	5	7½	100	125/00	124/00	151/00
Choonabhuti P.	32½	20	20	100	176/60	176/00	210/00
Ellenbarrie	5	5	10	100	300/00	300/00	184/00
Engo	60	30	40	100	136/00	136/00	136/00
Ethelbari	5	5	7½	10	11/85	11/87	11/50
Gairkhata	25	20	11	10	16/12	16/12	21/50
Gopalpur	12	2	10	25	19/50	19/50	20/00
Hantapara P.	15	5	10	100	97/00	97/00	114/00
Hasimara P.	17	..	18—15*	10	13/37	13/19	13/81
Huidibari	22½	..	19 2/7-11*	10	11/44	11/44	13/50
Jaybirpara	10	Nil	Nil	10	8/50	8/50	23/00
Killcott	25	15	15	10	14/44	14/44	15/94
Manabarrie	10	6	10	10	49/50	49/50	59/50
Nagaisuree	25	15	15	100	141/00	141/00	140/00
New Dooars P.	35	20	14½	100	166/00	166/00	230/00
Oodlabari	12½	7½	..	100	14/00	14/00	13/62
Phaskowa	Nil	Nil	Nil	100	121/00	121/00	129/00
Rajabhat	Nil	Nil	6	10	10/19	10/19	11/75
Ramcherra	15	15	7½	10	12/00	12/00	12/50
Rydak	25	20	25	10	22/87	23/37	26/37
Sarugaon	40	40	40	10	37/00	37/00	36/31
TERAI							
Atal	5	..	..	10	5/37	5/37	8/75
Belgachi	20	20	..	10	23/12	23/12	22/50
Gungaram	20	12½	12½	100	140/00	129/00	130/00
New Chumta	15	..	12 6/7-20*	10	20/37	20/37	24/62
New Terai	22½	10	15	10	20/50	20/50	23/00
Pahargoomiah	20	20	2½	10	9/87	9/87	14/25
Putnibaree	14	14	..	10	55/00	55/00	45/00
Tirrihannah P.	60	60	60	10	49/00	49/00	49/00
CHITTAGONG							
Kodala	Nil	Nil	..	10	9/25	9/25	9/25
Kornafuli	Nil	Nil	..	10	11/25	11/25	9/31
Oodaleah	Nil	Nil	..	10	8/00	8/00	8/00
SYLHET							
Chundeecherra	Nil	Nil	Nil	10	29/75	29/75	26/00
Dauracherra	22½	22½	20	10	14/75	14/94	11/50
New Samanbagh P.	25	Nil	Nil	10	20/25	20/25	18/37
Patrakola	32½	40	15	100	172/00	172/00	129/00
Rajnagar	Nil	Nil	Nil	10	9/56	9/56	9/50
Teliapara	22½	22½	10	100	169/50	202/00	110/00

‡ Hectares

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MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 3-11-64	28-10-64	A year ago
				Rs.	Rs.	Rs.	Rs.
MININGS							
Burma Mines	2 3/5	Nil	Nil	3½S	0/44	0/44	0/44
Chrestien Mica Industries P.	15	12½	..	10O	9/09	9/09	10/40
	25	20	..	5Dd	6/53	6/53	6/87
Indian Copper Corporation	27	27	..	2s	3/40	3/45	3/66
Metal Corporation P	Nil	..	..	10O	6/00	6/16	8/84
Orissa Mineral Development	36	28	20	10	19/94	19/69	27/37
CEMENT, LIME, SLATE, ETC.							
Ashoka Cement	7	7	7—7*	10	6/81	6/81	7/31
Assam Bengal Cement	..	..	..	10O	4/87	4/87	4/81
				1Dd	0/59	0/59	0/59
Bengal Potteries	15	..	..	2½	3/87	3/87	5/37
Bisra Stone Lime	30	30	10	..	18/50	17/62	22/12
Dalmia Cement (Bharat) P.	12	12	12	10O	13/19	13/12	13/12
				1Dd	3/06	3/06	2/81
Jaipur Udyog P.	6	8	8.36	10	10/50	10/50	12/44
Kumardhubi Fireclay & Silica P.	18	18	18	10	18/45	18/45	18/45
Orissa Cement P	15	15	10	10	11/44	11/37	15/56
Reliance Firebricks & Pottery	22	15	10	10	22/75	22/75	22/75
Sone Valley Portland Cement	4	6	8	10	3/91	3/91	4/97
Sutna Stone & Lime	27½	30	35	10	27/00	27/00	28/31
CHEMICAL INDUSTRIES							
Alkali & Chemical Corpn. of (I)	12	15	15—15*	10	30/19	30/19	35/50
Bathgate & Co Ltd P	Nil	Nil	..	5	9/84	9/84	9/84
Bengal Chemical & Pharm. P.	7	10	..	100	101/50	102/00	102/00
Calcutta Chemical P.	18	18	18	10	1912	17/25	17/87
Frank Ross P	..	..	..	6	3/18	3/19	2/19
Smith Stanistreet P.	25	25	25-22½*	5	13/69	13/69	12/31
ELECTRIC LIGHTING, POWERS							
Agra Electric Supply	11	11	11	100	125/00	125/00	118/00
Bareilly Electric Supply	11	11	11	10	11/44	11/44	12/37
Benares Electric Supply	11	11	11	10	12/87	12/87	11/62
Bhagalpur Electric Supply	8	10	8	8	6/56	6/56	6/56
Calcutta Electric Supply	7	7½	7½	£1	15/12	15/06	14/44
Cuttack Electric Supply	7½	10	10	10	15/00	15/00	11/87
Dishergarh Power Supply P.	10	10	10	100	86/00	86/00	88/00
Jhanshi Electric Supply	..	..	..	10	5/90	5/90	5/90
Jubbulpore Electric Supply	10	10	10	10	11/19	11/62	11/25
Mirzapur Electric Supply	..	..	..	..	7/50	7/50	12/00
Muzafferpore Electric Supply	12½	12½	12½	10	17/75	17/75	11/50
Muttra Electric Supply	..	..	..	10	11/06	11/06	11/06
Patna Electric Supply	10	10	10	10	10/31	10/31	10/62
Shahjahanpur Electric P.	6½	6½	6½	10	6/62	6/62	7/50
Sitlua (Jharlah) Electric	10	9	9	10	9/62	9/62	8/50
United Provinces Electric	11	11	11	100	202/00	198/00	136/50
Upper Jumna Valley Electric	13½	13½	13½	11	25/37	25/37	17/50

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MISCELLANEOUS COMPANIES—Contd.

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 3-11-64	28-10-64	A year ago
				Rs.	Rs.	Rs.	Rs.
ENGINEERING & METAL							
Arthur Butler (Muzafferpore) P.	Nil	10	..	10	15/00	15/00	14/94
Bhartia Electric Steel	10	12½	15	10	15/12	15/12	15/12
Braithwaite India P.	25	14	20	10	32/75	32/75	35/75
Bridge & Roof	30	30	..	10	52/25	52/25	52/25
Britannia Building & Iron P.	Nil	Nil	..	10	3/62	3/62	3/25
Brittannia Engineering P.	10	10	..	10	9/75	9/56	10/62
British India Electric Cons.	20	15	..	10	29/12	29/12	31/00
Burn P. (Engineering)	28½	28½	25	100	278/00	278/00	670/00
Calcutta Steel	15	15	12½-15*	10	13/62	13/62	14/00
Dalmia Iron	10	10	10	10	12/06	11/62	11/44
Guest, Keen, Williams	14	14	12	10	23/44	23/44	41/37
Hooghly Docking	Nil	12½	..	50	80/00	80/00	95/00
Indian Iron & Steel P.	16	16	16	10	25/64	26/08	25/00
Indian Malleable Casting	..	..	..	50	5/19	5/19	6/00
				10d	2/81	2/81	2/06
Indian Standard Wagon P.	28½	28½	20-20*	10	36/69	36/94	36/62
Indian Steel & Wire Products	24	23	18	100	31/75	31/75	36/25
Industrial Containers	10	10	..	10	25/62	25/62	21/37
Jay Engineering	17 3/20	15	10	10	20/00	18/00	21/19
J. K. Steel P.	20	10	30	10	17/75	17/87	16/81
Jessop & Co. P.	8.58	8.58	10	10	26/00	25/56	26/50
Kumardhubi Engineering P.	11½	15	Nil-16⅔	3	5/50	5/62	9/25
Marshall Sons (India)	Nil	Nil	..	2	3/47	3/47	2/70
National Iron and Steel	Nil	Nil	..	10	6/19	6/19	5/94
Saran Engineering	10	12½	10	4	8/56	9/12	8/75
Steel Containers	20	20	..	10	24/31	24/31	29/50
Textile Machinery	10	..	17½	10	26/10	26/20	28/10
SUGAR BREWERIES, ETC.							
Balrampur Sugar	8	4	Nil	2½	1/56	1/56	1/95
Belsund Sugar	10	6 2/3	3 1/3	7½	8/81	8/81	8/81
Bharat Sugar P.	15	15	15	10	14/50	14/50	13/31
Carew (Sugar) P.	Nil	Nil	Nil	10	12/50	12/50	11/62
Cawnpore Sugar P.	Nil	Nil	Nil	10	9/87	9/87	9/75
Champaran Sugar	12	Nil	Nil	10	11/44	11/44	13/87
Durbhanga	Nil	5	..	10	8/56	8/56	8/69
New Savan Sugar and Gur	..	..	..	10	3/19	3/19	4/50
Purtabpur Sugar P.	..	..	..	10	9/12	9/12	11/50
Ramnugger Cane & Sugar P.	35	30	15	10	24/25	24/25	28/50
Raza Buland	10	10	10	10	10/25	10/25	10/37
Ryam Sugar P.	..	..	..	10	4/12	4/12	3/56
Samastipur Central Sugar	..	..	..	10	3/62	3/62	5/94
Shree Krishna Gyanoday Sugar P.	..	..	..	10	8/56	8/56	9/06
Shree Sitaram Sugar	..	..	..	10	7/28	7/28	7/12
Sitalpore Sugar	Nil	Nil	Nil	10	3/69	3/69	3/94
United Provinces	5	Nil	..	10	12/00	12/00	10/00
Upper Ganges Sugar P.	72½	72½	..	10	60/25	60/25	85/00
MISCELLANEOUS							
A. Firpo (Restaurateur)	10½	5	..	10	5/90	5/90	5/90
Aluminium Corporation P.	12	12	5	10	11/37	11/37	17/19
Anderson Wright Ltd. P.	Nil	6	..	10	11/50	11/50	11/50
Angelo Bros	28½	28	28	10	26/94	25/50	26/12
Assam Match	20	20	20	10	25/25	25/25	27/50
Assam Saw Mills & Timber	Nil	3	..	3	2/44	2/44	2/56
Associated Battery	15	15	15	10	24/12	24/62	26/37
Associated Hotels of India P.	10	10	15	10	10/37	10/37	10/31
Balmer Lawrie & Co.	25	25	22½	100	238/00	238/00	257/00
Bararee Coke	Nil	15	15	10	20/75	20/75	22/25
Birds Investments P.	10	10	..	10	8/81	8/81	10/50
Britannia Biscuit P.	30	25	21	10	36/62	36/62	42/00
British India Corporation P.	7	9	15	5	10/81	11/12	8/25
British Paints	15	10	15	10	24/62	24/75	22/12
Calcutta Silk Manufacturing P.	Nil	..	..	10	6/94	6/94	6/94
Clive Row Investment	7½	7½	8	10	8/62	9/00	8/60
Duncan Brothers & Co Ltd P.	14	14	12	100	110/00	110/00	140/00
Dunlop Rubber Co (India) P.	20	15	17½	10	35/00	34/44	37/81
Dyer Meakin (Breweries)	30	..	..	5	26/12	26/12	31/50
Eastern Investments Ltd. P.	14	12	10	100	101/00	101/00	121/00
Electric Construction	10	10	10	10	13/81	14/00	14/25
French Motor Car	20	..	..	20	31/75	31/75	35/37
Ganges Rope	20	20	20	100	252/00	252/00	236/00
General Investments Trust P.	5	5	5	75	43/00	43/00	43/00
Gillanders Arbuthnot & Co Ltd P	11	11	11	10	13/00	13/00	14/00
Gladstone Lyall & Co. Ltd P.	..	..	..	10			
Godfrey Phillips (India) Ltd P.	40	30	..	10	22/00	22/00	28/12
Great Eastern Hotel	6	..	..	250	260/00	260/00	230/00
Hindustan Aluminium P.	Nil	Nil	Nil	10	13/19	13/56	13/94
Hindustan Motors P	12	12½	11½	10	16/87	16/75	19/81
Hindusthan Pilkington	12	Nil	Nil	10	14/37	14/37	17/31
Hindusthan Twyfords P.	Nil	Nil	Nil	10	15/69	15/69	15/00
Hoare Miller & Co Ltd.	6	..	..	10	4/25	4/25	5/62
Imperial Tobacco	9	9	8	10	8/37	8/25	10/50
Indian Aluminium Co Ltd P.	15	17½	17½	10	32/00	31/94	38/75
Indian Cable P.	22½	22½	22½	10	35/50	35/62	37/37
Indian Oxygen	15	12	12	10	24/24	24/37	28/50
Indian Rubber Manufacturers P.	30	26	..	10	22/00	22/00	19/87
Indian Wood Products	30	30	25	10	27/62	27/62	30/31
Isaac Holdens	Nil	Nil	5	10	11/31	11/31	16/06
Investments and Finance P.	7½	7½	7½	100	55/00	55/00	55/00
J. K. Synthetics	8	Nil	10	10	12/81	12/75	12/19
James Wright P.	..	..	..	50	2/75	2/75	2/75
	..	..	..	1Dd	00/43	00/43	00/43
Jardine Henderson Ltd. P.	7	6	7	100	70/00	70/50	80/00
Jay Shree Industries P.	12½	..	..	10	14/81	14/75	18/62
Kesoram Industries P.	12	12	13	10	25/19	25/50	27/25
Macfarlane & Co.	..	..	..	50	4/50	4/50	6/75
	..	..	..	1Dd	1/81	1/81	2/19
Macneill & Barry Ltd. P.	8	7½	8½	100	95/00	95/00	93/50
Martin Burn Ltd. P.	27½	25	25	10	27/12	27/12	29/13
McLeod & Co. P.	15	18	..	100	230/00	230/00	210/00
Metal Box Co. of India Ltd. P.	25	19	..	10	31/25	31/25	53/75
National Insulated Cable P.	25	25	18	10	25/12	25/00	25/87
National Pipe & Tubes P.	20	20	20	10	29/00	29/00	28/75
National Rolling & Steel Ropes	15	15	15	10	24/37	24/37	21/19
National Rubber P	6½	8	10	10	10/90	11/00	12/87
National Tobacco P	7	7	..	10	11/06	11/12	12/50
New India Investment Corpn.	..	..	..	75	63/00	63/00	59/50
Octavius Steel P.	7½	7½	..	100	..	..	..
Philips India	12	13	15	10	27/00	27/62	30/87
Publicity Society	75	75	60	4	25/06	25/06	22/62
Rallis India P.	8½	8½	10	100	124/00	123/00	131/50
Rohtas Industries P.	10	8	9	10	10/16	10/12	14/31
Sirsilk P	..	..	..	10	6/94	6/94	10/50
Sen-Raleigh Industries P.	8	8	Nil	10	17/12	17/12	15/19
Shaw Wallace P.	15	7½	12½	10	15/00	15/00	16/69
Spencer's Hotel	2½	..	..	2	1/25	1/25	0/65
Union Carbide	18	12½	15	10	30/75	32/75	42/00
Walford Transport	30	30	..	10	2/94	3/00	3/97
INSURANCE COMPANIES							
Concord of India	20	20	20	5	9/75	9/75	11/12
Hercules	26½	26½	..	10	23/50	23/50	22/56
Ruby General	13½	15½	..	8	12/12	12/19	10/56
Standard General	..	..	..	10	7/75	7/75	6/25
Triton	50	50	..	25	127/00	127/00	128/00
FLOUR MILLS							
Bengal	25	25	30	10	33/75	33/75	29/00
Delhi P.	..	..	..	10	14/00	14/00	14/00
Ganesh P.	..	..	..	12½	10/62	10/62	14/25
Hooghly	Nil	Nil	5	10	19/75	19/75	19/75
United	10	7½	10	10	27/81	27/81	27/81
OIL COMPANIES							
Attock Oil	13½	13½	..	£1	sh. 32/6	sh. 32/6	sh. 39/6
Burmah Oil P.	..	11½	12½	£1	sh. 57/10½	sh. 58/6	sh. 67/4½
Indo Burmah Petroleum P.	25	22½	17½	10	21/06	22/00	23/87
Tide Water Oil	35	35	35	10	37/00	37/00	29/50
PAPER MILLS							
Bengal P.	27½	20	..	10	26/75	26/56	28/56
India Paper Pulp	13	12	15	10	16/62	16/06	19/25
Orient Paper P	22½	22½	20	10	31/20	31/40	39/50
Shree Gopal Paper P.	17 6/7	17 6/7	17 6/7	10	25/50	25/75	26/87
Sirpur P	8½	8½	5	10	12/31	11/56	14/56
Star Paper P.	Nil	Nil	Nil	10	9/50	9/50	8/81
Titagbur P.	13	13	13	2½PO	3/37	3/37	3/25
	20	10	10	10AO	12/31	12/31	17/56
	20	10	10	10BO	12/31	12/31	17/56
West Coast P.	7½	..	..	100	164/00	164/00	173/00
PRESSING COMPANY							
Camperdown	11	..	..	100	110/00	110/00	104/00
REAL PROPERTY STORAGE							
Bengal Bonded Warehouse	8	8	9	A500	1,250/00	1,250/00	900/00
				B62½	125/00	125/00	125/00
				C100	186/00	186/00	122/00
				D12½	45/00	45/00	14/18
Calcutta Safe Deposit	..	..	..	100	7/81	7/81	7/94
Humayan Properties P.	..	..	..	10O	11/00	11/00	11/00
	..	..	..	1Dd	3/10	3/10	2/10
Midnapore Zemindary P.	Nil	Nil	Nil	85	34/00	32/75	11/00
TRAMWAYS & STEAMER							
Bengal Assam Steamship P.	7½	10	10	100	105/50	105/50	140/00
Calcutta Landing & Shipping	7½	22	6	10	21/00	21/00	34/00
Calcutta Steam Navigation	Nil	Nil	Nil	10	7/25	7/25	9/25
Calcutta Tramways P	5	5	5	£1	11/69	11/50	11/25
Fraser	..	..	..	10	10/00	10/00	10/00
India General Nav. Railway P.	..	..	..	£10	36/50	36/50	43/25
India Steamship P.	Nil	Nil	Nil	10	6/47	6/25	7/47
Port Shipping	Nil	..	..	10	17/31	17/31	14/62

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ATOM BOMBS, FOOD AND CHINESE CHICKENS

THE *three-day session of the All-India Congress* Committee held in Guntur this week appears to have been more notable as an occasion for noise and popular revelry than as a precursor of major policy decisions affecting the future of the nation. Of the multitude of subjects discussed, among a multitude of people present, it seems the three main ones, in ascending order of importance, were: (1) the justification for imposing a ceiling on holdings of urban property; (2) whether India should go in for the manufacture of an atom bomb; and (3) how the Government's *new policies for the production* and distribution of food might be made more effective. On the first of these issues, the discussion was less than perfunctory; the feeling *prevailed that India was somehow not being* "socialist" enough, so it culminated in the passing of a resolution recommending that "suitable legislation be enacted to introduce a ceiling on urban property *commensurate* with the ceiling imposed on agricultural land in terms of the election manifesto of 1962". The debate on the atom bomb was notable for *its length and vigour, if not for* the depth of its analysis, the quality of the reasoning or the attention to detail. As for the third and most important of the issues—food—the distinguished *members of the* A.I.C.C. *made* a variety of contributions, the usefulness of which in the final summation may prove to be approximately zero.

The highlight of the discussions on the atom bomb was that a large number of delegates were *in favour of India starting to manufacture one* straightaway. In this, they reflected a widespread and growing, but not necessarily justified, feeling in the country—a feeling which might perhaps have *been inspired to some extent by guilty* memories of stinginess about defence and its rôle in the N.E.F.A. débâcle of October-November 1962. On behalf of the Government, however, the Prime Minister, Mr. Lal Bahadur Shastri, and the External Affairs Minister, Sardar Swaran Singh, strongly opposed the idea; to their support rushed *gentlemen of varying political* complexion such as Mr. Krishna Menon and Mr. Biju Patnaik, whose verbosity about defence has been proven by experience to exceed the sureness of their knowledge or judgment. From the discussions emerged the disconcerting fact that no one had the slightest idea about how much it would cost if this country were to make the bomb. The estimate of Rs. 18 lakhs for a modest singleton implicitly offered by the chairman of the Atomic Energy Commission, Dr. H. J. Bhabha, in a recent broadcast, was revised to Rs. 25 crores for two by Mr Krishna Menon, and then to Rs. 40 crores or Rs. 50 crores for one by Mr. Shastri. Having advocated the manufacture of the bomb, few of the *delegates cared thereafter to look into the* cost and feasibility of the essential corollary—an effective delivery capability. The assumption seemed implicit that the world was a Congress paradise *where atomic weapons transported in bullock*carts across the snowy Himalayan wastes would alone be enough to strike terror in the hearts of the chickens in charge of the Chinese army.

If the discussions on the bomb were forceful and vigorous, those on food were desultory and *timid.* Mr. Krishna Menon may or may not have reflected the preoccupations of the gathering when he declared with great aplomb that peace was *more important than hunger or poverty. Few of* the delegates, however, showed much awareness of the possibility that not far from the home of Mr. Menon's ancestors, in Kerala, hunger was *already about to ravish peace* by erupting to the stage of widespread rioting. The A.I.C.C. instead chose to take refuge in the customary soporifics offered by the Central Food and Agriculture Minister, Mr. C. Subramaniam, in the form of assurances that the Government was in a desperate hurry to finalise its arrangements for implementing a co-ordinated, all-India food policy. Hardly any question was, therefore, asked as to why the agreement on such a policy, which was to have been obtained at the time of the National Development Council meeting late in October, had been postponed to the Guntur gathering this week—and has now again been postponed until the meeting with State Chief Ministers in New Delhi on 17th and 18th November.

The point which the members of the A.I.C.C. chose to ignore was simply this. It is food shortages, not atom bombs or socialism or urban property ceilings, that are the most important problem facing India today. To secure agreement on a *co-ordinated policy for dealing with the shortages,* with the approval of the States, has become primarily a political issue. As the Party in power, the Congress has a special responsibility in ensuring that the approval is obtained. An A.I.C.C. meeting which has dispersed without forcing the issue and precipitating agreed decisions has abdicated its responsibility. It cannot be enough *merely* to pass resolutions implying that to fix producers' prices for the major grains is a good thing; that the establishment of the Food Corporation of India is a stroke of genius; that consumers *must* be assured of a steady and well-regulated supply of foodgrains; and that the assumption of dictatorial powers under an ordinance which will in the final analysis be operated by the petty bureaucracy is going to prove the panacea for all ills. There are other, more basic issues which have to be looked into first, and this is what the A.I.C.C. failed to do.

The first issue is: have the States yet found within their hearts the political courage to embark on an aggressive procurement policy such as is being advertised as essential in a season of *(still)-to-be-seen)* bumper crops? Secondly, assuming that they have found the courage, do they have the administrative and physical equipment —in terms of trained staff, money, transport facilities and storage accommodation—to make even a moderate success of such a policy? Thirdly, given the courage and the equipment, are the *surplus States willing to go in for aggressive pro*curement of the sort that is necessary when they know that it is wholly for the benefit of the deficit States? No one denies that procurement operations are necessary. The limits set by the inflationary dangers of procurement in a situation of fundamental shortages are still not adequately recognised: but within these limits. the more *vigorous* and effective the operations are, the

better it will be. The uneasy suspicion, however, remains that the hesitation of the States—a hesitation which survives the passing of well-meaning resolutions—is rooted in doubts on these three points, particularly the first and the last. The A.I.C.C. could perhaps do little directly to cure the organisational weaknesses which are likely to hamper the satisfactory production, procurement and distribution of food. But it could do something at least to generate the political will to attend to those weaknesses with greater care and unselfishness than in the past. It did not do that. That is where, this week, its greatest failure lay.

COLOMBO PLAN ASSISTANCE

SINCE 1950, when the Colombo Plan was inaugurated, the countries of south and south-east Asia covered by the Plan have made impressive progress. Comprehensive development plans are being implemented, agricultural output has increased considerably, industrialisation has diversified national economies, and the infrastructure, including transport, communications and power, has been developed. National incomes too have risen, but the rise has not always been accompanied by an increase in real incomes because of the growth of population. The problems of the developing countries of south-east Asia are, broadly speaking, similar, although they may differ in detail. Their population has been growing at an average annual rate of about 2.5 percent, a fact which has upset all calculations of economic requirements for raising their living standards. So the benefits of development have not been felt by the people and living standards continue to be poor. Unemployment and under-employment remain almost chronic. The low income of these countries has affected their savings and investment. Furthermore, even the limited resources available have not been allocated efficiently or in a manner which can yield the maximum benefits. Too much attention has been paid to capital-intensive projects, even in such fields as agriculture. In some countries, heavy industrial projects, which are slow to mature, have claimed the major share of the limited resources.

The latest annual report of the Colombo Plan Council for Technical Co-operation points out that population growth and fluctuating world markets pose serious problems for the countries of the region. The report calls for "the most effective use of the growing resources for economic development programmes within the region as well as of the opportunities provided through the aid of more developed member-countries." Although the major portion of the resources required for development has been raised internally by the countries of the region, external aid has played a vital rôle. Foreign assistance has financed the import of machinery and equipment, maintenance requirements and essential consumer goods. The total value of assistance provided by the donor countries under the Colombo Plan since its inception in 1950 until 1962-63 amounts to about £4,935 million, while aid given during 1962-63 alone came to £650 million.

Most of the Colombo Plan countries are running chronic payments deficits and there are no prospects of their position improving in the near future. In fact, their foreign indebtedness has risen to such an extent that a substantial part of the external aid has to be used for servicing debts. Unless export earnings increase, the strain on the developing countries will worsen progressively. As most of the countries are exporters of primary commodities, the need for stabilising world prices assumes great significance. Almost as important as generous aid is the need to give the developing countries opportunities for raising their exports. At present the tariff policies of the developed countries make it difficult for the developing countries to export their goods, something which ill accords with the liberal aid programmes of the former. There is thus a growing demand from the developing nations that aid should be accompanied by greater trading opportunities.

A significant portion of the external aid under the Colombo Plan has taken the form of technical assistance. The aid has consisted of the supply of experts, training facilities and equipment for training and applied research. Technical assistance has grown both in volume and in scope, and it now covers practically every field of economic and social activity. The expenditure on technical co-operation in the region amounted to £36.4 million during 1963-64, which takes the total since the beginning of the Plan to more than £181 million. Although the expenditure on technical assistance in 1963-64 is £5.6 million less than the peak outlay of £42 million in 1962-63, the former represents a rise of about 36 percent over the average expenditure during the previous five years.

When the Plan was inaugurated in 1950, it appeared obvious that technical aid would have to come mainly from the developed countries. But now Burma, Ceylon, India, Indonesia, Malaysia, Pakistan and some other countries figure as donors. Thus the distinction between donors and recipients has worn off since many of the countries in the region are both recipients and donors at the same time. India is the largest donor, providing not only training facilities but also capital assistance. She has provided 284 places or 77 percent of the total in the region. India has also spent considerable sums of money in developing Nepal and some of the neighbouring countries. All assistance given within the Colombo Plan is negotiated bilaterally. Naturally, common ties like geographic location, historical bonds and language have influenced the flow of technical aid. Thus as many as 63 percent of the trainees in India are from Nepal and many are from Ceylon. Likewise, Britain has offered 73 percent of the training opportunities to India, Pakistan, Malaya and Ceylon. As an instance of language influencing aid may be cited the facilities provided by Canada to trainees from French-speaking countries like Laos, Cambodia and Vietnam.

The U.S.A., as before, has offered the largest number of training places (2,164) in 1963-64, accounting for 48 percent of the total. Indonesia has received the largest number of training awards (750); India (693), which has so far been the biggest recipient, has fallen to second place. The training facilities provided in 1963-64 extend over a wide field, covering such subjects as engineering, technical education, nuclear power, agriculture, medicine and public and business administration. Education accounts for the largest number of training awards, followed by administration.

PUBLIC-SECTOR PROFITABILITY

THE public sector in organised industry and commerce has grown rapidly in India in recent years. According to one forecast, if the plan targets are fulfilled, it will account for almost half of the nation's entire industry and commerce by the end of 1970-71. (The proportion was only 2.9 percent in 1950-51.) On this estimate, the public sector will have a capital base of not less than Rs. 5,691 crores by the end of the fourth plan, while the capital employed in the private sector will amount to about Rs. 5,857 crores. Whether or not the figures turn out to be accurate, the fact is that the public sector will continue to grow under the present policy of the Government. Some assurance is, therefore, required that public-sector undertakings are going to be managed efficiently and that the large financial outlay will bring adequate returns.

Two attempts have recently been made to assess the profitability of such undertakings. The first comes from Dr. V. K. R. V. Rao, member of the Planning Commission, who in a note circulated to members of the National Developmental Council painted a rosy picture of the working of Government enterprises. His analysis suffers from the fact that the sample he has chosen is too small to be representative. He has divided public-sector undertakings into four categories; the total investment in them amounted to Rs. 1,372 crores during 1962-63. The first category consists of undertakings under construction; they involve an investment of Rs. 274.8 crores. The second consists only of Hindustan Steel Ltd, in which an investment of Rs. 724.1 crores has been made. The third category consists of concerns other than Hindustan Steel Ltd in which Rs. 313.7 crores have been invested. The fourth category represents promotional and developmental undertakings in which Rs. 59.4 crores have been invested. Dr. Rao has based his sample on only 29 running concerns. By choosing the right ones, it has been possible to exaggerate the good features, like gross profits, net profits and dividends in relation to total capital employed.

The second study, which is more representative, appears in a recent issue of the *Reserve Bank of India Bulletin*. The study covers the finances of 48 Government companies out of a total of 154 during 1962-63. Hindustan Steel Ltd and the Neyveli Lignite Corporation Ltd, the two major operating Government companies, have been excluded. The paid-up capital of the 48 companies amounted to Rs. 181.6 crores and constituted about 69 percent of the total paid-up capital of all public-sector companies. Financial and investment companies, newly registered companies, and promotional and developmental organisations have also been excluded. The study shows that the resources of the 48 companies continued to expand in 1962-63, most of the expansion being in the form of gross fixed assets. Gross capital formation showed a relatively larger rise during 1962-63 than in 1961-62. The share of external sources in financing the formation of assets rose from 58.4 percent in 1961-62 to 64.9 percent in 1962-63. Borrowings constituted the major external source of finance, accounting for slightly more than half of the total. Borrowings from the Government, mostly in the form of unsecured loans, stood at Rs. 18.8 crores and constituted about one-third of the total external finance.

During 1962-63, the production, sales, income and profits of these companies improved in comparison with 1961-62, but the pace of improvement was slow. Since the efficiency of an industrial or commercial enterprise has to be judged essentially by its profitability, public-sector undertakings have not so far been managed as efficiently as they should be. Their rate of profitability is low by current standards. Under present circumstances, it is not easy to raise funds even by means of preference shares except by paying a return of at least 9 percent. Good debentures carry an interest of 7 percent or more. Although public-sector enterprises do not have to worry about raising funds because their financial requirements are generally supplied by the Government, it is reasonable to expect that they should earn enough profits to cover at least the cost of servicing capital. The profitability of the 48 operating companies is illustrated by the following table:

PROFIT ALLOCATION AND PROFITABILITY RATIOS OF 48 OPERATING GOVERNMENT COMPANIES

	All operating Companies	
	1961-62	1962-63
Profit Allocation Ratios		
Tax provision as percentage of profits before tax ...	38.5	38.8
Dividends as percentage of profits before tax ...	20.7	11.9
Retained profits as percentage of profits before tax ...	40.8	49.3
Profitability Ratios		
Gross profits as percentage of sales	8.0	9.0
Gross profits as percentage of total capital employed ...	4.3	5.4
Profits after tax as percentage of net worth	4.0	5.1
Dividends as percentage of paid-up capital	1.6	1.2
Dividends as percentage of net worth	1.3	1.0

The profitability of companies in the private sector (as is illustrated by the table below, is higher than of those in the public sector. But this is unlikely to worry the Government in its determination to expand the activities of the latter. The least it could do in the circumstances is to try to improve the working of the undertakings it owns. One reason why their profitability is poor is that they are inefficiently managed. Hamstrung by bureaucratic rules and regulations, managers do not have enough authority and responsibility, so they do not show initiative. During recent months, the Government's policies for the management of public enterprises have been changing: the men on the spot are being given greater powers. But the change is still too slow; there is a deplorable lack of quick decisions. The need for administrative flexibility and a greater emphasis on profits are something which public-sector undertakings still have to learn from private industry. The larger dividends paid by private-sector companies are understandable since they are obliged to obtain the bulk of their long-term finance from the open market by offering attractive returns to investors. Public-sector undertakings enjoy advantages in this respect. They get enough financial facilities from the Government or Government-sponsored institutions.

PROFIT ALLOCATION AND PROFITABILITY RATIOS OF 1,333 SELECTED MEDIUM AND LARGE PUBLIC LIMITED COMPANIES

	1961-62	1962-63
Profit Allocation Ratios		
Tax provision as percentage of profits before tax	43.3	50.6
Dividends as percentage of profits before tax	36.0	31.3
Retained profits as percentage of profits before tax	20.7	18.1
Profitability Ratios		
Gross profits as percentage of sales	10.2	10.1
Gross profits as percentage of total capital employed ...	10.0	10.1
Profits after tax as percentage of net worth	10.0	9 0
Dividends as percentage of paid-up capital	10.9	9.9
Dividends as percentage of net worth	6.3	5.7

Current News and Comment

More Oil Refineries in Public Sector

The Government of India has had two new refinery projects in mind, with a throughput capacity of 2.5 million tons each. One will be located in Madras, and the other in Haldia, West Bengal. The Madras and Haldia projects represent advance action for the fourth plan, during which India's oil requirements are expected to rise at a faster rate in view of the higher rate of growth planned. Latest reports show that the target for refining capacity has been scaled down to 25.25 million tons from the 28 million tons suggested by the Planning Commission. But it is not clear whether the authorities have revised their estimates of petroleum consumption downwards. It is possible that India does not see adequate prospects of obtaining the crude she will require for the higher refining target. In the case of the Madras project, for instance, there appears to be some hitch about the crude which the National Iranian Oil Company and the American International Oil Company of the U.S.A have together offered as part of their collaboration terms. The final agreement, it is said, will not be concluded until this question is satisfactorily settled.

A collaborator for Haldia is still to be found, but it is reported that some of the 14 parties who bid for the Madras project, have offered their co-operation for Haldia. According to a tentative construction schedule work on the Madras refinery will start by the end of this year and finish some time in 1967, while the Haldia project will be taken up next year to be completed by 1968. These two projects together will contribute 5 million tons of throughput capacity to the fourth plan oil refining target. If another 500,000 tons is added to the capacity of the Madras refinery later, as is likely, India's existing refining capacity of 17 million tons will have gone up by 5.5 million tons to 22.5 million tons during the next five-year period. No expansion of the existing private sector refineries is being visualised in the next plan, although on economic considerations their case for further expansion is very strong.

The question of India's own crude production acquires extra importance in view of the decision to set up the new refineries, and expand the Koyali and Barauni units by 1 million tons each in the next few years. The crude output is much too inadequate to meet the country's present requirements. New Delhi is trying hard to expedite prospecting activities, although the effort has been successful only in the Gujarat area so far. The Oil and Natural Gas Commission, whose activities have expanded in keeping with the country's long-term objectives, has been strengthened. More technical personnel have been recruited, and a full time chairman has been appointed to plan and co-ordinate the O.N.G.C.'s activities. Its chances of winning offshore concessions in Iran to prospect for crude there, in collaboration with E.N.I. and Phillips Petroleum, may have now improved with the Government of India preferring the National Iranian Oil Company as collaborator for its Madras refinery project.

Report on Plan Evaluation

Planners in India have hitherto paid little attention to evaluating the progress of various development projects. It has not been realised that the formulation of plan programmes and the laying down of priorities constitute only the preliminary steps. More important is the appointment of agencies which are well qualified to evaluate the work of project authorities. Much wastage and extravagance could have been avoided if the Planning Commission had laid stress on establishing proper evaluation machinery in the Centre and the States. The Commission's decision to appoint a working group to assess the impact of plan projects on the States was, therefore, welcome. In its report now submitted to the Commission, the working group has referred to a host of anomalies which are retarding the progress of projects. Planning has not yet been fully organised as a separate department in a number of States. Besides, the planning machinery appears to stand in need of not only larger staff but also better technical and organisational set-up. The working group has referred to the wide diversity among the States in the matter of progress analyses and the implementation of projects. "There is room for qualitative improvement in progress reporting and analysis in a number of plan sectors like irrigation, power, co-operation, education and health. In a number of States, there is scope for the systematisation and streamlining of the existing arrangements for reporting, e.g., co-ordinating and rationalising the progress reporting system in the districts and the routing and analysis of such data at higher levels."

As it happens, due to the absense of adequate evaluation machinery, continuous analysis of the progress of projects has hitherto been the primary responsibility of the Ministries concerned, while the Planning Commission has only cursorily reviewed the implementation of projects in some States. However, a periodical assessment of selected schemes is carried out by the Programme Evaluation Organisation of the Planning Commission. This is hardly satisfactory, so the working group has recommended that all State Governments should have an evaluation organisation as an integral part of their planning machinery. This organisation should function either as a wing or division of the Planning Department or as a directorate attached to it. The State evaluation organisation, the working group suggests, should have a headquarters unit and a field organisation, composed of a task force and three to six field units according to the size of the State. Considering the magnitude of the investment involved, the provision of Rs. 1.5 crores for the evaluation of the fourth plan schemes, as suggested by the working group, does not appear to be too big. Another useful recommendation of the group is the appointment of a Central Advisory Council on Evaluation, on which the State Governments, the Planning Commission and the Central Ministries would be represented.

There is no doubt a necessity for advance action in recruiting personnel for the evaluation machinery in the Centre and the States. The working group says that in view of the shortage of qualified and experienced people, the State Governments should try from now on to formulate a policy for the recruitment of personnel. It has also been suggested that the States may approach the Centre with a request for deputing officers from the Indian Economic and Statistical Service for manning these posts, along with an advance indication of such officers required in different years and on different scales.

Making More Textile Machinery

THE textile machinery industry, although still in its infancy, has made considerable progress over the past decade. The growth has been particularly marked in recent years. From a mere Rs. 7.7 crores in 1958, the value of the industry's output rose to Rs. 20 crores in 1963. The figure for the first six months of 1964 is placed at Rs. 11 crores, and the output is likely to be of the order of Rs. 25 crores for the year as a whole. These figures do not include accessories which are produced to the extent of Rs. 18 crores or Rs. 20 crores a year. Between 1960 and 1963, the production of carding engines rose from 1,075 to 1,696, of speed frames from 45 to 96, of ring frames from 1,127 to 1,990 and of reeling machines from 50 to 466. In spite of this encouraging picture, the output is far too inadequate to meet the textile industry's demands for replacement, renovation and modernisation, with the result that large sums of foreign exchange have to be spent on importing machinery.

Imports of textile machinery and parts have averaged around Rs. 22 crores annually over the past three years. The requirements during the fourth plan have been estimated at around Rs. 347 crores, whereas from the maximum that the indigenous industry can be expected to provide is estimated at Rs. 275 crores. In view of the acute shortage of foreign exchange, the need for rapid development of the textile machinery industry can scarcely be over-stressed. The gap between requirements and availability is considerable in the lines already well-established, and it is necessary that this gap is filled either by the expansion of the existing units or by setting up new ones. In spite of the fact that the demand far exceeds the supply, there exists a large volume of unutilised capacity in the industry in some of the main items like carding engines, ring frames, draw frames and speed frames. The idle capacity for carding engines is stated to be of the order of 704 units a year and for ring frames 686 units; this sounds extraordinary in the context of the heavy demand for these items.

In his presidential address at the fifth annual general meeting of the Textile Machinery Manufacturers Association in Bombay recently, the chairman, Mr. Prabhu V. Mehta, drew pointed attention to the factors responsible for keeping the production of textile machinery at a low level. He said that the industry desired to expand its productive capacity by 30 percent in the coming year, and expressed the hope that it would be possible to achieve the target of Rs. 45 crores at the end of the third plan. Of course, to reach this target, it would be necessary to have the raw materials, pig iron of the requisite grade, special steels, cement, coke, and other items. In addition, the industry would need some imported machine tools. Mr. Mehta also stressed the need for expanding the manufacturing capacity and for a design-oriented textile machinery research organisation. The scope for financing deferred payment sales of machinery to indigenous textile units has also

to be considered. Mr. Mehta conceded that the Government was aware of the industry's problems, but he pointed out that there was no proper co-ordination between the various departments, with the result that the industry suffered a great deal. He suggested that a committee of secretaries of the various Ministries connected with the textile machinery industry should arrive at a policy decision for a period of two years for the industry.

The Central Minister for Heavy Engineering, Mr. T. N. Singh, who inaugurated the meeting, emphasised the need for achieving a fair degree of self-sufficiency in the industry by the end of the fourth plan. The country could ill afford to spend vast sums of foreign exchange on textile machinery imports. The Minister did not share Mr. Mehta's optimism about reaching the target of Rs. 45 crores by the end of the current plan, and he did not hesitate to add that the shortage of raw materials was not the only reason for idle capacity. But he assured that the Government would help in procuring the raw materials and also render other assistance. Mr. Singh disclosed that the Government would soon be setting up a study team to examine the needs of pig iron of various user industries from the quality point of view. In future, it would be necessary to set up small pig iron plants for producing special varieties. Referring to the foreign collaboration problem, the Minister said that it had been decided not to pursue the suggestion of bulk purchase of know-how for the present. He said that the country could not afford to remain dependent on foreign know-how for an indefinite period. It was necessary to develop an efficient and well-equipped research and development organisation for the textile machinery industry. Leading textile machinery manufacturing firms should share their know-how with new units.

Replying to Mr. Mehta's suggestion that the textile machinery branch, which was attached to the Textile Commissioner's office, should be retained in Bombay and not transferred to the Directorate-General of Technical Development, the Minister said that the decision had already been taken, and could not be rescinded. As for textile machinery imports, Mr. Singh said that only such items would be allowed to be brought in as were not indigenously available. Recently, the import of some carding engines and ring frames under the Platt Brothers' deal had been permitted as a special case and after consultation with the industry. The Minister stressed the need for exporting textile machinery. Indian manufacturers are trying to develop export markets, but before substantial progress can be made in this direction, the quality of the machinery produced in India will have to be brought up to the level reached by leading textile machinery manufacturers abroad. Prices too will have to be competitive.

Preventing Tax Evasion

Tax evasion has assumed serious proportions in India, and every effort should be made to stop it. But it might do harm to the country if the problem is tackled in a wrong way. Mr. J. P. Singh, chairman of the Direct Taxes Board, told a Press conference in New Delhi last week that persons giving information leading to the detection of large-scale tax evasion would in future get a tax-free reward of 7½ percent—going in some cases to 10 percent depending on the extent of help rendered and the risk or sacrifice incurred by the informant. Such rewards amount to 2½ percent at present. The identity of the person supplying information would, if so desired, be kept secret. The Commissioner of Income Tax would be authorised to sanction rewards up to Rs 10,000 without prior reference to higher authority.

The assessee who makes voluntary disclosure of concealed income would in future be treated more leniently in the imposition of penalty on him and no prosecution would be launched in such cases. It should, however, be possible to give some new incentives to persons to disclose concealed incomes. It has been suggested that as in Ceylon a 30 percent rebate in tax liability could be allowed for voluntary disclosure. Mr. Singh expressed the view that the newly acquired power of search and seizure by the Income Tax Department had been "exercised effectively" in a number of cases, and about Rs. 93 lakhs worth of unaccounted wealth has been detected. The manner in which these searches and seizures have been done has created a feeling of insecurity in the business community. Even honest and straightforward business men have begun to fear the whims and moods of income tax officers. It is of the utmost importance that this power is exercised with great caution if the business life of the country is not to suffer.

It is quite possible that in the near future, the number of income tax assessees might exceed 2 million, and the annual revenue from direct taxes might reach the Rs. 1,000-crore mark, as the Central Finance Minister has claimed. But in order to prevent tax evasion and to increase the yield of direct taxes it is necessary not only to rationalise the tax system, but to reduce the overall incidence of direct and indirect taxes in the country. Tax evasion is bound to increase if the rates of taxation are in excess of the taxable capacity of the people. An important cause of tax evasion is that the Income Tax Department is greatly under-staffed. The work has increased, but the number of income tax officers and inspectors has not increased correspondingly. It might not serve any worthwhile purpose to attach a secret investigation branch to the Income Tax Department, but it will serve a useful purpose in preventing tax evasion if the staff in the income tax offices, not Commissioners or Assistant Commissioners but income tax officers, is considerably increased.

U.K. Jute Machinists to Co-operate

Vertical co-operation between firms which do not commit themselves to financial amalgamation is attracting increasing attention in the textile industries, and there are no doubt numerous instances where co-operation on horizontal lines could be helpful. A recent announcement from the textile machinery industry records an arrangement reached between two companies for collaboration with no financial stake by either in the other.

The chairman of Fairbairn Lawson, of Leeds, Mr. W. Walker, reminds shareholders in a circular of the reference in his statement in August to negotiations for rationalising the jute textile machinery industry, and reports that one arrangement has been completed concerning U.K. manufacture. The arrangement covers a minimum period of five years, with provision for continuance and termination. The arrangement is between Fairbairn Lawson and its wholly owned selling Company, Fairbairn Lawson Textile Machinery Company, on the one hand, and Wilson and Longbottom of Barnsley, with its associated companies, Wilson and Longbottom (Engineers) and Butterworth and Dickinson, of Burnley, on the other, and it provides for full co-operation in the sales, production, research, and development of looms for the jute and kindred trades in widths under 100 inches reedspace.

The productive capacities of the works of both groups, the statement says, will ensure that the needs of the jute industry throughout the world can be met by what will now become one of the largest manufacturing units in the world for the production of standard jute looms. Production of the latest Fairbairn Lawson Falapak loom, together with Wilson and Longbottom Mark 5 sacking loom, will continue, but the policy of gradual rationalisation will be conducted. Considerable importance is attached in this agreement to the sharing of future research and development work combining the very long years of experience of Fairbairn Lawson in all types of jute machinery with that of Wilson and Longbottom and their associates.

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INDIAN TURPENTINE

A HOME contemporary interested in drugs and chemicals has called attention to the recent state of anxiety that has been aroused in the United States in the turpentine market. It appears that the National Turpentine Operators' Association, formed about three years ago, and entirely controlling the market, has decided to curtail the production for the coming year by 10 percent. The main reasons for making the Association hold out for higher prices are the high prices of timber, the demoralized labour conditions, and the increased cost of supplies used in the production and manufacture of naval stores. Dealers and paint manufacturers are at their wits' end as to the course to be taken to combat the squeezing process of the Association. Endeavours are being made to interest the Standard Oil Company in the manufacture, and enquiries are on foot as to the employment of natural substitutes for the oil. The effect of the policy is already beginning to be felt in the London market, and values have shown a sharp advance. The position of affairs is of some interest to us in India and should cause us to study the state of the industry where, under the auspices of the Forest Department, the manufacture of turpentine oil and rosin has been carried on for some years. The turpentine industry is confined to pine forests of the Himalayas in the United Provinces and the Panjab. In the United Privinces the first distillery was erected in the Imperial Forest School, Dehra Dun, 1888. The crude resin is collected from the Chi pine (*Pinus Longifolia*) in Jaunsar and the leased forests of the Tehri-Garhwal, chiefly at Daragadh, Ninur, Obra, Sangared, and the Mautar and Lunar working circles. The trees are tapped soon after the rains are over, and cuts or "blazes" are made in the stem at the base of which pots are placed to catch the excluding resin. In the lower forests of Kumaon the resin begins to flow in March and as the warm weather advances the flow increases and the greatest amount is obtained in June. On reviewing the state of the turpentine industry in India it will occur to some that the time has arrived to consolidate the operations in the form of a limited liability company. The manufacture should be supervised by one director thoroughly interested in developing the industries and the prices of the products at the factories controlled uniformly according to the state of the market, and to meet any combination make in America or on the continent. Government have pioneered the manufacture so far, and it is understood that they are open to consider any new arrangement in the administration of what is at present a section of the Forest Department. The Secretary of the Revenue Department in reviewing the Forest Report of the United Provinces for 1902-03 expresses his opinion in the following terms: "The Government of India have waited with considerable interest the progress made during the past few years in the manufacture of turpentine in the Jaunsar and Naini Tal divisions. The industry has now apparently reached a successful commercial stage and the local Government might with advantage consider what steps can be taken with a view to its extension, and whether it might not be more profitably conducted by private enterprise."

FROM

CAPITAL

10th November, 1904

A Ditcher's Diary

I AM SURPRISED THAT NO SUB-EDITOR HAS THOUGHT of a heading like "The Guns of Guntur" for the A.I.C.C. story. One reason may be that guns now seem obsolete, in view of the apparently widespread demand for India's own atomic deterrent. It was funny enough when India kept saying she could make a bomb but wouldn't; Messrs Shastri, Menon and Bhabha have now added to the gaiety of nations by giving us wildly contradictory estimates of what a bomb might cost. I just don't understand what all this pother is in aid of. Nobody had ever said before that India's decision not to join the nuclear race was forced by economic circumstances. What, then, does it matter whether a bomb costs a few lakhs or several crores? I can't at this distance remember who first started the hare about there being a competition between India and China; even that was supposed to be only democratic and economic competition. A section of the Indian people has now evidently persuaded itself that anything China does must be matched by India, including nuclear weapons. Nobody has yet suggested that India should make the bomb and drop it on Peking; what is wanted, apparently, is a "status symbol". But what price status? The time may have arrived for India to ask the question, for status has already cost her a great deal. What did the A.I.C.C. do in other respects? Going by newspaper reports, my chief source of information, precious little. The resolution on urban property ceilings was useless; and the Congress Party knows it. I have said in the past that A.I.C.C. sessions are now useless rituals; I am unable to revise the opinion after Guntur. It says something for the tenor of the transformation of the Congress in this country that the Party changes without revising its labels. There can be little doubt that the Congress as left by Mr Nehru was a very different thing from the Congress today; but nobody will dare say it.

NO, THESE LAST-MINUTE *ad hoc* MEASURES WILL not do. It was all very well for the Centre to rush rice to Kerala on Tuesday; but a great deal of mischief had already been done. Whether or not the Prime Minister failed to talk the Chief Ministers into immediate rationing, for reasons I need not elaborate, it is by now obvious that the people have lost confidence in the Government's capacity to ensure sufficient supplies of foodgrains at reasonable prices. This loss of confidence is itself a factor in the manipulation of markets that has been in progress for some time, and confidence is not restored when the Government of India is seen to take hurried decisions on perfectly foreseeable situations. The Kerala affair is the more deplorable because the State has had President's rule for some time now: and Parliament, when it meets, will no doubt want to know why appropriate measures had not been taken before trouble started; the State is now, through the President, Parliament's responsibility. This brings me to a point which has been agitating me for some time. To what extent are we journalists justified, in the present context, in concentrating our criticism on Ministers or politicians and in sparing the officials? Suspension of democracy in Kerala lends urgency to the question, for the President now rules Kerala through a body of officials. Did they report to New Delhi that the food situation was approaching a crisis? If they did, what did New Delhi do about it? It needs to be known that the gentlemanly responsibility that Ministers acknowledge for the actions of their officials is now obsolete It is not, in general, necessary to deny that it is a bad Minister who lets his officials down; but no good Minister will allow himself to be let down by his officials. In Kerala the responsibility rested squarely on officials; and democratic correctitude is taken too far when guilty parties are not named just because they are officials and not politicians. I have very little to say in defence of politicians, anywhere; but it does seem to me necessary to re-examine the immunity from criticism so long enjoyed by officials.

WITH ANOTHER FOUR YEARS' PRESIDENCY FIRMLY under his belt, so to speak, it seems to me Mr. Johnson might now with profit be concentrating his external attentions on two points of critical importance to the United States. The first, of course, is South Vietnam, where Mr. Goldwater at least had the seeds of a policy, even if it was only a carbon copy of the concede-defeat-and-clear-out-as-quickly-as-possible one on which ex-President Eisenhower came to power when the problem was how to deal with Korea. But it is the second which could prove the more vital in the long run. Even if we must now reconcile ourselves to writing off the fact of a continued U.S. presence in south-east Asia altogether, it would be a serious matter indeed if we had to do the same with Europe. I do not think President de Gaulle is bluffing when he threatens to leave N.A.T.O.; nor do I believe the organisation can survive for long without him. There is little point in trying to frighten the French with the threat of a multilateral nuclear fleet, with Britain and West Germany as members, because France will only do what she has traditionally done under similar circumstances in the past and draw closer to the Russians. The new men in the Kremlin have already grasped this fact; it was no coincidence that one of their first fraternal messages after seizing power was addressed to President de Gaulle. I have had the feeling for some years now that N.A.T.O. is a dying force. Unless it can somehow be revived, we are likely to see a sharp increase in Russian influence in western Europe, with an offsetting, though dangerous, increase in West German power. In the interests of world peace, this would be better avoided; and whether or not it can be depends on President Johnson. The one fault I had to find with the late President Kennedy's foreign policy was its brusque and rather tactless approach to the United States' west European allies: it took too little account of their growing strength and abounding exasperation with the U.S.A. On this point, President Kennedy followed too closely the policies established under his predecessor, who, had he remained in power much longer, might have soon divested his country of all her European allies, with the possible exception of Britain. Now it is President Johnson's task to live down this legacy and seek the basis for a new Atlantic partnership, and one that is based on something more substantial than waiting for President de Gaulle to die. The price of failure, I might add, will represent an upset in world power patterns of far greater danger to the United States than a few Russian rockets in Cuba.

MR. WILSON HAS BEEN IMPLEMENTING WITH vigour his pre-election promise to make greater use of expert advisers who are not necessarily either Members of Parliament or civil servants. His choice of Sir Charles Snow, who has been given a life peerage, to undertake departmental responsibilities in the new Ministry of Technology, seems a particularly happy one to me. I wish I could say the same about the appointment of Mr. Nicholas Kaldor as special adviser to the Chancellor of the Exchequer. Not that I have anything less than profound respect for Mr. Kaldor and his imaginative schemes for tax reforms; it is just that once these get into the hands of politicians the temptation to adopt all suggestions for new taxes, and for increases in old ones, appears to become irresistible, while those for reductions are quietly forgotten. This is what happened in India, with the result that Mr. Kaldor must rank as an economic disaster to this country comparable with a series of bad monsoons. Elsewhere, of course, his presence has been known to cause rioting and civil commotion. But in India we tend to take our tax burdens with a certain stoical resignation, and on this point Britain may be surprisingly like us. So my advice to Mr. Wilson

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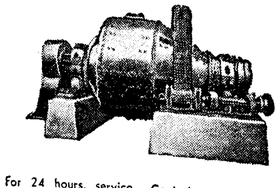
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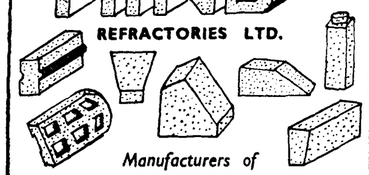
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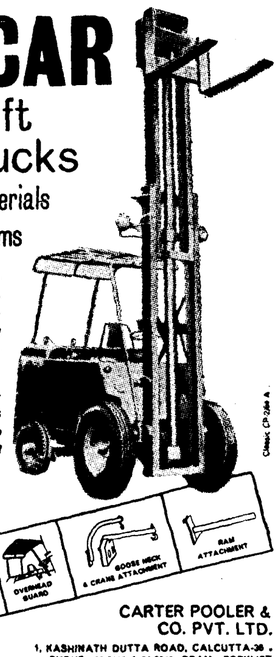
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would be to take Mr. Kaldor, or leave him; but not to take some parts and leave out others, since in that case the consequences for the economy could be catastrophic, and no less for the future of the Labour Government. About Mr. Wilson's other choice from among professional economists, Dr. Thomas Balogh, I am about equally doubtful. Dr. Balogh writes excellent, thought-provoking articles, some of which, I am glad to say, have featured in the pages of *Capital* and its annual numbers in past years. But in my opinion he has a unique talent for being wrong in almost every prognostication he makes. Like Mr. Kaldor, Dr. Balogh is a Hungarian, and it is my experience of mid-European intellectuals that they are either fanatically liberal or fanatically socialist; the two words in the English language they never seem to master are "empirical" and "practicable". I am told that they make stimulating after-dinner companions, and we may rest assured that Mr. Wilson and his Cabinet colleagues will not find them boring company. But I cannot imagine it is Mr. Wilson's intention to pay a total of £12,600 a year of taxpayers' money in salaries to advisers and then not take serious notice of a word they say. And for the British people, that could be an ominous thought.

ALL GOING WELL, MR. LAL BAHADUR SHASTRI WILL soon join India's considerable army of the "England-returned", the two words which still make a difference in the case of others, at least in the marriage and employment markets. What today is their rating on the country's political stock exchange? One does not know for certain; but it's a safe bet that, after Mr. Shastri's *dhoti* and *kurta* have been laundered in London, his world "image" will be greatly improved; at least the Press Trust of India can be trusted to tell us so in due course. I like London myself. With Mr. Wilson heading the British Government, there are clear prospects of improving Indo-British relations; and Britain remains one of India's most important trading partners, even after the 15 percent surcharge. Yet some may see in the Prime Minister's decision to go to London first traces of a hangover of days long past. Why not Washington or Moscow? (To mention Peking in the same breath would probably be treason.) The visit to London, I repeat, is an excellent idea; I am all for it, although in November Mr. Shastri will need warmer clothes than Mr. Nehru persuaded him to take before an earlier visit to Kashmir. Where doubts linger is that the decision to go to London first may be indirectly indicative of an old way of thinking which persists in New Delhi, especially among senior officials whose influence on Congressmen, even the Prime Minister, may be greater than the people know. I was not at all surprised when I read some years ago that Mr. Nehru had gone to a Savile Row tailor for a new suit; I simply cannot imagine Mr. Shastri in a Savile Row suit, even if some of his secretaries succeed in persuading him to order one. (More improbable things have happened, like the Rolls-Royces of Mr. Krishna Menon and Mr. Jomo Kenyatta.) It is altogether too late to question the necessity of V.I.P. tourism; but Mr. Shastri's own emphasis on austerity emboldens me to suggest that he look rather closely into the size and character of the entourage that will accompany him. He may well find that somebody has promoted a trip for himself to see his son at Oxford or consult a specialist in Harley Street.

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"Can anyone tell me," he asked for the fifth time in ten minutes, "can *anyone* tell me the difference between a Scotsman and a coconut?"

He looked around upon the gloomy faces at the bar, and beamed. No one replied.

"Well," he said triumphantly, "you can get a drink out of a coconut, but....."

"Excuse me," interrupted one of the members, "but I happen to be a Scotsman. Would you like a drink?"

"Indeed I should. Delighted."

"Then get yourself a coconut."

THE DITCHER

Guide for Investors

NEW SUGAR PRODUCTION POLICY WORRIES INVESTORS

(BY A SPECIAL CORRESPONDENT)

INVESTORS *in sugar shares are* greatly worried over the decision of the Government to prohibit the *manufacture of bold-grain sugar. The* move is unfortunate as it will interrupt the working of several sugar *factories in the 1964-65 season which* has just begun. The supply of sugar is already short of demand, and the new season has started with little carryover. In spite of its good intentions, the Government has failed to stimulate production during the 1963-64 season. The output was only 2.5 million tonnes, against a target of *over 3 million tonnes.*

There *are about 36 carbonation* factories which have installed costly equipment to produce the bold grain variety. *This sugar has met with* good demand because its quality is assured. The manufacturers installed *expensive plant and machinery* because they were compensated by the higher prices paid for this variety. Due to the *sudden prohibition of the* manufacture of bold-grain sugar, the working of the carbonation factories will *suffer. Since they will be forced* to produce small-grain sugar instead, their output will drop at a time when *it is urgent to increase the supply.*

The worry of investors arises particularly because of the fact that large *investments* have been made in carbonation factories, which are earning some profits under the present unfavourable *conditions. The bulk of* sugar shares have virtually been ignored because of the poor results of sugar *companies in recent years.* If the new move of the Government is enforced, transactions in even the shares of *companies running carbo*nation factories will come to an end.

Although details relating to the Government order are not yet available, it looks as if the Government has taken the new step for two reasons. Firstly, control on distribution of sugar has been difficult to administer because the two varieties of sugar—bold grain and small grain —need to be sold at two sets of prices. Secondly, the Government believes that stopping the production of the bold-grain variety will ultimately help raise the overall output. But the people concerned with the trade seem to think that the increase in the output, if any, will be far too small to justify the step. Anyway, the switch of equipment from the manufacture of bold-grain size to small grain size cannot be made immediately, and production may actually suffer. In the circumstances, the Government should postpone the move until a more propitious time.

As far as consumers are concerned, they will suffer. The merit of bold-grain size is that it cannot be adulterated easily, whereas the small-grain variety is at present extensively adulterated. The prospect for the 1964-65 season, therefore, does not look encouraging. It is true that the cane crop will be about 10 percent larger than that of 1963-64, but there is no assurance that sugar factories will get a bigger supply of the raw material. Since political pressures have prevented the Government from placing control on *gur* and *khandsari*, the diversion of cane to the production of these two commodities will continue as before.

The token incentive that has been allowed to sugar factories during the current season under the interim recommendations of the Sen Commission is unlikely to stimulate production. The Government has sanctioned a rebate of the basic excise duty on the excess production during only November. Whether the rebate on production will also be given during the rest of the current season has not yet been decided. Judging from experience, it does not look likely that there will be any improvement in production during the current season in spite of the small relief of the basic excise duty. In fact, in view of the new move to prohibit the manufacture of bold-grain sugar, the output may be smaller than that of the previous season.

Rights Issue by Dunlop Rubber

THE ordinary shares of the Dunlop Rubber Co. (India) Ltd have met with support around Rs. 32.50 ex *rights due to the issue of rights shares* in the proportion of one new scrip for every three held at a premium of *Rs. 10 a share.* Support has been reinforced because the Company has shown good performance in the past, and is doing well during the current year. The profit amounted to Rs. 3.28 crores for 1963, out of which taxation *absorbed Rs. 1.59 crores.* A taxable ordinary dividend of 17 percent absorbed only Rs. 78.75 lakhs.

Whether the Company will pay the same dividend on the increased *capital is now agitating* the minds of shareholders. Due to the increase in prices of tyres and tubes since the beginning of 1964, the profit during the current year is expected to be higher than that of 1963. So the Company should have no difficulty in paying the same dividend on the increased share capital since only a further sum of Rs 26.25 lakhs will be required to service the new share capital at the same rate of dividend. Meantime, the Company has already recommended an interim dividend of 8¾ percent, subject to tax, for 1964. The support has been reinforced by the belief that the Company will soon seek the permission of the Government to issue bonus shares by capitalising the share premium account which at present stands at Rs. 70 lakhs. With the premiums on the new shares, the share premium account will rise to Rs. 2.20 crores. It has been indicated that a sum of Rs. 2 crores out of the share premium account may be capitalised. So the Company should be able to issue bonus shares in the proportion of one bonus share for every three held. Since the proceeds of the new issue will be largely used to finance expansion, the shareholders feel more or less assured that even after issuing the bonus shares, the dividend might be maintained.

Brooke Bond Estates India Pays Less

IN their report for the year ended June 1964, the directors of Brooke Bond Estates India Ltd say that the world tea crop is increasing. In view of the rise in the north Indian output during the current season, it is possible that the price of tea will fall in proportion to the increase in the crop. The Company has so far realised good prices for teas in the current season. A third C.T.C. machine has been installed and more new equipment have been set up. The quality of teas is expected to improve due to the introduction of improved manufacturing methods. The vegetative propagation extension has made good progress and replanting in a limited area may take place by 1966. The immediate extension programme has been completed and young tea is in good order.

The profit has dropped from Rs. 9.51 lakhs for 1962-63 to Rs. 8.08 lakhs for 1963-64, after providing Rs 3.03 lakhs (against Rs. 3.11 lakhs) for depreciation. The taxable ordinary dividend has been reduced from 7½ percent to 5 percent. The yield amounts to 4.9 percent at the present price of Rs. 10.25 a share of Rs. 10 each. Capital reserve is allocated Rs. 5,090 (against Rs. 7,244) and development rebate reserve Rs. 18,764 (against Rs. 1,200). The carry-forward is Rs. 1,199, against Rs. 7,816 brought in. The crop amounted to 1.43 million kilograms, against 1.35 million kilograms. The prospect is considered good in view of young tea coming into bearing.

Bombay Burmah Fares Well

THE Bombay Burmah Trading Corporation Ltd reports fairly satisfactory results for the year ended May 1964. Despite a substantial decline in the gross trading receipts from Rs. 5.928 crores to Rs. 5.375 crores, the gross profit is down only slightly from Rs. 1.506 crores to Rs. 1.492 crores. The working results reflect the effect of the cessation of timber operations by the Company's Wallace Bay branch since January 1964, these activities having been taken over by the subsidiary, Wallace Bay Ltd. Sales of timber fell sharply from Rs. 2.708 crores to Rs. 2.072 crores; sales of tea and coffee, however, were higher at Rs. 2.499 crores, against Rs. 2.423 crores. The Company's other income increased from Rs. 54.20 lakhs to Rs. 62.12 lakhs. After providing Rs. 18.63 lakhs (against Rs. 36.64 lakhs) for depreciation and Rs. 60 lakhs (against Rs. 47.30 lakhs) for taxation, the net profit is higher at Rs. 70.56 lakhs, against Rs. 66.63 lakhs in the preceding year. Bringing in the previous year's surplus of Rs. 2.66 lakhs (against Rs. 2.03 lakhs) and taking into account the income attributable to previous years, the directors have transferred Rs. 24.78 lakhs (against Rs. 7.99 lakhs) to various reserves and other accounts. The dividend has been raised from 16.8 percent to 18 percent but in 1962-63, the Company had also paid an additional centenary bonus of 3.2 percent (80 paise a share of Rs. 25) absorbing Rs. 8.56 lakhs. The total distribution among the shareholders amounts to Rs. 48.15 lakhs, against Rs. 53.50 lakhs. After making various appropriations, there remains a surplus of Rs. 68,775 to be carried forward.

Reviewing the activities of the Company during 1963-64, the directors state that the forest operations of the Wallace Bay branch covered a period of only seven months during which the production of hardwood logs amounted to 88,046 tonnes, while the production of sawn timber amounted to 3,702 tonnes. There were certain cost increases, but selling prices on log shipments yielded a satisfactory margin and selling prices of sawn timber also showed some advance. Since January 1964, the Wallace Bay branch has continued in operation, supplying transport, agency, equipment and other services, and, as in the previous years, it has made a very useful contribution to the corporation's overall profit.

During the subsequent five months, Wallace Bay Ltd, which took over the timber operations of the Company, has incurred a loss, but no provision has been made in the Company's accounts for this loss amounting to $(M) 104,365. In recent months, there has been an improvement in the working of this subsidiary. The production of tea in south Indian estates rose from 3.836 million kilograms to 3.977 million kilograms, while unit cost increased from Rs. 3.20 to Rs. 3.39 a kilogram and the average gross return fell from Rs. 5.42 to Rs. 5.28 a kilogram—the drop being mainly attributable to difficult trading conditions in Middle East markets. Tea packeting continued on a small but increasing scale in the Company's existing factory in Bombay. But the facilities there being limited, it has been decided to erect a full-scale modern tea blending and packeting plant in Bangalore. The new factory is expected to come into production early in 1965. Coffee crop for the year amounted to 1,020 tonnes, against 930 tonnes in 1962-63. The increased crop was mainly from the Coorg estates, but there was also an encouraging improvement on the developing Pambra estate and the crop on the diminished Singampatti the acreage likewise showed an advance.

The cardamom crop increased from 10,627 kilograms to 19,549 kilograms and sale prices also registered an increase. The output of made tea from the Herkulu factory amounted to 224,944 lbs, against 130,880 lbs in 1962-63 and sales were made in the Nairobi and London markets. A tea factory is being constructed at the Marvera estate. Bombay Burmah's subsidiary and associate companies made satisfactory progress. Thai Tapioca reported better results, Formica India Ltd has made good progress and the factory is expected to go into production early in 1965. The turnover of Afco Ltd increased appreciably and work-in-progress at the year's end stood at a high level. The asbestos cement plant and the concrete products plant, both in Rangoon, showed improved results. However, working conditions there have been generally difficult and the future of the branch is under review in the light of taxation, remittance and other factors in Burma bearing on the continued viability of the Company's operations there.

The authorised capital of the Company, it is proposed, will be increased from Rs. 3 crores to Rs. 10 crores, and a resolution to this effect will be placed before the shareholders for their approval at the annual general meeting on 25th November. As a result of the bonus issue in April 1964 the issued and subscribed capital of the Company has been increased to Rs. 2.67 crores, bringing the total issued capital close to the authorised capital of Rs. 3 crores. The directors state that while there is no immediate intention of calling up fresh funds it has nevertheless been decided that this would be an appropriate time to seek shareholders' sanction for an appreciable increase in the corporation's authorised capital. This would allow for some time to come, for such issues of additional capital as may be required in the light of further ex-

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or the expansion of the Company's activities.

Seven Tea Companies to Merge

THERE is to be another big consolidation of interests in the tea plantation industry. Less than a month after the Jokai-Jhanzie based merger, which involved four companies, seven more plantation companies are to come together into one group. Once again, the terms of the merger have been proposed by Baring Brothers, after consultation with the boards concerned. The latest proposals are to be implemented by the formation of a new holding Company, Williamson Tea Holdings, which will have an issued share capital of £2 million, in £1 ordinary shares. The seven companies are Attaree Khat Tea, Bargang Tea, Borbheel Tea, Bordubi Holdings, Koomsong Holdings, Rajmai Holdings, and Tingri Holdings. Aggregate gross assets are about £5.4 million.

Terms proposed for the merger are for an exchange into equity shares, and preference where appropriate, of the new holding company. Four £1 ordinary in Williamson Tea Holding will be exchanged for every three £1 shares in Attaree Khat. There is a straight one-for-one exchange for the equity of Bargang. For Borbheel, Koomsong and Tingri the terms are identical—two £1 ordinary in the new holding Company for each share in the Company named. Five W.T.H. ordinary are offered for every two shares of Bordubi, and 21 W.T.H. shares for every 20 shares in Rajmai.

Two sets of preference capital are involved in Companies in the merger deal. A total of 107 of the 6 percent preference £1 shares of W.T.H. is offered for every 100 preference shares of the same coupon in Bargang; for every 100 preference with a 7 percent coupon in Rajmai, the offer is 119 of the W.T.H. 6 percent preference. Expectations are that the Williamson Tea Holdings £1 ordinary should command a price of around 15s to 17s 6d in the market. The offer documents should be ready to go out by about 17th November.

Cattle Feed Plant from Larsen and Toubro

LARSEN and Toubro Ltd will shortly manufacture cattlefeed processing plants similar to the one installed by the Kaira District Co-operative Milk Producers Union Ltd, Anand. About 75 percent of the components of the mixed feed plants will be made locally in the first year of manufacture. The indigenous content is expected to rise to 90 percent in the third year of manufacture. The Company will offer plants capable of producing ten tons to one ton of finished mixed feed an hour. The Company had supplied the Kaira cattlefeed plant from the works of its principal, Buhler Brothers of Switzerland. This plant is claimed to be first of its kind in India. Modern and incorporating the latest developments in plant design, construction and layout, it gives absolute accuracy in the choice and weighing of ingredients ensuring scrupulous adherence to the feed formula.

Mixed feed processing plants make possible scientific feeding of cattle and poultry and achieve this at a lower cost Scientific feeding leads to substantial increases in the output of milk and meat products and eggs. The Kaira Union, it is stated, anticipates a rise in milk yield of 45 percent from scientific feeding of cattle. Mixed feed processing plants make cattle and poultry feed at a lower cost because agricultural by-products which would otherwise go waste can be used. With the installation of the Buhler mixed feed processing plant by Larsen and Toubro, oilseeds by-products such as cottonseed cake, groundnut cake with damaged cereals, rice and wheat bran and other agricultural by-products and certain trace (mineral) elements, will be used to make cheaper balanced feed and concentrates.

New Kaiser-I-Hind Mills Disappoints

THE New Kaiser-I-Hind Spinning and Weaving Co. Ltd reports extremely disappointing results for the year ended March 1964, and the dividend on both ordinary and preference shares has had to be skipped. Despite an increase in the sales from Rs. 3.34 crores to Rs. 3.65 crores, the year's working shows a loss of Rs. 21.49 lakhs, against Rs. 26.81 lakhs in the preceding year. These figures have been arrived at without making provision for depreciation. The total deficit carried forward amounts to Rs. 66.94 lakhs, including Rs. 7.72 lakhs being the difference on account of the change in the mode of valuation of stock of goods as at the end of March 1964. Arrears of depreciation add up to Rs. 19.82 lakhs and preference dividends are in arrears since 1957-58 and they amount to Rs. 6.82 lakhs. The directors have attributed the heavy losses suffered during the year to the disposal of large accumulated stocks of the previous years at very low prices, particularly during the first half of the year.

During the second half of the year, there was a change in the manufacturing programme to conventional sorts in order to facilitate the processing of the remaining stocks of loose cloth. The directors state that by the close of the year 1963-64, the stocks with the Company had been brought down to the normal level of eight to ten days' processing capacity of the mills and this level has been maintained during the current year. The Company's mills are now stated to have reached an economic level of working and the directors feel that the Company has turned the corner. In spite of the heavy increase in costs in recent months, estimated at around Rs. 2 lakhs a month, the provisional profit and loss account for the first half of the current year shows a profit of about Rs. 3.75 lakhs before providing for depreciation and bonus to employees. The directors have felt the necessity of renovating and modernising at least some sections of the Company's mills, which will result in considerable saving in labour costs and improved efficiency and production. The scheme has, however, been deferred because of the Company's difficult financial position.

Swastik Rubber to Raise Capital

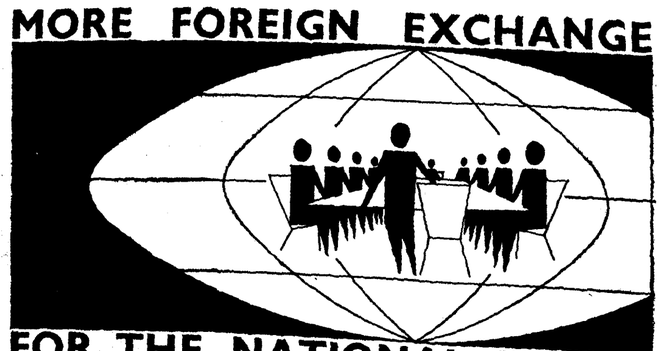
THE Swastik Rubber Products Ltd proposes to increase its authorised capital from Rs. 1 crore to Rs. 2 crores by creating an additional 50,000 equity shares and 50,000 9.3 percent redeemable cumulative preference shares, both of Rs. 100 each. The new shares will be offered in the first instance to the existing shareholders of the Company. An extraordinary general meeting of the shareholders is being convened on 28th November to approve the increase in the authorised capital.

The authorised capital is being increased in order to raise funds for financing the Company's expanding business. The Company which has received orders for combat boots, ground sheets and other defence requirements proposes to construct new buildings for its factory. It also proposes to invest a sum not exceeding Rs. 7 lakhs in the share capital of the Industrial Glass Fibre Private Ltd, a new Company to be formed in collaboration with Bristol B.T.R.

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Parkside Estates Earns Less

A SUBSTANTIAL fall in the crop due to unfavourable weather conditions adversely affected the profit of the Parkside (Neilgherry Hills) Estates Co. Ltd for the year ended June 1964. The directors say that they are recommending a final dividend of 15 percent, as they are of the opinion that the lower working profit for 1963-64 is due to the exceptionally unfavourable weather conditions. With the final dividend of 15 percent, the total dividend for the year, including the interim of 7½ percent, amounts to 22½ percent (against 25 percent). The profit for the year amounts to Rs. 2,58,075, after providing for depreciation and also Rs. 2,40,000 for taxation. This compares with the previous year's profit of Rs. 3,59,117. after providing for depreciation and also Rs. 4,11,000 for taxation. With Rs. 46,177 brought forward from the previous year and Rs. 3,727 being the taxation adjustment relating to the previous year and with Rs. 43,000 being the super profits tax no longer required, the total available for appropriation comes to Rs. 3,50,979.

Out of this, a sum of Rs. 4,828 (against Rs. 3,129) is transferred to development rebate reserve. The interim dividend of 7½ percent absorbed Rs. 1,11,672. The final dividend of 15 percent amounts to Rs. 2,23,344. The balance of Rs. 11,135 is carried forward.

The total tea crop for the year amounted to 322,867 kilograms (against 413,064 kilograms). The estate cost of production amounted to Rs. 1.53 a lb (against Rs. 1.31 a lb). The price realisation amounted to Rs. 2.92 a lb (against Rs. 2.74 a lb). As for the crop for the current season, the directors state that the prospects are promising. During the year, the Company has purchased 9.22 acres of planted tea adjoining the estate.

Milling and Special Machines from Kirloskars

MYSORE Kirloskar Ltd is promoting a new venture in collaboration with James Archdale and Co. Ltd of the U.K. for the manufacture of drilling, milling and special purpose machines. The new Company, which will be registered as soon as the technical and financial collaboration agreement with the British firm is finalised, will have an authorised capital of Rs. 1 crore —all in equity shares of Rs. 10 each. The initial issued capital will b Rs. 60 lakhs, of which 40 percer (Rs. 24 lakhs) will be taken up b the foreign collaborators. Mysor Kirloskar will invest 30 percer (Rs. 18 lakhs) and the balance of 30 percent will be offered for public subscription.

Nonsuch Tea Estates Maintains

IN spite of a lower crop and a fall in the profit for the year ended June 1964, the directors of Nonsuch Tea Estates Ltd have maintained the total dividend for the year at 20 percent. The net profit for the year amounts to Rs. 6,04,101, after providing Rs. 4,68,000 for taxation. The previous year's net profit was Rs. 7,84,932, after providing Rs. 8,77,600 for taxation. With Rs. 28,437 brought forward from the previous year, Rs. 20,000 transferred from special reserve and with Rs. 73,581 being the provision for taxation no longer required, the total available for appropriation comes to Rs. 7,26,119. Out of this, the balance bonus to labour for 1962 amounted to Rs. 3,975 and that to estate staff for 1962-63 to Rs. 2,644. Development rebate amounted to Rs. 35,728 (against Rs. 14,438). Transfer to development reserve amounts to Rs. 1,25,000 (against Rs. 1,00,000). Transfer to contingency reserve gets Rs. 50,000 (against Rs. 1,25,000). The interim dividend of 10 percent absorbed Rs. 2,31,000. The final dividend of 10 percent amounts to Rs. 2,31,000. The balance of Rs. 22,772 is carried forward.

The tea crop for 1963-64 amounted to 648,106 kilograms (against 729,106 kilograms). The cost a kilogram amounted to Rs. 3.27 (against Rs. 2.88). The price realised a kilogram amounted to Rs. 5.55 (against Rs. 5.80). The estimated crop for 1964-65 is placed at 590,000 kilograms at a cost of Rs. 3.39 a kilogram.

American Refrigerator to Diversify

AMERICAN Regrigerator Co. Ltd has declared a taxable ordinary dividend of 10 percent for the year ended April 1964. The shares are being quoted at the par value of Rs. 10 a share. The Company is diversifying its activities to improve the working result. Efforts are being made to increase the export of the Company's products. A sum of Rs. 1.64 lakhs has been spent to construct an additional bay in the existing factory. The profit has amounted to Rs. 9.68 lakhs for 1963-64, against Rs. 3.33 lakhs for 1962-63, after transferring Rs. 1.92 lakhs (against Rs. 1.20 lakhs) to depreciation and Rs. 55,000 (against Rs. 90,550) to development rebate reserve. General reserve is allocated Rs. 1.60 lakhs and taxation Rs. 6 lakhs (against Rs. 2.40 lakhs). The carry-forward is Rs. 2.639. against Rs. 1.442 brought in. Sales rose from Rs. 73.71 lakhs to Rs. 85.52 lakhs.

International Tractor Will Enter Market Soon

INTERNATIONAL Tractor Co. Of India Ltd which has been licensed to manufacture annually 3,500 tractors and matching implements will soon enter the market to raise Rs. 61 lakhs—all in equity shares of Rs 10 each—through public subscription. The project has been jointly sponsored by Mahindra and Mahindra Ltd. Voltas Ltd and the well-known International Harvestor Company, Chicago, U.S.A. The factory is being set up



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building is nearing completion and the plant is expected to go into production by the end of the year. The foreign exchange requirements for the import of plant and machinery, estimated around Rs. 95 lakhs ($2 million) will be met by International Harvester's contribution by way of equity participation and long-term loan. The tractors to be produced in India will be marketed under the name of "Mccormic International B-275 tractor".

The Company will pay certain fees to the foreign collaborators for the right to use its patents and its production, engineering and research information. The Company will have an authorised capital of Rs. 4 crores—all in equity shares of Rs. 10 each. The issued capital will be Rs. 1.50 crores. International Harvester, Mahindra and Mahindra and Voltas, will each take up shares worth Rs. 25.50 lakhs. Shares worth Rs. 12.49 lakhs will be taken up by the directors, friends and associates of Mahindra and Mahindra. The balance of 610,050 shares are being offered for public subscription. The entire public issue has been underwritten. The board of directors includes Mr. Keshab Mahindra (chairman), Mr. Brooks Mccormick (executive vice-president of the foreign collaborators). Mr. R. F. S. Talyarkhan, Mr. H. C. Mahindra, Mr. A. B. Parekh, Mr. P. C. Cheryan, Mr. Ivan James Syer (representative in India of foreign collaborators) and Mr. B. R. Sule.

Nil from Osmanshahi Mills

THE working of the Osmanshahi Mills Ltd. for the year ended September 1964, shows a considerable improvement over the previous year. As against a loss of Rs. 19.97 lakhs in 1962-63, the Company has made a gross profit of Rs. 19.15 lakhs during 1963-64. After writing back excess provisions of previous years no longer required, the directors have provided Rs. 7.21 lakhs (against nil) for depreciation and Rs. 52,000 (against Rs. 3,800) for development rebate reserve. The balance of Rs. 13.47 lakhs has been utilised to reduce the loss of Rs. 33.26 lakhs brought forward from the previous year. The Company has not paid any dividend since 1955-56.

J. K. Chemicals Profit Up

THE working of J. K. Chemicals Ltd for the year ended June 1964 shows a satisfactory improvement over the previous year. Sales have increased from Rs. 1.22 crores to Rs. 1.26 crores, and the gross profit has risen from Rs. 31.77 lakhs to Rs. 35.36 lakhs. Improved results have enabled the directors to resume the payment of preference dividend which had been discontinued after 1955-56. After providing Rs. 13.41 lakhs (against nil) for depreciation and Rs. 9.86 lakhs for arrears of depreciation for 1962-63 and Rs. 10.70 lakhs (against Rs. 10.60) lakhs for development rebate, the directors have paid the preference dividend for 1956-57 which absorbs Rs. 1.47 lakhs. The distribution does not include the dividend on the 5,000 preference shares held by the foreign collaborators who have waived all arrears of preference dividend in terms of the agreement dated 17th June, 1963.

The improvement in the Company's profit is attributed to the higher return on the sale of sodium hydrosulphite and economies in salt recovery. The production of sulphuric acid increased by 16 percent, while tained at the previous year's level of 10,000 tonnes. The production of epsom salt declined by 23 percent, whereas the output of nitric acid increased by 22 percent. The salt recovery plant which had been commissioned in August 1963, produced 3,287 tonnes of pure salt. The sulphate removal plant to be installed in this unit is expected to be commissioned shortly, and this will result in a higher recovery of pure salt. The plant for the manufacture of rangolite and its derivatives has been commissioned. The Government has allowed the Company to import on deferred payment terms a plant for increasing the production of caustic soda and allied products. The Company has completed formalities in connection with the issue of additional debentures of the value of Rs. 40 lakhs in favour of the I.F.C.

Sirpur Paper Pays More

SIRPUR Paper has raised the dividend for the year ended June 1964 from 50 paise to Rs. 1.20 a share (Rs. 10 paid) which follows the marked improvement in the Company's performance during the year. According to preliminary figures, which are subject to audit, the Company has made a gross profit of Rs. 1.046 crores, against a mere Rs. 38.49 lakhs in the preceding year. Out of this, the directors have provided Rs. 40.89 lakhs (against Rs. 32.46 lakhs) for depreciation but development rebate absorbs a substantially larger amount of Rs. 53 lakhs, against Rs. 3 lakhs. The Company has, however, at the same time withdrawn the entire amount of Rs. 41 lakhs lying in the development rebate reserve fund which brings the disposable profit to Rs. 51.73 lakhs. After making provision for the proposed dividends, the directors have been able to plough back Rs. 14 lakhs whereas in the preceding year a sum of Rs. 16 lakhs had to be withdrawn from the reserves for payment of dividends. There is again no income tax liability in view of the carry-forward of unabsorbed depreciation and development rebate of earlier years.

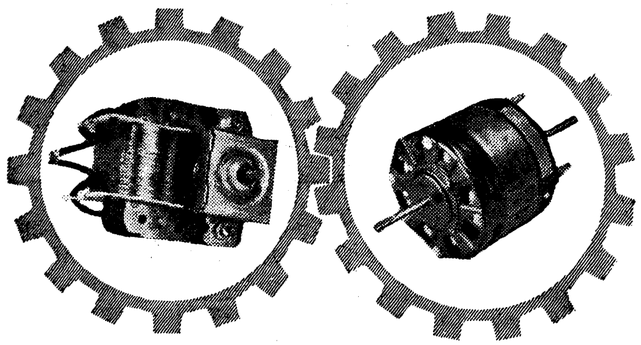
Indian Air Gases: A New Venture

INDIAN Air Gases Ltd is a new Company which progress to set up a plant in Varanasi (U.P.) for the manufacture of oxygen and acetylene gases. The licensed capacity of the factory will be 36 million cubic feet of oxygen and 6 million cubic feet of dissolved acetylene a year. The project is estimated to cost Rs. 61 lakhs, which it is proposed to meet by the issued share capital of Rs. 31 lakhs, a loan of Rs. 25.25 lakhs from the Industrial Finance Corporation and the balance from the Company's present resources. The loan from the I.F.C. is made up of a rupee loan of Rs. 8.09 lakhs and a loan of $357,455 (equivalent of Rs. 17.16 lakhs).

The Company has been granted licences for the import of plant and dissolved acetylene cylinders from the U.S.A. and oxygen cylinders from Poland. The Company proposes to enter into an agreement with the Diesel Locomotive Works in Varanasi for the supply of gases. Land required for the factory has already been acquired and looking to the progress so far made, the promoters are hopeful about starting production by the end of 1965. The issued capital of Rs. 31 lakhs is made up of Rs. 23 lakhs in equity shares and Rs. 8 lakhs in preference shares. The directors and their friends and associates have agreed to take up equity shares worth Rs. 10 lakhs. The balance will be offered for public subscription some time next month. The board of directors includes Mr. Satish Chandra (chairman of B.I.C.), Mr. K. N. Modi,

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New Capital Issues

FOUR companies have been authorised to raise capital aggregating Rs. 1.24 crores. Of these, two are issuing bonus shares and two equities plus preference shares. The consent of the Controller of Capital Issues is valid for 12 months in all cases. The following are the details:

The Travancore Sugars and Chemicals Ltd, Trivandrum, is to issue bonus shares of the value of Rs. 6 lakhs on capitalisation of its shares premium account. The bonus shares will be issued in the ratio of one for five shares held.

The Mysore Stoneware Pipes and Potteries Ltd, Bangalore, is to issue further capital of Rs. 60,000 divided into 6,000 equity shares of Rs. 10 each to be issued as fully paid bonus shares to the existing shareholders of the Company in the ratio of one bonus share for every ten equity shares held, on capitalisation of the Company's share premium account to a like extent.

N. and N. Cutting Tools Ltd, Bombay, is to issue Rs. 52.50 lakhs capital —Rs. 37.50 lakhs equity and Rs 15 lakhs preference—in shares of Rs. 100 each. All the shares will be issued for cash at par. The money will be used for the manufacture of twist drills, taps and dies.

Appeejay Structurals Ltd, Calcutta, is to issue capital of Rs. 65 lakhs for cash at par consisting of Rs. 50 lakhs in equity shares of Rs. 10 each and Rs. 15 lakhs in 15,000—9·28 percent cumulative redeemable preference shares of Rs. 100 each. Out of these, such number of shares as will entitle the scrip to be listed on the recognised stock exchanges, will be issued to the public by prospectus. The capital will be used for the manufacture of steel structurals. This is in supersession of an earlier consent.

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The Stock Markets

PRICES FALL: TURNOVER MAINLY IN CLEARING SHARES

Wednesday Evening.

THE Calcutta stock market has closed the past week in a quiet mood. Prices, particularly of clearing shares, have dropped substantially due to heavy selling pressure, combined with short-selling. Operators are nervous because of the move to put a ceiling on urban property. At the A.I.C.C. session in Guntur, an unofficial resolution has been passed asking the Government to fix such a ceiling. The fear may be exaggerated considering that there was no serious discussion on the subject. The details of the proposal have been kept as vague as ever.

The drop in share prices is not surprising considering that there was a sharp rise earlier. A correction was overdue. The decline apart, turnover has dropped considerably and is largely confined to clearing shares. Operators do not want to extend their commitments. So there is a tendency to take profits at every bulge. Lyons Range is getting worried over the food situation which has deteriorated considerably in Kerala. Since the Government has not yet formulated any firm policy to tackle the food problem, shortages and high prices continue to cause deep anxiety.

Lyons Range is taking a cautious view of the outlook. The prospects of tax relief have become uncertain considering that the Government will need substantial funds to finance development and defence. Although the move to bring out unaccounted money and check tax evasion has been welcomed, the stock market fears that harassment by tax authorities will increase.

There has been a great deal of worry over the growing shortage of funds. Due to higher interest rates, investors have tended to shy away from stocks and shares. Operators do not find it worth while to buy shares with borrowed funds. The supply of bank credit for stocks and shares has shrunk because the lending capacity of banks has been affected by the higher liquidity ratio, combined with the restrictive policy of the Reserve Bank.

Indian Iron have slipped back despite the larger production figures for October. The Company produced 85,674 tonnes of steel ingot in October, against 77,244 tonnes in September, while the output of pig iron dropped from 104,733 tonnes to 94,065 tonnes. The output of salable steel rose from 54,671 tonnes to 68,190 tonnes. Despatches improved from 49,826 tonnes to 61,883 tonnes. Among engineering shares, Jay Engineering have recovered on replacement buying due to rumours of a bonus issue. Guest, Keen, Williams, Texmaco and Braithwaite have lost. Jessop are a steady feature.

Prices of miscellaneous shares have tended to decline towards the close due to profit-taking. Dunlop Rubber are about steady since the Company has issued rights ordinary shares. Indian Aluminium have fallen despite the payment of an interim taxable ordinary dividend of 7½ percent. The earlier steadiness in Indian Oxygen, Alkali Chemical, Metal Box and Associated Battery has not been maintained towards the close. Goodyear India and Union Carbide have reacted. National Rolling Mills have met with scattered support due to a good report. India Steamship have been sold freely.

Among new shares, Hindustan Aluminium and Hindusthan Twyfords have been supported. Managing agency shares have weakened because of the move to abolish the system of managing agency in selected industries. Martin Burn and Jardine Henderson are easier. New Asiatic Insurance have attracted support due to the decision of the Company to undertake an industrial or commercial venture. In paper shares, Orient and Titaghur have weakened but Bengal and India Paper Pulp are steady. Sugar shares are weak since the manufacture of bold grain sugar has been prohibited. Bank shares are neglected.

Jute shares are dealt in cautiously and turnover has declined. Birla, Ganges, India and Union have lost fractionally. In cotton mill shares, J. K. Cotton have reacted while Bharat Commerce are steady. Coal shares lack interest due to the accumulation of stocks at pithead. Little business has been transacted in tea shares since the average price of tea tended to decline at the auction held in Calcutta last Tuesday. Government securities are dull and quiet. Turnover has been nominal. Institutional interest is lacking. The 3 percent Conversion Loan 1986 is barely steady around Rs. 62.

Bombay

DULL TREND CONTINUES IN SMALL TURNOVER

NO EARLY FISCAL RELIEF EXPECTED

Wednesday Evening.

DALAL Street is again in a despondent mood. That the Diwali "moorat" trading should have been completely devoid of lustre has added to the feeling of frustration which the market had been struggling to get over somehow. Fond hopes of early fiscal relief have been given up as the Prime Minister, Mr. Lal Bahadur Shastri, is reported to have reminded industrialists in informal chats that February is not far off. In its mood of frustration, the stock market paid little heed to the Prime Minister's assurance to industrialists that the private sector would receive all the encouragement it needed. Nor did Mr. Johnson's landslide victory in the U.S. Presidential election bring any cheer, although the outcome of the election had been awaited with considerable anxiety.

The turnover on the stock market dwindled to a trickle last week. With outside interest virtually absent, the professional operators found little inducement to extend their commitments. Interest continued to be extremely selective with half-a-dozen cleared securities virtually monopolising the operators' attention. Equities moved irregularly lower and showed all-round small losses over the week. The setback was due more to tired bull liquidation and the lack of fresh support than to any important bear selling.

Although the market had staged a moderate recovery during the latter half of October, it had never been very lively, and activity had continued to be predominantly professional. It has now lost all the ground it had gained after 14th October. More disturbing than the setback in prices is the turn in the market psychology. The market is now more responsive to adverse news than to favourable developments. The promulgation of the Essential Commodities (Amendment) Ordinance, providing for the summary trial of delinquent traders and public servants, has been viewed with serious apprehention by the business community. Confidence seems to

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have been further undermined by the Government's new measures to trace black money and detect tax evasion. The stock market is not much concerned with unaccounted money directly, but the measures which unnerve the business community cannot but have an unsettling effect on the trading sentiment in the market. It is really the lack of business rather than the fall in prices which is worrying the operators. But activity is unlikely to improve unless there is a revival of confidence which does not seem possible without appropriate changes in the Government's fiscal policy. Recovery is likely to become more difficult if fiscal relief is delayed too long.

Sectionwise, rayon shares continued to be distinctly weak, with Indian Rayon and Baroda Rayon making new lows for the year. National Rayon were well supported for some time, but eased at the week-end with the quotation moving down from Rs. 360 to Rs. 353. Century declined sharply from Rs. 613 to Rs. 591.

Steel shares eased despite higher production figures for October in both Burnpur and Jamshedpur. Engineering shares were easier with Tata Locomotive declining from Rs 267.50 to Rs. 260. The selling in these shares has been provoked by the start of dealings in rights shares. Motorcar shares were weak and Premier Automobiles fell from Rs. 103 to Rs. 97 in spite of the announcement of a dividend of Rs. 4 a share; the dividend had been skipped in the previous year. Sugar shares were quietly steady but chemicals were easier. There was very little activity in bank, insurance and electric shares which maintained a steady tone due to the scarcity of offerings. Shipping shares were subdued with Great Eastern losing a major portion of the rise recorded after the announcement of an increase in the dividend. Cash shares continued to be neglected and interest was extremely selective.

Madras

TURNOVER FALLS APPRECIABLY

SELECTIVE SUPPORT FOR PLANTINGS

Tuesday Evening.

THE Madras stock market has been fairly steady during the past week despite weaker advices from Calcutta and Bombay. Turnover, particularly in clearing shares, has nevertheless dropped considerably. Scattered support has been extended to selected tea, coffee, textile and miscellaneous shares. Investors and operators have been disturbed by the thought that the Government might put a ceiling on urban property in accordance with an unofficial resolution which the A.I.C.C. has passed at its Guntur session.

The stock market is also feeling the shortage of funds. It is feared that the supply of bank credit for stocks and shares will shrink as the busy season advances. Government securities are dull, and only a few transactions have taken place. Most of the State Government loans are available at a discount. Interest has been shown in good preference shares.

Among planting shares, good tea and coffee shares have been favoured following an improvement in the output of these crops. Rubber shares have, however, been dealt in cautiously. Consolidated Coffee have met with support at Rs. 24.75 and Ouchterlony at Rs. 3.50. Blue Mountain are quiet at Rs. 2.23, but Periakaramalai are steady at Rs. 3.64. Nelliampathy have been taken at Rs. 5.27 on paying a taxable ordinary dividend of 25 percent and Nonsuch at Rs. 22.50 on declaring a final taxable ordinary dividend of 10 percent. Rajagiri have been done at Rs. 22.60. Interest has been taken in Peermade at Rs. 20.45. In coffee shares, Bababudin are steady at Rs. 5 and Ossoor at Rs. 2.76. Swinton have been transacted at Rs. 2.68, and the Company is considering to wind up voluntarily. Puthuttotam are quoted at Rs. 2.55 since the Company has sold the Waverley Estate.

In banks, Indian Overseas have hardened to Rs. 150.75 and Indian to Rs. 159. In sugar shares, Deccan are steady at Rs. 11.10 and E.I.D. at Rs. 35.90. Travancore are quoted at Rs. 7.80 ex-rights. The Company has issued bonus shares in the ratio of one share for every five held. Andhra have been taken at Rs. 12.80, K.C.P. at Rs. 24 and Madura at Rs. 9.44.

In textile shares, South India Viscose have reacted to Rs 113.50 and Travancore Rayon to Rs. 19.30. Lakshmi are steady at Rs. 132 and Madura at Rs. 35.65. Bangalore Woollen and Buckingham have been taken at the same price of Rs. 278. Anglo-French are quoted at Rs. 145 and Adoni at Rs. 8.75. Ramakrishna have attracted support at Rs. 199 and Ramnarayan at Rs. 85.

In the miscellaneous section, Aluminium Industries have lost fractionally at Rs. 23.25, but Ashok Leyland are steady at Rs. 7.38. In cement shares, India have been bought at Rs. 5.20 and Dalmia at Rs. 13.20. Mettur Chemical have been maintained at Rs. 14.35. Seshasayee Paper have weakened to Rs. 7.30 and Mysore Paper to Rs. 11.78. Ramaraju Surgical Cotton are quoted at Rs. 100 ex-rights. The Company has issued rights ordinary shares in the proportion of one new share for every two held.

Textool have been taken at Rs. 133 ex-rights. The Company has issued rights ordinary shares in the proportion of one new share for every three held. Kirloskar Electric have attracted attention up to Rs. 20.70, but Madras Rubber have weakened to Rs. 9.30. Parry's Confectionery are steady at Rs. 2.93. Spencer at Rs. 21.50 and T. Stanes at Rs. 28.55.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 36/25—36/06—35/12—35/25—(34/12).
Burrakur Coal—Rs 16/50—16/50—16/44—16/44—(18/00).
Dunlop Rubber—Rs. 35/37—35/87—31/75—31/94—(29/12).
Guest, Keen, Williams—Rs. 23/44—23/44—23/12—23/31—(43/25).
Hindustan Motors—Rs. 16/87—17/00—16/44—16/50—(19/81).
Howrah Jute—Rs. 15/50—15/50—15/50—15/50—(20/12).
Indian Aluminium—Rs. 31/81—32/12—31/56—31/69—(39/75).
Indian Copper—Rs. 3/40—3/43—3/34—3/37—(3/66)
Indian Iron—Rs. 25/76—26/16—25/34—25/52—(25/38).
J. K. Cotton—Rs. 10/37—10/37—10/31—10/37—(13/25).
Jaipur Udyog—Rs. 10/41—10/41—10/31—10/31—(12/62).
Kesoram Industries—Rs. 25/06—25/44—24/31—24/50—(28/69).
Orient Paper—Rs. 31/15—31/65—31/00—31/40—(40/70).
Orissa Cement—Rs. 11/37—11/72—11/34—11/69—(15/56).
Rohtas Industries—Rs. 10/09—10/19—10/00—10/06—(14/00)
Shree Gopal Paper—Rs. 25/50—25/60—25/50—25/50.
Textile Machinery—Rs. 26/45—26/45—25/80—25/85—(28/55).

GILT-EDGED

3 % Govt. Paper—Rs. 61/90—61/90—61/90—61/90.
3 % Loan (1970-75)—Rs. 90/15—90/20—90/15—90/20.
3 % „ (1986)—Rs. 62/00—62/00—62/00—62/00.
3½% „ (1969)—Rs. 97/95—97/95—97/95—97/95.
4 % „ (1969)—Rs. 99/50—99/55—99/50—99/55.
4 % „ (1970)—Rs. 99/00—99/10—99/00—99/03.
4 % Orissa (1969)—Rs. 98/25—98/25—98/25—98/25.
4 % Bihar (1969)—Rs. 98/25—98/25—98/25—98/25.
4 % West Bengal (1968)—Rs 98/55—98/55—98/55—98/55.
4 % West Bengal (1967)—Rs. 99/25—99/25—99/25—99/25.
4½% West Bengal (1972)—Rs 98/85—98/85—98/85—98/85.
4½% Orissa (1974)—Rs. 98/00—98/00—97/73—97/75.
4½% Orissa (1972)—Rs. 97/00—97/00—97/00—97/00.
4½% Orissa (1976)—96/70—96/75—96/70—96/75.
4½% U.P. (1976)—Rs. 97/00—97/00—97/00—97/00
4½% „ (1974)—Rs. 98/05—98/05—98/00—98/05.
4½% Madras (1976)—Rs. 97/08—97/08—97/05—97/05
4½% Andhra Pradesh (1976)—Rs. 96/75—96/75—96/75—96/75.
4½% Loan (1973)—Rs. 100/03—100/08—100/03—100/08.

RAILWAYS

Ahmedpur-Kutwa—Rs. 25/37—25/37—25/37—25/37—(26/00)
Bankura-Damodar—25/37—25/37—25/37—25/37—(26/50).
Burdwan-Kutwa—Rs. 25/37—25/37—25/37—25/37—(26/50).
Chaparmukh-Silghat—Rs. 28/50—28/50—28/50—28/50—(40/00).
Futwa-Islampore—Rs. 25/75—25/75—25/75—25/75—(28/70).

BANKS

United Bank of India (Rs. 10 paid)—Rs. 8/12—8/19—8/06—8/15—(7/69).
United Commercial—Rs. 72/75—72/75—72/75—72/75—(75/00).

TEXTILES

Bowreah—Rs. 23/62—23/62—23/62—23/62—(26/12).
Dunbar—Rs. 26/75—26/81—26/75—26/81—(30/44)
Elgin—Rs 19/25—19/50—19/19—19/50—(23/44).
Jay Shree—Rs. 13/09—13/09—12/87—13/00—(16/69).
J. K. Cotton Manfg.—Rs 9/00—9/00—9/00—9/00.
New Victoria—Rs 1/25—1/25—1/25—1/25—(1/60).
Do. (Pref.)—Rs. 2/12—2/19—2/12—2/19—(3/00).
Rajasthan Spg.—Rs. 10/25—10/31—10/25—10/31
Shree Madhusudan (Pref.)—Rs. 61/00—61/00—61/00—61/00.

COALS

Amalgamated—Rs. 19/75—19/75—19/69—19/69—(26/00).
Associated Laikdih—Rs. 5/00—5/06—5/00—5/06—(6/00)
Bengal—Rs 240/00—240/00—240/00—240/00—(276/00).
Central India—Rs. 8/50—8/56—8/31—8/34—(10/00).
Equitable—Rs. 20/75—20/75—20/75—20/75—(24/31).
East Indian—Rs. 26/50—26/50—26/50—26/50.
Karanpura Collieries—Rs. 13/50—13/50—13/50—13/50—(16/00).
New Beerbhoom—Rs. 16/12—16/12—16/12—16/12—(19/25).
Western Bengal—Rs. 8/50—8/62—8/50—8/56—(9/06).
West Ghusick—Rs. 15/50—16/00—15/50—16/00.

JUTES

Agarpara—Rs. 8/81—8/81—8/69—8/69—(10/56).
Alliance—Rs. 104/00—104/00—104/00—104/00.
Budge Budge—Rs. 128/00—128/00—128/00—128/00—(158/00).
Caledonian—Rs. 138/00—138/00—138/00—138/00—(180/00).
Dalhousie—Rs. 109/00—109/00—109/00—109/00.
Ganges—Rs. 12/87—12/87—12/81—12/81—(14/12).
Kamarhatty—Rs. 156/00—156/00—155/00—155/00—(201/00).
National—Rs. 19/31—19/37—19/31—19/37—(24/00)
New Central—Rs. 10/75—10/81—10/56—10/62—(15/37).
Northbrook—Rs 22/25—22/37—22/25—22/37—(31/00).
Presidency—Rs. 4/25—4/31—4/19—4/25—(5/81).
Reliance—Rs. 6/69—6/75—6/69—6/75—(9/00).
Shree Ambica (Pref.)—Rs. 97/50—97/50—96/50—96/50.

MININGS

Metal Corpn.—Rs. 5/97—6/06—5/97—6/00—(8/75).
Sutna Stone Lime—Rs. 18/00—18/00—18/00—18/00—(28/31).
Orissa Minerals—Rs. 20/03—20/03—20/03—20/03—(27/37).

CEMENTS

Bengal Potteries—Rs. 4/06—4/25—4/06—4/25—(5/37).
Dalmia (Bharat)—Rs. 13/12—13/19—13/06—13/12—(13/19).
Sone Valley—Rs. 3/81—3/97—3/81—3/87—(4/91).

CHEMICALS

Chemicals & Fibres—Rs. 16/31—16/44—16/12—16/31.
Phosphate Co.—Rs. 174/00—174/00—172/00—172/00.

ELECTRICS

Agra—Rs. 126/00—126/00—126/00—126/00—(118/00).
Bhagalpore—Rs 7/06—7/12—7/06—7/12—(6/56).
Calcutta—Rs. 15/12—15/12—15/00—15/12—(14/50).
Do. (Pref.)—Rs. 8/19—8/56—8/19—8/56.
Jubbulpore—Rs. 10/75—10/75—10/75—10/75.
United Provinces—Rs. 198/00—202/00—198/00—201/00—(142/00).

ENGINEERINGS

Bhartia Electric Steel—Rs. 15/19—15/25—15/00—15/06—(15/12).
Bharat Ball Bearing—Rs. 13/12—13/19—11/19—11/19—(15/50).
Braithwaite & Co.—Rs 32/87—32/94—32/87—32/94—(35/75).
Britannia Eng.—Rs. 9/56—9/62—9/56—9/62—(10/50)
Burn & Co. (6% Pref.)—Rs. 104/00—104/00—103/00—103/00—(103/00).
Dalmia Iron—Rs. 11/94—11/94—11/87—11/91—(11/75).
Hindusthan Wires—Rs 9/25—9/62—9/18—9/62—(10/81)
Indian Steel & Wire Pro.—Rs. 30/00—30/00—30/00—30/00—(36/25)
Indian Iron & Steel (Pref.)—Rs. 83/00—83/00—83/00—83/00—(82/00).
Jay Eng.—Rs. 20/31—21/56—20/25—21/56—(21/75).
Jessop & Co.—Rs. 26/00—26/00—25/12—25/37—(26/31).
J. K. Steel—Rs. 17/81—17/81—17/69—17/75—(17/00)
National Iron—Rs. 5/87—5/87—5/87—5/87.
Raymon Eng.—Rs. 5/00—5/19—5/00—5/19—(5/25)
Saran Eng.—Rs 8/44—8/50—8/44—8/50—(8/78).
Textile Machinery (6½% Pref.)—Rs. 102/00—102/00—102/00—102/00—(101/00).

INSURANCES

New Asiatic—Rs. 8/37—8/37—8/25—8/31—(9/00)
Triton—Rs. 127/00—127/00—127/00—127/00—(228/00).

MISCELLANEOUS

Airways India—Rs. 4/06—4/16—4/06—4/16—(4/00)
Asiatic Oxygen—Rs. 8/25—8/37—8/00—8/06—(13/69).
Aluminium Corpn.—Rs. 11/19—11/25—10/69—10/69—(18/00).
Associated Battery—Rs. 24/31—24/44—23/12—24/19—(30/25)
Angelo Brothers—Rs. 26/00—26/12—25/62—25/81—(26/62).
B. I. Corpn.—Rs. 10/94—11/06—10/87—10/97—(9/00)
Bararee Cocke—Rs. 20/75—20/75—20/75—20/75—(22/25).
Balmer Lawrie—Rs. 237/00—237/00—235/00—235/00—(256/00).
Calcutta Tramways—Rs 11/62—11/62—11/62—11/62—(11/19).
Clive Row Investment—Rs 8/62—8/69—8/62—8/62—(8/56).
Dunlop Rubber (1st Pref.)—Rs 108/00 c.t.—108/00—108/00—108/00—(107/50)
Electric Construction—Rs. 13/50—13/50—13/50—13/50—(14/12).
English Electric—Rs 15/37—15/37—15/31—15/31—(14/50)
Goodyear India—Rs. 21/62—21/62—20/50—20/50—(33/75).
Gillanders Arbuthnot—Rs 13/06—13/06—13/06—13/06—(14/12).
Do. (Pref.)—Rs. 54/00—54/00—54/00—54/00—(56/00).
Gwalior Rayon—Rs 37/25—37/37—37/25—37/37—(48/75).
Hindustan Aluminium—Rs. 13/19—13/31—13/06—13/06—(14/62).
Hindusthan Gas—Rs. 19/00—19/12—19/00—19/12—(25/25).
Hoare Miller—Rs. 4/37—4/50—4/37—4/50—(5/62)
Hindusthan Development—Rs. 3/81—3/81—3/69—3/75—(4/37).
Imperial Tobacco—Rs 8/37—8/37—8/25—8/25—(10/00).
Indian Rubber Mfg—Rs. 21/62—21/75—21/62—21/75—(19/87).
Indian Tack & Nail—Rs. 9/25—9/37—9/19—9/37—(12/56)
Jardine Henderson—Rs 70/50—71/00—69/50—71/00—(79/75).
Do. (Pref.)—Rs. 58/00 c.t.—58/00—58/00—58/00
J. K. Synthetics—Rs. 12/69—12/75—12/69—12/75—(12/50).
Jayshree Tea Industries—Rs. 14/69—14/75—14/69—14/75—(18/62).
Martin Burn—Rs. 27/31—27/31—26/94—27/06—(28/87).
Metal Box (Pref.)—Rs 76/00—76/00—76/00—76/00
National Pipes & Tubes—Rs. 28/37—28/50—28/37—28/50—(28/75).
National Insulated Cable—Rs. 25/12—25/12—24/87—24/87—(25/75).
National Rolling & Steel Rpcs—Rs. 24/25—24/25—24/19—24/19—(21/37).
National Tobacco—Rs. 11/19—11/19—11/19—11/19—(12/81).
New India Investment—Rs. 53/50—53/50—53/50—53/50—(59/50)
Philips India—Rs. 27/00—27/00—27/00—27/00.
Rohtas Industries ('B' Pref.)—Rs 54/50—55/25—54/50—55/25—(54/00).
Rallis—Rs. 121/00—121/00—121/00—121/00.
Sirsilk—Rs. 7/06—7/06—7/06—7/06—(10/56)
Universal Cables—Rs. 10/62—10/69—10/31—10/37—(12/44).
Universal Electrics—Rs. 8/19—8/25—8/12—8/19—(10/12).
Union Carbide—Rs. 30/19—30/25—30/19—30/25—(43/31).
Walford Transport—Rs. 3/06—3/06—2/94—3/03—(4/00)
Woolcombers of India—Rs. 10/19—10/25—10/12—10/25—(16/44).

OIL

Indo-Burma Petroleum—Rs. 20/50—20/62—20/50—20/62—(23/87).

PRESSING

Bhagwati (Pref.)—Rs. 60/00—60/00—60/00—60/00.

PAPERS

Bengal—Rs. 26/69—26/81—26/69—26/81—(30/00).
India Paper Pulp—Rs. 16/56—16/56—16/37—16/50—(19/69).
Straw Products (Pref.)—Rs. 102/00—102/00—102/00—102/00—(95/00).
Do (Ord.)—Rs. 8/56—8/62—8/56—8/62.
Sirpur—Rs. 12/25—12/25—12/00—12/00—(14/69).
Titaghur—Rs. 12/06—12/12—11/69—11/75—(17/62).

SHIPPINGS

India Steamship—Rs. 6/44—6/62—6/44—6/50—(7/87).
Port Shipping—Rs. 17/25—17/37—27/25—17/37—(15/19).

SUGARS

Belsund—Rs. 8/81—8/81—8/81—8/81—(8/81).
Raza Buland—Rs. 9/94—10/06—9/87—10/06—(10/25)
Shree Krishna Gyanoday—Rs. 8/69—8/69—8/62—8/62—(8/87).

REAL PROPERTIES

Midnapore Zemindary—Rs. 34/00—34/25—33/25—33/25—(11/00).
Sahu Prop.—Rs. 2/56—2/56—2/56—2/56.

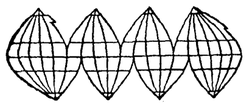
TEAS

Birpara—Rs 143/00—143/00—142/00—142/00—(162/00).
Bormah Jan—Rs. 11/12—11/12—11/12—11/12—(13/25).
Brooke Bond (Pref.)—Rs. 56/00—56/50—56/00—56/50.
Carron—Rs. 125/00—125/00—125/00—125/00—(155/00).
East India—Rs 10/19—10/31—10/19—10/31—(15/56).
Eastern Cachar—Rs. 5/06—5/06—5/06—5/06—(4/50)
Gairkhata—Rs. 14/00—14/00—14/00—14/00—(21/50).
Huldibari—Rs 11/06—11/12—11/00—11/00—(13/50).
Kilcott—Rs. 14/62—14/62—14/50—14/50—(15/94).
New Dooars—Rs. 167/00—167/00—166/00—166/00—(230/00).
Patrakola—Rs. 135/00—175/00—135/00—160/00—(129/00).
Teesta Valley—Rs. 12/87—13/06—12/87—12/94—(15/75).
Tukvar—Rs. 3/44—3/56—3/44—3/56—(6/00).

DEBENTURES

7 % Birla Jute—Rs. 100/00—100/00—100/00—100/00.
5½% Indian Cable—Rs. 95/50—95/50—95/00—95/00.
5½% Burmah-Shell—Rs. 94/25—94/25—94/25—94/25.
6¼% Indian Aluminium—Rs. 96/50—96/50—96/50—96/50.

a world of diversification



A growing nation has diverse needs and diversification is the bedrock of modern industrial progress. SANDOZ, a modern research and industrial complex, is constantly alert and alive to the old and new needs of a changing market, a changing India.

The Sandoz enterprise is an integrated unit equipped for mass production, quality control, market and motivational research, planned selling and countrywide distribution. Sandoz is geared to the demands of the new industrial India.

PHARMACEUTICALS: The discovery and development of many new drugs and medicines spring from the extensive research Sandoz carries on in this field. Sandoz explores new pathways in the service of medical science.

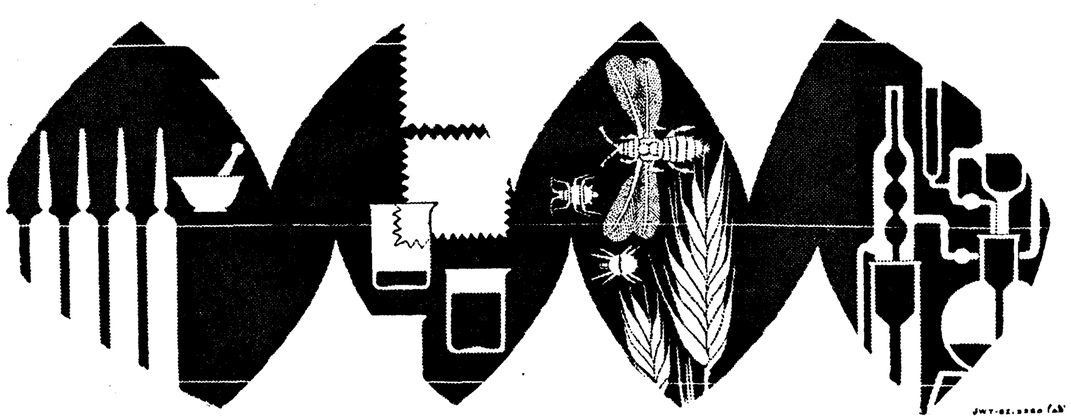
DYES AND CHEMICALS: Another important arm of Sandoz activity. The Dyes Research Department concentrates on the problem of dyeing the new synthetic fibres. Special attention is also given to the easy application of dyestuffs of greater fastness to traditional materials like wool and cotton.

AGRO-CHEMICALS: Another established field where Sandoz has made remarkable progress. Sandoz Insecticides, Fungicides, Herbicides and Rodenticides are extensively used in Indian agriculture today, increasing yield by preventing crop destruction.

RESEARCH & DEVELOPMENT: The research knowledge and talent of Sandoz scientists all over the world are pooled to create products that fulfil human needs and contribute to India's industrial and technological progress.

SANDOZ
International Research for National Progress

SANDOZ (INDIA) LIMITED, Head Office: Bombay 1



BOOKS RECEIVED

A Study of the European Common Market and Its Impact on India's Foreign Trade. By R. S. Nigam. (Published by S. Chand and Co, Fountain, Delhi. Price Rs. 10, pages 196.)

The Estate Duty Act, Second Edition. By D. H. Nanavati and H. D. Nanavati. (Published by A. S. Pandya for N. M. Tripathi Private Ltd Princess Street, Bombay 2. Price Rs. 30, pages 639.)

Administrative Process under the Essential Commodities Act, 1955. (Prepared under the auspices of the Indian Law Institute, New Delhi, and published by M. P. Jain for the Indian Law Institute, Tilak Marg, New Delhi 1. Review copy received from N. M. Tripathi Private Ltd, Princess Street, Bombay 2. Price Rs. 15, pages 220.)

Planned Development and Population Growth. By R. A. Gopalaswami. (Published by the Institute of Applied Manpower Research, New Delhi. Pages 57.)

Direct Tax Laws, 1964-65. By S. E. Dastur, H. M. Damania and J. E. Dastur. (Published by A. S. Pandya for N. M. Tripathi Private Ltd, Princess Street, Bombay 2. Price Rs. 20, pages 680.)

RESERVE BANK

ISSUE DEPARTMENT

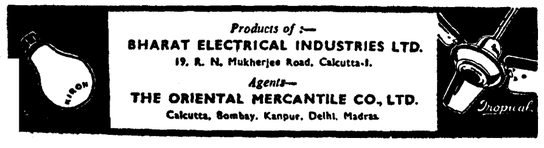
(In 000's of Rupees)	Week Ended 6-11-64	30-10-64	8-11-63
Liabilities—			
Notes in Banking Dept.	18,68,06	34,14,58	13,42,86
Notes in Circulation	24,67,58,71	23,97,27,85	22,79,69,47
Total Notes issued	24,86,26,77	24,31,42,43	22,93,12,33
Assets—			
A. Gold Coin and Bullion	1,17,76,10	1,17,76,10	1,17,76,10
Foreign Securities	85,45,69	85,45,69	92,45,69
Total of A	2,03,21,79	2,03,21,79	2,10,21,79
B Rupee Coin	1,01,90,66	1,07,03,92	1,18,59,52
Rupee Securities	21,81,14,32	21,21,16,72	19,64,31,02
Total	24,86,26,77	24,31,42,43	22,93,12,33

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long Term Operations) Fund	86,00,00	86,00,00	73,00,00
National Agricultural Credit (Stabilisation) Fund	9,00,00	9,00,00	8,00,00
National Industrial Credit (Long Term Operations) Fund	10,00,00	10,00,00	...
Deposits—			
(a) 1. Central Govt.	50,12,57	95,93,41	49,39,44
2. State Govts.	18,56,22	11,72,58	14,34,95
(b) Banks :—			
(i) Scheduled Banks	96,90,71	89,14,79	77,43,96
(ii) State Co-operative Banks	2,32,96	3,15,98	2,23,16
(iii) Other Banks	3,28	1,46	2,04
(c) Others	1,45,49,14	1,42,16,14	1,64,38,04
Bills Payable	43,49,38	42,64,95	33,57,63
Other Liabilities	35,33,19	35,22,85	30,35,70
Total	5,82,27,45	6,10,02,16	5,37,74,92
Assets—			
Notes	18,68,06	34,14,58	13,42,86
Rupee Coin	4,17	9,49	3,21
Small Coin	9,22	9,27	4,00
National Agricultural Credit (Long Term Operations) Fund			
(a) Loans and Advances to :—			
(i) State Govts.	28,18,69	28,21,40	27,07,63
(ii) State Co-operative Banks	11,83,92	11,86,33	9,72,55
(iii) Central Land Mortgage Banks	...	...	...
(b) Investment in Central Land Mortgage Bank Debentures	4,45,53	4,41,53	3,55,31
National Agricultural Credit (Stabilisation Fund Loan and Advances to State Co-operative Banks	...	...	...
Bills Purchased and Discounted :—			
(a) Internal	...	...	...
(b) External	...	...	...
(c) Govt. Treasury Bills	1,57,33,90	1,81,85,40	62,68,10
Balances held abroad	10,43,47	8,32,79	7,95,39
Loans and Advances to Govt.	33,03,80	47,26,56	40,03,96
Loans and Advances to :—			
(i) Scheduled Banks	5,88,40	1,68,25	50,90
(ii) State Co-operative Banks	1,57,65,86	1,58,39,78	1,25,35,51
(iii) Others	2,00,58	2,06,58	2,53,80
Investments	1,25,20,04	1,04,39,48	2,19,23,04
Other Assets	27,41,81	27,20,72	25,78,66
Total	5,82,27,45	6,10,02,16	5,37,74,92

SCHEDULED BANKS

(In 000's of Rupees)	Week Ended 30-10-64	23-10-64	1-11-63
(i) Demand Liabilities—			
(a) Demand Deposits :			
(1) From Banks	62,37,13	60,06,18	53,11,59
(2) From others	11,96,44,34	11,97,75,90	9,86,73,39
(b) Borrowing from Banks	28,45,67	28,98,27	22,26,81
(c) Other	79,66,61	78,96,91	61,79,59
(ii) Time Liabilities—			
(a) Time Deposits :			
(1) From Banks	34,11,87	32,77,01	35,52,68
(2) From others	13,34,78,11	13,31,41,53	12,55,85,04
(b) Borrowing from Banks	15,15,79	15,58,04	21,01,37
(c) Others	12,62,05	12,50,25	10,24,77
(iii) Borrowing from State Bank—			
(a) Demand Liabilities	11,00,86	9,55,79	8,31,46
(b) Time Liabilities	28,62,00	30,93,00	19,31,00
(iv) Borrowing from Reserve Bank	1,21,75	60,30	2,39,75
(v) Cash	67,60,79	68,67,86	56,57,35
(vi) Balances with the Reserve Bank	84,81,34	1,10,79,45	97,78,59
(vii) Balances with other Banks in current account	20,94,52	22,31,64	22,23,60
(viii) Money at call and short notice	72,15,25	73,11,40	64,52,09
(ix) Investments in Central and State Govt. Securities	8,73,66,27	8,39,45,12	7,76,74,72
(x) (a) Loans, Cash Credits and Overdrafts	14,50,26,72	14,46,86,55	12,34,43,04
(b) Due from Banks	22,12,24	19,02,90	12,62,32
(xi) Inland Bills purchased and discounted	1,82,49,17	1,83,92,18	1,77,15,55
(xii) Foreign Bills purchased and discounted	74,54,09	72,10,97	56,23,51
(xiii) Total of X, XI and XII	17,28,42,22	17,21,92,60	14,80,44,42



Money

THE CALCUTTA MONEY MARKET

MODERATE INCREASE IN ADVANCES

Wednesday, 11th November.

THE general level of advances has shown a moderate increase in the Calcutta money market during the past week. Most of the increase is accounted for by the jute mills and the iron, steel and engineering industries. The requirements of the cotton mills, the sugar industry, and the foodgrains and seeds trade are unchanged. In the interbank market, the call rate has been fluctuating widely. Starting at 5½ percent, it dropped to 3 percent and has now risen to around 5 percent.

The exchange market has been fairly active, with a good supply of tea bills and a moderate supply of gunny bills. The demand for remittances is fair. In London, sterling has weakened in relation to all the major currencies except the Danish kroner.

SILVER WAS STEADY IN CALCUTTA during the past week and the price advanced from the previous week's level of Rs. 249.50 to Rs. 251.75 a kilogram, quoted today. The price was quoted at 112⅛d in London and at 129.3 cents in New York.

In spite of the rise in silver gold was easier and the price of 14-carat declined from Rs. 69.25 to Rs. 68.25.

DURING THE WEEK ENDED 6TH November, Government of India Treasury bills for Rs. 141,69,00,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 10th November. The total amount offered was Rs. 2,05,00,000. Tenders at Rs. 99.380 percent were accepted in full, and those at Rs. 99.375 percent were allotted 98 percent approximately. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.499 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 16th November.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 11th November to 14th November at Rs. 99.391 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 4th November to 7th November amounted to Rs. 48.50 lakhs only.

THERE WERE RISES OF RS. 70.31 crores to Rs. 2,467.59 crores in active notes and of Rs. 54.85 crores to Rs. 2,486.27 crores in the total note issue, according to the return of the Reserve Bank of India during the week ended 6th November, 1964. The currency expansion was covered by increasing rupee securities by Rs. 59.97 crores to Rs. 2,181.14 crores in the paper currency reserve. Deposits of the Government of India dropped by Rs. 45.80 crores to Rs. 50.13 crores while those of State Governments rose by Rs. 6.83 crores to Rs. 18.56 crores. Balances of commercial banks at Rs. 96.91 crores showed a rise of Rs. 7.76 crores. Balances held abroad increased by Rs. 2.10 crores to Rs. 10.43 crores. Investments were Rs. 20.81 crores larger at Rs. 125.20 crores. Loans to scheduled banks rose from Rs. 1.68 crores to Rs. 5.88 crores, of which advances against usance bills amounted to Rs. 15 lakhs (nil). Ways and means advances stood at Rs. 33.04 crores, against Rs. 47.27 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 30th October, 1964, shows a rise of Rs. 4.39 crores to Rs. 675.45 crores in total deposits. Investments in Government securities are up by Rs. 20.32 crores to Rs. 320.80 crores, while other authorised investments remain unchanged at Rs. 8.98 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have increased by Rs. 5.56 crores to Rs. 336.41 crores. Cash and balances are, in consequence, shown at Rs. 24.22 crores, or Rs. 24.83 crores less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 30th October, 1964, shows Demand and Time liabilities at Rs. 1,366.94 crores (Rs. 28.46 crores on account of borrowings from banks) and Rs. 1,396.68 crores (Rs. 15.16 crores), compared with Rs. 1,365.77 crores (Rs. 28.98 crores) and Rs. 1,392.27 crores (Rs. 15.58 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have declined by Rs. 1.07 crores and Rs. 34.98 crores to Rs. 67.61 crores and Rs. 84.81 crores, respectively. There is a rise of Rs. 34.21 crores to Rs. 873.66 crores in investments. Advances and bills discounted at Rs. 1,729.42 crores show a rise of Rs. 7.49 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.5 percent and 62.6 percent, against 6.8 percent and 63.2 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 13-11-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
13-11-64	16-2-65	2,00,00	Rs. 2.499%
6-11-64	9-2-65	2,00,00	Rs. 2.500%
30-10-64	2-2-65	2,00,00	Rs. 2.400%
23-10-64	26-1-65	2,00,00	Rs. 2.500%
9-10-64	12-1-65	2,00,00	Rs. 2.500%
1-10-64	4-1-65	2,00,00	Rs 2.400%
25-9-64	28-12-64	2,00,00	Rs. 2.399%
18-9-64	21-12-64	2,00,00	Rs. 2.386%
11-9-64	14-12-64	2,00,00	Rs. 2.400%
4-9-64	7-12-64	2,00,00	Rs. 2.400%
21-8-64	24-11-64	2,00,00	Rs. 2.400%
14-8-64	17-11-64	2,00,00	Rs. 2.400%

(Monthly Muturities 000's omitted)

November, 1964	4,00,00
December, 1964	8,00,00
January, 1965	6,00,00
February, 1965	6,00,00
Total	24,00,00

CLEARING HOUSE RETURNS

Week	Rs (thousand) Calcutta	Bombay
6-11-64	1,00,21,03	1,00,72,88
30-10-64	1,20,38,84	1,39,24,78
23-10-64	1,14,05,51	1,28,69,67

New Delhi

EXPERTS SURVEY FOOD AND COAL CARGO HANDLING IN CALCUTTA

(FROM OUR NEW DELHI CORRESPONDENT)

TWO important studies have recently been made on the port of Calcutta. One was made by the U.S. firm of consulting engineers, Coverdale and Colpitts, and was confined to the problem of coal transport. The other study, which was confined to the handling of foodgrains, was made by a U.S. A.I.D. team, consisting of Messrs Howard J. Marsden, John F. Arwood, Joseph E. Bailey and Dr. Pierpont B. Buck.

The study on coal transport has pointed to the shortcomings of Calcutta port and has made suggestions for improving the handling facilities. Referring to the bunching of ships, it says that it is caused by the following:

"(1) The concentration of deep draft ships during the twice-a-month periods of high water.

"(2) The restrictions for ships at jetties and moorings during the occurrence of bores and the need to shift them to the docks during the heavy bores.

"(3) The fact that only two deep draft vessels can be taken into a dock and two can leave at the maximum draft of the day and the anchorage restrictions at and near the Uluberia bar jointly account for a bunching of ships in the docks. "A deep draft ship, missing the proper tide, may have to wait a number of days for another suitable spring tide or it may have drastically to restrict its outward cargo. This concentration and bunching in the docks seriously affects both the economy of the port and the ships. Congestion and peak performances alternate with idle periods.

"The coal docks in this section normally occupy six berths consisting of 3,140 feet of the quay length. In addition, there are two general cargo berths of 640 feet and 600 feet, respectively, that are also available, one of which is regularly in use. One berth is fully mechanised, four are equipped with cranes and three are manual loading berths.

Kidderpore Coal Berths

"Although the maximum capacity of Kidderpore coal berths adds up to 14,800 tons, the real maximum capacity is considerably less. As there are no adjacent coal dumps, the capacity of the berths is dependent upon the number of wagons that can be placed and removed per shift alongside one ship's berth. The following are the additional factors affecting the capacity:

"(a) The track length along the quay is limited; (b) the labour force in permanent service at the port is restricted to average outputs; (c) occasional labour is of an inferior quality; (d) insufficient shunting of wagons; and (e) greater distances for manual handling.

"Although the normal capacity a berth can be stepped up to maximum capacity, this is possible only occasionally and for a limited number of berths. In general, it can be said that without special measures, the port can handle 3 million tons of coal a year, and this could be stepped up to 3.5 million tons, without much difficulty.

"The Government of India decided in April 1961 to raise the coastal coal shipments from 1 million to 2 million tons in order to meet the requirements of some of the consumers in west and south India by sea. The present target programme of 2 million tons of coal works out to an average of 30 ships a month with an average load of about 5,500 tons each. The general destinations of these 30 ships is 20 for south India and 10 for west Indian ports.

"Previously only about 1 million tons were moved by coastal ships but due to the limitation in rail transport capacity, particularly in the directions above Mughal Sarai and *via* Waltair, the demand of consumers in north and south India could not be adequately met. The Government, therefore, decided to increase the supply by sea for coastal consumers and to reduce the rail movements from West Bengal and Bihar fields to those areas.

"The rail transport capacity thus released could be used for meeting the unsatisfied demand of consumers who could not be supplied by sea and whose requirements had not been met for want of rail capacity.

"The colliers required for the transport of coal are nominated by the Director-General of Shipping, in consultation with the Coastal Conference in Bombay. The list of colliers thus established is sent monthly to the Coal Controller's organisation in Calcutta which is charged with executing the actual programme from month to month. The following steps comprise the actual loading programme:

"Shipowners or their agents have to declare their vessels to the coal superintendent of Calcutta port not later than seven days before the date of a ship's readiness to be loaded at a coal berth at the Kidderpore docks. They also state the maximum draft with which they want their ships to sail from Calcutta. This is called the presentation of colliers.

Indent for Wagons

"The next step is for the port to draw up the indent for rail wagons according to the permissible draft, declared by shipowners, taking into account the transit time from the pitheads of the various mines to the Kidderpore docks. The coal from the Andal area takes four days from the date of loading at pitheads to the Kidderpore docks, the Asansol area five and Jharia six. Thus, the machinery of the actual transportation is put in action at least five to six days before the declared date of readiness.

"It goes without saying that this programme is vulnerable, especially since there is no buffer stock between ship and land transport.

"There are numerous causes which can overthrow every organisation. Ships may be delayed and not ready for loading on the declared dates, rail wagons may not be available in sufficient quantities at the various pitheads on the loading dates or breakdowns may occur. All these occurrences make it necessary to allow some spare in the loading time of ships and wagons.

"The jammed dock area in Calcutta and the numerous rail tracks in this area offer no possibilities for dumps of any significance close enough to the cargo berths. The nearest space for the dumping of coal is near Garden Reach, about one-and-a-half miles' distance. However, wagons to and from that area have to travel *via* the dock junctions over congested tracks against the direction of traffic flow. The distance *via* the dock junctions can be four miles. Transport will have to be established by Port Trust wagons on, at least, a 48-hour notice and 12 to 24 hour transit time basis. The minimum number of dumps in this area will be six for various qualities of coal. The extra cost of transport from the dock junctions to the dumps, unloading at the various dumps, loading again into wagons and transport dump to the Kidderpore docks is estimated in the port circle at Rs. 6 a ton at the minimum. Apart from the heavy cost and the inconvenience of heavy traffic between the dump area and docks, there are the losses and other risks connected with the extra manipulations and dumping.

"Dumps will offer a feasible solution for the co-ordination between land and water transport only when a direct mechanised transport between dumps and ships is made available. However, the lay-out of the present dock area is such that the opening of large dumps outside the docks and coal moved from there directly to the ship's hold by conveyors or ropeways will not be a practicable propostion.

"As all coal has to be loaded directly from wagons into the ships, the rhythm of loading depends fully on the simultaneous availability of ships and wagons in the required quantities. This also applies to the utilisation of the port installations.

"The backbone of the port capacity is the mechanical coal loading berth, where only open rail wagons of 22-ton capacity can be handled. The system of coal handling is that the empty colliers are first loaded at the tippler or a semi mechanical berth to reduce their height and make them more suitable for manual loading, then they are shifted to a manual berth for further completion or for manual loading from closed wagons.

"A shortage of open wagons thus directly affects not only the use of the tippler installation itself, but also the rate of loading at the manual berths and to a certain extent the general cargo berths with cranes."

Referring to the use of tippler berth during May 1962 and August 1963, the study team says: "Compared with the normal practice of 140 open wagons a day, there was an average under-utilisation of 35.4 percent of the mechanical berth during the last 16 months (63.4 percent of the theoretical capacity).

Surveying the target year 1962-63, the report of the Port Traffic Manager says: "The port berthing capacity has been wasted during the year to the tune of 31 percent at a very moderate estimate. Out of 1,939 berthing days available, excluding six non-working days and allowing for a 10-percent wastage as inevitable due to movements of vessels, 1,343 berthing days have been used in loading, the remaining days having been wasted."

Referring to a recent congestion of colliers, the report of 23rd August, 1963, says: "During the current congestion, it has not been possible for the railway authorities to maintain a supply of block rakes of open wagons, even at a rate of two a day in spite of repeated requests. The congestion of colliers has, therefore, continued.

Loss of Output

"Loss of output at No. 18 berth plant also affects the extent of utilisation of the manual loading berths where vessels cannot load, unless filled up to some extent, due to the height.

"Shortfall in the daily shipment programme at berth No. 19 results almost invariably in a manual berth going to waste on the following day as the movement planned for the vessel has to be delayed or even cancelled.

"The presentation of vessels for ready loading throughout the year is uneven as a result of which congestion of colliers occurs from time to time. Periods of top performances succeed lean periods. The sailing of 334 ships in one year shows an average of 3.87 days a call waiting for a berth.

"An analysis of the movements of incoming colliers shows that during a period of one year for 338 vessels, only 100 were presented at the date of readiness and 238 had been deferred.

"Vessels with inward salt cargo are most affected, especially when a number of salt carrying ships are simultaneously entering the port during the spring tide. This causes a shortage of lighters as salt is lightered. Some degree of co-ordination in the movements of salt from the west coast or the improvement of the lighter position and labour in salt handling is advisable.

"Although the greater part of the coal supply by railways can be diverted to other ships, deferment of date of readiness contributes to the difficulties already experienced in the coal despatch in Calcutta port.

"Due to draft restrictions in the Hooghly, there is a serious under-utilisation of ship's carrying capacity. The great difference in the loading rate a day is due to the fact that all railway coal is handled *via* the tippler system, whereas coal for industry is handled *via* the semi-mechanical and manual berths. The reason is that railway coal is supplied in block rakes of open wagons of 1,500 tons, so that if a sufficient number of open wagons are available, a ship with about 6,000 tons of railway coal can be finished in two days, say, three days including manual trimming.

"The same cargo quantity takes, at a rate of 1,200 tons a day at semi-mechanical and/or manual berths, at least six days assuming that the wagon supply is satisfactory. Coal for industry is carried in closed wagons and they cannot be handled at the tippler berth.

Handling of Foodgrains

The report of the other study team on foodgrains handling at the port says that "grain cargo movement directly from shipside by hand truck to rail wagon or lorry is efficiently managed by the Port Trust and carried out by its labour under a piece work incentive system. Port clearance of lorries and rail wagons is quite adequate.

"A major bottleneck exists in shipboard bagging, stitching, and slinging operations with stevedore contract labour paid on a time basis. The present discharging rate of this shipboard labour is less than 1,000 tons a day a ship and could easily be increased to more than 2,000 tons a day a ship with efficient efforts by labour and management. The present slow rate of grain ship discharge requires twice as many berths as should be necessary to take care of incoming grain ships, thus delaying other vessels significantly.

"The lack of shipboard labour incentive was made evident when th

team observed gangs who refused to sling cargo and also to bag and sew at the same time. We also observed a gang quit work more than half an hour before the end of the shift."

The following are the recommendations of the study team:

"(1) An urgent effort should be made to reach an agreement which will provide shipboard labour with an incentive scheme consistent with that of dockside labour. The need for such a scheme was emphasised by all parties consulted including labour unions, ships' officers, port trust officials, stevedores, steamship agents, and food department personnel.

"(2) In order to provide better working conditions, more spare for baggers and stitchers, and less interference with slingers, consideration should be given to doing bagging and stitching operations on the apron using chute wagons as in Madras.

"(3) Present silos and associated ship discharge equipment should be placed in operation as soon as possible. Because of the limited vertical elevating capacity and the limited automatic bagging capacity, the average tonnage handled through this system can only amount to about 2,000 tons a 24-hour day. Hatches of a ship not being discharged mechanically can be discharged simultaneously in the conventional fashion so that the overall performance at the silo berth should be about 3,500 tonnes a day.

"Consideration should be given to providing the silo system with additional vertical elevating capacity so that silo clearance can proceed without impeding ship discharge rate. This would permit an average clearance of 4,000 tons a day, if bagging and stitching at the silos can also be stepped up or can be aided by some bulk handling into lorries or rail wagons.

"(4) Stevedoring companies should be provided incentive to operate as many hooks as possible on each ship rather than just doubling up on the long hatch. With labour under an effective incentive programme, higher output rates a gang should alleviate any labour, shortage which would prevent the use of more men a ship."

EXTERNAL RESERVES

Decline in October

During the week ended 16th October, India's external reserves were Rs. 212 crores, compared with Rs. 218 crores during the corresponding period in 1963. They were Rs. 217 crores in September 1964. In other words, the seasonal improvement, which has been a normal feature of India's external reserves, did not occur this year. This is notwithstanding a noticeable improvement in Indian exports. One clue to this unsatisfactory position lies in India's policy: "Develop now and pay later." In addition to interest charges of the similar magnitude, India has to make repayments of already contracted loans as follows:

1963-64	Rs. 50 crores
1964-65	Rs. 85 crores
1965-66	Rs. 85 crores
1966-67	Rs. 95 crores
1967-68	Rs. 112 crores
1970-71	Rs. 126 crores

It is evident that the external debt repayment during the current financial year is Rs. 35 crores more than in 1963-64. This was after the extent of the seasonal improvement in external reserves, which has been wiped out by an increase in India's repayment of debts.

ORGANIC CHEMICALS

Project in Bombay

The Hindustan Organic Chemicals project to manufacture intermediates for the dye industry is being salvaged. At a meeting held last week, the Production Committee of Secretaries approved, in principle, the production programme of the project. The plant, as is already known, is being set up at Pauveen, near Bombay.

Enquiries show that there may not be any foreign participation in the equity capital, but certain items of know-how may be acquired on payment. The production programme includes 100 tons a day each of ammonia and caustic soda. The range of chemicals include formaldehyde, benzene hexachloride, anthraguinone and nitro benzene. Dye intermediates include beta Naphthol and monochloro-benzene.

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SMALL CAR

Discussions Planned

Parliament, which reassembles here on 16th November, will hold discussions on the feasibility of manufacturing a people's car. There has hitherto been no encouraging response to the Government's proposals for the amalgamation of three units into one or to take over one of the existing units for the manufacture of a cheap car. On the other hand, each existing unit has put up proposals to manufacture a cheap car, provided the required facilities are made available. The Government is, therefore, left with two alternatives—either to revive the old project for manufacturing a cheap car in the public sector or to expand the defence unit at present manufacturing lorries to make cheap cars as well. A decision, it is expected, will be taken before Parliament holds a discussion on the subject.

FOOD CORPORATION

Bill for Parliament

The Government has also announced its decision to introduce in Parliament a Bill to set up a Food Corporation of India in the first week of the session. It will be a State-owned, State-managed body with Rs. 100 crores as its capital, which is wholly to be subscribed by the Government of India. It will enter foodgrain and if necessary, sugar, vegetable, and *ghee* trades. The corporation will have the power to set up similar bodies in the States. The headquarters of the Corporation will be located in Madras, with regional offices in other States. The Corporation, it is expected, will start functioning from 1st January, 1965.

An ordinance, promulgated last week, will also be placed before Parliament for enactment into law. The ordinance introduces the system of summary trials and takes away the right of appeal from persons convicted under it. It is directed against hoarders and profiteers in foodgrains and other essential commodities, such as sugar and *vanaspati*. Foreign opinion has reacted sharply against this measure, which, it is claimed, will usher in a police State in India. Indian public opinion has, however, welcomed the ordinance.

U.K.

The Import Surcharge

The Government of India, it is believed, has taken a sympathetic attitude towards the 15-percent surcharge levied by the Labour Government on certain imports into Britain. The stabilisation of the British economy, it is felt here, is a pre-condition for India receiving development aid, which is expected to be larger during the fourth plan.

As far as cotton textiles are concerned, India has already exceeded its quota. India has, however, shown some concern over the incidence of the new surcharge on the products of cottage industries, such as handloom fabrics, coirgoods, hand-made carpets, leather goods, and cotton yarn as a raw material. Similar anxiety has been shown in relation to jute goods.

The forthcoming visit of the Prime Minister, Mr. Lal Bahadur Shastri, to London might remove much of India's apprehension.

FOUNDRY—FORGE

Talks on Japanese Help

The representatives of a Japanese firm are discussing with the Government its proposal to put up a foundry-forge at the heavy electricals plant in Hardwar. Discussions are in progress.

KIRIBURU PROJECT

Important Features

The Kiriburu iron ore project will be formally inaugurated by the Vice-president, Dr. Zakir Hossain, on 12th November. The following are its important features:

Proved reserves of iron ore	*(In million tons)*
Kiriburu north block	118
Kiriburu south block	64
Meghahatuburu	132
	314

Mining is confined for the present to two of the three hills in the north block. The output target of the plant is 2 million tonnes of sized ore a year. The capital cost of the project is Rs. 11.22 crores, including foreign exchange. The latter is to be met from the Japanese yen credit of Rs. 2 crores, the second U.S. Export-Import Bank credit of Rs. 1.26 crores, and other sources Rs. 39 lakhs or a total of Rs. 3.65 crores.

The National Mineral Development Corporation has been in charge of the project. The Corporation is also engaged in processing the following projects: the Bailadila iron ore project, Madhya Pradesh; the Khetri copper project, Rajasthan; and the diamond mining project, Madhya Pradesh.

RUSSIA

Help for U.P. Power Station

Four contracts were signed here between the Russian trade organisation V/O Machinoexport, Moscow, and the Uttar Pradesh State Electricity Board, Lucknow, for Soviet assistance for the construction of the Harduaganj "B" power-station. These contracts cover the delivery of the equipment and materials, the preparation of working drawings, training of engineers of the U.P. State Electricity Board in Russia, and deputing Soviet specialists to India for technical assistance in the erection and commissioning of the equipment. The major part of the equipment will be supplied by 1965.

CONCEALED INCOME

Rewards for Detection

The chairman of the Direct Taxes Board, Mr. J. P. Singh, said at a Press conference last week: "One of the important administrative steps decided upon recently for facilitating the detention of concealed income is the liberalisation of the rules concerning the payment of rewards to persons giving information leading to the detection of large-scale evasion. The minimum reward will now be 7½ percent of the additional amount of tax which is realised on the basis of the information supplied by the person concerned or through the assistance rendered by him. The reward can go up to 10 percent of the extra tax realised, depending upon the extent of the help rendered by the person giving the information in the shape of evidence, documents, etcetera, and the risk or sacrifice incurred by him in securing the information. The amount of the reward will not be liable to income tax. The identity of the person furnishing the information will be kept secret if he so desires. Commissioners of Income Tax will be authorised to sanction rewards of up to Rs. 10,000 without reference to the higher authorities. Interim rewards will also be granted in suitable cases.

"It is possible that some of the persons who have concealed their income in the past may now desire to change their ways and to make a voluntary disclosure of their income, but are deterred from doing so due to fear of the levy of heavy penalties and prosecution. But I can say that in the cases of assessees who themselves disclose their concealed income, the department will be appreciative of such voluntary disclosures. If an assessee makes a purely voluntary disclosure of his income and co-operates in the enquiries made during the assessment, the department would be prepared to show due consideration to these facts in levying the penalty; and no prosecution will be launched."

HEAVY STRUCTURALS

New Project for U.P.

Representatives of Voest of Austria have been here discussing with the Government the proposal to set up a heavy structural project in Naine, near Allahabad. The discussions have been fruitful and Voest is likely to participate in the project on a technical and financial basis.

SILICON STEEL

Talks Held

An inter-ministerial meeting held here recently discussed the planning and implementation of a scheme for the production of silicon steel for the manufacture of stamping and lamination for the electrical equipment industry. Special steel, it is expected, is likely to be manufactured either in Rourkela or Durgapur. Stampings and laminations may be made partly in a public sector undertaking and partly by the manufacturers of electrical equipment.

POLAND

Talks on Joint Ventures

A Polish mission is here investigating the fields in which Indo-Polish joint ventures could be set up during the fourth plan. The fields suggested are forge projects, coal mining machinery, cutting tools and chemical projects. Experts in these lines are likely to come to India during the next four weeks.

MANAGING AGENCY

Gradual Abolition Planned

The Central Finance Minister, Mr. T. T. Krishnamachari, said here last week that the Government was considering a proposal for the gradual abolition of the managing agency system in well-established industries. He said that the proposal could be implemented by the Company Law Board next year when a large number of cases for the renewal of the

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Copies of loan prospectus and application forms are available at all the offices mentioned above and at the Head Office of the **State Electricity Board, 1, Hastings Street (7th floor), Calcutta-1.**

managing agents would be forthcoming. Mr. Krishnamachari said this while inaugurating a two-day conference of regional directors and registrars of companies.

The Central Finance Minister also hinted at the possibility of introducing a scheme for compelling companies to set apart a part of their current reserves for development purposes. It would mobilise resources for meeting the financial requirements of the private sector for its expansion schemes during the fourth plan. He referred to a similar scheme which the Government had initiated in 1957 under which companies were required to deposit a part of their reserves with the Reserve Bank of India. The scheme was subsequently dropped.

Mr. Krishnamachari said that steps should be taken to make the balance-sheet a true index of the financial operations of a company. The balance-sheet should be more informative than it is at present, containing information about stocks, purchases, etcetera. A larger number of auditors should be attached to the Company Law Board for scrutinising balance-sheets and for keeping a greater vigil on the financial operations of companies.

The Main Objective

Referring to the main objective of company law, he said that it should ensure that the joint-stock form of organisation—an important organ of capitalism—functioned efficiently and in the public interest. Company law should not be rigid and should not unduly harass companies. In particular, the Company Law Board should encourage the smaller companies and try to persuade them to rectify their defects and deficiencies rather than prosecute or penalise them for such omission.

The Finance Minister suggested that the Company Law Board should work in close liaison with income-tax officials. This was necessary, and would be helpful to both, for while the company law officials were conversant with the administration of companies, the income-tax officials, with their experience in assessment, had detailed knowledge of the internal mechanics of company operations.

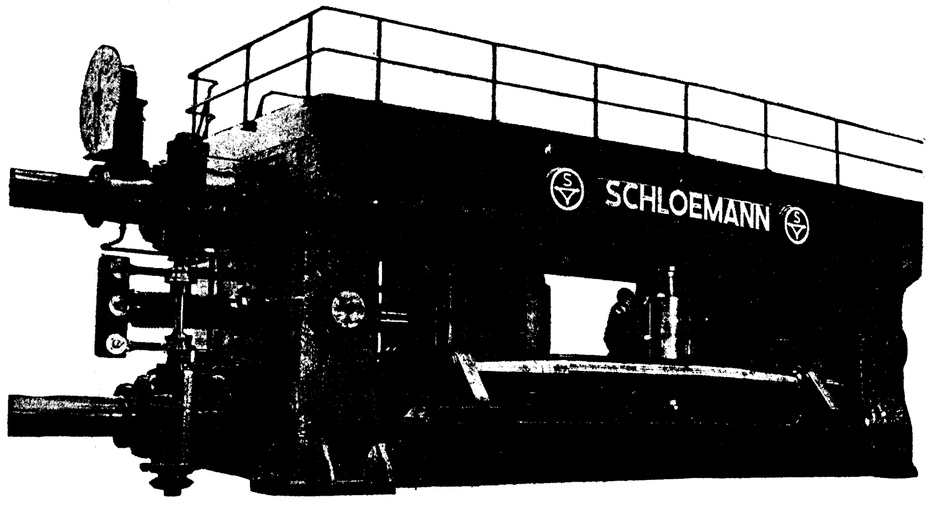
The conference discussed general subjects relating to the administration of the Companies Act, questions related to the proposed amendment of the Companies Act, prosecution for the violation of the Act and the liquidation of the companies in various circumstances.

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FOODGRAINS

Prospects Discussed

The panel of experts on agricultural administration, which met here recently, had a detailed discussion on the implementation of the foodgrains price policy announced by the Government for 1964-65. Mr. C. Subramaniam, Central Minister for Food and Agriculture, presided.

The panel took note of the fact that with the harvesting of a better kharif crop and the prospects of a bumper crop of rice all over the country, the food situation had generally improved since the last meeting of the panel, although difficulties continued to be experienced in certain areas.

The panel considered the arrangements for the procurement of foodgrains in the surplus States during the interim period until the Foodgrains Trading Corporation starts operating. It was agreed that arrangements would have to be made for the purchase of rice as well as paddy. The purchase organisations being set up by the State Governments for the interim period would be so designed as to facilitate their merger later with the Corporation. In view of the bumper rice crop expected, an effort would be made to build up a sizable buffer stock.

The panel considered a report by Dr. Gilbert Etieene on rural development in India which has focussed attention on the weaknesses in implementing agricultural production programes. The panel came to the conclusion that it was necessary to improve supervision and inspection of development work at the village and block level. It was decided that members of the panel should discuss the conditions prevailing in their respective States with the State officials concerned and prepare a paper for consideration at a special meeting of the panel.

DOCK WORKERS

New Wage Board Set up

The composition and terms of reference of the wage board for port and dock workers at major ports have been finalised. It has been decided that besides the chairman and two independent members, one of whom will be an M.P and the other an economist, the wage board should include three representatives each of the employers and workers.

Of the three labour representatives, two will be nominated by the All India Port and Dock Workers Federation and one by the Indian National Port and Dock Workers Federation.

Of the three employers' representatives on the wage board, two will be the nominees of the port authorities. The third employers' representative will be appointed on the joint recommendation of the various associations of stevedores.

RUSSIA

Purchases from India

The Russian trade delegation led by Mr B A Borisov, Deputy Foreign Trade Minister, and his colleagues met the members of the Indian trade delegation and the Central Minister for Commerce Mr Manubhai Shah.

The current year's trade plan was Rs. 85 crores each way, which was 70 percent higher than last year when the trade had touched a figure of Rs. 50 crores each way. The actual purchases on both sides were even higher than these figures.

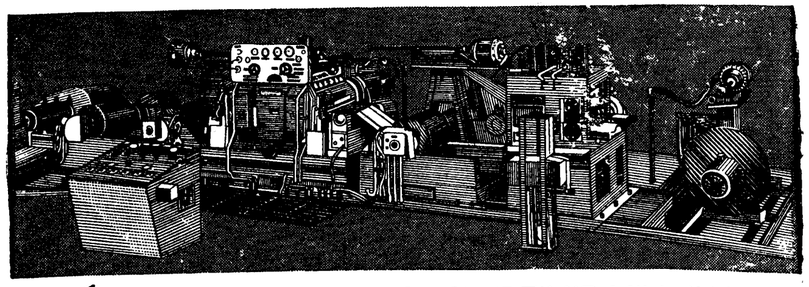
The composition of trade is also fast improving. The purchase of Indian goods by the Russian organisations is not only confined to traditional goods but also consist of more than 45 percent of manufactured articles and cover a wide range of goods such as cotton textiles, engineering goods, chemicals, pigments, pharmaceuticals, light machinery, handicrafts, coir goods and shoes.

The next year's trade plan which is being drawn up by the two delegations envisages a further rise of about 40 percent over the current year's trade plan, raising the Indian exports to Russia to about Rs. 120 crores, compared with Rs. 85 crores. As it is a balanced trade between the two countries, this also includes in terms of goods the annual repayments of long-term credits which Russia had been extending to different heavy industrial projects being built in India with Russian collaboration.

The Russian delegation has also agreed to purchase larger quantities and more numerous products of light engineering goods and chemicals, paints, pigments and pharmaceuticals next year, compared with those during the current year.

The purchase of Indian textiles next year would be about Rs. 2 crores, engineering goods about Rs. 2.5 crores, chemicals about Rs. 2 crores, tobacco about 35,000 tons and shoes about 1 million pairs. Likewise, India will buy from Russia fertilisers, pig iron, special steel, caustic soda, non-ferrous metals, mineral oil products and heavy machinery and plant in increasing quantities.

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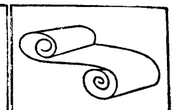
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London

FIRST ECONOMIC MOVES BY THE WILSON GOVERNMENT

(FROM OUR LONDON CORRESPONDENT)

THE Queen's speech at the opening of Parliament, even though it indicated that the Labour Government intended to implement the programme outlined in its election manifesto—or at all events most of it—occasioned no more than a slight flutter in City circles. It was apparent that no concession was to be made to the Government's precarious Commons majority of five, but it was felt, no doubt, that when it came down to detail, there might be room for some sort of compromise and that the final measures adopted would be less severe than the tenor of the election campaign implied.

Strangely enough, this attitude survived the first day's debate of the Address, even though this was enlivened by the new Prime Minister's attack on the Smethwick Conservatives' activities on the question of immigration, which he asked his predecessor in office to condemn without the satisfaction of seeing Sir Alec rising to the bait, although there was a vociferous display of indignation on the Opposition back benches and even talk of a censure motion on the new Premier. More pertinent, from the economic point of view, and therefore of greater import to business men, was the announcement of an interim Budget to be presented this week, not only to give effect to the steps already announced of a duty surcharge on imports and incentives to expand exports, but also to pave the way for the long-term measures to put the economy as a whole on a footing which would finally abolish the danger and fear of recurring crises.

It was the second day of the debate which produced repercussions in the stock markets, set off by Mr. George Brown, Minister of Economic Affairs, outlining the main developments in the Government's plan to strengthen and rationalise the economy. They included severe restrictions on office building in London, to be enforced immediately; discussions with both sides of industry to devise an acceptable incomes policy; nationalisation of the "main part" of the steel industry as soon as possible; the creation of economic Planning Boards in the regions, and the refusal to sanction any major rail closures which might conflict with their plans; and fiscal measures to deal with excessive growth of profits. Briefly, the new developments outlined by Mr. Brown were:

(1) Offices: It will be illegal from midnight on 4th-5th November to start a new office building in London without a permit, which will only be granted "in very special circumstances."

(2) Steel: The Government will "take into public ownership the main part of the iron and steel industry", but will not nationalise the main activities of companies whose predominant interests are clearly in engineering, but which also make steel.

(3) Incomes: Representatives of the unions and employers have agreed to meet Mr. Brown to discuss an incomes policy and the proposed price review body which is likely to have powers to summon witnesses.

(4) Planning: The Government is to establish in each region an economic planning board, consisting of civil servants representing Ministries in London, and an advisory council representing regional interests

(5) Railways: Even if the Government agrees to a closure it may prevent the removal of the track. Mr. Fraser, Minister of Transport, will not consent to any major rail closure which might conflict with regional economic plans.

(6) Fiscal Measures: The Government will use them to deal with what Mr. Brown called "excessive growth of profits and dividends."

Sharp Setback in Shares

Immediately these facts became known, share prices had one of their sharpest setbacks for several months. Millions of pounds were cut off share values as dealers at first lowered their prices and later selling developed, with investors apprehensive of the implications of this week's Budget. Almost every section of the equity market was affected, but engineering shares showed some of the biggest falls. By mid-afternoon the *Financial Times* ordinary share index had fallen 7.8 points to 346.1, but some shares staged a recovery just before the close of dealings, and the index eventually finished 7.2 points lower at 346.7. Although some brokers and jobbers were looking for a "small technical recovery" in dealings in the next few days, few dealers expect any marked development until the Budget discloses what taxes might be in store for industry and the City.

Office building in the Greater London Council area is to be stopped at once, except in special circumstances, and is to be tightly controlled in those areas of the London Metropolitan Region which extend beyond Greater London and which include parts of Oxfordshire, Hertfordshire, Essex, and Sussex, as well as counties between. Mr. Brown told the House that the Government would shortly introduce a Bill under which, in stated areas, any new offices would require, in addition to the normal planning permission, office development permits from the Board of Trade both for new building and for change of use. The Government will take powers in this Bill to designate areas of control by order. The Bill itself will designate Greater London and the London Metropolitan area.

In Greater London, no permits will in general be granted except in very special circumstances. "Permits for new buildings," said Mr. Brown, "will be required even if planning permission has been given, unless a contract to build has been entered into before 5th November Permits will also be required for new office building or change of use of existing buildings to offices in all cases where planned permission has not been given before 5th November. "In the rest of the London Metropolitan Region, a permit will be required for new office building or change of use of existing buildings to offices in all cases where planning permission has not been given before 5th November. The intention is, therefore, that the London Metropolitan Region shall be the first area to be designated, and that, for this region, the Bill shall have retrospective effect from midnight on 3th-5th November. Compensation will not be payable where a permit is withheld."

Within the Metropolitan region, office buildings of less than 2,500 square feet (that is, offices which normally accommodate between 20 and 25 employees) will "initially" be exempt from the control. The Bill is regarded by the Government as a temporary measure, but only in the sense that this particular piece of machinery may ultimately be replaced by something more sophisticated and permanent. It is not intended to give developers any hope that if they are denied permits now, they may get them in, say 12 months' time.

Mr. Brown did not specify in the House the "very special circumstances" in which office development might be allowed in Greater London. The Government intends to apply the new control to Crown property as strictly as it will be applied to private developers. Local authorities will also be encouraged to observe the new code. Several of the new towns—Hemel Hempstead, Welwyn, Stevenage, Harlow, Basildon and Crawley—will be in the new controlled zone for offices.

The Government does not intend to nationalise the engineering activities of iron and steel firms through its Steel Re-nationalisation Bill. Disclosing this, Mr. Brown gave no indication of the timetable for the Bill. There were a few companies, he said, whose predominant interests were clearly in engineering and other activities but who also had substantial iron and steel interests. "The position of these companies is being considered and we do not intend to use the nationalisation of the iron and steel industry to bring the main activities of these companies into public ownership."

It was in the national interest, and in the interest of managements, workers and consumers, that in the period until vesting day, the day-to-day operations of the steel industry should continue smoothly, and that programmes of capital expenditure should continue to be carried out in a normal way. "In the nationalisation measure of the Government," said Mr. Brown, "no person, or company nationalised, will be penalised or prejudiced as a result of reasonable action taken in the normal course of business and in good faith in the interim period." He assured the men and women who worked in steel companies and the central organisations of the industry, that the nationalised steel industry would provide good and ever-improving opportunities of employment for them. The Government, with the Iron and Steel Board, would keep the progress of the industry under review and would be ready at any time to discuss the problems that might arise with the companies concerned or representative organisations of the industry.

The Government intended to take into public ownership the main part of the iron and steel industry, but within the framework of this broad policy would welcome constructive discussions with representative organisations of the industry, the trade unions and with other interested organisations including those representatives of consumers of steel. The Government will bid boldly and urgently for an incomes policy. Mr. Brown is to meet T.U.C. representatives and employers' representatives, and his purpose will be not to appeal for crude short-term restraint but to challenge both sides of industry to participate in a long-term incomes policy. On the basis of private talks that have so far taken place, it is believed that by Christmas it will be known whether there is going to be an incomes policy or not, and, if so, have a fair idea of what sort of policy it will be. The fact that the whole T.U.C. General Council (full strength 34) is going to Mr. Brown's Ministry soon indicates that Government thinking on the incomes question has gone far enough for a specific challenge to be put to the T.U.C. No doubt backstairs soundings have preceded this open move.

Both sides of industry can expect this week to hear more details about the price review body which the Government has stated it will set up. It is understood that it will be a statutory body with power to summon witnesses. It will to some extent incorporate the defunct and despised National Incomes Commission, for employers have been assured that wages will be considered at least as an aspect of prices. It could go further and be empowered to deal with incomes problems as well as prices. It will be the Government's responsibility to carry out the body's recommendations—by what means is not yet known. The N.I.C. has no power to summon witnesses, and the trade unions in fact boycotted all its hearings.

Incomes Policy

After Monday's confrontation, the T.UC. will have to make up its mind clearly whether it accepts an incomes policy as a broad objective. This is the question it has refused to answer so far. How detailed a proposition will be put to the unions and employers remains to be seen. It may not be as detailed at this stage as the more sophisticated exponents of incomes policy both in Whitehall and outside would have liked.

As was suspected, the Labour Party's pre-election thinking on the complicated incomes question turned out to be pretty primitive. A "guiding light" for wages and salary increases will obviously have to be fixed. No figure has been mentioned yet—or so it is understood—but considering that the purpose is to keep incomes growth within the bounds of increasing productivity, it is unlikely to be very different from Mr. Maudling's 3 to 3½ percent, unless the Labour Government anticipates a dramatic upturn in productivity. The Government could either express a view this week on how the proceeds of national productivity should be apportioned between sectors and groups of workers, or, more probably, leave it to the T.U.C. to make suggestions in the first instance.

The employers' bodies will be concerned to see that nothing is intended which penalises the efficient and encourages the inefficient. The Chancellor and the Minister of Labour Mr. Ray Gunter, will be with Mr Brown at both of the meetings. In addition to the drive for an incomes policy, it is believed more likely than not that the Government will decide to go ahead with a wide-ranging enquiry into the collective bargaining system. This could be announced in conjunction with the introduction of the promised Bill to rectify the immediate legal confusion arising from the Rookes Vs. Barnard judg-

Jute

I.J.M.A. SAYS BONUS PROTEST IS UNJUSTIFIED

"IF the unanimous decision of the tripartite Wage Board is allowed to be reversed on one pretext or another, not only will the effectiveness of future wage boards be at stake but the value of tripartite discussions and decisions is also bound to be put in doubt to the detriment of industrial peace and harmony." Thus observes the Indian Jute Mills Association commenting on the threat of jute mill workers to stage a day's token strike on 1st December in support of their demand for bonus as recommended by the Bonus Commission instead of the bonus already paid to them in terms of the award of the Central Wage Board.

A Press note issued by the I.J.M.A. says that jute mill workers have already received payment in 1963 and 1964 on the basis of a scheme of guaranteed bonus as provided in the unanimous recommendations of the Central Wage Board for the Jute Industry. The recommendations will remain effective up to 31st December, 1967, in terms of the award of the Board and also of the resolution, adopted by the Central Government.

Recalling the setting up of the Wage Board in August 1960, the Press note says that one of the terms of reference was "to work out the principles that should govern the grant of bonus, if any, to workers in the industry". The Board took note of the fact that the Government had set up the Bonus Commission to consider the question of bonus on an all-India basis. Initially the Wage Board felt that the question of introducing bonus in the jute industry should be left entirely to the Bonus Commission.

Previous Stand of Trade Unions

But it was at the insistence of the trade unions that the Board evolved the scheme of guaranteed bonus unrelated to profits, irrespective of what might be the recommendations of the Commission. In doing so, the Wage Board recorded in its report the assurance given by the trade unions that "the question of bonus of any other kind could be re-examined later on after the period for which the Board's recommendations would be effective, has expired."

The Press note maintains that the Wage Board made it abundantly clear that the unanimous agreement about the payment of bonus to jute mill workers would remain irrevocable during the operational period of its recommendations "regardless of what might be the recommendations of the Bonus Commission in this connection". This is also evident from the fact that the Board made no stipulation, express or implied, that the formula evolved by it would operate as an interim measure subject to modification or substitution in the light of the recommendations of the Bonus Commission.

The I.J.M.A. says that the unanimous recommendations of the Central Wage Board for the Jute Industry, which were accepted by the Government of India by an official resolution, are to remain in force up to 31st December, 1967. The Bonus Commission itself says that the formula proposed by it will not apply during the currency of any industry-wise or unit-wise agreements, except where such agreements stipulate that the formula recommended by the Bonus Commission should apply in modification or substitution of the existing agreements.

Further Fall in Gunny Stocks

Stocks of jute goods with mills reporting to the I.J.M.A. have dropped further during October from 126,100 tonnes to 117,300 tonnes. Informed circles ascribe the decline to some cut in production resulting from the loss of man-hours due to the Puja holidays, lean labour attendance and other factors, including the shortage and high prices of better-grade fibre required for batching purposes. Stocks of sacking have fallen by 2,800 tonnes to 40,800 tonnes, of carpet-backing cloth by 4,000 tonnes to 20,000 tonnes, of hessian by 1,600 tonnes to 45,900 tonnes and of miscellaneous goods by 400 tonnes to 10,600 tonnes. At the end of October 1963, the stocks were 108,300 tonnes—52,200 tonnes of sacking, 34,500 tonnes of hessian, 13,800 tonnes of carpet-backing and 7,800 tonnes of other goods.

Worry over Fibre Prices

The stickiness of fibre prices, which allow very little margin on the manufacture of hessian, has been the major worry of the jute industry during October, says the latest issue of the *Jute Bulletin* published by the Indian Central Jute Committee. Notwithstanding some increase in market arrivals of jute, Calcutta prices last month ruled at around Rs. 37.50 to Rs. 40 a maund, basis Assam Bottoms. The strength of the fibre section is attributed partly to the buoyancy of the gunny market and partly to mill buying under the maximum quotas which, for the five weeks ended 31st October, totalled 875,000 bales. In some quarters, the relative steadiness of jute prices has been taken as an indication of the size of supplies this year. The compulsory minimum purchase quota issued to mills for October 1963 was 920,000 bales and actual mill buying for the month was higher still, the *Bulletin* concludes.

THE JUTE MARKETS

Manufactured Goods: Despite the absence of new Government tenders or overseas business, steady conditions prevailed in the Calcutta gunny market during the past week. Routine short- and shipper-covering in ready and near-delivery goods, and speculative activity in the hedge market, helped sentiment. Reports of the jute mill workers' decision to stage a day's token strike in India in December and the indefinite continuance of the strike in Pakistani mills were bullishly interpreted. Hessian for November, however, eased in the hedge market on tired long liquidation and some amount of short-selling prompted by the approaching closure of the contract. The ceiling imposed on daily turnover was another factor. But for shortlived steadiness stimulated by bear-covering, the lower October stock figures of the I.J.M.A. mills failed to change the trend on Tuesday. The shortage of ready and near-delivery goods, and the reluctance of mills to extend their commitments, helped spot prices of heavy goods to close the week with sizable gains. A bull squeeze and brisk bear-covering stimulated a rally in heavy goods after wide fluctuations in the hedge market. Hessian also made a minor improvement in the spot market and in February futures in sympathy with the general trend. Turnover was moderate and the undertone firm at the close.

Wednesday's quotations were as follows:

	Nov.	Dec.	Jan.-Mar.	Apr.-June
40in. 7½oz.	38.05	38.30	38.60	38.85
40in. 8oz.	40.75	—	—	—
40in. 10oz.	50.10	50.55	51.40	51.65
B Twills	155.75	153.25	150.25	147.65
Cornsacks	161.00	158.00	153.25	150.00
Heavy Cees (Plain)	155.25	152.75	149.75	147.25
A Twills	183.50	182.50	179.50	178.00
Liverpools	170.00	169.00	166.50	165.00

Raw Jute: With a further increase in raw jute arrivals to around 175,000 maunds a day in the terminal markets, upcountry prices softened during the past week. Deliveries in the Cossipore market also improved appreciably. These factors helped to narrow down the disparity between Calcutta and agency prices. The maximum purchase quota of 175,000 bales for the week ending 14th November was about enough to absorb the total arrivals. But mill preference for the selected grades, in which a shortage of ready stocks was reported, maintained the prices of these grades. Turnover was moderate and the undertone easy at the close.

Wednesday's quotations were as follows:

	Rates a maund		Rates a quintal	
	Mid.	Bot.	Mid.	Bot.
Assam-Agartala Jute	40.50	37.50	108.51	100.47
Northern Jute	39.50	36.50	105.83	97.79
Western Desal Jute	38.50	35.50	103.15	95.11
Selected Daissee	41.00	38.00	109.85	101.81
Assam-Agartala Tossa	40.50	37.50	108.51	100.47
Mesta:				
Assam-Northern	38.00	35.00	101.81	93.77
Local Daissee	37.50	34.50	100.47	92.43
Bihar Dist	36.50	33.50	97.79	89.75

THE U.K. JUTE MARKETS

EASIER TREND IN FIBRE

(FROM OUR DUNDEE CORRESPONDENT)

THERE was a much easier trend in the prices of raw jute last week. Some shippers have reduced their rates by £3 a ton. There is a feeling here that this downward trend in prices will continue for some time yet. As a result of this, Dundee spinners are not showing much buying interest at present.

Offers being made here are well below the current E.P.C. levels, and it is some of the larger shippers who are willing to accept the lowest rates. Dundee spinners have already secured a substantial portion of their requirements from the present crop. It is estimated that about 30,000 bales of jute, which are still unsold to spinners, are afloat between Pakistan and the U.K. at present. This is a "bear" factor on the market here.

Offers were made at £149 10s for Mill Firsts, at £136 for Export Firsts, at £120 for Export Lightnings and at £113 for Export Hearts, c.i.f. U.K., for November-December shipment. Grade Tossa-2/3 was available at £149 10s and Grade Tossa-4 at £133 15s. Dacca Tossa-6 was also at £113 15s. Outport Tossa-2/3 was now available at £119 and Outport Tossa-4 at £110 for November-December shipment, and a small business was transacted at these price levels. The afloat market was very weak. If bids were made for these near-at-hand supplies, it is possible that £3 to £5 a ton less than the above rates would be accepted in some instances.

Cuttings were also quieter. There were sellers at £88 10s for S.N.C., at £85 for D.T.C. and at £79 for N.C. Mesta was also at a lower level with offers at £110 for A, at £100 10s for B, at £92 10s for C and at £74 10s for cuttings, c.i.f. U.K., November-December. Prices of Siam jute were at an attractive level, but not much interest was shown here. Grade A was named at £83 10s, grade B at £78 10s, grade C at £74, Tangles at £72 and Cuttings at £71, delivered mill Dundee for November-December shipment.

The Calcutta goods market became quieter. A fair amount of buying interest was shown despite the levy of 15 percent surcharge on imports. Prices were at 81s 11d for 40in. 10oz. and at 62s 3d for 7½oz. a 100 yards c. and f. U.K. for November shipment, at 82s 3d and 62s 4d December and at 83s 3d and 63s 1d January-March. Prices of sackings were still high with B Twills at 253s 2d, 249s 3d and 245s 6d for the respective shipment periods.

Dundee spinners were very busy. They have orders in hand for delivery well forward. A small business is taking place, but this is limi-

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

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

Description	31st October, 1964		30th September, 1964		Increase over (+) or decrease from (−) last month		31st October, 1963	
	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)
Hessian cloth and bag	14,61.64 (15.98)	45.9 (45.2)	15,10.44 (16.52)	47.5 (46.8)	−48.80 (−54)	−1.6 (−1.6)	11,15.41 (12.20)	34.5 (33.9)
Sacking cloth and bag	9,55.97 (10.45)	40.8 (40.1)	10,17.15 (11.12)	43.6 (42.9)	−61.18 (−67)	−2.8 (−2.8)	11,56.90 (12.65)	52.2 (51.4)
Carpet-backing	1,61.57 (1,77)	20.0 (19.7)	1,91.76 (2,10)	24.0 (23.6)	−30.19 (−33)	−4.0 (−3.9)	1,15.81 (1,27)	13.8 (13.6)
Others		10.6 (10.5)		11.0 (10.8)		−0.4 (−0.3)		7.8 (7.7)
Grand Total		1.17.3		1,26.1		−8.8		1.08.3
(000 Tonnes/Tons)		(1,15.5)		(1,24.1)		(−8.6)		(1,06.6)

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

ted because of the delivery position. The carpet trade continues to make regular deliveries. Despite the quieter raw jute position, prices of yarns and cloth in Dundee are firm and the quoted rates have to be paid in all instances.

With the exception of the heavy end of the trade, manufacturers are well supplied with orders and there is nothing to indicate any change in the position in the near future. The 15 percent import duty being levied on goods coming into the U.K. is a benefit to Dundee producers.

THE PAKISTANI JUTE MARKETS

FIBRE WEAKER

(FROM OUR DACCA CORRESPONDENT)

PRICES even in the loose jute sector at last began to slide last week. Despite small imports, buyers were so few that business in loose jute was being transacted at daily lower prices. In some areas, the sellers in the origin have stopped bringing in jute, but at this time of year, is not easy to tell whether this is because they find prices being offered for their jute unattractive or whether this is due to transport difficulties with the rivers drying up.

In the pucca bale sector, there was little or no activity except for a little bit of covering business in Export Hearts and Export Lightnings. Lightnings and Hearts were reported to be changing hands at about £96 f.o.b. for Hearts and £113 f.o.b. for Lightnings. Cuttings were also neglected with small transactions at about £70 f.o.b. ready and about £78 f.o.b. forward. Unfortunately, some moisture is beginning to appear in jute and it was mainly apparent in the Jessore and Daulatpur area.

In the overseas market, buyers continue to wait for lower prices. Although E.P.C.s have not been reduced, the weight of spot and afloat jute and the shortage of finance has forced some balers to liquidate some of their holdings at prices well below E.P.C.s. Logically, E.P.C.s should come down and this would encourage more business and a healthier market. For the time being, trading conditions in raw jute can only be described as depressed, but if the mills' strike ends, there may well be a revival of activity.

Books

CARRIAGE BY AIR

Cargo Liabilities and Immunities of Air Carriers. By V. N. C. Narichania. (Published by V. N. C. Narichania and Co., Publication Division, Bombay I (B.R.). Price Rs. 10, pages 268.)

This appears to be the first publication of its kind in this country. An attempt has been made to explain in simple language the various provisions of the Carriage of Air Act as applicable to international carriage and carriage other than international. Carriage by air is of comparatively recent origin, but it has assumed such importance that international conventions have been adopted for the standardisation of the rules governing the traffic.

The Warsaw Convention is an international agreement governing the liabilities of the air carrier in case of damage caused to passengers, baggage and cargo carried from one country to another. This Convention has been modified by the Hague Protocol. The law dealing with international carriage by air based on the Warsaw Convention was passed in India in 1934, but it was only in 1964 that the said law was made applicable, with modifications, to all carriage by air between places situated in India.

This book deals with the problems of carriage of goods by air, losses during such carriage and liability of the carrier for such losses. The decisions of courts arising out of the Indian Carriage by Air Act, 1934, are discussed. Parts of the Act are reproduced bringing out the differences between international carriage by air and carriage by air not international. The author suggests that the Government should take steps to remove the ambiguity arising out of the interpretation by the Court of the provisions of sub-section 2 of Section 2 of the Indian Carriage by Air Act, 1934.

THE RAILWAYS

Iyer's Handbook of Railwaymen (1964). Fifth Edition. (Published by the Author from 22B, Sirdar Road, Calcutta 29. Price Rs. 10, pages 362.)

In this book, the author, a retired railwayman, has explained what the railways have done for the public and what the railways have done for their employees. He has dealt with in detail the organisation of the railways, the recruitment, training and terms and conditions of employment of railway men as well as the laws that are applicable to labour employed on the railways. The book is based on the lectures that the author delivered to new entrants to railway service. The problems of railway men are lucidly explained and the fund of information that the book contains should be of interest not only to railway employees, but also to those who have to deal with personnel management.

REGIONAL INDUSTRIAL PATTERNS

A Study on Regional Differences in Industrial Pattern, 1960—Occasional Paper No. 10. (Published by the National Council of Applied Economic Research, New Delhi. Price Rs. 4.50, pages 76.)

This paper gives information on the share of individual industries in the total factory employment and output (gross and net) for each of the 15 States considered in the study. Industry-wise estimates of the output-employment coefficient and the input-output ratio are presented for each State. In all there are 35 tables, and the results are discussed for each State. Little space is devoted for inter-State comparison or for appraising the reasons for observed "industrial patterns."

WEEKLY SURVEY

Bank of India Weekly Economic Survey. (Edited and published by C. S. Krishnamurti, 70-80, Mahatma Gandhi Road, Bombay 1. Annual subscription Rs. 5. Single copy 10 paise.)

In keeping with the trend among banks to publish periodical digests of economic information, the Bank of India has embarked on this venture. It seeks to present a weekly review of major economic developments as also notes and articles on a wide range of subjects. The inaugural issue contains a news survey a round-up of stock and commodity markets and select economic indicators It is well produced and should serve a useful purpose in keeping its readers posted with contemporary developments.

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Commodity Markets

COMMONWEALTH OUTPUT OF PLANTATION PRODUCTS

(FROM OUR LONDON CORRESPONDENT)

PRODUCTION of tobacco reached a record level in 1963, while that of tea equalled the high figure of the previous year, according to the latest issue of the Commonwealth Economic Committee's useful publication *Plantation Crops, 1964* (H. M. Stationery Office or the Committee, Marlborough House, Pall Mall, London, S.W.1, price 10s). Output of sugar and cocoa continued to fall in 1962-63, while the decline in that of coffee was resumed. Natural rubber did not reach the peak level of 1962, but synthetic rubber output continued to expand. Trade in sugar again fell in 1963; the high levels of shipments of tea and cocoa were, however, maintained, while exports of coffee reached a record figure. There was a recovery in shipments of tobacco and in net exports of rubber, while trade in synthetic rubber increased further. Some seven-eighths of the tea and over three-fifths of the cocoa entering world trade during the year was of Commonwealth origin, while over half of the rubber was shipped from Commonwealth ports.

Output of cane sugar showed a slight recovery in 1962-63, the high level of production in the Commonwealth, particularly in Australia, offsetting the continued fall in Cuban output. The world total for sugar, outside China and Russia, was, however, reduced by the smaller beet crops in both western and eastern Europe. Commonwealth countries continued to account for nearly four-fifths of total production of tea, the large crop in Ceylon in 1963 offsetting some decline elsewhere. More than half of the cocoa produced again came from Commonwealth countries, which, in the aggregate, maintained their output in 1963 as against some decline elsewhere. The small Commonwealth share of coffee production showed a noticeable increase in 1962-63, although the expansion in East Africa did not make good the decline in Latin America. Output of tobacco in the Commonwealth rose in line with that in other countries and continued to account for nearly one-quarter of the total; a record crop was harvested in India, outweighing the fall in the Rhodesias and Malawi. Large rubber crops in the Commonwealth in 1963 were offset by some reduction elsewhere, but synthetic rubber production showed a general expansion.

World trade in sugar again fell in 1963 despite heavier Commonwealth shipments, accounting for over one-quarter of the total; the new high level of world exports of tea largely reflected the expansion of consignments from India, the Commonwealth proportion rising to over six-sevenths. The Commonwealth also contributed to the rise in international trade in coffee. Trade in cocoa was maintained despite a fall in consignments from the Commonwealth, whose share fell to three-fifths of the total. The record level of tobacco exports from India was reflected in the maintenance of the Commonwealth level of trade, although the recovery in the world total was largely due to the increase in United States shipments. The rise in world net exports of rubber, however, was a result of the expansion in supplies from the Commonwealth.

The increase in world sugar consumption reflects in great measure the rising standard of living in Latin America and in parts of Asia and America, but per caput levels of consumption are still rising in some European countries. Consumption of tea has risen not so much in the older markets as in countries of the Middle East and North Africa as well as in the producing countries themselves. Increased supplies of cocoa, too, have been followed by increased grindings, not only in the traditional importing countries and Japan but also in producing countries (though ultimately for the export market also). The increase in coffee consumption in the United Kingdom is attributable to the spread of "instant" coffees, but these appear to have played little part in the expansion of consumption in the United States and continental Europe. Despite temporary checks due to medical reports on lung cancer, individual consumption of cigarettes shows no sign of falling off, although the spread of filter tips has reduced the rate of increase of actual tobacco smoked. Despite the increased use of rubber over the last decade, the amount of natural rubber consumed in the United States, and the industrialised countries of the Commonwealth, had declined, while demand in continental western Europe is levelling off; the demand for rubber in Japan has been met to an increasing extent by synthetic, but Russia has supplemented its synthetic output by large imports of natural.

Details of the working of the International Coffee Agreement are given in an appendix, with a review of the efforts made to negotiate an international cocoa agreement and renegotiate the International Sugar Agreement.

TEA

Enquiry into Plantation Employment

A special correspondent writes:

Employment on plantations is to be the subject of another official enquiry. It is proposed to set up a fact-finding committee to enquire into all aspects of employment on plantations. The report of the committee should be submitted to the Central Government within six months of its appointment. The chairman will probably be a senior officer of the Central Ministry of Labour and Employment. The members of the proposed committee will include representations of labour, employers and the Central and State Governments.

It is understood that some plantation workers complain that the workload has increased, and the present strength of workers is inadequate for the increasing production and acreage.

London Auctions

The high prices recorded in London for several weeks encountered a break last Monday. Some 25,217 packages were up for sale from north India. Although the best Assams continued firm, prices for other qualities were well below the best, sometimes appreciably lower.

Stocks in the U.K. as at end-October are given as 98,356,125 lbs, a small rise compared with 97,234,022 lbs a week ago. Deliveries were slightly below landings at 12,124,810 lbs, but there was a considerable quantity afloat at 42,589,690 lbs of which 31,787,850 lbs were from Calcutta and 969,052 lbs from Cochin. Ceylon had 9,127,750 lbs afloat.

The average of London prices realised for the past week was 60.32d a lb, compared with 65.47d in the previous week. This still compares favourably with 52.57d in the corresponding period in 1963.

RICE

World Output Running High

World rice production is again expected to reach a high level, according to a report published in London by the Commonwealth Economic Committee. The report says that India is expected to produce a record crop, and Japan a bumper crop. Thailand and Cambodia also expect good harvests. A record output in the United States is forecast for the third successive year. The area under cultivation in the United Arab Republic has shown a further expansion. Prospects in western Europe too are very favourable. In Burma, however, the position is much less favourable where flood damage has occurred.

Rice exports for 1964 so far recorded are above those of last year, reflecting the expansion in supplies in some exporting countries and strong demand from importing countries, particularly India, Indonesia, Japan, the Philippines, and Russia. Shipments from the United States in the first seven months of the year were one-quarter larger than a year earlier, while provisional figures for August suggest that exports during January-August totalled almost 1 million tons.

SHELLAC INACTIVE

During the week ended 10th November, the market was inactive. The range of quotations was as follows:

	Rupees a package
A. Shellac, buttonlac and garnet lac	
Hand-made grades	
Pure Buttonlac	220, 210 value
Lemon One Shellac	210 buyers
Lemon Two Shellac	220, 210 value 190 buyers 200, 190 value
Standard One Shellac	176 buyers and value
Pure T.N. Shellac 2½%	160 buyers, 164 value
Pure ITN Shellac 4%	120, 124 value
Machine-made grades	
ABTN Shellac	260 sellers
Lemon Superfine	260 sellers
Lemon One	252 sellers
Fine Orange Shellac	242 sellers
Angelo's TN 1 Shellac	200 sellers
AC Garnetlac	176 sellers
IG Garnetlac	176 sellers
Kala Garnetlac	176 sellers
B. Seedlac	
Golden Kusmi	270 value
Kusmi One	210 value
Golden Bysacky	230, 220 value
Manbhum Fine Bysacky	164, 160 value
Fine Bysacky	150 value and buyers
Genuine Bysacky 5%	140, 130 value
Grade One Class B	160 buyers 164, 160 value
Grade Two Class B	142 buyers 144, 140 value
C. Sticklac	
Manbhum Sticklac	150 value
Palas Sticklac	150 value
D. Kireelac	32 value

Shipments during October 1964 were 18,028 packages.

THE PUNJAB NATIONAL BANK LTD.
ESTABLISHED 1895
HEAD OFFICE
PARLIAMENT STREET,
NEW DELHI

AUTHORISED CAPITAL :
SUBSCRIBED CAPITAL : } RS. 2,00,000,00
PAID-UP CAPITAL :

RESERVE FUND & OTHER RESERVES : OVER RS. 3 CRORES

DEPOSIT AS AT 31.12.63 RS. 190 CRORES

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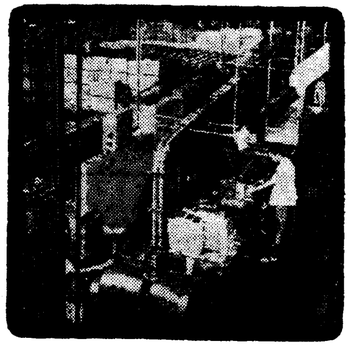
POYSHA IS ONE OF INDIA'S TWO LARGEST CAN MAKERS



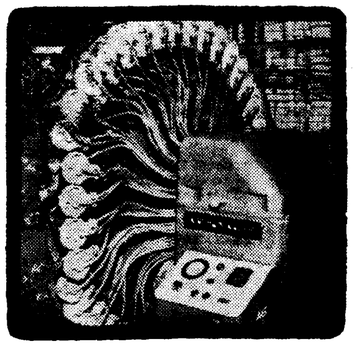
Poysha's excellent metal printing results from this modern wet varnishing process unit. Soon a new two-colour printing unit will also be operating.



Quality control is strict! Cans even undergo laboratory check-ups...to meet Poysha's own high standards.



Poysha has advanced automatic machinery. This high-speed bodymaker line, for instance, mass-produces over 300 cans a minute.



This completely automatic air tester checks cans under air pressure to ensure that they are perfectly leak-proof and airtight containers.

WILL SOON GROW LARGER... WITH 3 NEW FACTORIES

By 1965-66, Poysha will be taking its advanced can-making know-how into the heart of the industrial centres of India with 3 new factories. The largest, at Dighe (Bombay), will serve industries in Western and Central India. The second, at Cochin, will serve the fishing, pineapple and other industries in the South. The third, at Ghaziabad (Delhi), will serve vast fruit, vegetable and industrial areas in Northern and Eastern India.

It will mean a capacity increase to one crore cans a month for Poysha...which will raise its Paid-Up Capital from Rs. 25 lakhs to Rs. 110 lakhs shortly.

FOR PERFECT PROTECTIVE PACKAGING

POYSHA INDUSTRIAL COMPANY LIMITED

Messent Road, P.O. Tank Road, Bombay 33-DD 13, DLF Industrial Estate, Najafgarh Road, New Delhi-15

COMPANY AND PUBLIC NOTICES

BENGAL POTTERIES LIMITED

NOTICE

NOTICE is hereby given that the Fifty-third Annual General Meeting of the Bengal Potteries Ltd. will be held at the Registered Office of the Company at 45, Tangra Road, Calcutta-15 on Monday the 30th November, 1964 at 4 P.M., to transact the following items of business :—

(1) To receive and adopt the Directors' Report, the Audited Balance Sheet and the Profit & Loss Account for the half year ended 30th June, 1964.

(2) To declare a Dividend.

(3) To elect Directors in place of those retiring.

(4) To consider, and if thought fit, to pass with or without modification, the following Resolutions :—

(a) **Special Resolution :**

"That, in pursuance of Section 360 of the Companies Act, 1956, the Company approves the agreements to be entered into between the Company and other concerns which are or may be deemed to be Associates of its Managing Agents, more particularly General Industries Corporation, the material terms whereof are as follows :

(i) The one will supply to/buy from other :—
—their products, as required by the other.
—other goods and things which one can supply and the other may require.

(ii) The price of the products or other supplies will be the suppliers' ruling market price (subject to applicable discounts) at the time of supply.

(iii) Payment of price will be within one month of the receipt of goods.

(iv) The agreement will be determinable by either party at will."

EXPLANATORY STATEMENT U/S 173 (2) :—

The Shareholders' approval is required for sale/purchase transactions between the Company and its Managing Agents/their Associates under Section 360 of the Companies Act, 1956. Messrs General Industries Corporation are not, in the view of the Company 'Associates' of its Managing Agents, but the resolution is proposed for abundant caution. Material terms appear in the Resolution itself :

INTEREST OF DIRECTORS :

Shri Bharat Ram and Shri Shri Dhar, Directors of the Company are Directors of Shri Ram Associates Private Ltd. a partner in General Industries Corporation. Mrs. M. G. Bhagat, a Director of the Company and her relatives are partners in General Industries Corporation. Except as aforesaid, no other Director or Managing Agents have any interest in the Resolution.

(b) **Special Resolution :**

"That the appointment as a Director of the Company of Shri Shri Dhar, to whom Section 261 of the Companies Act, 1956 may be deemed to apply be and is hereby approved."

EXPLANATORY STATEMENT U/S 173 (2) :

This Resolution is proposed as the Company is advised that provisions of Section 261 of the Companies Act, 1956 may be deemed to apply to Shri Shri Dhar, a Director of the Company. The Resolution is proposed accordingly. Requisite Special Notice has been received and is hereby given to the Shareholders and is open for inspection at the Registered Office of the Company during business hours.

(c) **Ordinary Resolution :**

"Resolved that subject to the approval of the Company Law Board, the present Managing Agents of the Company M/s. Bharat Ram Bhagat & Co., a firm at present consisting of Madan Mohan Lal Shri Ram Private Ltd. and M. G. Bhagat & Sons Private Ltd., two private limited Companies, be and are hereby reappointed as the Managing Agents of the Company for a term of 10 years commencing from 16th August, 1965 in terms of the draft agreement proposed to be entered into between the Company of the one part and M/s. Bharat Ram Bhagat & Co. of the other part and placed before this Meeting and signed by the Chairman hereof for identification, with such modifications, if any, as the Company Law Board in according its approval may require and the Directors of the Company are hereby authorised to execute and complete the said agreement with such modifications."

EXPLANATORY STATEMENT U/S 173 (2) :

The term of appointment of the Managing Agents of the Company, M/s. Bharat Ram Bhagat & Co. will expire on 15th August, 1965.

The Directors propose that they be reappointed as Managing Agents for a fresh term of ten years from 16th August, 1965.

An abstract of the proposed terms of appointment and the Memorandum as required under Section 302 (3) of the Companies Act, 1956 is given hereunder. The draft agreement can be inspected at any time between 2 P.M. to 4 P.M. at the Registered Office of the Company and half an hour before the Meeting it can be inspected at the venue of the meeting.

MEMORANDUM OF INTEREST OF DIRECTORS :

Shri Bharat Ram and Shri Shri Dhar, Directors of the Company are Directors and members of Madan Mohan Lal Shri Ram Private Ltd. a partner in Bharat Ram Bhagat & Co. and to that extent they are interested in the reappointment of Managing Agents.

Mrs. M. G. Bhagat, a Director of the Company is a Director and member of M. G. Bhagat & Sons Private Ltd., a partner in Bharat Ram Bhagat & Co. and to that extent she is interested in the reappointment of the Managing Agents.

ABSTRACT OF MANAGING AGENCY AGREEMENT :

1. The agreement is between the Company and Bharat Ram Bhagat & Co. for reappointment of the latter as Managing Agents of the Company. M/s. Bharat Ram Bhagat & Co. is a Co-partnership consisting of the following partners :—
   — Madan Mohan Lal Shri Ram Private Ltd.
   — M. G. Bhagat & Sons Private Ltd.
2. The Head Office of Bharat Ram Bhagat & Co. is located at DCM Premises, Bara Hindu Rao, Delhi-6.
3. Abstract of the Clauses of the Managing Agency Agreement is as follows :—

PARTIES : This recites the parties of the agreement.

PREAMBLE : Recites the background of the proposed agreement.

CLAUSE 1 : Provides for reappointment of Bharat Ram Bhagat & Co. as Managing Agents for ten years from 16th August, 1965.

CLAUSE 2 : Lays down that Managing Agents shall use their best endeavours to promote the interest and business of the Company and shall not carry on competitive business.

CLAUSE 3 : Provides that subject to the control and directions of the Directors, and to the provisions of the Companies Act, the Managing Agents shall have the general conduct and management of the business and affairs of the Company and sets out specific powers to be exercised by them.

CLAUSE 4 : Provides for the custody of property, books of accounts, etc. of the Company by Managing Agents.

CLAUSE 5 : Provides for maintenance of Accounts of the Company by Managing Agents.

CLAUSE 6 : Provides that Managing Agents shall fully comply with provisions of Statutes.

CLAUSE 7 : Provides that the Company shall pay to the Managing Agents commission at 10% of net profits computed in accordance with Sections 349-351 of the Companies Act, 1956 subject to the minimum remuneration of Rs. 50,000/-.

CLAUSE 8 : Provides for payment of Guarantee Commission to Managing Agents or their Associates for guaranteeing loans obtained by the Company.

CLAUSE 9 : Provides for facilities to the working members of Managing Agents.

CLAUSE 10 : Provides for compensation to Managing Agents if their Office is determined at any time before the expiry of the period of appointment.

CLAUSE 11 : Provides for :
—Reimbursement of expenses to Managing Agents.
—Indemnification of Managing Agents against all losses and costs suffered by them in the discharge of their duties and obligations to the Company.

CLAUSE 12 : Provides for sub-delegation of powers by the Managing Agents.

CLAUSE 13 : Provides for nomination of working members by the Managing Agents.

CLAUSE 14 : Provides for nominees of Managing Agents on the Board.

CLAUSE 15 : Provides for Managing Agents' lien on assets of the Company.

CLAUSE 16 : Provides that the agreement will be subject to tripartite agreements between the Company, the Managing Agents and the Industrial Finance Corporation of India in connection with the loans taken by the Company from the Corporation.

CLAUSE 17 : Provides for arbitration in case of disputes.

(d) **Ordinary Resolution :**

"RESOLVED that the Members of the Company approve of the appointment and continuation as a Director of Bengal Potteries Limited of Shri D. N. Sen who has attained the age of over 65 years, and declare that his age limit of 65 years as specified in Section 280 of the Companies Act, 1956 shall not apply to him".

Explanatory Statement under Section 173 (2) of the Companies Act, 1956 regarding Ordinary Resolution under Section 281.

Special notice has been received by the Company on 1st November, 1964 of this Resolution from three of its Members under the Provision of Section 281 of the Companies Act, 1956.

Shri D. N. Sen will retire by rotation at the next Annual General Meeting of the Company. He has attained the age of over 65 years. If appointed Shri D. N. Sen will get remuneration from the Company as provided in its Articles of Association, and he is interested to that extent. Save as aforesaid no other Director or the Managing Agents have any concern or interest in the above resolution.

(5) To appoint Auditors for the current year and to fix their remuneration.

The Share Transfer Register of the Company will be closed from 28th

November, 1964 to 1st December, 1964, both days inclusive.

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

By Order of the Board of Directors,
BHARAT RAM BHAGAT & COMPANY,
Managing Agents.

45, Tangra Road, Calcutta,
Dated, 2nd November, 1964.

THE NATIONAL ROLLING & STEEL ROPES LIMITED

NOTICE

NOTICE is hereby given that the Twenty-second Annual General Meeting of the Members of The National Rolling & Steel Ropes Limited will be held at the Registered Office of the Company, NICCO HOUSE, Hare Street, Calcutta, on Thursday, the 10th December, 1964 at 10 A.M. to transact the following business:

(1) To receive and adopt the Directors' Report and the Audited Balance Sheet and Profit & Loss Account for the year ended 30th June, 1964.

(2) To declare Dividend.

(3) To appoint a Director in place of Dewan Dina Nath, who retires by rotation and is eligible for re-appointment.

(4) To appoint a Director in place of Shri Krishna Prasad Khaitan who retires by rotation and is eligible for re-appointment.

(5) To appoint Auditors and fix their remuneration.

(6) AS SPECIAL BUSINESS, to consider and, if thought fit, to pass the following Resolution with or without modification, as Ordinary Resolution:

RESOLVED that the revision in the rates of commission payable to Messrs. Associated Agents & Merchants, Madras, Hind General Mercantile Agency Ltd., Calcutta and Vijay Trading Co., Bombay, the Sole Selling Agents of the Company on the sale of Wire Ropes (1) from 3⅛% to 5% on sales to customers in the private sector and (2) from 1⅝% to 2½% payable to Messrs. Associated Agents & Merchants, Madras, only, for sales to customers in the Public Sector, i.e., Government Departments, Public Undertakings, etc., with effect from 1st June, 1964 till the unexpired period of the Sole Selling Agency arrangement with each of them as recorded in the respective Supplemental Agreements dated the 18th September, 1964 made between the Company for the One Part and each of the said Sole Selling Agents of the Other Part, in connection therewith be and is hereby approved.

The Share Transfer Books of the Company will remain closed from 26th November to 10th December, 1964, both days inclusive.

By Order of the Board,
For THE NATIONAL ROLLING & STEEL ROPES LIMITED,
For ASSOCIATED INDUSTRIAL DEVELOPMENT CO. (PRIVATE) LTD.,
S. SINGH ROY,
Director,
Managing Agents.

Registered Office:
NICCO HOUSE:
Hare Street, Calcutta-1.
The 24th September, 1964.

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

The Dividend, if declared, will be paid to those Members whose names appear in the Register of the Company on 10th December, 1964, or their mandatees and the Dividend Warrants will be posted from 23rd December, 1964, onwards.

An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of Item No. 6 has been appended to the Notice of the Meeting and forwarded to the Members.

TO ALL MEMBERS:

And in particular to:

Shri R. R. Bhandary, Mr. Mahendra Prasad and Mr. Cali Shawakshaw Dinshaw.



A WORLD IN THE MAKING BEFORE THEIR EYES

In memory of Jawaharlal Nehru
A promise to fulfil... A pledge to keep

INDIAN OXYGEN LIMITED IOL

10C-62

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Dhelakhat Tea Co Ld. ..	21-11-64	9 a.m.
Bombay Burmah Trading ..	25-11-64	4-30 p.m.
Bengal Potteries Ld.	30-11-64	4 p.m.
Brooke Bond Estates India Ld	1-12-64	2-30 p.m.
National Rolling & Steel Ropes Ld. ..	10-12-64	10 a.m.

DIVIDENDS DECLARED OR PROPOSED.—Morarjee Goculdas Spg. & Wvg. Co. Ltd.—Rs. 15 per share (o), subject to tax; Deccan Sugar And Abkhari Co. Ltd.—(o)(f), 11.5 p.c. on increased capital subject to tax, Nonsuch Tea Estates Ltd. —10 p.c. (f), subject to tax; National Rolling & Steel Ropes Ltd.—20 p.c. (o), subject to tax; Barnagore Jute Factory Co. Ltd.—30 p.c. (o) less tax.

HIDES AND SKINS QUIET

The market was quietly steady. Stocks of hides were higher, but those of skins were less than in the previous week.

Bazaar Sales

(Between 3rd November and 9th November, 1964)

Cowhides: Wet salted (Ord.) 12,000 pcs. on the basis of Rs. 8.25 to Rs. 9.75; Wet salted (Slaughtered) 34,500 pcs. on the basis of Rs. 10.50 to Rs. 16.50 and Rs. 19 to Rs. 28; Wet salted (Ord.) 2,000 pcs. on the basis of 90 P. a lb.

Goatskins: Wet salted (Patna, Daissee, Kustia) 1,73,500 pcs. on the basis of Rs. 330 to Rs. 350, Rs. 420 to Rs. 430 and Rs. 470 to Rs. 480; Wet salted (he-killed) on the basis of Rs. 5 and (she-killed) on the basis of Rs. 4.75 a piece; Assam-Dinajpur-Raiganj 61,200 pcs. on the basis of Rs. 250 to Rs. 265 and Rs. 310; Purneah-Kissenganj 34,100 pcs on the basis of Rs. 310 to Rs. 335; Pakur 12,000 pcs. on the basis of Rs. 265 to Rs 275; Patna-Muzafferpore 14,000 pcs. on the basis of Rs. 260 to Rs. 270 and Rs. 325 to Rs. 335.

Bazaar Stocks

9th November, 1964)

Cowhides: Wet salted 96,600 pcs.

Goatskins: Wet salted (Patna, Daissee, Kustia, Killed) 82,000 pcs.; Assam-Dinajpur 70,000 pcs.; Muzafferpore Patna Pakur-Purneah-Kissenganj 2,31,000 pcs.

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"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock Exchange Associations and other sources.

Figures given after stroke (/) mean paise.

Wednesday, 11th November, 1964

BANKS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 11-11-64	3-11-64	A year ago	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 11-11-64	3-11-64	A year ago
				Rs	Rs.	Rs.	Rs.					Rs	Rs	Rs.	Rs.
Allahabad Bank P.	18	15	15	100	249/00	249/00	258/00	Indian Overseas Bank	14	12	14	100	150/50	150/50	148/0(
Bank of Baroda	17	16	16	50	99/00	99/00	97/00	National & Grindlays Bank	14	16	14	sh 15	sh.31/3	sh.31/9	sh. 32/7½
Bank of India	20	20	18	50	101/00	101/25	113/00								
Central Bank of India	20	20	20	25	52/50	52/50	62/50	Punjab National Bank	20	20	20	10	20/00	20/00	19/2
Chartered Bank	15	15	15	£1	sh.49	sh. 49/3	sh. 59/9	Union Bank of India	11 2/5	11 2/5	11 2/5	5	6/52	6/60	6/4(
Hindusthan Commercial	Nil	Nil	..	50	10/25	10/25	13/50								
Hindusthan Mercantile	Nil	Nil	..	50	10/75	10/75	15/62	United Bank of India	6	6	7½	10	8/15	8/06	7/6
Hong Kong & Shanghai	sh 15	sh 16	sh 16	HK$25	£21½	£21⅜	£18⅜								
India Bank	15	14	..	100	159/00	159/00	157/50	United Commercial Bank	12	12	12	50	72/75	72/75	75/0(

JUTE MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 11-11-64	3-11-64	A year ago	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotation as available until 11-11-64	3-11-64	A yea ago
				Rs.	Rs.	Rs.	Rs.					Rs.	Rs	Rs	Rs.
Agarpara P.	2½	2½	12-10*	10	8/69	9/00	10/56	Hukumchand P.	28⅜	26⅜	26⅜	7½	17/50	17/50	20/6
Alexandra P.	15	42½	..	100	245/00	245/00	300/00	India	12	8	18	12½	15/25	15/25	17/0
Alliance P	Nil	10	12½	100	104/00	106/00	160/00	Kamarhatty P.	Nil	20	20	100	155/00	155/00	201/0
Anglo-India P.	7½	10	12	100	180/00	180/00	234/00	Kanknarrah P.	Nil	15	15	100	137/50	137/50	147/0
Auckland P.	12	Nil	15	100	132/00	132/00	144/50	Kelvin P	15	5	20	100	143/00	143/00	194/0
Bally P	25	25	25-20*	100	239/00	239/00	261/00	Khardah P.	5	12½	12½	10	17/75	17/75	19/3
Barnagore P.	10	10	40	£5	230/00	230/00	228/00	Kinnison P.	7	Nil	10	100	108/00	108/00	148/0
Bengal P.	5	5	..	10	7/00	7/00	9/37	Lansdowne P.	Nil	Nil	Nil	100	111/00	111/00	98/0
Birla P	15	15	15	10	35/25	35/87	34/12	Lawrence P.	15	10	10	100	109/00	109/00	112/5
Budge Budge P.	Nil	12	20	100	128/00	128/00	158/00	Megna P.	12½	Nil	22	10	12/19	12/19	13/3
Calcutta P	Nil	Nil	..	10	8/12	8/12	8/12	Naihati P.	Nil	Nil	..	100	85/00	85/00	104/(
Caledonian P.	5	15	..	100	138/00	132/00	180/00	Naskarpara	2½	5	..	10	5/50	5/50	8/(
Champdany P.	5	Nil	40-35*	10	21/81	21/81	24/37	National P.	Nil	10	10	10	19/37	19/12	24/(
Cheviot P	5	25	..	10	20/25	20/25	23/62	Nellimarla P.	6	15	5	10	8/81	8/81	12/8
Chitvalsah P.	Nil	..	Nil	10	7/75	7/75	11/12	New Central P.	15	Nil	..	10	10/62	10/69	15/:
Clive P	Nil	Nil	..	10	8/00	8/00	9/19	Northbrook P.	30	20	35	10	22/37	25/50	31/(
Dalhousie P.	1	Nil	25	100	109/00	110/00	154/00	Nuddea	6	5	10-10*	10	10/81	10/81	..
Delta P	Nil	12	16	100	141/00	141/00	171/00	Presidency	6	10	10	5	4/25	4/25	5/8
Empire P.	7½	12½	15	10	13/75	13/75	17/75	Rameshwara P.	Nil	Nil	Nil-Nil*	10	7/75	7/75	9/:
Fort Gloster P.	10	12½	20	100	267/00	267/00	368/00	Reliance P	Nil	Nil	Nil	10	6/75	7/12	9/8
Fort William P.	22½	10	20	10	20/00	20/00	28/25	Samnugger P	Nil	10	13	£1	10/50	10/50	10/
Ganges P	10	15	20-20*	10	12/81	12/75	14/12	Shree Ambica P.	6	Nil	..	10	30/00	30/00	35/(
General Industrial	10	13	14	10	15/00	15/00	16/12	Soorah P	25	25	..	10	19/19	19/19	23/:
Gourepore P.	25	20	20-20*	10	20/50	20/50	25/25	Titaghur P.	Nil	13	10	£1	10/50	10/50	10/
Hastings P.	6	6	6	100	128/00	128/00	128/00	Union P	6	Nil	20	100	143/00	143/00	165/(
Hooghly P.	20	7½	10	10	14/44	14/44	16/00	Victoria P.	Nil	10	10	£1	10/50	10/50	10/
Howrah P.	10	Nil	10-12½*	10	15/50	15/50	20/12	Waverley P.	30	60	30	1	8/00	8/00	9/

* 1964

COAL COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 11-11-64	3-11-64	A year ago	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotatio as available until 11-11-64	3-11-64	A ye ag
				Rs.	Rs.	Rs.	Rs.					Rs.	Rs	Rs	Rs
Amalgamated	12½	15	12½	10	19/69	19/75	26/00	Mundulpur							
Bengal P	21	19	16	100	240/00	241/00	276/00	Nazira	..	..	..	10	2/69	2/69	2/
Bengal Bhatdee	8	10	..	10	3/48	3/48	3/48	New Beerbhoom P.	Nil	Nil	..	10	4/69	4/69	6/
Bengal Nagpur	26	7	..	10	22/00	22/00	22/00	New Manbhoom	10	12	10	10	16/12	16/50	19/
Bhalgora	Nil	..	..	10	3/62	3/62	4/81		9	12	12	10	10/00	10/00	15/
Bharat Collieries P.	Nil	Nil	..	10	3/00	3/00	3/62	North West							
Bhulanbararee	Nil	Nil	..	10	10/00	10/00	11/94		20	11	..	10	19/75	19/75	19/
Bokaro & Rampur	..	..	..	10	11/19	11/19	11/19	Ondal P.				7½	18/00	18/00	18/
Borrea P	15	15	15	10	20/25	20/25	22/12	Parasea P.	7½	7½	5	10	13/50	13/50	13
Burrakur P.	13	13	13	10	16/44	16/81	18/00	Pench Valley	1½	..	..	10	14/00	14/00	14
Central India	10	10	9	10	8/34	8/50	10/00	Pure Sitalpur	10	10	12½	10	17/44	17/44	18/
Central Kurkend P.	..	Nil	..	10	3/44	3/44	3/87	Raneegunge	..	..	..	10	8/00	8/00	8
Churulia	Nil	..	..	4	3/06	3/06	3/06	Rewa	17	17	17	10	12/75	12/75	13
Dhemo Main	15	20⅜	20⅜	10	3/75	3/75	4/50		20	10	15	10	21/87	21/87	28
East Indian	10	10	10	£1	26/50	28/25	30/62								
Equitable P	Nil	Nil	Nil	10	20/75	21/50	24/31	Samla							
Ghusick & Muslia	..	..	..	10	13/87	13/87	14/25	Searsole	10	7½	..	10	7/81	7/81	9
Guzdar Kajora	Nil	..	..	10	2/47	2/47	2/44	Seebpore P.	Nil	Nil	..	2½	0/81	0/81	1
Hurriladih		..	..	10	5/44	5/44	7/06	Sendra	42 6/7	35 5/7	28 4/7	7	34/75	34/75	34
								South Karanpura	3½	2½	..	10	3/87	3/87	5
Karanpura Development	5	3	3	100	9/00	9/00	12/06	Standard	Nil	Nil	2½	10	6/00	6/00	8
	15	9	9	10F					10	10	..	10	9/62	9/62	13
Karanpura Collieries P.	10	10	10	10	13/50	13/06	16/00	Union							
Katras Jherriah	40	25	30-30*	10	28/37	28/37	33/81	Western Bengal	Nil	5	..	10	10/00	10/00	10
Khas Kajora P	10 2/5	..	..	10	13/25	13/25	17/62	West Jamuria	7½	9	9	10	8/56	8/50	9
									Nil	Nil	..	10	3/60	3/60	4

COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 11-11-64	3-11-64	A year ago
				Rs.	Rs.	Rs.	Rs.
Basanti	..	..	..	10	8/50	8/50	13/69
Bengal Luxmi	..	..	..	40	30/00	30/00	30/00
Bengal Nagpur P.	Nil	..	..	10	2/44	2/44	3/25
Bharat Commerce	5	15	15	10	19/75	19/75	26/00
Birla Cotton	10	20	20	10	27/00	27/00	33/00
Bowreah P.	10	20	15	10	23/62	24/37	26/12
Cawnpore Textile	7 1/5	10	10	5	6/31	6/31	7/81
Delhi Cloth & Genl. P.	12	13	13-13*	25	51/00	51/25	55/50
Dunbar	20	20	15	10	26/81	27/19	30/44

* 1963

BOMBAY COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 10-11-64	3-11-64	A year ago
				Rs.	Rs.	Rs	Rs.
Ahmedabad Advance P.	16	12	..	100	150/00	150/00	147/50
Apollo	Nil	Nil	..	2	1/72	1/72	2/08
Beharilal Ramcharan	Nil	Nil	..	100	143/00	145/00	93/00
Bombay Dyeing, etc.	14	14	14	25	57/30	58/50	63/80
Bradbury P.	10	25	..	50	145/00	145/00	157/50
Century	30	30	..	100	587/00	599/50	674/00
Central India P.	Nil	Nil	Nil-Nil*	100	99/00	101/00	120/00
Coorla	11	11	..	100	173/50	173/50	165/00
Dawn	30	30	..	50	146/50	148/00	154/50
Edward Textiles	9	9	6	200	322/00	322/00	285/00
Elphinstone P.	18	22	18—18*	50	95/00	95/00	101/00
Finlay	23	23	..	100	302/00	307/00	335/00
Gokak	14	18	..	100	175/00	177/50	183/50
Hindoostan	50	50	..	250	940/00	940/00	950/00
India United	8	14	..	10	19/44	19/60	22/48
	13½	37½	..	1Dd	2/38	2/38	2/88

‡ 1963

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 10-11-64	3-11-64	A year ago
				Rs.	Rs.	Rs.	Rs.
Indian	23 1/5	25	..	250	900/00	900/00	860/00
Indore Malwa United	8½	10	7½	100	212/00	215/00	200/00
Khatau Makanji P.	32	18	..	100	173/00	176/25	218/25
Kohinoor	15	18	18-21*	100	315/00	317/50	334/50
Lakshmi Vishnu P.	5.7	6	Nil-3*	100	85/00	85/00	103/00
Morarjee Goculdas P.	21½	24	24-20*	100	247/00	250/00	399/00
Mysore Spg & Mfg P	14	14	..	50	35/50	38/00	50/00
New City of Bombay	Nil	Nil	..	100	150/00	150/00	160/00
New Great Eastern P.	Nil	12	..	100	160/00	160/00	187/00
Phoenix	15	20	..	100	225/00	227/50	234/00
Sassoon & Alliance	Nil	Nil	..	10	11/12	10/38	11/24
Sassoon Spinning	17	20	10-20*	10	37/75	37/75	45/50
Simplex	15	Nil	22-16*	50	123/00	123/00	130/00
Shree Niwas P.	18	20	14-8*	100	247/00	247/00	284/00
Svadeshi P.	17	19	17	100	264/00	263/00	262/00
Swan	36	21 3/5	..	100	273/00	273/00	275/00
Tata	20	22	20	25	48/75	49/00	57/20
Western India	46 2/3	25	..	250	850/00	850/00	825/00

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 10-11-64	3-11-64	A year ago
				Rs	Rs.	Rs.	Rs.
CEMENT ENGINEERING & METAL							
Associated Cement	12½	12	12	100	164/50	165/25	153/50
ELECTRIC LTG., POWER							
Ahmedabad Electricity	7	6	..	100	107/00	107/00	94/80
Andhra Valley Power P.	5½	5	5	1,000	1,277/50	1,267/50	1,055/00
Bombay Subarban Elec.	8	8½	8½	100	116/50	116/50	101/75
Tata Hydro Elec. Power P.	5½	5	5	100	128/00	129/00	108/50
Tata Power P.	5½	5	5	1,000	1,297/50	1,302/50	1,110/00
Alcock Ashdown	17	22½	19	100	287/00	291/00	317/00
Jost's Engineering	8	10	10—Nil*	50	47/00	47/00	60/00
Larsen & Toubro P.	12½	18	14—14*	10	21/48	21/84	25/25
Mackenzies	10	12	14	100	137/50	137/50	137/50
Premier Construction P.	43 1/3	33 1/3	30	30O	180/50	187/00	165/00
				33F			
Tata Eng. & Locomotive P.	12½	14½	14½-14½*	100	280/00	266/00	293/00
Tata Iron & Steel P.	9.1	10.36	10.36-11*	75O	146/75	148/00	147/25

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NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 10-11-64	3-11-64	A year ago
				Rs	Rs.	Rs	Rs.
INSURANCE COMPANIES							
British India General	..	15	..	10	13/44	13/44	13/00
Jupiter General P.	..	4	..	15	7/00	7/00	9/20
New India	38	38	..	15	45/25	45/50	55/70
Vulcan	20	20	..	10	16/52	16/52	16/76
MISCELLANEOUS							
Belapur Sugar	38	50	..	50	218/00	221/00	256/00
Bombay Burmah Trading	30	33	33-33 1/3*	25	56/10	56/40	65/90
				20	42/00	42/50	49/75
Hindustan Lever	26	26	12—14*	10	29/75	30/25	39/50
Industrial Invt. Trust	6½	6½	..	100	81/00	81/00	77/00
Kemp (Chemists)	12½	12½	..	200	253/75	253/75	273/75
National Rayon	22	..	..	100	347/50	357/00	395/00
Scindia Steam Navign.	3	3	..	100	15/40	15/88	14/92
Shivrajpur Synd.	80	Nil	Nil	10	17/80	17/00	22/52
Tata Chemicals P.	6	6½	6½—10*	10	18/76	19/24	17/84
Tata Oil P.	23	23	23—22*	25	49/00	48/50	69/20
Voltas	13	14	14—14*	100	262/50	266/50	262/00
Western India Match	16	16	16	100	235/50	236/00	270/00

TEA COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 11-11-64	3-11-64	A year ago
				Rs.	Rs.	Rs.	Rs.
ASSAM GARDENS							
Amluckie	Nil	10	7½	10	16/00	16/00	18/37
Anandabag P.	30	32½	20	10	33/25	33/25	33/25
Baghmari	Nil	15	7½	10	11/25	11/25	17/25
Barduar Tea	..	..	..	5	8/50	8/50	8/50
Basmatia	35	25	20	10	18/00	18/00	23/62
Bateli	30	30	..	5	17/06	17/06	17/50
Betjan	40	45	30	10	29/00	29/00	30/12
Bisnnauth	13	13	20	10	14/37	14/37	18/37
Bokakhat	Nil	12	13	10	13/12	13/12	13/75
Borrnah Jan P.	15	15	15	10	11/12	10/06	13/25
Bor Pukhuri	Nil	Nil	10	10	10/50	10/50	11/00

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 10-11-64	3-11-64	A year ago
				Rs.	Rs.	Rs.	Rs.
Brooke Bond P.	15	10	7½—7½	10	10/25	10/25	12/94
Dejoo Valley	15	20	30	10	40/00	40/00	60/00
Dessai & Purbuttia	Nil	10	15	100	170/00	170/00	200/00
Dhelakhat	12½	10	..	10	20/62	20/62	20/44
Dhunseri P.	20	15	10	10	10/00	10/00	12/00
Dibrugarh	40	40	30	10	27/50	27/50	32/50
Dimukusi P.	25	20	25	10	22/87	22/87	22/62
Duffiaghur	25	25	30	10	24/25	24/25	28/00
East India	Nil	Nil	10	10	10/31	10/31	15/50
Gillapukri	25	20	15	10	23/00	23/00	25/44
Gohpur	Nil	5	20	10	13/06	13/06	14/94

* 1963

TEA COMPANIES—Contd.

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 11-11-64	3-11-64	A year ago
				Rs.	Rs.	Rs.	Rs.
Grob	6	6	6	5	6/37	6/37	8/13
Hoograjuli (Assam)	20	20	17	10	27/62	27/62	27/12
Hoolungooree	10	7½	20	100	168/00	168/00	199/00
Jutlibari	30	30	20	10	27/87	27/87	31/50
Kingsley Golaghat P.	35	35	..	100	125/00	125/00	125/00
Kotamulhai P.	Nil	Nil	Nil	5	10/31	10/31	10/31
Krishnabehari	15	8	10	10	11/30	11/30	11/80
Kyang Tea	Nil	..	..	10	8/06	8/06	8/06
Ledo	Nil	Nil	Nil	10	13/50	13/50	13/75
Maud Tea & Seed	10	7½	7½	10	12/00	12/00	14/81
Methoni	5	14	20	10	13/25	13/25	17/87
Moheema	Nil	Nil	..	10	11/50	11/50	11/50
Motholia	30	30	35	100	425/00	425/00	507/00
Murphulani (Assam)	5	15	25	10	26/50	26/50	26/50
	10.63	20.63	30.63	10	26/87	26/87	26/87
Naga Hills	10	10	10	10	21/25	21/25	22/25
Namburnadi	12	12	..	10	12/87	12/87	12/87
New Cinnatolliah	Nil	Nil	Nil	100	455/00	455/00	302/00
Rajgarh	40	13½	17½	10	18/56	18/56	19/00
Sapoi	22½	20	10	10	15/81	15/81	17/25
Seajuli	22½	15	30	10	21/06	21/06	21/12
Tefoijan	25	25	25	10	19/00	19/00	24/12
Tengpani	30	30	22½	10	36/50	36/50	35/00
Tezpore P.	20	12½	..	10	12/44	12/44	15/19
Tongani	Nil	Nil	..	10	5/19	5/19	5/31
Tyroon	10	15	25	10	24/75	24/75	31/00
CACHAR							
Arcutlipore	Nil	5	6	10	7/00	7/00	7/00
Baitakhal	2½	2½	..	10	6/00	6/00	8/06
Central Cachar	5	7½	5	100	73/00	73/00	85/00
Eastern Cachar	Nil	Nil	..	10	5/06	5/06	4/50
Kalfinugger Khoreel	6	2	..	100	84/00	84/00	87/00
Hattikhira	Nil	8	Nil	10	6/50	6/50	8/75
Kunchanpore	Nil	Nil	..	10	6/00	6/00	6/00
Looban	Nil	Nil	Nil	10	4/69	4/69	4/56
North Western	30	20	10	100	140/00	140/00	175/00
Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50
Roopacherra	Nil	10	Nil	10	9/94	9/94	11/00
Rungamattee	6	5	5	50	47/00	47/00	51/50
Sonai River	Nil	Nil	..	10	5/06	5/06	5/05
DARJEELING							
Bloomfield	Nil	..	..	10	3/25	3/25	3/12
Chamong	Nil	10	10	10	8/87	8/87	9/00
Darjeeling Tea & Chin.	30	30	30	100	197/00	197/00	197/00
Dilaram	8	4	..	100	102/50	102/50	102/50
Gielle	Nil	..	3 4/7-15*	10	18/12	18/12	11/69
Lingia P.	15	10	17½	10	15/00	15/00	14/00
Longview	12½	10	..	10	8/25	8/25	11/00
Margaret's Hope	15	15	15	10	11/81	11/81	12/50
Mim	22½	27½	27½	100	430/00	430/00	191/50
Nagri Farm	30	25	35	10	28/12	28/12	30/12
Okayti	25	25	25	100	600/00	600/00	600/00
Pashok	10	Nil	..	10	20/00	20/00	20/00
Poobong	Nil	Nil	..	10	10/50	10/50	7/50
Pussimbing P.	Nil	Nil	Nil	10	7/69	7/69	7/12
Rungliee Rungliot	35	20	7½	100	290/00	290/00	386/00
Seeyok	15	Nil	..	10	8/50	8/50	8/50
Singell	Nil	Nil	Nil	100	36/75	36/75	36/75
Singtom	2	Nil	2	10	3/25	3/25	3/50
Soom	50	40	40	10	30/00	39/00	34/00
Sungma	15	15	20	10	12/06	12/06	14/75
Teesta Valley	Nil	..	8 4/7-10*	10	12/94	12/81	15/75
Tukvar	Nil	Nil	..	10	3/56	3/44	6/00
DOOARS							
Banarhat P.	22½	21	21	100	161/00	161/00	241/00
Baradighi	30	25	25	10	21/12	21/12	24/12
Bhatkawa	15	15	20	10	16/00	16/00	17/25
Birpara P.	17½	12½	17½	100	142/00	143/00	162/00
Carron	20	5	7½	100	125/00	125/00	155/00
Choonabhuti P.	32½	20	20	100	176/00	176/00	210/00
Ellenbarrie	5	5	10	100	300/00	300/00	184/00
Engo	60	30	40	100	136/00	136/00	136/00
Ethelbari	5	5	7½	10	11/87	11/87	11/50
Gairkhata	25	20	11	10	14/00	16/12	21/50
Gopalpur	12	2	10	25	19/50	19/50	20/00
Hantapara P.	15	5	10	100	97/00	97/00	114/00
Hasimara P.	17	..	18—15*	10	13/37	13/37	13/81
Huldibari	22½	..	19 2/7-11*	10	11/00	11/44	13/50
Jaybirpara	10	Nil	Nil	10	8/50	8/50	23/37
Killcott	25	15	15	10	14/50	14/44	15/94
Manabarrie	10	6	10	10	59/50	59/50	59/50
Nagaisuree	25	15	15	100	141/00	141/00	140/00
New Dooars P.	35	20	14½	100	166/00	166/00	230/00
Oodlabari	12½	7½	..	100	14/00	14/00	13/62
Phaskowa	Nil	Nil	Nil	100	121/00	121/00	129/00
Rajabhat	Nil	Nil	6	10	10/19	10/19	12/00
Ranicherra	15	15	7½	10	12/00	12/00	12/50
Rydak	25	20	25	10	22/87	22/87	26/12
Sarugaon	40	40	40	10	37/00	37/00	36/31
TERAI							
Atal	5	..	..	10	5/37	5/37	8/75
Belgachi	20	20	..	10	23/12	23/12	22/50
Gungaram	20	12½	12½	100	140/00	140/00	130/00
New Chumta	15	..	12 6/7-26*	10	20/37	20/37	24/62
New Terai	22½	10	15	10	20/50	20/50	23/00
Panargoomiah	20	20	2½	10	9/87	9/87	14/37
Putinbaree	14	14	..	10	55/00	55/00	45/00
Tirribannah P.	60	60	60	10	49/00	49/00	49/00
CHITTAGONG							
Kodala	Nil	Nil	..	10	9/25	9/25	8/25
Kornafuli	Nil	Nil	..	10	11/25	11/25	9/31
Oodaleah	Nil	Nil	..	10	8/00	8/00	6/00
SYLHET							
Chundeecherra	Nil	Nil	Nil	10	29/75	29/75	26/00
Dauracherra	22½	22½	20	10	14/75	14/75	11/56
New Samanbagh P.	25	Nil	Nil	10	20/25	20/25	18/37
Patrakola	32½	40	15	100	160/00	172/00	129/00
Rainagar	Nil	Nil	Nil	10	9/56	9/56	9/56
Tellapara	22½	22½	10	100	169/50	169/50	110/00

‡ Hectares

* 1963

MISCELLANEOUS COMPANIES

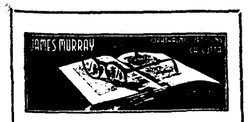
NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 11-11-64	3-11-64	A year ago
				Rs.	Rs.	Rs.	Rs.
MININGS							
Burma Mines	2 3/5	Nil	Nil	3½S	0/44	0/44	0/44
Chrestien Mica Industries P.	15	12½	..	10O	9/09	9/09	10/25
	25	20	..	5Dd	6/53	6/53	6/87
Indian Copper Corporation	27	27	..	2s	3/37	3/40	3/66
Metal Corporation P	Nil	..	..	10O	6/00	6/00	8/75
Orissa Mineral Development	35	28	20	10	20/03	19/94	27/37
CEMENT, LIME, SLATE, ETC.							
Ashoka Cement	7	7	7—7*	10	6/31	6/31	7/37
Assam Bengal Cement	..	..	..	10O	4/87	4/87	4/81
				1Dd	0/59	0/59	0/59
Bengal Potteries	15	..	..	2½	4/25	3/87	5/37
Bisra Stone Lime	30	30	10	..	18/50	18/50	22/50
Dalmia Cement (Bharat) P.	12	12	12	10O	13/12	13/19	13/19
				1Dd	3/06	3/06	2/81
Jaipur Udyog P.	6	8	8.36	10	10/31	10/50	12/62
Kumardhubi Fireclay & Silica P.	18	18	18	10	18/45	18/45	18/45
Orissa Cement P	15	15	10	10	11/69	11/44	15/56
Reliance Firebricks & Pottery	22	15	10	10	22/75	22/75	22/75
Sone Valley Portland Cement	4	6	8	10	3/87	3/91	4/91
Sutna Stone & Lime	27½	30	35	10	18/00	27/00	28/31
CHEMICAL INDUSTRIES							
Alkali & Chemical Corpn. of (I)	12	15	15—15*	10	30/19	30/19	35/62
Bathgate & Co Ltd P	Nil	Nil	..	5	0/84	0/84	0/84
Bengal Chemical & Pharm P.	7	10	..	100	101/50	101/50	102/00
Calcutta Chemical P.	18	18	18	10	19/12	1912	17/87
Frank Ross P	..	..	..	6	3/19	3/19	2/87
Smith Stanistreet P.	25	25	25-22½*	5	13/69	13/69	12/31
ELECTRIC LIGHTING, POWERS							
Agra Electric Supply	11	11	11	100	126/00	123/00	118/00
Bareilly Electric Supply	11	11	11	10	11/44	11/44	12/37
Bhagalpur Electric Supply	11	11	11	10	12/87	12/87	11/62
Calcutta Electric Supply	8	8	8	8	7/12	6/56	6/56
Cuttack Electric Supply	7	7½	7½	£1	15/12	15/12	14/50
Dibrugarh Power Supply P.	7½	10	10	10	15/00	15/00	11/87
Jhansni Electric Supply	10	10	10	100	86/00	86/00	98/00
Jubbulpore Electric Supply	..	..	..	10	5/80	5/90	5/90
Mirzapur Electric Supply	10	10	10	10	10/75	11/19	11/25
Muzaffarpore Electric Supply	..	..	..	..	7/50	7/50	12/00
Muttra Electric Supply	12½	12½	12½	10	17/75	17/75	11/50
Patna Electric Supply	..	..	..	10	11/06	11/06	11/06
Shahjahanpur Electric P.	10	10	10	10	10/31	10/31	10/75
Sitlus (Jharjah) Electric	6½	6½	6½	10	6/62	6/62	7/50
United Provinces Electric	10	9	9	10	9/62	9/62	8/50
Upper Jumna Valley Electric	11	11	11	100	207/00	202/00	142/00
	13½	13½	13½	11	25/37	25/37	17/75

* 1963

MISCELLANEOUS COMPANIES—Contd.

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 11-11-64	3-11-64	A year ago
				Rs.	Rs.	Rs.	Rs.
ENGINEERING & METAL							
Arthur Butler (Muzaffarpore) P.	Nil	10	..	10	15/00	15/00	14/94
Bhartia Electric Steel	10	12½	15	10	15/06	15/12	15/12
Braithwaite India P.	25	14	20	10	32/94	32/75	35/75
Bridge & Roof	30	30	..	10	52/25	52/25	52/25
Britannia Building & Iron P.	Nil	Nil	..	10	3/62	3/62	3/37
Britannia Engineering P.	10	10	..	10	9/62	9/75	10/50
British India Electric Cons.	20	15	..	10	29/12	29/12	31/00
Burn P. (Engineering)	28½	28½	25	100	278/00	278/00	698/00
Calcutta Steel	15	15	12½-15*	10	13/62	13/62	13/94
Dalmia Iron	10	10	10	10	11/91	12/06	11/75
Guest, Keen, Williams	14	14	12	10	23/31	23/44	43/25
Hooghly Docking	Nil	12½	..	50	80/00	80/00	95/00
Indian Iron & Steel P.	16	16	16	10	25/52	25/64	25/38
Indian Malleable Casting	..	..	..	50	5/19	5/19	6/00
			..	10d	2/81	2/81	2/06
Indian Standard Wagon P.	28½	28½	20-20*	10	36/69	36/69	36/87
Indian Steel & Wire Products	24	23	18	100	30/00	31/75	36/25
Industrial Containers	10	10	..	10	25/62	25/62	21/37
Jay Engineering	17 3/20	15	10	10	21/56	20/00	21/75
J. K. Steel P	20	10	30	10	17/75	17/75	17/00
Jessop & Co. P.	8.58	8.58	10	10	25/37	26/00	26/31
Kumardhubi Engineering P.	11½	15	Nil-16⅔	3	5/50	5/50	9/37
Marshall Sons (India)	Nil	Nil	..	2	3/47	3/47	2/67
National Iron and Steel	Nil	Nil	..	10	5/87	6/19	5/90
Saran Engineering	10	12½	10	4	8/50	8/56	8/78
Steel Containers	20	20	..	10	24/31	24/31	29/50
Textile Machinery	10	..	17½	10	25/85	26/10	28/55
SUGAR BREWERIES, ETC.							
Balrampur Sugar	8	4	Nil	2½	1/56	1/56	1/95
Belsund Sugar	10	6 2/3	3 1/3	7½	8/81	8/81	8/81
Bharat Sugar P.	15	15	15	10	14/50	14/50	13/31
Carew (Sugar) P.	Nil	Nil	Nil	10	12/50	12/50	11/69
Cawnpore Sugar P.	Nil	Nil	Nil	10	9/87	9/87	9/94
Champaran Sugar	12	Nil	Nil	10	11/44	11/44	13/87
Durbhanga	Nil	5	..	10	8/56	8/56	10/00
New Savan Sugar and Gur	..	..	..	10	3/19	3/19	4/50
Purtabpur Sugar P.	..	..	..	10	9/12	9/12	10/81
Ramnugger Cane & Sugar P.	35	30	15	10	24/25	24/25	28/50
Raza Buland	10	10	10	10	10/06	10/25	10/25
Ryam Sugar P.	..	..	..	10	4/12	4/12	3/56
Samastipur Central Sugar	..	..	..	10	3/62	3/62	5/87
Shree Krishna Gyanoday Sugar P.	..	..	..	10	8/62	8/56	8/87
Shree Sitaram Sugar	..	..	..	10	7/28	7/28	7/12
Sitalpore Sugar	Nil	Nil	Nil	10	3/69	3/69	3/94
United Provinces	5	Nil	..	10	12/00	12/00	10/00
Upper Ganges Sugar P.	72½	72½	..	10	60/25	60/25	85/00
MISCELLANEOUS							
A. Firpo (Restaurateur)	10½	5	..	10	5/90	5/90	5/90
Aluminium Corporation P.	12	12	5	10	10/69	11/37	18/00
Anderson Wright Ltd. P.	Nil	6	..	10	11/50	11/50	11/50
Angelo Bros	28½	28	28	10	25/81	26/94	26/62
Assam Match	20	20	20	10	25/25	25/25	27/50
Assam Saw Mills & Timber	Nil	3	..	3	2/44	2/44	2/56
Associated Battery	15	15	15	10	24/19	24/12	30/25
Associated Hotels of India P.	10	10	15	10	10/37	10/37	10/31
Balmer Lawrie & Co.	25	25	22½	100	235/00	238/00	256/00
Bararee Coke	Nil	15	15	10	20/75	20/75	22/25
Birds Investments P.	10	10	..	10	8/81	8/81	10/50
Britannia Biscuit P.	30	25	21	10	36/62	36/62	42/50
British India Corporation P.	7	9	15	5	10/97	10/81	9/00
British Paints	15	10	15	10	24/62	24/62	22/25
Calcutta Silk Manufacturing P.	Nil	..	..	10	6/94	6/94	6/94
Clive Row Investment	7½	7½	8	10	8/62	8/62	8/56
Duncan Brothers & Co. Ltd P.	14	14	12	100	110/00	110/00	140/00
Dunlop Rubber Co (India) P.	20	15	17½	10	31/94	35/00	39/12
Dyer Meakin (Breweries)	30	..	..	5	26/12	26/12	33/81
Eastern Investments Ltd. P.	14	12	10	100	101/00	101/00	121/00
Electric Construction	10	10	10	10	13/50	13/81	14/12
French Motor Car	20	..	..	20	31/75	31/75	32/75
Ganges Rope	20	20	20	100	252/00	252/00	236/00
General Investments Trust P.	5	5	5	75	43/00	43/00	43/00
Gillanders Arbuthnot & Co Ltd P.	11	11	11	10	13/06	13/00	14/12
Gladstone Lyall & Co Ltd P.	..	..	..	10			
Godfrey Phillips (India) Ltd P.	40	30	..	10	22/00	22/00	28/12
Great Eastern Hotel	6	..	..	250	260/00	260/00	250/00
Hindustan Aluminium P.	Nil	Nil	Nil	10	13/06	13/19	14/62
Hindustan Motors P.	12	12½	11½	10	16/50	16/87	19/81
Hindusthan Pilkington	12	Nil	Nil	10	14/37	14/37	17/50
Hindusthan Fwyfords P.	Nil	Nil	Nil	10	15/69	15/69	14/87
Hoare Miller & Co Ltd.	6	..	..	10	4/50	4/25	5/62
Imperial Tobacco	9	9	8	10	8/25	8/37	10/00
Indian Aluminium Co. Ltd P.	15	17½	17½	10	31/69	32/00	39/75
Indian Cable P.	22½	22½	22½	10	35/50	35/50	41/37
Indian Oxygen	15	12	12	10	24/24	24/24	29/50
Indian Rubber Manufacturers P.	30	35	..	10	21/75	22/00	19/87
Indian Wood Products	30	30	25	10	27/62	27/62	30/31
Isaac Holdens	Nil	Nil	5	10	10/25	11/31	16/44
Investments and Finance P.	7½	7½	7½	100	55/00	55/00	55/00
J. K. Synthetics	3	Nil	10	10	12/75	12/81	12/50
James Wright P.	..	..	..	50	2/75	2/75	2/75
	..	..	..	1Dd	00/43	00/43	00/43
Jardine Henderson Ltd. P.	7	6	7	100	71/00	70/00	79/75
Jay Shree Industries P.	12½	..	..	10	14/75	14/81	18/62
Kesoram Industries P.	12	12	13	10	24/50	25/19	29/69
Macfarlane & Co.	..	..	..	50	4/50	4/50	6/75
	..	..	..	1Dd	1/81	1/81	2/19
Macneill & Barry Ltd. P.	8	7½	8½	100	95/00	95/00	100/00
Martin Burn Ltd. P.	27½	25	25	10	27/06	27/12	28/87
McLeod & Co. P.	15	18	..	100	230/00	230/00	210/00
Metal Box Co. of India Ltd. P.	25	19	..	10	31/25	31/25	53/75
National Insulated Cable P.	25	25	18	10	24/87	25/12	25/75
National Pipe & Tubes P.	20	20	20	10	28/50	29/00	28/75
National Rolling & Steel Ropes	15	15	15	10	24/19	24/37	21/37
National Rubber P	6½	8	10	10	10/90	10/90	12/69
National Tobacco P.	7	7	..	10	11/19	11/06	12/81
New India Investment Corpn.	..	..	..	75	53/50	63/00	59/50
Octavius Steel P.	7½	7½	..	100	..	..	..
Philips India	12	13	15	10	27/00	27/00	30/50
Publicity Society	75	75	50	4	25/06	25/06	22/62
Rallis India P.	8½	8½	10	100	121/00	124/00	133/00
Rohtas Industries P.	10	8	9	10	10/06	10/16	14/00
Sirsilk P	..	..	..	10	7/06	6/94	10/56
Sen-Raleigh Industries P.	8	8	Nil	10	17/12	17/12	15/19
Shaw Wallace P.	15	7½	12½	10	15/00	15/00	16/81
Spencer's Hotel	2½	..	..	2	1/25	1/25	0/63
Union Carbide	18	12½	15	10	30/25	30/75	43/31
Walford Transport	30	30	..	10	3/03	2/94	4/00
INSURANCE COMPANIES							
Concord of India	20	20	20	5	9/75	9/75	11/25
Hercules	26½	26½	..	10	23/50	23/50	22/56
Ruby General	13½	15½	..	8	12/12	12/12	10/81
Standard General	..	..	..	10	7/75	7/75	6/25
Triton	50	50	..	25	127/00	127/00	128/00
FLOUR MILLS							
Bengal	25	25	30	10	33/75	33/75	29/00
Delhi P.	..	..	..	10	14/00	14/00	14/00
Ganesh P.	..	..	..	12½	10/62	10/62	14/25
Hooghly	Nil	Nil	5	10	19/75	19/75	19/75
United	10	7½	10	10	27/81	27/81	27/81
OIL COMPANIES							
Attock Oil	13½	13½	..	£1	sh. 32/6	sh. 32/6	sh. 37/-
Burmah Oil P.	..	11½	12½	£1	sh.55/6	sh. 57/10½	sh. 66/6
Indo Burmah Petroleum P.	25	22½	17½	10	20/62	21/06	23/87
Tide Water Oil	35	35	35	10	37/00	37/00	29/50
PAPER MILLS							
Bengal P.	27½	20	..	10	26/81	26/75	30/00
India Paper Pulp	13	12	15	10	16/50	16/62	19/69
Orient Paper P	22½	22½	20	10	31/40	31/20	40/70
Shree Gopal Paper P.	17 6/7	17 6/7	17 6/7	10	25/50	25/50	26/62
Sirpur P	8½	8½	5	10	12/00	12/31	14/69
Star Paper P.	Nil	Nil	Nil	10	9/50	9/50	9/12
Titaghur P.	13	13	13	2½PO	3/37	3/37	3/25
	20	10	10	10AO	11/75	12/31	17/62
	20	10	10	10BO	11/75	12/31	17/62
West Coast P.	7½	..	..	100	164/00	164/00	170/00
PRESSING COMPANY							
Camperdown	11	..	..	100	110/00	110/00	104/00
REAL PROPERTY STORAGE							
Bengal Bonded Warehouse	8	8	9	A500	1,250/00	1,250/00	1,050/00
				B62½	125/00	125/00	125/00
				C100	186/00	186/00	122/6
				D12½	45/00	45/00	14/1
Calcutta Safe Deposit	..	..	..	100	7/81	7/81	7/94
Humayan Properties P.	..	..	..	10O	11/00	11/00	11/00
	..	..	..	1Dd	2/10	2/10	2/10
Midnapore Zemindary P.	Nil	Nil	Nil	85	33/25	34/00	11/00
TRAMWAYS & STEAMER							
Bengal Assam Steamship P.	7½	10	10	100	105/50	105/50	140/00
Calcutta Landing & Shipping	7½	22	6	10	21/00	21/00	34/00
Calcutta Steam Navigation	Nil	Nil	Nil	10	7/25	7/25	9/25
Calcutta Tramways P	5	5	5	£1	11/62	11/69	11/19
Fraser	..	..	..	10	10/00	10/00	10/00
India General Nav. Railway P.	..	..	..	£10	36/50	36/50	43/50
India Steamship P.	Nil	Nil	Nil	10	6/50	6/47	7/87
Port Shipping	Nil	..	..	10	17/37	17/31	15/19

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THE OUTLOOK FOR SMALL SAVINGS SCHEMES

THE modest improvement in collections from the Government's small savings schemes during the first half of the current financial year has given rise to a certain amount of exaggerated cheerfulness. Small savings have reached an all-time record of Rs. 55.33 crores, which represents a rise of Rs. 11.33 crores over the figure for the corresponding period of 1963-64. The point has, however, been forgotten that the collections are no better than the targets set. The target was fixed at Rs. 500 crores for the second plan period, but actual collections fell far short of that figure. For the third plan, a target of Rs. 600 crores was laid down. Despite the improvement in collections during the current year, it is doubtful whether the target will be attained. In view of the importance attached to small savings, the shortfall is regrettable. To the extent that the Government has failed, the reliance on taxation and deficit financing has increased.

The savings deposits of banks have meanwhile tended to increase steadily. In the case of scheduled banks they have already crossed the Rs. 500-crore mark and amounted to Rs. 527.74 crores on 31st August, 1964, compared with Rs. 476.61 crores on 31st March, 1964. Banks have succeeded in attracting more funds than the Government's small savings schemes because the facilities and service they offer to depositors are better. Savings account holders in most banks now enjoy the facility of withdrawing money by cheque, so they consider their funds to be almost as liquid as cash. In view of the uncertain economic outlook, the liquidity preference of the public has greatly increased. This apart, depositors of savings banks have gradually begun to enjoy more or less the same services as are given to current account holders. Savings funds are of great use to banks because they tend to stay with the latter for a longer period. The cost of administering them is also lower, so banks are keen to attract small savers. Their success has been helped by the fact that they have recently opened several new branches. In many areas where banking facilities are not available, the scope for attracting small savings by opening branches is likely to be considerable.

To what extent the improvement in collections under the Government's savings schemes is due to the efforts of the newly-constituted Savings Mobilisation Board, it is difficult to say at the present stage. The Board has launched a concerted publicity campaign to encourage thrift and saving. The discouraging results earlier were partly due to the lack of promotional efforts. The Board has been set up to rectify this deficiency. Among official schemes, National Defence Certificates have brought the largest amount of Rs. 31.34 crores during the first half of the current financial year. The collections from the Ten-Year Defence Deposit Certificates have amounted to Rs. 10.55 crores. Post office savings banks have increased their collections by Rs. 10.01 crores, while the Cumulative Time Deposit accounts have brought in an extra Rs. 3.52 crores.

The increase in collections from National Defence Certificates and Ten-Year Defence Deposit Certificates seems to suggest that small savers have been influenced to some extent by patriotism. The more important reason, however, may be that the returns on these Certificates are attractive—especially when considered on a tax-free basis. The rise in post office savings bank accounts is partly due to the fact that in some places cheque facilities have been introduced. But these deposits would be much larger if the standard of service was improved. Apart from the long delays involved in depositing and withdrawing money from post office savings banks, depositors are generally put to difficulties when their signatures are verified. If the authorities took steps to mitigate such inconveniences, deposits would improve more rapidly. Post office savings banks have the advantage that they enjoy the patronage of the Government, and their offices are also spread out throughout the country. Commercial banks do not have branches in many places where post office savings banks operate, so the latter should be able to attract larger funds. The prospects for mobilising savings in rural areas should be good since much of the increase in prosperity during a decade of rising agricultural prices has gone to the farmers. The earnings of industrial workers have also increased substantially, and they could be encouraged to save through small savings schemes. In particular, a part of the bonus paid to workers should be given in the form of small savings certificates.

The rise in the savings deposits of banks, and the increase in collections from official small savings schemes, look slightly puzzling considering that the capacity to save has generally shrunk due to the rise in the cost of living. The increase in the money supply in recent years has influenced the purchasing power of different people differently. The purchasing power of some has improved or at least has not suffered because their money incomes have risen; the purchasing power of others has suffered since their money incomes have not increased or have not kept pace with the rise in prices. It is possible that small savings schemes have benefited to some extent from the slump in the capital market. Since the support for industrial securities has declined sharply due to the poor outlook for corporate profits, funds have been shifted into small savings schemes which at least yield a fixed return.

But it will be difficult to promote savings in a big way unless the capacity of the people to save improves. Apart from inflation, savings have been eroded by heavy taxation. The fiscal system needs to be modified so as to enable people to save more. Banks and official small savings schemes will face keener competition in the coming months. In view of the recent increase in the rate of interest on bank deposits, the return on official savings schemes has become less attractive than it was. Since the latter generally enjoy tax exemption, it should not be difficult to increase collections, if the rate of interest is raised to a more realistic level. The growing competition from the Unit Trust of India cannot be overlooked either. The units of the Trust should become more attractive

to the extent that the repurchase facilities just introduced will improve their negotiability and liquidity. The main doubt, however, is that the difference between the selling price of Rs. 10.50 for a unit, and the repurchase price of only Rs. 10, is too wide. Some disparity between the two prices is obviously necessary to discourage selling; but the present difference seems excessive and may discourage potential buyers. A jobber in the stock market usually keeps a margin of not more than 10 paise or 12 paise between his buying and selling prices in the case of a share of Rs. 10. The units are attractive because they seem to promise a tax-free return of 6 percent up to a certain level, which is fair by current market standards. Their popularity can be increased if the difference between the selling price and the repurchase price is narrowed.

IRON ORE EXPORT PROSPECTS

THE inauguration of the Kiriburu iron ore mine last week by the Vice-President, Dr. Zakir Hussain, undoubtedly marks an advance in India's position as an exporter of iron ore. Kiriburu has been developed with Japanese aid with the object of supplying that country two million tons of ore a year under a long-term contract. The mine and the ore crushing plant have cost Rs. 11.2 crores, about a third of it in foreign exchange; but it is stated that if the plant is worked at its full capacity for six months, it will be able to earn the foreign exchange expenditure incurred on it. The installation of mechanical ore handling equipment at Visakhapatnam port, which is likely to be completed in mid-1965, will determine Kiriburu's progress to capacity production. Meantime, Japanese steel mills have agreed to buy 35,000 tonnes of ore between June 1964 and January 1965, and the present output at Kiriburu is limited to this tonnage. However, the Government's ultimate objective is to convert Kiriburu into a captive mine of Hindustan Steel, and develop the Bailadila mines to produce six million tons which will be earmarked for export to Japan.

Iron ore has been assigned a crucial position in the Government's plan to step up export earnings to Rs. 5,100 crores during the fourth plan. Experts in Yojana Bhavan and in the Government have pitched the fourth plan iron ore export target at 25 million tons a year, which will bring in about Rs. 95 crores worth of foreign exchange. It is claimed that surveys have confirmed the possibility of an external demand of 25 million tons by 1970-71, of which the offtake by Japan alone may be as much as 14 million tons. It is true that Japan is aiming at a steel production target of 48 million tons by 1970, as against her output of 30 million tons in 1963. Since she depends on foreign ore for over 80 percent of her requirements, there are big opportunities for ore exporters. But it is easy to exaggerate Japan's preference for Indian ore. Recently many new sources of supply have been developed, notably in western Australia, Africa and South America, and Japan has been signing contracts to buy ore from these countries. Substantial quantities will also be bought from Canada. Western Australia, particularly, promises to become a very large producer, and a number of U.S. mining groups are associated with her plan to become a leading exporter.

The Japanese steel industry has understandably sought to diversify its sources of supply, and efforts have been made to keep down imports from any single source to 20 percent of the total. Furthermore, the Japanese have not been satisfied with the price of Indian ore, which is considered rather high. For instance, it was pointed out some time ago that the landed cost of Indian ore in Japan worked out to 26 U.S. cents for a unit of ferrous content, as against the average cost of only 23 cents for all imports. In fact, a member of the Japanese team, which is now in this country in connection with the inauguration of the Kiriburu project, observed a few days ago that if Indian ore was only competitively priced, there would be no limit to increasing the collaboration between the two countries. He even foresaw possibilities of collaborating with India in setting up a steel plant in return for ore shipments.

A major element in the ore price is represented by transport costs, which in India account for as much as 40 percent of the f.o.b. quotation. By lowering internal transport rates and arranging economic sea transport with the help of bulk carriers, Indian ore prices can be made more attractive. But the big question is whether this can be done in time. For instance, the development of Visakhapatnam port, work on which began six years ago, is still unfinished—a factor which is responsible for slowing down Kiriburu and holding back the ore export programme. Other port development projects are being implemented to provide facilities for ships of larger tonnage and for mechanical loading. It is estimated that ports on the east coast will be able to cope with 18 million tons—Visakhapatnam eight million tons, Madras five million tons, Paradip three million tons and Haldia two million tons. Ore-handling facilities are also being developed at Mangalore and Marmagao on the west coast. It remains to be seen whether these schemes, together with plans to link the ore mines with coastal outlets, will materialise in time.

The high quality of Indian ore has been a major selling point, but with the evolution of beneficiation techniques this advantage is wearing thin. The rapid development of ore preparation, especially pelletising, has been particularly welcome for Japan, whose coast-based steel plants are not able to find space to establish processing facilities. So there is a distinct preference for pellets. In fact, Japan has already agreed to buy six million tons of pellets from a U.S. steel firm over a period of six years. The shift away from raw ore towards prepared ore has prompted a firm in Goa to set up a pelletising plant.

Apart from Japan, to whom India plans to sell 14 million tons a year by 1970-71, the other outlets are eastern Europe, whose annual offtake at the end of the fourth plan is estimated at 6 million tons, and western Europe which may lift 5 million tons. Here again, the competition from countries like Brazil, Sweden, Canada and Russia cannot be under-estimated. The success in tapping these markets will mostly depend on being able to quote an attractive price and adhering to delivery schedules. Brazil, in fact, has been able to compete effectively even with Sweden in European markets. Furthermore, in Europe too there is an increasing preference for pellets instead of raw ore.

Thus the implications of a 25-million-ton export programme are far-reaching, and include simultaneous development in several directions. The programme calls for substantial capital investment, a large part of it in foreign exchange, and closer co-ordination of efforts in various fields. A shortfall in any one of the projects can hamstring the entire export programme, as the delay in the work at Visakhapatnam has proved. Nevertheless, the fact remains that iron ore exports will pay an increasingly large part in India's export plan. With iron ore deposits running to 21,000 million tons, which is a quarter of the world's total resources, it is only natural that the country should depend more on this commodity for its foreign exchange earnings.

I.C.I.C.I. FINANCING TECHNIQUES

IN the ten years of its existence, the Industrial Credit and Investment Corporation of India has grown into a big financing institution. It has assisted more than 300 companies, and the total assistance amounts to nearly Rs. 100 crores. Many of the companies are in non-traditional industries. Of the projects assisted so far, 130 have been completed and 110 are being implemented. To determine its investment decisions and to safeguard its investments, the Corporation has evolved its own procedures, and it has been trying constantly to adapt them to meet changing problems. Industrial financing has become more complex and sophisticated; it cannot be a routine or haphazard decision, but involves detailed negotiations, informed consideration and endeavour to meet on a common ground.

Last Friday, the I.C.I.C.I. held in Bombay a conference—the first of its kind—of its constituents in order to secure a better understanding of the various problems that entrepreneurs face and to find ways of tackling these problems. Welcoming the participants, the chairman, Mr. G. L. Mehta, said that industrial enterprises must accept financial planning and discipline with the increased use of development loans for their establishment and expansion. Entrepreneurs seeking assistance from the Corporation often felt that they did not have the freedom to do what they liked. But that was quite natural, for they were handling other people's funds and were, therefore, responsible for the way in which these funds were used. In the West also, industry has become subject to essential financial discipline as it has tried to use institutional funds like those of insurance companies. Mr. Mehta said that "this is a process which is inevitable, and we cannot stop it". The Corporation looked not only to the successful completion of the project, but also to the long-term growth and prosperity of the concern.

Mr. Mehta highlighted the Corporation's methods of appraisal of borrowers' creditworthiness. It insisted on a certain minimum equity-debt ratio, allowances for preliminary and pre-operative expenses and market surveys. The Corporation has received many proposals where the equity of the company is much smaller than the debt proposed for it. The I.C.I.C.I. has always insisted on a strong equity position and exceptions are made only in some rare cases of highly capital-intensive industries such as aluminium. By and large, a company with a high equity-debt ratio finds it less difficult to tide over problems like rising capital costs, delays in taking production to full capacity, a weakening of the market and the consequent need to finance stocks. The chairman said that the Corporation had built up some experience in industrial financing and had learnt from it. Thus, while making cost estimates, many entrepreneurs do not make adequate provision for such items as preliminary and pre-operative expenses. Very often these items rise to as much as 30 percent of the project cost estimates. Where they are not adequately provided for, cost estimates have to be revised: additional financing and the mode of financing them again need to be considered.

Mr. Mehta said that clients did not always find the requirements insisted upon by the Corporation palatable. But the I.C.I.C.I. has a responsibility to shareholders and to the Government. Therefore, it has to have uniform criteria for all projects; flexibility is exercised in relation to, and not at the cost of, these criteria as they aim at ensuring the viability of the project. The I.C.I.C.I. appraisals have gained acceptance and it is necessary that strict standards are followed in the long-term interests of the projects. Most projects need support from more than one financial institution, both as a result of the stagnant capital market and increase in the size of projects. The I.C.I.C.I. welcomes joint financing. Since the procedures adopted by various financing institutions differ, there is need to co-ordinate the approach to these institutions to avoid delays in arranging finance.

The I.C.I.C.I. chairman drew attention to the variety of problems faced by industries. Many projects face teething troubles at the operational level. Some face raw material or skilled labour shortages. Many projects completed in the last two years have come up against marketing problems. In some cases, differences within the management have arisen. As Mr. Mehta said, managements themselves need to be vigilant and efficient in dealing with these problems. The agenda notes circulated at the conference bring out the marketing difficulties faced by certain industries in the country. These difficulties arise mainly from imported stocks, simultaneous entry by a large number of producers and the high cost of production. Certain industries like low-tension cables, electric meters, sanitaryware, hardboard and particle board have suffered from a shortfall in demand as a result of shortages in the production of key industries like cement.

Current News and Comment

Cotton Prices Soar

Cotton prices have risen spectacularly over the past few weeks. The March hedge contract which had been marked down to Rs. 721.50 on 6th October, touched a high of Rs. 760 a 3 quintals on 14th November. Never in the past has the hedge contract been known to have fetched so high a price at this time of the season—not even when the carry-over from the previous season was very poor. The rise has been even more marked in the spot quotations for new crop cottons, the increase ranging from Rs. 50 to Rs. 75 a candy. Nearly all the varieties are quoted Rs. 30 to Rs. 40 a candy above the basic ceilings. The steep rise in prices has intrigued many observers because it has happened despite a record carryover of 2.619 million bales (2.354 million bales Indian and 265,000 bales foreign) from the previous season and prospects of another good harvest.

It is true that there have been some reports of damage to the cotton crop in Khandesh and in certain tracts of Punjab, but according to well-informed observers, the 1964-65 crop is unlikely to be less than 6.2 million to 6.3 million bales, against 6.150 million bales in 1963-64. The flow of new crop arrivals has, however, been rather poor, but this seems due less to any serious damage to the early moving crops in Khandesh and Punjab than to the reluctance on the part of growers to part with their produce because of the general inflationary psychology in commodity markets. Enquiries with the trade indicate that there has been quite a good deal of speculative holding of stocks by traders who had hitherto been engaged in the food-grains business and whose activity has now been severely restricted by Government intervention.

Speculative activity in futures is known to have assumed serious proportions; about half a dozen big speculators are reported to have accumulated long positions to the extent of 350,000 bales. The market has not been faced with any kind of payments difficulty so far. But that does not necessarily mean that the authorities do not need to bother about the situation obtaining in the market. The steep rise in cotton prices in spite of plentiful supply is a matter which needs the market authorities' careful attention. This has become all the more necessary because under the scheme of partial control, cloth prices are linked with cotton. All efforts at making available popular varieties of cloth at reasonable prices will be set at naught if cotton prices are allowed to continue near the ceiling. The rise in prices has brought the export business in Bengal Deshi virtually to a standstill. The abolition of the export duty on Deshi cotton has in no way improved the competitive position of Indian cotton in overseas markets.

Trends in Company Financing

The buoyancy of the new issue market, as portrayed in the article entitled "A study of capital issues based on prospectuses issued by companies during 1963-64" by Messrs S. M. Dugar and Surendra Kumar and published in the October issue of *Company News and Notes*, seems to be exaggerated. Although the total capital raised through 78 prospectuses was Rs. 47.71 crores during the year ended March 1964, it should not be forgotten that the bulk of the issues had to be subscribed by the underwriters themselves. The response of the public thus was poor. The concern is the greater as the underwriting facilities, in particular, offered by the existing financial institutions are likely to be less freely available in the coming months, since a large part of their funds has already been blocked in new shares. It is possible that the Industrial Development Bank, enjoying access to official funds, will take great interest in underwriting. But that will not help solve the basic problem of attracting the savings of the community for productive purposes. The prospect for equities and preference shares has suffered a great deal due to the unrealistic fiscal policy of the Government. Investors cannot be expected to risk their money in industrial ventures unless the outlook for dividends and growth in the corporate sector is improved by abolishing at least the taxes on dividends and bonus shares. The treatment of bonus shares as capital gains is considered iniquitous.

The total capital raised through 78 prospectuses during 1963-64 was larger than the capital raised during any of the previous three years. (During 1962-63 the total was only Rs. 31.12 crores.) During 1963-64 there were as many as 26 big issues. Although there was a small increase in the preference share component of the total capital issued, equity shares predominated as they had done formerly. The participation of foreign collaborators in the total capital issued dropped slightly during 1963-64. But their contributions nevertheless ranked next to subscriptions by the general public, including underwriting institutions. Subscriptions by promoters, directors and their friends ranked next to those of foreign collaborators. The participation of the Government in the total capital issued also showed a small increase.

The bulk of the project costs were financed by capital issues, as in former years, although the contribution from this source was slightly smaller in 1963-64 than in 1962-63. The other important source of finance was represented by long-term loans provided by foreign (particularly American) financial institutions, Indian Government-sponsored financial institutions and Indian banks. There was a sharp rise in foreign institutional loans, which amounted to nearly 15.7 percent of total project costs, compared with 2.8 percent in 1962-63. Indian Government-sponsored financial institutions gave loans of Rs. 16.7 crores, compared with Rs. 6.07 crores in 1962-63. So the aggregate institutional financial assistance in the shape of participation in the share capital and by way of long-term loans amounted to Rs. 18.60 crores, against Rs. 6.30 crores in 1962-63. Foreign collaborators participated financially by subscribing to the share capital of various companies. But their subscriptions were largely made for consideration other than cash—to provide technical know-how, equipment, patents and trade marks, etcetera. In the case of four companies, the foreign collaborators' share in the issued capital varied from 50.2 percent to 60 percent. The loans given by foreign collaborators were very insignificant, although substantial long-term loans were extended by foreign financial institutions. Foreign funds in the form of subscription to the share capital and in the shape of long-term loans, particularly those provided by financial institutions, financed about 25 percent of the project costs.

The average cost of raising capital, as a percentage of project costs, dropped from 1.9 percent in 1962-63 to 1.7 percent in 1963-64. Of the 78 issues, 60 were underwritten. State-sponsored financial institutions contributed to 45.6 percent of total issues underwritten.

Ferrous Scrap Export Policy

The Iron and Steel Scrap Association of India has from time to time made useful suggestions to the Government for encouraging the export of ferrous scrap. The Association's contention that plenty of surplus scrap is available in the country, has never been seriously controverted. Yet, the export policy for ferrous scrap has continued to be extremely restrictive, which has hit scrap collections. At a time when the Government has been trying to boost the export of even essential commodities through all sorts of incentives, the restrictive export policy for ferrous scrap is difficult to appreciate. The policy for the October 1964 to March 1965 period belies hopes that the Government might concede the trade's plea for the removal of restrictions which had been hindering the export of ferrous scrap. The continuance of the restrictions on the export of No 1 sheet cutting, steel turnings and borings and the ban on the shipment of heavy melting scrap, have greatly disappointed the scrap trade.

The policy is considered unhelpful, and totally inadequate for improving surplus scrap collection and export. In addition, the policy has imposed quota restrictions for skull scrap and detinned scrap. It is feared that such a step will force the detinners to keep 40 percent of their capacity idle. The trade feels that the excessive restrictions of the current policy have seriously undermined the prospects of exporting uncollected waste in scrap, and the scope for maintaining the export earning at the level of Rs. 5 crores has been made difficult and uncertain. That a policy based on quotas should omit to state the quantities of such quotas is considered rather extraordinary. The numerous reservations and contradictory enumerations contained in the policy is likely to lead to discrimination.

While welcoming the continuance of barter scrap export, the trade is unhappy over the Government's decision to restrict barters to an export quantity of scrap which is not disclosed. Such a decision is neither in keeping with the Government's admission that large quantities of scrap are wasted uncollected for want of export incentive, nor is it justified in view of the need to import scarce steel items. Imports of the steel items are severely limited because of the foreign exchange shortage, and scrap export has sharply declined for want of incentive to compensate the export loss. The trade points out that by guaranteeing barters against all exports of scrap, both the purpose of promoting scrap export and finding the foreign exchange for importing steel items in short supply would have been served to some extent. Shipments of scrap in October fell to a new low of 18,573 tons, compared with 28,630 tons in September and 37,782 tons in October 1963. The October figure raises the total exports for the ten months of the current year to 261,000 tons, against 285,000 tons in the same period last year.

World Monetary Debasement

The new administrations in the United States, Britain and Russia promised to effect immediate monetary improvements for their bankers or in Moscow's case, for their creditors. They did not forget to "florify" their currency units and, naturally the bonds in which the latter are established. According to the November issue of *Pick's World Currency Report*, this propaganda—uninterrupted for more than half a century—becomes a "joke in retrospect". No currency whatsoever has been able to conserve its value. The *Report* suggests that it would really be a service to humanity if, in every country and on every poster advertising government bonds as the finest investments, a little sticker were to be posted with the following table:

Prices at end of month

Commodity	Listed in	Aug. 1939	Oct. 1964	Percentage increase
Cocoa	London, sh. per swt.	21/6	185/9	764
Coffee	New York, ¢ per lb	5.80	47.50	719
Copper	New York, ¢ per lb	10.50	65.00	519
Wool	British auctions 64's d a lb	20.75	118.00	473
Tin	New York, ¢ a lb	48.75	218.50	348
Cotton	New York, ¢ a lb	8.82	31.80	261
Zinc	New York, ¢ a lb	4.75	16.50	247
Sugar	New York, ¢ a lb	1.90	6.38	236
Corn	Chicago, ¢ a bû	43.63	139.00	219
Lead	New York, ¢ a lb	5.05	15.50	207
Wheat	Chicago, ¢ a bû	67.25	205.00	205
Rubber	London, d a lb	8.25	21.25	158
Lard	Chicago, ¢ a lb	5.45	11.25	107

These most important agricultural and industrial raw materials, expressed in paper dollars of 45 percent and in sterling of only 24 percent of pre-second World War purchasing power, once again show how the unfortunate owner of government bonds of any country has been cheated by the various currency administrations which pretended to protect him. If one would try to establish some sort of an index of these prices, the result would be simple, namely, that for the last 25 years, the paper-quotations of the above-mentioned commodities or metals rose an average of 13.7 percent every year. The *Report* concludes that it is useless to think of any kind of honesty being injected into the treatment of all the unfortunate people who bought bonds, life insurance

policies, annuities and many other items of fixed paper value.

British Bid for Far East Markets

Birmingham business men are planning to join a second working group to the Far East between February and April next year under the wing of the Birmingham and London Chambers of Commerce. This time the "target areas" will be Japan, Hongkong, the Philippines and Thailand. The group from the two Chambers which visited Japan and Hongkong last autumn reported business booked or in prospect of between £2 million and £3 million. The increased number of firms interested in the group next year has made it necessary to fix a ceiling of 20 to 25 on the number to be included for any one territory. The list of companies from which the final selection of group members will shortly be made is now being compiled in Birmingham and London. It is hoped to be able to provide for business men wishing to make the whole tour and for others who intend to visit individual territories only.

The objective of the group will be to help members taking part to book business. Whether or not individual members are new to the market, the prestige which they enjoy as members of a sponsored group from the two biggest British Chambers of Commerce increases very substantially the number and calibre of business contracts and the prospects for new business possible in a few days. The group plans to leave Britain on 25th February for Japan and to be there for 16 days. It will be in Hongkong, the Philippines and Thailand for ten days each. Commenting on the territories chosen, Mr. Robert Booth, Secretary of the Birmingham Chamber of Commerce and adviser to the trade mission to Japan in 1962 under the leadership of Lord Kilmarnock, said: "Each of the four markets shows increasing possibilities for British industry and we have been encouraged by our commercial representatives to take the initiative now in mounting selling groups. Members of the group last year thought that we could increase our sales to Hongkong in many capital and consumer lines by personal visits and by intensive promotion.

Customs and Excise Reorganisation

The Central Finance Minister, Mr. T. T. Krishnamachari, spoke frankly in his inaugural address at the three-day All-India Conference of the Collectors of Customs and Central Excise in Madras last week. Ministers do not usually complain about their own departments in public, presumably because it may have the effect of demoralising the officials and the staff concerned. But when Mr. Krishnamachari criticised the Customs officials at the lower levels, he was undoubtedly voicing the opinion of the general public. He referred to the complaints of discourtesy and harassment by Customs officials and said that while ordinary people were subject to needless annoyance, the real culprits were allowed to escape. An enormous amount of money is lost to the Exchequer due to smuggling activities, especially at the ports, but curiously enough, even confiscated goods disposed of by auction subsequently come back to the profiteers in the trade. Mr. Krishnamachari, therefore, candidly said that the conduct of Customs officials appeared to be not as good as it ought to be, and that something should be done to tone up the administration on the preventive side. But he did not disclose what measures he proposed to take. It is interesting to recall in this context that the Government has done little yet about the recommendations of the Central Excise Reorganisation Committee, although it made several recommendations for streamlining the collection machinery and to rationalise the structure of excise duties.

Mr. Krishnamachari's speech at the conference, however, gave some general hints about how he might go about framing his next Budget proposals. Comparing Customs and excise to "bread and butter in the financial cupboard of the Government," the Minister emphasised the importance of indirect taxes like Customs duties to meet the growing public expenditure. The collection of indirect taxes, the Minister said, was much more difficult than that of direct taxes. And he indicated the following three lines on which Customs and excise reorganisation could be brought about: firstly, the excise duties which have proved unremunerative should be removed from the list. The Minister said in this context that the Government should not levy any duty that would not yield about a crore of rupees. Secondly, the levies should be compounded in as many cases as possible, although the system of compounding may work against the Exchequer. Thirdly, both the Customs and excise administration should be reorganised since there is a "public feeling that wrong-doers are in close touch with the officials. There is something very rotten in the whole system of recruitment of the cadres in the Customs and Excise Services." Mr. Krishnamachari was right when he said that quick Customs clearance would reduce the chances of corruption and that Customs Collectors of Calcutta, Madras and Bombay should meet periodically to evolve uniform procedures for exercising discretion in appraising the value of goods at the ports.

The task of reorganisation is urgent because Customs and excise account for half the aggregate revenues of the Central Government. The 1964-65 Central Budget estimates place the gross revenue receipts from Customs at Rs. 337 crores and from excise duties at about Rs. 770 crores, which make a total of Rs. 1,107 crores. The Minister was obviously worried about the problem of evasion. He did not frankly admit that high taxation is responsible for the growing tendency to evade the duties, but surprisingly was reported as saying that he would be content if the Government could get 65 percent of the taxes due.

Making Cheaper and Better Steel

India was once a low-cost producer of steel. But that distinction she has already lost. It has been a standing complaint of consumers that the landed cost of many items of steel from as far a country as Belgium is cheaper than the corresponding domestic selling prices. The Government steel plants, in particular, are high-cost producers, yet no major effort is being made to bring down their costs. This question provided the main theme of the opening day's speeches at the metallurgists' meeting in Durgapur last week, which was held to observe the Second National Metallurgists' Day. The Central Minister for Steel, Mr. N. Sanjeeva Reddy, who inaugurated the function, said that India was aiming at self-sufficiency in steel in the near future, but she cannot make cheaper and better steel. She should be able to evolve her own techniques to utilise her resources to the maximum extent possible and bring down production costs. India's resources in metallurgical coal and nonferrous metals are, in the light of the current knowledge and experience, somewhat limited, while the demand for them is on the increase. It is hoped to meet the situation by increasing the tempo of exploration and investigation and the development of indigenous resources, but first of all, it is necessary to think in terms of conserving the country's known resources and improving the economics of production, the Minister said. In this effort, the metallurgists have an important rôle to play.

Dr. D P. Antia, who presided, took up the same theme. He emphasised that the efficiency in industry "should be geared up" to reduce cost and increase production. Under present-day conditions, costs are rising, but price increases are becoming difficult to obtain. Either because of competition or Government price control, many organisations are taking firm measures to reduce cost, eliminate waste and increase productivity. It is important that all industries, especially metallurgical enterprises, should keep down their costs, while improving the quality and the rate of their output through better and more scientific techniques. Another important speaker, Mr. D. G. Bell, general manager of the Durgapur steel plant, stressed that intensive research played a fundamental part in the economic production of metals. The development of the steel industry in India started with a limited technological base, while most modern methods of steel-making which yield quick results and mass production, have been adopted. The rate of expansion of the Indian steel industry is comparable with that in postwar Italy or Japan, but this country lacked the strong industrial base which the former had. However, with the stabilisation of production in the three public-sector steel plants and expansion of the two in the private sector, the country has now reached a point where research and training have become more vital. India is far from the stage when she will have to sell her steel in a highly competitive consumer market, which always demands better and cheaper steel, but "a complacent attitude born from a long-prevailing sellers' market will prove harmful to the interests of the industry and the country." A school of thought which emphasised the need for maximising output in order to bring down production costs, as depreciation and overheads account for a fairly large proportion of the cost of steel in India, was also represented, but it did not sufficiently stress that increased production would not necessarily lead to better quality. Research and training are very vital for the development of the steel industry along sound lines. They must be an integral part of any productivity drive concerning the country's metallurgical undertakings.

"CAPITAL" CHRISTMAS TOY FUND

We acknowledge, with thanks, the receipt of the following donations for the 1964 Fund:

Rs. 101 each
Kumari Jayshree Birla, Kumari Manjushree Birla.

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Rs. 50
Indian Copper Corporation Ltd.

Rs. 25 each
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Rs. 20 each
R.E.H. Nelson, Hercules Insurance Co. Ltd.

Rs. 10 each
J. A. Borthwick, C. Mackertich.

Rs. 5 each
P. Mandal, R. Barendsen.

Total Rs. 572.

Previously acknowledged Rs. 1,330.71.

Grand Total Rs. 1,902.71.

SHODDY FIRMS

FROM time to time we have received complaints regarding shoddy firms of a two-fold kind, that is to say, from both the sellers to and the buyers from these firms, and we, therefore, think that the moment is opportune to sound a note of warning on the subject. People in the mofussil are dazzled by advertisements of *something* at a ridiculously low price. In the majority of cases when they get the goods, and in some instances they are not so fortunate as to get anything, disappointment ensues. The goods are not what their fancy depicted and are dear even at the cheap price paid for them. We cannot too strongly advise our readers in the mofussil to be careful with whom they deal. There are a number of old established and respectable trading firms in every large town in India, and if people would confine their dealings to them they would be far more satisfied in the result. There are a number of apparently European firms, the partners in which are general natives. We would advise manufacturers in England to be extremely cautious in dealing with them and never to execute an order unless a substantial remittance accompanies it. The balance can be drawn for with documents attached. It must be borne in mind that though a manufacturer executes an order and sends the Bill of Lading and other documents through a Bank, it does not follow that the man who has ordered the goods will honour his draft, and in that case the goods are thrown upon the market and sacrificed at a small proportion of their cost. An indentor out here, who has paid 25 percent of the price of the goods, will think twice before he refuses to take up the draft drawn in respect of the balance, and this is why we emphatically recommend manufacturers when trading with an unknown firm to require cash deposit or a first class bank reference.

FROM

CAPITAL

17th November, 1904

A Ditcher's Diary

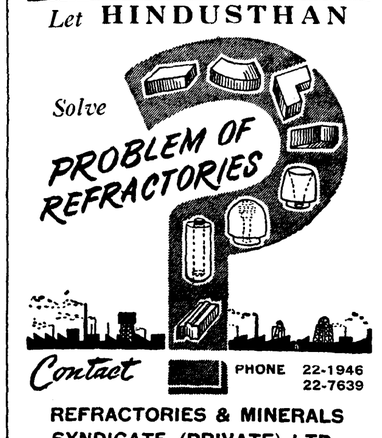
IT WAS A VERY MODEST GOVERNMENT THAT FACED Parliament this week—with, as Winston Churchill said in another context, a great deal to be modest about. It had surely been foreseen that food would be the two Houses' first concern. Yet the Rajya Sabha was left to the care of a junior Minister of unknown competence; in the Lok Sabha, candour may have helped Mr. Subramaniam who is unlikely to claim that his speech showed much evidence of preparation. I do hope the Prime Minister himself will soon make a detailed statement on his Government's food policy, if it has one; this is far more important than raising the issue of China's bomb at the United Nations. (What good will that do to man or beast?) Undaunted by the divisions within his Party, Professor Hiren Mukerjee launched his attack in style; it's a pity that Dr. Ram Manohar Lohia had a bad throat and was, in any event, about to leave the capital for campaigning in Phulpur against Mrs. Vijayalaxmi Pandit. On present showing, the session promises to be interesting; it is to be hoped that the Congress benches will also produce some good speakers. According to a report I read somewhere, a German recently told a visiting Indian delegation, "You are good in articulation, poor in implementation". The second part of the statement is incontrovertible; but how good are our parliamentarians in articulation? I have heard of members who never once spoke in five years. An Opposition member of the Lok Sabha, an implacable enemy of the English language which he speaks better than most people, told me the other day, "Well, I heard the English spoken by most of my colleagues and immediately I decided that English must go". Professor Hiren Mukerjee belongs to an earlier generation of Indian politicians. But how good are the others in their own languages? There again, I think, the Opposition is better endowed. Mr. Annadurai of the D.M.K., I am told, speaks excellent Tamil; Dr. Lohia's Hindi can be biting. We want some good speeches at least for our money; and a lot of money it is.

WITHOUT, I'M SURE, WISHING TO BE TAKEN wholly seriously, a friend told me some five years ago, "Just wait a while; and you'll buy your own hydrogen bomb at Woolworths for sixpence a go—unless you decide to make your own in your backyard". There is no reason yet to believe that Indonesia really has an atom bomb or a pile of I.C.B.M.s; Dr. Soekarno has always been good at talking big. But, given time, there is no reason why Indonesia or Ghana should not be able to produce nuclear devices of a sort. The Indonesian claim has already made India's *bombwallahs* scream, "Then why not us? Many of these gentlemen, incidentally, are the ones who shout loudest when there is a fresh tax which, of course, they make every effort to dodge. The other side of the question surely is that, if everybody has nuclear bombs, what superiority will they give India? It is distressing that Mr. Shastri and Mr. Menon keep saying that India will not make a bomb, come what may. Has it never occurred to Indian politicians that, in comparison with their tribe elsewhere, they talk far too much? It is not really necessary for India to have an opinion on every question in the world; far less is it necessary to express views on every question. It was Mr. Shastri who recently pleaded for a meetingless day a week for the bureaucracy. I know it is much more difficult to enforce any such discipline on politicians; but I suggest he set an example by attending as few conferences as possible. Mr. Kamaraj's inadequate acquaintance with the English language makes him agreeably reticent; I understand, however, that even in Tamil he is a man of few words, his usual comment on almost everything being, "Let's wait and see". The fall-out of the current bomb-talk has been so fantastic that the real problems facing the country are already obscured. What, for instance, is going on in Orissa or Kerala? And what is New Delhi doing about it all? Mr. Shastri's "hundred days" have been over for some time; some may soon want to know the score.

NOT HAVING BEEN PERSONALLY AFFECTED, THE MAIN point which struck me about Britain's autumn Budget was that it does not really appear to have been necessary. In saying this I am not seeking to associate myself with the comment made in the House of Commons by the former Chancellor of the Exchequer, Mr. Maudling, that the Labour Government is deliberately exaggerating the country's economic difficulties as an excuse for introducing socialist tax measures. I do think that Britain's predicament is a serious one, and that drastic steps are justified in dealing with it. But what I have not been able to understand is why Mr. Callaghan should have invoked all the drama and background explanation traditionally associated with a full-scale Budget for what in fact turned out to be mainly the formal legal presentation of measures already announced—the 15-percent surcharge on manufactured imports and the export incentives—and a varied assortment of promises for the future. The only definite taxation proposal was the increase in petrol and diesel oil duties, which could certainly have been introduced without so much fuss. All of which, I must confess, adds support to the Opposition claim that Labour's main concern is with the next election, not with correcting the balance of payments or making industry more modern and competitive. So, for that matter, do some of the concessions announced for next April, which the new Government is now explaining away on grounds of elementary social justice. I should not like to commit myself to an opinion on this question, although I have been asked to do so on several occasions. What I will say, however, is that it has taken the Labour Government a remarkably short time to re-establish the image that cost it so many votes in the general election, that of being the Party of austerity and high taxation. Mr. Callaghan might not agree, but I suspect he will find that this impression persists long after the actual tax increases have been absorbed and forgotten. And in the growing atmosphere of liberalism which nowadays characterises the economies of the opulent West, such an image could prove to be a sure-fire election loser when Labour next finds itself at the polls.

IT HAS SADDENED ME RATHER TO LEARN OF THE attitude some in this country are taking towards the proposed visit of Pope Paul to Bombay in December. What, I have been asking myself, is happening to our much-cherished tradition of religious toleration? It is an honour that India should have been chosen for the first visit by a Pope to the East; one cannot imagine his going to, say, Peking. It is also significant that this country, where Christianity established itself even before it had taken hold throughout Europe, should be featured in a new programme of Papal action designed eventually to break with a centuries-old past which has not always been devoid of bigotry and intolerance. One would have thought that India might welcome such distinction; I still hope we shall be broad-minded enough to be worthy of it. Perhaps Pope Paul himself has not made things easier by his reported statement that he is coming here as a missionary, although that does not necessarily mean that his mission is one of conversion. What needs to be understood is that the decision to come at all is a courageous one. The present is the beginning of a new era in Christian thinking, one which dates its origin no earlier than the reign of Pope John, Paul's predecessor. It is a departure in search of wider horizons, greater understanding and, perhaps above all, a more tolerant approach towards spiritual problems the world over. One would have expected that the imagination of people in this country, traditionally the most religious in the world, would have been stirred by such a venture. I can only hope that our attitude towards Pope Paul when he comes here does not serve to convince him that these first tentative experiments in wider Christian understanding of human problems is not worth persisting with. It does seem to me that adherents of spiritual religions throughout the world have a





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PRESS NOTE

The Uttar Pradesh State Electricity Board has resolved to float a loan of the nominal value of Rs. 400 lakhs redeemable at par at the end of 12 years. The bonds will carry interest at 5% and will be issued at Rs. 99.75 per cent. The issue will open on November 23, 1964 and will be closed on November 28, 1964 or earlier.

Subscriptions will be received at the Head Offices of the State Bank of India at Calcutta, Bombay, Madras and New Delhi and at all branches of the Bank at district headquarters within the State of Uttar Pradesh. The Head Office of the State Bank of India at Calcutta will be in charge of the issue and management of the bonds. The bonds are fully guaranteed by the Government of Uttar Pradesh in regard to the repayment of the principal and payment of interest. The bonds will be trustee securities under the Indian Trusts Act, 1882 and also approved securities for the purposes of the Insurance Act, 1938 and the Banking Companies Act, 1949. The bonds will also be treated at par with Government Securities for the purpose of advances to Scheduled Banks and State Cooperative Banks under section 17 (4) (a) of the Reserve Bank of India Act, 1934 (II of 1934). The Electricity Board will be providing in each financial year from 1964-65 to 1976-77 (both inclusive) for contribution to the U.P. State Electricity Board Bonds Redemption Fund such sums as, together with interest thereon, will amount to the total nominal value of the bonds by the time the repayment of the bonds becomes due.

2. All sections of the investing public are requested to extend full support to the bonds now under issue.

3. The issue is in terms of the Bond Prospectus, copies of which can be had from the aforesaid offices of the State Bank of India.

B. B. Lal, ICS.,
CHAIRMAN,
Uttar Pradesh State Electricity Board,
Lucknow.

common interest these days in closing their ranks against the encroachments of the essentially materialist dogma of communism.

THE INTEREST U THANT SHOWED IN THE FATE of Mr. Khrushchev after his fall from power struck me at the time as an interesting new departure in international politics. I would respectfully suggest to the U.N. Secretary-General that if he is going to make a habit of this sort of thing, he will soon have no time left for anything else. But it was the kind of gesture which could, if repeated in future whenever necessary, contribute to the spread of more civilised political practices in certain parts of the world where at the moment there is an all-too-noticeable absence of such things. In this case, it might well have saved Mr. Khrushchev from treading the path followed by so many of those at whose downfall he himself connived during the Stalinist era. It is one of the more encouraging aspects of the world scene that in recent years there has been a marked weakening of the old traditions governing the disposal of outed political opponents. I suppose Cuba was the last instance of the really classical blood-bath method being used to eliminate a superseded *regime*. It revolutionary governments are now beginning to cultivate the habit of deferring to world opinion before killing off all potential rivals, then we may have taken a decisive step towards more humane and therefore more democratic, methods of governing nations. I may be wrong here, but I have a feeling there is already a branch of the U.N. whose business it is to look into such matters. If so, it is time we heard more from it. I recall a cartoon in a London evening newspaper published just after the Conservatives had lost the election, and Sir Alec Douglas-Home was busy forming his shadow Cabinet. The scene was a meeting of the Party's leaders in the Conservative Central Office with Sir Alec in the chair and a worried-looking secretary with a telephone in his hand just explaining: "Gentlemen, it's U Thant wanting to know what we have done with Butler". Perhaps that would be going a little too far. But the periodical flashing of political knives is something the world could get on very well without, and if U Thant can do something to stop it, he has my moral support.

MR. JUSTICE TEK CHAND HAD ASKED THE PRESS, meaning me and my colleagues, to promote the cause of Prohibition. I declined, with as much politeness as I could muster on the occasion. My answer is the same to Mr. Santhanam who wants newspaper men to work, as a contemporary has put it, as "an unpaid branch of the secret police". The Press in India, it would appear, is required to do everybody else's job and not its own. As, I imagine, Mr. G. L. Nanda is fast discovering, lack of knowledge is the least of the Government's disabilities in combating corruption. The same goes for Authority's legal powers to punish commercial delinquents; that is why the recent ordinance was treated with such contempt. I once knew a prewar Law Officer of the Government of Malaya; he told me that, whenever the bureaucracy came to him to ask for greater legal powers to do this or that, which was often, his routine answer was, "You already have them". I repeated the story recently to a police officer of some standing and he immediately said, "It's perfectly true of India, truer today than ever before; and I'm not excluding the bad old days of British rule". My friends tell me that, since the recent raids on film stars' hoards and the later invasions in Bagri Market and elsewhere, there is a certain amount of healthy panic in circles believed to be in possession of more money than they can explain. In the United States, however, there is an old saying: "The probe is always worse than the racket". It is not too soon to wonder whether this might not be as true of India. I once heard of an income-tax lawyer who made a good thing out of frightening small traders by telling them that the "Department" would soon be after them. So large is the magnitude of untaxed wealth that almost no enquiring official can be placed above temptation. There may be no sympathy for the men now being terrorised and exploited. Is it possible, however, that corruption is now merely changing its area of operation? A number of politicians and officials will have to answer this one.

THE DITCHER.

Guide for Investors

MORE FROM NATIONAL ROLLING AND STEEL ROPES

THE National Rolling and Steel Ropes Ltd has increased its profit from Rs. 30.01 lakhs for 1962-63 to Rs. 34.15 lakhs for the year ended June 1964, after providing Rs. 5.95 lakhs (against Rs. 3.07 lakhs) for depreciation. The taxable ordinary dividend has been increased from 15 percent to 20 percent. The yield amounts to 8.3 percent at the present price of Rs. 24.12 a share of Rs. 10 each. Taxation is allocated Rs. 26.55 lakhs (against Rs. 21.70 lakhs), development rebate reserve Rs. 58,000 (against Rs. 610), dividend equalisation reserve Rs. 5 lakhs and contingency reserve Rs. 1.50 lakhs. The carry-forward is Rs. 8,895, against Rs. 10,564 brought in. Sales rose from Rs. 1.54 crores to Rs. 1.55 crores.

Although the production of the rolling and wire mills was larger than in 1962-63, the output of flexible ropes was limited because the factory is not equipped to produce more of them. In view of the increased demand for flexible ropes, the directors are considering installing new machinery to increase their production. The supply of billets is short of requirements, and unless there is an adequate supply during the current year, the production of the rolling mill may be interrupted. Meanwhile, balancing equipment have been installed, so the output capacity of the factory has increased. The Company has taken steps to export its products.

Barnagore Jute Cuts Dividend

IN their report for the year ended March 1964, the directors of the Barnagore Jute Factory Co. Ltd say that at the present price of raw jute, it has become difficult to buy fibre and sell manufactured goods at a profit because production costs have risen substantially. So trading in the current year will result in a smaller profit than in 1963-64 unless the price of fibre in the meantime declines further. Manufacturing costs will reflect the incidence of the implementation of the wage board award for a full year in 1964-65, in addition to other increases in production costs under several heads. Because of the competition from the Pakistani mills, it is necessary to maintain the quality of jute goods. Effective steps should also be taken to enable Indian mills and shippers to compete with the Pakistani mills on more equal terms.

The profit has dropped from £510,306 for 1962-63 to £309,475 for 1963-64, after transferring £48,877 (against £53,333) to depreciation. The taxable ordinary dividend has been reduced from 40 percent to 30 percent which works out to a yield of 8.6 percent at the present price of Rs. 230 a share of £5 each. Taxation absorbs £193,000 (against £290,000), general reserve £50,000 (against £132,000) and development rebate reserve £3,214 (against £14,507). The carry-forward is £7,946, against £1,341 brought in.

Ashok Leyland Raises Dividend

THE announcement of a higher dividend of 9 percent by Ashok Leyland for the year ended September 1964 (against 7 percent) was well received in the market. A substantial rise in profit is reported for the year. According to advance figures available, the net profit of the Company, after depreciation, bonus to employees, development rebate reserve and taxation, comes to Rs. 83,53,775, against Rs. 32,02,275 for the previous year. The profit, after deducting depreciation and before bonus, development rebate reserve and taxation amounts to Rs. 2,03,00,792, against Rs. 72,97,577 for the previous year. Development rebate reserve amounts to Rs. 18,50,000 (against Rs. 14,00,000). Provision for taxation gets Rs. 86,40,000 (against Rs. 21,45,402) and general reserve Rs. 36,09,000 (against nil). The proposed dividend at 9 percent (against 7 percent) amounts to Rs. 47,31,196 (against Rs. 32,07,211).

Higher Dividend from West Coast Paper

THE West Coast Paper Mills Ltd has raised the dividend for the year ended June 1964, from Rs. 11 to Rs. 13 a share. This is the second year in succession for which the dividend is being raised; the Company had paid a dividend of Rs. 8 in 1961-62. The increase in the dividend is well justified by the Company's impressive performance during 1963-64. According to the preliminary report, the turnover has increased by about 11 percent from Rs. 4 crores to Rs. 4.44 crores, while the gross profit has gone up by nearly 36 percent from Rs. 1.099 crores to Rs. 1.488 crores. The ratio of gross profit to sales has improved considerably from 27.4 percent to 33.5 percent. It is significant that this improvement has been achieved despite all-round increases in the costs of production due to higher prices of raw materials, essential chemicals like caustic soda and chlorine, and increase in freight, labour, wages, etcetera, while the selling prices of paper continued to be frozen. This became possible because of the increase in production from 27,252 tonnes to 30,213 tonnes, against the rated capacity of 18,000 tonnes.

Appropriations include depreciation Rs. 49.82 lakhs (against Rs. 39.38 lakhs), development rebate reserve Rs. 50,000 (against Rs. 75,000), taxation Rs. 51 lakhs (against Rs. 10 lakhs) and general reserve Rs. 21 lakhs (against Rs. 39 lakhs). Preference dividend absorbs Rs. 7.02 lakhs and equity dividend takes up Rs. 19.50 lakhs (against Rs. 16.50 lakhs), leaving a surplus of Rs. 6,823 to be carried forward, against Rs. 6,096 brought in. Last year, the Company had the benefit under Section 84 of the Income-Tax Act and consequently the taxation liability was less. This benefit is not available this year, which accounts for the larger liability on account of income tax and surtax during 1963-64.

The Company's working during the current year is said to be equally encouraging. Production during July-October is placed at 9,600 tonnes, compared with 8,800 tonnes in the corresponding period of last year. The Company proposes to diversify its production by setting up a balancing equipment for coating, calendering, etcetera, at a cost of Rs. 1.25 crores. The benefit of this diversification will not, however, be available during the current year as the scheme is still in the process of implementation. The Rs. 100-paid share of West Coast Paper is currently quoted around Rs. 170, offering a gross return of about 8 percent.

Tube Investments Pays More

THE working results of Tube Investments of India Ltd for the year ended July 1964, are encouraging. A satisfactory increase in production and sales, coupled with a rise in the dividend, are the bright features of the year's working. The directors' report says that in contrast with last year, the production of bicycles of T. I. Cycles of India exceeded the targeted figure by a small margin. The production of spare parts, however, showed a fair increase over the previous year's output. These satisfactory results have been achieved in face of difficulties arising out of the power shortage and the supply of unsatisfactory raw material—quite often below the required specification.

As for the working of Wright Saddles of India Ltd, the report says that the output during the year was satisfactory and the high quality of the product was maintained, although it had to meet competition from cheaper varieties. As for Tube Products of India, production and sales of tubes showed a considerable increase over those for the previous year. This was possible despite the power cut and the difficulty in securing indigenous raw material of required quality. The production of cold rolled strip in the cold rolling mill showed a substantial increase over the previous year's output. The board is considering a proposal to expand the production capacity of the cold rolling mill. The Government's approval has now been received for doubling the existing capacity.

As for metal sections, the report says that licences for the import of plant and equipment have been received from the Government and orders have been placed with suppliers abroad and in India. Referring to the working of the subsidiary, T.I. Diamond Chain Ltd, the report savs that a substantial quantity of bicycle chains was exported during the year. The prices realised in the export market were well below the cost, even after taking into account the drawback and incentive allowances. The production of industrial chains started during the year. Production and sales, it is hoped, will reach the anticipated levels during the coming year. As for T.I. Miller Ltd, it is said that the production of some of the components of the bicycle dynamo lamp commenced in January 1964. The production of all the components and the assembly of lamps in quantity got going somewhat later. As for general operating results, the directors state that although the turnover has shown an appreciable increase, the profit margin is low in comparison. This is mainly due to an increase in the cost of raw material and stores and to higher wages and salaries.

The net profit of Tube Investments of India Ltd for the year ended July 1964, amounts to Rs. 48,52,954, after providing Rs. 43,20,080 for depreciation and Rs. 51,00,000 for taxation. This compares with the previous year's net profit of Rs. 40,08,091, after providing Rs. 40,43,127 for depreciation and Rs. 45,25,000 for taxation. With Rs. 50,510 brought forward from the previous year and with Rs. 3,13,150 being the excess tax provision for prior years written back, the total available for appropriation comes to Rs. 52,16,614. Out of this, Rs. 22,50,000 (against Rs. 13,00,000) is transferred to general reserve. A sum of Rs. 1,50,000 (against Rs. 200,000) is transferred to dividend equalisation reserve. The proposed dividend of 11½ percent (against 10 percent) will absorb Rs. 28,12,500 (against Rs.

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25,00,000). The balance of Rs. 4,114 is carried forward.

Maiden from India Carbon

THE ordinary shares of India Carbon Ltd have attracted attention up to Rs. 12.81 due to the declaration of a maiden ordinary dividend of 6 percent for the year ended June 1964 in the third year of the Company's working. The yield amounts to 4.7 percent at the present price. The net profit has improved from Rs. 1.59 lakhs for 1962-63 to Rs. 13.19 lakhs for 1963-64, after providing Rs. 7.12 lakhs (against Rs. 3.65 lakhs) for depreciation. The arrears of preference dividends have been paid. The net profit amounts to Rs. 2.92 lakhs. Total reserves amount to Rs. 23.36 lakhs, against a share capital of Rs. 49.98 lakhs. The net block stands at Rs. 82.65 lakhs. Dividend will not suffer any deduction of tax because the Company is enjoying tax holiday being a new undertaking. Sales nearly doubled to Rs. 83.45 lakhs.

Indian Hume Pipe Results Impress

THE 1 percent increase in the dividend from 14 percent to 15 percent by the Indian Hume Pipe Co. Ltd for the year ended June 1964, provides little indication of the Company's impressive performance during the year. The turnover has risen by about 25 percent from Rs. 2.999 crores to Rs. 3.748 crores, and the gross profit has shot up by nearly 85 percent from Rs. 48.44 lakhs to Rs. 89.76 lakhs. Appropriations include depreciation Rs. 14.25 lakhs (against Rs. 12.09 lakhs), development rebate Rs. 2.90 lakhs (against Rs. 2.40 lakhs), taxation Rs. 40 lakhs (against Rs. 15.50 lakhs), rehabilitation reserve Rs. 6 lakhs (against Rs. 1.47 lakhs), dividend equalisation reserve Rs. 2.50 lakhs (against Rs. 11 lakhs), general reserve No. 1 Rs. 11 lakhs (against Rs. 4 lakhs), contingency reserve Rs. 5 lakhs (against nil) and debenture redemption reserve Rs. 2.50 lakhs (against nil). After making various appropriations, there remains a balance of Rs. 48,629 to be carried forward, against Rs. 145 brought in. The preference dividend amounting to Rs. 2.50 lakhs (the same) and equity dividend amounting to Rs. 9 lakhs (against Rs. 8.40 lakhs) are to be paid out of general reserve No. 2.

The directors state that three new factories were added during the year, raising the total number to 60. All these factories worked satisfactorily during the year. The prestressed concrete pipe division is making satisfactory progress, and the Company has secured a large contract for supply and laying of prestressed concrete pipe line for Jhansi Babina water supply scheme in Madhya Pradesh. The penstock division also has been making good progress. The work of supply of penstocks for second stage of the Koyna project is nearing completion and the supply of penstocks for Sharavathy project and Bhira Works is in full progress. The Company has secured the outright patents right in India from No-Joint Concrete Pipe Company of the U.S.A. for the process of manufacturing continuous concrete pipe line *in situ*. The Company's proposal for establising a R.C.C. Hume Pipe factory at Benghazi (Libya) has been approved by the Indian and Libyan Governments in principle, and steps have already been taken to register the branch in Libya for starting business. The Company is awaiting formal confirmation from the Libyan authorities concerning concessions which will be available to the Company in that country. It issued during 1963-64 7 percent debentures of the value of Rs. 20.82 lakhs at par, and this issue was oversubscribed.

Neelamalai Tea and Coffee Repeats

A DECLINE in the tea crop resulting in a higher cost of production, higher price realisation for tea due to improved demand for high-grown teas and lower profit feature the working results of the Neelamalai Tea and Coffee Estates Ltd for the year ended June 1964. The coffee crop was higher than that of the previous year and the dividend on ordinary shares has been maintained at 7½ percent. The profit for the year amounts to Rs. 7,23,118, after providing Rs. 1,29,234 for depreciation. This compares with the previous year's profit of Rs. 8,78,002, after providing Rs. 1,33,956 for depreciation. With Rs. 20,273 brought forward from the previous year, the total surplus comes to Rs. 7,43,391. Out of this, provision for taxation gets Rs. 300,000 (against Rs. 4,95,000). The preference dividend at 5 percent absorbs Rs. 99,000. The proposed dividend of 7½ percent on ordinary shares amounts to Rs. 2,70,000. A sum of Rs. 34,000 (against Rs. 11,500) is transferred to development rebate reserve. The balance of Rs. 40,391 is carried forward.

The tea crop for the year amounted to 758,856 kilograms (against 984,000 kilograms). The cost of production for tea was higher at Rs. 4.01 a kilogram (against Rs. 3.44 a kilogram). The average price realisation amounted to Rs. 5.44 a kilogram (against Rs. 5.22 a kilogram). The coffee crop for the year amounted to 206.736 tonnes (against 77.062 tonnes). The estimates for 1964-65 provide for a tea crop of 950,000 kilograms and a coffee crop of 120 tonnes.

New Swadeshi Sugar Pays the Same

THE New Swadeshi Sugar Mills Ltd reports satisfactory results for the year ended June 1964. The dividend has been maintained at 29 percent. The gross profit shows an increase of some 9 percent from Rs. 20.30 lakhs to Rs. 22.25 lakhs. Allocations include depreciation Rs. 3.09 lakhs (against Rs. 2.80 lakhs), development rebate Rs. 32,000 (against Rs. 11,000), taxation Rs. 8.50 lakhs (against Rs. 8.20 lakhs), renovation and renewal reserve Rs. 3.50 lakhs (against Rs. 5 lakhs) and general reserve Rs. 3 lakhs (against Rs. 21,000). The proposed dividend absorbs Rs. 3.94 lakhs (the same), leaving a balance of Rs. 6,000 to be carried forward, against 16,000, brought in. The Company crushed 3.171 million maunds of cane, against 1.761 million maunds in the previous year. The recovery was better at 10.32 percent, against 9.78 percent.

Plastics Machinery from Windsor (India)

THE Rs. 50-lakh plant set up by R. H. Windsor (India) Ltd at Thana (Bombay) for the manufacture of plastics machinery was formally inaugurated by the Central Minister of Supply and Technical Development, Mr. K. Raghuramaiah, on 15th November. The plant has a capacity of 108 injection moulding machines and 60 extrusion machines a year on a single shift basis. The two well-known models of injection moulding machines—SH. 3 Auto (3oz.) and W. 15 (4/5-½oz.) under production were on show after the inaugration. The Company's manufacturing programme has been so phased as to enable it to increase production gradually and introduce larger sizes of moulding machines incorporating screw plasticisers, extrusion machines and

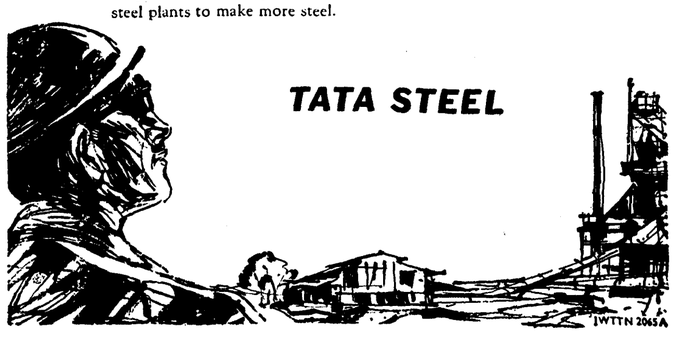
A great beginning...



In 1907, when India could not even produce a decent pin, the House of Tata announced its intention to build a modern steel works in India. There were not a few who doubted that the project would ever be a success.

Yet, shortly afterwards, India's first steel works was set up at Sakchi, as Jamshedpur was then called, and the first steel ingot was successfully rolled in February 1912. This event not only marked the birth of India's steel industry but also proved that India had the necessary potential in terms of iron ore and other raw materials to sustain an ever-expanding steel industry on modern lines.

The steel that has flowed out of Jamshedpur for over 50 years has helped India to take her first steps on the road to industrialization. And Tata Steel will continue to play an important role in our developing economy now poised to produce atomic power and manufacture steel plants to make more steel.



TATA STEEL

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take-off equipment in line with the growth of the plastics industry.

The machines will be built to Windsor specifications and designs and the planning has been kept flexible so as to meet the requirements of the plastics industry as they develop. The Thana factory is equipped with the latest machine tools and heat treatment facilities required for the production of the highly precision components needed for these machines. The present issued capital of the Company is Rs. 30 lakhs, of which 49 percent is held by the Indian partners and 51 percent by R. H. Windsor Ltd of the U.K. which is supplying technical know-how for the project. Besides meeting the growing requirements of the Indian plastics industry, the Company hopes to be able to develop export markets. The terms of the collaboration agreement permit the export of machines made in India to foreign countries.

Share Offer from Sandoz (India)

SANDOZ (India) Ltd, one of the affiliated Companies of Sandoz Ltd, of Switzerland and a leading manufacturer of drugs, pharmaceuticals, dyestuffs, textile chemicals and agro-chemicals, is undertaking further expansion of its activities. The various expansion schemes are estimated to cost Rs. 1.7 crores. The dyestuff plant will entail a total capital outlay of Rs. 80 lakhs; the other expansion schemes will require Rs. 70 lakhs, and the requirements of working capital are placed around Rs. 20 lakhs. The duestuff plant is expected to go into production within the next few months. The Company has secured a licence for the import of plant and machinery for the manufacture of dyestuffs and textile chemicals, and a part of the equipment has already been delivered. The raw materials which are to be imported are expected to be made available under export promotion licence and barter arrangements. The total cost of Rs. 1.7 crores, it is proposed, will be met by the issue of equity capital of Rs. 75 lakhs, a loan of Rs. 35 lakhs from Sandoz of Switzerland and a loan of Rs. 60 lakhs from a financial institution. The loan from Sandoz will provide the foreign exchange requirements to cover the cost of machinery and equipment to be imported. Sandoz (India) has an authorised capital of Rs. 2 crores—all in equity shares of Rs. 10 each—of which the issued and paid-up capital is Rs. 75 lakhs. It is proposed to make a further issue of Rs. 75 lakhs, of which Sandoz of Switzerland will be allotted Rs. 23.60 lakhs, partly for cash and partly in consideration for the planning and development of the Company's medicinal herbs scheme and extraction plant. With this allotment Sandoz of Switzerland will hold 40 percent of the total issued capital of the Company. Shaw Wallace and Co. Ltd, which has been associated with Sandoz for many years, will take up shares worth Rs. 7.50 lakhs. The existing shareholders, directors, employees and friends will be allotted shares of the value of Rs. 13.90 lakhs. The balance of Rs. 30 lakhs will be offered for public subscription at par some time in December.

The working results of the Company for 1964 are expected to be much better than those in 1963; the turnover for the first nine months of the current year shows an increase of over 25 percent, compared with that in the same period last year. The profitability of the Company is expected to increase correspondingly with the anticipated increase in sales.

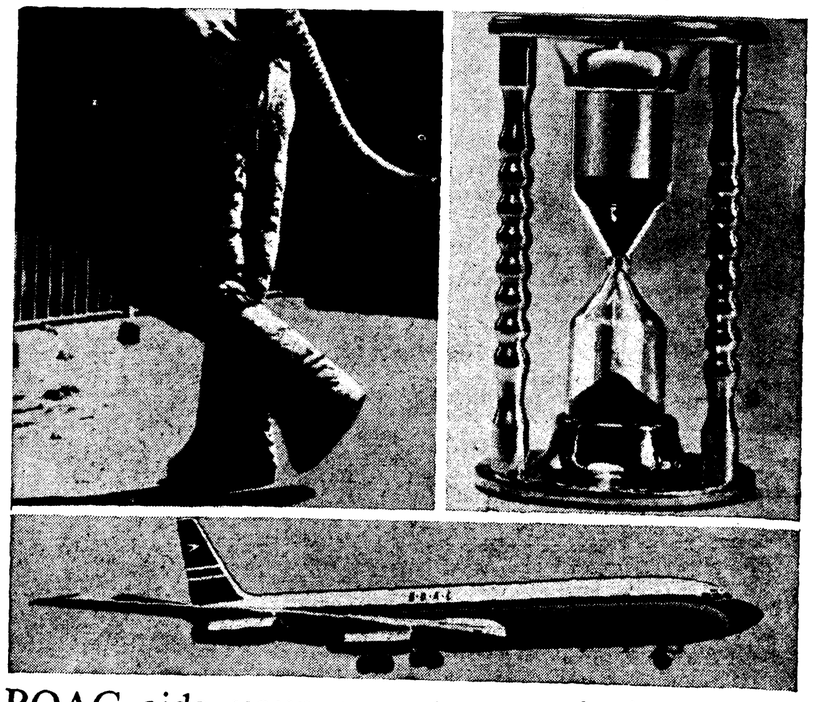
Hindustan Ferodo Share Offer

JOINTLY promoted by Turner and Newall Ltd, Manchester, and Asbestos, Magnesia and Friction Materials Ltd, Manchester, Hindustan Ferodo which took over from 1st July, 1964, as a going concern the Indian branch of Asbestos, Magnesia and Friction Materials Ltd is undertaking a big expansion programme estimated to cost Rs. 2.915 crores. In consideration for the purchase of the Indian firm, the Company issued to A.M. and F.M Ltd 1,449,992 equity shares of Rs. 10 each at par. Hindustan Ferodo has been licensed to increase its capacity of brake linings from 1.064 tonnes to 2,160 tonnes, of clutch facings from 500,000 to 1 million and of asbestos textiles from 600 tonnes to 775 tonnes. It has also been permitted to undertake considerable expansion of other items like jointings and limpet sheet, locomotive mattresses, Ferobesto flooring sheets and asbestos millboard.

The construction of additional factory buildings has already commenced, and it is expected to be completed by the beginning of 1966. The proposed expansion is expected to be completed by October 1966. The Company has received import licences for machinery. The cost of the expansion schemes estimated at Rs. 2.915 crores is proposed to be met by the share capital of Rs. 2.415 crores, and bank borrowings of Rs. 50 lakhs.

The Company has an authorised capital of Rs. 4 crores—all in equity shares of Rs. 10 each. Its issued capital is Rs. 2.68 crores, of which shares of the value of Rs. 1.983 crores have been allotted to the two British firms which have promoted the venture. The directors, their friends and associates have agreed to subscribe to 150,000 shares of Rs. 10 each at a premium of Rs. 17 a share. The balance of 546,800 equity shares of Rs. 10 each will be offered for public subscription at a premium of Rs. 17 a share some time in December. Turner Newall Ltd has been allotted 533,333 equity shares at par for cash in foreign currency to cover the purchase of plant and machinery to be imported. The Company has entered into technical collaboration agreements with the operating subsidiaries of Turner and Newall, namely, Ferodo Ltd, Turner Brothers Asbestos Co. Ltd, J. W. Roberts Ltd and Turner Asbestos Cement Co. Ltd. The Indian branch of A.M. and F.M. Ltd has shown encouraging progress over the five years ended 31st March, 1964, with sales rising from Rs. 1.292 crores to Rs. 3.425 crores, and the net profit increasing from Rs. 21.76 lakhs to Rs. 48.74 lakhs.

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Oudh Sugar Maintains

ALTHOUGH the dividend has only been maintained at 20 percent, the preliminary report on the working of the Oudh Sugar Mills Ltd for the year ended June 1964, shows that the Company has fared much better than in the preceding year. The gross profit has gone up by nearly 43 percent from Rs. 79.39 lakhs to Rs. 1.04 crores. The directors have provided Rs. 12.48 lakhs (against Rs. 10.43 lakhs) for depreciation and development rebate, Rs. 60.79 lakhs (against Rs. 53 lakhs) for taxation, Rs. 40,000 (against Rs. 1.40 lakhs) for contingencies, Rs. 10 lakhs (against nil) for general reserve and Rs. 5 lakhs (against Rs. 3 lakhs) for renovation and renewal reserve. The proposed dividend will absorb Rs. 15.50 lakhs (the same), leaving a sum of Rs. 60,000 to be carried forward, against Rs. 27,000 brought in. The Company crushed 11.765 million maunds of cane during 1963-64, against 8.314 million maunds in the preceding year. The recovery of sugar averaged 10.18 percent, against 10.36 percent. The production of power alcohol and spirit amounted to 1.448 million gallons, against 1.424 million gallons, and of vanaspati 16,900 tonnes, against 17,000 tonnes.

More from Hingir-Rampur Coal

THE Hingir-Rampur Coal Co. Ltd has raised the dividend for the year ended June 1964 from 8 percent to 10 percent—Rs. 4 to Rs. 5 a share. The dividend has been stepped up, although the gross profit is about the same as in the previous year; it is, in fact, slightly down from Rs. 8.75 lakhs to Rs. 8.47 lakhs. What is more, the profit has suffered a slight setback despite a substantial increase in the turnover from Rs. 41 lakhs to Rs. 46.38 lakhs. Allocatons include depreciation Rs. 2.22 lakhs (against Rs. 1.66 lakhs), development rebate Rs. 1.29 lakhs (against Rs. 29,316), taxation Rs. 1.70 lakhs (against Rs. 4.71 lakhs) and general reserve Rs. 2.56 lakhs (against Rs. 1.42 lakhs).

After making these appropriations, there remains a nominal balance of Rs. 927 to be carried forward, against Rs. 635 brought in. The proposed dividend absorbing Rs. 1.67 lakhs (against Rs. 1.43 lakhs) is to be paid out of the general reserve. The directors state that the total coal raisings increased from 174,000 tonnes to 188,000 tonnes, and sales rose from 165,000 tonnes to 180.000 tonnes. The raisings from the Company's No. 5 pit which commenced production during 1963-64 will increase steadily during the current year. Certain initial difficulties which were encountered earlier are being overcome. The Rs. 50-paid share of Hingir-Rampur is quoted around Rs. 52, offering a gross return of about 10.4 percent.

New Capital Issues

FIVE companies have been authorised to raise capital aggregating Rs. 1.92 crores. Four of these are issuing equities, while the fifth has been granted consent to postponement of the date of redemption of debentures and to an increase in the rate of interest. Two companies involve foreign collaboration and one of these is offering part of its shares to the public by prospectus. The new issues include a Union Government undertaking. The consent of the Controller of Capital Issues is valid for 12 months in all the cases excepting one in which it is valid up to 30th April, 1965. The following are the details:

Hindustan Organic Chemicals Ltd, Bombay, a Government of India undertaking, is to issue further capital of Rs. 17 lakhs divided into 1,700 equity shares of Rs. 1,000 each at par. The money will be used for financing the Company during 1964-65.

Philips India Ltd, Calcutta, is to issue further capital of Rs. 40 lakhs (nominal) in equity shares of Rs. 10 each at a premium of Rs. 6 a share. Out of this, 100,000 equity shares will be offered to the Company's foreign collaborators, *N. V. Philips Gloeilampenfabrieken*, the Netherlands, partly for cash and partly for consideration other than cash. The balance of 300,000 shares will be offered to the Indian shareholders for cash in the ratio of three new shares for five shares held. The consent is valid up to 30th April, 1965.

Sandoz (India) Ltd, Bombay, is to issue further capital of Rs. 75 lakhs, divided into 750,000 equity shares of Rs. 10 each, at par. Of this, shares of the value not exceeding Rs. 23.6 lakhs (Rs. 13.6 lakhs for cash and Rs. 10 lakhs for consideration other than cash) will be offered to the Company's foreign collaborators, Sandoz Ltd, Basle (Switzerland). The balance (including shares of a value not less than Rs. 30 lakhs by prospectus) will be offered to the public for cash. The money will be utilised for the Company's expansion scheme.

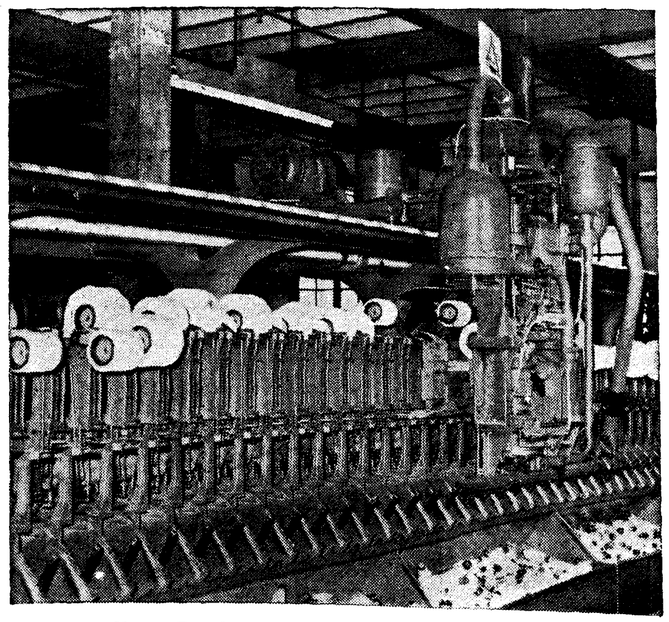
Suraj Textile Mills Ltd, Malout Mandi, District Ferozepur, Punjab, is to issue further capital of Rs. 30 lakhs divided into 15,000 equity shares of Rs. 100 each and 15,000 preference shares of Rs. 100 each. The capital will be used for financing the expansion programme of the Company.

Bharat Collieries Ltd, Calcutta, has been granted consent to the postponement of the date of redemption of debentures of the value of Rs. 20 lakhs from 3rd October, 1964 to 31st October, 1972 and to the increase in the rate of interest thereon from 6 percent to 7½ percent a year effective from 1st November, 1964, subject to the agreement of the debenture-holders and subject to the further condition that such of those debenture-holders who want to be repaid in cash will be so repaid within a period not exceeding three months.

PLAN FOR BOMBAY PORT DEVELOPMENT

Mr. D. P. Bertlin, of the London firm of consulting engineers Bertlin and Partners, has arrived in India on 16th November to discuss with senior officials of the Bombay Port Trust a master plan for the development of the harbour.

During his ten-day stay in the city, Mr. Bertlin will discuss with the chairman of the Bombay Port Trust questions arising out of the £8-million contract to be awarded for the development of the docks and the International Development Association's financing of the foreign exchange costs.

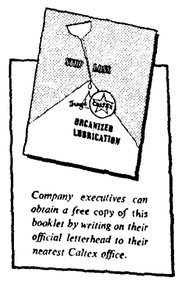


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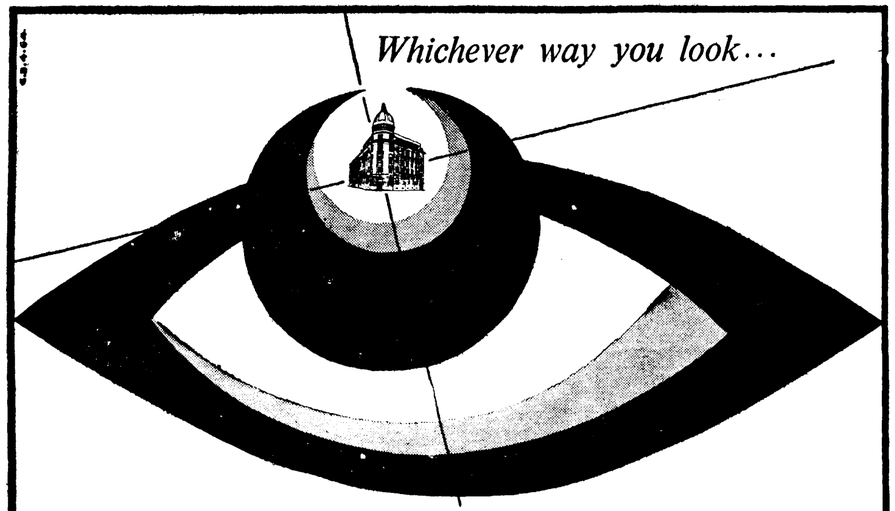
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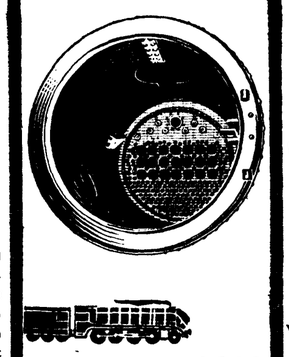
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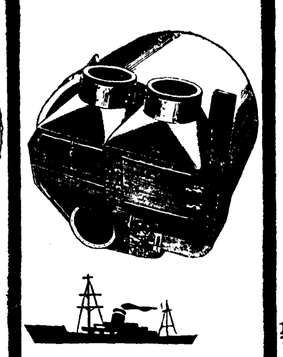
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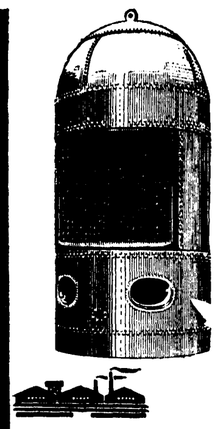
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The Stock Markets

SHARE PRICES FALL APPRECIABLY IN LYONS RANGE

Wednesday Evening.

THE Calcutta stock market has weakened appreciably during the past week. Prices of clearing shares have dropped on tired bull liquidation. Taking advantage of the weakness, bears have sold fairly heavily. The settlement on Wednesday passed off uneventfully. Carry-forward charges are almost the same as they were at the previous settlement. Due to the drop in share prices during the past fortnight, holders have become nervous. They are keen on cutting their losses and reducing their commitments. In the meantime, advices from Dalal Street have been unfavourable.

Lyons Range is inclined to take a discouraging view of the outlook, so share prices may decline further. Whatever business is being transacted is largely confined to clearing shares. Although the prices of selected scrip have been about steady, turnover in cash shares has dropped. The absence of support from the Life Insurance Corporation and the Unit Trust of India has served as an additional damper. Operators do not expect fiscal reliefs soon since they think that the Finance Minister will not modify the tax system before the next Budget.

The return of Mr. R. C. Dutt, chairman of the Company Law Board, to New Delhi after studying the working of the New York and London stock exchanges seems to have created fresh uncertainties. It is feared that he may recommend to the Government new measures to regulate the activities of the Indian stock markets. Since the Government intends to terminate the managing agency system in selected industries, investors and operators have been shaken.

Indian Iron have weakened considerably on pressure. Investors are inclined to wait until the Government decides how the advances given by it to the two private-sector steel companies—Indian Iron and Steel and Tata Steel—will be repaid. Unless an extra element is provided in the retention price of steel, the two companies are likely to be financially embarrassed. Among engineering shares, Jay Engineering have met with support due to rumours of a bonus issue. Scattered interest has been shown in J. K. Steel, Jessop, Guest, Keen, Williams, Texmaco, Braithwaite and Indian Standard Wagon have dropped slightly.

In the miscellaneous section, attention centres on clearing shares. They have lost some ground. Despite the prospect of a bonus issue Dunlop Rubber have been sold. Indian Aluminium have not responded to the payment of an interim dividend. Philips India are about steady since the Company has been given the sanction to issue 400,000 rights ordinary shares at a premium of Rs. 6 a share in the proportion of three new shares for every five held. Scattered interest has been taken in Goodyear India, Associated Battery, British Paints and Union Carbide. B. I. Corporation are about steady, while India Steamship have been freely offered. In new shares, Hindusthan Twyfords, Hindustan Aluminium and Woolcombers have attracted attention. Managing agency shares like Martin Burn and Jardine Henderson have weakened.

Despite the prospect of an increase in the "reasonable return" following the rise in Bank rate, electric company shares are neglected. Turnover in bank shares is sluggish, although United Bank of India and United Commercial are steady. Among paper shares, Orient have fluctuated both ways, but Titaghur have dropped considerably. Bengal and Shree Gopal are steady. Sirpur have been sold freely in spite of paying a larger ordinary dividend. Sugar shares are difficult to deal in due to the absence of buyers; investors are disturbed by the Government's decision to prohibit the manufacture of bold-grain sugar.

In jute shares, there has been an appreciable decline in turnover, and prices have tended to drop. Due to the high price of fibre in relation to that of jute goods, the profits of mills have shrunk. Since foreign enquiries for jute goods are sluggish, it is wondered whether the output will be sold easily. Birla have reacted on profit-taking. New Central have fallen on rumours that the dividend may be passed. Anglo-India, Barnagore, Union and Ganges have declined slightly.

Coal shares are being freely offered, but buyers are attracting virtually no interest. The large accumulation of pithead stocks due to the decline in the demand for coal has disturbed sentiment. Burrakur, Bengal, Central India and Equitable have dropped. In cotton mill shares, J. K. Rayon and Elgin have weakened but Dunbar and Bharat Commerce are steady.

The rising trend in the price of raw cotton has called for caution. But it is believed that with a larger domestic crop, combined with fair imports, mills are more or less assured of an adequate supply of raw cotton during the current year.

Stray business has been transacted in tea shares. The decline in the average price of teas at recent auctions in Calcutta has made investors cautious. Interest is largely confined to selected Assam and Dooars gardens. Hasimara, Brooke Bond and Huldibari have fallen.

Government securities are dull due to the absence of institutional interest. The 3 percent Conversion Loan 1986 is barely steady around Rs. 62. Prices of short- and medium-dated stocks are nominally steady. Most of the State Government loans are available at a discount.

Bombay

EQUITIES FALL DESPITE GOOD COMPANY NEWS

PROSPECT OF MORE CURBS DISTURBS OPERATORS

Wednesday Evening.

DALAL Street had a very uneasy time last week. Equities suffered a further setback on light but persistent bull liquidation and virtual absence of fresh support. Losses were fairly widespread and quite heavy in some cases. Century were marked down from Rs 592.50 to Rs. 579.50, Standard from Rs 597 to Rs. 563, T.E.L.C.O. from Rs. 262 to Rs. 256, Premier Automobiles from Rs. 97 to Rs. 92.70, Hindustan Motors from Rs. 16.52 to Rs. 16.12, National Rayon from Rs. 358 to Rs. 346 and Tata Steel from Rs. 147.50 to Rs. 145.25—to mention only a few important counters. Last week's decline took the market well below its important July bottom and quite a few counters struck new lows for the year.

The A.I.C.C.'s decision to accept the unofficial resolution calling for the enactment of suitable legislation to introduce a ceiling on urban property sent a mild tremour through the market. Then followed the Government's decision to include drills in the controlled categories of cloth which brings nearly 52 percent of mill production under statutory control. The increase in ex-factory sugar prices fell short of the market's general expectations. The unsatisfactory food situation continued to weigh heavily on the minds of operators as mass discontent is disturbing the peace in the country.

Sentiment last week further unsettled by reports that the chairman of the Company Law Board, Mr. R. C. Dutt, had recommended to the Government the tightening of control over stock exchange dealings. In its mood of utter frustration, the market was unable to derive any comfort from the Central Finance Mininter, Mr. T. T. Krishnamachari's statement in Madras that unremunerative excise and Customs duties would be done away with in course of time. Nor did the market pay any heed to Indian Hume Pipe's excellent performance during 1963-64 and to the increase in dividend by West Coast Paper. Corporate news, by and large, continues to be encouraging, but it has failed to impart any steadiness to the market.

The crisis of confidence is deepening with time. In spite of the fact that the market has come down very close to its 1964 low and several shares are offering fairly attractive yields, there is little inclination on the part of operators to boost share values. As for investment support, it has been virtually absent for a long while. Altivity on the stock market has shrunk to such proportions that many

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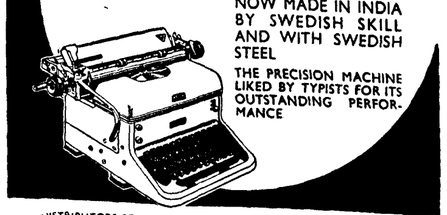
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brokers are finding it diffilult to meet their normal office expenses and quite a few of them are seriously considering of moving into some other vocation.

The persistent decline in equity prices amidst growing inflationary pressures is a phenomenon peculiar to this country. The view is widely shared that if the Government takes suitable steps to revive confidence in the capital market, it might reduce the flow of funds seeking speculative employment in commodity markets. The Unit Trust scheme is unlikely to become popular with small investors if equity values continue to decline. Meanwhile, the Unit Trust has further raised the selling price of its unit to Rs. 10.50, but it is willing to buy back the units only at Rs. 10. This makes virtual nonsense of the concept of liquidity. The spread between the sale and purchase prices quoted by the Unit Trust is much too wide, compared with the quotations of even the most inactive shares traded in the market.

Sectionwise, textile shares were marked down on the argument that the extension of statutory control to cover 52 percent of mill production would adversely affect millowners' earnings. Morever, cotton prices continue to soar. Rayon shares in the cash list touched new low levels for the year because of the continued depressed conditions in the rayon yarn market. Steel shares came under considerable pressure despite the recent improved production performance. Engineering shares registered heavy losses on tired bull liquidation. While the recent decline in T.E.L.C.O. has been attributed to the selling pressure induced by the need to accommodate the rights, Voltas fell despite the management's decision to defer the rights offer. Motor-car shares were the worst hit, with Hindustan Motors touching a new low for the year. The small setback in sugar shares reflected the market's dissatisfaction over the increase in ex-factory prices. Bank, insurance and electric shares maintained a quietly steady tone but without much activity. Cement share were also steady. Cash scrip continue to suffer from lack of support.

Madras

TURNOVER DECLINES SHARPLY

MARKET WORRIED BY CURBS ON BLACK TRANSFER

Tuesday Evening.

THE Madras stock market has been quiet during the past week. Turnover in clearing and cash scrip has dropped considerably. Due to the absence of buyers, share prices have generally tended to decline. Weaker advices from the Calcutta and Bombay stock markets have made buyers cautious. Whatever interest has been shown is largely confined to selected miscellaneous shares. Investors and operators have been disturbed because of the Government's move to restrict the validity period of blank transfers. The shortage of funds has also been growing since commercial banks have been reluctant to extend credit to the stock market due to the new credit policy of the Reserve Bank. Turnover in Government securities is small, and only a few State Government loans have been dealt in. Selected preference shares have met with support, but sellers are few.

Bank shares are sluggish, although Indian have been maintained at Rs. 159 and State Bank of Travancore at Rs. 83. Sugar shares have tended to drop. Deccan are available at Rs. 11.10 and E.I.D. at Rs. 35.90. Andhra have come to hand at Rs. 12.50 and Madura at Rs. 9.44. Travancore are steady at Rs. 7.90 and Mysore at Rs. 27.75.

In the planting section, Blue Mountain have lost at Rs. 2.23, but Consolidated Coffee are about steady at Rs. 24. Cochin Malabar have been transacted at Rs. 6.12 and Ouchterlony at Rs. 3.50. Business in Periakaramalai has passed around Rs. 3.63. In rubber shares, Mercara are steady at Rs. 7.92 on declaring a taxable ordinary dividend of 15 percent. Interest has been taken in Nilambur at Rs 11.25. In tea shares, Parkside have come to hand at Rs. 25.20, Peermade at Rs. 20.75 and United Nilgiri at Rs. 22.22. Among coffee shares, Badra are steady at Rs. 2.70, Mysore Amalgamated at Rs. 5.05 and Ossoor at Rs. 2.77.

In textile shares, South India Viscose have weakened to Rs. 109.50 and Travancore Rayon to Rs. 19. Lakshmi have, nevertheless, been steady at Rs. 132 and Madura at Rs. 35.50. Buckingham have been bought up to Rs. 278 and Bangalore Woollen at Rs. 281. Mettur are steady at Rs. 265, but Loyal have been offered down to Rs. 40. Ramakrishna have been wanted at Rs. 129.40, but Tirupati have been sold at Rs. 9.52.

In the miscellaneous section, Aluminium Industries have lost at Rs. 23.10, but Ashok Leyland have been steady at Rs. 7.15. Dalmia Cement are slightly easier at Rs. 13.20 and India Cement at Rs. 5.15. Mettur Chemical have been bought up to Rs. 14.25 and F.A.C.T. are steady at Rs. 5.25. Seshasayee Paper have dropped to Rs. 7.25 and Mysore Paper to Rs. 11.78. Parry's Confectionery have been maintained at Rs. 2.96 and Spencer at Rs. 21.50. Kirloskar Electric have reacted to Rs. 20.60 and Madras Rubber to Rs. 9.30. Textool have weakened to Rs. 133 on issuing 19,888 rights ordinary shares of Rs. 100 each at par.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 35 25 - 35/87—35 00—35/75—(33/00).
Burrakur Coal—Rs. 16/44—16/44—16/44—16/44—(17/69).
Dunlop Rubber—Rs. 32/00—32/06—30/12—30/56—(38/00).
Guest, Keen, Williams—Rs. 23/31—23/37—22/75 23/12—(42/56).
Hindustan Motors—Rs. 16/50—16/50—16/12—16/25—(19/16).
Howrah Jute—Rs. 15/25—15/50—15/25—15/37.
Indian Aluminium—Rs. 31/69—31/75—31/00—31/25—(39/37).
Indian Copper—Rs. 3/36—3/36—3/28—3/30—(3/57).
Indian Iron—25/56—25/58—24/96—25/10—(24/94).
Indian Cable—Rs. 34/44—34/50—34/37—34/50—(40/00)
J. K. Cotton—Rs. 10/19—10/19—9/81—9/94—(12/62).
Jaipur Udyog—Rs. 10/12—10/19—10/00—10/00—(12/19).
Kesoram Industries—Rs. 24/50—24/50—23/69—23/87—(27/81).
Orient Paper—Rs. 31/60—32/15—31/50—32/00—(39/50).
Orissa Cement—Rs. 11/44—11/62—11/44—11/44—(14/94).
Rohtas Industries—Rs. 10/00—10/00—9/59—9/59—(13/37).
Shree Gopal Paper—Rs. 25/50—25/50—25/31 S.T.—25/50—(26/00).
Textile Machinery—Rs. 25/90—25/90—25/45—25/55—(28/20).

GILT-EDGED

2½% U.P. Zemindary Compensation Bonds (Collected up to 30-6-64)—Rs. 41/00—41/00—41/00—41/00
3 % Loan (1986)—Rs. 62/00—62/00—62/00—62/05.
3 % „ (1966-68)—Rs. 98/40—98/40—98/40—98/40.
3 % „ (1970-75)—Rs. 90/20—90/20—90/20—90/20.
3 % U.P. (1961-66)—Rs. 93/75—93/75—93/75—93/75.
3½% Loan (1968)—Rs. 99/80—99/80—99/80—99/80.
3½% „ (1969)—Rs. 97/90—97/90—97/90—97/90.
4 % „ (1970)—Rs. 99/00—99/05—99/00—99/00.
4 % „ (1973)—Rs. 98/75—98/95—98/75—98/80.
4 % „ (1972)—Rs. 98/75—98/75—98/75—98/75.
4 % „ (1969)—Rs. 99/50—99/50—99/50—99/50.
4 % U.P. (1969)—Rs. 98/35—98/35—98/30—98/35.
4 % U.P. (1968)—Rs. 98/70—98/70—98/60—98/65.
4½% Loan (1986)—Rs. 100/10—100/13—100/10—100/13.
4½% Bihar (1975)—Rs. 96/70—96/70—96/70—96/70.
4½% U.P. (1976)—Rs. 97/00—97/00—97/00—97/00.
4½% Orissa (1976)—Rs. 96/70—96/80 c.t.—96/68—96/70.
U.P. Zemindary Rehabilitation Grant Bond (9 Collected)—Rs. 34/15—34/15—34/15—34/15.

BANKS

Hindusthan Commercial—Rs. 9/87—9/87—9/75—9/75—(13/50).
Punjab National—Rs. 20/12—20/25—20/06—20/06—(19/44).
United Bank of India (Rs. 10/- Paid)—Rs. 8/19—8/19—8/12—8/12—(7/75).
Do. (Conty) (Rs. 20/-) (Rs. 10/- paid)—Rs. 7/62—7/62—7/62—7/62.
United Commercial—Rs. 72/37—72/50—72/37—72/50—(74/50).

TEXTILES

Bharat Commerce—Rs. 19/00—19/00—19/00—19/00—(24/37).
Bowreah—Rs. 23/56—23/69—23/37—23/50—(26/12).
Cawnpore—Rs. 5/87—6/00—5/87—6/00—(7/56).
Elgin—Rs. 19/12—19/12—19/00—19/00.
Jaya Shree—Rs. 12/94—12/94—12/75—12/75—(16/62).
J. K. Cotton Mfg.—Rs. 10/00—10/00—10/00—10/00.
New Victoria—Rs. 1/25—1/25—1/06—1/06—(1/62).
Swadeshi (Pref.)—Rs. 66/00—66/00—66/00—66/00.

RAILWAY

Shahdara (Delhi) Saharanpur—Rs. 51/75—51/75—51/25—51/25.

COALS

Associated Karanpura—Rs. 5/00—5/00—4/87—4/94.
Amalgamated—Rs. 19/25—19/25—19/25—19/25.
Burrakur (2nd Pref.)—Rs. 6/12—6/12—6/00—6/00.
Central India—Rs. 8/12—8/25—8/12—8/25—(10/06).
East Indian—Rs 26/25—26/25—26/25—26/25—(31/50).
New Manbhoom—Rs. 9/25—9/25—9/25—9/25—(15/25).
New Beerbhoom—Rs. 15/50—15/50—15/50—15/50.
Sendra—Rs. 3/00—3/00—3/00—3/00—(5/00).
Searsole—Rs. 1/00—1/00—1/00—1/00.
Western Bengal—Rs. 8/50—8/56—8/31—8/31—(9/00).
West Ghusick—Rs. 16/50—17/00—16/50—17/00.

JUTES

Agarpara—Rs. 8/62—8/69—8/62—8/69—(10/56).
Alliance—Rs. 106/00—106/00—106/00—106/00—(160/00).
Auckland (1st Pref.)—Rs. 69/00—69/00—69/00—69/00.
Anglo-India (Pref.)—Rs. 102/00—102/00—102/00—102/00.
Ganges—Rs. 12/81—12/87—12/75—12/87—(13/87).
Hukumchand (Pref.)—Rs. 95/00—97/00—95/00—97/00.
Kelvin—Rs. 138/00—138/00—138/00—138/00.
Kankinarrah—Rs. 80/50—81/00—80/50—81/00.
New Central—Rs. 10/19 S.T.—10/25—9/75—9/94—(15/00).
Northbrook—Rs. 22/44—22/44—22/37—22/37—(31/00).
Naihati—Rs. 66/00—66/00—66/00—66/00—(104/00).
Presidency—Rs. 4/12—4/25—4/12—4/25—(5/81).
Reliance—Rs. 6/50—6/50—6/50—6/50—(8/81).
Shree Luchminarain—Rs. 7/00—7/00—7/00—7/00.
Waverley—Rs. 7/62—7/69—7/56—7/69
Do. (Pref.)—Rs. 40/00—40/25—40/00—(40/25).

MINING

Assam Sillimanite—Rs. 6/50—6/62—6/50—6/62—(7/69).

CEMENTS

Ashoka—Rs. 6/62—6/75—6/62—6/62—(7/37).
Assam Bengal—Rs. 3/40—3/50—3/19—3/19—(4/81).
Bengal Potteries—Rs. 4/19—4/19—4/19—4/19—(5/37).
Dalmia (Bharat)—Rs. 13/12—13/19—13/06—13/06—(12/87).
Do. (Pref.)—Rs. 8/37—8/37—8/37—8/37.
Sone Valley—Rs. 3/87—3/94—3/81—3/84—(4/81).

CHEMICALS

Alkali & Chemical—Rs. 28/75—28/75—28/75—28/75.
Bengal Chemical—Rs. 102/00—102/00—102/00—102/00—(102/00).
Chemicals & Fibres—Rs. 16/25—16/31—15/62—15/81.

PUBLIC UTILITIES

Calcutta—Rs. 15/19—15/25 c.t.—15/12—15/19—(14/28).
United Provinces—Rs. 200/00—200/00—200/00—200/00—(142/00).

ENGINEERINGS

Bhartia Electric Steel—Rs. 15/06—15/06—15/06—15/06—(15/00).
Binani Metal—Rs. 13/12—13/19—13/12—13/19—(11/50).
Bharat Ball Bearing—Rs. 11/25—11/25—11/25—11/25—(15/50).
Braithwaite & Co.—Rs. 32/75—32/75—32/75—32/75—(35/75).
Britannia Eng.—Rs. 9/31—9/44—9/31—9/44.
Calcutta Steel—Rs. 13/50—13/50—13/50—13/50—(14/19).
Dalmia Iron—Rs. 11/94—11/94—11/87—11/94—(11/62).
Escorts—Rs. 15/00—15/00—15/00—15/00.
Indian Iron & Steel (Pref.)—Rs. 83/00—84/00—83/00—83/00—(81/50).
Jay Eng.—Rs. 21/31—21/50—20/62—20/69—(21/87).
Jessop & Co.—Rs. 25/12—25/25—24/81—25/00—(26/12).
J. K Steel—Rs. 17/62—17/87—17/62—17/81—(16/87).
Kumardhubi—Rs. 5/44—5/50—5/44—5/44—(9/44).
Marshalls—Rs. 3/31—3/37—3/19—3/19—(2/67).
Machinery Mnfg.—Rs. 21/37—21/37—21/37—21/37—(24/75).
Raymon—Rs. 5/00—5/06—5/00—5/06—(5/25).

FLOUR MILL

Bengal—Rs. 33/75—33/75—33/75—33/75—29/00).

INSURANCES

Concord of India—Rs. 9/75—9/81—9/00—9/00—(11/25).
New Asiatic—Rs. 8/25—8/25—7/94—8/06.
Ruby General—Rs. 11/62—11/75—11/56—11/75—(10/44).

MISCELLANEOUS

Aluminium Corpn.—Rs. 11/25—11/25—11/00—11/00—(14/19).
Angelo Brothers—Rs. 25/75—25/75—24/87—25/06—(27/00).
Assam Hardboard—Rs. 7/37—7/37—7/25—7/25.
Assam Match—Rs. 25/25—25/25—25/25—25/25—(27/50).
Associated Battery—Rs. 24/00—24/00—24/00—24/00.
B. I. Corpn.—Rs. 11/00—11/00—10/12—10/56—(8/81).
British Paints—Rs. 23/56—23/56—23/37—23/44.
Calcutta Tramways—Rs. 11/69—11/69—11/56—11/56—(11/25).
Clive Row Investment—Rs. 8/75—8/75—8/69 c.t.—8/75—(8/56).
Dunlop Rubber (2nd Pref.)—Rs. 65/00—71/50—65/00—71/50.
Dyer Meakin Breweries—Rs. 23/50—23/50—23/37—23/44—(34/06).
Duncan Brothers (Pref.)—Rs. 60/25—60/25—39/75—60/00
Electric Construction—Rs. 13/50—13/62—13/50—13/62—(13/25).
East Anglia Plastic—Rs 7/44—7/56—7/44—7/56.
English Electric—Rs. 15/31—15/37—15/31—15/37 c.t.
Fort Gloster (2nd Pref.)—Rs. 73/00—73/00—73/00—73/00.
Goodyear India—Rs 21/75—21/87—21/62—21/62—(33/50)
Ganges Rope—Rs. 253/00—254/00—252/00—252/00—(236/00).
Hindusthan Development—Rs. 3/62—3/62—3/62—3/62.
Hindustan Aluminium—Rs. 13/06—13/12—12/87—13/00—(14/25).
Hoare Miller—Rs. 4/75—5/37—4/75—5/37—(5/62).
Hindusthan Gas—Rs. 18/75—19/00—18/50—19/00—(25/00).
Hindusthan Twyfords—Rs. 15/00—15/06—15/00—15/03—(14/87).
Indian Wood Products—Rs. 26/25—26/25—26/25—26/25—(16/50).
Inchek Tyres—Rs. 6/50—6/50—6/25—6/25.
Imperial Tobacco—Rs. 7/87—7/94—7/87—7/94—(9/94).
India Carbon—Rs. 12/75—12/81—12/69—12/75—(17/25)
Indian Oxygen—Rs. 23/75—23/94—23/69—23/69—(29/50).
Jayshree Tea Industries—Rs. 14/69—14/75—14/69—14/75—(18/69).
Do. (Pref.)—Rs. 100/00—101/00—100/00—101/00.
J. K. Synthetics—Rs. 12/56—12/75—12/44—12/75—(12/44).
Martin Burn—Rs. 26/87—26/94—26/69—26/94—(28/87).
Metal Distributors—Rs. 9/00—9/00—9/00—9/00.
National Rubber Mfg.—Rs. 10/81—10/81—10/62—10/62—(13/06).
National Rolling & Steel Ropes—Rs. 24/19—24/25—24/12—24/12—(21/37).
National Insulated Cable—Rs. 24/75—24/81—24/44—24/44.
N. S. Duncan—Rs. 70/00 c.t.—70/00 c.t.—70/00 c.t.—70/00 c.t.
Phillips Carbon Black—Rs. 12/56—12/56—12/56—12/56.
Philips India—Rs. 26/87—26/87—26/87—26/87—(30/50).
Union Carbide—Rs. 29/87—30/37—29/00—29/00—(43/31).
Universal Cables—Rs. 10/19—10/19—9/85—9/85—(12/56).
Universal Electrics—Rs. 8/00—8/00—8/00—8/00
Walford Transport—Rs. 3/03—3/06—3/03—3/06—(4/06).
Woolcombers of India—Rs. 10/12—10/31—10/06—10/19—(16/50).

OIL

Indo-Burma Petroleum—Rs. 20/50—20/50—20/12—20/12—(24/25).

PAPERS

Balarpur—Rs. 17/31—17/31—17/12—17/31.
Bengal—Rs. 26/75—26/81—26/75—26/81—(29/56).
India Paper Pulp—Rs. 16/50—16/50—16/37—16/37—(19/00).
Sirpur—Rs 11/87—12/19—11/87—12/12—(14/75).
Straw Products—Rs. 8/50—8/62—8/50—8/50—(10/56).
Shree Gopal (2nd Pref.)—Rs. 99/00—99/00—99/00—99/00.
Titaghur—Rs. 11/75—11/75—11/06—11/12—(17/44).

REAL PROPERTIES

Bengal Bonded Warehouse ("A" Share)—Rs. 1,225/00—1,225/00—1,225/00—1,225/00—(1,050/00).
Do. ("D" Share—Rs. 52/00—52/00—52/00—52/00.
Hindusthan Building—Rs. 2/69—2/75—2/69—2/75.
Sahu Properties—Rs. 2/62—2/62—2/62—2/62.

SHIPPINGS

India Steamship—Rs. 6/50—6/56—6/37—6/44—(7/56).
Port Shipping—Rs. 17/19—17/19—17/06—17/12—(15/06).

SUGARS

Darbhanga—Rs. 8/37—8/56—8/37—8/56.
Shree Krishna Gyanoday—Rs. 8/69—8/75—8/50—8/50—(8/87).

TEAS

Bishnauth—Rs. 13/44—13/50—12/87—13/00—(18/69).
Bormah Jan—Rs. 11/00—11/00—11/00—11/00—(13/00).
Brooke Bond—Rs. 9/81—9/87—9/81—9/87—(13/06).
Dhelakhat—Rs. 20/56—20/69—20/56—20/69.
East India—Rs. 10/25—10/31—10/25—10/31—(15/56).
Engo—Rs. 225/00—225/00—225/00—225/00—(136/00).
Grob—Rs. 5/75—5/75—5/75—5/75.
Gohpur—Rs. 12/50—12/87—12/50—12/87—(14/94).
Gairkhata—Rs. 13/75—13/75—12/87—12/87—(21/50).
Hasimara—Rs. 11/87—12/50—11/81—12/25—(13/81).
Hattikhira—Rs. 6/69—6/69—6/69—6/69—(8/75).
Ledo—Rs. 14/25—14/25—14/25—14/25—(13/75).
New Dooars—Rs. 166/00—167/50—166/00—167/50—(230/00).
New Chumta—Rs. 19/00—19/00—19/00—19/00—(24/62).
Patrakola—Rs. 145/00—145/00—145/00—145/00—(129/00).
Pashok—Rs. 18/75—18/75—18/75—18/75—(20/00).
Rydak—Rs. 22/75—22/75—22/62—22/62—(25/75).
Rajabhat—Rs. 10/25—10/25—10/25—10/25—(12/00).

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Money

EXPORT FINANCE: A FIELD FOR COMMITTEES

(BY A SPECIAL CORRESPONDENT)

The Chablani Committee was asked the wrong questions and has given the wrong answers. The need for incentives and facilities to increase the supply of export finance has been largely ignored.

IN the field of export finance, three expert committees have reported in three years. Several distinguished and busy people have devoted valuable hours to these compilations. No one ever doubted that the Kapur Committee and the Mathrani Committee made valuable recommendations, many of which have been implemented and a nexus of export credit facilities and incentives concerning the availability as well as the cost of export credit has been created during the last two or three years. The report of the Chablani Committee released last month, the latest in the series, has however a considerably diminished value. This is not because the members of the Committee did not apply their minds to the problem, but because the terms of reference of the Committee were so framed that it could not have said anything new on the subject. The Committee was asked the wrong questions; and if you ask the wrong questions, you get the wrong answers.

Take, as an example, the question of ways and means of reducing the cost of export credit. The Study Group on Export Finance led by Mr. K. P. Mathrani, chairman of the Industrial Finance Corporation, recommended only last year that the Reserve Bank should provide short-term export refinance to banks at 1½ percent below Bank rate for the purpose of providing both pre-shipment and post-shipment credit to exporters and that the Refinance Corporation for Industry Ltd should so regulate its rate that the funds are available to Indian exporters at not more than 6 percent. In order to enable Indian exporters to compete in world markets, the Refinance Corporation was quick to implement this recommendation. Medium-term export refinance has been made available to banks at 4½ percent since the beginning of this year, so that banks could provide such export credits at no more than 6 percent.

Medium-term Export Credit

The attitude of the Refinance Corporation (now merged with the Industrial Development Bank of India) towards the cost of medium-term export credit provided a refreshing contrast to the attitude of the Government and the Reserve Bank towards the cost of short-term export credit. Few progressive men could have disagreed with the specific recommendation of the Mathrani Committee that short-term export refinance should be available to the banks at 1½ percent below Bank rate so that the ultimate users could obtain credit at 4½ percent or 4¾ percent. But the imagination and swiftness of the Refinance Corporation were matched only by the hesitation and delaying tactics of the Reserve Bank and the Government. Instead of implementing what was already suggested by Mathrani Committee beyond all doubt and with crystal clarity, the Government asked another committee headed by Mr. S. P. Chablani, managing director of the Export Credit and Guarantee Corporation, to examine the mechanism of export finance, ways and means of reducing the incidence and cost of credit, and their implications. The Committee was not told what the Government and the Reserve Bank thought of the Mathrani Committee's recommendation. So it had to waste its time and energy in making recommendations once more on the same problem.

What could the Chablani Committee do? It must have realised, —or, more likely, it may have been told by its three Reserve Bank members—that the Mathrani Committee's recommendation about providing refinance below Bank rate was inconvenient to the Government and the Reserve Bank. But the matter was too important to be pigeonholed or ignored: the Chalbani Committee was appointed precisely for the purpose of reversing this part of the Mathrani report. The Chablani Committee, therefore, had the unenviable task of reporting that it saw "many practical difficulties" in endorsing the Mathrani Committee's view, without being able to enumerate any of the difficulties. The analogy given by the Mathrani Committee of preferential rates offered to State co-operative banks was not applicable, according to the Chablani Committee, merely because, unlike commercial banking, the co-operative credit structure was federal and Reserve Bank assistance had to pass through various agencies before it percolated down to the ultimate user. It is not at all clear why the federal structure of co-operatives and the ultimately higher cost of agricultural credit should stand in the way of cheaper export finance for the exporters.

However, once this background is understood, it is easy to see the logic of the Chablani Committee's recommendations. Having ruled out concessional refinance and preferential treatment for the export sector, the only other way of making export credit cheaper was to enforce ceilings on the rates charged by the banks to exporters. The Reserve Bank will provide refinance against short-term export credits at Bank rate and the banks must not charge more than 1 percent above this for post-shipment export credit or 1½ percent above this for pre-shipment export credit. Ceilings based upon similar spreads above the refinance rate of the Industrial Development Bank of India have also been recommended by the Chablani Committee in the case of medium-term export credit. Above all, the ceilings are to apply whether or not the refinance is availed of or obtained from the Reserve Bank or the Industrial Development Bank.

There is no doubt that these ceilings will peg export credit rates between 5¼ percent and 6½ percent and provide comprehensive coverage of both pre-shipment and post-shipment short-term as well as medium-term credit. This may be cheap, but it is not cheap enough compared with the rates visualised by the Mathrani Committee. Moreover, quite apart from the cost of export credit, the question of its availability seems to have been totally ignored. The enforcement of ceilings on export credit rates, without making any real concession in the rate at which refinance could be obtained, will provide no incentive to the banks to enlarge their export credit portfolios. In fact, it will prove a positive deterrent, particularly when the cost of banks' resources has gone up and the rates that can be earned on domestic credit are much higher. Whether or not the Chablani Committee's recommendation makes export credit cheaper, one thing is certain: it fails to liberalise the availability of export finance by recommending a clumsy system of ceilings and by ignoring the need to provide concessional refinance.

Recommendations not Implemented

Where does the Chablani Committee's report take us? We are back again at the beginning. The recommendations will now be processed by the Government and the Reserve Bank, and will most probably be implemented. After a couple of years, another committee will report that not much progress has been achieved in lowering the cost and liberalising the supply of export credit. Meanwhile, even the report of this Committee is not the end of the deliberations: for there are at least five points on which the implementation of the recommendations requires policy decisions from the Reserve Bank and bankers.

The Reserve Bank will have to: (i) formulate a suitable scheme for providing refinance against short-term pre-shipment export credit: (ii) relax its recent exchange control restrictions on the outstanding amounts of foreign loans or overdrafts obtained by authorised dealers abroad: (iii) extend to export credit the guarantee scheme of the Government of India which provides protection to lending institutions against losses on their advances to small-scale industries. Further the banks' associations will have to provide by way of interbank agreements for: (i) enforcing the ceilings on medium-term export credit rates, and (ii) making it compulsory for exporters to take out E.C.G.C. cover.

In fact, the status of the Chablani Committee was clear to itself and to the Government. While the Kapur and Mathrani Committees were designated as Study Groups, the other was only a Working Party. It was fully aware that the findings of the Mathrani Committee on the mechanism of export finance were exhaustive. It was itself doubtful that cost of export finance was in any way a significant element in the cost structure of export commodities. The Chablani Committee itself might well have been doubtful about the value of its labours, knowing that the incidence of cost was not likely to be large, and that a reduction of the cost of export credit was but one of several measures and incentives for export promotion. Above all, the primary concern of the bankers in the Committee, it seems, was with competition between banks *inter se* rather than with producing a cogent and integrated scheme.

The Chablani Committee was, therefore, not really necessary right from the beginning and its labours have been wasted. It has always been clear what ought to be done to reduce the cost and increase the availability of export credit. If a Committee was required, it should have been asked to do precisely those tasks which the Chablani Committee has now left to the Reserve Bank—to formulate a scheme.

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Liabilities *Assets*

	1963	April 12, 1962		1963	April 12, 1962
	Rs.	Rs.		Rs.	Rs.
Capital	2,500	2,500	Cash	33,993	27,992
Reserves	7,032	6,656	Investment	160	120
Deposits	94,503	80,382			
Other Liabilities	5,954	3,198	Loan & Discts.	74,069	63,006
Contra A/cs.	10,940	7,958	Contra A/cs.	10,940	7,958
Profit & Loss	699	790	Other assets	2,466	2,408
	1,21,628	101,484		1,21,628	1,01,484

THE CALCUTTA MONEY MARKET

CALL RATE DROPS

Wednesday, 18th November.

THERE has been a negligible change in the general level of advances in the Calcutta money market during the past week. The requirements of the jute mills have increased a little. But the sums given to the other major categories of borrowers—the cotton and sugar mills, the iron, steel and engineering industries, and the foodgrains and seeds trade—are unchanged. In the interbank market, conditions have eased considerably, and the call rate has dropped from 5 percent to 1 percent.

The exchange market has been moderately active, with a good supply of tea bills but very few gunny bills. The demand for remittances is fair. Sterling is weak and shows further losses against all the major currencies.

SILVER WAS STEADY IN CALCUTTA during the past week and the price advanced from the previous week's level of Rs. 251.75 to Rs. 254.50 a kilogram, quoted today. The price was quoted at 113½d in London and at 129.3 cents in New York.

Contrary to the rise in silver, gold was easier, although the price of 14-carat showed little change at Rs. 68.25.

DURING THE WEEK ENDED 13TH November, Government of India Treasury bills for Rs. 112,53,00,000 were sold in favour of the Reserve Bank.

TENDERS FOR Rs. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 17th November. The total amount offered was Rs. 4 crores. Tenders at Rs. 99.400 percent were accepted in full. Lower tenders were rejected. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.400 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 23rd November.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 18th November to 21st November at Rs. 99.416 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 11th November, 1964, to 14th November, 1964, amounted to Rs. 11,25,25,000.

ACTIVE NOTES DROPPED BY Rs. 6.86 crores to Rs. 2,460.73 crores, according to the return of the Reserve Bank of India during the week ended 13th November, 1964, while the total note issue was Rs. 8 lakhs larger at Rs. 2,486.35 crores. Notes held in the Banking Department consequently rose by Rs. 6.94 crores to Rs. 25.62 crores. Deposits of the Government of India increased by Rs. 1.59 crores to Rs. 51.72 crores, but those of State Governments decreased by Rs. 11.45 crores to Rs. 7.11 crores. Balances of commercial banks at Rs. 95.89 crores showed a drop of Rs. 1.02 crores. Balances held abroad in the Banking Department were Rs. 29 lakhs smaller at Rs. 10.14 crores. Investments declined by Rs. 95 lakhs to Rs. 124.25 crores. Loans to scheduled banks decreased from Rs. 5.88 crores to Rs. 79.05 lakhs of which advances against usance bills amounted to nil (Rs. 15 lakhs). Ways and means advances stood at Rs. 37.81 crores, against Rs. 33.04 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 6th November, 1964, shows a drop of Rs. 10.29 crores to Rs. 665.16 crores in total deposits. Investments in Government securities are down by Rs. 44.83 crores to Rs. 275.97 crores, while other authorised investments remain unchanged at Rs. 8.98 crores. Advances, including loans, cash credits, overdrafts and bills discounted have risen by Rs 8.31 crores to Rs. 344.72 crores. Cash and balances are, in consequence, shown at Rs. 28.20 crores or Rs. 3.98 crores higher.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 6th November, 1964, shows Demand and Time liabilities at Rs. 1,364.45 crores (Rs. 28.84 crores on account of borrowings from banks) and Rs. 1,385.22 crores (Rs. 16.89 crores), compared with Rs. 1,366.94 crores (Rs. 28.46 crores) and Rs. 1,396.68 crores (Rs. 15.16 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have risen by Rs. 5.79 crores and Rs. 15.05 crores to Rs. 73.40 crores and Rs. 99.86 crores, respectively. There is a drop of Rs. 60.72 crores to Rs. 812.94 crores in investments. Advances and bills discounted at Rs. 1,744.34 crores show a rise of Rs. 14.92 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 6.3 percent and 63.4 percent, against 5.5 percent and 62.6 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 20-11-64

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
20-11-64	23-2-65	2.00.00	Rs. 2.400%
13-11-64	16-2-65	2.00.00	Rs. 2.499%
6-11-64	9-2-65	2.00.00	Rs. 2.500%
30-10-64	2-2-65	2.00.00	Rs. 2.400%
23-10-64	26-1-65	2.00.00	Rs. 2.500%
9-10-64	12-1-65	2.00.00	Rs. 2.500%
1-10-64	4-1-65	2.00.00	Rs. 2.400%
25-9-64	28-12-64	2.00.00	Rs. 2.399%
18-9-64	21-12-64	2.00.00	Rs. 2.386%
11-9-64	14-12-64	2.00.00	Rs. 2.400%
4-9-64	7-12-64	2.00.00	Rs. 2.400%
21-8-64	24-11-64	2.00.00	Rs. 2.400%

(Monthly Muturities 000's omitted)

November, 1964	2.00.00
December 1964	8.00.00
January, 1965	6.00.00
February, 1965	8.00.00
Total	24.00.00

CLEARING HOUSE RETURNS

Week	Rs (thousand) Calcutta	Bombay
13-11-64	1,04,30,08	1,42,08,43
6-11-64	1,00,21,03	1,00,72,88
30-10-64	1,20,38,84	1,39,24,78
23-10-64	1,14,05,51	1,28,69,67

RESERVE BANK

ISSUE DEPARTMENT

(In 000's of Rupees)	Week Ended 13-11-64	6-11-64	15-11-63
Liabilities—			
Notes in Banking Dept.	25,62,42	18,68,06	11,33,36
Notes in Circulation	24,60,72,68	24,67,58,71	22,86,54,21
Total Notes issued	24,86,35,10	24,86,26,77	22,97,87,57
Assets—			
A. Gold Coin and Bullion	1,17,76,10	1,17,76,10	1,17,76,10
Foreign Securities	85,45,69	85,45,69	92,45,69
Total of A	2,03,21,79	2,03,21,79	2,10,21,79
B Rupee Coin	1,02,00,24	1,01,90,68	1,18,34,76
Rupee Securities	21,81,13,07	21,81,14,32	19,69,31,02
Total	24,86,35,10	24,86,26,77	22,97,87,57

BANKING DEPARTMENT

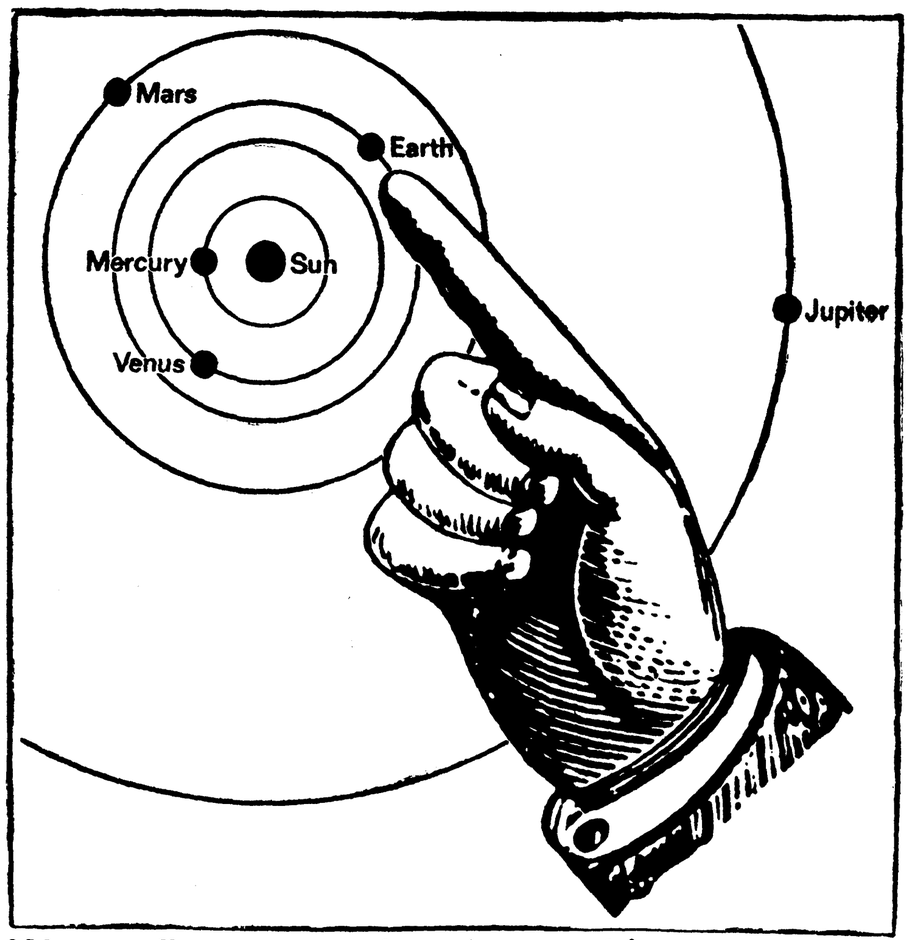
Liabilities—			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long Term Operations) Fund	86,00,00	86,00,00	73,00,00
National Agricultural Credit (Stabilisation) Fund	9,00,00	9,00,00	8,00,00
National Industrial Credit (Long Term Operations) Fund	10,00,00	10,00,00	—
Deposits—			
(a) 1 Central Govt.	51,71,69	50,12,57	50,75,18
2 State Govts.	7,11,24	18,56,22	20,55,11
(b) Banks :—			
(i) Scheduled Banks	95,88,76	96,80,71	95,16,57
(ii) State Co-operative Banks	3,16,63	2,32,96	2,38,47
(iii) Other Banks	1,32	3,28	4,35
(c) Others	1,45,45,13	1,45,49,14	1,64,33,06
Bills Payable	44,99,37	43,49,38	34,04,56
Other Liabilities	47,50,28	35,33,19	38,42,68
Total	5,85,84,42	5,82,27,45	5,71,60,00
Assets—			
Notes	25,62,42	18,68,06	11,33,36
Rupee Coin	4,98	4,17	2,35
Small Coin	9,48	9,22	4,21
National Agricultural Credit (Long Term Operations) Fund			
(a) Loans and Advances to :—			
(i) State Govts	28,17,51	28,18,69	27,06,43
(ii) State Co-operative Banks	11,83,45	11,83,92	9,71,51
(iii) Central Land Mortgage Banks	—	—	—
(b) Investment in Central Land Mortgage Bank Debentures	4,41,53	4,45,53	3,55,31
National Agricultural Credit (Stabilisation) Fund			
Loan and Advances to State Co-operative Banks	—	—	—
Bills Purchased and Discounted :—			
(a) Internal	—	—	—
(b) External	—	—	—
(c) Govt Treasury Bills	—	—	—
Balances Held abroad	1,59,22,23	1,57,33,90	69,49,52
Loans and Advances to Govt.	10,14,37	10,43,47	9,26,24
Loans and Advances to :—	37,80,74	33,03,86	27,46,66
(i) Scheduled Banks	79,05	5,88,40	2,44,05
(ii) State Co-operative Banks	1,54,49,44	1,57,65,86	1,27,88,03
(iii) Others	2,39,16	2,00,58	2,75,55
Investments	1,24,24,94	1,23,39,04	2,63,52,42
Other Assets	27,51,05	27,41,81	26,01,76
Total	5,85,84,42	5,82,27,45	5,71,60,00

SCHEDULED BANKS

(In 000's of Rupees)

	Week Ended 6-11-64	30-10-64	8-11-63
(i) Demand Liabilities—			
(a) Demand Deposits :			
(1) From Banks	61,91,59	62,37,13	54,18,21
(2) From others	11,93,91,22	11,96,44,34	9,77,51,94
(b) Borrowing from Banks	28,83,91	28,43,67	25,14,64
(c) Other	79,77,89	79,86,61	61,72,82
(ii) Time Liabilities—			
(a) Time Deposits :			
(1) From Banks	31,54,91	34,11,87	33,97,65
(2) From others	13,23,72,70	13,34,78,11	12,55,80,60
(b) Borrowing from Banks	18,88,56	15,15,79	19,92,92
(c) Others	13,06,29	12,62,05	10,38,40
(iii) Borrowing from State Bank—			
(a) Demand Liabilities	12,60,36	11,00,86	7,01,68
(b) Time Liabilities	28,99,24	28,62,00	19,59,00
(iv) Borrowing from Reserve Bank	5,04,90	1,21,75	61,25
(v) Cash	73,40,04	67,60,79	56,03,70
(vi) Balances with the Reserve Bank	99,85,60	94,81,34	80,63,73
(vii) Balances with other Banks in current account	23,17,70	20,94,52	21,37,62
(viii) Money at call and short notice	64,40,65	72,15,25	65,38,94
(ix) Investments in Central and State Govt. Securities	8,12,94,00	8,73,66,27	7,73,36,88
(x) (a) Loans, Cash Credits and Overdrafts	14,55,62,41	14,50,26,72	12,39,85,02
(b) Due from Banks	23,94,84	22,12,24	12,38,85
(xi) Inland Bills purchased and discounted	1,87,45,03	1,82,49,17	1,78,98,37
(xii) Foreign Bills purchased and discounted	77,32,17	74,54,08	57,59,76
(xiii) Total of X, XI and XII	17,44,34,45	17,29,42,22	14,88,82,00





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New Delhi

HIGH-POWERED FOREIGN TEAMS TO ATTEND I.C.C. MEETING

(FROM OUR NEW DELHI CORRESPONDENT)

THE advanced countries of the world are making great efforts to project a favourable image abroad. It was, for example, freely stated in New York last summer that "the United States has a job to do in informing, not only the American public, but also people abroad on the nature of U.S. capitalism." This followed a special world gallup poll, conducted in major cities in 14 nations of the non-communist world, the typical question being: "What percent of profit would you say the typical American industrial firm makes?" Another question asked was the estimate of profit made by firms in their own countries. In New Delhi, for example, the typical person interviewed guessed that a U.S. firm made a profit of 47 percent.

U.S. business men showed great concern in trying to correct this "misapprehension". The question asked here is whether the Government and some sections of the Indian business community display equal anxiety in presenting a correct image of this country. The question has assumed some importance because of the forthcoming session of the International Chamber of Commerce, which is scheduled to meet here from 7th to 12th February, 1965. About 2,000 delegates, it is expected, will attend the meetings. The British delegation, for example, will be led by Sir Duncan Oppenheim and will include, among others, Sir Jeremy Raisman, Viscount Runciman, the Righ Honourable Lord Shawcross and the Right Honourable Lord Tangley. The West German delegation will be headed by Dr. Herman Abs, who was one of the three experts deputed by the World Bank to appraise the financial feasbility of India's third plan. It will include Mr. Baitz of Krupps. The U.S. French and Italian delegations are similarly expected to include top-ranking people in the field of finance, commerce and industry.

Shortages and Corruption

It is not yet known what efforts are being planned to present a correct image of India to this world assembly, either by the Government or the business community. Some fragments of India's image could be visualised. The delegates, living in five-star hotels in New Delhi, should be thrilled to read the daily coverage provided to the Central Minister of Home Affairs by the Indian Press, as he tries to root out corruption through the Sadachar Samiti, a Vigilance Committee and a Directorate of Complaints. They could also read of foodgrain shortages and the lengthening queues for sugar and musturd oil. Side by side, they will see for themselves the deep roots of democracy through the operation of summary trial-cum-no-appeal system introduced by the food ordinance. The joint responsibility of the Central Cabinet will be demonstrated by Ministers making conflicting statements in public on issues which are not their concern. The solidarity of the Congress in general and the federal structure of the Constitution will be demonstrated by Chief Ministers defying the Centre to protect the interests of their States even at the cost of sister States. The communists and "progressives" within the Congress may launch a timely agitation indicating that "hungry sharks" have invaded the country.

The commercial community could organise a seminar to discuss the inevitability of tax evasion to combat high taxation. An exhibition to demonstrate the technical superiority of India over the nations of the world in adulterating everything—from food and life-saving drugs to manure—would be appreciated.

The cultural shows could include raids organised by the Enforcement Directorate and the Department of Health, the latter to demonstrate the immunity of the Indian system to contaminated water and food cooked in an insanitary condition. Joy rides could include roads with gaping manholes and pavements decorated with heaps of rubbish or washermen's hangings. There are many other possibilities which could make the image real.

These lines are being written neither flippantly nor jeeringly. These things are hghlighted in the national papers every day. The presentation of a correct image of India has rarely been so important as it will be during the forthcoming session of the International Chamber of Commerce.

The Central Finance Minister, Mr. T. T. Krishnamachari, recently went to Japan to attend the meetings of the World Bank. He and his officers probably saw what pains the Japanese took to present a correct image of their country to the delegates. It is time the Government gave serious consideration to this aspect of the problem, for the impression carried away by the delegates will have some effect on private capital investment in this country, the importance of which is fully realised in New Delhi. The success of the fourth plan is largely linked to private foreign investment. It should, therefore, be evident how important it is to present a correct image of India to the foreign delegates.

PARLIAMENT

Bills for Winter Session

The four-week winter session of Parliament commenced here on Monday, 16th November. Food, it is expected, will once again dominate the session; the other important topic is the Chinese atom bomb. A discussion on the possibility of producing a cheap car is also expected.

There are 20 Bills pending before Parliament, four of which have been reported on by Select Committees. They include Bills to amend the Indian Companies Act, the Foreign Exchange Regulation Act, the Wealth Tax Act and anti-corruption laws. Fifteen new Bills have been planned for the session. They include the Food Corporation Bill, the Official Trustees Amendment Bill, the Indian Trade Union Act Amendment Bill, the Banking Companies Act Amendment Bill, the Customs Act Amendment Bill, the Patents Bill and the Indus-

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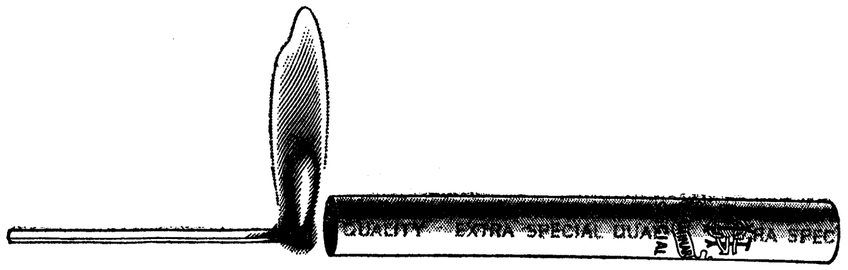


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CAS/VS-2

trial Disputes Second Amendment Bill.

A Bill seeking to ensure that fair price shops or co-operative stores should be opened in most industrial and commercial undertakings may also come up for discussion.

WAGES

Part Payment in Kind

The Central Labour Minister, Mr. D. Sanjivayya, was obviously stumped when he recently met the tripartite standing committee on the Industrial Truce Resolution. By a resolution, the Bangalore session of the Indian Labour Conference had agreed in principle that a part of the wages to workers might be made payable in kind, if necessary by legislation. The standing committee on the Industrial Truce Resolution was to work out the scheme. But the committee, which met here last week, rejected the scheme, since it was unacceptable to labour. The workers' representatives, it is reported, quoted the Governor of Kerala, Mr. V. V. Giri, as advising them not to accept it.

This raises a two-fold issue. Firstly, can a Governor engage himself in a political controversy ? If Mr. Giri wishes to guide workers as a trade union leader, he is out of place as a Governor, since by law and convention he should be above controversy. The second issue relates to the attitude of labour. A controversy, it will be recalled, was raised over the decision of the Government on the Bonus Commission's report. Trade unionists claimed that the Government had no right to modify or amend the report, as if it was an award. In this particular case, the Government prepared a scheme for the part payment of wages in kind with the consent and approval of workers. In other words, workers are now unwilling to implement their own decision. They can amend, alter or even repudiate it, while the Government cannot amend even the report of a committee which, in nature of things, is always advisory.

The committee approved the outlines of a Bill seeking to ensure that fair price shops or co-operative stores would be opened in most industrial and commercial establishments in the public and private sectors. Industrial establishments included for the purpose of the Bill are : factory ; any railway ; tramway or motor omnibus service ; dock, wharf or jetty, etcetera; mechanically propelled inland vessel; mine, quarry or oilfield ; plantation ; workshop or other establishment in which articles are produced, adapted or manufactured, with a view to their use, transport or sale ; establishment in which any work relating to the construction, development or maintenance of buildings, roads, bridges or canals, or relating to operations connected with navigation, irrigation or the supply of water, or relating to the generation, transmission and distribution of electricity or any other form of power is being carried on ; banks ; insurance companies ; shops ; and commercial establishments.

Starting Fair Price Shops

It is suggested that in every industrial establishment where 300 or more workers are ordinarily employed, and where at least 200 workers have given their consent in writing in the manner prescribed to buy their requirements from the fair price shops for a stated period of time, a fair price shop shall be provided and maintained for the use of the workers.

Such shops should ordinarily stock at least 50 percent of the requirements of the employees. The price rates of the following kinds are visulised : subsidised rates as for rationed commodities ; controlled rates (both floor and ceiling) fixed by the State Governments ; wholesale rates for pulses, cooking medium and one or two popular varieties of textiles, rates not above the prevailing market rates for other commodities which the employer is not under any specific obligation to supply, provided that all articles shall be sold on a non-profit basis.

A provision for penalty will be introduced in the Bill, which, it is expected, will be brought up during the forthcoming session of Parliament.

RUSSIA

Help for Indian Projects

January 1965 will mark the tenth year of Indo-Russian co-operation in trade, commerce and industry. The co-operation in the sphere of construction of industrial enterprises and other projects began with the exchange of visits of the late Mr. Jawaharlal Nehru and Mr. N. S. Khrushchev in 1955. As a result of these visits, the heads of the two Governments reached an agreement for the broad development of economic and technical co-operation.

Six projects, built with Russian assistance, are already in operation in India. They are the Bhilai steel plant with the annual capacity of over 1 million tons of steel, Ankleshwar oilfields with a capacity of over 2.300 tons of crude oil a day, the Neyveli thermal power station working on lignite with five units of 50,000 kilowatts each and over. These besides, the heavy machine-building plant in Ranchi and the coal mining machinery plant in Durgapur were inaugurated by the former Prime Minister.

Twenty-four other projects are now being constructed (nine out of them are at the commissioning and pre-commissioning stages) : the expansion of the Bhilai steel plant to a capacity of 2.5 million tons of steel a year, further commissioning of shops and units of the heavy machine-building plant and the coal mining machinery plant, the heavy electrical equipment plant in Hardwar, two oil refineries of 3 million tons' capacity each, hydro-electric and thermal power stations, the coal washery in Kathara with a capacity of 3 million tons of coal a year, two coal mines with the total annual capacity of 1.7 million tons of coal, a coal quarry for 1 million tons of coal a year with further expansion up to a capacity of 2 million tons, plants for producing antibiotics, synthetic chemico-pharmaceutical preparations, surgical instruments and lenses for eye-glasses, etcetera. Ten other projects are at the stage of designing and survey work.

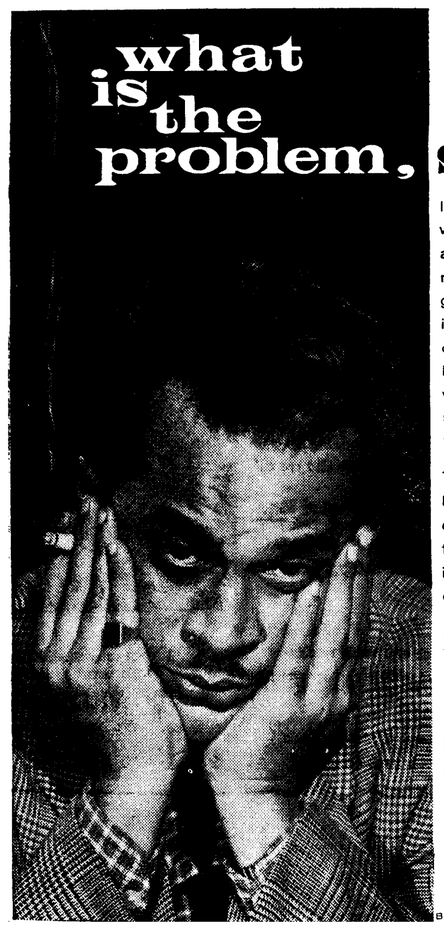
On completion of these industrial projects and the commissioning of their capacities, they will produce annually 2.5 million tons of steel, 6 million tons of petroleum products, 125,000 tons of modern coal mining, metallurgical and other heavy equipment, steam and hydraulic turbines and generators with a total capacity of 2.7 million kilowatts, 145,000 tons of refractories, production and washing of 3 million tons of coal, commissioning of 2.535 megawatts of installed capacity of power stations which constitutes about 35 percent of the total power generating capacities to be commissioned in India during the third five year plan.

Expansion of Bhilai

Under the expansion programme, the Bhilai steel works will have three more coke oven batteries of 65 ovens each in addition to the existing three batteries, two more blast furnaces of 1,719 cubic metres ; each in addition to three existing 1,033 cubic metre furnaces, four more open-hearth furnaces of 500 tons' capacity each. The capacity of open-hearth furnace No. 6 now in operation, will be increased by way of reconstruction from the present 250 tons to 500 tons. Th expansion of rolling mills will take the form of additions to the existing mills and the setting up of a wire and rod mill with an annual capacity of 400,000 tons wil be an entirely new unit.

At present, work on the expansion is being carried out in all the main shops of the Bhilai plant, according

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Foundry Plants

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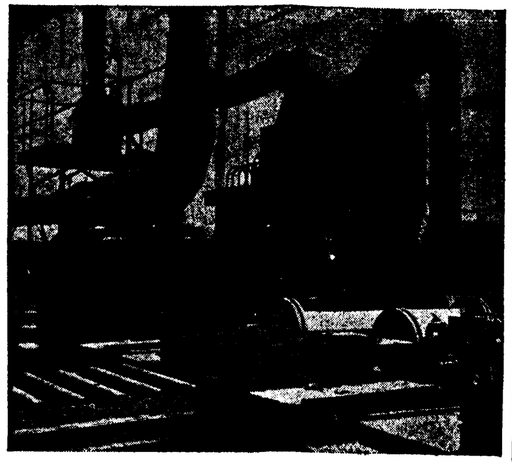
Crucible Furnaces fixed or tilting type, solid fuel (coke, coal), gas or oil fired,—in capacities ranging from 35 up to 300 kg. for melting of non-ferrous metals.

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INTERADS

to schedule. A number of units are to be put into operation in the current year. Coke-oven battery No. 4 was fired on 13th April, 1964. The battery is expected to turn out coke shortly. Blast furnace No. 4, open-hearth furnace No. 7 and some other units are also planned to be commissioned this year. Russia has agreed to render assistance in the setting up of a large public sector steel plant in Bokaro with a capacity of 1.5 million tons of steel a year, which can be expanded to 4 million tons later.

It is interesting to note that a part of the equipment for the sixth blast furnace complex of the Bhilai steel works and for the Bokaro steel plant will be made completely in India at the heavy machine-building plant in Ranchi, another part will be made in co-operation with Russia which will supply separate units, details and aggregates. The fact that in the near future the principal requirement of mining and metallurgical equipment of India will be met by internal production is an index of the progress the Indian heavy engineering industry is making at present.

The heavy machine-building plant, with a production capacity of 80,000 tons of mechanical items, which is now being constructed in Ranchi, will produce machines and equipment for the metallurgical industry, including the equipment for sintering and by-product coke-shop, blast furnace, metallurgic, rolling, cranes equipment, as well as oil drilling, forging equipment, mine hoists and so on. After reaching the project capacity, the plant will annually produce the metallurgical equipment sufficient for setting up a metallurgical plant with a capacity of 1 million tons of steel a year. The plant will produce about 10,000 tons of equipment in 1964-65.

Another big heavy machine-building plant is the coal mining machinery plant in Durgapur with an annual capacity of 45,000 tons of various machines and equipment, including coal cutting machines, loading machines, conveyers, electro-locomotives, ventilators, pumps, hoists, etcetera. The products of this plant will enable to mechanise mines with a total annual capacity of 8 million tons of coal.

The Hardwar Plant

The Hardwar plant will produce effective power generating units in India. The capacity of turbo-generating units will be up to 200 megawatts and hydro-generators up to 100 megawatts. Besides, the plant will also manufacture the heavy and medium A.C. and D.C. electric motors, and other electrical equipment as well. The plant will be the largest of its kind in south-east Asia.

According to the latest details, the following power stations are being built with Russian economic and technical co-operation in different parts of the country.

Name of the station	Capacity in kilowatts
Neyveli thermal power station (Madras)	400,000
Korba thermal power station (Madhya Pradesh)	200,000
Obra thermal power station (Uttar Pradesh)	250,000
Patratu thermal power station (Bihar)	400,000
Harduaganj thermal power station (Uttar Pradesh)	100,000
Bhakra (Right Bank) hydro-power station (Punjab)	600,000
Mettur hydro-power station (Madras)	200,000
Balimela hydro power station (Orissa)	360,000
Hirakud hydro power station (Orissa)	25,000
	2,535,000

Apart from these nine stations, Russia has built power stations at the Bhilai plant and the Barauni oil refinery. Similar power stations are also going up at the Koyali refinery and at the Hardwar heavy electrical equipment plant. Of the above power stations, Neyveli has already started working to the capacity of 250,000 kilowatts. Some others are under active stages of construction and on the rest work has been begun only recently.

The production of precision instruments is the most important branch of the modern machine-building industry. The first large factory to manufacture a wide range of precision instruments, necessary for industrial development, will be erected in Kotah, which becomes one of the centres of instrument-making industry. One hundred and forty thousand electronic instruments of various types for industrial uses will be produced annually by this plant. The plant will be equipped with the most up-to-date machinery supplied by Russia. The Soviet specialists are preparing working drawings and other project documents for the plant. The precision instruments plant, after it is commissioned, will greatly meet the demand of instruments for Indian industries, thus effecting foreign exchange savings of Rs. 20 crores a year.

Russia is also rendering assistance in the establishment of another mechanical instruments plant in Palghat, Kerala. This plant will meet the requirement of India in mechanical, hydraulic and pneumatic instruments, including pressure, vacuum, flow and level measuring and control instrument as well as automatic and hydrolic control devices, control desk for automatic controllers and various pneumatic devices.

On 28th March, 1964, a protocol was signed in Moscow providing for assistance in the establishment of two big industrial enterprises; one for producing compressors and pumps with a capacity of 16.7 tons a year and the second for producing 10,000 tons of steel castings.

STEEL

Role of Design Organisation

The chairman of Hindustan Steel Ltd, Mr. M. S. Rao, has contributed an instructive article to the special number of *Yojana* from which the following extracts are reproduced:

"The achievement of physical and financial targets is only one aspect of development. The other relates to the question of know-how and the building up of a core of engineers and technicians who not only may man important posts in running the modern steel mills but, in due course, may also prepare designs, project reports and introduce innovations.

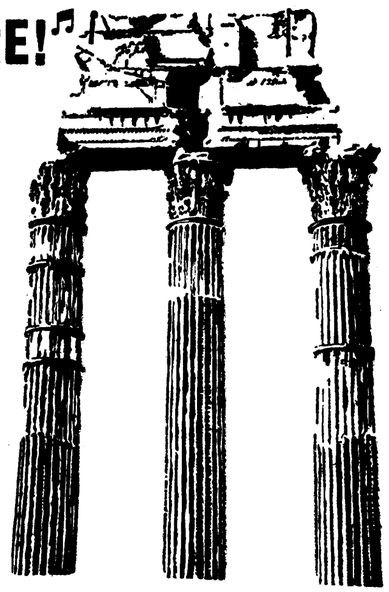
"In so far as the basic question of building up a core of engineers who could prepare plan projects and innovate is concerned, the importance of this was realised as early as 1955 when the Indian steel mission to Russia under Mr. S. S. Khera made recommendations on this matter in its report in August-September 1955. The matter was taken up at the level of the Government and later on, the management of H.S.L. pursued it earnestly resulting in the formation of the Central Engineering and Design Bureau (C.E.D.B.) in 1959. At the outset, this organisation under the overall charge of central headquarters consisted only of 13 engineers and now it has gone up to 250. The C.E.D.B. was organised with the following objectives:

"(a) to collect all the drawings of the three plants under construction and make a detailed study of these in this office and at site with a view to understanding the principles and practices that have been used.

"(b) at the earliest date, all planning, designing, manufacture, construction, erection, commissioning and operation should be done in our country and by us 100 percent.

"Although the high ambition of this Bureau for being able to prepare project reports for green field sites has not yet materialised, it is a mat-

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CASA-127 B

THIS BOTTLENECK MUST BE BROKEN

Today the whole country is astir with economic and industrial development. All our Five Year Plans aim at raising the standard of living of the masses. Very often, however, the development programmes in the country are obstructed by a bottleneck in transportation. *This bottleneck must be broken.*

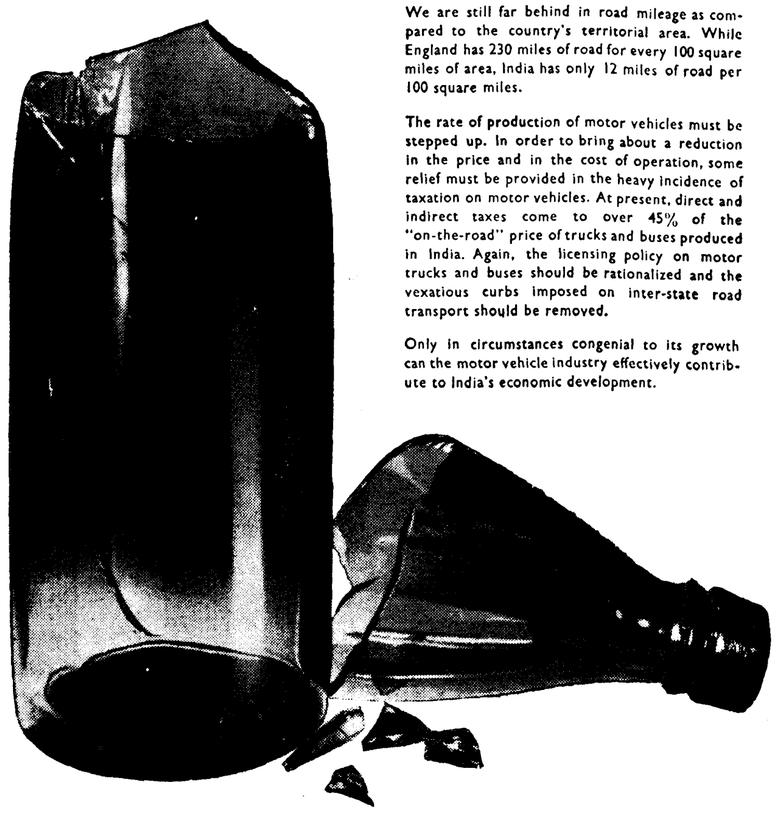
Not all the rail wagons and all the railway tracks we plan to build can put us on the road to economic growth at the desired pace without the adjunct of an efficient system of motorized transport.

Countries in the West have economically forged ahead largely through the development of road transport. In the USA, for instance, some 2.8 million trucks are used in the agricultural sector alone, and the truck transportation industry provides employment to one out of every nine persons.

We are still far behind in road mileage as compared to the country's territorial area. While England has 230 miles of road for every 100 square miles of area, India has only 12 miles of road per 100 square miles.

The rate of production of motor vehicles must be stepped up. In order to bring about a reduction in the price and in the cost of operation, some relief must be provided in the heavy incidence of taxation on motor vehicles. At present, direct and indirect taxes come to over 45% of the "on-the-road" price of trucks and buses produced in India. Again, the licensing policy on motor trucks and buses should be rationalized and the vexatious curbs imposed on inter-state road transport should be removed.

Only in circumstances congenial to its growth can the motor vehicle industry effectively contribute to India's economic development.



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ter of satisfaction that against heavy odds in manning, this Bureau, even during the six years of its existence, has been able to take charge of expansions in Rourkela and Durgapur. Messrs Indian Gemeinsehaft Krupp-Demag, who were consultants for the 1-million-tonne construction of the Rourkela steel plant, have been ably replaced by the C.E.D.B. for the 1.8-million-tonne expansion of the Rourkela steel plant which is already under way. Similarly, in Durgapur, this organisation has replaced Messrs International Construction Company for the expansion of steel plant from 1 million tonnes to 1.6 million tonnes. The work of C.E.D.B. has been commended by such internationally reputed engineering and desiging organisations as Messrs International Construction Company and Messrs Gipromez of Russia.

"The Central Engineering and Design Bureau is now engaged in planning the expansion of Rourkela and Durgapur plants from 1.8 million tonnes to 3 million tonnes and 1.6 million tonnes to 2.5 million tonnes, respectively, for the fourth plan."

The observations recently made by the chairman of the Heavy Engineering Corporation, Mr. T. R. Gupta, therefore, came as a suprise. According to newspaper reports, Mr. Gupta said that the Corporation had decided to set up a central design organisation which would have 400 specialists in designing. He further said that by 1967-68, the Corporation would have about 2,000 graduate engineers, of which about 1,200 had already been appointed.

The question asked here is whether Mr. Gupta's design organisation is being created to design additional heavy engineering units, whether it is intended to meet the requirements of specified projects, such as steel mills, for which there already exists a tried and tested design organisation. In other words, is it intended to start a race between the Central Ministry of Steel which already possesses a design organisation and the Ministry of Heavy Engineering which is planning to set up a parallel organisation? Lastly, how does this planning for design organisations fits into the pattern of the Prime Minister's assurance of maximum economy in expenditure. It is not Mr Gupta but the Central Minister for Heavy Engineering, Mr. T. N. Singh, who may have to offer an explanation to Parliament, if not to the public.

SUGAR

New Ex-factory Prices

In a notification issued here, the Government of India has fixed the new ex-factory prices of sugar in the various regions after taking into account the increases allowed in the cane price and the estimates of duration and recovery for the 1964-65 season. The new prices are:

	(Prices a quintal)
For factories in the Lucknow division of Uttar Pradesh, Maharashtra and Mysore	Rs. 116
For factories in east Uttar Pradesh, Rohilkhand and Agra divisions of Uttar Pradesh, north Bihar, West Bengal, Gujarat and Andhra Pradesh	Rs. 118.75
For factories in Dehra Dun and Saharanpur districts of Uttar Pradesh	Rs. 121.25
For factories in Madhya Pradesh, Orissa, Madras, Pondicherry and Kerala	Rs. 123
For factories in Meerut, Muzaffarnagar and Bulandshahr districts of Uttar Pradesh, Punjab, south Bihar and Rajasthan	Rs. 129.25
For the factory in Assam	Rs. 126

The notification prescribes premiums and discounts for superior and inferior grades of sugar with reference to the price for D-29 grade. The new prices come into effect immediately.

FORD FOUNDATION

New Grants Announced

Grants totalling $1,066,000 for assistance to three institutions of higher education in India were recently announced by the Ford Foundation in New York. These grants are to Delhi University, $536,000; the Birla Institute of Technology and Science, $160,000; and for assistance to the Indian Institute of Technology in Kharagpur by the North Carolina State University, $370,000.

The new grants are part of the Ford Foundation's continuing assistance for India's efforts to improve her overall educational programme in keeping with the needs of her developing economy. Since 1951, the Foundation's aid in the educational and research fields in India has totalled almost $17 million. Assistance has been provided at the university level, the secondary school level, and in the technical and vocational fields.

As part of its continuing assistance for India's agricultural and rural development, the Ford Foundation announced a new grant of $163,000 on 15th November to the Allahabad Agricultural Institute. The grant provides funds to assist the Institute in launching a programme for testing and design of small tractors by its Agricultural Implements and Power Development Centre. This grant supplements the ones in 1962 and 1963, totalling $819,500, which aided the establishment of the Centre.

The new award will enable the Centre to test various sizes of tractors-*cum*-implements systems, in the 5 to 15 horse-power range, under different cropping conditions and to develop designs and specifications for tractors-and-implement systems suited to the operating needs in cultivators' fields. In this programme, tractors and associated equipment will be tested in on-farm field operations in three major type of arming areas, namely, in paddy, non-paddy, and "mixed" crop areas where paddy is grown in the wet season and other crops in the dry season. The project is directed to aid the solution of the present farm-power problems of agriculture, notably on medium-sized holdings.

A new grant for $1,246,000 for assistance to India's family planning and health programme was also announced by the Ford Foundation in New York. The grant is to assist the completion of the preliminary organisation and planning phase for operation of five intensive health and family planning districts, the National Institute of Health Administration and Education, and the Central Family Planning Institute.

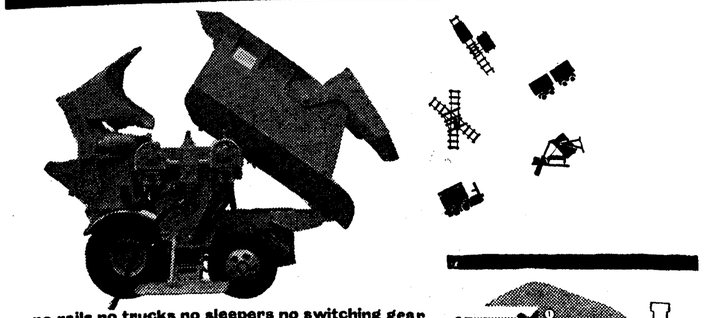
Extending over a two-year period, the grant covers services of foreign consultants, foreign training of key Indian personnel associated with the programme, purchase of imported equipment and books, and architectural services to guide the planning of joint facilities for the two Institutes named. The grant is to the Central Ministry of Health, Government of India.

Grants by U.S. Government

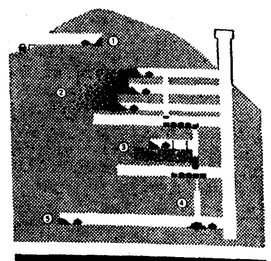
Two research grants totalling Rs. 71,440 have been extended by the U.S. Government to the Institute of Science, Bombay, and the University of Kerala. The grants, announced by the Bureau of Commercial Fisheries, U.S. Department of Interior, are from U.S.-owned rupees generated by the sale of agricultural products supplied to India under the U.S. Public Law 480 (Food for Peace) Programme.

One grant, of Rs. 40,000, will aid

Dump capital investment costs with the Load-and-Carry method



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Less capital outlay and greater productivity. That's the end-result of the "Load-and-Carry" technique to offset rising overheads in production and development mining. A method that confines the entire muck-load haul cycle to only one man and one machine, the rubber-tyred Autoloader. A system that gives trackless mechanized handling with 65 per cent effective loading time on 100 ft. runs. And makes hauls of 600 ft. possible.

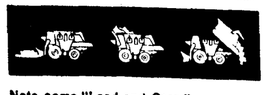
Unique machines-unique results. Man-hour output up from 4.5 to 13 tons in cut-and-fill stoping and 50% increased advance rate in drifts of coal mines in Central Europe. Mucking costs cut 30 per cent in sub-level caving in North America. Loading and dumping 500 tons of ore per man/shift to Scandinavia. These are authentic "Load-and-Carry" figures from mines. Figures that show how pneumatic Autoloaders keep costs down by performance as well as by equipment-saving design. More than 250 Autoloaders are already working in coal mines. And here are some reasons why:

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Increased output. Power assisted steering and speeds of up to 5 ft. a second enable quick hauls in winding drifts. Timber props are no hinderance.

A new "Load-and-Carry" booklet shows on-the-job applications of the method as adopted for various mining and tunelling conditions.



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Qualifying Education: Applicants should hold at least a Bachelor's degree in any subject or any professional qualification considered equivalent to a degree. The medium of instruction is English and a good command over the language is required.

Qualifying Test: An appropriate test for post-graduate study in Management will be administered at different centres in India. There will also be a qualifying interview.

Academic Year: The first year of the two-year programme will run from August 9, 1965 to May 6, 1966.

Fees: Fees for board, room and tuition will be Rs. 1,700/- per academic year.

Location: The programme will be residential, conducted at the Institute campus in Calcutta.

Applications and enquiries: Last date for application is February 1, 1965. Applications and information may be requested from:

The Programme Director
Post-Graduate Programme
Indian Institute of Management, Calcutta
"Emerald Bower"
56-A, Barrackpore Trunk Road, Calcutta-50

a project at the University of Kerala for research on the effects of using hormones from insects to stimulate egg growth in crustacea—a large class of mostly aquatic animals with jointed bodies and limbs and without spinal columns—particularly crabs and prawns.

The second grant, of Rs. 31,440, to the Institute of Science, Bombay, is for a one-year cytochemical investigation of animal tissues. Cytochemistry is the chemistry of cells. This project also includes study of the classification and relationships of common groups of fish and crustacea.

EXPORTS

Rise in September

Total exports from India in September this year were worth Rs. 75.5 crores. This was Rs. 12 crores higher than the total exports of Rs. 63.5 crores in September 1963. Apart from the fact that this is the highest figure for exports in any single month, it reflects a running rate of Rs. 900 crores a year—the most encouraging feature of the export performance.

Total exports during the first six months of the financial year 1964-65 (April 1964-September 1964) were worth Rs. 415 crores. This was Rs. 38 crores higher than the exports in the corresponding six months of 1963-64, which were of the value of Rs. 377 crores.

FOREIGN TRADE

Expert Team Arrives

An international team of experts in foreign trade has arrived here to study India's export efforts and suggest improvements. The study will cover the practice and techniques of foreign trade, working of trade organisations in India and trade representations abroad, commercial intelligence, market survey techniques, product and commodity research, export organisations, product adaptation, quality control and testing, and manpower and training for foreign trade.

The visit of the team has been arranged by the Ford Foundation at the request of the Central Ministry of Commerce. In the group are economic and trade consultants, managers of co-ordination departments of firms of world repute, representatives of associations of manufacturers and members of institutes of marketing and economic affairs. It consists of seven members, two each from the United States, the United Kingdom and Japan and one from Italy. They are Dr. Robert J. Clark, Mr. Masayuki Katoh, Mr. William Thomas Pearce, Mr. Alexander O. Stanley, Dr. Elio Tosarelli, Mr. Herbert William Vallender and Mr. Minora Yoshida. The team will be in India for six to eight weeks.

The counterpart Indian team constituted by the Central Ministry of Commerce is led by Dr. P. S. Lokanathan, Director-General of the National Council of Applied Economic Research. The programme of the team includes discussions with the export promotion councils, commodity boards, prominent exporters, honorary export promotion advisers and officials of the Reserve Bank of India.

UK

Trade Balance with India

India was able to reduce her adverse balance of trade with Britain by £485,000 during the nine months ended September 1964. Both ways, the trade declined. Imports from Britain declined by nearly £7 million for which machinery, non-ferrous metals and textile fibres and their waste were mainly responsible. Exports to Britain also declined by nearly £1 million over 1963 figures, tea and tobacco being the main sufferers. This was notwithstanding the fact that textile yarn, fabric and made-up articles showed a substantial increase, as did textile fibres and their waste.

ALUMINIUM

Hungarian Aid for Plant

A six-man team of Hungarian aluminium experts, headed by the General Manager of Aluex, Mr. Palszakal, was here last week, discussing with the Government the terms of contract to prepare project report for the Korba aluminium plant in Madhya Pradesh.

In 1961, Hungary offered her assistance for the establishment of an integrated aluminium plant to be elected in India. Later on it was decided that Hungarian co-operation will be invited for the establishment of an aluminium plant in Madhya Pradesh. The plant will have a yearly capacity of about 120,000 tons of aluminia. It will probably be situated near the 200-megawatt power station in Korba.

The project report is to be prepared by experts partly of the Hungarian and partly of the Indian organisations, and the work is to be executed partly in India and partly in Hungary.

KHADI

Rebate on Woollen Goods

The Government of India has decided to give an additional rebate of 10 percent on retail sales of all varieties of woollen *khadi* on which a normal rebate of 10 percent is admissible.

The additional rebate will be allowed with effect from 14th November, 1964, for a period of 45 days, which may be split up in two or more periods as decided by the Khadi and Village Industries Commission, on all sales of such woollen goods effected by *khadi* sales emporia, *khadi bhandars* and institutions certified by the Khadi and Village Industries Commission.

MINERALS

New Exploration Programme

The Central Ministry of Steel and Mines has prepared a scheme, "Operation Hard Rock", envisaging a crash programme of mineral discovery and development.

The total cost of the scheme would be about Rs. 2 crores. This includes Rs. 94 lakhs for contractual airborne survey and the salaries of foreign experts who will be appointed by the contractor, about Rs. 47 lakhs for contractual diamond drilling and Rs. 24 lakhs for the purchase of equipment.

The U.S. A.I.D. has indicated its willingness to advance a loan of about $3.5 million to cover the foreign exchange cost of the scheme.

CORRUPTION

Recommendation Accepted

The Government of India has accepted the recommendation of the Committee on Prevention of Corruption (Santhanam Committee) that all complaints and allegations appearing in responsible newspapers should be scrutinised and investigated thoroughly.

London

INTERIM LABOUR BUDGET HAS QUIET RECEPTION

(FROM OUR LONDON CORRESPONDENT)

LABOUR'S first Budget has had a generally quiet reception, for although Mr. Callaghan, the U.K. Chancellor of the Exchequer, emphasised that he had a two-fold aim—to achieve a balance on overseas payments and to adjust the social balance at the same time—it is difficult not to come to the conclusion that his real purpose was to create an atmosphere in which it would be possible to devise an incomes policy acceptable to both employers and the trade unions, for it is along that track that the real solution of the economic malaise really lies, as has been evident for a long time. Insidious, but less drastic than had been feared, was the City's immediate verdict, and share prices actually staged an upward move in unofficial dealings. The full implications of Mr. Callaghan's first bite at the Budgetary cherry, however, still remain to be realised, and second thoughts and a period of hesitancy may well be expected fairly soon. Briefly, Mr. Callaghan's proposals, were as follows:

Income tax: Standard rate to rise by 6d to 8s 3d from 6th April, 1965. Reduced rates of first £300 of individual's taxable income after personal allowances not affected. Estimated yield in a full financial year £122 million.

Petrol duty: Increase of 6d a gollon on petrol, light hydo-carbon oils, and diesel oil for road vehicles. Effective right away. Yield in 1964-65, £32 million. In a full year £93 million. Measure will add one-fifth of a point to the cost of living index, which now stands at 107.8:

National insurance: Contributions to rise from 29th March, 1965, as follows: Employed man: 2s a week; employer: 3s 3d a week: and employed woman: 1s 9d a week; employer: 2s 10d a week.

Pension increases: National insurance and associated benefits to go up from 29th March: Single people: By 12s 6d to £4 a week; married couples: By 21s to £6 10s a week; "Widows": By £1 to 30s a week. Affects some 83,000 women married before 5th July, 1948, and not eligible for benefits under the 1948 Act. Earnings rule for all widows to be abolished. War pensions and industrial injury benefits to be increased, by £1 to £6 15s for 100 percent disability. National assistance rates up by 12s 6d for single people and 21s for married couples.

Reform of taxation: Mr. Callaghan gave warning that he would "look closely in the coming months at the avoidance of tax." He proposed two major tax reforms for next spring:

Capital gains tax: Applicable to gains arising from assets "whenever acquired." Amount liable to tax will be different between value on Budget Day, 1965, and amount realised by subsequent sale. Tax will not be charged against sale of owner-occupied house which is owner's "own or main place of residence."

Company taxation: Corporation tax to replace income tax and profits tax on companies. New tax would mean reduction in current levy on undistributed profits, as total revenue raised would be same as from the present combined tax. Firms would thus have incentive to develop through use of ploughed-back profits. The Chancellor also proposed legislation to give effect to the 15 percent imports levy and tax incentives to exporters, including rebate on petrol and vehicle licence duty, announced on 26th October. Books and periodicals, ships of 80 tons or more and large aircraft exempt from levy.

Effect of Tax Changes

In a full year the tax changes will produce £415 million, comprising £122 million from income tax, £93 million from petrol duty and £200 million from imports levy. National Insurance and National Assistance improvements, with abolition of prescription charges, will cost £130 million. Mr. Callaghan said that allowing for the import charges, export rebate and increased petrol duty, the overall deficit next April might now be between £400 and £450 million, against Mr. Maudling's estimated £790 million.

The Government's main object at this stage seems to have been to balance the books, with sufficient revenue being raised in new taxes to pay for improved social benefits and to permit some reduction in the size of the Exchequer deficit. The net deflationary effect is likely to be quite mild. In terms of strict Budget arithmetic, the overall deficit of revenue against expenditure will be about £100 million less than expected as a result of the changes proposed by the Chancellor. But most of the additional tax charges will fall on companies and taxpayers in the upper and middle income ranges and so, to some extent, may be met at the expense of savings. Most of the increase in social benefits, on the other hand, will be spent by the people receiving them. The amount by which total demand is reduced is likely, therefore, to be small.

Only the increased duty on petrol and diesel fuel, in any case, will take effect immediately. Income tax will not begin to be raised until 6th April next year. This is in keeping with the Chancellor's view that the additional pressure on resources to be expected as imports fall off and exports rise will only make itself felt gradually. The same is true, of course of higher pensions and other benefits, which do not come into force until the spring.

The Chancellor has, moreover, left himself room to take other steps if the pressure of demand appears to need further tightening. It was pointed out in the City that the Budget had made use only of fiscal weapons. A whole range of monetary measures—restrictions on bank lending, for example, and higher interest rates—could still be used to lighten the loan on the economy if that seemed necessary.

Industrial Costs

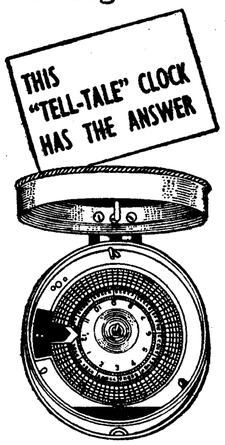
The least desirable effects of the Budget will be the raising of industrial costs. The higher cost of petrol and disel fuel will impose an additional burden on industry at a time when the Government is anxious that costs and prices should be kept down. The 3s 3d increase in employers' National Insurance contributions will also add heavily to the bills of firms that are large employers of labour.

The Budget has been judged by such a variety of tests that the final assessment upon it may take some time to appear. Budgets in the past have frequently had a delayed action effect, but none seem, in retrospect to have qualified more for it than Mr. Callaghan's.

These are some of the tests: Will Mr. Callaghan's proposals strengthen Britain's competitive position in world trade? Will they make it easier for the Government to secure policies for incomes and prices? Are they "equitable" by the Government's own understanding of the word? Has Mr. Callaghan been as efficient as he should have been? What will the effect of the Budget be on Labour, Conservative, and Liberal stalwarts in the country?

Conservative and Liberal opinion regards the Budget as the first evi-

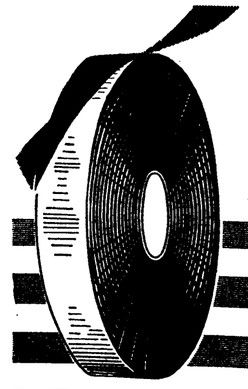
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dence that the Government is to propose a heavy increase in national expenditure and is already being driven, despite statements made during the election campaign, to increase taxation. Sir Alec Douglas-Home made this point in the House. Liberals suspect that the Government has presented the national accounts in such a way as to justify action which might not have been necessary if Labour had not had its own programme of social change to finance.

Part of the difficulty in assessing the effects of the Budget arises from the time-table fixed by the Government. The import surcharge will run until 30th November next year and will be renewable for not more than one year by affirmative resolution of Parliament. Mr. Callaghan told the House that he would make the first review of the working of the surcharge in the spring. If he reduced it then, or took it off, it would not only please the countries which export to Britain, but would alter the yield of the tax to the Treasury.

Incomes Policy

One of the main objects of this Budget is undoubtedly to prepare the base from which the Government can go on to negotiate an incomes policy with the trade unions and with industry. In at least one helpful quarter, the Budget was thought to show the right approach. Mr. George Woodcock, General Secretary of the T.U.C., said: "They have revealed early on their grand strategy. I approve it—I think it is right. I'm surprised they've done so much. I think it is remarkable testimony to the vigour with which they've gone in." But would it actually turn the trick and achieve the almost impossible task of bringing off a working incomes policy? Mr. Woodcock was more reserved about that, pointing out that a Budget was a limited instrument and that its usefulness would depend on its "psychological effects," which are, of course, not easy to predict.

On the other hand, at least one senior trade union leader has already told Mr. George Brown to his face that he wants his (very well-paid) members to be at the top of the list of exceptions to any guiding light, and other leaders have expressed much the same views more privately. Although the Budget may set a proper social context within which the search for an incomes policy should take place—with its emphasis on relief for the worst off and greater burdens for the wealthier—it may prove to be an obstruction to getting the consent of one important part of the working population, the highly paid manual workers. In any incomes policy, their earnings would be expected to advance more slowly than those of workers at the lower end of the income scale, but the 6d on petrol and on the standard rate of income tax, plus the increased insurance contributions, could be just enough to tip the balance against their easing up on wage demands.



TRENDS OF GROWTH IN INDO-U.K. TRADE

By V. Bhanu Koti

The United Kingdom has been a major importer of Indian products, and this country an important market for many British manufactures, especially machinery and producer goods. The economic relations between the two have recently improved, with Britain taking a continuing interest in India's economic progress.

INDIA'S ties with the United Kingdom, both political and economic, are more than two centuries old. The U.K. has all along been and is likely to continue to be an influential factor in India's foreign trade. An attempt has, therefore, been made in the following to make a detailed study of Indo-British trade in the post-independence period on the basis of the monthly and annual statistics maintained by the Department of Commercial Intelligence and Statistics, Calcutta.

The relative importance of the U.K. in India's foreign trade and of India in Britain's foreign trade are brought out in the table below:

Year	The U.K.'s share in India's foreign trade		India's share in the U.K.'s foreign trade	
	Exports	Imports	Exports	Imports
	Percent	Percent	Percent	Percent
1948	22.4	23.7	5.8	4.6
1949	23.3	24.0	6.3	4.3
1950	23.4	20.7	4.3	3.7
1951	26.0	16.5	4.2	3.9
1952	21.5	21.6	4.1	3.5
1953	28.7	26.3	4.2	3.3
1954	32.0	23.4	4.1	4.3
1955	28.1	25.5	4.3	4.0
1956	30.2	24.7	5.1	3.6
1957	24.4	22.9	5.1	3.8
1958	28.4	19.3	4.8	3.6
1959	27.1	19.7	4.9	3.5
1960	27.3	19.4	4.1	3.2
1961	24.7	19.0	3.9	3.2
1962	23.9	16.5	2.9	3.0
1963	22.4	15.6	3.2	2.9

Source: Annual Trade Accounts published by the Indian and U.K. Governments.

It may be observed that India's share in the U.K.'s external trade (both exports and imports) has, for obvious reasons, been very small, and has gradually fallen during the period under review. The U.K.'s share in India's foreign trade has, on the other hand, been considerably large. It is interesting to note that Britain's share of India's exports has gradually increased from 22 percent in 1948 to 30 percent in 1956, but it has, thereafter, returned to the 1948 level by 1963. This indicates the nature of diversification during the period in the direction of India's exports which have been rising steadily in the last few years. In the case of imports, however, Britain's share has, on the whole, undergone a gradual declining tendency, especially in the last few years. The fall is quite considerable, from 24 percent in 1948 to 17 percent in 1962 and to 16 percent in 1963. This clearly brings out the shift in India's reliance on other countries for her requirements of capital goods, iron and steel products and other items of manufacture required for her economic development.

Growth of Trade

The growth of India's trade with the U.K during the period under review is illustrated in the following table at the bottom of columns I and II.

India's exports of the various articles classified under broad groups are given in the table below for selected years.

(In crores of rupees)

Group	1948-49	1953-54	1958	1961-62	1962-63	1963-64
Plantation crops (chiefly tea)	46	73	90	74	76	71
Agricultural and animal products	19	21	22	22	21	22
Minerals	2	5	5	5	4	3
Textile and fibrous products	23	23	23	27	27	31
Other manufactured goods	12	23	24	34	35	33
All others	1	5	1	N	N	1
Total	103	150	165	162	163	161

The above figures clearly bring out the increasing diversification in the commodity pattern of exports. The major group of "plantation crops" constituted about 50 percent of total exports until 1958, but its share declined to 47 percent in 1962-63 and 44 percent in 1963-64. Exports of the allied group of "agricultural and animal products" recorded only small increases until 1958, and were, thereafter, almost stationary. The two groups relating to manufactured goods recorded considerable increases. The rise in the exports of "other manufactured goods" was quite conspicuous, there being, however, a small decrease in 1963-64. The broad trends for the principal export commodities are reviewed below:

Tea: Nearly 60 percent of India's total exports of tea, the most important foreign exchange earner, are sent to the U.K. The exports rose steadily from Rs. 46.2 crores (142 million kilograms) in 1948-49 to Rs. 100.8 crores (147 million kilograms) in 1954-55. While the increase in quantity was marginal, the value more than doubled. In the next year, tea exports fell sharply to Rs. 74.1 crores (126 million kilograms), but picked up considerably in the succeeding two years totalling Rs. 89.4 crores (149 million kilograms) at the end of 1958. In 1959, they declined steeply to Rs. 75.4 crores (126 million kilograms). There was a slight increase to Rs. 77.5 crores in 1960-61 and once again a decrease to Rs. 73.4 crores in 1961-62. After recording a small rise to Rs. 75.6 crores (128 million kilograms) in 1962-63, they registered a considerable fall in 1963-64 to Rs. 70.4 crores (117 million kilograms).

(In crores of rupees)

Year	Exports	Re-exports	Total of exports and re-exports	Imports	Balance of trade (Col. 4 minus Col. 5)
1	2	3	4	5	6
1948-49	102.7	0.6	103.3	153.4	−50.1
1949-50	115.5	2.6	118.1	155.8	−37.7
1950-51	135.2	4.6	139.8	135.3	+ 4.5
1951-52	167.9	1.8	169.7	162.3	+27.4
1952-53	122.4	0.9	123.3	152.4	−29.1
1953-54	150.1	1.3	151.4	161.1	− 9.7
1954-55	187.0	1.3	188.3	164.3	+24.0
1955-56	167.9	1.8	169.7	197.8	−28.1
1957*	160.3	0.9	161.2	244.9	−83.7
1958*	165.1	1.3	166.4	170.5	− 4.1
1959	161.2	4.5	171.7	186.8	− 15.1
1960-61	172.3	1.8	174.1	217.2	−43.1
1961-62	161.6	1.2	162.8	200.2	−37.4
1962-63	163.2	1.0	164.2	185.6	−21.4
1963-64	160.7	0.7	161.4	168.9	− 7.5

Source: Department of Commercial Intelligence and Statistics Calcutta.
* The statistics were maintained on the calendar year basis.

The broad trends discernible from the above figures are:

(a) Both exports (including re-exports) and imports recorded considerable fluctuations from year to year, but on the whole tended to increase.

(b) Exports recorded a relatively more substantial growth than imports. Viewed from the export promotion point of view, however, the position during the last three years is not satisfactory as the exports have gradually fallen and have become more or less static at the level of Rs 162 crores.

(c) While both exports and imports have declined from 1960-61, the fall in imports has been much larger than exports. Consequently, the adverse balance of trade was considerably reduced in the last two years.

The exports thus recorded a rise during the first half of the period (1948-49 to 1954-55), but fell in the other half. The former trend was due to more remunerative prices as reflected in the rise in the unit value (f.o.b. price), from Rs. 3.3 a kilogram to Rs 7 a kilogram. The latter (adverse) trend was apparently due to a fall in the price which stood at Rs. 5.8 a kilogram in 1955-56 and Rs. 5.6 a kilogram in 1962-63. Although the price slightly improved to Rs 6.1 a kilogram in 1963-64, the increase did not produce any favourable effect on the exports which fell substantially in that year, obviously due to a decline in demand.

India has been the chief supplier of tea to the U.K., accounting for more than half of the latter's total imports. Substantial curtailment in the British imports of tea resulting from lower demand seems to be the only reason for the fall in India's exports in 1963-64, compared with the previous year. The U.K. reduced her imports from £117.4 million (562 million lbs) in 1962-63 to £108.5 million (539 million lbs). Ceylon suffered a greater setback than India from the import cut. Her share of British imports fell from £37.2 million to £33.8 million, as against the decrease in India's share from £61.7 million to £59.5 million. The shares of other important exporters, namely, Kenya and Rhodesia and Nyasaland, also fell from £3.7 million to £3.5 million and from £3.5 million to £2.8 million, respectively.

Leather (tanned and dressed): Exports fluctuated considerably until the year 1959, and then showed a falling trend. They increased from Rs. 8.9 crores (12.1 million kilograms) in 1948-49 to Rs. 19.4 crores (18.9 million kilograms) in 1951-52. While the quantity rose by 50 percent the value more than doubled during this period mainly because of the rise in the price from Rs 7.4 a kilogram to Rs. 10.3 a kilogram. In the next year, it declined to Rs. 14.4 crores (18.8 million kilograms), but rose again to Rs. 19.2 crores (22.7 million kilograms) in 1953-54, partly due to the higher price (Rs. 8.5 a kilogram). They started falling from 1954-55 and were at Rs. 12.3 crores (12.6 million kilograms) by the end of 1958, although the price increased further to Rs. 10 a kilogram. In the next year (1959) they, however, shot up to Rs 18.8 crores (17.5 million kilograms), because of a further rise in price to Rs. 10.7 a kilogram. The exports once again started decreasing and touched a low level of Rs. 12 crores (12.5 million kilograms) in 1962-63 when the price fell to Rs. 9.6 a kilogram. In the next year, they improved slightly to Rs. 12.9 crores (12.1 million kilograms), partly on account of a better price (Rs 10.7 a kilogram).

India was also the major supplier of tanned leather to the U.K and accounted for about one-third of her imports in 1962-63 and 1963-64, which rose from £24.7 million to £28.3 million. India's share rose from £9.1 million to £9.7 million. The share of the Irish Republic, the second important supplier, also rose from £2.8 million to £3.2 million. Russia, Australia, France and Canada came next in order of importance. While the share of Australia decreased from £2.0 million to £1.7 million, the shares of Russia, France and Canada increased from £1.7 million to £2.2 million, from £1.3 million to £1.5 million and from £1.1 million to £1.2 million, respectively.

Cotton fabrics: Cotton fabric exports also recorded wide fluctuations. There were no exports in 1948-49. In the next two years, the exports amounted to Rs. 3.3 crores (28 million metres) and Rs 10.7 crores (83 million metres), respectively. They then declined to Rs. 5.5 crores (44 million metres) in 1951-52 and touched the lowest level of Rs. 40 lakhs (3 million metres) in 1952-53. They then began to rise slowly and in 1960-61 totalled Rs 15.2 crores (163 million metres) and again slumped to Rs. 11.4 crores (120 million metres) in 1961-62 and further declined to Rs. 5.6 crores (47 million metres) in 1962-63. These exports, however, picked up substantially in the next year amounting to Rs. 15.4 crores (165 million metres).

India, Hongkong and Belgium were the major exporters of cotton cloth to the U.K. during the two years 1962-63 and 1963-64. Britain's total imports of cotton cloth amounted in these two years to £43.2 million and £47.5 million respectively. While the share of Hongkong in the total imports decreased from £10.5 million to £9 million, India's share rose from £9.1 million to £11.8 million. Belgium's share also rose from £6.6 million to £7.3 million. West Germany was another important exporter and her share rose from £3.6 million to £3.9 million. The Netherlands, Pakistan and China also exported cotton cloth to the U.K., but their shares were comparatively low.

Oilcakes—Non-essential vegetable oilcakes (including

practically did not feature in the export trade during the year 1948-49 to 1953-54. The exports were, however, considerable in 1954-55 amounting to Rs. 1.3 crores (30,000 tonnes) and they almost trebled in the next year to Rs. 3.4 crores (93,000 tonnes). After a fall in 1957 to Rs. 1.6 crores (49,000 tonnes), they shot up to Rs. 7.1 crores (200,000 tonnes) in 1958 and rose further to Rs. 13.4 crores (322,000 tonnes) in 1959. They, however, fell in 1960-61 to Rs. 10.7 crores (320,000 tonnes) but rose in the next year to Rs. 12.3 crores (348,000 tonnes) and to Rs. 15.8 crores (430,000 tonnes) in 1962-63. They again decreased to Rs. 13.2 crores (361,000 tonnes) in 1963-64.

Indian supplies of oilcakes constituted more than one-third of the U.K.'s total imports of the commodity during 1962-63 and 1963-64, which amounted to £40.9 million and £35.5 million, respectively. Canada and Burma were the next in order of importance. While India's share in British imports was reduced from £14.3 million to £13.0 million, Canada's share was £8 million in each of the two years. Burma's share also fell from £6 million to £4.9 million. Argentina and Nigeria were the other less important exporters. While the former's share decreased from £3.5 million to £1.9 million, the latter's rose from £2.2 million to £2.8 million.

Raw tobacco : Exports of raw tobacco, on the whole, recorded a rising trend. From Rs. 3.7 crores (12.2 million kilograms), in 1948-49, they increased to Rs. 8.9 crores (19.4 million kilograms) in 1951-52 and then fell to Rs. 6.5 crores (13.5 million kilograms) in 1953-54. They again picked up gradually and reached the highest level of Rs. 10.9 crores (24.2 million kilograms) in 1960-61, but then once again declined. They decreased to Rs. 9.8 crores (17.3 million kilograms) in 1961-62 and further to Rs. 9.6 crores (16.8 million kilograms) in 1962-63. In the next year, the quantum declined slightly to 16.6 million kilograms, but the value rose by a small margin to Rs. 9.8 crores.

India occupied third place among the exporters of raw tobacco and tobacco manufactures to the U.K. during 1962-63 and 1963-64, the first two being the U.S.A. and Rhodesia and Nyasaland. While the total British imports of the commodity rose from £80.4 million to £104.6 million during these two years, India's share rose only from £8.6 million to £9.1 million. The share of the U.S.A., on the other hand, rose from £36.2 million to £49.7 million and that of Rhodesia-Nyasaland from £23.8 million to £29.4 million. British North Borneo, another important supplier, however, witnessed reduction in its share from £9.6 million to £8.8 million.

Jute goods: A falling trend is noticeable on the whole in the exports during the period. The value decreased from Rs. 17.9 crores in 1948-49 to Rs. 7.2 crores in 1950-51, but in the next year, they recorded an unusual rise of Rs. 43.9 crores. The exports then declined to Rs. 7.3 crores (33,000 tonnes) in 1952-53, but nearly doubled to Rs. 14.2 crores (75,000 tonnes) in the subsequent year. They then started falling and reached the lowest position of Rs. 5.7 crores in 1957. In the next three years, they improved gradually and amounted to Rs. 9.0 crores (48,000 tonnes) in 1960-61. During the remaining three years, they again exhibited the falling tendency and stood at Rs. 7.1 crores (42,000 tonnes) by the end of 1963-64.

Raw wool : Exports on the whole showed a rising tendency, although they were subject to small fluctuations from year to year. They increased from Rs. 40 lakhs (1.4 million kilograms) in 1948-49 to Rs. 4.5 crores (6.8 million kilograms) in 1950-51. They, however, declined to Rs. 3 crores (5.0 million kilograms) in 1951-52. From next year, they started rising and touched the peak level of Rs. 4.9 crores (8.1 million kilograms) in 1955-56. They again began to fall and reached a very low position of Rs. 1.6 crores (2.7 million kilograms) by 1962-63. They, however, picked up considerably in the next year and amounted to Rs. 4.4 crores (4.2 million kilograms), the increase being more in value.

Woollen carpets: Exports exhibited minor variations, but on the whole, recorded a rising trend. They increased from Rs. 1.7 crores in 1948-49 to Rs. 4.5 crores in 1950-51, but fell to Rs. 1.7 crores in 1952-53. Except for a small decrease in 1957 and 1958, they started rising slowly and amounted to Rs. 2.7 crores in 1959. Once again they showed a falling trend amounting to Rs. 1.7 crores in 1962-63. In the next year, however, they improved to Rs. 2.5 crores.

Among the other important items, cotton yarn, cashewnut kernels, coir manufactures, chemicals and manganese ore on the whole recorded, increases. Their exports increased from "nil", Rs. 20 lakhs, Rs. 1.7 crores, Rs. 50 lakhs and Rs. 30 lakhs in 1948-49 to Rs. 2 crores, Rs. 1.1 crores, Rs. 1.9 crores, Rs. 70 lakhs and Rs. 50 lakhs in 1963-64, respectively. Exports of vegetable oils, however, decreased substantially from Rs. 2.8 crores to Rs. 1.1 crores, after recording a high figure of Rs. 10.6 crores in 1955-56. Similarly exports of "towels in piece" which were "nil" in 1948-49, fell from Rs. 2.5 crores in 1949-50 to Rs. 1.3 crores in 1963-64. Declining exports are also noticeable in hides and skins and lac. Exports of the former declined from Rs. 1.7 crores in 1948-49 to Rs. 50 lakhs in 1963-64, and those of the latter from Rs. 2.1 crores to Rs. 60 lakhs. Exports of mica were more or less stationary, especially during the latter part of the period. They amounted to Rs. 1.5 crores in 1963-64, compared with Rs. 1.6 crores in 1962-63 and Rs. 1.7 crores in 1961-62.

Imports from U.K.

The table below gives a broad picture of the imports into India from the U.K. during the selected years.

(In crores of rupees)

Group	1948-49	1953-54	1958	1961-62	1962-63	1963-64
Machinery and transport equipment	83	86	97	110	105	103
Manufactured goods	60	60	60	69	65	58
All others	10	15	14	21	16	8
Total imports	153	161	171	200	186	169

The machinery and transport equipment group accounted for more than 50 percent of the total imports from the U.K. The imports of this group of items gradually increased until 1961-62, but fell in the next two years. The percentage share of the imports, however, increased from 55 in 1961-62 to 56 in 1962-63 and to 61 in 1963-64. The same trend is noticeable in the imports of the "manufactured goods" group, but the percentage shares decreased from 39 in 1948-49 to 34 in 1963-64. The main trends for the principal items are described below:

Machinery (electric and non-electric): Imports increased considerably during the period as a whole, although there were some yearly fluctuations. They amounted to Rs. 65.6 crores in 1948-49 and then moved up and down alternatively until 1957, when they were the highest amounting to Rs. 101.7 crores. They recorded a steep fall to Rs. 79.6 crores in 1958, but showed considerable rises in the years 1959 and 1960-61 amounting to Rs. 84 crores and Rs. 90.7 crores, respectively. They then registered a gradual decline in the remaining three years to Rs. 90.2 crores, Rs. 86.9 crores and Rs. 85.5 crores, respectively.

Transport equipment: This item also exhibited broadly the same trend. The imports at first declined from Rs. 16.9 crores in 1948-49 to Rs. 14.2 crores in 1950-51, but rose later to Rs. 18.8 crores in 1951-52. They then fell to Rs. 17.2 crores in 1954-55 and again increased to Rs. 23.5 crores in 1955-56. During the subsequent 1955-56, but gradually declined to Rs. 2.6 crores in 1959. In the next year they, however, increased to Rs. 6.6 crores. They gradually declined thereafter to Rs. 6 crores in 1961-62, Rs. 4 crores in 1962-63 and to Rs. 3.6 crores in 1963-64.

Textile manufactures : Imports of textile manufactures recorded a very steep fall from Rs. 17.8 crores to Rs. 1.9 crores during the period under review. The large imports of cotton manufactures amounting to Rs. 12.2 crores and Rs. 12.4 crores in 1948-49 and 1949-50, respectively, fell to Rs. 4.4 crores in 1951-52 and to Rs. 3.5 crores in 1955-56, and were more or less static at Rs. 2 crores during the last three years 1961-62 to 1963-64. Similarly, imports of woollen manufactures decreased from Rs. 3.8 crores in 1948-49 to Rs. 1.6 crores in 1952-53, and further to Rs. 20 lakhs in 1958. During the remaining part of the period, they were comparatively low. They were the lowest in 1963-64 (Rs. 2 lakhs). As for art silk goods, the imports first increased from Rs. 1.9 crores in 1948-49 to Rs. 2.8 crores in 1959, and thereafter, fell heavily and were worth only Rs. 1 lakh in each of the years 1962-63 and 1963-64.

Among the less important commodities, the imports of paper and paper-board showed on the whole a fall from Rs. 2.3 crores in 1948-49 to Rs. 1.2 crores in 1963-64, and those of refractory materials and bricks from Rs. 50 lakhs to Rs. 20 lakhs. Scientific and controlling instruments, photographic and optical goods, etcetera, on the other hand, doubled from Rs. 1.5 crores to Rs. 3.3 crores.

three years, they decreased and amounted to Rs. 16.8 crores at the end of 1959. In the next year (1960-61), they once again rose to Rs. 22.4 crores. During the last three years, they, however, fell. They amounted to Rs. 19.9 crores and Rs. 17.7 crores in 1961-62 and 1962-63, respectively, but registered a small increase to Rs. 17.9 crores in 1963-64.

Base metals and metal products : Imports more than doubled from Rs. 13.1 crores in 1948-49 to Rs. 28.2 crores in 1957. In the next year they fell to Rs. 20.2 crores, but again increased in 1959 to Rs. 24.4 crores. In the following year, they further increased reaching the peak level of Rs. 38.9 crores. They started, however, declining in the subsequent three years, amounting to Rs. 29.7 crores, Rs. 26.2 crores and Rs. 22.6 crores, respectively.

Chemicals : The imports underwent marked fluctuations, but on the whole, decreased from Rs. 16.7 crores in 1948-49 to Rs. 14.7 crores in 1963-64. They were the highest in 1957 (Rs. 27.4 crores).

Wool tops : There were no imports during the years 1948-49 to 1950-51, but they amounted to Rs. 5.3 crores in 1951-52. After a fall to Rs. 3.9 crores in 1952-53, they began to rise in the subsequent years and stood at Rs. 8.1 crores in 1957. By the end of 1960-61, they declined to Rs. 4.2 crores and further fell to Rs. 2.2 crores in 1962-63. In the next year, however, they rose to Rs. 5.2 crores.

Petroleum products : Imports nearly trebled during the period under review. They increased from Rs. 1.1 crores in 1948-49 to Rs. 8.4 crores in



Jute

INDIAN MOVE TO GET EXEMPTION FROM U.K. IMPORT SURCHARGE

CIRCLES close to the jute industry have welcomed the Government of India's move to persuade the British Government to exclude jute goods from the purview of the 15-percent import surcharge. They are surprised that the very first step taken by the Labour Government should have revised the trend towards reducing the mark-up on imported hessian. The surcharge, in effect, restores the protection enjoyed by the Dundee industry to the former level. Britain's imports of common hessian in bagmaking widths are being gradually transferred from the Government to private trade. The new surcharge will add to the difficulties of sack sewers and dealers in the U.K. The jute goods promotion plan will suffer since bags will be dearer due to the increase in the prices of hessian.

As the surcharge will also be applicable to imports of jute yarn, the U.K. carpet trade will be affected since large lots of yarn are imported to supplement the output of Dundee. The revival of protection for the Dundee jute industry, it is said, will not materially improve its production or employment potential. Most jute mills in the district have started producing speciality goods. Now the district's annual output of common hessian is about 3 percent of the total. Besides, there is a shortage of skilled labour. As jute packaging becomes dearer in the U.K., its use will shrink, while paper and synthetic containers and bulk handling will get a boost.

U.S. Market Requirements

The markets which are now being explored by the Indian jute industry are far more exacting than its present ones, said Mr. William A. Nugent, representative in North America of the Indian Jute Mills Association in a recent Press interview in New York. The new markets call for fabrics which are lint-free, dust-free, pre-sized, fire-retardant, mildew-resistant, calendered to a smooth finish and with a low oil-content, of uniform width and free from bias. With these essential qualities in view, close attention is being paid to quality control and finishing techniques at the mills in Calcutta, Mr. Nugent added. Once the aims are achieved, the continued advantage of low cost will give an automatic boost to the consumption of the end-products. The I.J.M.A. representative said that the industrial uses to which jute goods have so far been put were meant to strengthen the interior constructions of furniture or bedding; they were also put to heavy-duty uses in construction, mining and other general applications in which a low-cost and high-strength textile quality was deemed adequate for the job. In such uses the presence of loose hairy fibres, dust and high oil-content is no problem.

While burlap piecegoods for industrial uses accounted for 27 percent of the total consumption of the fabric in the U.S.A. last year, the jute industry believes that its share of the industrial textile market can be increased by upgrading the products to meet the exacting demands of a wider range of end-uses. Mr. Nugent referred to the research and development programme launched in the U.S.A. by the I.J.M.A. in collaboration with the Fabric Research Laboratories of Dedham, Massachussets, and said that a team of top-ranking technologists were at present keeping in close touch with consumers to study their specific needs. Although it is in its early stages, the programme has made encouraging progress in certain spheres.

Use as Decorative Fabric

Dyed burlap has long been used as a decorative fabric because of its low cost and the surface interest resulting from its coarse weave. However, it was not widely used in this sphere because the inherent property of jute fabrics to accelerate fading created the difficulty of applying fast dyes. This defect has been removed by the evolution of a new inexpensive bleaching technique. Jute fabrics can now be prepared to take dyes, which will stand exposure for up to 80 hours in the fadometer. This has attracted the attention of converters, thus expanding the erstwhile market of 5 million yards to 50 million yards or more in the future. The process is available to selected dyers and converters. A plan for securing a trade mark is being drawn up to ensure the maintenance of quality by those authorised to use the process.

The coated fabric industry has long been using substantial lots of burlap as a backing fabric for end-products like vinyl-coated fabrics for automobile interiors. So the F.R.L. team of experts have explored the prospects of widening the consumption of burlap by the coating industry. They have developed a finishing process for increasing the utility of burlap as a coating fabric. A new technique has been devised for making a burlap-based product suitable for use in the manufacture of folding doors and partitions. The new product, produced on a pilot-plant scale, has been well-received by the consuming industry, Mr. Nugent said.

Decline in October Output

Working for 192 hours in October, against 200 hours in the previous month, mills reporting to the I.J.M.A. have shown a decline in the output of jute goods from 104,000 tonnes to 98,000 tonnes. Production of hessian has dropped by 3,900 tonnes to 42,700 tonnes, of sacking by 600 tonnes to 42,300 tonnes and of miscellaneous goods by 1,700 tonnes to 5,400 tonnes, while the output of carpet-backing has increased by 200 tonnes to 7,600 tonnes. In October 1963, the mills worked at the maximum level for 200 hours, producing 96,200 tonnes of gunnies—41,800 tonnes of hessian, 40,500 tonnes of sacking, 6,400 tonnes of other goods and 7,500 tonnes of carpet-backing.

Common Trade Policy Urged

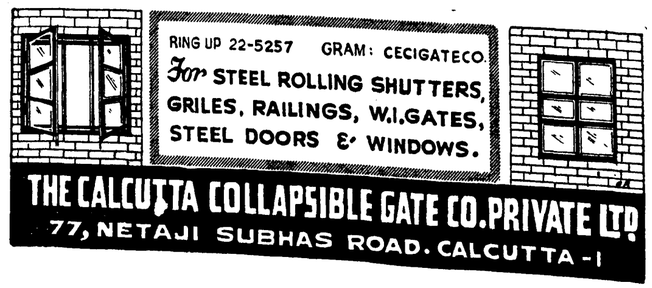
The Association of European Jute Industries, which met in Paris recently, has suggested the drawing up of a common trade policy for jute products. It has also referred to the feasibility of negotiating a bilateral agreement between the European Economic Community on the one hand and India and Pakistan on the other. The European Jute Congress, which also met there simultaneously, has expressed the opinion that any further decline in jute processing on the Continent will disturb the world's jute economy. It has stated that Europe produces about 500,000 tons of jute goods a year, representing about 17 percent of the world output, instead of 32 percent ten years ago. The combined output of India and Pakistan has risen from 650,000 tons to 1.6 million tons during the decade. New jute processing factories have been set up and existing ones expanded in other parts of Asia, Africa and Latin America. World consumption of jute goods has also increased considerably during the decade. Bust most of the increased demand is being met by higher production outside Europe. A substantial percentage of the jute products consumed in Europe is imported from India and Pakistan—the U.K. bringing in a third and the E.E.C. a fifth of the total offtake.

A policy resolution adopted by the Jute Congress states that modern production facilities, the large measure of diversification which has already been carried out and the availability of highly skilled labour make the European jute industry an "essential element of equilibrium and progress in the world jute economy. It must be maintained at its present level to help it play its due rôle." The Congress has pleaded for some uniformity in the policies pursued by India and Pakistan in the production of gunnies and the pricing of raw jute.

THE JUTE MARKETS

Manufactured Goods: After ruling easy for the major part of the past week, the Calcutta gunny market picked up strength on Tuesday, erasing a substantial part of the week's losses, on rumours of a huge Burmese Government tender for heavy goods and business with Cambodia in sacking. A softening trend in upcountry fibre prices induced a large number of mills to book sizable orders for all positions on Friday, depressing the prices. The publication of the I.J.M.A. statement showing a large decline in October production failed to halt the drift. The news of the end of the strike in some East Pakistani mills produced a bearish impact. On Monday reports that mills had decided on production at the maximum levels in view of the sharp drop in gunny stocks, combined with the availability of abundant supplies of fibre at lower prices, accentuated the bearish trend, and prices dipped to the week's lowest levels. Indian Government tenders absorbed small lots, while the U.S. offtake was more or less of a routine nature. Short- and shipper-covering helped sustain some interest in heavy goods and corn sacks for the ready and near positions. Although little hessian business was reported during the period, there were good enquiries for wide hessian. In the hedge market, sentiment was generally governed by the trend in the spot market. In view of the forthcoming closure of contracts and the restrictions on daily turnover, transactions in hessian and sacking for November delivery were of a "squaring up" nature. But fluctuations were wide due to last minute bear-covering. There was also a great deal of conversion of such contracts into February ones on payment of bigger contango charges. In February contracts, fluctuations were less wide. The market closed with a modest loss on balance after a seesaw battle between bears and bulls. Turnover was fair in sacking and moderate

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in hessian, and the undertone was steady at the close.

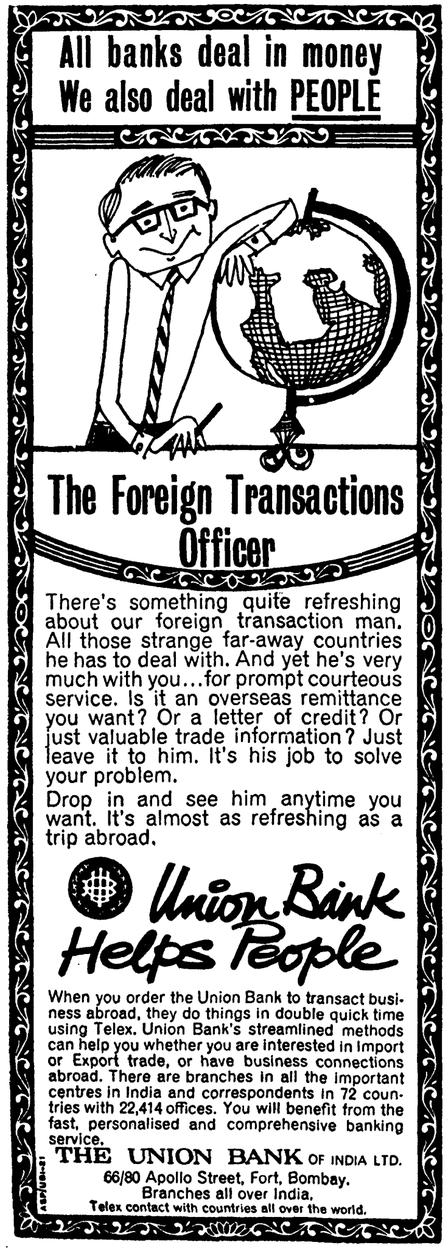
Wednesday's quotations were as follows:

	Nov.	Dec.	Jan.-Mar.	Apr.-June
40in. 7¼oz.	38.00	38.15	38.30	38.45
40in. 8oz.	40.65	—	—	—
40in. 10oz.	49.50	50.00	50.80	51.10
B Twills	155.50	152.25	149.25	145.50
Cornsacks	162.00	157.75	152.25	148.00
Heavy Cees (Plain)	154.50	151.75	148.75	145.25
A Twills	181.00	180.00	178.00	175.00
Liverpools	167.50	166.50	165.00	162.50

Raw Jute: Easier conditions prevailed in the raw jute market during the past week. The rising prices of foodgrains and other essential commodities induced growers and holders in upcountry markets to dispose of large lots of jute in order to get money. Improved transport facilities helped the movement of huge quantities of fibre from remote areas to the terminal markets, and finally to mill jetties and Cossipore sidings. So sentiment was depressed in the agencies and in Calcutta. As the mills had already completed their maximum purchase quota of 175,000 bales for the week ended 14th November well before the expiry of the period, transactions declined appreciably towards the week-end, accentuating the bearish trend. Even the issue of a larger quota of 200,000 bales for the week ending 21st November failed to help sentiment on Monday and Tuesday. The turnover improved considerably, but the undertone continued to be hesitant at the close.

Wednesday's quotations were as follows:

	Rates a maund		Rates a quintal	
	Mid.	Bot.	Mid.	Bot.
Assam-Agaitala Jute	38.00	35.00	101.81	93.77
Northern Jute	37.00	34.00	99.13	91.09
Western Desal Jute	36.50	33.50	97.79	89.75
Selected Daissee	39.50	36.50	105.83	97.79
Assam-Agaitala Tossa	39.00	36.00	104.49	96.45
Mesta:				
Assam-Northern	36.50	33.50	97.79	89.75
Local Daissee	36.50	33.50	97.79	89.75
Bihar Dist.	35.50	32.50	95.11	87.07



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

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

Description	Quantity
1. Gunny Bags	
(a) Hessian	
7,810 tonnes	(7,686 tons)
2,00,19 thousand metres	(2,18.9 lakh yds.)
1,42.1 lakh nos.	
(b) Sacking	
40,843 tonnes	(40,198 tons)
8,83,80 thousand metres	(9,66.5 lakh yds.)
4,28.7 lakh nos.	
2. Gunny cloth	
(a) Hessian	
34,904 tonnes	(34,353 tons)
11,78,14 thousand metres	(12,88.4 lakh yds.)
(b) Sacking	
1,465 tonnes	(1,442 tons)
32,37 thousand metres	(35.4 lakh yds.)
3. Carpet backing	
7,613 tonnes	(7,493 tons)
59,26 thousand metres	(64.8 lakh yds.)
4. Other manufactures	
5,394 tonnes	(5,309 tons)
5. Total production (All kinds)	
98,029 tonnes	(96,481 tons)

Summary

(000 metres and 00,000 yds.)

	Oct. '64	Sept. '64	Oct. '63
Hessian	13,78,33 (15,07)	15,14,20 (16,56)	14,04,77 (15,36)
Sacking	9,16,17 (10,02)	9,42,20 (10,30)	8,81,30 (9,64)
Carpet-backing	59,26 (65)	56,10 (61)	57,92 (63)

(000 tonnes and tons)

	Oct. '64	Sept. '64	Oct. '63
Hessian	42.7 (42.0)	46.6 (45.9)	41.8 (41.1)
Sacking	42.3 (41.7)	42.9 (42.3)	40.5 (39.9)
Carpet-backing	7.6 (7.5)	7.4 (7.2)	7.5 (7.3)
Others	5.4 (5.3)	7.1 (6.9)	6.4 (6.4)
Grand total	98.0 (96.5)	1,04.0 (1,02.3)	96.2 (94.7)
Hours worked	192.0	208.0	200.0

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

THE U.K. JUTE MARKETS

FIBRE WEAKER

(FROM OUR DUNDEE CORRESPONDENT)

THERE was a steadier tone in the raw jute market in Pakistan, and some sellers raised their rates. This could be due to prospects of the strikes at the Pakistani mills being settled at a fairly early date, and also to the fact that the Pakistani authorities have been maintaining the E.P.C. values at well above actual offers. It is understood that there is little prospect of any reduction in the official prices in the near future.

Dundee spinners wert still difficult to interest in raw material supplies, but registered sales to the U.K. during the second half of October were over 18,000 bales. Offers are not being quite so freely made in the U.K., but a fair quantity of afloat jute is available. The prices asked for these near-at-hand pracels are under current shipment rates. As spinners are well supplied with raw jute they are reluctant to add to their present stocks.

Offers were made at £150 for Mill Firsts, at £134 for Export Firsts, at £121 10s for Export Lightnings and at £113 for Export Hearts, c.i.f. U.K. for November-December shipment. Grade Tossa-2/3 was named at £151 and Grade Tossa-4 at £132. Outport Tossa-2/3 was at £119 and Outport Tossa-4 at £110. November-December.

Cuttings were quieter at £87 for S.N.C. and at £77 for N.C. Prices of mesta at a lower level with A at £106 10s, B at £97 10s, C at £91 10s and cuttings at £74 10s. c.i.f. UK, November-December. The Siam jute market was quiet, and the easier trend in prices continued. Offers were at £80 10s for grade A, at £76 for grade B, at £72 for grade C and at £70 10s for cuttings, delivered mill Dundee for November-December shipment.

A fair amount of interest is being shown in the U.K. for imported hessians. Business is now taking place with private buyers, and stocks are being built up. This all stems from the changeover from public to private trading in imported goods in bag making widths.

The Dundee jute industry is busy and prices of both yarns and cloth are firm. Although prices of raw jute have declined during the past month, this does not mean that yarn and cloth prices will follow. It must be remembered that when raw jute advanced about £50 a ton in August yarn and cloth prices were raised only £25 a ton and they are now more or less in line with current raw material costs. Demand from the carpet trade for yarns is steady and this takes up a large portion of Dundee's output. Supplies of most descriptions of yarns are only available for forward delivery. The cloth position is also satisfactory and more buying interest has been shown for heavy goods of late.

THE PAKISTANI JUTE MARKETS

FIBRE DULL

(FROM OUR DACCA CORRESPONDENT)

WHILE there was very little change in prices in any sector, the undertone of the market throughout was weak. Unfortunately at this late stage of the season, moisture is beginning to make its appearance. Some jute arrivals have been disgracefully wet, and there have already been complaints from overseas buyers. This is one of the evils of the jute trade, which, it is almost impossible to eradicate. Unfortunately, the balers are as guilty as the middle man.

Registrations for the second half of October were unusually high mainly because they include the Chinese and Russian purchases. Without these purchases, they would be small. China bought 170,000 bales out of the total of 276,471 bales. Russia bought another 14,000 bales and the U.K. 18,000 bales. North Africa, which in this case probably includes the U.A.R., bought 16,000 bales and Belgium 11,000 bales. India bought only 3,750 bales.

If the market is to show any improvement, it should do so within the next few weeks. Heavy shipments will be taking place this month, which will improve the financial position of many balers. With the elections nearly over, the jute mills strike is likely to be settled fairly soon. Furthermore, arrivals, which are scarce at present, will become even smaller because of paddy harvesting. For the time being, however, the market is dull.

Commodity Markets

RICE POSITION IN KERALA IMPROVES

(FROM OUR SOUTH INDIAN CORRESPONDENT)

THE food situation in Kerala has started showing some signs of improvement, in scarcity pockets like Trivandrum and Quilon. This is due to the top-priority movement of foodgrains into these areas from different parts of the country at the instance of the Prime Minister. The Central Government which has the ultimate responsibility to feed the people of Kerala took a serious note of the situation only when food riots started in places like Trivandrum. In fact, law and order situation in Trivandrum city and Quilon town vertually collapsed for some time. It was with great difficulty that police restored order in these areas.

The firm handling of the rioters and simultaneous rushing of supplies and assurances from the Prime Minister himself have restored normalcy in the affected areas. There is no assurance that trouble will not crop up in these areas again. Situation might again worsen unless the people are given the promised ration without interruption. The distribution arrangements in areas where informal rationing has been introduced have improved slightly, but they are still far from satisfactory. The entire State is expected to come under rationing by the end of the month.

According to official figures available, 6,000 tons of rice were on the move to Kerala, and some portion of it has already reached the State. Kerala wants for a month at least 60,000 tons of rice and an equal quantity of wheat for providing its 18 million people a 12oz. ration. The stock position in the State is a hush-hush affair. The State Governor, Mr. V. V. Giri, has asked for 100,000 tons of rice immediately, including 40,000 tons for a buffer stock to tide over the present crisis. He told a meeting of newspaper editors that in view of the present precarious stock position, the third week of this month would be "crucial". His hope is that by December things would be easier, provided supplies from outside move in at the promised level.

In the meanwhile, a section of workers have already struck work, and others are preparing for a strike to press home to the State and Central Governments the seriousness of the food crisis. Plantation workers in the Munnar area numbering about 45,000 were on strike on 12th November. The cashew workers in and around Quilon also went on strike. A State-wide strike by all sections of the workers has been planned by the different trade unions functioning in the State. The students who initiated the agitation have been immobilised by the Government by closing down educational institutions in the vulnerable areas.

The genesis of the present crisis can be traced to the promulgation of the price control order a few months ago. Not only did it prevent the free flow of rice into Kerala from surplus Andhra and Madras, but also it blocked the chance of prices coming down from the maximum fixed by the Government. It also provided room for black marketing. In a desperate bid to keep the prices down the tottering Government of Mr. Sankar doubled the distribution through fair price shops for the low-income people, and the result was a depletion of the buffer stock to a precarious bottom. Informal rationing was introduced without adequate preparation including the building up of a buffer stock that could keep the supply going. The cordoning of Kerala from the rest of the country and introduction of State-to-State trading had made it virtually impossible for the people to get any supply from the open market and made them completely dependent on the Government which was also not in a position to meet their requirements. This is how the present crisis developed.

The food agitation interferred with the Cochin tea sales as well. The strike in warehouses necessitated the postponment of auctions. The auctions scheduled for the last week of October have had to be postponed due to the impossibility of drawning and distributing samples. The sales have however, been since resumed.

The threatened dock strike in the U.K. and also in the east coast of the U.S.A. in December is giving a speculative twist to tea trading, according to a market report.

The chairman of the All-Japan Black Tea Association, who visited Cochin recently, stated that there was a good potential market for Indian tea in Japan. He hoped that exports of Indian tea to Japan could be substantially increased. It is said that the Tea Board proposes to introduce several long-term promotional schemes for boosting the export of Indian tea to Japan.

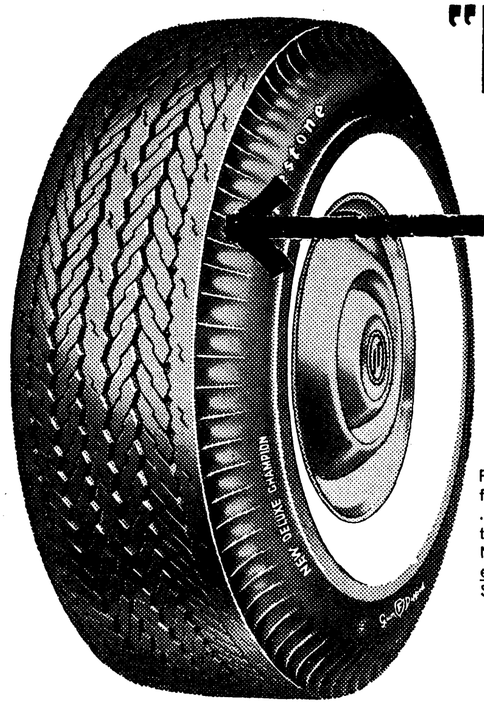
Mr. Jil-Morris of the Malayan Rubber Research Institute who has been invited by the Government of Kerala and the planters to advise them on the measures to produce more standardised natural rubber that would satisfy the consumers, is now in India. He will visit rubber estates in Kerala and render the growers as well as the authorities the necessary advice in this direction.

RUBBER

Outlook for Natural

Natural rubber has a bright future in India, in the opinion of Dr. Rama Varma, who has just retired from the chairmanship of the Rubber Board. He has written in a note circulated among the members of the Rubber Board on the eve of laying down his office, that the potential demand for natural rubber is large in this country, which is on the threshold of an industrial revolution. The *per capita* consumption of rubber in an industrially advanced country like the U.S.A. is 18 lbs, while in India, it is as low as 0.3 percent. Still in India, the gap between demand and the indigenous production of natural rubber is at present about 35,000 tonnes. By 1970, the demand is estimated to increase to 167.000 tonnes, while the indigenous production of natural rubber may reach 62.000 tonnes. By adopting better cultural practices including effective plant protection measures, it may perhaps be possible to step up production by 8,000 tonnes more.

Still the gap between the demand and domestic production of natural rubber will remain large. To meet this gap, only one synthetic plant with a capacity of 30,000 tonnes has been established. A letter of consent has been issued to a party to explore the possibilities of establising another plant with a capacity of 25.000 tonnes. The latter plant is not likely to go into full production before 1968, by which time the demand is expected to increase to 148,000 tonnes and the production of natural rubber to 57,000 tonnes. Even if both these synthetic plants are in full production by 1968,



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the gap between demand and production of synthetic rubber will be 93,000 tonnes, whereas the indigenous production of natural rubber would only be 57,000 tonnes. Dr. Varma, therefore, holds the view that there is no need for concern about getting a market for natural rubber in this country.

Apart from certain technical disadvantages, there is also the cost factor. Large foreign capital may be required to import plant and machinery for setting up synthetic plants in this country. As long as the handicaps last, any new synthetic plant which is likely to be put up is going to have a high capital cost, compared with similar plants in the industrially advanced countries. That would reflect on the cost of synthetic rubber. The price of S.B.R. has been quoted by the unit which has come into production at Rs 3.85 a kilogram, while the price of natural rubber produced in the country is Rs. 3.24 a kilogram. Perhaps the manufacturer may be able to reduce had cost when conditions become favourable to produce to its full capacity and if it could get raw materials at a cheaper cost. Still its price is not likely to go down below the natural rubber price. In this connection it is to be remembered that the Indian price of natural rubber is 50 to 60 percent higher than the price in Malaysia and Ceylon.

As the economy of the south-east Asian countries is largely dependent on rubber, it may be difficult to stop imports from those countries completely, without repercussions on India's exports, particularly when natural rubber prices in those countries are gradually declining. At one stage, the economics of expanding the capacity for synthetic rubber at any cost *vis-à-vis* the import of natural rubber at considerably lower prices, will have to be examined more closely. Either from the demand side or from the technical point of view or from the cost angle, the market for natural rubber would appear to be assured in the foreseeable future, Dr. Varma has said in his note.

However, some time ago, the Rubber Board passed a resolution to the effect that the issue of licences for starting new factories or for expansion of existing capacity for the production of synthetic rubber would affect adversely the interest of the rubber planting industry, and would defeat the efforts of the Board to develop it. The Board then requested to the Central Government that such licences should be issued only in consultation with the Board. The Rubber Board also expressed its concern over the Central Government's new policy of linking imports of raw rubber to the purchase of indigenous synthetic rubber by the rubber goods manufacturers. This would affect the future of the rubber growing industry in India, it said.

TEA

Easier Trends in Tea Prices

A special correspondent writes: The current fall in tea prices began about three weeks ago in London, when some Assam grades came down by nearly 6d a lb. At the auctions held in Mincing Lane last week, a sale of 28,277 packages was on offer, of which 22,450 packages were on offer from north India. There was again a fairly good general demand, but at a lower level for all descriptions and Assams, where quality showed a decline, were from 3d to 6d a lb lower, but teas from the Dooars met with fair suport at steady rates. On 16th November, rates were again 1s to 2d a lb lower.

Sale No. 25 held in Calcutta on the same day met with a fair enquiry for leaf teas, but at easier rates. Plain orthodox types were down about 10P. Medium Dooars B.O.P. were taken, but at round 10P to 20P lower. Fannings and orange fannings were easy. C.T.C. were also down, the best selling 50P belw last week, but Darjeelings although generally easier, met with a good enquiry.

As far as Calcutta sales are concerned, about half the crop may have been disposed of. It is clear that the unsold portion will have to go at lower prices. The high prices ruling two months ago were due to fortuitous circumstances, such as diversion of London shipments to continental ports because of trouble in the London docks and elsewhere. The sales this week as well as during the following will probably cover over 100,000 packages each week, and with the full weight of monsoon manufacture to come through the port for another three to four months, the supply is assured. It is not easy to forecast when the present decline in values will steady up.

This correspondent has taken a pessimistic view for a long time past, and still expects difficulties in 1965 but at the moment a careful perusal of the *Annual Bulletin of Statistics* issued by the International Tea Committee suggests that world supply this season may not be seriously out of balance. Nevertheless, the sooner tea producing countries take steps to expand internal consumption in all growing countries, the safer for the future of the industry.

The north Indian crop figures till the end of October 1964, amounting to 546, 840, 940 lbs, compare with 497, 890, 827 lbs last year, and 535, 745, 514 lb in 1961. It will be noted that the last half of October was favourable to growth. A new record will be established this year. The cold weather appears to have set in early, but production this month and in December is unlikely to fall below recent levels, which would allow for another 30,000 metric tons, or something close to 60 million lbs. The 1961 total crop was just under 600 million lbs from north India and if the trade knew its business, such a small increase over the years 1961-64 should not upset the supply-and-demand situation.

SHELLAC DULL

During the week ended 17th November, the tone was unchanged at the beginning of the week, and dull and inactive at the close.

A. Shellac, buttonlac and garnet lac	Rupees a package
(1) Hand-made grades	
Pure Buttonlac	210, 206 value
Lemon One Shellac	210, 206 value
Lemon Two Shellac	190, 186 value
Standard One Shellac	176, 170 value
Pure T.N. Shellac 2½%	164, 156 value
Pure ITN Shellac 4%	124, 120 value
(2) Machine-made grades	
ABTN Shellac	260 sellers
Lemon Superfine	260 sellers
Lemon One	252 sellers
Fine Orange Shellac	242 sellers
Angelo's TN 1 Shellac	200 sellers
AC Garnetlac	176 sellers
IG Garnetlac	176 sellers
Kala Garnetlac	176 sellers
B. Seedlac	
Golden Kusmi	270 value
Kusmi One	210 value
Golden Bysacky	220 value
Manbhum Fine Bysacky	160, 156 value
Fine Bysacky	150 buyers, 146 value
Genuine Bysacky 5 percent	130, 126 value
Grade One Class B	160, 156 value
Grade Two Class B	140, 136 value
C. Sticklac	
Manbhum sticklac	150 value
Palas Sticklac	120 value
D. Kireelac	32 value

Shipments during November until 13th were 7,898 packages.

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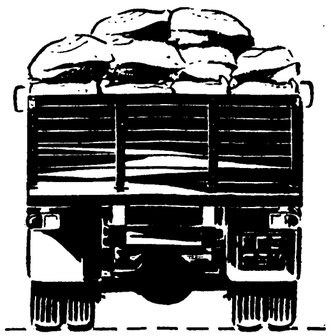
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(Incorporated in Great Britain)

Calcutta Bombay Madras New Delhi

Books

URBAN SAVINGS SURVEY BY N. C. A. E. R.

Attitudes Towards and Motivations for Saving. (Published by the National Council of Applied Economic Research, New Delhi. Price Rs. 10.50, pages 146.)

An All-India urban household savings survey was undertaken by the N.C.A.E.R. in 1960. The study covers all cities with a population of over 10,000 according to the 1951 census. The sample, drawn on a three-stage sampling design, has a size of 4,650 households. A questionaire was issued to collect information on assets and liabilities of the households as also data on attitudes and motives. The data on assets and liabilities were used to estimate savings and investment.

The Council has already published three reports dealing with the technical and the quantitative aspects and the present report—the last in the series based on the urban savings survey—is concerned with the people's evaluation of recent changes in their economic welfare, their expectation as to the future as well as the attitudes towards and motivation for saving among urban households. The reference year is 1960. In this year, the national income at current prices is supposed to have gone up by 5 percent and at 1948-49 prices by 3 percent.

The most important conclusions that have emerged out of the present study are: (1) Those who have experienced income increases in the past are those with high educational attainments. (2) Those who have had favourable experiences in the past are those who have more optimistic expectations for the future. (3) A significant proportion of the households with unchanged incomes say they are worse off. Rising prices and expenditures seem to explain this. (4) A majority of households seem to have no knowledge about the five year plans of India. (5) High income and high education groups more frequently cited the plans as resulting in their individual progress than low income and low education groups. (6) Less than one-third of the urban population seem to save regularly. Households experiencing continuously improving income and material status seem to save a higher proportion than those experiencing constant or declining income. (7) There appears to be ample consciousness and motivation concerning this crucial development variable—saving. (8) The most important investment channel is business. Then come banks, real estate and small savings. (9) There appears to be no abnormal preference for liquidity. (10) Nearly 70 percent of the urban households in 1960 were not aware of the national savings certificates.

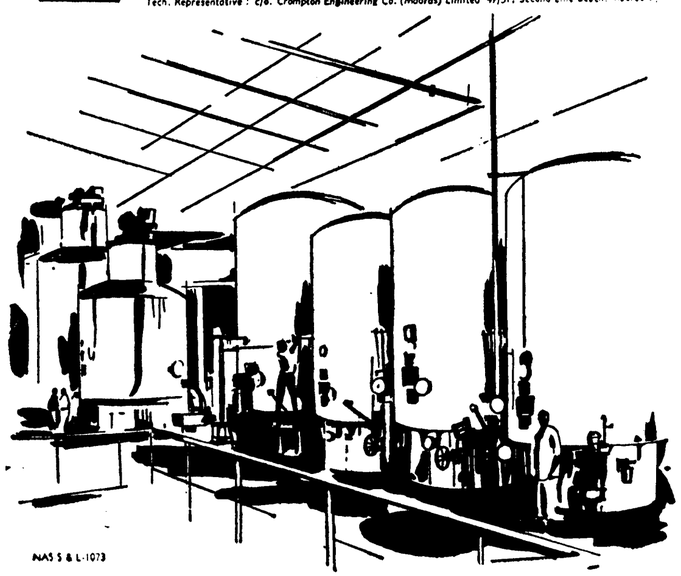
The Council has found that provision for emergency, old-age and education of children are the main motivational factors that generally induce people to save. There are three other points that seem to emerge out of the above conclusions. Firstly, it was reported by most of the potential savers that they prefer to invest their savings in business ventures; one can, therefore, expect the Unit Trust of India to gain popularity. Secondly, the ninth conclusion cannot have any serious validity in the light of unaccounted money—the too well-known form of liquidity in this country to require elucidation. Finally, the fourth and the last conclusion seems to confirm that India's plan publicity has been a sheer waste. It may be mentioned here that somewhat similar opinions have been expressed recently by a high-powered committee.

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NAS S & L-1073

REFERENCE ANNUAL

India 1964. (Compiled by the Research and Reference Division, Ministry of Information and Broadcasting, Government of India, and published by the Director, Publications Division, Old Secretariat, Delhi 6. Price Rs. 6.50, pages 480.)

Over the years this publication has acquired the reputation of an authoritative reference book on various aspects of Indian life and activities. Although the emergency does not seem to have been reflected in the other activities and attitudes of the Government, it has affected this publication in that its size has been reduced. The annual is admittedly not exhaustive in its coverage, but its scope extends over a fairly wide field. Much factual material has been collated and presented on such diverse subjects as the country's physical resources, people, national symbols, the constitutional structure, defence, education, cultural activities, scientific research, health, social welfare, mass communication, planning, agriculture, industry, trade and finance. The latest information available from official and other authoritative sources has been included in this handy book.

ANNUAL NUMBER

Annual Number of Company News and Notes. (Published by the Directorate of Research and Statistics, Company Law Board, Department of Revenue and Company Law, Ministry of Finance. Single copy Rs. 3.)

The annual number of *Company News and Notes*, just published, marks the second anniversary of the journal as a priced publication. The contents of each issue have been steadily expanded to cover a variety of subjects relating to the working of the corporate sector in India and abroad. The special number contains a number of articles written from the practical angle. In the article on "The Developing Economy in India and Company Law" written by Mr. R. C. Dutt, chairman of the Company Law Board, the basic object of the company law has been clarified. The latter, it is argued, should induce integrity and efficiency in the business world. It has been rightly pointed out that no standard of behaviour can be imposed by law alone; it can impose its standard by sanction and punishment on the errant minority but it must be socially accepted by the majority for whom it is meant.

UNDER DEVELOPED ECONOMIES

Problems of Underdeveloped Economy. By D. S. Nag. (Published by Lakshmi Narain Agarwal, Agra, 1962 Price Rs. 18, pages 463.)

Based on the author's doctoral thesis, this "big essay" on economic development of underdeveloped countries draws heavily on the numerous studies that have been already made on the subject, but the approach is in a way original. Almost every topic that can come under the broad scope of economic growth (there is hardly a concept today that cannot) is discussed in detail.

The first two hundred pages are devoted for a discussion of the problems that confront underdeveloped nations in general. In the second half of the book, three chapters are devoted for capital formation, priorities in growth and choice of the technique. The conclusion on choice of the technique appears to be, "technological experts from the advanced countries connected with technical assistance to poor countries would be well advised to remember Nurkse's advice that much simpler tools and equipment may be appropriate to the relative factor endowment of over-populated agricultural countries in the early stages of industrial development (p. 341). The last three chapters deal with the theories of development, recent changes in concepts and attitudes about an under-developed economy and orientation of economic theory.

The book runs on lines similar to that of G. M. Meier and R. E. Baldwin (*Economic Development, Theory, History and Policy*), the contrast being the exhaustive reference to Indian economic problems. It is recommended to graduate students who specialise on economic growth with special reference to India. For the research worker and policy maker, the book should be useful as a source of reference.

PETROLEUM

Glossary of Terms Used in Petroleum Industry and Conversion Tables. (Published by the Statistics Division, Petroleum Information Service, 11 Parliament Street, New Delhi. Price Rs. 5, pages 191.)

This publication will be useful to people interested in the oil industry since it explains in simple terms the meanings of technical words used in petroleum technology and trade. The terms have been conveniently grouped according to the stages of production and distribution. This makes for facility of reference. There is also a section on petrochemicals.

BOOKS RECEIVED

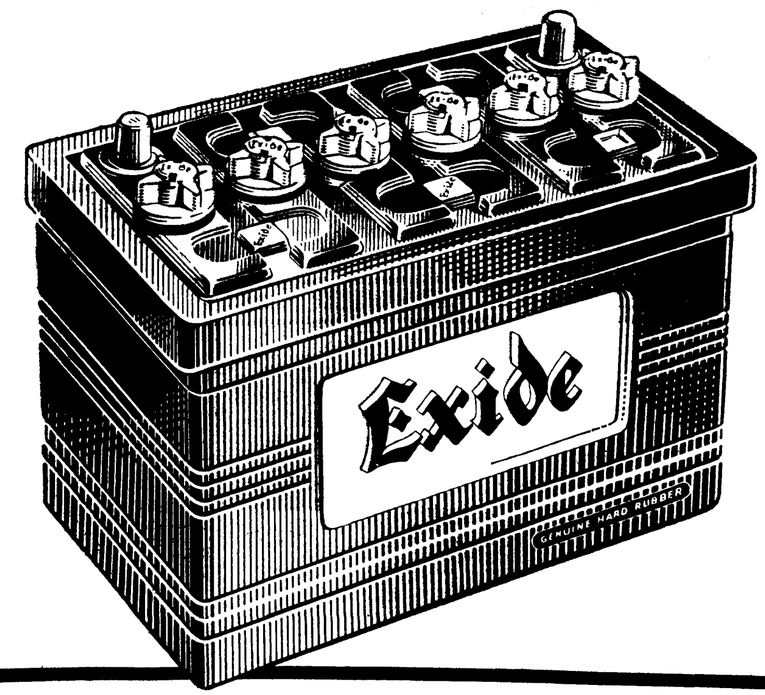
Assessment of Income of Newly Established Industrial Undertakings and Hotels. By Sukumar Bhattacharya. (Published by M. C. Bhandari for the Association of Company Secretaries and Executives, 134/1 Mahatma Gandhi Road, Calcutta 7. Price Rs 3, pages 35.)

Exporters' Directory 1963, Chemical and Allied Industries of India. (Published by the Chemicals and Allied Products Export Promotion Council, India Exchange (8th Floor), India Exchange Place, Calcutta 1. Pages 42.)

A Guide to Law on Shops and Establishments in West Bengal. By T. K. Jagadeesh. (Published by the Oxford Book and Stationery Co. 17 Park Street, Calcuta 16. Price Rs. 10, pages 180.)

Inventory Management in India. By R. S. Chadda. (Published by R. N. Sachdev for Allied Publishers Private Ltd, 13/14 Asaf Ali Road, New Delhi 1. Price Rs. 15, pages 118.)

The Eastern Metals Review—Mid-year Number. (Edited by M. Vinayak and published by B. R. Mundhra at Binani Printers' Press, 38 Strand Road, Calcutta. Price Rs. 3.50.)



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COMPANY AND PUBLIC NOTICES

Office of the
Superintending Engineer,
DELTA IRRIGATION CIRCLE
Keshari Nagar, Bhubaneswar-1

CALL NOTICE

SEALED tenders are invited for the supply of RUBBER WATER SEALS as per the drawing and specification available in the office of the undersigned and which will be sent on request, upto 3.00 p.m. on the 15th December, 1964. The tenderers should send samples along with their tenders. The rates quoted should be f.o.r. Bhubaneswar inclusive of all other incidental charges. Full payment will be made within thirty days of receipt of materials at the destination. Tenders will be opened at 3.30 p.m. on the date mentioned above.

The authority reserves the right to reject any or all tenders without assigning any reason thereof.

Sd/- B. MISRA,
Superintending Engineer,
Delta Irrigation Circle.

INDIAN ALUMINIUM COMPANY, LIMITED
31 Chowringhee Road
Calcutta 16

NOTICE

IN connection with the payment of interim dividend on Ordinary Shares of this Company, the Register of Members and the Share Transfer Register of the Company will remain closed from December 6th to 12th 1964, both days inclusive.

INDIAN ALUMINIUM COMPANY, LIMITED,
T. D. SINHA,
Secretary.

10th November, 1964.
Registrars' Office:
Andrew Yule & Company, Limited,
8, Clive Row,
Calcutta-1.
(Post Box 150)

INDIAN COPPER CORPORATION LIMITED
(Incorporated in England)

THE following are the returns for the quarter ended 30th September 1964:—

Ore Milled	Kg. 110,986,000	S/T 122,340	
Average Grade	2.155%		
Refined Copper produced ...	„ 2,412,000	L/T	2,374
Refined Copper issued to Mines & Works	„ 2,413	„	2
Rolled Brass produced	„ 2,100,769	„	2,068
Y. M. Circles produced ...	„ 125,000	„	123
Rolled Copper produced ...	„ 62,000	„	61

The results of development work carried out on the properties of the Corporation during the quarter under review are as follows:—

	Footage Developed.	Footage Sampled.	Footage Payable.
Mosaboni	1,062 (323.80 M)	279 (85.00 M)	216 (65.70 M)
Badia	209 (63.80 M)	190 (57.80 M)	93 (28.20 M)
Surda	872 (265.80 M)	758 (231.10 M)	370 (112.70 M)
Pathargora	602 (183.60 M)	532 (162.20 M)	205 (62.40 M)

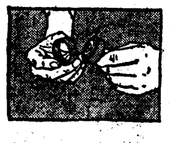
By Order of the Board,
GILLANDERS ARBUTHNOT & COMPANY LIMITED.
Managing Agents.

Gillander House,
Netaji Subhas Road,
Calcutta.
Dated 26th October, 1964.

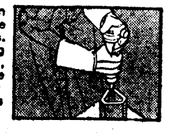
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SIJUA (JHERRIAH) ELECTRIC SUPPLY CO. LTD.

Twelfth Drawing of First Debentures (5% Registered), 1976

HOLDERS of First Debentures (5% Registered), 1976, are hereby advised that the Twelfth Drawing for Redemption will be held at 10 A.M. on Wednesday, the 9th December, 1964, at the Registered Office of the Company, Chartered Bank Buildings, Calcutta.

For & on behalf of
SIJUA (JH) ELECTRIC SUPPLY COMPANY LTD.,
D. A. WORKMAN,
Director.

Registered Office:
Chartered Bank Buildings,
Calcutta, 11th November, 1964.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Dhelakhat Tea Co. Ld. ..	21-11-64	9 a.m.
Bombay Burmah Trading ..	25-11-64	4-30 p.m.
Bengal Potteries Ld	30-11-64	4 p.m.
Brooke Bond Estates India Ld. ..	1-12-64	2-30 p.m.
National Rolling & Steel Ropes Ld. .	10-12-64	10 a.m.
Philips India Ltd. ..	17-12-64	11 a.m.

DIVIDENDS DECLARED OR PROPOSED.—India Carbon Ltd.—6 p.c. (o); Hinger-Rampur Coal Co. Ltd.—10 p.c. (o), subject to tax; Parkside (Neilgherry Hills) Estate Co. Ltd.—15 p.c. (f), subject to tax.

BOOKS RECEIVED

Assessment of Technicians. By Sukumar Bhattacharya. (Published by M. C. Bhandari for the Association of Company Secretaries and Executives, 134/1 Mahatma Gandhi Road, Calcutta 7. Price Rs. 3, pages 15.)

PHILIPS INDIA LIMITED

NOTICE

NOTICE is hereby given that a General Meeting of the members of the Company will be held at the offices of the Company's Registrars, Jardine Henderson Limited, 4, Clive Row, Calcutta 1, on Thursday, December 17, 1964, at 11 a.m. to consider and if thought fit to pass with or without modifications the following resolutions which will be proposed as special resolutions:—

(a) That 4,00,000 new ordinary shares of Rs. 10/- each in the authorised capital of the Company be issued at a premium of Rs. 6/- per share, i.e. Rs. 16/- per share payable in full on application on the footing that such new ordinary shares shall rank in all respects pari passu with the existing ordinary shares in the Company save and except that they shall not participate in any dividend which may be declared in respect of any period ended on or prior to December 31, 1964.

(b) That subject to the approval of the Reserve Bank of India, out of the said 4,00,000 new ordinary shares of Rs. 10/- each, 78,125 shares be issued to N. V. Philips' Gloeilampenfabrieken, Eindhoven, Holland for subscription for cash at a premium of Rs. 6/- per share as aforesaid and 21,875 shares (aggregating to a total of 1,00,000 shares) at a premium of Rs. 6/- per share for consideration other than cash in partial conversion of their loan of Rs. 50 lakhs to the Company.

(c) That subject to the approval of the Reserve Bank of India wherever necessary the remaining 3,00,000 new ordinary shares of Rs 10/- each so issued be offered in the first instance for subscription for cash at a premium of Rs. 6/- per share to those members (other than N. V. Philips' Gloeilampenfabrieken, Eindhoven, Holland) whose names are registered on the Register of Members of the Company on December 17, 1964, in the proportion as nearly as circumstances admit of three new ordinary shares for every five ordinary shares held as on that date, fractions if any of a new ordinary share issuable on this basis being disregarded with a right to renounce all or any of the shares so offered to them in favour of any other person and that any question arising in the apportionment of such new shares or any of them amongst members and in the avoidance of fractions shall be determined by the Directors in their absolute discretion.

(d) That the Directors be and are hereby authorised to offer the said 3,00,000 new ordinary shares of Rs 10/- each at a premium of Rs 6/- per share, i.e. Rs. 16/- per share payable in full on application for subscription to the members aforesaid other than to N. V. Philips' Gloeilampenfabrieken, Eindhoven, Holland by a Letter of Rights specifying the number of shares to which they are entitled and providing therein that the offer if not accepted within thirty-one days from the date of offer shall be deemed to have been declined and specifying that the payment for such shares at the rate of Rs. 16/- for each new ordinary share so offered shall be required to be made in full on application.

(e) That any new ordinary shares not taken up by any of the said members or their renouncees in response to the aforesaid offer shall be available for subscription by such of the said members who take up their rights in full under the aforesaid offer and who apply for additional shares.

(f) That the right to apply for additional shares shall not be renounceable in favour of any other person and in the event of applications for additional shares exceeding the number of shares available, the allotment shall be made in such manner as shall be determined by the Directors in their absolute discretion.

(g) That the Company authorises the Directors to dispose of any new ordinary shares not taken up by the said members or their renouncees in accordance with the terms as detailed hereinabove in such manner as shall be determined by the Directors in their absolute discretion.

(h) That no allotment of any new ordinary shares shall be made to a person not resident in India unless he or she has obtained prior approval of the Reserve Bank of India

(i) That the Directors are further authorised to settle any question or difficulty that may arise with regard to the issue and allotment of these shares in such manner as they shall determine in their absolute discretion.

The Register of Members of the Company will be closed from December 3, 1964 to December 17, 1964, both days inclusive.

A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and, on a poll, to vote instead of himself; such proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not later than 48 hours before the Meeting.

An Explanatory Statement as required by Sec. 173 of the Companies Act, 1956, is being posted to members.

By Order of the Board,
W. A. C H. BOSSCHAART,
Chairman and Managing Director.

7, Justice Chandra Madhab Road,
Calcutta 20.
November 16, 1964

HIDES AND SKINS

The market was steady. Stocks were higher than in the previous week.

Bazaar Sales

(Between 10th and 16th November, 1964)

Cowhides: Wet salted (Ord) 12,500 pcs. on the basis of Rs. 8.25 to Rs. 9.75; Wet salted (Slaughtered) 24,600 pcs. on the basis of Rs. 10.50 to Rs. 16.50 and Rs 19 to Rs. 28, Wet salted (ord) 1,500 pcs. on the basis of 90 P a lb.

Goatskins: Wet salted (Patna, Daissee, Kustia) 61,000 pcs. on the basis of Rs. 330 to Rs. 350, Rs. 420 to Rs. 430 and Rs. 470 to Rs. 480; Wet salted (he-killed) on the basis of Rs. 5 and (she-killed) on the basis of Rs. 4.75 a piece; Assam-Dinajpur-Raiganj 18,200 pcs. on the basis of Rs. 260 to Rs. 290 and Rs. 300 to Rs. 325; Purneah-Kissenganj 34,000 pcs. on the basis of Rs. 315 to Rs. 325; Pakur 6,000 pcs. on the basis of Rs. 265 to Rs. 280; Patna-Muzaffernore 15,000 pcs. on the basis of Rs. 280 to Rs. 300 and Rs. 315 to Rs. 325.

Bazaar Stocks

(16th November, 1964)

Cowhides: Wet salted 97,300 pcs.

Goatskins: Wet salted (Patna, Daissee, Kustia, Killed) 1,20,000 pcs; Assam-Dinajpur 91,000 pcs; Muzaffernore-Pakur - Purneah - Kissenganj 2,14,000 pcs.

BOOKS RECEIVED

Effective Application of Research to Five Dozen Problems Relating to Corporate Management and Finance. By M. C. Bhandari. (Published by J. M. Sharma for the Association of Company Secretaries and Executives, 134/1 Mahatma Gandhi Road, Calcutta 7. Price Rs 3.00, pages 80.)

Economic Problems of India. By Yodhraj, 37 Palli Hill, Bandra, Bombay 50. (Price Rs. 4, pages 119.)

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I.A.E.C. (Madras) Pvt. Ltd., 'Dinroze Estate', 2/17-G, Mount Road, Madras 2.
I.A.E.C. (Mysore) Pvt. Ltd., 54-55, Silver Jubilee Park Road, Bangalore City.
I.A.E.C. (Hyderabad) Pvt. Ltd., Berman Bldg., Gunfoundry, Hyderabad.
I.A.E.C. (Calcutta) Pvt. Ltd., 19, Rajendranath Mukherjee Road, Calcutta 1.

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock Exchange Associations and other sources.

Figures given after stroke (/) mean paise.

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Wednesday, 18th November, 1964.

GOVERNMENTS LOANS

Outstanding Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
GOVERNMENT OF INDIA				
2,48,91,06,000	3	1946	1986 or later	62/06
8,93,33,000	3	1896-97	At the option of the Government of India after a months notice	61/90
14,77,48,000	2½	1946	1976	83/15
1,10,11,78,000	3	1943	1966-68	98/40
1,15,05,83,000	3	1948	1970-75	90/20
1,53,67,92,000	3½	1955	1965	100/05
86,63,53,000	3½	1956	1974	96/35
56,99,30,000	3½	1957	1967	100/00
1,97,40,92,000	3½	1956	1967	99/75
70,00,000	3½	1958	1968	99/00
1,56,64,22,000	3½	1958	1968	99/80
1,90,85,42,000	3½	1959	1969	97/90
82,65,41,000	3½	1960	1966	100/00
71,78,00,000	4	1964	1970	99/00
1,54,70,22,000	4	1957	1972	98/75
94,51,44,000	4	1958	1973	98/80
81,06,39,000	4	1959	1979	97/70
98,05,17,000	4	1960	1980	97/90
65,96,55,000	4	1961	1981	98/00
84,12,53,000	4	1963	1969	99/50
69,74,00,000	4½	1964	1989	100/00
1,08,86,71,000	4½	1963	1973	100/08
28,07,95,000	4½	1962	1972	100/15
52,01,71,000	4½	1963	1986	100/13
1,14,03,37,000	4½	1962	1985	100/00
BOMBAY				
3,40,34,300	4	1952	1964	99/95
6,57,22,800	4½	1957	1968	98/40
6,58,20,700	4½	1958	1970	99/00
4,35,25,000	4½	1958	1971	98/70
MADHYA PRADESH				
2,92,28,800	3	1948	1964	98/50
MADRAS				
5,24,81,200	4	1952	1964	99/95
5,55,57,300	4½	1958	1970	99/00
UTTAR PRADESH				
1,55,31,200	3	1938	1961-66	94/00
5,89,13,900	4	1952	1964	99/95
7,65,53,900	4½	1958	1970	98/80
WEST BENGAL				
2,00,00,000	4	1952	1964	99/95
7,58,72,200	4	1952	1967	99/25
7,11,46,100	4	1956	1968	98/55
5,10,49,700	4½	1958	1970	98/75
7,69,69,400	4	1959	1971	98/00
7,00,00,000	4	1960	1969	98/70
7,00,00,000	4½	1961	1972	98/85
7,00,00,000	4½	1962	1974	99/50
MYSORE				
2,95,85,200	4	1933	1952-63	100/00

PORT TRUST LOANS

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
CALCUTTA				
90,24,300	4	1914	1974	98/25
76,90,100	4	1915	1975	98/25
68,02,300	3	1921	2nd 1981	82/00
1,50,00,000	6½	1921	2nd 1981	144/00N
£892,600	5	1923	1953-83	£61
£901,000	5	1924	1954-84	£61
1,24,00,000	4½	1957	1987	99/50
	4½	1958	1988	99/00
50,00,000	4½	1959	1989	99/00
1,50,00,000	4½	1961	1971	98/75
80,00,000	4	1931	1991	93/00
£892,600	5	1923	1953-83	£63
£901,000	5	1924	1954-84	£63
£835,100	5½	1932	1962	£96½
60,00,000	3½	1935	1965	99/00
50,00,000	3	1946	1976	83/50
25,00,000	3	1938	1963-65	93/00
50,00,000	3	1946	2006	72/00
50,00,000	2½	1947	1977	78/50
50,00,000	3	1948	1978	83/00
50,00,000	3	1950	1980	81/00
50,00,000	3	1951	1981	80/50
50,00,000	4½	1953	1963	98/75
50,00,000	4	1953	1983	97/50
90,00,000	4	1955	1985	97/25
77,00,000	4	1956	1986	97/25
1,00,00,000	4	1959	1969	99/50
1,00,00,000	5	1963	1993	..

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
BOMBAY				
36,50,000	4	1904	1964	96/00
35,00,000	4	1905	1965	96/00
15,00,000	4	1906	1967	96/00
44,00,000	4	1907	1968	96/00
75,00,000	4	1908	1968	96/00
40,00,000	4	1909	1970	92/00
56,00,000	4	1910	1971	92/00
75,00,000	4	1911	1972	92/00
STERLING LOANS				
£892,600	5	1923	1953-83	£63
£901,000	5	1924	1954-84	£63
£835,100	5½	1932	1962	£96½
MADRAS				
28,48,275	3½	1947	1977	A
9,88,000	3	1947	1977	A
8,00,000	3	1949	1979	A

IMPROVEMENT TRUST LOANS

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
CALCUTTA				
50,00,000	4	1934	1964	99/2[illegible]
35,00,000	3½	1935	1965	96/0[illegible]
30,00,000	3	1936	1966	92/5
20,00,000	3	1938	1963-68	92/0
80,00,000	4	1952	1962	100/0
1,02,00,000	4	1956	1968	98/5[illegible]
75,00,000	4½	1958	1968	101/0[illegible]
BOMBAY				
60,00,000	4	1903	1963	98/2
50,00,000	4	1904	1964	98/2[illegible]
20,00,000	4	1906	1966	97/5[illegible]
15,00,000	4	1907	1967	97/5[illegible]
30,00,000	4	1908	1968	£95½[illegible]
£566,600	4	1909	1969	£95½[illegible]
£333,000	4	1910	1970	£100/0[illegible]
25,00,000	4	1912	1972	95/0[illegible]
13,00,000	4	1913	1973	95/0[illegible]
50,00,000	4	1914	1974	95/0[illegible]
25,00,000	4	1916	1976	95/0[illegible]
66,00,000	6	1920	1945-80	119/5[illegible]
25,00,000	4	1927	1961-70	99/7[illegible]
10,00,000	3½	1936	1966	89/0[illegible]

MUNICIPAL LOANS

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
CALCUTTA				
66,88,000	3½	1951	1966	98/50
10,00,000	5½	1932	1962	100/75N
33,91,000	3½	1935	1965	96/00
72,50,000	4½	1954	1979	100/00
60,00,000	3	1936	1966	93/00
47,50,000	3	1938	1968	92/50
21,10,000	3½	1942	1972	92/00
87,36,000	4	1952	1962	99/75
2,22,72,000	4	1955	1985	97/25N
1,67,32,000	4½	1958	1970	101/00N
73,36,000	4½	1958	1968	100/50
57,72,000	4½	1961	...	..

Amount	Interest per cent	Year of issue	Repayable	Market quotations
BOMBAY				
20,00,000	4	1913-13	1974	95/00
10,00,000	5	1920	1980	101/00
2,00,34,000	3½	1951	1966	89/00
8,25,00,000	3½	1947	1977	82/00
2,13,14,500	3½	1949	1979	82/00
4,00,00,000	3½	1950	1965	95/00

Amount	Interest per cent	Year of issue	Repayable	Market quotations
MADRAS				
15,00,000	3½	1951	1961	107/0[illegible]
15,00,000	3½	1952	1962	107/5[illegible]

2½% U.P. Zemindary Abolition Compensation Bond (per Rs 100) Rs 41/90*

* Ex eight instalments but inclusive of accrued interest.

These notes refer to the Debentures on the next page.

Option to repay at par on 6 months notice—

(a) Option to extend the redemption period for further 10 years.

(b) at any time after.

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

(d) Option to redeem at 2½% Prem after 14-5-64 and before 15-5-69

Option to repay on 6 months notice—

(e) at any time after 30-6-61 at 101%.

(f) at 101% between 1-1-60 & 31-12-64.

(g) at 102/8% after 30-6-59 but before 30-6-64.

(h) at any time after 30-6-65 at 101%.

Option to repay on 3 months notice—

(i) at any time at 3% Premium.

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

(k) at any time at par.

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

(m) redeemable at 103% on 31-12-64 with option to redeem on any interest date at same premium after 30-6-59.

(n) at any time on two months notice—

(o) to be redeemed at a premium of 10% Rs 10,000 to be redeemed annually by drawing on 3 months notice with option to redeem all after 5 years from date of issue on 6 months notice Option not exercised repayment to be made after full term.
Option to repay

(p) at par after September 1960.

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

(r) with option to redeem at 101% after 10 years or at 100/8% after 12 years

(s) Rs 1 lac Debentures to be redeemed annually by drawing from 1-6-56 with option to redeem at 100/8% between 1-6-57 to 1-6-60 and at 101% afterwards

(t) with option to redeem at 101% after 10 years or at 100/8% after 13 years

(u) with option to redeem all or any of the Debts at 101% at any time after 31-3-64 and at 100/8% at any time after 31-3-66.

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

(w) Redeemable at any time at 5 per cent premium (a) on 3 months notice by the Company or (b) in the event of the security becoming enforceable or at par if the Corporation of Calcutta or Howrah purchase the undertaking on 1st January 1945 or every seventh year thereafter

(x) At par all or any of the Debts on 31st December 1968 or on any subsequent interest date

(y) Redeemable (a) at 102½ on 1st October, 1974 or in the event of voluntary liquidation of the undertaking being purchased or in the event of the security becoming enforceable or (b) at 105% at any time after 31st March 1953 on 3 months notice from the Co (c) also redeemable out of a sinking fund (commencing in 1938) by drawing at 102% or purhase at or under 102%

(z) Also redeemable out of a cumulative sinking fund of 1½% per annum commencing in 1943 by purchase at any price less than par or by annual drawing at par.

BANKS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs	Latest Market Quotations as available until 18-11-64 Rs.	11-11-64 Rs.	A year ago Rs.
Allahabad Bank P.	18	15	15	100	249/00	249/00	260/00
Bank of Baroda	17	16	16	50	99/00	99/00	96/00
Bank of India	20	20	18	50	101/00	101/00	113/00
Central Bank of India	20	20	20	25	52/50	52/50	61/00
Chartered Bank	15	15	15	£1	sh. 50/-	sh.49	sh. 60/6
Hindusthan Commercial	Nil	Nil	..	50	9/75	10/25	13/50
Hindusthan Mercantile	Nil	Nil	..	50	10/75	10/75	15/62
Hong Kong & Shanghai	sh.15	sh. 16	sh. 16	HK$25	£21½	£21½	£19⅜
India Bank	15	14	15	100	159/00	159/00	157/50

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 18-11-64 Rs.	11-11-64 Rs.	A year ago Rs.
Indian Overseas Bank	14	12	14	100	150/00	150/50	148/00
National & Grindlays Bank	14	16	14	sh. 15	sh. 32/6	sh.31/3	sh. 33/3
Punjab National Bank	20	20	20	10	20/06	20/00	19/44
Union Bank of India	11 2/5	11 2/5	11 2/5	5	6/56	6/52	6/36
United Bank of India	6	6	7½	10	8/12	8/15	7/15
United Commercial Bank	12	12	12	50	72/50	72/75	74/50

JUTE MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 18-11-64 Rs.	11-11-64 Rs.	A year ago Rs.
Agarpara P.	2½	2½	12-10*	10	8/69	8/69	10/56
Alexandra P.	15	42½	..	100	245/00	245/00	300/00
Alliance P	Nil	10	12½	100	106/00	104/00	160/00
Anglo-India P.	7½	10	12	100	180/00	180/00	238/00
Auckland P.	12	Nil	15	100	132/00	132/00	144/50
Bally P	25	25	25-20*	100	239/00	239/00	261/00
Barnagore P.	10	10	40	£5	230/00	230/00	230/00
Bengal P.	5	5	.	10	7/00	7/00	9/37
Birla P	15	15	15-15*	10	35/75	35/25	33/00
Budge Budge P.	Nil	12	20	100	128/00	128/00	158/00
Calcutta P	Nil	Nil	..	10	8/12	8/12	8/12
Caledonian P.	6	15	15-15*	100	138/00	138/00	180/00
Champdany P.	6	Nil	40-35*	10	21/81	21/81	24/37
Cheviot P	5	25	..	10	20/25	20/25	22/94
Chitvalsah P.	Nil	5	Nil	10	7/75	7/75	11/12
Clive P	Nil	Nil	..	10	8/00	8/00	9/19
Dalhousie P.	1	Nil	25-7½*	100	109/00	109/00	154/00
Delta P.	Nil	12	16	100	141/00	141/00	172/00
Empire P.	7½	12½	15	10	13/75	13/75	17/75
Fort Gloster P.	10	12½	20-15*	100	267/00	267/00	372/00
Fort William P.	22½	10	20-15*	10	20/00	20/00	28/25
Ganges P	10	15	20-20*	10	12/87	12/81	13/87
General Industrial	10	13	14	10	15/00	15/00	16/75
Gourepore P.	25	20	20-20*	10	20/50	20/50	25/25
Hastings P.	6	6	6—6*	100	128/00	128/00	128/00
Hooghly P.	20	7½	10	10	14/44	14/44	16/00
Howrah P.	10	Nil	10-12½*	10	15/37	15/50	19/62

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 18-11-64 Rs.	11-11-64 Rs.	A year ago Rs.
Hukumchand P.	28⅜	26⅜	26⅜-26⅜*	7½	17/50	17/50	21/25
India	12	8	18-12*	12½	15/25	15/25	16/37
Kamarhatty P.	Nil	20	20	100	155/00	155/00	201/00
Kanknarrah P.	Nil	15	15	100	137/50	137/50	147/00
Kelvin P	15	5	20	100	138/00	143/00	194/00
Khardah P.	5	12½	12½	10	17/75	17/75	19/37
Kinnison P.	7	Nil	10-5*	100	108/00	108/00	148/00
Lansdowne P.	Nil	Nil	Nil-12½*	100	111/00	111/00	98/00
Lawrence P.	15	10	10	100	109/00	109/00	112/50
Megna P.	12½	Nil	22-12*	10	12/19	12/19	13/37
Naihati P.	Nil	Nil	Nil-Nil*	100	66/00	85/00	104/90
Naskarpara	2½	5	..	10	5/50	5/50	8/00
National P	Nil	10	10	10	19/37	19/37	22/94
Nellimarla P.	6	15	5	10	8/81	8/81	12/87
New Central P.	15	Nil	..	10	9/94	10/62	15/00
Northbrook P.	30	20	35	10	22/37	22/37	31/00
Nuddea	6	5	10-10*	10	10/81	10/81	.
Presidency	6	10	10	5	4/25	4/25	5/81
Rameshwara P.	Nil	Nil	Nil-Nil*	10	7/75	7/75	9/20
Reliance P	Nil	Nil	Nil-Nil*	10	6/50	6/75	8/81
Samnugger P.	Nil	10	13	£1	10/50	10/50	10/50
Shree Ambica P.	6	Nil	..	10	30/00	30/00	35/00
Soorah P	25	25	..	10	19/19	19/19	23/50
Titaghur P.	Nil	13	10	£1	10/50	10/50	10/50
Union P	6	Nil	20	100	143/00	143/00	168/00
Victoria P.	Nil	10	10	£1	10/50	10/50	10/50
Waverley P.	30	60	30	1	7/69	8/00	9/75

* 1964

COAL COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 18-11-64 Rs.	11-11-64 Rs.	A year ago Rs.
Amalgamated	12½	15	12½-12½*	10	19/25	19/69	26/00
Bengal P	21	19	16	100	240/00	240/00	276/00
Bengal Bhatdee	8	10	..	10	3/48	3/48	3/48
Bengal Nagpur	26	7	..	10	22/00	22/00	22/00
Bhalgora	Nil	..	..	10	3/62	3/62	4/75
Bharat Collieries P.	Nil	Nil	..	10	3/00	3/00	3/65
Bhutanbararee	Nil	Nil	..	10	10/00	10/00	11/94
Bokaro & Rampur	..	..	..	10	11/19	11/19	11/19
Borrea P	15	15	15	10	20/25	20/25	22/12
Burrakur P.	13	13	13	10	16/44	16/44	17/69
Central India	10	10	9-10*	10	8/25	8/34	10/06
Central Kurkend P.	Nil	Nil	..	10	3/44	3/44	3/87
Churulia	..	..	..	4	3/06	3/06	3/06
Dhemo Main	Nil	..	..	10	3/75	3/75	4/50
East Indian	15	20⅝	20⅝-15*	£1	26/25	26/50	31/50
Equitable P	10	10	10	10	20/75	20/75	25/62
Ghusick & Musilia	Nil	Nil	Nil	10	13/87	13/87	14/25
Guzdar Kajora	..	..	..	10	2/47	2/47	2/44
Hurriladih	Nil	..	..	10	5/44	5/44	7/06
Karanpura Development	5 / 15	3 / 9	3 / 9	10O / 10F	9/00	9/00	12/06
Karanpura Collieries P.	10	10	10-12*	10	13/50	13/50	16/00
Katras Jherriah	40	25	30-30*	10	28/37	28/37	33/75
Khas Kajora P.	10 2/5	..	..	10	13/25	13/25	17/62

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 18-11-64 Rs.	11-11-64 Rs.	A year ago Rs.
Mundulpur	..	..	..	10	2/69	2/69	2/69
Nazira	Nil	Nil	..	10	4/69	4/69	5/00
New Beerbhoom P.	10	12	10	10	15/50	16/12	19/25
New Manbhoom	9	12	12-Nil*	10	9/25	10/00	15/25
North West	20	11	..	10 / 7½	19/75 / 18/00	19/75 / 18/00	19/75 / 18/00
Ondal P.	7½	7½	5	10	13/50	13/50	13/50
Parasea P.	1½	Nil	1 1/5	10	14/00	14/00	14/00
Pench Valley	10	10	12½-7½*	10	17/44	17/44	18/31
Pure Sitalpur	..	..	..	10	8/00	8/00	8/00
Raneegunge	17	17	17-14*	10	12/75	12/75	14/12
Rewa	20	10	15	10	21/87	21/87	28/50
Samla	10	7½	..	10	7/81	7/81	9/00
Searsole	Nil	Nil	..	2½	1/00	0/81	1/22
Seebpore P.	42 6/7	35 5/7	28 4/7	7	34/75	34/75	34/75
Sendra	3½	2½	2½-3*	10	3/00	3/87	5/00
South Karanpura	Nil	Nil	2½	10	6/00	6/00	8/69
Standard	10	10	10-10*	10	9/62	9/62	13/13
Union	Nil	5	..	10	10/00	10/00	10/12
Western Bengal	7½	9	9	10	8/31	8/56	9/00
West Jamuria	Nil	Nil	..	10	3/60	3/60	4/56

* 1964

COTTON MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 18-11-64	11-11-64	A year ago
				Rs.	Rs.	Rs.	Rs.
Basanti	3	Nil	..	10	8/50	8/50	13/69
Bengal Luxmi	6½	Nil	..	40	30/00	30/00	30/00
Bengal Nagpur P.	Nil	Nil	Nil	10	2/44	2/44	3/25
Bharat Commerce	15	15	..	10	19/00	19/75	24/37
Birla Cotton	20	20	..	10	27/00	27/00	33/00
Bowreah P.	20	15	15	10	23/50	23/62	26/12
Cawnpore Textile	10	10	..	5	6/00	6/31	7/56
Delhi Cloth & Genl P.	13	13	13	25	47/25	51/00	50/75
Dunbar	20	15	17½	10	26/81	26/81	30/06
Elgin P.	17½	17½	17½	10	19/00	19/50	22/8
J. K Cotton (Rayon) P.	12½	Nil	..	10	9/94	10/37	12/6
Jaya Shree	10	10	10	10	12/75	13/00	16/6
Muir P	..	..	..	100	60/50	60/50	74/5
New Victoria P.	Nil	Nil	..	2½	1/06	1/25	1/6
Orissa Textiles P.	Nil	Nil	..	10	7/00	7/00	9/0
Rampooria Cotton	3	Nil	..	10	14/12	14/12	13/0
Swadeshi (Kanpur) P.	Nil	Nil	..	1	4/12	4/12	3/0
	..	..	..	10O	11/00	11/00	12/6
	..	..	..	10PO	6/37	6/37	6/81

* 1963

BOMBAY COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 17-11-64	10-11-64	A year ago
				Rs.	Rs	Rs	Rs.
Ahmedabad Advance P.	16	12	..	100	146/50	150/00	142/50
Apollo	Nil	Nil	..	2	1/70	1/72	2/06
Beharilal Ramcharan	Nil	Nil	..	100	143/00	143/00	93/00
Bombay Dyeing, etc.	14	14	14	25	57/30	57/30	62/60
Bradbury P.	10	25	..	50	145/00	145/00	157/50
Century	30	30	..	100	576/50	587/00	662/00
Central India P.	Nil	Nil	Nil-Nil*	100	92/50	99/00	110/00
Coorla	11	11	..	100	173/50	173/50	165/00
Dawn	30	30	..	50	145/00	146/50	153/75
Edward Textiles	9	9	6	200	322/00	322/00	285/00
Elphinstone P.	18	22	18—18*	50	94/00	95/00	99/00
Finlay	23	23	..	100	303/00	302/00	325/00
Gokak	14	18	..	100	173/00	175/00	184/00
Hindoostan	50	50	..	250	940/00	940/00	950/00
India United	8	14	..	10	19/60	19/44	22/40
	13½	37½	..	1Dd	2/36	2/38	2/72
Indian	23 1/5	25	..	250	900/00	900/00	860/00
Indore Malwa United	8½	10	7½	100	215/00	212/00	202/00
Khatau Makanji P.	32	16	..	100	157/50	173/00	210/00
Kohinoor	15	18	18-21*	100	316/00	315/00	341/00
Lakshmi Vishnu P.	5.7	6	Nil-3*	100	85/00	85/00	102/00
Morarjee Goculdas P.	21½	24	24-20*	100	248/00	247/00	395/00
Mysore Spg & Mfg P.	14	14	..	50	37/00	35/50	50/00
New City of Bombay	Nil	Nil	..	100	150/00	150/00	160/50
New Great Eastern P.	Nil	12	..	100	160/00	160/00	187/00
Phoenix	15	20	..	100	222/00	225/00	232/00
Sassoon & Alliance	Nil	Nil	..	10	10/36	11/12	11/00
Sassoon Spinning	17	20	10-20*	10	37/75	37/75	45/50
Simplex	15	Nil	22-16*	50	120/00	123/00	126/00
Shree Niwas P.	18	20	14-8*	100	245/00	247/00	290/00
Swadeshi P.	17	19	17	100	263/50	264/00	261/00
Swan	36	21 3/5	..	100	273/00	273/00	275/00
Tata	20	22	20	25	47/00	48/75	57/50
Western India	46 2/5	25	..	250	850/00	850/00	875/00

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BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 17-11-64	10-11-64	A year ago
				Rs.	Rs.	Rs.	Rs.
CEMENT ENGINEERING & METAL							
Associated Cement	12½	12	12-12*	100	153/00	164/50	153/00
ELECTRIC LTG., POWER							
Ahmedabad Electricity	7	6	..	100	103/00	107/00	94/50
Andhra Valley Power P.	5½	5	5	1,000	1,217/50	1,277/50	1,057/50
Bombay Suburban Elec.	8	8½	8½	100	117/00	116/50	102/50
Tata Hydro Elec. Power P.	5½	5	5	100	123/25	128/00	108/00
Tata Power P.	5½	5	5	1,000	1,300/00	1,297/50	1,117/50
Alcock Ashdown	17	22½	19	100	283/00	287/00	310/00
Jost's Engineering	8	10	10—Nil*	50	47/00	47/00	60/00
Larsen & Toubro P.	12½	18	14—14*	10	21/40	21/48	24/68
Mackenzies	10	12	14	100	137/50	137/50	137/50
Premier Construction P.	43 1/3	33 1/3	30	30O	180/00	180/50	160/00
				33F			
Tata Eng & Locomotive P.	12½	14½	14½-14½*	100	256/00	260/00	280/00
Tata Iron & Steel P.	9.1	10.36	10.36-11*	75O	145/25	146/75	145/25
INSURANCE COMPANIES							
British India General	..	15	15	10	13/44	13/44	12/88
Jupiter General P.	..	4	Nil	15	7/00	7/00	9/20
New India	38	38	38	15	45/25	45/25	49/50
Vulcan	20	20	20	10	16/52	16/52	16/76
MISCELLANEOUS							
Belapur Sugar	38	50	40	50	211/00	218/00	248/50
Bombay Burmah Trading	30	33	33-33 1/5*	25	55/90	56/10	64/20
				20	42/00	42/00	49/50
Hindustan Lever	26	26	12—14*	10	29/50	29/75	39/75
Industrial Invt. Trust	6¼	6¼	..	100	81/00	81/00	77/00
Kemp (Chemists)	12½	12½	..	200	253/75	253/75	271/25
National Rayon	22	..	..	100	339/50	347/50	373/50
Scindia Steam Navign.	3	3	3	20	15/24	15/40	15/04
Shivrajpur Synd.	60	Nil	Nil	10	17/52	17/80	22/00
Tata Chemicals P.	6	6½	6½—10*	10	18/68	18/76	17/56
Tata Oil P.	23	23	23—22*	25	48/50	49/00	71/00
Voltas	13	14	14—14*	100	254/00	262/50	256/00
Western India Match	16	16	16	100	233/00	235/50	263/00

* 1963

TEA COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 18-11-64	11-11-64	A year ago
				Rs.	Rs.	Rs.	Rs.
ASSAM GARDENS							
Amluckie	10	7½	5	10	16/00	16/00	18/37
Anandabag P.	32½	20	12½	10	33/25	33/25	33/25
Baghmari	15	7½	Nil	10	11/25	11/25	17/25
Barduar Tea	..	..	..	5	8/50	8/50	8/50
Basmatia	25	20	7½	10	18/00	18/00	24/25
Bateli	30	30	30	5	17/06	17/06	17/50
Betjan	45	30	25	10	29/00	29/00	30/12
Bishnauth	13	20	7½	10	13/00	14/37	18/69
Bokakhat	12	13	..	10	13/12	13/12	13/70
Bormah Jan P.	15	15	..	10	11/00	11/12	13/00
Bor Pukhuri	Nil	10	Nil	10	10/50	10/50	11/00
Brooke Bond P.	10	7½	7½	10	9/87	10/25	13/06
Dejoo Valley	20	30	..	10	40/00	40/00	60/00
Dessai & Purbuttia	10	15	12½	100	170/00	170/00	200/00
Dhelakhat	10	8	10	10	20/69	20/62	20/75
Dhunseri P.	15	10	10	10	10/00	10/00	13/00
Dibrugarh	40	30	..	10	27/50	27/50	32/50
Dimukusi P.	20	25	30	10	22/87	22/87	22/62
Duffleghur	25	30	20	10	24/25	24/25	28/06
East India	Nil	10	Nil	10	10/31	10/31	15/50
Gillapukri	20	15	12½	10	23/00	23/00	25/44
Gohpur	5	20	..	10	12/87	13/06	14/94

* 1963

TEA COMPANIES—Contd.

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 18-11-64	11-11-64	A year ago
				Rs.	Rs.	Rs.	Rs.
Grob	6	6	3	5	5/75	6/37	8/15
Hoograjuli (Assam)	20	17	12½	10	27/62	27/62	27/62
Hoolungooree	7½	20	15	100	168/00	168/00	199/00
Jutlibari	30	20	14	10	27/87	27/87	31/50
Kingsley Golaghat P.	35	..	..	100	125/00	125/00	125/00
Kotamullai P.	Nil	Nil	Nil	5	10/31	10/31	10/31
Krishnabehari	8	10	6	10	11/30	11/30	11/80
Kyang Tea	..	..	..	10	8/06	8/06	8/06
Ledo	Nil	Nil	Nil	10	14/25	13/50	13/75
Maud Tea & Seed	7½	7½	..	10	12/00	12/00	14/81
Methoni	14	20	11	10	13/25	13/25	17/87
Moheema	Nil	..	..	10	11/50	11/50	11/50
Mothola	30	35	35	100	425/00	425/00	507/00
Murphulani (Assam)	15	25	17½	10	26/50	26/50	26/50
	20.63	30.63	23.13	10	26/87	26/87	26/87
Naga Hills	10	10	10	10	21/25	21/25	22/25
Namburnadi	12	..	..	10	12/87	12/87	12/87
New Cinnatolliah	Nil	Nil	5	100	455/00	455/00	302/00
Rajgarh	13½	17½	12½	10	18/56	18/56	19/00
Sapoi	20	10	..	10	15/81	15/81	18/50
Seajuli	15	30	25	10	21/06	21/06	25/50
Teloijan	25	25	..	10	19/00	19/00	24/12
Tengpani	30	22½	12	10	36/50	36/50	35/75
Tezpore P.	12½	12½	12½	10	12/44	12/44	15/19
Tongani	Nil	..	..	10	5/19	5/19	5/31
Tyroon	15	25	..	10	24/75	24/75	31/00
CACHAR							
Arcuttipore	5	6	..	10	7/00	7/00	7/00
Baitakhal	2½	..	7½	10	6/00	6/00	8/06
Central Cachar	7½	5	..	100	73/00	73/00	83/00
Eastern Cachar	Nil	..	..	10	5/06	5/06	4/50
Kallinugger Khoreel	2	..	..	10	84/00	84/00	87/00
Hattikhira	8	Nil	Nil	10	6/69	6/50	8/75
Kunchanpore	Nil	..	..	10	8/00	8/00	8/00
Looban	Nil	Nil	Nil	10	4/69	4/69	4/56
North Western	20	10	..	100	140/00	140/00	175/00
Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50
Roopacherra	10	Nil	..	10	9/94	9/94	11/00
Rungamattee	5	5	5	10	47/00	47/00	51/50
Sonai River	Nil	..	..	10	5/06	5/06	5/05
DARJEELING							
Bloomfield	..	..	..	10	3/25	3/25	3/12
Chamong	10	10	..	10	8/87	8/87	9/00
Darjeeling Tea & Chin.	30	30	..	100	197/00	197/00	197/00
Dilaram	4	..	..	100	102/50	102/50	102/50
Gielle	..	3 4/7	15	10	18/12	18/12	11/69
Lingia P.	10	17½	15	10	15/00	15/00	14/00
Longview	10	..	..	10	8/25	8/25	11/00
Margaret's Hope	15	15	..	10	11/81	11/81	12/50
Mim	27½	27½	Nil	100	430/00	430/00	191/50
Nagri Farm	25	35	35	10	28/12	28/12	30/06
Okayti	25	25	..	100	600/00	600/00	600/00
Pashok	Nil	..	..	10	18/75	20/00	20/00
Poobong	Nil	5	Nil	10	10/50	10/50	7/50
Pussimbing P.	Nil	Nil	Nil	10	7/69	7/69	7/50
Rungliee Rungliot	20	7½	5	100	290/00	290/00	386/00
Seeyok	Nil	..	..	10	8/50	8/50	8/50
Singell	Nil	Nil	..	100	36/75	36/75	36/75
Singtom	Nil	2	..	10	3/25	3/25	3/50
Soom	40	40	30	10	39/00	30/00	34/00
Sungma	15	20	..	10	12/06	12/06	14/75
Teesta Valley	..	8 4/7	10	10	12/94	12/94	15/87
Tukvar	Nil	..	..	10	3/56	3/56	6/00
DOOARS							
Banarhat P.	21	21	17	100	161/00	161/00	241/00
Baradighi	25	25	15	10	21/12	21/12	24/12
Bhatkawa	15	20	..	10	16/00	16/00	17/25
Birpara P.	12½	17½	10	100	142/00	142/00	162/00
Carron	5	7½	Nil	100	125/00	125/00	155/00
Choonabhuti P.	20	20	7½	100	176/00	176/00	210/00
Ellenbarrie	5	10	7½	100	300/00	300/00	184/00
Engo	30	40	30	100	225/00	136/00	136/00
Ethelbari	5	7½	..	10	11/87	11/87	11/87
Gairkhata	20	11	7	10	12/87	14/00	21/50
Gopalpur	2	10	..	25	19/50	19/50	20/00
Hantapara P.	5	10	7½	100	97/00	97/00	114/00
Hasimara P.	..	18	15	10	12/25	13/37	13/81
Huldibari	..	19 2/7	11	10	11/00	11/00	13/06
Jaybirpara	Nil	Nil	..	10	8/50	8/50	23/12
Killcott	15	15	10	10	14/50	14/50	15/87
Manabarrie	6	10	10	10	59/50	59/50	59/50
Nagaisuree	15	15	5	100	141/00	141/00	140/00
New Dooars P.	20	14½	Nil	100	167/50	166/00	230/00
Oodlabari	7½	Nil	7½	100	14/00	14/00	13/62
Phaskowa	Nil	Nil	Nil	100	121/00	121/00	129/00
Rajabhat	Nil	6	6	10	10/25	10/19	12/00
Ranicherra	15	7½	..	10	12/00	12/00	12/50
Rydak	20	25	25	10	22/62	22/87	25/75
Sarugaon	40	40	40	10	37/00	37/00	36/31
TERAI							
Atal	..	..	..	10	5/37	5/37	8/75
Belgachi	20	..	..	10	23/12	23/12	22/50
Gungaram	12½	12½	10	100	140/00	140/00	130/00
New Chumta	..	12 6/7	20	10	19/00	20/37	24/62
New Terai	10	15	..	10	20/50	20/50	23/00
Pahargoomiah	20	2½	..	10	9/87	9/87	14/37
Putinbaree	14	..	..	10	55/00	55/00	45/00
Tirrihannah P.	60	60	..	10	49/00	49/00	49/00
CHITTAGONG							
Kodala	Nil	..	..	10	9/25	9/25	9/25
Kornafuli	Nil	..	..	10	11/25	11/25	9/31
Oodaleah	Nil	..	..	10	8/00	8/00	8/00
SYLHET							
Chundeecherra	Nil	Nil	Nil	10	29/75	29/75	26/00
Dauracherra	22½	20	Nil	10	14/75	14/75	11/56
New Samanbagh P.	Nil	Nil	Nil	10	20/25	20/25	18/37
Patrakola	40	15	Nil	100	145/00	160/00	129/00
Rajnagar	Nil	Nil	..	10	9/56	9/56	9/50
Teliapara	22½	10	Nil	100	169/50	169/50	110/09

‡ Hectares

MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until 18-11-64	11-11-64	A year ago
				Rs.	Rs.	Rs.	Rs.
MININGS							
Burma Mines	2 3/5	Nil	Nil	3½S	0/44	0/44	0/44
Chrestien Mica Industries P.	15	12½	..	10O	9/09	9/09	10/25
	26	20	..	5Dd	6/53	6/53	6/87
Indian Copper Corporation	27	27	18	2s	3/30	3/37	3/57
Metal Corporation P	Nil	Nil	..	10O	6/00	6/00	8/56
Orissa Mineral Development	36	28	20	10	20/03	20/03	27/37
CEMENT, LIME, SLATE, ETC.							
Ashoka Cement	7	7	7—7*	10	6/62	6/81	7/37
Assam Bengal Cement	..	Nil	Nil	10O	3/19	4/87	4/81
				1Dd	0/59	0/59	0/59
Bengal Potteries	15	12	12	2½	4/19	4/25	5/37
Bisra Stone Lime	30	30	10	..	18/50	18/50	22/50
Dalmia Cement (Bharat) P.	12	12	12-12*	10O	13/06	13/12	12/87
				1Dd	3/06	3/08	2/81
Jaipur Udyog P.	6	8	10-10*	10	10/00	10/31	12/19
Kumardhubi Fireclay & Silica P.	18	18	18	10	18/45	18/45	18/45
Orissa Cement P	15	15	10	10	11/44	11/69	14/94
Reliance Firebricks & Pottery	22	15	10	10	22/75	22/75	22/75
Sone Valley Portland Cement	4	6	8	10	3/84	3/87	4/81
Sutna Stone & Lime	27½	30	35-20*	10	18/00	18/00	28/31
CHEMICAL INDUSTRIES							
Alkali & Chemical Corpn. of (I)	12	15	15—15*	10	28/75	30/19	35/37
Bathgate & Co Ltd P.	Nil	Nil	..	5	0/84	0/84	0/84
Bengal Chemical & Pharm. P.	7	10	10	100	102/00	101/50	102/00
Calcutta Chemical P.	18	18	18	10	19/12	19/12	17/87
Frank Ross P	..	..	..	6	3/18	3/19	2/87
Smith Stanistreet P.	25	25	25-22½*	5	13/69	13/69	12/31
ELECTRIC LIGHTING, POWERS							
Agra Electric Supply	11	11	11-11*	100	126/00	126/00	138/00
Bareilly Electric Supply	11	11	11-11*	10	11/44	11/44	12/50
Benares Electric Supply	11	11	11-11*	10	12/87	12/87	11/62
Bhagalpur Electric Supply	8	10	8	8	7/12	7/12	6/56
Calcutta Electric Supply	7	7½	7½	£1	15/19	15/12	14/28
Cuttack Electric Supply	7½	10	Nil	10	15/00	15/00	11/87
Dishergarh Power Supply P.	10	10	10-10*	100	86/00	86/00	93/00
Jhanshi Electric Supply	..	Nil	7	10	5/90	5/90	5/90
Jubbulpore Electric Supply	10	10	10	10	10/75	10/75	11/25
Mirzapur Electric Supply	..	..	..	..	7/50	7/50	12/00
Muzaffarpore Electric Supply	12½	12½	12½	10	17/75	17/75	11/50
Muttra Electric Supply	..	..	..	10	11/06	11/06	11/00
Patna Electric Supply	10	10	10	10	10/31	10/31	10/75
Shahjahanpur Electric P.	6½	6½	6½	10	6/62	6/62	7/50
Sijua (Jhariah) Electric	10	9	9	10	9/62	9/62	8/50
United Provinces Electric	11	11	11-11*	100	200/00	201/00	142/00
Upper Jumna Valley Electric	13½	13½	13½-13½*	11	25/37	25/37	15/75

MISCELLANEOUS COMPANIES—Contd.

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 18-11-64	11-11-64	A year ago
				Rs.	Rs.	Rs.	Rs.
ENGINEERING & METAL							
Arthur Butler (Muzafferpore) P.	Nil	10	..	10	15/00	15/00	14/94
Bharta Electric Steel	10	12½	15	10	15/06	15/06	15/00
Braithwaite India P.	25	14	20	10	32/75	32/94	35/75
Bridge & Roof	30	30	30	10	52/25	52/25	52/25
Britannia Building & Iron P.	Nil	Nil	Nil-Nil*	10	3/62	3/62	3/37
Britannia Engineering P.	10	10	..	10	9/44	9/62	10/75
British India Electric Cons.	20	15	15	10	29/12	29/12	31/00
Burn P (Engineering)	28½	28½	25-15*	100	278/00	278/00	698/00
Calcutta Steel	15	15	12½-15*	10	13/50	13/62	14/19
Dalmia Iron	10	10	10	10	11/94	11/91	11/62
Guest, Keen Williams	14	14	12	10	23/12	23/31	42/56
Hooghly Docking	Nil	12½	10	50	80/00	80/00	95/00
Indian Iron & Steel P.	16	16	16-17*	10	25/10	25/52	24/94
Indian Malleable Casting	Nil	Nil	..	50	5/19	5/19	6/00
	Nil	Nil	..	10d	2/81	2/81	2/06
Indian Standard Wagon P.	28½	28½	20-20*	10	36/69	36/69	36/87
Indian Steel & Wire Products	24	23	18	100	30/00	30/00	36/25
Industrial Containers	10	10	..	10	25/62	25/62	21/37
Jay Engineering	17 3/20	15	10-8*	10	20/69	21/56	21/87
J K. Steel P	20	10	15	10	17/81	17/75	16/87
Jessop & Co. P.	8.58	8.58	10	10	25/00	25/37	26/12
Kumardhubi Engineering P.	11½	15	Nil-16⅔	3	5/44	5/50	9/44
Marshall Sons (India)	Nil	Nil	Nil	2	3/19	3/47	2/67
National Iron and Steel	Nil	Nil	..	10	5/87	5/87	5/90
Saran Engineering	10	12½	10	4	8/50	8/50	8/78
Steel Containers	20	20	17½	10	24/31	24/31	29/50
Textile Machinery	10	12½	12½-15*	10	25/55	25/85	28/20
SUGAR BREWERIES, ETC.							
Bairampur Sugar	8	4	Nil	2½	1/56	1/56	1/95
Belsund Sugar	10	6 2/3	3 1/3	7½	8/81	8/81	8/94
Bharat Sugar P.	15	15	15	10	14/50	14/50	13/31
Carew (Sugar) P.	Nil	Nil	Nil	10	12/50	12/50	11/50
Cawnpore Sugar P.	Nil	Nil	Nil	10	9/87	9/87	9/94
Champaran Sugar	12	Nil	Nil	10	11/44	11/44	13/87
Durbhanga	Nil	5	..	10	8/56	8/56	9/94
New Savan Sugar and Gur	5 3/5	3 7/10	..	10	3/19	3/19	4/50
Purtabpur Sugar P.	Nil	Nil	..	10	9/12	9/12	10/81
Ramnugger Cane & Sugar P.	35	30	15	10	24/25	24/25	29/00
Raza Buland	10	10	10	10	10/06	10/06	10/25
Ryam Sugar P.	Nil	Nil	..	10	4/12	4/12	3/56
Samastipur Central Sugar	Nil	Nil	..	10	3/62	3/62	5/19
Shree Krishna Gyanoday Sugar P.	10	Nil	..	10	8/50	8/62	8/87
Shree Sitaram Sugar	..	..	..	10	7/28	7/28	7/12
Sitalpore Sugar	Nil	Nil	Nil	10	3/69	3/69	3/94
United Provinces	5	Nil	..	10	12/00	12/00	10/00
Upper Ganges Sugar P.	72½	72½	..	10	60/25	60/25	85/00
MISCELLANEOUS							
A. Firpo (Restaurateur)	10½	5	..	10	5/90	5/90	5/90
Aluminium Corporation P.	12	12	5-9*	10	11/00	10/69	5/90
Anderson Wright Ltd. P.	Nil	6	6	10	11/50	11/56	14/19
Angelo Bros	28½	28	28	10	25/06	25/81	11/50
Assam Match	20	20	20	10	25/25	25/25	27/00
Assam Saw Mills & Timber	Nil	3	..	3	2/44	2/44	27/50
Associated Battery	15	15	15	10	24/00	24/19	2/62
Associated Hotels of India P.	10	10	10	10	10/37	10/37	29/50
Balmer Lawrie & Co.	25	25	22½	100	235/00	235/00	10/31
Bararee Coke	Nil	15	15-20*	10	20/75	20/75	256/00
Birds Investments P.	10	10	..	10	8/81	8/81	22/12
Britannia Biscuit P	30	25	21-21*	10	36/62	36/62	10/44
British India Corporation P.	7	9	15	5	10/56	10/97	42/50
British Paints	12½	10	15	10	23/44	24/62	8/81
Calcutta Silk Manufacturing P.	Nil	..	..	10	6/94	6/94	23/50
Clive Row Investment	7½	7½	8	10	8/75	8/62	6/94
Duncan Brothers & Co Ltd P.	14	14	12	100	110/00	110/00	8/56
Dunlop Rubber Co (India) P.	20	15	17½	10	30/56	31/94	140/00
Dyer Meakin (Breweries)	30	..	..	5	23/44	26/12	38/00
Eastern Investments Ltd P.	14	12	10	100	101/00	101/00	34/06
Electric Construction	10	10	10	10	13/62	13/50	122/00
French Motor Car	20	20	..	20	31/75	31/75	13/25
Ganges Rope	20	20	20	100	252/00	252/00	32/75
General Investments Trust P.	5	5	5-5*	75	43/00	43/00	236/00
Gillanders Arbuthnot & Co Ltd P.	11	11	11-9.6*	10	13/06	13/06	43/00
Gladstone Lyall & Co Ltd P.	Nil	Nil	.	10	..	..	14/19
Godfrey Phillips (India) Ltd P.	40	30	20	10	22/00	22/00	28/12
Great Eastern Hotel	6	7	..	250	260/00	260/00	250/00
Hindustan Aluminium P.	Nil	Nil	Nil	10	13/00	..	..
Hindustan Motors P	12	12½	11½-11½*	10	16/25	13/06	14/25
Hindusthan Pilkington	12	Nil	Nil	10	14/37	16/50	19/16
Hindusthan Pwyfords P.	Nil	Nil	Nil-Nil*	10	15/03	14/37	17/50
Hoare Miller & Co Ltd.	6	..	..	10	5/37	15/00	14/87
Imperial Tobacco	9	9	8-6½*	10	7/94	4/50	5/62
Indian Aluminium Co Ltd P.	15	17½	17½	10	31/25	8/25	9/94
Indian Cable P	22½	22½	22½-25*	10	34/50	31/69	39/37
Indian Oxygen	15	12	12	10	33/69	35/50	40/00
						24/24	29/50
Indian Rubber Manufacturers P.	30	35	..	10	21/75	21/75	19/87
Indian Wood Products	30	30	25	10	26/25	27/62	16/50
Isaac Holdens	Nil	Nil	5	10	10/19	10/25	16/44
Investments and Finance P.	7½	7½	7½-7½*	100	55/00	55/00	30/00

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 18-11-64	11-11-64	A year ago
				Rs.	Rs.	Rs.	Rs.
J K Synthetics	3	Nil	10	10	12 75	12/75	12/44
James Wright P.	..	..	..	50	2/75	2/75	2/75
	..	..	..	1Dd	00/43	00/43	00/43
Jardine Henderson Ltd P.	7	6	7-7*	100	71/00	71/00	79/50
Jay Shree Industries P.	12½	12½	..	10	14/75	14/75	18/69
Kesoram Industries P.	12	12	13-15*	10	23/87	24/50	27/81
Macfarlane & Co.	Nil	Nil	..	50	4/50	4/50	6/69
	Nil	Nil	..	1Dd	1/81	1/81	1/69
Macneill & Barry Ltd P.	8	7½	8½	100	95/00	95/00	100/00
Martin Burn Ltd. P.	27½	25	25	10	26/94	27/06	28/87
McLeod & Co. P.	15	18	..	100	230/00	230/00	210/00
Metal Box Co of India Ltd P.	25	25	19-18*	10	31/25	31/25	53/75
National Insulated Cable P.	25	25	18-20*	10	24/44	24/87	24/75
National Pipe & Tubes P	20	20	20	10	28/50	28/50	28/75
National Rolling & Steel Ropes	15	15	15	10	24/12	24/19	21/37
National Rubber P	6½	8	10	10	10/62	10/90	13/06
National Tobacco P	7	7	..	10	11/19	11/19	13/37
New India Investment Corpn.	8 2/5	8 2/5	..	75	53/50	53/50	59/50
Octavius Steel P.	7½	7½	..	100	..	..	..
Philips India	12	13	15	10	26/87	27/00	30/50
Publicity Society	75	75	50	4	25/06	25/06	22/62
Rallis India P	8½	8½	10	100	121/00	121/00	133/00
Rohtas Industries P.	10	8	9-8*	10	9/59	10/06	13/37
Sirsilk P	..	..	..	10	7/06	7/06	10/47
Sen-Raleigh Industries P.	8	8	Nil	10	17/12	17/12	15/19
Shaw Wallace P.	15	7½	12½	10	15/00	15/00	16/75
Spencer's Hotel	2½	..	..	2	1/25	1/25	0/65
Union Carbide	18	12½	15	10	29/00	30/25	43/31
Walford Transport	30	30	27	10	3/06	3/03	4/06
INSURANCE COMPANIES							
Concord of India	20	20	20	5	9/00	9/75	11/25
Hercules	26¼	26¼	26¼	10	23/50	23/50	22/56
Ruby General	13½	15¾	15⅞	8	11/75	12/12	10/44
Standard General	..	..	..	10	7/75	7/75	6/25
Triton	50	50	50	25	127/00	127/00	128/00
FLOUR MILLS							
Bengal	25	25	30	10	33/75	33/75	29/00
Delhi P	..	..	..	10	14/00	14/00	14/00
Ganesh P.	..	..	..	12½	10/62	10/62	15/25
Hooghly	Nil	Nil	5	10	19/75	19/75	19/75
United	10	7½	10	10	27/81	27/81	27/81
OIL COMPANIES							
Attock Oil	13½	13½	13 1/3	£1	sh. 32/6	sh. 32/6	sh. 37/-
Burmah Oil P.	..	11½	22½	£1	sh. 53/9	sh. 55/6	sh. 64/10½
Indo Burmah Petroleum P.	25	22½	17½	10	20/12	20/62	24/25
Tide Water Oil	35	35	35	10	37/00	37/00	29/50
PAPER MILLS							
Bengal P.	27½	20	20	10	26/81	26/81	29/56
India Paper Pulp	13	12	15-15*	10	16/37	16/50	19/00
Orient Paper P	22½	22½	20	10	32/00	31/40	39/50
Shree Gopal Paper P.	17 6/7	17 6/7	18	10	25/50	25/50	26/00
Sirpur P.	8½	8½	5	10	12/12	12/00	14/37
Star Paper P.	Nil	Nil	Nil	10	9/50	9/50	9/12
Titaghur P.	13	13	13-13*	2½PO	3/37	3/37	3/25
	20	10	10-2½*	10AO	11/12	11/75	17/44
	20	10	10-2½*	10BO	11/12	11/75	17/44
West Coast P.	7½	..	..	100	164/00	164/00	170/00
PRESSING COMPANY							
Camperdown	11	..	..	100	110/00	110/00	104/00
REAL PROPERTY STORAGE							
Bengal Bonded Warehouse	8	8	9	A500	1,225/00	1,250/00	1,050/00
				B82½	125/00	125/00	125/00
				C100	186/00	186/00	122/00
				D12½	52/00	65/00	14/15
Calcutta Safe Deposit	Nil	Nil	..	100	7/81	7/81	7/75
Humayan Properties P.	3	Nil	..	10O	11/00	11/00	11/06
	..	..	..	1Dd	2/10	2/10	2/10
Midnapore Zemindary P.	Nil	Nil	Nil	85	33/25	33/25	11/00
TRAMWAYS & STEAMER							
Bengal Assam Steamship P.	7½	10	10	100	105/50	105/50	128/00
Calcutta Landing & Shipping	7½	22	6	10	21/00	21/00	34/00
Calcutta Steam Navigation	Nil	Nil	Nil	10	7/25	7/25	9/25
Calcutta Tramways P.	5	5	5	£1	11/56	11/62	11/25
Fraser	..	..	..	10	10/00	10/00	10/00
India General Nav. Railway P.	Nil	Nil	..	£10	36/50	36/50	42/50
India Steamship P.	Nil	Nil	Nil	10	6/44	6/50	7/56
Port Shipping	Nil	Nil	12	10	17/12	17/37	15/06

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OUTLOOK FOR FOOD IN THE COMING MONTHS

THE acute shortage of foodgrains which has played havoc with the economy for the greater part of the past year shows little sign of easing yet. A couple of months ago, the Prime Minister, Mr. Lal Bahadur Shastri, and the Central Food and Agriculture Minister, Mr. C. Subramaniam, predicted with great confidence that the situation would improve soon. Their optimism was based on two factors. The first was that the new rice crop was going to be a bumper one, and that it would start arriving in the markets from the middle of October. The second was that arrivals of imported foodgrains, particularly of wheat from the United States, were about to be sharply accelerated; during October alone, Mr. Subramaniam said, a record 700,000 tons of wheat would be coming from abroad, with similar large quantities following in subsequent months. The ides of October, however, have come and gone; the ides of November too. But foodgrain prices remain almost as firm as they were. The precautionary selling one might have expected in the case of at least rice and wheat—with a bumper harvest of the first and bumper imports of the second—is hardly noticeable in the major centres. On the contrary, in the bigger cities, prices are still rising in prosperous black markets whose existence the Government's statistical services decline to recognise. In parts of Kerala, Mysore and Madras, acute local scarcities have deepened unrest and led to serious violence.

Against this background, it is understandable that the mood of exasperation is growing, not among the people alone but within the Government too. Popular exasperation was forcefully expressed a few days ago through the widespread rioting in Kerala. Within the Government, the same mood has inspired daily denunciations of the trade, accompanied by a feverish search for scapegoats and threats of drastic penalties. Mr. Shastri reflected the mood faithfully a few weeks ago when he declared that although he was instinctively not in favour of rationing and controls, he had been forced to the belief that they would now be the lesser of two evils. The shift in thinking had been brought about by the conclusion that "traders are not prepared to cooperate with us". The trade, he added, could not be allowed to flout the Government's wishes; people who sold food at prices higher than those fixed by the Government should, therefore, be subject to summary trial and punishment, apart from being deprived to some extent of the right of appeal.

These decisions have since been enshrined in an ordinance which will no doubt be cheerfully ratified by Parliament during the winter session now on. The proposed short-circuiting of established legal procedures may not appeal to everybody; and some of the foodgrain dealers who have been rounded up by the police for passing the wrong resolutions might wonder whether the use of the Defence of India Rules is at times not summary enough already. But it has to be admitted that these are nowadays unfashionable qualms which disturb only a small minority. The more widespread reaction is that the ordinance is not drastic enough, especially as it does not adequately limit the right of appeal; that it confers no greater powers than the Government had already, and which it was reluctant to use; and that the issue of the ordinance, therefore, will bring no practical benefits since the desire to enforce it is lacking. It is perhaps a measure of the despair and demoralisation afflicting the people of this country that the more militant the Government's denunciations, and the more drastic the powers it assumes, the greater is the cynicism and scorn with which they are received.

The situation is a delicate one, and not the least of the dangers is that the entire food policy of the Government may fizzle out in the desperate search for palliatives, scapegoats and red herrings. The basic, elementary and well-known fact for a start is that since 1960-61, according to the Government's own statistics, the country's foodgrain production has, for all practical purposes, not increased by one single milligram. On the contrary, it has declined, and has only recently shown signs of recovering to near-about that year's level. A multitude of excuses can be offered for the stagnation: the weather was bad (for three years in succession?); land was diverted to more remunerative cash crops; fertilisers and pesticides were in short supply; and the irrigation potential was not fully used. But the weather apart (and that is a questionable excuse), all these deficiencies can be traced to one set of factors: the complacency, indifference and inaction of the Government itself. Whether these qualities can be ascribed to its traditional inertia in dealing with agricultural problems, or to the massive P.L. 480 agreement signed in May 1960 amidst a mushroom-cloud of bombast by the then Food and Agriculture Minister, Mr. S. K. Patil, may be a moot point. What seems certain is that the P.L. 480 agreement deepened the complacency which already existed, and to that extent helped India into the mess she is now in. The coincidence of the agreement with a prolonged phase of stagnation in Indian agriculture, in other words, cannot be dismissed as wholly fortuitous.

To say this is not to depreciate the value of the P.L. 480 agreement. On the contrary, much as it may hurt the Government's pride to admit it, the agreement saved India from a phase of starvation that might have been the worst in 20 years. At the same time, it is only fair to add that, apart from generating complacency, the P.L. 480 pact did not serve its purpose in two other ways. The first is that the buffer stocks which were to have been built were never built; on the contrary, even the warehousing and other facilities necessary for holding the stocks were not created. Secondly, by offering the mirage of a large increase in food supplies, it strengthened the Indian Government's easy-going attitude on the question of deficit financing. The complacency which has led to agricultural stagnation, the reckless pace of deficit financing, and the inability to check the inexorable growth of popu-

lation—these are the key factors responsible for the food crisis which India faces today.

Contrary to popular impressions, the origins of the crisis do not date back to the early months of this year, or even to those of last year. The crisis has been incipient much longer. In 1960-61, the final year of the second plan, this country produced 81 million tonnes of foodgrains. The output amounted to 81 million tonnes in 1961-62, 78.5 million tonnes in 1962-63 and 79.4 million tonnes in 1963-64. Imports rose—from 3.5 million tonnes in 1961 to 3.6 million tonnes in 1962 and 4.6 million tonnes in 1963. But the rise was not sufficient to offset the fall in production. The statistics show that in no single year since 1960-61 have total supplies (local production plus imports) appreciably exceeded the level of that year. On the contrary, if it were possible to count in the carryover (for which no reliable figures will ever be available), the conclusion would emerge that total supplies might well have *decreased* quite considerably, since the carryover now is without a shadow of doubt smaller than it was three or four years ago.

Over the same four years, the population has increased by about 10 percent, taking the average rate of growth at about 2½ percent a year. The coincidence of a probable decrease in supplies, with a 10-percent increase in population, provides one clue to the seriousness of the physical shortage of food which India faces. Another clue is provided by the planners' estimate some years ago that the country would be needing approximately 95 million tons of foodgrains annually by this time—as a minimum. The Government may go on talking of a "massive" import programme. But what massive import programme could there conceivably be which would now take the country's total supplies suddenly up to 95 million tons? On one estimate, the recent rate of imports—4 million tons or so annually—would have to be more than doubled if such a programme were to ensure a measure of adequacy. Even assuming that supplies of this order were available from abroad, could the ships be found to carry them? And would India's ports have the capacity to handle them?

The purpose of going over these familiar statistics once again is not to contribute to the nervousness or panic which Ministers, otherwise paralysed by inaction, sometimes find the energy to decry. The purpose is to add a qualification to the breezy optimism sometimes displayed by people like Mr. Shastri, who said towards the end of September that the food crisis would be over by mid-October, then said at the end of October that the millenium would dawn early in December, and has now postponed the happy event to the middle of January. The statistics suggest that there may be several postponements yet of the visions of happiness and plenty, and that the exact number of the postponements will be determined by two things. The first is the size of the new crops; and the second is the willingness and the ability of State Governments to distribute supplies equitably over the whole country.

About the size of the new crops, Mr. Subramaniam continues to display a breezy optimism comparable to Mr. Shastri's: he is sure the rice harvest will be a bumper one, and the wheat harvest will be big too. May heaven help prove him right. But many may recall that the agricultural year still has seven months to go. In earlier years, climatic adversities during these seven months have allegedly been responsible for large shortfalls in production. Furthermore, others may recall, the Government's organisation for making crop estimates is at the stage of reliability where the size of a particular grain crop in a particular agricultural year is not known finally until approximately four months after the year has ended. Here now is Mr. Subramaniam making confident estimates only four or five months after the year has actually begun. Considering the memorable errors made in earlier crop forecasts, especially those for 1962-63, might not his present confidence be a mere 12 months too premature?

Assuming, however, for the moment that Mr. Subramaniam's crop forecasts will prove correct, and that imports will arrive on the scale he hopes, there is reason to expect that foodgrain prices will decline more noticeably in the coming months than they have done so far. But, as things stand, a large decline—even to the levels of a year ago—is hardly expected, considering that the demand-supply situation is such that shortages are likely to continue. Mr. Subramaniam has been frank enough to warn the country that it will need to import foodgrains for the next four or five years; and not just for building buffer stocks, but also for current consumption. A fall in prices during the next few months would, therefore, be of no great significance. It would merely reflect the seasonal pressure of the harvests on the market. The danger of prices starting to rise once again from April-May next year onwards would still remain. It is primarily as a measure to cope with those dangers that his new food policy will be put to its crucial test.

How it is likely to emerge from that test, it is difficult to say. Judging from the limited experience of Kerala in recent weeks, the prospects might seem dismal indeed. The framework of the policy is delightfully neat and tidy to look at. It guarantees certain prices for the major foodgrains to producers: the prices are intended to provide an incentive not only for cultivators to grow more but also to offer more of their supplies to governmental nominees or buying agencies. Precise little margins are proposed for millers, wholesalers and retailers. Finally, prices for consumers are to be fixed too, so that they can get the grains more cheaply than hitherto. There is no doubt that, in a perfect world, such a scheme would work perfectly. Cultivators would get more for their labours. Consumers would pay less for their food. Only the dirty tricksters of the foodgrains trade would be squeezed. But the world is not a perfect one. In the final analysis, at the grass-roots level the scheme would have to be worked by a vast army of petty officials. It is inconceivable that so vast an army of officials with the business acumen, knowledge and integrity required can be created overnight. The major difficulties which have arisen in the effort to enforce price controls and ensure the proper distribution of food in the single compact area represented by Calcutta alone give only a minor idea of the problems that would arise. Those difficulties would be multiplied hundred-fold if the effort were countrywide.

The purpose in pointing to the problems is not to suggest that the Government should not intervene in the foodgrains trade at all. On the contrary, the situation is so serious that greater intervention by the Government is not merely necessary, but inescapable. The main need, however, is to ensure that the scale of intervention is determined by the Government's organisational capacity. From this point of view, the second part of Mr. Subramaniam's food policy seems more rational and workable. It visualises rationing, statutory or informal, in the major cities and in the deficit State of Kerala. It visualises more vigorous procurement, especially in the surplus States. And it visualises the regulated movement of foodgrains from surplus to deficit areas. The difficulties inherent in operating even a simpler and more clear-cut scheme such as this need not be underestimated. As the Kerala riots have shown, rationing can be dangerous if at any time there is a chance that ration or fair-price shops might run out of supplies. Procurement is apt to be sluggish when State Governments have their own vested interests to protect. And the movement of foodgrains from surplus to deficit areas is in danger of being thwarted by political interference or administrative bungling even after a clear schedule of movements has been drawn up and accepted.

But the effort is nevertheless worth making, at least on an experimental basis for a start. And its success will depend, more than anything else, on the political determination to bring recalcitrant States into line. It is not enough simply to leave it to Mr. Subramaniam to carry on interminable discussions with State Chief Ministers. The top leadership of the Government and of the Congress Party—in particular, Mr. Shastri and Mr. Kamaraj—has a joint and direct responsibility in securing compliance with a national food policy. The compliance has to be secured by persuasion if possible, and by compulsion if necessary.

There is one fundamental precondition for the success of the new food policy but surprisingly, it has been discussed very little so far. The sharp rise in prices over the past year or two has created a disastrously inflationary psychology. In other words, since prices have risen steadily and sharply already, there is a widespread conviction that they will go on rising in the future too. This conviction has to be attacked. It cannot be attacked merely by the showy use of ordinances to raid, arrest, prosecute and punish a collection of small fry in the trading community. It has to be attacked at its roots, by changing the fundamental situation where too much money is chasing too little food. Some of the money is undoubtedly of the "unaccounted" variety, and a good deal of it has moved into the foodgrains trade since the share and bullion markets, for example, were struck by paralysis. The Central Finance Minister, Mr. T. T. Krishnamachari, is entitled to try and get hold of such money as best he can; and good luck to him. What is indefensible is that the Government should itself be supplementing the flow of money, "accounted" and "unaccounted", into the foodgrains business by pumping in more money of its own through the process of deficit financing.

A few months ago, Mr. Krishnamachari sensed the danger, and took a step in the right direction by deciding to cut the Government's expenditure by Rs. 70 crores during the current year. No one knows whether the expenditure has been cut by that amount; but even if it has been, subsequent trends show that the reduction has been extremely inadequate. A far more drastic cut is, therefore, necessary. The figure of Rs. 70 crores was reportedly chosen in order to bring the Central Government's revenue and capital Budgets, taken together, into fairly close balance, by almost eliminating the overall deficit. But the point was perhaps forgotten that the expenditure to begin with was increased by nearly Rs. 200 crores beyond the level of 1963-64 (which was itself inflationary). If a paltry cut of Rs. 70 crores is made now, it cannot be of much use—when the supply of the main consumer goods, especially foodgrains, has hardly increased. The increase of Rs. 200 crores was unjustified from the very start. It gives some idea of the sort of reduction that is now necessary.

There is a widespread myth in India that Budgets which are "balanced" simply cannot be inflationary. The corollary to this myth is that a Government has done its duty by way of checking inflation if it has virtually eliminated the overall deficit in its Budget. The truth, however, is that balanced Budgets too can lead to a sharp rise in prices. In particular, if the balancing is done by imposing stiff new taxes, costs increase and prices tend to go up as a result. This has indeed been the case in this country. It is incorrect to assume that taxes are "disinflationary" merely because they "take away purchasing power from the hands of the people" The fact is that they take away purchasing power only to the extent that they raise costs and ultimately the selling prices. The effect of the taxes, then, is that purchasing power is shifted from the hands of the people to those of the Government. If this purchasing power is then neither neutralised nor used in the form of investments which would yield an early increase in production, its inflationary impact remains largely unchanged. In other words, the Government may have to reduce its expenditure very substantially; alternatively, the expenditure has to be such that it yields a quick increase in production. The Government needs to bear these points in mind while framing its budgetary policies, and in assessing their impact on the food situation.

In India, the Government could also do with the reminder that even after a Rs. 70-crore cut in expenditure, its Budget will not be balanced in the real sense of the term. This is because much of what is described as "borrowing from the public" is in fact deficit financing. For example, in recent years, whenever the Government has floated loans, a large part of the loans have had to be taken up by the Reserve Bank. The Reserve Bank, in effect, prints new currency notes and hands them over to the Government in exchange for the securities it receives. The result is that the "borrowing" does not come out of genuine savings; in its economic effects it is indistinguishable from deficit financing.

The implication of all this is that the budgetary policies of the Central and State Governments, despite cuts in expenditure here and there, are inherently such as to push prices up. At a time when food shortages are acute and widespread, the tendency for prices to go up is already strong. It is clearly wrong to strengthen the tendency further through budgetary and monetary policies that are inflationary. In a country like India, where the main consumer expenditure is on food, the effect of such policies, and especially of an increase in Government expenditure, will inevitably show itself mainly in a rise in food prices. Budgetary policies have done as much as the physical inadequacy of food to generate the inflationary psychology. The first byproduct of this psychology is that not just traders, hoarders and profiteers, but millions upon millions of farmers and consumers too, have become hoarders of food. The distribution "pipelines" have thus got clogged all along the way. The actual physical shortage of grains, as the Government reportedly believes, may be only 6 percent; but to pretend that a 6-percent shortage should lead to no more than a 6-percent rise in prices is simple-minded nonsense. The fact is that since hoarding has become a countrywide phenomenon, the physical shortage in terms of marketable supplies is much greater. It is this shortage that the rise in prices reflects.

A drastic cut in Government expenditure as part of a genuinely disinflationary budgetary policy would not increase the overall supply of food. But it would serve two crucial aims. One is that it would help to remedy a situation where too much money is chasing too little food, and thus promote the effort to bring prices down. The second is that if the decline in prices can be sustained long enough, the inflationary mood would change; hoards, big and small, would begin to be disgorged; and marketable supplies would increase. The decision calls for political courage. It remains to be seen whether the courage can be found.

WRONG POLICIES ON SUGAR

THE Central Food Minister, Mr. C. Subramaniam, indicated in his address at the annual meeting of the National Federation of Co-operative Sugar Factories in New Delhi recently the Government's decision to license an additional sugar capacity of 800,000 tonnes a year. The move is welcome in principle because the supply of sugar has been short, particularly during the past couple of years or so. But the public is eager to know whether adequate steps have been taken to increase the sugar output during the 1964-65 season which has just begun. The worry has been the greater because the Government has failed to attain the targeted production during the 1963-64 season. Although a target of 3.3 million tonnes was set for this year, the output amounted to only 2.6 million tonnes. Since internal consumption has meanwhile risen considerably, the shortage has been aggravated. Due to the faulty system of distribution, combined with inefficient administration of controls, consumers have been forced to buy sugar at prices much higher than the controlled rates. This apart, exports have also dropped considerably as a result of the smaller output.

In view of the small carryover from the 1963-64 season, it has become urgent to step up production right from the beginning of the current season. To encourage sugar factories to produce more early in the season, the Government has announced an incentive scheme. Any excess of production during the current month will enjoy a rebate in the basic excise duty. Although most of the factories have started crushing from the very beginning of the current season, the overall output may not show much improvement because similar incentives did not produce results in the past. Furthermore, the Government has not yet indicated whether the rebate on excise duty will also be available on the excess of output during the rest of the current season. However, judging from indications, it seems the Government will continue the concession throughout the current season. The factories would have been encouraged to take steps to raise production had the Government announced in advance that the incentive scheme would be applicable for the whole season.

True, the Government has also increased the prices of sugarcane and sugar during the current season. But it is doubtful whether a higher cane price by itself will ensure an adequate supply of raw material to factories by preventing the diversion of cane for the manufacture of *gur* and *khandsari*. The latter are attracting a bigger supply of cane because their producers can well afford to pay higher prices than factories since the prices of *gur* and *khandsari* are ruling at a high level. Because of political pressure, the Government has not been able to subject *gur* and *khandsari* to the controls which have been imposed on sugar. So it is difficult to say at the present stage whether factories will benefit from a larger output of sugarcane during the current season. Unless the prices of *gur* and *khandsari* drop, a good deal of cane supplies will continue to be diverted for the production of these commodities. This apart, the increase in sugarcane price has not been entirely welcomed because it has been linked to weight rather than to quality. It is strange that the principle of basing the cane price on the sucrose content is not being followed during the current season.

As for the increase in the price of sugar sanctioned during the current season, it is likely to be of only marginal benefit to factories since it will not fully cover the rise in production costs. Consumers will, in the meantime, be obliged to pay more for sugar. The main difficulty of sugar factories does not arise from the low price of sugar. It arises from the fact that the bulk of the machinery in sugar factories is outmoded. Unless the factories are modernised and their production processes rationalised, it will not be possible to produce sugar economically.

Mr. Subramaniam hinted that the additional capacity will henceforth be licensed only in the co-operative sector. The co-operative sugar factories have, by and large, helped to expand employment opportunities. They also enjoy the advantage of having modern machinery since most of them have been set up only recently. But in encouraging the development of co-operative factories, a precaution needs to be taken. Experience shows that many members of these co-operatives have also interest in manufacturing *gur* and *khandsari*. This tendency has to be checked. Efforts should also be made to ensure that new factories are viable from the very beginning. To achieve this, it is necessary to establish new factories of sufficiently large size. Formerly, a factory with a 5-ton cane crushing capacity was considered an economic unit. But a viable unit should now have at least a crushing capacity of 1,250 tonnes to 1,500 tonnes.

This apart, the Government's recent move to prohibit the manufacture of bold-grain sugar will tend to restrict output during the current season. Several factories have installed machinery which is suitable for manufacturing this kind of sugar. The Government should appreciate that it will not be possible to adjust the equipment of these factories quickly to produce small-grain sugar. Since the changeover has necessarily to be slow, the output of the factories will suffer if they are not allowed to manufacture bold-grain sugar. Since the latter kind of sugar is essential for several purposes and it cannot be easily adulterated, it is hoped that the Government will not insist on prohibiting the production of bold-grain sugar—at least for the time being.

THE U.K. LONG-TERM ACCOUNT

THE difficulties of sterling this year have focussed the world's attention on the short-term resources (additional to the gold and currency reserves) available to support the currency. These resources cannot be calculated precisely, as they are partly subject to negotiation. It can be estimated, however, that the $1,000 million standby credit that the U.K. arranged with the International Monetary Fund last July is only about a third of the international credits that would be effectively available in an emergency. Even on that reckoning (including the ordinary reserve, which is even now not much below £1,000 million), the U.K.'s short-term liabilities exceed her available resources by a considerable margin. But full cover is unnecessary, as a substantial proportion of the liabilities is stable.

The balance-sheet of longer-term liabilities and assets is not directly relevant to the defence of the currency and, therefore, attracts less attention, but it is essentially a truer measure of the country's financial strength. The Bank of England published in a recent *Quarterly Bulletin* an assessment of this longer-term account that showed the U.K.'s overseas assets to be much more than her overseas liabilities. The figures relate to the end of 1962. The incursion of foreign, particularly U.S. capital, is a subject of controversy in Britain, as in many other countries. This item appeared in the survey at £2,800 million, representing private long-term investment in Britain, including a little from sterling countries. Traditionally, of course, Britain is an exporter of private long-term capital, but in the war and postwar period her activities in this field have been restricted. The Bank of England caused some surprise, therefore, when it showed a total of British private investment abroad as high as £8,000 million—not much less than three times the total of foreign investment in Britain.

Both these items include portfolio investment, and here again, in view of the massive direct investment—in both directions—by companies, the size of the estimates was surprising: £735 million of overseas holdings of British company securities, as much as £3,000 million of British holdings of overseas company securities—nearly 60 percent of it outside the sterling area. Of the above-mentioned total of £8,000 million of British overseas investment, likewise, nearly 60 percent is attributed to non-sterling territories. The survey separated banks, insurance companies and oil companies from ordinary industrial and trading companies. It then showed a total of £3,500 million British-owned abroad and £1,400 million foreign-owned in Britain, in the ordinary category. Figures for financial institutions, which are known to be large among British assets abroad, are regrettably imprecise, but the survey showed the first estimates of investments by oil companies; in terms of book value of net assets, the figures are £1,000 million for British investments abroad and £700 million for foreign investments in Britain.

The public sector's external account presents, as everyone knows, a very different picture. The last World War and the subsequent (not wholly successful) rehabilitation involved external borrowing, particularly from the United States, on a huge scale. The survey showed the British Government's net long-term indebtedness to overseas governments at somewhat over £1,500 million. But other official long-term liabilities and assets (the latter included the British Government's important holdings of dollar securities, compulsorily acquired from British companies early in the war) are approximately in balance. The most significant fact that emerges from the total figures is that Britain occupies a strong net creditor position, even when official debts are taken into account. It is difficult to imagine circumstances in which a substantial proportion of the net long-term assets would be realised to fortify the short-term position, even if such action were practicable, but the long-term creditor position should certainly facilitate negotiations for short-term aid.

The income that will gradually accrue from the massive long-term investment abroad by British companies (only partly counterbalanced by the payments on foreign companies' long-term investments in Britain) is one of the most important factors in the prospective balance of payments. It seems to have been recognised more clearly in the U.S.A. (in relation to the U.S. balance) than in Britain (concerning the British balance). Admittedly, the big payments deficit that Britain has incurred this year confirms that other factors—mainly the excess of imports over exports in physical trade and the Government's "political" spending abroad—are temporarily more important. B...

income from overseas assets will make a strong impact on Britain's current account. The financial institutions of the City of London are not, in principle, sympathetic to restrictions (on either side) on long-term investment of British capital abroad. They recognise that the present circumstances are inopportune for such investment, and that it is unreasonable to ask foreigners to lend money to stabilise a position that is temporarily weakened by such investment. But they argue that if past long-term investment has made Britain's present position stronger than it appears to be superficially, then the strengthening process requires more, not less, long-term investment abroad.

Current News and Comment

Colombo Plan Annual Report

Aid on a large scale would continue to be necessary to enable countries in south and south-east Asia which are members of the Colombo Plan to finance development programmes, the Consultative Committee of the Plan reported at the end of its annual meeting in London last week. Ministers representing the 22 member-countries attended the meeting. The annual report of the Committee declared that "it would be unrealistic" to suggest that progress in solving the major problems of the region was "in more than the early stages". With this assessment came the announcement that the Colombo Plan, which took shape in 1950, is to be extended for another five years until 1971. Its further renewal after that will be considered in 1969.

The themes of development, aid, and trade—enunciated at the recent U. N. Conference on Trade and Development in Geneva—formed the background to the deliberations of the Consultative Committee. Its annual meeting was the first major international conference on this theme to be held since the Geneva conference. The *communiqué* issued at the end of the meeting and the annual report both stress the undiminished need for aid, and also emphasise the necessity for the developing countries to be given "softer" terms of aid. The Committee also underlined the special value of aid to be made available for general purposes and not specifically tied to particular projects. It drew attention to the fact that the *per capita* food production in the region is only just keeping abreast of population growth, and underlined the importance of expanding agricultural output, although it considered that this should be in balance with other sectors of the economy. The *communiqué* said that substantial increases in development expenditure had occurred in many countries during 1963. Other expenditures also rose, particularly on defence. Continued efforts would be necessary to pursue policies which would maintain financial stability while not inhibiting investment in essential development.

The total aid provided by Britain, Australia, Canada, Japan, New Zealand and the United States to recipient countries since 1950 had risen to $14,864 million. The value of aid contributed in 1963-64 had been $2,165 million. In addition, regional members were providing an increasing amount of aid to each other and had also invested substantially in the region. The Committee also showed its awareness of the problems relating to terms and conditions of aid. It said some members had taken steps to make aid available on easier terms during the past year, and the resources of the International Development Association (which includes several members of the Colombo Plan among its major contributors, and which has contributed largely to financing development in the region on easy terms) had been increased. Most aid, however, continued to be tied to purchases from the donor countries, although there had been an increase in the proportion of aid not tied to specific projects.

Boom in Oilseeds

Oilseeds prices continue to soar. The gains recorded since about the beginning of November have indeed been quite spectacular. The spot quotation for groundnut (Khandesh variety) has shot up from Rs. 49 to Rs. 59 (a 50 kilograms); groundnut oil has risen from Rs. 21 to Rs. 25 (a 10 kilograms) and linseed oil has gone up from Rs. 20.50 to Rs. 23.75 (a 10 kilograms). During the same period, the January hedge groundnut contract in Bombay shot up from Rs. 94.45 to Rs. 102 (a 100 kilograms), castor March rose from Rs. 182 to Rs. 189 (a 250 kilograms), cottonseed January improved from Rs. 106 to Rs. 112 and linseed March went up from Rs. 39.91 to Rs. 44.81 (a 50 kilograms). The steep rise in futures over the past fortnight or so has evoked considerable discussion in market circles. Futures trading was unofficially suspended in 20th and 21st November and efforts are being made to tide over a possible payments difficulty. It is quite possible that ceilings might again be fixed for oilseeds futures in order to discourage bull manipulation.

The spurt in oilseeds prices has intrigued many observers. This is because the assessment of the overall supply of oilseeds during the current season indicates a reasonably comfortable position. The new crop of groundnut is expected to set a new all-time record although it is difficult to say whether the optimistic estimates of a crop of 4 million tons will be realised. The export of groundnut oil remains banned, and it is quite possible that the ban might not be lifted if oil prices continue to rise. The U.S. has agreed to supply 75,000 tons of soya-bean oil and 50,000 tons of mutton tallow under P.L. 480, and these are expected to reach India by about the end of March or April. The supply position of edible oils last season had been effected by large exports of groundnut oil and a serious short-fall in the output of rapeseed and mustardseed crop. The new rapeseed and mustardseed crop is reported to be making good progress. If the weather continues to oblige, the crop might turn out to be around 1.5 million tons, against 900,000 tons last season.

Never in living memory has groundnut oil ready been known to be quoted around Rs. 25 (a 10 kilograms) at this time of the season, when the new crop movement normally gets well under way. And yet groundnut oil looks cheap when compared with rapeseed oil which is difficult to secure at around Rs. 40 (a 10 kilograms). Inter-State restrictions on the movement of oilseeds and oils have seriously disturbed the price pattern. In view of the widely different prices in different States, it is no longer possible to make a good assessment of the demand and supply equation on an all-India basis. The decision taken recently by the State Chief Ministers at their conference in New Delhi to do away with restrictions on the movement of oilseeds and oils is welcome. This will naturally tend to smooth out the wide disparities in prices in different States. Much will, of course, depend on how sincerely and effectively the policy decisions are implemented. While the Uttar Pradesh Government is reported to have removed all restrictions on the movement of oilseeds and oils, except mustardseed and mustard oil, the Government has still to restore complete freedom. Exports of groundnut and groundnut oil from Gujarat had been banned until 10th November and even at present, exports are being allowed only on permits.

That the 1963-64 season had ended with a negligible carryover of oilseeds and oils is common knowledge. Even so, the prevailing high prices, particularly of groundnut oil, cannot be explained away in terms of an acute physical shortage. In order to have a good idea of how high oil prices are it will be useful to compare current prices with the prices prevailing at this time last season. Groundnut ready Coromandel variety which is currently quoted around Rs. 58 was quoted at Rs 44 (a 50 kilograms) last year. Groundnut oil is quoted at Rs. 23 (Rs. 17), linseed Rs. 55 (Rs. 37.50), linseed oil Rs. 23.50 (Rs. 15), castorseed Rs. 42 (Rs 32.50), castor oil commercial Rs. 18 (Rs. 13.50) and niger-seed Rs. 47.50 (Rs. 36.50). Enquiries with the trade indicate an unusually large volume of speculative activity which is by no means confined to the futures market. About half a dozen big speculators are reported to have accumulated huge "long" positions in oilseeds futures, and they are in a position to make the market dance to their tune.

There are also reports of stocks of ready groundnut being gradually built up by those who had hitherto been engaged in the foodgrains trade. If the Government does not act promptly and firmly to discourage speculative holding and hoarding of stocks, there is a danger that edible oils might go out of the reach of the common man because of their high prices. Oilseeds prices are already very high and this is just the beginning of the season. It is time the Government fixed maximum prices for oilseeds and oils as in the case of foodgrains, cotton and jute. The price of *vanaspati* will need to be strictly controlled and it will need to be fixed at a level which makes purchase of oil at above a certain price unremunerative. Restrictions should be placed on the quantity of oil that a *vanaspati* manufacturer can purchase and stock during a given period of time. *Vanaspati* prices should be stamped on every tin along with the date of manufacture, and the goods must be disposed of within a prescribed time limit. This will enforce a measure of discipline on the manufacturers and also educate the consumer.

Mills Plead for Cotton Imports

With nearly 45 percent of its production under statutory control—the percentage will rise to around 52 percent with the inclusion of drills from December—the cotton mill industry is naturally much perturbed over the steep rise in cotton prices, which, in most cases, have pierced the ceilings. The Indian Cotton Mills Federation has urged the Government to take immediate steps to supply cotton to the industry at prices below the ceilings. Or, alternatively, the ruling prices of cotton should be taken into account in fixing the prices of controlled varieties of cloth. It has also made a plea for larger imports of cotton to bridge the gap between supply and the industry's requirements, and also stabilise the prices of Indian cotton. The Federation says that the basic idea of having a ceiling on cotton prices is negatived when the prescribed ceiling, even when raised, is often pierced. Therefore, if the phenomenon of prices chasing the ceiling is to be avoided, it would be necessary to ensure sufficient production by the abolition of ceilings and prescribing only a floor price.

Since realisation multipliers are linked with the price of cotton, the industry's plea for revision of cloth multipliers in order to accommodate the changes in cotton prices, cannot be questioned. The Federation is justified in asking the Government either to make available cotton within the ceiling prices or to refix controlled prices of cloth on the basis of existing ceilings. If the Government does not wish to see any increase in the prices of controlled varieties of cloth, then it must ensure that cotton prices are not allowed to rise beyond the levels which form the basis for determining the existing prices of cloth. In any case, it is the responsibility of the Government to guarantee that cotton prices do not rise above the ceilings. Of what use is any control over prices if the administration is not competent to implement it? But to give up control on the plea that it cannot be implemented successfully is perhaps a counsel of despair. Controls, where necessary, must be strictly enforced. The Federation's plea for doing away with price control over cotton in order to encourage cotton production does not convince because past experience does not show any close link between the prices and production of cotton; agricultural production is not very price-elastic.

Fortunately, the supply position of cotton this season is not so tight as the current high prices of the commodity seem to suggest. The rise in cotton prices is largely speculative. It should not be difficult to curb speculative tendencies if the authorities really mean business. Strong measures are necessary to discourage undesirable speculation. Early import of large quantities of cotton, as suggested by the Federation, will also go a long way in producing a significant impact on cotton prices.

Apart from pleading for large imports, the supply of cotton at the ceiling rates and revision of cloth prices in order to accommodate the rise in cotton prices, the Federation has also decided to represent to the Government that the special tax concessions allowed to certain industries of national importance should also be extended to the cotton mill industry in order to enable it to carry out its programme of rehabilitation, modernisation and expansion. The Federation is preparing a detailed representation against the recommendations of the Powerloom Enquiry Committee to freeze the cotton mill industry's capacity and to assign an additional cloth output target in the fourth plan to the powerloom sector. The Federation says that the Committee's recommendations are against the interests of the public exchequer, the consumer, the export trade and labour.

Advantages of A National Grid

There is likely to be a shortfall of one million kW in the third plan power target of 12.5 million kW. In view of the rapid increase in the country's power requirements, the fourth plan target has been tentatively fixed at 22 million kW. Side by side with the move nearly to double the power output in five years, greater consideration is being given to the question of installing a national power grid so that economies can be made in standby capacity and annual operating and maintenance charges. There are other important advantages too. Firstly, it would be possible to build large power stations at places where it can be most economically located, and secondly, an integrated national grid would inter-connect the hydel and thermal systems with definite benefit to both. Considerable uncertainty arises at present in areas served by hydel systems. There would, therefore, be greater stability of supply for the country as a whole once the various systems are interlinked, as the power systems can come to each other's help in times of emergency.

The Central Ministry of Irrigation and Power has already taken steps to install regional grids in different parts of India. For this purpose, the country has been divided into five regions: (1) northern region covering Jammu and Kashmir, Himachal Predesh, Punjab, Delhi, Uttar Pradesh and Rajasthan; (2) eastern region consisting of West Bengal, Bihar, Orissa and the Damodar Valley Corporation; (3) north-eastern region covering Asam, Manipur, Tripura, Nagaland and the N.E.F.A.; (4) southern region with Andhra Pradesh, Madras, Mysore and Kerala and (5) western region including Gujarat, Maharashtra and Madhya Pradesh. Regional electricity boards have already been set up in the northern, southern and western regions. In the remaining two, similar bodies will be shortly set up. The function of these regional boards is to plan the production of power and its transmission *via* the regional grid, and to ensure that the integrated systems are efficiently run.

The trend all over the world is towards such integration, because of the obvious advantages. As the load factor varies from place to place and from region to region (in points of nature, quality and time of demand), an integrated system should require less generating capacity. Russia has a vast territory, but it has been taking measures to create a single grid for the country as a whole. The European part of it, at least, will have a grid within three years. It is reported that eight European countries, namely, France, Italy, West Germany, Switzerland, the Netherlands, Luxemburg, Belgium and Austria, have already made arrangements for the inter-change of power among them. The east European countries have also reached an agreement for a similar mutual inter-change of energy.

In India, the main obstacle to creating a national power grid at present is the high cost involved. There is considerable controversy as to the technological feasibility of long-distance transmission of high voltage electricity at a reasonable cost. The equipment for high voltage transmission is very costly and has to be imported. The cost may become prohibitive unless there is continuous transmission of power, and the load factor remains correct throughout. This would naturally require considerable advance planning taking into account the difficulties which may immediately arise. There has also to be sufficient co-operation among the States. It is encouraging to find from a report of the Central Water and Power Commission that with the regional integration of the power systems in certain parts of the country, there is likely to be a saving of Rs. 45.57 crores in the eastern and southern regions in 1965-66; Rs. 19 crores in the Punjab-Delhi and Chambal-Satpura systems in 1966-67; Rs. 19.60 crores in the western region in 1967-68; and Rs. 10.26 crores in the Chambal-Bhakra system in 1968-69. The savings in capital outlay and annual running charges add up to a total of Rs. 94.37 crores; and the total saving in installed capacity in all the regions would be impressively large. Both the Central Water and Power Commission and the Central Ministry of Irrigation and Power are anxious that the national power grid project should go through as early as possible. With the completion of the regional grids, which will make enough experience available in the running of inter-connected systems, it should be possible to make a balanced assessment of the immediate cost and the many advantages which can be derived from a national grid.

Furore over H.E.C. Affairs

The furore over the affairs of the Heavy Engineering Corporation in the Lok Sabha last Saturday was slightly unexpected. It is to be hoped that the debate will help create a greater sense of responsibility in New Delhi about the country's expanding public-sector projects. The fire in the Ranchi plant in January last and the report later submitted by the Mukherji Committee created a big sensation. The facts of the situation would have remained unknown to the public had not a thorough probe been made into the H.E.C.'s administrative set-up in general and its Ranchi plant in particular. Because of the Government's claims about building a socialist pattern of society, the public-sector industries are expected to be model employers, who can provide guidance to private enterprises. But this expectation has hardly been fulfilled. As the report of the Mukherji Committee has shown, the authorities of the public-sector projects seem to honour the labour laws more in the breach than in the observance. The Committee's report has strongly condemned the administration of the Ranchi plant as "corrupt from top to bottom." Corruption has bred nepotism and factionalism. It is no wonder, therefore, that there has been a growing discontent among workers, which has affected both production and efficiency. Under the circumstances, the Committee did not find it difficult to sift the available evidences to conclude that the fire damage at the H.E.C. plant in Ranchi was clearly an "act of sabotage". But the growing indiscipline among workers has not been peculiar to the Ranchi plant alone. Lawless elements have also fomented trouble at the Bhopal heavy electrical plant. Mr. B. C. Mukherji, chairman of the Fertiliser Corporation of India, pointed out a few months ago that rowdy elements, coupled with wrong leadership, were responsible for many a sabotage in public-sector projects in July-August this year.

Admittedly, rowdy elements exist in both public and private-sector projects: and it is the task of good management to keep these elements under restraint by maintaining good working conditions and reducing discontent to the minimum. It is a pity that these considerations of maintaining harmonious industrial relations have not received much attention from the Ranchi plant authorities. There were personalities, as the Mukherji Committee's report has shown, who were bent on showing their own strength in relation to their rivals and formed petty groups or cliques even though they were well aware that this game of politics in the administration of a plant might lead to corruption, nepotism, inefficiency and worse. The security of the plant, therefore, was the first casualty of the intrigues. When the plant was first set up, the authorities hoped that it would meet the needs of future steel plants in the country. But it would now appear that this would remain only wishful thinking unless the administration of the plant is improved on the lines suggested by the Committee.

Apart from the recommendations concerning personalities, the Mukherji Committee made four important suggestions. Firstly, the Government should have some sort of a Central security force for all public-sector undertakings. This is a very important suggestion considering the risk of damage to costly public-sector plants. Secondly, the Committee suggested that there should be separate labour laws for public undertakings. The Government has been slow in taking a decision on it presumably because it may lead to many complications. Thirdly, the Committee recommended the reorganisation of the H.E.C. into a holding company with managing directors for each subsidiary unit. Lastly, it urged closer co-ordination between the State Government and the project authorities for more efficient working of the plant. Unfortunately, the Government has been unable to take a decision on these recommendations. The recent furore in the Lok Sabha would have served its purpose if it had removed the complacency of the Central Ministry of Heavy Engineering over the H.E.C. affairs.

Cloth Exports Maintained

Shipments of mill-made cotton piecegoods from Bombay port during October are provisionally placed at 31.33 million yards, valued at Rs. 2.723 crores, against 29.77 million yards worth Rs. 2.68 crores in the preceding month and 37.42 million yards valued at Rs. 2.86 crores in October 1963. The October figure raises the exports during the first ten months of the current year to 378.59 million yards, valued at Rs. 32.75 crores, compared with 380.88 million yards, valued at Rs. 28.803 crores in the same period last year. Thus while the quantity of cloth exported is slightly less, there has been a considerable increase in the foreign exchange earnings which is attributable mainly to the increase in exports of better quality goods, with a higher unit value. Variety-wise, exports of grey goods during January-October 1964 amounted to 205.0 million yards (Rs. 17.331 crores), against 211.68 million yards (Rs. 15.073 crores) in the corresponding period last year. White cotton piecegoods totalled 64.62 million yards (Rs. 5.665 crores), against 68.20 million yards (Rs. 5.36 crores) and coloured piecegoods amounted to 108.97 million yards (Rs. 9.855 crores), against 101 million yards (Rs. 8.594 crores). There has been a substantial increase in the exports of apparel from Rs. 37.5 lakhs to Rs. 1.549 crores, during the period under report. Shipments of other textiles were also higher at Rs. 82.22 million, against Rs. 65.27 million. Zonewise figures of exports of mill-made cotton piecegoods from India during January-August 1964, show that out of the total exports of 390.99 million yards, the Asian zone took 101.90 million yards, European zone lifted 192.78 million yards, Africa accounted for 51.91 million yards and Oceania took 22.92 million yards.

No Deficit Financing in Fourth Plan

The Central Finance Minister, Mr. T. T. Krishnamachari, is obviously trying to prepare the country to accept his forthcoming Budget proposals in good grace. He pointed out in Madras recently that the cost of collection of indirect taxes was generally greater than that of direct taxes, and that the taxes or duties which yielded less than Rs. 1 crore should be removed from the list. The Finance Minister stated in the Lok Sabha on Saturday that the Planing Commission had "completely abrogated" deficit financing from its consideration of steps to raise resources for the fourth plan. Although the statement was made in reply to a question as to what steps the Government intended to take to check inflationary pressures, Mr. Krishnamachari did not say whether the Cabinet had approved this policy, which the Planning Commission had suggested. But if the gap between the proposed outlay of about Rs. 22,500 crores for the fourth plan and the resources available for it is Rs. 3,000 crores, the Government will have to depend on increased taxation and public borrowing if deficit financing is to be abjured. Since Mr. Krishnamachari has himself stated that the cost of collection of indirect taxes is greater than that of direct taxes, one may not be surprised if the rates of direct taxes are further raised in the forthcoming Budget Meanwhile, the effect of these statements from Mr. Krishnamachari on the country's stock exchange has definitely been bearish, although it was hoped that

Finance Minister would try to encourage optimism in the market before February.

The Planning Commission's decision not to undertake deficit financing in the fourth plan is welcome in principle because it shows its eagerness to check the inflationary pressures. But because of the considerable gap between the planned outlay and the resources available, the Government may willy-nilly have to resort to concealed deficit financing. On this reckoning, one may expect ambitious public borrowing programmes under the fourth plan to raise the required resources. Inflationary pressures, the Finance Minister should appreciate, cannot be curbed unless unproductive public expenditure is reduced to the minimum. There is little hope that this will be done. It is good to learn from Mr. Krishnamachari that a cell to formulate a co-ordinated policy on national income, prices and consumption has been formed with the co-operation of the Reserve Bank, the Planning Commission and the Central Finance Ministry. The newly-formed cell will find good scope for research and to turn out scholarly reports on the subject; it is to be hoped that it will be able to influence the Government much in taking correct decisions on its monetary and fiscal policies.

The I.S.O. Meeting in India

At the invitation of the Indian Standards Institution of India, the International Organisation for Standardisation held its sixth triennial assembly in New Delhi last week. The Governing Council, the seven administrative bodies and 27 of its technical committees also held their meetings simultaneously. (The International Standards Organisation is the successor body to the International Federation of the National Standardisation Association, and came into being in 1946 with the object of promoting development of standards in the world "with a view to facilitating international exchange of goods and services and to developing mutual co-operation in the sphere of intellectual, scientific, technological and economic activity.") How does the I.S.O. achieve its ends? In other words, how does an international standards body make itself effective in the affairs of its 50 or so member-nations? The I.S.O. does this by the following means: (a) It takes action to facilitate co-ordination and unification of national standards and issues necessary recommendations to member bodies for this purpose; (2) sets up international standards with the unanimous approval of its member bodies; (3) encourages and facilitates, as occasion demands, the development of new standards having common requirements for use in the national or international sphere; (4) arranges for exchange of information on the work of its member bodies and of its technical committees; and (5) co-operates with other international organisations interested in related matters, particularly, by undertaking, at their request, studies relating to standardisation projects.

The membership of the I.S.O. consists of national standards organisations such as the Indian Standards Institution. At present 50 such organisations from 50 countries constitute the membership. As for the methods of its operation, the I.S.O.'s work is carried out mainly through numerous technical committees. These are set up from time to time as new fields of industry or commerce are taken up for international standardisation. The secretariat of each technical committee is entrusted to one of the member-bodies designated by the Council. At present, there are 108 technical committees and working groups, dealing with many branches of industry. India has taken a close and consistent interest in the activities of the International Standards Organisation since 1948. This country's national standards organisation, the I.S.I., is represented on 78 of the 108 technical committees. This is mainly because the growing industrial economy of India requires standards in various fields, and also because it will help expand India's foreign trade if international standards developed on lines corresponding to this country's needs. The I.S.O. deliberations in India, therefore, attracted wide interest from commercial and industrial circles. It provided an opportunity to Indian scientists, technicians and engineers to come in useful contact with their counterparts from more industrially advanced countries. Perhaps symbolic of the Organisation's growing interest in the developing economies of Asia, the new president for the current three-year term is Sir Jehangir Ghandy, who succeeds Mr. A. V. Viatkine of Russia.

"CAPITAL" CHRISTMAS TOY FUND

WE acknowledge, with thanks, the receipt of the following donations for the 1964 Fund:

Rs. 25

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A. K Gupta, N.B. Ghosh.

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A. L. Mayadar, S. M. Scott.

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Rs. 2 each

L. K. Swami, O. P. Chopra, P. K. Basu, A. Bachchan.

23 children's books have been received from Oxford University Press, Calcutta, for the Fund.

Total Rs. 117.

Previously acknowledged Rs. 1,902.71.

Grand Total Rs. 2,019.71.

THE JUTE INDUSTRY

THE reports of the Budge-Budge and National Jute Mills for the half-year ended 31st October, and of the Kinnison Jute Mills for the year ended 30th September show a very marked improvement on their predecessors. The management has evidently pulled itself together and taken advantage of the present good times. Thus the Budge-Budge Mills have earned a profit of Rs. 3,08,502 against Rs. 2,39,809 for the preceding half-year and Rs. 1,81,107 for the corresponding half of 1903. The National Jute Mills have earned Rs 1,25,057 against Rs 60,667 for the preceding half-year and Rs. 54,033 for the corresponding half of 1903. There is room for still further improvement in this concern. The Kinnison Jute Mills have earned Rs. 2,71,247 for the year ended 30th September against Rs. 1,11,039 for the preceding year. This is a very marked improvement and it is to be hoped that it will be maintained. It should be if the management have secured their jute. The present jute season is a somewhat perplexing one. The arrival so far into Calcutta would seem to point to a very large jute crop, but there are persistent reports that the crop is nearly exhausted and that it will be below normal. The shipments to Europe to the end of October are 120,000 bales ahead of last season, while the arrivals in Calcutta are equal to about 3,600,000 bales. The bulk of the local mills have secured fully six months' consumption of jute and sold their production at very profitable rates. But the market has been driven slowly up and Rs. 40 per bale has been spoken of. Last year at this time the price was Rs 29. The Marwari speculator has entered upon the scene and is engineering a little corner. This may be very disastrous for the Dundee and Continental Mills, but the local mills are mostly well supplied. We cannot bring ourselves to altogether believe in the short crop theory, because past experience shows that when there is a short crop, there is no desire to rush the fibre on the market as has been the case this season. We are inclined to think that the jute is here, but that it will be held in the interior to keep up rates. Within the last few days there has been a sensible fall in prices.

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A Ditcher's Diary

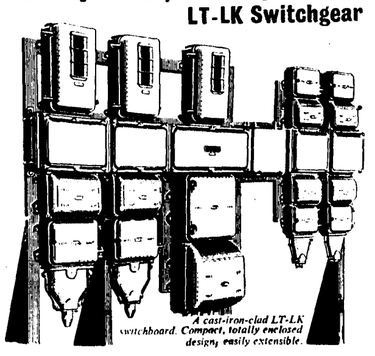
MRS. VIJAYALAKSHMI PANDIT WOULD BE AN ADORNment in any legislative assembly anywhere in the world. As I learned, with little surprise, of her victory in the Phulpur by-election, I tried to picture her in the House of Commons in Britain; then I remembered that it is now possible for women to be in the House of Lords. There she fits, absolutely pat. For good or ill, India has no such hereditary House; and Mrs. Pandit will have to "make do" with the Lok Sabha. To what extent did the name of Nehru help Mrs. Pandit retain her brother's constituency for the Congress? It is impossible to know for certain; but I think she would have won even without the connection. I have seen it suggested that Dr. Lohia's campaigning for the Samyukta Socialist Party candidate proved a handicap for Mr. Jaiswal. Again, I am not so sure. The things the doctor says about Nehru are far from nice; they are offensive and worse. But Dr. Lohia has made Indian poverty his theme song; and there he is absolutely right. Poverty is at the centre of the Indian situation today; and anybody who speaks of anything else like peace or external danger is fooling the people. Yet the people of Phulpur voted for the Congress and Mrs. Pandit overwhelmingly. Is this just a habit of pre-independence days; or is there genuine, positive confidence in the Congress? Disillusionment with the Party is, I think, considerable in the urban areas where poverty generates bitterness; the rural electorate in India is so used to poverty that it has ceased to believe that things could be different and better. In any event, there is no warrant at all to believe that a non-Congress *régime* would be noticeably better; it could conceivably be worse. Is Mrs. Pandit going to be just a Member of Parliament, or has Mr. Shastri got a Cabinet job for her? She was not a bad Minister for Health in the prewar U.P. Government; but most of her experience since has been international. India has had enough of a world rôle; today her problems are strictly domestic and earthy.

IN BOTH DIPLOMACY AND JOURNALISM VAGUENESS is permissible, even legitimate—but, I submit, only up to a point. When, however, Mr. Swaran Singh says that there has been no "cease-fire" in Nagaland but only "a cessation of operations", I begin to wonder. I have heard of semantics; and I am not a stranger to Weldon's *A Vocabulary of Politics*. But what does Mr. Swaran Singh mean? If there was a cessation of operations, operations must have preceded it. What kind of operations? The country has never been told. The Government itself has allowed an international "peace mission" to work in Nagaland. Why should there be a peace mission unless there has been war? Let us be frank about it; the Government of India has been no more honest about affairs in Nagaland than the British were about what went on in the North-western Frontier Province in days gone by. I have heard it said quite cynically that the N.-W.F.P. was "a bit of all right" because it provided a useful training ground for British troops. It will not surprise me to be told that once similar thinking prevailed in the Ministry of Defence over Nagaland. But I am inclined to think that the new politicians in power now are a very different tribe; it also seems more than likely that even the G.H.Q. takes the view that a "military solution" for Nagaland is undesirable and perhaps impracticable. As Mr. J. P. Narayan has pointed out, the recent high-voltage reaction to statements by the "rebel" Nagas and Mr. Michael Scott were wholly inappropriate; neither party had said anything which should not have been known long ago. Many are hot under the collar because Mr. Narayan has suggested an amendment to the Constitution to accommodate the Nagas. All I can say, in the absence of concrete details, is that the Constitution has in the past been amended for more frivolous reasons. Having said all this, I am entitled to tell the Nagas that they fool themselves in thinking that any Government in New Delhi will ever concede their thesis that they are a separate people with a right to a sovereign State. Mr. Scott has taken it upon himself to explain this to the Nagas; and he had better start work on these lines.

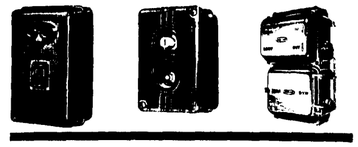
I HAVE A FIRST-CLASS SCOOP. BETWEEN NOW AND the second Bandung conference in Algiers in March next year there is going to be a large increase in the number of imported transistor radio sets, lipsticks, tape-recorders and such other things in this country. Is the Government of India, then, relaxing import restrictions on these items? Nothing of the sort. All that will soon begin is what is being called "advance planning for second Bandung". China will be there; and so South Block is going into action in a big way. The predictable perfidy of China must be forestalled, which means various I.F.S. men must pack their bags—not overfull, because things are really going to be bought abroad—and visit all capitals to persuade them how cast-iron is the Indian case on the Sino-Indian border, Kashmir and what-have-you. I am by now quite convinced that almost every Indian delegation abroad is what the Americans vividly call "a fix". I can see a Secretary telling an Additional Secretary, "Look, don't grudge my trip to Belgrade; I've organised one for you next month, perhaps to Tokyo; Japanese cameras are excellent; I bought one myself last time I was there; and I understand your fifth son is crazy about photography". I am not being facetious but dead earnest. It is perhaps already too late; but Mr. Shastri still has time to ask himself just what India expects to achieve at Algiers. The old gramophone record will be played again that India has been wronged, that China has betrayed India's faith in peace. And the Indian representative, be it Mr. Shastri himself or his *alter ego*, will see the same bored faces of a multiplicity of hues. Everybody will tell the Indian representative, "Let the dead past bury the past. It's no use sulking indefinitely. Make it up with the Chinese". I shall say nothing about the sensibility of the advice; but I do object to the offensive, patronising manner in which it's going to be served. The Secretaries will be busy buying perfumes for their wives; it's Mr. Shastri who will have to take the peace-patter. "Nothing like home" is not a good motto for a Foreign Service; yet that's the only one I can think of at the moment for South Block.

ARTHUR MILLER'S *Death of a Salesman*, presented last week by the Dramatic Club of Calcutta at the New Empire in aid of N. R. Iyer Memorial Education Society, made in many ways an interesting piece, although somewhat slow-moving in parts. The story of Willy Loman has made its way round the world as a universal modern tragedy ever since it became a hit in the American theatre 16 years ago. This was mainly because Miller compressed all the anxieties of this competitive era into his ageing hero. Willy's dread was superannuation by the society to which he belonged. A similar play by John Osborne, *Inadmissible Evidence*—where the hero-victim, a middle-aged solicitor, is portrayed in the hour of his ultimate estrangement from society—has recently made quite a mark on the London stage. Xerxes Mehta has done a fairly good job in putting on the boards Loman and his little world of hopes and frustrations. The dream sequences, which are somewhat difficult to reproduce on the stage, were well done, something for which Tapas Sen's lighting contributed in no small measure. In fact, imaginative lighting and a virtually constant stage were relied on to put the entire story across. Terence Rochford gave a fine performance as the disillusioned hero, a rôle that is punishingly long and concentrated. It was, however, left to his understanding wife Linda, played by Sheila Maunder, to bring out—in spite of the little cruelties Willy inflicts on her and his two sons—the poignancy of the agonising moments through which he was passing. She sees him as a human being, who is being slowly push-

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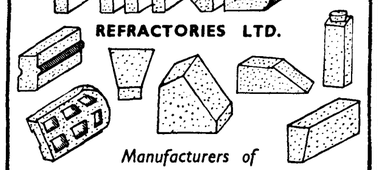
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ed towards his grave. The dialogue was well exploited for characterisation. Derek Roberts as Biff did a good piece of acting.

MEMORIAL LECTURES HAVE NOT YET BECOME AN established feature of Indian intellectual life, although I hope they will before long. In Britain they are rapidly increasing in importance as opportunities for the expression of new and authoritative thoughts on contemporary topics, the latest series of B.B.C. Reith Lectures, on "The Age of Automation", is an honourable example. So it is welcome news to me that one of the objects of the Nehru memorial appeal, which was sponsored by Lord Mountbatten in London on 15th November, is to institute an annual Nehru memorial lecture. It is intended the lecture should be delivered in Cambridge by a distinguished scholar, scientist or administrator on some aspect of Commonwealth or international relations. The appeal itself is for £100,000, which may not be a particularly large sum, but which is considerably greater than the so-far-unsuccessful request for £12,000 to erect a statue of Mahatma Gandhi in London. Oddly enough, though, I suspect the Nehru appeal will enjoy a more enthusiastic response, if only because its aims seem so much more in tune with modern ideas on what is appropriate in the field of memorials. I remarked in this diary some months ago that statues have little relevance to the thinking of our times, and even less to the needs. Apart from the lectures, it is intended that the rest of the Nehru memorial fund should be spent on scholarships for Indian students in British universities. If it is not too late, I should like to suggest to the organisers of the Gandhi memorial appeal that perhaps the response would be greater if they abandoned the idea of a statue and proposed something on similar lines. Hard stone may be suitable for commemorating proud kings and successful generals. But for essentially human beings, something to help humanity seems far more appropriate.

A FRIEND RECENTLY IN SIKKIM WRITES: "HERE in Gangtok you just open your window and you see the Kanchanjunga as you have never seen it before from either Kalimpong or Darjeeling, however gloriously clear your days there may have been." My friend is a little prone to exaggeration in both praise and denunciation; I have no intention whatsoever of telling the tourist where he should go. What follows is rather more serious: "Several roads in this part of the world are now being broadened and generally improved; and you know that I am all for improvement. However wonderful the future, the process in the present can be unpleasant in the extreme and I should know what I am talking about. (All you have to do is to recall the experience of the five year plans; perhaps, let's hope, our great-great-great-grandsons will think differently, although my doubts on the score are not a few.) But at the moment driving from anywhere to anywhere in northern Bengal is not funny, even when someone else is doing the driving. Diversions are two an hour, when one is lucky. Unmanned level crossings abound; and delays at others can be exasperating. Worst of all, there are the countless Shaktimans, the weapon carriers or whatever they are called, which go in convoys from somewhere in India to somewhere in Sikkim or somewhere else. (That many go virtually empty, the mission being to purchase a couple of fags fifty miles away, is a proven happening delighting the hearts of pacifists whose chief interest is to show how wasteful wars are. Little do they know that emergencies are far more culpable on the score of wastefulness.) Authority does not begin to have realised that bad roads are bad economics. My irritations over delays are easily dismissed; except in unspeakable patches, the bumps were barely bearable. But think of the damage done to thousands of cars traversing these roads daily: the repairs mean not only wasted time, which we may or may not have to spare, but also wasted foreign exchange for parts which everybody knows we haven't got. If this is planned road building, give me unplanning any day." All I need to add is that my correspondent is far from an uncritical admirer of the private sector.

THE DITCHER

Guide for Investors

SCINDIA STEAM EARNS SLIGHTLY MORE

THE preliminary report on the working of the Scindia Steam Navigation Company for the year ended June 1964, belied the hope that since the dividend had been stepped up from Re. 1 to Rs. 1.25 a share, the Company must have fared much better during the year. The gross profit had recorded only a nominal increase from Rs. 3.31 crores to Rs. 3.33 crores. This had no doubt been achieved in spite of a small decline in the turnover from Rs. 18.22 crores to Rs. 17.65 crores, but then the setback in turnover had been contrary to general expectations. The Company's full accounts show that freight and passenger earnings are lower at Rs. 17.13 crores, against Rs. 17.69 crores in the preceding year. Since the figures concerning freight carried by the Company's steamers on the various routes are known, it is difficult to say how exactly the Company earned less by way of freight and passage income, especially when there was a general improvement in the freight rates.

The directors state that there was a sustained improvement in the general level of overseas tramp freight rates during the year. In the Company's liner trades, there was an increase of 10 percent in the rates from India to the U.K.—the Continent and from east coast of India to the U.S.A. effective from October 1963; that from west coast of India to the U.S.A. being effective from March 1964. In the eastbound trade, there was an increase of 10 percent from the U.S. ports to India as from July 1963. While the voyage results partly reflect the improvement consequent upon these increases, continued upward trend in operating costs tends to offset the benefit flowing from these increases. It has been possible to retain to some extent the advantage consequent upon these freight increases by sustained rationalisation.

Overseas liner services from India to Great Lakes were inaugurated in 1964, and while this service is operating during a season of about seven months, the directors seem confident of obtaining the good support of shippers both in India and the United States and Canada to this service. As for coastal services, the improvement noted earlier in the year due to better Hooghly drafts and despatch to ships was offset by delays consequent on disturbances in Calcutta, sudden shoaling of the bar in the Hooghly and reduction in the availabilities of coal cargoes in the latter part of the year. The directors state that unless there is an adequate upward revision of the freight structure, coastal operations will continue to be unremunerative.

Out of the three 17-knot fast motorvessels of Mitsubishi type ordered with the Hindustan Shipyard, the first vessel is scheduled to be delivered shortly. The second vessel, launched in April, will be delivered in the second quarter of 1965 and the third vessel is expected to be launched early next year. In addition to the construction of these three vessels, order has been placed for the construction of one 3,800 D.W.T. motor cargo vessel with Fergusson Brothers, Port Glasgow. The ship is expected to be delivered by about the middle of 1965, and is intended for trading on the west coast of India. Orders have also been placed with Lithgows Ltd, Glasgow, for the construction of three 15,000 tonner cargo vessels. During 1963-64, the Company obtained one second-hand motor cargo vessel of 11,700 D.W.T. on a deferred payment basis, and this has been put on the overseas run. A smaller second-hand cargo vessel of 3,800 D.W.T. has been purchased for trading on the west coast. In addition, six turbine second-hand vessels built in France with 7,700 D.W.T. each have been acquired by the Company for the coastal run. The Company laid up eight steamers during the year for disposal. Out of these four were sold at a profit of Rs. 25.67 lakhs. In the current year, two steamers have been sold at a loss and the remaining two are expected to be sold shortly.

In his statement to the shareholders circulated with the directors' report, the chairman, Mr. Dharamsey M. Khatau, says that "the Company's year under review has been good and, as far as I can see, we expect to maintain this improvement". Much will, of course, depend on the Government's policy towards the shipping industry, particularly in freight rates. Mr. Khatau says that unless the freight rates are designed to cover the total costs of operation of shipping companies, they cannot work on an economic basis. This involves nothing more than making the freight rates as fair to the companies as to the shippers adjusting them expeditiously so as to enable the companies to cover their increasing costs all-round. Mr. Khatau has expressed the view that the Maritime Freight Commission should be charged with the responsibility of making a periodic assessment of costs of operation and thereafter, permitting the shipping companies appropriate increases from time to time.

He has emphasised the need for an adequate increase in the coastal freight rates. Referring to the suggestion that no overall increase is justified in coastal freight rates because the industry has some "uneconomic ships" and that the return on capital would be adequate if these ships were eliminated, the chairman of Scindia Steam says that there are basic difficulties in eliminating uneconomic units even when the industry is desirous of eliminating them. Replacement or expansion of tonnage engaged in coastal shipping is by no means a simple matter. The number of uneconomic units with Indian shipping lines cannot be readily reduced unless the Government finds it possible to allow sufficient foreign exchange for purchasing as many efficient coastal ships as are required. Moreover, the efficiency of coastal shipping cannot be secured unless at least 2 or 3 percent of the total cargo carried by the Indian railways is guaranteed to set route. Mr. Khatau has urged that conditions of wasteful competition should not be allowed to be developed between national lines by some of them being permitted to go into routes already adequately served by existing national lines.

It is also imperative that the burden of delays in the ports in India, which has increased alarmingly, must be kept under close control. There is no reason why such delays should be countenanced. In any event, they tend to increase costs and anything that increases costs must be watched with care and eliminated appropriately. Mr. Khatau has rightly emphasised that the Government should take active interest in requiring Port Trusts to maintain efficiency at ports at the highest level possible, and to make labour more productive through the introduction of incentive schemes and the adoption of other suitable methods.

Share Offer from Indian Explosives

INDIAN Explosives Ltd, which is a joint venture of the I.C.I. Ltd. and the Government of India, proposes to set up a new plant for the manufacture of plain and electric detonators. The plant, which is under construction, is expected to make commercial supplies available in early 1966. The total capital outlay on the project is estimated at Rs. 1.215 crores, which is proposed to be met by a fresh capital issue of Rs. 94.60 lakhs, including the premium of Rs. 51.60 lakhs, a sterling loan of Rs. 21.46 lakhs from the Hongkong and Shanghai Banking Corporation and local bank borrowings. The authorised capital of the Company is Rs. 4 crores and the issued capital is Rs. 3 crores—all in equity shares of Rs. 10 each. It is now proposed to issue 430,000 equity shares of Rs. 10 each at a premium of Rs. 12 a share. Out of these, 57,000 shares are to be reserved for directors and employees of Indian Explosives Ltd and its associate companies. The balance of 373,000 shares will be offered to the public for subscription early in January 1965 at a premium of Rs. 12 a share.

After the present issue, I.C.I. Ltd will hold 70 percent of the total issued capital, the President of India 17.5 percent and the public 12.5 percent. The present issue will rank in all respects with the existing equity shares, except that the new shares will rank for dividend only from the final dividend to be declared for the year ended 30th September, 1965. The Company had a turnover of Rs. 6 crores in 1962-63, on which it earned a gross profit of Rs. 165.8 lakhs, and paid a dividend of 15 percent. It has declared an interim dividend of 9 percent for 1963-64. The Company's factory in Bihar is licensed to manufacture 40 million detonators a year, besides essential accessories of blasting explosives.

Ballarpore Paper Cuts Dividend

THE ordinary shares of Ballarpore Paper and Straw Board Mills Ltd have dropped to Rs. 16 due to the reduction in the dividend from 14.5 percent to 7.5 percent for the year ended June 1964. At the present price, the yield works out to 4.7 percent. The profit has dropped from Rs. 18.73 lakhs for 1962-63 to Rs. 23.58 lakhs for 1963-64. Taxation absorbs Rs. 8 lakhs, against Rs. 11.75 lakhs. The directors are keen on conserving resources in view of the heavy expenditure incurred on the expansion schemes which are nearing completion.

India Paper Pulp Debenture Offer

INDIA Paper Pulp Co. Ltd is offering 7-percent debenture stock 1967-77 for Rs. 40 lakhs. The underwriters and their friends will be allotted stock for Rs. 20 lakhs and the balance of Rs. 20 lakhs will be offered to the public for subscription at par. Application must be made for multiples of Rs. 1,000 with minimum of Rs. 1,000. The list opens on 30th November, 1964. (Fuller details appear on a later page in this issue of *Capital*.) The managing agents of the Company are Messrs Andrew Yule and Co. Ltd.

In view of the attractive interest offered, the issue should be subscribed without any difficulty. The Company is running a paper mill for the past 42 years and its performance has been satisfactory. The mill is situated near Naihati, West Bengal. The output of paper and paper board amounted to 16,636 tonnes in 1963-64. The Company has obtained an industrial licence to increase its pulp capacity by using jute sticks as a raw material. The new jute sticks pulp plant will be functioning in the first half of 1965. With the existing production of bamboo pulp, the total pulp output will rise to 23,000 tonnes a year. The Company has also obtained an industrial licence to increase the paper-making capacity to 23,000 tonnes a year by renovating and improving the existing three paper-making machines by 1967. So it is hoped that the mill will have a balanced unit with an output of at least 23,000 tonnes of pulp and paper each year after the expansion is completed.

Deccan Sugar to Expand

THE expansion programme of the Deccan Sugar and Abkhari Co. Ltd has been highlighted by Mr. H. V. R. Iengar in his statement circulated to the shareholders. (A fuller version appears on a later page in this issue of *Capital*.) The expansion of the production capacity of the Pagalur factory from 1,000 tonnes to 1,250 tonnes of cane a day has been completed, and the new capacity will be operating fully from next month. The Company has applied to the Government to expand the capacity further to 1,500 tonnes a day. This apart, it is intended to modernise the equipment of the factory. The cost of further expansion and rehabilitation may amount to Rs. 60 lakhs. The programme to expand the output capacity of the Samalkot Factory from 800 tonnes to 1,000 tonnes of cane a day has been undertaken and the new capacity will function from the beginning of 1965. The equipment of the factory will also be replaced at an estimated cost of Rs. 25 lakhs.

The distillery is also in urgent need of rehabilitation. The replacement may cost about Rs. 8 lakhs. Mr. Iengar pointed out that a total sum of Rs. 90 lakhs would be required during the next five years or so for expansion and rehabilitation. Although the Company has built up rehabilitation reserve to the extent of Rs. 14 lakhs, this, together with depreciation normally allowed for tax purposes, will be far too inadequate to meet the cost of replacements. In view of the sharp increase in the price of machinery, the Government should allow sugar companies an element in the price of sugar to cover replacement costs. The Tariff Commission, which has been asked to investigate the problems of the sugar industry, should, therefore, recommend a more realistic price structure.

The Company has earned a net profit of Rs. 15.18 lakhs for 1963-64, which is Rs. 3 lakhs larger than that of 1962-63. A taxable ordinary dividend of 18 percent has been maintained, but the share capital meanwhile has been increased by a bonus issue. The output of sugar by the Pugalur factory rose from 17,537 tonnes to 24,654 tonnes, but the average

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recovery dropped from 10.34 percent to 9.25 percent, mainly due to the extension of the season. The Company hopes to produce 27,000 tonnes during the current year. The Samalkot factory chushed 154,413 tonnes of cane, against 105,993 tonnes. The recovery dropped from 10.66 percent to 9.7 percent.

India General Navigation

ALTHOUGH the £10 ordinary stock of India General Navigation and Railway Co. Ltd are sluggish around Rs. 36.50. the encouraging factor is that the arrears of preference dividends up to 1963 will soon be paid. The Company ceased to be a trading firm since February 1963 and is now a holding company. It holds ordinary and preference shares and debentures in Pakistan River Steamers Co. Ltd and preference shares in the Rivers Steam Navigation Co. Ltd following the sale of Indian assets to the Rivers Steam Navigation Co. Ltd.

The accounts of the Company for 1963 have been split up. The first part relates to the period of two months ended February 1963 and the other part concerns ten months ended December 1963. The Company has incurred a loss of £71,401 for the earlier period, after providing £17,019 for depreciation. After bringing the previous loss of £339,202, the total debit balance amounts to £410,603. It has been adjusted against the revenue reserve which amounts to £996,323. In the latter period, the Company has earned a profit of £37,042, out of which £35,872 has been paid towards paying the arrears of preference dividends. Preference dividends for 1962 and 1963 will be paid in December 1964.

Offer for Assam Frontier Tea Shares

FOLLOWING Assam Frontier Tea's offer to acquire Budla Beta Tea, R. G. Shaw has made an offer to purchase at 24s a £1 unit the whole or any part of the cumulative preferred stock in Assam Frontier to which any stockholder of Budla Beta becomes entitled as a result of accepting the Assam Frontier offer.

Bogawantalawa Tea Dividend

BECAUSE of the remittances embargo imposed by the Ceylon Government, Bogawantalawa Tea Holdings is unable to pay a final dividend on its ordinary shares for the year ended March last. An interim of 2¼ percent was declared in February and that becomes the total for the year. For 1962-63, a total of 22½ percent was paid. Group profits were £123,863, against £106,203, although because of a sharply increased tax charge, the net figure is down from £40,819 to £24,553.

Bharat Bijlee to Raise Additional Capital

THE preliminary report on the working of Bharat Bijlee Ltd for the year ended June 1964 indicated that the Company had done fairly well during the year, in that the gross profit has registered a slight increase from Rs. 14.21 lakhs to Rs. 14.38 lakhs, even though the turnover had suffered a modest setback from Rs. 1.08 crores to Rs. 1.07 crores. The dividend had been maintained at 8 percent on the increased capital, the new 10,000 shares being entitled to a proportionate dividend of Rs. 7 a share. The Company's order position for the current year is reported to be satisfactory, and sales during 1st July to 31st October, have shown a rising trend. Material shortages which affected margins in the preceding year are, however, still a difficulty to be contended with.

The expansion scheme of the Company is making satisfactory progress. It has taken possession of the land in Kalwe and development work will commence shortly. Agreements have been finalised to obtain a foreign exchange loan of a little over Rs. 30 lakhs from Siemens Schuckertwerke, A. G., the Company's foreign collaborators, for the import of plant and machinery required for the expansion of the motor and transformer departments. The proposal to offer 20,000 equity shares of Rs. 100 each to the foreign collaborators has not been approved by the Government of India. The Company proposes to raise additional funds to finance its expansion schemes.

It is proposed to offer additional equity shares as rights to the existing shareholders in the proportion of one

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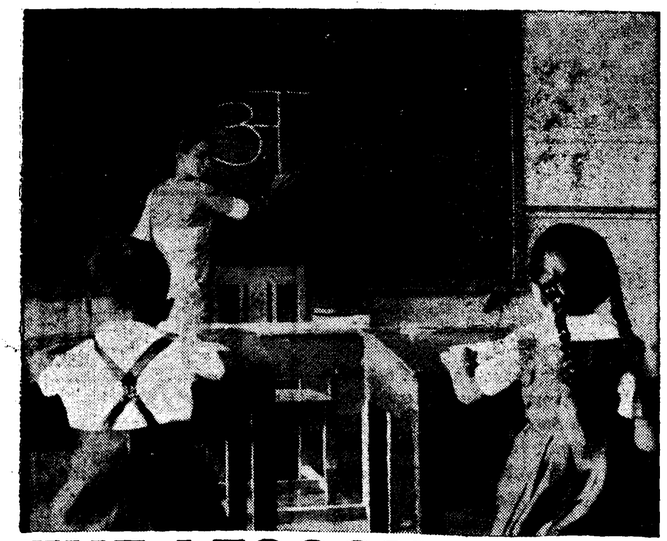
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THE LESSON

The alphabet...then the word...then the sentence...

The delicate process of educating the young. Everywhere massive plans are under way—in education and in other fields as well. Public health, agriculture, *engineering, housing, to name a few.* A vast programme is on to improve the living standards of our millions.

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Some LIC investments at a glance

Cement	Rs. 628 lakhs
Cotton textiles	Rs. 1,216 lakhs
Electricity	Rs. 985 lakhs
Iron & Steel	Rs. 998 lakhs
Food, drink & tobacco	Rs. 128 lakhs
Government Securities (Central, State, Municipal & other approved securities)	Rs. 44,924.49 lakhs

LIC—YOUR COMPANION IN PROGRESS

new share for each one already held. The present equity capital of the Company is Rs. 30 lakhs. In addition to the equity shares, it is also proposed to issue 30,000 9.3 percent cumulative preference shares, which will be redeemable after 12 years from the date of issue, but not later than 15 years. These shares will be offered to the public through prospectus without being offered to the existing equity shareholders. The Rs. 100-paid share of Bharat Bijlee is currently quoted around Rs. 137.50.

South India Shipping Share Offer

INCORPORATED in January 1964 with the main object to establish, maintain and operate shipping, air transport services and all ancillary services, the South India Shipping Corporation Ltd. will soon be in the market to raise Rs. 70 lakhs through public subscription. The Company proposes to construct, hire-purchase and work steamships and other vessels of any class and to establish and maintain lines or regular services of steamships. It will also enter into contracts for the carriage of mails, passengers, goods and cargo by its own vessels and railways.

The Company has an authorised capital of Rs. 5 crores—all in equity shares of Rs. 100 each. The issued capital is Rs. 2 crores. Shares worth Rs. 70 lakhs are being taken up by the P. and O. Steam Navigation Company of Britain and shares of the value of Rs. 10 lakhs will be taken up by the Anglo-Norness Shipping Company. The signatories to the memorandum, directors and their friends will subscribe for shares worth Rs. 50 lakhs. The balance of Rs. 70 lakhs will be offered for public subscription. The entire public issue has been underwritten. The list opens on 2nd December. (Details of the issue appear on a later page in this issue of *Capital*).

The Corporation has already placed an order with the Bremen Vulkan Shipyard for five 38,000-ton bulk carriers for carrying foodgrains and other bulk cargoes. These vessels will be built to the design and specification approved by Sir Joseph W. Isherwood and Co. Ltd, London, one of the world's most renowned firm of naval architects and consultants, especially in ship design and supervision of construction of ships. The first bulk-carrier is expected to be delivered by the end of 1965, and others at an interval of three months each thereafter. The board of directors of the company includes Mr. A. D. Shroff (chairman), Lord Kenneth James William, Mr. J. H. Tarapore, Mr. T. S. Narayanaswami, Mr. K. Palani, Mr. K. M. Campbell, Mr. C. S. Loganathan, Mr. J. W. Anson and Mr. V. S. S. Dempo.

The offer of shares for subscription by South India Shipping Corporation Ltd is of interest because it is the first issue since the Indian Government has permitted foreign participation in the share capital of an Indian shipping company to the extent of 40 percent.

Outlook for Golden Hope Plantations

A CONFIDENT report is made by Mr. F. W. Harper with the latest accounts of Golden Hope Plantations. Crops are continuing to rise and rubber output is expected to reach 20 million lbs in the current year, flanked by 18,000 tons of palm oil and 7,800 tons of copra. There has been some recovery in the price of rubber and prices of palm oil, kernels and copra are expected to remain firm in the light of a lower level of exports from the producing countries. In the year ended 31st May, 1964, the lower selling price of rubber was more than offset for the Company by increased crops.

The Company is grouping estates into larger management units so as to cut overhead costs. The liquid position was strong at the year-end, with over £1 million in cash, Treasury Bills and short-term deposits, but this is regarded as "no more than adequate" for the relatively big development programme.

Mandya Paper Incurs Loss Again

THE working of the Mandya National Paper Mills Ltd for the year ended June 1964 shows a loss of Rs. 12.34 lakhs, without providing for depreciation amounting to Rs. 21 lakhs. This, however, is an improvement over the previous year's performance when the Company suffered a loss of Rs. 28.48 lakhs without providing for depreciation amounting to Rs. 20.76 lakhs. Its turnover during 1963-64—the second year of operation—showed a considerable increase from Rs. 1.13 crores to Rs. 1.76 crores. This was due to the rise in paper production from 6,018 tonnes to 10,114 tonnes, which is very near its rated capacity of 10,800 tonnes.

The working results of the Company during 1963-64 were adversely affected by the rise in the cost of production, resulting from an acute shortage of bagasse. The position concerning the supply of bagasse is expected to improve during the current year and it is hoped that the supplies will be adequate to enable the mill to eliminate working losses and, possibly, cover part of the depreciation. Since August 1964, the Company has been able to get the supplies of bagasse and has been able to produce paper with more than 70 percent bagasse on average. It has also produced satisfactorily paper with 100 percent bagasse which represents a technological achievement of the first order.

The recently granted concession—a 15 percent rebate in excise duty on production by new paper mills and a rebate of 5 paise a kilogram for paper units producing paper with more than 40 percent bagasse—will also help the Company improve its earnings. The Company is going ahead with its expansion plans. Up to the end of September 1964, it had withdrawn a sum of Rs. 1.17 crores from the loan granted by A.I.D. leaving a balance of Rs. 35 lakhs set apart to meet a part of the expansion cost. The Industrial Finance Corporation of India is expected to grant to the Company a loan of Rs. 1 crore to meet the cost of machinery for expansion as well as a refinancing loan of Rs. 96.66 lakhs. During 1963-64, the Company repaid three instalments of deferred payments amounting to Rs. 61.08 lakhs to the A.I.D. The Rs. 10-paid share of Mandya Paper is quoted around Rs. 4.68. The shareholders will have to wait for quite some time before their investment begins to bear fruit. The Company's accumulated losses exceed Rs. 40 lakhs and depreciation is in arrears to the tune of Rs. 41.76 lakhs. The arrears on preference dividend as at the end of 1963-64 amount to Rs. 22.42 lakhs.

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The Stock Markets

DULL CONDITIONS PREVAIL IN LYONS RANGE

Wednesday Evening.

DULL conditions have prevailed in the Calcutta stock market during the past week. Operators are generally inclined to keep their commitments light, so turnover has been small. Bulls have tended to take profit at every rise, while bears are cautious because share prices have dropped considerably. Attention has been largely confined to clearing shares which have fluctuated within a narrow groove. Business has been small, although the prices of selected cash scrip have been well maintained.

The impact of the rise in U.K. Bank rate was first bearish, but the market has recovered since. It is felt that the flow of funds from Britain into India will tend to decline as a result of the increased rate. Since the Reserve Bank of India has already placed restrictions on the expansion of bank credit, the interruption of the flow of funds from the U.K. will aggravate the credit shortage during the current busy season. Prices of various machinery bought from the U.K. under deferred payment terms will tend to rise as a result of the increase in Bank rate. But it is not certain whether general imports from the U.K. will become costlier, since the latter is keen to promote exports by holding prices down. Meanwhile, the increase is unlikely to influence the Indian monetary policy. Since the Reserve Bank rate was only recently raised, any further increase is unlikely.

Indian Iron have fluctuated narrowly. Among engineering shares, Jessop and Jay Engineering have received scattered support. Binani Metal are steady. Guest, Keen, Williams, Texmaco, Braithwaite and Indian Standard Wagon are more or less maintained.

In the miscellaneous section, clearing shares attracted the most attention. Dunlop Rubber, Indian Aluminium, Indian Cable and Indian Copper are prominent. Although prices dropped earlier, they have recovered towards the close. Scattered support has been forthcoming for Goodyear India, Philips India, Union Carbide, Alkali and Chemical and Associated Battery. British India Corporation are steady. Among new shares, Hindusthan Twyford, India Carbon and Woolcombers have attracted attention. Managing agency shares have weakened because the Government may terminate the managing agency system in selected industries. Martin Burn and Jardine Henderson are easier. Electric company shares are sluggish, and there has been a small turnover in Calcutta Electric. Paper shares have recovered towards the close due to replacement buying. Ballarpore are weaker on paying a smaller dividend. Titaghur have improved while Orient Paper have fluctuated both ways.

Birla have been a prominent feature in jute shares and have gained smartly. The price has nevertheless reacted towards the close due to profit-taking. Turnover in jute shares has, on the whole, been restrained, since investors are waiting to see whether the 15-percent surcharge is removed by the U.K. Government. There is also a great deal of concern due to sluggish foreign enquiries for hessian. The increased output will be difficult to absorb unless overseas purchases rise in the near future. Scattered business has been done in Anglo-India, Barnagore, Kamarhatty, Howrah and Union.

Coal shares are neglected and prices have tended to drop. A small turnover has passed in Central India, Burrakur and Western Bengal. Investors are worried over the large accumulation of pithead stocks. The demand for coal shows virtually no sign of improvement. Cotton mill shares are about steady, but activity is restricted. Investors are still examining the impact of the partial control of cloth on mill profits. The outlook is nevertheless encouraging because the supply of raw cotton, including foreign cotton, is expected to be larger during the current year than in 1963-64. J. K. Rayon have recovered on short-covering. Scattered interest has been shown in Dunbar and Bharat Commerce. Elgin have, however, weakened.

Except for a few transactions in selected Assam and Dooars gardens, tea shares continue to be neglected. The poor marketing outlook for teas is a major restraining factor. Despite a larger crop, the profits of tea gardens during 1964 are not likely to be any better than in 1963 due to the smaller average price of teas realised so far during the current season. Among Dooars scrip, Hassimara and Huldibari have dropped. Among Assam gardens, Teloijan and Betjan have attracted attention.

Government securities are dull and quiet and turnover has shrunk to almost a trickle. Institutional interest is conspicuous by its absence. The 3 percent Conversion loan 1986 has been quoted around Rs. 62. Prices of short and medium-dated stocks are nominally steady, and most of the State Government loans are available at a discount.

rumours of an increase in the retention price of steel. Among engineering shares, Premier Construction have hardened on the payment of a higher dividend by Hindustan Construction, a subsidiary of the Company. Tata Engineering have reacted on profit-taking. Larsen and Toubro and Alcock Ashdown have lost fractionally. Among motor-vehicle shares, Hindustan Motors have reacted due to selling from outside sources, but Premier Automobiles have been sluggish.

In cotton mill shares, Century, Standard and Svadeshi have lost towards the close due to profit-taking. Simplex, Kohinoor and Tata Mills have also moved down.

Turnover in miscellaneous shares has been small. In mining shares, Shivrajpur Syndicate have dropped due to pressure, while Be Be Petrol have attracted support because of favourable corporate rumours. Scindia Steam are well held on prospects of improved working during the current year. Sugar shares are sluggish and small business has been transacted in Belapur. National Rayon have dropped on fears of a cut in imports of rayon yarn. Voltas and Tata Oil are about steady.

Prices of bank shares have been maintained despite little turnover. Bank of India and Dena Bank have been done. Electric company shares have been sluggish, although Tata

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Bombay

SHARES FALL IN SMALL TURNOVER

STEELS STEADY ON RUMOURS ABOUT RETENTION PRICE

Wednesday Evening.

THERE has been a substantial drop in turnover in the Bombay stock market during the past week, although prices of clearing shares have fluctuated widely following alternate bouts of buying and selling. Earlier, the rise in the U.K. Bank rate had a bearish impact, but the adverse effects were soon overcome in the belief that the increase would not influence money rates in India. Although news has on the whole been favourable, prices have tended to drop towards the close due to the absence of buyers.

Dalal Street is inclined to await the outcome of the meeting between the Prime Minister, Mr. Lal Bahadur Shastri, and spokesmen of trade and industry due to be held in New Delhi next Thursday. The success of the Congress Party at the Phulpur by-election has been welcomed. The modification by the Reserve Bank of the liquidity ratio formula for commercial banks has helped to abate selling pressure.

Tata Steel ordinary have been steady around Rs. 144.75 due to



Power have met with scattered support.

Madras

REPLACEMENT BUYING LEADS TO RECOVERY

STATE LOANS SOLD AT DISCOUNT

Tuesday Evening.

THE Madras stock market has recovered towards the close of the past week after an easier spell. Lower advices from the Calcutta and Bombay stock markets depressed sentiment first. Towards the close, replacement purchases have helped improve prices, particularly of planting shares. Good crop reports, combined with improved prospects for tea marketing, attracted support for selected tea and coffee shares. Textile shares have weakened on pressure. Selected miscellaneous shares have also been fairly steady. In spite of good enquiries for preference shares, turnover has been small due to the absence of sellers. Business in Government securities has shrunk, and almost all State Government loans are available at a discount.

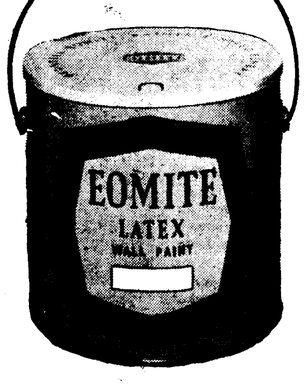
Bank shares are sluggish, and scattered business has been done in Indian at Rs. 158 and in Indian Overseas at Rs. 150. In electric companies, Karaikkal are steady at Rs. 10.70 and Vellore at Rs. 15.55. Sugar shares have tended to be easier. Deccan have dropped to Rs. 10.70 and E.I.D. to Rs. 35.60. Jeypore are about steady at Rs. 16.50 on declaring a taxable ordinary dividend of 15 percent. Travancore have been maintained at Rs. 7.77, but Kothari have been sold down to Rs. 6.20.

In planting shares, Cochin Malabar are steady at Rs. 6.12 and Consolidated Coffee at Rs. 24.75. Blue Mountain have, however, reacted to Rs. 2.20 on paying a taxable ordinary dividend of 8 percent. Business has passed in Ouchterlony at Rs. 3.44 and in Periakaramalai at Rs. 3.70. Nelliampathy have come to hand at Rs. 5.45 on paying a taxable ordinary dividend of 25 percent. Coorg have been done at Rs. 4.85 on declaring a taxable ordinary dividend of 5 percent. Waterfall have dropped to Rs. 2.40 on paying a taxable ordinary dividend of 10 percent. Mysore Amalgamated are steady at Rs 5.05 and Wartyhully at Rs. 2.64.

In textile shares, South India Viscose have declined to Rs. 104, while Lakshmi are steady at Rs. 132. Travancore Rayon have reacted to Rs. 18.62, but Madura are steady at Rs. 35.25. Buckingham have been taken at Rs. 278, and Bangalore Woollen at Rs. 281. K. Rajendra are weaker at Rs. 74 and Cannanore at Rs. 99. Ramkrishna have been bought up to Rs. 199 and Ranga Vilas have been done at Rs. 51.50.

In miscellaneous shares, Ashok Leyland have hardened to Rs. 7, but Aluminium Industries have reacted to Rs. 23.20. In cement shares, Dalmia are available at Rs. 13.20, and India Cement at Rs. 5.09. Mettur Chemical have lost fractionally at Rs. 14.25. Seshasayee Paper have been transacted at Rs. 7.25 and Mysore Paper at Rs. 11.78. Parry's Confectionery are steady at Rs. 2.96 on paying a final taxable ordinary dividend of 9 percent, making 27 percent for the year. Kirloskar Electric have attracted support at Rs. 20.60 on prospects of a bonus issue in the ratio of one bonus share for every





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three held. Mysore Stoneware are steady at Rs. 12.40 on issuing bonus shares in the proportion of one bonus share for every ten held. Radio and Electricals Manufacturing have been done at Rs. 3.55 since the Company is issuing rights ordinary shares, at par, in the ratio of one new share for every three held.

THE WEEK'S TRANSACTIONS

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

Birla Jute—Rs. 36/00—38/00—36/00—37/56—(32/25).
Dunlop Rubber—Rs. 30/69—30/87—30/31—30/44—(36/75).
Do. (Renunciation)—Rs. 10/25—10/62—10/00—10/19.
Guest, Keen, Williams—Rs. 23/25—23/44—23/19—23/25—(27/25).
Hindustan Motors—Rs 16/31—16/50—16/25—16/34—(18/69).
Howrah Jute—Rs. 15/31—16/19—15/31—16/19—(19/31).
Indian Aluminium—Rs. 31/19 x.d.—31/39—30/69—30/69—(30/75).
Indian Copper—Rs. 3/30—3/37—3/28 s.t.—3/34—(3/44)
Indian Iron—Rs. 25/12—25/60—25/08—25/52—(24/78).
Indian Cable—Rs. 34/50—34/75—34/50—34/75—(39/50).
J. K. Cotton—Rs. 9/94—9/94—9/87—9/87—(12/12).
Jaipur Udyog—Rs. 10/12—10/12—10/06—10/12—(12/00).
Kesoram Industries—Rs. 23/94—24/69—23/94—24/12—(27/31).
Orient Paper—Rs. 32/10—32/75—32/05—32/25—(39/00).
Orissa Cement—Rs. 11/62—12/00—11/62—11/81—(14/62).
Rohtas Industries—Rs. 9/62—9/87—9/62—9/81—(12/69).
Shree Gopal Paper—Rs. 25/50—25/56—25/37—25/50—(25/50).
Textile Machinery—Rs. 25/65—25/95—25/60—25/90—(27/80).

GILT-EDGED

3½% Loan (1986)—Rs. 61/75 c.t.—62/10—61/75—62/10.
3½% ,, (1970-75)—Rs. 90/25—90/30—90/25—90/30.
3½% ,, (1967)—Rs. 99/75—99/75—99/75—99/75
4% ,, (1969)—Rs 99/55—99/55—99/40—99/40.
4% ,, (1970)—Rs. 99/00—99/20—99/00—99/05.
4% ,, (1973)—Rs 98/85—98/85—98/85—98/85.
4% (West Bengal (1968)—Rs. 98/55—98/55—98/55.
4% West Bengal (1971)—Rs. 97/10—97/10—97/10—97/10.
4½% Loan (1986)—Rs. 100/13—100/13—100/10—100/13.
4½% ,, (1986)—Rs. 100/00—100/05—100/00—100/05.
4½% ,, (1972)—Rs. 100/15—100/15—100/15—100/15.
4½% ,, (1989)—Rs. 100/05—100/05—100/05—100/05.
4½% West Bengal (1976)—Rs. 99/00—99/45—99/00—99/40.
4½% Bihar (1976)—Rs. 96/70—96/70—96/70—96/70.
4½% Orissa (1976)—Rs. 96/75—96/75—96/65—96/70.
4½% Bihar (1970)—Rs. 98/50—98/50—98/50—98/50.

BANKS

Hindusthan Commercial—Rs. 9/85—10/00—9/85—10/00—(13/50).
United Bank of India (Rs. 10/- paid)—Rs. 8/06—8/16—8/06—8/12—(7/84).
Do. (Contg) (Rs. 20/-) (Rs. 10/- paid)—Rs. 7/62—7/65—7/50—7/56.
United Commercial—Rs. 72/37—72/50—72/37—72/50—(74/25).

TEXTILES

Bengal Luxmi—Rs. 30/50—30/50—30/50—30/50—(30/00).
Dunbar—Rs. 26/00—26/25—25/94—26/12—(30/06).
Elgin—Rs. 19/19—19/25—19/12—19/12—(23/19).
Do. (8% Pref.)—Rs. 111/00—111/00—111/00—111/00—(113/00).
Jaya Shree—Rs 12/81—12/81—12/62—12/81—(16/00).
New Victoria—Rs. 1/06—1/19—1/06—1/19—(1/66).
Do. (Pref.)—Rs. 2/00—2/03—2/00—2/00—(2/85).
Rajasthan Spg.—Rs. 10/37—10/37—10/37—10/37.

COALS

Bengal—Rs. 230/00—230/00—230/00—230/00—(276/00).
Central India—Rs. 8/25—8/25—8/06—8/19—(10/12).
Karanpura Collieries (Pref.)—Rs. 46/00 c.t.—46/00—45/50—46/00.
New Manbhoom—Rs. 9/12—9/12—9/12—9/12—(15/25).
South Karanpura—Rs. 6/00—6/06—6/00—6/00—(8/75).
Western Bengal—Rs. 8/25—8/37—8/25—8/25—(8/94).

JUTES

Agarpara—Rs. 8/87—8/87—8/62—8/69—(10/44).
Anglo-India—Rs. 185/00—185/00—185/00—185/00.
Do. (Pref.)—Rs 102/50—102/50—102.50—102/50—(98/00).
Auckland—Rs 123/00—124/00—123/00—124/00.
Do. (1st Pref.)—Rs. 69/50—69/50—69/50—69/50.
Champdany—Rs. 22/00—22/12—22/00—22/12.
Cheviot—Rs. 20/25—20/31—20/25—20/31.
Caledonian—Rs. 132/00—133/00—132/00—133/00—(181/00).
Dalhousie—Rs. 110/00—110/00—110/00—110/00—(154/00).
Delta—Rs. 138/00—138/00—138/00—138/00—(164/00).
Fort William—Rs. 19/75—20/00—19/75—20/00—(27/50).
Ganges—Rs. 12/75—12/91—12/69—12/91—(13/75).
Gourepore—Rs. 21/37—21/37—21/37—21/37.
Hastings (Pref.)—Rs. 89/00—89/00—89/00—89/00.
India—Rs. 15/00—15/25—15/00—15/25.
Kelvin—Rs. 138/00—138/00—138/00—138/00—(194/00).
Megna—Rs. 11/75—11/75—11/75—11/75—(13/00).
New Central—Rs. 9/81—10/00—9/81—10/00—(13/44).
Nuddea—Rs. 10/35 c.t.—10/44—10/25—10/44.
National—Rs. 19/25—19/37—19/25—19/37—(23/94).
Presidency—Rs. 4/19—4/25—4/19—4.25—(5/69).
Union—Rs. 132/00 c.t.—134/00—132/00—132/00—(168/00).
Waverley—Rs. 7/62—7/69—7/62—7/69—(9/75).
Do. (Pref.)—Rs. 41/00—41/00—40/00—40/25—(42/50).

MINING

Metal Corpn.—Rs. 5/94—6/00—5/94—6/00—(8/50)

CEMENTS

Ashoka—Rs. 6/62—6/62—6/37—6/50—(7/37).
Bengal Potteries—Rs. 4/19—4/19—4/19—4/19—(3/50).
Dalmia (Bharat)—Rs. 13/00—13/12—13/00—13/06—(12/75).
Do. (Pref.)—Rs. 8/31—8/41—8/31—8/41—(8/03)
Sone Valley—Rs. 3/87—3/91—3/87—3/87—(4/62).

CHEMICALS

Alkali & Chemical—Rs. 28/50—28/81—28/44—28/81—(34/00).
Bengal Chemical—Rs. 102/00—103/00—102/00—103/00—(101/00).

In more ways than one...

This is an aerial view of the Sandoz industrial complex. The site covers more than 70 acres. The plant and machinery incorporate the most modern manufacturing techniques, including a high degree of automation. All Sandoz products are manufactured, processed or formulated here, many from the basic stages. Each manufacturing wing has its own Product Development and Quality Control laboratories.

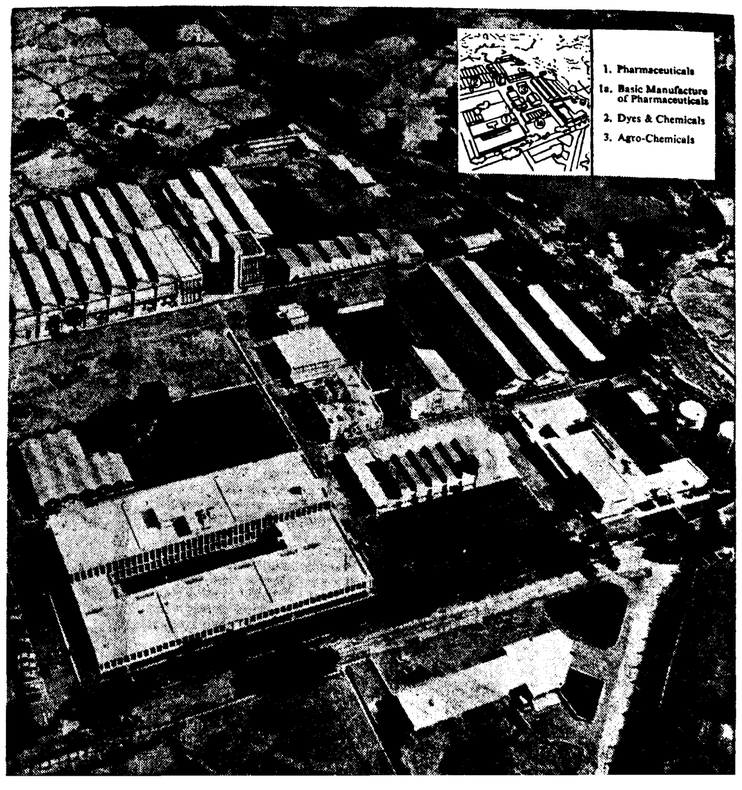
It is here that Sandoz works for national progress in more ways than one...

Pharmaceuticals:
On 4th February, 1961, Dr. S. Radhakrishnan, then Vice-President of India, formally inaugurated the Pharmaceutical and Chemical Plants. The pharmaceuticals manufactured represent established names in therapeutic use and are the result of continual and progressive research in Sandoz Laboratories all over the world.

Dyestuffs and Textile Chemicals:
A complete range of specialised dyes and chemicals is available for the requirements of the textile, leather and paper industry. Most of the dyestuffs licenced for manufacture will be produced for the first time in India. A pilot plant is in operation since last year and capacity production will start early in 1965.

Agro-Chemicals:
The product range in this line has a vast market in India where agriculture on a scientific basis is just beginning to take shape.

SANDOZ SANDOZ
International Research for National Progress
SANDOZ (INDIA) LTD. Head Office: Bombay 1.



Chemicals & Fibres—Rs. 15/87—16/06—15/87—16/06.
Kanoria—Rs. 6/69—6/69—6/69—6/69.

PUBLIC UTILITIES

Calcutta—Rs. 15/25—15/31—15/19—15/25—(14/25)
Do. (Pref.)—Rs. 8/37—8/37—8/31—8/31—(8/06).
Jubbulpore—Rs. 10/87—11/60—10/87—11/00.
Patna—Rs. 10/69—10/75—10/69—10/75—(10/75).

ENGINEERINGS

Bhartia Electric Steel—Rs. 14/94—14/94—14/94—14/94—(15/00).
Binani Metals—Rs. 13/06—13/19—13/00—13/06—(11/25)
Braithwaite & Co—Rs. 32/75—32/75—32/75—32/75—(34/12).
Do. (Pref.)—Rs. 112/00 c.t.—112/00—112/00—112/00—(109/50)
Bharat Ball Bearing—Rs. 11/25—11/37—11/19—11/37—(15/19).
Britannia—Rs. 9/37—9/37—9/31—9/31.
Calcutta Steel—Rs. 13/44—13/44—13/37—13/37—(14/19).
Dalmia Iron—Rs. 11/62—11/62—11/56—11/56—(11/69)
Indian Iron (Pref.)—Rs. 83/00—83/50—83/00—83/50—(82/25).
J. K. Steel—Rs. 17/87—17/94—17/81—17/94
Jay Eng.—Rs. 20/37—20/75—20/37—20/44—(21/50).
Jessop & Co.—Rs. 24/87—25/37—24/75—25/25—(25/50).
Kumardhubi—Rs. 5/50—5/50—5/37—5/50—(9/25).
Marshalls—Rs. 3/37—4/00—3/25—4/00—(2/59).
National Iron and Steel—Rs. 5/75—5/75—5/75—5/75—(5/90)
Raymon—Rs. 4/72—4/75—4/72—4/75—(4/81).
Textile Machinery (6½% Pref.)—Rs. 102/00—102/00—102/00—102/00.

INSURANCES

Concord of India—9/75—9/81—9/75—9/81—(11/25).
New Asiatic—Rs. 7/37—7/37—7/37—7/37—(8/75).

MISCELLANEOUS

Aluminium Corpn.—Rs. 11/12—11/12—11/06—11/12—(14/12).
Do. (5% Pref.)—Rs. 67/00—67/00—67/00—67/00—(61/00).
Angelo Brothers—Rs. 25/12—25/12—25/00—25/00—(26/87).
Associated Battery—Rs. 24/12 c.t.—24/37—24/12—24/37—(28/50).
Asian Refractories—Rs. 10/31—10/31—10/31—10/31.
Asiatic Oxygen—Rs. 8/00—8/00—7/94—7/94.
British India Corporation—Rs. 10/50—10/87—10/50—10/87—(8/44).
Do (Pref.)—Rs. 117/00—117/00—116/00—116/50—(108/50).
Birds Investment—Rs. 8/44—8/50—8/44—8/50—(10/44).
Clive Row Investment—Rs. 8/72—8/75—8/69—8/69—(8/56)
Calcutta Tramways—Rs. 11/56—11/56—11/44—11/50—(11/25).
Do. (Pref.)—Rs. 8/19—8/25—8/12—8/12—(8/25)
Dr. Paul Lohmann—Rs. 7/00—7/00—7/00—7/00—(13/00).
English Electric—Rs 15/31—15/37—15/31—15/37—(14/12).
Fort Gloster Industries—Rs. 259/00—260/00—259/00—260/00—(372/00).
Goodyear India—Rs. 21/87—22/12—21/87—22/12.
Hindustan Aluminium—Rs. 12/81—13/12—12/81—13/06—(14/25).
Hindustan Development—Rs. 3/75—4/06—3/75—3/87—(4/69)
Hindusthan Pilkington Glass—Rs. 12/75—13/37—12/69—13/37—(16/75).
Hindusthan Twyfords—Rs. 15/00—15/06—15/00—15/06—(14/25).
Imperial Tobacco—Rs. 8/00—8/12—8/00—8/06—(10/06).
India Carbon—Rs 13/00—14/25—13/00—14/25—(17/25).
Incheck Tyres—Rs. 6/25—6/31—6/25—6/31.
J. K Synthetics—Rs. 12/87—13/31—12/87—13/31—(12/44)
Madhya Pradesh—Rs. 8/31—8/31—8/31—8/31.
National Insulated Cable—Rs. 24/69—24/81—24/62—24/62—(24/62).
National Rolling & Steel Ropes—Rs 24/19—24/25 c.t.—23/94—24/06—(21/12).
Philips India—Rs. 27/50—27/50—27/50—27/50—(30/50).
Rohtas Industries ('A' Pref.)—Rs. 101/00—102/00—101/00—102/00—(101/00).
Shaw Wallace—Rs. 15/94—16/00—15/81—15/81—(16/75).
Union Carbide—Rs. 28/50—28/75—28/50—28/75—(43/87).
Universal Cables—Rs. 9/94—10/06—9/87—10/00—(11/81).
Usha Martin Black—Rs. 14/94—14/94—14/81—14/84.
Walford Transport—Rs. 3/06—3/09—3/00—3/09—(4/09).

PAPERS

Ashok—Rs. 3/12—3/12—3/12—3/12.
Ballarpur—Rs. 17/12—17/12—15/69—15/69—(18/00).
Bengal—Rs. 26/81—26/81—25/81—25/87—(28/75).
Orient (1st Pref.)—Rs. 91/25—91/25—91/25—91/25
Sirpur—Rs. 12/12—12/31—12/06—12/31—(14/06).
Titaghur—Rs. 11/06—12/06—10/81—12/06—(17/31).

SHIPPING

India Steamship—Rs. 6/50—6/56—6/44—6/47—(7/37).

SUGARS

Belsund—Rs. 8/75—8/75—8/75—8/75—(8/94).
Carew & Co. (Pref.)—Rs. 82/00—82/00—82/00—82/00—(72/75)
Cawnpore—Rs. 6/69—6/69—6/69—6/69—(9/87).
Do (Pref.)—Rs. 117/00—118/00—117/00—118/00—(104/50).
New Savan—Rs. 3/50—3/50—3/50—3/50—(4/50).
Raza Buland—Rs. 9/87—9/87—9/87—9/87
Shree Krishna Gyanoday—Rs. 8/50—8/56—8/44—8/56—(8/56).

REAL PROPERTY

Hindusthan Building—Rs. 3/31—3/31—3/31—3/31.

TEAS

Bishnauth—Rs. 13/12—13/25—13/12—13/25—(18/69)
Dhelakhat—Rs 20/62—20/62—20/62—20/62—(20/75)
Dimakuse—Rs. 23/06—23/19—22/94—23/19—(22/62)
Dufflaghur—Rs 22/87—23/00—22/87—23/00—(28/00)
Hasimara—Rs. 12/37—12/37—12/00—12/06—(13/44)
Jaybirpara—Rs. 8/94—8/94—8/94—8/94—(23/81).
Killcott—Rs. 13/94—13/94—13/94—13/94
Loobah—Rs. 3/75—3/75—3/69—3/75—(4/56)
Teesta Valley—Rs. 12/37—12/44—12/37—12/44.

DEBENTURES

6½% Dunlop Rubber—Rs. 99/00—99/00—99/00—99/00.
7% Birla Jute—Rs. 99/75—99/75—99/50—99/50.

London

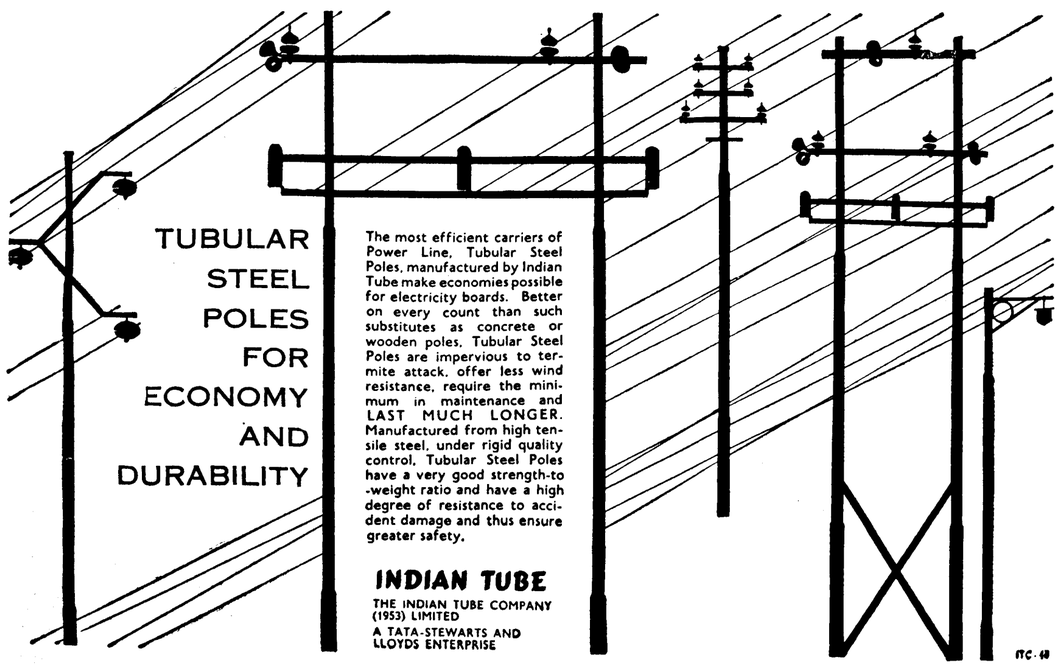
SHARP FALL IN SHARES ON BANK RATE NEWS

STEELS RESIST TREND

London, 25th November.

IT was a grim week in the stock market. Prices fell every day on persistent selling and then tumbled on Monday when the 2-point increase in Bank rate to the crisis level of 7 percent was announced. Prior to the Bank rate move, the fall in the market reflected the continuing uncertainty concerning the Government's tax policies. Buyers were holding off, and selling, while not heavy, was persistent. Some improvement from the lowest levels reached after the Bank rate news was recorded, but on the week, widespread and substantial losses were recorded. Gilt-edged were hard hit by the Bank rate news, and although there was some recovery, falls on the week ranged to well over a point.

The rally in industrials did not go very far, and heavy falls were recorded. Losses extended to several shillings in places while the leaders are widely 1s to 2s lower. Steels resisted the trend on the view that the latest moves reduced the likelihood of nationalisation. Hire-purchase, insurance, property and investment trust shares recorded sharp losses, but banks were a firm market. Gold shares went ahead after the Bank rate news and earlier losses were more than recovered. Coppers and tins lost ground. Oils suffered severe falls on tax uncertainties and rubbers lost ground for the same reason. Dollar stocks moved irregularly, and on balance, the premium showed little change.



Money

THE CALCUTTA MONEY MARKET

SHARP INCREASE IN CALL RATE

Wednesday, 25th November.

THERE has been a small increase in the general level of advances in the Calcutta money market during the past week. This is due to a small rise in the accommodation given to jute mills. The requirements of all the other major categories of borrowers—the cotton and sugar mills, the iron, steel and engineering industries, and the food-grains trade—remain more or less unchanged. In the interbank market, the call rate jumped from 1 percent to 4½ percent because of investment in Treasury bills, but later it has dropped to 2 percent.

The exchange market is active, with a fairly large supply of both gunny and tea bills. The demand for remittances is moderate. In London, sterling has strengthened against all important currencies following the 2-percent increase in Bank rate.

SILVER WAS QUIETLY STEADY IN Calcutta during the past week. The price closed at Rs. 254.75. It was quoted at 113-1/8d in London and at 129.3 cents in New York.

Gold was quiet. The price of 14-carat was quoted at Rs. 68.25.

DURING THE WEEK ENDED 20TH November, Government of India Treasury bills for Rs. 24,32,50,000 were sold in favour of the Reserve Bank.

TENDERS FOR Rs. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 24th November. The total amount offered was Rs. 2,05,00,000. Tenders at Rs. 99.410 percent were accepted in full. Lower tenders were rejected. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.360 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 30th November.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 25th November to 28th November at Rs. 99.426 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 18th November to 21st November amounted to Rs. 16,56,50,000.

THERE WERE DECLINES OF Rs. 33.21 crores to Rs. 2,453.14 crores in the total note issue and of Rs. 27.79 crores to Rs. 2,432.94 crores in active notes, according to the return of the Reserve Bank of India during the week ended 20th November, 1964. The currency contraction was adjusted by reducing rupee securities by Rs. 35 crores to Rs. 2,146.13 crores in the paper currency reserve. Deposits of the Government of India dropped by Rs. 88 lakhs to Rs. 50.84 crores and those of State Governments by Rs. 62 lakhs to Rs. 6.49 crores. Balances of commercial banks at Rs. 101.60 crores showed a rise of Rs. 5.71 crores. Balances held abroad dropped by Rs. 71 lakhs to Rs. 9.43 crores. Investments at Rs. 120.77 crores were Rs. 3.48 crores smaller. Loans to scheduled banks rose from Rs. 79.05 lakhs to Rs. 1.24 crores, of which there was again no advance against usance bills. Ways and means advances stood at Rs. 39.56 crores, against Rs. 37.81 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 13th November, 1964, shows a rise of Rs 1.17 crores to Rs. 666.33 crores in total deposits. Investments in Government securities are up by Rs. 11.23 crores to Rs. 287.20 crores, while other authorised investments remain unchanged at Rs. 8.98 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have dropped by Rs. 2.34 crores to Rs. 342.38 crores. Cash and balances are, in consequence, shown at Rs. 24.13 crores or Rs. 4.07 crores less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 13th November, 1964, shows Demand and Time liabilities at Rs. 1,366.64 crores (Rs. 25.89 crores on account of borrowings from banks) and Rs. 1,388.84 crores (Rs. 15.95 crores), compared with Rs. 1,364.45 crores (Rs. 28.84 crores) and Rs. 1,385.22 crores (Rs. 16.89 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have dropped by Rs. 3.09 crores and Rs. 3.22 crores to Rs. 70.31 crores and Rs. 96.64 crores, respectively. There is a rise of Rs. 6.64 crores to Rs. 819.58 crores in investments. Advances and bills discounted at Rs. 1,739.56 crores show a drop of Rs. 4.78 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 6.1 percent and 63.1 percent, against 6.3 percent and 63.4 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 27-11-64.

Issue Date	Maturity Date	Amount (('000's Rs.)	Average Acceptance Rate
27-11-64	2-3-65	2,00,00	Rs 2.360%
21-11-64	23-2-65	2,00,00	Rs. 2.400%
13-11-64	16-2-65	2,00,00	Rs. 2.499%
6-11-64	9-2-65	2,00,00	Rs. 2.500%
30-10-64	2-2-65	2,00,00	Rs. 2.400%
23-10-64	26-1-65	2,00,00	Rs. 2.500%
9-10-64	12-1-65	2,00,00	Rs. 2.500%
1-10-64	4-1-65	2,00,00	Rs. 2.400%
25-9-64	28-12-64	2,00,00	Rs. 2.399%
18-9-64	21-12-64	2,00,00	Rs. 2.386%
11-9-64	14-12-64	2,00,00	Rs. 2.400%
4-9-64	7-12-64	2,00,00	Rs. 2.400%

(Monthly Maturities ('000's omitted)

December, 1964	8,00,00
January, 1965	6,00,00
February, 1965	8,00,00
March, 1965	2,00,00
Total	24,00,00

CLEARING HOUSE RETURNS

Rs. (Thousand)

Week	Calcutta	Bombay
20-11-64	1,04,29,50	1,36,73,14
13-11-64	1,04,30,08	1,42,08,43
6-11-64	1,00,21,03	1,00,72,86
30-10-64	1,20,38,84	1,39,24,78

RESERVE BANK

ISSUE DEPARTMENT

(In 000's of Rupees)	Week Ended 20-11-64	13-11-64	22-11-63
Liabilities—			
Notes in Banking Dept.	20,19,81	25,62,42	13,28,04
Notes in Circulation	24,32,94,16	24,60,72,68	22,75,58,61
Total Notes issued	24,53,13,97	24,86,35,10	22,88,86,65
Assets—			
A. Gold Coin and Bullion	1,17,76,10	1,17,76,10	1,17,76,10
Foreign Securities	85,45,69	85,45,69	92,45,69
Total of A	2,03,21,79	2,03,21,79	2,10,21,79
B. Rupee Coin	21,46,13,26	1,02,00,24	1,19,33,84
Rupee Securities	1,03,78,92	21,81,13,07	19,59,31,02
Total	24,53,13,97	24,86,35,10	22,88,86,65

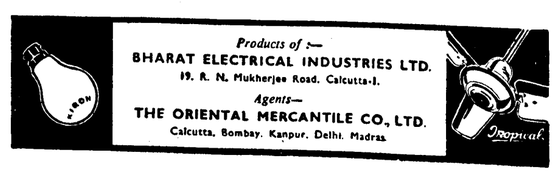
BANKING DEPARTMENT

Liabilities—			
Capital, Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long Term Operations) Fund	86,00,00	86,00,00	73,00,00
National Agricultural Credit (Stabilisation) Fund	9,00,00	9,00,00	8,00,00
National Industrial Credit (Long Term Operations) Fund	10,00,00	10,00,00	...
Deposits—			
(a) 1 Central Govt.	50,83,51	51,71,69	73,05,44
2. State Govts.	6,48,67	7,11,24	11,62,07
(b) Banks :—			
(i) Scheduled Banks	1,01,59,87	95,88,76	84,90,55
(ii) State Co-operative Banks	2,94,11	3,16,63	2,47,24
(iii) Other Banks	3,70	1,32	4,68
(c) Others	1,44,49,86	1,45,45,13	1,65,53,29
Bills Payable	52,61,72	44,99,37	32,94,67
Other Liabilities	45,98,30	47,50,26	41,23,64
Total	5,94,99,74	5,85,84,42	5,77,81,58
Assets—			
Notes	20,19,81	25,62,42	13,28,04
Rupee Coin	3,46	4,98	1,77
Small Coin	8,44	9,48	3,25
National Agricultural Credit (Long Term Operations) Fund			
(a) Loans and Advances to :—			
(i) State Govts	28,17,51	28,17,51	27,06,43
(ii) State Co-operative Banks	11,81,08	11,83,45	9,69,06
(iii) Central Land Mortgage Banks	...	...	...
(b) Investment in Central Land Mortgage Bank Debentures	4,45,53	4,41,53	3,55,31
National Agricultural Credit (Stabilisation Fund Loans and Advances to State Co-operative Banks	...	...	...
Bills Purchased and Discounted :—			
(a) Internal	...	...	...
(b) External	...	...	...
(c) Govt Treasury Bills	1,78,50,14	1,58,22,20	53,26,50
Balances Held abroad	9,43,26	10,14,37	10,37,94
Loans and Advances to Govt.	39,55,87	37,80,74	31,23,66
Loans and Advances to :—			
(i) Scheduled Banks	1,24,20	79,05	37,90
(ii) State Co-operative Banks	1,50,41,33	1,54,49,44	1,26,72,73
(iii) Others	2,80,68	2,39,18	2,82,55
Investments	1,20,77,01	1,24,24,94	2,73,30,32
Other Assets	27,51,42	27,51,05	26,10,12
Total	5,94,99,74	5,85,84,42	5,77,81,58

SCHEDULED BANKS

(In 000's of Rupees)

	Week Ended 13-11-64	6-11-64	15-11-63
(i) **Demand Liabilities—**			
(a) Demand Deposits :			
(1) From Banks	67,15,45	61,91,59	51,57,54
(2) From others	11,96,43,52	11,93,91,22	9,70,41,86
(b) Borrowing from Banks	25,89,35	28,83,91	25,57,15
(c) Others	77,15,41	79,77,89	64,20,83
(ii) **Time Liabilities—**			
(a) Time Deposits :			
(1) From Banks	32,66,36	31,54,91	32,42,78
(2) From others	13,27,14,69	13,23,72,70	12,60,51,84
(b) Borrowing from Banks	15,95,37	16,88,56	18,05,97
(c) Others	13,04,55	13,06,29	9,97,95
(iii) **Borrowing from State Bank—**			
(a) Demand Liabilities	12,15,13	12,60,58	7,96,61
(b) Time Liabilities	26,42,31	28,99,24	16,52,00
(iv) Borrowing from Reserve Bank	2,27,75	5,04,90	2,25,40
(v) Cash	70,30,77	73,40,04	53,86,12
(vi) Balances with the Reserve Bank	96,64,11	99,85,60	92,81,86
(vii) Balances with other Banks in current account	23,17,93	23,17,70	20,90,37
(viii) Money at call and short notice	77,10,60	64,40,65	68,49,86
(xi) Investments in Central and State Govt. Securities	8,19,58,30	8,12,94,00	7,63,26,10
(x) (a) Loans, Cash Credits and Overdrafts	14,57,33,62	14,55,62,41	12,44,04,60
(b) Due from Banks	19,85,58	23,94,84	12,73,02
(xi) Inland Bills purchased and discounted	1,85,93,97	1,87,45,03	1,81,19,35
(xii) Foreign Bills purchased and discounted	76,42,59	77,32,17	58,21,99
(xiii) Total of X, XI and XII	17,39,35,76	17,44,34,45	14,96,18,96



THIS IS AN ANNOUNCEMENT AND NOT A PROSPECTUS. PERSONS INTERESTED IN FULL DETAILS ARE REQUESTED TO APPLY FOR A COPY OF THE PROSPECTUS FROM THE COMPANY'S REGISTERED OFFICE, BANKERS, BROKERS, AND UNDERWRITERS NAMED BELOW:

SOUTH INDIA SHIPPING CORPORATION LIMITED

(Incorporated on 22.1.1964 under the Companies Act, 1956)

Registered Office: — "Dhun Building", 175/1, Mount Road, Madras-2.

SHARE CAPITAL

		Rs.
Authorised Capital:		
5,00,000 Shares of Rs. 100/- each	... ...	5,00,00,000
Issued Capital:		
1. **Subscribed:**		
350 Equity shares of Rs. 100/- each by the Signatories to the Memorandum of Association	... ...	35,000
49,650 Equity shares of Rs. 100/- each by the Directors, friends and others	... ...	49,65,000
2. **Present Issue:**		
1,50,000 Equity Shares of Rs. 100/- each	... ...	1,50,00,000
		2,00,00,000
Paid-up Capital:		
350 Equity shares of Rs. 100/- each Rs. 50 per share paid up (Subscribed by the Signatories to the Memorandum)	... ...	17,500
49,650 Equity shares of Rs. 100/- each Rs. 25/- per share paid-up	... ...	12,41,250
		12,58,750

Out of the present issue:

1.(a) Messrs. Peninsular & Oriental Steam Navigation Co., Beaufort House, Gravel Lane, London E. 1, U.K., have agreed to subscribe and will be allotted 70,000 Equity shares (35% of the issued capital) of Rs. 100/- each at par for cash ... Rs. 70,00,000

(b) Messrs. Anglo Norness Shipping Co. Ltd. of Bermuda have agreed to subscribe and will be allotted 10,000 Equity shares (5% of the issued capital) of Rs. 100/- each at par for cash ... Rs. 10,00,000 — 80,00,000

NOW ISSUED FOR PUBLIC SUBSCRIPTION AT PAR FOR CASH

70,000 Equity Shares of Rs. 100/- each Rs. 70,00,000

BOARD OF DIRECTORS

1. **Sri A. D. Shroff**, (Chairman), Bombay House, 24, Bruce Street, Fort, Bombay-1, Indian. Business Executive.
   Director of: New India Assurance Company Limited (Chairman) Bank of India Limited (Chairman), Associated Bearing Co. Ltd. (Chairman), Bradma of India Limited (Chairman), Elpro International Ltd. (Chairman).
   Director of: Burmah Oil Co. Ltd, The Chartered Bank, Inchcape & Co. Limited (Chairman), Peninsular & Oriental Steam Navigation Company, Royal Exchange Assurance.

2. **The Right Honourable Kenneth James William**, Earl of Inchcape, 40, St. Mary Axe, London, E.C.3, England. British. Merchant.
   Alternate: **Mr. D. W. Law**, 'Coromandel House', Boat Club Road, Adyar, Madras-28. British. Merchant.
   Director of: Binny & Co. Ltd (Chairman), The Buckingham & Carnatic Co. Ltd. (Chairman), Bangalore Woollen, Cotton and Silk Mills Co. Ltd. (Chairman), Macneill & Barry Limited, State Bank of India (Madras Local Board).

3. **Mr. K. M. Campbell**, Tudor Manor, Bayford, Hertfordshire, England, British. Business.
   Director of: British India Steam Navigation Co. Ltd. The Chartered Bank, Peninsular & Oriental Steam Navigation Company, New Zealand Shipping Co. Ltd, Trident Tankers, Limited.

4. **Mr. J. W. Anson**, "Seaward" Mackinnons Bldg., 4, Ballard Road, Bombay-1. British. Company Director.
   Director of: Mackinnon Mackenzie & Co. Private Limited (Chairman), Mazagon Dock Ltd. Bombay Chamber of Commerce and Industry (Member of the General Committee) Bombay European Hospital Trust (Chairman of the General Committee and Trustee), British India Steam Navigation Co. (India) Private Ltd.

5. **Sri J. H. Tarapore**, "Dhun Building", 175/1, Mount Road, Madras-2. Indian. Business.
   Director of: Managing Partner: Tarapore & Co., Engineers and Builders, The Indian Mutual General Insurance Society Ltd (Chairman), The South India Carbonic Gas Industries Ltd. (Chairman), The Reinsurance Association of India (International) Ltd The Egmore Benefit Society Third Branch Ltd. (President).

6. **Sri C. S. Loganathan**, 6, Vasu Street, Kilpauk, Madras-10. Indian. Business.
   Director of: The Travancore Cements Limited (Chairman) The India Cements Limited, The Travancore Rayons Limited, Chemicals And Plastics India Ltd. The Cauvery Spinning & Weaving Mills Limited.

7. **Sri T. S. Narayanaswami**, 2, Dr. C. P. Ramaswami Iyer Road, Alwarpet, Madras-18. Indian. Industrialist.
   Director of: The India Cements Limited, The Industrial Chemicals Ltd, The Madras Industrial Investment Corporation Limited, The Madras Aluminium Co. Ltd. Chemicals And Plastics India Ltd.

8. **Sri K. Palani**, 25, Venkatanarayana Road, T. Nagar, Madras-17, Indian. Business.
   Director of: The India Cements Limited, The Industrial Chemicals Ltd. W. S. Insulators of India Ltd. The Madras Aluminium Co. Ltd. National Implements (India) Private Limited.

9. **Mr. V. S. S. Dempo**, Santa Cruz, Goa. Indian. Industrialist.
   Director of: V. S. Dempo & Co. Ltd. (Chairman and Managing Director) Dempo Brothers Pte. Ltd, Marmagoa Shipping & Stevedoring Co Pte. Ltd, Dempo Sons Pte. Ltd, Dempo Engineering Works Pte. Ltd.

BANKERS TO THE ISSUE

1. **The Bank of India Ltd.**, 175/1 Mount Road, Madras-2.
2. **The Punjab National Bank Ltd.**, 107, Armenian Street, Madras-1.
3. **The Central Bank of India Ltd.**, 158, Mount Road, Madras-2.
4. **The Indian Overseas Bank Ltd.**, 151, Mount Road, Madras-2.
5. **The Indian Bank Ltd.**, Indian Chamber Building, Esplanade, Madras-1.

LEGAL ADVISERS

1. **Sri R. Narasimhachari** and **Sri N. Varadarajan**, Advocates, "Sarnath", Dr. Rangachari Road, Madras-4.
2. **Sri T. Raghavan**, Advocate, 11-B, Mowbrays Road, Madras-18.

AUDITORS

1. **Messrs. Brahmayya & Co.**, Chartered Accountants, Andhra Insurance Building, Thambu Chetty Street, Madras-1.
2. **Sri K. Venkatasubbiah Naidu**, Chartered Accountant, "Dhun Building", 175/1, Mount Road, Madras-2.

UNDERWRITERS

The entire issue to the pubilc of 70,000 Equity Shares of Rs. 100/- each has been underwritten as follows:

Name and Address of Underwriter	Value of shares underwritten
1 **The Madras Industrial Investment Corporation Limited**, 23, Nungambakkam High Road, Madras-34.	Rs. 50,00,000
2. **The New India Assurance Company Limited**, New India Assurance Building, 87, Mahatma Gandhi Road, Fort, Bombay-1.	10,00,000
3. **The Bank of India Limited**, 70/80, Mahatma Gandhi Road, Fort, Bombay-1	10,00,000

BROKERS

MADRAS

1. **Paterson & Co.**, Vanguard House, 11/12, Second Line Beach, Madras-1.
2. **Chitra & Co.**, 322/323, Linghi Chetty Street, Madras-1
3. **Dalal & Co.**, 362, Esplanade, Madras-1.
4. **M/s. Subramaniam & Co.**, 14, Second Line Beach, Madras-1.
5. **Kothari & Sons**, Oriental Buildings, Armenian Street, Madras-1.

BOMBAY

1. **Lewis & Jones**, Bank of Baroda Building, Apollo Street, Fort, Bombay-1.
2. **Bathiwala & Karani**, Union Bank Building, Dalal Street, Fort, Bombay-1.
3. **P. R. Subramaniam**, 70-A, Stock Exchange Buildings, Apollo Street, Fort, Bombay-1.
4. **M/s. Mahadevia Bros.**, Stock Exchange New Buildings, Apollo Street, Fort, Bombay-1.
5. **M/s. Dhirajlal Maganlal Purshottamdas**, Stock Exchange Building, Apollo Street, Fort, Bombay-1.
6. **M/s. Merwanji Bomanji Dalal**, Allahabad Bank Building, Apollo Street, Fort, Bombay-1.

CALCUTTA

1. **Place, Siddons & Gough (Private) Ltd.**, 6, Lyons Range, Calcutta-1.
2. **G. M. Pyne**, Allahabad Bank Buildings, 14, India Exchange Place, Calcutta-1.

DELHI

1. **Harbans Singh Mehta & Co.**, 33, Regal Building, Parliament Street, New Delhi.
2. **P. Roy & Co.**, 3/8, M. M. Road, Junction Panchkuin Road, New Delhi-1.

OBJECTS AND PROPOSED ACTIVITIES

The Company proposes to engage in the world-wide tramping and coastal trade. With this end in view, the Company has, in the first instance, ordered five bulk carriers of about 38,100 DWT each from Bremer Vulkan Schiffbau und Maschinenfabrik, Bremen, West Germany, suitable for carriage of bulk cargoes, from light grains to heavy ores. The vessels are to be built to the design and specification approved by Sir Joseph W. Isherwood and Company Ltd., London, one of the world's most renowned firm of Naval Architects and Consultants, specially in ship design and supervision of construction of ships. The first bulk carrier is expected to be delivered about November/December 1965 and others at an interval of three months each thereafter.

APPLICATIONS

Copies of Application Forms and Prospectus can be obtained from the Company's Registered Office, from any of the above mentioned Underwriters, Brokers and Bankers to the issue named in the Prospectus or any of their main branches at the addresses given in the Prospectus.

THE SUBSCRIPTION LIST WILL OPEN AT THE COMMENCEMENT OF BANKING HOURS ON 2.12.1964 AND WILL REMAIN OPEN UNTIL THE CLOSING OF BANKING HOURS ON 9.12.1964 UNLESS CLOSED EARLIER OR LATER AT THE DISCRETION OF THE DIRECTORS BUT NOT BEFORE 7.12.1964.

THE DECCAN SUGAR AND ABKHARI COMPANY LIMITED

STATEMENT BY THE CHAIRMAN, MR. H. V. R. IENGAR

The following statement has been circulated to Shareholders of The Deccan Sugar & Abkhari Company Limited by the Chairman, Mr. H. V. R. Iengar.

Since we last met, the country has suffered an irreparable loss in the death of Jawaharlal Nehru. Millions of words have been written about him—his courage and sacrifice, his intense patriotism, his humanism, and his contribution to world peace. I am sure shareholders would wish to have recorded, in this statement, their grief at his passing away and their determination, in so far as they are concerned, to see that they make such contribution as they can to the carrying on of the great work which he launched as the first Prime Minister of India.

Profits & Dividend

Whilst the operating Profit for the year has been maintained more or less at the level of the previous year, the Net Profit after Taxation at Rs. 15.18 lakhs has recorded an increase of Rs. 3.00 lakhs. This was the result largely of the lower Bank and other Interest Charges during the year under review consequent upon a generally favourable cash position and the larger Profit Adjustments relating to previous years.

Shareholders will have received Allotment Letters in respect of the recent issue of Bonus Shares by capitalisation of the sum of Rs. 6.64 lakhs available in the Share Premium Account.

It will be seen from the Allotment Letters and from the Directors' Report and the Accounts for the year under review that the final dividend of 11.5 per cent when declared, making a total of 18 per cent for the year, will be payable on the Ordinary Share Capital as increased by the Bonus Issue.

Rehabilitation & Expansion

The expansion of the Pugalur factory from 1,000 to 1,250 tonnes cane per day has been completed and the new capacity will come into full effect from December 1964. The cost of the expansion was originally estimated at between Rs. 25 and Rs. 30 lakhs but because of the installation of two oil-fired boilers by Seshasayee Paper & Boards Limited it was not necessary to instal a boiler which had been previously ordered and therefore there will be a saving of about Rs. 7 lakhs so far as Pugalur is concerned. The boiler was transferred to Samalkot where it was required for the expansion from 800 to 1,000 tonnes. Your Directors do not think that the capacity at Pugalur should remain stabilised at 1,250 tonnes per day. Experts are now veering round to the view that an economic plant should have a minimum crushing capacity of 2,000 tonnes cane per day. Moreover, the Fourth Plan which is now in draft appears to contemplate a target production of 45 lakh tonnes sugar as against 35 lakh tonnes at the end of the Third Plan. It appears to the Directors that the Company should embark on a further expansion, but the extent of expansion is necessarily governed by the availability of finance on the one hand and adequacy of cane supplies on the other. Taking a view of all the factors concerned, your Company has applied to the Government of India for expanding the Pugalur factory from 1,250 to 1,500 tonnes. In addition to this expansion project, the Company would also have to find finance for rehabilitation as sections of the plant at Pugalur have reached or are reaching the end of their useful life. For example, the existing milling plant was originally installed at Nellikuppam in 1932/33 and added to in 1936; it is already obsolescent and is fast reaching the end of its life. Altogether, it is expected that the expansion of capacity together with the rehabilitation of machinery would cost Rs. 60 lakhs, the main item of expense being a new 15-roller milling plant costing Rs. 44 lakhs.

At Samalkot the rehabilitation of the plant and machinery has been proceeding apace with the factory's expansion from 800 to 1,000 tonnes. The new capacity will come into effect from January 1965. While, therefore, the rehabilitation and expansion programme as envisaged five years ago may be said to have been completed with a total expenditure of Rs. 40 lakhs so far, shareholders will realise that replacement of plant and machinery is a continuous process and it is desirable that a forecast of further replacements over, say, the next five years be made. Such a re-appraisal has now been made and it is estimated that a sum of Rs. 25 lakhs spread over the next five years will be required for this purpose. In addition, the distillery is in urgent need of rehabilitation and, unless its efficiency is improved, its working will prove uneconomical at the present controlled price of industrial alcohol. It is estimated that this will cost nearly Rs. 8 lakhs.

It will be seen that the order of expenditure envisaged at Pugalur and Samalkot over the next five years is likely to reach the very high figure of a little over Rs. 90 lakhs. Proposals for financing this large expenditure are under active consideration of the Board. In the meanwhile, it has been thought prudent to strengthen the Rehabilitation Reserve by the transfer of Rs. 5.30 lakhs from the profits of the current year and it now stands at Rs. 14 lakhs—a modest figure compared with our requirements of plant and machinery at current high costs. I have referred later on in this speech to the need for Government conceding, in the controlled price of sugar, an allowance for rehabilitation of worn-out machinery.

Sugar Production

The Pugalur factory produced, during the year under review, 24,654 tonnes of sugar compared with 17,537 tonnes in the previous year. Shareholders will recall that production in the latter year was lower than the normal output of 20,000 tonnes on a crushing capacity of 1,000 tonnes cane per day because of the restriction imposed by the Government of India in 1962. The production of 24,654 tonnes was achieved by crushing all the available cane in the area; thereby the season, which normally ends in the first week of May, had to be extended till 12th June. As a consequence, the average recovery dropped from 10.34 per cent for the previous season to 9.25 per cent. The consolation is that at a time of countrywide sugar shortage the factory produced an extra 7,117 tonnes of sugar over the previous year and nearly reached the record figure of 24,795 tonnes achieved in 1960/61. It is hoped to produce 27,000 tonnes sugar in the current financial year.

A new record was established at your Samalkot factory with a crush of

With our 14 branches overseas and over 1000 correspondents almost all over the world, we are well equipped to assist you in every way.

Trade enquiries? Letters of Introduction? Credit information and status reports? Exchange Control Regulations? Travellers' Cheques? Remittances? Purchase and sale of foreign currencies? Import problems? Export problems?

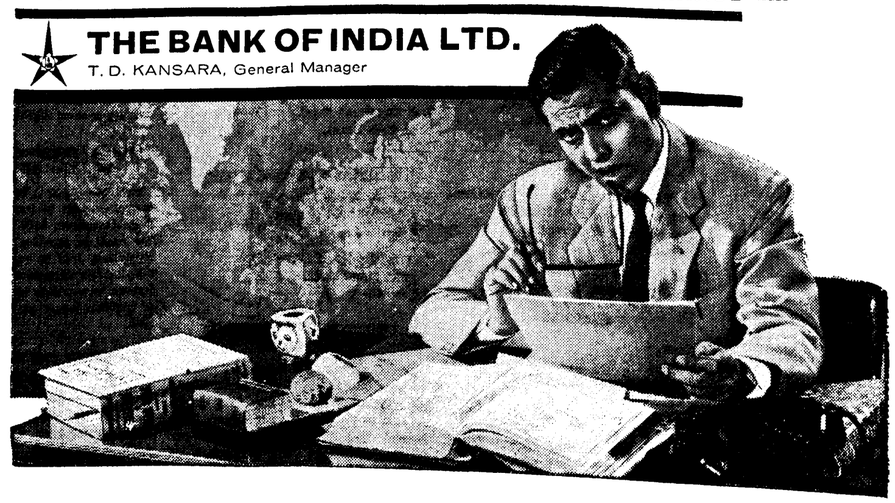
Bring your problem to us and let us guide and assist you.

PROBLEMS IN FOREIGN EXCHANGE ?

B/C/190

THE BANK OF INDIA LTD.

T. D. KANSARA, General Manager



1,54,413 tonnes cane against 1,05,993 tonnes in the previous year. 8,500 tonnes raw sugar was produced for export and 6,784 tonnes white sugar for internal consumption, but here again the recovery fell to 9.7 per cent from the previous year's figure of 10.66 per cent. A good crop is in prospect for 1964/65.

Cane Price

Pugalur: The Government of India fixed a cane price of Rs. 52.20 per tonne from 1st November, 1963, the start of the official sugar year. The controlled cane and sugar prices for the previous season were Rs. 48.60 per tonne and Rs. 111.20 per quintal respectively. With the cane price increased by Rs. 3.60 per tonne the corresponding sugar price, to take into account the full incidence of the additional cane cost, should have been at least Rs. 116.00, but Government allowed only Rs. 115.00. Thereafter, Government raised the cane price by another Rs. 1.90 per tonne without any increase in the sugar price. The claim of the industry for the difference of Rs. 2.00 per quintal of sugar was rejected on the ground that there was an adequate cushion in the existing sugar price. However, seven months later—by then a major portion of the output had already gone into consumption—the sugar price was increased by Re. 1/- per quintal. Similarly, at Samalkot the cane price which was Rs 51.80 for the 1963/64 season was increased to Rs. 53.70 without a corresponding increase in the sugar price. Shareholders will have noticed with satisfaction, however, that the sugar prices for the current season which have just been announced appear to make adequate provision for the additional cost of cane.

Depreciation

Reference has already been made to the need for further replacements and modernisation at Samalkot and expansion of your Pugalur factory. In an era of more or less stable prices it is possible to replace an asset at the end of its life from the accumulated depreciation on the assets, but when new plant and machinery cost three to four times the original cost it is obvious that the extra expenditure cannot be met from the Company's internal resources and we have to have recourse to fresh capital or loans. The amount of depreciation allowed in the controlled sugar price calculated according to income-tax rules can hardly cover the present-day cost of replacement. It is for serious consideration whether replacement costs should not be taken as the basis for calculating depreciation or, if this is not practicable, whether a special rehabilitation allowance of adequate magnitude is not a fair charge to be included in the cost structure of sugar. Now that the Tariff Commission has been asked to conduct a fresh enquiry, it is to be hoped that a fresh approach will be adopted in tackling the problems of the sugar industry which is the country's second biggest industry, contributing to the exchequers of the Central and State Governments nearly Rs. 95 crores per year.

Distillery

The distillery at Samalkot fared much better than in the previous year. Most of the production was diverted to Defence requirements. The distillery is more than fifty years old and for this reason the cost of production is high. As mentioned earlier, your Board is giving careful consideration to the question of modernising the plant.

Staff and Labour

I am glad to report that our staff and labour relations continued to be cordial during the year under review. This has undoubtedly helped in the Company having what I hope the shareholders will consider another successful year.

The above statement is not a report of the proceedings of the Annual General Meeting, which will be held on the 30th November, 1964.

This is only an announcement and not a Prospectus and persons interested are requested to apply for a copy of the Prospectus for full details.

ISSUE OF RS. 40,00,000 7% DEBENTURE STOCK 1967/77

INDIA PAPER PULP COMPANY, LIMITED

(Incorporated on 4th April, 1918, under the Indian Companies Act VII of 1913)

Registered Office: 8, Clive Row, Calcutta.

SHARE CAPITAL

Authorised: **Rs. 1,50,00,000 divided into 15,00,000 Ordinary Shares of Rs. 10 each.**

Issued and fully paid up: **Rs. 1,23,48,000.**

PRESENT ISSUE

Rs. 40,00,000 7% (taxable) Debenture Stock 1967/77 in units of Rs. 1,000 each at par payable in full on application.

The Directors have been informed by the Underwriters and their friends of their intention to apply for Rs. 20,00,000 of stock on firm basis which will be allotted in full. The balance of Rs. 20,00,000 is now offered for public subscription.

Application must be for multiples of Rs. 1,000 with a minimum of Rs. 1,000.

DIRECTORS

Mr. A. D. Ogilvie, Merchant, 26, Ballygunge Park, Calcutta-19.

Mr. G. L. Bangur, Landlord and Merchant, 65, Sir Hariram Goenka Street, Calcutta-7.

Mr. S. Gupta, Merchant, "Indu Loka", Block A, 17 N.B., New Alipore, Calcuta-27.

Sir Asoka K. Roy, Barrister-at-Law, 3, Upper Wood Street, Calcutta-16.

Lord Sinha of Raipur, Barrister-at-Law, 7, Lord Sinha Road, Calcutta-16.

Mr. C. I. Turcan, Merchant, 10-A, Alipore Park Road, Calcutta-27.

MANAGING AGENTS

Andrew Yule & Company, Limited, 8, Clive Row, Calcutta-1.

TRUSTEES FOR THE DEBENTURE STOCKHOLDERS

The Industrial Credit & Investment Corporation of India Limited, 163, Backbay Reclamation, Bombay-1.

UNDERWRITERS

The Industrial Credit & Investment Corporation of India Limited, 163, Backbay Reclamation, Bombay-1.

Place, Siddons & Gough (Private) Ltd., 6, Lyons Range, Calcutta-1.

BROKERS

Calcutta:

Place, Siddons & Gough (Private) Ltd., 6, Lyons Range Calcutta-1.

Bombay:

Lewis & Jones, Bank of Baroda Bldg., Apollo Street, Fort, Bombay-1.

Messrs. Batlivala & Karani, Union Bank Bldg., Dalal Street, Fort, Bombay-1.

Messrs. Harkisondass Lukhmidass, Stock Exchange Bldg., Apollo Street, Fort, Bombay-1.

Madras:

Messrs. Patterson & Co., Post Box No. 48, 32/33, Linghi Chetty Street, Madras-1.

Delhi:

Messrs. Harbans Singh Mehta & Co., 33, Regal Bldg., Parliament Street, P.O. Box No. 300, New Delhi-1.

Messrs. Raj Paul Chadha & Co., Delite Cinema Bldg., Asaf Ali Road, New Delhi.

BANKERS

The State Bank of India, 8, Netaji Subhas Road, Calcutta-1.

Mercantile Bank Limited, 8, Netaji Subhas Road, Calcutta-1.

The Chartered Bank, 29, Faiz Bazar, Delhi-6.

BANKERS TO THE ISSUE

Mercantile Bank Limited, 8, Netaji Subhas Road, Calcutta-1.

The Bank of India Limited, 23-B, Netaji Subhas Road, Calcutta-1.

EXISTING AND PROPOSED ACTIVITIES

The Company has been carrying on the business of paper and paper board manufacturers for the past 42 years in its Mill at Hazinagar near Naihati, West Bengal. The Company has three Paper Making Machines, and production of paper and paper board during the year ended 31st March, 1964 was 16,636 tonnes.

Following on successful experiments carried out by the Mill in 1960/61 when it was proved that a satisfactory pulp for paper making could be produced from jute sticks, the Company obtained an Industrial Licence to expand its pulping capacity using jute sticks as the raw material. The new Jute Sticks Pulp Plant which is in course of erection will be commissioned in the first half of 1965 and, together with the production of bamboo pulp from the existing plant, will give a total pulp production of 23,000 tonnes a year.

The Company has also obtained Industrial Licences for expansion of its paper making capacity to 23,000 tonnes a year to be brought about by the renovation and speeding up of each of its paper making machines progressively from mid 1965 until 1967.

After completion of these projects the Mill will be a balanced unit with a production of at least 23,000 tonnes of both pulp and paper a year.

LOCATION

The Company's Mill is situated at Hazinagar near Naihati, West Bengal.

DATE OF OPENING AND CLOSING OF SUBSCRIPTION LIST

The subscription list will open at the commencement of banking hours on the 30th November, 1964 and will close at the close of banking hours on the 9th December, 1964 or earlier at the discretion of the Directors of the Company, but not in any case earlier than the close of banking hours on the 2nd December, 1964.

COPIES OF THE PROSPECTUS AND APPLICATION FORMS WILL BE AVAILABLE FROM THE REGISTERED OFFICE, UNDERWRITERS, BANKERS AND BROKERS NAMED IN THIS ANNOUNCEMENT.

New Delhi

OIL COMBINE CLARIFIES TERMS FOR MADRAS REFINERY

(FROM OUR NEW DELHI CORRESPONDENT)

THE Iranian-American combine consisting of the American International Oil Company and the National Iranian Oil Company, which has been finally selected to build the Madras refinery with a capacity of 2.5 million tons, has elucidated the three points raised by the Government It has given an unequivocal guarantee on the refineability of the Darius crude which would be used at the refinery. As for the Indian demand for the most-favoured-nation treatment in relation to the discount, the combine has assured the Government of India such treatment as long as comparable terms for the sale of crude are recognised. The combine has expressed its desire to make the loan flexible, the amount of which could be stepped up, say, by $5 million. The Government wanted an additional foreign exchange loan of $10 million for financing the fertiliser plant, the credit offered having been regarded inadequate. Under the original proposal, the N.I.O.C.-A.I.O.C. investment in the project was to amount to $58.4 million, $14.9 million in equity and the remainder $43 5 million as a loan. The foreign exchange cost of the refinery, which will include the desulphurisation plant, a hydro-cracker and a lubricating plant, is placed at $17 million, of the ammonia plant at $6.4 million and the fertiliser-*cum*-petrochemical complex at $25 million.

The combine has committed itself to finance the aromatic-based petrochemical project. It is, however, explained that the proposed refinery capacity with the fertiliser plant would have no room either for a naphtha cracker or for an aromatic-based petro-chemical complex. It is also explained that the A.I.O.C. has specialised itself in establishing aromatic complexes. A complex of this nature, it is suggested, should be located elsewhere, say, in Gujarat. The Government is presently engaged in examining the proposals to finalise the deal. Under the draft agreement, the Government of India, at its own instance, wanted to have 64 percent in equity capital, against 51 percent originally offered by the combine. The remaining 26 percent would be shared by the two foreign partners. In the nature of things, with a reduced share in the equity of foreign collaborator, the requirements of foreign exchange shall have to be met through loans. The combine's share in the equity capital will partly finance the plant and equipment for the refinery. The balance will be financed through a loan of over $40 million to be advanced to India by the two American banks whose representatives were here last month. Carrying an interest of 5 percent, the loan will be repayable in 25 half-yearly instalments starting from one year after the refinery goes on stream. The refinery will be based on 34 gravity Darius crude from the offshore Iranian oilfield jointly owned by the N.I.O.C. and the A.I.O.C and will include a sulphur treatment plant, producing 16,000 tons to 18,000 tons of the much-needed sulphur. The Darius crude price will be $1.35 a barrel. The two Companies agreed to allow 180 days' credit on crude supplies for the first five years, followed by 150 days' credit for two and a half years, 120 days' credit for the subsequent two and a half years, and 90 days' credit thereafter. Initially, there will be a joint venture company owning and operating the fleet of tankers which, over the course of years, will become India's property.

No More Negotiations

Two things emerge from the Government's decision. Firstly, there will be no further negotiations with other oil companies on the refinery or the reopening of negotiations with the N.I.O.C. and the A.I.O.C. Secondly, the Government is anxious to clinch an agreement which, with some give and take, should be signed in a final form during the month. Enquiries show that there would be no imports of crude other than Darius for blending purposes. The hydro-cracker is being included in the project at the request of the Government. The cracker will convert furnace oil into kerosene and H.S.D. and thereby reduce the lack of balance in the demand structure of the oil products. India has to import these products in large quantities at present. Under the proposed scheme, the fertiliser plant will be financed from the loan which, in the nature of things, would be paid out of profits. This will accelerate the fertiliser production programme. Darius crude without credit facilities, as reported earlier, is priced at $1.35 a barrel, against Aghajari crude priced at $1.57 a barrel and used by some private-sector refineries in India. The first year's saving in crude prices should pay for the desulphurisation plant. Pending the creation of a joint tanker company, the combine has offered to secure most favourable tanker rates.

INDUSTRIES

Policy Being Reconsidered

There has been fresh thinking in New Delhi on the principles which should guide India's industrial expansion. So far the planning for industrial growth was linked with internal demand. On the twin basis of the rise in population and the average yearly increase in demand, a production target, say, for 1966 was determined. Additional capacity was planned after considering the existing installed capacity. According to present thinking in New Delhi, some industries will be selected, which have an export potential. Capacity for these industries will be so created as to compel the entrepreneur to seek avenues for export with or without State assistance. The case of tyre and tube industries should illustrate the point. Under present conditions, the units manufacturing these items are compelled to export.

Such capacity, it is suggested, should be created in identified sectors and the existing rigidities should be relaxed for their expansion. As the profit motive, as distinct from the earning of foreign exchange is a dominating feature of the private sector, an expanding rôle for the State in export-oriented industries has been emphasised. It is largely for this reason that a State-owned fisheries corporation has been set up. Textiles and shoes could be some other items which could be produced by public undertakings.

The Prime Minister, Mr. Lal Bahadur Shastri, it will be recalled, recently suggested the setting up of some textile mills in the public sector to meet the demands of the home market. Another view is to entrust the export trade in textiles to the public sector and leave the private sector to meet the demand of the home market.

RURAL ELECTRIFICATION

Fourth Plan Target

The Central Ministry of Irrigation and Power has decided to electrify all villages in Delhi State. Opinion is gaining ground that the electrification of villages is of paramount importance. So far 45,000 villages have been electrified in India, about 2,500 being in the third plan. There are more than 500,000 villages in India; and at the present rate of progress, it may take about 100 years to supply electricity to every village for domestic, industrial and irrigation purposes. The Ministry has planned to electrify 100,000 villages at a cost of Rs. 300 crores during the fourth plan.

The fourth plan target for power generation is placed at 22 million kilowatts, against 12.5 million kilowatts during the third plan, while the capacity actually created amounted to 10.5 million kilowatts.

A 500-megawatt station is planned for the Delhi, Punjab, Rajasthan and U.P. grid, eventually to be raised to a capacity of 1,000 megawatts. It will be operated by a central generating authority.

EASTERN EUROPE

Trade Prospects

The following is the review and prospects of India's trade with Czechoslovakia, Rumania, Bulgaria and Hungary:

Czechoslovakia: The trade figures of imports and exports for the first ten months of 1964 are about Rs. 15 crores each way. The likely target of trade for 1965 are placed at Rs. 24 crores each way. Under the 1965 trade plan, Czechoslovakia has agreed to use all funds available in India for the purchase of goods in the country. Secondly, the purchase of components and spare parts for tractors has been considerably increased with a view to raising the production of tractors in India The intake of capital goods in 1965 is likely to be more than in 1964. The sale of tyres and tubes, tea and tinned fruits from India has risen. Czechoslovakia is interested in placing fairly large orders for railway wagons, and a delegation from that country is already here to work out the details. They are also interested in buying vitamin and hormone intermediates.

Rumania: The trade for 1964 did not come up to expectations. Arrangements, however, have been made to step up trade during the remaining period of 1964. A-15 percent increase in the trade is envisaged for 1965 or a trade of Rs. 8 crores each way. Rumanians have agreed to buy a fairly heavy quantity of iron ore for their Galatz steel plant in spite of competition from Brazil and Egypt in the iron ore trade. India has also agreed to export Rs. 1.50 crores worth of textiles, of which handlooms will account for Rs. 5 lakhs. As for imports from Rumania, India has been promised 10,000 tons of caustic soda and a similar quantity of heavy and light soda ash. She has also been promised Rs. 40 lakhs worth of urea and axle oil worth Rs. 90 laks required for the Indian railways.

Bulgaria: The trade target for 1964 is about Rs. 4.5 crores each way. For 1965, the trade each way is placed at about Rs. 5.5 crores. This, on the import side, includes Rs. 60 lakhs worth of zinc and some additional quantities of caprolactum.

Hungary: The target for 1964 is about Rs. 12 crores each way. Its implementation during the first ten months of the current year has been of the order of Rs. 10 crores each way. The trade for 1965 is envisaged at Rs. 14.5 crores each way. Indian exports for 1965 are to be increased for such commodities as cotton textiles, leather footwear, chemical products and engineering goods. Hungarians have also shown interest in railway wagons and a delegation is here to work out the details. Side by side, India has reduced the import of wheels and wheel sets since these are being produced in Durgapur. This is offset by the increased imports of chemicals and various kinds of drugs in bulk, including sera and vaccines.

Trade with Western Europe

Of the west European countries, India has the biggest adverse balance of trade with West Germany which is partly due to the fact that she is importing essential machinery and equipment under credit. In the case of other west European countries, the trend of exports from India for the period April-August 1964-65, compared with the corresponding period in 1963-64, shows an improvement. India's intensive export promotion drive to west European countries, including efforts to export minerals and ores especially to West Germany, is expected to minimise her adverse balance of trade in 1964-65.

The trend of exports to most of the countries of Asia and Africa in the first five months of 1964-65, compared with the corresponding period of last year, shows a great improvement. It is expected that the adverse balance of trade with many of the countries in these two regions will be considerably reduced in 1964-65.

India's big adverse balance of trade with the U.S.A. in 1963-64, largely due to heavy imports of food under PL-480 and other imports under U.S. A.I.D. it is expected, will be somewhat reduced this year as indicated from the trend of exports in the first five months of 1964-65.

Attention is also being paid to increasing the favourable balance of trade with the Latin American countries in the current year. An Indian trade delegation visited Latin America recently to explore the possibility of increasing the total turnover of trade with the countries in this region.

At the present rate of exports, total exports in 1964-65 are expected to reach the record level of over Rs. 810 crores.

FOREIGN TOURS

Results of Ministerial Visits

Two Ministers of State and one Deputy Minister have lately been touring abroad. The Deputy Minister of Commerce, Mr. S. V. Ramaswamy, was doing eastern Europe last month. India had made five-year trade arrangements with all countries of eastern Europe, except East Germany, last year. Annual trade plans are made under them. So far, they were negotiated by the Joint Secretary to the Central Commerce Ministry, Mr. Vohra. This year, Mr. Ramaswamy took out a team to do this work. Speaking at a Press conference after his return, Mr. Ramaswamy claimed that his efforts

would help increase India's trade with these countries by 25 percent. A similar claim was also made when the agreements were signed last year.

As far as the current year is concerned, Mr. Ramaswamy admitted that trade figures with Czechoslovakia were about Rs. 15 crores each way, but "there are still two months to go." Trade with Rumania in 1964 was not up to the mark and with Bulgaria 75 percent of the targeted figure. Trade with Hungary was Rs. 2 crores below the expectation which, he said, was "quite a satisfactory percentage". All these shortfalls would be converted into an additional turnover in 1965, thanks to the persuasive efforts of Central Commerce Ministry officials.

The Minister of State for Oil, Mr. O. V. Alagesan, did one better. On his return from the U.S.A., Canada and Japan, he made the announcement that a joint "Anglo-American" proposal had been received for setting up a naphtha cracker and a petro-chemical complex in Gujarat. The programme included the manufacture of synthetic rubber plastics. Details of this offer were, however, received by the Central Oil Ministry during Mr. Alagesan's absence from India.

Earlier this year, I.C.I. had secured the Government's permission to form a consortium in June this year. I.C.I. was able to reach an agreement with Phillips Petroleum of the U.S.A. to form two companies, one with the Government to set up a 400,000-ton naphtha cracker and the other a public limited company in the private sector, which is to manufacture later ethylene, polythylene, vinyl acetate, vinyl chloride, P.V.C. products, high-density polythylene by the Phillips method, synthetic rubber, carbon black and man-made fibre. The estimated cost of the project is placed at Rs. 53 crores, half of which will be in foreign exchange. I.C.I. and Phillips Petroleum will hold a 50-percent share in the equity capital of the naphtha cracker company, the Government holding the balance of 50 percent. They will form a second company in the private sector for the end-products. The foreign exchange cost of the two schemes will be met partly by the contribution to the equity capital of the Anglo-American combine and partly from loans. The scheme was submitted to the Government early this month. Incidentally, Mr. Alagesan did not disclose the results of his talks in New York with Dow Chemicals which had asked for the details through diplomatic channels.

Meanwhile, the Minister of State for Finance and Planning, Mr. Baliram Bhagat, has been touring Russia and Britain. His achievements are also being eagerly awaited.

RUSSIA

Trade with India

Letters were exchanged here last week, embodying the trade arrangement for 1965 between India and Russia. It is estimated that the volume of Indo-Russian trade this year will amount to about Rs. 80 crores to Rs. 85 crores each way, India's exports to Russia being about Rs. 80 crores to Rs. 85 crores in 1964.

It has been agreed to increase the trade further by about 50 percent during 1965 to reach the level of about Rs. 125 crores each way. This will mean an increase of about Rs. 40 crores in India's exports to Russia, compared with those for 1964. As the trade between the two countries is a balanced one, imports from Russia and credit repayments will be equal to India's exports. Thus the trade targets, which were agreed to between the two countries for 1966 under the long-term trade agreement, will now be reached in 1965.

About 40 percent of the total exports from India in 1965 will consist of manufactured goods. Russia has shown interest in engineering products, particularly new items such as electric transformers, air-conditioners (indoor), water-heaters (household), accumulators, textile machinery, knitting machines, twist drills, and among chemicals and other products, specially B.H.C. powder, zinc phosphide, mercurial seed dressings, calcium carbide, bleaching powder, detergents, chrome pigments, wire enamel, rosin, woollen knitwear, men's shirts, spectacle frames, linoleum, sports goods, sheets and turkish towels, dyed handkerchiefs and tarpaulins besides other products.

The percentage of tanned and semi-tanned goatskins to be purchased by Russia in 1965 will be increased to 55 percent, the tanned skin being in larger quantities than the raw goatskins.

Imports from Russia will include machinery and equipment and spares and components for such important projects as Harduaganj, Pathratu and Balimela powder stations, irrigation projects, and various Indo-Russian projects like Bhilai, Ranchi, and Hardwar. In addition, Russia will supply essential materials like mineral oil products, ammonium sulphate, non-ferrous metals, pig iron, tinplates and rolled steel products.

AUSTRALIA

Expanding Trade with India

A nine-member delegation of Australian business men led by Mr. A. J. White, now in the capital, had a meeting with the Central Minister of Commerce, Mr. Manubhai Shah, during the past week.

The talks mainly concerned the expansion of trade and economic co-operation between India and Australia and the establishment of joint ventures by Australian entrepreneurs in India. The scope for increasing the export from India of such items as tea, coffee, jute, black pepper and manufactured goods and the import from Australia of tallow, wool, raw hides and skins was discussed.

The starting of joint enterprises in India making use of raw hides and skins and of Australian tallow and the import of wool for commission combing and commission spinning for re-export were considered. Various other aspects of India's policy of welcoming foreign capital and technical know-how in approved enterprises within the framework of the country's Industrial Policy Resolution and five year plan programmes were also discussed.

The Australian team expressed its appreciation of India's policy and indicated that it would explore the possibilities of expanding economic and trade relations between the two countries.

FOOD CORPORATION

Bill Introduced

The Central Food Minister introduced in the Lok Sabha last week a Bill to set up the State-owned and State-managed Food Corporation of India. It will undertake the purchase, storage, movement, transport, distribution and sale of foodgrains and other foodstuffs. With the previous approval of the Central Government, the Corporation may also promote, by such means as it thinks fit, the production of foodgrains and other foodstuffs. It may also set up or assist in setting up rice mills, flour mills and other undertakings for the processing of foodgrains and other foodstuffs.

The capital of the Corporation, which will be wholly subscribed by the Central Government, will be Rs. 100 crores. It will be empowered to borrow money from the scheduled banks and other banks or financial institutions for the purpose of carrying out its functions under the Act. Such loans may be guaranteed by the Central Government. The Corporation may lend or advance money to any person engaged in the production of foodgrains, on the security of foodgrains or other approved securities. The Corporation, it is expected, will commence functioning from 1st January, 1965. The Bill empowers the Central Government to set up, after consulting the State Government concerned, a State Food Corporation for that State. The capital of such a State Corporation shall not exceed Rs. 10 crores. The ceiling is subject to an increase from time to time and to the extent and in such manner as the Central Government may determine. The capital of the State Corporations shall be provided by the Central Government and the Food Corporation of India in such proportion and subject to such terms and conditions as may be determined by the Central Government.

PETROLEUM

Duties Raised

The effective rates of additional excise duties leviable under the Mineral Oils (Additional Duties of Excise and Customs) Act, 1958, on the major petroleum products were raised from 6th October, 1964, for appropriating amounts accruing in the account of the oil companies in favour of the Government. However, even at the increased rates, it will take a fairly long time to adjust the entire amount standing in favour of the Government. To facilitate the quick recovery of this amount, it has been further decided to increase the rates of additional excise and Customs duties with effect from 19th November, 1964.

As in the past, this increase will be borne wholly by the oil companies and will not result in any increase in the wholesale or retail prices of the affected petroleum products.

AIR-INDIA

Arrangement with U.K.

The U.K. Government is prepared to permit the picking up of traffic from Moscow by Air-India if there is an intermediate halt between Moscow and London. This does not suit Air-India which wants a direct flight to save time and attract through passengers. The U.K. Government alternatively wants that, in order to protect the interests of the British European Airways, which has developed the Moscow-London route, and until the British Overseas Airways Corporation provides service to India through Moscow, Air-India should carry only stop-over traffic between London and Moscow. This suits Air-India better than the original permission to lift traffic with an intermediate stop and has been agreed to.



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SHIPPING

Cess on Passengers

In terms of Section 261 of the Merchant Shipping Act, 1958, it is proposed to levy a passenger welfare cess on overseas passengers carried by unberthed passenger ships departing or proceeding from any port or place in India.

The passenger welfare cess will be applicable to the following routes where unberthed passenger ships are now being operated, namely, the India-Pakistan, India-Persian Gulf, India-east Africa, India-Red Sea ports (when Mogul Lines' pilgrim ships are employed for the carriage of unberthed passengers), and the India-Malaya routes.

The proposed rates are as follows: (a) for every unberthed passenger Re. 1, (b) for every saloon of cabin class passenger Rs. 2 and (c) for every child for whom half-ticket is issued half the rate specified for class (a) and class (b) as the case may be. The fund collected is proposed to be used for providing amenities and assistance to unberthed passengers such as rest houses, medical aid and financial assistance to needy and distress passengers. The estimated annual yield from the cess is placed at Rs. 1 lakh.

Loan for Methanol Plant

The U.S. Government has granted a $7.8-million loan for a methanol plant in India. It is repayable in dollars in 61 semi-annual instalments over a period of 40 years, inclusive of a grace period of ten years from the date of first disbursement under the loan. Interest is payable semi-annually in dollars at the rate of three-quarters of 1 percent a year during the first ten years and thereafter at the rate of 2 percent a year for the remaining 30 years. Interest would accrue from the date of respective disbursements under the loan and the first instalment is to be paid six months after the first disbursement.

R. S. N.

Financial Assistance Wanted

Messrs Rivers Steam Navigation Co. Ltd has submitted a "plan" requesting for financial assistance to the extent of Rs. 5.65 crores. Its request is being examined by the Government.

TRACTORS

Imports Planned

Arrangements have been made for the import of 2,303 tractors from Russia, Poland, and Czechoslovakia and 412 power-tillers from Japan during the current year. For the next year, arrangements have been made for the import of 1,500 tractors from Russia and 546 power-tillers from Japan.

IRRIGATION

Third Plan Potential

At the time of the mid-term appraisal of the third plan, the irrigation potential likely to be created was placed at 23.16 million acres. As a result of a recent review of the progress of projects by the Central irrigation teams, this potential by the end of the third plan would be 19.62 million acres.

FOREIGN BANKS

Deposit with Reserve Bank

Foreign banks which are now operating in India are required to deposit with the Reserve Bank, either in cash or in the form of approved securities (a) an amount of Rs. 20 lakhs in each case and (b) a sum equal to 20 percent of the profits of each bank for each year in relation to the business transacted in India. The total amount required to be deposited with the Reserve Bank as at the end of December 1963 was Rs. 3.12 crores. The face value of the approved securities actually deposited was Rs. 4.84 crores.

The net profit earned in India during the calendar year 1963 by the branches of the 14 foreign banks operating in India amounted to Rs. 1.87 crores.

I. D. A.

Loan for Schemes

The International Development Association, which is an affiliate of the World Bank, has indicated its willingness to consider the financing of the further stages of the U.P. tubewells scheme and the Punjab drainage and flood protection scheme, it is disclosed here.

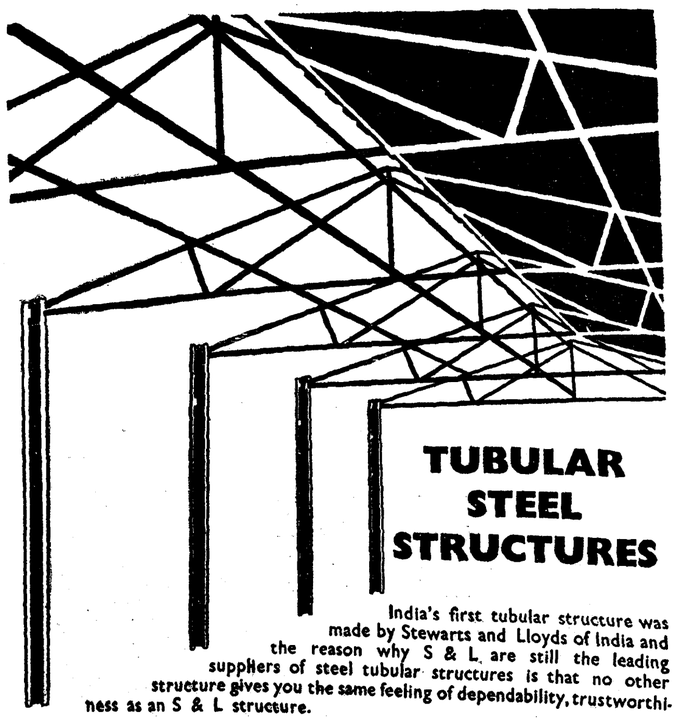
CABINET SECRETARY

Mr. Khera Retires

A great civil servant, Mr. S. S. Khera, retired during the past week. He was the Cabinet Secretary and served under three Prime Ministers, the late Mr. Nehru, Mr. Gulzarilal Nanda and Mr. Lal Bahadur Shastri. Soon after the Chinese invasion, he became the Principal Secretary for Defence at a time when the Central Defence Minister had resigned, the Defence Secretary had retired, and the Chief of the General Staff for the Army had followed suit.

The Cabinet Secretary is regarded as the head of the Civil Service and, in that capacity, he can play an important rôle in stabilising the administration. Two definite gains were achieved during Mr. Khera's tenure. It was decided that each Secretary should send a weekly report to the Prime Minister. Here again, the men, who have been picked up by the Ministers concerned, may not make reports which might expose their chiefs. Under the present structure, the innovation has, therefore, only limited utility, so long as civil servants are not assured of some protection for differing with their Ministers.

The second gain is the briefing of the Press by the Cabinet Secretary about decisions taken by the Cabinet. So far these decisions leaked out from Ministers, who had taken a solemn oath to maintain secrecy.



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LABOUR SEARCH FOR AN INCOMES POLICY IN BRITAIN

(FROM OUR LONDON CORRESPONDENT)

FOLLOWING on the Budget, the battle over which continues but with less impact on the public than the importance of the subject demands, it is possible to turn one's attention to the real purpose behind Mr. Callaghan's efforts at adjusting the social balance. For the next few months, the Labour Government's economic strategy will be devoted to furthering its search for an incomes policy. In the process, both sides of industry are being hustled by Mr. George Brown.

When the Minister of Economic Affairs met the General Council of the T.U.C. last week, he told the members of the Government's determination to establish a relationship between increasing productivity and all forms of incomes. According to Mr. Brown's timetable, the first stage of the operation—the acceptance by unions and employers of the main objectives—should be reached before Christmas and completed by the end of this year. So far as Mr. George Woodcock, the T.U.C. General Secretary, represents the views of his colleagues, it may be said that the Unions' response was not unsatisfactory. What Mr. Woodcock said was: "It was still a general discussion, but a more workmanlike discussion than we have had for some while". He thought Mr. Brown's performance in outlining the Government's ideas was "not bad," which is fairly high praise coming from him. But it will be up to the full General Council to decide whether it can jump the first hurdle—that is, agree to work with the Government and employers towards a long-term incomes policy. The process of decision has already begun, but more talks between the T.U.C. and the Government are anticipated before even this first hurdle is taken.

It can now be said that the T.U.C. has been challenged in the sense Mr. Woodcock has been using the word—it has been asked a specific question which demands a specific answer. But according to accounts of the meeting, the Government has not spelled out in detail any view of how priorities should be worked out between sections of workers or by what machinery the incomes policy should be administered. Agreement will be sought on these problems—all of them riddled with pitfalls—in subsequent phases of the policy, culminating, it is the Government's hope, by next summer, in an arrangement which will be at least plausible.

Price Review Council

Indications are that the Price Review Council, or whatever it may be called, will play an important part in the overall scheme. It may be given two wings, one to cover administered prices, the other to cover wages and salaries. To be effective it will have to be able to do more than look at these questions in retrospect, which was all the powerless National Incomes Commission could do. The Government will wish to win the agreement of the T.U.C. and the employers to the body's terms of reference. The T.U.C. objected to the N.I.C. and boycotted all its work on the grounds that it was operating in a vacuum, charged with defining the "national interest" and seeking to impose its view on the unions. These objections might vanish if criteria for judging wages and prices could be agreed: the criteria would in effect be the criteria of the incomes policy itself.

Some form of guiding light was an implied part of the incomes policy as broadly envisaged by the Government, but the phrase, so it is understood, was not used at the meeting. As the whole object of the exercise is to keep all incomes within the bounds of productivity, the amount of permitted overall increase will depend on the new Government's success in stimulating production and productivity.

The National Economic Development Council's 4 percent growth plan is, to all intents and purposes, redundant, except as a useful reference book for the Ministry of Economic Affairs, charged with drawing up the new plan. If the new plan aims at a higher growth target than N.E.D.C. under the Conservatives, then incomes could be permitted to rise by more than the Maudling 3-3½ percent a year margin. The Government intends to write off past failures and will not expect the incomes policy to penalise workers for the inability of the economy this year to keep up with the N.E.D.C. target.

There was one definite outcome of the Government-T.U.C. meeting. The T.U.C. agreed to participate in the new N.E.D.C., which will be reconstituted by the Government as quickly as possible. Although the Government has assumed responsibility for planning the economy, an important rôle is seen for the N.E.D.C. and the T.U.C. appears satisfied that this will be the case.

It is being emphasised that no planning functions have been removed from the National Economic Development Office in that it never had any, in the sense understood by the Government; in Labour thinking, drawing up projections and submitting papers does not amount to planning. Although staff has gone over to the Ministry of Economic Affairs, Sir Robert Shone's office will retain an economic staff equipped to participate in the formulation and appraisal of Government plans. The new N.E.D.C. will be expected to place more emphasis on the removal of obstacles to economic growth, especially those within the competence of employers and unions.

Mr. Brown linked the Government's determination on an incomes policy with the problem of restrictive practices on both sides of industry, to which both he and Mr. Gunter referred in speeches in the House of Commons recently. An attack on restrictive practices is seen as part and parcel of the search for an incomes policy. But for the sake of convenience, restrictive practices may have to be tackled separately in discussions between the Government, unions, and employers. In this field the Government, if all else failed, could contemplate legislation along the lines of its intended legislation on monopolies.

Budget Proposals

The second step in the search for an incomes policy came in Mr. Callaghan's Budget proposals, so far as these related to social adjustment and were in accord with trade union suggestions of the past in this respect. The third step followed immediately in Mr. Brown's meeting with the representatives of the employers' organisations. This was essentially the same exercise as the same Ministers conducted the General Council of the T.U.C.—and it seems to have achieved much the same limited degree of guarded acceptance. There has not, of course, been much to accept yet and the first real test will not come until both employers and unions have considered the draft declaration about an incomes policy which Mr. Brown promised them.

The T.U.C. and the employers may want to have a further meeting with Mr. Brown to discuss points in the draft with which they may disagree before they give their consent to its publication in their names. An agreed declaration bearing the imprimaturs of the Government, employers, and trade unions could emerge from the next meeting of the National Economic Development Council, due on 2nd December.

On one subject, however, Mr. Brown seems to have secured the co-operation of the others already. This is agreement to continue to serve on the N.E.D.C. in the slightly new shape Mr. Brown is devising for it. Mr. Brown appears to have moved a little on his original conception of the respective rôles of his Ministry of Economic Affairs and the N.E.D.C., no doubt when he saw how much store both the unions and employers set by the latter. There remains a difference of emphasis; the employers, for example, see the National Economic Development Office playing a rather more positive part in the initiation of plans than Mr. Brown appears to do.

Attitude of T. U. C.

The general outline of the Government's declaration of intent on incomes policy became a little clearer. All three parties—Government, unions, and employers—will be expected to make commitments. For its part, the Government will endorse economic expansion and to give some indications of its social, fiscal, and economic policies. Unions and employers would be expected to go on record about productivity and efficiency, holding and reducing prices, and keeping profits in check. Agreement on this preliminary declaration may be reached without recourse to Neddy, but the later stages of incomes policy are expected to be negotiated through the N.E.D.C. This, presumably, would include the establishment of machinery for running the incomes policy, of which the only item that has been mentioned publicly is the Government's price review body. Although no new "guiding light" on incomes is expected to emerge as such, one may appear as a sort of by-product of the Government's new plan for growth.

Jute

FIBRE ARRIVALS RISE: BIGGER PURCHASE QUOTA ISSUED

FIBRE prices have been sluggish during the past two weeks because of the increasing pressure of arrivals in upcountry markets. With reduced holding capacity as a result of the high prices of foodgrains and other essential commodities, both growers and traders have been inclined to sell jute at lower prices. Easier transport facilities too have helped in the movement of fibre to terminal markets. In order to relieve the pressure, the Jute Commissioner has increased the maximum weekly purchase quota of 175,000 bales which has been in force up to 14th November to 200,000 bales a week for the last two weeks of November. But even the higher quotas have failed to absorb the increased offerings, although since Monday prices have hardened by Re. 1 a maund to Rs. 36 for Assam Bottoms, ready, f.o.r., Calcutta. With the completion of the latest quota, mills will have absorbed 1.975 million bales, against the weekly maximum purchase quotas issued between 7th September and 22nd November.

Taking into account the quantity lifted by mills in July and August, the total fibre purchases by mills up to October amount to 2.48 million bales—2.357 million bales of Indian origin and 123,000 bales of Pakistani origin. The corresponding offtake for the previous season was 2.74 million bales—2.722 million bales of Indian origin and 18,000 bales of Pakistani origin. In spite of some adjustment in production during September and October, fibre consumption during the first four months of the current season has been higher at 2.496 million bales, against 2.363 million bales during the comparable period last year.

The higher offtake is ascribed to an increase in the output of jute goods from 412,500 tonnes to 431,200 tonnes. The closing stocks at the end of October have been 2.032 million bales—1.452 millions bales in mill godowns and 580,000 bales undelivered against purchases made so far. They were 2.898 million bales—1.575 million bales in mill godowns and 1.323 million bales undelivered—a year ago. Besides these, the buffer stocks held 675,000 bales at this time last year. From the trend of offtake and consumption this year, there are chances that the season may close with a smaller carryover. The major worry of the industry seems to be the high prices of fibre and not shortage of supplies. The spurt in fibre prices has squeezed the manufacturing profits to Rs. 175 a ton in sacking and around Rs. 100 a ton in hessian.

Bonus Issue to be Examined

The West Bengal Government has requested the Central Government to call a meeting of the Industrial Committee on Jute to examine the bonus issue, it is reliably learnt. Tripartite talks, held recently among representatives of the I.J.M.A., jute mill workers and the Deputy Labour Commissioner, have failed to produce a settlement.

At the discussions, the I.J.M.A. rightly pointed out that the workers were not justified in claiming a higher bonus in terms of the Bonus Commission's recommendations during the operative period of the Wage Board award. Even a token strike over the issue would be unwarranted and illegal. Besides, it would set a bad precedent if the decision of the tripartite Wage Board were allowed to be reversed since that would impair the effectiveness of future wage boards and tripartite discussions.

Meanwhile, a deputation from the All-India Jute Textile Workers Federation has submitted a memorandum to the Central Labour Minister in New Delhi seeking his intervention.

Enquiry into Jute Fires

The West Bengal Government has set up the Jute Fires Enquiry Committee with Mr. R. Banerjee, commissioner, Presidency Division, as chairman. Among the members, Mr. C. L. Bajoria will represent the I.J.M.A., Mr. K. P. Modi the insurance interests, Mr. W. S. Wood and Mr. H. R. Scott the fire-fighting equipment manufacturers, and Mr. S. K. Bhattacharyya the Jute Commissioner. Mr. Prasad Bose, D.I.G., C.I.D., and Mr. S. C. Chatterjee, director of West Bengal Fire Services, are also members of the Committee representing the police and the fire brigade authorities. The terms of reference include measures to check the incidence of fires in jute warehouses and the prevention of damage to jute caused by water used in fire-fighting operations.

The Committee has also been asked to suggest ways and means of stocking jute in a scientific manner and draw up new regulations governing the warehousing of the fibre, if necessary. It may be mentioned that the Calcutta Regional Council of the Insurance Association of India had recently made a representation to the Central Home Ministry seeking an investigation into the incidence of jute fires, which, it has been stated, have increased several times in West Bengal in the past few years. Research carried out at the I.J.M.A.-R.I. and other laboratories has discounted the theory that the fires may have been caused by spontaneous combustion or natural and semi-natural causes. Both insurance interests and the jute industry are believed to feel that a large majority of such outbreaks are man-made.

Drop in U.S. Burlap Consumption

Burlap consumption in the U.S.A. has sharply declined from 81.3 million yards in September to 72.6 million yards in October. The consumption was 79.1 million yards a year ago. The total offtake for the ten-month period ended October is 734.6 million yards, against 759.9 million yards for the same period of 1963. The monthly average so far comes to 73.46 million yards, against 75.99 million yards in the previous year.

U.S. stocks at the end of October also fell to 268.8 million yards from 274.5 million yards in the preceding month. Of these, 132.4 million yards (against 150.1 million yards) were spot stocks and 136.4 million yards (against 124.4 million yards) afloat. In October 1963, the stocks were 277.9 million yards—154.1 million yards spot and 123.8 million yards afloat. At the October rate of consumption, the stocks will last 3.7 months. The corresponding stock duration at this time a year ago was 3.51 months on the same basis.

Exports of Carpet-backing Rise

There has been a sizable increase in the export of carpet-backing cloth from 6,600 tonnes in September to 11,600 tonnes in October. However, the total despatches of jute goods from mills reporting to the I.J.M.A. have declined from 109,100 tonnes to 105,800 tonnes during the period. Of this, despatches of hessian have dropped by 600 tonnes to 44,600 tonnes, of sacking by 4,200 tonnes to 44,300 tonnes and of other goods by 3,500 tonnes to 5,300 tonnes. Exports have declined by 2,200 tonnes to 72,700 tonnes—by 900 tonnes to 39,500 tonnes in hessian, by 2,400 tonnes to 20,000 tonnes in heavy goods and by 3,900 tonnes to 1,600 tonnes in miscellaneous goods. Internal consumption too has dropped by 1,100 tonnes to 33,100 tonnes. While heavy goods offtake has fallen by 1,800 tonnes to 24,300 tonnes, consumption of hessian has risen by 300 tonnes to 5,100 tonnes and of other goods by 400 tonnes to 3,700 tonnes.

In October 1963, the total despatches were 95,000 tonnes—40,600 tonnes of hessian, 43,200 tonnes of sacking, 6,200 tonnes of carpet-backing and 5,000 tonnes of other goods. Exports absorbed 36,900 tonnes of hessian, 21,900 tonnes of sacking, 6,200 tonnes of carpet-backing and 1,900 tonnes of miscellaneous goods, making a total of 66,900 tonnes. Internal consumption amounted to 28,100 tonnes—3,700 tonnes of hessian, 21,300 tonnes of sacking and 3,100 tonnes of other goods.

Microbial Processing of Ramie

The Jute Agricultural Research Institute has developed a process of degumming ramie, the strongest vegetable fibre known. From the technical point of view, ramie is four times stronger than silk and is hardly damaged by water and atmospheric humidity. The fibre is used for making hose-pipes and rot-proof textiles. Blended with other fibres like nylon, rayon, cotton and wool, it can produce attractive fabrics. It is lustrous, absorbs dyes well and retains colour better than other fabrics.

The soil, rainfall and topography of certain parts of India are ideally suitable for the development of ramie plantations. But any large-scale cultivation of the plant has been discouraged because of the inability to process the fibre from the stem. Unlike jute, the ramie fibre is mostly cellulose with a gummy coating which has to be removed by microbial or chemical action. The usual jute-retting microbes can, no doubt, remove the gum partly. But in the process they affect fibre layers as well as some of them secrete *enzyme cellulase*. The J.A.R.I. has shown that a strain of *bacillus subtilis* largely removes the gummy coat without affecting ramie fibre. The remaining traces of gum can be cleared by alkali extraction. The economic aspects of the process are to be assessed soon in a pilot project.

THE JUTE MARKETS

Manufactured Goods: Steady conditions marked trading in the Calcutta gunny market during the past week. The stalemate in the Pakistani jute industry prompted a large number of foreign countries to take keen interest in the Calcutta market. It was learnt that the Burmese Government tenders totalled about 80,000 bales of heavy goods, Cambodia's 12,000 bales, and Syria's 5,000 bales. Bumper crop prospects in Australia, Argentina, Egypt and the U.S.A. aroused expectations of a satisfactory offtake of jute goods by those countries. Argentina lifted substantial lots for November shipment. Russia and Egypt were also in the market. Australia booked handsome orders for cornsacks and woolpacks for ready and near positions. The allotment of the Indo-China tender for about 15,000 bales for mid-December shipment was also keenly awaited. Although U.S. business in the spot market was more or less of a routine nature, market circles believed that some mills booked sizable lots of direct hessian business with that country. A sharp increase in carpet-backing offtake and hardening burlap prices in New York produced a bullish impact in spite of the decline in despatches during October and a setback in the consumption of burlap in the U.S.A. during the same month. Hardening gunny prices and the threat of a token strike on 1st December in the Calcutta mills led to a lot of short- and shipper-covering in both heavy goods and hessian. In the hedge market, conditions continued to be firm in line with the trend in the spot market. There was, however, intermittent profit-taking at the bulges but all offers were well-absorbed. The November contracts were closed on Saturday uneventfully. All outstanding transactions were squared up without difficulty. Fluctuations were wide. Turnover was fair and the undertone firm at the close.

Wednesday's quotations were as follows:

	Nov.	Dec.	Jan.-Mar.	Apr.-June
40in. 7½oz.	39.00	39.00	39.00	39.00
40in. 8oz.	41.75	—	—	—
40in. 10oz.	50.35	50.80	51.60	51.85
B Twills	154.40	156.15	151.75	147.25
Cornsacks	163.00	161.25	154.75	149.75
Heavy Cees (Plain)	155.50	155.25	151.25	146.75
A Twills	183.00	183.00	180.50	177.00
Liverpools	170.50	170.50	168.50	165.50

Raw Jute: Easy conditions prevailed in the raw jute market during the major part of the past week due to an increase in the pressure of arrivals. With the issue of a maximum purchase quota of 200,000 bales for the week ending 28th November on Monday, prices hardened by about Re. 1 for Assam Bottoms as mills started lifting their allotments. A large percentage of the arrivals comprised lower-grade fibre. Selected qualities, being in short supply, enjoyed a premium. Brisk arrivals at Cossipore and the mill jetties softened prices in Calcutta and holders of bottom grades were inclined to discount rates to dispose of their stocks. Upcountry prices continued to rule above the Calcutta parity levels. Turnover was moderate, and the undertone steady at the close.

Wednesday's quotations were as follows:

	Rates a maund		Rates a quintal	
	Mid.	Bot.	Mid.	Bot.
Assam-Agartala Jute	39.00	36.00	104.49	96.45
Northern Jute	38.00	35.00	101.81	93.77
Western Desal Jute	37.00	34.00	99.13	91.09
Selected Daissee	39.50	36.50	105.83	97.79
Assam-Agartala Tossa	39.50	36.50	105.83	97.79
Mesta: Assam-				
Northern	36.50	33.50	97.79	89.75
Local Daissee	36.50	33.50	97.79	89 75
Bihar Dist.	35.50	32.50	95.12	87.08

THE U.K. JUTE MARKETS

FIBRE STILL WEAK

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market became firmer in Pakistan during the past week. It was understood that E.P.C. values would not be reduced and the authorities there would take strict measures against any shippers

selling at under the official rates. This resulted in offers being made in Dundee becoming very irregular. A considerable quantity of jute was registered for export to the U.K. some time ago, but that remains still unsold to spinners.

Demand for raw jute in the U.K. is relatively small at present, and mainly confined to spot and afloat parcels which are available at under shipment prices. It is estimated at least 75,000 bales will be coming to the U.K. which are still unsold to spinners. This is a "bear" factor on the Dundee market, and as a result, prices will remain below the values quoted in Pakistan.

Offers made in Dundee were £136 for Export Firsts, at £121 for Export Lightnings and at £114 for Export Hearts, c.i.f. U.K. for November-December shipment. Grade Tossa-2/3 was at £150 and Grade Tossa-4 at £134/10. There were still sellers of Outport Tossa-2/3 at £121 and of Outport Tossa-4 at £113, November-December. Cuttings were steady with prices at £87 10s for S.N.C. and at £79 for N.C. Mesta prices were more or less unchanged at £106 10s for A, at £97 10s for B, at £90 10s for C and at £68 for cuttings, c.i.f. U.K., for November-December shipment.

The Siam jute market became firmer and most sellers raised their rates. Offers were lowest at £83 for grade A, at £78 for grade B, at £73 for grade C and at £70 for cuttings, delivered mill Dundee for November-December shipment.

The Calcutta goods market became quieter at the beginning of the week, but later there was a firmer tendency. Some buying interest was shown in ordinary hessians. Quotations were at 80s 11d for 40in. 10oz. and at 62s 4d for 7½oz. a 100 yards c. and f. U.K. for November shipment, at 81s 8d and 62s 9d December and at 82s 11d and 63s 1d January-March. B Twills were at 256s 3d, 253s 3d and 248s 7d for the respective shipment periods. It is expected that prices of Calcutta goods will remain at the present level because of the strikes at the mills in Pakistan.

Dundee jute spinners are very busy. They are not in a position to accept further business for early delivery. This shortage of yarn has been noticeable for some time. It is impossible to increase production because of the scarcity of skilled labour. The carpet trade continues to take regular supplies. There is every indication that this will continue.

With the exception of the heavy end of the trade, Dundee jute manufacturers are busy. Prices are firm and the quoted rates have to be paid in all instances. Demand for sackings has been rather poor for some time, and more orders are required for this type of cloth so that full production can be maintained.

REPORTED IMPORT BAN ON RAW RUBBER

The Government of India is reported to have decided not to allow raw rubber imports in the second half of 1964-65, on the basis of a recommendation of the Rubber Board. Manufacturers of rubber products are perturbed over this decision. According to them, this is a premature step and will result in an acute shortage and high prices of rubber.

The manufacturers' requirement of natural rubber and synthetic rubber in 1964-65 is estimated by certain quarters at around 81,000 tons. They will require about 9,000 tons of reclaim rubber also, bringing the total consumption to 90,000 tons. In addition to this, the industry has to maintain a stock of about 28,000 tons, equivalent to about three to four months' consumption. The aggregate annual requirement of rubber in the country is thus placed at 108,000 tons. As against this, the opening stock of rubber in the country on 1st April, 1964, was around 20,000 tons while imports during the six months from April to September 1964, were of the order of 7,500 tons. Indigenous production of natural rubber this year is estimated at 46,000 tons, bringing the total supply of natural rubber to 73,500 tons. Further, according to a directive issued by the Government, all rubber factories together will consume about 15,000 tons of locally produced synthetic rubber. This brings the estimated supply to about 88,500 tons, leaving a gap of about 19,500 tons between demand and supply.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Dhelakhat Tea Co. Ld. ..	21-11-64	9 a.m.
Bombay Burmah Trading ..	25-11-64	4-30 p.m.
Bengal Potteries Ld.	30-11-64	4 p.m.
Brooke Bond Estates India Ld. ..	1-12-64	2-30 p.m.
National Rolling & Steel Ropes Ld. ..	10-12-64	10 a.m.
Philips India Ltd. ..	17-12-64	11 a.m.
The Lackatoorah Tea Co. Ltd. ..	28-12-64	3 p.m.

DIVIDENDS DECLARED OR PROPOSED.—Smith, Stanistreet & Co. Ltd.—25 p.c. (o), subject to tax; Delhi Cloth & General Mills Co. Ltd.—17 p.c. (o), including a Jubilee dividend of 2 p.c.; Bengal Flour Mills Co. Ltd.—10 p.c. (Int), subject to tax.

HIDES AND SKINS

The market ruled steady. Stocks were less than in the previous week.

Bazaar Sales

(Between 17th November and 23rd November, 1964)

Cowhides: Wet salted (Ord.) 7,500 pcs. on the basis of Rs. 8.25 to Rs. 9.75; Wet salted (Slaughtered) 32,500 pcs. on the basis of Rs. 10.50 to Rs. 16.50 and Rs. 19 to Rs. 28; Wet salted (Ord.) 1,000 pcs. on the basis of 90 P. a lb.

Goatskins: Wet salted (Patna, Daissee, Kustia) 48,200 pcs. on the basis of Rs. 330 to Rs. 350, Rs. 420 to Rs. 430 and Rs. 470 to Rs. 480; Wet salted (he-killed) on the basis of Rs. 6 and (she-killed) on the basis of Rs. 5.75 a piece: Assam-Dinajpur 49,000 pcs. on the basis of Rs. 255 to Rs. 285 and Rs. 300; Purneah-Kissenganj 71,400 pcs. on the basis of Rs. 315 to Rs. 325; Pakur 4,000 pcs. on the basis of Rs. 280; Patna-Muzafferpore 18,000 pcs. on the basis of Rs. 290 to Rs. 300 and Rs. 315 to Rs. 320.

Bazaar Stocks

(23rd November, 1964)

Goatskins: Wet salted (Patna, Daissee, Kustia, Killed) 54,500 pcs.; Assam-Dinajpur 95,000 pcs.; Muzafferpore-Patna - Pakur - Purneah-Kissenganj 2,31,000 pcs.



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Commodity Markets

TOO MANY TAXES HAMPER TEA PROGRESS

(BY A SPECIAL CORRESPONDENT)

At the annual meeting of the Assam Branch Indian Tea Association held in Jorhat, last week, the chairman, Mr. S. G. B. Brown, pleaded for freedom from the multiplicity of taxes to enable the tea industry—the country's second highest earner of foreign exchange—to expand. He referred to the Bonus Commission's recommendations, a further increase in the Assam agricultural income tax, increase in sales tax and impositions on tea estates visualised in the Panchayat Act.

"Before enumerating the various ways in which a multiplicity of Government departments have seen fit to pluck yet further the already balding apocryphal Golden Goose," Mr. Brown continued, "it would seem appropriate to point to the disastrous state into which Ceylon seems likely to be plunged by overzealous taxation, and hope that the lesson will not be lost on India. For an industry to remain viable and progressive, it is essential that it be left with a reasonable amount, after taxation, to cater for maintenance and improvements. After a period of near stagnation in the realms of manufacture, the tea industry appears to be facing an era of modernisation with a number of new machines appearing on the market. Encouraging departures from the earlier stereotyped methods of processing leaf are becoming available. For the industry to be able to take advantage of the progress in technology, companies must be left with sufficient finance."

The Tea Board requires the industry to play a big part in its coming plans. The extension of areas and replanting both cost money: increases in crops inevitably pose strains on factories and in many cases necessitate enlargement of buildings and the purchase of new machinery. For the industry to shoulder the responsibilities that are required of it in the Tea Board's plans, finance must be left with companies.

Unless there was to be an end to increasing taxation in the very near future, the industry will be unable to progress, Mr. Brown added. Agriculture could rarely mark time. It went forward or it went backwards, and one had only to visit Cachar to see what could happen if tea stagnated.

Former branch chairmen had spoken of the need to channel taxation into one department. At the moment, tea tries to please the tax collectors of the Central and State Governments, and it was often felt that what the right hand was doing the left was only too ready to know nothing about. Multiplicity of taxes led to a number of departments all striving, apparently, to show bigger and better incomes and there was little opposition to more and more mushroom departments leaping on to the tax bandwagon.

With reference to a second interim wage increase, Mr. Brown said: "Increases in wages must be related to output". As for the inclusion of coal in the list of new taxable items, he felt that it would mean an increase of approximately Rs. 7 lakhs to the cost of production. Moreover, tea estates would now be expected to finance projects from which they would gain no benefit under the Panchayat Act. "These new impositions", Mr. Brown continued, "will add substantially to the already over-burdened cost of production hindering still further planters' efforts to sell teas at a competitive figure in the world's markets". In view of this burden and the spiralling price of the major items in the cost of production, the formation of the Committee on Tea Finance was most welcome. Mr. Brown hoped that the much-needed relief would be forthcoming.

The Association is opposed to any attempt to impose on the industry a minimum labour ratio an acre. It was the management's fundamental right to use whatever amount of labour for each acre that it deemed necessary, and it was "incorrect of the Government to legislate in this matter. To enable the management to use new technology, it should not be forced to keep on its books superfluous labour."

Referring to the difficulties in procuring foodgrains during the year, Mr. Brown said that twice appeals had to be made to the Centre for release of Government stocks to avoid a complete breakdown in supplies. Government allocations were of varying quantities from a variety of mills and frequently subject to sudden curtailment. In this connection, he urged the reintroduction of *khet* assessment, which would save tons of rice. "The logic which permits a man to raise a crop of rice on company land—to harvest and retain this rice and yet allow him to obtain, at concession prices still more rice, is one that baffles common sense".

Describing labour-management relations during the year as good, the chairman emphasised the need for discipline among labour and felt that removal from the estate of persons dismissed for serious offences would go a long way to establishing peace. He appealed to the Assam Government to absorb the growing number of young unemployed in the estates into alternative projects. "The innate disinclination of tea garden labour to move must be overcome; for a country to advance, labour must be prepared to move freely from surplus to deficit areas".

He also requested the Assam Government to take a realistic view of the housing situation and to heed the advice given in the working group's report, which recommended that the difference between the cost of the present worker's house and that built to the new specification should be met in the form of a subsidy by the Assam Government. Mr. Brown repeated his appeal to the Coal Controller to provide good coal to the estates for the production of good tea. He complained that in Assam mines produced low quality coal and these mines were being protected, as estates in proximity to these mines were being compelled to accept part of their requirements from them.

Progress of Output

Output continues to make good progress. Crop figures from the major producing countries this season amount to 1,223,317,000 lbs, against 1,178,392,000 lbs, an increase of 44,925,000 lbs. The break-down of these figures is as shown in the table in the middle of this page:

With the rising standard of living in most underdeveloped countries added to the fact that Pakistan absorbs the bulk of its own production (60 million lbs this year), this small increase from established producers should not knock commodity prices too severely. According to statistics compiled by Messrs J. Thomas and Co. Private Ltd, output from the major producing countries between 1948 and 1962-63 increased from 446,010 metric tons to 667,895 metric tons. To this has to be added tea from China, Japan, Formosa, Russia, Iran, Turkey and South America. In the same period, the main producers exported in 1948 354,271 metric tons and 501,672 metric tons. The difference presumably went into local consumption. So whereas output improved by approximately 50 percent, offtake in established markets was around 42 percent. These results emphasise the importance of propaganda to expand internal consumption in all growing countries, because it is now clear that some of the countries visited by the Tea Board delegation have not so far increased their imports much.

It is necessary to improve salesmanship propaganda nearer home. Over the period 1948 to 1962-63, the major producing countries have increased internal consumption by 121 percent, namely, 120,278 metric tons to 235,866 metric tons. India and Japan have been the principal consumers, and it is time for Ceylon, Africa and Indonesia to take a hand in the very important matter of providing a local market. The year 1963 may well prove to be a difficult year, but if the trade can operate a few years longer, the tide should rise again because the present cost of planting around Rs. 4,000 an acre in India is prohibitive and artificial fertilisers will not improve quality in the long run.

Countries		Total up to	1964 (In thousand lbs)	1963
North-East India	...	October	546,841	497,891
South India	...	September	126,036	143,261
Pakistan	...	October	52,080	44,910
Ceylon	...	September	369,400	374,739
Indonesia	...	May	41,559	28,435
East Africa	...	August	69,365	63,092
Mozambique (P.E.A.)	...	July	18,036	16,064
		Total	1,223,317	1,178,392

The commodity prices continues to give ground which is largely seasonal. On the London market after satisfactory prices in August-September in 1960, 1962 and 1963 rates fell during November-January. In 1961, the tendency was not so marked because rates never advanced to high levels. In Calcutta, the early manufacture usually secures good prices and in 1962 and 1963, average prices opened around Rs. 6.12 and Rs. 7.06 a kilogram, but by the end of the season, teas were selling for Rs. 4.05 and Rs. 3.94 a kilogram. So the present easiness seems to be following a normal trend.

PEPPER

Good Outlook

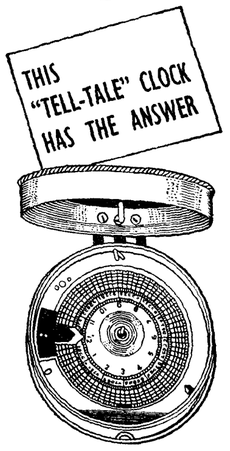
Our South Indian Correspondent writes:

India's new pepper season has started on an encouraging note. The new crop that has started flowing into the market is being absorbed at prices which are higher than the end-of-season rates a few weeks ago. Alleppy which gets the first harvest is now reporting a daily arrival of 100 to 150 candies (one candy=3 quintals). This quantity is candy equals a quintals). This quantity is being readily absorbed at prices ranging between Rs. 950 and 975 a candy.

The market has firmed up recently in view of some business done with Russia and Bulgaria. They are reported to have bought together about 2,000 tons recently. America continues to be a cautious buyer, although there has been a slight improvement in the New York quotation. The small improvement in the New York price of black pepper is attributed to smaller imports from Indonesia in the past two months brought about by the action of the Indonesian Government in fixing the minimum export price at 40 cents a lb. In spite of the improvement, there is still a disparity of about 3 cents between the Indian and American prices. This difference continues to be a hindrance for carrying on business with that country.

Indonesia has recently revised downwards its check price from 40 cents to 38½ cents a lb. There is a feeling among the American buyers that there would be further reductions in the official price. Therefore, they are very cautious in entering into fresh commitments with Indonesian as well as Indian shippers. The exporters in India are at present banking more on the orders from communist countries. Their feeling is that there would be a regular flow of orders from these countries for some time to come. If the expectation does not materialise, and there is no compensatory buying by the U.S.A., prices are bound to fall from

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MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA

(Base: August 1939)

THE Middle Class Cost of Living Indices, by groups, have now been brought up to October 1964. As compared with September, the October index for Food shows an increase of 7 points. The indices for Fuel & Lighting, Clothing and Miscellaneous remain unchanged at 308, 620 and 331 points, respectively.

Combining all the factors, the Middle Class Cost of Living Index for Calcutta shows that the cost of living rose by 4 points during October 1964.

Middle Class Cost of Living Index Number for Calcutta. Prices in August 1939=100

Groups	Weights	GROUP INDICES												
		Oct., 1963	Nov., 1963	Dec., 1963	Jan., 1964	Feb., 1964	Mar., 1964	April 1964	May 1964	June 1964	July 1964	Aug 1964	Sept., 1964	Oct., 1964
Food ..	53.6	608	598	591	584	576	583	595	599	608	616	626	635	642
Fuel and Lighting ..	4.4	308	308	308	308	308	308	308	308	308	308	308	308	308
Clothing ..	12.4	609	609	609	609	609	609	609	609	609	609	620	620	620
Miscellaneous ..	29.6	317	321	321	321	321	321	321	331	331	331	331	331	331
Combined index ..	100.0	509	505	501	497	493	497	503	508	513	518	524	529	533

Compiled and constructed by the Statistical Department of "Capital"



LEMONGRASS OIL

Liquidating S.T.C. Stocks

There is a report that the State Trading Corporation is negotiating a barter deal with a view to liquidating 500 to 700 tons of lemongrass oil stock with it. The Lemongrass Oil Development and Export Advisory Committee is opposed to such barter deals as in its opinion such deals would lead to a further weakening of the export demand for Indian lemongrass oil. The barter deal under negotiation contemplates the sale of S.T.C. stocks at a price lower than (Rs. 11 to 12 a kilogram) the price at which it is buying oil from the producers according to this report. As the S.T.C. is buying only a limited quantity under the price support scheme of the Government of India, the producers are finding it difficult to sell their surplus stocks even at a handsome discount to the buyer. The S.T.C. will withdraw from the market by next month, after fulfilling its commitment to lift about 700 tons out of the current season's production, according to indictations available from the market. The current crop is estimated at 1,000 tons, against last season's 1,500 tons. Many growers have lost their enthusiasm in the production of lemongrass oil on account of the difficulty in disposing of their product. Growers are apprehensive about the future also. They have serious doubts about the future of the price support scheme. They also doubt whether the S.T.C. which has been buying up stocks in the last two seasons, would continue this operation in the next season also.

TAPIOCA

Starch Making Banned

In view of the critical food situation in Kerala, the State Government has prohibited the manufacture of tapioca starch, tapioca flour or any other similar industrial or manufactured product of the tapioca tuber except under a permit issued by the Civil Supplies Commissioner. Their export also has been prohibited except under Government permit. Tapioca is an important subsidiary food of the people of Kerala. The ban on export does not apply to export of tapioca not exceeding 2 kilograms by *bona fide* travellers as part of their luggage or export on Government account or under military credit notes.

Kerala which produces about 2.5 million tons of tapioca a year is the premier producer of this crop in India. Almost 50 percent of this is exported, of which 700,000 tons is in the form of industrial products.

the present rate of about Rs. 350 a quintal.

Trade circles in Kerala currently estimate the new Indian crop at 27,000 to 29,000 tons which is not much different from the previous season's harvest. Certain quarters, however, think that this estimate is on the liberal side and the actual harvest may be less than last season's in view of the unusually prolonged drought that the pepper growing belt of India had to suffer early this year.

Although the final figures for the season which ended with October 1964 are not yet available, the feeling in trade circles is that India's pepper exports during that season might have been down to the tune of about 2,000 tons, when compared with that of the previous season. This fall was largely due to a lower offtake by the U.S.A. which was attracted by the sell-away prices at which Indonesia was offering her pepper.

COMPANY AND PUBLIC NOTICES

THE BENGAL FLOUR MILLS CO. LTD.

NOTICE is hereby given that the Board of Directors has today declared an Interim Dividend of 10% (subject to deduction of Income Tax) on the shares of the Company in respect of the year 1964. The dividend will be payable on or after 18th December, 1964 to those members whose names are entered in the Register of Members of the Company on that date. Dividend Warrants will be despatched to members and no application to the Company is necessary.

NOTICE is also hereby given that the Register of Members of the Company will be closed from 4th December, 1964 to 18th December, 1964, both days inclusive.

By Order of the Board.

BALMER LAWRIE & CO. LTD.,
D. MANSON,
Managing Director,
Managing Agents.

21, Netaji Subhas Road,
Calcutta. 20th November, 1964.

The Dividends Table and Company Notices appear on page 790

INDIAN ALUMINIUM COMPANY, LIMITED
31, Chowringhee Road, Calcutta-16

NOTICE

NOTICE is hereby given that the Transfer Registers respecting 6½% debenture stock 1970/75 and 7% debenture stock 1971/76 of the Company will remain closed from December 15th, 1964 to January 1st, 1965, both days inclusive, in connection with the payment of half-yearly interest on January 1st, 1965.

INDIAN ALUMINIUM COMPANY, LIMITED.
T. D. SINHA,
Secretary.

23 November, 1964
Registrars' Office:
Andrew Yule & Company, Limited,
8, Clive Row,
Calcutta-1
(Post Box 150)

THE CALCUTTA ELECTRIC SUPPLY CORPORATION LIMITED

(Incorporated in England)

5% RUPEE DEBENTURE STOCK, 1970 INTEREST FOR THE HALF-YEAR ENDING 31ST DECEMBER, 1964

NOTICE is hereby given that interest at the rate of Rs. 25/- (less Indian Income Tax) per Rs. 1,000/- of Stock will be paid on 1st January, 1965 to Debenture Stockholders registered in the books of the Company on 18th December, 1964. Applications for transfers received at the Company's Office at Victoria House, Post Box 304, Chowringhee Sq. Calcutta, upto 18th December, 1964 will, if otherwise satisfactory, be registered at that date for the purpose of participation in the above interest.

Debenture Stock Transfer Books will be closed from 19th December, 1964 to 31st December, 1964, both days inclusive.

By Order of the Board,
B. P. SEN GUPTA,
Actg. Agent.

Victoria House,
Calcutta, 18th November, 1964.

THE ORISSA MINERALS DEVELOPMENT CO. LTD.

AT a meeting of the Board of Directors held on Wednesday the 18th November, 1964, the following Dividend was recommended for declaration at the Annual General Meeting to be held on the 28th December, 1964, to be paid for the year ended 30th June, 1964, subject to deduction of tax.

On the Ordinary Shares at the rate of 10 per cent per annum, subject to deduction of tax.

By Order of the Board.
BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Registered Office:
Chartered Bank Buildings,
Calcutta, 18th November, 1964.

THE LACKATOORAH TEA CO. LTD.

NOTICE is hereby given that the 89th Annual General Meeting of the Shareholders of the Company abovenamed will be held at the Registered Office of the Company, 226, Acharyya Jagadish Bose Road, Calcutta, on Monday the 28th December, 1964 at 3 p.m. for following purposes:—

1. To receive and adopt the Directors' Report and pass the Audited Accounts for the year ended 31st December, 1962.
2. To elect a Director.
3. To Appoint Auditors and to fix their remuneration.
4. To transact any other business which can be placed at this meeting.

The Share Register of the Company will be closed from 18th to 28th December, 1964, both days inclusive.

By Order of the Board,
Y. P. SHINGHAL,
Director.

Calcutta,
26th November, 1964.

N.B. (1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy and such proxy need not be a member of the Company.

(2) Separate Notice with explanatory notes will be issued to individual shareholders.

Office of the Superintending Engineer,
DELTA IRRIGATION CIRCLE
Keshari Nagar: Bhubaneswar-1
TENDER NOTICE

SEALED Tenders are invited to Supply Wheel Pins for Gate Rollers as per the Drawings and Specification available in the Office of undersigned and will be supplied on requisition. The tenders will be received upto 3 p.m. on 17th December, 1964. The rates quoted should be F.O.R. Bhubaneswar inclusive of all incidental charges. The Full payment will be made within 30 days from the date of receipt of Materials in Good Condition. The tenders will be opened at 3.30 p.m. on the date mentioned above.

The undersigned reserves the right to reject any or all tenders without assigning any reason whatsoever.

Sd/- B. MISRA,
Superintending Engineer,
Delta Irrigation Circle.

Office of the Superintending Engineer,
DELTA IRRIGATION CIRCLE
Keshari Nagar, Bhubaneswar-1

CALL NOTICE

SEALED tenders are invited for the supply of RUBBER WATER SEALS as per the drawing and specification available in the office of the undersigned and which will be sent on request, upto 3.00 p.m. on the 15th December, 1964. The tenderers should send samples along with their tenders. The rates quoted should be f.o.r. Bhubaneswar inclusive of all other incidental charges. Full payment will be made within thirty days of receipt of materials at the destination. Tenders will be opened at 3.30 p.m. on the date mentioned above.

The authority reserves the right to reject any or all tenders without assigning any reason thereof.

Sd/- B. MISRA,
Superintending Engineer,
Delta Irrigation Circle.

STATE BANK OF INDIA

NOTICE

NOTICE is hereby given that the Principal Register and the Branch Registers of the State Bank of India will be closed for transfer of shares from Wednesday, the 16th December, 1964 to Thursday, the 31st December, 1964, both days inclusive.

N. A. KRISHNAN,
Managing Director.

Bombay, the 4th November, 1964,
13th Krtk. 1886 (Saka).

THE CALCUTTA TRAMWAYS COMPANY LTD.

(Incorporated in England)

NOTICE is hereby given that the Preference Share Transfer Books will be closed from the 18th to the 31st December, 1964, (both days inclusive) for the preparation of Dividend Warrants in respect of the Final Dividend of 2½% less Income-tax payable on the 1st January, 1965, on account of the profits for the year ending 31st December, 1964.

By Order of the Board,
R. W. TURNBULL,
Agent.

P4, Mission Row Extension,
Calcutta-1.
Dated 24th November, 1964.

DELTA IRRIGATION PROJECT
TENDER CALL NOTICE

Sealed tenders are invited for the supply of 14" (Fourteen inches) Gate Valves—60 (Sixty) Nos. and will be received upto 15.00 hours on the 4th December, 1964. The rates quoted should be f.o.r. Bhubaneswar inclusive of all incidental charges. The tenders will be opened on the same day at 15.30 hours in presence of the tenderers or their authorised agents.

The authority reserves the right to reject any or all tenders without assigning any reason whatsoever.

"TENDER FOR 14" GATE VALVES due on 4.12.64" should be inscribed on the left side top corner of the envelope.

Sd/- B. MISRA,
Superintending Engineer,
Delta Irrigation Circle.
Keshari Nagar, Bhubaneswar-1.

BRITISH OWNED FACTORY FOR SALE

Well laid out two-storied modern factory building erected on leasehold land (99 years lease, nominal rental) at present operated by British Concern is available for immediate occupation.

Area of demised land—4,838 sq. yds on an industrial site 6 miles from Allahabad.

The plot measures 280' x 155'6" and is situated on a main roadway.

DETAILS OF BUILDINGS :

Two storey structure of 9" brick walls, steel stanchions and columns encased-in reinforced concrete with 5" R.C. slab roof finished with Bitumen and aluminium foil.

Factory building consists of two floors measuring 226'8" x 76'8" (total area 36,000 sq. ft.) with inter-floor electric conveyor. A residential flat has been built on a part of the roof.

Subsidiary buildings in the compound include durwans quarters, gate-office, kitchen, latrines and lavatories with hygienic fittings.

Price expected—Rs. 14,00,000 or offer.

Write to Box No. 4813, c/o. "Capital"
Post Box No. 14, Calcutta-1.

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock Exchange Associations and other sources.

Figures given after stroke (/) mean paise.

All rights reserved

Wednesday, 25th November, 196-.

GOVERNMENTS LOANS

Outstanding Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
GOVERNMENT OF INDIA				
2,48,91,06,000	3	1946	1986 or later	62 10
8,93,33,000	3	1896-97	At the option of the Government of India after a months notice	62/00
14,77,48,000	2½	1946	1976	83/10
1,10,11,78,000	3	1943	1966-68	98/45
1,15,05,83,000	3	1948	1970-75	90/30
1,53,67,92,000	3½	1955	1965	100/05
86,63,53,000	3½	1956	1974	96/50
56,99,30,000	3½	1957	1967	100/00
1,97,40,92,000	3½	1956	1967	99/75
70,00,000	3½	1958	1968	99/00
1,56,64,22,000	3½	1958	1968	99/80
1,90,85,42,000	3½	1959	1969	97/95
82,65,41,000	3½	1960	1966	100/00
71,78,00,000	4	1964	1970	99/05
1,54,70,22,000	4	1957	1972	98/80
94,51,44,000	4	1958	1973	98/85
81,06,39,000	4	1959	1979	97/50
98,05,17,000	4	1960	1980	97/50
65,96,55,000	4	1961	1981	97/50
84,12,53,000	4	1963	1969	99/40
69,74,00,000	4½	1964	1989	100/05
1,08,86,71,000	4½	1963	1973	100/05
28,07,95,000	4½	1962	1972	100/15
52,01,71,000	4½	1963	1986	100/13
1,14,03,37,000	4½	1962	1985	100/00
BOMBAY				
3,40,34,300	4	1952	1964	99/95
6,57,22,800	4½	1957	1968	98/40
6,58,20,700	4½	1958	1970	99/00
4,35,25,000	4½	1958	1971	98/70
MADHYA PRADESH				
2,03,28,800	3	1948	1964	98/50
MADRAS				
5,24,81,200	4	1952	1964	99/95
5,55,57,300	4½	1958	1970	99/00
UTTAR PRADESH				
1,55,31,200	3	1938	1961-66	94/00
5,89,13,900	4	1952	1964	99/95
7,65,53,900	4½	1958	1970	98/80
WEST BENGAL				
2,00,00,000	4	1952	1964	99/95
7,58,72,200	4	1952	1967	99/35
7,11,46,100	4	1956	1968	98/55
5,10,49,700	4½	1958	1970	98/75
7,69,69,400	4	1959	1971	97/10
7,00,00,000	4	1960	1969	98/50
7,00,00,000	4½	1961	1972	98/80
7,00,00,000	4½	1962	1974	99/50
MYSORE				
2,95,85,200	4	1933	1952-63	100/00

PORT TRUST LOANS

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
CALCUTTA				
90,24,300	4	1914	1974	98/25
76,90,100	4	1915	1975	98/25
68,02,300	3	1921	2nd 1981	82/00
1,50,00,000	6½	1921	2nd 1981	144/00N
£892,600	5	1923	1953-83	£61
£901,000	5	1924	1954-84	£61
1,24,00,000	4½	1957	1987	99/50
	4½	1958	1988	99/00
50,00,000	4½	1959	1989	99/00
1,50,00,000	4½	1961	1971	98/75
80,00,000	4	1931	1991	93/00
60,00,000	3½	1935	1965	99/00
50,00,000	3	1946	1976	83/50
50,00,000	3	1945	1-2-2005	72/00
50,00,000	3	1945	1-2-1975	83/75
25,00,000	3	1938	1963-65	93/00
50,00,000	3	1946	2006	72/00
50,00,000	2½	1947	1977	78/50
50,00,000	3	1948	1978	83/00
50,00,000	3	1950	1980	81/00
50,00,000	3	1951	1981	80/50
50,00,000	4½	1953	1963	98/75
50,00,000	4	1953	1983	97/50
90,00,000	4	1955	1985	97/25
77,00,000	4	1956	1986	97/25
1,00,00,000	4	1959	1969	99/50
1,00,00,000	5	1963	1993	..
66,88,000	3½	1951	1966	98/50
10,00,000	5½	1932	1962	100/75N
33,91,000	3½	1935	1965	96/00
72,50,000	4½	1954	1979	100/00
60,00,000	3	1936	1966	93/00
47,50,000	3	1938	1968	92/50
21,10,000	3½	1942	1972	92/00
87,36,000	4	1952	1962	99/75
2,22,72,000	4	1955	1985	97/25N
1,67,32,000	4½	1958	1970	101/00N
73,36,000	4½	1958	1968	100/50
57,72,000	4½	1961	..	..

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
BOMBAY				
36,50,000	4	1904	1964	96/00
35,00,000	4	1905	1965	96/00
15,00,000	4	1906	1967	96/00
44,00,000	4	1907	1968	96/00
75,00,000	4	1908	1968	96/00
40,00,000	4	1909	1970	92/00
56,00,000	4	1910	1971	92/00
75,00,000	4	1911	1972	92/00
STERLING LOANS				
£892,600	5	1923	1953-83	£63
£901,000	5	1924	1954-84	£63
£835,100	5½	1932	1962	£96½
MADRAS				
28,48,275	3½	1947	1977	A
9,88,000	3	1947	1977	A
8,00,000	3	1949	1979	A

IMPROVEMENT TRUST LOANS

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
CALCUTTA				
50,00,000	4	1934	1964	99/25
35,00,000	3½	1935	1965	96/00
30,00,000	3	1936	1966	92/50
20,00,000	3	1938	1963-68	92/00
80,00,000	4	1952	1962	100/00
1,02,00,000	4	1956	1968	98/50
75,00,000	4½	1958	1968	101/00
BOMBAY				
60,00,000	4	1903	1963	98/25
50,00,000	4	1904	1964	98/25
20,00,000	4	1906	1966	97/50
15,00,000	4	1907	1967	97/50
30,00,000	4	1908	1968	£95½N
£566,600	4	1909	1969	£95½N
£333,000	4	1910	1970	£100/00
25,00,000	4	1912	1972	95/00
13,00,000	4	1913	1973	95/00
50,00,000	4	1914	1974	95/00
25,00,000	4	1916	1976	95/00
66,00,000	6	1920	1945-80	119/50
25,00,000	4	1927	1961-70	99/75
10,00,000	3½	1936	1966	89/00

MUNICIPAL LOANS

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
CALCUTTA				
66,88,000	3½	1951	1966	98/50
10,00,000	5½	1932	1962	100/75N
33,91,000	3½	1935	1965	96/00
72,50,000	4½	1954	1979	100/00
60,00,000	3	1936	1966	93/00
47,50,000	3	1938	1968	92/50
21,10,000	3½	1942	1972	92/00
87,36,000	4	1952	1962	99/75
2,22,72,000	4	1955	1985	97/25N
1,67,32,000	4½	1958	1970	101/00N
73,36,000	4½	1958	1968	100/50
57,72,000	4½	1961	..	..

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
BOMBAY				
20,00,000	4	1913-13	1974	95/00
2,00,34,000	3½	1951	1966	89/00
8,25,00,000	3½	1947	1977	82/00
2,13,14,500	3½	1949	1979	82/00
4,00,00,000	3½	1950	1965	95/00

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
MADRAS				
15,00,000	3½	1951	1961	107/00
10,00,000	5	1920	1980	101/00
15,00,000	3½	1952	1962	107/50

2½% U.P. Zemindary Abolition Compensation Bond (per Rs. 100) Rs. 41/90*

* Ex eight instalments but inclusive of accrued interest.

These notes refer to the Debentures on the next page.

Option to repay at par on 6 months' notice—

(a) Option to extend the redemption period for further 10 years.

(b) at any time after.

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

(d) Option to redeem at 3½% Prem. after 14-5-64 and before 15-5-69.

Option to repay on 6 months' notice—

(e) at any time after 30-6-61 at 101%.

(f) at 101% between 1-1-60 & 31-12-64.

(g) at 102/8% after 30-6-59 but before 30-6-64.

(h) at any time after 30-6-65 at 101%.

Option to repay on 3 months' notice—

(i) at any time at 3% Premium.

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

(k) at any time at par.

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

(m) redeemable at 103% on 31-12-64 with option to redeem on any interest date at same premium after 30-6-59.

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

(o) to be redeemed at a premium of 10% Rs. 40,000 to be redeemed annually by drawing on 3 months' notice with option to redeem all after 5 years from date of issue on 6 months' notice. Option not exercised repayment to be made after full term.
Option to repay

(p) at par after September 1960.

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

(r) with option to redeem at 101% after 10 years or at 100/8% after 12 years

(s) Rs. 1 lac Debentures to be redeemed annually by drawing from 1-6-56 with option to redeem at 100/8% between 1-6-57 to 1-6-60 and at 101% afterwards.

(t) with option to redeem at 101% after 10 years or at 100/8% after 13 years

(u) with option to redeem all or any of the Debts at 101% at any time after 31-3-64 and at 100/8% at any time after 31-3-66.

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

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

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

(y) Redeemable (a) at 102% on 1st October, 1974 or in the event of voluntary liquidation of the undertaking being purchased or in the event of the Security becoming enforceable or (b) at 105% at any time after 31st March 1933 on 6 months' notice from the Co. (c) also redeemable out of a sinking fund (commencing in 1938) by drawing at 102% or purchase at or under 102%

(z) Also redeemable out of a cumulative sinking fund of 1½% per annum commencing in 1943 by purchase at any price less than par or by annual drawing at par.

JOINT STOCK COMPANIES' DEBENTURES

Amount Authorised Rs.	Amount Outstanding Rs.	Rate of Interest per cent	NAME OF COMPANIES	Year of Issue	MARKET PRICE 25-11-64	MARKET PRICE 18-11-64	A year ago Rs.	Interest payable	Principal Repayable	Remarks
			(CALCUTTA) COAL							
60,00,000	60,00,000	6½	Bengal	1961	99/00	99/00	100/00	1st May 1st Nov.	31-10-75	(X)
30,00,000	30,00,000	6	Bharat Collieries	1944	90/00	90/00	90/00	30th April 31st Oct.	30-6-64	..
20,00,000	20,00,000	4½	Burrakur	1947	90/00	90/00	85/00	30th June 31st Dec.	30-6-67	(G*)
50,00,000	50,00,000	5½	Equitable	1953	97/00	97/00	98/00	1st July 1st Jan.	14-12-68	(r*)
			COTTON MILL							
4,00,000	4,00,000	6	Bengal Nagpur	1897	90/00	90/00	85/00	10th May 10th Nov.	15-11-66	(l)
			JUTE MILLS							
15,00,000	12,00,000	5½	Agarpara	1939	91/50	91/50	92/00	1st Oct 1st April	31-3-69	..
15,00,000	15,00,000	4	Auckland	1945	94/00	94/00	78/00	30th June 31st Dec.	31-12-64	(F)
9,00,000	6,00,000	5½	Alexandra	1939	91/50	91/50	91/00	30th June 31st Dec.	30-6-69	(g)
10,00,000	10,00,000	6½	Bengal (2nd Mortgage)	1940	95/50	95/50	95/50	30th June 31st Dec.	30-6-65	(b)
12,00,000	10,69,000	5	Chitavalsah	1951	93/00	93/00	88/50	30th June 31st Dec.	30-6-66	(e)
25,00,000	17,73,000	5½	Dalhousie	1954	95/00	95/00	90/00	31st March 30th Sept.	31-3-69	(u*)
10,00,000	8,86,000	5	Empire	1951	92/00	92/00	91/00	15th Jan 15th July	15-7-66	(e*)
25,00,000	8,87,000	5½	Fort Gloster	1952	99/00	99/00	98/00	31st March 30th Sept.	30-9-66	(Q*)
30,00,000	30,00,000	5½	Howrah	1955	93/50	93/50	92/50	31st March 30th Sept.	31-3-70	(N)
25,00,000	25,00,000	5	Kinnison	1949	97/00	97/00	90/00	30th June 31st Dec.	31-12-64	(f*)
25,00,000	12,04,000	5½	Kamarhatty	1955	97/50	97/50	89/50	30th June 31st Dec.	30-6-70	(h*)
25,00,000	25,00,000	5½	Naihati	1952	92/00	92/00	90/00	30th June 31st Dec.	31-3-67	(i*),
5,00,000	5,00,000	6½	Nellimarla	1939	92/00	92/00	92/00	14th Nov 14th May	14-3-74	(d)
20,00,000	20,00,000	4	Northbrook	1945	94/00	94/00	85/00	30th June 31st Dec.	31-12-64	(B)
25,00,000	25,00,000	5	Reliance	1950	94/50	94/50	81/00	31st March 30th Sept.	30-9-65	(M*)
12,00,000	12,00,000	5½	Union	1937	95/50	95/50	95/50	31st March 30th Sept.	31-3-67	..
10,00,000	10,00,000	6½	Waverley	1925	90/00	90/00	80/00	31st Jan. 31st July	31-7-72	..
			MISCELLANEOUS							
30,00,000	18,80,000	4½	Associated Hotels of India	1948	850/00	850/00	850/00	1st Jan. 1st July	31-12-62	(v)
10,00,000	9,96,000	7	Aluminium Corporation of India Ltd.	1948	97/00	97/00	92/00	1st Jan. 1st July	31-12-65	(U)
5,00,000	5,00,000	4½	Bareilly Electric Supply Co. Ltd.	1949	97/00	97/00	88/00	30th June 31st Dec.	31-12-64	(m*)
12,00,000	12,00,000	4½	Benares Elec. Ltd & Power Co. Ltd.	1949	97/00	97/00	90/00	30th June 31st Dec.	31-12-64	(m*)
1,00,00,000	90,00,000	5	Buckingham & Carnatic Co. Ltd.	1952	100/00	100/00	100/00	1st April 1st Oct.	1-3-72	(T*)
5,00,000	5,00,000	5½	Britannia Engineering	1945	94/00	94/00	94/00	30th June 31st Dec.	31-12-69	(g)
8,00,00,000	8,00,00,000	5½	Burmah-Shell Refineries Ltd.	1954	94/25	94/25	93/75	1st March 1st Sept.	1-9-69	(K*),
2,66,00,000	2,32,89,400	5	Calcutta Electric Supply Corporation	1950	95/50	95/50	90/50	1st Jan 1st July	1-1-70	(*)
£350,000	£325,230	4½	Calcutta Tramways	1900	£66/00	£66/00	£66/00	1st Jan 1st July	..	(w)
£250,000	£157,788	5	Calcutta Tramways	1933	£74/00	£74/00	£74/00	1st April 1st Oct.	1-10-74	(y)
19,50,000	17,50,000	7	Carew & Co.	1938	99/00	99/00	100/00	1st June 1st Oct.	1-6-63	(s)
5,50,000	2,46,000	6½	Carew & Co. (2nd Mortgage)	1941	95/00	95/00	95/00	1st March 1st Sept.	28-2-70	(i)
21,00,000	21,00,000	5½	Chowringhee Properties	1915	85/00N	85/00N	85/00N	1st Feb. 1st August	1-2-64	..
25,00,000	15,03,000	4½	Clive Buildings	1936	82/00	82/00	82/00	1st July 1st Jan.	1-7-86	(A),
1,00,00,000	1,00,00,000	6½	Dalmia Cement	1946	86/00	86/00	86/00	31st March 30th Sept.	1970	(p)
1,30,00,000	1,04,55,000	6½	Dunlop Rubber Co (I) Ltd.	1950	99/00	99/25	100/25	1st Jan 1st July	1-1-73	(b*)
1,00,00,000	1,00,00,000	6½	Dunlop Rubber Co (I) Ltd.	1958	99/00	100/25	100/25	1st Jan 1st July	1-1-73	(w*)
1,00,00,000	91,80,000	5½	Indian Cable Co. Ltd.	1954	95/00	94/50	90/00	1st Jan 1st July	30-6-69	(t*)
20,00,000	20,00,000	5½	Kumardhubi Fireclay & Silica Works	1954	92/00	92/00	92/00	31st Dec	31-12-69	(D*)
10,00,000	10,00,000	4	Kumardhubi Engineering Works Ltd.	1946	90/00	90/00	84/00	31st May 30th Nov.	31-5-71	(O),
6,50,000	6,50,000	6	Katakhal Lala Bazar Railway	1945	85/00	85/00	85/00	30th June 31st Dec.	31-12-74	(*)
45,00,000	39,70,000	4	McLeod & Co. Ltd. (Con. Notes)	1947	£10/00 P note	£10/00 P note	£10/00 P note	30th June 31st Dec.	31-12-72	(I*)
1,00,00,000	74,75,000	5	Macneill & Barry Ltd.	1951	77/50	77/50	85/00	1st April 1st Oct.	1-4-71	(P*),
12,00,000	12,00,000	4	National Tobacco Co. India Ltd.	1946	93/00	93/00	85/00	30th June 31st Dec.	30-6-66	(S)
20,00,000	20,00,000	6	Patna Electric Supply Co. Ltd.	1949	97/00	97/00	90/00	31st May 30th Nov.	1-12-64	(V)
1,00,00,000	50,50,000	6	Rohtas Industries Ltd.	1946	90/00	90/00	96/00	30th June 31st Dec.	31-12-69	(a*)
4,00,00,000	4,00,00,000	5½	Esso Standard Ltd.	1953	93/25	93/25	91/00	1st May 1st Nov.	1-5-68	(H)
10,00,000	10,00,000	5½	Shree Gopal Paper Mills Ltd.	1944	95/00	95/00	95/00	Jan & July	15-7-66	(E*),
£200,000	£200,000	4½	Shahdara (Delhi) Saharanpur Rly.	1905	£64N	£64N	£64N	1st Jan 1st July	..	..
15,00,000	11,40,000	5	Sijua Jherriah	1951	91/00	91/00	91/00	1st Jan 1st July	30-6-76	(*L)
30,00,000	30,00,000	4½	United Provinces Elec. Supply Co. Ltd.	1949	97/00	97/00	90/00	31st March 30th Sept.	31-12-64	(C*) (Cm)
			TEA							
2,50,000	2,50,000	6	Baitakhal	1943	95/00	95/00	95/00	30th June 31st Dec.	1-7-63	..
			(BOMBAY)							
1,00,00,000	98,28,000	4	Andhra Valley Power Supply	1940	98/50	98/50	98/50	1st April 1st Oct.	1952	..
50,00,000	50,00,000	4	Tata Power	1941	86/00	86/00	86/00	..	1951-55	..

(Continued from foot of previous page)

(A) Repayable at par by 1988 by annual Drawings on 1st July each year. May repay the issue in full after 30th June 1961 on 6 months' notice

(B) Repayment at par on 31st Dec. 1964 with the option of repayment on 31-12-54 or any subsequent interest date at a Prem of 2%

(C) Rs. 76,000 to be redeemed at par annually by drawing.

(D) With option to redeem any part at 101% after 31-12-64 and at 100½% after 31-12-68.

(E) Rs. 50 lacs will be redeemed annually by drawings from 1st May 1964 onwards. The Co. has option to redeem all Debentures at 101% on 1st May 1963 on 6 months' notice

(F) Option to redeem all or any of the Debentures at a premium of Re 1/- per cent by giving one month's notice on the 31st December 1954 or any subsequent interest date

(G) May be redeemed on 30th June 1967 at a premium of 1% or on 30th June, 1962, at a premium of ½%.

(H) May be redeemed at a premium of Rs. 20/- per debenture (i.e. 2%) if redeemed earlier than 31st Dec. 1955 on 3 months' notice

(I) The Company has option to repay all or any at par by giving notice for 4 months expiring on any interest date after 30th Sept. 1955. At any time on or after 1st Oct. 1957 the holders may convert each note of Rs. 500/- into 25 ordinary shares to take effect on 1st Oct. in each year on giving 15 days' notice prior to such day

(J) May be redeemed at 101% at any time after 31st March, 1963 and at 100½% on any time after 31st March 1955.

(K) Rs. 1,600,000 Debentures will be redeemed at par annually by drawing from 1-9-65. Any Debenture outstanding on 1-9-69 will be redeemed on that date with option to redeem all Debentures at 101% on 1-9-64.

(L) Any time on 6 months notice.

(M) At par in September 1960

(N) May be redeemed at the end of 1965 or thereafter at 101%

(O) Option to repay at par on or after 31st May 1961.

(P) Redeemable at par on 31st Dec., 1972 with option to redeem at par at any time on 6 months' notice after 30th June 1958. At any time after 31st Dec. 1948 each note of Rs. 500/- may be converted into two ordinary shares of Rs. 100/- each ranking for dividend from 1st January following

(Q) With option to redeem annually Rs. 4,00,000/- at par after 31-3-58 by drawing or by purchase in the open market

(R) May be redeemed annually at par by drawing after 10th year also the whole issue at 101% on or after 31-3-63

(S) (Option to repay at par one month's notice). At any time after 1st October 1956.

(T) (Option to repay at par on 6 months notice) after 1-1-67

(U) (Option to repay on 3 months' notice). At any time after 31st December 1960

(V) May be redeemed at par on 30-6-56 or any subsequent interest date on one month's notice.

(W) After giving six months' notice.

(X) Rs. 5,00,000 will be redeemed each year from and after 1964.

* These Debentures are registered and are transferable by transfer Deeds.

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued In 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations 25-11-64 Rs.	A year ago Rs.
	BANK					
1901	Allahabad Bank (May Nov.)	15.00	6	100	95/00	96/50
	COALS					
1896-97	Borrea (June Dec.)	4.00	6½	100	84/00	84/00
1901-19	Burrakur (Jan July)	22.98	7	100	101/50	100/00
1946	Burrakur (June Dec.)	4.50	6T	10	6/00	6/00
1895	Equitable (May Nov.)	4.00	6	100	90/00	80/00
1931	Khas Kajora (March Sept.)	1.93	5	10	8/75	9/00
1920	New Beerbhoom (Jan. July)	2.00	7	10	10/62	10/50
1898-00	Ondal (June Dec.)	2.00	5½	100	85/00	85/00
	COTTONS					
1902	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	80/50	70/00
1884	Bangalore (Jan. July)	6.00	6	100	92/59	98/44
1938	Basanti (Oct.)	5.00	6½	10	7/09	7/00
1896	Bengal-Nagpur (Apr Oct.)	3.00	7	100	48/00	48/00
1900	Bowreah "A" (Apr Oct.)	6.00	8	100	109/00	114/00
1900	Bowreah "B" (6) (1) (Apr Oct.)	6.00	7	100	93/00	88/00
1919	Bradbury "B" (Jan Dec.)	14.85	7	50	56/00	61/00
1920	Buckingham & Carnatic (Jan. July)	21.30	7½	100	111/10	109/00
1928	Cambodia (July)	1.00	7	100	68/85	83/63
1912	Central India (Apr. Oct.)	50.00	5	500	485/00	483/75
..	Delhi Cloth & General (Oct.)	20.00	4½	25	16/63	16/63
1912	Elgin (May Nov.)	11.00	8	100	111/00	113/00
1943	Elgin "B"	10.00	5	10	6/44	6/50
1919	Elphinstone (May Nov.)	25.00	7T	100	78/50	76/00
1919	Kesoram (June Dec.)	20.00	7	100	86/00	107/50
1925	Khatau Makanji (Nov.)	10.00	6	100	88/00	83/50
1937	Kothari (Nov.)	12.00	6	10	7/23	7/75
1900	Muir (Feb Aug.)	30.00	6	100	98/50	122/00
1913	New Great Eastern (Mar.)	8.00	5½	200	99/00	120/00
1920	New Victoria (Apr. Oct.)	16.06	6	5	2/00	2/69
1933	Palani Andavar (Mar.)	2.00	7	50	115/45	115/45
1935	Svadeshi (Bombay) (May)	15.00	5	100	86/30	86/00
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	66/00	68/00
1931	Vasanta (Apr. Oct.)	3.00	6½	100	79/70	86/14
1908	Vishnu (Apr.)	16.00	7	500	390/00	405/00
	JUTES					
1927	Agarpara (Jan. July)					
1905	Alexandra (Feb Aug.)	10.00	7	100	100/00	96/50
1895	Alliance (March Sept.)	9.00	7	100	96/00	65/50
1917	Anglo-India (May Nov.)	15.00	6	100	71/00	76/00
1909	Auckland (July Jan.)	40.00	7	100	102/50	99/00
1945	Auckland (July Jan.)	10.00	5½	100	69/50	77/00
1918	Bally (Jan. July)	15.00	4½	100	60/50	57/00
1896	Barnagore (Oct Dec.)	20.00	7	100	111/00	111/00
1940	Bengal (June Dec.)	£200	5T	£5	42/00	38/00
1919	Birla (June Dec.)	10.00	5½	100	70/00	70/00
1894	Budge Budge (May Nov.)	23.64	7½T	100	97/00	90/00
1934	Calcutta (Jan July)	9.00	7	100	95/00	90/50
1915	Caledonian (June Dec.)	6.00	6½	100	63/00	72/00
1919	Cheviot (June Dec.)	10.00	7	100	92/00	93/00
1928	Chitavalsah (Mar Dec.)	10.00	7	100	96/00	99/00
1900	Clive (First) (May Dec.)	5.00	7	100	89/00	89/00
1905	Clive "A" (Second) (May Dec.)	8.00	6	100	54/00	68/50
1903-13	Dalhousie (July Jan.)	8.00	7	100	63/00	70/00
1897	Delta (June Dec.)	11.76	7	100	90/00	93/00
1912	Empire (Jan July)	5.00	6	100	93/00	64/75
1890-93	Fort Gloster (Jan July)	10.00	7	100	91/00	96/00
1948	Fort Gloster (2nd)	14.00	7	100	73/00	111/00
1911	Fort William (May Nov.)	7.00	5	100	69/50	66/62
1916	Ganges (June Dec.)	10.00	7	100	104/00	115/00
1895-04	Gourepore (June Dec.)	6.00	8	100	91/00	106/00
1935	Hastings (Aug Feb.)	26.50	6	100	85/00	88/00
1913	Hooghly (July)	25.00	6	100	89/00	91/50
1890	Howrah (Jan July)	11.76	10	10	13/50	13/06
1903-06	Howrah "A" (Jan July)	8.75	7	100	93/00	90/50
1919	Hukumchand (June Dec.)	17.50	7	100	97/00	94/50
1898-04	Kamarhatty (Apr Oct.)	40.00	7	100	100/00	98/00
1900	Kanknarrah (Apr Oct.)	16.00	6	100	81/00	81/00
1935	Kedarnath (Jan July)	10.00	6	100	81/00	81/50
1907	Kelvin (Mar Sept.)	2.00	7	100	90/50	90/00
1895-09	Khardah (May Nov.)	10.00	7	100	96/50	100/00
1900-13	Kinnison (July Jan.)	9.00	6	100	74/00	77/50
1905	Lansdowne (July Jan.)	15.00	7	100	89/00	98/00
1912	Lawrence "A" (July Jan.)	15.00	7	100	94/00	114/00
1906-07	Lawrence "B" (July Jan.)	6.00	7	100	98/00	95/00
1905-06	Naihati (July Jan.)	10.00	5½	100	69/00	71/00
1945	Naihati (July Jan.)	7.50	7	100	115/00	112/00
1917	National (May Nov.)	10.00	4½	100	90/00	90/00
1939	Nellimarla (Apr Oct.)	5.00	7	100	95/50	93/50
1915	New Central (Jan July)	5.00	6	100	71/00	78/00
1908-09	Northbrook (July Jan.)	33.00	7	100	91/00	94/00
1935	Rameshwara (Jan July)	15.00	7	100	70/00	73/00
1906-12	Reliance (Jan July)	7.00	6	10	13/81	12/50
1928	Shree Ambica (Mar Sept.)	20.00	7	100	114/00	121/50
1920	Soorah (Feb Aug.)	11.70	7½	100	96/50	90/00
1901-02	Union (July Jan.)	10.00	7	100	104/00	105/50
1918	Waverley (Mar Sept.)	6.00	7	100	98/50	98/50
		7.50	8	50	40/23	42/50
	MISCELLANEOUS					
1937	Alkali & Chemical (Mar Sept.)	31.00	5	100	85/50	90/00
1938	Aluminium Corpn (Oct.)	20.00	6	100	93/50	93/50
1944	Aluminium Corpn (Oct.)	20.00	5	100	67/00	62/00
1949	Anderson Wright (Dec.)	20.00	4½	100	66/62	66/62
1917	Andhra Valley Power (May Nov.)	49.34	7T	1,000	996/25	1,025/00
1919	Arthur Butler (Mar.)	1.30	7	10	10/00	12/00
1916	Asstd. Hotels of India (Mar Sept.)	21.67	7T	100	55/00	54/00

Year of Issue	NAMES	Amount Issued In 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotation 25-11-64 Rs.	A year ago Rs.
1895	Bengal Assam Steamship (Nov.)	3.00	7	60	57/50	54/75
1926	Bengal Chemical (Aug.)	6.25	7½	10	11/81	11/62
1889	Bengal Paper Mill (Mar. Sept.)	2.00	7	50	51/00	51/00
1928	Bengal Paper Mill "A" (Mar. Sept.)	4.00	7	100	98/00	98/00
1936	Birds Investments (Dec.)	24.00	5½T	100	52/50	52/50
1962	Braithwaite & Co.	40.00	9T	100	112/00	107/00
1918	Britannia Biscuit (Feb. Aug.)	15.00	8	10	11/00	11/00
1920	British India Corporation (Feb.)	81.00	8	100	116/50	108/50
1995-99	Burn Eng. (1st & 2nd) (Feb Aug.)	13.00	7	100	114/00	120/00
1903-5	Burn Engineering (Feb Aug.)	15.00	6	100	103/00	103/00
1909-11	Calcutta Electric Supply (Mar. Sept.)	£1,900	5	£1	8/31	8/00
1937	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	70/50	70/00
1906	Calcutta Tramways (Jan. July)	£250	5T	£1	8/12	8/25
1938	Carew & Co (Jan.)	8.00	6½	100	82/00	73/25
1905-24	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	118/00	104/50
1940	Chrestien Mica Industries Ltd.	30.00	5½T	100	38/87	39/00
1937	Dalmia Cement (Bharat)	35.00	6	10	8/41	8/12
1916	Delhi Flour Mills (Oct.)	90.00	7T	100	101/00	101/00
1935	Deshergarh Power Supply "A" (Jan.)	16.00	5	100	70/00	67/00
1940	Duncan Brothers & Co Ltd.	45.00	4	100	60/00	56/50
1926	Dunlop Rubber "First" (Jan. July)	30.00	8	100	108/00	104/75
1936	Dunlop Rubber "Second" (Apr.)	40.00	5½T	100	71/50	68/00
1897	East India Distilleries (Jan July)	£200	7	20st	15/64	18/90
1908	General Investment & Trust (Feb Aug.)	1.00	5	100	56/00	56/00
1947	General Investment & Trust (Feb. Aug.)	1.00	6T	100	48/00	48/00
1946	Gillanders Arbuthnot (Apr. Oct.)	25.00	5T	100	54/00	55/00
1946	Gladstone Lyall & Co. Ltd.	15.00	6T	100	60/00	60/00
1948	Godfrey Phillips India Ltd.	30.00	5½T	100	59/75	60/75
1940	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	62/00	62/00
1940	Gwalior Sugar (Dec.)	5.00	7	100	62/00	62/00
1936	Humayan Properties Ltd (Nov.)	12.00	6	10	7/56	6/81
1938	Indian Aluminium (Mar Sept.)	40.00	5T	100	65/00	66/75
1927	Indo Burma Petroleum (Jan. July)	50.00	7T	100	68/00	70/00
1899	India General Navg. & Railways	£244	6	£10	83/50	65/00
1923	Indian Cable Co (Nov.)	12.88	6	10	31/75	31/75
1918	Indian Standard Wagon (Aug. or Sept.)	19.66	7	100	109/00	116/50
1936	Indian Iron & Steel	2,69.95	5	100	83/50	84/25
1936	Investment and Finance (Feb. Aug.)	2.00	5	100	48/00	69/00
1935	Investment and Finance (Feb. Aug.)	2.00	6T	100	42/00	60/00
1937	James Wright (Jan. July)	1.30	6	50	14/00	14/00
1937	Jardine Henderson Ltd.	50.00	5½T	100	58/00	55/00
1941	Jessop & Co	10.00	5	100	76/25	75/50
1915	Kumardhubi Engineering (June)					
1915	Martin Burn Ltd.	12.00	6	100	72/00	68/00
1946	McLeod & Co.	30.00	5	100	90/00	85/50
1930	McLeod & Co.	10.00	6T	100	46/00	44/50
1936	Mettur Chemical & Industrial (Sept.)	40.00	5	100	62/50	59/75
..	Metal Box Co. of India Ltd.	20.00	6	10	8/23	8/25
1938	Mysore Chemical Mfg (Sept.)	30.00	6T	100	76/00	77/50
1942	National Tobacco (June Dec.)	2.00	6	10	8/73	7/83
1944	National Tobacco (Jan Dec.)	25.00	5	100	68/00	66/50
		20.00	4½	100	59/50	58/00
1917	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	99/50	99/50
1935	Premier Construction "First" (Apr.)	10.00	6½T	100	78/80	72/00
1936	Premier Construction "Second" (Apr.)	15.00	6½T	100	75/00	70/00
1922	Purtabpore (Sugar) (Oct.)	6.00	10	10	13/44	10/56
1936	Ramnugger Cane & Sugar (Aug.)	4.00	6	100	82/00	82/00
1933-36	Rohtas Industries (April)	20.00	7	100	102/00	99/50
1935	Rohtas Industries "B" (April)	88.00	4½	100	55/25	58/25
1944-48	Shaw Wallace & Co. Ltd.	75.00	6T	100	56/75	67/00
1936	Shree Gopal Paper					
1936-38	Shree Krishna Gyanoday Sugar "A" (Oct.)	7.50	7	100	99/00	99/00
1937	Shree Krishna Gyanoday Sugar "B"	6.00	6	100	62/00	62/00
1918	Smith Stanistreet (Chemists) (Nov.)	12.00	5	100	45/00	70/00
1933	South Behar Sugar (Oct.)	5.00	10	50	74/50	62/50
1897	Spencer & Co "A" (Provisions) (Jan July)	5.00	9	100	20/50	20/50
1923	Spencer & Co "B" (Provisions) (Jan July)	23.20	6½T	10	6/61	6/58
1936	Star Paper (Apr Oct.)	36.80	8½T	10	9/59	9/50
1925	Surat Electricity (April)	10.00	5	100	66/00	65/90
1939	Tata Chemicals (Nov.)	5.00	6½	100	102/50	104/00
1910	Tata Hydro Electric Power (Sept Mar.)	60.00	5	100	96/00	95/00
1906	Tata Iron & Steel (First) (Nov.)	89.28	7	100	101/50	104/00
1918	Tata Iron & Steel (Second) (May)	75.00	6T	150	127/50	121/25
1919	Tata Power (May Nov.)	6,93.82	7½T	100	103/00	101/50
1928	Titaghur Paper Mills (Mar. Sept.)	86.97	7½	1,000	1,035/00	1,030/00
1936	Titaghur Paper Mills "2nd" (Mar. Sept.)	11.50	8	100	116/50	117/00
1934	Vellore Electric (Sept Mar.)	15.00	4½	100	64/25	66/50
		1.25	6	10	5/78	6/25
	TEAS					
1903	Amluckie (May Nov.)	75.00	7	10	21/96	21/96
1901	Banarhat (Jan.)	4.00	6½	100	81/75	91/00
1900	Birpara (Jan.)	1.00	8	100	104/00	104/00
1947	Brooke Bond Estate India Ltd.	35.00	6T	100	56/50	56/00
1914	Choonabhutti (Jan.)	2.00	6½	100	80/50	90/50
1901	Dimakusi (June Dec.)	70.00	6	10	8/25	9/50
	Dhunseri	1.20	10	10	7/00	7/00
1894	Gielle (Sept.)	2.00	8	100	59/50	50/00
1901	Hantapara (Jan.)	50.00	8	100	89/84	89/84
1904	Hasimara (Mar.)	8.00	7	100	83/00	86/50
1897-99	Kingsley Golaghat (Dec.)	2.40	6	100	95/00	85/00
1929	Moheema (May Nov.)	3.20	8	10	4/81	4/75
1907	New Dooars (Jan.)	2.00	6½	100	87/00	91/00
1903	New Samanbagh (Nov.)	1.00	8	100	90/50	90/50
1889	Okayti (Dec.	50.00	7	100	84/50	84/50
1914	Peermade (July)	1.80	6	100	73/30	82/77
1916	Pussimbing (Jan.)	2.05	7	100	93/00	89/50
1909	Sonai River (May)	1.00	8	100	66/00	100/00
1932	Tezpore (Jan.)	2.06	8	10	7/37	7/06
1922	Tirrihannah (May Nov.)	1.00	10	10	11/46	11/46

BANKS

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

Paid-up Capital Ordinary Rs.	Reserve & other Funds Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 25-11-64 Rs.	18-11-64 Rs.	A year ago
67,50,000	1,33,55,000	24,28,10,621	26,41,432	4,67,637	12	Allahabad Bank P.	18	15	15	100	249/00	249/00	260/00
,00,00,000H	2,44,93,760	45,38,16,085	75,00,247	2,96,969	12	Bank of Baroda	17	16	16	50	99/00	99/00	91/00
,05,00,000H	4,86,00,000	50,72,83,602	1,25,00,000	4,19,847	12	Bank of India	20	20	18	50	101/00	101/00	111/00
,63,01,800H 52,50,000	5,53,41,648	91,06,63,918	1,89,26,426	91,510	12	Central Bank of India	20	20	20	25	52/30	52/50	59/00
£6,600,000	£7,900,000	£208,379,848	£1,069,378	£574,024	12	Chartered Bank	15	15	15	£1	sh. 47/3	sh. 50/-	sh. 57/9
1,25,00,000H	10,00,000	3,70,50,489	9,68,909	17,401	12	Hindusthan Commercial	Nil	Nil	..	50	10/00	9/75	13/50
50,00,000H	3,10,000	1,52,63,057	2,11,49,462	52,289	12	Hindusthan Mercantile	Nil	Nil	..	50	10/75	10/75	15/62
$79,046,125	HK$240,000,000	HK$3,117,934,633	HK$47,716,320	HK$5,511,638	12	Hong Kong & Shanghai	sh. 15†	sh. 16†	sh. 16†	HK$25	£22⅛	£21½	£19⅛
85,80,000	78,34,584	20,39,37,477	17,00,155	1,61,942	12	Indian Bank	15	14	15	100	158/00	159/00	157/50
1,00,00,000	93,62,535	17,03,88,147	16,23,334	1,01,850	12	Indian Overseas Bank	14	12	14	100	150/00	150/00	148/00
£5,703,000	£5,400,000	£131,367,034	£679,318	£357,227	12	National & Grindlays Bank	14	16	14	sh. 15	sh. 30/4½	sh. 32/6	sh. 33/1½
2,00,00,000	3,07,10,000	84,19,60,154	1,25,56,166	2,27,073	12	Punjab National Bank	20	20	20	10	20/06	20/06	19/44
1,00,00,000	76,00,000	22,00,55,074	27,36,301	1,57,743	12	Union Bank of India	11-2/5	11 2/5	11 2/5	5	6/52	6/56	6/40
2,68,84,370	1,00,30,000	31,22,05,273	26,39,808	4,15,814	12	United Bank of India	6	6	7½	10	8/12	8/12	7/84
2,79,66,812	3,20,00,000	49,86,00,180	76,42,869	73,941	12	United Commercial Bank	12	12	12	50	72/50	72/50	74/25

† Per share

JUTE MILLS

Paid-up Ordinary Capital Rs.	No. of Looms	Net Block Account Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 25-11-64 Rs.	18-11-64 Rs.	A year ago Rs.
60,00,000	879	99,81,890	76,63,500	8,86,951	19,88,920	30,951	3	79	Agarpara P.	2½	2½	12—10*	10	8/69	8/69	10/44
6,00,000	446	30,57,138	21,01,100	6,26,077	22,41,118	32,706	12	165	Alexandra P.	15	42½	..	100	245/00	245/00	300/00
30,00,000	2,561	57,64,872	26,04,850	5,25,867	18,38,975	1,05,589	5	165	Alliance P.	Nil	10	12½	100	106/00	106/00	160/00
59,04,900	1,264	1,41,77,325	1,15,30,000	71,28,938	35,65,975	55,895	3	63	Anglo-India P.	7½	10	12	100	185/00	180/00	228/00
40,00,000	810	74,93,222	32,04,394	6,13,154	39,08,352	1,752	3	21	Auckland P.	12	Nil	15	100	124/00	132/00	140/50
20,00,000	955	1,02,10,363	46,32,069	6,64,478	15,79,586	24,424	8	22	Bally P	25	25	25—20*	100	239/00	239/00	261/00
£275,000	1,889	£377,381	£1,028,581	£221,017	£309,475	£7,946	3	128	Barnagore P.	10	10	40—30*	£5	230/00	230/00	225/00
45,00,000	600	28,81,854	15,46,700	8,93,663	5,85,851	1,33,355	6	235	Bengal P.	5	5	..	10	7/00	7/00	9/37
1,59,56,210	1,373	7,39,53,838	4,30,61,136	96,39,875	1,11,00,519	40,062	3	22	Birla	15	15	15—15*	10	37/56	35/75	32/25
36,00,000	991	48,08,736	20,48,440	16,71,597	43,23,494	35,907	10	2	Budge Budge P.	Nil	12	20	100	128/00	128/00	152/50
7,47,380	602	12,59,648	4,17,958	1,73,320	51,970	48,461	6-12	62	Calcutta P.	Nil	Nil	..	10	8/12	8/12	8/12
18,00,000	616	54,89,909	40,88,628	4,33,492	19,56,178	7,332	11	440	Caledonian P.	5	15	15—15*	100	133/00	138/00	181/00
29,58,200	1,400	76,11,573	1,01,10,201	4,04,567	30,87,988	30,261	8	304	Champdany P.	5	Nil	40—35*	10	22/12	21/81	24/19
88,58,750	1,131	67,05,590	72,45,112	12,64,351	41,57,638	1,02,122	11	2	Cheviot P	5	25	..	10	20/31	20/25	22/87
30,15,000	300	61,15,293	38,54,850	16,26,307	—480,984	—410,550	7	165	Chitavalsah P.	Nil	5	Nil	10	7/75	7/75	11/12
16,00,000	959	13,80,489	25,12,433	1,35,556	1,51,574	18,647	8	818	Clive P	Nil	Nil	..	10	8/00	8/00	9/19
31,49,200	766	64,54,820	24,37,694	4,25,057	16,78,204	9,930	3	21	Dalhousie P.	1	Nil	25—7½*	100	110/00	109/00	154/00
56,00,000	1,599	1,12,10,485	74,12,967	3,45,236	37,84,549	23,475	11	2	Delta P.	Nil	12	16	100	138/00	141/00	164/00
15,00,000	300	41,34,892	42,21,700	9,25,844	15,13,538	84,695	9	185	Empire P.	7½	12½	15	10	13/75	13/75	17/75
63,00,000	1,884	2,17,21,868	1,38,61,438	8,53,676	45,25,110	15,622	3	138	Fort Gloster	10	12½	20—15*	100	260/00	267/00	372/00
41,89,189	1,014	1,37,28,309	42,14,377	2,17,281	10,00,019	4,080	3	234	Fort William P.	22½	10	20—15*	10	20/00	20/00	27/50
84,32,100	1,400	1,77,10,278	83,61,396	1,52,730	51,58,075	43,666	3	367	Ganges P	10	15	20—20*	10	12/91	12/87	13/75
43,20,000	607	1,30,91,315	46,54,205	1,29,361	21,04,959	9,681	12	359	General Industria	10	13	14	10	15/00	15/00	16/66
48,00,000	1,394	1,34,74,293	82,53,423	48,11,745	65,24,022	41,505	3	19	Gourepore P.	25	20	20—20*	10	21/37	20/50	25/25
40,00,000	1,076	1,07,49,461	1,22,75,042	66,04,302	28,52,320	2,274	3	234	Hastings P.	6	6	6—6*	100	128/00	128/00	128/00
16,80,000	720	32,20,357	44,86,659	2,59,301	9,22,006	4,294	3	356	Hooghly P.	20	7½	10	10	14/44	14/44	16/00
65,62,500	1,940	62,81,418	51,91,579	14,93,084	40,60,622		8	128	Howrah P.	10	Nil	10-12½*	10	16/19	15/37	19/31
52,50,000	2,272	1,50,08,913	1,08,90,055	23,39,044	57,69,850	2,904	8	35	Hukumchand P.	28¾	26¾	26¾-26¾*	7½	17/50	17/50	21/00
87,30,000	790	1,37,65,684	59,89,948	36,44,107	28,13,519	8,630	3	355	India	12	8	18—12*	12½	15/25	15/25	16/75
43,20,000	1,797	48,38,710	36,84,700	8,25,320	43,90,084	..	12	128	Kamarhatty P.	Nil	20	20	100	155/00	155/00	201/00
54,00,000	1,527	43,79,575	16,53,308	4,87,955	45,55,022	..	12	128	Kanknarrah P.	Nil	15	15	100	137/50	137/50	147/00
28,00,000	703	1,27,62,408	72,61,800	15,66,004	32,65,397	94,936	5	165	Kelvin P.	15	5	20	100	138/00	138/00	104/00
54,00,000	1,530	93,03,019	73,68,631	6,07,972	42,70,729	3,379	3	382	Khardah P.	5	12½	12½	10	17/75	17/75	19/37
48,00,000	1,250	77,11,483	47,87,477	23,71,495	29,49,140	13,127	3	106	Kinnison P.	7	Nil	10—5*	100	108/00	108/00	148/00
24,48,000	931	27,71,700	5,13,600	13,13,411	11,11,224	6,707	3	21	Lansdowne P.	Nil	Nil	Nil—12½*	100	111/00	111/00	98/00
28,00,000	840	20,00,065	14,09,475	45,59,844	12,94,083	664	3	21	Lawrence P.	15	10	10	100	109/00	109/00	111/00
81,65,200	1,294	2,36,34,876	90,18,605	4,20,464	67,99,536	3,495	3	355	Megna	12½	Nil	22—12*	10	11/75	12/19	13/00
29,98,900	815	88,18,934	41,42,655	3,53,015	5,69,802	32,760	3	101	Naihati P.	Nil	Nil	Nil—Nil*	100	66/00	66/00	104/00
20,00,000	425	10,79,854	15,55,000	26,11,429	1,36,343	17,816	4-10	107	Naskarpara	2½	5	..	10	5/50	5/50	8/00
35,00,000	852	2,82,38,827	97,30,449	23,86,188	28,36,819	4,576	10	378	National P.	Nil	10	10	10	19/37	19/37	23/94
26,25,000	816	35,16,718	36,29,172	14,01,935	4,40,187	35,230	1	165	Nellimarla P.	6	15	5	10	8/81	8/81	12/75
1,56,00,000	1,765	6,08,96,118	2,42,19,122	26,20,231	—18,53,066	15,630	3	335	New Central P.	15	Nil	..	10	10/00	9/94	13/44
16,79,880	567	54,75,607	56,86,689	4,76,913	33,32,174	1,076	3	21	Northbrook P.	30	20	35	10	22/37	22/37	31/00
66,79,500	1,092	97,24,747	61,30,745	7,56,539	20,44,821	20,062	3	19	Nuddea	6	5	10—10*	10	10/44	10/81	..
25,00,000	400	24,42,457	13,65,554	8,76,427	7,59,908	17,103	7	165	Presidency	6	10	10	5	4/25	4/25	5/69
20,00,000	805	40,98,695	5,66,488	98,624	6,61,516	16,893	8	166	Rameshwara P.	Nil	Nil	Nil—Nil*	10	7/75	7/75	9/20
49,50,000	1,276	53,44,192	6,91,790	5,98,162	14,79,976	8,85,502	8	128	Reliance P	Nil	Nil	Nil—Nil*	10	6/50	6/50	8/87
£600,000	2,013	£1,602,126	£1,398,262	£285,022	£197,841	£2,892	12	64	Samnugger P.	Nil	10	13	£1	10/50	10/50	10/50
90,00,000	911	47,47,618	15,81,656	27,81,388	2,13,128	3,184	3-8	61	Shree Ambica P.	6	Nil	..	10	30/00	30/00	35/00
14,00,000	401	21,82,940	17,16,854	14,69,844	15,77,802	26,425	12	166	Soorah P.	25	25	..	10	19/19	19/19	23/50
£600,000	1,794	£1,631,120	£1,276,938	£347,424	70,811	£3,525	12	64	Titaghur P.	Nil	13	10	£1	10/50	10/50	10/50
85,98,600	1,326	50,79,284	42,63,667	13,52,676	31,60,784	603	3	21	Union P.	6	Nil	20	100	132/00	143/00	168/00
£400,000	1,331	£1,372,172	£1,002,577	£193,286	£46,412	£1,951	12	64	Victoria P.	Nil	10	10	£1	10/50	10/50	10/50
2,50,000	465	7,84,459	9,70,000	15,49,934	9,93,458	57,655	5	165	Waverley P.	30	60	30	1	7/69	7/69	9/75

* 1964

COAL COMPANIES

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

Paid-up Capital Ordinary Rs.	Net Block Account Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	Mg Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 25-11-64 Rs.	18-11-64 Rs.	A year ago Rs.
25,50,000	68,05,441	59,90,550	1,49,662	22,72,946	16,512	12	236	Amalgamated	12½	15	12½-12½*	10	19/25	19/25	26/00
1,20,00,000	4,10,81,913	2,88,23,173	30,83,212	62,75,084	1,03,409	10	2	Bengal P	21	19	16	100	230/00	240/00	276/00
4,49,350	4,37,382	1,30,132	91,796	43,397	4,471	10	2	Bengal Bhatdee	8	10	..	10	3/48	3/48	3/48
2,25,000	3,06,216	5,45,835	5,19,015	1,55,638	16,129	12	368	Bengal Nagpur	26	7	..	10	22/00	22/00	22/00
15,97,000	25,07,455	4,47,308	14,214	—2,45,265	—6,47,481	9	153	Bhalgora	Nil	..	..	10	3/62	3/62	4/75
40,00,000	67,23,620	2,75,000	21,19,681	11,80,816	2,120	9	152	Bharat Collieries P.	Nil	Nil	..	10	3/00	3/00	3/50
7,15,000	14,96,845	11,02,672	64,329	—3,06,406	—4,92,536	6	335	Bhulanbararee	Nil	Nil	..	10	10/00	10/00	11/94
16,00,000	38,87,275	16,18,636	7,185	1,21,936	—79,196	12	362	Bokaro & Ramgur	..	..	..	10	11/19	11/19	11/19
7,50,000	29,24,890	29,11,605	7,46,652	9,82,707	6,037	12	106	Borrea P	15	15	15	10	20/25	20/25	22/12
90,92,480	2,64,32,234	1,60,36,371	32,82,964	41,00,007	10,459	6	21	Burrakur P.	13	13	13	10	16/44	16/44	17/37
49,97,000	58,89,392	10,46,028	14,70,133	9,89,517	20,778	3	166	Central India	10	10	9—10*	10	8/19	8/25	10/12
8,00,000	18,69,439	12,97,490	98,040	6,357	214	12	..	Central Kurkend P.	Nil	Nil	..	10	3/44	3/44	3/87
6,00,000		1,55,159	6,05,872	63,765	7,043	12	106	Churulia	..	..	..	4	3/06	3/06	3/06
16,00,000	25,01,205	Nil	19,429	—6,45,261	—5,39,034	12	444	Dhemo Main	Nil	..	..	10	3/75	3/75	4/50
£384,000	£1,183,392	£828,529	£304,532	£225,291	..	4	128	East India	15	20⅝	20⅝—15*	£1	28/25	26/25	31/00
29,63,700	1,36,20,784	1,22,22,090	33,81,520	14,35,632	1,57,517	12	19	Equitable P.	10	10	10	10	20/75	20/75	25/62
15,00,000	22,69,942	71,000	31,302	7,080	—6,48,987	3	307	Ghusick & Muslia	Nil	Nil	Nil	10	13/87	13/87	14/25
6,50,000	4,21,847	Nil	12,025	10,670	—14,705	12	20	Guzdar Kajora	.	..	..	10	2/47	2/47	2/44
8,00,000	5,43,022	..	16,702	—10,172	—3,65,025	12	393	Hurriladih	Nil	..	..	10	5/44	5/44	7/06
15,00,000O 5,00,000F	26,00,237	29,37,098	36,07,570	94,026	1,570	12	21	Karanpura Development	5 15	3 9	3 9	10O 10F	9/00	9/00	12/06
20,00,000	45,84,112	17,65,600	34,320	17,46,069	1,971	8	21	Karanpura Collieries P.	10	10	10—12*	10	13/50	13/50	16/00
14,90,460	23,78,946	20,19,953	9,49,954	14,96,787	22,818	1	2	Katras Jherriah	40	25	30—30*	10	28/37	28/37	34/00
1,38,400	6,75,000	95,000	11,80,294	49,776	1,918	6-12	337	Khas Kajora P.	10 2/5	..	..	10	13/25	13/25	17/62
6,65,750	5,95,833	Nil	9,780	—1,60,535	—16,47,497	3	372	Mundulpur	..	..	..	10	2/69	2/69	2/69
7,48,240	3,39,261	56,489	7,29,802	1,15,573	74,711	12	347	Nazira	Nil	Nil	..	10	4/69	4/69	5/00
31,97,210	88,87,936	46,16,139	4,45,645	17,86,837	15,709	10	2	New Beerbhoom P.	10	12	10	10	16/50	15/50	19/25
10,00,000	11,60,730	6,73,184	79,733	—38,584	—66,880	3	202	New Manbhoom	9	12	12—Nil*	10	9/12	9/25	15/25
1,15,000 1,57,500	7,03,719	4,31,409	40,364	1,44,042	15,045	12	441	North West	20	11	..	10 7½	19/75 18/00	19/75 18/00	19/75 18/00
7,50,000	1,94,347	12,52,534	22,90,175	—20,571	..	12	447	Ondal P.	7½	7½	5	10	13/50	13/50	13/50
16,68,000	36,04,636	4,56,392	4,10,353	3,23,446	1,327	12	207	Parasea P.	1½	Nil	1½	10	14/00	14/00	14/00
15,75,000	38,39,919	30,64,325	4,82,017	4,60,368	7,234	3	236	Pench Valley	10	10	12½—7½*	10	17/44	17/44	18/31
2,50,000	[illegible]82,405	[illegible]500	11,530	[illegible]403	18,581	6-12	5	Pure Sitalpur	..	..	..	10	8/00	8/00	8/00
41,97,070	66,97,906	48,90,000	10,13,795	5,70,878	15,752	3	370	Raneegunge	Nil	17	17—14*	10	12/75	12/75	14/12
13,50,000	42,14,840	32,96,490	4,30,299	19,16,691	8,453	12	236	Rewa	20	10	15	10	21/87	21/87	28/50
27,50,000	74,38,430	38,61,070	1,69,086	12,37,914	26,993	12	48	San[illegible]a	10	7½	..	10	7/81	7/81	9/00
2,50,000	4,47,534	74,281	10,748	—19,279	—4,27,396	1	353	Searsole	Nil	Nil	..	2½	1/00	1/00	1/22
2,80,000	13,16,067	14,49,316	7,39,416	4,60,584	16,284	12	2	Seebpore P.	42 6/7	35 5/7	28 4/7	7	34/75	34/75	34/75
12,84,000	5,598	6,35,222	18,68,748	51,177	382	12	106	Sendra	3¼	2½	2½—3*	10	3/00	3/00	5/00
17,50,000	32,03,711	11,77,056	36,734	1,89,147	3,001	8	21	South Karanpura	Nil	Nil	2½	10	6/00	6/00	8/75
6,00,000	1,30,000	16,18,969	26,21,147	1,34,224	4,723	12	106	Standard	10	10	10—10*	10	9/62	9/62	13/12
2,50,000	4,36,300	3,25,000	36,660	1,37,973	1,77,952	12	..	Union	Nil	5	..	10	10/00	10/00	10/12
19,98,000	79,98,514	11,08,150	2,90,223	11,12,075	90,850	3	166	Western Bengal	7½	9	9—10*	10	8/25	8/31	9/06
7,00,000	26,06,335	Nil	47,091	—6,51,403	—6,23,711	12	444	West Jamuria	Nil	Nil	..	10	3/60	3/60	4/56

* 1964

COTTON MILLS

Paid-up Capital Ordinary Rs.	Number on Spindle	Looms	Net Block Account Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	Mg Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 25-11-64 Rs.	18-11-64 Rs.	A year ago Rs.
15,00,000	14,108	356	14,06,683	3,15,002	12,59,541	26,012	41,532	12	49	Basanti P.	3	Nil	..	10	8/50	8/50	13/69
7,11,280	36,000	932	17,17,120	2,20,369	30,842	3,66,177	47,818	3	27	Banga Luxmi	6½	Nil	..	40	30/50	30/00	30/00
27,00,000	31,476	624	17,77,373		93,872	—6,24,150	—6,86,163	12	223	Bengal Nagpur P.	Nil	Nil	..	10	2/44	2/44	3/06
50,00,000	.	..	2,44,45,645	65,56,000	4,13,900	43,25,129	5,758	12	394	Bharat Commerce P.	15	15	15—15*	10	19/00	19/00	23/75
39,95,950	38,764	992	60,94,300	1,21,02,78[illegible]	53,37,204	39,77,025	1,67,525	3	22	Birla Cotton	20	20	..	10	27/00	27/00	33/00
83,60,000	43,136	841	1,13,15,319	45,62,881	2,74,548	14,72,717	7,833	12	138	Bowreah P	20	15	15	10	23/50	23/50	25/00
30,00,000	22,000	510	40,26,405	68,61,034	5,45,176	9,97,828	11,228	12	25	Cawnpore Textiles	10	10	..	5	6/00	6/00	7/56
8,38,36,225	1,97,348	3,307	9,79,20,896	8,21,37,642	91,82,065	2,15,43,296	1,46,548	6	238	Delhi Cloth & Genl P.	13	13	13	25	47/50	47/25	50/69
38,00,000	43,049	618	65,71,796	61,81,868	1,65,881	25,16,474	36,763	12	138	Dunbar	20	15	17½	10	26/12	26/81	30/06
63,00,000	54,000	1,200	1,20,30,927	2,33,36,673	87,18,503	41,89,328	5,435	9	389	Elgin P.	17½	17½	17½	10	19/12	19/56	19/00
8,25,00,000	..	..	5,48,97,571	56,34,321	85,50,730	19,28,764	1,22,795	12	158	J. K. Cotton (Rayon) P.	12½	Nil	..	10	9/87	10/44	9/94
73,77,250	6,272	202	1,35,97,000	51,88,685	4,20,764	43,21,513	12,265	12	22	Jaya Shree	10	10	10	10	12/81	13/25	12/75
80,00,000	38,000	1,825	42,44,548	52,19,801	92,65,[illegible]	18,77,941	—7,77,294	12	208	Muir P	..	..	..	100	60/50	60/50	60/50
35,11,383	78,848	1,367	47,49,840	3,96,960	1,09,256	12,73,361	—63,55,495	12	237	New Victoria P.	Nil	Nil	..	2½	1/19	1/28	1/06
48,00,200	..	..	1,08,10,352	78,144	2,34,188	12,34,741	—22,17,524	3	399	Orissa Textiles P.	Nil		..	10	7/00	7/00	7/00
19,47,750O 5,00,000Dd	23,196	795	15,49,229	80,773	2,37,475	3,38,087	..	8	4	Rampooria Cotton	3 Nil	Nil Nil	.. ..	10 1	14/12 4/12	14/12 4/12	14/12 4/12
17,50,000O 17,50,000Po	1,14,836	2,077	4,48,79,351	2,63,83,071	2,15,81,189	76,20,241	5,044	12	333	Swadeshi (Kanpur) P.	.. ..	.. ..	.. ..	10O 10PO	11/00 6/37	11/00 6/37	11/00 6/37

TEA COMPANIES

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

Paid-up Capital Ordinary Rs.	Net Block Accounts Rs.	Reserve & other Funds Rs.	Area Hectares	Outturn and Average Price per Kg. realised for crop 1962 Kgs.	Rs.	1963 Kgs.	Rs	Estimate 1964 Kgs.	Net Profits including taxation Rs.	Accounts closed	Mg Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 25-11-64 Rs.	18-11-64 Rs.	A year ago Rs.
												ASSAM							
4,45,700	18,16,361	..	368	4,13,012	5.67	3,93,565	5.12	4,47,900	..	12	165	Amluckie P.	10	7½	5	10	16/00	16/00	18/37
7,00,000	12,87,737	8,53,082	520	3,01,064	6.71	3,05,534	6.38	3,37,500	1,57,003	12	88	Anandabag P.	32½	20	12½	10	33/25	33/25	33/25
5,50,000	18,46,941	..	..	3,20,928	5.99	2,92,672	5.74	3,62,900	..	12	165	Baghmari	15	7½	Nil	10	11/25	11/25	17/25
1,80,000	..	..	..	..	..	..	..	..	..	12	349	Barduar Tea	..	..	..	6	8/50	8/50	8/50
7,65,000	19,19,779	10,58,955	164	2,86,800	6.60	2,38,500	6.40	2,90,000	93,901	12	2	Basmatia	25	20	7½	10	18/06	18/06	27/25
4,95,900	6,83,583	..	..	3,35,928	4.25	4,12,342	4.34	4,12,000	..	12	345	Bateli	30	30	30	5	17/06	17/06	17/50
6,40,000	12,45,706	12,30,747	510	4,05,929	6.66	3,77,284	6.20	4,24,600	3,19,017	12	88	Betjan	45	30	25	10	29/00	29/00	30/12
33,00,000	39,79,551	18,42,000	2,566	15,17,589	6.71	14,55,468	6.20	15,61,600	3,64,100	12	279	Bishnauth	13	20	7½	10	13/25	13/00	18/69
6,00,000	11,68,235	5,03,003	..	2,09,073	7.12	..	..	..	2,62,960	12	202	Bokakhat	12	13	..	10	13/12	13/12	13/70
7,50,000	13,90,224	11,90,375	..	3,00,721	5.85	..	..	..	3,94,885	12	165	Bormah Jan P.	15	15	..	10	11/00	11/00	13/00
4,50,000	7,46,000	1,66,688	243	2,58,733	6.32	2,50,399	5.71	2,72,700	—61,009	12	279	Bor Pukhuri	Nil	10	Nil	10	10/50	10/50	11/00
35,00,000	68,93,654	15,66,180	..	13,51,189‡	5.27	..	..	..	9,51,721	6	127	Brooke Bond	10	7½	7½	10	9/87	9/87	13/06
1,20,000	9,24,434	9,31,522	..	2,00,496	5.90	..	..	..	2,85,668	12	165	Dejoo Valley	20	30	..	10	40/00	40/00	60/00
8,40,000	15,03,068	10,10,142	558	5,97,724	6.12	4,74,509	6.22	5,33,773	3,36,682	12	128	Dessai & Parbuttia	10	15	12½	100	170/00	170/00	200/00
17,53,440	24,29,411	..	..	6,22,165	2.96	2,94,761	6.64	3,26,545	..	12	214	Dhelakhat	10	8	10	10	20/62	20/69	20/75
7,00,000	20,59,002	8,86,030	562	5,54,691	5.45	6,16,178	5.55	6,20,000	3,01,110	12	365	Dhunseri P.	15	10	10	10	10/00	10/00	11/81
4,50,000	17,18,470	16,36,695	..	3,01,917	6.68	..	..	..	5,86,443	12	165	Dibrugarh	40	30	..	10	27/50	27/50	32/50
4,73,400	10,40,300	9,72,100	266	2,97,513	6.44	3,74,657	6.13	3,37,500	4,70,171	12	279	Dimakusi P.	20	25	30	10	23/19	22/87	22/62
7,00,620	14,67,400	15,89,500	273	4,03,594	6.70	4,02,568	6.34	4,36,000	2,46,743	12	279	Dufflaghur	25	30	20	10	23/00	24/25	28/00
10,00,000	20,23,880	8,76,500	497	4,94,612	6.30	4,58,567	5.85	5,17,000	—2,38,981	12	279	East India	Nil	10	Nil	10	10/31	10/31	15/56
5,03,760	15,35,889	6,34,672	264	3,19,832	..	3,27,853	..	..	89,461	12	354	Gillapukri	20	15	12½	10	23/00	23/00	25/44
6,76,000	12,41,500	7,48,500	228	2,59,394	7.44	..	..	..	4,74,030	12	279	Gohpur	5	20	..	10	12/87	12/87	14/81
23,29,085	56,04,055	36,07,741	1,059	10,39,276	6.17	10,04,928	6.09	10,80,000	45,819	12	202	Grob	6	6	3	5	5/75	5/75	8/15
5,00,000	14,09,777	7,61,908	..	3,45,217	..	3,50,876	..	..	1,32,740	12	354	Hoograjuli	20	17½	12½	10	27/62	27/62	27/12
8,70,000	16,05,713	26,50,646	310	2,78,400	6.64	2,58,600	6.62	76,061	2,90,000	12	2	Hoolungoorie	7½	20	15	100	168/00	168/00	199/00
9,00,000	20,42,643	11,69,455	804	6,33,423	6.50	4,92,625	6.23	5,57,700	2,73,921	12	88	Jutlibari	30	20	14	10	27/87	27/87	31/50
2,40,000	..	..	..	..	..	..	..	..	..	12	236	Kingsley Golaghat P.	35	..	..	100	125/00	125/00	125/00
1,80,000	21,94,612	1,77,500	517	4,88,346	4.97	5,86,302	4.63	5,60,000	1,75,587	12	63	Kotamullai P.	Nil	Nil	Nil	5	10/31	10/31	10/31
5,00,000	10,88,222	3,29,728	353	1,66,356	6.02	1,47,651	6.17	1,80,000	64,621	12	41	Krishnabehari	8	10	6	10	11/30	11/30	11/80
2,00,000	..	..	..	..	..	..	..	..	..	12	236	Kyang Tea	..	..	..	10	8/06	8/06	8/06
6,50,000	16,02,991	9,85,234	270	2,81,500	5.30	3,00,600	5.06	3,00,000	28,762	12	63	Ledo	Nil	Nil	Nil	10	14/25	14/25	13/75
8,00,000	11,99,968	1,30,508	275	2,10,642	5.26	..	..	..	1,25,716	12	..	Maud Tea & Seed	7½	7½	..	10	12/00	12/00	14/81
10,00,000	16,18,885	14,63,370	262	3,74,221	7.12	3,50,854	6.39	5,90,000	2,25,877	12	202	Methoni	14	20	11	10	13/25	13/25	17/87
4,80,000	..	..	..	..	..	..	..	..	1,26,539	12	..	Moheema	Nil	..	..	10	11/50	11/50	11/50
1,50,000	3,91,923	14,90,825	188	1,22,745	..	1,79,058	..	..	..	12	138	Mothola	30	35	35	100	425/00	425/00	507/00
1,75,000O ,00,000Po	13,71,082	9,67,447	165	1,71,400	8.41	1,69,500	6.82	2,00,000	1,89,528	12	2	Murphulani (Assam)	15 20 63	25 30.63	17½ 23.13	10 10	26/50 26/87	26/50 26/87	26/50 26/87
4,00,000	13,49,106	12,81,235	220	3,26,748	5.10	3,04,796	..	3,40,000	2,18,849	12	143	Naga Hills	10	10	10	10	21/25	21/25	22/25
5,35,000	..	..	..	..	..	..	..	..	..	12		Namburnadi	12	..	..	10	12/87	12/87	12/87
5,00,000	4,52,000	8,28,237	311	2,96,696	7.64	3,29,182	5.59	3,10,000	1,91,821	12	63	New Cinnatolliah	Nil	Nil	5	100	455/00	455/00	302/00
6,00,000	15,30,769	7,94,922	170	2,30,700	6.35	1,99,100	5.84	2,30,000	1,58,579	12	2	Rajgarh	13½	17½	12½	10	18/56	18/56	19/00
13,50,000	25,76,607	4,53,937	..	6,04,795	..	..	..	..	1,40,864	12	354	Sapoi	20	10	..	10	15/81	15/81	18/50
2,49,000	6,64,400	7,35,000	213	2,07,643	7.38	2,01,112	6.63	2,17,800	1,26,915	12	279	Seajuli	15	30	25	10	21/06	21/06	25/50
5,98,000	17,86,091	15,24,544	..	3,90,802	5.61	..	..	..	5,06,871	12	88	Teloijan	25	25	..	10	19/00	19/00	24/12
8,00,000	12,89,565	7,46,597	490	3,38,378	6.81	3,40,080	6.52	3,73,787	2,56,410	12	88	Tengpani	30	22½	12	10	36/50	36/50	35/75
19,82,880	36,21,344	24,74,580	2,112	23,01,040*	2.62	25,21,280*	2.41	23,40,000*	8,41,736	12	236	Tezpore	12½	12½	12½	10	12/44	12/44	15/19
7,50,000	..	..	..	..	..	..	..	..	..	12	95	Tongani	Nil	..	..	10	5/19	5/19	5/31
5,20,000	35,17,473	30,30,165	..	6,51,147	5.76	..	..	..	7,11,074	12	165	Tyroon	15	25	..	10	24/75	24/75	31/00
												CACHAR							
3,00,000	..	..	..	1,39,861	4.03	..	..	..	..	12	..	Arcuttipore	5	6	..	10	7/00	7/00	7/00
4,00,000	..	..	..	..	..	..	..	..	..	12	35	Baitakhal	2½	..	7½	10	6/00	6/00	8/06
11,00,000	12,50,663	9,58,809	310	3,15,866	4.92	3,30,923	4.85	3,77,000	2,79,622	12	128	Central Cachar	7½	5	..	100	73/00	73/00	85/00
7,00,000	..	..	..	..	..	..	..	..	..	12	383	Eastern Cachar	Nil	..	..	10	5/06	5/06	4/50
4,50,000	3,31,773	2,80,000	..	..	..	..	..	..	—54,506	12	384	Kallinugger Khoreel	2	..	..	100	84/00	84/00	87/00
12,60,000	19,62,879	14,26,438	943	5,80,232	3.97	6,63,197	4.45	6,70,000	45,217	12	202	Hattikhira	8	Nil	Nil	10	6/69	6/69	8/75
3,60,000	..	..	..	..	..	..	..	..	..	12	63	Kunchunpore	Nil	..	..	10	6/00	6/00	6/00
5,63,690	5,28,079	1,57,990	231	1,51,283	4.26	1,71,112	4.63	1,65,000	59,885	12	202	Loobah	Nil	Nil	Nil	10	3/75	4/69	4/56
12,60,000	22,28,419	11,42,054	2,221†	5,18,387	4.33	..	..	..	6,13,497	12	..	North Western	20	10	..	100	140/00	140/00	175/00
2,59,050	6,14,069	1,01,916	239	2,13,805	4.21	2,25,257	4.63	2,30,000	68,688	12	202	Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50
2,60,000	6,82,449	2,92,663	..	1,95,018	4.62	..	..	..	—1,73,960	12	165	Roopacherra	10	Nil	..	10	9/94	9/94	11/00
5,25,000	12,50,875	12,23,600	316	2,79,277	4.46	2,93,522	4.34	12,87,000	80,082	12	63	Rungamattee	5	5	5	50	47/00	47/00	48/50
4,00,000	..	..	..	..	..	..	..	..	..	12	..	Sonai River	Nil	..	..	10	5/06	5/06	5/05
												DARJEELING							
3,99,750	..	..	..	..	..	..	..	..	..	12	101	Bloomfield	..	..	..	10	3/25	3/25	3/12
2,79,900	3,72,700	1,55,000	165	77,090	8.74	..	..	..	51,557	12	279	Chamong	10	10	..	10	8/87	8/87	9/00
3,75,900	..	..	..	3,13,229	5.63	..	..	..	..	12	139	Darjeeling Tea	20	30	..	100	197/00	197/00	197/00
2,00,000	..	..	..	..	..	..	..	..	..	12	200	Dilaram	4	..	..	100	102/50	102/50	102/50
2,00,000	6,39,479	3,58,163	..	1,37,278	7.58	..	..	..	1,97,231	2	74	Gielle P.	..	8 4/7	15	10	18/12	18/12	11/69
7,00,000	10,17,300	2,75,676	426	3,11,895	7.70	3,07,000	7.37	3,22,000	2,75,870	12	279	Lingia P.	10	17½	15	10	15/00	15/00	14/00
10,32,000	..	..	..	..	..	..	..	..	..	12	95	Longview	10	..	..	10	8/25	8/25	11/00
4,00,000	5,16,891	5,85,878	..	1,77,960	8.18	..	..	..	2,23,445	12	165	Margaret's Hope	15	15	..	10	11/81	11/81	12/19
1,59,000	4,35,272	3,84,726	187	1,08,800	8.99	1,05,600	6.94	1,10,000	—49,706	12	2	Mim	27½	27½	Nil	100	430/00	430/00	491/50
2,99,900	19,18,100	16,26,000	279	2,14,750	9.03	2,07,707	7.66	2,23,900	3,42,887	12	279	Nagri Farm	25	35	35	10	28/12	28/12	29/87
4,00,000	3,93,839	3,21,500	205	99,331	10.07	..	..	..	2,40,000	12	390	Okayti P.	25	25	..	100	600/00	600/00	600/00
3,30,000	..	..	..	..	..	..	..	..	..	12	..	Pashok	Nil	..	..	10	18/75	18/75	20/00
3,00,000	4,55,324	1,77,500	194	1,22,495	6.65	1,12,874	6.44	1,20,000	84,269	12	63	Poobong	Nil	5	Nil	10	10/50	10/50	7/50
2,05,000	5,15,133	2,27,703	570	1,16,997	5.95	95,502	5.81	1,26,000	15,481	12	361	Pussimbing P.	Nil	Nil	Nil	10	7/69	7/69	7/50
1,40,000	4,97,834	5,63,000	138	85,234	6.64	86,726	7.21	95,000	2,834	12	63	Runglee Rungliot	20	7½	5	100	290/00	290/00	386/00
3,00,000	..	..	..	..	..	..	..	..	..	12	385	Seeyok	Nil	..	..	10	8/50	8/50	8/60
6,25,000	7,48,893	10,816	..	1,38,742	6.51	..	..	..	47,720	12	398	Singell	Nil	Nil	..	100	36/75	36/75	36/75
9,00,000	..	..	..	1,23,431	6.92	..	..	..	..	12	101	Singtom	Nil	2	..	10	3/25	3/25	3/50
4,50,000	5,56,200	5,68,100	224	1,60,068	8.53	1,58,073	7.82	1,57,800	2,22,529	12	279	Soom	40	40	30	10	39/00	39/00	34/00
6,25,000	13,51,854	13,02,062	..	1,89,392	9.58	..	..	..	..	12	165	Sungma	15	20	..	10	12/06	12/06	14/75
3,20,000	9,98,901	8,67,133	..	2,03,428	6.16	..	..	..	..	2	74	Teesta Valley	..	8 4/7	10	10	12/44	12/94	15/87
12,00,000	..	..	..	..	..	..	..	..	..	12	..	Tukvar	Nil	..	..	10	3/56	3/56	6/00

† Acres   * lbs.   ‡ 1963

TEA COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Area Hectares	Outturn and Average Price per Kg. realised for crop 1962 Kgs.	1962 Rs	1963 Kgs.	1963 Rs	Estimate 1964 Kgs.	Net Profits including taxation	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 25-11-64	18-11-64	A year ago
Rs.	Rs.	Rs.							Rs							Rs.	Rs.	Rs.	Rs.
												DOOARS							
27,00,000	70,10,077	33,43,960	1,052	14,84,400	4.86	14,09,900	5.15	15,15,000	8,20,033	12	2	Banarhat P.	21	21	17	100	161/00	161/00	241/00
12,00,000	29,84,113	24,11,835	436	6,66,481	5.13	6,59,968	4.93	..	4,47,910	12	128	Baradighi	25	25	15	10	21/12	21/12	23/69
9,00,000	19,19,630	30,59,434	..	7,00,569	4.38	..	..	..	5,74,606	12	386	Bhatkawa	15	20	..	10	16/00	16/00	17/25
9,00,000	26,52,750	23,52,500	586	6,69,958	5.01	6,79,448	4.71	6,70,000	3,87,508	12	63	Birpara P.	12½	17½	10	100	142/00	142/00	162/00
6,00,000	12,57,708	10,38,000	244	2,80,187	4.70	2,68,883	4.30	2,95,000	—37,664	12	63	Carron	5	7½	Nil	100	125/00	125/00	155/00
9,00,000	25,37,049	14,59,389	365	5,21,400	4.69	4,00,700	5.07	52,50,000	84,373	12	2	Choonabhutti P.	20	20	7½	100	176/00	176/00	210/00
3,00,000	5,33,417	6,45,000	197	2,25,971	4.59	2,34,951	4.42	2,10,000	98,827	12	63	Ellenbarrie	5	10	7½	100	300/00	300/00	184/00
1,20,000	3,71,713	3,31,056	266	1,63,195	3.85	1,62,151	4.11	1,70,000	63,192	12	397	Engo	30	40	30	100	225/00	225/00	136/00
4,90,000	9,33,182	71,548	..	2,64,339	..	..	..	..	..	12	354	Ethelbari	5	7½	..	10	11/87	11/87	11/87
7,50,000	15,18,748	10,75,265	872	5,04,794	5.46	4,69,544	5.18	5,15,320	1,13,960	12	88	Gairkhata	20	11	7	10	12/87	12/87	21/50
14,00,000	27,81,035	19,25,521	425	5,85,748	..	..	..	..	2,00,689	12	387	Gopalpur	2	10	..	25	19/50	19/50	20/00
36,00,000	54,86,904	43,81,500	1,051	13,74,053	4.76	14,23,297	4.52	14,00,000	5,98,697	12	63	Hantapara P.	5	10	7½	100	97/00	97/00	114/00
64,00,000	70,47,491	75,82,749	..	30,66,464	5.78	..	..	..	30,07,101	3	74	Hasimara	..	18	15	10	12/06	12/25	13/44
16,50,000	26,67,650	17,26,078	..	6,99,826	4.51	..	..	..	2,06,848	2	74	Huldibari	..	19 2/7	11	10	11/00	11/00	13/06
7,00,000	8,95,117	5,13,133	246	1,88,900	5.59	..	..	..	—61,500	12	2	Jaybirpara	Nil	Nil	..	10	8/94	8/50	23/81
13,50,000	32,41,680	36,28,241	598	8,24,799	4.59	7,89,297	4.47	8,00,000	3,21,920	12	63	Killcott	15	15	10	10	13/94	14/50	15/62
2,00,000	15,83,652	5,65,701	..	2,53,887	..	246.001	..	..	13,735	12	354	Manabarrie	6	10	10	10	59/50	59/50	59/50
9,60,000	22,35,359	24,09,000	477	5,07,732	4.76	4,67,868	4.62	4,90,000	—12,429	12	63	Nagaisuree	15	15	5	100	141/00	141/00	140/00
14,00,000	36,15,282	21,01,728	471	6,40,900	5.10	5,90,200	5.01	6,75,000	—73,566	12	2	New Dooars P.	20	14½	Nil	100	167/50	167/50	12/00
6,40,000	13,89,457	6,58,184	292	3,26,073	3.55	3,49,153	4.42	3,51,500	8,839	12	363	Oodlabari	7½	Nil	7½	100	14/00	14/00	12/94
2,50,000	3,90,597	3,37,500	126	1,26,816	4.64	1,24,724	4.39	1,30,000	—20,200	12	63	Phaskowa	Nil	Nil	Nil	100	121/00	121/00	25/75
6,00,000	9,17,349	11,90,832	..	3,91,886	4.70	3,68,115	4.70	3,66,500	1,16,562	12	165	Rajabhat	Nil	6	6	10	10/25	10/25	10/69
7,65,000	17,57,543	17,47,050	..	4,76,526	5.07	..	..	..	1,63,000	12	165	Ranicherra	15	7½	..	10	12/00	12/00	12/50
14,92,800	37,15,740	31,72,862	736	9,78,337	5.44	10,22,018	5.23	..	8,09,998	12	128	Rydak	20	25	25	10	22/62	22/62	26/37
3,46,000	13,81,974	12,21,589	279	3,30,000	4.76	3,79,500	4.63	..	3,25,246	12	44	Sarugaon	40	40	40	10	37/00	37/00	26/31
												TERAI							
4,50,000	..	..	..	..	..	..	..	..	..	12	101	Atal	..	..	..	10	5/37	5/37	8/75
5,00,000	..	..	..	..	..	..	..	..	..	12	345	Belgachi	20	..	..	10	23/12	23/12	22/50
13,44,000	23,77,032	28,68,000	665	7,22,909	4.63	8,02,864	4.33	7,50,000	4,38,359	12	63	Gungaram	12½	12½	10	100	140/00	140/00	130/00
3,00,000	6,69,527	9,72,507	..	2,95,710	4.54	..	..	..	2,25,077	2	74	New Chumta	..	12 6/7	20	10	19/00	19/00	24/62
7,20,000	..	..	..	3,33,644	4.94	..	..	..	..	12	139	New Terai	10	15	..	10	20/50	20/50	23/00
11,70,000	..	..	..	4,71,480	4.45	..	..	..	..	12	139	Paharigoomiah	20	2½	..	10	9/87	9/87	14/37
1,00,000	..	..	..	..	..	..	..	..	..	12	63	Putnibaree	14	..	..	10	55/00	55/00	45/00
2,20,000	..	..	..	3,84,347	5.05	..	..	..	..	12	165	Tirribannah P.	60	60	..	10	49/00	49/00	49/00
												CHITTAGONG							
1,25,000	..	..	..	..	..	..	..	..	..	12	139	Kodala	Nil	..	..	10	9/25	9/25	9/25
2,40,000	..	..	..	..	..	..	..	..	..	12	139	Kornafuli	Nil	..	..	10	11/25	11/25	9/31
2,00,000	..	..	..	..	..	..	..	..	..	12	139	Oodaleah	Nil	..	..	10	8/00	8/00	8/00
												SYLHET							
3,00,000	13,56,430	20,59,293	667	2,14,907	7.92	2,32,138	7.61	2,54,012	6,06,230	12	..	Chundeecherra	Nil	Nil	Nil	10	29/75	29/75	26/00
6,00,000	10,31,611	23,60,801	236	2,03,558	8.17	2,33,398	6.87	2,18,000	6,63,292	12	63	Dauracherra	22½	20	Nil	10	14/75	14/75	11/56
5,59,930	15,08,299	20,08,800	1,108	11,48,080	3.34	11,40,560	2.74	1,10,400	7,46,754	12	236	New Samanbagh P.	Nil	Nil	Nil	10	20/25	20/25	18/37
36,00,000	65,96,023	1,80,01,644	1,799	17,98,140	8.16	19,04,713	6.83	18,87,000	58,03,923	12	63	Patrakola	40	15	Nil	100	145/00	145/00	129/00
3,20,000	4,21,718	1,48,642	740†	4,24,800*	3.23	..	..	..	4,07,821	12	236	Rajnagar	Nil	Nil	..	10	9/56	9/56	9/50
9,00,000	21,89,888	38,62,827	485	3,69,737	8.08	3,75,942	6.80	4,17,000	6,87,001	12	63	Teliapara	22½	10	Nil	100	169/50	169/50	110/00

† Acre

MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 25-11-64	18-11-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
								MININGS							
£2,369,796	..	£222,628	£2,755,618	£10,242	£180,384	12	153	Burma Mines	Nil	Nil	Nil	3½S	0/44	0/44	0/44
30,00,000O	37,08,889	32,54,468	34,05,355	15,96,846	13,914	12	312	Chrestien Mica Industries P.	12½	..	..	10O	9/09	9/09	10/19
15,00,000Dd									20	..	..	5Dd	6/53	6/53	6/87
£1,371,300	£1,758,381	£225,873	£755,274	£1,057,163	£72,310	12	68	Indian Copper Corporation	27	18	..	2s	3/34	3/30	3/44
50,00,000	51,72,031	10,43,352	53,971	5,66,976	14,41,622	3	363	Metal Corporation P.	Nil	Nil	..	10O	6/00	6/00	8/50
20,00,000	46,05,415	67,67,431	55,46,956	13,17,757	38,801	6	21	Orissa Mineral Development	28	20	..	10	20/03	20/03	27/37
								CEMENT, LIME, SLATE, ETC.							
59,90,843	1,58,98,785	17,06,000	2,33,036	4,97,991	10,914	3	381	Ashoka Cement	7	7	7	10	6/50	6/62	7/37
43,14,600O	41,51,412	21,43,429	29,64,072	1,70,813	6,44,675	3	60	Assam Bengal Cement	Nil	Nil	..	10O	3/19	3/19	3/50
70,976Dd												1Dd	0/59	0/59	0/59
55,23,146	98,02,889	19,77,396	66,723	24,46,663	1,703	12	155	Bengal Potteries	12	12	..	2½	4/19	4/19	5/30
40,00,000	73,55,750	28,31,157	3,76,724	23,10,445	50,122	3	21	Bisra Stone Lime	30	10	..	10	18/50	18/50	23/50
1,73,49,650O	1,87,13,180	1,43,86,260	2,06,26,145	1,06,24,610	..	12	123	Dalmia Cement (Bharat) P.	12	12	12	10O	13/06	13/06	12/75
5,00,000Dd												1Dd	3/06	3/06	2/81
2,50,00,000	5,31,92,513	2,27,42,184	35,61,930	68,71,783	16,727	3	334	Jaipur Udyog P.	8	8	10—10*	10	10/12	10/00	12/00
30,00,000	89,55,197	56,55,899	6,48,783	21,48,526	25,499	12	21	Kumardhubi Fireclay & Silica P.	18	18	..	10	18/45	18/45	18/45
2,25,00,000	3,77,58,590	1,36,03,808	30,93,905	98,75,491		12	362	Orissa Cement P	15	10	..	10	11/81	11/44	14/62
6,00,000	20,07,006	21,78,065	17,41,738	4,85,806	30,441	2	223	Reliance Firebricks & Pottery	15	10	..	10	22/75	22/75	22/75
75,00,000	63,28,018	44,95,600	5,26,119	12,18,128	6,195	12	357	Sone Valley Portland Cement	6	8	8	5	3/87	3/84	4/62
12,04,570	31,17,215	13,90,910	2,60,870	8,80,262	5,375	12	3	Sutna Stone & Lime	30	35	20	10	18/00	18/00	28/31

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agts., Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 25-11-64	18-11-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
								CHEMICAL INDUSTRIES							
62,00,000	8,04,72,738	2,26,33,273	3,46,012	1,10,87,234	5,671	9	121	Alkali & Chemical Corpn of (I)	15	15	15	10	28/81	28/75	34/00
2,48,00,000A	17,39,281	15,681	11,245	—88,949	—9,86,991	12	442	Bathgate & Co Ltd P.	Nil	..	..	5	0/84	0/84	0/84
20,00,000															
15,00,000O	76,41,341	68,84,605	21,11,440	18,06,053	1,30,717	3	245	Bengal Chemical & Pharm P.	10	10	..	100	103/00	102/00	101/00
11,08,900A															
22,54,700B															
15,00,000	36,34,102	22,82,883	19,49,050	12,04,892	6,978	6	377	Calcutta Chemical P.	18	18	..	10	19/12	19/12	17/87
4,95,000	99,022	Nil	41,554	72,146	2,560	2	129	Frank Ross P	4 1/6	3½	..	6	3/19	3/19	2/87
20,00,000	13,61,137	17,67,251	7,35,789	13,17,366	19,167	6	191	Smith Stanistreet P.	25	25	22½	5	13/69	13/69	12/31
								ELECTRIC LIGHTING, POWERS							
19,99,600	1,18,31,088	51,52,883	23,86,788	2,30,678	13,612	3	32	Agra Electric Supply	11	11	11	100	126/00	126/00	118/00
8,00,000	33,64,320	16,30,275	6,14,845	1,45,861	1,852	3	32	Bareilly Electric Supply	11	11	11	10	11/44	11/44	12/50
17,00,000	1,05,78,889	54,27,530	13,74,815	3,49,029	5,522	3	32	Benares Electric Supply	11	11	11	10	12/87	12/87	11/62
5,91,360	15,65,473	8,07,902	2,70,659	1,36,553	41,730	3	202	Bhagalpur Electric Supply	10	8	..	8	7/12	7/12	6/56
£4,262,646	£21,040,641	£10,815,240	£173,693	£1,599,019	£100,524	3	90	Calcutta Electric Supply P.	7½	7½	..	£1	15/25	15/19	14/25
6,60,040						3	202	Cuttack Electric Supply	10	Nil	..	10	15/00	15/00	11/87
43,20,000	84,69,786	43,52,031	35,04,850	26,80,041	45,007	3	2	Dishergarh Power Supply P.	10	10	10—10*	100	86/00	86/00	88/00
5,34,640	17,29,086	96,513	95,409	65,283	3,590	3	168	Jhansi Electric Supply	Nil	7	..	10	5/90	5/90	5/90
22,49,550	70,77,611	29,85,246	5,14,229	2,97,774	3,286	3	32	Jubbulpore Electric Supply	10	10	10	10	11/00	10/75	11/12
4,95,000	6,70,324	2,24,149	1,09,770	46,495	39,015	3	258	Mirzapur Electric Supply	..	..	..	9	7/50	7/50	12/00
5,82,390	24,50,815	6,87,284	3,48,986	2,22,292	22,259	3	202	Muzaffarpore Electric Supply	12½	12½	..	10	17/75	17/75	11/50
6,99,700	13,47,574	1,14,377	2,15,991	83,664	18,988	3	329	Muttra Electric Supply	9	9	..	10	11/06	11/06	11/06
35,07,380	98,50,374	48,67,675	3,95,468	12,96,460	1,27,547	3	202	Patna Electric Supply	10	10	..	10	10/75	10/31	10/75
9,10,000	8,77,208	2,86,692	3,19,022	1,58,667	17,201	3	202	Shahjahanpur Electric P.	6½	6½	..	10	6/62	6/62	7/50
16,80,000	24,13,949	16,03,685	9,75,497	4,58,680	3,975	3	21	Sijua (Jherriah) Electric	9	9	..	10	9/62	9/62	8/50
56,00,000	2,78,66,926	80,13,213	29,14,259	4,35,432	9,311	3	32	United Provinces Electric	11	11	11	100	200/00	200/00	144/00
5,00,000	20,91,859	12,25,998	7,11,286	48,760	1,934	3	32	Upper Jumna Valley Electric	13½	13½	13½	10	25/37	25/37	17/15
								ENGINEERING & METAL							
6,00,000	17,68,727	7,28,551	3,76,395	8,30,823	4,14,416	12	300	Arthur Butler (Muzaffarpore) P.	Nil	10	..	10	15/00	15/00	14/94
50,00,000	41,22,015	56,58,221	3,98,490	44,22,016	2,263	12	31	Bhartia Electric Steel	10	12½	15	10	14/94	15/06	15/00
1,00,00,000	2,22,25,340	1,40,28,433	27,21,380	1,24,47,705	..	12	289	Braithwaite & Co. (India) P.	25	14	20	10	32/75	32/75	34/12
12,00,000	72,34,505	58,62,090	6,74,545	23,90,816	..	12	24	Bridge & Roof	30	30	30	10	52/25	52/25	52/25
19,88,670	39,85,103	6,09,796	1,36,988	2,31,949	—4,05,003	12	192	Britannia Building & Iron P.	Nil	Nil	Nil—Nil*	10	3/62	3/62	3/37
1,00,00,000	1,24,95,389	52,95,465	1,14,787	24,17,175	5,115	12	165	Britannia Engineering P	10	10	..	10	9/31	9/44	10/56
25,00,000	33,60,837	23,97,576	14,403	22,04,192	..	12	24	British India Electric Cons.	20	15	15	10	29/12	29/12	31/00
1,68,00,000	3,72,24,252	2,29,82,397	67,36,942	97,05,514	..	4	32	Burn P (Engineering)	28½	28½	25—15*	100	278/00	278/00	330/00
1,00,00,000	63 22,965	22,70,823	23,44,551	52,92,495	1,57,572	3	437	Calcutta Steel	15	15	12½-15*	10	13/37	13/50	14/19
80,00,000	1,25,35,558	43,00,000	1,84,809	26,72,847	6,868	9	434	Dalmia Iron	10	10	10	10	11/56	11/94	11/69
6,32,18,740	6,68,87,945	5,12,05,807	2,59,97,968	2,17,43,217	..	12	227	Guest, Keen Williams	14	14	12	10	23/25	23/12	27/25
17,50,000	18,91,774	11,04,000	21,473	3,81,335	3,237	12	32	Hooghly Docking	Nil	12½	10	50	80/00	80/00	95/00
12,44,08,990	59,94,26,612	41,05,47,562	5,88,65,054	11,51,21,913	..	8	32	Indian Iron & Steel P.	16	16	16—17*	10	25/52	25/19	24/78
3,85,000O	11,52,812	14,001	1,82,994	—4,15,836	—4,03,294	8	223	Indian Malleable Casting	Nil	Nil	..	5O	5/19	5/19	6/00
1,54,000Dd												1D	2/81	2/81	2/06
77,97,000	58,96,726	1,25,90,911	58,71,000	1,79,18,463	..	8	32	Indian Standard Wagon P.	28½	28½	20-20*	10	36/69	36/69	36/87
96,79,740O	3,43 55,519	3,41,31,025	1,54 09,567	—57,25 817	6,022	3	122	Indian Steel & Wire Products	24	23	18	10O	30/00	30/00	36/25
12,00,070	7,13,344	5,39,415	3,634	17,25,389	..	12	24	Industrial Containers	10	10	..	10	25/62	25/62	21/37
1,51,87,500	2,77,46,365	1,40,12,181	10,13,586	29,24,188	4,084	8	443	Jay Engineering	17 3/20	15	10—8*	10	20/44	20/69	21/50
40,00,000	59,72,655	35,85,700	10,46,861	20,48,860	86,647	6	132	J. K. Steel P	20	10	15	10	17/94	17/81	17/37
2,04,00,000	4,03,12,353	3,00,16,258	77,10,062	1,47,51,086	64,915	10	290	Jessop & Co P.	8.58	8.58	10	10	25/25	25/00	25/50
27,64,800	65,86,747	65,04,900	4,81,457	34,49,008	3,146	11	21	Kumardhubi Engineering P.	11¼	15	16¾	3	5/50	5/44	9/25
10,50,000	3,10,043	19,18,004	4,98,040	1,69,624	—16,90,253	6	170	Marshall Sons (India)	Nil	Nil	Nil	2	4/00	3/19	2/59
49,96,000	61,94,985	13,58,398	3,83,036	2,56,716	—4,42,917	8	192	National Iron and Steel	Nil	Nil	..	10	5/75	5/87	5/90
6,00,000	9,79,466	20,52,302	2,49 725	5,14,476	13,304	8	25	Saran Engineering	10	12½	10	5	8/50	8/50	8/78
14,00,070	11,26,150	15,36,386	2,31 497	13,63,971	..	12	24	Steel Containers	20	20	17½	10	24/31	24/31	29/50
4,50,00,000	2,88,27,452	1,25,61,066	9,59,687	2,04,38,226	54,305	12	22	Textile Machinery	10	12½	12½-15*	10	25/90	25/55	27/80
								SUGAR BREWERIES ETC.							
14,00,000	17,74,143	10,85,375	21,121	—1,66 279	—1,53,368	6	371	Bairampur Sugar	8	4	Nil	2½	1/56	1/56	1/95
29,23,537	27,33,655	11,43,842	8,71,871	—30,816	2,237	9	234	Belsund Sugar	10	6¾	3½	7½	8/75	8/81	8/94
15,00,000	8,17,746	22,06,086	17,96,173	5,98,492	9,429	6	316	Bharat Sugar P.	15	15	15	10	14/50	14/50	13/31
32,00,000	48,01,728	55,23,048	4,75,535	59,20,900	133	6	99	Carew (Sugar) P.	Nil	Nil	Nil	10	12/50	12/50	11/50
30,00,000	98,13,767	58,73,563	6,92,990	—16,68,824	—42 63,672	10	25	Cawnpore Sugar P.	Nil	Nil	Nil	10	6/69	9/87	9/87
18,00,000	29,70,913	47,91,301	1,37,198	—49,013	—8,50,783	6	25	Champaran Sugar P.	12	Nil	Nil	10	11/44	11/44	12/56
38,01,380	25,88,250	31,90,540	1,79,345	4,77,197	1,97,076	8	395	Durbhanga	Nil	5	..	10	8/56	8/56	9/94
11,00,000	6,45,722	3,75,000	10,90,564	95,437	52,205	6	140	New Savan Sugar and Gur	5 3/5	3 7/10	..	10	3/50	3/19	4/50
9,00,000	19,47 931	23,02,870	2,05,743	2,86,458	4,006	10	400	Purtabpur Sugar P	Nil	Nil	..	10	9/12	9/12	10/31
16,59,820	41,61 410	57,86,996	6,074	26,41,178	3,047	8	1	Ramnugger Cane & Sugar P.	35	30	15	10	24/25	24/25	29/00
65,00,000	57,79,829	44,91,845	3,77,846	4,24,492	13,204	6	25	Raza Suland	10	10	10	10	9/87	10/06	10/25
3,00,000	5,07,236	1,72,778	2,09,163	—2,24,407	—2,20,853	6	..	Ryam Sugar P.	Nil	Nil	..	10	4/12	4/12	3/56
11,99,000	22,10,161	18,54,067	21,94,759	16,75,658	34,778	6	335	Samastipur Central Sugar	Nil	Nil	..	10	3/62	3/62	4/90
39,99,000	67,53,905	25,93,624	11,16,368	1,90,057	7,991	6	140	Shree Sitaram Sugar	10	Nil	..	10	8/56	8/50	8/56
1,24,900	13,54,858	11,65,175	66,643	—7,18,697	—7,19,847	6	94	Sitalpore Sugar	..	..	..	10	7/28	7/28	7/12
9,99,950	20,47,130	68,548							Nil	Nil	Nil	10	3/69	3/69	3/94
16,00,000	42,22,843	19,40,304	2,03,163	—11,15,414	—9,17,147	9	341	United Provinces	5	Nil					
8,00,000	90,57,769	67,09,675	9,18,326	37,10,125	25,765	6	316	Upper Ganges Sugar P.	72½	72½	..	10	12/00	12/00	10/00
													60/25	80/25	85/00

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MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary Rs.	Net Block Accounts Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net profits including taxation Rs.	Carry forward Rs.	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share Rs.	Latest Market Quotations as available until 25-11-64 Rs.	18-11-64 Rs.	A year ago Rs.
								MISCELLANEOUS							
8,00,000	3,65,800	2,09,907	5,89,590	1,44,140	2,623	10	85	A Firpo (Restaurateur)	10½	5	..	10	5/90	5/90	5/90
1,17,18,750	7,78,41,082	2,43,57,285	3,43,934	39,67,851	22,287	3	132	Aluminium Corporation P.	12	12	5—9*	10	11/12	11/00	14/12
20,00,000	42,19,493	17,50,000	53,08,486	4,79,403	25,172	12	382	Anderson Wright P.	Nil	6	6	10	11/50	11/50	11/50
30,00,000	16,96,720	44,23,928	21,81,674	26,48,673	2,17,061	8	268	Angelo Bros.	22½	28	28	10	25/00	25/06	26/87
30,00,000	23,93,699	43,10,024	16,21,703	25,26,521	18,162	12	274	Assam Match	20	20	20	10	25/25	25/25	27/50
13,99,998	20,06,639	20,17,850	6,814	1,70,203	94,397	9	348	Assam Saw Mills & Timber	Nil	3	..	3	2/44	2/44	2/62
1,18,00,000	54,61,855	98,34,917	67,73,791	53,69,644	7,978	8	391	Associated Battery	15	15	15	10	24/37	24/00	28/50
20,00,000	1,41,96,365	57,08,103	7,65,347	2,25,357	4,66,650	3	204	Associated Hotels of India P.	10	10	10	10	10/37	10/37	10/31
80,01,400	50,84,811	1,26,93,254	1,02,37,288	47,75,572	..	12	386	Balmer Lawrie & Co.	25	25	22½	100	235/00	235/00	256/00
12,00,000	5,56,579	15,08,889	7,13,214	14,18,987	..	3	128	Bararee Coke	Nil	15	15—20*	10	20/75	20/75	22/12
44,00,000	..	9,27,823	68,58,981	2,87,091	50,926	9	160	Birds Investments P.	10	10	..	10	8/50	8/81	10/44
68,95,530	1,33,47,478	1,00,95,705	6,42,608	92,16,110	745	3	50	Britannia Biscuit P.	30	25	21—21*	10	36/62	36/62	42/50
3,25,00,000	92,71,518	2,59,58,217	1,52,24,566	2,20,29,077	23,545	12	33	British India Corporation P.	7	9	15	5	10/87	10/56	8/44
50,00,000	22,64,569	49,02,950	5,98,751	38,24,033	2,226	12	392	British Paints	12½	10	15	10	23/44	23/44	23/50
5,00,000	6,83,781	1,65,739	1,54,429	2,63,717	5,201	3	213	Calcutta Silk Manufacturing P.	Nil	..	..	10	6/94	6/94	6/94
1,38,80,000	..	14,77,612	1,78,11,400	14,89,102	2,75,442	12	2	Clive Row Investment	7½	7½	8	10	8/69	8/75	8/56
1,08,00,000	27,30,517	1,26,67,000	2,75,14,550	41,14,029	22,124	12	169	Duncan Brothers & Co. P.	14	14	12	100	110/00	110/00	140/00
4,50,00,000	6,45,91,744	6,23,00,650	26,09,266	3,27,69,401	..	12	96	Dunlop Rubber Co. (India) P.	20	15	17½	10	30/44	30/56	36/75
27,56,355	1,31,99,222	1,76,30,095	24,30,790	1,00,50,837	12,604	3	116	Dyer Meakin (Breweries)	30	..	..	5	23/44	23/44	33/62
76,89,000	..	65,11,801	1,78,16,453	13,76,534	1,51,252	12	21	Eastern Investments P.	14	12	10	100	101/00	101/00	115/00
60,93,400	95,80,000	34,47,000	14,32,081	29,35,962	21,399	10	388	Electric Construction P.	10	10	10	10	13/62	13/62	13/25
30,00,000	28,94,555	27,23,508	19,90,832	15,65,118	2,10,371	3	51	French Motor Car	20	20	..	20	31/75	31/75	32/75
14,00,000	19,96,247	19,89,048	71,342	14,62,346	6,552	12	19	Ganges Rope	20	20	20	100	252/00	252/00	236/00
2,25,000	..	73,065	5,20,619	26,463	42	2	21	General Investment & Trust P.	5	5	5—5*	75	43/00	43/00	43/00
65,00,000	30,85,392	61,69,746	1,64,23,851	20,60,591	19,276	3	105	Gillanders Arbuthnot & Co. P.	11	11	11—9.5*	10	13/00	13/06	14/19
40,00,000	17,69,681	7,21,344	36,90,302	5,43,666	8,524	12	209	Gladstone Lyall & Co. P.	Nil	Nil	..	10	..	..	..
40,00,000	32,95,341	35,10,500	91,044	34,34,324	2,446	12	310	Godfrey Phillips (India) P.	40	30	20	10	22/00	22/00	28/12
30,00,000	43,74,366	17,66,560	1,60,432	1,09,512	794	3	225	Great Eastern Hotel	6	7	..	250	260/00	260/00	250/00
5,99,15,000	12,12,97,991	1,57,327	36,27,386	4,65,783	—1,90,67,933	12	438	Hindustan Aluminium P.	Nil	Nil	Nil	10	13/06	13/00	14/25
8,09,49,550	9,32,49,223	3,80,11,174	2,06,12,407	2,91,89,156	13,299	3	22	Hindustan Motors P.	12	12½	11½-11½*	10	16/34	16/25	18/69
1,80,00,000	8,43,03,252	44,59,689	19,50,134	11,58,982	—12,90,310	10	..	Hindusthan Pilkington	12	Nil	Nil	10	13/37	14/37	16/75
39,91,300	88,43,937	1,02,500	35,826	7,40,556	—5,10,975	3	211	Hindusthan Twyfords P.	Nil	Nil	Nil-Nil*	10	15/06	15/03	14/25
30,20,000	23,35,537	16,00,000	24,48,098	8,91,968	86,500	12	294	Hoare Miller & Co.	6	..	..	10	5/37	5/37	5/62
15,16,00,000	8,50,75,083	11,33,81,191	2,19,30,404	2,89,22,010	80,158	3	325	Imperial Tobacco	9	9	8—6½*	10	8/06	7/94	10/06
6,00,44,460	13,31,09,732	5,02,72,274	1,30,56,534	3,74,31,246	4,12,610	12	293	Indian Aluminium P.	15	17½	17½	10	30/69	31/25	30/75
2,48,65,450	2,77,06,309	3,70,04,031	64,21,577	1,89,87,484	9,790	3	34	Indian Cable	22½	22½	22½—25*	10	34/75	34/50	39/50
3,64,00,000	5,80,31,205	2,05,01,886	32,59,129	1,40,40,263	35,587	9	366	Indian Oxygen	15	12	12	10	23/69	23/69	29/50
8,27,970	8,82,919	12,42,783	10,99,551	12,01,372	53,791	3	223	Indian Rubber Manufacturers P.	30	36	..	10	21/75	21/75	19/87
20,00,000	3,08,827	29,55,665	1,44,979	17,93,931	3,056	9	88	Indian Wood Products	30	30	25	10	26/25	26/25	30/00
79,78,310	81,32,468	22,85,500	6,19,214	21,27,050	17,347	12	63	Isaac Holdens	Nil	Nil	5	10	10/19	10/19	16/56
5,00,000	..	3,15,956	13,17,443	96,660	19,473	2	21	Investments and Finance P.	7½	7½	7½—7½*	100	55/00	55/00	30/00
1,25,00,000	1,51,51,941	36,00,000	1,25,80,918	26,30,706	30,393	6	439	J. K. Synthetics	3	Nil	10	10	13/31	12/75	12/44
5,87,500C, 1,17,500D	2,28,843	Nil	5,88,284	—1,19,242	—1,18,804	12	281	James Wright P.	..	..	..	50	2/75	2/75	2/75
2,00,00,000	60,80,909	1,00,37,759	5,52,66,992	44,78,489	..	3	39	Jardine Henderson P.	..	..	..	1Dd	00/43	00/43	00/43
1,09,33,290	2,45,94,981	72,53,990	9,89,540	36,94,613	41,622	12	22	Jay Shree Industries P.	7	6	7—7*	100	71/00	71/00	80/50
1,99,95,660	8,39,79,825	4,95,51,451	64,88,007	1,50,15,072	14,501	3	22	Kesoram Industries P.	12½	12½	12½	10	14/75	14/75	18/69
6,34,000C, 66,000Dd	3,17,363	6,02,958	8,21,617	—14,078	—4,849	3	133	Macfarlane & Co.	12	12	13—15*	10	24/12	23/87	27/31
1,50,00,000*	1,08,42,842	1,10,08,357	3,08,97,102	45,30,173	40,503	12	334	Macneill & Barry P.	Nil	Nil	..	50	4/50	4/50	6/69
1,47,12,250	69,29,193	1,38,23,546	2,13,42,011	91,60,378	1,289	9	309	Martin Burn Ltd. P.	Nil	Nil	..	1Dd	1/81	1/81	1/44
									8	7½	8½	100	95/00	95/00	105/00
									27½	25	25	10	26/94	26/94	28/87
47,12,000	18,46,595	90,33,368	2,73,18,501	25,28,932	..	12	282	McLeod & Co. P.	15	18	..	100	230/00	230/00	210/00
3,22,00,000	3,39,11,209	2,96,70,151	44,50,023	1,54,09,781	2,480	3	167	Metal Box Co. of India P.	25	25	19—18*	10	31/25	31/25	52/00
1,35,00,000	85,15,441	1,31,43,467	11,00,897	1,00,47,763	40,361	3	7	National Insulated Cable P.	25	25	18—20*	10	24/62	24/44	24/62
20,00,000	23,68,847	36,90,300	12,33,457	30,79,310	19,484	9	7	National Pipes & Tubes P.	20	20	20	10	28/50	28/50	28/00
40,00,000	34,43,104	43,03,095	14,39,946	30,01,359	10,564	6	7	National Rolling & Steel Ropes	15	15	15	10	24/06	24/12	21/12
50,00,000	68,13,665	21,55,713	14,06,275	22,44,262	58,629	12	375	National Rubber P.	6½	8	10	10	10/62	10/62	13/37
79,97,000	74,92,596	1,29,48,132	33,63,433	26,23,104	3,26,438	12	79	National Tobacco P.	7	7	8	10	11/19	11/19	13/31
23,31,600	1,014	13,02,891	9,90,509	6,26,950	40,375	12	35	New India Investment Corpn.	82/5	82/5	..	75	53/50	53/50	59/50

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MISCELLANEOUS COMPANIES—Contd.

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Paid-up Capital Ordinary Rs.	Net Block Accounts Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts Closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share Rs.	Latest Market Quotations as available until 25-11-64 Rs.	18-11-64 Rs.	A year ago Rs.
								MISCELLANEOUS (Contd.).							
60,00,000	6,27,241	59,20,402	91,23,845	14,28,049	24,342	12	321	Octavius Steel P.	7½	7½	..	100	..	..	..
2,20,00,000	2,57,91,597	1,13,85,086	37,59,800	1,65,57,208	43,297	12	364	Philips India	12	13	15	10	27/50	26/87	30/50
2,86,200	53,496	6,12,800	1,02,081	4,43,784	48,408	3	140	Publicity Society	75	75	50	4	25/06	25/06	22/62
4,25,00,000	1,04,34,519	67,80,570	1,53,00,153	73,34,623	5,962	8	332	Rallis India P.	8½	8½	10	100	121/00	121/00	130/00
5,00,00,000	7,68,08,083	3,62,96,433	1,17,74,495	76,94,277	1,697	8	335	Rontas Industries P.	10	8	9—8*	10	9/81	9/59	12/69
94,27,386	5,55,68,835	Nil	14,09,497	1,59,253	37,513	9	72	Sirsilk P.	..	..	..	10	7/06	7/06	10/00
1,35,00,000	2,41,71,538	86,99,991	20,94,175	11,62,162	4,301	9	376	Ser Raleigh Industries P.	8	8	Nil	10	17/12	17/12	15/19
75,00,000	96,97,751	69,54,952	1,85,84,497	58,21,689	3,55,748	12	278	Shaw Wallace P.	15	7½	12½	10	15/81	15/00	16/75
3,00,000	4,33,174	23,169	30,501	17,483	1,739	12	111	Spencers Hotel	2½	..	..	2	1/25	1/25	0/65
3,80,00,000	5,43,90,903	3,80,54,275	42,48,951	2,68,66,630	1,93,008	12	301	Union Carbide	18	12½	15	10	28/75	29/00	43/87
10,51,000	7,73,634	30,76,582	11,34,568	10,01,022	21,687	12	195	Walford Transport	30	30	27	10	3/09	3/06	4/09
								INSURANCE COMPANIES							
13,50,000	7,94,162	12,60,000	1,56,64,497	10,02,726	25,429	12	174	Concord of India	20	20	20	5	9/81	9/00	11/25
24,00,000	1,36,130	1,19,24,652	1,28,63,865	11,01,955	21,084	12	248	Hercules	26½	26½	26½	10	23/50	23/50	23/12
32,00,000	22,25,063	1,49,05,006	1,63,93,712	28,55,873	..	12	38	Ruby General	13½	15½	15½	8	11/75	11/75	10/40
8,00,000	..	21,62,167	27,92,808	51,993	12,241	12	..	Standard General	..	..	..	10	7/75	7/75	6/25
5,75,000	16,150	77,88,770	1,05,97,904	8,24,867	..	12	39	Triton	60	50	50	25	127/00	127/00	128/00
								FLOUR MILLS							
12,00,000	4,12,000	31,52,123	9,74,078	13,79,503	..	12	24	Bengal	25	25	30	10	33/75	33/75	29/00
5,60,000	8,51,040	2,47,038	2,17,808	1,05,473	1,26,880	10	97	Delhi P.	..	..	..	10	14/00	14/00	14/00
68,90,137	47,18,433	77,72,310	56,85,388	33,61,767	4,07,338	9	175	Ganesh P.	..	..	..	12½	10/62	10/62	15/00
9,00,000	4,40,285	4,52,302	17,475	4,58,269	1,45,883	12	236	Hooghly	Nil	Nil	5	10	19/75	19/75	19/75
5,00,000	2,81,809	8,41,748	1,08,638	3,16,243	8,262	11	236	United	10	7½	10	10	27/81	27/81	27/81
								OIL COMPANIES							
£2,900,001	£2,280,344	£2,000,442	£296,893	£1,405,917	£192,796	12	249	Attock Oil	13½	13 1/3	13½	£1	sh 32/9	sh 32/6	sh. 38/3
£94,062,159	£28,669,445	£26,020,826	£118,296,889	£24,063,315	£1,241,331	12	52	Burmah Oil P.	..	11½	12½	£1	sh 56/9	sh. 53/9	sh. 65/1½
1,00,00,000	63,60,473	1,10,69,746	3,07,80,407	52,60,638	1,79,343	12	249	Indo Burmah Petroleum P.	25	22½	22½	10	20/12	20/12	24/25
6,00,000	3,08,556	9,90,737	3,38,958	5,47,290	23,403	10	2	Tide Water Oil	35	35	35	10	37/00	37/00	29/50
								PAPER MILLS							
68,44,348	3,75,21,799	95,96,950	4,43,746	3,52,330	..	12	436	Bengal P.	27½	20	20	10	25/87	26/81	28/75
38,20,000	1,13,18,693	97,14,186	1,15,420	42,51,215	43,578	3	22	India Paper Pulp	13	12	15—15*	10	16/37	16/37	19/06
1,90,87,250	6,87,00,000	57,39,270	1,08,97,843	1,40,08,528	93,457	3	22	Orient Paper P.	22½	22½	20	10	32/25	32/00	39/00
1,25,91,920	3,30,51,371	3,08,30,792	1,23,87,315	1,29,79,069	43,420	12	140	Shree Gopal Paper P.	17 6/7	17 6/7	18	10	25/50	25/50	25/50
2,73,19,050	4,28,25,108	94,29,176	63,90,889	2,93,680	1,08,791	6	22	Sirpur P.	8½	8½	5	10	12/31	12/12	14/06
1,00,00,000									Nil	Nil	Nil	10	9/50	9/50	9/12
10,00,000A, 4,37,500Pc, 2,23,87,880Ao, 36,04,800Bo	4,04,77,968	8,52,085	2,98,345	34,96,055	10,37,344	9	86	Star Paper P.							
1,50,00,000O	4,95,97,051	55,00,000	1,73,752	58,44,196	12,196	6	373	West Coast P.	13	13	13—13*	2APc	3/37	3/37	3/25
									20	10	10—2½*	10Ao	2/06	11/12	17/31
									20	10	10—2½*	10Bo	12/06	11/12	17/31
									7½	..	..	100	164/00	164/00	170/00
								PRESSING COMPANY							
4,30,000	1,81,531	1,45,000	5,34,786	55,294	24,926	7	328	Camperdown	11	..	..	100	110/00	110/00	104/00
								REAL PROPERTY STORAGE							
10,00,000A, 1,25,000B, 2,00,000C, 25,000D	14,69,599	8,58,120	3,54,870	1,24,262	3,212	4-10	75	Bengal Bonded Warehouse	8	8	9	A500	1,250/00	1,225/00	1,050/00
7,42,150	11,68,346	4,23,135	33,823	81,259	3,142	3	6	Calcutta Safe Deposit	Nil	Nil	..	B82½	125/00	125/00	125/00
1,00,00,780O, 2,00,000Dd	19,85,068	9,01,590	13,43,272	3,61,779	1,33,390	9	432	Humayan Properties P.	3	Nil	..	C100	186/00	186/00	122/00
79,90,000	8,080	Nil	13,10,942	—74,850	—19,01,272	6	3	Midnapore Zemindary P.	Nil	Nil-Nil*	Nil	D12½	45/00	52/90	14/15
												100	7/81	7/81	7/75
												100	11/00	11/00	11/00
												1Dd	2/10	2/10	2/10
												85	33/25	33/25	11/00
								TRAMWAYS & STEAMER							
20,00,000	40,37,049	33,73,558	9,90,121	5,76,314	54,558	10	2	Bengal Assam Steamship P.	7½	10	10	100	105/50	105/50	128/00
6,25,000	4,66,783	7,61,818	9,53,643	79,944	17,786	10	89	Calcutta Landing & Shipping	7½	22	6	10	21/00	21/00	34/00
12,60,000	47,23,178	14,01,984	1,02,898	63,719	—11,281	1	98	Calcutta Steam Navigation	Nil	Nil	Nil	10	7/25	7/25	9/25
£700,000	£2,889,537	£1,565,916	£315,682	£153,252	£2,006	12	38	Calcutta Tramways P.	5	5	5	£1	11/50	11/56	11/25
6,04,880	3,97,987	3,56,406	43,440	1,35,098	—637	3	134	Fraser & Co.				10	10/00	10/00	10/00
£655,881	£1,970,809	£432,456	£419,912	—£80,988	—£84,854	6	131	India General Nav. & Railway P.	Nil	Nil	..	10	36/50	36/50	44/00
4,47,50,000	15,60,63,417	1,57,29,564	1,17,13,241	—30,02,498		8	391	India Steamship P.	Nil	Nil	Nil	10	6/47	6/44	7/37
14,06,220	14,10,633	7,11,906	30,216	5,51,124	17,363	12	..	Port Shipping	Nil	Nil	12	10	17/12	17/12	15/06

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BOMBAY COTTON MILLS

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

Paid-up Capital Ordinary	Number of Spindles	Looms	Net Block Account	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963†	Paid-up per share	Latest Market Quotations as available until 24-11-64	17-11-64	A year ago
Rs.			Rs.	Rs.	Rs.	Rs.	Rs							Rs.	Rs.	Rs.	Rs.
40,00,000	48,652	1,016	1,28,56,156	46,70,828	20,69,878	10,39,744	26,620	..	269	Ahmedabad Advance P.	12	..	..	100	146/50	146/50	143/75
50,00,000	48,254	896	20,17,010	9,99,960	10,78,394	1,49,501	2,24,486	12	229	Apollo	Nil	..	..	2	1/70	1/70	2/06
40,00,000	41,135	980	43,32,511	11,42,781	4,76,501	1,42,728	..	..	350	Beharilal Ramcharan	Nil	..	..	100	143/00	143/00	95/00
2,50,98,000	2,03,942	4,911	5,87,37,535	3,82,76,018	47,87,842	62,56,837	67,586	12	199	Bombay Dyeing, etc.	14	14	..	25	57/50	57/30	62/50
10,00,000	35,052	648	32,07,778	34,59,612	5,45,173	10,89,180	1,37,996	3	262	Bradbury P.	25	..	..	50	145/00	145/00	157/50
1,27,75,700	1,18,296	2,760	4,98,32,541	3,26,61,468	25,80,078	80,66,350	9,53,042	12	22	Century	30	..	..	100	570/00	570/50	662/50
46,87,500	1,15,188	2,062	2,99,18,629	10,75,722	15,14,712	3,59,289	—40,19,762	6	269	Central India P.	Nil	Nil	Nil	100	99/00	92/50	105/00
26,00,000	24,916	719	37,34,829	32,52,434	1,01,653	7,46,029	1,28,751	3	68	Coorla	11	..	..	100	173/50	173/50	167/50
28,00,000	43,512	..	33,97,504	29,03,230	5,19,246	23,98,267	2,06,873	12	262	Dawn	30	..	..	50	146/00	145/00	154/00
34,00,000	49,164	920	74,35,701	43,13,002	1,86,928	—9,41,132	—9,38,834	12	260	Edward Textiles	9	6	..	200	322/00	322/00	285/00
2,98,63,675	47,700	886	1,36,80,735	56,02,280	2,57,709	10,62,512	12,247	12	59	Elphinstone P.	22	18	18	50	94/00	94/00	101/00
50,00,000	63,212	784	85,32,658	71,62,852	16,838	4,69,432	37,155	12	241	Finlay	23	..	..	100	307/00	303/00	325/00
39,04,700	77,966	..	19,75,309	43,25,176	23,64,706	12,85,523	85,195	12	56	Gokak	18	..	..	100	173/00	173/00	183/00
12,00,000	40,856	1,116	64,14,595	68,13,239	10,75,932	4,27,954	5,195	3	305	Hindoostan	50	..	..	250	940/00	940/00	950/00
2,00,00,000 } 50,00,00,000 }	2,48,876	6,498	4,41,45,022	3,84,70,022	31,82,629	1,32,22,197	5,89,816	12	15	India United	14 / 37½	..	..	10 / 1Dd	19/60 / 2/34	19/60 / 2/36	22/24 / 2/74
9,00,000	47,824	1,202	75,60,490	61,57,161	4,26,274	..	..	3	305	Indian	25	..	..	250	900/00	900/00	860/00
50,00,000	50,074	1,426	74,72,293	26,00,000	26,71,578	4,58,532	8,880	12	103	Indore Malwa United	10	7½	..	100	215/00	215/00	200/00
59,85,000	65,260	1,514	1,07,21,545	82,79,165	25,00,707	76,87,297	38,751	6	149	Khatau Makanji P.	16	..	..	100	158/75	175/00	212/50
1,00,00,000	1,20,594	1,846	1,76,50,904	1,36,17,072	20,69,195	65,91,664	9,095	12	146	Kohinoor	18	18	21	100	318/50	316/00	339/00
89,60,000	49,880	1,369	1,72,98,220	72,37,399	5,89,295	—72,073	—18,72,053	12	83	Lakshmi Vishnu P.	6	Nil	3	100	85/00	85/00	104/00
51,75,000	71,652	1,623	2,44,04,458	78,75,201	1,68,667	33,39,748	..	6	104	Morarjee Goculdas P.	24	24	20	100	255/00	248/00	395/00
39,68,250	50,480	500	55,13,433	39,56,794	22,08,037	2,05,250	Nil	2	261	Mysore Spg. & Mfg. P.	14	..	..	50	35/00	37/00	50/00
24,00,000	45,944	432	23,52,760	7,45,700	10,79,000	15,67,753	8,456	12	..	New City of Bombay	Nil	..	..	100	150/00	150/00	160/50
30,00,000	46,884	1,029	22,27,098	25,72,444	27,32,568	12,48,697	153	12	..	New Great Eastern P.	12	..	..	100	160/00	160/00	187/00
48,00,000	54,244	728	53,94,222	35,02,899	1,54,21,523	21,027	27,380	12	119	Phoenix	20	..	..	100	224/00	222/00	230/00
10,00,000	9,520	277	13,17,604	2,78,222	9,963	3,22,456	—1,07,771	12	257	Sassoon & Alliance	Nil	..	..	10	10/36	10/36	11/00
80,60,000	96,488	2,127	2,80,93,686	1,62,43,024	12,70,360	41,26,788	673	12	339	Sassoon Spinning	20	10	20	10	37/75	37/75	45/50
60,48,000	49,840	1,258	1,19,42,498	50,19,415	1,34,242	32,70,817	9,856	3	379	Simplex	Nil	22	16	50	122/00	120/00	126/50
1,00,00,000	77,436	1,640	1,62,20,494	86,36,202	95,49,874	35,49,582	51,723	12	327	Shree Niwas P.	20	14	8—9*	100	244/00	245/00	287/00
1,00,00,000	65,040	2,000	1,96,83,714	1,42,81,829	24,73,197	35,08,617	8,176	12	269	Svadeshi P.	19	17	..	100	264/50	263/50	161/50
36,00,000	40,328	549	56,94,838	71,73,330	7,774	8,20,551	26,062	12	341	Swan	21 3/5	..	..	100	273/00	273/00	275/00
65,57,875	63,248	1,800	2,12,86,475	1,12,83,538	11,32,192	20,80,953	1,422	12	269	Tata	22	20	..	25	47/50	47/00	56/80
12,00,000	45,508	1,308	62,07,441	12,11,933	31,81,227	52,10,985	8,027	3	205	Western India	25	..	..	250	850/00	850/00	875/00

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BOMBAY MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1960	Paid-up per share	Latest Market Quotations as available until 24-11-64	17-11-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs							Rs.	Rs	Rs	Rs.
								CEMENT							
19,06,68,750	28,49,18,158	12,76,85,523	5,86,09,994	5,14,17,633	68,243	7	53	Associated Cement	12	12	12	100	152/50	153/00	152/75
								ELECTRIC LTG. POWER							
8,74,77,100	11,61,05,785	1,36,05,785	30,82,878	78,42,903	638	..	..	Ahmedabad Electricity	6	..	..	100	103/50	103/00	94/30
3,02,77,000	9,34,77,781	1,23,89,917	32,52,570	52,28,395	36,154	3	146	Andhra Valley Power P.	5	5	..	100	1,217/50	1,217/50	1,060/00
1,75,00,000	3,95,16,553	1,21,07,263	17,22,888	39,87,421	3,370	3	267	Bombay Subarban Elec.	8½	8½	..	1000	113/00	117/00	103/00
2,39,99,975	7,17,76,350	1,39,56,841	51,65,971	60,68,808	27,536	3	146	Tata Hydro Elec. Power P.	5	5	..	100	123/50	123/25	110/75
5,15,36,000	17,59,03,832	3,61,11,341	57,28,753	1,22,80,113	29,988	3	267	Tata Power P.	5	5	..	1000	1,245/00	1,300/00	1,135/00
								ENGINEERING & METAL							
33,42,200	17,06,292	44,16,374	1,54,08,311	5,79,666	1,35,820	12	268	Alcock Ashdown	22½	19	..	100	289/00	283/00	305/00
14,75,050	7,99,713	4,61,618	2,25,568	—24,763	—33,604	3	115	Jost's Engineering	10	10	Nil	50	47/00	47/00	60/00
1,65,00,000	1,36,83,136	1,15,74,779	1,09,19,945	48,29,564	11,973	3	351	Larsen & Toubro P.	18	14	14	10	21/64	21/40	24/40
11,00,000	1,03,70,225	3,45,914	..	..	1,016	7	283	Mckenzies	12	14	..	100	137/50	137/50	137/50
2,50,000 } 1,31,250F }	5,834	1,00,53,052	1,79,52,042	3,35,178	59,102	12	284	Premier Construction P.	33 1/3	30	..	30O / 33⅓F	206/50	180/00	161/00
7,99,97,300	17,30,38,018	5,09,28,017	13,84,385	3,61,61,616	14,962	3	269	Tata Engg. & Locomotive P.	14½	14½	14½	100	260/00	256/00	282/50
27,55,70,601	1,00,15,07,970	50,23,25,401	16,55,31,274	16,47,12,030	2,44,126	3	269	Tata Iron & Steel P.	10.36†	10.36†	11-12*†	75O	145/25	145/25	145/25
								INSURANCE COMPANIES							
20,00,000	..	23,84,913	95,96,033	4,24,629	1,18,606	12	297	British India General	15	15	..	10	13/44	13/44	12/88
18,74,940	25,01,134	2,88,61,155	2,61,49,442	38,951	4,65,316	12	55	Jupiter General P.	4	Nil	..	15	7/00	7/00	9/20
1,42,42,125	23,46,782	8,80,68,899	9,41,74,741	92,81,250	44,28,397	12	179	New India	38	38	..	15	45/75	45/25	51/00
15,99,270	..	29,41,860	59,86,789	6,05,803	3,81,242	12	255	Vulcan	20	20	..	10	16/36	16/52	16/76
								MISCELLANEOUS							
70,49,650	41,70,604	1,23,53,608	1,09,82,038	67,94,850	3,00,263	9	42	Belapur Sugar	50	40	..	50	220/50	211/00	256/00
1,83,50,000 } 84,00,000 }	3,34,19,072	2,76,00,447	1,67,73,491	1,13,92,935	2,25,985	5	285	Bombay Burmah Trading	33	33	35 1/5	25 / 20	56/20 / 42/50	55/90 / 42/00	64/70 / 49/50
8,24,36,000	6,05,91,322	4,82,83,719	47,53,662	4,30,51,407	..	12	91	Hindustan Lever	26	12	14	10	28/50	29/50	38/75
99,99,250	3,754	20,08,796	1,44,31,515	8,97,490	30,418	12	299	Industrial Invt. Trust	6½	..	..	100	80/00	81/00	77/00
11,99,900	13,82,957	7,34,142	14,05,223†	68,232	16,942	7	67	Kemp (Chemists)	12½	..	..	200	253/75	253/75	276/25
2,41,12,100	7,40,36,031	2,03,71,160	27,33,067	1,69,61,608	4,41,151	12	352	National Rayon	22	..	..	100	351/00	339/50	373/50
11,27,98,680	25,25,08,055	11,58,24,547	11,18,89,983	48,75,907	2,82,649	7	198	Scindia Steam Navign.	3	3	..	20	15/40	15/24	15/16
21,00,000	47,55,927	61,15,000	3,17,297	—3,40,349	—23,63,858	11	146	Shivrajpur Synd.	Nil	Nil	Nil	10	20/00	17/52	22/00
3,02,33,815	6,32,84,424	1,44,04,272	23,87,449	89,88,449	3,923	6	269	Tata Chemicals P.	6½	6½	10	10	18/84	18/68	17/32
1,05,05,475	2,21,88,319	1,25,42,386	47,75,465	50,73,815	1,187	3	269	Tota Oil P.	23	23	22	25	49/00	48/50	72/00
2,55,00,000	1,37,35,974	3,64,27,137	85,33,891	1,78,87,313	Nil	8	360	Voltas	14	14	14	100	258/00	254/00	256/00
2,75,00,000	2,77,62,199	2,98,63,675	1,60,81,755	1,16,48,391	44,408	12	274	Western India Match	16	16	16	100	234/50	233/00	264/00

† per share.

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SOUTH INDIA PLANTATION COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Acreage	Outturn and Average Price per kg/lb realised for crop		Net Profits	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share	Latest Market Quotations as available until 24-11-64	17-11-64	A year ago
Rs.	Rs.	Rs.		Lbs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
6,75,000	16,06,067	1,50,000	1,992	7,996cwt	9.68	1,19,757	3	401	Amalgamated P.	10	10	..	10	10/01	9/21	10/01
8,50,000	12,57,795	5,72,253	878	1,12,000	1.48	70,011	12	402	Anandam P.	18	15	..	10	14/35	14/35	14/19
8,25,000	6,09,131	1,50,000	402	1,28,902	1.47cts	3,501	2	403	Athimattam	5	Nil	..	2	1/45	1/20	1/18
10,98,990	13,90,078	4,83,841	1,630	225.168†	4.34	4,11,298	3	287	Balanoor P.	12	12	..	10	11/20	11/20	14/30
3,00,000	3,68,575	2,25,000	171‡	43,490†	3.4	62,815	5	404	Balmadies P.	5	Nil	5—10*	2	2/00	2/00	1/78
17,32,230	13,46,716	4,36,293	977	1,5[illegible]4‡	1.65cts	43,110	5	270	Be Be P.	5	Nil	..	5	2/38	2/38	2/33
44,00,000	1,23,45,152	25,11,425	1,329	8,53,764†	4.81	12,37,848	6	141	Blue Mountain	10	10	10	2	2/20	2/23	2/65
14,00,100	28,67,681	20,95,127	1,856‡	8,51,234†	4.55	9,04,350	3	210	Chembra Peak	20	20	20—25*	2	5/15	5/13	4/50
36,91,279	46,12,278	19,45,895	3,257‡	11,32,759†	3.41	10,13,193	2	210	Cochin Malabar P.	20	20	12—12*	3	6/12	6/12	6/25
32,50,000	39,31,709	30,58,661	2,710	19,48,320	..	3,71,249	6	405	Coffee Lands P.	12	9	..	10	18/50	18/50	15/50
21,55,000	1,15,74,494	63,44,278	7,001	60,81,120	..	25,60,562	6	406	Consolidated Coffee P.	20	15	..	10	25/25	24/00	21/40
8,66,730	21,85,500	13,90,424	441	4,52,382	2.25	56,592	9	203	Coonoor P.	15	17½	17½	10	16/80	16/80	17/83
4,80,000	10,36,448	4,76,798	432	3,53,888	1.52	1,19,880	3	407	Coorg P.	20	15	..	2	4/85	4/85	4/60
6,00,000	11,82,508	2,17,761	1,026	1,57,785	1.47	46,942	3	12	Cottanad Plantation P.	10	6½	..	10	9/50	9/50	9/31
6,00,000	8,89,831	4,80,155	345	3,25,310†	2.66	1,25,313	12	212	Devashola (Nilgiri)	20	15	..	10	30/65	30/65	24/60
6,74,650	9,14,544	3,31,040	450	1,38,386†	4.26	1,36,712	3	287	Devon P.	12	12	..	10	12/35	12/35	11/96
7,50,000	3,38,952	1,26,500	197	1,12,936†	2.66	28,121	12	408	Emerald Valley	Nil	6	..	6	7/00	6/55	6/30
4,50,000	3,64,462	20,000	278	32,830	..	40,424	12	409	Goku	10	10	..	2	1/90	1/95	2/23
26,00,000	42,82,150	17,77,500	1,465	17,21,550	2.04	2,13,414	12	410	Halleyburia P.	12½	11	..	2	6/30	6/30	6/27
21,85,700	28,02,058	10,77,705	1,528	9,59,804	1.67	3,80,461	7	402	Kailas	25	30	..	2	4/12	4/12	4/25
9,00,000	12,32,263	7,23,749	378‡	3,14,942†	..	4,04,443	3	210	Kaisas Tea Produce	25	15	15	2	5/10	5/10	5/30
17,17,076	28,48,525	14,32,010	811‡	4,62,975†	5.54	7,80,209	10	210	Kil Kotagiri P.	25	25	20	2	11/75	11/75	12/00
6,00,000	9,11,259	1,21,604	765	408,757	2.31	46,485	12	203	Lucky Valley	10	10	..	10	8/28	8/28	9/35
13,50,000	19,78,359	9,14,031	1,785‡	3,42,748†	3.03	4,63,747	3	411	Malankara	16	14	14—16*	10	15/72	15/72	15/02
40,50,000	67,47,600	17,25,166	4,013	12,60,448†	3.85	9,94,509	3	270	Midland Rub & Prod P.	12½	12½	10—10*	10	10/85	10/55	10/90
14,06,250	33,53,804	7,49,546	1,587	4,86,096	2.90	1,80,000	3	402	Nilgiri P.	10	10	..	10	8/50	8/50	8/50
38,10,000	24,28,291	11,02,621	1,054	7,29,106†	2.92	16,62,532	6	14	Nonsuch	20	20	20	10	22/50	22/50	23/87
9,75,000	11,21,586	3,67,000	293‡	2,29,900†	..	3,27,700	3	210	Ossoor	15	15	15	2	2/77	2/77	3/53
19,45,980	33,19,864	24,42,874	7,970‡	6,55,342†	4.48	—5,06,184	10	210	Ouchterlony	12	6	..	2	3/44	3/50	4/65
17,00,000	27,55,157	13,87,519	1,099‡	10,69,078†	4.19	7,13,678	12	9	Parkside Neilgherry	22½	27½	25	10	25/20	25/20	27/50
17,00,000	27,36,576	12,82,318	4,963	10,83,565†	4.20	11,29,838	12	9	Peermade P.	25	20	12½	10	20/75	20/75	20/59
6,00,000	7,90,316	4,35,530	1,167	1,83,268	1.50	1,65,244	2	259	Peninsular	20	20	17½	10	19/65	16/65	20/80
97,94,880	78,72,019	20,68,711	2,074‡	23,46,900	3.88	13,16,964	3	210	Periakaramalai	20	12½	15	2	3/73	3/65	3/42
13,50,000	48,44,469	13,58,959	952‡	845,000†	3.16	8,05,161	6	270	Rajagiri Rub. & Prod P.	20	20	..	10	23/00	23/00	21/10
2,00,000	3,14,567	1,53,963	711	3,320cwt	1.32	1,18,791	3	412	Rajendra P.	25	20	..	5	12/00	13/00	10/42
1,25,000	1,90,373	15,000	216	..	..	43,141	3	413	Swinton	6	Nil	..	2	2/66	2/66	2/66
10,00,000	20,71,084	2,48,373	1,454	4,30,695	1.51	63,263	3	172	Teekoy P.	4	6	..	10	6/60	6/60	6/50
9,15,300	14,26,883	10,75,840	2,365	2,35,780	3.20	2,77,689	9	210	Thirumbadi	12	10	10	1	1/78	1/78	2/03
5,00,000	9,51,402	46,742	1,307	2,23,794	3.21	40,956	12	414	Travancore Rubber	12	12	..	10	11/75	11/75	11/25
41,00,000	72,63,801	12,63,584	2,535‡	12,19,484†	..	10,61,172	12	9	Travancore Rub & Tea P.	10	10	..	10	8/25	8/25	9/95
30,00,000	23,48,701	1,36,000	3,028	6,38,402	1.00	2,02,762	12	271	Tropical Plantation	8	8	..	25	20/50	19/65	20/75
15,75,000	24,78,11	16,00,000	1,267	9,63,293	2.16	1,00,000	12	410	Twyford	6	5	..	10	9/00	9/00	8/12
21,93,280	30,03,223	17,04,089	3,638	8,28,976†	5.11	12,85,654	3	250	United Nilgiri	22	22	..	10	22/25	22/22	23/80
9,80,010	9,26,839	2,82,051	952	4,94,400	1.50	2,20,096	12	415	Vaikundam	30	35	..	10	34/30	34/30	33/75
47,25,000	78,06,431	21,33,765†	2,214‡	13,41,277†	3.77	15,22,472	6	157	Watertall Estates P.	10	10	10	2	2/38	2/38	2/45
7,95,000	12,64,609	6,35,454	971	1,65,429	1.78	88,225	3	416	Woodland P.	10	Nil	..	10	6/50	6/50	7/50

‡Hectares † Kgs. * 1964

SOUTH INDIA COTTON MILLS

Paid-up Capital Ordinary	Number on Spindles	Looms	Net Block Account	Reserve & other Funds Premium & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share	Latest Market Quotations as available until 24-11-64	17-11-64	A year ago
Rs.			Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
8,21,50,000	46,240	1,157	1,13,35,197	2,05,37,667	29,35,225	1,33,49,220	8,778	12	445	Bangalore W. C. Silk P.	18	18	24	100	281/00	261/00	233/50
6,89,78,000	1,20,288	2,758	3,98,78,769	4,24,41,649	32,42,332	1,00,04,894	34,777	12	445	Buckingham & Carnatic P.	18	18	18	100	278/00	278/00	290/00
50,00,000	28,000	..	22,72,373	31,400	96,302	1,68,513	42,421	12	433	Cambodia P.	12	9	..	10	8/75	8/75	10/00
35,99,600	13,864	..	74,98,712	39,35,014	3,68,858	20,95,517	..	12	188	Coimbatore Cotton	16	9	..	100	170/00	170/00	169/00
20,76,900	12,832	407	47,91,212	7,98,681	22,227	—7,52,342	—10,23,340	6	46	Coimbatore Spg. & Wvg.	16	8	..	50	115/50	115/50	68/50
67,20,000	30,512	200	1,08,14,489	23,10,438	10,00,190	5,62,227	31,244	12	141	Kothari Textiles P.	8	8	6	10	8/28	8/28	9/35
1,06,50,000	1,10,800	..	2,04,58,691	1,02,72,660	64,27,750	66,04,914	25,194	3	186	Lakshmi	25	20	20-20†	100	132/00	132/00	133/00
2,75,02,480	3,00,000	..	6,13,24,237	6,09,41,668	1,06,32,123	1,01,11,071	59,354	12	108	Madura	30	15	15	15	35/35	35/50	33/75
60,00,000	24,252	608	16,80,682	28,23,200	45,78,074	23,62,309	10,434	3	29	Mettur Industries	20	22½	20	100	265/50	265/50	299/00
4,00,000	20,187	Nil	5,36,608	5,00,000	24,24,908	1,39,437	2,687	12	60	Palani Andavar P.	50	35	..	10	193/15	193/15	202/75
81,00,000	48,974	270	43,85,330	43,50,000	11,97,728	16,77,243	91,696	12	47	Vasanta P.	25	20	..	100	234/00	234/00	276/00

‡ Hectares † 1964

SOUTH INDIA SUGAR MILLS

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

Paid-up Capital Ordinary Rs.	Net Block Account Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net profits Rs.	Carry forward Rs.	Accounts closed	Mgr. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share Rs.	Latest Market Quotations as available until 24-11-64 Rs.	17-11-64 Rs.	A year ago Rs.
30,00,00	62,64,264	26,55,000	5,52,400	10,92,779	22,959	9	417	Andhra P.	16	12	..	10	12/50	12/50	17/36
40,00,000	80,62,883	12,61,424	1,58,472	13,46,266	1,40,987	6	218	Cauvery P.	8	6	..	100	100/00	100/00	112/50
39,84,000	80,95,449	50,28,500	10,91,223	29,00,521	9,587	5	218	Deccan Sugar	12	18	18	5	10/70	11/10	12/35
£1,127,700	£3,463,073	£2,075,782	£414,795	£648,473	£21,999	9	319	E.I.D.-Parry	21 3/7	28 3/7	..	£1	35/60	35/90	38/10
63,97,650	39,62,680	15,44,848	64,64,375	12,35,437	69,501	9	418	Indian Sugar P.	10	8	8	10	8/90	8/90	10/25
12,45,572	1,22,66,623	18,99,861	1,51,052	5,99,416	2,090	6	419	Jeypore P.	15	15	..	10	16/50	16/50	16/00
10,52,200	2,87,27,773	1,23,75,000	31,53,982	20,76,426	91,745	6	420	K C P.	15	15	..	10	24/00	24/00	23/90
79,98,000	1,40,86,784	Nil	3,14,482	—16,486	—1,26,762	6	141	Kothari	Nil	Nil	Nil	10	6/20	6/20	7/00
21,79,280	69,98,950	1,19,98,416	46,28,924	1,22,390	4,559	6	264	Mysore	30	30	30	10	27/75	27/75	46/75
30,00,000	35,93,381	11,41,000	10,12,037	4,88,902	1,46,735	4	218	Travancore P.	7½	5	..	10	7/77	7/90	7/40
50,00,000	46,26,876	72,96,098	1,01,16,243	37,47,578	..	3	320	United Breweries	60	25	Nil—9*	10	23/78	23/78	33/25

SOUTH INDIA MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary Rs.	Net Block Account Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net profits Rs.	Carry forward Rs.	Accounts closed	Mgr. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share Rs.	Latest Market Quotations as available until 24-11-64 Rs.	17-11-64 Rs.	A year ago Rs.
1,00,00,000	86,99,116	39,83,750	10,36,603	19,80,945	1,52,818	3	421	Aluminium Industries	18	18	..	10	23/20	23/00	19/35
71,03,170	76,52,046	10,34,008	6,28,302	11,87,102	2,761	12	16	Andhra Cement P.	10	9	9—9†	10	9/90	9/90	9/80
3,02,67,658	1,59,93,383	25,63,810	1,84,694	30,01,343	20,076	12	422	Ashok Leyland	8	8	..	5	6/90	7/00	7/30
1,00,00,000	17,47,081	49,33,435	2,75,867	19,86,813	4,39,222	12	423	Binny	22½	21	..	100	265/00	264/00	287/50
7,50,000	5,45,587	56,538	41,650	93,228	—1,46,143	12	270	Brunton & Co.	Nil	Nil	..	10	4/50	4/50	5/00
24,99,000	40,82,511	3,52,644	62,051	3,35,186	4,810	12	424	Enfield P.	4	4	..	10	10/30	10/30	9/20
2,24,44,750	3,21,08,642	66,66,496	73,60,475	51,28,679	1,38,608	3	425	India Cement P.	9	12	..	5	5/08	5/12	5/56
23,82,732	16,92,196	2,50,222	93,924	2,16,808	2,977	12	230	Indian Steel Rolling P.	12½	10	..	10	9/85	9/85	10/20
1,40,00,000	1,39,97,059	37,48,801	36,09,251	29,82,180	11,631	3	253	Mettur Chemical Industries P.	12½	13¾	18¾	10	14/25	14/25	13/30
24,81,220	12,69,939	10,47,778	17,48,674	8,48,641	8,514	3	233	Mysore Chem. & Fert.	10	5	..	10	7/95	7/95	7/95
8,00,000	5,20,889	4,52,189	2,18,413	2,33,791	85,187	3	151	Mysore Chemical Mfgs. P.	20	20	..	10	15/50	15/50	16/70
25,00,000	55,50,342	37,12,500	2,43,664	14,29,395	36,663	3	226	Mysore Lamp P.	25	37	..	10	29/60	29/60	30/00
10,00,000	7,56,329	3,16,884	29,32,342	75,422	622	3	201	Mysore Paper	15	15	..	10	11/78	11/78	12/60
10,00,000	6,54,848	8,02,000	2,60,194	4,84,835	1,51,607	3	218	Mysore Tobacco	Nil	Nil	..	10	11/02	11/02	12/18
								Parry's Conf.	30	26	..	1	2/96	2/96	3/31
40,00,000	82,50,079	1,03,14,883	40,58,627	23,52,432	10,74,117	6	221	Spencer (Provisions)	18	18	..	10	21/50	21/50	20/37
47,00,000	86,53,610	20,65,000	51,902	7,85,966	3,869	12	427	Standard Motors P.	7	6	..	10	10/00	10/20	10/33
11,56,300	5,95,547	14,04,007	16,66,624	4,19,707	41,732	9	7428	T. Stanes P.	15	32½	..	10	28/55	28/55	27/40
39,84,400	42,58,650	13,07,759	26,027	6,92,616	932	4	429	Textool	15	15	..	100	128/00	133/00	147/50
2,50,00,000	4,24,61,684	2,14,79,630	72,21,483	85,33,091	50,510	7	430	Tube Investments	10	10	10	100	176/00	174/00	228/00

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary Rs.	Gross Block Account Rs.	Reserve & other Funds Rs.	Net Earnings Rs.	Carry Forward Rs.	Accounts closed	Mgr. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share Rs.	Latest Market Quotations as available until 25-11-64 Rs.	18-11-64 Rs.	A year ago Rs.
17,24,000	18,02,732	12,576	—2,52,424	..	3	165	Ahmedpur Katwa	1.90	1.75	..	100	25/37	25/37	26/00
21,69,300	35,00,464	6,11,706	2,54,450	1,080	3	32	Arrah Sasaram	5	5	4	100	31/62	31/62	29/50
34,00,000	35,33,840	21,816	—4,66,034	..	3	165	Bankura Damoodar	1.90	1.75	..	100	25/37	25/37	26/50
17,80,000	20,25,854	10,772	—3,07,176	..	3	165	Burdwan Cutwa	1.90	1.75	..	100	25/37	25/37	26/50
31,00,000	28,10,290	46,916	1,59 749	2,620	3	32	Chaparmukh-Silghat	2.90	2.80	2.40	100	28/50	28/50	40/00
4,75,000	1,48,268	5,33,369	1,35,796	3,691	3	296	Cherra Chhatak Ropeway	12	12	..	5	4/62	4/62	5/75
2,47,650	2,28,169	59,790	42,389	4,003	3	101	Darjeeling Ropeway	..	..	..	10	8/50	8/50	8/50
40,00,000	49,60,137	14,51,000	19,14,361	35,951	3	335	Dehri Rohtas	20	15	..	10	11/19	11/19	13/06
11,49,700	16,09,728	2,500	26,271	806	3	32	Futwah Islampur	1.90	1.90	1.80	100	25/75	25/75	28/70
16,00,000	49,11,910	12,56,213	1,82,293	6,372	3	32	Howrah Amta (P)	5	4½	4	100	34/50	34/50	40/00
6,00,000	13,66,352	5,29,960	90,311	2,342	3	32	Howrah Sheakhala	5	4½	4	100	36/50	36/50	45/00
5,91,100	11,74,348	15,024	73,560	160	3	165	Katakhal Lala Bazar	3.10	1.90	/	100	41/00	41/00	41/00
15,00,000	61,42,583	16,81,057	19,411	Nil	3	32	Shahdara (Delhi)	3	Nil	Nil	100	51/25	51/25	52/00

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

1. Anderson Wright Ltd.—7, Wellesley Place, Calcutta.
2. Andrew Yule & Co., Ltd.—8, Clive Row, Calcutta.
3. S. N. Beri—6, Middle Road, Hastings, Calcutta.
4. Hazareemull, Heeralall—148, Cotton Street, Calcutta.
5. Amritlal Ojha & Co., Ltd.—"Security House" Netaji Subhas Road, Calcutta.
6. Alcock, N. C.—Hultsdrof Mills, Colombo.
7. Associated Industrial Development Co (Private) Ltd.—"Nicco House", Hare Street, Calcutta-1.
8. Agarwala, S. L.—Indian Insurance Building, Old Cantonment Road, Dehra-Dun.
9. Aspinwal & Co. (Travancore) Ltd.—Chavadi Parambu North Commercial Canal Road, Alleppy
10. Aryan Planter Agency—P-12, Chowringhee Square, Calcutta.
11. Allum Bharucha & Co.—214, Hornby Road Bombay
12. Associated Planters Private Ltd.—25, General Patters Road, Madras.
13. Antony M. K.—Alleppey
14. Harrison And Crossfield Ltd.—Cochin.
15. Agarwal & Co.—E D Sassoon Building, Dougall Road, Ballard Estate, Bombay
16. V. Ramkrishna—Ramkrishna Bldgs., 38, Mount Road, Madras-6.
17. Amte & Co.—Hubli.
18. B. M. Krisnan—Sri Jayachamaraja Wadiyar Road, Bangalore-2
19. Macneill and Barry Ltd.—2, Fairlie Place, Calcutta
20. Ojha Brothers Ltd.—Security House, Netaji Subhas Road Calcutta
21. Bird & Co (Private) Ltd.—Chartered Bank Buildings, Calcutta.
22. Birla Bros Private Ltd.—8, India Exchange Place, Calcutta.
23. Babulal & Co. Ltd.—13, Syed Salley Lane, Calcutta.
24. Balmer Lawrie & Co., Ltd.—21, Netaji Subhas Road, Calcutta
25. British India Corporation Ltd.—Sutherland House, Kanpur.
26. R. L. Thompson—Agraharam Road, Bangalore-2
27. Bengal Textile Agency Ltd.—11, Clive Row Calcutta
28. Swadeshi Enterprise Ltd.—41 Chowringhee Road Calcutta.
29. Beardsell, W. A & Co Private Ltd.—Second Line Beach, Madras.
30. Bhagyalakshmi & Co.—Delhi Road, Udamalpet Dt., Coimbotore
31. Rameshwar Tantia—1 & 2, Old Court House Street, Calcutta.
32. Martin Burn Ltd.—12, Mission Row, Calcutta
33. K. M. Wilcox—Sutherland House, Kanpur
34. Dr. W. J. J Curry—9, Hare Street, Calcutta.
35. Ramdutt Ramkissendas—9, Brabourne Road Calcutta
36. Bajoria & Co.—27, Brabourne Road, Calcutta
37. Birla, L. N.—8, Royal Exchange Place, Calcutta
38. Birla, B. M.—"India Exchange", Calcutta-1.
39. John Valentine Jardine Paterson—4, Clive Row Calcutta
40. Bhargava, H. K—Mohalla Masjid Bagh, Badshanagar
41. Biharilal Lahoty—161-1, Mahatma Gandhi Road, Calcutta.
42. W. H. Brady & Co., Ltd.—Brady House, 12-14 Veer Nariman Road, Bombay-1
43. Brijlal Bilasvai & Co.—Aga Khan Buildings, Dalal Street, Fort, Bombay.
44. Punam Chand Batia—19, Circular Garden Reach Road, Calcutta.
45. Chakravarti Sons & Co.—22, Canning Street, Calcutta
46. G. L. Purushotham Naidu—24, Krishnaswamy Mudallar Road, Coimbatore.
47. Chetty, R. K. S. & Bros.—Singanallur, Coimbatore-5
48. S. R. Poddar—33, Netaji Subhas Road, Calcutta.
49. Calcutta Agency Ltd.—24, Netaji Subhas Road, Calcutta
50. Chanda, A. P.—15, Taratola Road, Calcutta.
51. Shoobridge, F. G.—234-3, Lower Circular Road, Calcutta
52. W. B. Eadie—175, West George Street, Glasgow C.2.
53. Cement Agencies (Private) Ltd.—121, Queen's Road Fort Bombay
54. Consolidated Elec Agencies—17B, Elphinstone Circus Fort Bombay
55. K. S. R. Iyer—Imperial Bank Buildings, Bank Street Fort, Bombay.
56. Chinoy, P. M. & Co., Ltd.—Radio House, Apollo Bunder Bombay.
57. Cumberbatch & Co.—Colombo.
58. Cowasjee Jehangir & Co., Ltd.—Ready Money Mansion, Churchgate Street, Fort, Bombay
59. N. K. Jalan—Kamini Chamber, 32, Nicol Road, Ballard Estate, Bombay.
60. Chandrie & Co., Ltd.—Madras.
61. Bagaria More Co., Ltd.—5, Clive Row, Calcutta.
62. Dayaram & Sons—9, Old Court House Street, Calcutta
63. Duncan Brothers & Co., Ltd.—31, Netaji Subhas Road, Calcutta.
64. Duff Thomas & Co.—2 and 3, Clive Row, Calcutta
65. Dass Bros.—29, and 30, Strand Road, Calcutta.
66. A. K. Das—15, Netaji Subhas Road, Calcutta
67. Day, P. E.—Anderson's House, Bishopsgate, London, E.C.2.
68. Hari Brothers Private Ltd.—Scindia House New Delhi.
69. Dadabhoy Sir M. B.—Kampte Road, Civil Lines, Nagpur
70. N. D. Bangur—14, Netaji Subhas Road, Calcutta.
71. B. C. Roy—Hindusthan Building, 4, Chittaranjan Avenue, Calcutta.
72. Duffs, J. C. & Co., Ltd.—National Bank Buildings, Netaji Subhas Road, Calcutta
73. C. C. Dey—25, Netaji Subhas Road, Calcutta
74. Davenport & Co. Private Ltd.—6, Church Lane, Calcutta
75. Desai, R. M.—14, Nicol Road, Ballard Estate, Fort, Bombay.
76. Dodwell & Co., Ltd.—Glennie Street, Slave Island, Colombo
77. Darragh Small & Co., Ltd.—Alleppey.
78. Dadabhoy B A & Co.—Ilaco House, Sir Phirozeshah Mehta Road, Bombay.
79. B. N. Elias & Co. Private Ltd.—1 and 2, Old Court House Corner, Calcutta.
80. Eastern Corpn. Ltd.—7, Wellesley Place, Calcutta
81. Ebeling, A. F.—Rawalpindi.
82. Poddar, P. L.—135, Canning Street, Calcutta.
83. Pratapsingh Mathuradas—9, Wallace Street, Fort, Bombay
84. S. B. Industrial Development Co., Ltd.—12, Old Court House Street, Calcutta.
85. A. Firpo, Jr—18/2, Chowringhee, Calcutta.
86. Forbes, Forbes, Campbell Ltd.—Forbes Buildings, Home Street, Fort, Bombay.
87. S. V. S. Iyer—88C, Old Prabhadevi Road, Bombay-28
88. Gillanders Arbuthnot & Co., Ltd.—Clive Buildings, Netaji Subhas Road, Calcutta.
89. Gladstone Lyall & Co., Ltd.—4, Fairlie Place, Calcutta.
90. H. C. Bowker—"Victoria House", Calcutta.
91. P. L. Tandon—India House, Fort Street, Bombay
92. Govan Bros. (Rampur) Private Ltd.—4, Scindia House New Delhi.
93. Govan Bros Ltd.—Malhotra Buildings, Queensway, New Delhi.
94. R. N. Datta—93-A, Dharamtalla Street, Calcutta
95. Daga & Co., Ltd.—9, Royal Exchange Place, Calcutta
96. M. L. Bexon—57B, Free School Street, Calcutta-16
97. Govan, R. G & Co.—Scindia House, Connaught Circus, New Delhi.
98. Turnbull, R. W.—P-4, Mission Row Extension, Calcutta
99. Abinash Chandra Das—Jalpaiguri.
100. Guha, Nalini Kumar—18/11/1-B, Raja Raj Ballav Street Calcutta
101. Purushottamlall—6, Clive Row, Calcutta
102. George, A. V. & Co., Ltd.—Ancherli Bank Bldgs., Kottayam, Travancore.
103. Kundila, G Seksaria—139, Meadow Street, Fort, Bombay
104. Gopikisan Piramal—Dr. Ambedkar Road Parel Bombay-12
105. John Whitlon Easson—Gillander House, Netaji Subhas Road, Calcutta.
106. F. W. Heilgers & Co (Private) Ltd.—Chartered Bank Buildings, Calcutta.
107. Howrah Trading Co., Ltd.—8, Dalhousie Square East, Calcutta.
108. A. N. F. Harvey Ltd.—Pandyan Building, West Veli Street, Madurai.
109. Holmes Wilson & Co., Ltd.—"Stephen House" Calcutta
110. R. G. Khanna—Solan Brewary Simla.
111. Hotel (Control) Private Ltd.—4 & 4/1, Wellesley Place Calcutta
112. Glass, J. G.—Bilbao House, 36, New Broad Street London E.C.2.
113. B. P. Khaitan—14, Netaji Subhas Road, Calcutta.
114. Harrison & Crossfield Ltd.—Calcutta.
115. T. V. Braddeley—The Great Social Buildings Sir Phirozeshah Mehta Road, Fort, Bombay.
116. K. G. Khanna—Solan Brewery (H.P.).
117. Hari Sons—Avlur (Cochin State).
118. Hormusjee Sons & Co.—605, Girgaum Road, Dhobi Talao, Bombay-2.
119. Ramnarayan Sons Ltd.—Bombay.
120. Industrial Financing Co.—63, College Street, Calcutta
121. Imperial Chemical Industries (India) Private Ltd.—34, Chowringhee, Calcutta.
122. Indra Singh & Sons Private Ltd.—7, Wellesley Place Calcutta.
123. Hari Brothers Private Ltd.—Scindia House, New Delhi.
124. R. Raja Rao—Honnawal Road, Shimoga
125. Iyer, I. R. Anantharam & Bros. Ltd.—Pushpagiri, Trichur
126. N. Sirur & Co. Private Ltd.—70, Forbes Street, Fort, Bombay
127. J. P. Hannay—2, Metcalfe St., Calcutta.
128. Jardine Henderson Ltd.—4, Clive Row, Calcutta
129. S. S. Bhimwal—7, Chowringhee Road, Calcutta
130. Jhajharia Bros. Ltd.—138, Harrison Road Calcutta.
131. Jain, N. K & Co. Ltd.—"Devashram", Arrah, Shahabad
132. J. K. Industries (Private) Ltd.—7, Council House Street, Calcutta.
133. James & Co Ltd.—25, Netaji Subhas Road, Calcutta
134. Jute Industries Ltd.—4, Lyons Range, Calcutta
135. John, V. C.—Kottayam, Travancore State.
136. Jones, H. Edwin—Oriental Building, Bombay Elec House, Ahmedabad.
137. John, Kurian—Kottayam, Travancore State.
138. Kettlewell Bullen & Co Ltd—21, Strand Road, Ca cutta
139. Kilburn & Co Private Ltd.—4, Fairlie Place Calcutta
140. Karamchand Thapar & Bros. Private Ltd.—Thapar House, 25, Brabourne Road Calcutta-1
141. Kothari & Sons Agency Private Ltd.—Armenian Street, Madras
142. R. Suryanarayan Rao—Channapatna, Mysore State
143. S L. Dhanuka—P-15, Bentinck Street, Calcutta
144. Khaitan, D & Sons—14, Netaji Subhas Road, Calcutta
145. P. S. Nilkantan—1, Waterloo Street, Calcutta
146. Killick Industries Ltd.—Mome Street, Fort Bombay.
147 Kanga, R. D.—Electric House, Post Fort, Bombay.
148. Kurian John—Alleppey.
149 Khatau Makanji & Co.—8, Ballard Road Fort Bombay.
150. Killick, A. S.—2-6, 2nd Line Beach, Madras
151 S. Ramanathan—Chickbanavar P.O., Bangalore Dt.
152. Broken Hill Secretariat Ltd.—31, Dover Street, London E.C.2
153. Low H. V & Co Private Ltd.—3, Synagogue Street, Calcutta.
154. Lomas, J. E. W.—19, St. Swithin's Lane, London E.C.4
155 Bharat Ram Bhagat & Co.—45 Tangra Road, Calcutta
156. Hind Agents Ltd.—Indu House, 15, Dougall Rd, Ballard Estate, Bombay.
157. Kothari Mehta & Co. Private Ltd.—Armenian Street Madras
158. Padampat Singhania—Kamala Tower, Kanpur.
159 Lala Gurusharan Lall—Guraru Dist., Gaya
160. Lovelock & Lewes—4, Lyons Range, Calcutta.
161 Lohia, D. D.—173, Harrison Road, Calcutta.
162. G. & Solomon—Dare House, Parry's Corner, Madras
163. Mackinon Mackenzie & Co. Private Ltd.—16 Strand Road, Calcutta.
164. L. H. Anantaram Iyer & Bros Ltd.—Pushpagiri, Trichur
165. McLeod & Co Ltd.—8, Netaji Subhas Road Calcutta
166. Hindusthan Investment Corporation Ltd.—15, India Exchange Place, Calcutta.
167. B. Barker—"Barlow House 59C, Chowringhee Road, Calcutta.
168 Moona Lall & Sons—120/1 Civil Lines, Jhansi
169 K. P. Goenka—31, Netaji Subhas Road, Calcutta.
170 Marshalls (Direction) Private Ltd.—33/1, Netaji Subhas Road, Calcutta.
171. W. S. Maiden—P.O. Lohat, Dist, Darbhanga
172. East India Agencies Private Ltd.—Palai Kerala State
173. Moulton G S. & Co (India) Ltd.—11 and 12, Esplanade Mansions, Calcutta.
174. N. M. Cole—8, Clive Row, Calcutta.
175. Satya Narain Gupta—Subzimandi, Delhi.
176. Moton & Co.—Maung Pauley Street, Rangoon
177. H B Marshall—1, Humayan Place, Calcutta.
178. Madura & Co. Ltd.—Cochin.
179. A. D. Shroff—New India Assurance Bldgs, Mahatma Gandhi Road, Fort, Bombay.
180 Mafatlal Gagalbhai & Sons—Rustam Bldgs., 29, Churchgate Street, Fort, Bombay.
181 Murphy, C.—Rampart Row, Fort, Bombay.
182. Menta, Chunilal V. & Co. Ltd.—Queen's Mansions, Prescott Road, Bombay.
183 Sir V. N. Chandavarkar—Standard Buildings Hornby Rd., Fort, Bombay.
184. Mysore Industrial Development Co.—33 Gandhinagar Bangalore City.
185. Mascarenhas B M.—Platform Road, Bangalore City.
186. Naidu, G. Kuppuswamy & Co.—Pappanaikenpalayam, Coimbatore.
187. Best & Co. Ltd.—The Hyderabad Laminated Products Ltd., Secunderabad-3.
188. R. Beema Naidu & Co.—Singanallur, Coimbatore.
189. Naidu, A. G. Guruswamy & Co.—Peelamedu, Coimbatore.
190. Naidu, P S Govindaswami & Sons—Coimbatore
191. H. Roychowdhuri—18, Convent Road, Entally, Calcutta.
192. B. D. Agarwalla—Stephen House, 4, Dalhousie Square, Calcutta.
193. Kesarmal Manocha—529/1, Hall Bagh, Amritsar.
194. G. V. Swalka—"Pollock House", 18B, Brabourne Road, Calcutta.
195 A. Maiti—71, Park Street, Calcutta.
196 Srinivasan, S. D.—7, Council House Street, Calcutta.
197. Naraindas Lachmandas Ltd.—Rajpurwa Kanpur
198 Dharamsey M. Khatau—Scindia House, Daugall Road, Ballard Estate, Bombay.
199. Nowrosjee Wadia & Sons (Private) Ltd.—Neville House, Ballard Estate, Bombay.
200 Dooduawala & Sons—5, Muktaram Babu Street, Calcutta-7.
201. R. Arunachalam—17, Richmond Road, Bangalore-1.
202. Octavius Steel & Co., Ltd.—14, Old Court House Street, Calcutta
203. Matheson Bosanquet & Company Ltd.—Belmount, Coonoor Nilgiris.
204. Operoi Hotels (India) Private Ltd.—17, Chowringhee Calcutta
205 Oakley Bowden & Co., Ltd.—15, Armenian Street, Madras.
206 Ogale Glass Works Ltd.—43, Gandhinagar, Bangalore City
207. Deepchand Kisehenlal—25, Netaji Subhas Road Calcutta
208. Indian Textile Syndicate Ltd.—Kanpur.
209. E. R Elliot Lockhart—4, Fairlie Place, Calcutta.
210 Peirce Leslie & Co., Ltd.—8/222, Beach Road, Calcutta, Kerala.
211. H. L. Somany—2, Wellesley Place, Calcutta
212 P. G. Krishna Iyer—Mount Pleasant, Coonoor Nilgiris.
213 Poddar, K N.—37, Vivekananda Road, Calcutta.
214 James Warren & Co., Ltd.—31, Chowringhee Road, Calcutta.
215. Parkins Ltd.—Kottalam.
216. Parkin, O. & Co.—26 Apollo Street, Fort, Bombay
217. L. L. Kanoi—P-8, Mission Row Extension, Calcutta.
218 Parry & Co., Ltd.—Dare House, Parry's Corner, Madras
219 India Sugar Agencies Ltd.—Mangalore.
220. Price, R. G. N.—National Bank Bldgs., Madras.
221. Z. R. Irani—1/153, Mount Road, Madras
222 Chrestien Mica Industries Ltd.—4, Lyons Range, Calcutta.
223 R. N. Agarwala—4, Lyons Range, Calcutta
224 Lohia Brothers Ltd.—138, Canning Street Calcutta.
225. Roy, B. K.—1, 2 and 3, Old Court House Street, Calcutta.
226 M. D. Shivanenjappa—Kampegowda Road, Bangalore 9.
227. W. Morrice—41, Chowringhee Road, Calcutta-16
228. Ramnarain Sons Ltd.—Bank Street, Fort Bombay
229 Rajputna Textile (Agencies) Ltd.—Delisle Road Chenchpoka Bombay.
230 Rajam C.—Oriental Bldgs., Armenian Street, Madras.

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

231. Ramamurthy, A.—Ravakhada (Orissa), Koraput Dist
232. Ratnams Ltd —Pugalur, Trichinopoly.
233. T. Shamanna—1129 Vani Vilasa Road, Mysore
234. Bangur Bros Ltd.—14, Netaji Subhas Road Calcutta.
235. Soorajmull Nagarmull—8. Dalhousie Square East Calcutta
236. Shaw Wallace & Co., Ltd.—4/5, Bankshall Street Calcutta
237. Srivastava J P & Sons—Kanpur.
238. Bharat Ram Charat Ram & Co Private Ltd.—Bara Hirdu Rao Delhi
239. A R. Kalairaja Chettiar—Coimbatore.
240. A K T K M Narayanan Namboodripad—Kallai Malabar
241. Singh Ranjit—Lucknow.
242. N. L. Roy & Co.—9, Royal Exchange Place Calcutta
243. Shyamlal Agarwal—9, Dalhousie Sq. East, Calcutta
244. Sovaram Keshavdeo—15, Netaji Subhas Road, Calcutta
245. Dr B. N Ghose—6, Ganesh Avenue, Calcutta-13.
246. Sundaren, S.—Indian Mercantile Chambers, Nicol Road, Bombay
247. Singhania Padampat—Kamala Tower, Kanpur
248 E. K. Srinivasan—16, Hare Street, Calcutta.
249. Steel Bros. & Co., Ltd.—Gillanders House, Netaji Subhas Road, Calcutta.
250. T. Stanes & Co.—Coimbatore.
251. Southern India Plantations Agency Ltd.—Coonoor
252. Saha, Banubillav—18/11/1B, Raja Raj Ballav Street Calcutta
253. R. B Pradhan—Empire House, 214, Hornby Road Bombay
254. Sindia, M Ramchandra Rao—3rd Road, Chamarajpet, Bangalore City.
255. Setalvad, J C—73, Oppo, Churchgate Station Fort Bombay.
256. Scindia Steam Navigation Co., Ltd.—Ballard Estate, Bombay.
257. Ramnath A Podar—Podar Chambers, Parsee Bazar St., Fort, Bombay.
258. Swedish Match Co.—Nicol Road Ballard Estate, Bombay
259. S. Ramashramony Aiyer—Trivandrum.
260. Puranmal Budha Sons—Indu House, Dougall Road Ballard Estate, Bombay.
261. N. Sirur & Co Private Ltd —70, Forbes Street Fort, Bombay.
262. Ramnarayan Sons Ltd.—Bank Street, Fort, Bombay.
263. Seshasayee Bros. Private Ltd.—Mettur Dam, R.S
264. V. Venugopal Naidu—Sir Jayachamaraja Wadiyar Road Bangalore-2.
265. Shree Hanuman Invt. Co. Ltd.—173, Harrison Road Calcutta.
266. Tarapur, B. S.—Amlasadarpur, Nadia, West Bengal
267. Tata Hydro-Elec. Agency, Ltd.—34, Bruce Street, Bombay.
268. Turner Morrison & Co., Ltd.—6, Lyons Range, Calcutta
269. Tata Industries Private Ltd.—Bombay House, Bruce Street, Fort, Bombay.
270. Thomas A. V & Co., Ltd.—Alleppey.
271. Thomas, P. T.—Kottayam, S India.
272. Thomas, M. K. & Co., Ltd.—Trivandrum
273. Tayabjee, O. S —159, Gunfoundry Rd., Hyderabad (Deccan)
274. A. Hydari and S. Gothberg—Indian Mercantile Chambers, Nicol Road, Ballard Estate Bombay
275. United Eastern Agencies—Bombay House, Bruce Street, Fort Bombay.
276. United Agencies Ltd.—Punalur.
277. Villiers Private Ltd.—F-3, Clive Buildings Calcutta.
278. S M Smith—4, Bankshall St., Calcutta.
279. Williamson Magor & Co., Ltd.—4, Mangoe Lane, Calcutta.
280. Whitman, Mj. M. C.—Mayo Road, Rawalpindi.
281. N. K. Jhajharia—22, Chittaranjan Avenue, Calcutta
282. C. Hockley—3, Netaji Subhas Road, Calcutta.
283. P. R. Jhunjhunwala—Sewrie, Bombay-15.
284. Walchand & Co., Ltd.—Ballard Estate, Fort Bombay.
285. Wallace & Co.—9, Wallace Street, Bombay
286. Wilkinson, A.—117/119, Esplanade Road Bombay.
287. Young India Agencies Private Ltd.—175/1, Mount Road, Madras-2.
288. Dass Group Private Ltd.—29, Strand Road Calcutta
289. B L Mathur—4 Clive Row, Calcutta-1.
290 K S Basu—63, Netaji Subhas Road, Calcutta
291. Lione, Edwards (Private) Ltd —21, Old Court House Street, Calcutta
292. R N Jhunjhunwalla & Co., Ltd.—9, Ezra Street Calcutta
293. A J Zullig—31, Chowringhee Road, Calcutta
294 R. L. Rampuria—5, Fairlie Place, Calcutta
295. Premnath & Sons, Ltd.—New Delhi.
296. S N Fantia—1 & 2, Old Court House Corner Calcutta
297 F H Menta—Mehta House, Apollo Street Bombay
298 L S. Vaidyananthan—Oriental Buildings, Bombay
299 Kishore M. Premchand—61, Apollo Street Fort, Bombay
300. North Bihar Trading Co (Private) Ltd.—11, Brabourne Road, Calcutta
301. J W L. Russell—1 & 3, Brabourne Road Calcutta-1
302. Mitra Mondal—Khatauli, Dt. Muzaffarnagar
303 G. S. Shroff—2, Hardinge Avenue, New Delhi
304 James Finlay & Co., Ltd.—2, Netaji Subhas Road, Calcutta.
305. Thakersey Mooljee & Co.—16, Apollo Street, Fort, Bombay
306. Jatia Brothers Ltd.—21, Rupchand Roy Street, Calcutta.
307. Bhatter's Agency Ltd.—18, Netaji Subhas Road Calcutta
308. The Hyderabad Constructions Co., Ltd.—Kothagudium Collieries, Singareni, P.O., Deccan.
309 T. Leslie Martin—12, Mission Row, Calcutta.
310 D. S. Barron—Chakala, Andheri P.O., Bombay
311. Pyne & Sons—23A, Netaji Subhas Road, Calcutta
312 Ram Kumar Agarwalla & Sons—4, Lyons Range, Calcutta.
313. Bullion Co., Ltd.—7, Canning Street, Calcutta
314. Brooke Bond India Ltd.—2, Metcalfe Street, Calcutta.
315. Anderson Wright (Ramgarh) Ltd.—7, Wellesley Place Calcutta
316. The Cotton Agents Private Ltd.—14, Radha Bazar Lane Calcutta-1.
317. Bird & Co. (Pakistan) Ltd.—Narayanganj.
318 Shree Krishna Investment Co. Ltd.—1-B, Halwasiya Road, Calcutta
319. H. V R. Iengar—Dare House, Parry's Corner, Madras.
320. F. W J. Penn—32, Grant Road, Bangalore-1.
321. B. Ghosh—14, Old Court House Street, Calcutta
322. Messrs. Tata Sons Ltd —New India Assurance Buildings Mahatma Gandhi Road Fort, Bombay-1.
323. Anderson Wright & Co —7, Wellesley Place, Calcutta.
324. Indo Corporation Private Ltd.—5, Swinhoe Street, Calcutta-19
325. Brian Granger Pearson—Virginia House, 37, Chowringhee, Calcutta
326 B. L. Pyne—14, India Exchange Place, Calcutta.
327. Marwar Textiles (Agency) Ltd —Waudby Road Fort Bombay-1
328. John Taylor & Sons (India) Ltd —Mysore Oorgram, South India.
329 Sri G. D Bhagat—15, Shib Thakur Lane Calcutta
330 Mahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder Bombay
331. N. L. Roy & Sons—Canning Street, Calcutta.
332. A. D. Mangs—16, Bare Street, Calcutta
333. Munguram Jaipuria—Swadeshi House, Civil Lines Kanpur
334. R. Mackay Fallack—2, Fairlie Place, Calcutta.
335. Sahu Jain Ltd.—11, Clive Row, Calcutta.
336. Fulsidas Kilachand—Scindia House, Dougall Road Bombay
337. Beriwala & Co.—63, Netaji Subhas Road Calcutta.
338. D K. Sons Ltd.—Hornby Road Fort, Bombay
339. M. G. Investment Corpn. Ltd.—Mafatlal House, Backbay Reclamation, Bombay-1.
340. K. O. Cheriyan—Travancore.
341. N. L. Kanoria—India Exchange, Calcutta-1
342 O N Chatterjee—2, Royal Exchange Place, Calcutta
343 Indra Singh—135, Canning Street, Calcutta-1
344. V J Pilani—Victoria Bunder Colaba.
345. The National Tea Corporation—130, Cotton Street Calcutta
346. Seshasayee Brothers (Travancore) Ltd, —Eloor Factory Alwaye
347. Fantia Brothers Private Ltd —1 & 2, Old Court House Corner Calcutta
347. M D Jalan—62, Ballygunge Circular Road, Calcutta-19
349. Seth Sonamal Murarka—19, Circular Garden Reach Calcutta-23
350. K Agarwal—Empire House, Dr Dadabhoy Naoroji Road Fort Bombay
351. L & I (Management) Private Ltd.—L C. House, Dougall Road, Ballard Estate, Bombay
352. Chinai And Co Private Ltd.—Sadhana Rayon House, Dr. Dadabhai Naoroji Road Bombay-1
353 N. K. Jhajnaria—14, Netaji Subhas Road, Calcutta
354 L. C. Kanor—P-8, Mission Row Extension, Calcutta
355. T. R. Jalan—16, Strand Road Calcutta.
356. R Bajoria—10, Clive Row, Calcutta.
357. A. K Jain—11 Clive Row, Calcutta
358. L P Goenka—14, Old Court House Street, Calcutta-1
359. G. D. Kothari—15, India Exchange Place, Calcutta.
360. R. S. Faiyarkhan—Volkart Building, 19, Graham Road, Bombay-1
361. N K. Bose—85, Netaji Subhas Road, Calcutta
362. Dalmia Agencies Private Ltd.—Rajgangpur (Orissa).
363. C. L. Nahata—14, Old Court House Street, Calcutta
364 W. A. C. H Bosschaart—7, Justice Chandra Madhab Road, Calcutta-20.
365. S L. Dhanuka & P L. Dhanuka—5, Mission Row Calcutta
366 A. K. Sen—48/1, Diamond Harbour Road, Calcutta-27
367. Lakshmipat Singhania—7, Council House Street Calcutta
368. Kalyanji Mavji & Company—14, Netaji Subhas Road, Calcutta.
369 P L. Batia—7, Canning Street, Calcutta.
370. Pannalal Saraogi—8, Lyons Range, Calcutta-1
371 G. L. Saraogi—56, Sir Hariram Goenka Street, Calcutta-7.
372 H K Newar—9, Brabourne Road, Calcutta
373 C. L. Maheswari—Shreeniwas House, Waudby Road, Fort, Bombay
374. Talukdar Law & Co. Private Ltd.—4, Chittaranjan Avenue Calcutta-13.
375. K. N Mookerjee—Leslie House, 19, Chowringhee Calcutta-13.
376. K. D. Ganguli—Mercantile Buildings, Lalbazar Calcutta
377. K. C. Dass & B Maitra—35, Panditia Road, Calcutta-20
378. R. N. Goenka—18-A, Brabourne Road, Calcutta.
379. S. R. Damani—30, Clerk Road, Bombay-11
380. British India Corporation Ltd.—Sutherland House, Kanpur.
381. A. K. Jain—Dalmianagar, Bihar.
382. B P. Kedia—7, Wellesley Place, Calcutta-1.
383. W. H. G. Baird—9, Brabourne Road, Calcutta
384. Punam Chand Batia—19, Circular Garden Reach Road Calcutta-23.
385. G. P. Kanoria—6, Clive Row, Calcutta.
386. D. N. Jalan— McLeod House, 3, Netaji Subhas Road, Calcutta
387. Shibendra Sankar Sarbadhyaksha—Jalpaiguri
388. A. V. Birla—9, Kaliprasanna Singhee Road Calcutta-2
389. British India Corporation Ltd.—Kanpur
390. T. Ratan—16/3, Chowringhee Road, Calcutta-13.
391. H. M. Cox—59C, Chowringhee Road, Calcutta-20.
392. R. A. Godwin—32, Chowringhee Road, Calcutta-16.
393. Khatau M Shethia—14, Netaji Subhas Road, Calcutta-1
394. B. M Birla—9, Parsee Church Street, Calcutta-1
395. W. F. Malden—Lohat, Darbhanga.
396 D Manson—21, Netaji Subhas Road, Calcutta
397 N M Bhuwalka—135, Canning Street, Calcutta
398. Hoare Miller & Co., Ltd.—5, Fairlie Place Calcutta.
399. B. Patnaik & Co Private Ltd.—P O. Chowdwar Cuttack
400. R K Kanoria—9, Brabourne Road, Calcutta-1
401. K v Venkitasubramoney Iyer—Seetagundy Estate Sitharkunda P.O. Palghat Dist Kerala State
402. A v George & Co., Ltd —Ancherll Bank Buildings, Post Box 1, Kottayam, Kerala State
403. Mathew Sebastian—Thodupuzha Kerala State
404. Planting Agencies Private Ltd.—Oriental Buildings, Armenian Street, Madras-1
405 The Consolidated Coffee Estates (1943) Ltd.—Pollibetta Coorg
406 C. L Machia—Pollibetta, S Coorg.
407. Srinivas Agencies—Coimbatore-2.
408 K. N Krishna Iyer—22, Royapettah High Road Madras-14
409 Yong India Agencies Pvt Ltd.—Monorama Bldgs K K. Road Kottayam (Kerala State)
410. Parkins Private Ltd.—Kottayam.
411. Johnsons Estates & Agencies (Private) Ltd —Malankara Bldgs., Kodimatha, Kottayam Kerala
412. Associated Planters (Pvt.) Ltd.—25, General Patters Road Madras-2
413. J R Motishaw—Mercantile Bank Building, 16 First Line Beach Madras-1.
414. K. V. Mathew—Kottayam Kerala State
415. K. Ramachandran—Patton Palace, P.O. Trivandrum-4
416. N Kunjukrishna Pillai—1, C. 6/750, Patton Palace P O Trivandrum-4
417. Rango Rao & Co.—Venkataraypuram, Tanuku, West Godavari Dist. Andhra Pradesh
418 The India Sugar Agencies Private Ltd.—139 Meadows Street, Fort, Bombay-1.
419. R S. Industrial Corporation Private Ltd.—Rayagada, Koraput Dist., Orissa State
420. V Ramakrishna Sons (Private) Ltd.—38 Mount Road Madras-6.
421. Seshasayee Brothers (Travancore) Pvt Ltd.—1, Ceramic Factory Road, Kundala (Kerala)
422. Sir A Ramaswamy Mudaliar—Ennore, Madras.
423. P J M. Leigh—7, Armenian Street, Madras-1.
424. K. R. Sundaram Iyer—Tiruvottiyur, Madras-19
425. Essen Private Ltd.—175/1, Mount Road, Madras-2
426. J. L D'sa—Old Tumkur Road, Malleswaram Bangalore-12
427. The Standard Motor Co. (India) Pvt. Ltd.—29 Mount Road Madras-2.
428. E. H Stanes—6/33, Race Course Road, Coimbatore-1
429. Balasundaram & Co.—Satyamangalam Road Ganapathy P.O. Coimbatore-6.
430. A. M. M Arunachalam—52/53, Jehangir Street, Madras-1.
431. J. M. Parsons—2, Fairlie Place, Calcutta-1
432. Mahabir, S. J. B. Rana—1, Humayan Place Calcutta
433. G. N. Sam & Co.—Senthottam Sowripalyam P.O. Coimbatore-4.
434. G Kejriwal—Rajgangpur, Dist. Sundergarh Orissa State
435. D. L. Ghosh & Co. (Agents) Private Ltd.—11, Government Place East Calcutta
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437. R. N Bhotika—4, Old Court House St., Calcutta.
438. Birla Gwalior Private Ltd.—Industry House, 159, Churchgate Reclamation, Bombay-1.
439. R S. Bajpai—Kamala Tower, Kanpur.
440. R. L. Jatia—9, Brabourne Road, Calcutta-1
441. S. K. Agarwalla—34, Netaji Subhas Road, Calcutta-1.
442. S. P. Bhoumick—17, 18 & 19, Old Court House Street Calcutta
443. Madan Monan Lall Shri Ram Private Ltd.—D.C.M. Premises, Bara Hindi Rao, Delhi-6.
444. L. R. Jalan—2, Brabourne Road, Calcutta-1
445. A. D. Galloway—7, Armenian Street, Madras-1
446 Talukdar Law & Co. Private Ltd.—Hindusthan Bldg. Calcutta-13
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STERLING CRISIS AND THE DIFFICULTIES AHEAD

IT is an interesting, and not insignificant, thought that no agreement had been committed to paper when the Bank of England last week announced the biggest supporting operation in financial history, the 11-nation credits aggregating $3,000 million to stabilise the pound. The negotiations, ranging from the United States and Canada, through Europe, to Japan, had been conducted in a few hours entirely by telephone. Such was the urgency; and such is the camaraderie and mutual trust among central bankers. The circumstances of this emergency operation are well known. The world was losing confidence in sterling. A rise in Britain's Bank rate, deferred too long, had failed to restore the confidence—indeed, had seemed to accentuate anxiety. No action that Britain could take alone (except blocking funds, which would have destroyed the world's faith in Britain as a banker) could have stopped the outflow of foreign funds. As the readily withdrawable funds were far in excess of the gold and currency reserves, the authorities, forced to choose between devaluation and insolvency, would inevitably have devalued the currency. There was not enough time for Government-to-Government discussions. The British Government, temporarily helpless, appealed to the Bank of England to avert disaster; and the Bank of England arranged the massive credits through the international banking system.

Ordinary people might ask why foreigners, who had so abused Britain for her clumsy actions in preceding weeks, should suddenly come to her rescue. In fact, of course, it was not sterling in particular but the monetary system of the world in general that the central bankers were defending. Devaluation of sterling would have been an act of compulsion, not of deliberation, and its consequences, most bankers believe, would have been much worse than those that followed the devaluation of 1949. It has been said that devaluation in the circumstances of 1964 might have repeated the catastrophe of 1931. The counterattack by the central banks (and the Bank for International Settlements and the U.S. Export-Import Bank) demoralised the speculators against sterling, and it seemed that in one devastating manœuvre not only a battle but a whole campaign had been won. But the mood of serene confidence did not last long. When it was realised that the term of the credits was measured in months, not (as had at first been falsely reported) years, doubters asked how Britain could regain her independent equilibrium in so short a time. "A stable currency". Mr. James Callaghan, U.K. Chancellor of the Exchequer, truly said, "is the product of a strong economy." Strengthening an economy whose weakness is partly structural is a long-term process.

The search for an answer cannot be regarded purely as an internal matter concerning Britain only. Sterling is an international currency, and there is no need to point out the impact which the earlier 15-percent surcharge on manufactured imports ostensibly introduced to protect the British balance of payments, has had elsewhere in the world. It is of crucial importance that the right conclusions be drawn as to whether or not the actions the Government has taken will be effective in safeguarding the pound and can, in the long run, maintain an adequate flow of imports into Britain's home market. The key to the situation lies in the effect the measures are likely to have on British exports, because unless these can be expanded the chances of sustaining a rapid rate of economic growth, and thus of import demand, are slight. Unfortunately, the most obvious criticism of the varied assortment of provisions embodied in the "interim" Budget presented four weeks ago was that they contained very little which might be identified as deliberate encouragement to Britain's export trade.

The sole exception was the promised remission of certain indirect taxes to exporting companies, a benefit which is calculated at between 2 percent and 3 percent of the price of the article exported. This is not excessively generous, and amounts to little more than what other countries are already doing for their exporters, a fact which probably accounts for the virtual absence of serious criticism of the measure among Britain's trading partners. In itself, it is useful, but there is considerable doubt about whether it can even partly offset the increased attractions of the domestic market, and the boost to manufacturing costs which the other provisions of the Budget seem likely to lead to. The general verdict on Labour's measures was that they may prove to be inflationary, and if this turns out to be correct, it will take more than a marginal incentive to exporters to protect the British balance of payments from even more serious erosion than has so far been sustained.

The 15-percent surcharge on manufactured imports, together with the Bank rate increase, is intended only as a temporary measure for controlling the payments side of the current account until receipts can catch up. But while it lasts it is bound to have undesirable consequences, such as leaving a portion of unsatisfied demand in the internal market which could divert goods otherwise earmarked for export, and providing British industry with more protection than is good for its long-term competitive efficiency. Apart from the loss of goodwill which Britain has suffered abroad as a result of this surcharge, it is extremely doubtful whether the internal impact can be anything other than damaging to British exports. There is, in fact, good reason for concluding that the longer the surcharge lasts, the less likely it is that the Government will be able to remove it without causing the bout of internal deflation for which it was originally devised as an alternative. Measures of this kind are widely understood to be double-edged, and there is every indication that Whitehall fully appreciates the fact. Yet it remains true that the competitive spirit, which is what British industry is reputed to lack, cannot be fostered by gratuitous protection, and that to damage other countries' export trade is not the best way of increasing one's own. A good case could have been made out for reducing tariffs, not increasing them, and accepting the short-term consequences in higher unemployment and general deflationary pressure on the economy. Certainly the competitive character of British in-

dustry, which alone can guarantee the long-term buoyancy of the country's exports, would benefit.

The same unsatisfactory verdict could be passed on the other provisions of the "interim" Budget, both immediate and promised. The increase in excise duties on petrol and diesel oils was clearly designed to divert foreign criticism that Britain was seeking the solution of her economic problems exclusively at the expense of her trading partners, and only incidentally to mop up any on-balance inflationary pressure exerted by the import surcharge. But it is bound to raise internal prices—60 percent of the impact will fall on industrial costs—and thus complicate the problem of persuading the trade unions to accept an effective incomes policy. The same may be said of the promised increase in the standard rate of income tax. This will fall on the higher-paid manual worker as well as on the middle- and upper-income groups, and the net effect must inevitably be to feed the chronic cost-push inflation in the British economy as those affected exert their bargaining power to increase their incomes. Even the redistributive aspect of the tax will be inflationary because it is intended to take money from one section of the community which might have saved at least a proportion of it, to give to another section which will almost certainly spend it all on current consumption.

This provision of the "interim" Budget for increasing social security benefits, while laudable enough from the point of view of social justice, has raised doubts about the Labour Government's true motives. Improved social security, especially when financed out of inflationary tax increases and fresh insurance burdens on industry, is irrelevant to the solution of Britain's export problems. Here Labour has laid itself open to the charge that it is taking advantage of the country's economic difficulties, indeed of deliberately exaggerating them, in order to justify the use of taxpayers' money for buying votes at the next general election. The force of this accusation is not necessarily diminished by the fact that the moves will obviously alienate more floating votes than they attract; such consequences might not have been foreseen. The fact must be accepted that the entire complex of measures has worn an unhealthy tinge of socialism; they do not even appear to be directed at the roots of the export problem. This is particularly true of the promise to introduce a corporation tax and a capital gains tax in the coming April Budget. Such a forecast, although unprecedented in British budgetary history, could perhaps be justified as providing some inducement for the trade unions to reach an early agreement on an incomes policy. But there is no ignoring the disturbing effect it has had on plans for promoting industrial efficiency through greater investment. The apparent determination of the Labour Government to propitiate the trade unions at the expense of industry, the reputation of the economic advisers the Governments has chosen, and the inherent contempt of socialists in general for the interests of shareholders, have all contributed towards a cautious, indeed pessimistic, attitude in the City of London.

The prospects would now seem to depend on whether the incentives for increased investment tacitly promised in the April Budget are large enough to offset the damage to confidence which has already been done, or which might result, from the new corporation and capital gains taxes. Of equal importance is the chance of being able to agree on an incomes policy that is effective enough to curb inflationary forces. The prospects are not promising. The contents of the April Budget are within the competence of the Government, and if they are not adequate to the circumstances there will be no difficulty in deciding where the blame must lie. But the proposed incomes policy is not so simple a matter; with the best will in the world Labour might fall at this hurdle. Without in any way under-rating the staggering difficulties inseparable from persuading a multitude of jealously-independent unions to accept what must inevitably involve a limitation of wages, it will probably prove impossible in a general atmosphere of inflation to prevent industry from increasing its payments to workers simply in order to attract them in sufficient numbers. It is risking no accusations of excessive gloom to predict that an incomes policy, even if accepted by the unions, which seems unlikely, must remain totally ineffective.

The considered judgment on Labour's economic policies so far, then, is that they offer little hope of proving able adequately to safeguard the health of sterling. Indeed, many say it is reasonable to enquire whether, under the circumstances, a better line of approach would not have been to devalue the pound altogether and start again at the beginning with measures to curb internal inflation and promote the competitive efficiency of British industry. Such a move would have had disruptive consequences throughout the world economy. But it would have combined a breathing space for Britain, such as the import surcharge is explicitly designed to provide, with the maximum incentive to British exporters. One important point the Labour Government appears all along to have over looked is that the prospects for British exports are not exclusively affected by the purchasing power of foreign markets, or even by the availability of reasonably-priced substitutes. They also depend on Britain's international goodwill.

The future is never absolutely sure, and the possibility of further trouble for sterling in the first half of 1965 cannot be excluded. This possibility raises an important question of principle. Does the massive defence of sterling in the crisis of 1964, in circumstances in which even some influential Britons argued that the currency should be devalued, imply that monetary stability is paramount and that realignment of currencies is permanently impermissible? If, particularly, Britain's payments deficit is a result of structural imbalance of the economy, must the economy be painfully forced to conform with the existing exchange rates? The theoretical arguments for flexibility, in both the economy and the exchange rates (of any country), are strong. But, unfortunately, what is desirable in theory may not be feasible in practice.

A deliberate devaluation, following a calm assessment of relative values, would be a very different matter from an involuntary devaluation in a crisis, but devaluation of a currency in which many countries hold part of their reserves is in any circumstances a very disturbing operation. Earlier this year the central banks underpinned the Italian lira with big credits, and they will naturally support even more resolutely a reserve currency. Some economists and politicians in Britain have raised again, after the recent crisis, the demand that Britain be relieved of the obligations of international banking, regardless of its monetary rewards. But until some fundamental rearrangement is devised sterling will continue as a reserve currency. If the monetary authorities and bankers cannot allow it to be devalued in 1964 they can surely not allow it to be devalued in 1965; and that thought should deter speculation. But many economists are dissatisfied with this rigidity. Somehow, they say, it is necessary to combine stability and flexibility in one system.

RAISING EXPORTS

INDIA'S exports have been unusually buoyant so far, and this has given rise to a great deal of optimism in the Government. In fact, exports in September this year amounted to Rs. 75.5 crores, which is considered a record for any single month. During the recent Rajya Sabha discussion on the Export Credit and Guarantee Corporation, the Central Commerce Minister, Mr. Manubhai Shah, pointed to the expansion in exports by drawing flattering comparisons. He said that Indian exports in the past few years had increased much faster than the world's total export trade; in fact, the Indian growth rate was thrice the world rate and 2.5 times the rate of advanced countries like Japan. As Mr. Shah pointed out, the growth is all the more remarkable because the terms of trade in world markets have been moving against the developing countries, and the prices of all commodities except sugar have fallen during the period. But this is no reason for complacency since the rise in India's exports is to a large extent due to fortuitous circumstances. Exports of the two largest foreign exchange earners, jute goods and tea, are no doubt buoyant, but their future prospects depend considerably on India's competitive ability *vis-à-vis* Pakistan's sacking and Ceylon's tea. Unmindful of this fact, the Indian Government's fiscal policies, as well as labour welfare measures, have been progressively adding to the cost burdens of these export industries.

The planners are visualising an export target of Rs. 5,100 crores for the fourth plan. Perhaps one of the most formidable obstacles to the fulfilment of the target will be the conflicting claims of the internal market. In a country with a vast home market and a fast expanding population, it will be difficult to ensure big exportable surpluses. In the case of commodities like sugar, cotton textiles and vegetable oils, restraints on domestic consumption will be difficult and unpopular, particularly when the economy is suffering from serious shortages as at present. Nevertheless, the need to curb the consumption of goods having a large export potential is engaging the planners' attention and measures towards this end are being formulated. Official opinion seems to favour introducing an element of compulsion whereby new industries or existing ones seeking permission to expand their capacity will be asked to earmark a fixed portion of their output for export. But the danger here is that the obligation to export can become so rigid as to hamstring industrial development. In fact, this happened recently in the case of welding electrodes; new manufacturers were obliged to export part of their output at a time when the country was experiencing an acute shortage of electrodes and industrial output was slowing down as a result. In the case of consumer goods, restraints on domestic consumption may prove politically embarrassing. So it remains to be seen how sufficient export surpluses are going to be built to support the ambitious fourth plan export target.

India has recently concluded an agreement with Russia for stepping up the trade between the two countries by 50 percent. Under this pact, Indo-Soviet trade will be increased to Rs. 125 crores each way by the end of 1965 from an estimated figure of Rs. 80 crores in 1964. A noteworthy point is that Russia has agreed that 40 percent of her total purchases from India should consist of non-traditional manufactures. In fact, a trade agreement signed last year stipulated that the ratio of manufactured goods to total exports from India should be raised from about 30 percent to 40 percent or 45 percent in the following three years. It is obvious that the increase will be possible only with a big expansion in India's exports of engineering goods, and the agreement does in fact list a number of such items.

Viewed as an earnest of Russia's desire to maintain and strengthen the economic ties between the two countries initiated during Mr. Khrushchev's *régime*, it is a happy development. However, it has also been suggested that the sharp rise in trade within a short span of one year is being planned chiefly because of Russia's anxiety to balance trade between the two countries. A rise on this scale is likely to have far-reaching repercussions both on the price level in India and on her trade with other countries. So far as Soviet offtake of non-traditional manufactures is concerned, the increase may not affect this country much since her export of these items to the convertible currency areas is not large. But where the increase in offtake relates to traditional items, like tea, gunny, tobacco and cotton fabrics—which will account for 60 percent of the export—a different picture emerges. The output of these items cannot be stepped up quickly. Furthermore, they are big earners of convertible currencies. It is possible that a substantial rise in the shipments of these items to Russia will affect India's exports to her Western trading partners.

India's trade with other countries of the communist bloc too has been developing fast, mainly because of the rupee payment agreements. The east European countries have offered good outlets for many non-traditional items produced in this country. An official trade delegation, which recently returned after a tour of eastern Europe, has drawn a very optimistic picture of the prospects. India's exports to the east European countries have risen sharply to Rs. 109 crores in 1963-64 from Rs. 92 crores in the previous year. Trade statistics for April-June 1964 indicate a further improvement—an annual export rate of Rs. 144 crores; furthermore, the trade deficit of Rs. 15 crores in 1963-64 has turned into a surplus of Rs. 6 crores during this period. By cultivating the east European markets there are fair prospects of India offsetting possible shortfalls in her trade with other countries. But as the trade with the communist bloc expands, difficulties may be experienced by India in balancing her trade with the individual countries. One method that has been suggested to overcome these difficulties is to devise a multilateral system for the rupee payment countries, and to make the rupee transferable among them, as the rouble is transferable within the communist bloc.

CREDIT POLICY AMENDED

THE Reserve Bank of India has just modified the formula for computing the net liquidity ratio of banks under the new credit policy announced on 25th September, 1964. Hitherto, the net liquid assets position of banks was calculated on the basis of their holdings of cash, balances with the Reserve Bank, balances in current accounts with the State Bank of India, notified banks and other banks, and investments in Central and State Government securities, *minus* borrowings from the Reserve Bank and the State Bank. Investments in "other approved securities" were not included while computing the net liquidity ratio; now they will be included. The earlier exclusion was illogical, especially since trustees were allowed to invest in all approved securities. Banks could even borrow money from the Reserve Bank under Section 17(4) (a) against these "other approved securities". But the latter were not to be taken into account for the purpose of determining the amounts which banks could borrow from the Reserve Bank at different rates under the credit policy.

The distinction was unjustified since Government securities are hardly different from Government-guaranteed securities. The latter might in fact seem theoretically a safer investment, besause while the Government is solely responsible for its securities, Government-guaranteed securities are the responsibility of both the issuing authorities and the Government. It is clear that the Reserve Bank has received strong representations from banks and from the authorities whose issues were classified as "other approved securities". Banks have been reluctant to subscribe to bonds falling in this category. In fact, some banks were keen to dispose of their holdings of such securities after the new credit policy was announced towards the end of September. Although "other approved securities" will now be included in computing the net liquidity position of banks, the Reserve Bank has decided to exclude from the liquid assets of banks their borrowings from the Reserve Bank and the State Bank. This change has clearly been made so as to maintain the purpose of the credit control formula, which is to restrain the growth of credit.

The modifications are welcome in so far as they rectify a major anomaly. But they show that the credit control policy was originally formulated in a hasty and slipshod manner. The overall effect on the supply of credit is likely to be small. This is partly because the re-lending facilities offered to commercial banks other than the State Bank will in practice probably not prove as large as they might seem. For instance, it appears at first glance that even without counting in "other approved securities", commercial banks could have borrowed Rs. 280 crores at Bank rate from the Reserve Bank (as against the maximum amount of Rs. 107 crores actually borrowed at the peak of the 1963-64 busy season at various rates of interest). But out of the Rs. 280 crores, half would have been available to the State Bank alone (whose need for such re-lending facilities is rarely great); and only the remaining half would have been available to private banks.

The latter amount might seem to be somewhat greater than what the private banks borrowed during the last busy season. But their borrowing capacity generally has at the same time been restricted by the fact that they will not be able to replenish their resources by selling Government securities, as they did to the extent of about Rs. 145 crores during the 1963-64 busy season. In calculating the net liquidity ratio, the addition now of about Rs. 75 crores of "other approved securities" held by banks will be offset to some extent by the exclusion of borrowings from the Industrial Development Bank from the net assets of banks. The main advantage of the inclusion of "other approved securities" is that local authorities and public utilities should now find it easier to raise money from the market through bonds. They need to borrow substantial sums to finance their development programmes.

During the 1963-64 busy season, bank credit expanded by about Rs. 377 crores. Although the demand for credit during the current busy season has not yet gathered momentum, it is unlikely to be smaller than in the last one. The credit needs of the private foodgrains trade will tend to diminish with the Government's entry into the field, but requirements otherwise should increase in view of the growth of industrial activity. Agricultural production is also expected to be larger. The amount of money required for building inventories has increased due to the sharp rise in the prices of almost all commodities. The pressure on bank funds is likely to be accentuated by the measures taken to trace unaccounted money. Financial circles are, therefore, wondering whether banks will have enough resources to satisfy credit demands adequately.

The credit policy of the Reserve Bank apart, the flow of funds from the U.K. to India will be strongly discouraged by the increase in the British Bank rate from 5 percent to 7 percent last week. The higher rate will mean that larger funds will be required to finance India's foreign trade. In any case, restrictions have been imposed by the Reserve Bank on banks bringing funds from abroad. The facility under which commercial banks can borrow money from the Reserve Bank against usance bills has also been restricted; the currency of such borrowings has been reduced to only nine months, from 12 months. Although interest rates on deposits have been raised, it is difficult to say to what extent deposits will grow during the current busy season. If the supply of bank credit is restrained, deposits will tend to increase at a slower pace. The growth of deposits will suffer because the savings of the people have been squeezed by heavy taxation and inflation; furthermore, an appreciable part of the savings, particularly of the middle income groups, are tending to flow to the Unit Trust of India.

Current News and Comment

Expansion of Port Capacity

India has won considerable notoriety in international shipping circles for inefficiency and delays in the operations of her ports. But in his address to the Consultative Committee of Shipping Interests in Overseas Trades in New Delhi on Monday, Dr. Nagendra Singh, Special Secretary to the Ministry of Transport, declined to be deterred by the facts: despite recent experience, he found it possible to announce that, "by and large, the measures taken by the Government and the port authorities in the successive five year plans have helped to keep the recent spells of congestion under a very large degree of control." Dr. Singh was good enough to suggest that "we should not grow complacent and be satisfied with the present conditions". Complacency, however, was the keynote of his own address.

Nobody denies that the capacity of Indian ports has increased appreciably since 1951-52. As Dr. Singh pointed out, the total traffic handled in that year by the five major ports of Bombay, Calcutta, Madras, Cochin and Visakhapatnam was 22 million tons, including 18.5 million tons of dry cargo. By 1962-63, the traffic handled by the major ports, excluding Mormugao, rose to 37.5 million tons, the dry cargo being 23.4 million tons. But the significance of these figures, in relation to the problems of today, is purely historical. The more pertinent questions are: Has expansion proceeded at the pace that was planned? If not, is the inefficiency of the Government and the port authorities responsible for the delays? Finally, is port capacity at present anywhere near adequate even for the country's essential needs? These are among the crucial questions which Dr. Singh chose not to discuss in any detail.

The inadequacy of port capacity has in recent months been sharply highlighted by two major developments. The first is the food crisis, which has necessitated large-scale imports of grain. The second is the delay suffered by the iron ore export programme, especially the part connected with the development of the Kiriburu mines. In their different ways, both are of crucial importance to the economy. While the country is heading for a foreign exchange crisis which may prove to be the worst for at least six years, ore exports are badly handicapped by the inadequacy of port facilities. And in the midst of a food shortage that is probably the worst in 13 years, the smooth inflow of grains has from time to time been hampered by trouble at the docks. The Transport Ministry can claim some credit for the fact that the amount of foodgrain imports passing through the ports has increased substantially this year. On Dr. Singh's figures, the total by the end of November 1964 should be almost 5.7 million tons, against 4.6 million tons in the whole of 1963. But, as he is aware, to a large extent this increase has been possible not through a striking improvement in efficiency, but simply at the cost of general cargo traffic. Furthermore, cases have been frequent where (as in Kerala a month ago) people have been clamouring for food, while grain ships have been lying at the docks waiting to be unloaded at the Government's (or labour's) sweet convenience.

The Transport Ministry cannot claim that the shortage of money is responsible for the disappointing rate of port expansion. On Dr. Singh's own evidence, the total financial outlay visualised for the major ports under the third plan is about Rs. 110.8 crores. Out of this, Rs. 38 crores have been spent in the first three years, Rs. 21 crores will be spent this year and another Rs. 40 crores during 1965-66—giving a probable total of Rs. 99 crores. The outlay target will thus not be reached. It is not suggested that there is some inherent virtue in simply spending the money even though little is achieved in the process. But, on the face of it, it appears that the incapacity of the Transport Ministry rather than a shortage of funds may have been the more important factor responsible for the disappointing pace of port expansion.

Pricing of Power

The Central Ministry of Power and Irrigation, it is reported, is now studying the implications of the report of the Power Tariff Committee, which has recommended an increase in the rates charged by State Electricity Boards to their consumers, especially industries. The committee's report, it is said, has suggested that at least a minimum return of 6 percent to 7 percent should be ensured for the boards at first; and it should be later raised to 12 percent or 13 percent, so that by the end of the fourth plan they may make enough profit to finance their expansion projects. The finances of most of these boards are in an unsatisfactory state. Some have been running at a loss. With the State entering the power field in a big way, these boards have to perform a vital job, which they cannot efficiently do with inadequate resources. For instance, they are required to undertake rapid rural electrification so that by 1965, the centenary year of Mahatma Gandhi's birth, at least 100,000 villages get electricity, against the third plan target of 35,000. The boards are also required to supply power for minor irrigation projects and small rural industries.

How can they do this without earning enough profit?

At the moment, most of their capital expenditure is met from loans. But they cannot depend on market borrowings indefinitely without burdening themselves with heavy interest obligations. The World Bank experts who enquired into the economics of power production in India found the present rates of return rather unremunerative. (Previously, the Second Finance Commission had made the general suggestion that power rates should be raised to make the operations of State Electricity Boards economic, in view of the large investments made by them.) The World Bank experts have emphasised that power supply undertakings should earn at least a return of 12 percent to 15 percent. The Power Tariff Committee is fully in agreement with their view, although it would like the increase to be phased out in two instalments. The Power Ministry officials must be examining these alternatives too. But the issue is of such far-reaching importance that the approval of the Planning Commission as well as of the Central Cabinet will be necessary before a final decision is taken. All industries will be affected and their costs will rise with the increase in power rates for the Government cannot raise the rates only for its own undertakings without extending the benefit of revision to private concerns, as well as to corporations like the D.V.C. Their case for an increase is no less strong. Moreover, with the creation of regional grids, which may eventually lead to a national grid, it will be difficult to exclude private undertakings from any scheme of rate revision. If the ensuring of a higher return becomes an essential condition for expansion in the power sector, then the increase could be justified on economic grounds. But before a general increase is granted, the authorities will have to make sure that the State Electricity Boards are observing the maximum economy, not only in construction costs, but also in the expenditure on routine operations. It is also necessary to ensure that the projects undertaken by them are in fact the most economical ones.

Planning Proposals Criticised

The presidential speech of Mr. Lalchand Hirachand at the annual general meeting of the Maharashtra Chamber of Commerce, held in Bombay last week, touched on most of the economic problems facing this country. The Government's visions of a grandiose fourth plan in spite of the shortage of resources and the inflationary pressures that may be generated by a mammoth outlay of Rs. 21,500 crores (which may be raised by Rs. 1,000 crores later) during the next quinquennium has caused considerable anxiety. Joining the chorus of protests, Mr. Hirachand claimed that even the third plan outlay would not exceed Rs. 10,000 crores, against the target of Rs. 11,600 crores. So it would be rash and unrealistic to expect the outlay to jump from Rs. 10,000 crores to Rs. 21,500 crores in the next five-year period. Although a large volume of money has been poured into the economy, industrialists are finding it difficult to obtain risk capital for new projects and for the expansion of the existing ones because of the Government's fiscal policy and the credit squeeze. Rapidly rising prices are pushing up industrial costs and things which could be formerly managed with a small outlay now need much bigger sums. Mr. Hirachand also drew attention to the fact that the growth of credit was due mainly to the accommodation extended by banks to the public sector. Even the Reserve Bank's central board of directors have hinted at the lack of harmony between fiscal and monetary policies.

Mr. Hirachand pointed out that there was a correlation between inflationary finance and unaccounted money. He wanted to know why the evil of unaccounted money on such a large scale existed only in countries like India, Ceylon, Burma and Indonesia, and not in Japan or the Western democracies. The chief motives for tax evasion in this country are provided by heavy taxation, controls and inflation. While the honest taxpayer has suffered, those who evade taxes have gained in every way. Mr. Hirachand said that the burden of taxes could be realised from the fact that the ratio of duties and taxes to the ex-factory prices of commodities worked out to as much as 40 percent in paper, 55 percent in steel, 60 percent in cement, 65 percent in sugar and 40 percent to 65 percent in cotton textiles. His plea for a dispassionate study of the fiscal system and the introduction of rational rather than piecemeal *ad hoc* measures will be widely endorsed. In his view, the amount of black money would be only Rs. 300 crores and not Rs. 3,000 crores as has been estimated by some.

Referring to the Prime Minister's charge that the private sector had failed in the field of consumer industries like cement, fertilisers and sugar, Mr. Hirachand pointed out that private entrepreneurs were subject to several controls which made it impossible for them to expand production rapidly. Giving the example of cement, where the Government has decided to set up a cement corporation in view of the private industry's failure to achieve the third plan target, he said that the shortfall was entirely of the Government's own making. The existing cement units were denied permission to expand. They were not allowed foreign exchange to import even their requirements of sare parts and equipment. Furthermore, the unrealistic pricing policy had greatly reduced the profitability of the cement industry. The Government's desire to give a chance to newcomers to set up factories led to the cancellation of many industrial licences, since the licensees had neither the resources nor the expenience to start a cement factory. Mr. Hirachand, however, welcomed the Government's decision to enter the field of consumer goods manufactured in competition with the private sector. Fair competition, he said, was after all the basis of efficiency.

Need to Modernise Hosiery Units

The hosiery industry in West Bengal is facing many difficulties, those relating to outdated machinery being the main ones. The latter have kept the cost high, and hindered the production of quality goods. The industry has not been able to modernise its equipment due to lack of foreign exchange and the indigenous hosiery and knitting machinery industries have not developed sufficiently. Discussing these problems, Mr. A. K. Choudhury, said in his presidential speech at the annual general meeting of the West Bengal Hosiery Association in Calcutta this week, that the industry had good export prospects, but because of high costs and indifferent quality, Indian hosiery manufacturers were unable to compete in foreign markets. The Government should help the industry to modernise its machinery, he urged. Hosiery manufacture is a small industry, and lacks adequate financial facilities. Its long-term capital requirements cannot be met by commercial banks or financial institutions like the Industrial Finance Corporation or the Life Insurance Corporation since their terms of lending are rigid. The security acceptable to them is either real property or liquid assets, which small industries cannot provide. This question has been dealt with by various official bodies in the past, including the Working Group for the Hosiery, Knitting and Embroidery Industries. In spite of their recommendations, the hosiery industry continues to be handicapped for lack of finance and the necessary managerial skill. Another difficulty which hampered the industry's operations was inadequate supply of suitable grades of yarn. This pushed up costs also. Addressing the meeting, the deputy chairman of the Planning Commission, Mr. Asoka Mehta did not hold out any promise that the authorities would consider the hosiery manufacturers' problems sympathetically. He advised them to "take up methods of adaptation, imitation and improvisation in order to modernise their machinery and improve their efficiency instead of depending on imports".

Revolutionary New U.K. Textile Fibre

A new fibre of high strength and low cost has been produced at the Shirley Institute, Manchester, the research centre of the cotton industry, it has been disclosed recently by Dr. D. W. Hill, the Director, who described the development as a "major breakthrough" with which the Institute had beaten the world. During fundamental studies on fibres and plastics, it was noticed that, under certain conditions, some chemical materials such as polyethylene and polypropylene in the form of sheets split into fibres directly when stretched. After considerable investigation, a textile fibre of a new character had been produced.

The polymer sheets, when heated and stretched under certain conditions—which at present remain secret—split up into fibres which were found to possess qualities of strength equal to the best ever found with fibres produced from the same chemicals by the spinneret method. The new material had been given the name of "split-fibre". The production of "split-fibre" is compared with the production of flax used for making linen textiles. With flax, the fibres are separated from a sheetlike array in the plant stem and with "split-fibre" the fibres are eventually separated from a sheet of plastic. The actual starting material is not unlike the familiar polythene bags used for packing foodstuffs and other items in shops. The main advantage of the new fibre is claimed to be its very high strength and low cost.

"CAPITAL" CHRISTMAS TOY FUND

WE acknowledge, with thanks, the receipt of the following for the 1964 Fund:

Rs. 20

Dr. S. Radhakrishnan, President of India.

Rs. 50

Governor of Orissa.

Rs. 200

Thomas Duff and Co. (India) Private Ltd.

Rs. 30

J. R T N.

Rs. 25 each

Richardson and Cruddas Ltd., K.S.I.

Rs. 20

Anonymous

Rs. 15

P. M. Mathrani

Rs. 5 each

Kumari Anita Garg, Master Anil Garg, Atul Garg, Amul Garg.

Total Rs. 405

Previously acknowledged, Rs. 2,019.71

Grand Total Rs. 2,424.71

PETROLEUM IMPORTS

WE gather from the report of the Port Commissioners for the year ended 31st March, that 86 vessels discharged oil at Budge-Budge in the year made up thus:—

No.	From	Gallons
4	America	1,291,811
13	Russia	14,778,214
62	Burma	26,603,934
7	Borneo	6,615,004
86		49,288,963

The American oil all come in cases, the Burma, and nearly all the Borneo oil in bulk—8¼ million gallons of the Russian oil were in cases. The imports of oil were below those of the two pre-eding years, but otherwise they were the highest on record. It is noteworthy that up to 1896-97 Russia and America divided the oil trade within them. In 1896-97 Burma and Sumatra made their appearance. Burma has steadily advanced from 1 per cent of the total in 1896-97 to 53 per cent in 1903-04. America in 1893-94 supplied 83¾ per cent of our consumption but has since declined, until in 1899-1900 she only sent us 14¼ per cent. Since then there has been a smart drop, and last year only 2¼ per cent came from that quarter, quite a negligible quantity. Russia having advanced to 79 per cent in 1899-1900 has declined to 30 per cent, the lowest figure for the past ten years. Borneo last year came on the scene and supplied us with 13¼ per cent. Sumatra has dropped out. It seems clear that Burma will shortly be able tc meet all our requirements for Petroleum oil and this is a matter for congratulation, it is one more step towards making India self-contained.

FROM

CAPITAL

1st December, 1904

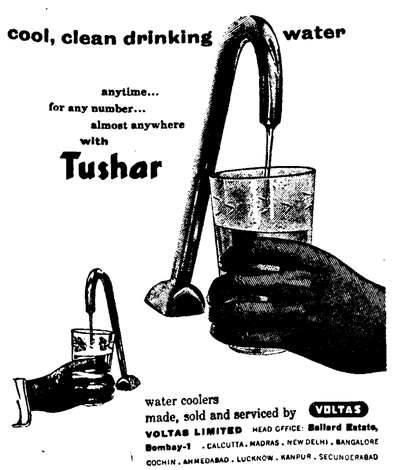
A Ditcher's Diary

I WAS SO ABSORBED IN VISUALISING THE SPECTACLE of a mob of African students screaming and shouting outside foreign embassies in usually very correct and quiet Moscow that, for a moment, I quite forgot what the demonstrations were about. Ah yes, Belgian paratroopers had landed in Stanleyville to rescue more than a thousand hostages in the hands of the anti-Tshombe rebels. Anything Mr. Tshombe does is suspect in Afro-Asian eyes, not without reason. The Belgian record in the Congo does not exactly shine. Yet I do not see what else the Belgians could have done in the circumstances created by Christophe Gbenye and his men. Did the Nairobi talks have a sporting chance of succeeding? I doubt it; and at stake were many lives. There would have been no political complications if the International Red Cross had handled the affair; but it is Gbenye who made that impossible. Much too much can be made of the legality of Mr. Tshombe's Government in Leopoldville; but there is none other in sight. He is so unpopular with most African Governments that he has had to fall back upon hired white mercenaries to maintain any kind of law and order and to consolidate his *régime*. The Belgians and their allies, the British and the Americans, may yet be wise to think of an alternative to Tshombe—someone who would be able to secure military help from other African States so that the mercenaries may again be excluded from the Congo. President Kasavubu might be the man. The trouble is that he is said to take little interest in anything not directly concerned with his own tribe, the Abako. Will there be peace with the expulsion of the mercenaries? They should certainly be out; but scepticism persists because in more than four years of freedom the Congolese have failed utterly to evolve any kind of acceptable political organisation. I have no sympathy at all for Tshombe; I have less time for the rebels who, being totally unorganised, indulge in the most shocking atrocities against their own people. African nationalists, especially those safely away from their own countries, are greatly annoyed when this aspect of Africa is mentioned; but the truth must be told.

SEVERAL COMMENTATORS HAVE BEEN SAYING THAT Mr. Chavan's recent visit to London came at a bad time for the new British Government, since it was engaged on a review of its own defence policy. I cannot see why this was really relevant to the consideration of a request for facilities to build a few frigates to replace outdated hardware, and it is no surprise to me that in this matter Mr. Chavan seems to have got what he wanted. But I can understand that it might have had some effect on the decision concerning India's request for a submarine. Even the Labour Government, I am told, remains largely unconvinced that a submarine would be anything other than an unnecessary counter-weight to the one owned by Pakistan. That is why I was so interested in the argument Mr. Chavan is reported to have used in London that India's policy is now designed not only for protection against the Chinese, but against Indonesia as well. Now this is something I have mentioned often enough, but it is the first time I know of that it has been heard from an official Indian spokesman. Does it mean, I wonder, that this country is at last officially aware of the growing danger from this quarter? If so, then it has come not a moment too soon. The Australians have just introduced conscription and are justifying it on the grounds of increasing Indonesian expansionism, while Britain and the United States are contemplating the establishment of an Indian Ocean base, although the latter still, unaccountably, goes on supplying arms to Dr. Soekarno. He, for his part, has shown an unhealthy tendency to draw closer to China now that his Russian friends are becoming less obliging and the Chinese themselves possess the bomb. I have myself always regarded Dr. Soekarno as a sort of eastern Mussolini, dangerous because of the trouble he can stir up but ineffective when it comes to a showdown. If India is now in earnest about wanting to resist Indonesian ambitions, I suggest the first matter to be put in hand should be the purely diplomatic one of extracting from Ceylon a promise that under no circumstances will the Trincomalee naval base be leased to either Indonesia or China. I saw this possibility mentioned in a newspaper report the other day, and it almost made my blood run cold.

"DEFENCE OF WHAT?"—ASKED THE *Statesman* sombrely on Tuesday morning. Time too, I say. It was certainly extraordinary conduct on the part of a not very senior police officer to arrest a couple of men just because they were said to have circulated rumours against him; and this under the Defence of India Rules too. Discreet withdrawal of the case at the first opportunity spared the officer concerned and the police generally the severe strictures that might well have fallen from magisterial lips if the matter had been pursued. But the fact remains that two men against whom the prosecutor could produce no evidence had to spend several hours in police custody entirely because of the arbitrary manner in which an officer had chosen to use D.I.R. to protect his reputation. There must have been many abuses of D.I.R.: but this Calcutta case is perhaps unique in its blatancy. The Defence of India Rules were framed under a Central enactment; and I invite Parliament to ponder how and why they are being used. I have no means of knowing whether the West Bengal Assembly will discuss the case; but, as I have already implied, the Centre is involved because the Act is that of Parliament. Mr. G. L. Nanda, the Home Minister, probably has enough on his plate, what with charges and replies concerning Messrs Patnaik, Mitra, Nijalingappa and others; yet the Defence of India Rules are the care of his Ministry and their abuse makes his Ministry answerable even if a State Government's is the direct responsibility. After dealing with the particular case, Mr. Nanda must address himself to the larger question: is the emergency necessary? When Mr. Chavan says that the concentration of Chinese troops on the border in now larger than in the autumn of 1962 and that violations of the ceasefire line in Kashmir by Pakistan continue, I must confess I am not greatly impressed. What are China's and Pakistan's intentions? This, surely, is the crucial question. I cannot say that India has made a serious attempt to assess these intentions.

The Poker Session PRESENTED BY THE AMATEURS on the stage of the Hindi High School last week, was a vivid portrayal of the frustrations, petty jealousies and intrigues of a lower-middle-class family. Hugh Leonard's play is remarkable not only for the insight it affords into human nature; the deft handling of crises and conflicts creates an atmosphere of tenseness and realism that is the strength of what might otherwise have seemed too humdrum a theme. The title of the drama is inspired by the fact that poker is a game of bluff; and bluff is indeed the hallmark of a family torn by selfishness and intrigue, where accusations and counter-accusations are part of the eternal game of life. The success of the play calls for unusual histrionic talent, and from this point of view the producer, Dilip Sirkar, took on a difficult assignment, especially since some members of the cast appeared to be newcomers to the stage. Ranjit Mathur, in the central rôle of Billy, gave a pedestrian performance which might have been improved by greater attention to voice and accent. Anjali Malik, as Mrs. Beavis, did rather well, and so did the other feminine members of the cast, such as Eslyn Melhuish, in the rôle of Irene. Gitanjali Ambegaokar might have been more memorable as Fran if she had not been so memorable for her constant batting of the eyelids. The credit for the success of the play, however, goes mainly to those two old pillars of the Amateurs, Jasbir Malik (as Teddy) and Ernani Giambuzzi (as Kelvin); their confidence and liveliness on the stage did much to sustain the interest of the audience till the end. The stage and lighting arrangements were simple, but appropriate; and the Amateurs are to be com-



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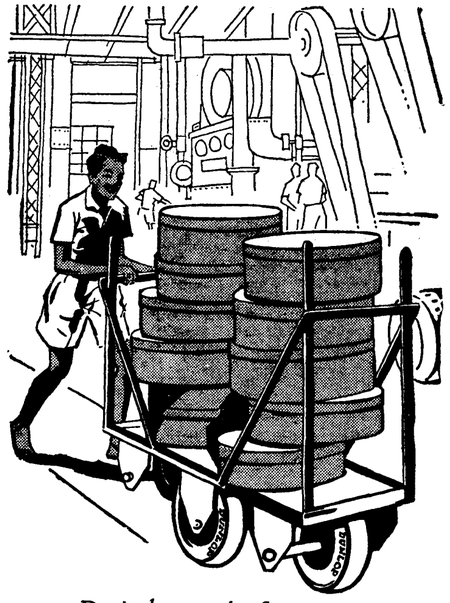
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plimented on an enterprising if not uniformly successful effort. Many apart from the Rotary Club of Calcutta, which is to receive the proceeds of the performances, will be grateful to the group for its determination to save the local English theatre from vestigial decline.

THE TROUBLE WITH PLACING AN EMBARGO ON ALL trade with South Africa, as the Labour Government is being urged to do by some of its more extreme supporters now that the nettle of arms supply has been grasped, is that it would involve a number of irritating contradictions. For instance, refusal to trade with a country of whose internal policies one disapproves means, by implication, that one does approve of the internal policies of all those countries one continues to trade with. The argument being used in this case, of course, is that the South African Government is unique in practising an openly racialist policy. What this means, in effect, is that people with black faces are being oppressed. But so are they in places like Ghana, although there, it must be admitted, the oppressors are themselves the same colour. Why, then, single out South Africa for disapproval? And why is it right to refuse to trade with a country whose black citizens are being victimised and continue to do business with one which oppresses its white ones? Or its yellow ones? Or those of any other colour for that matter? And by those of any other colour? The logical development of such a policy of selective trading would, I fear, eventually reduce world commerce to a trickle. I remember pondering these points some years ago when India decided not to supply South Africa with jute goods, thus presenting Pakistan with a ready-made market for her growing industry. As it is, it would appear that India disapproves of the treatment of the black, or brown, inhabitants of South Africa and condones that meted out to people of Indian origin in, say, Burma or Ceylon. The supply of arms, of course, is another matter, and no doubt Britain deserves credit for deliberately closing a lucrative channel of trade at a time when she dearly needs all she can get. But it does strike me that to follow this with a full-dress trade embargo would be carrying moral disapprobation too far.

BEING NEITHER DR. VERWOERD NOR MR. ATULYA Ghosh, we in *Capital* do not consider it our business to look closely into the whiteness or otherwise of such money as comes into our Christmas Toy Fund. We shall never need to, for we believe that donors, by the very act of choosing to support so worthy and humane a cause, show themselves to be individuals impeccable both in conscience and in generosity. On our part, it seems enough to be able to offer the assurance that every paisa given is judiciously spent for the traditional purpose of the Fund: buying toys for children of any caste, creed or colour who might otherwise get none during the festive season. Few charities anywhere in the world are administered at such nominal cost; distribution is in the hands of institutions of proven probity who have cared for children for decades. In spite of the fact being known to everyone, I have to add that if the prices of whisky or wheat have gone up, so have those of toys; nor is the number of needy children going down. Although a fair number of old donors maintain their contributions even after retirement and departure from these shores (and to them we are most grateful), I am sorry to have to say that many of the younger generation in Netaji Subhas Road and elsewhere seem indifferent to appeals for charity. May I make a special appeal to them? There are only three weeks left between now and Christmas Day: it takes a little time to buy the toys, pack them and despatch them. So will readers and their friends very kindly hurry and send their gifts, big or small, to the *Capital* Christmas Toy Fund at 5 Mission Row, Calcutta 1.

ASIDE, AFTER BEING INTRODUCED TO A TYCOON, "What a revolting man, can't think how anybody tolerates him."

"I think I know the reason. You see, his net income exceeds his gross habits."

THE DITCHER

Guide for Investors

DELHI CLOTH EXPANDS AND MODERNISES

THE Delhi Cloth and General Mills Co. Ltd has done well for the year ended June 1964. Sales rose from Rs 41.77 crores to Rs. 46.78 crores. Although gross profits have been higher, the net profit has dropped due to substantial provisions for depreciation and development rebate reserve. The net profit has amounted to Rs. 21.37 lakhs, against Rs. 77.43 lakhs, after increasing depreciation from Rs. 1.49 crores to Rs. 1.71 crores and development rebate reserve from Rs. 1.10 crores to Rs. 2.41 crores. Taxation absorbs Rs. 15 lakhs (against Rs. 85 lakhs) and taxation in Pakistan Rs. 12 lakhs (against Rs. 20 lakhs). The taxable ordinary dividend has been raised from 13 percent to 17 percent, including a jubilee dividend of 2 percent. At the present price of Rs. 46.81 a share, the yield amounts to 9.08 percent. Development rebate for a previous year is allocated Rs. 3.51 lakhs, depreciation concerning the triple shift for 1962-63 is Rs. 21.79 lakhs, dividend reserve Rs. 73.90 lakhs and jubilee dividend reserve Rs. 8.80 lakhs. The proposed dividends will be paid out of the two latter reserves. The carry-forward is Rs. 2.80 lakhs, against Rs. 1.47 lakhs brought in.

In his address from the chair at the annual general meeting of the Company held recently in Delhi, Dr. Bharat Ram has said that all departments are working successfully, but he has pointed out that the sugar factories are not likely to produce satisfactory results during the current season. They suffered in the 1963-64 season due to the shortage of cane supplies and their poor quality. The working of the P.V.C. plant which has begun to operate fully may be interrupted by the cut in the supply of electric power by the Rajasthan Government. The impact of the introduction of the partial control on cloth remains to be assessed. The Hisar textile mills have begun to manufacture mixed fibre yarn. The export of the Company's products has been maintained. The new spinning unit of the Hisar textile mills with 28,000 spindles has begun to operate. The new waste spinning plant of the Swatantra Bharat mills has also started functioning. The equipment of the Delhi Cloth Mills is being modernised. The cane-crushing capacity of the Mawana sugar factory has been increased from 1,500 tonnes to 3,000 tonnes a day. The rayon tyre cord project is expected to begin production by the end of 1964. The directors have decided not to issue fresh shares for the time being. They will consider the question of issuing shares when necessary.

Commenting on the depression in the capital market, Dr. Bharat Ram has mentioned that heavier taxation has tended to mop up the savings of the people. The response to new issues has been poor. The establishment of various financial institutions by itself will not solve the basic problem of the industry to attract savings. The fiscal and monetary policies of the Government should be modified to encourage savings. (A fuller text of the speech is printed on a later page in this issue of *Capital*.)

Ballarpur Paper Cuts Dividend

THE Ballarpur Paper and Straw Board Mills Ltd has earned a profit of Rs. 15.25 lakhs for the year ended June 1964, against a profit of Rs. 47.98 lakhs for 1962-63, after increasing depreciation from Rs. 7.92 lakhs to Rs. 43.37 lakhs. Sales rose from Rs. 2.74 crores to Rs. 3.99 crores. The taxable ordinary dividend has been reduced from 14.5 percent to 7.5 percent. The yield amounts to 4.8 percent at the present price of Rs. 15.69 a share of Rs. 10 each. Development rebate reserve is allocated Rs. 43.50 lakhs (against Rs. 90,000). A sum of Rs. 50,902 has been transferred from excess dividends provided earlier.

The directors, it is stated, have temporarily reduced the dividend to conserve funds for the expansion scheme which is estimated to cost about Rs. 9 crores. The major part of the expansion has already been completed. The output of paper rose from 13,225 tonnes to 19,611 tonnes. The stationery department has produced satisfactory results. The new pulp mill has begun to function. Although manufacturing costs have risen, steps have been taken to offset them as far as possible by increased efficiency and operational control. The market for paper has become more competitive, but the Company is selling more paper because of its attention to quality.

Smith Stanistreet Pays More

COMMENTING on the prospect of Smith, Stanistreet and Co. Ltd in their report for the year ended June 1964, the directors say that several pharmaceutical specialities and quality cosmetics have been introduced. The Company has opened many new branches to increase sales. The research division is developing a number of pharmaceutical specialities to attract sales which rose from Rs. 2.22 crores for 1962-63 to Rs. 2.49 crores for 1963-64. The profit has risen from Rs. 13.17 lakhs to Rs. 13.73 lakhs, after transferring Rs. 1.81 lakhs (against Rs. 1.41 lakhs) to depreciation. The taxable ordinary dividend has been raised from 22.5 percent to 25 percent, which works out to a yield of 9.1 percent at the present price of Rs. 13.69 a share of Rs. 5 each. Taxation absorbs Rs. 6.40 lakhs (against Rs. 6 lakhs), development rebate reserve Rs. 24.000 (against Rs 60,000) and general reserve Rs. 1.37 lakhs (against Rs. 1 lakh). The carry-forward is Rs. 481, against Rs. 19,167 brought in.

Kusum Engineering Raises Dividend

ALTHOUGH gross profits of Kusum Engineering Co. Ltd for the year ended March 1964 have increased, compared with those for 1962-63, the net profit has dropped from Rs. 73,265 to Rs. 55,144 due to the larger provision for depreciation. The latter absorbs Rs. 1.42 lakhs (against Rs. 85.701) and development rebate reserve Rs. 35.565 (against Rs. 11,556). The taxable ordinary dividend has been raised from 6 percent to 7 percent. A sum of Rs. 22.500 has been transferred from excess provision for income tax. Taxation is allocated Rs. 40.908 (against Rs. 13.747). The carry-forward is Rs. 65,514, against Rs. 28,777 brought in. Sales rose by Rs. 3.24 lakhs to Rs. 20.22 lakhs. There has been considerable expansion in the productive capacity. The capacity of the cast iron foundry has been increased. New machinery has been installed. The Company spent Rs. 2.94 lakhs to finance development during 1963-64.

Share Offer from Sandoz India

SANDOZ (India) Ltd is offering 300,000 ordinary shares of Rs. 10 each for public subscription at par. The list opens on 14th December, 1964. (Details of the issue are printed on a later page in this issue of *Capital*.) Applications for shares must be made for a minimum of 25 shares or multiples thereof. The subscribed and paid-up capital amounts to Rs. 75,00,000, divided into ordinary shares, out of which 664,000 shares are held by Sanoz Ltd of Switzerland. The present issue consists of 750,000 ordinary shares, out of which 100,000 shares will be subscribed by Sandoz Ltd of Switzerland in other than cash and 136,000 shares will be subscribed in cash. 75,000 shares will be taken up by Shaw Wallace and Co. Ltd and 139,000 shares will be allotted to the existing shareholders. directors, employees and their friends.

Sandoz India is an affiliate of Sandoz Ltd of Switzerland and is engaged in manufacturing a wide range of pharmaceuticals, dyestuffs, chemicals and pesticides. It also produces basic pharmaceutical chemicals. The Company uses several trade marks of the parent Company. It has begun manufacturing since 1959 and has steadily expanded the range of products. The Company is also exporting part of its output. It is establishing a modern dyestuff factory and expanding its agrochemical and auxiliary plants. It proposes to manufacture some basic agrochemicals in the near future. It will produce dyes for synthetic fibres. The dyestuff plant will begin to function in 1965. The manufacturing plants of the Company are situated near Thana, Maharashtra State.

International Tractor Share Offer

INTERNATIONAL Tractor Co. of India Ltd is building a factory in Kandivli, near Bombay, to manufacture 3,500 tractors and matching implements a year on a single-shift basis. The Company has been promoted jointly by Mahindra and Mahindra Ltd. Voltas Ltd and International Harvestor Company of the U.S.A. Import licences for the necessary equipment have been obtained. The Company has also obtained licences for tractor components valued at Rs. 30 lakhs Production will begin early in 1965. Mahindra and Mahindra Ltd has been appointed Secretaries and Treasurers of the Company for ten years.

The subscribed capital amounts to Rs. 76.50.100 divided into ordinary shares of Rs. 10 each. The major subscribers are International Harvestor Company, Mahindra and Mahindra Ltd and Voltas Ltd. Ordinary shares numbering 124,940 will be privately subscribed by Mahindra and Mahindra Ltd, its associates and friends. The Company is offering 610,050 ordinary shares for public subscription at par. The list opens on 7th December, 1964. The entire public issue has been underwritten. (Details of the issue are printed on a later page in this issue of *Capital*.)

New Capital Issues

THE Controller of Capital Issues has authorised four companies to raise capital totalling Rs. 5.16 crores. Of these, one is a new company with equity participation by the International Finance Corporation. Two are public-sector undertakings. The consent is valid for 12 months in all the cases. The following are the details:

Struthers Wells (India), Bombay, a new Company incorporated in the State of Maharashtra, is to issue capital of Rs. 1.5 crores, divided into 120,000 equity shares and 30,000 preference shares, both of Rs. 100 each, to be subscribed as to Rs. 40 lakhs (Rs. 9.5 lakhs for cash and Rs. 30.5 lakhs other than cash) in equity shares by Struthers Wells International Corporation of New York, Rs. 17 lakhs in equity shares by the International Finance Corporation, Washington (in cash) and out of the balance of Rs. 38 lakhs in equity and the entire preference issue of Rs. 30 lakhs will be offered, for cash at par, for public subscription and balance Rs. 17 lakhs in equity to be subscribed by the promoters, directors, etcetera. The Company will manufacture items of chemical machinery and processing equipment, etcetera.

Hastings Mill Ltd, Calcutta, having a subscribed and paid-up capital of Rs. 65 lakhs, is to issue 7 percent debentures of the value of Rs. 50 lakhs in units of Rs. 1,000 each for cash at par. The proceeds of the issue will be used for financing expansion of the silk unit and for setting up a new unit for the manufacture of coir products in West Bengal.

Singarani Collieries Co. Ltd, Hyderabad, is raising further capital of Rs. 1.66 crores divided into 166.000 equity shares of Rs. 10 each to be subscribed privately for cash at par. The capital will be used for financing the expansion programme of the Company.

Hindustan Machine Tools, Bangalore, a Government of India undertaking, is issuing further capital of Rs. 1.5 crores, divided into 15,000 equity shares of Rs. 100 each to be subscribed privately by the Government of India. The money is required for meeting the capital expenditure on the fifth machine tools factory in Hyderabad in 1964-65.

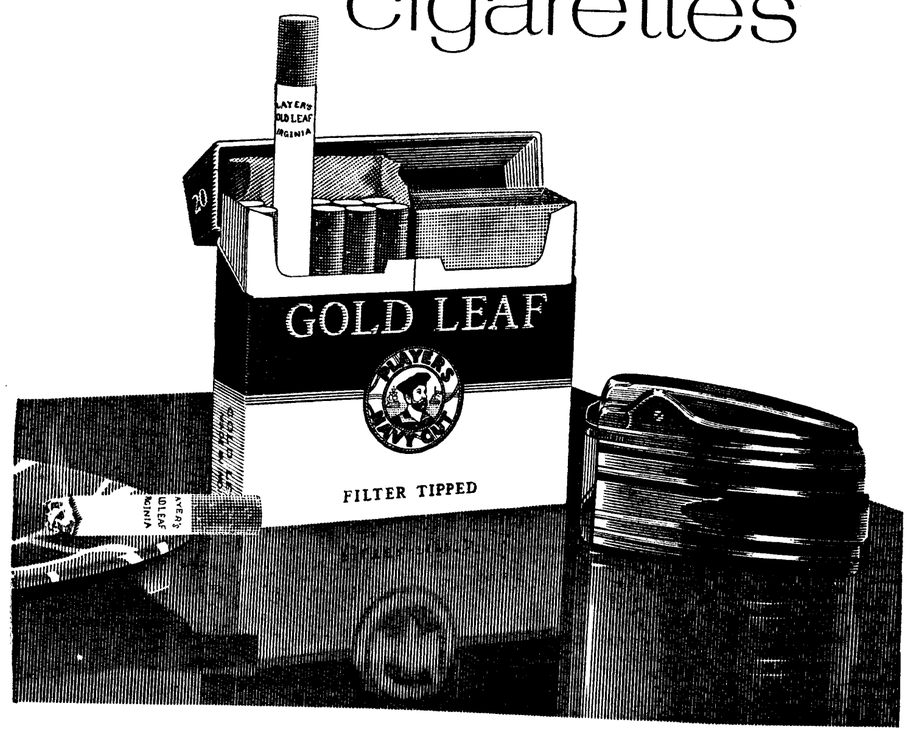
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The Stock Markets

DULL CONDITIONS PREVAIL IN LYONS RANGE

Wednesday Evening.

THE Calcutta stock market has been dull during the past week. Prices, particularly of clearing shares, have tended to drop due to tired bull liquidation. Selling pressure has also been light because bears think that present prices have discounted almost all adverse factors. Turnover in cash shares has been poor although prices of selected scrip are on the whole steady. Holders are not keen to sell at current prices since their holdings show appreciable depreciation. Lyons Range is disappointed with the outcome of the meeting between the Prime Minister, Mr. Lal Bahadur Shastri, and spokesmen of trade and industry. The impression is that the Government is not in a mood to modify the fiscal policy for stimulating activities in the capital market until the next Budget in February 1965.

Turnover has dropped considerably and operators are inclined to take profit at every opportunity. The clearing on Wednesday passed off uneventfully. Carry-forward charges are slightly smaller than in the previous settlement. Birla Jute have been an active feature among clearing shares, and their price has tended to harden due to a shortage of the scrip. The shortage of funds in the stock market is growing. Operators and investors are inclined to wait until a decision is taken about the currency of blank transfers. If it were to be unduly restricted, activity, particularly in clearing scrip, would diminish to a great extent. A great deal of uncertainty also prevails due to the belief that the Government will take further measures to regulate the activity of stock exchanges.

Indian Iron are sluggish, and limited business has passed. There were temporary rallies in the hope that the Company would soon declare an interim dividend. But steadiness has not been maintained due to the absence of follow-up support. Rumours of an early increase in the retention price of steel are circulating, but investors think that the rise will not be sufficient to increase the profitability of steel companies. Engineering shares like Guest, Keen, Williams, Texmaco, Jessop and Braithwaite are quiet. J. K. Steel are steady on repeating the dividend. Kumardhubi are easier, but Binani Metal have met with interested buying. Jay Engineering are steady on rumours of a bonus issue.

In the miscellaneous section, attention is concentrated upon clearing shares which have tended to drop due to selling pressure. Hindustan Motors, Dunlop Rubber, Indian Copper and Indian Aluminium have weakened. Despite limited turnover Philips, Goodyear and Indian Oxygen are steady. Alkali and Chemicals have reacted due to profit-taking. B. I. Corporation are steady, but India Steamship have been freely sold. Among new shares, Hindusthan Twyford and Hindusthan Aluminium are steady.

Managing Agency shares like Martin Burn and Jardine Henderson have dropped. Electric Company shares are sluggish and small business has passed in Calcutta Electric. Bank shares are neglected. Scattered business in United Bank and United Commercial Bank has been transacted. Sugar shares have become almost impossible to transact due to the absence of buyers. Although the output of sugar in October is slightly larger than that in the corresponding period of 1963, it is feared that the total production during the current season will be much short of the targeted figure of 3.3 million tons. At current prices of sugar and of cane, profits of factories are unlikely to improve due to rising production costs.

Except for Birla which are steady, jute shares have attracted little attention. Union, Kamarhatty, India and Barnagore have tended to drop. The strike of mill workers last Tuesday has resulted in a loss of production to the extent of about 4,000 tons. It remains to be seen whether it will be made up if workers agree to work extra hours. The dispute is due to the claim of the workers that the recommendations of the Bonus Commission should decide the payment of bonuses. But bonuses to workers are regulated by the award of the wage board. It will be wrong to abrogate the award of the Wage Board during its pendency. Investors are also getting worried over sluggish overseas enquiries, particularly in hessian.

Except for Central India and Western Bengal, which have been transacted at lower prices, there has been very little interest in coal shares. The absence of any improvement in the demand for coal is a major restraining factor. The repetition of a taxable ordinary dividend of 13 percent by Burrakur Coal has had little influence. The profit of the Company has also been almost maintained. The Company has earned a pretax profit of Rs. 40.44 lakhs for the year ended June 1964, against a profit of Rs. 41 lakhs for 1962-63 after providing Rs. 21.30 lakhs (against Rs. 15.56 lakhs) for depreciation.

Cotton mill shares are about steady, although turnover has dropped. J. K. Rayon have recovered on short-covering. Bharat Commerce and Dunbar have met with scattered support, but Elgin have tended to be easier. Tea shares are sluggish although the Tea Finance Committee is reported to have made some useful recommendations to improve the working of the industry. Investors are disappointed since the marketing outlook during the next few months looks poor. The average price of tea has been short of the figure for the corresponding period of 1963. Attention has largely centred on some Dooars gardens.

Government securities are dull and quiet. The 3 percent Conversion Loan 1986 has been quoted around Rs. 62. Although prices of short- and medium-dated stocks are steady, turnover has been nominal. Institutional interest is lacking.

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Bombay

EQUITIES FALL DESPITE GOOD COMPANY NEWS

PROSPECT OF MORE TAXES WORRIES OPERATORS

Wednesday Evening.

DALAL Street last week beat a further retreat and it reached close to its 1964 low. Losses were widespread, with some of the speculative scrip, namely. Century, National Rayon, Standard Mills and Hindustan Motors, establishing new low levels for the year. The decline was due less to any aggressive bear pressure than to light but persistent tired bull liquidation. Intermittent short-covering failed to produce any worthwhile rally because of the lack of follow-up support. The declining trend in equity prices reflected the deterioration in sentiment, the encouraging corporate news notwithstanding.

The stock market had scarcely got over the jolt caused by the 2-percent rise in the British Bank rate when President Radhakrishnan said in his inaugural address at the State Governors' conference that India's balance of payments position was gradually worsening. This implies that the country will have to put up with continuing shortages of imported raw materials and machinery which have already led to large idle capacity in some important industries. Then came the Central Finance Minister, Mr. T. T. Krishnamachari's statement emphasising the need for stricter economic discipline for the mobilisation of resources for the fourth plan and for increasing savings. His hint that the advance action concerning the mobilisation of resources for the fourth plan might be reflected in the February Budget was interpreted to indicate the possibility of further additional taxation. This caused considerable uneasiness in the market which had all along been thinking in terms of some fiscal relief.

The market's disappointment increased as the representatives of the Federation of Indian Chambers of Commerce and Industry, who recently discussed the economic situation and the continuing slump in the capital market with the Prime Minister returned without any promise of the generally anticipated fiscal relief. Reports that New Delhi is reconsidering the policy of progressive decontrol of industrial products because the trend of prices after decontrol has adversely affected the industrial cost structure have not been received favourably.

In its mood of utter despondency, the stock market took hardly any notice of the encouraging corporate news—Standard Batteries, Premier Automobiles, Ashok Leyland, Sirpur Paper and Hindustan Construction, all these had fared better than in the preceding year—and of the improved technical position as indicated by the slightly lower carryforward charges at the end of the settlement. The recommendations of the tea Finance Committee about substantial relief to the industry also did not attract much attention. Reports hinting at a possible overhaul of the Government's industrial policy allowing existing units to become economically viable either through modernisation or by adding balancing equipment also failed to please the market. Confidence has been so rudely shaken that neither speculators nor investors are inclined to lend big support to the market in spite of the fact that several scrip have declined to attractive levels. Even institutional investors have been keeping off the market for a long while.

Cotton textile shares are being marked down on the argument that the industry's profitability will be adversely affected by the record high prices of cotton and the rising labour costs. Rayon shares registered new lows for the year. South India Viscose is known to be doing extremely well, but the shares go virtually abegging at par. The Rs. 100-paid shares of Baroda Rayon and Indian Rayon are currently quoted around Rs. 61 and Rs. 51, respectively.

Among steels, Indian Iron held fairly steady on expectations of a good interim dividend. Tata Steel continued to sag and the current quotation around Rs. 143.50 is only a little higher than the lowest recorded during the year. Engineering shares seemed to ease mainly in sympathy with the rest of the market; net losses over the week were negligible. Voltas, in fact, recorded a small improvement over the week. Motor-car shares were subdued and the performance of shipping, dyes and chemical shares was no better. Sugar shares were inactive but steady. Bank, insurance and electric shares maintained a quietly steady tone. Among miscellaneous issues, Premier Construction were in the limelight and recorded a spectacular rise from Rs. 207 to Rs. 219 on sustained support based on ideas of a higher dividend and rights issue. Cash shares continued to be neglected but prices kept sagging due to the lack of fresh support.

Madras

BOMBAY ADVICES KEEP MARKET SUBDUED

SELECTIVE INTEREST IN PLANTINGS

Tuesday Evening.

THE Madras stock market has been quiet towards the close of the past week due to easier advices from the Bombay stock market. Turnover even in clearing shares has declined. Interest from outside centres is virtually negligible. Investors are worried over the observation by the Central Finance Minister, Mr. T. T. Krishnamachari, that the economic situation is grave. The deterioration in foreign exchange reserves has called for caution.

Rising prices of essential commodities have led to labour unrest. It is feared that if emoluments of workers are increased to make up for the rise in living costs, the unit cost of production will increase. Except for scattered interest in selected planting shares, turnover has been negligible. In Government securities, State loans are freely available at a discount. Scattered business in selected preference shares has been transacted.

Except for K.C.P., which are steady at Rs. 24 due to the declaration of a taxable ordinary dividend of 15 percent, sugar shares are dull. E.I.D. are available at Rs. 35.80 and India at Rs. 8.90. Cauvery have been transacted at Rs. 100 on payment of a taxable ordinary dividend of 7 percent. Jeypore have paid a taxable ordinary dividend of 15 percent and are being quoted at Rs. 16.50. Madura have been bought at Rs. 9.44 since the Company has declared a taxable ordinary dividend of 6 percent. Bank shares are sluggish, and a small turnover has been done in Indian Overseas at Rs. 150.

In the planting section, Consolidated Coffee have hardened to Rs. 26.50 on declaring a taxable ordinary dividend of 27½ percent. Blue Mountain have reacted to Rs. 2.70 and Cochin Malabar to Rs. 6.12. Ouchterlony are maintained at Rs. 3.40 and Periakaramalai at Rs. 3.75. In coffee shares, Anaparai are quoted at Rs. 3.10 on declaring a taxable ordinary dividend of 20 percent. Ossoor are steady at Rs. 2.80 and Rajendra at Rs. 12. In tea shares, Nelliampathy have been bought at Rs. 5.55, Peermade at Rs. 25.75 and United Nilgiri at Rs. 22.25.

In textile shares, South India Viscose dropped below par at one stage, but have recovered to Rs. 100 towards the close. Travancore Rayon have lost at Rs. 18. Lakshmi are nevertheless steady at Rs. 132 and Madura at Rs. 35.15. Business has passed in Buckingham at Rs. 278 and in Bangalore Woollen at Rs. 281. Mettur have lost at Rs. 225 on profit-taking, but Ramakrishna have been maintained at Rs. 199.40.

In the miscellaneous section. Aluminium Industries have reacted to Rs. 23.10 and Ashok Leyland to Rs. 7.05. Cement shares are quiet. Dalmia are available at Rs. 12.90 and India Cement at Rs. 5.03. Mettur Chemical have dropped to Rs. 14.20. Seshasayee Paper are maintained at Rs. 7.20 and Mysore Paper at Rs. 11.78. Parry's Confectionery are steady at Rs. 2.96 and Kirloskar Electric at Rs. 21.85 on prospects of a rights issue. Business has passed in Spencer at Rs. 21.50 and in Textool at Rs. 128. In electric company shares, Vellore are steady at Rs. 15.55 on prospects of a rights ordinary share issue in the proportion of one new share for every four held, at par.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 38/31—38/62—37/56—38/37—(31/44).
Burrakur Coal—Rs. 16/50—17/00—16/50—17/00—(17/12).
Dunlop Rubber—Rs. 30/50—30/56—29/62—29/87—(36/00).
Do. (Renunciation)—Rs. 10/00—10/56—9/25—9/69.
Guest, Keen, Williams—Rs. 23/19—23/19—22/81—22/87—(26/31).
Hindustan Motor—Rs. 16/31—16/31—16/16—16/22—(16/75).
Howrah Jute—Rs. 16/12—16/12—15/87—15/87—(19/00).
Indian Aluminium—Rs. 30/75—30/87—30/00—30/37—(29/62).
Indian Copper—Rs. 3/32—3/32—3/25—3/27—(3/38).
Indian Iron—Rs. 25/52—25/56—24/06—25/08—(24/20).
J. K. Cotton—Rs. 9/87—9/87—9/62—9/62—(11/94).
Jaipur Udyog—Rs. 10/16—10/16—10/00—10/00—(11/69).
Kesoram Industries—Rs. 24/19—24/19—23/50—23/50—(25/31).
Orient Paper—Rs. 32/15—32/15—31/50—31/65—(37/70).
Orissa Cement—Rs. 11/90—11/90—11/56—11/62—(14/31).
Rohtas Industries—Rs. 9/75—9/75—9/44—9/50—(12/22).
Textile Machinery—Rs. 25/50—25/60—24/95—25/05—(26/90).

GILT-EDGED

3 % Loan (1986)—Rs. 62/05—62/50 s.t.—62/00—62/05.
3 % „ (1970-75)—Rs. 90/23—90/25—90/23—90/25.
3 % „ (1966-68)—Rs. 98/45—98/45—98/45—98/45.
3½% „ (1967)—Rs. 99/72—99/72—99/72—99/72.
3¾% „ (1967)—Rs. 99/75—99/75—99/75—99/75.
4 % „ (1970)—Rs. 99/00—99/05—99/00—99/00.
4 % „ (1979)—Rs. 97/55—97/55—97/50—97/50.
4 % „ (1969)—Rs. 99/50—99/50—99/50—99/50.
4 % „ (1972)—Rs. 98/80—98/80—98/80—98/80.
4 % „ (1973)—Rs. 98/85—98/85—98/85—98/85.
4 % West Bengal (1967)—Rs. 99/35—99/35—99/35—99/35.
4 % „ (1968)—Rs. 98/70—98/75—98/70—98/75.
4 % Madras (1967)—Rs. 99/35—99/35—99/35—99/35.
4 % U.P. (1969)—Rs. 98/30—98/30—98/30—98/30.
4¼% Orissa (1976)—Rs. 96/85—96/85—96/70—96/85.
4¼% U.P. (1976)—Rs. 96/90—96/90—96/90—96/90.
4¼% Madras (1976)—Rs. 97/05—97/05—97/00—97/00.
4¼% West Bengal (1976)—Rs. 99/40—99/40—99/40—99/40.

RAILWAYS

Champarmukh-Silghat—Rs. 29/00—30/00—29/00—30/00.
Dehri-Rohtas—Rs. 10/00—10/00—10/00—10/00.

BANKS

Punjab National—Rs. 20/62—20/62—20/25—20/25—(19/69).
United Bank of India (Rs. 10 paid)—Rs. 8/19—8/19—8/19—8/19—(7/75).
Do. (Conty Rs. 20/-) (Rs. 10/- paid)—Rs. 7/53—7/56—7/44—7/56.
United Commercial—Rs. 72/50—72/50—72/00—72/50—(71/50).

TEXTILES

Bharat Commerce—Rs. 18/62—18/69—18/62—18/69—(23/75).
Cawnpore—Rs. 6/15—6/15—6/15—6/15—(7/37).
Elgin—Rs. 19/19—19/31—19/12—19/12—(23/12).
New Victoria—Rs. 1/09—1/12—1/00—1/00—(1/53).
Do. (Pref.)—Rs. 2/09—2/09—2/06—2/06—(2/87).
Swadeshi (P.O.)—Rs. 6/31—6/31—6/25—6/25—(6/81).

COALS

Burrakur (1st Pref.)—Rs. 102/00—102/00—102/00—102/00.
Bharat—Rs. 2/06—2/19—2/06—2/19—(3/44).
Central India—Rs. 8/12—8/31—8/12—8/22—(9/97).
East Indian—Rs. 26/00—26/00—26/00—26/00—(31/00).
Equitable (Pref.)—Rs. 93/00—93/00—93/00—93/00.
Ghusick & Muslia—Rs. 13/12—13/12—13/12—13/12—(14/25).
Katras Jherriah—Rs. 26/50—26/50—26/50—26/50.
Khas Kajora—Rs. 11/50—11/50—11/50—11/50.
Raneegunge—Rs. 12/25—12/25—12/19—12/19—(13/62).
Sendra—Rs. 3/41—3/50—3/41—3/50—(5/00).
Western Bengal—Rs. 8/31—8/44—8/31—8/44—(8/81).

JUTES

Agarpara—Rs. 8/69—8/75—8/69—8/75—(10/37).
Auckland—Rs. 124/00—124/00—123/00—123/00—(140/50).
Alexandra—Rs. 246/00—246/00—246/00—246/00—(300/00).
Alliance—Rs. 105/00—105/00—105/00—105/00.
Barnagore—Rs. 237/00—237/00—237/00—237/00.
Champdany—Rs. 21/62—21/62—21/37—21/62—(22/69).
Chitavalsah—Rs. 7/75—7/81—7/75—7/81—(10/50).
Do. (Pref.)—Rs. 92/50—92/50—92/50—92/50.
Delta—Rs 139/00—139/00—139/00—139/00—(164/00).
Empire—Rs. 13/50—13/50—13/12—13/19—(17/75).
Fort William—Rs. 20/00—20/00—19/87—19/87—(26/44).
Gourepore—Rs. 21/37—21/37—21/37—21/37—(25/25).
Do. (Pref.)—Rs. 90/00—91/00—90/00—91/00.
Ganges—Rs. 12/94—12/94—12/56—12/69—(13/31).
Hastings (Pref.)—Rs. 89/50—90/00—89/50—90/00.
Kanknarrah (Pref.)—Rs. 81/50—81/50—91/50—81/50.
Kinnison—Rs. 105/00—105/00—105/00—105/00.
Kelvin—Rs. 136/00—138/00—136/00—138/00.
Lawrence—Rs. 100/00—101/00—100/00—101/00—(111/00).
New Central—Rs. 9/62—9/81—9/56—9/69—(13/25).

Nuddea—Rs. 10/81—10/87—10/37—10/37.
National—Rs. 19/12—19/12—19/12—19/12—(23/94).
Presidency—Rs. 4/12—4/19—4/06—4/19—(5/37).
Reliance—Rs. 6/50—6/69—6/50—6/56—(8/87).
Union—Rs. 134/00—134/00—134/00—134/00—(168/00).
Waverley—Rs. 7/62—7/62—7/62—7/62—(8/31).

CEMENTS

Ashoka—Rs. 6/62—6/69—6/50—6/50—(7/37).
Bengal Potteries—Rs. 4/25—4/37—4/25—4/37—(5/37)
Dalmia (Bharat) (Pref.)—Rs. 8/31—8/31—8/25—8/25—(8/00).
Do. (Ord.)—Rs. 13/00—13/06—12/87—12/94—(12/91).
Kumardhubi Fireclay (Pref.)—Rs. 66/50—67/50—65/50—65/50.
Sone Valley—Rs. 3/87—3/87—3/75—3/87—(4/62).

CHEMICALS

Alkali & Chemical—Rs. 28/60—28/60—28/31—28/44—(35/62).
Chemical & Fibres—Rs. 15/94—15/94—15/87—15/94.
Phosphate Co.—Rs. 175/00—175/00—175/00—175/00.

MINING

Karanpura Development—Rs. 9/00—9/00—9/00—9/00—(11/56).

PUBLIC UTILITIES

Calcutta—Rs. 15/19—15/25—15/19—15/25—(14/75).
Jubbulpore—Rs. 10/87—10/87—10/62—10/75—(11/12).
Patna—Rs. 10/62—10/62—10/62—10/62—(10/44).
U.P.—Rs. 194/00 s.t.—198/00—193/00 s.t.—193/00—(145/00).

ENGINEERINGS

Braithwaite & Co.—Rs. 32/75—32/75—32/62—32/75—(34/25).
Do. (Pref.)—Rs. 112/00—113/00—112/00—113/00.
Bharat Ball Bearing—Rs. 11/12—11/19—11/00—11/12—(14/81).
Britannia Eng.—Rs. 9/25—9/37—9/25—9/37—(10/34).
Calcutta Steel—Rs. 13/25—13/44—13/25—13/37—(14/19).
Dalmia Iron—Rs. 11/62—11/62—11/56—11/56—(11/69).
Hindusthan Wire—Rs. 9/16—9/25—9/16—9/25—(10/69)
Indian Steel & Wire Pro.—Rs. 27/37—27/62—27/37—27/62—(36/87).
Indian Iron (Pref.)—Rs. 84/00—84/00—83/75—83/75.
J. K. Steel—Rs. 17/75—17/87—17/75—17/75—(17/12).
Jessop & Co.—Rs. 25/25—25/69—25/12—25/69—(24/06).
Jay Eng.—Rs. 20/37—20/37—20/00—20/00—(21/87).
Kumardhubi—Rs. 5/44—5/50—5/44—5/50—(9/15).
Do. (Pref.)—Rs. 75/75—76/00—75/75—76/00.
Machinery Mfg.—Rs. 21/25—21/25—21/25—21/25—(24/62).
National Iron—Rs. 5/75—5/87—5/50—5/50—(5/69).

INSURANCES

New Asiatic—Rs. 7/37—7/37—7/37—7/37—(8/25).
Ruby General—Rs. 11/70—11/70—11/70—11/70—(10/31).

MISCELLANEOUS

Aluminium Corpn.—Rs. 11/06—11/06—11/06—11/06—(13/50).
American Refrigerator—Rs. 9/06—9/06—9/00—9/00
Associated Battery—Rs. 24/81—24/87—24/69—24/87—(28/00).
Angelo Brothers—Rs 24/87—25/00—24/62—24/62—(26/75).
Asian Refractories—Rs. 10/31—10/31—10/31—10/31.
Asiatic Oxygen—Rs. 8/12—8/25—8/12—8/25—(14/19).
British India Corpn.—Rs. 10/81—10/94—10/69—10/89—(9/00).
Bhartia Commercial—Rs. 9/75—9/75—9/75—9/75.
Calcutta Tramways—Rs. 11/50—11/50—11/44—11/44—(11/25).
Electric Construction—Rs. 13/25 s.t.—13/31—13/25—13/31—(13/25).
English Electric—Rs. 15/37—15/37—15/31—15/31—(13/87).
Fort Gloster (Partly Paid)—Rs. 162/00—162/00—162/00—162/00.
Goodyear India—Rs. 21/06 s.t.—21/50 s.t.—21/06 s.t.—21/50 s.t.
Godfrey Phillips—Rs. 21/75—21/75—21/75—21/75—(28/12).
Gillanders Arbuthnot—Rs. 12/75—13/00—12/62—12/62—(14/19).
Hindustan Aluminium—Rs. 12/87—12/87—12/56—12/62—(13/75).
Do. (Pref.)—Rs. 123/00—124/00—123/00—124/00.
Hindusthan Development—Rs. 3/90 s.t.—3/94—3/87—3/94—(4/75).
Imperial Tobacco—Rs. 8/00—8/18—8/00—8/18—(10/12).
India Carbon—Rs. 14/25—14/25—14/12—14/12—(16/44).
Indian Oxygen—Rs. 23/81—23/94—23/81—23/94—(27/87).
Indian Forge & Drop Stamping—Rs. 5/81—5/87—5/81—5/87.
Indian Tack & Nail—Rs. 8/85—8/90—8/85—8/90
Inchek Tyres—Rs. 6/19—6/25—6/06—6/12.
Jayshree Tea Industries—Rs. 14/69—14/75—14/62—14/62—(14/75).
J. K. Synthetics—Rs. 13/19—13/31—12/91—12/94—(12/50).
Jardine Henderson—Rs. 71/00—71/00—70/00—70/00—(78/50).
Do. (Pref.)—Rs. 58/00—58/00—57/75—57/75—(55/00).
Kesoram Industries (2nd Pref.)—Rs. 96/00 c.t.—96/50—96/00—96/50 c.t.
Martin Burn—Rs. 26/75—26/44—26/50—(28/50)
Do. (Pref.)—Rs. 87/50—87/50—87/50—87/50.
Metal Box—Rs 30/50—30/50—30/50—30/50—(52/25).
Do. (Pref.)—Rs. 76/00—76/50—76/00—76/50
National Tobacco—Rs. 10/75—10/75—10/75—10/75—(13/50).
National Rubber Mfg.—Rs. 10/25—10/25—10/06—10/12—(13/75).
National Insulated Cable—Rs 24/37—24/44—24/00—24/31—(24/00).
New India Investment—Rs 56/00—56/50—56/00—56/50—(59/50).
Phillips Carbon Black—Rs 12/12—12/37—12/12—12/19—(15/50).
Rallis India—Rs 123/25—123/25—123/25—123/25—(131/00)
Shaw Wallace—Rs. 15/81—15/81—15/81—15/81—(17/75).
Universal Cables—Rs. 10/00—10/00—10/00—100/00—(11/75).
Union Carbide—Rs. 29/12—29/12—29/12—29/12—(42/75).
Usha Martin Black—Rs. 14/25—14/37—14/25—14/37—(17/31)
Universal Electrics—Rs 7/87—7/87—7/87—7/87—(10/06).
Walford Transport—Rs. 3/06—3/09—3/06—3/09—(4/06)
Woolcombers of India—Rs. 10/12—10/19—10/00—10/12—(16/56).

OIL

Indo-Burma Petrol—Rs. 19/25 s.t.—19/25—19/25—19/25—(24/25).

PAPERS

Ballarpur—Rs. 15/56—15/69—15/56—15/56—(18/00).
Bengal—Rs. 26/87—26/87—26/81—26/81—(28/25).
India Paper Pulp—Rs. 16/50—16/56—16/44—16/56—(19/06).
Seshasayee—Rs 7/25—7/25—7/25—7/25—(7/94).
Sirpur—Rs. 12/00—12/59 c.d.—12/00—12/59 c.d.—(13/78).
Straw Products—Rs. 8/50—8/75—8/50—8/75—(10/62)
Do. (Pref.)—Rs 102/00—102/00—102/00—102/00—(93/00).
Sree Gopal Paper (2nd Pref.)—Rs. 100/00—102/00—100/00—102/00.
Do. (1st Pref.)—Rs. 104/00—104/00—104/00—104/00.
Star Paper—Rs. 8/00—8/75—8/00—8/75—(9/12)
Do. (5% Pref.)—Rs. 66/00—67/00—66/00—67/00.
Do. (7% Pref.)—Rs. 89/50—89/50—89/00—89/00.
Titaghur—Rs. 12/06—12/06—11/75—12/00—(16/87).

REAL PROPERTIES

Hindusthan Building—Rs. 3/19—3/19—3/19—3/19.
Midnapore Zemindary—Rs. 33/00—33/75—33/00—33/75—(11/00).

SHIPPINGS

India Steamship—Rs 6/41—6/53—6/37—6/50—(7/37).
India General Nav.—Rs. 37/75—38/00—37/75—38/00—(44/00).
Do. (Pref.)—Rs. 83/00—83/00—83/00—83/00—(79/00).

SUGARS

Balrampur—Rs. 1/50—1/50—1/50—1/50—(1/95).
Belsund—Rs. 8/75—8/75—7/62—7/62—(8/94).
Carew—Rs. 12/44—12/44—12/44—12/44—(11/31).
Cawnpore—Rs. 9/87—9/94—9/81—9/94—(9/75)
Shree Krishna Gyanoday—Rs. 8/25—8/25—8/25—8/25—(8/62).
Do. (2nd Pref.)—Rs. 45/00—45/00—45/00—45/00.

TEAS

Baradighi—Rs. 20/75—20/75—20/75—20/75—(23/69).
Bhhaktawa—Rs. 13/62—13/87—13/62—13/87—(17/25).
Birpara—Rs. 142/00—143/00—142/00—143/00—(162/00).
Bishnauth—Rs 13/19—13/25—13/19—13/25—(18/69).
Bor Pukhuri—Rs. 10/37—10/50—10/37—10/50—(11/00).
East India—Rs. 12/31—12/31—12/25—12/25—(15/56).
Grob—Rs. 5/94—6/00—5/81—6/00—7/81).
Gohpur—Rs. 12/62—12/62—12/50—12/50—(14/69).
Hasimara—Rs. 12/19—12/37—12/00—12/06—(13/44).
Killcott—Rs. 14/06—14/06—14/06—14/06—(15/50).
New Chumta—Rs. 18/37—18/50—18/37—18/50—(24/62).
New Dooars—Rs. 169/00—170/00—169/00—170/00—(230/00).
Patrakola—Rs. 146/00—135/00—134/00—135/00—(129/00).
Tyron—Rs. 24/56—24/75—24/56—24/75—(31/00).

DEBENTURES

6½% Carrew & Co. (2nd Mortgage)—Rs. 90/75 c.t.—90/75—90/75—90/75
4½% Clive Buildings—Rs. 82/00—82/00—82/00—82/00.
4 % (1956-86) Calcutta Port Trust—Rs. 94/75—94/75—94/75—94/75.

London

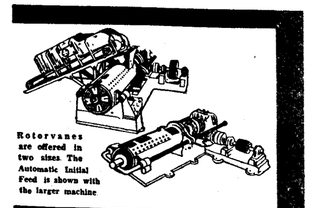
TRADING QUIETER AT CLOSE

GILT-EDGED DECLINE SHARPLY

London, 2nd December.

THE sterling situation and the rescue operation dominated all other factors in the stock market over the past week. Tax uncertainties have to some extent been cleared up by the various Government statements concerning the corporation and capital gains taxes, but any buying that has been seen was mainly of a short-term speculative character and the long-term investor is still waiting for a clearer investment outlook. The gold reserve figures, due to be out soon, are keenly awaited, but more important are the November trade figures which will be published midway through December when it is hoped that the import picture will show some improvement. The rise to 7 percent in Bank rate has left its mark on fixed interest stocks and gilt-edged securities are sharply lower. Equities, on the other hand, were mostly better than a week ago, but a downward drift appeared in much quieter trading. Dollar stocks lost ground in sympathy with the Wall Street trend after the rise in U.S. interest rates. Gold shares met with strong support early in the week, but buyers held off later.

Rotorvanes
GIVE YOU A POWERFUL MECHANIZED GRIP ON tea

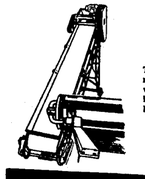


Rotorvanes are offered in two sizes The Automatic Initial Feed is shown with the larger machine

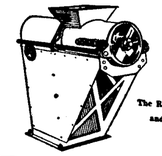
Growing good tea isn't enough. You have to show quality after manufacture—and at an economical cost! The key of course lies in mechanising to a continuous system of manufacture.

THE McTEAR ROTORVANE CONTINUOUS TEA ROLLER gives you the stronger liquors and briskness that buyers are now looking for. Add to this negligible expenditure on spares and small power consumption and you have the machine which you have long been waiting for.

The Rotorvane will help you make good tea.



The Portable intermediate feed conveys leaf to another Rotorvane or to a Ball Breaker.



The Rotorvane Ball Breaker and Aerating Machine.

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Secretaries & Treasurers: ANDREW YULE & CO. LTD
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Money

ANOMALIES IN PRICING POLICY OF THE UNIT TRUST

(BY A SPECIAL CORRESPONDENT)

The wide divergence between the sale and repurchase prices of the Unit Trust of India has come in for criticism. The repurchase price seems reasonable, but the sale price of the units is too high.

THE Unit Trust of India at present sells its units at a price of Rs. 10.50 for every unit of the face value of Rs. 10, the sales being in minimum lots of ten units. The course of prices since the Unit Trust began its operations is shown in the table below. It will be observed that sales at par continued for the initial period of 45 days after which the price suddenly jumped to Rs. 10.35, a level which ruled for 16 days. The next price of Rs. 10.40 was current for the longest period so far—56 days; Rs. 10.45 lasted for 19 days and the latest price of Rs. 10.50 was announced simultaneously with the repurchase price of Rs. 10 on 16th November, 1964.

SALES PRICES OF UNITS OF THE U.T.I. UNDER THE UNIT SCHEME OF 1964

1964	Sale Price	No. of days
1st July to 14 August	Rs. 10 for a unit of Rs. 10	45
16th August to 31st August	Rs. 10.35 -do-	16
1st September to 26th October	Rs. 10.40 -do-	56
27th October to 14th November	Rs. 10.45 -do-	19
16th November	Rs. 10.50 -do-	

The Wide Divergence

The wide divergence between the sale and repurchase price, the lack of any pattern in the progression of sale prices and the fixing of the repurchase price at the par value of Rs. 10 require some explanation, for the pricing policy of the Unit Trust of India has come in for criticism. A savings bank deposit for a minimum period of one month would have earned 3-percent interest: a 91-day fixed deposit from 17th August could have fetched 3¾ percent and matured by now. The current rate for 91 days' is fractionally higher at 4 percent. Yet a needy unit-holder, who is forced to liquidate his investment, would, it is argued, get no return over a period of 150 days and may even suffer a loss if his investment was made after the initial period of par sales. What is wrong with the pricing policy of the Unit Trust of India?

The criticism is justified, but it is being made for the wrong reasons. The wide margin of 50 paise between the sale and repurchase prices is unreasonable despite the feelings of the Unit Trust. There is nothing wrong with the repurchase price of Rs. 10, but everything is wrong with the sale price of Rs. 10.50, contrary to the popular belief which blames the low repurchase price of Rs. 10, and accepts the high sale price as reasonable, reflecting capital appreciation.

The rise in the sale price from Rs. 10 to Rs. 10.50 does not, in fact, reflect any degree of capital appreciation, but is made up almost entirely of the accrued interest on Unit Trust investments and of the costs and expenses of investment and management. It is obvious to any observer of stock market trends that the only period of 1964 when equities displayed some semblance of buoyancy was the third quarter between July and September; the depressed condition throughout February-June and again in October-November reflected a complete lack of investor confidence in the fiscal and economic policies of the Government. During this period, even the preference shares, debentures and Government securities were just able to maintain their position. Under the circumstances, unit prices, which are largely based upon stock market quotations, could hardly be the result or reflection of capital appreciation.

That unit prices would go up by an interest element of 5 paise every month should have been apparent right from the beginning, in view of the provision in the unit scheme of 1964 to the effect that all units will rank *equally* for the distribution of dividends, *irrespective* of the date of their sale. This means that whether a unit holder acquired a unit on 1st July, 1964, or whether he may do so on 29th June, 1965, he will be entitled to the dividend at the same rate of, say, 6 percent. The significant absence of the words *a year* must be noted; it is immaterial whether a unit is held for a day or for a year. In view of this, it is but fair that the dividend for the period prior to the date of purchase should be returned by a subsequent purchaser of the units to the Trust through a higher unit price. In simple terms, the sale price of the units must rise by at least 5 paise every month until it reaches Rs. 10.55 on the eve of dividend declaration in June 1965, on the assumption that the dividend payable will be 6 percent, on the basis of which the Unit Trust is itself working.

Inescapable Conclusion

But the unit prices had already reached Rs. 10.50 in mid-November 1964; the conclusion is inescapable that a substantial part of this increase represents investment and management costs and expenses. It is a well-recognised principle of unit trust operations that the sale price of a unit should at any time correspond to the cost and other expenses in relation to the acquisition of assets. The concept of the unit trust is that of a mutual society of existing unit-holders. Those who join at a later date should, therefore, be prepared to share the costs and expenses already incurred, in addition to the interest element which they have to pay, as explained in the previous paragraph.

The principle cannot be challenged: what eludes comprehension, however, is the erratic rise in the sale price of the units. The interest element in the sale price of the units cannot but follow a regular progression: why should the cost element go on rising so steeply at one period and so slowly at another? What is the basis on which management and investment costs have been computed and over how many units have they been distributed? It becomes clearer with every rise in unit prices that the cost element has been unduly inflated and given undue weightage in determining the sale prices of the units. Overhead and variable costs ought to have been divided equally among the block of units which should have been kept sufficiently large to make for a lower cost unit, and should have followed the same even progression as the interest element. In fact, in the absence of any capital appreciation, the sale price consisting of the interest accrued and expenses incurred should not have been fixed at such a high level of Rs. 10.50 in mid-November—only four-and-a-half months after the unit sales began.

The repurchase price of Rs. 10 should be regarded as reasonable, particularly because there has been no capital appreciation since the Trust's investments were made. True, any seller of units must be entitled to a share in the accrued interest during the period of his investment, but it is equally necessary that he must also take his share of the expenses incurred. What is unreasonable is the wide margin between the sale and repurchase prices: if the logic of these arguments is correct, the sale price of units in November ought not to have gone beyond Rs. 10.25.

The entire trouble arises because the unduly high sale price of units sets a wrong perspective. A margin of 25 paise a unit, *i.e.*, 2.50 percent between the selling and buying prices would have been reasonable by all standards. Moreover, it must be realised that an investor in equities would have himself made capital losses between February and November, apart from the expenses of brokerage, commission, stamp duty, etcetera, and whatever dividend he may have earned would have just compensated him for these losses and expenses.

High Sale Price

The criticism against the Unit Trust that its repurchase price is low, therefore, misses the real point, which is that the sale price is rather high. Complaints about points of no return or about losses in unit sales ignore the fundamental fact that while the Unit Trust may be able to spread the risk of losses, it cannot eliminate the losses altogether.

Furthermore, quite independent of these factors and principles, and of the efforts of the Unit Trust to hold the balance even between the past, present and future unit-holders of the Trust, five months is too short a period to provide a really long-term perspective for an evaluation of the rights and wrongs of the Unit Trust's pricing policy, especially in the context of the depressed stock market.

Having said all this, however, there are a couple of points on which the Unit Trust needs to evolve and follow a realistic policy. Transfers of units except to banks are prohibited till 30th June, 1965. The rationale behind this prohibition is difficult to understand. In fact, if a free market were allowed in the units, the market price would have fully vindicated the pricing policy of the Unit Trust and avoided some of the heart-burning of unit-holders. Moreover, some of the small brokers who have felt that the Unit Trust has deprived them of their business with small investors would have found a new opening.

Secondly, the delay in issuing unit certificates is getting rather abnormal now. The chairman has attributed the delay to the lack of facilities for the mechanical processing of 125,000 applications in Bombay: he should have anticipated the difficulties and made alternative arrangements at other centres in advance. In fact, 125,000 applications (the actual figures, not yet ready, will be published in due course!) are much below the original anticipation, and one wonders what would have happened if the response had been better. In any case, it is stated that officers and staff are working overtime to finish the job (but it was not mentioned that they are running up the bill of expenses at the cost of new purchasers of units). Is this the reason for a sharp increase in the unit sale price?

Thirdly, the broad details of the Trust's investments, it has been said, will be published at the appropriate time. Meanwhile, one has to be content with the chairman's assurance that in underwriting as well as investment operations of the Trust, the interests of the unit-holders are the primary consideration. How far the claim is justified will be known only when any analysis of the investment portfolio of the Unit Trust of India is possible.



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THE CALCUTTA MONEY MARKET

CALL RATE RISES

Wednesday, 2nd December.

THERE has been no change in the general level of advances in the Calcutta money market during the past week, indicating that the busy season has yet to get into full swing. The requirements of each of the major categories of borrowers—the cotton, iute and sugar mills, the iron, steel and engineering industries, and the foodgrains and seeds trade—are approximately the same as they were a week ago. In the interbank market, conditions have become tighter because of tax payments, and the call rate has risen from ½ percent to 4½ percent.

The exchange market has been fairly active, with a good supply of both tea and gunny bills. The demand for remittances has been small. In London, sterling has improved in relation to the major currencies since the massive support operation was launched last week.

BULLION WAS STEADY IN CALCUTTA during the past week. Silver rose from the previous week's level of Rs. 257 to Rs. 257.50, quoted today. It was quoted at 113½d in London and at 129.3 cents in New York.

In sympathy with the rise in silver gold was also steady and the price of 14-carat advanced from Rs. 68.25 to Rs. 68.50.

DURING THE WEEK ENDED 27TH November, Government of India Treasury bills for Rs. 40,44,25,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 1st December, 1964. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.400 percent were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.400 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 7th December.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 2nd December to 5th December at Rs. 99.416 percent subject to the conditions previously announced that sales can be stopped at any time without notice, if the Government thinks it necessary. These bills sold from 25th November to 28th November amounted to Rs. 52 lakhs.

THE RETURN OF THE STATE BANK OF India for the week ended 20th November, 1964, shows a rise of Rs. 6.60 crores to Rs. 672.93 crores in total deposits. Investments in Government securities are down by Rs. 7.12 crores to Rs. 280.08 crores, while other authorised investments remain unchanged at Rs. 8.98 crores. Advances, including loans, cash credits, overdrafts, and bills discounted and purchased have increased by Rs. 1.64 crores to Rs 344.02 crores. Cash and balances are, in consequence, shown at Rs. 30.90 crores or Rs. 6.77 crores higher.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 20th November, 1964, shows Demand and Time liabilities at Rs. 1,375.82 crores Rs. 29.01 crores on account of borrowings from banks) and Rs. 1,402.03 crores (Rs. 15.79 crores), compared with Rs. 1,366.64 crores (Rs. 25.89 crores) and Rs. 1,388.84 crores (Rs. 15.95 crores), respectively, in the previous week. Cash has declined by Rs. 3.28 crores to Rs. 67.03 crores, while balances with the Reserve Bank have increased by Rs. 36 lakhs to Rs. 97 crores. There is a rise of Rs. 9.24 crores to Rs. 828.82 crores in investments. Advances and bills discounted at Rs. 1,733.97 crores show a drop of Rs. 5.59 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.9 percent and 62.4 percent, against 6.1 percent and 63.1 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 4-12-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
4-12-64	5-3-65	2,00,00	Rs. 2.400%
27-11-64	2-3-65	2,00,00	Rs. 2.360%
21-11-64	23-2-65	2,00,00	Rs. 2.400%
13-11-64	16-2-65	2,00,00	Rs. 2.499%
6-11-64	9-2-65	2,00,00	Rs. 2.500%
30-10-64	2-2-65	2,00,00	Rs. 2.400%
23-10-64	26-1-65	2,00,00	Rs. 2.500%
9-10-64	12-1-65	2,00,00	Rs. 2.500%
1-10-64	4-1-65	2,00,00	Rs. 2.400%
25-9-64	28-12-64	2,00,00	Rs. 2.399%
18-9-64	21-12-64	2,00,00	Rs. 2.386%
11-9-64	14-12-64	2,00,00	Rs. 2.400%
4-9-64	7-12-64	2,00,00	Rs. 2.400%

(Monthly Maturities (000's omitted)

December, 1964	8,00,00
January, 1965	8,00,00
February, 1965	8,00,00
March, 1965	4,00,00
Total	28,00,00

CLEARING HOUSE RETURNS

Rs. (thousand)

Week	Calcutta	Bombay
27-11-64	10,97,49	1,41,55,08
20-11-64	1,04,29,50	1,36,73,14
13-11-64	1,04,30,08	1,42,08,43
6-11-64	1,00,21,03	1,00,72,88

RESERVE BANK

ISSUE DEPARTMENT (In 000's of Rupees)

	Week Ended 20-11-64	13-11-64	29-11-63
Liabilities—			
Notes in Banking Dept.	20,19,81	25,62,42	24,92,16
Notes in Circulation	24,32,94,16	24,60,72,68	22,65,05,43
Total Notes issued	24,53,13,97	24,86,35,10	22,89,97,59
Assets—			
A. Gold Coin and Bullion	1,17,76,10	1,17,76,10	1,17,76,10
Foreign Securities	85,45,69	85,45,69	92,45,69
Total of A	2,03,21,79	2,03,21,79	2,10,21,79
B Rupee Coin	21,46,13,26	1,02,00,24	1,20,44,78
Rupee Securities	1,03,78,92	21,81,13,07	19,59,31,02
Total	24,53,13,97	24,86,35,10	22,89,97,59

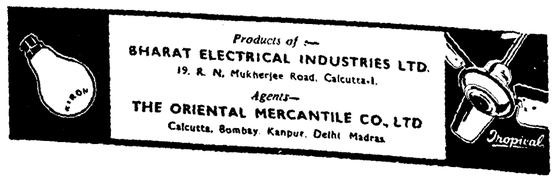
BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long Term Operations) Fund	88,00,00	88,00,00	73,00,00
National Agricultural Credit (Stabilisation) Fund	9,00,00	9,00,00	8,00,00
National Industrial Credit (Long Term Operations) Fund	10,00,00	10,00,00	—
Deposits—			
(a) 1. Central Govt.	50,83,51	51,71,69	71,13,61
2. State Govts.	6,48,67	7,11,24	11,18,98
(b) Banks :—			
(i) Scheduled Banks	1,01,59,87	95,88,76	78,91,30
(ii) State Co-operative Banks	2,94,11	3,16,63	2,10,32
(iii) Other Banks	3,70	1,32	4,91
(c) Others	1,44,49,86	1,45,45,13	1,66,40,79
Bills Payable	52,61,72	44,99,37	31,17,92
Other Liabilities	45,98,30	47,50,28	38,74,27
Total	5,94,99,74	5,85,84,42	5,65,72,10
Assets—			
Notes	20,19,81	25,62,42	24,92,16
Rupee Coin	3,46	4,98	2,71
Small Coin	8,44	9,48	3,60
National Agricultural Credit (Long Term Operations) Fund			
(a) Loans and Advances to :—			
(i) State Govts	28,17,51	28,17,51	27,02,90
(ii) State Co-operative Banks	11,81,08	11,83,45	9,47,71
(iii) Central Land Mortgage Banks	..	..	..
(b) Investment in Central Land Mortgage Bank Debentures	4,45,53	4,41,53	3,55,31
National Agricultural Credit (Stabilisation Fund Loans and Advances to State Co-operative Banks	...	...	...
Bills Purchased and Discounted :—			
(a) Internal	...	...	...
(b) External	...	...	...
(c) Govt. Treasury Bills	...	...	...
Balances Held abroad	1,78,50,14	1,58,22,28	53,70,23
Loans and Advances to Govt.	9,43,26	10,14,37	10,38,66
Loans and Advances to :—	39,55,87	37,80,74	31,81,29
(i) Scheduled Banks	1,24,20	79,05	79,65
(ii) State Co-operative Banks	1,50,41,33	1,54,49,44	1,29,33,62
(iii) Others	2,80,68	2,39,13	1,62,36
Investments	1,20,77,01	1,24,24,94	2,46,36,34
Other Assets	27,51,42	27,51,05	26,65,62
Total	5,94,99,74	5,85,84,42	5,65,72,10

SCHEDULED BANKS

(In 000's of Rupees)

	Week Ended 20-11-64	13-11-64	22-11-63
(i) **Demand Liabilities—**			
(a) Demand Deposits :			
(1) From Banks	65,37,24	67,15,45	53,35,63
(2) From others	12,06,32,17	11,96,43,52	9,71,97,58
(b) Borrowing from Banks	29,00,68	25,89,35	27,64,86
(c) Others	75,11,63	77,15,44	62,34,55
(ii) **Time Liabilities—**			
(a) Time Deposits :			
(1) From Banks	32,81,87	32,68,98	3,22,32
(2) From others	13,40,20,64	13,27,14,69	12,65,37,03
(b) Borrowing from Banks	15,76,61	15,95,37	20,50,94
(c) Others	13,21,54	13,04,55	9,88,75
(iii) **Borrowing from State Bank—**			
(a) Demand Liabilities	7,51,65	12,15,13	7,28,23
(b) Time Liabilities	36,17,45	26,42,31	18,47,00
(iv) Borrowing from Reserve Bank	1,46,30	2,27,75	45,54
(v) Cash	67,03,17	70,30,71	57,43,35
(vi) Balances with the Reserve Bank	96,99,93	96,64,11	82,87,89
(vii) Balances with other Banks in current account	22,64,80	23,17,93	22,46,79
(viii) Money at call and short notice	80,10,15	77,10,80	66,15,06
(ix) Investments in Central and State Govt Securities	8,28,81,87	8,19,58,30	7,71,74,57
(x) (a) Loans, Cash Credits and Overdrafts	14,53,41,11	14,57,23,62	12,46,07,10
(b) Due from Banks	19,17,03	19,35,38	12,00,86
(xi) Inland Bills purchased and discounted	1,85,99,39	1,85,93,97	1,79,58,72
(xii) Foreign Bills purchased and discounted	75,39,35	76,42,59	57,27,47
(xiii) Total of X, XI and XII	17,35,96,86	17,39,55,76	14,94,94,15



Products of —

BHARAT ELECTRICAL INDUSTRIES LTD.

19, R. N. Mukherjee Road, Calcutta-1.

Agents—

THE ORIENTAL MERCANTILE CO., LTD

Calcutta, Bombay, Kanpur, Delhi, Madras

Tropical

ANNOUNCEMENT REGARDING THE PROPOSED ISSUE OF CAPITAL

This is NOT a Prospectus. Persons interested in full details may obtain copies of the Prospectus from the Registered Office of the Company or from all Offices of Bankers to the Issue in towns or cities mentioned against each Bank, Managing Brokers, Brokers and Registrars named hereinafter.

SANDOZ (INDIA) LIMITED

(Incorporated under the Companies Act, 1913)

Registered Office: 3, Wittet Road, Ballard Estate, Bombay 1.

EXISTING AND PROPOSED ACTIVITIES OF THE COMPANY

Under licence from SANDOZ Limited, Basle Switzerland, of which it is an affiliate, the Company carries on manufacturing of a wide range of Pharmaceuticals, Dyestuffs, Textile Chemicals, Pesticides, etc. It also manufactures basic pharmaceutical Chemicals, like Calcium Gluconate, Ferrous Gluconate, etc., Optical Whitening Agents known as "Leucophors" and a wide range of Textile Chemicals. Arrangements exist with SANDOZ Limited, Switzerland, for the use of a number of trade marks registered under their name in India, provided the products meet quality control standards internationally set for SANDOZ products.

The Company has commenced manufacturing in 1959 and has expanded the range of the various lines of production mentioned above in general and pharmaceutical products in particular, by virtue of continuous technical assistance and information received from SANDOZ Limited, Switzerland, regarding new processes and products developed by them in their Research Laboratories.

The Company is exporting pharmaceuticals, dyestuffs and textile chemicals to a number of countries and is considering extension of these activities.

The Company is in the process of establishing a modern Dyestuffs Factory and expanding its Agrochemical and Auxiliary Plants. It also has a scheme to start basic manufacture of certain Agrochemicals in the near future. The Dyestuffs manufacturing programme includes a number of dyes for all fields of application and some well introduced specialities for the processing of wool and synthetic fibres. The Dyestuffs Plant will go into full operation in 1965.

LOCATION OF THE FACTORY

The Company's manufacturing plants are located at a distance of 25 miles from Bombay on a 77 acre site at Kolshet, Dist. Thana, Maharashtra State. The new Dyestuffs Plant has also been constructed on the same site.

BOARD OF DIRECTORS

Name & Address	Description & Occupation
1. Sir N. Raghavan Pillai (Chairman), 5, Mansingh Road, New Delhi.	I.C.S. (Retd.), Industrialist. Chairman of Guest, Keen Williams, Limited and Borax Morarji Limited. Managing Director of Martin Burn Limited. Director of other Companies.
2. Mr. C. M. A. Bathurst, 16, Raja Santosh Road, Alipore, Calcutta.	Industrialist. Chairman & Managing Director of Shaw Wallace & Co. Ltd. Chairman of The Indian Yeast Co. Ltd. The Tinplate Co of India Ltd. The Amalgamated Coalfields Ltd. The Pench Valley Coal Co. Ltd. Rewa Coalfields Ltd. Tezpore Tea Co. Ltd. Director of other Companies.
3. Dr. C. M. Jacottet, Therwilerstrasse, 34, Reinach. Basle, Switzerland.	Industrialist. Vice Chairman of the Board of Directors Managing Director and Member of the Executive Committee of the Board of Management of SANDOZ Limited, Switzerland Chairman, Vice Chairman or Director of 30 Affiliates of SANDOZ Limited, Switzerland in 29 countries.
Dr. J. N. Banerjee, "Rushilla", 17, Carmichael Road, Bombay 26.	Company Executive—Wholetime Alternate Director for Dr. C. M. Jacottet.
4. Dr. A. Locher, Auf der Hueb, 5, Binningen. Basle, Switzerland.	Industrialist. Vice Chairman of the Board of Directors, Managing Director and Member of the Executive Committee of the Board of Management of SANDOZ Limited, Switzerland Chairman, Vice Chairman or Director of 17 Affiliates of SANDOZ Limited, Switzerland in 12 countries.
Dr. H. J. Frank, Brighton No. 2, Nepean Sea Road, Bombay 6.	Company Executive—Wholetime Alternate Director for Dr. A. Locher.
5. Mr. E. Maier, Sandreuterweg, 16, Riehen Basle, Switzerland.	Industrialist. Member of the Executive Committee of the Board of Management of SANDOZ Limited, Switzerland. Director of 16 Affiliates of SANDOZ Limited, Switzerland in 13 countries.
Mr. C. Studer, Rockdale, 16, Nepean Road, Bombay 6	Company Executive—Wholetime Alternate Director for Mr. E. Maier.
6. Dr. E. Bretscher, Buchenstr 29, Oberwil, Basle, Switzerland.	Industrialist. Member of the Board of Management of SANDOZ Limited, Switzerland. Director of 9 Affiliates of SANDOZ Limited, Switzerland in 7 countries.
7. Dr. J. Renz, Kirschbluetenweg, 12, Basle, Switzerland.	Industrialist. Member of the Board of Management of SANDOZ Limited, Switzerland. Director of 10 Affiliates of SANDOZ Limited, Switzerland in 10 countries.
Dr. G. Buschauer, B/6, Sandobagh, Old Agra Road, Kolshet, Thana.	Company Executive. Wholetime Alternate Director for Dr. J. Renz.
8. Mr. D. S. Patel, 134, Queen's Road, Bombay 1.	Industrialist. Managing Director of Indian Electro Chemical Ltd. Director of other Companies.
9. Mr. T. Maneklal, Bhaktawar, N. Dabholkar Road, Bombay 6.	Industrialist. Managing Director of SLM-Maneklal Industries Ltd. Director of other Companies.
10. Mr. W. Stauffacher, Weinbergstrasse, 27, Binningen. Basle, Switzerland.	Industrialist. Member of the Board of Management of SANDOZ Limited, Switzerland. Vice Chairman or Director of 17 Affiliates of SANDOZ Ltd., Switzerland in 14 countries.

SHARE CAPITAL

		Rs.
Authorised:		
15,00,000	Equity Shares of Rs. 10/- each	1,50,00,000
5,00,000	Unclassified Shares of Rs. 10/- each ...	50,00,000
		2,00,00,000
Subscribed & Paid-up		
7,50,000	Equity Shares of Rs. 10/- each, of which 6,64,000 Shares are beneficially held by SANDOZ Ltd., Switzerland	75,00,000
Present Issue		
7,50,000	Equity Shares of Rs. 10/- each	75,00,000
Out of the Present Issue:		
(a)	1,00,000 Equity Shares of Rs. 10/- each have been agreed to be subscribed for at par by SANDOZ Ltd., Switzerland and the Company has agreed to allot such shares credited as fully paid-up in consideration for supply of know-how	10,00,000
(b)	1,36,000 Equity Shares of Rs. 10/- each have been agreed to be subscribed for at par by and will be allotted to SANDOZ Limited, Switzerland, for cash ...	13,60,000
(c)	75,000 Equity Shares of Rs. 10/- each have been agreed to be subscribed for at par and will be allotted to Shaw Wallace & Co. Ltd., for cash	7,50,000
(d)	1,39,000 Equity Shares of Rs. 10/- each have been reserved for allotment at par to other existing shareholders, the Directors, Employees, Customers and Friends of the Company for cash	13,90,000
(e)	NOW OFFERED AT PAR FOR PUBLIC SUBSCRIPTION:	
	3,00,000 Equity Shares of Rs. 10/-each in terms of this Prospectus payable as follows:	
	Rs. 5/- per share on application	
	Rs. 5/- per share on allotment	30,00,000
		75,00,000

BANKERS TO THE ISSUE

1. **The Chartered Bank**—Bombay, Calcutta, New Delhi, Madras.
2. **The Union Bank of India Limited**—Ahmedabad, Amritsar, Bangalore, Bombay, Calcutta, New Delhi, Hyderabad, Indore, Kanpur, Madras, Nagpur.
3. **The American Express Company Inc.**—Bombay, Calcutta, New Delhi.
4. **The Bank of Baroda Limited**—Ahmedabad, Bombay, Calcutta, Hyderabad, Kanpur.
5. **The Central Bank of India Limited**—Amritsar, Bombay, Calcutta, Jaipur, Nagpur, Patna.

MANAGING BROKERS

Messrs. Lewis & Jones,
Bank of Baroda Building, Apollo Street, Bombay 1.

BROKERS

BOMBAY
1. **Messrs. Lewis & Jones,** Bank of Baroda Building, Apollo Street, Bombay 1.
2. **Messrs. Batlivala & Karani,** Union Bank Building, Dalal Street, Bombay 1.
3. **Messrs. Harkisondass Lukhmidass,** Stock Exchange Building, 5th Floor, Apollo Street, Bombay 1.
4. **Messrs. A. B. Pandit & Co.,** Raja Bahadur Shivalal Motilal Mansion, 32, Apollo Street, Bombay 1.
5. **Messrs. P. R. Subramanyam & Sons,** 70-A Stock Exchange Building, Apollo Street, Bombay 1
6. **Messrs. Mahadevia Brothers,** Stock Exchange Old Building, Dalal Street, Bombay 1.

CALCUTTA
1. **Messrs. Place Siddons & Gough (Private) Ltd.,** 6, Lyons Range, Calcutta 1.
2. **Messrs. G. M. Pyne,** Allahabad Bank Buildings, 14, India Exchange Place, Calcutta 1.

MADRAS
1. **Messrs. Paterson & Co.,** Vanguard House, III Floor, 11/12, Second Line Beach Madras 1.
2. **Messrs. Chitra & Co.,** 322-323, Linghi Chetty Street, Madras 1.

DELHI
1. **Messrs. Harbans Singh Mehta & Co.,** 33, Regal Building, Parliament Street, New Delhi 1.
2. **Messrs. Raja Ram Bhasin & Co.,** A-320 Defence Colony, New Delhi.
3. **Messrs. Bharat Bhushan & Co.,** 11-45, Connaught Place, New Delhi.

AHMEDABAD
1. **Messrs. Narendra Lalbhai Sheth,** Manek Chowk, Ahmedabad.

BANGALORE
1. **Messrs P. R. Subramanyam & Sons,** "Shree Siva", 24, Fourth Street, Benson Cross Road, Bangalore 6.
2. **Messrs. M. Nanjappaiah Jahgirdar,** 181, Cavalry Road, Bangalore 1.

REGISTRARS

Industrial Investment Trust,
61, Apollo Street,
Bombay 1

APPLICATIONS

Applications for shares must be for a minimum of 25 shares or multiples thereof.

THE SUBSCRIPTION LIST WILL OPEN AT THE COMMENCEMENT OF THE BANKING HOURS ON 14TH DECEMBER, 1964 AND WILL CLOSE AT THE CLOSE OF BANKING HOURS ON 24TH DECEMBER, 1964 OR EARLIER, AT THE DISCRETION OF THE BOARD OF DIRECTORS, BUT NOT BEFORE THE CLOSE OF BANKING HOURS ON 16TH DECEMBER, 1964

DELHI CLOTH AND GENERAL MILLS CO., LTD.

CHAIRMAN, DR. BHARAT RAM'S ADDRESS

Speech by DR. BHARAT RAM, Chairman, Board of Directors, Delhi Cloth & General Mills Co., Ltd., delivered at the 76th Annual General Meeting of the shareholders of the Co. on the 24th November, 1964, at Bara Hindu Rao, Delhi-6.

Friends,

It is a great pleasure for me to welcome you all to this 76th Annual General Meeting of your Company. Since we met last year a great tragedy overtook the country. We lost our respected Prime Minister, Pandit Jawaharlal Nehru. Indeed few people in any country at any time have contributed so much to enrich the lives of their countrymen. He was not a man of the moment, but an architect who shaped the destiny of India. He conceived things in a big way, and it is his farsightedness that made India embark upon a massive programme of social and economic development. Let us pay our humble homage to this great son of India and observe silence for a minute.

We are gratified that the void created by the loss of such an eminent personality has been repaired by exemplary democratic means. We now have as our Prime Minister, Shri Lal Bahadur Shastri. With his great attachment to social values, devotion to the cause of the common man and personal integrity, I have every hope that he will lead the country to greater and greater prosperity.

Sharp Rise in Prices

At the moment, however, the problems appear to me to be getting out of hand. In a single year, prices rose by more than 15 per cent, though this rise is mainly confined to agricultural commodities. There is no doubt that the spurt in the price level was occasioned, on the one hand, by short falls in agricultural production, and on the other, by excessive spending on the part of the Government on non-productive uses. The food shortage evinces rather clearly that our agricultural policy has not been working in the right manner. There have been failures in the administration of policy at village and block levels and incomplete coordination between different departments in Government. The impact of these shortages has been exaggerated by restrictions on free movement of foodgrains imposed by State Governments. An artificial scarcity has been created in so-called deficit areas.

Thus, to a large extent the present rise in prices has been self-imposed and can be very much improved by removal of restrictions. We have been helped by timely assistance from foreign countries particularly the U.S.A. While such assistance is of great importance to overcome temporary difficulties, we cannot depend on such assistance for all time It is absolutely necessary for the country to become self-sufficient in food production and the administrative structure and policy to be reoriented towards this goal. It is no use diverting the public attention by placing blame at the door of one section of the community or the other. No system of distribution will be effective if production itself remains at a low level. There should be adequate incentives for the farmer to produce more and he should be provided with adequate facilities at the right time. Uptil now industrialists have not taken direct interest in agriculture. I feel that such interest is absolutely necessary : at least by those who run industries primarily based on agriculture. If I may say, it should be possible to impart to agriculture the techniques that make the successful running of industries. Our experience will be useful in this behalf.

The food shortage has created many problems not only in the economic sphere, but in others on which the very social order depends. Mischievous elements in society have taken advantage of the explosive sentiments and aggravated what would appear to be minor handicaps. There are disturbances everyday in some part of the country or the other. Scenes of lawlessness in which even students are participating have become common. Strikes are organised at vital points like docks which have to clear food imports.

Faster Growth Planned

All this is happening when we are programming the Fourth Plan with a comparatively faster growth. It is reported that the Fourth Plan will be designed in a manner which will help rapid growth of agricultural and industrial output. The problem, however, is not one which merely calls for greater expenditures. Unless effort is concentrated on specific factors which promote productivity directly, it is difficult to see how it would be possible to increase production and control the price level. So in the Fourth Plan outlays must be such that they will augment productivity. A balance has of course to be secured between short-term and long-term yields. It will be dangerous to dissipate resources in non-productive fields.

There is a contradiction in the present economic situation. While on the one hand there is a rapid increase in prices of commodities, there is on the other almost a continuous decline in the level of share prices. It is more natural to expect that prices of shares provide hedge against inflation. But not only have they failed in this respect, but have even declined by a substantial margin. This shows that there is certainly something wrong in the financial policy which has tended to divert larger parts of investible funds from the people to Government. This aspect is again revealed in smaller contributions to now issues. Even good companies are finding it difficult to raise rupee resources. A great many of the new issues are underwritten and a large part of the issue is held by the underwriters themselves. This situation is not conducive to rapid industrial development. Unless there is a free flow of finance from people to industry it is not possible for industry to secure the necessary balance between different types of finance consistent with considerations of risk and profitability.

The major factor which led to freezing of the flow of finance from the public was additional taxation, particularly in the Budget for 1963-64. Considering the measures adopted in the last four years the yield from additional taxation will be about Rs. 2,500 crores over the Third Plan period—Rs. 800 crores more than the Plan provision. This unprecedented draft on private income has naturally depleted the investible funds in the hands of the private sector. What is worse is that a large part of the resources mopped up by additional taxation was dissipated by Government over uses which did not increase the productive capacity of the country. In the first three years of the Third Plan alone over Rs. 600 crores have been absorbed by purposes unrelated to the Plan. To this extent the growth in national income was suppressed and the generation of investible finance was lessened. It would have been more proper for the Government to secure finance for investment by borrowing on the capital market. This would have not only promoted better use of resources but indicated the urgency of the investment in different sectors of the economy. But to replace taxation by borrowings would again require the revival of the market for Government securities. Thus, on the whole it would appear that fiscal and monetary policies have tended to mitigate the growth of private industry by creating scarcity of finance. Establishment of newer financial institutions will, if anything, deter the growth of normal channels which alone can sustain development. Industry cannot be made to depend only on financial institutions in which case these institutions will virtually assume an unhealthy dominant position. Looked at from any angle, it is imperative that savings in the hands of the individual must be encouraged.

Unaccounted Money

In this connection, I would like to refer to the much talked about 'unaccounted money'. This has been made to appear the principal villain in the present crisis. Let me be clear that I would not justify any wrong business practices, but at the same time, I would not like the business community to be wrongly blamed. Government have organised raids to unearth this unaccounted money, but often the raids have not resulted in any tangible results. They have only created an atmosphere of suspicion which does no one any good. On the contrary, the tensions which follow and the distrust which is shown lead to inaction and only hamper the growth of industrial activity. I, therefore, hope that Government will show greater understanding and ensure greater security and individual freedom. The punishment of the guilty, I feel, cannot be justified by harassment of the honest.

I must here refer to the tacit assumption of Governmental thinking that in proportion as the State interferes more and more with established institutions, it will approach nearer and nearer to perfection. Only this can explain the plethora of laws, rules, regulations and directives. I submit that this idea that the problems of the country can be solved by the exercise of political power should be abandoned. It is time that Government adopted a purposive policy which will evoke from the community at large wholehearted, instinctive, spontaneous response to programmes of development. Unless, we are able to solve the problems quickly by releasing productive forces, I venture to express the fear that the democratic way of life itself will be in jeopardy.

I feel that the greatest handicap from which we are suffering is the way in which policies are implemented—or rather not implemented. When it comes to the stage of implemention, there is so much of vacillation and delay. It appears as if our administrative machinery is loathe to move. Everyone is only too painfully aware of the gap between programmes and performance. I am of the view that this state of affairs could be remedied if only the Government would see that in all areas of activity those who do not produce results will not be tolerated, whether at the ministerial or administrative level.

I have briefly referred to some of the economic problems facing the country, and if immediate steps are not taken, the danger is that these problems may become even more difficult of solution.

Special Dividend

Coming to the Company's affairs, as you are aware, the Company has completed 75 years of its successful and progressive working. To mark this happy occasion, your Directors have recommended a special dividend of 2% on Ordinary shares. It is not necessary for me to review in detail the progress of the Company : but suffice it to say that starting from a very small beginning today we are ranked among the seven biggest companies in the country. This fine record of progress and good name of the Company has been made possible by the co-operation and dedicated efforts of generations of our team of workers and Managers who have been, and will continue to be, the Company's most valuable asset. It is also not necessary for me to recall again the part played by the late Lala Shri Ram who in fact has been the chief architect of D.C.M.

As you will observe from the Balance Sheet while the gross profits of the Company have increased from Rs. 3,39,22,290 to Rs. 3,94,00,334, the net profits have gone down. This phenomenon is not unusual or unhealthy and may continue as long as the Company continues to invest large amounts of money in new industries because of the heavy initial depreciation and development rebate on new investments.

All the units of the Company have done well in the last year except the Sugar units which like all other Sugar mills in our area have suffered due to shortage and low quality of cane. Even in the current year, the prospects do not appear to be very bright for the Sugar industry. You will be pleased to know that the P.V.C. Plant of the Company is now in full production and the Rayon Tyre Cord Plant is expected to start very shortly. Unfortunately, there is a danger of the P.V.C. Plant having to reduce its production due to a cut in the electricity by the Rajasthan Government. However, the Company is making efforts to find an alternative solution.

In the end, I would like to place on record our sincere appreciation of the wonderful work of all our workers and staff whose efforts have enabled us to achieve such good results during the year.

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

FOR
MACHINE TOOLS
AND
SPECIAL
SWEDISH
STEELS
CONTACT
FRANCIS KLEIN & CO., PRIVATE LTD.
HEAD OFFICE
1, INDIA EXCHANGE PLACE
CALCUTTA-1
SHOWROOMS
13A, GOVT. PLACE EAST
CALCUTTA-1

ANNOUNCEMENT REGARDING THE PROPOSED ISSUE OF CAPITAL

THIS IS ONLY AN ANNOUNCEMENT AND NOT A PROSPECTUS AND PERSONS INTERESTED ARE REQUESTED TO APPLY FOR A COPY OF THE PROSPECTUS FOR FULL DETAILS.

INTERNATIONAL TRACTOR COMPANY OF INDIA LIMITED

REGISTERED OFFICE: GATEWAY BUILDING, APOLLO BUNDER, BOMBAY 1.

EXISTING AND PROPOSED ACTIVITIES

The Company has been promoted jointly by Mahindra & Mahindra Limited, Voltas Limited and International Harvester Company, Chicago U.S.A. with the immediate object of manufacturing and marketing agricultural tractors, implements and allied attachments and spare parts, thereof. The Company holds Industrial Licences Nos. (i) L/10-1/N-6/59 dated 2.9.1959 and (ii) L/10(1)/4/60-A.E.I. dated 15.6.1960, for manufacture of 3,500 tractors and matching implements per annum on single shift basis.

The Company holds Import Licence for Rs. 92,70,000/- CIF. for import of machinery. Orders for machinery have been placed with suppliers abroad.

The Company has received import licences for Tractor components valued at Rs. 30,00,000/-. Production will commence early in 1965.

LOCATION

Factory buildings are nearing completion on approximately 38 acre site at Akurli Village, Kandivli, near Bombay.

BOARD OF DIRECTORS

1. **Mr. Keshub Mahindra,** (CHAIRMAN), Indian, 45, Nepean Sea Road, Bombay 6. — Industrialist. **Chairman:** Mahindra & Mahindra Ltd. Mahindra Owen Limited. Dr. Beck & Co. (India) Ltd. Turner Hoare & Co. Ltd. and others. **Director:** Kaiser Jeep International Corporation, U.S.A. Union Carbide India Ltd. Ceat Tyres of India Ltd. Reserve Bank of India, Western Area Local Board. Machinery Manufacturers Corpn. Ltd. Mysore Cements Limited. Otis Elevator Co. (India) Ltd. and others.
2. **Mr. Brooks McCormick,** American, 1520, North State Street, Chicago, Illinois, U.S.A. — **Executive Vice President:** International Harvester Co., Chicago, U.S.A. **Director:** International Harvester Co. of Canada Ltd. International Harvester Export Company, Chicago, U.S.A. First National Bank of Chicago, U.S.A. and others.
3. **Mr. Rustom Furdoonji Sorabji. Talyarkhan,** Indian. Lyndewode House, Cumballa Hill, Bombay 26. — **Managing Director:** Voltas Limited. **Director:** Roche Products Ltd. Scottish Indian Machine Tools Ltd. and others.
4. **Mr. Harish Chandra Mahindra,** Indian. 65, Nepean Sea Road. Bombay 6. — Industrialist. **Chairman:** Mahindra Ugine Steel Co. Ltd. Press Syndicate Ltd. Indian & Eastern Engineer Co. Ltd. Mapa Tools Pvt. Ltd. and others. **Executive Director:** Mahindra & Mahindra Ltd. **Director:** Electro Equipment Corporation Ltd. Turner Hoare & Co. Ltd. and others.
5. **Mr. Jack L. Camp,** American. 2440 N. Lakeview, Chicago, Illinois, U.S.A. — **Vice President:** International Harvester Co., Chicago, U.S.A. **Director:** International Harvester Export Co. International Harvester Co. of Great Britain Ltd. International Harvester Co. of Australia Pvt. Ltd. and others.
6. **Mr. Adal Bomanji Parakh,** Indian. Kashmir House, 94, Nepean Sea Road, Bombay 6. — **Jt. Managing Director (Mfg. & Dev.)** Voltas Limited. **Director:** Scottish Indian Machine Tools Ltd. Tata-Merlin & Gerin Ltd. Indian Roads & Transprot Development Association and others.
7. **Mr. Paruthiparambil Cheryan Cheryan,** Indian Kum-Kum, 50-A, Peddar Road. Bombay-26. — **Technical Director & General Manager (Engg.)** Voltas Limited. **Director:** Scottish Indian Machine Tools Ltd. Tata-Merlin & Gerin Ltd. Lakshmi Machine Works Ltd. and others.
8. **Mr. Ivan James Syer,** Australian. Hotel Ambassador, Bombay. — **Technical Representative in India of:** International Harvester Co., Chicago.
9. **Mr. Bhalchandra Ramchandra Sule,** Indian. Daisylea, Off Mount Pleasant Road, Bombay 6. — **Chairman:** Indian Liggett Co., Ltd. **Director:** Mahindra Van Wijk & Visser Pvt. Ltd and others. **Chief Engineer:** Mahindra & Mahindra Ltd.

ALTERNATE DIRECTORS:

0. **Mr. Shantaram Yeshwant Rege,** Indian. (Alternate Director to Mr. Brooks McCormick) Godawari Niwas, Gamdevi, Near Kennedy Bridge, Bombay 7. — **Director:** Sandvik Asia Limited. British Drug Houses (India) Limited. The British Steel Piling Co. (India) Pvt. Ltd. Adrema of India Ltd. and others.
11. **Mr. Michael Henry Desmond Collins,** English. (Alternate Director to Mr. Jack L. Camp) 3rd floor "BELMONT", Nepean Sea Road, Bombay 6. — **Technical Representative in India of:** International Harvester Export Company, Chicago, U.S.A.

SECRETARIES & TREASURERS

Mahindra & Mahindra Ltd., with the approval of the Central Government have been appointed Secretaries and Treasurers of the Company for a period of 10 years with effect from 21-6-1963.

SHARE CAPITAL

A. Authorised Capital:
40,00,000 equity shares of Rs. 10/- each .. .. Rs. 4,00,00,000

B. Issued Capital:
15,00,000 equity shares of Rs. 10/- each .. .. Rs. 1,50,00,000

C. Subscribed and paid up Capital:

		Subscribed Rs.	Paid up Rs.
(1)	10 equity shares of Rs. 10/- each fully paid in cash, subscribed for at par by the signatories to the memorandum	100	100
(2)	2,55,000 equity shares of Rs. 10/- each fully paid in cash, subscribed for at par by International Harvester Company, Chicago, U.S.A.	25,50,000	25,50,000
(3)	2,55,000 equity shares of Rs. 10/- each, fully paid in cash, subscribed for at par by Mahindra & Mahindra Limited	25,50,000	25,50,000
(4)	2,55,000 equity shares of Rs. 10/- each, fully paid in cash, subscribed for at par by Voltas Limited, their Directors and friends	25,50,000	25,50,000
		76,50,100	76,50,100

D. Shares to be Subscribed Privately:
1,24,940 equity shares of Rs. 10/- each have been agreed to be subscribed for cash at par by Mahindra & Mahindra Ltd., their associates, Directors and friends 12,49,400

E. Now offered for public subscription at par for cash:
6,10,050 equity shares of Rs. 10/- each 61,00,500

DATES OF OPENING & CLOSING OF SUB. LIST

The subscription list will open at the commencement of banking hours on 7-12-1964 and will close at the close of banking hours on 17-12-1964 or earlier at the discretion of the Directors but not earlier than the close of the banking hours on 9-12-1964.

Application forms along with copies of the Prospectus can be had from the Registered Office of the Company or from the Underwriters, Bankers & Brokers whose names and addresses are given below :—

UNDERWRITERS

The entire present issue to the public has been underwritten by :
1. Life Insurance Corporation of India, Bombay.
2. The Industrial Credit & Investment Corporation of India Ltd., Bombay.
3. The Industrial Development Bank of India, Bombay.
4. The Union Bank of India Limited, Bombay.
5. The New India Assurance Co. Ltd., Bombay.
6. The South British Insurance Co. Ltd., Bombay.
7. The South India Insurance Co. Ltd., Bombay.

BANKERS

STATE BANK OF INDIA at their main offices at : Allahabad, Ambala, Bombay, Chandigarh, Cuttack, Jamshedpur, Jullunder, Lucknow, Ludhiana, Meerut and Patna.
FIRST NATIONAL CITY BANK at their main offices at : Bombay, Calcutta, Delhi and Madras.
UNION BANK OF INDIA LIMITED at their main offices at : Ahmedabad, Bangalore, Baroda, Bhavnagar, Bhopal, Bombay, Calcutta, Cochin, Coimbatore, Delhi, New Delhi, Hyderabad (Dn.), Indore, Jamnagar Kanpur, Madras Madurai, Nagpur, Poona, Rajkot, Surat and Vijayawada.
NATIONAL AND GRINDLAYS BANK LIMITED (Lloyds Branch) at their main offices at : Amritsar, Bangalore, Bombay, Calcutta, Cochin, Darjeeling, Delhi, Gauhati (Assam), Hyderabad (Dn.), Kanpur, Madras, New Delhi, Simla, Srinagar and Tuticorin.

BROKERS

BOMBAY :
1. LEWIS & JONES, Bank of Baroda Building, Apollo Street, Fort, Bombay 1.
2. HARKISONDAS LUKHMIDASS, Stock Exchange Building, Apollo Street, Bombay 1.
3. P. R. SUBRAMANYAM & SONS, 70-A, Stock Exchange Building, Apollo Street, Fort, Bombay 1.
4. A. B. PANDIT & CO., 22, Dalal Street, Fort, Bombay 1.
5. NAVALCHAND T. SHAH & CO., 15, Union Bank Building, Dalal Street, Bombay 1.
6. K. J. SHAH & SONS, Old Stock Exchange Building, Dalal Street, Fort, Bombay 1.

CALCUTTA :
1. PLACE, SIDDONS & GOUGH (PRIVATE) LTD., 6, Lyons Range, Calcutta 1.
2. G. M. PYNE, 14, India Exchange Place, Calcutta 1.

MADRAS :
1. PATERSON & CO., Vanguard House, (III Floor), 11/12, Second Line Beach, Madras 1.
2. CHITRA & CO., 322-323, Linghi Chetty Street, Madras 1.

NEW DELHI :
1. HARBANS SINGH MEHTA & CO., 32, Regal Building Parliament Street, New Delhi 1.
2. BHARAT BHUSAN & CO., H-45, Connaught Place, New Delhi.
3. RAJA RAM BHASIN & CO., A-320, Defence Colony, New Delhi.

BANGALORE :
1. P. R. SUBRAMANYAM & SONS, "Shree Siva". 24, Fourth Street, Benson Cross Road, Bangalore 6.
2. NANJAPPAIAH JAHGIRDAR, 181, Cavalry Road, Bangalore 1.

AHMEDABAD :
1. NARENDRABHAI LALBHAI SHETH, Manek Chowk, Ahmedabad.

LIFE INSURANCE CORPORATION OF INDIA

THE CHAIRMAN, MR. B. K. KAUL'S REVIEW OF OPERATIONS

Statement by Mr. B. K. Kaul, I.C.S., Chairman, at the Hundred and Second Meeting of the Life Insurance Corporation of India held in Bombay on 30th November, 1964.

The draft of the Annual Report and the Statement of Accounts for the period 1st April, 1963 to 31st March, 1964 have been circulated and are now before us for consideration.

The country suffered an irreparable loss in the sad and sudden demise of Jawaharlal Nehru. At its meeting held on 29th June, 1964, the Corporation passed a resolution placing on record its deep sense of sorrow at the passing away of our beloved Prime Minister. The Corporation was proud to recall the privilege of having him on 26th December, 1963 in Bombay to declare open its new headquarters, 'Yogakshema', and his inspiring words on that occasion which would guide the Corporation in carrying on such activities from 'Yogakshema' as would contribute its humble share in the various tasks of national reconstruction so dear to him.

New Business

During the year under review, our new business amounted to Rs. 703 crores under 16.46 lakhs policies as against Rs. 746 crores under 17.68 lakhs policies in the previous accounting period. As that period comprised of 15 months while the period under review covered 12 months only, a direct comparison of the figures is not possible. However, the new business performance during the year under review may be evaluated by comparison of business completed in the period 1st April 1962 to 31st March, 1963. During this period the Corporation completed a business of Rs. 708 crores. There has thus been a slight reduction in new business.

The rise in the cost of living during the year under review as also the introduction of the Compulsory Deposit Scheme, which affected the tax-payers, had their inevitable repercussions on our business. In addition to this, natural calamities like famine conditions in some parts of the country and excess rainfall in others also had their adverse effect on our business. The shortfall in business is only marginal and, in the context of the prevailing conditions, the achievements should be considered as fairly satisfactory.

First Insurances

As many as 11.54 lakhs policies, forming 70.5% of the total policies issued during the year, were taken by persons who were insuring for the first time. The corresponding figure for the previous accounting period of 15 months was 12.22 lakhs policies, being 69.5% of the total policies issued. This confirms the trend of growing insurance consciousness and gives satisfaction that the message of insurance is being taken to more people who have hitherto not availed of life insurance protection for their families.

Rural Business

5.85 lakhs policies assuring Rs. 209.40 crores were issued to people in rural areas. The corresponding figures for the accounting period of 15 months ending 31st March, 1963 being 6.77 lakhs policies assuring Rs. 233.45 crores. The classification of urban and rural areas is the same as adopted in the 1961 Census.

The scheme for collection of premiums through selected Post Offices in rural areas, where banking facilities do not exist, which was operating in Jaipur District of Rajasthan, has since been extended to the whole State of Rajasthan. The Postal authorities have also agreed to extend the scheme to the States of Andhra Pradesh, Kerala, Madras and Mysore, and the details are being settled.

Offices

As on 31st March, 1964, we had offices in 251 out of the 316 districts and in 5 out of 10 Union Territories in India. We also had Development Centres in 32 of the remaining districts and in one of the Union Territories. The programme for 1964-65 is to open 2 Branch Offices, 3 Sub-Offices and 17 Development Centres.

Non-Medical Business

During the year 7.21 lakhs policies assuring Rs. 164.87 crores were issued under the Non-Medical Schemes : 2.38 lakhs policies assuring Rs. 36.36 crores being under the Non-Medical General Scheme and 4.83 lakhs policies assuring Rs. 128.51 crores under the Non-Medical Special Scheme. It may be mentioned that under the Non-Medical Special Scheme, proposals are entertained for amounts up to Rs. 10,000 from special categories of persons in civil employment and also category A-1 of commissioned officers in the Armed forces.

Salary Savings Scheme

Under the Salary Savings Scheme, we issued during the year under review 2.71 lakhs policies assuring Rs. 81.47 crores as against 1.93 lakhs policies assuring Rs. 61.03 crores during the previous accounting period of 15 months. I am glad that the scheme is proving popular with the employees and employers in general. More and more employees are coming forward to make the premium deduction a first charge on their salaries, thus ensuring insurance protection for their families with least inconvenience to themselves.

I am happy that in addition to the existing scheme for employees of Kerala State Government, satisfactory arrangements were made with the Governments of Rajasthan and Punjab for introducing the Salary Savings Scheme amongst their employees. In July, 1964, similar arrangements have been made with the Government of Orissa.

Group Insurance and Group Superannuation Schemes

New Business amounting to Rs. 12.30 crores was written during the year under the Group Insurance schemes and under the Group Superannuation Schemes Life Annuities of Rs. 2.86 lakhs per annum were granted. The comparative figures for the previous 15 month-period were Rs. 10.49 crores and Rs. 5.05 lakhs respectively.

Business in Goa

The policies issued by the erstwhile Portuguese Companies to Indian citizens resident in Goa, Daman and Diu vested in the Corporation as from 8th June, 1962, which has been fixed as the Appointed Day while applying the Life Insurance Corporation Act to these territories vide notification issued on 29th February, 1964 by the Government of Goa, Daman and Diu. How to meet the deficit in respect of this business is being discussed with the Central Government.

Foreign Business

During the year the Corporation issued 8,532 policies assuring Rs. 10.21 crores in the foreign countries where it is operating, as against 9,498 policies assuring Rs. 11.24 crores during the previous accounting period of 15 months. For the sake of comparison, it may be mentioned that during the period 1st April, 1962 to 31st March, 1963 the Corporation issued 8,885 policies assuring Rs. 10.58 crores. The slight set-back in the business is due to a shortfall in business in Mauritius and East Africa. At other places there was satisfactory progress.

Business in Force

The total business in force as at 31st March, 1964 was Rs. 3,571 crores under 103.28 lakhs policies as against Rs. 3,165 crores under 95 lakhs policies as at 31st March, 1963, thus recording 12.8 per cent increase during the year under review. I may mention that the business in force as at 31st March 1964 is almost three times the business in force of all the Insurers taken together as at 31st December, 1955.

Lapse Ratio

The ratio of lapses to mean business in force was 8.2% during the year as against 8.1% during the period 1st January, 1962 to 31st March, 1963. The impact of the general economic conditions and of the Compulsory Deposit Scheme on the saving capacity of the insuring public would be expected to have an adverse effect on the lapse ratio. From the very slight increase in the lapse ratio, it appears that the various steps which the Corporation took to control lapses are bearing fruit and the rising trend has been arrested.

Valuation

During the year the Fourth Valuation of the Corporation's business as at 31st March, 1963 was completed. Usually the Corporation's business is valued biennially but consequent upon the change in the accounting year of the Corporation, it was decided that the Fourth Valuation should cover the 15 month period ending 31st March, 1963. As a result of this Valuation, Rs. 25.03 crores were allocated to the participating policies. The rates of reversionary bonus allowed to the policies issued by the Corporation were increased from Rs. 16 per thousand sum assured per annum to Rs. 17.50 per thousand sum assured per annum in the case of Whole Life Policies and from Rs 12.80 per thousand sum assured per annum to Rs. 14 per thousand sum assured per annum in the case of Endowment Policies. In the case of policies issued by the erstwhile insurers corresponding increased bonuses were allowed in accordance with the scheme of differential bonuses.

Underwriting of Female Lives

As a result of the review of the conditions for grant of assurances to female lives, a new categorisation for grant of such assurances has been adopted and Joint Life Assurances on the lives of husband and wife have been re-introduced, subject to the condition that both should be earning and the amount of insurance should be commensurate with their separate incomes.

Premium and Other Income

The premium income for the year under review amounted to Rs. 146.32 crores against Rs. 150.38 crores in the previous accounting period of 15 months.

The total income for the year under review was Rs. 179 crores as against Rs. 185 crores during the previous accounting period of 15 months.

Life Fund, Investments and Total Assets

The Corporation's Life Fund as at 31st March, 1964 was Rs. 808.36 crores, registering a handsome rise of Rs. 88.80 crores over the adjusted Life Fund at the beginning of the year.

Of the total investments in India of Rs. 707.60 crores, the Public Sector accounted for 75.5%, Co-operative Sector 4.3%, the Joint Sector 1.0% and the Private Sector 19.2%. During the year, 70 new issues were agreed to be underwritten to the extent of an aggregate sum of Rs. 13 crores.

The total assets of the Corporation as at 31st March, 1964 amounted to Rs. 880.57 crores as against Rs. 785.94 crores as at 31st March, 1963. The net increase in the assets of the Corporation, since its inception, amounted to Rs. 466 crores.

Rate of Interest

The income from interest, dividends and rents before dduction of income-tax was Rs. 38.25 crores as against Rs. 39.38 crores during the 15 months ended 31st March, 1963. The gross rate of interest realised on the mean Life Fund was 5.11% per annum as against 4.76% per annum during the previous accounting period.

The net rate realised was 4.07% per annum against 4.08% per annum during the previous accounting period. The net rate of interest has not increased commensurately with the increase in the gross rate due to the fact that a refund of tax of about Rs. 4.04 crores in respect of the previous accounting period had not been received in the year as the income-tax assessment of the Corporation had not yet been finalised. If this refund of tax of Rs. 4.04 crores had been received in the year, then the net rate of interest would have been 4.61%.

Expense Ratio

The overall expense ratio for the year has come down to 27.5% from 29.3% in the previous accounting period of 15 months. The Renewal Expense Ratio has also come down from 14.13% to 12.46%. This is gratifying because the reduction has been achieved in spite of the increase in salaries and allowances of employees in Classes II, III & IV.

Claims

During the year the claims inclusive of bonus additions amounted to Rs. 33.86 crores under matured policies and Rs 10.80 crores under policies becoming claims by death. The total claims for the year amounted to Rs. 44.66 crores as compared with Rs. 43.96 crores in the previous accounting period of 15 months. The outstanding claims as at 31st March, 1964 amounted to Rs. 14.91 crores as against Rs. 13.55 crores as at 31st March, 1963.

The percentage of outstanding claims as at the end of the accounting period to claims arising during the period has been gradually coming down. It was 49.9% for the year 1959, 40.8% for the year 1961 and 33.4% for the year under review. We are constantly endeavouring to reduce delays in settlement of claims. During the year a "Service to Claimants Campaign" was initiated and our Branch Managers and Assistant Branch Managers called on a large number of claimants personally to render them assistance for early settlement of claims. This form of service to the claimants will be rendered as a part of the normal settlement procedure hereafter. I hope that our efforts will bear fruit and with the co-operation of the public we shall be able to speed up claim settlement.

Building Activities

During the year, apart from the Divisional Office at Varanasi and buildings at other places, our Central Office building "Yogakshema" was completed and was opened at the hands of the late Prime Minister, Jawaharlal Nehru.

Mortgages

As I mentioned in the last Report, the "Own Your Home" Scheme came into operation from the 1st of January, 1964 at 26 centres. It has since been extended to further 49 centres and it is proposed to extend it to two more centres from the 1st January, 1965. The earlier scheme for grant of loans

on immovable properties which was in operation in 26 centres was extended to 10 more centres.

In addition to the schemes mentioned above, we are advancing loans to State Governments for financing the Middle Income Group Housing Schemes, the Rental Housing Schemes, the Village Housing Project Scheme, the Low Income Group Housing Scheme, the Plantation Labour Housing Scheme and Land Acquisition & Development Scheme. Loans are also granted to Co-operative Societies formed by employees of the Corporation and a scheme has been introduced for grant of loan to individual employees of the Corporation for purchase or construction of houses. The total assistance given by the Corporation to housing development under these various schemes up to 31st March, 1964 amounted to Rs. 62.78 crores.

Publicity

The Corporation continues to do vigorous publicity work both in the urban and rural areas, using a wide variety of media. Emphasis is being placed on outdoor publicity and use of audio-visual media in the shape of films, slides, and slide-ons exhibited in 2,500 theatres throughout the country and through the Corporation's publicity vans and projection units in the outlying rural areas. I am proud to mention that the total publicity effort has won for the Corporation the I.S.A.-Khatau Gold Medal awarded by the Indian Society of Advertisers. The presentation is being made today at the hands of Smt. Indira Gandhi, Union Minister for Information and Broadcasting. I am also happy to mention that the Corporation's House Magazine, 'Yogakshema' was awarded the first prize in the category of English periodicals (other than Annuals) at the Ninth State Awards instituted by the Ministry of Information and Broadcasting.

General Insurance

Implementing the decision taken during the year under review, with the approval of the Central Government, the Corporation has started transacting all kinds of General Insurance business from 1st April, 1964. We can now look forward to giving complete and comprehensive insurance service to the public to suit their varying needs. I may mention that although the Corporation is not a member of the Tariff Committee of the Insurance Association of India, we have adopted the tariff rates for the present. It is, however, open to us to revise the rates in due course in the light of our own experience.

Electronic Data Processing

The Corporation has decided to install two Computer Systems, one at Bombay and the other at Calcutta. These machines will ultimately replace the existing Adrema and Punch Card machines and are expected to do the job more efficiently yielding more information to the management to bring about an improvement in the servicing to policyholders and agents. I may reiterate that this decision will not lead to any retrenchment in the existing staff.

Organisational Set-up

A re-organisation scheme was prepared during the year and it was to be implemented in stages. Since representations were received from members of the public, from institutions and other bodies, further steps in the implementation of the scheme have been deferred. In the meantime, a review of the scheme, in the light of the points raised in the representations is being made.

I have always received sincere co-operation and valuable advice from my colleagues on the Board and on the Investment Committee. I offer my grateful thanks to them. I take this opportunity to record my appreciation of the services rendered by the officers and staff at all levels. It is their services which have solely contributed to the fine results achieved by the Corporation. Finally, I thank all the agents who have done such excellent work in spreading the message of insurance to the people.

(The above does not purport to be a report of the proceedings of the Annual General Meeting).

INDIAN OIL CORPORATION LIMITED

ANOTHER YEAR OF PROGRESS AND ACHIEVEMENTS

The following is the speech of Mr. P. A. Gopalkrishnan, I.C.S., Chairman, Indian Oil Corporation Limited, delivered at the Annual General Meeting on 24th November, 1964, held in Bombay.

Gentlemen,

The Balance Sheet and Profit and Loss Statement of the Indian Oil Company are in front of you for your ratification. These documents throw a flood of light on the transactions of the Company but I shall confine myself in this statement only to certain salient features.

Sales

1. The sale of oil products has gone up to 1.17 million kilolitres as against 6,29,639 kilolitres in 1962-63. The sale of Petroleum Coke was 11,498 metric



Mr. P. A. Gopalkrishnan, I.C.S.

tons in 1962-63 but it is 26,488 in 1963-64.

Operational Cost

2. The operational cost per kilolitre has come down to Rs. 29.21 as against Rs. 30.16 in 1962-63 and Rs. 31.68 in 1961-62.

Profits

3. The profit before taxation is Rs. 104.77 lakhs as against Rs. 62.41 lakhs in the previous year. The return on equity capital is 21.1% as against slightly less than 20% in the previous year.

Unavoidable Expenditure

4. The profit would have been very much higher but for two important items of expenditure which the Company had to bear. One is the under recovery of railway freight of Rs. 55.77 lakhs on account of the location of the Gauhati Refinery. Government have fixed ceiling selling prices for all oil products on the basis of import parity and companies are allowed to charge only up to these ceiling prices plus freight to the consuming point from the relevant port.

Since many of the consuming points are situated farther away from Gauhati than from the port, the Indian Oil Company had to bear the excess railway freight which it could not recover from the consumers. Burmah oil Company's share of this unrecovered freight has been taken as Rs. 19 lakhs in our accounts as approximately this amount is due to us from them.

The second item of expenditure is the under recovery of Central Sales Tax amounting to Rs. 26.92 lakhs. This is collected at the rate of 2% on sales outside Assam but accrues to the State Government, as it has not exempted inter-company transactions on oil products from sales tax as some other State Governments have done. The State Governments who have exempted such inter-company transactions from sales tax are Maharashtra and Andhra Pradesh Kerala has also agreed to grant this exemption.

A word of explanation is necessary in respect of both the items. They refer to all the Gauhati products sold by the Indian Oil Company either to consumers or to other oil companies. The latter have refused to pay their share of the under-recovery of freight as well as of central sales tax, on the ground that these are not recoverable from the consumer and they are allowed to sell products only at the ceiling selling prices fixed by the Government on the basis of import parity. References have been made to Government on these two matters for the last two years but to no effect. The Company had therefore no alternative but show these amounts as reductions from the profit made.

In spite of the two serious handicaps mentioned above, the Indian Oil Company has made a handsome profit in 1963-64 and the net profit (after taxation) gives a return on equity capital of 16.8%.

Increased Tankage

The increase in sales has been made possible because the Company increased its tankages at installations and depots and built many new depots during 1963-64. The facilities of the Company have grown enormously and it can tackle a sale of more than two million kilolitres at the present time.

Merger

By an order of the Government, the Indian Refineries merged with the Indian Oil Company on 1st September, 1964 and now the combined organisation is known as the Indian Oil Corporation Limited.

The Indian Refineries include the refinery at Gauhati and the one which has now gone on stream in Barauni. The third refinery at Koyali in Gujarat which is under construction by the Oil & Natural Gas Commission will also merge with the Indian Oil Corporation shortly.

The Corporation has at present two divisions, the Refineries Division and the Marketing Division. It will have two more divisions in future, the Pipelines Division and the Petro Chemical Division.

As I have already mentioned more than once in the statements that I have made before, this Corporation is likely to become the biggest oil organisation in the country in six or seven years.

Finally I thank all the Directors of the Board for their co-operation and advice and thank all those officers and staff who have worked hard to make the year successful.

(The above does not purport to be a report of the proceedings of the Annual General Meeting).

THE BRITISH INDIA CORPORATION LTD., KANPUR

BRANCHES DIVISION:

Cawnpore Woollen Mills Branch — Cooper Allen Branch
New Egerton Woollen Mills Branch — North West Tannery Branch

London Office

BEGG SUTHERLAND DIVISION:

Secretaries & Treasurers

The Elgin Mills Co. Limited — Cawnpore Sugar Works Ltd.
Cawnpore Textiles Ltd. — Champaran Sugar Co., Ltd.
Brushware Limited — Saran Engineering Co., Ltd.

Secretaries for Beta Picker & Co., Ltd.

Agents for The Oriental Fire & General Insurance Co., Ltd.

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RUBBER SEPARATORS
GENUINE HARD-RUBBER
CONTAINERS
PURE OXIDE PLATES
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PHONE: 46-2384 & 44-2136. GRAM "BIBMFCO"

Ex Delhi

EXPERT BODY PREDICTS BIG DEFICIT IN OIL SUPPLY

(FROM OUR NEW DELHI CORRESPONDENT)

THE Central Minister of Petroleum and Chemicals, Professor Humayun Kabir, has placed the 1968-69 oil refining target at about 22.5 million tonnes, including 8 million tonnes for the private sector. He has added that the expansion of the refinery capacity in the private sector is not likely to be considered before 1968, when the Government will examine whether there is need for further expansion of the refining capacity by 1.5 million or 2 million tonnes.

Meanwhile, the Energy Survey Commission, whose final report is expected shortly, has examined the country's requirements of oil products. The report says: "There is a strong trend towards greater dependence on oil as a source of energy. It will be desirable to explore all possible ways in which India's oil supplies can be increased. Much is already being done to explore the possibilities of further indigenous supplies. But unless discoveries are made on a scale wholly different from any hitherto, a very large proportion of Indian oil supplies will have to be imported. It is of great importance to explore all possible ways, by trade agreements and otherwise, of increasing and making more certain India's power to purchase these necessary supplies.

Production Potential

"We hesitate to be dogmatic about anything so uncertain as India's ultimate oil potential. We think that it may be reasonable to hope that the annual output may reach perhaps 6 million to 10 million tonnes by 1975-76. There are those who hope that the figure may even reach 15 million tonnes by 1980-81. But we would not regard it as safe to assume for the time being for purposes of our calculation any figure larger than 10 million tonnes unless some startling new discovery is made of oil resources on a wholly different scale from those now known.

"If that is, in fact, a reasonably optimistic estimate of indigenous supplies, it means that India would need, on the basis of our estimates, to be importing some 17 million tonnes of crude and products in 1970-71, about 28 million tonnes in 1975-76 and perhaps 50 million tonnes in 1980-81. These are very formidable amounts. They mean, in the first place, that India will depend for something approaching 30 percent of her commercial energy supplies on the goodwill and political stability of her oil suppliers: this is, of course, true of most European countries today. They mean, secondly, that India must find each year around 1975-76 some Rs. 200 crores to meet these imports alone. On the basis of estimates that have been made of Indian exports at that time, such oil imports might absorb one-third of the total import capacity.

"We are informed that the proved and inferred natural gas reserves, as estimated on the basis of present explorations, are 31,500 million cubic metres or only about 50 million tonnes of coal equivalent determined on a calorific equivalent basis. We have not attempted to estimate how, if important fields were discovered, they might fit in detail into the Indian energy economy. It is immensely to be hoped that such discoveries may be made and there are reasonable hopes that that will happen, particularly in Rajasthan.

"There are possibilities also that if political relations become easier, India might draw on the ample supplies of natural gas just across the border. There are further possibilities that ways may be found of making gas from the oilfields of the Middle-East countries available to the Indian markets. But we have regarded all these possibilities for the moment at least as too uncertain for immediate planning calculations. If circumstances change, it might considerably modify the prospective energy economy of the western and central regions of India.

"At the present relative costs of coal and oil, the use of oil is more economic in the highly industrialised regions of western and southern India. There is a likelihood that demand may increase in those and other regions, even beyond India's capacity to finance imports, and it may at some stage prove necessary to take measures which will make the use of indigenous fuels more attractive.

"The principal increases of demand for energy in the form of oil seem likely to arise in transport (where both the growth of road transport and the proposed dieselisation policy of the railways will substantially increase the demand) and in the domestic sector (if the shortage of firewood that we foresee leads to increased dependence on kerosene). The longer-term repercussions of a dieselisation policy on the balance of payments will need to be considered in advance.

Pattern of Consumption

"The pattern of Indian consumption of oil products does not accord easily with the potential outturn of Indian refineries from the most easily available crude oils. In the past, India has been short of kerosene. In future India seems likely to be short of middle distillates generally as a result of the prospective growth of demand for diesel oils. On the other hand, India is likely, on the present and prospective pattern of demand in the absence of policy changes, to have surplus supplies of gasoline and naphtha at one end and possibly of fuel oil at the other, even when the outturn of refineries has been adjusted so far as possible to meet the changing pattern of demand.

"It may not be easy to export the surplus gasoline at reasonable prices to neighbouring markets or to acquire considerable additional supplies of middle distillates. Thus, more consideration needs to be given to the wisdom of present taxation policies, which tend to discourage the consumption of gasoline and encourage the consumption of diesel oils.

"The net effect of the continuation of the present taxation structure is likely to be an increase rather than a decrease of the total required net cost of imports of oil and oil products, even when allowance is made for the lower consumption per kilometer of road transport using diesel oils. It is probably in the national interest to encourage gasoline consumption in all forms of transport that can reasonably use it to take advantage of the cheaper initial cost of internal combustion engines designed to use gasoline.

"There is also likely, in the absence of changes of policy, to be a surplus of naphtha. This can probably be absorbed without great difficulty by suitable planning of fertiliser production and possibly by use to economise coke in the iron and steel industry.

"If there is not to be a surplus of fuel oil, it is desirable to encourage its consumption in those areas adjacent to refineries and distant from coalfields where it is likely to be an economic source of energy in industry or the generation of thermal electricity."

STEEL

Fifth Plant in Public Sector

The members of the Anglo-American consortium, Messrs Vance Brand and Gordon Cox of Koppers and Mr. W. S. Hindson of Wellman-Smith arrived here on Sunday to resume their discussions with the Central Ministry of Steel on financial and technical collaboration for building the fifth steel plant in the public sector. The consortium has already submitted to the Government the heads of agreement which will form the basis of negotiations. The consortium will have to recommend a suitable site or sites for the location of the steel plant. Its recommendation is likely to be confined to those sites on which preliminary reports have already been made. The agreement will assure the consortium that it can mobilise the required financial resources, on the understanding that subject to the final agreement, it will be entrusted with the commissioning of the project.

BOILERS

Permit Issued to A.V.B.

A.V.B. of Durgapur has been permitted to manufacture boilers to suit 120-megawatt thermal turbines, which are concurrently being manufactured by the Heavy Electricals in Bhopal. The Company is bidding for ten such boilers. The capacity sanctioned for A.V.B. will be in addition to that of a similar unit in the public sector, which is being set up with Czech collaboration in Tiruchi.

Wagner-Buro of Austria has applied for a license to manufacture industrial boilers in India. Its application is being considered by the Government. The firm will have a suitable Indian collaborator.

CZECHOSLOVAKIA

Report on Machine Tool Units

Following an agreement with Czechoslovakia to set up two machine tool units in India with financial and technical collaboration from that country, a preliminary report has been received by the Government, indicating the feasibility of locating the units in four different places. The Government, it is expected, will select two sites. A Czech team is expected here shortly to discuss the range of machine tools to be manufactured in each unit, with a phased programme of production.

PETROLEUM ADDITIVES

New Unit Planned

Orbis Ltd of the U.K. is planning to set up a unit in India with a suitable Indian collaborator to manufacture petroleum additives. This may create some competition for similar units, the discussion on which is being carried on with U.S. firms.

BALL BEARINGS

Project Report from Russia

A Russian team of experts is discussing with the Government of India an agreement for a project report for a ball bearing plant. The latter is to be set up in the public sector with Russian credit.

POLAND

Talks on Coal Washeries

A Polish team was here last week, discussing with the Government the proposal to set up a separate unit for the planning, drawing and designing of coal washeries. The unit will be financed with Polish credit. Poland is already assisting India in coal mining operations. The proposed unit will work in close co-operation with the National Coal Development Corporation and the Fuel Research Institute. The manufacture of coal washeries will be shared by the Heavy Engineering Corporation in Ranchi and the coal mining machinery plant in Durgapur, both of which are being set up with the Russian financial and technical collaboration. The Polish team, meanwhile, has gone to visit Ranchi and Durgapur.

FOODGRAINS

Policy Clarified

The Central Minister of Food, Mr. C. Subramaniam, made the following statement in Parliament last week: "A conference of the Chief Ministers was held in New Delhi on 17th and 18th November, 1964. The present food supply position in the country was reviewed and the policy to be followed during the coming months was discussed. After detailed discussions, the following decisions were taken:

"(i) the present zonal restrictions on the movement of wheat may be allowed to continue and the position reviewed in March 1965 when the prospects of the next wheat crop would be known.

"(ii) Each State may be constituted into a separate rice zone except that the northern zone comprising the State of Punjab and the Union Territories of Delhi and Himachal Pradesh may continue as at present.

"(iii) Rice will be purchased on Government account in the surplus States for supplying to the deficit States on a Government-to-Government basis. The States concerned have agreed to the following quantities being procured during the period from 1st November, 1964 to 31st October, 1965, for supply to the deficit States:

	(In 00,000 tonnes)
"Andhra Pradesh ...	... 8
"Madras ...	... 2
"Madhya Pradesh	... 4
"Punjab ...	... 2.5
"Orissa ...	... 3

"Over and above these quantities, such additional quantities will be procured as are necessary to meet

ROAD TRANSPORT
DESERVES
A BETTER DEAL



Addressing recently a meeting of the Indian Road & Transport Development Association, the Deputy Chairman of the Planning Commission emphasized that our transport facilities should be developed in step with, in fact a step ahead of, other economic developments which depend on them. It is time that all concerted efforts are made to achieve this goal.

The country's road network must be developed rapidly. Equally important is a rapid expansion in the production of commercial vehicles.

The automobile industry is stepping up its production capacity. However, the extent of the increase in the future demand for commercial vehicles will depend mainly on two factors : whether the cost to the transport operator can be decreased through a reduction in the taxation ; and whether the licensing policies on inter-state road transport are rationalized.

For instance, the "on-the-road" price in Calcutta of a Bedford 167" diesel truck chassis in the 5-ton range comes to Rs. 35,280. Out of this amount, direct and indirect taxes absorb Rs. 15,940 or over 45% of the total cost. This calculation applies to the bare chassis, excluding the cost of cab and body and items like maintenance costs and hire-purchase charges. Curbs on inter-state road transport further hamper the growth of the industry.

The automobile industry urgently needs speedy relief from excessive taxation and vexatious restrictions to help the expansion of road transport and thereby accelerate the tempo of our economic growth.

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the internal requirements of the States.

"(iv) The main objective of the procurement and import policy is to enable a sizable buffer stock of rice and wheat to be built up. This implies restraint on issues from Government stocks during the post-harvest period.

"(v) Statutory rationing will be introduced in Calcutta on a date to be fixed by the State Government. As for other cities with a population of 1 million and over, State Governments have been given the option to introduce such regulatory measures as they may consider necessary and the Central Government would make available such supplies as are necessary for meeting the commitments in these cities. The informal rationing introduced in Kerala will continue.

"(vi) State Governments may be permitted to prohibit the export of coarse grains from their respective States except that surplus States which have traditionally been exporting coarse grains to other States should continue to allow such export on a regulated basis.

"(vii) All restrictions on the movement of pulses may be removed immediately except that the existing restrictions on the export of gram may continue till the arrival of the next crop and the States concerned shall allow export of 50 percent of the stock of gram held by traders.

"(viii) All restrictions imposed by State Governments on the movement of oil and oilseeds may be removed immediately except that the existing restrictions on the movement of mustard seed from U.P. may be allowed to continue till the arrival of the next crop.

"The quantity of foodgrains imported in 1962, 1963 and 1964 is much higher than the quantity imported in 1945, 1946 and 1947.

Increase in Imports

"The main reasons for increase in imports are : (1) The increase in demand for foodgrains due to the rise in population, increase in money supply as a result of large-scale developmental and defence expenditure, rise in general standard of living, growth of urbanisation and influx of refugees ; (2) non-fulfilment of the anticipated targets of foodgrain production in 1962-63 and 1963-64, mainly because of adverse weather conditions.

"Foreign exchange spent on foodgrains during the financial years 1961-62 to 1963-64 is as follows :

"1961-62	28.4
"1962-63	30.1
"1963-64	22.0

"The following quantities of rice have been imported from 1st January, 1964 to 15th November, 1964 :

Country	Quantity
U.S.A.	284.0
Burma	150.6
U.A.R.	28.8
Pakistan	63.7
Thailand	9.5
Cambodia	9.6
Total	546.2

"The Government has decided to set up six new modern rice mills in the public or co-operative sector for the purposes of pilot study and evaluation :

"Four mills to be set up in the co-operative sector will be located in Tiruvarur (Madras), Tadepalligudam (Andhra Pradesh), Mandya (Mysore), and Raipur (Madhya Pradesh).

"The other two mills to be set up in the public sector will be located in Garh-Nokha (Bihar), and Burdwan (West Bengal).

COAL

Developing Asnapani Mine

A general agreement was reached here last week between the representatives of the British National Coal Board and the Government of India on the British collaboration for the development of Asnapani drift mine, one of the three drift mines in the Jarangdih (East Bokaro) field. The British National Coal Board was represented by its chairman, Lord Robens and Mr. M. V. Sheppard, Director-General of Production of the U.K. National Coal Board.

The agreement was reached on the administrative set-up of the project, use of indigenous machinery and equipment, training programme of Indian technicians and the facilities for the British experts.

Lord Robens will have further discussions with the representatives of the National Coal Development Corporation in Jarangdih. He will also visit the project site and the East Bokaro coalfields.

The development of Asnapani drift mine is expected to cost Rs. 7 crores and provide employment to about 1,300 persons. The Board has prepared a project report for the Asnapani drift mine, one of the three drift mines in the Jarangdih (East Bokaro) field. Each of these drift mines is being planned for an annual output of 750,000 tonnes. The Asnapani project is the first of the three drift mines.

TEA

Joint Commission Planned

It has been tentatively agreed that a joint commission of the officers of the Government of India and the Government of Ceylon should be set up for taking such measures as may be appropriate for the development of tea sales of the two countries and for formulating promotion campaigns in different regions of the world. Formal acceptance of the Government of Ceylon is awaited.

MOTOR-CARS

Raising Production

The main possibility of achieving substantial economies in the production of motor-cars is to maximise the scale of production, it is explained here. With this end in view, the Government had placed the following alternative proposals before the three car manufacturers :

(i) The existing car manufacturing facilities may be integrated into a common unit to produce one or at the most two makes of cars making a rational use of the existing facilities and undertaking expansion in the most economical manner.

(ii) One of the existing manufacturers may be selected for substantial expansion, the selection being made on a competitive basis with reference mainly to requirements and arrangements for foreign exchange and assurance on price reduction.

The response from the manufacturers to these alternatives has not been encouraging. Two of the manufacturers stated that even if their capacity were stepped up to 50,000 cars a year, the reduction in price from the current level would not be more than about Rs. 750.

One of the reasons for the high prices of cars is the higher cost of locally purchased ancillaries. This matter is under investigation with a view to taking remedial steps, where necessary.

Fresh alternatives for increasing the production of cars, including the one for the revival of the small car project, are being explored. Talks are being held with certain Indian parties as well as some foreign parties on the likely projects. As these talks are in early stages, it is difficult to spell out the details.

The total amount of foreign exchange allocated to manufacturers of "Hindusthan", "Fiat" and "Standard" cars for 1963-64 and 1964-65 has been Rs. 4.04 crores and Rs. 4.31 crores, respectively. While making the foreign exchange allocation, no manufacturing quota is fixed, but it is expected that about 21,000 cars will be made during 1964-65. The number of cars manufactured in 1963-64 was 18,077.

The total amount of Customs and excise duties realised on the import of car parts has been as follows :

Period	Amount (Rs.)
1963-64	166,92,883
April-September 1964	84,06,852

excluding the September figure for "Fiat car parts.

HALDIA PROJECT

World Bank Wants Data

Before agreeing to a loan for the Haldia port project, the world Bank has asked for detailed economic data on the project, including a commodity-by-commodity projection of the traffic that might be handled at each of the Indian ports including Calcutta and Haldia in 1970-71, an analysis of the coal traffic with a detailed study of individual markets, points of final consumption, quantities and types of coal involved, uses for which coal is required, reasons for not obtaining coal from nearer coalfields, type of ships to be used in the coal trade, an evaluation of alternative methods of shipping wheat to Calcutta, an analysis of the likely requirements for the import of rock phosphate and sulphur in the Calcutta area, etcetera, and the quantities of general cargo traffic that might be economically diverted from Calcutta to Haldia. A study group was constituted in September 1964 to conduct the studies required by the World Bank and collect the requisite data. The team has been asked to complete its work in about four months.

DIESEL LOCOMOTIVES

U.S. Firm Gets Order

The Government has placed an order with a U.S. firm for the supply of 54 diesel electric locomotives at an estimated cost of Rs. 5.83 crores, which will be met from the U.S. A.I.D.

INDIAN INSTITUTE OF MANAGEMENT COURSE

The Indian Institute of Management, Calcutta, has begun to accept applications for the sixth in its series of executive development programmes on the subject of "Financial Planning and Control". The duration of the course is four weeks, from 31st January to 27th February, 1965. The course, which is fully residential, will be held in Jaipur and is directed primarily towards managers who use accounting information rather than the accountants who prepare it. Organisations interested in the programme are requested to write to the Director (Programmes), Indian Institute of Management, Calcutta "Emerald Bower", 56-A Barrackpore Trunk Road, Calcutta 50.

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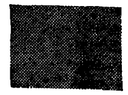




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PRESSMAN

London

MASSIVE INTERNATIONAL SUPPORT SAVES THE POUND

(FROM OUR LONDON CORRESPONDENT)

THE immediate sterling crisis is over, and with it any danger that the British Government might have been forced into a devaluation. The massive international support operation that has now been staged means that the authorities have ample resources to deal wtih any short-term pressures in the exchanges. The $3,000 million credit that has been arranged—all the Paris Club's countries are taking part and also the Bank for International Settlements—is in addition to the $1,000 million I.M.F. standby which will be now drawn and used to repay existing central bank loans. The United States share in the new credit will be $1,000 million made up of $250 million from the Export-Import Bank and $750 million from the Federal Reserve to take the place of the existing swap.

In face of such formidable co-operation by all the leading central banks, further speculation against the pound will clearly become profitless. Thus, the Government has gained the breathing space it wants in which to tackle the fundamental problems of economic policy. The task now will be to fashion means of bringing about a lasting improvement in the balance of payments. This is unlikely to be achieved without further domestic measures, including further restraint of home demand, as the National Institute's latest *Review* suggests.

If the 15 percent import levy is maintained until the end of 1965, it should bring the overall balance of payments deficit down to a tolerable level of around £100 million next year, states the Institute's *Economic Review*. But as soon as the levy is removed, the *Review* goes on, imports are likely to swing back to their trend—and to rise temporarily well above the trend as stocks are rebuilt. If nothing else has been done in the interim, therefore, a substantial deficit is likely to reappear.

The Institute's calculations suggest that if no action had been taken, the deficit in 1965 on current and long-term capital account might have been £450 million, against £700-£750 million this year. This estimate assumes an average rise in exports and some reduction in stockbuilding. The forecasts in the *Review* were completed before the rise in Bank rate. But the Institute thinks the effects of this are likely to be more on the flow of short-term international funds than on the level of internal activity.

It thinks the Budget will, on balance, have "hardly any effect on demand one way or the other." This excludes the effect of the import levy, which is expected to increase demand for home output by ½-percent within a year. Demand will be reduced by the price effect of the levy working through: but home output, the Institute thinks, will probably be increased a great deal more by the substitution of home-produced for imported goods.

Thus "the problem of policy is to find some more permanent way of shifting some £500 million of resources into the balance of payments." On this the Institute's conclusion is that even assuming optimistically a 3½ percent increase in productive capacity during next year, not enough room has been left for an adequate increase in exports. Even if more room is made by holding back the rise in home demand, further action will be necessary, it considers, to see that exports become competitive enough, and profitable enough, to fill the gap left for them.

Borrowing from I.M.F.

The Institute estimates that the whole of the initial borrowing from the I.M.F. will be needed to cover the deficit in the second half of this year—that is, to repay the loans from overseas central banks and to restore the reserves to their end-June level. The levy should keep the deficit next year down to a level which could normally be met from reserves. But a substantial withdrawal of funds, either because of speculation or because the sterling countries were running down their balances to pay for imports, would create a need for further borrowing to defend the present exchange rate.

What do the "experts" think about Britain's prospects? Even with a 4 percent growth rate, the need to find £500 million worth of goods to fill the trade gap means that annual increases in consumption will have to be limited to 2½ percent in the next few years. And wages may need to rise by even less than this if Britain's export prices are to be made competitive. These are among the conclusions reached by Sir Roy Harrod in a report prepared for a leading firm of London stockbrokers. Given the present high propensity to save, he says, a 2½ percent rise in consumption might be consistent with allowing incomes to rise by about 3 percent a year.

But reducing the pressure of demand by the amount required to siphon off £500 million worth of goods will merely lead to stagnation if people abroad do not want to buy those goods. Hence, if the trade gap is to be elimanated and the economy is kept active, Britain will need lower prices, not only on goods for exports, but also goods sold in the home market. This could mean that incomes (and costs) will have to rise by less than 2½ percent. The problem might be more easily solved if the country could have a very mild devaluation of the £, Sir Roy adds. "But that is entirely out of the question owing to our external liabilities and the use of sterling as a reserve currency. Thus we have to face the harder task of solving the problem by an incomes policy."

On the measures taken to reduce imports, Sir Roy says further procrastination would have been disastrous. He would have preferred quantitative restrictions to the import surcharge, but accepts that speed was the overriding consideration. On the other hand, he thinks it would be a mistake to regard import restraint merely as an expedient to tide the country over a passing phase. In Sir Roy's view, the underlying deficit in the trade can be traced back to 1960 or even before, although it has since been masked at times by special circumstances. Imports of manufactured goods, he says, rose by no less than 150 percent between 1955 and 1960, and there has since been another increase of almost equal magnitude. Fundamental adjustments, he says, are needed to get the underlying balance right.

Incomes Policy

Sir Roy thinks the emphasis in incomes policy should be on keeping down dividends rather than profits. Since investment needs to rise at a steep rate in order to permit faster growth, he says, it is desirable that profits should increase their share of the national cake. If they fail to do so, medium and small firms especially will suffer from lack of finance to expand their business in line with growth targets. A pessimistic view of the possibility of achieving a 4 percent growth rate in the economy is also put forward by Professor Alan Day in the *Westminster Bank Review*. Even though Britain is now halfway through the N.E.D.C.'s first five-year period, he says, the underlying growth of capacity is substantially less than 4 percent, although it is substantially more than the average experiences of the 1950s. On the evidence available, Professor Day says, a reasonable estimate of the underlying annual growth of capacity at the present time would be 3.3 percent.

To this may be added an extra 0.2 percent a year, to be activated by a regional policy designed to use underemployed labour in the north. But such a policy, he warns, could lead to great inflationary pressures by stimulating faster wage drift in the North. Further, the upward trend in the ratio of investment to g.n.p. appears almost to have levelled out since 1961 and Britain can perhaps, therefore, expect a slowing down, or halt, in the underlying annual productivity rise—with this possibly becoming stabilised at about 2.7 percent a year.

"Nor is this necessarily an unduly gloomy assumption in the absence of drastic Government action to switch resources from current use (either by customers or the Government) to investment. A major part of the explanation of the relative ease with which the investment ratio rose in the 'fifties lies in two things—the release of resources from defence expenditure and the rise in voluntary savings. It is not easy to foresee as favourable circumstances in the future."

Rise in Labour Force

Professor Day also foresees a slower rise in the labour force than in the past decade. "All told, the best estimate I can make on the basis of evidence now available, assuming no substantial further rise in the investment ratio, assuming that regional unemployment can be reduced significantly without accelerating inflation, assuming a slow continuation of the trend towards a shorter working week, and assuming that nothing else happens or is done to accelerate growth, is that output over the next five years can grow at something like 3¼ percent a year—a rather depressing conclusion for an expansionist, which I am."

Professor Day criticises the N.E.D.C. for failing to justify its claim that 4 percent can be achieved. "Britain could achieve 4 percent growth, if we were to will the means —including, no doubt, a big increase in the ratio of investment to national income, at the price of a severe though fairly temporary setback to the growth of current spending."

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Jute

CO-ORDINATING RESEARCH OF GUNNY PRODUCERS

THE Jute Research Conference, held in Calcutta this week, is the first occasion when those responsible for research in the three major jute goods producing countries have met with a view to examining the spheres in which research work might be co-ordinated. This will help evolve a well-knit programme of long-range research through an inter-change of ideas and experience. This observation was made by Mr. R. H. Morrison, chairman of the Indian Jute Mills Association, while inaugurating the Conference last Monday. Research directors from the jute industries of the United Kingdom, Pakistan and India, Dr. Fox and Mr. Burr of the Fabric Research Laboratories, Dedham, Massachussetts, Dr. Subramanian, director of the Ahmedabad Textile Industry's Research Association and directors of agricultural and technological research of the Indian Central Jute Committee took part in the deliberations. Besides, senior representatives of the major jute mill machinery manufacturers of the world and experts in other fields connected with the jute industry attended the Conference.

Mr. Morrison referred to the useful discussions held at the triennial congress in Paris of the Association of European Jute Industries and at the F.A.O.-sponsored meeting on Jute and Allied Fibres in Rome earlier this year. He appreciated the ready response from various countries to the invitation of the I.J.M.A. Pointing out that cost occupied a place of peculiar importance in the price of the finished jute product, Mr. Morrison emphasised that "most searching investigations are required to find means not only of retaining price levels for the fibre which will at one and the same time encourage its production by the cultivator and its consumption in the form of finished goods, but also of deciding just what qualities in the various strains produced are most desirable from the industry's point of view". The industry must give the agronomist a clear-cut picture of what is required. He also mentioned the importance of developing by-products from the jute stick, which accounts for a large proportion of the plant's weight. There was scope for more intensive investigation and exploitation in this sphere.

Mr Morrison referred to the threat of competition from substitutes and synthetics, and underlined the need for equipping the industry with the latest machinery so that it could produce better goods to meet the exacting demands of consumers. Machinery manufacturers had to play a special rôle in evolving machinery with greater productive capacity and incorporating automation to the maximum extent. Regretting the apathy of the industry in not making full use of the fruits of research, he pleaded for a lively interest and exchange of ideas between the laboratory and the production floor.

Market Research

The I.J.M.A. chairman laid emphasis on the need for market research and product development efforts. The East suffers from the disadvantage of catering to remote markets, which makes the easy flow-back of information from consumers difficult. The Indian industry had in a modest way tried to overcome this difficulty by employing a leading U.S. research laboratory in the field of product development. Mr. Morrison, however, felt that a much bigger effort covering a much wider area was necessary. He made an appeal for a joint effort by the jute industries of the various countries.

In spite of the competition from synthetics and other new materials, Mr. Morrison was sure that "if we keep our heads and apply our talents" jute would still be in fashion a hundred years from now. However, the threats from the new competitors cannot be ignored by "seeking refuge in the continuing growth of demand for our standard goods" from the developing countries. Both in packaging and in industrial fields, jute must sell on its own merits and not in default of something better to use", he said.

Welcoming the representative, Dr. W. G. Macmillan, Research Director of the I.J.M.A., outlined the scope of the discussions at the Conference. In view of the recent trends in the development of packaging techniques, it was essential that all jute interests should keep abreast of the times. In order to meet competition, the resources of the jute industry as a composite world body should, in research and allied matters, be co-ordinated to an acceptable degree, he said. He felt that substantial economies in money, time and effort might result from the co-ordination of scientific research and the pooling of knowledge. This could lead to a speedier application of research to commercial or industrial purposes and ensure more tangible returns on the money invested.

The subjects discussed at the Conference covered the more important facets of the industry, particularly in the sphere of research and its application. The discussion centred on the raw material, uses of jute, product development, alternative materials, methods and processes, collaboration in textile research, quality control and standardisation and processes of manufacture.

Mill Workers Strike

Jute mill workers in West Bengal staged a day's token strike on Tuesday, causing a stoppage of work in 80 out of about 82 mills. Two mills worked with skeleton staff. The strike caused a production loss of 4,000 tons of jute goods worth Rs. 1.2 crores. The loss of wages to operatives has been estimated around Rs. 12 lakhs. In going on strike to press their demand for a higher bonus, workers ignored the last-minute appeal of the Central Labour Minister, Mr. D. Sanjivayya. The bonus issue has already been referred to the tripartite Industrial Committee on Jute, which will meet in New Delhi on 19th December. Meanwhile, the West Bengal Labour Directorate has failed to bring about a conciliation.

THE JUTE MARKETS

Manufactured Goods: Steady conditions prevailed in the Calcutta gunny market during the past week. Sentiment was stimulated by reports of business in heavy goods with Cuba and enquiries from Syria and the Philippines. The continuance of the strike in Pakistani mills and due-date covering by shorts and shippers since the week-end were additional stimulants. Mills booked sizable business in both hessian and sacking for short and near positions, and their prices hardened appreciably. Rising fibre prices induced mills to be reserved. Hessian continued to be steady in line with the general trend. In the hedge market, bulls lent support to sacking for February and bears were obliged to cover their open positions in haste at higher prices. Fluctuations were wide and the market closed with sizable gains over the previous week's closing levels. Hessian for February also firmed up to a minor extent after narrow fluctuations, closing with a smaller gain. Turnover was fair in heavy goods and moderate in hessian. The closing undertone was firm.

Wednesday's quotations were as follows:

	Dec.	Jan.-Mar.	Apr.-June
40in. 7½oz.	39 40	39.35	39.25
40in. 8oz.	42.10	—	—
40in. 10oz.	51.10	51.85	52.05
B Twills	156.60	152.35	148.10
Cornsacks	161.25	155.75	150.75
Heavy Cees (Plain)	155.00	152.00	147 75
A Twills	184.50	182.00	177.00
Liverpools	172.00	170.50	166.00

Raw Jute: Firm conditions prevailed in the raw jute market during the past week. Upcountry prices hardened somewhat due to a decline in daily arrivals to around 100,000 maunds because farmers were busy harvesting paddy. Higher paddy prices realised by them also made them less inclined to sell jute at prevailing prices. Agency prices influenced the trend and the quantity of offerings in Calcutta although upcountry rates continued to hover above Calcutta parity. Mills completed their maximum purchase quota of 200,000 bales for the week ended 28th November by midweek. From Monday they started buying against their current week's quota. Their preference for selected-grade fibre, in which offerings were small, raised the prices of better quality jute more than proportionately. Reports of a steep rise in fibre prices in Pakistan also induced mills to purchase sizable lots of high-grade jute in that country against their import licences. Turnover was moderate and the undertone firm at the close.

Wednesday's quotations were as follows:

	Rates a maund		Rates a quintal	
	Mld.	Bot.	Mld.	Bot.
Assam-Agartala Jute	39.50	36.50	105.83	97.79
Northern Jute	38.50	35.50	103.15	95.11
Western Desal Jute	37.50	34.50	100.47	92.43
Selected Daissee	39.50	36.50	105.83	97.79
Assam-Agartala Tossa	40.00	37.00	107.17	99.13
Mesta:				
Assam-Northern	37.00	34.00	99.13	91.09
Local Daissee	36.50	33.50	97.79	89.75
Bihar Dist.	36.00	33.00	96.45	88.41

U.S. BURLAP CONSUMPTION AND STOCKS

U.S. burlap consumption during October was 8.7 million yards less than during September 1964 and 6.5 million yards less than during October a year ago. Bag cut-up was 51.5 million yards and piecegoods deliveries 21.1 million yards, compared with 58 million and 21.1 million yards, respectively, in October 1963. Consumption for the first ten months of 1964 is 25 million yards less than during the comparable period a year ago. U.S. spots and afloat stocks at the end of October decreased from the end of September by 5.7 million yards. At 268.8 million yards, 132.4 million yards were spots (down 17.7 million yards) and 136.4 million yards were afloats (up 12 million yards). Stocks represent about 3.6 months' supply.

U.S. burlap consumption (as reported to T.B.M.A.) (In million yards)

	1964	1963
Jan.	71	61
Feb.	63	78
Mar.	63	75
Apr.	63	68
May	55	65
June	59	60
July	55	60
Aug.	69	63
Sept.	68	67
Oct.	63	68
Nov.		66
Dec.		65
Total	629	796
Mo. Av.	63	66

U.S. burlap consumption (estimated industry total) (In million yards)

	1964	1963
Jan.	82	68
Feb.	73	89
Mar.	74	85
Apr.	74	77
May	64	76
June	70	69
July	64	68
Aug.	81	70
Sept.	81	80
Oct.	73	79
Nov.		77
Dec.		75
Total	735	912
Mo. Av.	74	76

U.S. burlap stocks (as reported to T.B.M.A.) (In million yards)

	1964	1963
Jan.	240	266
Feb.	230	256
Mar.	227	261
Apr.	231	254
May	232	252
June	238	251
July	251	252
Aug.	223	235
Sept.	221	232
Oct.	219	230
Nov.		232
Dec.		245

U.S. burlap stocks (estimated industry total) (In million yards)

	1964	1963
Jan.	291	306
Feb.	284	304
Mar.	273	304
Apr.	277	300
May	278	296
June	286	296
July	300	297
Aug.	280	279
Sept.	275	289
Oct.	259	278
Nov.		281
Dec.		294

THE U. K. JUTE MARKETS
FIBRE STILL WEAK

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market was firm in Pakistan last week. Some shippers asked higher prices. Imports of loose jute from upcountry were very small for the time of year, and this resulted in higher prices being asked. The E.P.C. values are being maintained at unchanged levels and these may be kept in force for some time.

Despite the firm position in Pakistan, offers of raw jute being made in the U.K. were well below the current official prices. This was due to a substantial quantity of jute coming to Dundee which is still unsold to spinners. Holders of these parcels will now be more anxious to dispose of their stocks because of the increase in the British Bank rate. On the other hand, spinners will be reluctant to add to their stocks for the same reason. This could make the market here very irregular.

Offers were made at £151 for Mill Firsts, at £138 10s for Export Firsts, at £123 for Export Lightnings and at £116 for Export Hearts, c.i.f. U.K., for December-January shipment. Grade Tossa-2/3 was available at £150 and Grade Tossa-4 at £136. There were sellers of Dacca Tossa-5 at £161 and of Dacca Tossa-6 at £138. Outport Tossa-2/3 ranged from £122 10s and Outport Tossa-4 from £115, December-January. Cuttings were firm at £90 for S.N.C. and at £88 10s for N.C. Mesta was steady at £110 for A, at £100 10s for B, at £90 10s for C and at £74 15s for Calcutta, c.i.f. U.K., December-January.

The Siam jute market was firmer in Thailand due to a fair amount of business taking place at the end of the week. Japan was buying and Dundee spinners were also in the market for supplies. The prices paid here ranged from £82 to £84 for grade A. Offers were now being made at £85 5s for grade A, at £81 5s for grade B, at £76 5s for grade C and at £74 5s for cutings, delivered mill Dundee for December-January shipment.

The Calcutta goods market was firm and sackings prices were now at a high level. This is due to strikes at the mills in Pakistan which has reduced supplies. A fair amount

buying interest was shown in the U.K. Prices were at 82s 1d for 40in. 10oz. and at 64s 4d for 7¼oz. a 100 yards c. and f. U.K. for November shipment, at 83s 1d and 64s 4d December and at 84s 1d and 64s 4d January-March. B Twills were at 263s 10d, 258s 7d and 252s 5d for the respective shipment periods.

Dundee jute spinners were very busy, and they had orders in hand for delivery well forward. Supplies of most descriptions of yarns were very difficult to obtain and prices were firm. Due to a shortage of skilled labour, it is impossible to increase output.

With the exception of the heavy end of the trade, manufacturers are well supplied with orders. A steady business is taking place for delivery several weeks ahead, and prices are firm. Demand for sackings is poor and this has been the case for some time. However, prices are being maintained at unchanged levels.

THE PAKISTANI JUTE MARKETS

FIBRE RISES

(FROM OUR DACCA CORRESPONDENT)

ARRIVALS continued to be small, during the past week, and the market in the interior was irregular. In some areas, prices rose by as much as £6 a ton. In others, there was no change, but nowhere was there an increase in arrivals. In fact, sellers were now so careful that instead of, as traditionally, unloading the jute into buyers' godowns and then discussing prices, they are leaving the jute in the boat and discussing prices before unloading. The general undertone of the loose market, however, was firm.

In the pucca bale market, covering by the three large balers, who sold to China, continued. That gives the impression that they have not sold from a long position. Most sales reported to them are in reasonably small lots, which also indicate either a continued belief in a higher market or else a long position rather smaller than most people believed it to be.

As a result of this buying activity, some balers asked for higher prices locally, but these were only payable on premium markets. There was slightly more interest from overseas in limited quantity, but there was no great rush to buy.

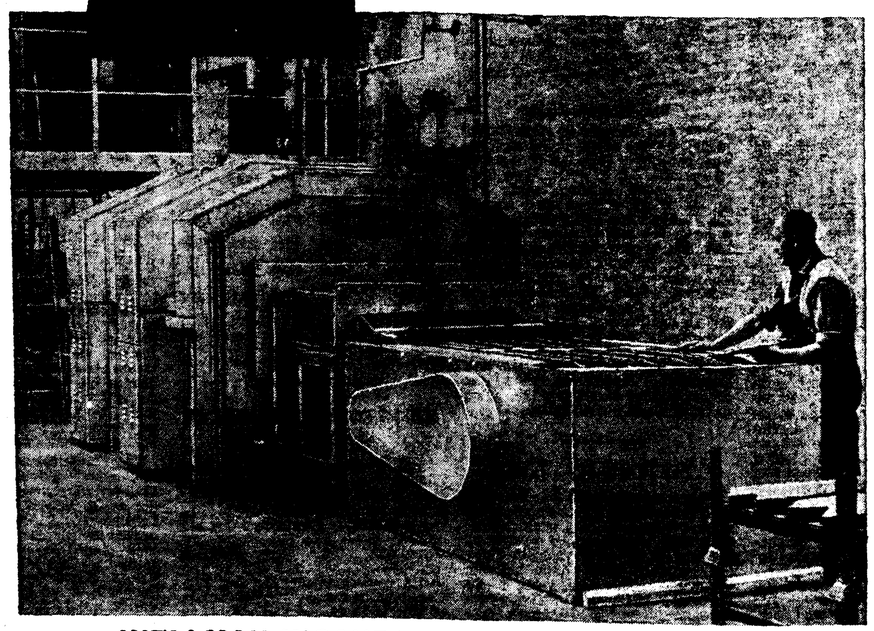
Registrations for the first half of November total 38,570 bales of which the lion's shares went to India with 14,425 bales. The U.K. bought 9,910 bales and north Africa, probably the U.A.R., bought 3,360 bales. France bought 1,575 bales and the U.S.A. 1,500 bales. Registrations for the second half of November will probably be larger.

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Specialists in industrial heat engineering, Wellman Incandescent are also experts in the manufacture of mechanical handling equipment, much of which will shortly be made in India.



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WSC-9

Commodity Markets

CASHEW PRICES FALL DUE TO POOR DEMAND

(FROM OUR SOUTH INDIAN CORRESPONDENT)

IN the absence of foreign demand, cashew prices have been sinking since the middle of November. Although the Indian shippers have reduced their price up to 63 cents a lb for January-March shipments, American buyers are showing no interest, it is said. December shipment is unwanted even at 65 cents a lb. This is no mean loss as far as the Indian exporters are concerned because cashew kernel was fetching as much as 72 cents a lb until very recently.

Withdrawal from the market of the U.S.A. which is the largest buyer of this commodity is the main reason for this price landslide. U.S. buyers' lack of interest is attributed mainly to the threatened strike of the dock workers in their country from the middle of December. Another reason mentioned in trade circles is the belief that the new African crop which is processed and exported from India is a good one.

There is a fall in the price of African raw nuts too. This has come down to Rs. 920 a ton from the recent peak of Rs. 950. The new crop has started reaching India. One steamer with 7,000 tons of raw cashewnuts from British East Africa has already reached Quilon, the main processing centre in India. Many of the cashew factories in and around Quilon which have been closed recently when they exhausted their rawnut stocks are expected to resume work shortly with the fresh stocks they are getting from Africa. Estimates now available place the African crop at a total of about 230,000 tons; 80,000 tons from British East Africa and 150,000 tons from Portuguese Africa.

Cashew kernel exports from India during the first ten months of 1964 is estimated at about 1.9 million cases of 50 lbs each, which was 75,000 cases less than the export during the same period of 1963. The fall which was only nominal was due to the poor quality of the rawnuts. This is likely to be made good by the end of the year. Even if the export fails to catch up with last year's figures of 2.35 million tons in terms of quantity, the money earned thereon will be higher than that of last year because the prices were comparatively high this year. The export earning on cashew will in all probability touch a new high in 1964 if the present trend is maintained. The U.S.A. has taken about 1.2 million cases and Russia 500,000 cases during the ten-month period ended October 1964. These compare well with last year's figures.

Russia and east European countries who recently bought about 1,500 tons of processed kernel at 70 to 73 cents a lb, are also keeping away from the Indian market. All the buyers seem to think that the prices will come down with the opening of the new season.

CARDAMOM

Better Export Prospects

The ceiling rates on the exports of cardamom from India have been withdrawn. Cardamom prices have been displaying a hardening tendency due to prospects of lower outturn of the crop in the current season and to the reserved attitude of growers and exporters. Prices registered a gain of Rs. 5 to Rs. 10 a kilogram over the previous week in the Cochin auctions last week. The sale average of Rs. 30.54 a kilogram compares with Rs. 22.25 a kilogram of the previous week and Rs. 16.06 a kilogram of the corresponding sale of last year. Bombay also reports an increase to the tune of 50 percent over a fortnight. The market now stands at the highest level seen over the past few years. As the current prices are much above the ceiling levels fixed by the Government for different varieties, it is felt that they have ceased to serve the purpose for which they have been introduced.

It has been clarified on the part of the Kerala Government that the real purpose of the notification it had issued recently on tapioca is to prohibit the "indiscriminate" export of tapioca, particularly in its raw form, from the State, in view of the present difficult food situation. The Civil Supplies authorities are assessing the requirements of these units engaged in the manufacture of starch, flour, manioc meal, etcetera, from the raw tuber with a view to giving them permits which are necessary for both the manufacture and export of these products. There are 26 units in Kerala, manufacturing industrial products from tapioca and they together convert 15 percent to 20 percent of the State's total production of 1.5 million to 1.6 million tons (in dried form) of tapioca a year. Tapioca starch has a good demand from the textile industry for sizing and finishing purposes. A small portion of raw tapioca is made into monioc meal and exported as pig and cattle feed to West Germany and Holland. The internal demand has been increasing also. This is due to the rise in the price of oil-cakes and other traditional cattle feed.

The Sizing Materials Manufacturers and Dealers Association in Bombay has suspended the trading in tapioca futures temporarily in the light of the Kerala Government's ban order and the shooting up of prices. The trading in tapioca chips futures was started in Bombay in 1954. The Association has decided to approach the Kerala Government for the release of tapioca to the Bombay market. The Kerala Government which says that it has no intention to hurt the actual users of the industrial products from tapioca, may grant this request.

RAW RUBBER

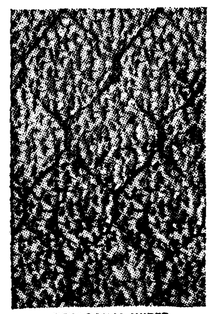
Import Allowed

The Central Government is reported to have revised its decision not to import raw rubber in the current half of 1964-65, and has taken a decision some days ago to import 13,000 tons of natural rubber for this period. The synthetic rubber manufacturing interest in India is perturbed over this report. If import of this order is allowed, not only would the country have to spend a few crores in foreign exchange, but also would result in the under-utilisation of the indigenous synthetic rubber manufacturing capacity, it is argued.

India's one and the only synthetic rubber manufacturing plant at Bareilly in U.P. is said to be working under the double handicap of operating at about half the rated capacity and obtaining its raw materials at high prices. It is argued on behalf of the owners of this plant that the vicious circle of high costs leading to low offtake, which in its turn leading to high costs due to under-utilisation of the capacity, can be broken only if rubber goods manufacturers are made to absorb the full capacity production at the Bareilly plant and raw materials are supplied to it at a reasonable cost. These circles are not happy about the reports that the Government is encouraging new schemes for producing synthetic rubber of even types not used in this country.

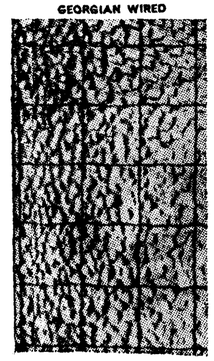
Within a couple of months from now, the Agricultural Refinance Corporation is expected to start implementing its scheme to finance rubber cultivation in India. The Corporation's loans would be available for all





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planters who cultivate rubber in 15 acres or above. The loan scheme is intended to finance the cost of planting alone. This comprises the first year cost of planting and also its upkeep and maintenance for the succeeding six years. The cost to the plant an acre up to the stage of bearing has been worked out to be Rs. 1,600 for an individual and Rs. 2,100 for a company. Those planting new rubber are eligible for loan to cover the entire cost of planting at the above rates, and those who have already planted rubber in an area of 15 acres or above and where such area has not yet reached the bearing stage, are entitled to get loans equal to such instalments due for the remaining part of the pre-bearing period and also an amount to clear away debts, if any, incurred during the prior years for planting and maintenance.

The total loan would not exceed the maximum of Rs. 1,600 and Rs. 2,100 an acre as the case may be. The initial payment will be Rs. 442 an acre in the case of individual planters and Rs. 510 in the case of companies. The remaining six instalments will be at the rate of Rs. 193 for individuals and Rs. 265 for companies. During the first seven years, the borrower need pay only interest on the amounts disbursed and outstanding at the end of each year. The rate of interest will depend upon the nature of the security offered, the soundness of the party, etcetera. The repayment will start from the eighth year of planting. The total duration of the loan is restricted to a period of 15 years.

The physical target fixed under the scheme is 50,000 acres in five years with 10,000 acres each year. The scheme is to start operation from the current financial year and to end in 1978-79, both years inclusive. The necessary technical advice at all stages of implementation of the scheme will be given by the Rubber Board. The loans are to be channelled through the scheduled banks operating all over the country. The Refinance Corporation is holding a meeting of all scheduled banks shortly in Bombay to give final shape to the routing of assistance. India had a total of 377,938 acres under rubber towards the end of 1963-64. Of this, 234,222 acres were small holdings of 50 acres and below and the number of small holdings amounted to 70,150. Estates above 50 acres numbered only 698.

SPICES

Campaign to Promote Exports

There was an increase of about Rs. 2 crores in the export earnings from spices during 1936-64 over those of 1962-63. Cardamom, chillies and ginger mainly accounted for the increase, while earnings from black pepper, coriander seed, garlic and some minor spices declined by less than Rs. 1 crore. Mr. V. K. Srikumaran Nayar, chairman of the Spices Export Promotion Council, who stated this at the recent annual general meeting of the Council in Ernakulam, said that the pattern of pepper trade had undergone a considerable change, in that there had been a decrease in exports to the American continent by nearly 4,400 tons, while export to east European countries had shown an increase of about 2,700 tons. He said that the Council had made arrangements with the American Spice Trade Association for a $10,000 pepper film publicity programme and they hoped to complete the market survey for all spices in the E.C.M., countries with the help of a Government grant of Rs. 35,000. The production of a film in curry powder, which was now under way and the organisation of a "spice week" in Sweden were some of the activities, which the Council would undertake as part of its promotional efforts to popularise Indian spices abroad. He further revealed that the Spices Export Promotion Council was trying to evolve an arrangement with India's main competitor—Guatemala—as well as the American Spice Trade Association, for maintaining the international prices of cardamom at a remunerative level and also to increase publicity activities for cardamom.

TEA

Need to Increase Home Sales

Propaganda for increasing consumption of tea by producing countries needs stepping up, writes our special correspondent. Pakistan, with an estimated output of one million lbs this season, is only allowing an export of 4 million lbs because of the high internal demand.

There is no point in India exporting this commodity at a loss. By consuming more internally, prices can be maintained and world buyers will be compelled to compete at fair rates for their imports.

If the Tea Board of India could be persuaded to push salesmanship of Indian tea in this country, the outlook for the industry would improve. With future extensions costing Rs. 4,000 an acre, prices must be encouraged to move to higher levels.

Considering the crop position in north India, the price situation at the mid-season is fairly sound. The north Indian crop up to 15th November at 591,077,058 lbs, compared with 529,788,899 lbs on the same date a year ago, showing a rise of 61,288,159 lbs. The 1961 record to the same date was 570,618,952 lbs, so the increase over 1961-64 is only about 21 million lbs, or, say, 5 million lbs. With less tea from the south and Ceylon, the trade should not be worried by India's small increase. But the world outlook for 1965 is unhappy, because consumption is hardly keeping pace with the supply, and the sooner more attention is given to internal salesmanship, the better for the long-term interest of all producing interests.

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INDIA FOILS LIMITED

(Incorporated in Great Britain)

Calcutta Bombay Madras New Delhi

IFOC-59

COMPANY AND PUBLIC NOTICES

THE NORTHBROOK JUTE COMPANY LIMITED

NOTICE is hereby given that a General Meeting of the holders of Rs. 20,00,000 four per cent Bearer Debentures of Rs. 1,000 each of the abovenamed Company constituted and secured by a Trust Deed dated the 30th day of June, 1945 will be held at the Registered office of the Company at Chartered Bank Buildings Calcutta on Tuesday the 22nd day of December, 1964 at 11-20 a.m. to consider, and if thought fit, to pass with or without modification, the following Resolutions which will be proposed as Resolutions as required by Clause 59 of the said Trust Deed.

"That this General Meeting of the holders of 2,000 four per cent Bearer Debentures (hereinafter called "the said Debentures") of The Northbrook Jute Company Limited (hereinafter called "the Company") constituted and secured by a Trust Deed (hereinafter called "the said Trust Deed") dated the 30th day of June, 1945 and made between the Company of the one part and Sir George Bond Morton and Hugh Clough Waters as Trustees of the other part hereby assents to and sanctions :

1. (a) the date of redemption of the said Debentures being postponed from the 31st day of December, 1964 to the 31st day of December, 1979 with liberty to the Company to purchase at any time in the market at or under par (exclusive of accrued interest but inclusive of costs of purchase) all or any of the said Debentures for the time being outstanding and with further liberty to the Company to redeem at par the said Debentures or any part thereof (in the latter case by drawings) on the 30th day of June, 1975 or any subsequent half-yearly date of payment of interest on giving not less than one calendar month's notice of such intention by advertisement once at least in two newspapers circulating in the district of the Registered office of the Company—Provided that any debentureholder present at the meeting or if he has not attended the meeting, has in writing before the due date of the redemption expressed his wish to have his holding of debentures repaid before the 31st December, 1964, he shall be paid in cash on or before that date ;

(b) subject to the approval of the Controller of Capital Issues the rate of interest payable on the said Debentures being increased from four per cent per annum to seven and half per cent per annum as from the 1st day of January, 1965.

2. That the said Trust Deed be further amended so as to provide that—

(a) a fixed charge be created by the company—

(i) on all its land (in addition to the fixed charge created on the lands referred to in the First Schedule to the said Trust Deed) and other immovable properties as may be or may have been acquired at any time during the continuance of the said Trust Deed ; and,

(ii) on its plant and machinery both existing as well as future in lieu of the floating charge created by the said Trust Deed ; and,

(b) the Company do establish a Cumulative Sinking Fund on the following terms and conditions :

(i) during the year ending the 31st day of March 1967 and during every succeeding year ending the 31st day of March whilst any of the said Debentures remains outstanding the Company shall set aside out of the distributable profits (as hereinafter defined) of the Company's financial year ending on the 31st day of March of each such year, as and by way of a Sinking Fund, a sum not less than Rs. 1,00,000 PROVIDED THAT the Company may in any year credit to the Sinking Fund a sum in excess of the foregoing annual instalment and the amount of such excess may be applied by the Company in reduction pro tanto of its obligations under this condition in any subsequent year or years ;

(ii) the Company may at any time and from time to time apply the whole or any part of the amount for the time being standing to the credit of the Sinking Fund in the purchase of the said Debentures in the market at any price not exceeding par exclusive of accrued interest but inclusive of costs of purchase ;

(iii) the amount for the time being standing to the credit of the Sinking Fund may be applied by the Company in redemption of the said Debentures but any accrued interest on the Debentures so redeemed shall be payable by the Company otherwise than out of the Sinking Fund ;

(iv) such part of the amount to the credit of the Sinking Fund as shall not be applied in or towards the purchase or redemption of the said Debentures shall be deposited in the name of the Company with a Bank to be approved by the Trustees or may at the option of the Company be invested in Trustee Securities with full power for the Company to vary and transpose such investments. The expenses of the purchase of such investments shall be borne by the Sinking Fund and the net profits of sale thereof and all income accruing therefrom shall belong to the Sinking Fund ;

(v) all Debentures purchased or redeemed out of the Sinking Fund shall be cancelled and the Company shall not be entitled to keep the same alive for the purpose of re-issue nor to re-issue the same ;

(vi) for the purposes of this condition the expression "distributable profits" shall unless otherwise agreed by the Company and the Trustees for the time being of the said Trust Deed mean the profits of the Company in respect of the Company's financial year ending on the 31st day of March excluding any profit carried forward from a previous year and after providing for Income-Tax, Super Tax, Sur-tax and any other tax as may be payable by the Company but before setting aside any sum to reserve. The amount of such profit shall be certified annually by the Company's auditors.

3. That for the purpose of effecting the foregoing modifications of the said Trust Deed the present Trustees thereof namely Cockwood Trustee Company (Private) Limited and Dalhousie Holdings Limited be and are hereby authorised to concur with the Company in execution of a Supplemental Trust Deed in the form of the draft submitted to this meeting and for the purpose of identification initialled by the Chairman hereof subject to such amendments, if any, as the said Trustees may require or agree".

By Order of the Board,

BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Registered Office :

Chartered Bank Buildings,

Calcutta 1.

Dated the 28th November, 1964.

NOTES :

1. Holders of the Bearer Debentures wishing to attend or vote at this meeting are required to produce the original Debentures or a Certificate in original issued by any of the Trustees namely Dalhousie Holdings Limited and Cockwood Trustee Co. (Private) Limited or by any Scheduled Bank stating that the bearer of such Certificate is the holder of one or more Bearer Debentures and specifying the same in number. Such Certificate must be lodged at the Registered Office of the Company not less than seven days before the date of the meeting.

2. An Explanatory Statement has been prepared with reference to the subject matter of the Resolutions to be proposed at the meeting and a copy of this statement will be supplied on application to the Registered Office of the Company.

3. The draft Supplemental Trust Deed referred to in the Notice may be inspected at the Registered Office of the Company and will also be available at the meeting.

STATE BANK OF INDIA

NOTICE

NOTICE is hereby given that the Principal Register and the Branch Registers of the State Bank of India will be closed for transfer of shares from Wednesday, the 16th December, 1964 to Thursday, the 31st December, 1964, both days inclusive.

N. A. KRISHNAN,
Managing Director.

Bombay, the 4th November, 1964,
13th Krtk. 1886 (Saka).

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Acting General Manager — Shri Ananda Bhakta Rajbhandary.

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Liabilities

	1963 Rs.	April 12, 1962 Rs.
Capital	2,500	2,500
Reserves	7,032	6,656
Deposits	94,503	80,382
Other Liabilities	5,954	3,198
Contra A/cs.	10,940	7,958
Profit & Loss	699	790
	1,21,628	101,484

Assets

	1963 Rs.	April 12, 1962 Rs.
Cash	33,993	27,992
Investment	160	120
Loan & Discts.	74,069	63,006
Contra A/cs.	10,940	7,958
Other assets	2,466	2,408
	1,21,628	1,01,484

THE AUCKLAND JUTE COMPANY LIMITED

NOTICE is hereby given that a General Meeting of the holders of Rs. 15,00,000 four per cent Bearer Debentures of Rs. 1,000 each of the abovenamed Company constituted and secured by a Trust Deed dated the 2nd day of October 1945 will be held at the Registered office of the Company at Chartered Bank Buildings Calcutta on Tuesday the 22nd day of December 1964 at 11-10 a.m. to consider, and if thought fit, to pass with or without modification, the following Resolutions which will be proposed as Resolutions as required by Clause 59 of the said Trust Deed.

"That this General Meeting of the holders of 1,500 four per cent Bearer Debentures (hereinafter called "the said Debentures") of The Auckland Jute Company Limited (hereinafter called "the Company") constituted and secured by a Trust Deed (hereinafter called "the said Trust Deed") dated the 2nd day of October, 1945 and made between the Company of the one part and Arthur Paul Benthall and Hugh Clough Waters as Trustees of the other part hereby assents to and sanctions:

1. (a) the date of redemption of the said Debentures being postponed from the 31st day of December 1964 to the 31st day of December 1979 with liberty to the Company to purchase at any time in the market at or under par (exclusive of accrued interest but inclusive of costs of purchase) all or any of the said Debentures for the time being outstanding and with further liberty to the Company to redeem at par the said Debentures or any part thereof (in the latter case by drawings) on the 30th day of June 1975 or any subsequent half-yearly date of payment of interest on giving not less than one calender month's notice of such intention by advertisement once at least in two newspapers circulating in the district of the Registered office of the Company Provided that any debentureholder present at the meeting or if he has not attended the meeting, has in writing before the due date of the redemption expressed his wish to have his holding of debentures repaid before the 31st December, 1964. he shall be paid in cash on or before that date;

(b) subject to the approval of the Controller of Capital Issues the rate of interest payable on the said Debentures being increased from four per cent per annum to seven and half per cent per annum as from the 1st day of January 1965.

2. That the said Trust Deed be further amended so as to provide that—

(a) a fixed charge be created by the company—

(i) on all its land (in addition to the fixed charge created on the lands referred to in the First Schedule to the said Trust Deed) and other immovable properties as may be or may have been acquired at any time during the continuance of the said Trust Deed; and,

(ii) on its plant and machinery both existing as well as future in lieu of the floating charge created by the said Trust Deed; and

(b) the Company do establish a Cumulative Sinking Fund on the following terms and conditions:

(i) during the year ending the 31st day of March 1967 and during every succeeding year ending the 31st day of March whilst any of the said Debentures remains outstanding the Company shall set aside out of the distributable profits (as hereinafter defined) of the Company's financial year ending on the 31st day of March excluding any profit carried forward from a previous year and after providing for Income-Tax, Super Tax, Sur-Tax and any other tax as may be payable by the Company but before setting aside any sum to reserve. The amount of such profit shall be certified annually by the Company's auditors.

(ii) the Company may at any time and from time to time apply the whole or any part of the amount for the time being standing to the credit of the Sinking Fund in the purchase of the said Debentures in the market at any price not exceeding par exclusive of accrued interest but inclusive of costs of purchase;

(iii) the amount for the time being standing to the credit of the Sinking Fund may be applied by the Company in redemption of the said Debentures but any accrued interest on the Debentures so redeemed shall be payable by the Company otherwise than out of the Sinking Fund;

(iv) such part of the amount to the credit of the Sinking Fund as shall not be applied in or towards the purchase or redemption of the said Debentures shall be deposited in the name of the Company with a Bank to be approved by the Trustees or may at the option of the Company be invested in Trustee Securities with full power for the Company to vary and transpose such investments. The expenses of the purchase of such investments shall be borne by the Sinking Fund and the net profits of sale thereof and all income accruing therefrom shall belong to the Sinking Fund;

(iv) all debentures purchased or redeemed out of the Sinking Fund shall be cancelled and the Company shall not be entitled to keep the same alive for the purpose of re-issue nor to re-issue the same;

(v) for the purposes of this condition the expression "distributable profits" shall unless otherwise agreed by the Company and the Trustees for the time being of the said Trust Deed mean the profits of the Company in respect of the Company's financial year ending on the 31st day of March excluding any profit carried forward from a previous year and after providing for Income-Tax, Super Tax, Sur-Tax and any other tax as may be payable by the Company but before setting aside any sum to reserve. The amount of such profit shall be certified annually by the Company's auditors.

3. That for the purpose of effecting the foregoing modifications of the said Trust Deed the present Trustees thereof namely Cockwood Trustee Company (Private) Limited and Dalhousie Holdings Limited be an are hereby authorised to concur with the Company in execution of a Supplemental Trust Deed in the form of the draft submitted to this meeting and for the purpose of identification initialled by the Chairman hereof subject to such amendments, if any, as the said Trustees may require or agree".

By Order of the Board,
BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Registered Office:
Chartered Bank Buildings,
Calcutta 1.
Dated the 28th November, 1964.

NOTES:

1. Holders of the Bearer Debentures wishing to attend or vote at this meeting are required to produce the original Debentures or a Certificate in original issued by any of the Trustees namely Dalhousie Holdings Limited and Cockwood Trustee Co. (Private) Limited or by any Scheduled Bank stating that the bearer of such Certificate is the holder of one or more Bearer Debentures and specifying the same in number. Such Certificate must be lodged at the Registered Office of the Company not less than seven days before the date of the meeting.

2. An Explanatory Statement has been prepared with reference to the subject matter of the Resolutions to be proposed at the meeting and a copy of this statement will be supplied on application to the Registered Office of the Company.

3. The draft Supplemental Trust Deed referred to in the Notice may be inspected at the Registered Office of the Company and will also be available at the meeting.

THE INDO-BURMA PETROLEUM COMPANY LIMITED

Registered Office:
Gillander House, Netaji Subhas Road,
CALCUTTA-1.

NOTICE is hereby given that the Preference Register of Members of the Company will be closed from the 18th December 1964 to 30th December 1964. both days inclusive for payment of the dividend for the half year ending 31st December 1964. on the 2nd January 1965, at the rate of Rs. 2.914 per share (being the stipulated dividend of Rs. 3.50 per share increased by 11% to Rs. 3.885 less Rs. 0.971 being Income Tax at the Company's rate of 25%) subject to tax being deducted therefrom in accordance with the provisions of Section 194 of the Income Tax Act, 1961.

By Order of the Board,
STEEL BROTHERS AND COMPANY LIMITED,
Managing Agents.
27th November, 1964.

Office of the
Superintending Engineer,
DELTA IRRIGATION CIRCLE
Keshari Nagar: Bhubaneswar-1

TENDER NOTICE

SEALED Tenders are invited to Supply Wheel Pins for Gate Rollers as per the Drawings and Specification available in the Office of undersigned and will be supplied on requisition. The tenders will be received upto 3 p.m. on 17th December, 1964. The rates quoted should be F.O.R. Bhubaneswar inclusive of all incidental charges. The Full payment will be made within 30 days from the date of receipt of Materials in Good Condition. The tenders will be opened at 3.30 p.m. on the date mentioned above.

The undersigned reserves the right to reject any or all tenders without assigning any reason whatsoever.

Sd/- B. MISRA.
Superintending Engineer,
Delta Irrigation Circle.

THE BURRAKUR COAL COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting of The Burrakur Coal Company Limited, will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, on Tuesday, the 29th December, 1964, at 11.00 A.M. for the following purposes:—

1. To consider and adopt the Audited Accounts of the Company for the year ended 30th June, 1964, and to receive the Directors' and Auditors' reports thereon.
2. To declare the Dividends recommended by the Directors.
3. To appoint a Director in place of a retiring Director.
4. To appoint Auditors and fix their remuneration.

The Share Transfer Registers of the Company will be closed from the 22nd December, 1964 to the 29th December, 1964, both days inclusive.

By Order of the Board,
BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Registered Office:
Chartered Bank Buildings,
Calcutta.
26th November, 1964.

Notes:

(a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

(b) The Dividends, if declared, will be paid on or after 19th January, 1965, to those Shareholders so entitled whose names appear in the Company's books on 29th December, 1964 or to their mandatees. No application for Dividend Warrants will be necessary.

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

BRITISH PAINTS (INDIA) LIMITED.

32, Chowringhee Road,
CALCUTTA.

NOTICE is hereby given that:

(a) The Board of Directors has, in a meeting held on 27th November, 1964, declared, out of the profits of the current year, an Interim Dividend of 7½% (subject to deduction of Income Tax) on the Ordinary Shares of the Company. The Dividend shall be payable on or after the 4th day of January, 1965 to those Members whose names are borne by the Register of Members of the Company on that date.

(b) The Register of Members of the Company will be closed from the 21st December, 1964 to 4th January, 1965 both days inclusive.

By Order of the Board,
S. R. ROY,
Director Secretary.

Dated at Calcutta
the 2nd December, 1964.

THE KINNISON JUTE MILLS COMPANY LIMITED

NOTICE is hereby given that a General Meeting of the holders of Rs. 25,00,000 five per cent Registered debentures of Rs. 1,000 each of the abovenamed Company constituted and secured by a Trust Deed dated the 30th day of December 1949 will be held at the Registered office of the Company at Chartered Bank Buildings Calcutta on Tuesday, the 22nd day of December, 1964 at 11-00 a.m. to consider, and if thought fit, to pass with or without modification, the following Resolutions which will be proposed as Resolutions as required by Clause 58 of the said Trust Deed.

"That this General Meeting of the holders of 2500 five per cent Registered Debentures (hereinafter called "the said Debentures") of The Kinnison Jute Mills Company Limited (hereinafter called "the Company") constituted and secured by a Trust Deed (hereinafter called "the said Trust Deed") dated the 30th day of December, 1949 and made between the Company of the one part and George Reid Crooks and Hugh Clough Waters as Trustees of the other part hereby assents to and sanctions:

1. (a) the date of redemption of the said debentures being postponed from the 31st day of December, 1964 to the 31st day of December 1979 with liberty to the Company to purchase at any time in the market at or under par (exclusive of accrued interest but inclusive of costs of purchase) all or any of the said Debentures for the time being outstanding and with further liberty to the Company to redeem at par the said Debentures or any part thereof (in the latter case by drawings) on the 30th day of June, 1975 or any subsequent half-yearly date of payment of interest on giving not less than six calendar months' notice in writing of such intention to the Registered holders of the said Debentures or their legal personal representatives Provided that any debentureholder present at the meeting or if he has not attended the meeting, has in writing before the due date of the redemption expressed his wish to have his holding of debentures repaid before the 31st December, 1964 he shall be paid in cash on or before that date;

(b) subject to the approval of the Controller of Capital Issues the rate of interest payable on the said Debentures being increased from five per cent per annum to seven and half per cent per annum as from the 1st day of January 1965.

2. That the said Trust Deed be further amended so as to provide that—

(a) a fixed charge be created by the Company—

(i) on all its lands (in addition to the fixed charge created on the lands referred to in the First Schedule to the said Trust Deed) and other immovable properties as may be or may have been acquired at any time during the continuance of the said Trust Deed; and,

(ii) on its plant and machinery both existing as well as future in lieu of the floating charge created by the said Trust Deed: and

(b) the Company do establish a cumulative Sinking Fund on the following terms and conditions:

(i) during the year ending the 31st day of March 1967 and during every succeeding year ending the 31st day of March whilst any of the said Debentures remains outstanding the Company shall set aside out of the distributable profits (as hereinafter defined) of the Company's financial year ending on the 31st day of March of each such year, as and by way of a Sinking Fund, a sum not less than Rs. 1,00,000 PROVIDED THAT the Company may in any year credit to the Sinking Fund a sum in excess of the foregoing annual instalment and the amount of such excess may be applied by the Company in reduction pro tanto of its obligations under this condition in any subsequent year or years;

(ii) the Company may at any time and from time to time apply the whole or any part of the amount for the time being standing to the credit of the Sinking Fund in the purchase of the said Debentures in the market at any price not exceeding par exclusive of accrued interest but inclusive of costs of purchase;

(iii) the amount for the time being standing to the credit of the Sinking Fund may be applied by the Company in redemption of the said debentures but any accrued interest on the Debentures so redeemed shall be payable by the Company otherwise than out of the Sinking Fund:

(iv) such part of the amount to the credit of the Sinking Fund as shall not be applied in or towards the purchase or redemption of the said Debentures shall be deposited in the name of the Company with a Bank to be approved by the Trustees or may at the option of the Company be invested in Trustee Securities with full power for the Company to vary and transpose such investments. The expenses of the purchase of such investments shall be borne by the Sinking Fund and the net proceeds of sale thereof and all income accruing therefrom shall belong to the Sinking Fund:

(v) all Debentures purchased or redeemed out of the Sinking Fund shall be cancelled and the Company shall not be entitled to keep the same alive for the purpose of re-issue nor to re-issue the same;

(vi) for the purposes of this condition the expression "distributable profits" shall, unless otherwise agreed by the Company and the Trustees for the time being of the said Trust Deed, mean the profits of the Company in respect of the Company's financial year ending on the 31st day of March excluding any profit carried forward from a previous year and after providing for Income-tax, Super-tax, Sur-tax and any other tax as may be payable by the Company but before setting aside any sum to reserve. The amount of such profit shall be certified annually by the Company's auditors.

3. That for the purpose of effecting the foregoing modifications of the said Trust Deed the present Trustees thereof be and are hereby authorised to concur with the Company in the execution of a Supplemental Trust Deed in the form of the draft submitted to this meeting and for the purpose of identification initialled by the Chairman hereof subject to such amendments, if any, as the said Trustees may require or agree."

By Order of the Board.
F. W. HEILGERS & CO. (PRIVATE) LTD.,
Managing Agent.

Registered Office:
Chartered Bank Buildings,
Calcutta 1.
Dated the 28th November, 1964.

NOTES:

1. A debentureholder entitled to attend and vote at the meeting may appoint a proxy to attend and vote in his stead. A proxy need not be a debentureholder.
2. The relative Explanatory Statement is annexed to this Notice.
3. The draft Supplemental Trust Deed referred to in this Notice may be inspected at the Registered office of the Company and will also be available at the meeting.

THE BURRAKUR COAL CO. LTD.

At a meeting of the Board of Directors held on Thursday, the 26th November, 1964, the following Dividends were recommended for declaration at the Annual General Meeting to be held on the 29th December, 1964, subject to deduction of Tax.

On 22,998, 7% Cumulative Preference Shares at the rate of 9.10 per cent per annum in accordance with the provisions of the Preference Shares (Regulation of Dividends) Act, 1960.

On 45,000, 6% Second Cumulative Preference Shares at the rate of 4.995 per cent per annum in accordance with the provisions of the Preference Shares (Regulation of Dividends) Act, 1960.

On Ordinary Shares at 13 per cent per annum.

By Order of the Board,
BIRD & CO. (PRIVATE) LTD.,
Managing Agents.

Registered Office,
Chartered Bank Buildings,
Calcutta, 26th November, 1964.

IIM
CALCUTTA

INDIAN INSTITUTE OF MANAGEMENT, CALCUTTA

Established by
The Government of India
In co-operation with
The Government of West Bengal
as a National Institute for undertaking management education and research

Collaborators:
The Sloan School of Industrial Management
Massachusetts Institute of Technology, U.S.A.

The Institute will offer the sixth in its series of Executive Development programmes on the subject of

"Financial Planning and Control"

Duration: 4 weeks—31st January to 27th February, 1965

Participants: The course is intended primarily for executives who have recently assumed or who are about to assume positions of responsibility at the senior levels of middle management or above, be they involved in particular functions such as marketing or production or in general management. All participants have to be nominated by their organisations.

Brochure: Organisations interested in the programme are requested to write to

Director (Programmes)
Indian Institute of Management, Calcutta,
"Emerald Bower"
56-A, Barrackpore Trunk Road,
Calcutta-50
for brochure and application form

Last date for receiving applications—15th January, 1965

JWTIIM 2164

THE ORISSA MINERALS DEVELOPMENT COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting of THE ORISSA MINERALS DEVELOPMENT CO. LTD., will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta on Monday, the 28th December, 1964 at 11 a.m. for the following purposes :—

1. To consider the Profit and Loss Account of the Company for the year ended 30th June, 1964, and the Balance Sheet as at that date together with the Directors' and Auditors' Reports thereon.
2. To declare the dividend recommended by the Directors.
3. To appoint a Director in the place of a retiring Director.
4. To appoint Auditors and fix their remuneration.

The Share Transfer Register of the Company will be closed from 14th to 28th December, 1964, both days inclusive.

By Order of the Board,
BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Registered Office,
Chartered Bank Buildings,
Calcutta, 18th November, 1964.

Notes :—

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

(b) The Dividend, if declared, will be paid on or after 11th January, 1965, to those Shareholders so entitled whose names appear in the Company's books on the 28th December, 1964 or to their mandatees. No application for Dividend Warrants will be necessary.

THE BENGAL PAPER MILL CO. LTD.

Registered Office : 14, Netaji Subhas Road,
CALCUTTA-1

NOTICE is hereby given that the Register of Loan Stock Holders of the Company will remain closed from 21st December, 1964 to 30th December, 1964, both days inclusive for the purpose of payment of Interest for the half-year ending 31st December, 1964 on 6½% Unsecured Convertible Loan Stock 1963-70 of the Company.

By Order of the Board,
THE BENGAL PAPER MILL COMPANY LIMITED,
H. P. DHANUKA,
Director.
30th November, 1964.

THE BENGAL PAPER MILL CO. LTD.

Registered Office : 14, Netaji Subhas Road,
CALCUTTA-1

NOTICE is hereby given that the Register of Share Holders of Preference, 'A' Preference and 'B' Preference Shares will remain closed from 21st December, 1964 to 30th December, 1964, both days inclusive for the purpose of payment of Interim Dividend for the year ending 31st December, 1964.

By Order of the Board.
THE BENGAL PAPER MILL COMPANY LIMITED,
H. P. DHANUKA,
Director.
30th November, 1964.

'Impossible!' they said

But P & W has done it at Mandya!

It's always good news when the neglected potential of a valuable raw material is rediscovered. This was recently done for bagasse in an Indian paper mill designed, supplied and operated under the direction of Parsons & Whittemore.

Two hundred sixty tons of paper, possessing excellent strength characteristics, has been continuously produced from 100% bagasse pulp at The Mandya National Paper Mills Limited, Belagula, Mysore State.

The bagasse pulp used for this paper was produced by P&W's Pandia continuous digestion system —a system which is firmly established as most economical for cooking agricultural residues. High yields upto 47% bleached bagasse pulp were obtained with comparatively low steam, power and chemical consumption.

This achievement demonstrates clearly that, with the right equipment and proper technical control, production of paper with 100% bagasse pulp is a practical reality.

THE PARSONS & WHITTEMORE-LYDDON ORGANIZATION
World leaders in the development of pulp and paper mills for the use of local fibers

30-20 Wellesley Road, Croydon, Surrey (London), England
9 Rue Jean Mermoz, Paris 8e France
Radenfelden/Obb., Germany
150-A Mount Road, Madras 2, India
200 Park Avenue, New York 10017, N.Y.

ajanta PW/64-1

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	Last Bourse
National Rolling & Steel Ropes Ltd	10-12-64	10 a.m.
Philips India Ltd	17-12-64	11 a.m.
The Kinnison Jute Mills Co. Ltd.	22-12-64	11 a.m.
Auckland Jute Co. Ltd.	22-12-64	11-10 a.m.
The Northbrook Jute Co. Ltd.	22-12-64	11-20 a.m.
Orissa Minerals Development Co. Ltd.	28-12-64	11 a.m.
The Lackatoorah Tea Co. Ltd.	28-12-64	3 p.m.
The Burrakur Coal Co. Ltd.	29-12-64	11 a.m.

DIVIDENDS DECLARED OR PROPOSED.—Smith, Stanistreet & Co. Ltd.—25 p.c. (o), subject to tax; Spencer & Co. Ltd.—12 p.c. (o) (f), subject to tax.

HIDES AND SKINS STEADY

The market continued steady. Stocks were higher than in the previous week.

Bazaar Sales

(Between 24th November and 30th November 1964)

Cowhides : Wet salted (Ord.) 7,25 to 13,000 pcs. on the basis of Rs. 7.25 to Rs. 9.25 ; Wet salted (Slaughter) 10,50 to 42,000 pcs. on the basis of Rs. 10.50 to Rs. 16.50 and Rs. 19 to Rs. 28 ; Wet salted (Ord.) 2,000 pcs. on the basis of 90P. a lb.

Goatskins : Wet salted (Patna-Daissee, Kustia) 80,200 pcs. on the basis of Rs. 400 to Rs. 415, Rs. 440 to Rs. 460 and Rs. 490 to Rs. 500 ; Wet salted (he-killed) on the basis of Rs. 5 and (she-killed) on the basis of Rs. 4.75 a piece ; Assam-Dinajpur 10,500 pcs. on the basis of Rs. 260 to Rs 290 ; Purneah 4,500 pcs. on the basis of Rs. 315 to Rs. 330.

Bazaar Stocks

(30th November, 1964)

Cowhides : Wet salted (Ord.) 91,100 pcs.

Goatskins : Wet salted (Patna-Daissee, Kustia, Killed) 88,500 pcs ; Assam-Dinajpur 149,000 pcs ; Muzafferpore-Patna - Pakur-Purneah-Kissenganj 257,500 pcs.

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock Exchange Associations and other sources.

Figures given after stroke (/) mean paise.

All rights reserved

Wednesday, 2nd December, 1964.

GOVERNMENTS LOANS

Outstanding Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
GOVERNMENT OF INDIA				
2,48,91,06,000	3	1946	1986 or later	62/10
8,93,33,000	3	1896-97	At the option of the Government of India after 6 months notice	62/00
14,77,48,000	2½	1946	1976	83/10
1,10,11,78,000	3	1943	1966-68	98/45
1,15,05,83,000	3	1948	1970-75	90/30
1,53,67,92,000	3½	1955	1965	100/05
86,63,53,000	3½	1956	1974	96/50
56,99,30,000	3½	1957	1967	100/00
1,97,40,92,000	3½	1956	1967	99/75
70,00,000	3½	1958	1968	99/00
1,56,64,22,000	3½	1958	1968	99/80
1,90,85,42,000	3½	1959	1969	97/95
82,65,41,000	3½	1960	1966	100/00
71,78,00,000	4	1964	1970	99/05
1,54,70,22,000	4	1957	1972	98/80
94,51,44,000	4	1958	1973	98/85
81,06,39,000	4	1959	1979	97/50
98,05,17,000	4	1960	1980	97/50
65,96,55,000	4	1961	1981	97/50
84,12,53,000	4	1963	1988	99/40
69,74,00,000	4½	1964	1989	100/05
1,08,86,71,000	4½	1963	1973	100/05
28,07,95,000	4½	1962	1972	100/15
52,01,71,000	4½	1963	1986	100/13
1,14,03,37,000	4½	1962	1985	100/00
BOMBAY				
3,40,34,300	4	1952	1964	99/95
6,57,22,800	4½	1957	1968	98/40
6,58,20,700	4½	1958	1970	99/00
4,35,25,000	4½	1958	1971	98/70
MADHYA PRADESH				
2,03,28,800	3	1948	1964	98/50
MADRAS				
5,24,81,200	4	1952	1964	99/95
5,55,57,300	4½	1958	1970	99/00
UTTAR PRADESH				
1,55,31,200	3	1938	1961-66	94/00
5,89,13,900	4	1952	1964	99/95
7,65,53,900	4½	1958	1970	98/80
WEST BENGAL				
2,00,00,000	4	1952	1964	99/95
7,58,72,200	4	1952	1967	99/35
7,11,46,100	4	1956	1968	98/55
5,10,49,700	4½	1958	1970	98/75
7,69,69,400	4	1959	1971	97/10
7,00,00,000	4	1960	1969	98/50
7,00,00,000	4½	1961	1972	98/80
7,00,00,000	4½	1962	1974	99/50
MYSORE				
2,95,85,200	4	1933	1952-63	100/00

PORT TRUST LOANS

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
CALCUTTA				
90,24,300	4	1914	1974	98/25
76,90,100	4	1915	1975	98/25
68,02,300	3	1921	2nd 1981	82/00
1,56,00,000	6½	1921	2nd 1981	144/00N
£892,600	5	1923	1953-83	£61
£901,000	5	1924	1954-84	£61
1,24,00,000	4½	1957	1987	99/50
	4½	1958	1988	99/00
50,00,000	4½	1959	1989	99/00
1,50,00,000	4½	1961	1971	98/75
80,00,000	4	1931	1991	93/00
BOMBAY				
£892,600	5	1923	1953-83	£63
£901,000	5	1924	1954-84	£63
£835,100	5½	1932	1962	£96½
MADRAS				
50,00,000	3	1945	1-2-2005	72/00
50,00,000	3	1945	1-2-1975	83/75
28,48,275	3½	1947	1977	A
9,88,000	3	1947	1977	A
8,00,000	3	1949	1979	A
25,00,000	3	1938	1963-65	93/00
50,00,000	3	1946	2006	72/00
50,00,000	2½	1947	1977	78/50
50,00,000	3	1948	1978	83/00
50,00,000	3	1950	1980	81/00
50,00,000	3	1951	1981	80/50
50,00,000	4½	1953	1963	98/75
50,00,000	4	1953	1983	97/50
90,00,000	4	1955	1985	97/25
77,00,000	4	1956	1986	97/25
1,00,00,000	4	1959	1969	99/50
1,00,00,000	5	1963	1993	..

IMPROVEMENT TRUST LOANS

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
CALCUTTA				
50,00,000	4	1934	1964	99/25
35,00,000	3½	1935	1965	96/00
30,00,000	3	1936	1966	92/50
20,00,000	3	1938	1963-68	92/00
80,00,000	4	1952	1962	100/00
1,02,00,000	4	1956	1968	98/50
75,00,000	4½	1958	1968	101/00
BOMBAY				
60,00,000	4	1903	1963	98/25
50,00,000	4	1904	1964	98/25
20,00,000	4	1906	1966	97/50
15,00,000	4	1907	1967	97/50
30,00,000	4	1908	1968	£95½N
£566,600	4	1909	1969	£95½N
£333,000	4	1910	1970	£100/00
25,00,000	4	1912	1972	95/00
13,00,000	4	1913	1973	95/00
50,00,000	4	1914	1974	95/00
25,00,000	4	1916	1976	95/00
66,00,000	6	1920	1945-80	119/50
25,00,000	4	1927	1961-70	99/75
10,00,000	3½	1936	1966	89/00

MUNICIPAL LOANS

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
CALCUTTA				
66,88,000	3½	1951	1968	98/50
10,00,000	5½	1932	1962	100/75N
33,91,000	3½	1935	1965	96/00
72,50,000	4½	1954	1979	100/00
60,00,000	3	1936	1966	93/00
47,50,000	3	1938	1968	92/50
21,10,000	3½	1942	1972	92/00
87,36,000	4	1952	1962	99/75
2,22,72,000	4	1955	1985	97/25N
1,67,32,000	4½	1958	1970	101/00N
73,36,000	4½	1958	1968	100/50
57,72,000	4½	1961	...	...
BOMBAY				
20,00,000	4	1913-13	1974	95/00
10,00,000	5	1920	1980	101/00
2,00,34,000	3½	1951	1966	89/00
8,25,00,000	3½	1947	1977	82/00
2,13,14,500	3½	1949	1979	82/00
4,00,00,000	3½	1950	1965	95/00
MADRAS				
15,00,000	3½	1951	1961	107/00
15,00,000	3¾	1952	1962	107/50

2½% U.P Zemindary Abolition Compensation Bond (per Rs 100) Rs 41/90*

* Ex eight instalments but inclusive of accrued interest.

These notes refer to the Debentures on the next page.

Option to repay at par on 6 months notice—
(a) Option to extend the redemption period for further 10 years.
(b) at any time after.
(c) on or after 1-1-61.
(d) option to redeem at 2½% Prem. after 14-5-64 and before 15-5-68.

Option to repay on 6 months notice—
(e) at any time after 30-6-61 at 101%.
(f) at 101% between 1-1-60 & 31-12-64.
(g) at 102/8% after 30-6-59 but before 30-6-64.
(h) at any time after 30-6-65 at 101%.

Option to repay on 6 months notice—
(i) at any time at 3% Premium.
(j) at 4% Prem. after 1-3-64 but before 1-3-67 and 1% Prem. on or after 1-3-67.
(k) at any time at par.
(l) at any time after 31-3-62 at the rate of 1% Premium.
(m) redeemable at 103% on 31-12-64 with option to redeem on any interest date at same premium after 30-6-59.
(n) at any time on two months notice—
(o) to be redeemed at a premium of 10% Rs. 10,000 to be redeemed annually by drawing on 3 months notice with option to redeem all after 6 years from date of issue on 6 months notice. Option not exercised repayment to be made after full term.
Option to repay.
(p) at par after September 1960.
(q) at par on or after 1-12-59.
(r) with option to redeem at 101% after 10 years or at 100/8% after 12 years
(s) Rs. 15 lac Debentures to be redeemed annually by drawing from 1-6-56 with option to redeem at 100/8% between 1-6-57 to 1-6-60 and at 101% afterwards.
(t) with option to redeem at 101% after 10 years or at 100/8% after 13 years
(u) with option to redeem all or any of the Debts at 101% at any time after 31-3-64 and at 100/8% at any time after 31-3-66.
(v) Rs. 80,000 are being redeemed annually repayment of Debentures commencing serially from No 1 to No. 80 on 31-12-48.
(w) Redeemable at any time at 5 per cent premium (a) on 6 months notice by the Company or (b) in the event of the security becoming enforceable or at par if the Corporation of Calcutta or Howrah purchase the undertaking on 1st January, 1945 or every seventh year thereafter
(x) At par all or any of the Debts on 31st December 1960 or on any subsequent interest date
(y) Redeemable (a) at 102% on 1st October, 1976 or in the event of voluntary liquidation of the undertaking being purchased or in the event of the security becoming enforceable or (b) at 105% at any time after 31st March, 1953 on 3 months notice from the Co (c) also redeemable out of a sinking fund (commencing in 1938) by drawing at 102% or purhase at or under 102%
(z) Also redeemable out of a cumulative sinking fund or 1½% per annum commencing in 1943 by purchase at any price less than par or by annual drawing at par.

JOINT STOCK COMPANIES' DEBENTURES

Amount Authorised Rs.	Amount Outstanding Rs.	Rate of Interest per cent	NAME OF COMPANIES	Year of Issue	MARKET PRICE 18-11-64	MARKET PRICE 25-11-64	A year ago Rs.	Interest payable	Principal Repayable	Remarks
			(CALCUTTA)							
			COAL							
60,00,000	60,00,000	6½	Bengal							
30,00,000	30,00,000	6	Bharat Collieries	1961	99/00	99/00	100/00	1st May 1st Nov.	31-10-75	(X)
20,00,000	20,00,000	4½	Burrakur	1944	90/00	90/00	90/00	30th April 31st Oct.	30-6-64	..
50,00,000	50,00,000	5½	Equitable	1947	90/00	90/00	85/00	30th June 31st Dec.	30-6-67	(G*)
				1953	97/00	97/00	98/00	1st July 1st Jan.	14-12-68	(r*)
			COTTON MILL							
4,00,000	4,00,000	6	Bengal Nagpur	1897	90/00	90/00	85/00	10th May 10th Nov.	15-11-66	(I)
			JUTE MILLS							
15,00,000	12,00,000	5½	Agarpara	1939	91/50	91/50	92/00	1st Oct 1st April	31-3-69	..
15,00,000	15,00,000	4	Auckland	1945	94/00	94/00	78/00	30th June 31st Dec.	31-12-64	(F)
9,00,000	6,00,000	5½	Alexandra	1939	91/50	91/50	91/00	30th June 31st Dec.	30-6-69	(g)
10,00,000	10,00,000	6½	Bengal (2nd Mortgage)	1940	95/50	95/50	95/50	30th June 31st Dec.	30-6-65	(b)
12,00,000	10,69,000	5	Chitavalsah	1951	93/00	93/00	88/50	30th June 31st Dec.	30-6-66	(e)
25,00,000	17,73,000	5½	Dalhousie	1954	95/00	95/00	90/00	31st March 30th Sept.	31-3-69	(u*)
10,00,000	8,86,000	5	Empire	1951	92/00	92/00	91/00	15th Jan 15th July	15-7-66	(e*)
25,00,000	8,87,000	5½	Fort Gloster	1952	99/00	99/00	98/00	31st March 30th Sept.	30-9-66	(Q*)
30,00,000	30,00,000	5½	Howrah	1955	93/50	93/50	92/50	31st March 30th Sept.	31-3-70	(N)
25,00,000	25,00,000	5	Kinnison	1949	97/00	97/00	90/00	30th June 31st Dec.	31-12-64	(f*)
25,00,000	12,04,000	5½	Kamarhatty	1955	97/50	97/50	89/50	30th June 31st Dec.	30-6-70	(h*)
25,00,000	25,00,000	5½	Naihati	1952	92/00	92/00	90/00	30th June 31st Dec.	31-3-67	(l*)
5,00,000	5,00,000	6½	Nellimarla	1939	92/00	92/00	92/00	14th Nov 14th May	14-3-74	(d)
20,00,000	20,00,000	4	Northbrook	1945	94/00	94/00	85/00	30th June 31st Dec	31-12-64	(B)
25,00,000	25,00,000	5	Reliance	1950	94/50	94/50	81/00	31st March 30th Sept.	30-9-65	(M*)
12,00,000	12,00,000	5½	Union	1937	95/50	95/50	95/50	31st March 30th Sept.	31-3-67	..
10,00,000	10,00,000	6½	Waverley	1925	90/00	90/00	80/00	31st Jan. 31st July	31-7-72	..
			MISCELLANEOUS							
30,00,000	18,80,000	4½	Associated Hotels of India	1948	850/00	850/00	850/00	1st Jan. 1st July	31-12-62	(v)
10,00,000	9,96,000	7	Aluminium Corporation of India Ltd.	1948	97/00	97/00	92/00	1st Jan 1st July	31-12-65	(U)
5,00,000	5,00,000	4½	Bareilly Electric Supply Co. Ltd	1949	97/00	97/00	88/00	30th June 31st Dec.	31-12-64	(m*)
12,00,000	12,00,000	4½	Benares Elec Ltd & Power Co Ltd.	1949	97/00	97/00	90/00	30th June 31st Dec.	31-12-64	(m*)
1,00,00,000	90,00,000	5	Buckingham & Carnatic Co Ltd.	1952	100/00	100/00	100/00	1st April 1st Oct.	1-3-72	(T*)
5,00,000	5,00,000	5½	Britannia Engineering	1945	94/00	94/00	94/00	30th June 31st Dec.	31-12-69	(g)
8,00,00,000	8,00,00,000	5½	Burmah Shell Refineries Ltd.	1954	94/25	94/25	93/75	1st March 1st Sept.	1-9-69	(K*)
2,66,00,000	2,32,39,400	5	Calcutta Electric Supply Corporation	1950	95/50	95/50	90/50	1st Jan 1st July	1-1-70	(*)
£350,000	£325,280	4½	Calcutta Tramways	1900	£66/00	£66/00	£66/00	1st Jan 1st July	..	(w)
£250,000	£157,788	5	Calcutta Tramways	1933	£74/00	£74/00	£74/00	1st April 1st Oct.	1-10-74	(y)
19,50,000	17,50,000	7	Carew & Co	1938	99/00	99/00	100/00	1st June 1st Oct.	1-6-63	(s)
5,50,000	2,46,000	6½	Carew & Co (2nd Mortgage)	1941	95/00	95/00	95/00	1st March 1st Sept.	28-2-70	(l)
21,00,000	21,00,000	5½	Chowringhee Properties	1915	85/00N	85/00N	85/00N	1st Feb 1st August	1-2-64	..
25,00,000	15,03,000	4½	Clive Buildings	1936	82/00	82/00	82/00	1st July 1st Jan.	1-7-86	(A)
1,00,00,000	1,00,00,000	6½	Dalmia Cement	1946	86/00	86/00	86/00	31st March 30th Sept.	1970	(p)
1,30,00,000	1,04,55,000	6½	Dunlop Rubber Co (I) Ltd.	1950	99/25	99/00	100/25	1st Jan 1st July	1-1-73	(b*)
1,00,00,000	1,00,00,000	6½	Dunlop Rubber Co (I) Ltd.	1958	99/25	99/00	100/25	1st Jan 1st July	1-1-73	(w*)
1,00,00,000	91,80,000	5½	Indian Cable Co Ltd.	1954	94/50	95/00	90/00	1st Jan 1st July	30-6-69	(t*)
20,00,000	20,00,000	5½	Kumardhubi Fireclay & Silica Works	1954	92/00	92/00	92/00	1st Jan 1st July	31-12-69	(D*)
10,00,000	10,00,000	4	Kumardhubi Engineering Works Ltd.	1946	90/00	90/00	92/00	31st Dec	31-12-69	(O)
6,50,000	6,50,000	6	Katakhal Lala Bazar Railway	1945	85/00	85/00	84/00	31st May 30th Nov.	31-5-71	(*)
45,00,000	39,70,000	4	McLeod & Co Ltd (Con Notes)	1947	410/00 P note	410/00 P note	410/00 P note	30th June 31st Dec.	31-12-74	(l*)
1,00,00,000	74,75,000	5	Macneill & Barry Ltd	1951	77/50	77/50	85/00	1st April 1st Oct.	1-4-71	(P*)
12,00,000	12,00,000	4	National Tobacco Co India Ltd.	1946	93/00	93/00	85/00	30th June 31st Dec.	30-6-66	(S)
20,00,000	20,00,000	5	Patna Electric Supply Co. Ltd.	1949	97/00	97/00	90/00	31st May 30th Nov.	1-12-64	(V)
1,00,00,000	50,50,000	6	Rohtas Industries Ltd	1946	90/00	90/00	96/00	30th June 31st Dec.	31-12-69	(a*)
4,00,00,000	4,00,00,000	5½	Esso Standard Ltd	1953	93/25	93/25	91/00	1st May 1st Nov.	1-5-68	(H)
10,00,000	10,00,000	5½	Shree Gopal Paper Mills Ltd.	1944	95/00	95/00	95/00	Jan & July	15-7-66	(E*)
£200,000	£200,000	4½	Shahdara (Delhi) Saharanpur Rly.	1905	£64N	£64N	£64N	1st Jan 1st July	..	..
15,00,000	11,40,000	5	Sijua Jherriah	1951	91/00	91/00	91/00	1st Jan 1st July	30-6-76	(*L)
30,00,000	30,00,000	4½	United Provinces Elec. Supply Co. Ltd.	1949	97/00	97/00	90/00	31st March 30th Sept.	31-12-64	(C*)
										(*m)
			TEA							
2,50,000	2,50,000	6	Baitakhal	1943	95/00	95/00	95/00	30th June 31st Dec.	1-7-63	as
			(BOMBAY)							
1,00,00,000	98,28,000	4	Andhra Valley Power Supply	1940	98/50	98/50	98/50	1st April 1st Oct.	1952	..
90,00,000	50,00,000	4	Tata Power	1941	86/00	86/00	86/00	..	1951-55	..

(Continued from foot of previous page)

(A) Repayable at par by 1986 by annual Drawings on 1st July each year May repay the issue in full after 30th June 1961 on 6 months notice

(B) Repayment at par on 31st Dec 1964 with the option of repayment on 31-12-54 or any subsequent interest date at a premium of 2%

(C) Rs. 35,000 to be redeemed at par annually by drawing.

(D) With option to redeem any part at 101% after 31-12-64 and at 100½% after 31-12-66

(E) Rs. ¾ Lacs will be redeemed annually by drawings from 1st May 1964 onwards The Co has option to redeem all Debentures at 101% on 1st May 1963 on 5 months notice

(F) Option to redeem all or any of the Debentures at a premium of Re 1/- per cent by giving one month's notice on the 31st December 1954 or any subsequent interest date.

(G) May be redeemed on 30th June 1955 at a premium of 1% or on 30th June, 1962, at a premium of ½%.

(H) May be redeemed at a premium of Rs 20/- per debenture (i.e. 2%) if redeemed earlier than 31st Dec. 1955 on 3 months notice

(I) The Company has option to repay all or any at par by giving notice for 6 months expiring on any interest date after 30th Sept. 1955 At any time on or after 1st Oct. 1955 the holders may convert each note of Rs 500/- into 25 ordinary shares to take effect on 1st Oct in each year on giving 15 days notice prior to such day

(J) May be redeemed at 101% at any time after 31st March. 1963 and at 100½% on any time after 31st March 1955.

(K) Rs 1,600,000 Debentures will be redeemed at par annually by drawings from 1-9-65 Any Debenture outstanding on 1-9-68 will be redeemed on that date with option to redeem all Debentures at 101% on 1-9-64.

(L) Any time on 3 months notice.

(M) At par in September 1960

(N) May be redeemed at the end of 1965 or thereafter at 101%

(O) Option to repay at par on or after 31st May 1961.

(P) Redeemable at par on 31st Dec., 1972 with option to redeem at par at any time on 6 months' notice after 30th June 1958. At any time after 31st Dec. 1948 each note of Rs 500/- may be converted into two ordinary shares of Rs 100/- each ranking for dividend from 1st January following

(Q) With option to redeem annually Rs 4,00,000/- at par after 31-3-58 by drawing or by purchase in the open market

(R) May be redeemed annually at par by drawing after 10th year also the whole issue at 101% on or after 31-3-63

(S) (Option to repay at par one month's notice) At any time after 1st October 1956.

(T) (Option to repay at par on 6 months notice) after 1-1-67

(U) (Option to repay on 3 months notice) At any time after 31st December 1960

(V) May be redeemed at par on 30-6-56 or any subsequent interest date on one month's notice

(W) After giving six months notice

(X) Rs 5,00,000 will be redeemed each year from and after 1964.

* These Debentures are registered and are transferable by transfer Deeds.

BANKS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs	Latest Market Quotations as available until 2-12-64 Rs.	25-11-64 Rs.	A year ago Rs.
Allahabad Bank P.	18	15	15	100	249/00	249/00	260/00
Bank of Baroda	17	16	16	50	98/50	99/00	91/50
Bank of India	20	20	18	50	101/00	101/00	113/50
Central Bank of India	20	20	20	25	52/00	52/30	60/50
Chartered Bank	15	15	15	£1	sh.48/3	sh. 47/3	sh. 58/10½
Hindusthan Commercial	Nil	Nil	..	50	10/00	10/00	13/50
Hindusthan Mercantile	Nil	Nil	..	50	10/75	10/75	15/50
Hong Kong & Shanghai	sh. 15	sh. 16	sh. 16	HK$25	£22	£22½	£19½
India Bank	15	14	15	100	158/00	158/00	158/00
Indian Overseas Bank	14	12	14	100	150/00	150/00	147/50
National & Grindlays Bank	14	16	14	sh. 15	sh. 30/4½	sh. 30/4½	sh. 34/3
Punjab National Bank	20	20	20	10	20/25	20/06	19/69
Union Bank of India	11 2/5	11 2/5	11 2/5	5	6/48	6/52	6/52
United Bank of India	6	6	7½	10	8/19	8/12	7/75
United Commercial Bank	12	12	12	50	72/50	72/50	71/50

JUTE MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 2-12-64 Rs.	25-11-64 Rs.	A year ago Rs.
Agarpara P.	2½	2½	12-10*	10	8/75	8/69	10/37
Alexandra P.	15	42½	..	100	246/00	245/00	300/00
Alliance P	Nil	10	12½	100	105/00	106/00	150/00
Anglo-India P.	7½	10	12	100	185/00	185/00	228/00
Auckland P.	12	Nil	15	100	123/00	124/00	140/50
Bally P	25	25	25-20*	100	239/00	239/00	261/00
Barnagore P.	10	10	40	£5	237/00	230/00	213/00
Bengal P.	5	5	..	10	7/00	7/00	9/37
Birla P	15	15	15-15*	10	38/37	37/56	31/44
Budge Budge P.	Nil	12	20	100	128/00	128/00	151/00
Calcutta P	Nil	Nil		10	8/12	8/12	9/12
Caledonian P.	5	15	15-15*	100	133/00	133/00	181/00
Champdany P.	5	Nil	40-35*	10	21/62	22/12	22/69
Cheviot P	5	25	..	10	20/31	20/31	22/50
Chitvalsah P.	Nil	5	Nil	10	7/81	7/75	10/50
Clive P	Nil	Nil		10	8/00	8/00	9/19
Dalhousie P.	1	Nil	25-7½*	100	110/00	110/00	140/00
Delta P	Nil	12	16	100	139/00	138/00	164/00
Empire P.	7½	12½	15	10	13/19	13/75	17/75
Fort Gloster P.	10	12½	20-15*	100	260/00	260/00	372/00
Fort William P.	22½	10	20-15*	10	19/87	20/00	26/44
Ganges P.	10	15	20-20*	10	12/69	12/91	13/31
General Industrial	10	13	14	10	15/00	15/00	16/00
Gourepore P.	25	20	20-20*	10	21/37	21/37	25/25
Hastings P.	6	6	6—6*	100	128/00	128/00	128/00
Hooghly P.	20	7½	10	10	14/44	14/44	16/00
Howrah P.	10	Nil	10-12½*	10	15/87	16/19	19/00
Hukumchand P.	28⅜	26⅜	26⅜-26⅜*	7½	17/50	17/50	21/00
India	12	8	18-12*	12½	15/25	15/25	16/75
Kamarhatty P.	Nil	20	20	100	155/00	155/00	193/00
Kanknarrah P.	Nil	15	15	100	137/50	137/50	139/00
Kelvin P	15	5	20	100	138/00	138/00	192/00
Khardah P.	5	12½	12½	10	17/75	17/75	19/37
Kinnison P.	7	Nil	10-5*	100	105/00	108/00	138/00
Lansdowne P.	Nil	Nil	Nil-12½*	100	111/00	111/00	97/50
Lawrence P.	15	10	10	100	101/00	109/00	111/00
Megna P	12½	Nil	22-12*	10	11/75	11/75	13/06
Naihati P	Nil	Nil	Nil-Nil*	100	66/00	66/00	104/00
Naskarpara	2½	5	..	10	5/50	5/50	8/00
National P	Nil	10	10	10	19/12	19/37	23/94
Nellimarla P.	6	15	5	10	8/81	8/81	12/69
New Central P.	15	Nil	..	10	9/69	10/00	13/25
Northbrook P.	30	20	35	10	22/37	22/37	31/00
Nuddea	6	5	10-10*	10	10/37	10/44	
Presidency	6	10	10	5	4/19	4/25	5/37
Rameshwara P.	Nil	Nil	Nil-Nil*	10	7/75	7/75	9/20
Reliance P	Nil	Nil	Nil-Nil*	10	6/56	6/50	8/87
Samnugger P.	Nil	10	13	£1	10/50	10/50	10/50
Shree Ambica P.	6	Nil	..	10	30/00	30/00	35/00
Soorah P	25	25	..	10	19/19	19/19	23/50
Titaghur P.	Nil	13	10	£1	10/50	10/50	10/50
Union P	6	Nil	20	100	134/00	132/00	168/00
Victoria P.	Nil	10	10	£1	10/50	10/50	10/50
Waverley P.	30	60	30	1	7/62	7/69	8/31

* 1964

COAL COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 2-12-64 Rs	25-11-64 Rs	A year ago Rs.
Amalgamated	12½	15	12½-12½*	10	19/25	19/25	26/00
Bengal P	21	19	16	100	230/00	230/00	276/00
Bengal Bhatdee	8	10	..	10	3/48	3/48	3/48
Bengal Nagpur	26	7	..	10	22/00	22/00	22/00
Bhalgora	Nil	..	..	10	3/62	3/62	4/37
Bharat Collieries P.	Nil	Nil	..	10	2/19	3/00	3/44
Bhuianbararee	Nil	Nil	..	10	10/00	10/00	10/00
Bokaro & Rampur	..	..	..	10	11/19	11/19	11/19
Borree P	15	15	15	10	20/25	20/25	22/12
Burrakur P.	13	13	13	10	17/00	16/44	17/12
Central India	10	10	9-10*	10	8/22	8/19	9/97
Central Kurkend P.	Nil	Nil	..	10	3/44	3/44	3/87
Churulia	..	..	..	4	3/06	3/06	3/06
Dhemc Main	Nil	..	..	10	3/75	3/75	4/50
East Indian	15	20⅝	20⅝-15*	£1	26/00	28/25	31/00
Equitable P	10	10	10	10	20/75	20/75	25/00
Ghusick & Muslia	Nil	Nil	Nil	10	13/12	13/87	14/25
Guzdar Kajora	..	..	..	10	2/47	2/47	2/44
Hurriladih	Nil	..	..	10	5/44	5/44	5/50
Karanpura Development	5 / 15	3 / 9	3 / 9	10O / 10F	9/00	9/00	11/56
Karanpura Collieries P.	10	10	10-12*	10	13/50	13/50	16/00
Katras Jherriah	40	25	30-30*	10	26/50	28/37	33/56
Khas Kajora P.	10 2/5	..	..	10	11/50	13/25	17/62
Mundulpur	..	..	..	10	2/69	2/69	2/69
Nazira	Nil	Nil	..	10	4/69	4/69	5/00
New Beerbhoom P.	10	12	10	10	16/50	16/50	19/25
New Manbhoom	9	12	12-Nil*	10	9/12	9/12	15/25
North West	20	11	..	10 / 7½	19/75	19/75	19/75
Ondal P.					18/00	18/00	18/00
Parasea P.	7½	7½	5	10	13/50	13/50	13/50
Pench Valley	1½	Nil	1 1/5	10	14/00	14/00	14/00
Pure Sitalpur	10	10	12½-7½*	10	17/44	17/44	18/31
Raneegunge	..	..	..	10	8/00	8/00	8/00
Rewa	17	17	17-14*	10	12/19	12/75	13/62
Samla	20	10	15	10	21/87	21/87	28/50
Searsole	10	7½	..	10	7/81	7/81	9/00
Seebpore P.	Nil	Nil	..	2½	1/00	1/00	1/22
Sendra	42 6/7	35 5/7	28 4/7	7	34/75	34/75	34/75
South Karanpura	¾	2½	2½-3*	10	3/50	3/00	5/00
Standard	Nil	Nil	2½	10	6/00	6/00	8/75
Union	10	10	10-10*	10	9/62	9/62	13/12
Western Bengal	Nil	5	..	10	10/00	10/00	10/12
West Jamuria	7½	9	9	10	8/44	8/25	8/81
	Nil	Nil	..	10	3/60	3/60	4/56

* 1964

COTTON MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 2-12-64 Rs	25-11-64 Rs.	A year ago Rs.
Basanti	3	Nil	..	10	8/50	8/50	13/69
Bengal Luxmi	6½	Nil	..	40	30/50	30/50	30/00
Bengal Nagpur P.	Nil	Nil	Nil	10	2/44	2/44	3/00
Bharat Commerce	15	15	..	10	18/69	19/00	23/75
Birla Cotton	20	20	..	10	27/00	27/00	33/00
Bowreah P	20	15	15	10	23/50	23/50	24/50
Cawnpore Textile	10	10	..	5	6/15	6/00	7/37
Delhi Cloth & Genl. P.	13	13	13	25	46/62	47/50	50/69
Dunbar	20	15	17½	10	26/12	26/12	30/06
Elgin P.	17½	17½	17½	10	19/12	19/12	23/12
J. K Cotton (Rayon) P.	12½	Nil	..	10	9/62	9/87	11/94
Jaya Shree	10	10	10	10	12/31	12/31	16/25
Muir P	..	..	..	100	60/50	60/50	74/50
New Victoria P.	Nil	Nil	..	2½	1/00	1/19	1/53
Orissa Textiles P.	Nil	Nil	..	10	7/00	7/00	6/25
Rampooria Cotton	3	Nil	..	10	14/12	14/12	13/00
	Nil	Nil	..	1	4/12	4/12	3/00
Swadeshi (Kanpur) P.	..	..	..	10O	11/00	11/00	12/62
	..	..	..	10PO	6/25	6/37	6/81

BOMBAY COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 1-12-64 Rs	24-11-64 Rs	A year ago Rs.
Ahmedabad Advance P.	16	12	..	100	145/00	146/50	143/75
Apollo	Nil	Nil	..	2	1/72	1/70	2/02
Beharilal Ramcharan	Nil	Nil	..	100	142/00	143/00	105/00
Bombay Dyeing, etc.	14	14	14	25	57/30	57/50	61/30
Bradbury P.	10	25	..	50	143/75	145/00	157/50
Century	30	30	..	100	560/50	570/00	648/50
Central India P.	Nil	Nil	Nil-Nil*	100	93/00	99/00	101/00
Coorla	11	11	..	100	173/50	173/50	171/25
Dawn	30	30	..	50	147/50	146/00	151/00
Edward Textiles	9	9	6	200	315/00	322/00	283/00
Elphinstone P.	18	22	18—18*	50	93/00	94/00	100/00
Finlay	23	23	..	100	305/00	307/00	320/00
Gokak	14	18	..	100	173/00	173/00	177/00
Hindoostan	50	50	..	250	940/00	940/00	950/00
India United	8	14	..	10	19/40	19/60	22/12
	13½	37½	..	1Dd	2/36	2/34	2/62
Indian	23 1/5	25	..	250	900/00	900/00	860/00
Indore Malwa United	8½	10	7½	100	215/00	215/00	202/00
Khatau Makanji P.	32	16	..	100	157/50	158/75	210/00
Kohinoor	15	18	18-21*	100	317/50	318/50	337/00
Lakshmi Vishnu P.	5.7	6	Nil-3*	100	82/00	85/00	101/00
Morarjee Goculdas P.	21½	24	24-20*	100	255/00	255/00	390/00
Mysore Spg & Mfg P.	14	14	..	50	34/50	35/00	43/00
New City of Bombay	Nil	Nil	..	100	159/00	159/00	160/00
New Great Eastern P.	Nil	12	..	100	169/00	169/00	180/00
Phoenix	15	20	..	100	224/00	224/00	226/00
Sassoon & Alliance	Nil	Nil	..	10	10/36	10/36	11/00
Sassoon Spinning	17	20	10-20*	10	37/75	37/75	45/50
Simplex	15	Nil	22-16*	50	118/00	122/00	125/00
Shree Niwas P.	18	20	14-8*	100	240/00	244/00	285/00
Svadeshi P.	17	19	17	100	264/00	264/50	255/00
Swan	36	21 3/5	..	100	273/00	273/00	275/00
Tata	20	22	20	25	47/25	47/50	56/00
Western India	48 2/5	25	..	250	850/00	850/00	875/00

* 1963

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 1-12-64 Rs.	24-11-64 Rs.	A year ago Rs.
CEMENT ENGINEERING & METAL							
Associated Cement	12½	12	12-12*	100	152/00	152/50	151/75
ELECTRIC LTG., POWER							
Ahmedabad Electricity	7	6	..	100	103/00	103/50	94/80
Andhra Valley Power P.	5½	5	5	1.000	1,216/25	1,217/50	1,060/00
Bombay Subarban Elec.	8	8½	8½	100	113/50	113/00	105/00
Tata Hydro Elec. Power P.	5½	5	5	100	122/50	123/50	110/50
Tata Power P.	5½	6	5	1.000	1,236/25	1,245/00	1,137/50
Alcock Ashdown	17	22½	19	100	290/00	289/00	304/00
Jost's Engineering	8	10	10—Nil*	50	47/00	47/00	60/00
Larsen & Toubro P.	12½	18	14—14*	10	21/56	21/64	23/92
Mackenzies	10	12	14	100	137/50	137/50	137/50
Premier Construction P.	43 1/3	33 1/3	30	30O	219/00	206/50	158/00
				33F			
Tata Eng. & Locomotive P.	12½	14½	14½-14½*	100	262/00	260/00	281/00
Tata Iron & Steel P.	9.1	10.36	10.36-11*	750	144/00	145/25	142/50
INSURANCE COMPANIES							
British India General	..	15	15	10	13/75	13/44	12/48
Jupiter General P.	..	4	Nil	15	7/00	7/00	9/20
New India	38	38	38	15	46/00	45/75	50/00
Vulcan	20	20	20	10	16/36	16/36	16/76
MISCELLANEOUS							
Belapur Sugar	38	50	40	50	222/00	220/50	248/50
Bombay Burmah Trading	30	33	33-33 1/3*	25	55/60	56/20	61/10
				20	42/25	42/50	47/25
Hindustan Lever	26	26	12—14*	10	28/00	28/50	39/75
Industrial Invt Trust	6½	6½	..	100	80/00	80/00	74/00
Kemp (Chemists)	12½	12½	..	200	253/75	253/75	276/25
National Rayon	22	..	..	100	333/50	351/00	365/50
Scindia Steam Navign.	3	3	3	20	15/24	15/40	15/28
Shivrajpur Synd.	80	Nil	Nil	10	20/20	20/00	21/00
Tata Chemicals P.	6	6½	6½—10*	10	17/68	18/34	17/04
Tata Oil P	23	23	23—22*	25	47/00	49/00	69/70
Voltas	13	14	14—14*	100	262/00	258/00	255/00
Western India Match	16	16	16	100	234/00	234/50	270/00

* 1963

TEA COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 2-12-64 Rs.	25-11-64 Rs.	A year ago Rs.
ASSAM GARDENS							
Amluckie	10	7½	5	10	16/00	16/00	18/37
Anandabag P.	32½	20	12½	10	33/2[illegible]	33/25	33/25
Baghmari	15	7½	Nil	10	11/25	11/25	17/25
Barduar Tea	..	..	..	5	8/50	8/50	8/50
Basmatia	25	20	7½	10	18/06	18/06	27/25
Bateli	30	30	30	5	17/06	17/06	17/50
Betlan	45	30	25	10	29/06	29/06	30/12
Bishnauth	13	20	7½	10	13/25	13/25	18/69
Bokakhat	12	13	..	10	13/1[illegible]	13/12	13/7[illegible]
Bormah Jan P.	15	15	..	10	11/00	11/00	13/00
Bor Pukhuri	Nil	10	Nil	10	10/50	10/50	11/00
Brooke Bond P.	10	7½	7½	10	9/87	9/87	13/06
Dejoo Valley	20	30	..	10	40/00	40/00	60/00
Dessai & Purbuttia	10	15	12½	100	170/00	170/00	200/00
Dhelakhat	10	8	10	10	20/62	20/62	20/75
Dhunseri P.	15	10	10	10	10/00	10/00	11/81
Dibrugarh	40	30	..	10	27/50	27/50	32/50
Dimukusi P.	20	25	30	10	23/19	23/19	22/62
Duffla[illegible]	25	30	20	10	23/00	23/00	28/00
East India	Nil	10	Nil	10	10/25	10/31	15/56
Gillapukri	20	15	12½	10	23/00	23/00	25/44
Gohpur	5	20	..	10	12/50	12/87	14/69

TEA COMPANIES—Contd.

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 2-12-64 Rs.	25-11-64 Rs.	A year ago Rs.
Srob	6	6	3	5	6/00	5/75	7/81
Hoograjuli (Assam)	20	17	12½	10	27/62	27/62	27/12
Hoolungooree	7½	20	15	100	168/00	168/00	200/00
Jutlibari	30	20	14	10	27/87	27/87	31/50
Kingsley Golaghat P.	35	..	..	100	125/00	125/00	125/00
Kotamullai P.	Nil	Nil	Nil	5	10/31	10/31	10/31
Krishnabehari	8	10	6	10	11/30	11/30	11/80
Kyang Tea	..	..	..	10	8/06	8/06	8/06
Ledo	Nil	Nil	Nil	10	14/25	14/25	13/75
Maud Tea & Seed	7½	7½	..	10	12/00	12/00	14/81
Methoni	14	20	11	10	13/25	13/25	17/87
Moheema	Nil	..	..	10	11/50	11/50	11/50
Mothola	30	35	35	100	425/00	425/00	507/00
Murphulani (Assam)	15	25	17½	10	26/50	26/50	26/50
	20.63	30.63	23.13	10	26/87	26/87	26/87
Naga Hills	10	10	10	10	21/25	21/25	22/25
Namburnadi	12	..	..	10	12/87	12/87	12/87
New Cinnatolliah	Nil	Nil	5	100	455/00	455/00	302/00
Rajgarh	13½	17½	12½	10	18/56	18/56	19/00
Sapoi	20	10	..	10	15/81	15/81	18/50
Seajuli	15	30	25	10	21/06	21/06	25/50
Telojlan	25	25	..	10	19/00	19/00	24/12
Tengpani	30	22½	12	10	36/50	36/50	35/75
Tezpore P.	12½	12½	12½	10	12/44	12/44	15/19
Tongani	Nil	..	..	10	5/19	5/19	5/31
Tyroon	15	25	..	10	24/75	24/75	31/00
CACHAR							
Arcuttipore	5	6	..	10	7/00	7/00	7/00
Baitakhal	2½	..	7½	10	6/00	6/00	7/71
Central Cachar	7½	5	..	100	73/00	73/00	85/00
Eastern Cachar	Nil	..	..	10	5/06	5/06	4/56
Kallinugger Khoreel	2	..	..	100	84/00	84/00	87/00
Hattikhira	8	Nil	Nil	10	6/69	6/69	8/75
Kunchanpore	Nil	..	..	10	6/00	6/00	6/00
Looban	Nil	Nil	Nil	10	3/75	3/75	4/56
North Western	20	10	..	100	140/00	140/00	175/00
Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50
Roopacherra	10	Nil	..	10	9/94	9/94	11/00
Rungamattee	5	5	5	50	47/00	47/00	48/50
Sonai River	Nil	..	..	10	5/06	5/06	5/05
DARJEELING							
Bloomfield	..	..	..	10	3/25	3/25	3/12
Chamong	10	10	..	10	8/87	8/87	9/00
Darjeeling Tea & Chin.	30	30	..	100	197/00	197/00	197/00
Dilaram	4	..	..	100	102/50	102/50	102/50
Gielle	..	8 4/7	15	10	18/12	18/12	11/69
Lingia P.	10	17½	15	10	15/00	13/00	14/00
Longview	10	..	..	10	8/25	8/25	11/00
Margaret's Hope	15	15	..	10	11/81	11/81	12/19
Mim	27½	27½	Nil	100	430/00	430/00	191/50
Nagri Farm	25	35	35	10	28/12	28/12	29/87
Okayti	25	25	..	100	600/00	600/00	600/00
Pashok	Nil	..	..	10	18/75	18/75	20/00
Poobong	Nil	5	Nil	10	10/50	10/50	7/50
Pussimbing P.	Nil	Nil	Nil	10	7/69	7/69	7/50
Rungliee Rungliot	20	7½	5	100	290/00	290/00	386/00
Seeyok	Nil	..	..	10	8/50	8/50	8/60
Singell	Nil	Nil	..	100	36/75	36/75	36/75
Singtom	Nil	2	..	10	3/25	3/25	3/50
Soom	40	40	30	10	39/00	39/00	34/00
Sungma	15	20	..	10	12/06	12/06	14/62
Teesta Valley	..	8 4/7	10	10	12/44	12/44	15/87
Tukvar	Nil	..	..	10	3/56	3/56	6/00
DOOARS							
Banarhat P.	21	21	17	100	161/00	161/00	241/00
Baradighi	25	25	15	10	20/75	21/12	23/69
Bhatkawa	15	20	..	10	13/87	16/00	17/25
Birpara P.	12½	17½	10	100	143/00	142/00	162/00
Carron	5	7½	Nil	100	125/00	125/00	155/00
Choonabhuti P.	20	20	7½	100	176/00	176/00	210/00
Ellenbarrie	5	10	7½	100	300/00	300/00	184/00
Enga	30	40	30	100	225/00	225/00	136/00
Etnelbari	5	7½	..	10	11/87	11/87	11/87
Gairkhata	20	11	7	10	12/87	12/87	21/50
Gopalpur	2	10	..	25	19/50	19/50	20/00
Hantapara P.	5	10	7½	100	97/00	97/00	114/00
Hasimara P.	..	18	15	10	12/06	12/06	13/44
Huldibari	..	19 2/7	11	10	11/00	11/00	13/05
Jaypirpara	Nil	Nil	..	10	8/94	8/94	23/81
Kilicott	15	15	10	10	14/06	13/94	15/50
Manabarrie	6	10	10	10	59/50	59/50	59/50
Nagaisuree	15	15	5	100	141/00	141/00	140/00
New Dooars P.	20	14½	Nil	100	170/00	167/50	230/00
Oodlabari	7½	Nil	7½	100	14/00	14/00	13/62
Phaskowa	Nil	Nil	Nil	100	121/00	121/00	129/00
Rajabhat	Nil	6	6	10	10/25	10/25	12/00
Ranicherra	15	7½	..	10	12/00	12/00	12/75
Rydak	20	25	25	10	22/62	22/62	25/75
Sarugaon	40	40	40	10	37/00	37/00	36/31
TERAI							
Atal	..	..	..	10	5/37	5/37	8/75
Belgachi	20	..	..	10	23/12	23/12	20/50
Gungaram	12½	12½	10	100	140/00	140/00	130/00
New Chumta	..	12 6/7	20	10	19/00	19/00	24/62
New Terai	10	15	..	10	20/50	20/50	23/00
Pahargoomiah	20	2½	..	10	9/87	9/87	14/37
Putinbaree	14	..	..	10	55/00	55/00	45/00
Tirribannah P.	60	60	..	10	49/00	49/00	49/00
CHITTAGONG							
Kodala	Nil	..	..	10	9/25	9/25	9/25
Kornafuli	Nil	..	..	10	11/25	11/25	9/31
Oodaleah	Nil	..	..	10	8/00	8/00	8/00
SYLHET							
Chundeecherra	Nil	Nil	Nil	10	29/75	29/75	26/00
Dauracherra	22½	20	Nil	10	14/75	14/75	11/56
New Samanbagh P.	Nil	Nil	Nil	10	20/25	20/25	18/37
Patrakola	40	15	Nil	100	135/00	145/00	129/00
Rajnagar	Nil	Nil	..	10	9/56	9/56	9/50
Tellapara	22½	10	Nil	100	169/50	169/50	110/00

‡ Hectares

MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 2-12-64 Rs.	25-11-64 Rs.	A year ago Rs.
MININGS							
Burma Mines	2 3/5	Nil	Nil	3½S	0/44	0/44	0/44
Chrestien Mica Industries P.	15	12½	..	10O	9/09	9/09	10/19
	25	20	..	5Dd	6/53	6/53	6/87
Indian Copper Corporation	27	27	18	2s	3/27	3/34	3/38
Metal Corporation P	Nil	Nil	..	10O	6/00	6/00	8/50
Orissa Mineral Development	36	28	20	10	20/03	20/03	26/00
CEMENT, LIME, SLATE, ETC.							
Ashoka Cement	7	7	7—7*	10	6/50	6/50	7/37
Assam Bengal Cement	..	Nil	Nil	10O	3/19	3/19	3/62
				1Dd	0/59	0/59	0/59
Bengal Potteries	15	12	12	2½	4/37	4/19	5/37
Bisra Stone Lime	30	30	10	..	18/50	18/50	23/50
Dalmia Cement (Bharat) P.	12	12	12-12*	10O	12/94	13/06	12/91
				1Dd	3/06	3/06	2/81
Jaipur Udyog P.	6	8	10-10*	10	10/00	10/12	11/69
Kumardhubi Fireclay & Silica P.	18	18	18	10	18/45	18/45	18/45
Orissa Cement P.	15	15	10	10	11/62	11/31	14/31
Reliance Firebricks & Pottery	22	15	10	10	22/75	22/75	22/75
Sone Valley Portland Cement	4	6	8	10	3/87	3/87	4/62
Sutna Stone & Lime	27½	30	35-20*	10	18/00	18/00	28/31
CHEMICAL INDUSTRIES							
Alkali & Chemical Corpn. of (I)	12	15	15—15*	10	28/44	28/81	35/62
Bathgate & Co Ltd P	Nil	Nil	..	5	9/84	9/84	9/84
Bengal Chemical & Pharm. P.	7	10	10	100	103/00	103/00	101/00
Calcutta Chemical P.	18	18	18	10	19/12	19/12	17/87
Frank Ross P	..	..	..	6	3/19	3/19	2/87
Smith Stanistreet P.	25	25	25-22½*	5	13/69	13/69	12/31
ELECTRIC LIGHTING, POWERS							
Agra Electric Supply	11	11	11-11*	100	126/00	126/00	118/00
Bareilly Electric Supply	11	11	11-11*	10	11/44	11/44	12/50
Benares Electric Supply	11	11	11-11*	10	12/87	12/87	11/62
Bhagalpur Electric Supply	8	10	8	8	7/12	7/12	6/56
Calcutta Electric Supply	2	7½	7½	£1	15/25	15/25	14/75
Cuttack Electric Supply	7½	10	Nil	10	15/00	15/00	11/87
Dishergarh Power Supply P.	10	10	10-10*	100	96/00	96/00	88/00
Jhansh Electric Supply	..	Nil	7	10	5/90	5/90	5/90
Jubbulpore Electric Supply	10	10	10	10	10/75	11/00	11/12
Mirzapur Electric Supply	..	..	..	..	7/50	7/50	12/00
Muzafferpore Electric Supply	12½	12½	12½	10	17/75	17/75	11/50
Muttra Electric Supply	..	..	..	10	11/06	11/06	11/06
Patna Electric Supply	10	10	10	10	10/62	10/75	10/44
Shahjahanpur Electric P.	6½	6½	6½	10	6/62	6/62	6/87
Sitpur (Jhariah) Electric	10	9	9	10	9/62	9/62	8/50
United Provinces Electric	11	11	11-11*	100	193/00	200/00	145/00
Upper Jumna Valley Electric	13½	13½	13½-13½*	11	25/37	25/37	18/00

MISCELLANEOUS COMPANIES—Contd.

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 2-12-64 Rs.	25-11-64 Rs.	A year ago Rs.
ENGINEERING & METAL							
Arthur Butler (Muzafferpore) P.	Nil	10	..	10	15/00	15/00	14/94
Bhartia Electric Steel	10	12½	15	10	14/94	14/94	15/00
Braithwaite India P.	25	14	20	10	32/75	32/75	34/25
Bridge & Roof	30	30	30	10	52/25	52/25	52/25
Britannia Building & Iron P.	Nil	Nil	Nil-Nil*	10	3/62	3/62	3/37
Britannia Engineering P.	10	10	..	10	9/37	9/31	10/34
British India Electric Cons.	20	15	15	10	29/12	29/12	31/00
Burn P (Engineering)	28½	28½	25-15*	100	278/00	278/00	317/00
Calcutta Steel	15	15	12½-15*	10	13/37	13/37	14/19
Dalmia Iron	10	10	10	10	11/56	11/56	11/69
Guest, Keen, Williams	14	14	12	10	22/87	23/25	26/31
Hooghly Docking	Nil	12½	10	50	80/00	80/00	95/00
Indian Iron & Steel P.	16	16	16-17*	10	25/08	25/52	24/20
Indian Malleable Casting	Nil	Nil	..	50	5/19	5/19	6/00
	Nil	Nil	..	10d	2/81	2/81	2/06
Indian Standard Wagon P.	28½	28½	20-20*	10	36/69	36/69	35/62
Indian Steel & Wire Products	24	23	18	100	27/62	30/00	36/87
Industrial Containers	10	10	..	10	25/62	25/62	21/37
Jay Engineering	17 3/20	15	10-8*	10	20/00	20/44	21/87
J. K. Steel P	20	10	15	10	17/75	17/94	17/12
Jessop & Co. P.	8.58	8.58	10	10	25/69	25/25	24/06
Kumardhubi Engineering P.	11½	15	Nil-16⅔	3	5/50	5/50	9/15
Marshall Sons (India)	Nil	Nil	Nil	2	4/00	4/00	2/53
National Iron and Steel	Nil	Nil	..	10	5/50	5/75	5/69
Saran Engineering	10	12½	10	4	8/50	8/50	7/94
Steel Containers	20	20	17½	10	24/31	24/31	29/56
Textile Machinery	10	12½	12½-15*	10	25/05	25/90	26/90
SUGAR BREWERIES, ETC.							
Balrampur Sugar	8	4	Nil	2½	1/50	1/56	1/95
Belsund Sugar	10	6 2/3	3 1/3	7½	7/62	8/75	8/94
Bharat Sugar P.	15	15	15	10	14/50	14/50	16/00
Carew (Sugar) P.	Nil	Nil	Nil	10	12/44	12/50	11/31
Cawnpore Sugar P.	Nil	Nil	Nil	10	9/94	6/69	9/75
Champaran Sugar	12	Nil	Nil	10	11/44	11/44	12/62
Durbhanga	Nil	5	..	10	8/56	8/56	9/94
New Savan Sugar and Gur	5 3/5	3 7/10	..	10	3/50	3/50	4/50
Purtabpur Sugar P.	Nil	Nil	..	10	9/12	9/12	10/81
Ramnugger Cane & Sugar P.	35	30	15	10	24/25	24/25	29/00
Raza Buland	10	10	10	10	9/87	9/87	10/44
Ryam Sugar P.	Nil	Nil	..	10	4/12	4/12	3/37
Samastipur Central Sugar	Nil	Nil	..	10	3/62	3/62	5/25
Shree Krishna Gyanoday Sugar P.	10	Nil	..	10	8/25	8/56	8/62
Shree Sitaram Sugar	..	..	..	10	7/28	7/28	7/12
Sitalpore Sugar	Nil	Nil	Nil	10	3/69	3/69	3/94
United Provinces	5	Nil	..	10	12/00	12/00	10/50
Upper Ganges Sugar P.	72½	72½	..	10	60/25	60/25	85/00
MISCELLANEOUS							
A. Firpo (Restaurateur)	10½	5	..	10	5/90	5/90	5/90
Aluminium Corporation P.	12	12	5-9*	10	11/06	11/12	13/50
Anderson Wright Ltd. P.	Nil	6	6	10	11/50	11/50	11/50
Angelo Bros	28½	28	28	10	24/62	25/00	26/75
Assam Match	20	20	20	10	25/25	25/25	27/50
Assam Saw Mills & Timber	Nil	3	..	3	2/44	2/44	2/66
Associated Battery	15	15	15	10	24/87	24/37	28/00
Associated Hotels of India P.	10	10	10	10	10/37	10/37	10/31
Balmer Lawrie & Co.	25	25	22½	100	235/00	235/00	256/00
Barraree Coke	Nil	15	15-20*	10	20/75	20/75	22/06
Birds Investments P.	10	10	..	10	8/50	8/50	10/44
Britannia Biscuit P.	30	25	21-21*	10	36/62	36/62	51/50
British India Corporation P.	7	9	15	5	10/69	10/87	9/00
British Paints	12½	10	15	10	23/44	23/44	23/50
Calcutta Silk Manufacturing P.	Nil	..	..	10	6/94	6/94	6/94
Clive Row Investment	7½	7½	8	10	8/69	8/69	8/56
Duncan Brothers & Co Ltd P.	14	14	12	100	110/00	110/00	140/00
Dunlop Rubber Co (India) P.	20	15	17½	10	29/87	30/44	36/00
Dyer Meakin (Breweries)	30	..	..	5	23/44	23/44	32/50
Eastern Investments Ltd. P.	14	12	10	100	101/00	101/00	111/00
Electric Construction	10	10	10	10	13/31	13/62	13/25
French Motor Car	20	20	..	20	31/75	31/75	32/75
Ganges Rope	20	20	20	100	252/00	252/00	236/00
General Investments Trust P.	5	5	5-5*	75	43/00	43/00	43/00
Gillanders Arbuthnot & Co Ltd. P	11	11	11-9.6*	10	12/62	13/00	14/19
Gladstone Lyall & Co. Ltd P.	Nil	Nil	..	10	..	..	..
Godfrey Phillips (India) Ltd P.	40	30	20	10	21/75	22/00	28/12
Great Eastern Hotel	6	7	..	250	260/00	260/00	250/00
Hindustan Aluminium P.	Nil	Nil	Nil	10	12/62	13/06	13/75
Hindustan Motors P	12	12½	11½-11½*	10	16/22	16/34	16/75
Hindustnan Pilkington	12	Nil	Nil	10	13/31	13/37	18/41
Hindustnan Twyfords P.	Nil	Nil	Nil-Nil*	10	15/06	15/06	14/25
Hoare Miller & Co Ltd.	6	..	..	10	5/37	5/37	5/62
Imperial Tobacco	9	9	8-6½*	10	8/18	8/06	10/12
Indian Aluminium Co Ltd P.	15	17½	17½	10	30/37	30/69	29/62
Indian Cable P.	22½	22½	22½-25*	10	34/75	34/75	38/81
Indian Oxygen	15	12	12	10	23/94	23/69	27/87
Indian Rubber Manufacturers P	30	35	..	10	21/75	21/75	19/87
Indian Wood Products	30	30	25	10	26/25	26/25	14/75
Isaac Holdens	Nil	Nil	5	10	10/12	10/19	16/56
Investments and Finance P.	7½	7½	7½-7½*	100	55/00	55/00	30/00

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 2-12-64 Rs.	25-11-64 Rs.	A year ago Rs.
J. K. Synthetics	3	Nil	10	10	12/94	13/31	12/50
James Wright P.	..	..	..	50	2/75	2/75	2/12
	..	..	..	1Dd	00/43	00/43	00/43
Jardine Henderson Ltd. P.	7	6	7-7*	100	70/00	71/00	78/00
Jay Shree Industries P.	12½	12½	..	10	14/62	14/75	14/75
Kesoram Industries P.	12	12	13-15*	10	23/50	24/12	25/37
Macfarlane & Co.	Nil	Nil	..	50	4/50	4/50	6/00
	Nil	Nil	..	1Dd	1/81	1/81	1/44
Macneill & Barry Ltd. P.	8	7½	8½	100	95/00	95/00	92/00
Martin Burn Ltd. P.	27½	25	25	10	26/50	26/94	28/50
McLeod & Co. P.	15	18	..	100	230/00	230/00	210/00
Metal Box Co. of India Ltd. P.	25	25	19-18*	10	30/50	31/25	52/25
National Insulated Cable P.	25	25	18-20*	10	24/31	24/62	24/00
National Pipe & Tubes P.	20	20	20	10	28/50	28/50	28/19
National Rolling & Steel Ropes	15	15	15	10	24/06	24/06	20/37
National Rubber P	6½	8	10	10	10/12	10/62	13/75
National Tobacco P	7	7	..	10	10/75	11/19	13/50
New India Investment Corpn.	8 2/5	8 2/5	..	75	56/50	53/50	59/50
Octavius Steel P.	7½	7½	..	100	..	..	..
Philips India	12	13	15	10	27/50	27/50	28/50
Publicity Society	75	75	50	4	25/06	25/06	22/62
Rallis India P	8½	8½	10	100	123/25	121/00	131/00
Rohtas Industries P.	10	8	9-8*	10	9/50	9/81	12/22
Sirsilk P	..	..	..	10	7/06	7/06	9/87
Sen-Raleigh Industries P.	8	8	Nil	10	17/12	17/12	15/19
Shaw Wallace P.	15	7½	12½	10	15/81	15/81	17/75
Spencer's Hotel	2½	..	..	2	1/25	1/25	0/65
Union Carbide	18	12½	15	10	29/12	28/75	42/75
Walford Transport	30	30	27	10	3/09	3/09	4/06
INSURANCE COMPANIES							
Concord of India	20	20	20	5	9/81	9/81	11/25
Hercules	26½	26½	26½	10	23/50	23/50	23/25
Ruby General	13½	15⅝	15⅝	8	11/70	11/75	10/31
Standard General	..	..	..	10	7/75	7/75	6/25
Triton	50	50	50	25	127/00	127/00	128/00
FLOUR MILLS							
Bengal	25	25	30	10	33/75	33/75	29/00
Delhi P.	..	..	..	10	14/00	14/00	14/00
Ganesh P.	..	..	..	12½	10/12	10/62	15/00
Hooghly	Nil	Nil	5	10	19/75	19/75	19/75
United	10	7½	10	10	27/81	27/81	27/81
OIL COMPANIES							
Attock Oil	13½	13½	13 1/3	£1	sh. 32/6	sh. 32/6	sh. 39/-
Burmah Oil P.	..	11½	22½	£1	sh.54/-	sh. 56/6	sh. 66/6
Indo Burmah Petroleum P.	25	22½	17½	10	19/25	20/12	24/25
Tide Water Oil	35	35	35	10	37/00	37/00	29/12
PAPER MILLS							
Bengal P.	27½	20	20	10	26/81	25/87	28/25
India Paper Pulp	13	12	15-15*	10	16/56	16/37	19/06
Orient Paper P	22½	22½	20	10	31/65	32/25	37/70
Shree Gopal Paper P.	17 6/7	17 6/7	18	10	25/50	25/50	25/00
Sirpur P	8½	8½	5	10	12/59	12/31	13/75
Star Paper P.	Nil	Nil	Nil	10	8/75	9/50	9/12
Titaghur P.	13	13	13-13*	2½PO	3/37	3/37	3/25
	20	10	10-2½*	10AO	12/00	12/06	16/87
	20	10	10-2½*	10BO	12/00	12/06	16/87
West Coast P.	7½	..	..	100	164/00	164/00	170/00
PRESSING COMPANY							
Camperdown	11	..	..	100	110/00	110/00	104/00
REAL PROPERTY STORAGE							
Bengal Bonded Warehouse	8	8	9	A500	1,250/00	1,250/00	1,050/00
				B82½	125/00	125/00	125/00
				C100	186/00	186/00	122/00
				D12½	45/00	45/00	14/15
Calcutta Safe Deposit	Nil	Nil	..	100	7/81	7/81	7/75
Humayan Properties P.	3	Nil	..	10O	11/00	11/00	11/00
	..	..	..	1Dd	2/10	2/10	2/10
Midnapore Zemindary P.	Nil	Nil	Nil	85	33/75	33/25	11/00
TRAMWAYS & STEAMER							
Bengal Assam Steamship P.	7½	10	10	100	105/50	105/50	128/00
Calcutta Landing & Shipping	7½	22	6	10	21/00	21/00	34/00
Calcutta Steam Navigation	Nil	Nil	Nil	10	7/25	7/25	9/25
Calcutta Tramways P	5	5	5	£1	11/44	11/50	11/25
Fraser	..	..	..	10	10/00	10/00	10/00
India General Nav. Railway P.	Nil	Nil	..	£10	38/00	38/50	44/00
India Steamship P.	Nil	Nil	Nil	10	6/50	6/47	7/37
Port Shipping	Nil	Nil	12	10	17/12	17/12	14/75

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CLOSER LOOK AT THE FOURTH PLAN PROPOSALS

THE memorandum on the fourth five year plan presented to Parliament last week is essentially the same as the one prepared by the Planning Commission and endorsed by the National Development Council towards the end of October. After more than a month of discussion and criticism, there are almost no changes, except that an additional chapter and a summary of the comments made at the N.D.C. meeting have been appended to the original document. It is perhaps true that no major changes were to be expected, since the presentation of the memorandum to Parliament is mainly in the nature of a formality. The hope nevertheless remains that wider discussion and criticism will now follow on the purpose and pattern of the fourth plan. The assumptions on which the plan is based are highly questionable, and so are the targets it proposes. The time has, therefore, come for Parliament to join vigorously in the effort to bring the Planning Commission closer to reality. The Commission cannot pretend any more that scepticism about the feasibility of the plan is confined to congenital pessimists, or to the timid and conservative advocates of financial orthodoxy. As it well knows, the scepticism exists at important levels of the Government too. It is for Parliament to insist that doubts should no longer be swamped simply by a flood of exhortations. The Commission has to concentrate its attention on what can be done, instead of warbling aimlessly about what it thinks ought to be done.

In fairness to the planners, it has to be admitted straightaway that their preliminary ideas about the size of the fourth plan have already been cut down quite substantially. As the memorandum recalls, the working groups set up by the Planning Commission originally made interim recommendations which would have involved an outlay in the public sector alone of over Rs. 24,000 crores; to this would have been added an investment of Rs. 7,000 crores in the private sector, raising the total outlay under the plan to over Rs. 30,000 crores. After some chopping and changing "in order to avoid duplication and to secure internal balance and consistency", the figure for the total outlay (including investment in the private sector) was reduced to between Rs. 24,000 crores and Rs. 25,000 crores. All these estimates were based on 1960-61 prices. It has, however, now been decided to frame the fourth plan on the basis of "a minimum outlay" of between Rs. 21,500 crores and Rs. 22,500 crores at 1963-64 prices (including Rs. 7,000 crores of investment in the private sector). Assuming that prices rose by about 8 percent between 1960-61 and 1963-64, the cut has been sharper than the difference of Rs. 2,500 crores or so might indicate. An outlay of Rs 21,500 crores at 1963-64 prices would be the rough equivalent of an outlay of less than Rs. 20,000 crores at 1960-61 prices. That is broadly the measure of the extent to which the planners have been forced to trim their original ambitions.

The point for Parliament to consider, however, is not that so much trimming has been done already. The more important point is that, even after the trimming has been done, the plan does not look like a realistic projection of what the country can achieve. The memorandum prepared by the Planning Commission does not give even a rough breakdown of the sources through which the money is going to be raised. Considering that a host of minor details, such as the output of handloom cloth or of bicycles, are offered with great precision, the omission is an odd one; it gives the impression that the Commission does not have any clear idea about where the money will come from. Subject to certain major qualifications, it is stated that tax revenues, at present tax rates, will rise by 8 percent a year. The *non-tax revenues* of the public sector as a whole will also rise at the same rate. No figures are given, but a "substantial" increase is assumed in receipts from market loans, small savings, provident funds, annuity deposits and miscellaneous capital receipts. Credit is taken for Rs. 2,500 crores of budgetary receipts corresponding to external assistance. But, at the end of it all, there remains a gap of Rs. 2,500 crores or Rs. 3,500 crores in rupee resources alone.

The Planning Commission has given no precise indication of how the gap might be covered. It says broadly that "these additional resources will be secured through increased taxation, reduction of tax avoidance and evasion, and adjustment of prices charged by public-sector undertakings". It is a little more specific when it says that taxation of agricultural income could be raised, especially if the receipts could be linked to local developmental works: sales taxes on non-basic consumer goods could be increased; urban property could be subjected to "proper valuation" and further taxes levied on increments in its value; and the pricing policy of most Government undertakings could be adjusted so as to bring a return of 12 percent on invested capital. The Commission, however, shows no awareness of the fact that some of these ideas have been canvassed before, and half-heartedly implemented or quietly dropped. Heavier taxation of agricultural income, for instance, has been restrained by the political cowardice of State Governments and the Congress Party. Increases in sales taxes, and in taxes on urban property, have already got to the stage where not much can be secured by way of additional revenue from these sources. As for the pricing policy of Government undertakings, the Commission cannot be unaware of how its worthy nostrums on this point have been forgotten during the third plan: an improvement in the returns from such undertakings, furthermore, has to be sought through greater efficiency rather than higher prices if it is not to be inflationary.

In any case, it is inconceivable how a gap of Rs. 2,500 crores or Rs. 3,000 crores can be covered by measures of the sort the Commission has vaguely outlined. That gap, it needs to be remembered, has already been reduced on paper by a host of optimistic assumptions. One is that the growth of the economy will be rapid enough to generate an adequate increase in production and incomes. Another is that the increase in administrative and non-plan expenditure will be severely restricted. A third is that the outlays on defence, or food subsidies, or refugees, will not rise beyond the levels visualised at present. The

these assumptions, however, is indicated by the fact that prices are already approximately 15 percent higher than they were a year ago. To manage to control expenditure strictly, in the way the Planning Commission visualises, would in the circumstances be a miracle. The rise in prices highlights another fundamental weakness of the fourth plan proposals. It is that the outlay of Rs. 21,500 crores or Rs. 22,500 crores is based on 1963-64 prices. At current prices, the figures would have to be a good deal higher. The gap in resources would then be even larger. Neither the Government nor the Planning Commission has said specifically as yet that the intention is to bring prices back to the levels of a year ago. On the contrary, the price support scheme for foodgrains alone, if it is a success, is likely to ensure that the price levels of 1963-64 will not be seen again. The Government's attitude, in fact, seems to indicate that while it would welcome a limited decrease in prices, it would not welcome a decrease of around, say, 15 percent. In considering the fourth plan proposals, therefore, one of Parliament's main interests might well be to ask bluntly whether this is the case. If it is, a fundamental re-calculation of the figures concerning resources and outlays would clearly be necessary.

The Government's hopes and intentions concerning the future trend of prices are crucial not only to the question of finding rupee resources for the fourth plan; they are equally crucial to the question of finding the foreign exchange resources too. The planners have assumed that the main contribution by way of external resources will come from commodity exports; they will bring Rs. 5,100 crores over the five-year period. As the requirements of commodity imports, excluding P.L. 480 imports, will amount to Rs. 7,200 crores, the deficit on merchandise account will be Rs. 2,100 crores. To the latter figure will be added Rs. 1,100 crores for meeting foreign debt obligations—Rs. 500 crores of repayments and Rs. 600 crores of interest. The total amount of foreign aid and private foreign capital required will, therefore, be Rs. 3,200 crores. A number of important question-marks, however, limit the value of these projections. The first is that the calculation of import requirements, described as only tentative, seems to be a serious underestimate, as has been the case during the third plan. (On few points, in fact, has the Planning Commission in the past been guilty of more damaging errors—errors which it now seems determined to repeat.) The second question-mark is represented by the impression that the expectations concerning export earnings are highly fanciful. India's exports have shown an encouraging increase within the past couple of years, and the rise still continues. But there is no real reason for assuming that the increase will be as sharp and steady as the Commission believes. On the contrary, as current inflationary pressures exert their influence more fully on the costs and prices of exportable commodities—which they have not done yet—there is a serious danger that the growth of exports may be sharply retarded.

The third question-mark arises from the estimate of the Finance Ministry, which understands these things better than the Planning Commission does, that the total amount of foreign aid offered for the fourth plan is unlikely to exceed Rs. 2,500 crores. The remaining Rs. 700 crores will, therefore, have to come in the form of private foreign capital. As things stand, it is inconceivable that so large a sum will come in this form. The inflow of private foreign capital hitherto has been much less; it has fluctuated sharply from year to year; and there is no evidence that the modest concessions offered to foreign investors in the last Budget have done anything to increase the inflow. The Government is hoping that substantial amounts of private foreign capital will be obtained by inviting its participation in a few giant ventures, such as those relating to steel, petroleum, petrochemicals and fertilisers—often in partnership with the Government itself. The progress of these efforts, however, remains to be seen. The difficulty, furthermore, is that the participation of private foreign capital in other smaller, but almost equally vital, projects—especially those belonging to secondary or tertiary industries—will still remain to be ensured in the interests of balanced industrial growth. The stagnation in the Indian capital market has already done a great deal to discourage the inflow of private foreign investment; conditions will almost certainly worsen if the general scheme for financing the fourth plan proposed by the Planning Commission is maintained. The instability of the economy, as reflected by the sharp rise in prices, has also done much to discourage investors from abroad. The fourth plan proposals threaten to accentuate the instability, and to that extent make the prospects for raising external resources as dismal as those for raising internal ones.

PROGRESS OF L.I.C.

THE traditional image of life insurance in India has been undergoing a change since it was taken over by the Government. The latest symptom of the change is that, since early 1964, the Life Insurance Corporation has emerged as a general insurer. In a brief reference to this development, Mr. B. K. Kaul, chairman, has in the course of his statement issued along with the annual report for the year ended 31st March, 1964, expressed the hope that a complete and comprehensive insurance service to the public will be provided by the L.I.C. to suit varying needs. Although the Corporation is not a member of the Tariff Committee of the Insurance Association of India, it has adopted the tariff rates for the present, but the chairman pointed out that it is open to it to revise the rates in due course in the light of experience. The L.I.C., which has been a monopolist in one field, has thus become an unfair competitor in another. It is an unfair competitor because as a general insurer it is not bound by the regulations governing the business transactions of other general insurers. The attack of the Government on private general insurers is now two-pronged. On the one hand, Oriental Fire, as a subsidiary of the L.I.C., is ostensibly bound as others are, by the terms of the Insurance Act, but takes as a compulsory cession 75 percent of all the Government and semi-Government business processed by the Indian Insurance Companies Association pool. On the other hand, the attack comes from the L.I.C. itself as a general insurer; it is not a member of the pool, but has the authority and power to take any business from the pool that it thinks fit. Such a policy hardly fits in with the Government's professed aim of providing equal opportunities to both the sectors.

The burden of Mr. Kaul's statement, however, does not relate to general insurance. He has taken pains to highlight the achievements of the L.I.C. in the sphere of life insurance. His apologetic explanations are themselves proof that all is not well with the Corporation. The frequent references to outside forces hampering the Corporation's activities are not very convincing. They can hardly explain away the failure in certain significant features of trading. New business registered a fall in comparison with the year 1962-63, which Mr. Kaul attributes to the rise in the cost of living and to the introduction of the compulsory deposit scheme. Apart from the factors having their inevitable repercussions, the chairman has remarked, natural calamities like famine conditions in some parts of the country and excess rainfall in others have also had an adverse effect. As for the rise in the lapse ratio from 8.1 percent to 8.2 percent, the chairman considers this to be the result of general economic conditions and the effect of the compulsory deposit scheme on the saving capacity of those insured. It is worth recalling that the lapse ratio in 1958 was only 5.8 percent.

The wisdom of introducing the compulsory deposit scheme has been widely debated. It was a fiscal measure which soon had to be relaxed, and then revised in the form of the annuity deposit scheme covering a smaller section of income taxpayers. But life insurance in India does not depend all that much on fiscal measures, on the cost of living or on the vagaries of the weather. It remains, by and large, a forced sale. Barring the educated urban class, people in India are by tradition fatalistic, and are scarcely in a position to appreciate the protection which life insurance affords. The steady shift in income from the urban middle class to skilled and semi-skilled labour, artisans and agriculturists, in rural as well as urban areas, is too strong a factor to be ignored. This new class of earners could be tapped by the Corporation through, for example, an industrial life insurance scheme such as is in force in the U.K., where premiums are collected from weekly wages. Climatic adversities in India are frequent. It is hardly fair of the L.I.C. chairman to moan over the vagaries of the weather, floods and near-famine conditions. Insurance planning which does not take account of these factors, or of the price rise in a developing economy, ignores realities. Despite the inevitable shortcomings, the potential for life insurance in this country is immense, if only the L.I.C. would depart from its traditional hidebound methods of doing business and introduce imaginative schemes to cover the increasing number of wage-earners.

The 1.15 million or so policies representing 70.5 percent of the total policies issued during the year were taken by persons who were insuring for the first time. The corresponding figure for the previous accounting period of 15 months was 1.22 million policies. The chairman sees in this trend a growing consciousness of insurance and feels satisfied that the message is being carried to more and more people who had hitherto not availed themselves of life insurance protection. In a population of about 450 million, and even taking into account all the categories that are uninsurable, 1.15 million new first insurance policies is a poor total. The figure could have been many times larger had there been a new orientation in the underwriting policy and field service. The most satisfactory feature of the L.I.C. chairman's review is the reduction in the expense ratio. The overall expense ratio has come down to 27.5 percent, from 29.3 percent in the previous accounting period of 15 months. The renewal expense ratio has also come down from 14.13 percent to 12.46 percent. As the chairman observes, this is gratifying considering that the reduction has been achieved in spite of increases in the salaries and allowances of the employees.

The fourth valuation, as at 31st March, 1963, has been completed. According to the figures provided by the chairman, the rate of the reversionary bonus allowed on policies issued by the Corporation was increased from Rs. 16 a Rs. 1,000 of sum assured a year to Rs. 17.50 in the case of whole life policies, and from Rs. 12.80 a Rs. 1,000 of sum assured a year to Rs. 14 in the case of endowment policies. Ignoring the interests of policyholders, the Corporation is required to invest heavily in the development projects of the Government, which provide comparatively small returns. Were the Corporation free to invest in accordance with business principles—as specifically provided in the Life Insurance Corporation of India Act, 1956—the returns would be higher and would compare favourably with those earned by some of the former companies on their investments. This trend is indeed unfortunate. The L.I.C., at one stage, protested against the injustice and presented a sound case to the Central Finance Ministry on behalf of the policyholders. Private-sector industries account for 19.2 percent of the Corporation's investments, the balance going to public and semi-public undertakings. This explains the Corporation's comparatively poor showing over bonus disbursements.

U.K. GROWTH PLAN FAILING

INTO the controversy arising from Britain's financial and trading policies intruded a startling new factor. The all-industries index of production, which had been static throughout this year at 127, receded in September to 126. As the figure for January 1963 was 110, the rise to the beginning of 1964 was unusually rapid, and the subsequent stagnation was disappointing. But no one imagined, until the (seasonally-adjusted) figure for September was published that in the third quarter the trend had turned downward. Observers had argued previously that, as many big companies were reporting increases in production, the official calculations that production was

static must be wrong; but when the index declined they admitted that the lethargy was serious. It was against this background that the new Government presented an emergency Budget and, soon afterwards, raised Bank rate. The Budget was only moderately deflationary (and foreign observers saw inflationary implications in the promise of social benefits in the next regular Budget). But the two-point rise in Bank rate to the recognised crisis level, 7 percent, could turn the business trend downward even if it were rising and would certainly accelerate a decline.

The rise in Bank rate, more than any other development, showed that the Government's plans had gone wrong; for Ministers had assured the business community at home and the monetary authorities abroad that a rise in Bank rate was not a part of these plans. It became necessary—almost inevitable—because foreigners were withdrawing their money from Britain on a big scale, but for internal reasons it was very inopportune. It was strictly a short-term measure, and if industrialists are rational it will not affect their investment plans. But industrial confidence is a tender plant that withers quickly when the wind of crisis blows. It is not forgotten that the recession of 1962 followed the rise in Bank rate to 7 percent in 1961. The circumstances are in various ways dissimilar. Although the payments deficit is much bigger in 1964 than it was in 1961, the withdrawal of foreign funds has been less. Credit is not being officially squeezed in 1964 as it was in 1961; but for some months past the banks have voluntarily restricted their advances. The present Government will try to isolate the effects of the rise in Bank rate by instituting a two-tier structure of interest rates; but such manipulation of the monetary system will not be easy. A repetition in 1965 of the recession of 1962 is not unimaginable.

Such a recession, or even a continuance of the level trend of 1964, would disintegrate the philosophy of continuous economic growth that is basic in the Government's policy. And it happens that the current quarterly *Westminster Bank Review* contains a somewhat pessimistic study, by Professor Alan Day of the London School of Economics, of "The Myth of Four Percent Growth". He uses the word "myth" not in the "popular" sense but in the "sophisticated" sense of "a belief . . . . . which plays an important rôle as an expression of the collective feelings" of society. He suggests that "the British belief in the myth of 4 percent growth" is based partly on misleading comparisons with other countries. Anyway, he doubts that that growth rate, embodied in the policy of both the last Conservative Government and the present Labour Government, will be achieved. In an interesting aside, Professor Day observes that Britain's balance-of-payments crises have been "stupidly unnecessary" but "cannot be demonstrated to have had more than a minor effect in slowing down the country's underlying rate of growth". He focusses attention on "the question which is still far too little understood by economists (or anyone else)", the relation between investment and growth. The ratios of investment, both net and gross, to national income have been much lower in Britain than in continental Europe; but even in Britain the ratio of investment to the gross national product has risen considerably through the 1950s and early 1960s, and there is evidence that at the same time the underlying growth of productivity has been increasing steadily.

The main reasons why the investment ratio rose relatively easily in the 1950s were, the professor says, the release of resources from defence expenditure and the rise in voluntary savings; but "it is not easy to foresee as favourable circumstances in the future". His highest estimate of the growth of output over the next five years is 3¼ percent a year—"a rather depressing conclusion" for an expansionist such as himself. If Professor Day rejects the idea that crises have appreciably retarded growth (he says, too, that "it is very difficult to adduce hard evidence for the often-repeated view that stop-go . . . . . has had any substantial effect on the underlying rate of growth of the economy"), he is presumably not much worried (in this matter) by the crisis that burst soon after he completed his study. But the idea that crises and stop-go policies do not retard growth is one of the professor's more debatable propositions. It is arguable that, though they may not reduce a nation's average demand for capital goods over a period of years, they reduce its effective investment by concentrating demand in limited periods, during which it cannot be satisfied, and leaving the capital industries underemployed at other times.

The British Government has not yet reverted to a stop-go policy, but the crisis has caused anxiety and doubt in British industry at a time when industry should devote its single-minded attention to development and structural change, so that crises will not recur and stop-go policies will be unnecessary. Steady progress is surely more desirable than a high average rate of progress. A 4-percent average growth rate is high by British standards, and Britons are losing faith in "the myth of 4 percent growth". But this loss of faith is no reason to grieve, if Britain can perform her international functions adequately at a lower growth rate. A merchant banker, Mr. R. F. Medlicott, a director of Kleinwort Benson, in a paper presented to the Institute of Cost and Works Accountants in London recently, said that in an economy "comparatively glutted with gadgets and material satisfactions" material growth was not necessarily the main objective of policy.

Current News and Comment

Reviving Cheap Car Project

The Government has been toying with the idea of producing a low-cost car for over five years, but it is a pity that so far it has done nothing to implement the scheme. The recent furore in the Lok Sabha over the delay in producing a cheap car provoked Mr. B. Mishra, Central Deputy Minister for Industry and Supply, to announce that the Government would take up the project in the not-too-distant future. Since similar assurances have been given in the past, there is no certainty that the latest one will bear fruit. It will be recalled that when Mr. C. Subramaniam was the Central Minister of Steel, Mines and Heavy Engineering, he made an effort to revive the small car project. He said in March this year that the Government was trying to pool the capacity of the existing car manufacturers in order to reduce production costs, although on his own admission, the idea "bristled with difficulties". Subsequent developments showed that Mr. Subramaniam was unable to convince the three car manufacturing companies about the need for pooling capacity. So he put forward two alternative proposals. The first was that the Government might select one of the existing car manufacturing units for producing low-cost cars; assistance would be provided to the unit selected for the purpose. Alternatively, a new unit could be set up in the public sector in case there was no response from the existing car manufacturers. But Mr. Subramaniam did not go ahead with the scheme, presumably because he was unable to get much support from the Planning Commission or the Cabinet.

The recent debate in the Lok Sabha indicated that members were suspicious of the existing car manufacturers who, they said, had sabotaged the low-cost car project. True, cars produced in India are costly and of poor quality. But the Government itself has been responsible for this. Manufacturers have pointed out time and again that high taxes and the exorbitant prices of spare parts and components have been responsible for the high prices of cars. The member who said in the Lok Sabha that a Fiat was selling at over Rs. 14,000 (against the "normal" price of about Rs. 9,000), a Standard at over Rs. 14,000 (against Rs. 9,500) and a Hindusthan at Rs. 17,000 (against Rs. 11,000), obviously did not bear these points in mind. Another member went a step further in suggesting that the Government should nationalise the existing car manufacturing firms. He said that the payment of compensation would not pose any problem because it might be given in the form of long-term bonds. A drastic suggestion came from Dr. Ram Manohar Lohia who made the astonishing proposal that "the Government should insist that no manufacturer produces any car, but produces only buses and lorries for another 15 or 20 years." But if this is not possible, he added, the Government should not hesitate to undertake the manufacture of a cheap car in the public sector.

The Government has not yet indicated its reactions to these ideas. There is no denying that the heated discussion on the low-cost car project in the Lok Sabha was occasioned by the Government's inability to make up its mind. Although the Jha Committee had indicated that a cheap car could be produced, the Government has done nothing so far. Nor has it implemented the suggestions of the Pandey Committee; worse still, it has not even published its report. That Committee, it is reported, indicated that it was possible to manufacture a "people's car" in the public sector. The report was considered by the secretaries of the departments concerned in July 1961, and they were said to have given "tacit approval" for the project. But after issuing a statement in September 1961 that the manufacture of a small car was feasible in the public sector, New Delhi has only indulged in pious homilies and has done nothing either to reduce car prices or to manufacture a low-cost car.

Cotton Price Rise Unwarranted

Cotton prices have of late continued to rise. The March hedge contract in Bombay was marked up on 23rd November to Rs. 775 a 3 quintals, which is the maximum price permissible during the pre-delivery period. The statutory ceiling for Moglai fine 25/32in., which forms the basis of the hedge contract, is, however, higher at Rs. 798. In ready, the rise has been far more pronounced and almost all varieties (in new crop) have been commanding sizable premiums over the statutory ceiling rates for the past few weeks, which reduces price control over cotton to a complete farce. The current prices of cotton are higher than the maximum recorded during the past few years. Prices have risen to fantastic levels—Indian cottons are now costlier than comparable foreign cottons by about Rs. 200 to Rs. 250 a candy—even when the overall supply position is known to be far from being uncomfortable. In the past, the market authorities are known to have taken drastic measures to check the rising trend in prices in situations which were far less disturbing. The Government, too, has chosen to be a silent spectator, which is rather intriguing.

Commenting on the situation obtaining in the cotton market a spokesman of the Central Commerce Ministry is reported to have remarked recently that the rise in cotton prices was entirely unwarranted. The total supply of cotton, he pointed out, is likely to be more than sufficient for meeting the requirements of the cotton textile industry. Taking domestic production at 6.05 million bales, imports at 950,000 bales and a carryover of 2.6 million bales, the total availability of cotton in the current year at 9.6 million bales will be the highest for any single year so far. Few will seriously dispute the official spokesman's assessment of the supply position, especially if the Government is able to secure all the 950,000 bales of foreign cotton it intends to. The official spokesman has expressed the confidence that "with the co-operation of the mills, the trade and growers, conditions in the cotton market would settle down soon". If the various conflicting interests offered their fullest co-operation, any difficulty could be tided over. Cotton prices would not have skyrocketed the way they have done recently if the various interests had shown necessary co-operation. It is common knowledge that a few prominent speculators have been controlling the futures market, and that farmers have been sitting tight over their produce, with the result that the arrivals have not been sufficient to satisfy current demand. The big question is what is to be done when co-operation is not forthcoming from various quarters because of their conflicting interests. It is here that

the authorities have to intervene and enforce discipline when certain interests try to exploit the situation. It is pertinent to ask the Government why spot cotton prices have been allowed to pierce the ceilings and why the authorities have not cared to introduce compulsory survey and requisitioning. Can it be that the Government does not wish to incur the displeasure of agriculturalists, in spite of the fact that they have been withholding supplies from the market even when their produce is salable at the ceiling prices and even higher. The Forward Markets Commission, too, has been extraordinarily patient with bulls who have been playing havoc with the market. Cotton futures have risen by about Rs. 53 a 3 quintals in a matter of seven weeks and such a rise has rarely taken place in the past without attracting the Commission's intervention.

It might be that the Commission has come to accept the view that there is no need to interfere with the market when it is not threatened with any kind of payments difficulty. Normally this view has much to commend itself, but not when speculators push up prices to the ceiling under conditions of reasonably comfortable supply. The Commission's decision, announced on 26th November, to do away with the facility of free limit for the payment of margin when the hedge contract rises above Rs. 775 is simply an eyewash. In a way, it is mischievous and it is likely to mislead public opinion. Where is the sense in withdrawing this concession which can become operative only during the delivery month of March because trading above Rs. 775 is not permissible during the predelivery period? If the Commission feels that speculation has assumed sizable proportions, even though the market's solvency and liquidity are not endangered, and that a measure of discipline needs to be enforced, it should devise a scheme of stiff margins operative at substantially below the prevailing prices. Fortunately, the supply position of cotton is not uncomfortable. If the authorities make up their mind to discourage speculative activity in futures as well as in the ready market, it should not be difficult to bring down prices to reasonable limits. The authorities cannot depend entirely on the willing co-operation of the mills, trade and growers. What is needed is firm action.

Rise in Small Savings

Although collections from official small savings schemes have improved during the past couple of years or so, the Government has achieved little success so far in attracting savings from small-income groups. Addressing the National Savings Central Advisory Board in New Delhi early in December. Mr. B. R. Bhagat, Minister of State for Finance, said that out of the collection of Rs. 127 crores during 1963-64, Rs. 51 crores came from provident funds and Rs. 16 crores from the interest on post office savings bank deposits. It is true that collections during the current year have been satisfactory. They amounted to Rs. 62 crores up to the end of October 1964, showing a rise of about Rs. 10 crores over those of the corresponding period of 1963. But the disconcerting feature is that collections have largely been made from the high-income groups, which are taking advantage of the tax concessions offered under various small savings schemes. So the main object of encouraging thrift among the small-income groups has not been fulfilled.

The growth of deposits in post office savings banks is disappointing. Although the latter are located throughout the country, they have not succeeded in promoting the banking habit among the rural population. Substantial incomes have, meanwhile, flowed into rural areas due to the rise in the prices of agricultural commodities. So measures should be taken to attract savings, particularly from the low-income groups. Since the prize bonds scheme will be stopped from the end of December 1964 and the sum of Rs. 20 crores or so collected against these bonds will be repaid in April 1965, strenuous efforts should be made to mop up the funds in small savings. Rules relating to savings certificates are being modified to allow the conversion of prize bonds into small savings. The State Bank of India will undertake the sale of savings certificates in the near future. Although the certificates sold by the former would be identical with those sold through post offices, they would constitute a distinct series. Mr. Bhagat thinks that the third plan target of Rs. 600 crores for small savings will be attained. They contributed about Rs. 240 crores during the first plan and nearly Rs. 400 crores in the second.

Controls Hamper Production

The Indian economy is confronted with shortages of almost all essential commodities. The shortages have led to high prices which have inevitably caused hardship to consumers. But instead of making sincere efforts to increase production, the Government is busy imposing controls in almost all spheres of economic activity. In his presidential speech at the quarterly general meeting of the Indian Chamber of Commerce in Calcutta last Friday, Mr. Sookamal Ghose gave some concrete examples to prove that the mere imposition of controls would not help reduce prices. To remove the growing shortage of houses in the country, the solution does not lie in imposing a ceiling on urban property but rather in creating conditions and giving incentives for the construction of more houses. Similarly, when the country faces a sugar shortage, the Government should not think in terms of stopping the manufacture of sweets. Rather, the emphasis should be on increased production in order to meet the growing needs of the economy. Mr. Ghose was, therefore, right when he suggested that more restrictions and controls would not help solve the country's economic problems; rather they would create more problems and cause hardship to consumers. It is unfortunate that when there is a need to provide more positive incentives for a rapid industrial growth, the climate for business in India is not improving. Nobody should mind legitimate restrictions to ensure the healthy growth of business and industry, but the Government should see to it that it does not create a fear complex among business men.

The Income Tax Department has now been vested with enormous discretionary powers to enter any premises, make a search, seize cash, jewellery and ornaments and other assets, and impose penalties. A fundamental change has been made in the income-tax law so that the onus of proving that there has been no concealment of income is now upon the assessee. Principles of natural justice and fair play require that the department should first prove that an assessee has concealed his income. Throwing the burden of proof on an accused person before the offence itself has been legally confirmed is contrary to the fundamental principles of jurisprudence. Furthermore, as a result of the exercise of the wide powers of search and seizure by the income tax authorities, the seeds of mutual distrust and suspicion have been sown in society. The Government, meanwhile, has been oblivious of the fact that business and industry cannot thrive in a climate of distrust and suspicion. Nothing could be more harmful if it affects the inflow of foreign capital to India.

CORRESPONDENCE

CONTRACT FOR BOKARO STEEL PLANT

(To The Editor of "Capital")

Sir,

I have read with misgiving recent reports in newspapers about the growing uncertainty of Indian participation in the engineering of the Bokaro steel plant. We appear to have travelled a long way back from the proud day in November 1963 on which Mr. C. Subramaniam, the then Central Minister for Steel, made the announcement that the Bokaro contract had been given to an Indian firm of consultants, indicating thereby that Indian technical skill and know-how had reached maturity. Subsequent statements in Parliament and the Press as also over the radio by responsible spokesmen all confirmed this view. However, since the Russian offer of aid for the plant was made, there appears to be a shift in Government thinking and policy. I do hope that this does not result in a revision of the earlier decision. The Government's eagerness to close the Bokaro deal is justifiable, but we hope it will not be at the cost of complete surrender of initiative and control over policy and planning to foreign hands, particularly at a time when we are endeavouring to attract back our scientists from abroad and stopping the "brain drain".

Scientific and technical talent is as important a resource as any other material in the development of a country and it should be the Government's endeavour not only to preserve and acknowledge it but also to develop it by giving it scope to function. By now there has been quite a literature on the subject of Bokaro, and it appears to be nobody's case that Indian talent is lacking in potential or material. Let then no Indian be guilty, morally even if not legally, of causing it to stagnate by frustration.

Calcutta, 4th December. Yours etcetera, Indian Citizen.

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JUTE TRADE AND INDUSTRY

The present state of the Jute market with its sudden and rather violent fluctuations in price, is one which is causing considerable perplexity in the trade both of the shipper and the consumer. The price for first marks jumps up to £16 5s. per ton one day, jumps down again to £15 5s. the next, and again springs up 10s a ton on the third, so that the shipper and the consumer can never gauge how the market will be on the fourth day. If "short crop" were an ascertained fact, and did not exist (where it is for the present) merely in the imagination of those who shout it, that certainly would be cause for a legitimate and steady rise in price, but a belief in "short crop" is no reason why the course of prices should resemble a fly walking over a corrugated iron roof. The fact is the condition of the trade this season convert Jute into the sport of the speculator and the gambler and they are not slow to avail themselves of the opportunity. The Calcutta manufacturer is enjoying splendid trade; is looking forward to large extensions, and is in the mood for securing his raw material, and as much of it as he can carry no matter at what price, if he can only see a profit in it. This makes summer weather for the speculator until the frost comes. The large prospective increase in the machinery for the production of gunnies, which bids fair to come into effect within the course of the next twelve months, arouses a speculative enquiry as to the various probabilities likely to happen next year with a productive power twenty-five per cent. in excess of the present machinery. and in view of this fact we may ask, amongst other questions:—Are the consuming markets likely then to be in a state to take off twenty-five per cent. more goods than they do now? If the present crop of the raw material is just sufficient to satisfy the consumption of the year and leave a small margin over for stock. Is it probable that the crop next year will meet the sudden demand upon it for another eight lakhs of bales which the increased machinery will require? And not least in importance there is the third question—Will one year be sufficient to produce the 30,000 new workers required for the new mills and extensions?

FROM

CAPITAL
8th December, 1904

A Ditcher's Diary

Mr. Lal Bahadur Shastri gave every appearance of enjoying himself thoroughly on his first trip to Europe. And why not? I remembered how refreshed Mr. Nehru always looked after a few days abroad. It may be some time before any Prime Minister in New Delhi learns to combine rest with work: I am told that there is no possible Chequers near Delhi. It may well be that an Indian Prime Minister has some rest only when he goes to another country where a crowd of Congressmen is not always waiting in his drawing room. Sir Ian Jacob wrote in the *Observer* the other day that during the war Winston Churchill rarely saw anyone in the morning: those hours were reserved for going through the "box" with its different compartments according to priority; nor did he ever allow the direst crisis to interfere with his post-lunch sleep. I recommend the routine to Mr. Shastri, who does not talk too much but sees and listens to too many people; both can be tiring and, in any event, leave too little time for thinking. In a democracy a Prime Minister cannot altogether neglect the political part of the job; yet his first duty is to take administrative decisions on particular matters. This cannot be done without carefully reading the files; and I have found it difficult to believe in recent weeks that Mr. Shastri had read Dr. Homi Bhabha's notes on India's nuclear capability very carefully. With his usual bite, C. R. recently wrote in *Swarajya*: "Scientists have not told us that nuclear fall-out has a deleterious effect on the brains of men. But one may not be sure of it, seeing how some people have begun to speak in Delhi ever since the Chinese explosion". This nuclear thing, I find, was one of the subjects Mr. Shastri discussed with Mr. Wilson in London; and there have been suggestions since that in his turn Mr. Wilson is to talk about it with President Johnson. Under uninformed pressure Mr. Shastri once seemed to hint that, though not immediately, India might some day make a bomb. I hope Mr. Wilson impressed upon Mr. Shastri the total futility of an independent deterrent even for a country like Britain. Mr. Shastri once said that India needed to take another look at her stances on both China and Pakistan. If this was followed up with action, I cannot remember to have come across any evidence of it.

This newspaper, whenever the occasion has arisen, has never hesitated to point out to the Indian Government the appalling consequences which a low state of business confidence can have on a country's economy. So I am hoping New Delhi has learned something from what happened in Britain recently, the full significance of which we are only beginning to understand. It seems the Labour Government might already have done so because, among other things, a precedent has had to be created by releasing details of promised tax changes well in advance of the annual Budget in order to quieten the fears of the City of London. India does not perhaps run quite the same risks by ignoring the confidence factor as does Britain; we are not the centre of an international currency system and the world's finger is not constantly on our business pulse. Yet we would do well to note the extent to which Mr. Wilson's socialist intentions are now being tempered in deference to the feelings of mere capitalists both in Britain and elsewhere. Somebody the other day described confidence as the fourth dimension in economics. I believe he was not far wrong; the longer I live, the more I come round to the view that essentially economic problems are psychological ones. Take what has been happening to the pound, for example. Now that the slide down into devaluation has been checked for the time being, the eyes of international financial interests, private and official, whose control of the world's supply of foreign exchange is as crucial a factor in the future of the pound as it is in the success of India's five year plans, will remain fixed on the behaviour of the London Stock Exchange as the only barometer available of the health, stability and progress of the British economy. Thus Mr. Wilson, whatever the temptations and pressures to which he might be subjected, has to ensure that nothing his Government may seek to do will damage sentiment in the manner of a fortnight ago. The lesson for the Indian Government is obvious. If we want to convince financial opinion abroad that India is a good credit risk, then we must do what Mr. Wilson is being forced to do. Our stock markets, too, must be permitted to remain confident and healthy. It is simply no use expecting foreign financiers and business men to have faith in the future of your economy if your own refuse to show any.

When Lord Denning with his wife visited this country, not very long after his best-selling report in England, he was a guest of the Government of India. I wondered why. Was there, by any chance, a Profumo in the offing or was he going to advise the Government of India on security and the secret service? I didn't bother to find out: but I was reminded of it all when I recently saw a report that Mr. Shastri and Mr. Nanda would shortly be discussing reorganisation of Indian intelligence, civil as well as military. The subject is so rarely discussed. Intelligence, military or civil, has naturally to do with secrets: it may well be, however, that a secret service's topmost secret is its frequent incompetence. (In India, of course, everything is a little more secret than in almost any other country, if it has the remotest connection with defence.) As the Chinese swooped down in 1962, almost everything seemed to take India by surprise; and the total failure of intelligence could no longer be hidden. The country has never been told the whole truth about the episode in which an intelligence official of the army disappeared in Pakistan. I have heard it said that for years after independence there was no such thing in India as military intelligence; the whole business was left in the hands of a civil, police, department in the Home Ministry. Lord Denning it was who discovered with considerable surprise that the secret service in Britain, which had always been the special care of the Prime Minister, had at some point been transferred to the Home Secretary. What the present position in India is I do not know; but there seems ample room for misgivings. Seventeen years after independence, Parliament has a right to know what the Government has done with the special and intelligence branches of the police that the British left behind; their functions today cannot possibly be the same as in the old days. To what extent has there been a reorientation? Have their new functions been defined and laid down? Do the old officials know that Mr. Lal Bahadur Shastri, certainly a political suspect of years gone by, is now the Prime Minister? Intelligence anywhere is nine-tenths nonsense; it would be good to know that the tenth in India knows what it is about.

It is scarcely possible in these days of estate duties to decide how successful a man has been from the size of the fortune he leaves behind. So often do final figures merely represent the quality of the expert advice he obtained when alive on how to protect the interests of his intended beneficiaries from the rapacity of the tax collector. I do not, therefore, attach all that much significance to the fact that whereas Sean O'Casey, the Irish dramatist, who died recently at the advanced age of 84, left estate totalling £1,575, Ian Fleming, whose premature death at 56 occurred round about the same time, left £289,170 plus. For one thing, Fleming wrote exclusively for money, and I believe he was not entirely without access to that desirable commodity even before he began; it has been said that he married seldom but wisely. O'Casey, on the other hand, became one of the world's leading dramatists through single-minded dedication to his art. But the contrast remains all the same; and for those who still need to be reminded, it does provide an interesting indication of the differing value the public is apt to place on the works of literary men. One rather wonders how much Ian Fleming would have left had he reached 84; even now his estate is growing and will continue to do so for many years yet. At 56 a man does not usually feel old enough to devote the necessary attention to arranging his affairs to the least advantage of the tax people. I suspect that the greatest literary

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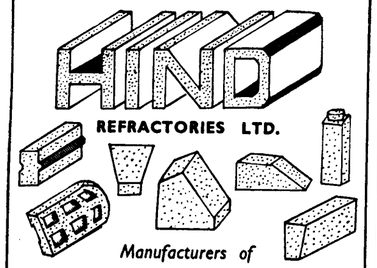
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JWTIIM 2164

fortune of all time might be the achievement of Miss Agatha Christie. The fortune she has amassed in the course of arranging the murders of countless members of the British upper middle class is believed to run well into seven figures, in pounds sterling, of course. Her books still sell on a scale which must gratify her publishers and delight the Chancellor of the Exchequer, while her play, *The Mousetrap*, now holds the all-time record for London theatre performances and looks like going on for many years yet. It could, of course, be a fitting tribute to Miss Christie's genius for mystery if she continued to fox the revenue men as she has so often done her readers.

A CORRESPONDENT IN LONDON WRITES: MR. LAL Bahadur Shastri made one of his most important conquests within a few hours of his arrival in London last Thursday. He met and completely disarmed what is traditionally a most difficult and critical audience, namely, a gathering of seventy or eighty business men and industrialists at the Council Chamber of the Federation of British Industries, by whom the affair was organised. In the short space of an hour he left the very distinct impress of his personality—modest, sincere, determined and honest. He spoke from carefully prepared notes and employed none of the polite evasions to which politicians are prone: India had, he said, benefited substantially from the unrestricted access to the U.K. market provided by Commonwealth preferences and he hoped it would be possible to restore the *status quo* soon—a clear reference to the 15 percent import surcharge. She also welcomed and wanted more collaboration from those who knew her intimately, as did the British. Britain's present balance-of-payments difficulties might well be of a temporary character, but he could hold out no hope that India's foreign exchange stringency would be short-lived. Mr. Shastri stood up well to the volley of questions that followed from such experienced cross-examiners as Mr. Paul Chambers of I.C.I., Sir Duncan Oppenheim of British-American Tobacco and Sir Geoffrey Eley of British Drug Houses. As a closing question he was asked whether it was true (as reported) that he swam the Ganges every day when a boy to get to school. He replied "No, sir". It was true that he had swum the river once when he could not pay to be rowed across, and he had recounted the affair on one occasion to some foreign newspaper correspondents, who had promptly attributed to him more swimming prowess than he really possessed. The story was told with the same disarming modesty as characterised his few public pronouncements and appearances throughout the all-too-short week-end he spent in London. But without any doubt at all, he scored an immense success. The British public may not know where to place Mr. Shastri in the, to them, complicated spectrum of Indian politics. They know for certain, however, that he is quite different from Mr. Nehru who walked with kings and emperors and was at ease with the intellectuals of two hemispheres. But I suspect they feel that in his down-to-earth way this Prime Minister is nearer to them and their problems.

A FORMER COLLEAGUE TELLS ME THAT HE RATHER enjoyed the little story I related in the last paragraph of my diary of 5th November. He thinks, however, that he can cap it with one of his own. A woman driver was first in the queue of cars when the traffic lights changed to green and on looking in her mirror she saw that immediately behind her was a police car. She promptly stalled her engine and a shrill chorus of hoots went up from the cars lined up behind the police car. The policeman switched on his loudspeaker and in those patronising, bantering tones which men always reserve for the subject of women drivers, said: "Gentlemen, let's be patient, we have all had to learn". The lights changed back to red and the hooting subsided. When green reappeared, the unfortunate woman driver, by now in complete panic, put her car into gear, let up on her clutch and reversed straight back into the radiator of the police car. Loud and clear, over the noise of the traffic, from the loudspeaker which the policeman had obviously forgotten to switch off, floated the immortal comment: "God, and what's the silly bitch going to do next?"

THE DITCHER

Guide for Investors

BURRAKUR COAL MAINTAINS DIVIDEND

THE Burrakur Coal Co. Ltd has produced satisfactory results for the year ended June 1964. The profit has risen from Rs. 13.33 lakhs for 1962-63 to Rs. 14.08 lakhs for 1963-64, after providing Rs. 21.30 lakhs (against Rs. 15.56 lakhs) for depreciation, Rs. 9.30 lakhs (against Rs. 20.77 lakhs) for taxation, Rs. 18.46 lakhs (against Rs. 6.95 lakhs) for development rebate reserve. A taxable ordinary dividend of 13 percent has been repeated. The yield amounts to 8 percent at the present price of Rs. 16.19 a share of Rs. 10 each. The carry-forward is Rs. 5,063, against Rs. 10,459 brought in.

Raisings moved up from 1.29 million tonnes to 1.34 million tonnes, but despatches dropped from 1.33 million tonnes to 1.32 million tonnes. Under the World Bank loan, the Company has received licences of Rs. 82.32 lakhs in c.i.f. value. Very little equipment under this loan remains to be shipped. The Company is expected to use all the licences by the beginning of 1965. The Loyabad coke plant has produced 101,546 tonnes, against 105,207 tonnes. The directors point to the improved transport situation, so most of the collieries are carrying low stocks.

Indian Oxygen Repeats

THE preliminary results of Indian Oxygen for the year ended September 1964 have been published. The pre-tax profit has risen from Rs 1.40 crores for 1962-63 to Rs. 1.59 crores for 1963-64. Taxation is allocated Rs. 86 lakhs, against Rs. 69.34 lakhs. A sum of Rs. 43.68 lakhs is transferred from general reserve. Development reserve is allocated Rs. 10 lakhs (against Rs. 19 lakhs), general reserve Rs. 63 lakhs (against Rs. 69 lakhs) and fixed assets replacement reserve Rs. 57,000 (against Rs. 32,000). A taxable ordinary dividend of 12 percent has been repeated which offers a yield of 5.1 percent at the present price of Rs. 23.75 a share of Rs. 10 each.

Orissa Minerals Pays the Same

THE Orissa Minerals Development Co. Ltd has maintained the taxable ordinary dividend at 10 percent for the year ended June 1964. At the present price of Rs. 20..03 a share of Rs. 10 each, the yield amounts to 5 percent. The profit has amounted to Rs. 2.88 lakhs, against Rs. 2.78 lakhs for 1962-63 after providing Rs. 5.31 lakhs (against Rs. 6.01 lakhs) for depreciation, Rs. 2.60 lakhs (against Rs. 7.03 lakhs) for taxation. General reserve is allocated Rs. 20.000 (against Rs. 80.000), development rebate reserve Rs. 47.500 (against Rs. 4.000), leaving a carry-forward of Rs. 4.767, against Rs. 5.266 brought in.

Raisings of iron ore dropped from 407.336 tonnes to 263,995 tonnes and despatches from 386,749 tonnes to 283.032 tonnes. The output of manganese ore declined from 57.528 tonnes to 49,598 tonnes, but sales rose from 54,031 tonnes to 62.521 tonnes. The offtake of iron ore dropped because blast furnaces of steel companies were relined. Normal despatches have been resumed since and sales during the current year are expected to improve. It is difficult to say whether the improvement in exports of manganese ore will be maintained. The supply of iron ore to Durgapur from Bolani Ores Ltd remained at the level of 1.6 million tonnes. Satisfactory arrangements have been made for the expansion schemes. The expansion should be completed by the end of 1967.

Bengal Rolling Mills Earns More

BENGAL Rolling Mills Ltd has earned a profit of Rs. 3.58 lakhs for the year ended April 1964, against one of Rs. 3.51 lakhs for 1962-63, after providing Rs. 1.91 lakhs (against Rs. 3.27 lakhs) for depreciation and Rs. 46.510 (against Rs. 9,164) for development rebate reserve. A taxable ordinary dividend of 10 percent has been declared. Contingency reserve is allocated Rs. 1.40 lakhs (against Rs. 1.70 lakhs) and general reserve Rs. 1.70 lakhs (against Rs. 1.85 lakhs). The carry-forward is Rs. 5,004, against Rs. 3,747 brought in. Sales amounted to Rs. 1.01 crores, against Rs. 1.03 crores. The working of the Company has suffered due to the shortage of billets, so the production capacity could not be fully used.

Birla Sugar Group Results Impress

THE results of the sugar companies under the management of Birla Brothers for the year ended June 1964 have been published. The directors say that during the current season, the sugar production target has been fixed at 3.3 million tonnes, against an actual output of 2.6 million tonnes in the 1963-64 season. The rebate of 50 percent on the basic excise duty on the excess production during October-November 1964, has been announced but it is thought that the concession should be extended throughout the entire season for encouraging a bigger output. The Tariff Commission has been asked to investigate the cost structure of the sugar industry and recommend a fair price for the commodity.

The profit of New India Sugar Mills Ltd has risen from Rs. 10.75 lakhs for 1962-63 to Rs. 29.79 lakhs for 1933-64, after transferring Rs. 2.25 lakhs (against Rs. 2.22 lakhs) to depreciation and Rs 274 (against Rs. 16.844) to development rebate reserve. A taxable ordinary dividend of 36.5 percent has been maintained, which offers a yield of 12.2 percent at the present price of Rs. 30 a share of Rs. 10 each. Taxation is allocated Rs. 19.50 lakhs, general reserve Rs. 4.25 lakhs (against Rs. 19.877), contingencies reserve Rs. 6.772 (against Rs. 28.481) and renovation and renewals reserve Rs. 2.50 lakhs (against Rs. 50,000). The carry-forward is Rs. 8.485, against Rs. 10.710 brought in. The cane crush dropped from 124,343 tonnes to 112.971 tonnes, but recovery improved from 9.92 percent 10.47 percent. A cane crush of 168,000 tonnes is expected during the current season.

Bharat Sugar Mills Ltd has increased the taxable ordinary dividend from 15 percent to 20 percent. The yield amounts to 13.8 percent at the present price of Rs. 14.50 a share of Rs. 10 each. The profit has improved from Rs. 5.98 lakhs to Rs. 10.83 lakhs, after providing Rs. 1.01 lakhs (against Rs. 90,323) for depreciation and Rs. 320 for development rebate reserve. Taxation absorbs Rs. 7.16 lakhs, contingencies reserve Rs. 42.815 (against Rs. 19,768), leaving a carry-forward of Rs. 8,118, against Rs. 9,429 brought in. The cane crush rose from 57,608 tonnes to 68,621 tonnes and recovery from 9.94 percent to 10.01 percent.

Gobind Sugar Mills Ltd has earned a profit of Rs. 30.99 lakhs, against Rs. 5.87 lakhs, after providing Rs. 4.58 lakhs (against Rs. 2.80 lakhs) for depreciation and Rs. 1.87 lakhs (against Rs. 31,000) for development rebate reserve. The taxable ordinary dividend has been increased from 20 percent to 22.5 percent. The yields amounts to 18 percent at the present price of Rs. 12.50 a share of Rs. 10 each. Taxation is allocated Rs. 20 lakhs, general reserve Rs. 6.50 lakhs, renovation and renewals reserve Rs. 2.70 lakhs (against Rs. 50,000) and contingency reserve Rs. 6.588 (against Rs. 33.417). The carry-forward is Rs. 13.916, against Rs. 3.093 brought in. The cane crush increased from 144,339 tonnes to 172,178 tonnes, but recovery dropped from 10.38 percent to 9.87 percent. During the current season, a cane crush of 200,005 tonnes is expected.

The profit of Upper Ganges Sugar Mills Ltd has increased from Rs. 39.44 lakhs to Rs. 53.79 lakhs, after transferring Rs. 11.60 lakhs (against Rs. 8.16 lakhs) to depreciation and Rs. 4.34 lakhs (against Rs. 67,000) to development rebate reserve. Taxation absorbs Rs. 30.95 lakhs, repairs and renovation reserve Rs. 4.59 lakhs (against Rs. 5 lakhs), general reserve Rs. 10.50 lakhs (against Rs. 29,800) and contingency reserve Rs. 12,035 (against Rs. 5,271). A taxable ordinary dividend of 72.5 percent has been maintained, which works out to a yield of 12 percent at the present price of Rs. 60.25 a share of Rs. 10 each. The cane crush rose from 285.383 tonnes to 367.030 tonnes and recovery from 9.76 percent to 9.84 percent. A cane crush of 466.000 tonnes is expected during the current year.

Premier Automobiles Resumes Dividend

SHAREHOLDERS of the Premier Automobiles Ltd who went without a dividend in 1962-63, have been rewarded with a modest dividend of Rs. 4 a share for the year ended June 1964, and they can look to the future with cautious optimism. The Company fared better during 1963-64, with the turnover up by about 20 percent from Rs. 20.12 crores to Rs. 24.10 crores and gross profit rising by nearly 36 percent from Rs. 1.19 crores to Rs. 1.62 crores. The Company's performance would have been still better but for the higher wage bill, rise in the cost of raw materials and higher rate of interest. The chairman has, however, assured the shareholders that every effort is being made to keep costs to the minimum. He has expressed the hope that the Company will be able to show better working results during the coming year.

The Company sold 4,083 motor-cars and 6,711 lorries and spare parts of the value of Rs. 2.55 crores during 1963-64, compared with 4,350 cars and 5,712 lorries and spare parts of the value of Rs. 1.92 crores in the preceding year. Sales during the first four months of the current year—July to October 1964—consist of 967 cars, 3,648 lorries and spare parts worth Rs. 60.53 lakhs, against 1,325 cars, 1,946 lorries and spare parts valued at Rs. 58.47 lakhs in the same period last year.

After providing Rs. 5.91 lakhs (against nil) for managing agents' remuneration, Rs. 76.95 lakhs (against Rs. 63.47 lakhs) for depreciation, Rs. 17 lakhs (against Rs. 13.75 lakhs) for development rebate reserve and Rs. 33.50 lakhs (against Rs. 19.15 lakhs) for taxation, the net profit for 1963-64 amounts to Rs. 29.07 lakhs, against Rs. 22.44 lakhs in the preceding year. With Rs. 39,392 brought forward from the previous year and including a sum of Rs. 7.35 lakhs being excess provisions, income and claims of previous years, the disposable surplus amounts to Rs. 36.82 lakhs. The directors have provided Rs. 16.04 lakhs (against Rs. 10.90 lakhs) for expenses and claims relating to previous years, Rs. 1,000 (the same) for debenture redemption reserve and Rs. 20.10 lakhs (against nil) for dividend reserve, leaving a balance of Rs. 67,197 to be carried forward. In the preceding year, a sum of Rs. 15 lakhs had been transferred to the general reserve and the dividend had been skipped. The proposed 4 percent dividend for 1963-64, absorbing Rs. 29 lakhs, is to be paid out of the dividend reserve.

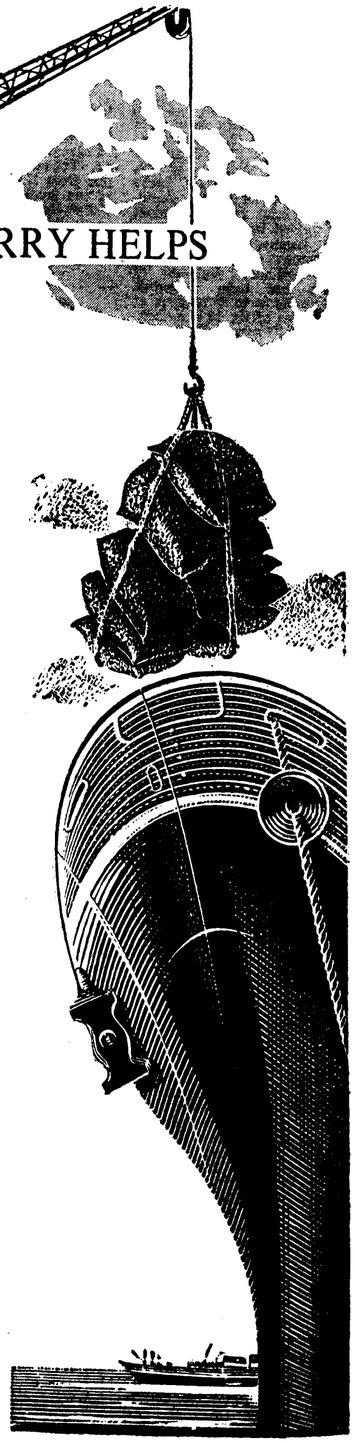
In his statement to shareholders, the chairman, Mr. Lalchand Hirachand, says that the heavy capital expenditure of Rs. 5 crores on the Kalyan plant, which has not yet yielded any return, will begin to bear fruit gradually over the years to come. With the commissioning of the Press plant in Kalyan and the installation of balancing equipment in Kurla, the Company has very nearly completed the manufacturing programme which it had undertaken. It has now reached about 90 percent indigenous content in its lorry manufacture, and about 74 percent for the Fiat car. The Company is now ready to launch on its expansion programme for the manufacture of 15,000 commercial vehicles and components including engines, transmissions, axles, and other components a year. The chairman has, however, pointed out that the necessary finance for the expansion can be raised only if the Company is able to earn profits which are sufficient to pay a fair return to the investor and leave enough to plough back as reserves needed for the Company's development.

Mr. Lalchand Hirachand says that the Company has been particularly affected by a lower fixation of prices for its lorries and cars, compared with the prices fixed for other makes. He has expressed the opinion that the lower profitability of Premier Automobiles has been primarily due to a price disadvantage of Rs. 2,000 in the case of P.A.L. lorries and about Rs. 900 in the case a Fiat car when compared with the prices fixed for the other comparable vehicles. The chairman feels that unless this matter is re-examined in the light of the current situation and the injustice from which the Company is suffering is remedied, Premier Automobiles would be much handicapped in making rapid progress in its expansion plans which it is most anxious to carry out. He has urged the Government that the fourth plan should give the due and deserving consideration to the motor-vehicle industry, as it provides the basic sinews for the country's industrial development and economic growth. He has also pointed out that the cost structure of a motor-vehicle cannot be reduced unless the manufacturers are provided with facilities for increasing the production. The working of the Company's subsidiaries continues

1788
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1964

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The E.I.D.-Parry Group with its five sugar factories at Nellikuppam, Pugalur, Samalkot, Pettaivaythalai and Tiruvalla is contributing to export expansion from its own output which is expected to improve in 1964 significantly to a lakh of tonnes. Export obligations have been met regularly and planned extensions are in progress. Sugar exports are now supplemented by confectionery in which E.I.D.-Parry has been firmly established as manufacturer for fifty years and exporter for twenty-five years.

The E.I.D.-Parry Group helps the South Indian canegrower with fertilisers, (especially super-phosphate) to raise the yield per acre and get the benefit of higher prices. In 1963 the Group supplied 25,000 tonnes of fertilisers to the sugarcane industry alone.

Other manufactures of the Group include sanitaryware, acids, chemicals, carbonic acid gas and industrial and potable alcohol.

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satisfactory and both these companies had a larger turnover during 1963-64.

The chairman told newsmen who visited the Company's Kalyan and Kurla works on 27th November, that the turnover during 1964-65 will rise to around Rs. 30 crores and further to Rs. 36 crores in 1965-66. Against the licensed capacity of 14,400 vehicles, the Company is at present producing 13,000 vehicles. It has recently been permitted to raise its commercial vehicles capacity from 7,200 to 15,000 a year. This expansion programme would cost about Rs. 9 crores including a foreign exchange component of about Rs. 6 crores. The Company will soon be approaching the A.I.D. for its foreign exchange requirements. The expansion programme is expected to be completed within two years after the sanctioning of the foreign exchange loan. The Company's press plant for sheet metal components is expected to reach full production in about two months. With the commissioning of this plant, the Company would be able to save foreign exchange of about Rs. 1,032 on every commercial vehicle and Rs. 673 on every car. The Company's application to increase the capacity of Fiat cars to 25,000 a year is under the consideration of the Government. There are nearly 45,000 applicants on the waiting list for Fiat car. The new applicant for a car would get it after about 15 years, unless, of course, the Company is enabled to step up its production.

Jaya Shree Textiles to Raise Capital

JAYA Shree Textiles and Industries Ltd will soon offer 20,761 redeemable cumulative preference shares carrying a fixed dividend of 9.3 percent and 2,200 debentures of Rs. 1,000 each bearing an interest of 7 percent for public subscription at par. The preference shares now offered constitutes the unsubscribed portion of the 24,590 preference shares earlier offered to the existing shareholders. These shares are redeemable at par on the expiry of 13 years from the date of the issue with the option of the Company to redeem the whole or any part thereof after the expiry of ten years. The debentures are redeemable at any time after 1st January, 1970, but not later than 1st January, 1973. The entire public issue has been underwritten.

The proceeds of the issue will be used to finance the insulator project, the cotton spinning unit in Midnapore, West Bengal, and the expansion of the cotton factory in Rishra, West Bengal. Additional 9,800 spindles will be installed at the latter factory. The Company has been licensed to manufacture 2,000 tonnes of H.T. insulators and bushings a year. Orders for the equipment have been placed with foreign manufacturers, and deliveries are expected towards the end of 1964. The cost of the projects has been estimated at Rs. 2.60 crores.

J. K. Steel Maintains Dividend

J. K. Steel Ltd has maintained the taxable ordinary dividend at 15 percent for the year ended June 1964. At the present price of Rs. 17.75 a share of Rs. 10 each, the yield amounts to 8.5 percent. The profit has amounted to Rs. 27.96 lakhs, against one of Rs. 29.09 lakhs for 1962-63, after transferring Rs. 3.50 lakhs, against Rs. 3.19 lakhs to depreciation. Development rebate reserve is allocated Rs. 2.54 lakhs (against Rs. 6,000). Taxation, including Rs. 1.70 lakhs for previous years, absorbs Rs. 13.44 lakhs. In 1962-63, taxation reserve was allocated Rs. 14.63 lakhs. General reserve receives Rs. 5 lakhs (against Rs. 15.24 lakhs), leaving a carry-forward of Rs. 8,767, against Rs. 2,169 brought in.

Sales dropped from Rs. 1.73 crores to Rs. 1.59 crores mainly due to the fact that in 1962-63 they included disposals of accumulated stocks of jute baling hoops. The recently announced retention price of baling hoops is considered inadequate. So the Company has made representations to the Government to increase the price further. The supply of raw materials, particularly billets, has been unsatisfactory. The restrictions on electric power are continuing. The manufacture of electric hoist and chain pulley blocks has begun. The expansion of the wire rope plant is making progress. Most of the equipment have arrived and installation will begin soon. The Company has obtained foreign exchange loans from the Industrial Credit and Investment Corporation of India for expansion. Other expansion schemes are being considered.

West Coast Paper to Expand

THE preliminary report on the working of the West Coast Paper Mills for the year ended June 1964, showed that the Company had fared much better than in the preceding year. The sales rose by 11 percent from Rs. 4 crores to Rs. 4.44 crores, the gross profit improved by nearly 30 percent from Rs. 1.10 crores to Rs. 1.49 crores and the dividend has been stepped up from 11 percent to 13 percent. Improved results have been achieved in spite of higher costs of production. The directors state in their report that there was a steady increase in the cost of manufacture as a result of the rise in the prices of essential chemicals such as caustic soda, chlorine, soda ash and other materials. While the cost of manufacturing continued to rise, the controlled prices of paper remained unchanged.

The Company was able to do well because of improved efficiency and increased production. The Mysore Government has permitted it to extract 20,000 tons of bamboo from the forest outside the Company's area at a royalty of Rs. 7.50 a ton. Meanwhile, the management has already embarked upon an intensive programme of planting not only of bamboo, but also certain fast-growing varieties of tropical trees. A start has been made with plantation on 10,000 acres.

A spokesman of the Company told newsmen the other day that the Company would soon launch a Rs. 1.20-crore expansion programme, designed to step up production to 40,000 tonnes by the end of 1965-66. The production of paper amounted to 30,000 tonnes during the year ended June 1964, and the target for the current year is placed at 32,000 tonnes. The expansion will enable the Company to diversify production and manufacture new varieties such as art and glaze paper. The expansion programme is being financed out of the Company's retained earnings.

The Company has received the approval of both the I.F.C. and the Central Government to its proposal to invest Rs. 66 lakhs in equity shares of the Andhra Pradesh Paper Mills. West Coast will provide technical assistance to the new unit for a period of eight years on a remuneration of Rs. 4 lakhs a year. Explaining the collaboration agreement with the Andhra Pradesh Government in working the Andhra Pradesh Paper Mills, the Company's spokesman stated that West Coast and the Andhra Pradesh Government will each invest Rs. 66 lakhs and shares worth Rs. 66 lakhs will be issued to the public some time in March 1965.

Good Results from Hindustan Construction

THE Hindustan Construction Co. Ltd—a wholly-owned subsidiary of Premier Construction—has done exceedingly well during the year ended August 1964. Works bills

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amounted to Rs. 19.31 crores and showed an increase of about 40 percent over the previous year's figure of Rs. 13.81 crores. The gross profit has been almost doubled from Rs. 1.84 crores to Rs. 3.56 crores. The dividend has been raised from 20 percent to 50 percent, and this again is covered 2.5 times by equity earnings. After writing back excess provisions amounting to 9.58 lakhs (against Rs. 52.34 lakhs), the disposable surplus amounts to Rs. 3.65 crores, against Rs. 2.36 crores in the preceding year. Appropriations include depreciation Rs. 55.16 lakhs (against Rs. 43.18 lakhs), development rebate reserve Rs. 8.56 lakhs (against Rs. 16.24 lakhs), taxation Rs. 195 lakhs (against Rs. 85.50 lakhs), additional provision for taxation Rs. 25 lakhs (against Rs. 25.25 lakhs), rehabilitation reserve Rs. 8 lakhs (against nil), contingency reserve Rs. 6 lakhs (against nil) and general reserve Rs. 55 lakhs (against Rs. 43 lakhs). Dividends absorbing Rs. 37.56 lakhs (against Rs. 15.96 lakhs) will be paid out of the general reserve. The directors state that during the year the Company secured major works amounting to Rs. 11 crores and further works of the same value have been secured since the close of the year.

Sirpur Paper Results Impress

THE Sirpur Paper Mills Ltd reports excellent results for the year ended June 1964, which more than justify the increase in the dividend from 50 paise to Rs. 1.20 a share of Rs. 10. The turnover has risen by nearly 56 percent from Rs. 4.12 crores to Rs. 6.41 crores, and the gross profit has shot up by about 172 percent from Rs. 39.65 lakhs to Rs. 1.08 crores. The ratio of gross profit to sales has improved from 9.6 percent to 16.9 percent, and this has been achieved in spite of the rise in the cost of raw materials, chemicals, power, fuel, freight, salaries, wages, etcetera. This became possible because of the marked increase in the output of paper from 24,000 tonnes to 36,000 tonnes.

Appropriations include depreciation Rs. 40.89 lakhs (against Rs. 32.46 lakhs), statutory development rebate Rs. 53 lakhs (against Rs. 3 lakhs), contingency reserve Rs. 3 lakhs (against nil) and general reserve Rs. 11 lakhs (against nil). The directors have written back a sum of Rs. 41 lakhs for development rebate reserve. The Company has no liability for taxation as there will be no assessable income in view of the carry-forward of unabsorbed depreciation and development rebate. The interim dividend paid during the year absorbed Rs. 9.56 lakhs. The final dividend will claim Rs. 23.22 lakhs and preference dividend will take up Rs. 5.53 lakhs.

After making various appropriations there remains a surplus of Rs. 77,351 to be carried forward against Rs. 1.08 lakhs brought in. In the preceding year, the directors have had to draw as much as Rs. 16 lakhs from the reserves to meet the dividend liability amounting to Rs. 19.19 lakhs.

It might be recalled that the Company's working results during the preceding two years were affected mainly by the labour trouble. The directors state that there was a fire in the paper machine section in June 1964 and as a result of that one machine remained closed for about a fortnight. The loss due to the damage and subsequent loss of production, which is covered by insurance, is under scrutiny of the insurers. The Company has placed orders for indigenous machinery for effecting improvement in the existing plant and for the expansion of the pulp plant. The Company has applied to the Central Government for its requirements of foreign exchange for substantial expansion of the paper mills to be effected in collaboration with Kimberly Clark Corporation of the U.S.A. It is learnt that the Government has forwarded the Company's application to the A.I.D. in the U.S.A. and this is expected to be finalised shortly to enable the Company to proceed with its expansion programme. The Rs. 10-paid share of Sirpur Paper is currently quoted around Rs. 12, offering a gross return of about 10.5 percent.

Champarun Sugar Makes Profit

THE directors of Champarun Sugar Co. Ltd say in their report that they have taken steps to encourage cane development. The factories started early crushing during the current season. The Government has announced the rebate of 50 percent in the basic excise duty on the excess sugar production during October and November. The profit of the Company has amounted to Rs. 5.91 lakhs for the year ended June 1964, compared with a loss of Rs. 49,013 for 1962-63, after providing Rs. 4.42 lakhs (against Rs. 2.12 lakhs) for depreciation, Rs. 1.85 lakhs (against Rs. 98,711) for development rebate reserve and Rs. 10,000 for agricultural income tax. The taxable ordinary dividend of 6 percent has been declared, against nil. The yield amounts to 5.2 percent at the present price of Rs. 11.62 a share of Rs. 10 each. The carry-forward is Rs. 17,712. A sum of Rs. 1.44 lakhs has been transferred from general reserve.

The directors say that the implementation of the first phase of the rehabilitation programme could not be fully reflected in the results due to the late arrival of the equipment. The second phase of rehabilitation has been undertaken, and the necessary equipment is being installed.

Calcutta Chemicals Repeats

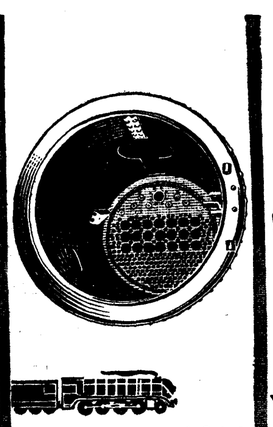
THE profit of Calcutta Chemicals Co. Ltd has risen from Rs. 14.92 lakhs for 1962-63 to Rs. 15.92 lakhs for the year ended June 1964, after providing Rs. 3.90 lakhs (against Rs. 3.79 lakhs) for depreciation. A taxable ordinary dividend of 18 percent has been maintained, which offers a yield of 9.4 percent at the present price of Rs. 19.12 a share of Rs. 10 each. Taxation absorbs Rs. 8.60 lakhs (against Rs. 7.70 lakhs) and reserve Rs. 4.38 lakhs (against Rs. 6.10 lakhs). Sales rose from Rs. 2.25 crores to Rs. 2.34 crores, but profits have been held down by the increased prices of imports and by rising production costs. The cut in the foreign exchange allocation has interrupted the working of the Company.

Rights from Electric Construction

ELECTRIC Construction and Equipment Co. Ltd has obtained the sanction of the Controller of Capital Issues for the issue of 590,660 ordinary shares of Rs. 10 each and 25,500 redeemable cumulative preference shares of Rs. 100 each carrying a fixed dividend of 9.3 percent at par. The directors have decided to issue 254,780 ordinary shares to the existing shareholders in the proportion of one share for every three held. The books of the Company will be closed from 22nd December to 28th December, 1964. According to the balance-sheet for the year ended October 1963, the net profit amounted to Rs. 29.36 lakhs, out of which a taxable ordinary dividend of 10 percent was paid. The ordinary shares are at present quoted around Rs. 13.37. The Company is engaged in manufacturing electrical equipment and various engineering products. The paid-up ordinary share capital stands at Rs. 69.93 lakhs.

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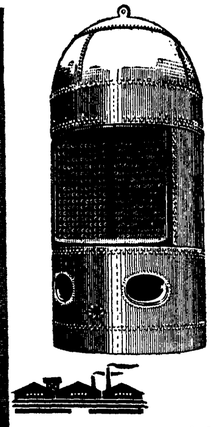
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INDIAN TUBE THE INDIAN TUBE COMPANY (1953) LIMITED A TATA-STEWARTS AND LLOYDS ENTERPRISE

Standard Batteries Raises Dividend

THE increase in the dividend for the year ended June 1964 from 10 percent to 11 percent by the Standard Batteries Ltd is justified by the Company's improved performance during the year. The sales are up by about 18 percent from Rs. 1.40 crores to Rs. 1.65 crores and the gross profit has gone up by about 30 percent from Rs. 21.69 lakhs to Rs. 28.55 lakhs. After providing Rs. 2.07 lakhs (against Rs. 1.53 lakhs) for managing agents' remuneration, Rs. 6.24 lakhs (against Rs. 4.53 lakhs) for depreciation, Rs. 1.11 lakhs (against Rs. 96,212) for development rebate reserve, Rs. 12 lakhs (against Rs. 9 lakhs) for taxation, Rs. 2.20 lakhs (against Rs. 1.20 lakhs) for general reserve and Rs. 4.95 lakhs (against Rs. 4.50 lakhs) for dividend, there remains a surplus of Rs. 9,676 to be carried forward, against Rs. 12,045 brought in. The directors state that they have taken necessary steps for a substantial increase in the Company's production in order to meet the heavy demand for special types of batteries both for defence and civilian requirements as well as for exports. The production during the current year is expected to show a rise of about 50 percent over the previous year's figure. The management has been receiving proposals for technical collaboration from abroad. The fully equipped research laboratory of the Company is expected to be in operation by the end of the current year.

Progress of Usha Spinning

THE third annual report of Usha Spinning and Weaving Mills Ltd for the year ended June 1964, showed that the Company had fared extremely well, having earned a gross profit of Rs. 8.38 lakhs, against a loss of Rs. 1.39 lakhs in the preceding year. The chairman, Mr. Babubhai M. Chinai's speech holds out the promise of still better results in the current year. The Company has systematically overcome the initial teething troubles within a short time and achieved more than normal production results. The chairman says that the Company has not only steadily maintained its high standard of production but has even improved upon the quantity and quality of production. Besides, it has also implemented its programme of diversifying the quality into doubled yarn and hosiery yarn which are fetching a much better price than reeled yarn.

In view of the fact that the overhead cost of a unit with 12,000 spindles is relatively high in terms of output and profit yield, the Company proposes to install an additional 13,000 spindles at a cost of Rs. 1.05 crores. It expects to raise the amount by way of a further issue of Rs. 45 lakhs comprising Rs. 30 lakhs in equity shares and Rs. 15 lakhs in 9.3 percent cumulative redeemable preference shares. Out of the equity capital of Rs. 30 lakhs, the directors and their friends will take up Rs. 15.30 lakhs and the balance of Rs. 14.70 lakhs and the entire preference capital of Rs. 15 lakhs will be offered for public subscription.

Negotiations are stated to be in progress for having the entire issue underwritten. The Industrial Finance Corporation has agreed in principle to grant the Company a further loan of Rs. 48.41 lakhs, comprising Rs. 40 lakhs of rupee loan and Rs. 8.41 lakhs of D.M. loan. An amount of Rs. 7.6 lakhs is to be met in terms of deferred payment and the balance of Rs. 3.96 lakhs is being brought from the Company's own resources. It has already made substantial progress in the implementation of the expansion programme. The building is nearing completion, the indigenous machinery has started arriving, orders for imported machinery have been finalised and the required yen credit has already been allocated. The Company is expected to go into production with the full capacity of 25,000 spindles during the latter half of 1965. Mr. Chinai has expressed the confidence that as soon as the expansion programme comes into operation, the Company's returns are likely to be much higher in view of the substantial reduction in overhead costs. This assures a very bright and promising future for the Company during the years ahead.

Pulgaon Mills Pays More

THE Pulgaon Cotton Mills Ltd has raised the dividend for the year ended June 1964 from 4 percent to 6 percent—40 paise to 60 paise a share of Rs. 10. The Company has fared much better than in the preceding year. While sales have registered only a small increase from Rs. 1.78 crores to Rs. 1.86 crores, the gross profit has gone up appreciably from Rs. 4.59 lakhs to Rs. 7.04 lakhs. The directors have provided Rs. 3.02 lakhs (against Rs. 2.52 lakhs) for depreciation and Rs. 1.30 lakhs (against Rs. 63,000) for taxation, leaving a net profit of Rs. 2.34 lakhs, against Rs. 1.27 lakhs in the preceding year. After providing Rs. 84,396 for development rebate, Rs. 1 lakh for general reserve and Rs. 50,000 for dividend reserve, there remains a balance of Rs. 5,737 to be carried forward, against Rs. 5,689 brought in. The proposed dividend will be paid out of the dividend reserve.

Central India Spinning Skips Dividend

THE brief preliminary report on the working of the Central India Spinning, Weaving and Manufacturing Co. Ltd. (popularly known as the Nagpur Mills) for the year ended June 1964, shows that the Company has fared much better than in the preceding year. The turnover has risen by about 8 percent from Rs. 6.14 crores to Rs. 6.63 crores, but the gross profit has shot up by over 150 percent from Rs. 17.88 lakhs to Rs. 45.27 lakhs. This, however, has failed to bring any cheer to the market; the quotation for Central India shares has, in fact, declined sharply from Rs. 100 to Rs. 93 after the release of the Company's report. The market's disappointment stems from the directors' decision to skip the preference dividend which had already been in arrears for seven years.

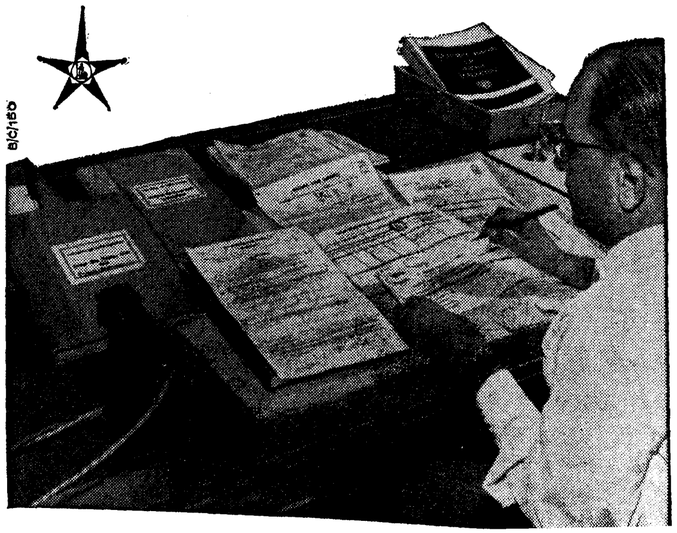
Apparently, the dividend has been skipped because of the large accumulated losses carried forward from the previous years. After providing Rs. 20.45 lakhs (against Rs. 14.29 lakhs) for depreciation, the net profit amounts to Rs. 24.82 lakhs, against

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Rs. 3.59 lakhs in the preceding year. This profit has been used to reduce the accumulated losses from Rs. 54.26 lakhs to Rs. 29.44 lakhs. In addition to these losses, the arrears of preference dividend for eight years ended June 1964 add up to Rs. 26.96 lakhs. Besides, the Company has to provide arrears of depreciation amounting to Rs. 48.69 lakhs up to June 1960. In view of the accumulated losses, arrears of preference dividend and of depreciation, there seems no hope of the Company declaring a dividend on equity shares for some years to come. This partly explains why the Company's shares are quoted below par, despite the appreciable improvement in the Company's performance.

Tulsipur Sugar Pays Again

IN their report for the year ended June 1964, the directors of Tulsipur Sugar Co. Ltd take a fairly encouraging view of the outlook for the current year. The Company is expecting a cane supply of 1.5 million tonnes which is considerably larger than that of the 1963-64 season. During the latter year, the factory had a cane crush of 112,547 tonnes, against 80,020 tonnes for 1962-63. Recovery also improved from 10.14 percent to 10.39 percent. The Company has applied to the Government to increase the crushing capacity of the factory to 1,500 tonnes.

The profit has amounted to Rs. 6.35 lakhs, against a loss of Rs. 2.63 lakhs for 1962-63, after transferring Rs. 3.21 lakhs (against Rs. 2.69 lakhs) to depreciation, Rs. 71,000 to development rebate reserve and Rs. 3.11 lakhs to taxation. The taxable ordinary dividend of 10 percent has been declared, against nil. The yield amounts to 10.8 percent at the present price of Rs. 4.62 a share of Rs. 5 each. Taxation for previous years is allocated Rs. 41,725 and general reserve Rs. 75,000, leaving a carry-forward of Rs. 4,084. An interim dividend was paid earlier.

Balrampur Sugar Makes Profit

THE Balrampur Sugar Co. Ltd has earned a profit of Rs. 2.05 lakhs for the year ended June 1964, compared with a loss of Rs. 1.66 lakhs for 1962-63, after transferring Rs. 1.93 lakhs (against Rs. 1.79 lakhs) to depreciation. Development rebate reserve is allocated Rs. 56,000. A taxable ordinary dividend of 4 percent has been declared, which offers a yield of 6.7 percent at the present price of Rs. 1.50 a share of Rs. 2.50 each. The Company did not pay any dividend for 1962-63. The cane crush rose from 542,710 quintals to 716,900 quintals and recovery from 9.99 percent to 10.28 percent. The prospect for the current year is considered more encouraging in view of the larger cane crop.

Chemicals and Plastics Share Offer

CHEMICALS and Plastics India Ltd is offering 49,500 ordinary shares and 12,500 cumulative redeemable preference shares of Rs. 100 each for public subscription at par. The preference shares carry a fixed dividend of 9.5 percent, free of income tax, but subject to the usual deduction of tax. The present issue consists of 134,993 ordinary shares and 15,000 preference shares of which B.F. Goodrich Co. of the U.S.A., the foreign collaborators, will be allotted 17,212 ordinary shares for consideration other than cash and 17,213 ordinary shares for cash. The founders, directors, managing agents and their friends will subscribe for 51,068 ordinary shares and 2,500 preference shares. The entire public issue has been underwritten. The list opens on 16th December, 1964. Indplast Private Ltd has been appointed the managing agents of the Company.

The Company will set up a factory in Mettur, Madras State, to manufacture polyvinyl chloride and other chemicals. It will install another factory near Bombay for the manufacture of P.V.C. pipes, fittings, other extrusions and mouldings. A technical service agreement with B.F. Goodrich Company has been arranged for a period of ten years. (Details of the issue are printed on a later page in this issue of *Capital*).

Steel and Allied Products Expanding

IN their report for the year ended June 1964, the directors of Steel and Allied Products Ltd say that the expansion scheme to manufacture taps, dies and chasers in collaboration with Vermont American Corporation of the U.S.A. has been finalised. The project may be completed by the end of the current financial year and will cost about Rs. 32.50 lakhs, including Rs. 10 lakhs of working capital. The directors propose to issue rights ordinary shares for Rs. 12.50 lakhs. The remaining funds will be obtained by loans from the Industrial Finance Corporation and other sources. Sales of the Company rose from Rs. 60.62 lakhs for 1962-63 to Rs. 76.68 lakhs for 1963-64. The trading profit has risen from Rs. 9.97 lakhs to Rs. 11.67 lakhs. The ordinary dividend of 12.5 percent has been declared, against 10 percent for 1962-63.

Mysore Acetate Share Offer

THE Mysore Acetate and Chemicals Company Ltd which proposes to set up a plant at Mandya (Mysore State) for the manufacture of about 1,200 tonnes of cellulose triacetate of film quality and 2,400 tonnes of cellulose acetate with expert foreign collaboration is offering 70,000 equity shares of Rs. 100 each for public subscription to raise part of the funds required for the project. Cellulose acetate will be converted into moulding compounds by the addition of plasticizers and fillers. Construction of the factory is expected to commence early in 1965 and completed in stages, reaching full production of all grades of cellulose acetate and moulding compounds by the end of 1966. The location of the factory is ideal. The acetic acid, one of the principal raw materials required by the Company, will be readily available from the distillery of the Mysore Sugar Company. No difficulty is visualised in the supply of cotton linters of required specification.

The Hindustan Photo Film Manufacturing Company which will be the biggest consumer of cellulose triacetate is situated fairly close to the factory. The Mysore Acetate's plant, it is claimed, will be the first integrated project for cellulose acetate plastics starting from cotton linters and acetic acid. A target of 10,000 tonnes of cellulose plastics has been proposed for the fourth plan and a substantial part of these requirements will be met by the Mysore Acetate and Chemicals Company. The Company has secured the collaboration of Von Kohorn-Universal Corporation of the U.S.A. and Aktiebolaget Chematur of Sweden for the supply of machinery and equipment for the manufacture of cellulose triacetate, acetate moulding compounds, together with all the required auxiliary facilities.

The Company has also secured the technical know-how of the well-known Belgian firm of Gevaert Photo Production for the manufacture of cellulose triacetate of the quality suitable for use in photographic films. The project is being financed through an equity issue of Rs. 2.25 crores and foreign exchange loans of Rs. 1 crore from the Export-Import Bank of Washington and Rs. 75 lakhs from the I.C.I.C.I. It has an authorised capital of Rs. 5 crores of which Rs. 2.25 crores—all in equity shares of Rs. 100 each—is being issued for the present. Out of this, the Mysore Government is taking up Rs. 50 lakhs, the Mysore Sugar Company Rs. 30 lakhs and the directors and their friends Rs. 7 lakhs. Von Kohorn-Universal Corporation is being allotted shares worth Rs. 58.5 lakhs for consideration other than cash in part payment of the cost of plant and machinery, know-how, blueprints, etcetera. The Swedish firm of Aktiebolaget Chematur will be allotted shares of the value of Rs. 9.5 lakhs for consideration other than cash in payment of the cost of know-how, relevant blueprints, manuals fee, etcetera. The balance of 70,000 equity shares are being offered for public subscription. The subscription list is opening on 10th December and it will close on 22nd or earlier, but not before 12th December. The entire public issue has been underwritten. The board of directors includes Mr. A. M. M. Murugappa Chettiar, Mr. Henry John Cail, General K. S. Thimayya, Mr. Jayanna M. Chigateri, Mr. K. V. Shankara Gowda, Mr. Bahubali Gulabchand and Mr. Venugopal Naidu.

Kutch Salt Profit Down

THE Kutch Salt and Allied Industries Ltd has maintained the dividend for the year ended August 1964, at 7.5 percent, but the Company's working results show a considerable setback, compared with the previous year. Despite an increase in the sales from Rs. 14.08 lakhs to Rs. 26.30 lakhs, the gross profit is lower at Rs. 3.47 lakhs, against Rs. 4.77 lakhs in the preceding year. The poor performance is attributed to certain natural calamities. The Company's salt works in Jakhau suffered serious damage due to the high tidal waves resulting in the loss of production of about 15,000 tons of salt. The extent of the damage caused is estimated at around Rs. 2 lakhs, apart from the estimated loss of production.

The Company produced 150,000 tons of salt. Shipments amounted to 97,297 tons, while despatches by rail amounted to 5,056 tons. After providing Rs. 2 lakhs (against Rs. 85,328) for depreciation, Rs. 2.27 lakhs (against Rs. 4,356) for development rebate, making certain other allocations amounting to Rs. 60,000 (against Rs. 1.78 lakhs), writing back excess provisions amounting to Rs. 1.17 lakhs (nil) and deducting other prior charges, there remains a balance of Rs. 13,498 to be carried forward, against Rs. 21,905 brought in. No provision has been made for general reserve which had been allocated Rs. 1.50 lakhs in the preceding year. The dividend on the equity capital absorbing Rs. 1.01 lakhs (against Rs 84,000) is to be paid out of the general reserve. Plans for achieving a production of about 150,000 tons of salt from the Kandla unit during the current year have been finalised. The Company has received licence for the import of six diesel locomotives from Bulgaria.

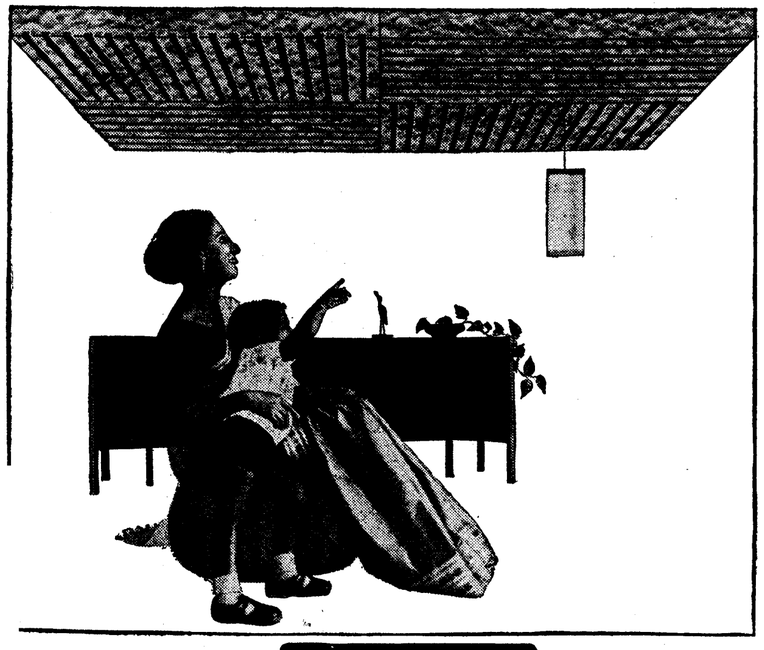
Allied International Will Enter Market Soon

ALLIED International Products Ltd is a new company which has been formed to undertake the manufacture of standard parts for motor-vehicles and aircraft in collaboration with Textron Industries of the U.S.A. The factory is proposed to be located near Moradabad (Uttar Pradesh). The project is estimated to cost about Rs. 1.10 crores, which will be met by the share capital of Rs. 75 lakhs, a loan of Rs. 30 lakhs from the Industrial Finance Corporation of India and Rs. 5 lakhs from banks. The Company has an authorised capital of Rs. 2 crores of which Rs. 75 lakhs is being issued in the beginning. Shares worth Rs. 25 lakhs are being taken up by the foreign collaborators in consideration for the supply of plant and machinery.

The promoters, directors and their friends will take up shares of the value of Rs. 15 lakhs. The balance of Rs. 35 lakhs is being offered for public subscription some time during December. The entire public issue has been underwritten. In addition to supplying machinery, the foreign collaborators will assist the Company in designing the factory and layout and supply technical know-how. When the factory goes into full production, it is expected to result in a foreign exchange saving of about Rs. 1 crore a year.

Tractors (India) Pays Same

ALTHOUGH the dividend has been maintained at Rs. 2.25 a share and that too on the enlarged capital, the working results of Tractors (India) Ltd for the year ended June 1964, show a considerable setback compared with the previous year's



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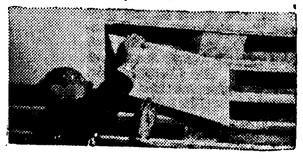
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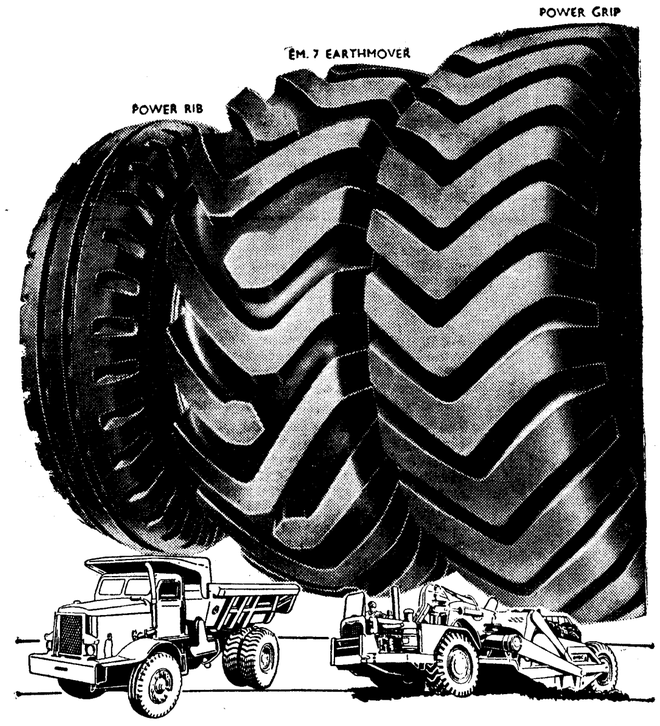
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performance. In spite of a considerable increase in the turnover from Rs. 2.18 crores to Rs. 2.80 crores, the gross profit has declined appreciably from Rs. 22.90 lakhs to Rs. 18.16 lakhs. The provision for depreciation amounts to Rs. 1.29 lakhs, against Rs. 1.19 lakhs and taxation claims Rs. 9.18 lakhs, against Rs. 17.40 lakhs. The proposed dividend absorbs Rs. 9.15 lakhs, against Rs. 7.21 lakhs.

The directors state that the Coles Cranes of India which has been in production for three years is operating to its full capacity now. Plans for expansion and diversification of the Company's products are already in hand. The petroleum equipment has also contributed substantially to the 1963-64 results and its progress is expected to continue with the development of the petroleum industry in the country. The Company has booked very good orders for dynacraft since the beginning of the current financial year, and it has now received all-India franchise from Dynacraft Machine Company for its conveyor equipment. The management is actively considering the establishment of a workshop in the heart of the Bengal and Bihar coalfields. This is expected to bring in larger business.

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Saurashtra Cement Fares Well

THE Saurashtra Cement and Chemical Industries Ltd reports encouraging results for the year ended June 1964, which have enabled the Company to wipe out its previous losses amounting to Rs. 22.70 lakhs and also clear arrears of preference dividend three-and-a-half years ended June 1960, amounting to Rs. 11.78 lakhs. The Company's sales during 1963-64 are higher at Rs. 2.18 crores, against Rs. 1.90 crores in the preceding year. The gross profit has improved from Rs. 62.31 lakhs to Rs. 70.35 lakhs. After providing Rs. 3.71 lakhs (against Rs. 3.84 lakhs) for managing agents' remuneration, Rs. 33.35 lakhs (against Rs. 23.81 lakhs) for depreciation and Rs. 2.30 lakhs (against nil) for taxation, the net profit amounts to Rs. 30.99 lakhs, against Rs. 34.66 lakhs in the preceding year.

Writing back a sum of Rs. 11.68 lakhs being excess provision of development rebate and adjusting the previous accumulated debit balance of Rs. 22.70 lakhs, the surplus available for disposal amounts to Rs. 19.97 lakhs. From this, the directors have set aside Rs. 1.47 lakhs (against Rs. 3.30 lakhs) for development rebate, Rs. 4.27 lakhs (against Rs. 3.89 lakhs) for rehabilitation reserve and transferred Rs. 12 lakhs to a special reserve representing profits exempt from tax under Sections 84 and 101 of the Income Tax Act, leaving a sum of Rs. 2.23 lakhs to be carried forward. The preference dividend for three and a half years is to be paid out of the special reserve.

The directors state that the production of clinkers fell slightly from 210,000 tonnes to 203,000 tonnes, while that of cement was a little higher at 219,000 tonnes, against 214,000 tonnes. The Company is making satisfactory progress in the implementation of its expansion programme for raising the capacity from 200,000 tonnes to 500,000 tonnes of cement a year. The directors hope to be able to achieve the expanded capacity by the end of March 1965.

PEPPER PRICES IMPROVE

There has been a further improvement, although mild, in the price of pepper, the latest quotation from Cochin being Rs. 360 a quintal for spot delivery, garbled variety, compared with Rs. 350 a quintal a couple of weeks ago. The U.S.A. has bought some quantity in the last fortnight at prices varying between 38 cents and 41 cents a lb. After paying 40 to 41 cents to the Indian shippers the American buyers have reduced their offer to 38 cents. When they met with some seller resistance at this rate, they have raised their price ideas up to 40 cents. Even at this rate the American offer is 1 cent down from the Indian rate. As the disparity is only 1 cent, the exporters do not visualise any serious difficulty for doing business with the U.S.A. Indonesia is not a serious rival at present, as the control price has again been raised to 40 cents a lb by the Indonesian Government. In the meanwhile, arrivals of new crop in the terminal markets of India are picking up. Alleppey is reporting a daily arrival of anything between 800 quintals and 1,200 quintals.

The third forward market for pepper will be inaugurated this week in Alleppey by Kerala Governor's Adviser, Mr. Prasad. The other two markets are located in Cochin and Bombay. Alleppey is the main terminal market in the Travancore side.

COFFEE CURING FACILITIES

A sub-committee appointed by the Coffee Board to look into the coffee curing needs has recommended an additional curing capacity of about 5 000 tons to 10,000 tons in the inland Mysore area. The Committee found that the existing curing capacity with the proposed increase might be quite sufficient to handle the present production and the possible increase in crop in Madras and Kerala States. The total curing capacity at present in these States is as follows: Mysore 60.650 tons, Madras 15.160 tons and Kerala 13.300 tons in each season. The total number of curing establishments in south India is 30.

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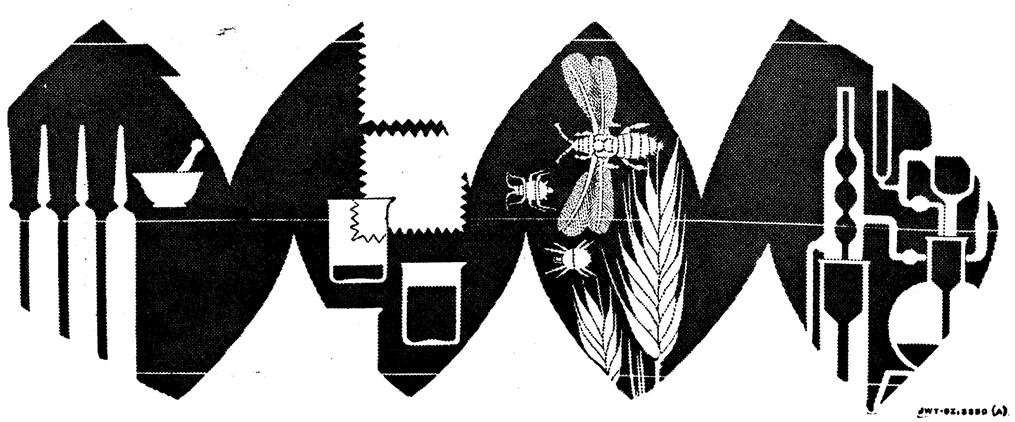
DYES AND CHEMICALS: Another important arm of Sandoz activity. The Dyes Research Department concentrates on the problem of dyeing the new synthetic fibres. Special attention is also given to the easy application of dyestuffs of greater fastness to traditional materials like wool and cotton.

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The Stock Markets

DULL CONDITIONS CONTINUE: NEW ISSUES DIVERT ATTENTION

Wednesday Evening.

LISTLESS conditions prevailed in the Calcutta stock market during the past week. A limited turnover has passed in clearing shares, while business in cash scrip has been negligible. Share prices fluctuated narrowly on alternate bouts of buying and selling. Lyons range is in a depressed mood since it feels that the Government will not give any fiscal incentives to stimulate activities in the capital market until the next Budget in February. There was a temporary rally during mid-week because Mr. Lal Bahadur Shastri, Prime Minister, said in London that the Government would encourage the flow of private foreign capital into Indian industries.

Attention has been, for the time being, diverted to several new issues recently floated. Some more good issues will be offered in the coming weeks. Except for Sandoz's offer, almost all other issues have been underwritten. Although some new offers are attractive, it is doubtful whether the public response will be good. Confidence of investors has been shaken because of two factors. Firstly, companies are unable to pay attractive dividends due to the heavy tax burden on the corporate sector. Secondly, the growth prospects for shares have suffered due to the difficulty in issuing bonus shares under the present fiscal system.

The shortage of funds in the stock market has been aggravated due to the flotation of several new issues. Operators are also discouraged by the proposed cuts in the allocation of foreign exchange to actual users during October 1964-March 1965. Industries, particularly cables, have suffered a great deal due to the shortage of copper, lead and zinc.

Indian Iron are sluggish and turnover has dropped considerably. The Company produced 99,339 tonnes of pig iron in November, against 94,065 tonnes in October. The production of steel ingots dropped from 85,674 tonnes to 84,242 tonnes and that of salable steel from 68,190 tonnes to 61,337 tonnes. Despatches of salable steel also decreased from 61,883 tonnes to 60,423 tonnes. Except for scattered support in Jessop and Jay Engineering, engineering shares are dull. Guest, Keen, Williams, Texmaco, Braithwaite and Kumardhubi have tended to drop. J. K. Steel and Dalmia Iron are about steady. Burrakur are steady in coal shares due to a good report. The Company has earned a larger profit and repeated the taxable ordinary dividend. Other coal shares are being freely offered without attracting buyers. The drop in the demand for coal is being bearishly interpreted. Western Bengal and Central India have lost.

In the miscellaneous section attention is concentrated on clearing shares. Dunlop Rubber are about steady. Hindustan Motors, Indian Aluminium and Indian Copper have tended to drop in the absence of support. Indian Oxygen have met with scattered support on earning a larger profit, but Associated Battery have lost. Among new shares, Hindusthan Twyfords and Phillips Carbon have declined due to profit-taking. India Carbon are steady on declaring a maiden dividend. Managing agency shares like Martin Burn and Balmer Lawrie have weakened. There is virtually no interest in electric and bank shares. Sugar shares are difficult to transact in the absence of buyers. The outlook for sugar during the current season is not considered encouraging since cane supplies continue to be diverted for the manufacture of *khandsari* and *gur*. Paper shares are quiet. Orient, Sirpur and Titaghur have lost while Sesashayee are about steady.

Birla are active in jute shares due to speculative manipulations. Other jute shares are neglected since the gunny market has reacted due to the calling off of the strike in Pakistani mills. Barnagore are nevertheless steady on replacement buying. Union, Kamarhatty, Anglo-India, Ganges and Kelvin are weaker. Cotton mill shares are sluggish. J. K. Rayon have reacted due to profit-taking. Bharat Commerce and Dunbar are steady, although Elgin have weakened. Investors are inclined to wait until the effects of the partial control of cloth are more fully assessed. Scattered business in Dooars and Assam tea gardens has been transacted, but prices have generally tended to decrease. The decline in the average price of teas is a major restraining factor.

Government securities are dull and turnover is negligible. The 3 percent Converson Loan 1986 is quoted around Rs. 62.05. Prices of short- and medium-dated stocks are nominally steady. There is virtually no support from banks which are busy conserving funds for meeting the busy season's demand. Almost all State Government loans are available at a discount.

Tata Steel Output

The Tata Iron and Steel Company Ltd reports that the approximate production of iron and steel at the steel works in Jamshedpur during November 1964 was: iron 170,600 tonnes; steel ingots 173,200 tonnes and salable steel 135,300 tonnes.

Bombay

PRICES DECLINE IN SMALL TURNOVER

AMENDMENT TO WEALTH TAX ACT DEPRESSES

Wednesday Evening.

DALAL Street is passing through a period of unrelieved gloom. Equities sought new low levels last week due essentially to the lack of support. Selling was never pronounced and most of it was in the nature of distress selling rather than tired bull liquidation. The market struggled hard to tuck up its feet, but the rally that came about during the latter half of the week fizzled out quickly due to the lack of follow-up support. Over the week, equity prices showed only minor variations and the price pattern was a mixed one.

Trading sentiment during the week was further undermined by the amendment to the Wealth Tax Act and the Central Finance Minister, Mr. T. T Krishnamachari's statement that the Government would get very near to solving the problem of black money in a year or two. Some uneasiness was also caused by the announcement of the 10-percent cut in the foreign exchange allocation to actual users for the second half of the current year. Reports that the Government is in no mood to concede the stock exchange authorities' plea for doing away with the proposed restriction on the currency on blank transfers had also an unsettling effect on the market sentiment.

Mr. Krishnamachari's statement that he preferred private foreign investment to foreign Government loans was well received in market

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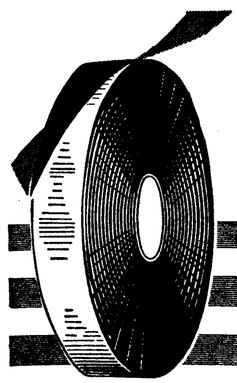
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circles as it held out the hope that the Government would do something to improve the economic climate in the country in order to attract foreign capital. The Prime Minister, Mr. Lal Bahadur Shastri's statement in London that the Government was taking measures to deal with the sluggishness in the capital market and that the difficulties in the way of capital formation were being overcome caused a mild flutter. Equities staged a sizable rally from their week's lowest levels but the recovery proved to be an extremely short-lived affair. Operators argued that the Government had long been talking about the need to tone up the capital market but had done little that might revive confidence in the investment market. Conditions have, in fact, continued to deteriorate.

The decline in equity prices does not fully reflect the agony of the stock market. The latter is worried over the continuing shrinkage in turnover. Activity has dwindled to such proportions that the entire week's business can be easily put through in a single two-hour session without causing any great excitement in the market. Outside interest remains conspicuous by its absence and with the flow of outside money virtually dried up, there is little inclination on the part of professional operators to extend their commitments. Bulls have been badly mauled and it will take time before their wounds get healed up. But bears too are in no mood to be aggressive because equity prices have sunk to fairly low levels. The market as a whole is standing within 3 percent of its 1964 low and quite a few scrip have established altogether new low levels. Techanical considerations alone could produce a sizable rally, but only if something happens to change the mood of the market.

After striking a new low in the current downtrend, Tata Steel staged an impressive recovery on short covering and some renewed bull support following the release of the record production figures for November. But the rally turned out to be extremely short-lived. The quotation which had recovered from Rs. 142.75 to Rs. 146.50 receded quickly to Rs. 143.75. Indian Iron followed a like pattern, although the recovery was less marked because of the lower production figures for November.

Sentiment in textile shares continued to be affected by the rising trend in cotton prices and the persistent weakness in rayon shares because of the further setback in rayon yarn prices. The fall in rayon shares has indeed been phenomenal. Despite an element of bull manipulation, National Rayon eased further as there has been no settlement of the three-week old strike.

Engineering shares attracted moderate support at lower levels, but they were unable to sustain the rise due to the emergence of selling pressure induced mainly by the weakness in other sections. Motor-car shares were comparatively steady due to the scarcity of offerings at lower levels. Sugar and shipping shares were barely steady without much activity. Among miscellaneous counters, Premier Construction held firm despite considerable corrective profit-taking. Bank, insurance and electric shares continued to remain inactive. Cash shares were subdued with nominal turnover The investment market being in bad shape, the demand for applications for new issues, currently on offer, is reported to be extremely poor.

Madras

SELECTIVE SUPPORT FOR PLANTINGS

SHORTAGE OF FUNDS MAY WORSEN

Tuesday Evening.

THE Madras stock market has shown mixed trends during the past week. There has been scattered support for selected sugar, planting and miscellaneous shares, while textile shares have tended to weaken on a predominance of sellers. Although easier advices from the Bombay stock market and the lack of support from outside sources have had little influence, turnover has dropped considerably. The near-term trend is likely to be cautious considering that the shortage of funds will be aggravated due to the closing of bank accounts for the year ending December 1964.

Business in Government securities is patchy, and most State Government loans are being freely offered. There are few sellers in good preference shares. Bank shares are sluggish, although prices are about maintained. Indian have come to hand at Rs. 158 and Indian Overseas at Rs. 150. In sugar shares, Deccan have recovered to Rs. 10.57 ex-rights on replacement buying. Mysore are steady at Rs. 27.75 on declaring a taxable ordinary dividend of 15 percent. E.I.D. are available at Rs. 35.65 and India at Rs. 8.90. K.C.P. have been done at Rs. 23.50 and Jeypore at Rs. 16.50.

In planting shares, Consolidated Coffee have hardened to Rs. 25.30, but Blue Mountain have reacted to Rs. 2.20. Cochin Malabar are easier at Rs. 6.12 and Ouchterlony at Rs. 3.40. Periakaramalai have been transacted at Rs. 3.72. Nelliampathy are steady at Rs. 5.58, Peermade at Rs. 20.75 and Parkside at Rs. 24. Among companies producing both tea and coffee, Panchura have come to hand at Rs. 3.35 on paying a taxable ordinary dividend of 15 percent. In coffee shares, Anaparai are wanted up to Rs. 3.10 on declaring a taxable ordinary dividend of 20 percent. Wartyhully are steady at Rs. 2.64, Bababudin at Rs. 5 and Mysore Coffee at Rs. 4.12. In electric companies, Vellore are quoted at Rs. 15.55. The Company is issuing rights ordinary shares at par, in the proportion of one new share for every four held.

In textile shares, South India Viscose are quiet at Rs. 150 and Travancore Rayon at Rs. 17.80. Lakshmi are maintained at Rs. 132 and Madura at Rs. 35.15. Anglo-French have weakened to Rs. 148 and Mettur to Rs. 225. Bangalore Woollen are quoted at Rs. 281 and Buckingham at Rs. 278. Scattered support has been forthcoming for Radhakrishna at Rs. 27.35, but Ramakrishna have been sold down to Rs. 199.40.

In miscellaneous shares, Ashok Leyland are steady at Rs. 7.12, but Aluminium Industries are easier at Rs. 23.15. In cement shares, India have hardened to Rs. 5.08, but Dalmia are weaker at Rs. 12.90. Mettur Chemical are quoted lower at Rs. 14. South India Steel and Sugar have dropped to Rs. 8.85 since the Company has decided to issue 100,000 ordinary shares of Rs. 10 each for public subscription. Seshasayee Paper are maintained at Rs. 7.20, but Mysore are available at Rs. 11.43. Kirloskar Electric are supported up to Rs. 22.25, but Madras Rubber have weakened to Rs. 8.90. Parry's Confectionery have improved to Rs. 3.05, but Spencer have dropped to Rs. 21.50. Textool are quoted at Rs. 128 and Standard Motors at Rs. 10

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 38/19—38/44—37/94—38/25—(33/12).

Burrakur Coal—Rs. 16/25 x.d.—16/25 x.d.—16/19 x.d.—16/25 x.d.—(17/69).

Dunlop Rubber—Rs. 29/87—30/62—29/75—30/50—(37/00).

Do. (Renunciation)—Rs. 9/37—9/71—9/12—9/71.

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Guest, Keen, Williams—Rs. 22/81 x.d.—23/50 S.T.—22/62—22/75—(26/62).

Hindustan Motors—Rs. 16/19—16/41—16/12—16/19—(19/41).

Indian Aluminium—Rs. 30/37—30/62—30/06—30/31—(29/62).

Indian Copper—Rs. 3/26—3/31—3/20 S.T.—3/26—(3/46).

Indian Iron—Rs. 25/06—25/50—25/06—25/24—(25/18).

Jaipur Udyog—Rs. 10/06—10/06—10/03—10/03—(12/31).

J. K. Cotton—Rs. 9/62—9/62—9/31—9/37—(13/00).

Kesoram Industries—Rs. 23/56—23/94—23/44—23/62—(26/87).

Orient Paper—Rs. 31/70—32/30—31/70—32/05—(39/15).

Orissa Cement—Rs. 11/94—12/31—11/87—12/25—(14/37).

Rohtas Industries—Rs. 9/44—9/69—9/44—9/56—(12/62).

Sree Gopal—Rs. 25/25—25/25—25/25—25/25.

Textile Machinery—Rs. 25/05—25/40—25/05—25/15—(28/25).

GILT-EDGED

3 % Loan (1986)—Rs. 62/10—63/05—62/00—63/05.

3 % " (1970-75)—Rs. 90/35—90/50—90/20—90/20.

3½ % " (1969)—Rs. 98/05—98/05—97/95—97/95.

3½ % " (1968)—Rs. 99/75—99/75—99/75—99/75.

4 % " (1969)—Rs. 99/50—99/50—99/50—99/50.

4 % " (1972)—Rs. 98/85—98/85—98/85—98/85.

4 % " (1970)—Rs. 99/18—99/18—99/00—99/00

4 % " (1981)—Rs. 97/60—97/60—97/60—97/60.

4 % Orissa (1968)—Rs. 97/50—97/50—97/50—97/50.

4 % Loan (1973)—Rs. 98/90—98/90—98/90—98/90.

4 % " (1979)—Rs. 97/50—97/50—97/50—97/50.

4 % " (1980)—Rs. 97/25—97/25—97/25—97/25.

4 % " (1970)—Rs 99/05—99/05—99/00—99/00.

4½ % " (1973)—Rs. 100/15—100/15—100/15—100/15.

4½ % " (1989)—Rs. 100/00—100/00—100/00—100/00.

4½ % " (1972)—Rs. 100/18—100/18—100/15—100/15.

4½ % " (1986)—Rs. 100/10—100/15—100/10—100/15.

4½ % West Bengal (1976)—Rs. 99/40—99/40—99/40—99/40.

4½ % Orissa (1976)—Rs. 96/80—96/80—96/75—96/75.

4½ % " (1974)—Rs. 97/00—97/00—97/00—97/00.

4½ % U.P. (1976)—Rs. 96/90—97/05—96/85—96/85.

4½ % Punjab (1976)—Rs. 96/25—96/25—96/25—96/25.

BANKS

Allahabad—Rs. 248/50—248/50—248/50—248/50—(260/00).

Punjab National—Rs. 20/19—20/37—20/19—20/37—(19/50).

United Bank of India (Rs. 10/- paid)—Rs. 8/19—8/25—8/12—8/22—(7/62).

Do. (Conty Rs. 20/-) (Rs. 10/- paid)—Rs. 7/62—7/62—7/62—7/62.

United Commercial—Rs. 72/50—72/50—72/00—72/00—(72/50).

TEXTILES

Basanti (Pref.)—Rs. 7/12—7/19—7/12—7/19.

Bharat Commerce—Rs. 18/87—18/87—18/87—18/87—(23/44).

Cawnpore—Rs. 6/06—6/15—6/06—6/15—(7/37).

Jaya Shree—Rs. 12/56—12/62—12/25—12/62—(17/06).

Muir—Rs. 55/00 c.t.—60/00—55/00—60/00—(74/50).

Swadeshi (P.O.)—Rs. 6/35—6/44—6/25—6/25—(6/81).

RAILWAY

Futwa Islampore—Rs. 25/50—25/50—25/50—25/50.

COALS

Bharat—Rs. 2/16—2/16—2/16—2/16.

Burrakur (1st Pref.)—Rs. 105/00 c.d.—105/00—105/00—105/00—(100/00).

Central India—Rs. 8/31—8/37—8/31—8/37—(9/94).

Dhemo Main—Rs. 2/87—2/94—2/81—2/94—(4/50).

Katras Jherriah—Rs. 27/25—27/25—26/50—26/50—(33/75).

Khas Kajora—Rs. 11/00—11/25—10/50—10/50—(17/62).

New Manbhoom—Rs. 9/50—9/50—9/50—9/50—(15/25).

South Karanpura—Rs. 5/94—5/94—5/94—5/94.

Sendra—Rs. 3/40 c.t.—3/40—3/40—3/40—(5/00).

Western Bengal—Rs. 8/47—8/50—8/37—8/50—(9/06).

JUTES

Auckland (2nd Pref.)—Rs. 57/50—58/00—57/50—58/00—(57/00).

Anglo-India (Pref.)—Rs. 101/50—101/50—101/00—101/00.

Bengal—Rs. 6/50—6/50—6/50—6/50—(9/37).

Barnagore—Rs. 233/00—245/00—233/00—245/00—(213/00).

Cheviot—Rs. 20/31—20/44—20/25—20/44—(22/81).

Chitavalsah (Pref.)—Rs. 95/00—95/00—95/00—95/00.

Fort William—Rs. 19/62—19/69—19/56—19/56.

Ganges—Rs. 12/56—12/69—12/25—12/25—(13/56).

Gourepore (Pref.)—Rs. 91/00—91/50—91/00—91/50.

Kelvin—Rs. 135/00—139/00—135/00—139/00—(193/00).

Kamarhatty—Rs. 151/00—151/00—151/00—151/00—(193/00).

Megna—Rs. 11/25—11/31—11/12—11/19—(13/31).

New Central—Rs. 9/50—10/12—9/37—10/12—(13/25).

Naihati—Rs. 68/00—68/00—68/00—68/00—(104/00).

National—Rs. 19/00—19/12—19/00—19/12—(23/94).

Nuddea—Rs. 10/37—10/37—10/37—10/37.

Presidency—Rs. 4/12—4/19—4/06—4/06—(5/50).

Reliance—Rs. 6/62—6/62—6/62—6/62—(8/00).

Shree Luchminarain—Rs. 9/50—9/50—9/50—9/50.

Waverley (Pref.)—Rs. 40/25—40/25—40/25—40/25.

MININGS

Assam Sillimanite—Rs. 6/25—6/41—6/25—6/41.

Bisra Stone Lime—Rs. 16/00—16/00—16/00—16/00—(22/00).

Karanpura Development—Rs. 9/00—9/00—9/00—9/00.

Orissa Minerals—Rs. 20/00—20/00—20/00—20/00—(26/00).

CEMENTS

Ashoka—Rs. 6/50—6/56—6/50—6/56—(7/37).

Assam Bengal—Rs. 3/00 c.t.—3/25—3/00—3/22—(3/62).

Bengal Potteries—Rs. 4/37—4/37—4/06—4/09.

Dalmia (Bharat)—Rs. 13/00—13/00—12/81—12/81—(12/75).

Do. (Pref.)—Rs. 8/31—8/37—8/25—8/25.

Sone Valley—Rs. 3/91—3/94—3/84—3/84—(4/56)

CHEMICALS

Alkali & Chemical—Rs. 28/31—28/31—28/31—28/31—(33/50).

Bengal Chemical—Rs. 101/50—102/00—101/50—102/00—(101/00).

Chemicals & Fibres—Rs. 16/00—16/00—15/81—15/87.

Kanoria—Rs. 6/50—6/50—6/50—6/50.

Smith Stanistreet—Rs. 13/00 c.d.—13/00—13/00—13/00—(12/31).

PUBLIC UTILITIES

Bareilly—Rs. 10/94—10/94—10/94—10/94.

Calcutta—Rs. 15/25—15/37—15/25—15/31—(14/50).

Do. (Pref.)—Rs. 8/19—8/31—8/19—8/31.

Patna—Rs. 10/75—10/75—10/75—10/75—(10/31).

ENGINEERINGS

Bhartia Electric Steel—Rs. 14/62—14/69—14/62—14/69—(15/00).

Binani Metal—Rs. 13/00—13/12—13/00—13/12—(12/00).

Britannia Eng.—Rs. 9/37—9/50—9/37—9/50—(10/62).

Calcutta Steel—Rs. 13/37—13/44—13/25—13/31—(13/81).

Dalmia Iron—Rs. 11/94—12/00—11/94—11/94—(11/75).

Engel India Machine—Rs. 6/50—6/50—6/50—6/50.

Indian Steel & Wire Pro.—Rs. 27/25—27/25—27/19—27/19—(36/87).

Jay Eng.—Rs. 19/87—20/06—19/87—20/00—(21/87).

Jessop & Co.—Rs. 25/69—26/06—25/37—25/56—(24/94).

J. K. Steel—Rs. 17/75—17/94—17/75—17/75—(18/12).

Kumardhubi—Rs. 5/37—5/44—5/31—5/37—(9/25).

Marshall—Rs. 3/44—3/44—3/44—3/44.

National Iron & Steel—Rs. 5/37—5/37—

Sen-Raleigt—Rs 13/37—13/50—13/37—5/31—5/37—(6/00).

Raymon—Rs. 4/50—4/50—4/25—4/25.

13/50—(15/12)

Saran Eng.—Rs 8/25—8/31—8/25—8/31—(8/12).

INSURANCES

Concord of India—Rs. 9/85—9/85—9/85—9/85—(11/25).

New Asiatic—Rs. 7/06—7/50—7/06—7/50—(8/25).

MISCELLANEOUS

Aluminium Corpn.—Rs. 10/87—11/00—10/87—11/00—(13/62).

Angelo Brothers—Rs. 24/69—24/75—24/69—24/75—(26/75).

Assam Hardboard—Rs. 6/75—7/25—6/75—7/00.

Associated Battery—Rs. 24/75—24/81—24/56—24/56—(27/81).

American Refrigerator—Rs. 9/00— 9/00—9/00—9/00.

Asian Refractories—Rs. 10/28—10/31—10/19—10/25.

Bararee Coke—Rs. 20/75—20/75—20/69—20/75—(22/06).

Balmer Lawrie—Rs. 237/00—237/00—237/00—237/00—(258/00).

Bharat Nidhi (Pref.)—Rs. 46/50—47/00—46/50—47/00.

Bhartia Commercial—Rs. 9/00—9/12—7/37—7/37.

B. I. Corpn.—Rs. 10/62—10/69—10/56—10/62—(9/00).

Do. (Pref.)—Rs. 116/00—116/00—116/00—116/00—(108/00).

British Paints—Rs. 22/50—22/50—22/37—22/37—(22/62).

Calcutta Trams—Rs. 11/25—11/31—11/25—11/31.

Clive Row Investment—Rs. 8/75—8/75—8/75—8/75—(8/50).

Dr. Paul Lohmann—Rs. 6/81 S.T.—7/29—6/81—7/29—(13/75).

Dyer Meakin Breweries—Rs. 22/37—22/56—22/37—22/44—(31/87).

Electric Construction—Rs. 13/25—13/37—13/25—13/37—(13/06).

Do. (Pref.)—Rs. 101/50—102/00—101/50—102/00.

English Electric—Rs. 15/31—15/37—15/25—15/31—(14/25).

East Anglia Plastics—Rs. 7/37—7/50—7/37—7/50.

Fort Gloster Industries—Rs. 266/00—268/00—265/50—268/00—(372/00).

Ganges Rope—Rs 254/00—254/00—253/00—253/00—(236/00).

Goodyear India—Rs. 18/44—18/44—18/44—18/44.

Godfrey Phillips (Pref.)—Rs. 61/00—61/50—60/50—60/75.

Hindustan Aluminium—Rs. 12/69—12/75—12/50—12/50—(13/81).

Hindusthan Development—Rs. 3/94—3/97—3/84—3/84.

Hindusthan Pilkington Glass—Rs. 12/75—12/94—12/75—12/94—(18/41).

Hindusthan Twyfords—Rs. 14/50—14/56—14/50—14/56—(14/12).

Do. (Pref.)—Rs. 106/00—106/00—105/00—105/50.

Hindustan Gas—Rs. 18/50—18/50—18/44—18/44.

Imperial Tobacco—Rs. 8/25—8/37—8/19—8/37—(10/37).

Inchek Tyres—Rs. 6/12—6/19—6/06—6/19.

Indian Aluminium (Pref.)—Rs. 66/00—66/00—66/00—66/00.

Indian Tack & Nail—Rs 8/56—8/56—8/53—8/53—(12/37).

Indian Oxygen—Rs. 23/75—23/75—23/75—23/75—(26/62).

India Carbon—Rs. 13/50 x.d.—13/50—13/50—13/50.

Jayshree Tea Industries—Rs. 14/12—14/44—14/12—14/44—(14/50).

J. K. Synthetics—Rs. 12/81—12/87—12/62—12/62—(12/94).

Jardine Henderson—Rs. 72/50—73/00—72/00—72/00—(79/00).

Do. (Pref.)—Rs. 58/50—58/50—58/50—58/50.

Kettlewell Bullen (2nd Pref.)—Rs. 62/00—62/00—62/00—62/00.

Martin Burn—Rs. 26/44—26/56—26/31—26/56—(28/50).

Do. (Pref.)—Rs. 87/00—87/00—87/00—87/00

Madhya Pradesh Indus.—Rs. 8/31—8/37—8/31—8/37.

Metal Box—Rs. 30/37—30/50—30/37—30/50—(52/25).

Metal Distributors—Rs. 9/00—9/03—9/00—9/03.

National Tobacco (1st Pref.)—Rs. 68/50—68/50—68/50—68/50.

National Insulated Cable—Rs. 24/37—24/37—24/31—24/37—(23/87).

National Rolling & Steel Ropes—Rs. 23/31—23/31—23/12—23/31—(19/87 x.d.).

National Rubber—Rs. 10/06—10/12—10/06—10/12.

Philips India—Rs. 29/50 c.t.—20/50—29/50—29/50—(28/62).

Phillips Carbon—Rs. 11/81—11/81—11/25—11/25—(15/62).

Rallis India—Rs. 115/00—116/00—115/00—116/00—(130/50).

Rohtas Industries ("B" Pref)—Rs. 55/00—55/50—55/00—55/50.

Sirsilk—Rs. 6/59—6/69—6/59—6/65—(10/06).

Shalimar Rope Works—Rs. 16/50—16/56—16/50—16/56.

Union Carbide—Rs. 29/00—30/00—28/75—30/00—(42/62).

Universal Cables—Rs. 9/87—9/94—9/78—9/87—(12/12).

Usha Martin Black—Rs. 14/25—14/31—14/25—14/31—(17/50).

Walford Transport—Rs. 3/12—3/19—3/12—3/19—(4/09).

Woolcombers of India—Rs. 10/09—10/09—9/87—9/94

PAPERS

Bengal—Rs. 26/56—26/81—26/50—26/69—(28/69).

Ballarpur—Rs. 15/50—15/56—15/44—15/56

India Paper Pulp—Rs. 16/50—16/56—16/50—16/56—(19/06).

Shree Gopal (2nd Pref)—Rs. 101/00—101/00—101/00.

Seshasayee—Rs. 7/12—7/31—7/12—7/31.

Sirpur—Rs. 11/81 x.d.—11/81 x.d.—11/69—11/78—(13/50).

Straw Products—Rs. 8/75—8/81—8/66—8/75—(10/56).

Star (7% Pref.)—Rs. 89/25—89/50—89/00—89/00.

Titaghur—Rs. 11/87—11/87—11/59—11/62—(17/12).

SAW MILL

Assam Saws—Rs. 2/50—2/56—2/44—2/50—(2/50).

REAL PROPERTIES

Midnapore Zemindary—Rs. 33/50—33/75—33/50—33/75.

Sahu—Rs. 2/65—2/65—2/65—2/65.

SHIPPINGS

India Steamship—Rs. 6/50—6/50—6/44—6/47—(7/47).

India General Nav.—Rs. 38/25—38/25—38/00—38/00—(43/25).

OILS

Indo-Burma Petroleum—Rs. 18/25—18/25—18/06—18/12.

Tide Water—Rs. 37/00—37/00—37/00—37/00—(30/25).

SUGARS

Champarun—Rs 11/62—11/62—11/62—11/62—(12/62).

Cawnpore—Rs. 9/94—9/94—9/81—9/81—(9/75).

Darbhanga—Rs. 8/56—8/56—8/56—8/56.

Shree Hanuman—Rs. 12/50—12/50—12/50—12/50.

Shree Krishna Gyanoday—Rs. 8/25—8/5—8/25—8/25—(7/94).

TEAS

Brooke Bond—Rs. 9/44—9/50—9/44—9/50—(13/06).

Baradighi—Rs. 20/75—20/75—20/75—20/75—(23/69).

Dhelakhat—Rs. 20/62—20/62—20/62—20/62—(20/75).

Dehra Dun—Rs. 75/00—75/00—75/00—75/00.

Grob—Rs. 5/94—6/00—5/94—6/00—(7/62).

Gairkhata—Rs. 11/94—12/00—11/94—12/00—(21/50).

Hasimara—Rs. 12/06—12/31—12/06—12/31—(13/44).

Nagaisuree—Rs 142/00—142/00—142/00—142/00—(140/00).

North Western Cachar—Rs. 165/00—165/00—165/00—165/00—(175/00).

Sungma—Rs. 11/87—11/87—11/87—11/87—(14/56).

Teesta Valley—Rs. 12/00—12/12—12/00—12/12—(15/87).

Tezpore—Rs. 12/75—12/81—12/62—12/69—(15/19).

DEBENTURES

7% Carew & Co.—Rs. 93/25—93/25—93/25—93/25.

5% Macneill & Barry—Rs. 77/00—77/00—77/00—77/00.

CAPITAL, 10th December, 1964.

ANNOUNCEMENT REGARDING PROPOSED ISSUE OF SHARES

This is NOT a Prospectus. Persons interested in full details may obtain copies of the Prospectus from the Registered Office of the Company or from the Bankers or Brokers named hereinafter.

HINDUSTAN FERODO LTD.

A member of the TURNER & NEWALL Group

(INCORPORATED ON 1ST JULY, UNDER THE COMPANIES ACT, 1956)

Registered Office: AGRA ROAD, GHATKOPAR, BOMBAY 77 AS.

EXISTING AND PROPOSED ACTIVITIES OF THE COMPANY

The Company was formed to take over the manufacturing and associated selling activities of Asbestos, Magnesia and Friction Materials, Ltd., Ghatkopar, Bombay 77 AS. Its main activities consist of the manufacture of "Ferodo" woven metallic and moulded brake and clutch linings, "Firefly" brand asbestos yarns, dry and lubricated asbestos plaited packings, asbestos cloth, proofed asbestos sheetings, asbestos tape, asbestos rope lagging and compressed asbestos fibre jointings, and "Limpet" asbestos sheets. The Company has now been licensed by Government to manufacture asbestos millboard and "Ferobestos" flooring sheets in addition to the above listed items.

LOCATION OF FACTORY

The Company's factory is located at Ghatkopar, Bombay 77 AS.

BOARD OF DIRECTORS

Norton Arthur Morling (Chairman) Son of N. E. Morling	Director of: Turner & Newall Ltd., Manchester, England. Director of Asbestos. Magnesia & Friction Materials Ltd. Manchester, England and other Companies within the T. & N. Group.
Henry David Stewart Hardie (Managing Director) Son of J. S. Hardie	Merchant. Managing Director of Asbestos Cement Ltd., Mulund, Bombay 80-NB. Director of Asbestos, Magnesia & Friction Materials Ltd., Manchester, England. Committee Member of: (1) General Committee, Bombay Chamber of Commerce & Industry, Bombay. (2) Executive Committee, Association of Indian Automobile Manufacturers.
Cecil William Hannan Son of W. Hannan	Engineer.
Phillip Anthony King Son of C. King	Merchant. Director of Asbestos, Magnesia & Friction Materials Ltd., Manchester, England.
Percy Charles Barr Son of H. Barr	Merchant. Director of Asbestos, Magnesia & Friction Materials Ltd., Manchester England.

SHARE CAPITAL

Authorised:	
40,00,000 Equity Shares of Rs. 10/- each	Rs. 4,00,00,000
Issued:	
26,80,133 Equity Shares of Rs. 10/- each	Rs. 2,68,01,330
Subscribed and Fully Paid up:	
19,83,333 Equity Shares of Rs. 10/- each	Rs. 1,98,33,330
Present Issue:	
6,96,800 Equity Shares of Rs. 10/- each	Rs. 69,68,000
	Rs. 2,68,01,330
Out of the Present Issue:	
1,50,000 Equity Shares of Rs. 10/- each have been agreed to be subscribed by Directors, their associates and friends at a premium of Rs. 17 per share, i.e., at Rs. 27 for cash	Rs. 15,00,000
Now offered for Public Subscription:	
5,46,800 Equity Shares of Rs. 10/- each at a premium of Rs. 17 per share, i.e., at Rs. 27 per share for cash	Rs. 54,68,000
	Rs. 69,68,000

TERMS OF PAYMENT

On application Rs. 9.00 per share, made up of Rs. 5.00 on capital account and Rs. 4.00 on premium account

The balance will be paid by calls as may be determined by the Board of Directors as under:

Not before 1st April 1965 Rs. 9.00 per share, made up of Rs. 4.00 on capital account and Rs. 5.00 on premium account

Not before 1st April 1966 Rs. 9.00 per share, made up of Rs. 1.00 on capital account and Rs. 8.00 on premium account

The above terms of payment are also applicable to shares to be subscribed for cash by and to be allotted to the Directors, their associates and friends.

BANKERS

STATE BANK OF INDIA,
Apollo Street, Fort, Bombay-1

BANK OF BARODA LTD.,
Cama Lane, Ghatkopar, Bombay-77

J. HENRY SCHRODER WAGG & CO. LTD.,
145, Leadenhall Street, London E.C. 3.

AUDITORS

A. F. FERGUSON & CO.
Allahabad Bank Building,
Apollo Street, Bombay 1.

ISSUE HOUSE & REGISTRARS

APOLLO SECURITIES,
5 Graham Road, Ballard Estate,
Bombay 1.

BANKERS TO THE ISSUE

State Bank of India
Apollo Street, Fort, Bombay-1 and its branches at Ahmedabad, Allahabad, Amritsar, Bangalore, Baroda, Bombay, Calcutta, Cochin, Coimbatore, Delhi, Gauhati, Hyderabad (A.P.), Indore, Jaipur, Kanpur, Madras, Nagpur, Panjim (Goa), Rajkot, Surat.

Bank of Baroda Ltd.,
Apollo Street, Fort, Bombay-1 and its branches at Ahmedabad, Amritsar, Bangalore, Baroda, Bombay, Calcutta, Cochin, Coimbatore, Hyderabad (A.P.), Indore, Kanpur, Madras, Nagpur, Navsari, New Delhi, Rajkot, Surat, Vasco Da Gama (Goa).

SOLICITORS TO THE ISSUE

CRAWFORD BAYLEY & CO.
State Bank Buildings,
Bank Street, Fort, Bombay 1.

MANAGING BROKERS

MERWANJEE BOMANJEE DALAL,
Allahabad Bank Building, Apollo Street, Bombay 1.

BATLIVALA & KARANI,
Union Bank Building, Dalal Street, Bombay 1.

BROKERS TO THE ISSUE

BOMBAY

Merwanjee Bomanjee Dalal,
Allahabad Bank Building, Apollo Street, Bombay 1.
Batlivala & Karani,
Union Bank Building, Dalal Street, Bombay 1.
Lewis & Jones,
Bank of Baroda Building, Apollo Street, Bombay 1.
A. B. Pandit & Co.,
32 Apollo Street, Bombay 1.
R. R. Nabar & Co.,
31 Dalal Street, Bombay 1.
Champaklal Devidas,
Aga Khan Building, Dalal Street, Bombay 1.

CALCUTTA

Place, Siddons & Gough (P.) Ltd.,
6 Lyons Range, Calcutta 1.
G. M. Pyne,
Allahabad Bank Building,
14 India Exchange Place, Calcutta 1.

MADRAS

Dalal & Co.,
Post Box No. 149,
National Insurance Building, Madras 1.
Paterson & Co.,
P.O. Box 48, 11/12 Second Line Beach, Madras 1.
Chitra & Co.,
322/335 Linghi Chetty Street, Madras 1.

BANGALORE

M. Nanjappiah Jahgirdar,
Post Box 71, 181 Cavalry Road, Bangalore 1.

HYDERABAD

P. B. Afzulpurkar,
Sultan Bazar, Hyderabad.

DELHI

Raj Paul Chadha & Co.,
Delite Cinema Building, Asaf Ali Road, New Delhi.
P. Roy & Co.,
3/8 M. M. Road, Jn. Panchkuin Road, New Delhi 1.

AHMEDABAD

Kantilal Chandulal & Co.,
Manek Chowk, Ahmedabad.
Chinubhai Chimanlal Dalal,
Manek Chowk, Ahmedabad.
Chimanlal Lalbhai,
Manek Chowk, Ahmedabad.

APPLICATIONS: Copies of Application Forms and Prospectus can be obtained from the Company's Brokers or Bankers to the issue or from the Company at their respective Registered Offices. Applications for shares must be for shares or multiples of 10 shares.

THE SUBSCRIPTION LIST WILL OPEN AT THE COMMENCEMENT OF BANKING HOURS ON 16TH DECEMBER, 1964 AND WILL CLOSE AT THE CLOSE OF BANKING HOURS ON 30TH DECEMBER, 1964 OR EARLIER AT THE DISCRETION OF THE DIRECTORS, BUT NOT BEFORE THE CLOSE OF BANKING HOURS ON 21ST DECEMBER, 1964.

REGULATING CLEAN ADVANCES TO CURB PRICE RISES

(BY A SPECIAL CORRESPONDENT)

The Reserve Bank has always regarded clean advances as unclean for some mysterious reason. Contrary to its impression, there is no evidence to suggest that they are generally used to finance speculative activities.

THE next weapon in the Reserve Bank's repertory of anti-inflationary controls is expected to be the regulation of unsecured or clean advances granted by banks. The Reserve Bank has always regarded clean advances as unclean for some mysterious reason. To practical bankers, many clean advances have given far less trouble and caused far less anxiety than the so-called secured advances, for clean advances are not allowed unless the borrower is a first-class party of unquestioned standing, and unless the purpose of the advance and the borrower's ability to repay are clearly established.

But the points of view of practical bankers and those of the Reserve Bank are different. While the former are concerned with the purpose of the advance from the point of the safety and liquidity, the central bank is primarily interested in the purpose from the point of view of credit control. This is not to deny that the Reserve Bank has an equal stake in the safety and liquidity of advances for the purpose of building up a healthy and strong banking system. Clean advances, however, raise for it visions of speculative abuses which dominate its perspective, attitude and philosophy towards such advances.

Selective Credit Controls

In 1960, for example, selective credit controls were in operation. The climate for their operation was more favourable, since they were accompanied by quantitative restrictions such as the variable reserve ratio and penal rates for central bank accommodation. Due to the operation of selective credit controls in relation to a number of commoditites, the Reserve Bank feared that there was some possibility of the circumvention of its directives through a large expansion of clean advances. To deal with this possibility, the Bank prescribed a ceiling on such advances so that the "average ratio of clean advances of individual banks to the total advances in any month in 1960 did not exceed the ratio in the corresponding month of 1959".

The restriction allowed scope for both secular and the seasonal growth in advances over a year. Yet within less than a month, representations from banks and industry forced the Reserve Bank to allow increased limits for clean loans for a temporary period, if it appeared that the prescribed ratios were causing difficulties to clients engaged in productive enterprises or exports. In retrospect, the Bank was of the opinion that, by and large, the controls on clean advances in 1960-61 had a salutary effect on the efficacy of selective credit controls.

The difficulties of enforcing controls on clean advances are twofold: firstly, it is difficult to differentiate between the speculative and productive, non-productive and genuine, inflationary and legitimate purposes and to restrict advances for the one and to encourage them for the other. In principle, there can be no quarrel with the general statement that bank advances for speculative, non-productive and inflationary purposes should not be allowed : but what is disputed is the unfounded and unsupported assumption that *all* clean advances are of this character. Secondly, with the vast increase in the nature and variety of accommodation provided by banks and in the type and character of securities that are taken, the distinction between secured and clean (*i.e.*, unsecured) advances has become equally blurred. There has been sharp increases in recent years in advances against lorry receipts and against Government supply bills. While the practices of lorry transport companies may sometimes be risky for banks, there can be no better security than Government supply bills.

Yet all these advances are regarded as unsecured. There are numerous instances in the field of export credit and financing of foreign trade where the fine line of distinction is either non-existent or if it exists at all, the distinction lacks any basis of principle or consistency of practice. Pre-shipment advances, bills for collection or negotiation, letters of credit, etcetera, provide ample illustrations of these various distinctions without a difference.

Difficult Tasks

In any scheme of regulation of clean advances, therefore, it will not only be necessary to define clearly the meaning, extent and scope of clean and secured advances, but it will also be necessary to lay down the principles and practices in accordance with which clean advances for speculative purposes can be distinguished from such advances for productive purposes. These are clearly impossible tasks. Control of clean advances is thus bound to remain arbitrary, and any attempt to demarcate the limits arbitrarily will definitely lead to tremendous difficulties.

During the slack season of 1960, clean advances rose by Rs. 2 crores, against Rs. 11 crores in the corresponding period of 1959. They declined by Rs. 5 crores each in the calender year 1960 and 1961, against a rise of Rs. 18 crores in 1959. As a proportion of total credit, they declined from 19 percent at the end of 1959 to 15 percent at the end of 1960 and has remained around that level ever since then, except for the steep rise in 1963.

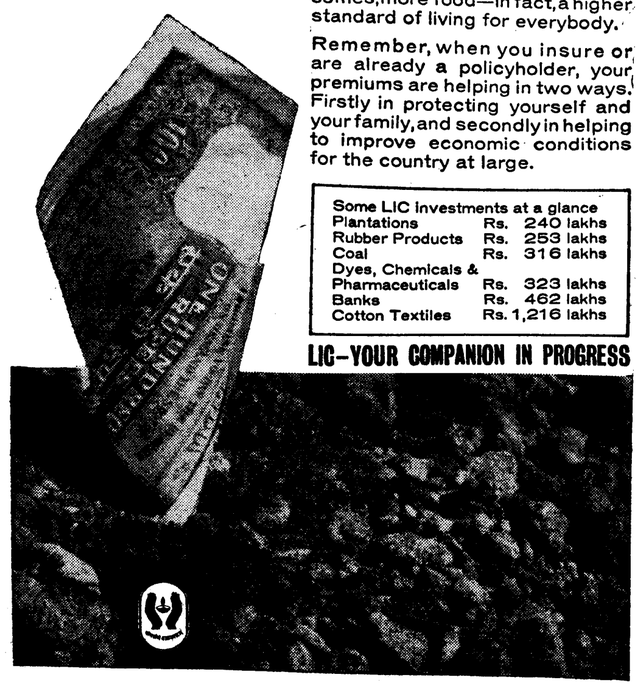
Rise in Clean Advances

Restrictions imposed in 1960 on unsecured advances were removed in October 1961, following the relaxation or removal of selective controls. In spite of the sharp increase in clean advances in 1962 and 1963, their share in the total credit has remained below the peaks reached in 1959 and early 1960. The Reserve Bank, in fact, recognised that the trend of clean advances during the 1962-63 busy season was in conformity with the spirit of the special request made by the Governor of the Reserve Bank to banks on the eve of the season.

In view, however of the sharp rise of Rs. 66 crores in clean advances during the 12 months preceding February 1964, the Governor again requested the banks to review their portfolios of clean advances. The peak was touched at Rs. 287 crores in March 1964, but the decline thereafter has not been more than Rs. 21 crores between March and August 1964. The ratio of clean advances to the total bank credit is still below the peaks of 1959 and early 1960, and most of the clean advances have been given to industrial borrowers. There is no evidence to suggest that they are used to finance speculative activities. The Reserve Bank's undue attention on clean advances would, therefore, be misdirected, if not misplaced.

ASP/LIC/PR-1

LIC PLANTS THE MONEY



L.I.C. sows saplings into the economic soil of the country. Saplings which will grow into a rich harvest of prosperity tomorrow.

L.I.C. invests nearly 3 million rupees a day in industry, agriculture, railways, transport, electricity and many other projects. The growth effect of these investments creates more jobs, more incomes, more food—in fact, a higher standard of living for everybody.

Remember, when you insure or are already a policyholder, your premiums are helping in two ways. Firstly in protecting yourself and your family, and secondly in helping to improve economic conditions for the country at large.

Some LIC investments at a glance	
Plantations	Rs. 240 lakhs
Rubber Products	Rs. 253 lakhs
Coal	Rs. 316 lakhs
Dyes, Chemicals & Pharmaceuticals	Rs. 323 lakhs
Banks	Rs. 462 lakhs
Cotton Textiles	Rs. 1,216 lakhs

LIC—YOUR COMPANION IN PROGRESS

THE CALCUTTA MONEY MARKET

MODERATE INCREASE IN ADVANCES

Wednesday, 9th December.

THE general level of advances has shown a moderate increase in the Calcutta money market during the past week. Most of the increase is accounted for by the iron, steel and engineering units. The credit given to the foodgrains and seeds trade is unchanged, but the requirements of the cotton, jute and sugar mills are slightly higher. In the interbank market, conditions have generally been tight. The call rate rose to 6½ percent, but has subsequently returned to the starting level of 5 percent.

The exchange market has been less active. The supply of tea and gunny bills is small The demand for remittances has been poor. In the London market, sterling has shown a mixed tendency but fluctuations have been narrow.

BULLION WAS STEADY IN CALCUTTA during the past week. Silver was quoted at Rs. 252.05. The price fetched 113¼d in London and 129.3 cents in New York. The price of 14-carat gold was quoted at Rs. 68.50.

DURING THE WEEK ENDED 4TH December, Government of India Treasury bills for Rs 2,58,00,000 were sold in favour of the Reserve Bank.

TENDERS FOR Rs. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 8th December. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.375 percent were accepted in full The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.500 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 14th December.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 9th December to 12th December at Rs. 99.391 percent subject to the conditions previously announced that sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 2nd December to 5th December amounted to Rs. 1,29,50,000.

THE STATEMENT OF THE RESERVE BANK of India for the week ended 4th December, 1964, is interesting because the Bank has begun to publish details relating to advances made out of its funds which have been created to finance agriculture and industry. Active notes rose by Rs. 50.51 crores to Rs. 2,472.97 crores and the total note issue by Rs. 36.65 crores to Rs. 2,491.42 crores. The currency expansion was covered by increasing rupee securities by Rs. 40 crores to Rs. 2,186.13 crores. Deposits of the Government of India increased by Rs. 26.16 crores to Rs. 60.14 crores while those of State Governments dropped by Rs. 85 lakhs to Rs. 5.49 crores. Balances of scheduled banks were Rs. 4.72 crores smaller at Rs. 89.23 crores. Balances held abroad rose by Rs. 3.38 crores to Rs. 11.39 crores. Investments decreased by Rs. 93 lakhs to Rs. 117.51 crores. Loans to scheduled banks increased from Rs. 83.05 lakhs to Rs. 18.26 crores, of which advances against usance bills amounted to Rs. 4.26 crores (nil). Loans to State Governments stood at Rs. 44.42 crores, against Rs. 28.15 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 27th November, 1964, shows a drop of Rs. 6.17 crores to Rs. 666.76 crores in total deposits. Investments in Government securities are up by Rs. 9.35 crores to Rs. 289.43 crores, while other authorised investments remain unchanged at Rs 8.98 crores. Advances, including loans, cash credits, overdrafts, and bills discounted and purchased have increased by Rs. 1.46 crores to Rs. 345.48 crores. Cash and balances are, in consequence, shown at Rs. 25.46 crores or Rs. 5.44 crores less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 27th November, 1964, shows Demand and Time liabilities at Rs. 1,370.05 crores (Rs. 31.56 crores on account of borrowings from banks) and Rs. 1,399.77 crores (Rs. 15.88 crores), compared with Rs. 1,375.82 crores (Rs. 29.01 crores) and Rs. 1,402.03 crores (Rs. 15 79 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have fallen by Rs. 1.37 crores and Rs. 3.24 crores to Rs. 65.65 crores and Rs. 93.76 crores, respectively. There is a rise of Rs. 10.44 crores to Rs. 839.26 crores in investments. Advances and bills discounted at Rs. 1,734.86 crores show an increase of Rs. 89 lakhs. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.8 percent and 62.6 percent, against 5.9 percent and 62.4 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 11-12-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
11-12-64	12-3-65	2,00,00	Rs. 2.500%
4-12-64	5-3-65	2,00.00	Rs. 2.400%
27-11-64	2-3-65	2,00.00	Rs. 2.360%
21-11-64	23-2-65	2,00.00	Rs. 2.400%
13-11-64	16-2-65	2,00.00	Rs. 2.499%
6-11-64	9-2-65	2,00.00	Rs. 2.500%
30-10-64	2-2-65	2,00.00	Rs. 2.400%
23-10-64	26-1-65	2,00.00	Rs. 2.500%
9-10-64	12-1-65	2,00.00	Rs. 2.500%
1-10-64	4-1-65	2,00.00	Rs. 2.400%
25-9-64	28-12-64	2,00.00	Rs. 2.399%
18-9-64	21-12-64	2,00.00	Rs. 2.386%
11-9-64	14-12-64	2,00.00	Rs. 2.400%

(Monthly Muturities (000's omitted)

December, 1964	6,00.00
January. 1965	6,00.00
February. 1965	8,00.00
March, 1965	6,00.00
Total	26,00.00

CLEARING HOUSE RETURNS

Rs. (thousand)

Week	Calcutta	Bombay
4-12-64	1,41,83,31	.....
27-11-64	10,97,49	1,41,53.08
20-11-64	1,04,29,50	1,36.73.14
13-11-64	1,04,30.08	1,42,08,43

RESERVE BANK

ISSUE DEPARTMENT (In 000's of Rupees)

	Week Ended 4-12-64	27-11-64	6-12-63
Liabilities—			
Notes in Banking Dept.	18,45,74	32,30,43	23,06,71
Notes in Circulation	24,72,96,73	24,22,46,10	23,13,53,08
Total Notes issued	24,91,42,47	24,54,76,53	23,36,59,79
Assets—			
A. Gold Coin and Bullion	1,17,76,10	1,17,76,10	1,17,76,10
Foreign Securities	85,45,69	85,45,69	92,45,69
Total of A	2,03,21,79	2,03,21,79	2,10,21,79
B Rupee Coin	1,02,07,53	1,05,41,46	1,17,06,98
Rupee Securities	21,86,13,15	21,46,13,28	20,09,31,02
Total	24,91,42,47	21,54,76,53	22,36,59,79

BANKING DEPARTMENT

Liabilities—			
Capita. Paid-up	5,00,00	5,00,00	5,00.00
Reserve Fund	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund	86,00.00	86,00.00	73,00.00
National Agricultural Credit (Stabilisation) Fund	9,00.00	9,00.00	8,00.00
National Industrial Credit (Long Term Operations) Fund	10,00.00	10,00.00	...
Deposits—			
(a) 1. Central Govt.	86,30.02	60,14,26	84,01,29
2. State Govts.	5,48.96	6,33.80	10,20.66
(b) Banks :—			
(i) Scheduled Banks	89,23.11	93,94,69	82,93,35
(ii) State Co-operative Banks	2,74,02	2,80,55	2,09,76
(iii) Other Banks	1,59	1,67	4,61
(c) Others	1,44,57,15	1,44,81,83	1,66,29,19
Bills Payable	46,14.34	51,54,12	32,65,15
Other Liabilities	45,95.59	45,86,80	39,08,41
Total	6,10,44,78	5,95,47,72	5,83,32,36
Assets—			
Notes	18,45,74	32,30,43	23,06,71
Rupee Coin	4,76	4,85	2,37
Small Coin	8,98	8,75	3,53
Loans, Advances and Investments from			
National Agricultural Credit (Long Term Operations) Fund			
(a) Loans and Advances to :—			
(i) State Govts	11,42,33	28,14,54	26,99,97
(ii) State Co-operative Banks	28,09,41	11,67,08	9,26,96
(iii) Central Land Mortgage Banks	..	..	...
(b) Investment in Central Land Mortgage Bank Debentures	4,45,53	4,45,53	3,55,31
Bills Purchased and Discounted :—			
(a) Internal	...	...	...
(b) External	...	...	...
(c) Govt. Treasury Bills	1,64,11,44	1,66,09,27	91,03,91
Balances Held abroad	11,38,78	8,01,21	12,76,19
Loans and Advances to Central Govt.	44,42,32	38,85,75	46,53,88
Loans and Advances to :—			
(i) Scheduled Banks	18,26,45	83,05	14,60,75
(ii) State Co-operative Banks	1,59,39,59	1,54,77,42	1,34,10,99
(iii) Others	3,33,93	3,02,18	1,53,30
Investments	1,17,51,37	1,18,43,72	1,92,77,90
Other Assets	29,44,15	28,73,94	27,00,59
Total	6,10,44,78	5,95,47,72	5,83,32,36

SCHEDULED BANKS

(In 000's of Rupees)

	Week Ended 27-11-64	20-11-64	29-11-63
(i) **Demand Liabilities—**			
(a) Demand Deposits :			
(1) From Banks	65,84,16	65,37,24	53,79,80
(2) From others	11,98,74,52	12,06,32,17	9,77,60,92
(b) Borrowing from Banks	31,55,85	29,00,68	29,46,92
(c) Others	73,90,29	75,11,63	62,92,10
(ii) **Time Liabilities—**			
(a) Time Deposits :			
(1) From Banks	34,84,21	32,81,87	33,14,15
(2) From others	13,35,79,16	13,40,20,64	12,59,27,92
(b) Borrowing from Banks	15,87,53	15,78,61	22,30,83
(c) Others	13,26,16	13,21,54	10,08,45
(iii) **Borrowing from State Bank—**			
(a) Demand Liabilities	9,51,07	7,51,35	8,34,10
(b) Time Liabilities	47,44,80	36,17,45	18,80,50
(iv) Borrowing from Reserve Bank	1,31,31	1,46,30	71,00
(v) Cash	65,65,93	67,03,17	55,68,17
(vi) Balances with the Reserve Bank	93,76,09	96,99,93	72,93,07
(vii) Balances with other Banks in current account	23,53,13	22,64,80	22,23,60
(viii) Money at call and short notice	78,78,30	80,10,15	69,07,81
(xi) Investments in Central and State Govt. Securities	8,39,26,27	8,28,81,87	7,66,97,33
(x) (a) Loans, Cash Credits and Overdrafts	14,48,37,48	14,53,41,11	12,55,55,78
(b) Due from Banks	20,96,00	19,17,03	11,91,60
(xi) Inland Bills purchased and discounted	1,90,89,70	1,85,99,39	1,74,92,86
(xii) Foreign Bills purchased and discounted	74,62,91	75,39,33	56,21,36
(xiii) Total of X, XI and XII	17,34,86,09	17,33,96,86	14,98,61,60



Products of :—
BHARAT ELECTRICAL INDUSTRIES LTD.
49, R. N. Mukherjee Road, Calcutta-1.
Agents—
THE ORIENTAL MERCANTILE CO., LTD.
Calcutta, Bombay, Kanpur, Delhi, Madras



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Indian Oil Corporation Limited

HEAD OFFICE: Clarke Road, Mahalaxmi, Bombay 34.

Marketing Division:

WESTERN BRANCH: 'Rashmi', Carmichael Road, Bombay 26 WB.

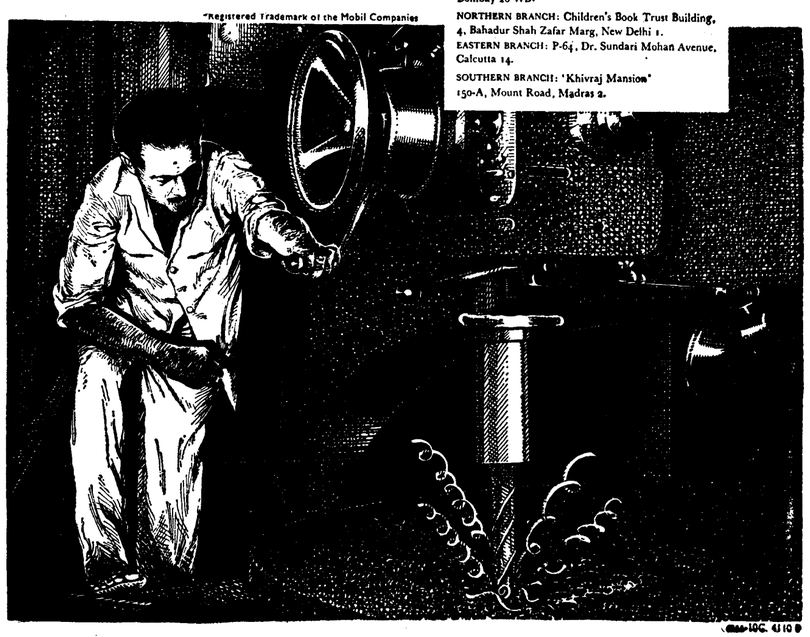
NORTHERN BRANCH: Children's Book Trust Building, 4, Bahadur Shah Zafar Marg, New Delhi 1.

EASTERN BRANCH: P-64, Dr. Sundari Mohan Avenue, Calcutta 14.

SOUTHERN BRANCH: 'Khivraj Mansion' 150-A, Mount Road, Madras 2.

INDIANOIL—*A National Trust for Economic Prosperity*

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IOC. 4110 B

THIS IS AN ANNOUNCEMENT AND NOT A PROSPECTUS. PERSONS INTERESTED IN FULL DETAILS ARE REQUESTED TO APPLY FOR A COPY OF THE PROSPECTUS FROM THE COMPANY'S REGISTERED OFFICE, BANKERS BROKERS AND UNDERWRITERS NAMED BELOW:

CHEMICALS AND PLASTICS INDIA LIMITED

(Incorporated on 29.9.1962 under the Companies Act, 1956)

Registered Office:—"Dhun Building", 175/1, Mount Road, Madras-2.

SHARE CAPITAL

Authorised Capital:

		Rs.
1.	1,50,000 Equity Shares of Rs. 100/- each	1,50,00,000
2.	50,000—9.5% (free from income-tax payable by the Company but subject to deduction of tax under Section 194 of the Income Tax Act 1961) Cumulative Redeemable Preference Shares of Rs. 100/- each.	50,00,000
		2,00,00,000

Issued Capital:

1.	**Subscribed:**		
	7 Equity shares of Rs. 100/- each (fully paid up being the shares subscribed by the Signatories of the Memorandum)		700
2.	**Present Issue:**		
	(a) 1,34,993 Equity shares of Rs. 100/- each		1,34,99,300
	(b) 15,000 9.5% (free from income-tax payable by the Company but subject to deduction of tax under Section 194 of the Income Tax Act 1961) Cumulative Redeemable Preference Shares of Rs. 100/- each		15,00,000
			1,50,00,000

Out of the present Issue:

1.	The B. F. Goodrich Company of Akron, Ohio, U.S.A. and/or their nominees have agreed to subscribe and will be allotted 17,212 equity shares of Rs. 100/- each at par (or such number of shares as is equivalent to U.S Dollars 3,40,000 at the rate of exchange in effect on the date of allotment) for consideration other than cash and 17,213 equity shares (or such number as together with the allotment for consideration other than cash makes a total of 34,425 equity shares) of Rs 100/- each at par for cash. Consideration for the said allotment of 17,212 equity shares of Rs. 100/- each is the supply of initial accumulated know-how by B. F. Goodrich Co.		34,42,500
2.	The Founders, Directors, Managing Agents and their relatives and friends and their associated companies have subscribed and will be allotted:		
	(a) 51,068 Equity shares of Rs. 100/- each at par as per details hereunder:		51,06,800
		No. of equity shares	
	(i) Indplast Private Ltd	17,000	
	(ii) The India Cements Ltd.	13,500	
	(iii) Kumari Investment Corporation (Private) Ltd	3,750	
	Narayanan Investment Trust (Private) Ltd.	3,750	
	(iv) The Mettur Chemical & Industrial Corporation Limited	5,000	
	(v) Directors, friends and associates	8,068	
	(b) 2,500 9.5% (free from income tax payable by the Company but subject to deduction of tax under Section 194 of the Income Tax Act 1961) Cumulative Redeemable Preference shares of Rs. 100/- each at par:		
	Kumari Investment Corporation (Private) Ltd.	1,25,000	
	Narayanan Investment Trust (Private) Ltd.	1,25,000	2,50,000
3.	**NOW ISSUED FOR PUBLIC SUBSCRIPTION AT PAR FOR CASH**		
	(a) 49,500 Equity shares of Rs. 100/- each		49,50,000
	(b) 12,500 9.5% (free from income-tax payable by the Company but subject to deduction of tax under Section 194 of the Income Tax Act 1961) Cumulative Redeemable Preference Shares of Rs. 100/- each		12,50,000
			1,49,99,300

BOARD OF DIRECTORS

1. **Sri T. S. Narayanaswami,**
2, Dr. C. P. Ramaswami Iyer Road,
Alwarpet,
Madras-18.
Industrialist.

Director of:
The India Cements Limited.
Industrial Chemicals Ltd
Madras Industrial Investment Corporation Limited
The Madras Aluminium Co. Ltd.
W. S. Insulators of India Ltd.
Aruna Sugars Ltd
South India Shipping Corporation Ltd.
and others.

2. **Sri K. Palani,**
25, Venkatanarayana Road,
T. Nagar, Madras-17.
Business.

Director of:
The India Cements Limited.
The Madras Aluminium Co. Ltd.
Industrial Chemicals Ltd.
W. S. Insulators of India Limited.
Natraj Spinning & Weaving Mills Ltd.
Aruna Sugars Limited.
South India Shipping Corporation Limited
and others.

3. **Sri C. S. Loganathan,**
6, Vasu Street,
Kilpauk Madras-10.
Business.

Director of:
The Travancore Cements Ltd.
(Chairman)
Cauvery Spinning & Weaving Mills Ltd.
Travancore Rayons Limited.
The India Cements Limited.
Aruna Sugars Ltd.
W. S. Insulators of India Ltd.
South India Shipping Corporation Ltd.
and others.

4. **Mr. Charles Raymond Couts,**
c/o. The B. F. Goodrich Company,
3135 Euclid Avenue.
Cleveland 15. Ohio. U.S.A.
Attorney. Counsel and Assistant Secretary.
The B. F. Goodrich Company.

Director of:
B. F. Goodrich Australia Pty. Ltd.
B. F. Goodrich-C.S.R. Chemicals Pty. Ltd Melbourne. Australia.
B. F. Goodrich Liberia. Inc.
Plasticosy Productos Quimicos, S.A. Bogota, Columbia
Geon de Mexico. S.A.
N. V. Chemische Industrie AKU-Goodrich. Arnhem Holland.
International B. F. Goodrich Limited.

5. **Mr. Marvin Wendel Larson,**
c/o. B. F. Goodrich Chemical Company,
3135 Euclid Avenue,
Cleveland 15, Ohio, U.S.A.
Director.

Director of
B. F. Goodrich-C.S.R. Chemicals Pty. Ltd., Melbourne Australia.
N. V. Chemische Industrie AKU-Goodrich. Arnhem Holland.
British Geon Limited.

6. **Sri P. Suryanarayana,**
No 8. Boag Road,
Madras-17.
Business.

Director of:
The India Cements Limited.
Cauvery Spinning & Weaving Mills Ltd.
Tirupathi Cotton Mills Ltd.
Parry's Confectionery Ltd.
Natraj Spinning & Weaving Mills Ltd.
Aruna Sugars Limited
Local Board-State Bank of India (Member)
and others.

7. **Sri S. Narayanaswamy,**
"Seshadri"
6, Chittaranjan Road,
Madras-18
Stock & Share Broker.

Director of:
Aluminium Industries Ltd.
Central Scientific Supplies Co. Ltd.
Seshasayee Industries Ltd.
Industrial Chemicals Ltd.
Mettur Chemical & Industrial Corporation Ltd
Seshasayee Wire Ropes Ltd.
Seshasayee Paper & Boards Ltd.
and others.

8. **Mr. Russi Jal Taraporevala,**
210. Dr. D. Naoroji Road.
Fort. Bombay-1.
Economist and Businessman.

Director of.
Aluminium Industries Ltd.
Gabriel India Ltd.
Gajjar's Standard Chemical Works Ltd
Indian Vegetable Products Ltd.
Investa Machine Tools & Engineering Company Ltd
Jayabharat Insurance Company Ltd.
New India Industries Ltd.
Neyveli Ceramics & Refractories Ltd.
Seshasayee Industries Ltd.
Simco Meters Ltd.
and others.

9. **Dr. G. S. Laddha,**
41. II Main Road,
Kasturbai Nagar,
Madras-20.

Director.
Alagappa Chettiar College of Technology.

MANAGING AGENTS

Indplast Private Limited,
Dhun Building,
175/1. Mount Road.
Madras-2.

BANKERS

The Indian Overseas Bank Ltd.,
151. Mount Road,
Madras-2.

BANKERS TO THE ISSUE

1. **The Indian Overseas Bank Ltd.,**
151, Mount Road
Madras-2.
2. **The Central Bank of India Ltd.,**
308-309, Linghi Chetty Street,
Madras-1.
3. **The Bank of India Ltd.,**
10. Armenian Street,
Madras-1.
4. **The United Commercial Bank Ltd.,**
2, India Exchange Place,
Calcutta.
5. **The Punjab National Bank Ltd.,**
107, Armenian Street,
Madras-1.

LEGAL ADVISERS

1. **Sri R. Narasimhachari and Sri N. Varadarajan,**
Advocates
"Sarnath"
Dr Rangachari Road,
Madras-4
2. **Sri T Raghavan,**
Advocate.
11-B Mowbrays Road.
Madras-18

SOLICITORS TO THE ISSUE

Messrs. Orr Dignam & Co.,
29, Netaji Subhas Road,
Calcutta-1.

AUDITORS

Messrs. Brahmayya & Co.,
Chartered Accountants.
"Andhra Insurance Building",
Thambu Chetty Street,
Madras-1

UNDERWRITING

The entire issue to the public of 49,500 Equity shares of Rs. 100/- each and 12,500—9.5% (free from income tax payable by the Company but subject to deduction of tax under Section 194 of the Income Tax Act 1961) Cumulative Redeemable Preference shares of Rs. 100/- each has been underwritten as follows:

	Name and Address of Underwriter	Value of shares underwritten	
		Equity Rs.	**Preference** Rs.
1.	**The Madras Industrial Investment Corporation Limited,** 23, Nungambakkam High Road, Madras-34	25,00,000	10,00,000
2.	**The Indian Overseas Bank Ltd.,** 151, Mount Road, Madras-2.	15,00,000	—
3.	**Chitra & Co.,** 322/323, Linghi Chetty Street, Madras-1.	4,75,000	1,25,000
4.	**Paterson & Co.,** 'Vanguard House', 11/12. Second Line Beach, Madras-1.	4,75,000	1,25,000

CHEMICALS AND PLASTICS INDIA LIMITED—*Cont'd.*

BROKERS

MADRAS:

1. **Chitra & Co.,** 322/323, Linghi Chetty St., Madras-1.
2. **Paterson & Co.,** 'Vanguard House', 11/12, Second Line Beach, Madras-1.
3. **Dalal & Co.,** 362, Esplanade, Madras-1.
4. **Maconochie & Co.,** Mercantile Bank Buildings, Madras-1.
5. **Kothari & Sons,** Oriental Buildings, Armenian Street, Madras-1.
6. **Subramaniam & Co.,** 14, Second Line Beach, Madras-1.

BOMBAY:

1. **Lewis & Jones,** Bank of Baroda Buildings, Apollo Street, Fort, Bombay-1
2. **Batlivala & Karani,** Union Bank Buildings, Dalal Street, Fort, Bombay-1.
3. **P. R. Subramaniam & Sons,** 76-A, Stock Exchange New Buildings, Apollo Street, Fort, Bombay-1.
4. **Mahadevia Bros.,** Stock Exchange Buildings, Apollo Street, Fort, Bombay-1
5. **T. H. Vakil,** 112, Stock Exchange New Buildings, Bombay-1.
6. **Merwanji Bomanji Dalal,** Allahabad Bank Buildings, Apollo Street, Fort, Bombay-1.

CALCUTTA:

1. **Place, Siddons & Gough (Private) Ltd.,** 6, Lyons Range, Calcutta-1.
2. **G. M. Pyne,** Allahabad Bank Buildings, 14, India Exchange Place, Calcutta-1.

DELHI:

1. **Harbans Singh Mehta & Co.,** 33, Regal Building, Parliament Street, New Delhi
2. **R. K. Relan & Co.,** United India Life Building, Connaught Place, New Delhi

OBJECTS, PROPOSED ACTIVITIES AND LOCATION OF INDUSTRY

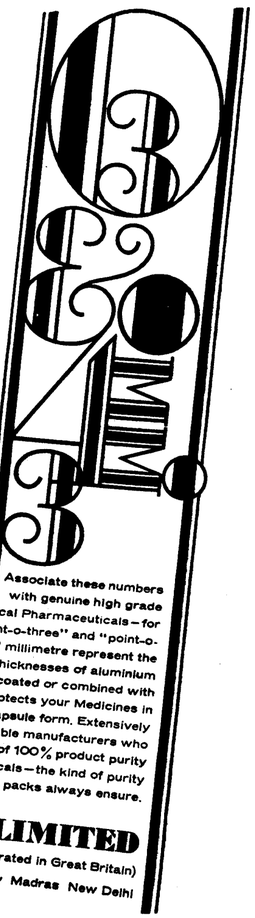
The main objects of the Company are as set out in the Memorandum of Association and include inter alia the following: to carry on business as manufacturers of and dealers in polyvinyl chloride polyvinyl dichloride and other chemicals and products of a like nature or otherwise; and also to carry on business as manufacturers and dealers in all other chemicals, plastics/petrochemicals oils, paints, pigments and varnishes and in any similar or allied business and either in connection with the said business or as a distinct or separate business; to carry on business as distillers, gas makers, smelters metallurgists and chemical engineers, manufacturers and dealers in rubber and rubber products, textiles, nylon, rayon and materials of all descriptions connected with the foregoing; to manufacture deal in and manipulate PVC bases into electrical wires leather cloths, lining material and as films, sheets and pipes for general use and for construction material, to construct, maintain and alter any chemical and industrial plants, buildings or works.

The Company has been formed with the object of setting up a factory at Mettur, Madras State for the manufacture of polyvinyl chloride (P.V.C.) and other chemicals and products which may be usefully or conveniently combined with or derived from the same and another factory near Bombay in Maharashtra State for fabricating P.V.C. pipes, fittings other extrusions and mouldings (both rigid and flexible). The Company has entered into a Technical Service Agreement for a period of ten years in the first instance with the B F Goodrich Company of Akron Ohio, United States of America (Goodrich), the largest producer of polyvinyl chloride in the world Goodrich will provide the Company all technical information, know-how, and data and the Company will be licensed to use in India the relevant patents of Goodrich. Goodrich will assist the Company in planning the layout of the factories and provide drawings, designs, blue prints and specifications for the plant, machinery and equipment for the setting up of the factories; besides procuring for the Company trained and competent engineers and technicians and providing in its plants in the U.S.A. training facilities for the Company's technical personnel It is expected that the factory will go into production before the end of 1966.

APPLICATIONS

Copies of Application Forms and Prospectus can be obtained from the Company's Registered Office, from any of the above mentioned Underwriters, Brokers and Bankers to the issue named in the Prospectus or any of their main branches at the addresses given in the Prospectus

THE SUBSCRIPTION LIST WILL OPEN AT THE COMMENCEMENT OF BANKING HOURS ON 16.12.1964 AND WILL REMAIN OPEN UNTIL THE CLOSING OF BANKING HOURS ON 24.12.1964 UNLESS CLOSED EARLIER OR LATER AT THE DISCRETION OF THE DIRECTORS BUT NOT BEFORE 18.12.1964



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INDIA FOILS LIMITED

(Incorporated in Great Britain)

Calcutta Bombay Madras New Delhi

New Delhi

EXPERT BODIES ESTIMATE COAL PRODUCTION AND CONSUMPTION

(FROM OUR NEW DELHI CORRESPONDENT)

TWO important studies on the problems of the coal industry were recently made at the instance of the Government of India. One was made by the Energy Survey Commission, whose report is expected shortly. The second was the Indian coal transport study, which draws extensively from the Energy Survey Commission's report. In its first report, the Commission says:

"While supplies of non-coking coal are abundant in quantity, supplies of coking coal are not abundant, although probably sufficient to meet needs until the end of this century. Economy of coking coal is most important. At present, only about 40 percent of the coking coal that is in the ground in the seams that are being worked is recovered and brought to the surface; only about 50 percent of what is recovered from the mine is delivered as 17-percent ash content washed coal from the washeries to the coke-ovens. Thus in total only about 20 percent of the potential coking coal is actually available to be used for the purposes for which it is essential.

"It is important that the improvement of this performance should be sought in every way; through economy of coke in the blast furnaces, through acceptance of as large a fraction of the total as is practicable by the coke-ovens from the washeries; but above all through recovery from the mine of a substantially larger proportion of all coal that is available in the seams. We know that this is being actively examined by the Central Ministry of Mines and that there is a hope of a significant increase in the recovery rate. We recommend that any necessary resources be made available to put into practice the improved mining methods that are proposed.

Rising Demand

"Whatever may be done to conserve coking coal, it is clear that with the progressive expansion of the iron and steel industry, there will be increasing demands for washed coking coal and increasing supplies of coking coal by-products. We have examined with care the relative economics of using two-product and three-product washery processes. We are convinced that the two-product process will produce by-product coals which can find an economic market, principally for thermal electricity and that this process is to be preferred.

"We have examined with care the economic problems of transporting these by-product coals and using them economically. We are satisfied that, if suitably priced, a market can be found for all the by-product coals that are likely to be produced.

"These coking coal by-products are likely, however, to find markets principally in uses which are normally met by non-coking coals. Considering the substantial amounts likely to be available, there will be no additional requirement for non-coking coals in the next plan period. By-product coking coals, if suitably processed and transported in closed-circuit train loads, can meet the requirements for coal for thermal electricity stations and other purposes at points as far as and beyond most of the outlying coalfields that it had been proposed to develop. We suggest that the development of some of these outlying coalfields be postponed.

"In addition to the problems created by the by-product coking coals, there are further problems created by the large amounts of slack coal that are produced as part of the process of mining the non-coking coals. More incentive is desirable to encourage mining methods which will reduce the proportion of slack to a minimum. But a considerable output of slack is inevitable. We recommend that this be processed at levels that will encourage its consumption in all uses for which it is suitable. We recommend also the urgent examination by the Central Fuel Research Institute of the possibilities of producing from this slack a domestic fuel that will relieve the present excessive pressure of the demand for firewood.

"If one looks forward post-1970-71, the problems of absorbing coking coal by-products and competing low grade non-coking coals seems likely to continue, but the areas of manoeuvre are greater. It should be possible in the next phases of planning the development of electricity supplies to give even greater consideration to the siting of power plants where they can make full use of cheap by-product coal; consideration can also be given to the possibilities of long distance transmission of electricity rather than the railing of by-product coal on the one hand or the use of non-coking coal from newly opened mines on the other."

Coal Transport Study

The coal transport study concurrently states the following: "Summing up we obtain an aggregate estimated demand for coal of 76.7 million tons in 1965-66 and 108.4 million tons in 1970-71, compared with 51.8 million tons in 1960-61. These estimates imply an average annual growth of coal consumption at the rate of 8.2 percent in the third and 7.2 percent in the fourth plan period, compared with 7.5 percent in the second plan period.

"The total increase in consumption projected from 1960-61 to 1970-71 is almost 57 million tons. Thermal power generation and steel production together account for almost half the projected increase. The complete distribution of the increase is as follows:

	Projected increase in coal consumption, 1960-61 to 1970-71 (In million tons)
"Thermal power generation	15.1
"Steel production	11.4
"Cement production	3.8
"Other industrial production	16.7
"Railways	0.9
"Domestic use	6.4
"Bunker, export and other	2.3
	56.6

"The projected increase in consumption in the eight-year period, 1962-63 to 1970-71, is approximately 45 million tons, distributed as follows:

	Projected increase in coal consumption 1962-63 to 1970-71 (In million tons)
"Thermal power generation	14.2
"Steel production	9.4
"Cement production	3.5
"Other industrial production	13.7
"Railways	0.6
"Domestic use	5.9
"Bunker, export and other	1.3
	47.4

"For the fourth plan period alone, we projected an increase in consumption of approximately 32 million tons. The distribution of the projected increase follows essentially the pattern indicated for the 1962-63 to 1970-71 period. A striking fact is that, according to our estimates, railway coal consumption will decline in this period but other uses continue to increase rapidly.

Estimates of Consumption

"These estimates of coal consumption in 1965-66 and 1970-71 are substantially lower than many of the figures which have been tentatively projected in the course of early discussions of the fourth plan. This appears to be largely due to three factors. Firstly, our estimate that railway consumption of coal as such will decline, principally by reason of the increased reliance on electric and diesel traction, as indicated above. There will be a partial offset in the increased quantity of coal required to generate the additional electric power which will be consumed by the railways. Railway consumption is estimated at 2,800 million kWh in 1970-71, compared with 800 million kWh in 1960-61. If they were to be generated entirely in thermal stations, the additional 2,000 million kWh would probably require the consumption of approximately 1.3 million tons of coal.

"The second factor is that our estimate of the 1970-71 level of output in the iron and steel industry is lower than the one frequently discussed. We have projected this at 15 million tons of pig iron whereas the figure of 18 million tons is frequently discussed. The higher output would require consumption of approximately 4 million tons more of washed coking coal and production of approximately 8 million tons more of raw coking coal.

"The third major factor is that we have made lower estimates than those used in some of the recent discussions of total and thermal electric power requirements in 1970-71, and of the quantities of coal which will be required for the generation of thermal power. Specifically, we have estimated total electric power demand in 1970-71 at 78,000 million kWh whereas some of the estimates under discussion are 20 percent to 25 percent higher and imply growth in power demand in the ten-year period to 1970-71 at the rate of approximately 17 percent a year. They are also in the context of a higher rate of growth of national income and industrial output that we have projected.

"Also we have estimated that some 37,000 million kWh of the total will be generated in coal-fired thermal plants whereas other estimates assume that a much larger part of the total (perhaps 60,000 million kWh) will be generated in coal-fired thermal plants and a much smaller part in hydro-electric plants. Those estimates assume a very high average plant factor (70 percent) for the thermal plants and low plant factors for the hydro-electric plants. It is our understanding, however, that most of the latter have been so constructed that their installed generating capacity exceeds only by very little the capacity which can be operated with the continuously available water supplies. Consequently, failure to operate them at high levels of plant capacity would be simply to waste water and part of the investment the existing generating facilities represent. Consequently, we have assumed higher 1970-71 plant factors in hydro-electric installations and a correspondingly lower 1970-71 thermal generation.

Volume of Production

"The volume of coal production required to meet the projected consumption requirements will be influenced by the extent to which the process of washing of coking coal results in the loss of part of the raw coal input to washeries and the extent to which the by-product coal is used. We have made two assumptions: firstly, that a two-product rather than a three-product process would be used in many of the washeries, and secondly, that all of the by-product coal would be consumed in thermal power generation or other uses and would substitute there for non-coking coal which would otherwise need to be raised. If economic means of using all of the by-product coal or middlings cannot be found, then to that extent additional production of non-coking coal will be required. In so far as the by-product coal can be used, it will obviate the necessity for raising comparable quantities of low grade non-coking coal.

"As indicated, we estimated that in 1970-71 40.7 million tons of raw coking coal will need to be washed to meet the requirements of the steel mills and other consumers for 22.4 million tons of washed coking coal. This will result in output of 15 million tons of by-product coal (after 3.3 million tons of rejects), suitable for use principally in the generation of electric power in thermal plants designed for use of such coal.

"As already indicated total requirements of coal for thermal power generation by utilities in 1970-71 are estimated at 21.9 million tons which is 6.9 million tons more than the indicated supply of by-product coal. There are problems involved in converting some of the older plants to the use of by-product coal, but many of the newer plants are and plants still to be constructed can be appropriately designed for the purpose. Analysis indicates that in 1970-71 this total quantity of by-product coal could be used in thermal electric plants.

"It also indicates that in 1970-71 virtually the total quantity can be used in plants located in the eastern region or the general area where the by-product coal supply will become available. Use of this quantity in the area, however, will require the extra high-voltage transmission of electric power from large washery-located power plants in the Bengal-Bihar area to other power demand areas. In subsequent years, the rail movement of by-product coal to power plants outside the Bengal-Bihar area may also be required to effect full utilisation of by-product coal. Analyses of these possible courses of action suggest that both, in appropriate degree, are economically rational.

"Up to this point we have been primarily concerned with the overall demand for coal by various categories of consumers irrespective of the geographic location of demand. The latter, however, is of vital concern, as is the location of coal supplies, in assessing the problem of coal transport in the future. Inevitably the locational refinement involves additional elements of uncertainty

London

LABOUR PLAN FOR U.K. ECONOMIC GROWTH

(FROM OUR LONDON CORRESPONDENT)

AN ANNUAL rate of economic growth of not less than 4 percent is likely to be specified in the Government's five year plan up to 1970. But until the plan has been worked out, the Government is not prepared to outline its plans in any detail. At the first meeting of the reconstituted National Economic Development Council last week, 4 percent growth was described by the Government as "a feasible and desirable objective"—although, pending the working out of the plan, it was impossible to indicate precisely the nature of the problems involved in achieving this rate of growth.

The Government hopes to be able to present its economic plan in broad outline by the spring and in full detail by midsummer. Meanwhile, the Economic Development Committees—the "little Neddies"—are to continue their industry-by-industry studies of the implications of a 4 percent rate—investment, manpower, increased exports, and competition with imports. The committees will be directly linked with the actual planners by a steering committee—jointly chaired by Mr. Fred Catherwood, Chief Industrial Adviser to the Department for Economic Affairs, and Mr. Tom Fraser, Industrial Director of the N.E.D.C.—and by direct representatives of the Department for Economic Affairs on each committee. In addition, Mr. Frank Cousin's Ministry of Technology is to be directly represented on the "little Neddies" for industries sponsored by his department—machine tools, electronics, telecommunications, and computers.

The rôle to be played by the "little Neddies" was much emphasised at the N.E.D.C. meeting. The Council discussed how their work could reach right down to the level of individual firms (export performance, for example) and the shop floor (manpower utilisation, for example). In its final form, the Government's plan will spell out in some detail the industry-by-industry implications of the agreed growth target. It has not yet been decided, the Council was told, to what extent year-by-year export and production targets will need to be set. The implication is that the growth plan may not be, as before, for an annual rate to be achieved (this was not) on average over a period of time, but for accelerating rates.

The Government began by drawing attention to the present unsatisfactory growth performances of the economy and lamenting the situation it had inherited, which included a public expenditure programme based on wrong economic and social priorities. In the ensuing discussion there was speculation that the actual growth rate of the economy was as low as 2 percent—half the old N.E.D.C. target rate. One member of the Council came away with the view that in the short term, "we'll be jolly lucky to get 3 percent."

Gearing for Growth

Mr. George Brown, Minister for Economic Affairs, who presided for the first time as chairman of the new N.E.D.C., is determined to gear the economy up to at least a 4 percent growth performance, but sees no point in setting global targets in the absence of a plan to achieve them. This is held to be the essential difference between the new and the old *régime:* that the Government has now taken direct responsibility not only for drawing up the plan but also, with the co-operation of industry, for bringing it about. Once again, Mr. Brown appears to have impressed the two sides of industry. A stray comment on the meeting was: "He made a very, very good start as chairman. He gave the Council a sense of urgency and took everybody with him."

This sense of urgency has also secured Mr. Brown fresh co-operation from both sides of industry. It will be remembered that neither side was enthusiastic about the declaration of intent about an incomes policy. Nevertheless, Mr. Brown has so far met their initial objections that there seems to be a reasonable chance of the declaration being signed before the end of the year. The T.U.C. found the draft imprecise and ambiguous; it was concerned that the implications of the declaration should be made quite clear to the members of affiliated unions; but it accepted the need for a declaration as the first step towards an incomes policy and showed a general willingness to sign such a declaration.

The employers' leaders doubted the willingness of their members to accept the implications of the declaration. They are particularly hostile to the proposal for a prices review body. In this, their position has not changed since the Federation of British Industries, the British Employers' Confederation, the National Association of British Manufacturers, and the Association of British Chambers of Commerce jointly studied two proposals for price discipline earlier this year. Both schemes—which emanated from the National Economic Development Council—were riddled with objections.

In view of this holding back on an incomes policy, Mr. Brown must be encouraged by the fact that 12 first-class men from private industry are to be brought full-time, into the Department of Economic Affairs. They will work as a team under Mr. Frank Catherwood, the man from British Aluminium who is now Mr. Brown's Chief Industrial Adviser. Among their duties will be to represent the Department of Economic Affairs directly on the economic development committees—the "little Neddies"—which are being given a vital part to play in the Government's new planning machinery.

New N. E. D. C.

In effect, the National Economic Development Council remains the parent of the "little Neddies"; the Department for Economic Affairs becomes their guardian. This arrangement is to be achieved by the steering committee jointly chaired by Mr. Catherwood and Mr. Tom Fraser. Nine of the 17 "little Neddies" intended by the previous Government are in being. The present Government will push on with setting up the others and may add up to three more. It is understood that Mr. Catherwood's team will be allocated to the economic committees on a functional basis. That is to say it will not be attempted to find necessarily an electronics expert to represent the Department of Economic Affairs on the "little Neddy" for the electronics industry, or a confectioner on the one for the chocolate, sugar and confectionery industry; rather, the Department is recruiting a mixed team of top management men whose speciality—accountancy, labour relations, or whatever—can be employed where it is most relevant. It is believed the team will all be recruited at board-room level and will be paid while on Government duty by their old companies as Mr. Catherwood is.

Co-operating with the "little Neddies," but working in greater depth, will be a number of working parties to be set up by the Minister of Technology, Mr. Frank Cousins. They will be used at points where the application of modern technology could be particularly helpful to an industry or a section of an industry. Certain parts of the engineering industry where export performance has lagged are likely to be the first candidates for Mr. Cousin's attentions. He may also find it necessary to take an urgent look at the technological state of the docks, where antiquated equipment and methods are helping to delay export deliveries.

Work of Technology Ministry

Mr. Cousins gave his first Press conference the other day since joining the Government. He looked as if he had been a Minister all his life and showed an impressive grasp of his new field. He stressed that a very large part of his job was the application to industry of science knowledge already known. There was a need for "missionary propaganda" backed by fiscal measures and co-sponsorship of scientific developments. The job could not be done overnight; if it could be, there would be no need for his Ministry. "We are being created," he said, "for the purpose of improving production levels and assisting in the creation of a sound and solvent economy."

When the reconstituted N.E.D.C. met, the most notable absentee was Dr. Beeching. The official explanation for this is that it was always intended that the representation of the nationalised industries should rotate, but a more likely reason is Dr. Beeching's imminent departure from the British Railways Board to a new transport co-ordination job. The new N.E.D.C., swollen from 20 to 22, by the addition of two extra Government representatives, includes seven new names. A banker comes in for the first time as one of the six management representatives. He is Mr. K. A. Keith, chairman of Philip Hill, Higginson, Erlangers. A management consultant is also on the Council for the first time, he is Mr. W. Coutts Donald, chairman of the Management Consultants' Association, who replaces Lord Franks as one of the two independent members.

Sir Ronald Edwards, chairman of the Electricity Council, joins Lord Robens, chairman of the National Coal Board, to represent the nationalised industries instead of Dr. Beeching. The other new management representatives are Mr. John Davies, Vice-Chairman and Managing Director of Shell-Mex and B.P., Sir Peter Runge, President of the Federation of British Industries, and Sir Denning Pearson, chief executive and deputy chairman of Rolls-Royce.

On the trade union side, the only new face is Mr. Jack Cooper's, who replaces Mr. Cousins. Mr. Cooper is General Secretary of the National Union of General and Municipal Workers. Mr. Cousins continues as a member of the Council as one of the Government team. The others are Mr. Douglas Jay, President of the Board of Trade, Mr. Ray Gunter, Minister of Labour, Mr. Catherwood and, of course, Mr. Brown. The new team has been appointed for two years. Mr. Brown has written to thank the retiring members—Dr. Beeching, Mr. F. A. Cockfield, Lord Franks, Sir Cyril Harrison, Sir John Hunter, and Sir John Toothill—for their "signal service to the nation."

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Jute

TRADE TEAM ASSESSES GUNNY PROSPECTS IN AFRICA

UNLESS positive steps are taken to enable Indian jute goods to compete with Pakistani products, particularly sacking, the future of Indian exports to the developing countries of northern and western Africa is very bleak. This observation has been made by a trade delegation sent by the Calcutta Jute Fabrics Shippers Association to these countries early this year. Sponsored by the Central Ministry of International Trade, the delegation, consisting of Mr. N. L. Kanoria (leader), Mr. Gordhandass Jerambhai, Mr. S. N. Kanodia and Mr. D. A. Sprigge visited Guinea, Tunisia, Nigeria, Egypt, Ghana, Senegal and the Ivory Coast. It has found a wealth of goodwill towards India in all these countries. But they prefer Pakistani jute goods solely because of commercial considerations like better quality and lower prices. To meet the challenge, the delegation considers it imperative to improve the quality of the raw jute produced in India.

The team observes that trade agreements have helped India's export promotion efforts. It has recommended that such agreements should not only be renewed on their expiry, but as many countries as possible should be persuaded to conclude such pacts with India. These pacts have precluded Pakistan from gaining a foothold in many markets in spite of her best efforts. In cases where direct trade agreements are not possible with certain countries, the delegation suggests the conclusion of triangular trade pacts with a developing country requiring primary produce at the apex.

Need to Give Short-term Credits

As some of the countries visited are experiencing financial stringency, the delegation feels that the offer of short-term credit facilities will enable them to take more jute goods from India. Representatives of one country, in fact, pleaded for deferred payment facilities—50 percent of the price to be paid on the arrival of the steamer and the balance within three months. Another major consumer of Indian gunnies suggested payment of 50 percent cash down and the balance six months after shipment.

The delegation has recommended that every effort should be made to foster good relations with central marketing boards, which regulate the imports and distribution of jute goods in most of these countries, and with the prominent private parties who handle the bulk of such imports in others. Indian consular staff and trade associations should maintain constant liaison and promptly attend to their complaints and advice. Although India is still the largest supplier of jute goods to these countries, Pakistan has emerged as a serious competitor, particularly in heavy goods. The delegation has observed that unless Pakistani competition is effectively met, the expansion of her industry will proceed at an even faster rate.

Setting up Gunny Units Abroad

As for the invitation from some countries to establish jute industries there, the delegation says that the "setting up of such units could be turned to our advantage if Indian industrialists associated themselves with them". It was noticed that in order to adjust the high cost of local manufacture and to meet their additional requirements, they import sizeable lots of jute goods. These imports are handled by the local industry. Indian association with the latter will enhance the possibilities of getting preferential treatment for Indian goods. Referring to the prospects, the delegation holds the view that there will undoubtedly be an increase in the demand for packaging materials in African countries. Even though some of them have jute mills and bulk handling and storage have been introduced in others, the facilities will fail to catch up with the increase in the output of farm products. The import of jute goods in some cases may decline for a time, but the overall demand and offtake of sacking will increase steadily. So the delegation has suggested that "it is of the utmost importance to India that she obtains a large share of this increased demand in these and other developing countries".

Sacking Prices May Fall

The outlook for sacking has to be assessed more cautiously in view of the settlement of the jute mills strike in Pakistan. The *Jute Bulletin* published by the Indian Central Jute Committee says in its latest issue that once the Pakistani mills get going again, a decline in sacking prices would be unavoidable. "It will be difficult in that event for fibre prices to resist a sympathetic drop". The Calcutta raw jute market is being maintained at the present level solely on the strength of sacking prices, which had reached their highest point in the past three years. Jute sellers could see that the size of the current crop is no longer an "unknown quantity". With an increase in the maximum purchase quotas to match the increasing imports of jute, there is now "much less talk of a possible shortage developing towards the end of the season".

The price trend in raw jute during October and the greater part of November, says the *Bulletin*, confirmed that the earlier advance of the market was largely speculative. Were the overall supply position really as tight as the subnormal market arrivals till about the first week of November indicated, the recent developments on the demand side would have taken fibre prices much higher than their Calcutta level of Rs. 36.50 a maund, basis Assam Bottoms. The bullish points favouring an advance of the jute market were: first, mill output of jute goods during September and October, despite reported voluntary cuts, was higher than that for the corresponding months of 1963; secondly, the demand for gunnies remained buoyant with offtake from the mills during January-October this year running 50,300 tonnes ahead of the same period last year at 1.029 million tonnes.

The *Bulletin* adds: "If, in spite of all these props, jute prices tended downward, it could be due to the highly vulnerable position of speculative dealers who had feverishly bought during the August scare in the hope of attempting a squeeze later in the season. Some recklessly high prices were paid for many of these purchases. Now the gamble has not paid off and stockists are anxious to minimise their loss by attracting buyers with offers of discount".

Bonus Legislation

The jute industry has asked the Central Ministry of Labour and Employment to exempt it for the present from the proposed legislation to implement the recommendations of the Bonus Commission, it is reported. The industry's representation to the Ministry has been forwarded through a body constituted by the Employers Federation of India and the All-India Organisation of Industrial Employers.

The Council has pointed out that the workers' representatives at the meeting of the tripartite Wage Board for the Jute Industry had urged that a scheme for guaranteed bonus should be introduced, and that the question of bonus of any other kind could be re-examined later after the expiry of the period during which the Board's recommendations remained effective. On this basis, the Wage Board and the employers' representatives not only agreed on a guaranteed bonus but also on a general wage increase. The Council has, therefore, expressed the hope that the proposed legislation on bonus will make it quite clear that the recommendations of the Bonus Commission cannot apply to the jute industry as long as the Wage Board bonus formula remains operative.

U.K. Import of Second-hand Sacks

The Labour Government's reversal of its predecessor's jute goods import policy has placed the U.K. trade in jute sacks, both old and new, in a dilemma, Mr. C. J. Dowling, chairman of the National Association of Sack Merchants and Reclaimers of the U.K., has submitted a protest to the U.K. Commissioner of Customs and Excise, to the Board of Trade and to the Treasury stating that the 15-percent import surcharge levied since 26th October on both new and second-hand sacks has made the findings of the Jute Working Group a "mockery". Saying that empty second-hand sacks are the "raw material" for N.A.S.M.R. members—who reprocess them completely by fumigating, cleansing, resewing, and some times by chemical treatment—the chairman has pleaded for exempting them from the new impost. As a result of the new levy, he says, the prices of jute sacks—a primary packaging medium—will increase, leading to inflation on a national scale, causing a "further swing to paper substitutes and a subsequent multiple increase in the import of wood pulp to make these 'one-journey' containers". For members of the U.K. Jute Goods Association the new impost has caused an additional setback, nullifying the concessions—in the shape of removal of the mark-up on import bag-making hessian and the return of the gunny business to private trade—secured after years of patient negotiation by the U.K.J.G.A.

THE JUTE MARKETS

Manufactured Goods: Subdued conditions prevailed in the Calcutta gunny market during the past week on prospects of settlement of the jute mill workers' strike in East Pakistan. Barring shortlived steadiness in heavy goods induced by reports of an Indian Government tender for B Twills for December delivery and business in woolpacks with Australia for January-June positions and also with Syria and Burma, interest was poor. In hessian, the trend was about steady during the major part of the week because of the hardening of spot and afloat burlap prices in New York from 12.85 cents to 12.90 cents a yard and some routine transactions with the U.S.A. Last Thursday, there was a squeeze in heavy goods for ready positions, helping their prices harden modestly. Besides, short- and shippers-covering in immediate and near positions helped sentiment to some extent. But spot prices fell after the resumption of work in Pakistani mills from Monday. In the hedge market, selling pressure developed following tired long liquidation and some amount of short-selling. The market closed with sizable losses in both sacking and hessian after wide fluctuations. Turnover was moderate in the spot market and fair in

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

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

Description	30th November, 1964		31st October, 1964		Increase over (+) or decrease from (−) last month		30th November, 1963	
	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)
Hessian cloth and bag	14,58.89 (15.95)	45.2 (44.5)	14.53.59 (15,90)	45.7 (45.0)	+5.30 (+5)	−0.5 (−0.5)	12,86.93 (14.07)	40.0 (39.4)
Sacking cloth and bag	9,21.57 (10.08)	38.6 (38.0)	9,66.51 (10,57)	41.3 (40.6)	−44.94 (−49)	−2.7 (−2.6)	10,73.95 (11.74)	47.6 (46.8)
Carpet-backing	1,58.33 (1.73)	19.7 (19.4)	1,61.57 (1,77)	20.0 (19.7)	−3.24 (−4)	−0.3 (−0.3)	1.27.21 (1,39)	15.1 (14.9)
Others		10.7 (10.5)		10.8 (10.6)		−0.1 (−0.1)		8.6 (8.5)
Grand Total (000 Tonnes/Tons)		1,14.2 (1.12.4)		1,17.8 (1.15.9)		−3.6 (−3.5)		1.11.3 (1,09.6)

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

the hedge market, and the undertone was hesitant at the close.

Wednesday's quotations were as follows :

	Dec.	Jan.-Mar.	Apr.-June
40in. 7½oz.	38.65	38.50	38.40
40in. 8oz.	40.90	—	—
40in. 10oz.	49.85	50.65	50.95
B Twills	153.75	148.50	144.25
Cornsacks	161.00	152.50	147.25
Heavy Cees (Plain)	151.25	148.25	144.00
A Twills	182.50	178.00	172.50
Liverpools	169.00	166.00	162.00

Raw Jute : Easier conditions prevailed in the raw jute market during the past week. Although the maximum purchase quotas of 200,000 bales for the week ended 5th December and for the current week were adequate to absorb the daily arrivals of around 100,000 maunds in the terminal markets, prices sagged by about Rs. 1.50 a maund from the previous week's levels. The declining trend in the jute goods market following the resumption of work in Pakistani mills produced a bearish impact on the fibre market. Mills became reserved and were not inclined to pay such high prices for the fibre as would squeeze their already narrow profit-margins further. Besides, nervous offerings by holders of lower-grade jute on a falling market depressed sentiment. Selective interest was taken by mills in quality fibres for ready and near positions. Being in short supply, they enjoyed a premium over the Bottom grades. Turnover was moderate and the undertone easy at the close.

Wednesday's quotations were as follows :

	Rates a maund Mid.	Bot.	Rates a quintal Mid.	Bot.
Assam-Agartala Jute	38.50	35.50	103.15	95.11
Northern Jute	37.50	34.50	100.47	92.43
Western Desal Jute	36.00	33.00	96.45	88.41
Selected Daissee	39.00	36.00	104.49	96.45
Assam-Agartala Tossa	39.00	36.00	104.49	96.45
Mesta : Assam-Northern	36.00	33.00	96.45	88.41
Local Daissee	36.00	33.00	96.45	88.41
Bihar Dist.	35.00	32.00	93.77	85.73

THE U.K. JUTE MARKETS

LITTLE INTEREST IN FIBRE

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market in Pakistan is firm and the E.P.C. values of Dacca Tossa-5 and Grade Tossa-4 have been raised by £2 a ton this week. The official prices of mesta have also been raised by a similar amount. This has made little difference to the position in the U.K., and there is still a substantial quantity of secured jute available at well under the official prices.

The spinners in Dundee are showing very little interest in either shipment or afloat parcels at present. They prefer to buy ex-warehouse as the quality of the fibre can be examined before a contract is placed. The reason for this is that arrivals of late have contained excessive moisture, and the quality of fibre has also been rather poor.

A fair quantity of jute, which is still unsold to spinners, is coming to Dundee and there is no doubt that holders of these parcels are very anxious for business especially when Bank rate in the U.K. is now standing at 7 percent. This is making the position very irregular and some fairly low prices are being quoted.

Offers are at £150 for Mill Firsts, at £139 10s for Export Firsts, at £124 10s for Export Lightnings and at £116 for Export Hearts, c.i.f. U.K. for December-January shipment. Grade Tossa-2/3 is quoted at £150 and Grade Tossa-4 at £136. Dacca Tossa-5 is at £161 and Dacca Tossa-6 at £139. Outport Tossa-2/3 ranges from £122 and Outport Tossa-4 from £116, December January.

Cuttings are steady with prices at £89 10s for S.N.C. and at £81 for N.C. Although the official prices of mesta have been raised, there are still sellers at £110 10s for A, at £100 10s for B, at £92 10s for C and at £76 for cuttings, c.i.f. U.K., December-January. No buying interest is being shown in mesta by Dundee spinners.

The Siam jute market is quieter and prices are at a slightly lower level. Offers being made are attractive and a fair business has taken place in Dundee during the past week. Offers are at £84 5s for grade A, at £79 5s for grade B, at £75 for grade C and at £73 for cuttings, delivered mill Dundee for December-January shipment.

The Calcutta goods market is firm. Buying interest in imported goods is being shown and a fair business is taking place despite the present high prices. Quotations are at 83s 8d for 40in. 10oz. and at 64s 9d for 7½oz. a 100 yards c. and f. U.K. for December shipment, at 84s 11d and 64s 7d January-March and at 85s 2d and 64s 7d April-June. B Twills are at 261s 3d, 255s and 245s 1d for the respective shipment periods.

Dundee jute spinners are busy and they are finding it difficult to maintain delivery dates. Supplies are very difficult to obtain and are only available in the forward position. The mills are running to the full capacity of the labour force available. As a result of this, prices are firm, and there is nothing to indicate that any change is likely in the near future.

Cloth production is also being maintained at a high level and a steady demand is noticeable. Hessian weavers have orders in hand for forward delivery, and more buying interest has been shown for sackings and tarpaulins.

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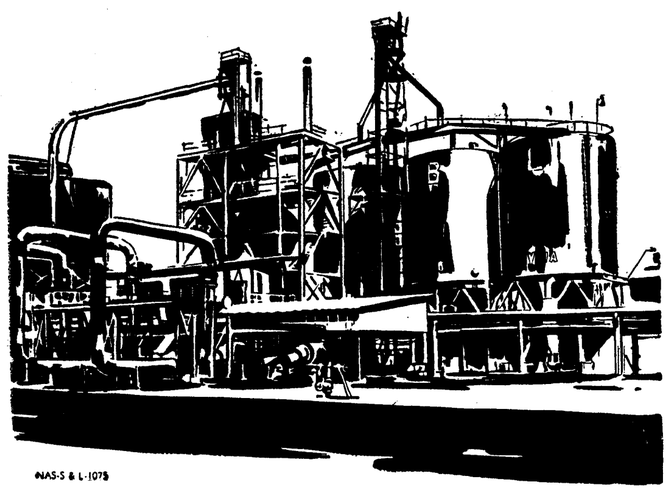
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BOOKS RECEIVED

British Dominion in India and After. By V. B. Kulkarni. (Published by S. Ramakrishnan, Executive Secretary, Bharatiya Vidya Bhavan, Chowpatty, Bombay 7. Price Rs. 20, pages 452.)

Economic "Miracles". (Published for the Institute of Economic Affairs by Andre Deutsche Ltd, London W.C.1. Review copy received from Rupa and Co, 15, Bankim Chatterjee Street, Calcutta 12. Price 25s, pages 228.)

Competition for Consumers. By Christina Fulop. (Published for the Institute of Economic Affairs by Andre Deutsche Ltd, 105, Great Russell Street, London W.C.1. Review copy received from Rupa and Co, 15, Bankim Chatterjee Street, Calcutta 12. Price 30s, pages 323.)

Transport Requirements of the Iron and Steel Belt. (Published by V. G. K. Thathachary, Publications Division, National Council of Applied Economic Research, New Delhi. Price Rs. 18, page 222.)

All India Rural Household Saving Survey, 1962, Vol. 1, Methodology. (Published by V. G. K. Thathachary, Publications Division, National Council of Applied Economic Research, New Delhi. Price Rs. 21, pages 258.)

Agriculture and Livestock in Rajasthan. (Published by V. G. K. Thathachary, Publications Division, National Council of Applied Economic Research, New Delhi. Price Rs. 7.50, pages 103.)

Policy for Incomes? (Published by the Institute of Economic Affairs Ltd, Eaton House, 66A, Eaton Square, London, S.W.1. Price 6s, page 68.)

Privilege of Legislatures : Supreme Court's Opinion in President's Reference. By N. A. Palkhivala. (Published by Radmas G. Bhatkal, Popular Prakashan, 35C, Tardeo Road, Bombay 7. Price Re. 1.00, pages 21.)

Commodity Markets

SUBSTANTIAL RELIEF FOR TEA RECOMMENDED

(BY A SPECIAL CORRESPONDENT)

THE Tea Finance Committee, it is understood, has recommended substantial reliefs for the tea industry. All the demands of the industry, it is said have been met. The Committee's recommendations include allowing the cost of replanting and new planting as a revenue charge for tax purposes. Replacement, extension and replanting expenditure too would qualify for an allowance consisting of an excise rebate amounting to 40 percent of the actual costs incurred, if the recommendations of the Committee in this particular matter are accepted in full. It has been further suggested that a development rebate of 20 percent on the "capital" element of the total expenditure incurred by a garden should be granted.

The proposed Tea Finance Corporation will offer medium and long-term development loans direct to producers. Banks will take care of hypothecated finance. Capital for the corporation will be raised from the State Governments concerned, insurance companies, the Reserve Bank and by public subscription. The industry, too, would be required to participate in the share capital. The Agricultural Refinance Corporation might be asked to refinance the Tea Finance Corporation when necessary.

Another important recommendation of the Committee is that an excise rebate of 18 paise a kilogram should be allowed when tea is exported. Another one is that all land suitable for tea expansion should be exempted from Government requisition, except in special circumstances.

The Central Minister for Commerce, Mr. Manubhai Shah, when replying to questions in the Lok Sabha recently expressed the hope that the tea industry would secure substantial relief as a result of the recommendations of the Tea Finance Committee. The tea plantation finance scheme allows interest at 6½ percent with a rebate of ½ percent for timely payments. There is also an irrigation loan scheme, a tea machinery hire purchase arrangement, an irrigation equipment hire-purchase scheme, a plan to assist marginal gardens and loans for the development of co-operative tea factories

The Minister said that "the subject of working credits for export was under consideration". He also said "that the Government of India and the Government of Ceylon had set up a joint commission for taking such measures as may be appropriate for the development of tea sales of the two countries and for formulating promotion campaigns in different regions of the world. Formal acceptance by the Government of Ceylon was awaited."

Tea export circles in Ceylon believe that the proposed additional duty of 10 cents a lb on teas for the London auctions, imposed by the country's Minister of Finance, will have severe repercussions on the price of quality teas. The Minister has estimated that the new tax will bring in new additional revenue of Rs 12 million, but tea traders believe that the imposition of the tax would mean less tea going to London.

The diversion of a large quantity of tea from the London auctions to the Colombo mart is likely to create further complications and it has been estimated that there will be, on the average, an extra 2 million lbs of tea for each sale in Colombo, say, 20 percent more tea. The Ceylon Chamber of Commerce states "that the proposed tax on tea estates will also be disastrous. Many estates cannot bear the acreage tax and may have to close down. Even marginal high-grown tea estates may have economic difficulties."

U. K. Tea Stocks

Stocks in the U. K. continue slowly to rise. By 27th November the figure was 105.38 million lbs, compared with 103.87 million lbs, one week earlier. The total afloat was reported at 40.85 million lbs including 30.61 million lbs from Calcutta.

The abolition of Calcutta Entry Tax and the Assam Carriage Tax and their replacement by an additional excise have been recommended. The proceeds would be divided between Assam and West Bengal in proportion to the tea produced adds our South Indian Correspondent.

Co-operative societies and factories which obtained at least two-thirds of their green leaf from other tea estates in 1963 and 1964 have been suggested for placing in the lowest excise zone. Fertilisers from the pool will be sold to the industry at the same rate as that to cultivators.

These recommendations of the Tea Finance Committee and the recent announcement by the Central Minister for Commerce Mr. Manubhai Shah in Parliament that the tea industry will be given some further concessions soon are welcomed in the stock markets and the tea shares are receiving better buying support.

Mr. Manubhai Shah said in Parliament that under the tea plantation finance scheme, an estate could obtain a loan to the expert of Rs. 7,400 a hectare of new plantings for plain gardens and Rs. 9,900 a hectare for hill gardens. This loan would be disbursed in four or five instalments of 50 percent of the admissible amount. It would be repayable over a period of eight years beginning with the seventh anniversary of the disbursement of the first instalment. The rate of interest would be 6½ percent with a rebate of 1½ percent for timely repayment. For hire purchase of machinery and equipment, Rs. 3 crores had been provided. Tea estates might also obtain a loan not exceeding Rs. 1 lakh for sinking tube wells and for constructing reservoirs, etcetera. Loan was also granted to marginal gardens of 300 acres or below in Cachar, Tripura, Kangra and Mandi for carrying out essential repairs, replacement and renovation of their plants and machinery as well as for the construction of factories.

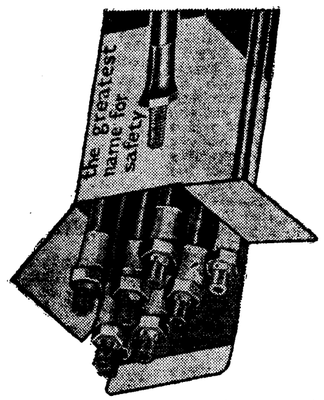
The north Indian tea crop this year up to mid-November at 591 million lbs is ahead of last years to the tune of 61.3 million lbs. This big harvest after a period of continuous crop failures may be a matter for satisfaction and exhilaration for the producers there, but this is creating a problem of disposal. Although the increase in crop which has taken place in the latter half of the season is not big enough to create surplus conditions in an expanding world market, the buyer is getting sufficient opportunity to pick and choose from for some months. This is a luxury that had been denied to him for a year or two. The bigger harvest reported from north India is having its depressing effect on the Calcutta and Cochin auctions. Prices have been falling, particularly in the case of plainer varieties.

The tea trade in Ceylon has urged the Ceylon Government to come to an understanding with India concerning the marketing of Ceylon and Indian teas abroad, pending finalisation of a general commodity agreement. This is one of the suggestions put forward by the representatives of the entire tea trade in Ceylon who met recently to consider the grave situation that has arisen consequent on the sharp decline in low-grown tea prices due to the recent cessation of purchases by Iraq of the low-grown tea from Ceylon.

CASHEW

Big Rise in Exports

India has made Rs. 22 crores through the export of cashew kernels during the first ten months of 1964, according to an estimate of the Cashew Export Promotion Council. This was the highest on record.



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Books

PLAN FOR POPULATION CONTROL

Planned Development and Population Growth. By R. A. Gopalaswami. (Published by the Institute of Applied Manpower Research, New Delhi. Pages 57.)

The paper is divided into two sections; the first discusses the consequences of uncontrolled births and the second how to achieve nation-wide birth control. In the section on the consequences of uncontrolled births, Mr. Gopalaswamy, Director of the Institute, discusses the impact of Indian population growth on food supply, compulsory educational programmes for children and employment opportunities. The second section deals with various methods of birth control, their practicability and effectiveness. The author has put forth a long-term plan for national birth control envisaging a decline in the birth rate to 20 or less, compared with the present rate around 40. The reduction is to be achieved by the end of the seventh five year plan.

Sterilisation will be the primary device with induced abortion and contraception as secondary devices. To create the necessary environment, the author advocates an Act by Parliament which will not make family limitation compulsory but will only guide the national policy on population, ceiling on child birth, sterilisation, etcetera, and define the duties of the Central, State and Local Governments in achieving the desired objective.

The paper is a good exercise on a problem of utmost importance to the Indian economy. Since even educated people do not fully know the various methods of birth control, Mr. Gopalaswamy rightly emphasises the rôle of education in such programmes.

COMMUNISM IN VIET-NAM

From Colonialism to Communism: A Case History of North Viet-Nam. By Hoang Van Chi. (Published by Allied Publishers, 13/14, Asaf Ali Road, New Delhi. Price Rs. 16, pages 210.)

The Congress for Cultural Freedom should be complimented for sponsoring the publication by Hoang Van Chi. It gives the chronological picture of Viet-Nam through ages. Dominated culturally by China for centuries, the nation collapsed to the advancing French colonial forces in the nineteenth century, and an arbitrary division of the country was made to suit the conveniences of the ruling power. Most of Viet-Nam was under the French protectorate, but it was in effect ruled by the French Colonial Resident with the help of local feudal chiefs. The arrangement was far from satisfactory, since it inhibited the growth of an organised democratic front.

So after the second World War, all anti-cononial forces came under the same banner to fight all attempts to rehabilitate the old French rule and Ho Chin Minh, the Comintern-trained communist worker, assumed leadership. According to the author, Ho Chin Minh is an outstanding personality and no rival could be found equal to him in Viet-Nam. This explains the continuing success of the communists and the relative weakness of the democratic forces in the south. There are, of course, factors other than leadership and both China and Russia have been consistently helping the Viet-Minh with arms, amunitions and military experts.

The chapters on the land rent reduction campaign and the land reforms campaign are typical examples of the communist way of doing things or shall one say, overdoing things which may excite popular feelings against the richer classes but does not necessarily yield lasting success.

The book should be read by everybody who is interested in the problem of expansion of communism in Asia.

ECONOMIC PROBLEMS

Economic Problems of India. By Yodhraj. (Published by Rajkamal Prakashan, 37 Palli Hill, Bandra, Bombay 50. Price Rs. 4, pages 119.)

Mr. Yodhraj was associated with one of the leading Indian banks for 27 years, and with his varied experiences one would have expected a realistic and coherent analysis of Indian economic problems and their solutions. The book, unfortunately, is a disappointment. His presentation lacks clarity and generalisations have often been made without a proper analysis of the subject matter. The common reader may find it difficult to follow the thread of his arguments.

The author pleads for larger scope for the State Trading Corporation in controlling imports and exports, bigger State enterprises in the capital goods and machine tools industry and more liberal advances to small-scale industries than that envisaged in the present plan. He is correct in saying that local talents have to be pooled and employed in industries and that the country should not depend too much on foreign experts. More emphasis should be given to technical education and the designing of products. The merits of some of these points have been widely recognised whereas some of his views are highly contentious. But his way of approaching the problems is very unconventional.

CEMENT PRODUCTION

Report of the Productivity Study Group on Cement Industry. (Published by the National Productivity Council, 38 Golf Links, New Delhi 3. Pages 62.)

The National Productivity Council constituted study groups for five industries among which cement was one. The group has made an effort to make an intensive study of all aspects influencing productivity of the cement industry. It was asked to suggest measures which will lead to increased productivity, reduce manufacturing costs and pave the way for the growth of the industry on a more rational basis. It has made 39 recommendations. The report contains 15 tables and copies of the questionnaire circulated among producers.

COMPANY AND PUBLIC NOTICES

BALMER LAWRIE & CO. LTD.

NOTICE is hereby given that the Board of Directors has today declared an Interim Dividend of 7% (subject to deduction of Income Tax) on the Ordinary Shares of the Company, in respect of the year 1964. The dividend will be payable on or after 29th December, 1964 to those members whose names are entered in the Register of Members of the Company on that date. Dividend Warrants will be despatched to members and no application to the Company is necessary.

NOTICE is also hereby given that the Register of Members of the Company will be closed from 18th December, 1964 to 29th December, 1964, both days inclusive.

By Order of the Board,
D. MANSON,
Managing Director.

21, Netaji Subhas Road,
Calcutta, 8th December, 1964.

THE BOMBAY BURMAH TRADING CORPORATION LIMITED

NOTICE

NOTICE is hereby given that the One Hundred and First Annual General Meeting of the Shareholders of the Corporation will be held at the Tata Auditorium, Bombay House, 24, Bruce Street, Fort, Bombay 1, on Wednesday the 30th December, 1964, at 4.00 p.m. (S.T.) for the purpose of transacting the following business:

1. To consider and approve the Statement of Accounts for the year ended 31st May, 1964 and the Balance Sheet as well as the Reports of the Board of Directors and Auditors.
2. To sanction the declaration of a dividend.
3. To appoint a Director in place of Mr. M. G. R. Aitken who has attained the age of 67 years and who retires by rotation and, being eligible, offers himself for re-appointment, and to consider and, if thought fit, to pass the following Ordinary Resolution of which special notice as required by Sections 190 and 281 of the Companies Act, 1956 has been received by the Corporation:—

   "Resolved that Mr. M. G. R. Aitken who has attained the age of 67 years and who retires by rotation be and is hereby re-appointed a Director of the Corporation and it is hereby specifically declared that the age limit for Directors prescribed under Section 280 of the Companies Act, 1956, shall not apply to him."
4. To appoint a Director in place of Mr. Arvind N. Mafatlal who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Neville N. Wadia who retires by rotation and, being eligible, offers himself for re-appointment.
6. To appoint the Auditors of the Corporation to hold office for the period until the conclusion of the next Annual General Meeting and to fix their remuneration.
7. To appoint Branch Auditors at a remuneration to be fixed by the Board of Directors.
8. To consider, and if thought fit, to pass the following resolution as an Ordinary Resolution:—

   "Resolved that the capital of the Company be and is hereby increased to Rupees Ten Crores (Rs. 10,00,00,000) by the creation of Twenty-eight Lakhs (28,00,000) shares of Rupees Twenty-five (Rs. 25) each."
9. To consider, and if thought fit, to pass the following as a Special Resolution:—

   "Resolved that Article 67 of the Company's Articles of Association be deleted."

By Order of the Board,
WALLACE AND COMPANY,
Secretaries and Treasurers.

Registered Office:
9, Wallace Street,
Fort, Bombay 1.

Dated the 27th day of November, 1964.

Notes: (1) Any member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.

(2) In respect of Items Nos. 3, 8 and 9, the Explanatory Statements as required under Section 173 of the Companies Act, 1956 have been posted to the Shareholders.

(3) The Memorandum and Articles of Association of the Company will be open for inspection at the Registered Office of the Company at 9, Wallace Street, Fort, Bombay, on any working day, except Saturdays, between the hours of 3 p.m. and 5 p.m., and on Saturdays between the hours of 11 a.m. and 1 p.m.

(4) The Transfer Books of the Corporation have been closed from the 3rd day of November, 1964 to the 24th day of November, 1964, both days inclusive.

(5) Warrants in respect of dividend, if declared, will be posted to shareholders on the 31st day of December, 1964. Dividend will be payable on and from the 4th day of January, 1965, to those shareholders whose names stand on the Register at the close of business on the 24th day of November, 1964.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
National Rolling & Steel Ropes Ltd.	10-12-64	10 a.m.
Philips India Ltd.	17-12-64	11 a.m.

DIVIDENDS DECLARED OR PROPOSED.—Burrakur Coal Co. Ltd.—13 p.c. (o), subject to tax · Balrampore Sugar Co. Ltd.—10 P per share, subject to tax, Champaran Sugar Co. Ltd.—60 P per share, subject to tax; Cowcoody Estates Ltd.—12½ p.c. (f), subject to tax; Investment Trust of India Ltd.—6 p.c., subject to tax; Cheviot Mills Co Ltd.—30 P (Int) (o) per share, subject to tax; Waterfall Estates Ltd.—10 p.c. (o), subject to tax; Orissa Minerals Development Co. Ltd.—10 p.c. (o), subject to tax; Blue Mountain Estates & Industries Ltd.—8 p.c. (o), subject to tax; Jeypore Sugar Co Ltd.—15 p.c. (o), subject to tax; Balmer Lawrie & Co. Ltd.—7 p.c. (Int) (o), subject to tax.

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock Exchange Associations and other sources.

Figures given after stroke (/) mean paise.

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Wednesday, 9th December, 1964.

GOVERNMENTS LOANS

Outstanding Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
GOVERNMENT OF INDIA				
2,48,91,06,000	3	1946	1986 or later	63/05
8,93,33,000	3	1896-97	At the option of the Government of India after 6 months notice	62/00
14,77,48,000	2½	1946	1976	83/10
1,10,11,78,000	3	1943	1966-68	98/45
1,15,05,83,000	3	1948	1970-75	90/20
1,53,67,92,000	3½	1955	1965	100/05
86,63,53,000	3½	1956	1974	96/50
56,99,30,000	3½	1957	1967	100/00
1,97,40,92,000	3½	1956	1967	99/75
70,00,000	3½	1958	1968	99/00
1,56,64,22,000	3½	1958	1968	99/75
1,90,85,42,000	3½	1959	1969	97/95
82,65,41,000	3½	1960	1966	100/00
71,78,00,000	4	1964	1970	99/00
1,54,70,22,000	4	1957	1972	98/85
94,51,44,000	4	1958	1973	98/90
81,06,39,000	4	1959	1979	97/50
98,05,17,000	4	1960	1980	97/25
65,96,55,000	4	1961	1981	97/60
84,12,53,000	4	1963	1989	99/50
69,74,00,000	4½	1964	1989	100/00
1,08,86,71,000	4½	1963	1973	100/15
28,07,95,000	4½	1962	1972	100/15
52,01,71,000	4½	1963	1986	100/10
1,14,03,37,000	4½	1962	1985	100/00
BOMBAY				
3,40,34,300	3	1952	1964	99/95
6,57,22,800	4½	1957	1968	98/40
6,58,20,700	4½	1958	1970	99/00
4,35,25,000	4½	1958	1971	98/70
MADHYA PRADESH				
2,03,28,800	3	1948	1964	98/50
MADRAS				
5,24,81,200	4	1952	1964	99/95
5,55,57,300	4½	1958	1970	99/00
UTTAR PRADESH				
1,55,31,200	3	1938	1961-66	94/00
5,89,13,900	4	1952	1964	99/95
7,65,53,900	4½	1958	1970	98/80
WEST BENGAL				
2,00,00,000	4	1952	1964	99/95
7,58,72,200	4	1952	1967	99/35
7,11,46,100	4	1956	1968	98/75
5,10,49,700	4½	1958	1970	98/75
7,69,69,400	4	1959	1971	97/10
7,00,00,000	4	1960	1969	98/50
7,00,00,000	4½	1961	1972	98/80
7,00,00,000	4½	1962	1974	99/50
MYSORE				
2,95,85,200	4	1933	1952-63	100/00

PORT TRUST LOANS

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
CALCUTTA				
90,24,300	4	1914	1974	98/25
76,90,100	4	1915	1975	98/25
68,02,300	3	1921	2nd 1981	82/00
1,50,00,000	6½	1921	2nd 1981	144/00N
£892,600	5	1923	1953-83	£61
£901,000	5	1924	1954-84	£61
1,24,00,000	4½	1957	1987	99/50
	4½	1958	1988	99/00
50,00,000	4½	1959	1989	99/00
1,50,00,000	4½	1961	1971	98/75
80,00,000	4	1931	1991	93/00
			£892,600	5 1923 1953-83 £63
60,00,000	3½	1935	1965	99/00 £901,000 5 1924 1954-84 £63
50,00,000	3	1946	1976	83/50 £835,100 5½ 1932 1962 £96½
	3	1945	1-2-2005	72/00
50,00,000	3	1945	1-2-1975	83/75
				28,48,275 3½ 1947 1977 A
25,00,000	3	1938	1963-65	93/00 9,88,000 3 1947 1977 A
50,00,000	3	1946	2006	72/00 8,00,000 3 1949 1979 A
50,00,000	2½	1947	1977	78/50
50,00,000	3	1948	1978	83/00
50,00,000	3	1950	1980	81/00
50,00,000	3	1951	1981	80/50
50,00,000	4½	1953	1963	98/75
50,00,000	4	1953	1983	97/50
90,00,000	4	1955	1985	97/25
77,00,000	4	1956	1986	97/25
1,00,00,000	4	1959	1969	99/50
1,00,00,000	5	1963	1993	..

IMPROVEMENT TRUST LOANS

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
BOMBAY				
36,50,000	4	1904	1964	96/00
35,00,000	4	1905	1965	96/00
15,00,000	4	1906	1967	96/00
44,00,000	4	1907	1968	96/00
75,00,000	4	1908	1968	96/00
40,00,000	4	1909	1970	92/00
56,00,000	4	1910	1971	92/00
75,00,000	4	1911	1972	92/00
STERLING LOANS				
£892,600	5	1923	1953-83	£63
£901,000	5	1924	1954-84	£63
£835,100	5½	1932	1962	£96½
MADRAS				
28,48,275	3½	1947	1977	A
9,88,000	3	1947	1977	A
8,00,000	3	1949	1979	A
CALCUTTA				
50,00,000	4	1934	1964	99/25
35,00,000	3½	1935	1965	96/00
30,00,000	3	1936	1966	92/50
20,00,000	3	1938	1963-68	92/00
80,00,000	4	1952	1962	100/00
1,02,00,000	4	1956	1968	98/50
75,00,000	4½	1958	1968	101/00
BOMBAY				
60,00,000	4	1903	1963	98/25
50,00,000	4	1904	1964	98/25
20,00,000	4	1906	1966	97/50
15,00,000	4	1907	1967	97/50
30,00,000	4	1908	1968	£95½N
£566,600	4	1908	1969	£95½N
£333,000	4	1910	1970	£100/00
25,00,000	4	1912	1972	95/00
13,00,000	4	1913	1973	95/00
50,00,000	4	1914	1974	95/00
25,00,000	4	1916	1976	95/00
66,00,000	6	1920	1945-80	119/50
25,00,000	4	1927	1961-70	99/75
10,00,000	3½	1936	1966	89/00

MUNICIPAL LOANS

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
CALCUTTA				
66,88,000	3½	1951	1966	98/50
10,00,000	5½	1932	1962	100/75N
33,91,000	3½	1935	1965	96/00
72,50,000	4½	1954	1979	100/00
60,00,000	3	1936	1966	93/00
47,50,000	3	1938	1968	92/50
21,10,000	3½	1942	1972	92/00
37,36,000	4	1952	1962	99/75
1,67,32,000	4½	1958	1970	101/00N
73,36,000	4½	1958	1968	100/50
57,72,000	4½	1961	..	..
BOMBAY				
20,00,000	4	1913-13	1974	95/00
10,00,000	5	1920	1930	101/00
2,00,34,000	3½	1951	1966	89/00
8,25,00,000	3½	1947	1977	82/00
2,13,14,500	3½	1949	1979	82/00
4,00,00,000	3½	1950	1965	95/00
MADRAS				
15,00,000	3½	1951	1961	107/00
15,00,000	3½	1952	1962	107/50

2½% U P Zemindary Abolition Compensation Bond (per Rs 100) Rs 41/90*

* Ex eight instalments but inclusive of accrued interest.

These notes refer to the Debentures on the next page.

Option to repay at par on 6 months notice—

(a) Option to extend the redemption period for further 10 years

(b) at any time after.

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

(d) Option to redeem at 2½% Prem after 14-5-64 and before 15-5-69

Option to repay on 6 months notice—

(e) at any time after 30-6-61 at 101%.

(f) at 101% between 1-1-61 & 31-12-64

(g) at 102/8% after 30-6-65 but before 30-6-64.

(h) at any time after 30-6-65 at 101%.

Option to repay on 6 months notice—

(i) at any time at 5% Premium

(j) at 4% Prem after 1-3-64 but before 1-3-67 and 1% Prem on or after 1-3-67

(k) at any time at par.

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

(m) redeemable at 103¾ on 31-12-64 with option to redeem on any interest date at same premium after 30-6-59.

(n) at any time on two months notice—

(o) to be redeemed at a premium of 10% Rs. 10,000 to be redeemed annually by drawing on 6 months notice with option to redeem all after 7 years from date of issue on 6 months notice option not exercised repayment to be made after full term.
Option to repay

(p) at par after September 1960.

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

(r) with option to redeem at 101% after 10 years or at 100/8% after 12 years

(s) Rs. 4 lac Debentures to be redeemed annually by drawing from 1-6-56 with option to redeem at 100/8% between 1-6-57 to 1-6-61 and at 101% afterwards

(t) with option to redeem at 101% after 10 years or at 100/8% after 13 years

(u) with option to redeem all or any of the Debts at 101% at any time after 31-3-64 and at 100/8% at any time after 31-3-66.

(v) Rs 30,000 are being redeemed annually repayment of Debentures commencing serially from No. 1 to No. 80 on 31-12-48.

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

(x) At par all or any of the Debts on 31st December 1950 or on any subsequent interest date

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

(z) Also redeemable out of a cumulative sinking fund of 1¼% per annum commencing in 1942 by purchase at any price less than par or by annual drawing at par.

BANKS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 9-12-64 Rs.	2-12-64 Rs.	A year ago Rs.
Allahabad Bank P.	18	15	15	100	248/00	249/00	260/00
Bank of Baroda	17	16	16	50	98/00	98/50	94/00
Bank of India	20	20	18	50	101/50	101/00	110/00
Central Bank of India	20	20	20	25	52/30	52/00	58/50
Chartered Bank	15	15	15	£1	sh. 48/9	sh.48/3	sh. 58/1½
Hindusthan Commercial	Nil	Nil	..	50	10/00	10/00	13/50
Hindusthan Mercantile	Nil	Nil	..	50	10/75	10/75	15/50
Hong Kong & Shanghai	sh. 15	sh. 16	sh. 16	HK$25	£22	£22	£20½
India Bank	15	14	15	100	158/00	158/00	158/00
Indian Overseas Bank	14	12	14	100	150/00	150/00	146/50
National & Grindlays Bank	14	16	14	sh. 15	sh.34/-	sh. 30/4½	sh. 34/1½
Punjab National Bank	20	20	20	10	20/37	20/25	19/50
Union Bank of India	11 2/5	11 2/5	11 2/5	5	6/52	6/48	6/52
United Bank of India	6	6	7½	10	8/22	8/19	7/62
United Commercial Bank	12	12	12	50	72/00	72/50	72/50

JUTE MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 9-12-64 Rs.	2-12-64 Rs.	A year ago Rs.
Agarpara P.	2½	2½	12-10*	10	8/75	8/75	10/37
Alexandra P.	15	42½	..	100	246/00	246/00	300/00
Alliance P	Nil	10	12½	100	105/00	105/00	150/00
Anglo-India P.	7½	10	12	100	185/00	185/00	228/00
Auckland P.	12	Nil	15	100	123/00	123/00	150/00
Bally P.	25	25	25-20*	100	239/00	239/00	253/00
Barnagore P.	10	10	40	£5	245/00	237/00	213/00
Bengal P.	5	5	..	10	6/50	7/00	9/37
Birla P.	15	15	15-15*	10	38.25	38/37	33/12
Budge Budge P.	Nil	12	20	100	128/00	128/00	144/00
Calcutta P.	Nil	Nil	..	10	8/12	8/12	8/12
Caledonian P.	5	15	15-15*	100	133/00	133/00	181/00
Champdany P.	5	Nil	40-35*	10	21/62	21/62	22/69
Cheviot P	5	25	..	10	20/44	20/31	22/81
Chitvalsah P.	Nil	5	Nil	10	7/81	7/81	10/31
Clive P	Nil	Nil	..	10	8/00	8/00	9/19
Dalhousie P.	1	Nil	25-7½*	100	110/00	110/00	143/00
Delta P.	Nil	12	16	100	139/00	139/00	159/00
Empire P.	7½	12½	15	10	13/19	13/19	17/75
Fort Gloster P.	10	12½	20-15*	100	268/00	260/00	372/00
Fort William P.	22½	10	20-15*	10	19/56	19/87	26/44
Ganges P	10	15	20-20*	10	12/25	12/69	13/56
General Industrial	10	13	14	10	15/00	15/00	16/25
Gourepore P.	25	20	20-20*	10	21/37	21/37	23/56
Hastings P.	6	6	6—6*	100	128/00	128/00	128/00
Hooghly P.	20	7½	10	10	14/44	14/44	16/00
Howrah P.	10	Nil	10-12½*	10	15/87	15/87	19/25
Hukumchand P.	20⅔	26⅔	26⅔-26⅔*	7½	17/50	17/50	21/00
India	12	8	18-12*	12½	15/25	15/25	16/37
Kamarhatty P.	Nil	20	20	100	151/00	155/00	193/00
Kanknarrah P.	Nil	15	15	100	137/50	137/50	141/00
Kelvin P.	15	5	20	100	139/00	138/00	193/00
Khardah P.	5	12½	12½	10	17/75	17/75	17/87
Kinnison P	7	Nil	10-5*	100	105/00	105/00	140/00
Lansdowne P.	Nil	Nil	Nil-12½*	100	111/00	111/00	98/00
Lawrence P.	15	10	10	100	101/00	101/00	111/00
Megna P.	12½	Nil	22-12*	10	11/19	11/75	13/31
Naihati P.	Nil	Nil	Nil-Nil*	100	68/00	66/00	104/00
Naskarpara	2½	5	..	10	5/50	5/50	8/00
National P	Nil	10	10	10	19/12	19/12	23/94
Nellimaria P.	6	15	5	10	8/81	8/81	12/75
New Central P.	15	Nil	..	10	10/12	9/69	13/25
Northbrook P.	30	20	35	10	22/37	22/37	31/00
Nuddea	6	5	10-10*	10	10/37	10/37	..
Presidency	6	10	10	5	4/06	4/19	5/50
Rameshwara P.	Nil	Nil	Nil-Nil*	10	7/75	7/75	9/20
Reliance P.	Nil	Nil	Nil-Nil*	10	6/62	6/56	8/00
Samnugger P.	Nil	10	13	£1	10/50	10/50	10/50
Shree Ambica P.	6	Nil	..	10	30/00	30/00	35/00
Soorah P	25	25	..	10	19/19	19/19	21/87
Titaghur P.	Nil	13	10	£1	10/50	10/50	10/50
Union P	6	Nil	20	100	134/00	134/00	161/00
Victoria P.	Nil	10	10	£1	10/50	10/50	10/50
Waverley P.	30	60	30	1	7/62	7/62	8/31

* 1964

COAL COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 9-12-64 Rs.	2-12-64 Rs.	A year ago Rs.
Amalgamated	12½	15	12½-12½*	10	19/25	19/25	26/00
Bengal P	21	19	16	100	230/00	230/00	270/00
Bengal Bhatdee	8	10	..	10	3/48	3/48	3/48
Bengal Nagpur	26	7	..	10	22/00	22/00	22/00
Bhalgora	Nil	..	..	10	3/62	3/62	4/37
Bharat Collieries P.	Nil	Nil	..	10	2/16	2/19	3/69
Bhulanbararee	Nil	Nil	..	10	10/00	10/00	10/00
Bokaro & Rampur	..	..	..	10	11/19	11/19	11/19
Borrea P.	15	15	15	10	20/25	20/25	21/44
Burrakur P.	13	13	13	10	16/25	17/00	17/69
Central India	10	10	9-10*	10	8/37	8/22	9/94
Central Kurkend P.	Nil	Nil	..	10	3/49	3/44	3/87
Churulia	..	..	..	4	3/06	3/06	3/06
Dhemo Main	Nil	..	..	10	2/94	3/75	4/50
East Indian	15	20⅔	20⅔-15*	£1	26/00	26/00	30/87
Equitable P	10	10	10	10	20/75	20/75	25/00
Ghusick & Muslia	Nil	Nil	Nil	10	13/12	13/12	14/25
Guzdar Kajora	..	..	..	10	2/47	2/47	2/44
Hurriladih	Nil	..	..	10	5/44	5/44	5/50
Karanpura Development	5	3	3	100	9/00	9/00	11/50
	15	9	9	10F			
Karanpura Collieries P.	10	10	10-12*	10	13/50	13/50	16/00
Katras Jherriah	40	25	30-30*	10	26/50	26/50	33/75
Khas Kajora P.	10 2/5	..	..	10	10/50	11/50	17/62
Mundulpur	..	..	..	10	2/69	2/69	2/69
Nazira	Nil	Nil	..	10	4/69	4/69	5/00
New Beerbhoom P.	10	12	10	10	16/50	16/50	19/25
New Manbhoom	9	12	12-Nil*	10	9/50	9/12	15/25
North West	20	11	..	10	19/75	19/75	19/75
				7½	18/00	18/00	18/00
Ondal P.	7½	7½	6	10	13/50	13/50	13/50
Parasea P.	1½	Nil	1 1/5	10	14/00	14/00	14/00
Pench Valley	10	10	12½-7½*	10	17/44	17/44	18/31
Pure Sitalpur	..	..	..	10	8/00	8/00	8/00
Raneegunge	17	17	17-14*	10	12/19	12/19	13/62
Rewa	20	10	15	10	21/87	21/87	28/50
Samla	10	7½	..	10	7/81	7/81	9/00
Searsole	Nil	Nil	..	2½	1/00	1/00	1/22
Seebpore P.	42 6/7	35 5/7	28 4/7	7	34/75	34/75	34/75
Sendra	3½	2½	2½-3*	10	3/40	3/50	5/00
South Karanpura	Nil	Nil	2½	10	5/94	6/00	8/75
Standard	10	10	10-10*	10	9/62	9/62	13/12
Union	Nil	5	..	10	10/00	10/00	10/12
Western Bengal	7½	9	9	10	8/50	8/44	9/06
West Jamuria	Nil	Nil	..	10	3/60	3/60	4/56

* 1964

COTTON MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 9-12-64 Rs.	2-12-64 Rs.	A year ago Rs.
Basanti	3	Nil	..	10	8/50	8/50	13/69
Bengal Luxmi	6½	Nil	..	40	30/50	30/50	30/00
Bengal Nagpur P.	Nil	Nil	Nil	10	2/44	2/44	2/59
Bharat Commerce	15	15	..	10	18/87	18/69	23/44
Birla Cotton	20	20	..	10	27/00	27/00	33/00
Bowreah P	20	15	15	10	23/50	23/50	24/50
Cawnpore Textile	10	10	..	5	6/15	6/15	7/37
Delhi Cloth & Genl. P.	13	13	13	25	46/37	46/62	47/87
Dunbar	20	15	17½	10	26/12	26/12	29/00
Elgin P.	17½	17½	17½	10	19/12	19/12	23/12
J. K Cotton (Rayon) P.	12½	Nil	..	10	9/37	9/62	13/00
Jaya Shree	10	10	10	10	12/62	12/81	17/06
Muir P	..	..	..	100	60/00	60/50	74/50
New Victoria P.	Nil	Nil	..	2½	1/00	1/00	1/50
Orissa Textiles P.	Nil	Nil	..	10	7/00	7/00	6/25
Rampooria Cotton	3	Nil	..	10	14/12	14/12	13/00
	Nil	Nil	..	1	4/12	4/12	3/00
Swadeshi (Kanpur) P.	..	..	..	100	11/00	11/00	12/62
	..	..	..	10PO	6/25	6/25	6/81

BOMBAY COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 8-12-64 Rs.	1-12-64 Rs	A year ago Rs.
Ahmedabad Advance P.	16	12	..	100	146/00	145/00	143/75
Apollo	Nil	Nil	..	2	1/70	1/72	2/02
Beharilal Ramcharan	Nil	Nil	..	100	142/00	142/00	112/00
Bombay Dyeing, etc.	14	14	14	25	57/30	57/30	61/40
Bradbury P.	10	25	..	50	143/75	143/75	155/00
Century	30	30	..	100	554/00	560/50	686/00
Central India P.	Nil	Nil	Nil-Nil*	100	92/50	93/00	102/00
Coorla	11	11	..	100	173/50	173/50	170/00
Dawn	30	30	..	50	147/00	147/50	153/00
Edward Textiles	9	9	6	200	315/00	315/00	288/00
Elphinstone P.	18	22	18—18*	50	94/00	93/00	99/00
Finlay	23	23	..	100	307/00	305/00	315/00
Gokak	14	18	..	100	173/00	173/00	177/00
Hindoostan	50	50	..	250	965/00	940/00	950/00
India United	8	14	..	10	19/40	19/40	22/44
	13½	37½	..	1Dd	2/36	2/36	2/66
Indian	23 1/5	25	..	250	900/00	900/00	860/00
Indore Malwa United	8½	10	7½	100	215/00	215/00	200/00
Khatau Makanji P.	32	16	..	100	157/50	157/50	210/00
Kohinoor	15	18	18-21*	100	316/50	317/50	343/00
Lakshmi Vishnu P.	5.7	6	Nil-3*	100	82/00	82/00	101/00
Morarjee Goculdas P.	21½	24	24-20*	100	246/00	255/00	395/00
Mysore Spg & Mfg. P.	14	14	..	50	34/50	34/50	44/50
New City of Bombay	Nil	Nil	..	100	150/00	150/00	165/00
New Great Eastern P.	Nil	12	..	100	160/00	160/00	178/00
Phoenix	15	20	..	100	224/00	224/00	230/00
Sassoon & Alliance	Nil	Nil	..	10	10/36	10/36	11/00
Sassoon Spinning	17	20	10-20*	10	37/75	37/75	45/50
Simplex	15	Nil	22-16*	50	122/00	118/00	129/00
Shree Niwas P.	18	20	14-8*	100	241/00	240/00	287/00
Svadeshi P.	17	19	17	100	263/00	264/00	252/00
Swan	36	21 3/5	..	100	273/00	273/00	268/75
Tata	20	22	20	25	47/50	47/25	56/50
Western India	46 2/5	25	..	250	850/00	875/00	875/00

* 1963

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 8-12-64 Rs.	1-12-64 Rs.	A year ago Rs.
CEMENT ENGINEERING & METAL							
Associated Cement	12½	12	12-12*	100	150/75	152/00	150/00
ELECTRIC LTG., POWER							
Ahmedabad Electricity	7	6	..	100	103/25	103/00	95/50
Andhra Valley Power P.	5½	5	5	1,000	1,215/00	1,216/25	1,075/00
Bombay Subarban Elec.	8	8½	8½	100	114/00	113/50	107/50
Tata Hydro Elec. Power P.	5½	5	5	100	123/25	122/50	111/00
Tata Power P.	5½	5	5	1,000	1,240/00	1,236/25	1,037/50
Alcock Ashdown	17	22½	19	100	285/00	290/00	302/00
Jost's Engineering	8	10	10—Nil*	50	47/00	47/00	60/00
Larsen & Toubro P.	12½	18	14—14*	10	21/68	21/56	24/08
Mackenzies	10	12	14	100	137/50	137/50	137/50
Premier Construction P.	43 1/3	33 1/3	30	30O	214/00	219/00	161/00
				33F			
Tata Eng. & Locomotive P.	12½	14½	14½-14½*	100	261/00	262/00	289/50
Tata Iron & Steel P.	9.1	10.36	10.36-11*	75O	144/50	144/00	145/75
INSURANCE COMPANIES							
British India General	..	15	15	10	13/76	13/75	12/24
Jupiter General P.	..	4	Nil	15	7/16	7/00	9/20
New India	38	38	38	15	46/00	46/00	49/50
Vulcan	20	20	20	10	16/36	16/36	16/76
MISCELLANEOUS							
Belapur Sugar	38	50	40	50	219/00	222/00	240/00
Bombay Burmah Trading	30	33	33-33 1/5*	25	55/70	55/60	61/80
				20	41/75	42/25	47/50
Hindustan Lever	26	26	12—14*	10	28/00	28/00	38/25
Industrial Invt. Trust	6½	6½	..	100	78/00	80/00	74/00
Kemp (Chemists)	12½	12½	..	200	253/75	253/75	277/50
National Rayon	22	..	..	100	329/50	333/50	388/00
Scindia Steam Navign.	3	3	3	20	15/16	15/24	15/80
Shivrajpur Synd.	80	Nil	Nil	10	19/80	20/20	21/24
Tata Chemicals P.	6	6½	6½—10*	10	17/72	17/68	17/00
Tata Oil P.	23	23	23—22*	25	47/25	47/00	69/70
Voltas	13	14	14—14*	100	259/50	262/00	260/00
Western India Match	16	16	16	100	234/50	234/00	276/00

* 1963

TEA COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 9-12-64 Rs.	2-12-64 Rs.	A year ago Rs.
ASSAM GARDENS							
Amluckie	10	7½	5	10	16/00	16/00	18/37
Anandabag P.	32½	20	12½	10	33/25	33/25	33/25
Baghmari	15	7½	Nil	10	11/25	11/25	17/25
Barduar Tea	..	..	..	5	8/50	8/50	8/50
Basmatia	25	20	7½	10	18/06	18/06	27/25
Bateli	30	30	30	5	17/06	17/06	17/50
Betjan	45	30	25	10	29/00	29/00	30/12
Bishnauth	13	20	7½	10	13/25	13/25	18/69
Bokakhat	12	13	..	10	13/12	13/12	13/70
Bormah Jan P.	15	15	..	10	11/00	11/00	13/00
Bor Pukhuri	Nil	10	Nil	10	10/50	10/50	11/00
Brooke Bond P.	10	7½	7½	10	9/50	9/87	13/06
Dejoo Valley	20	30	..	10	40/00	40/00	90/00
Dessai & Purbuttia	10	15	12½	100	170/00	170/00	200/00
Dhelakhat	10	8	10	10	20/62	20/62	20/75
Dhunseri P.	15	10	10	10	10/00	10/00	11/87
Dibrugarh	40	30	..	10	27/50	27/50	32/50
Dimukusi P.	20	25	30	10	23/19	23/19	22/62
Dufflaghur	25	30	20	10	23/00	23/00	28/00
East India	Nil	10	Nil	10	10/25	10/25	15/56
Gillapukri	20	15	12½	10	23/00	23/00	25/44
Gohpur	5	20	..	10	12/50	12/50	14/69

* 1963

TEA COMPANIES—Contd.

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 9-12-64 Rs.	2-12-64 Rs.	A year ago Rs.
Grob	6	6	3	5	6/00	6/00	7/62
Hoograjuli (Assam)	20	17	12½	10	27/62	27/62	27/12
Hoolungooree	7½	20	15	100	168/00	168/00	200/00
Jutlibari	30	20	14	10	27/87	27/87	31/50
Kingsley Golaghat P.	35	..	..	100	125/00	125/00	125/00
Kotamullai P.	Nil	Nil	Nil	5	10/31	10/31	10/31
Krishnabehari	8	10	6	10	11/30	11/30	11/80
Kyang Tea	..	..	..	10	8/06	8/06	8/06
Ledo	Nil	Nil	Nil	10	14/25	14/25	13/75
Maud Tea & Seed	7½	7½	..	10	12/00	12/00	14/00
Methoni	14	20	11	10	13/25	13/25	17/87
Moheema	Nil	..	..	10	11/50	11/50	11/50
Mothola	30	35	35	100	425/00	425/00	507/00
Murphulani (Assam)	15 / 20.63	25 / 30.63	17½ / 23.13	10	26/87	26/87	26/87
Naga Hills	10	10	10	10	21/25	21/25	22/25
Namburnadi	12	..	..	10	12/87	12/87	12/87
New Cinnatolliah	Nil	Nil	5	100	455/00	455/00	302/00
Rajgarh	13½	17½	12½	10	18/56	18/56	19/00
Sapoi	20	10	..	10	15/81	15/81	18/50
Seajull	15	30	25	10	21/06	21/06	25/50
Teloijan	25	25	..	10	19/00	19/00	22/12
Tengpani	30	22½	12	10	36/50	36/50	35/75
Tezpore P.	12½	12½	12½	10	12/69	12/44	15/19
Tongani	Nil	..	..	10	5/19	5/19	5/31
Tyroon	15	25	..	10	24/75	24/75	31/00
CACHAR							
Arcuttipore	5	6	..	10	7/00	7/00	7/00
Baitakhal	2½	..	7½	10	6/00	6/00	7/71
Central Cachar	7½	5	..	100	73/00	73/00	85/00
Eastern Cachar	Nil	..	..	10	5/06	5/06	4/56
Kallinugger Khoreel	2	..	..	100	84/00	84/00	87/00
Hattikhira	8	Nil	Nil	10	6/69	6/69	8/75
Kunchanpore	Nil	..	..	10	6/00	6/00	6/00
Looban	Nil	Nil	Nil	10	3/75	3/75	4/69
North Western	20	10	..	100	165/00	180/00	175/00
Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50
Roopacherra	10	Nil	..	10	9/94	9/94	11/00
Rungamattee	5	5	5	50	47/00	47/00	50/00
Sonai River	Nil	..	..	10	5/06	5/06	5/05
DARJEELING							
Bloomfield	..	..	..	10	3/25	3/25	3/12
Chamong	10	10	..	10	8/87	8/87	9/00
Darjeeling Tea & Chin.	30	30	..	100	197/00	197/00	197/00
Dilaram	4	..	..	100	102/50	102/50	102/50
Gielle	..	8 4/7	15	10	18/12	18/12	11/69
Lingia P.	10	17½	15	10	15/00	15/00	14/00
Longview	10	..	..	10	8/25	8/25	11/00
Margaret's Hope	15	15	..	10	11/81	11/81	12/19
Mim	27½	27½	Nil	100	430/00	430/00	191/50
Nagri Farm	25	35	35	10	28/12	28/12	29/56
Okayti	25	25	..	100	600/00	600/00	600/00
Pashok	Nil	..	..	10	18/75	18/75	20/00
Poobong	Nil	5	Nil	10	10/50	10/50	7/50
Pussimbing P.	Nil	Nil	Nil	10	7/69	7/69	7/50
Rungliee Rungliot	20	7½	5	100	290/00	290/00	386/00
Seeyok	Nil	..	..	10	8/50	8/50	8/60
Singell	Nil	Nil	..	100	36/75	36/75	35/75
Singtom	Nil	2	..	10	3/25	3/25	3/50
Soom	40	40	30	10	39/00	39/00	35/50
Sungma	15	20	..	10	11/187	12/06	14/56
Teesta Valley	..	8 4/7	10	10	12/00	12/44	15/87
Tukvar	Nil	..	..	10	3/56	3/56	6/00
DOOARS							
Banarhat P.	21	21	17	100	161/00	161/00	241/00
Baradighi	25	25	15	10	20/75	20/75	23/69
Bhatkawa	15	20	..	10	13/87	13/87	17/25
Birpara P.	12½	17½	10	100	143/00	143/00	162/00
Carron	5	7½	Nil	100	125/00	125/00	161/00
Choonabhuti P.	20	20	7½	100	176/00	176/00	210/00
Ellenbarrie	5	10	7½	100	300/00	300/00	154/00
Engo	30	40	30	100	225/00	225/00	136/00
Ethelbari	5	7½	..	10	11/87	11/87	11/87
Gairkhata	20	11	7	10	12/00	12/87	21/50
Gopalpur	2	10	..	25	19/50	19/50	20/00
Hantapara P.	5	10	7½	100	97/00	97/00	108/00
Hasimara P.	..	18	15	10	12/31	12/06	13/44
Huldibari	..	19 2/7	11	10	11/00	11/00	13/05
Jaybirpara	Nil	Nil	..	10	8/94	8/94	23/81
Killcott	15	15	10	10	14/06	14/06	15/19
Manabarrie	6	10	10	10	59/50	59/50	59/50
Nagaisuree	15	15	5	100	142/00	141/00	140/00
New Dooars P.	20	14½	Nil	100	170/00	170/00	230/00
Oodlabari	7½	Nil	7½	100	14/00	14/00	13/62
Phaskowa	Nil	Nil	Nil	100	121/00	121/00	125/00
Rajabhat	Nil	6	6	10	10/25	10/25	12/00
Ranicherra	15	7½	..	10	12/00	12/00	12/75
Rydak	20	25	25	10	22/62	22/62	25/75
Sarugaon	40	40	40	10	37/00	37/00	36/31
TERAI							
Atal	..	..	..	10	5/37	5/37	8/75
Belgachi	20	..	..	10	23/12	23/12	20/50
Gungaram	12½	12½	10	100	140/00	140/00	130/00
New Chumta	..	12 6/7	20	10	19/00	19/00	24/62
New Terai	10	15	..	10	20/50	20/50	23/00
Pahargoomiah	20	2½	..	10	9/87	9/87	14/37
Putinbaree	14	..	..	10	55/00	55/00	45/00
Tirrihannah P.	60	60	..	10	49/00	49/00	49/00
CHITTAGONG							
Kodala	Nil	..	..	10	9/25	9/25	9/25
Kornafuli	Nil	..	..	10	11/25	11/25	9/31
Oodaleah	Nil	..	..	10	8/00	8/00	8/00
SYLHET							
Chundeecherra	Nil	Nil	Nil	10	29/75	29/75	26/00
Daurascherra	22½	20	Nil	10	14/75	14/75	11/56
New Samanbagh P.	Nil	Nil	Nil	10	20/25	20/25	18/37
Patrakola	40	15	Nil	100	135/00	135/00	129/00
Rajnagar	Nil	Nil	..	10	9/56	9/56	9/50
Tellapara	22½	10	Nil	100	169/50	169/50	110/00

‡ Hectares

MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 9-12-64 Rs.	2-12-64 Rs.	A year ago Rs.
MININGS							
Burma Mines	2 3/5	Nil	Nil	3½S	0/44	0/44	0/44
Chrestien Mica Industries P.	15 / 25	12½ / 20	.. / ..	10O / 5Dd	9/09 / 6/53	9/09 / 6/53	10/19 / 6/87
Indian Copper Corporation	27	27	18	2s	3/26	3/27	3/46
Metal Corporation P	Nil	Nil	..	10O	6/00	6/00	8/00
Orissa Mineral Development	36	28	20	10	20/00	20/03	26/00
CEMENT, LIME, SLATE, ETC.							
Ashoka Cement	7	7	7—7*	10	6/56	6/50	7/37
Assam Bengal Cement	..	Nil	Nil	10O / 1Dd	3/22 / 0/59	3/19 / 0/59	3/62 / 0/50
Bengal Potteries	15	12	12	2½	4/09	4/37	5/37
Bisra Stone Lime	30	30	10	..	16/00	18/50	22/00
Dalmia Cement (Bharat) P.	12	12	12-12*	10O / 1Dd	12/81 / 3/06	12/94 / 3/06	12/75 / 2/81
Jaipur Udyog P.	6	8	10-10*	10	10/03	10/00	12/31
Kumardhubi Fireclay & Silica P.	18	18	18	10	18/45	18/45	18/45
Orissa Cement P	15	15	10	10	12/25	11/62	14/37
Reliance Firebricks & Pottery	22	15	10	10	22/75	22/75	22/75
Sone Valley Portland Cement	4	6	8	10	3/84	3/87	4/56
Sutna Stone & Lime	27½	30	35-20*	10	18/00	18/00	28/31
CHEMICAL INDUSTRIES							
Alkali & Chemical Corpn. of (I)	12	15	15—15*	10	28/31	28/44	33/50
Bathgate & Co Ltd P	Nil	Nil	..	5	9/84	9/84	9/84
Bengal Chemical & Pharm. P.	7	10	10	100	102/00	103/00	101/00
Calcutta Chemical P.	18	18	18	10	19/12	19/12	17/87
Frank Ross P	..	..	..	6	3/19	3/19	2/75
Smith Stanistreet P.	25	25	25-22½*	5	13/00	13/69	12/31
ELECTRIC LIGHTING, POWERS							
Agra Electric Suply	11	11	11-11*	100	126/00	126/00	118/00
Bareilly Electric Supply	11	11	11-11*	10	10/94	11/44	12/50
Benares Electric Supply	11	11	11-11*	10	12/87	12/87	12/81
Bhagalpur Electric Supply	8	10	8	8	7/12	7/12	6/69
Calcutta Electric Supply	7	7½	7½	£1	15/31	15/25	14/50
Cuttack Electric Supply	7½	10	Nil	10	15/00	15/00	11/87
Disnergarh Power Supply P.	10	10	10-10*	100	88/00	86/00	82/00
Jhansi Electric Supply	..	Nil	7	10	5/90	5/90	5/90
Jubbulpore Electric Supply	10	10	10	10	10/75	10/75	11/25
Mirzapur Electric Supply	..	..	..	..	7/50	7/50	12/00
Muzafferpore Electric Supply	12½	12½	12½	10	12/75	12/75	11/50
Muttra Electric Supply	..	..	..	10	11/06	11/06	11/06
Patna Electric Supply	10	10	10	10	10/75	10/62	10/31
Shahjahanpur Electric P.	6½	6½	6½	10	6/62	6/62	6/87
Silua (Jharish) Electric	10	9	9	10	9/62	9/62	8/50
United Provinces Electric	11	11	11-11*	100	193/00	193/00	145/00
Upper Jumna Valley Electric	13½	13½	13½-13½*	11	25/37	25/37	18/00

* 1963

MISCELLANEOUS COMPANIES—Contd.

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 9-12-64 Rs.	2-12-64 Rs.	A year ago Rs.
ENGINEERING & METAL							
Arthur Butler (Muzafferpore) P.	Nil	10	..	10	15/00	15/00	14/94
Bhartia Electric Steel	10	12½	15	10	14/69	14/94	15/00
Braithwaite India P.	25	14	20	10	32/75	32/75	34/25
Bridge & Roof	30	30	30	10	52/25	52/25	52/25
Britannia Building & Iron P.	Nil	Nil	Nil-Nil*	10	3/62	3/62	3/37
Britannia Engineering P	10	10	..	10	9/50	9/37	10/62
British India Electric Cons.	20	15	15	10	29/12	29/12	31/00
Burn P (Engineering)	28½	28½	25-15*	100	278/00	278/00	314/00
Calcutta Steel	15	15	12½-15*	10	13/31	13/37	13/81
Dalmia Iron	10	10	10	10	11/94	11/56	11/75
Guest, Keen Williams	14	14	12	10	22/75	22/87	26/82
Hooghly Docking	Nil	12½	10	50	80/00	80/00	95/00
Indian Iron & Steel P.	16	16	16-17*	10	25/24	25/08	25/18
Indian Malleable Casting	Nil	Nil	..	50	5/19	5/19	6/00
Indian Standard Wagon P.	Nil	Nil	..	10d	2/81	2/81	2/06
Indian Steel & Wire Products	28½	28½	20-20*	10	36/69	36/69	36/37
Industrial Containers	24	23	18	10O	27/19	27/62	36/87
Jay Engineering	10	10	..	10	25/62	25/62	21/37
J. K. Steel P	17 3/20	15	10-8*	10	20/00	20/00	21/87
Jessop & Co P.	20	10	15	10	17/75	17/75	18/12
Kumardhubi Engineering P.	8.58	8.58	10	10	25/56	25/69	24/94
Marshall Sons (India)	11½	15	Nil-16½	3	5/37	5/50	9/25
National Iron and Steel	Nil	Nil	Nil	2	3/44	4/00	2/69
Saran Engineering	Nil	Nil	..	10	5/37	5/50	6/00
Steel Containers	10	12½	10	4	8/31	8/50	8/12
Textile Machinery	20	20	17½	10	24/31	24/31	29/50
	10	12½	12½-15*	10	25/15	25/05	28/25
SUGAR BREWERIES, ETC.							
Balrampur Sugar	8	4	Nil	2½	1/50	1/50	1/87
Belsund Sugar	10	6 2/3	3 1/3	7½	7/62	7/62	8/94
Bharat Sugar P.	15	15	15	10	14/50	14/50	16/00
Carew (Sugar) P.	Nil	Nil	Nil	10	12/44	12/44	11/56
Cawnpore Sugar P.	Nil	Nil	Nil	10	9/81	9/94	9/75
Champaran Sugar	12	Nil	Nil	10	11/62	11/44	12/62
Dutbhanga	Nil	5	..	10	8/56	8/56	9/87
New Savan Sugar and Gur	5 3/5	3 7/10	..	10	3/50	3/50	4/50
Partabpur Sugar P	Nil	Nil	..	10	9/12	9/12	10/81
Ramnuggar Cane & Sugar P.	35	30	15	10	24/25	24/25	29/31
Raza Buland	10	10	10	10	9/87	9/87	10/37
Ryam Sugar P	Nil	Nil	..	10	4/12	4/12	3/37
Samastipur Central Sugar	Nil	Nil	..	10	3/62	3/62	4/62
Shree Krishna Gyanoday Sugar P.	10	Nil	..	10	8/25	8/25	7/94
Shree Sitaram Sugar	..	..	..	10	7/28	7/28	7/12
Sitalpore Sugar	Nil	Nil	Nil	10	3/69	3/69	3/69
United Provinces	5	Nil	..	10	12/00	12/00	11/00
Upper Ganges Sugar P.	72½	72½	..	10	60/25	60/25	85/00
MISCELLANEOUS							
A. Firpo (Restaurateur)	10½	5	..	10	5/90	5/90	5/00
Aluminium Corporation P.	12	12	5-9*	10	11/00	11/06	13/62
Anderson Wright Ltd. P.	Nil	6	6	10	11/50	11/50	11/50
Angelo Bros	28½	28	28	10	24/75	24/62	26/75
Assam Match	20	20	20	10	25/25	25/25	27/50
Assam Saw Mills & Timber	Nil	3	..	3	2/50	2/44	2/50
Associated Battery	15	15	15	10	24/56	24/87	27/81
Associated Hotels of India P.	10	10	10	10	10/37	10/37	10/31
Balmer Lawrie & Co.	25	25	22½	100	237/00	235/00	252/00
Bararee Coke	Nil	15	15-20*	10	20/75	20/75	22/06
Birds Investments P.	10	10	..	10	8/50	8/50	10/37
Britannia Biscuit P	30	25	21-21*	10	36/62	36/62	50/25
British India Corporation P.	7	9	15	5	10/62	10/69	9/00
British Paints	12½	10	15	10	22/37	23/44	22/62
Calcutta Silk Manufacturing P.	Nil	..	..	10	6/94	6/94	6/94
Clive Row Investment	7½	7½	8	10	8/75	8/69	8/56
Duncan Brothers & Co. Ltd. P.	14	14	12	100	110/00	110/00	140/00
Dunlop Rubber Co (India) P.	20	15	17½	10	30/50	29/87	37/00
Dyer Meakin (Breweries)	30	..	..	5	22/44	23/44	31/87
Eastern Investments Ltd. P.	14	12	10	100	101/00	101/00	117/00
Electric Construction	10	10	10	10	13/37	13/31	13/06
French Motor Car	20	20	..	20	31/75	31/75	32/75
Ganges Rope	20	20	20	100	253/00	252/00	236/00
General Investments Trust P.	5	5	5-5*	75	43/00	43/00	43/00
Gillanders Arbuthnot & Co Ltd. P.	11	11	11-9.6*	10	12/62	12/62	14/19
Gladstone Lyall & Co. Ltd. P.	Nil	Nil	..	10			
Godfrey Phillips (India) Ltd. P.	40	30	20	10	21/75	21/75	28/12
Great Eastern Hotel	6	7	..	250	260/00	260/00	250/00
Hindustan Aluminium P.	Nil	Nil	Nil	10	12/50	12/62	13/81
Hindustan Motors P	12	12½	11½-11½*	10	16/19	16/22	19/41
Hindusthan Pilkington	12	Nil	Nil	10	12/94	13/37	18/41
Hindusthan Twyfords P.	Nil	Nil	Nil-Nil*	10	14/56	15/06	14/12
Hoare Miller & Co Ltd.	6	..	..	10	5/37	5/37	5/62
Imperial Tobacco	9	9	8-6½*	10	8/37	8/18	10/37
Indian Aluminium Co. Ltd P.	15	17½	17½	10	30/31	30/37	29/62
Indian Cable P.	22½	22½	22½-25*	10	34/75	34/75	39/81
Indian Oxygen	15	12	12	10	23/75	23/94	26/62
Indian Rubber Manufacturers P.	30	35	..	10	21/75	21/75	19/87
Indian Wood Products	30	30	25	10	26/25	26/25	15/12
Isaac Holdens	Nil	Nil	5	10	9/94	10/12	16/56
Investments and Finance P.	7½	7½	7½-7½*	100	55/00	55/00	30/00
J. K. Synthetics	3	Nil	10	10	12/62	12/94	12/94
James Wright P.	.. / .. / ..	.. / .. / ..	.. / .. / ..	5O / 1Dd	2/75 / 00/43	2/75 / 00/43	2/75 / 00/43
Jardine Henderson Ltd. P.	7	6	7-7*	100	72/00	70/00	79/00
Jay Shree Industries P.	12½	12½	..	10	14/44	14/62	14/50
Kesoram Industries P.	12	12	13-15*	10	23/62	23/50	26/87
Macfarlane & Co.	Nil / Nil	Nil / Nil	.. / ..	50 / 1Dd	4/50 / 1/81	4/50 / 1/81	6/69 / 1/44
Macneill & Barry Ltd. P.	8	7½	8½	100	95/00	95/00	92/00
Martin Burn Ltd. P.	27½	25	25	10	26/56	26/50	28/50
McLeod & Co. P.	15	18	..	100O	230/00	230/00	210/00
Metal Box Co. of India Ltd. P.	25	25	19-18*	10	30/50	30/50	52/25
National Insulated Cable P.	25	25	18-20*	10	24/37	24/31	23/87
National Pipe & Tubes P.	20	20	20	10	28/50	28/50	28/19
National Rolling & Steel Ropes	15	15	15	10	23/31	24/06	19/87
National Rubber P	6½	8	10	10	10/12	10/12	13/44
National Tobacco P	7	7	..	10	10/75	10/75	13/37
New India Investment Corpn.	8 2/5	8 2/5	..	75	56/50	56/50	59/50
Octavius Steel P.	7½	7½	..	100	..	..	..
Philips India	12	13	15	10	29/50	27/50	28/62
Publicity Society	75	75	50	4	25/06	25/06	22/62
Rallis India P	8½	8½	10	100	116/00	123/25	130/50
Rohtas Industries P.	10	8	9-8*	10	9/56	9/50	12/62
Sirsilk P	..	..	..	10	6/65	7/06	10/06
Sen-Raleigh Industries P.	8	8	Nil	10	13/50	17/12	15/12
Shaw Wallace P.	15	7½	12½	10	15/81	15/81	17/69
Spencer's Hotel	2½	..	..	2	1/25	1/25	0/65
Union Carbide	18	12½	15	10	30/00	29/12	42/62
Walford Transport	30	30	27	10	3/19	3/99	4/09
INSURANCE COMPANIES							
Concord of India	20	20	20	5	9/85	9/81	11/25
Hercules	26½	26½	26½	10	23/50	23/50	23/25
Ruby General	13½	15½	15½	8	11/70	11/70	10/31
Standard General	..	..	..	10	7/75	7/75	6/12
Triton	50	50	50	25	127/00	127/00	128/00
FLOUR MILLS							
Bengal	25	25	30	10	33/75	33/75	34/12
Delhi P.	..	..	..	10	14/00	14/00	14/00
Ganesh P.	..	..	..	12½	10/00	10/12	14/75
Hooghly	Nil	Nil	5	10	19/75	19/75	19/75
United	10	7½	10	10	27/81	27/81	27/81
OIL COMPANIES							
Attock Oil	13½	13½	13 1/3	£1	sh. 30/-	sh. 32/6	sh. 36/7½
Burmah Oil P.	..	11½	22½	£1	sh. 54/9	sh.54/-	sh. 66/3
Indo Burmah Petroleum P.	25	22½	17½	10	18/12	19/25	21/87
Tide Water Oil	35	35	35	10	37/00	37/00	30/25
PAPER MILLS							
Bengal P.	27½	20	20	10	26/69	26/81	28/69
India Paper Pulp	13	12	15-15*	10	16/56	16/56	19/06
Orient Paper P	22½	22½	20	10	32/05	31/65	39/15
Shree Gopal Paper P.	17 6/7	17 6/7	18	10	25/25	25/50	25/19
Sirpur P	8½	8½	5	10	11/78	12/59	13/50
Star Paper P.	Nil	Nil	Nil	10	8/78	8/75	9/06
Titaghur P.	13 / 20 / 20	13 / 10 / 10	13-13* / 10-21* / 10-21*	2½PO / 10AO / 10BO	3/37 / 11/62	3/37 / 12/00	3/25 / 17/12
West Coast P.	7½	..	..	100	164/00	164/00	170/00
PRESSING COMPANY							
Camperdown	11	..	..	100	110/00	110/00	104/00
REAL PROPERTY STORAGE							
Bengal Bonded Warehouse	8	8	9	A500 / B62½ / C100 / D12½	1,250/00 / 125/00 / 186/00 / 45/00	1,250/00 / 125/00 / 186/00 / 45/00	1,050/00 / 125/00 / 122/00 / 14/15
Calcutta Safe Deposit	Nil	Nil	..	100	7/81	7/81	7/75
Humayan Properties P.	3 / ..	Nil / ..	.. / ..	10O / 1Dd	11/00 / 2/10	11/00 / 2/10	11/00 / 2/10
Midnapore Zemindary P.	Nil	Nil	Nil	85	33/75	33/75	11/00
TRAMWAYS & STEAMER							
Bengal Assam Steamship P.	7½	10	10	100	105/50	105/50	128/00
Calcutta Landing & Shipping	7½	22	6	10	21/00	21/00	34/00
Calcutta Steam Navigation	Nil	Nil	Nil	10	7/25	7/25	8/87
Calcutta Tramways P	5	5	5	£1	11/31	11/44	10/69
Fraser	..	..	..	10	10/00	10/00	10/00
India General Nav. Railway P.	Nil	Nil	..	£10	38/00	38/00	43/25
India Steamship P.	Nil	Nil	Nil	10	6/47	6/50	7/47
Port Shipping	Nil	Nil	12	10	17/12	17/12	14/75

*1964

SOUTH INDIA PLANTATION COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 8-12-64 Rs.	1-12-64 Rs.	A year ago Rs.
Amalgamated P.	10	10	...	10	9/21	9/21	10/01
Anandam P.	18	15	...	10	14/35	14/35	14/19
Athimattam	5	Nil	...	2	1/45	1/45	1/18
Balanoor P.	12	12	..	10	11/20	11/20	14/30
Balmadies P.	5	Nil	5-10*	2	2/10	2/00	1/78
Be Be P	5	Nil	..	5	2/35	2/38	2/27
Blue Mountain	10	10	10	2	2/20	2/20	2/67
Chembra Peak	20	20	20-25*	2	5/20	5/15	4/50
Cochin Malabar P.	20	20	12-12*	3	6/12	6/12	6/20
Coffee Lands P	12	9	..	10	17/50	18/50	15/50
Consolidated Coffee P.	20	15	..	10	25/30	25/25	21/85
Coonoor P.	15	17½	17½	10	16/80	16/80	17/83
Coorg P.	20	15	...	2	4/85	4/85	4/60
Cottanad Plantation P.	10	6½	...	10	9/50	9/50	9/31
Devashola (Nilgiri)	20	15	...	10	30/65	30/65	24/60
Devon P.	12	12	..	10	12/35	12/35	11/96
Emerald Valley	Nil	6	...	5	7/00	7/00	6/30
Gokul	10	10	...	2	2/03	1/90	2/23
Halleybaria P.	12½	11	...	10	12/25	12/25	12/40
Kailas	25	30	...	2	6/30	6/30	6/28
Kalasa Tea Produce	25	15	15	2	4/12	4/12	4/25
Kil Kotagiri P.	25	25	20	2	5/10	5/10	5/30
Lucky Valley	10	10	..	10	11/75	11/75	12/00
Malankara	16	14	14-16*	10	15/72	15/72	15/00
Midland Rub. & Prod. P.	12½	12½	10-10*	10	10/85	10/85	11/35
Nilgiri P.	10	10	..	10	8/50	8/50	8/35
Nonsuch	20	20	20	10	21/70	21/70	23/00
Ossoor	15	15	15	2	2/80	2/80	3/00
Ouchterlony	12	6	..	2	3/40	3/40	4/00
Parkside Neilgherry	22½	27½	25	10	24/00	25/20	27/50
Peermade P.	25	20	12½	10	20/75	20/75	20/56
Peninsular	20	20	17½	10	16/65	19/65	20/00
Periakaramalai	20	12½	15	2	3/72	3/75	3/44
Raiagiri Rub. & Prod. P.	20	20	..	10	23/00	23/00	18/00
Rajendra P.	25	20	...	5	12/00	12/00	10/45
Swinton	6	Nil	...	2	2/52	2/52	2/65
Teekoy P.	4	6	...	10	6/60	6/60	6/50
Thirumbadi	12	10	10	2	1/78	1/78	2/03
Travancore Rubber	12	12	..	10	11/75	11/75	11/25
Travancore Rub & Tea P.	10	10	..	10	8/70	8/25	9/35
Tropical Plantations	8	8	...	25	20/50	20/50	20/50
Twyfords	6	5	...	10	9/00	9/00	8/12
United Nilgiri	22	22	..	10	22/25	22/25	23/80
Vaikundam	30	35	..	10	34/30	34/30	33/75
Waterfall Estates P.	10	10	10	2	2/37	2/40	2/53
Woodland P.	10	Nil	..	10	6/50	6/50	7/50

† Kgs. * 1964

SOUTH INDIA COTTON MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 8-12-64 Rs.	1-12-64 Rs.	A year ago Rs.
Bangalore W. C. Silk P.	18	18	24	100	281/00	281/00	233/50
Buckingham & Carnatic P.	18	18	18	100	278/00	278/00	278/00
Cambodia P.	12	9	..	10	8/75	8/75	10/12
Coimbatore Cotton	16	9	..	100	170/00	170/00	169/00
Coimbatore Spg. & Wvg.	16	8	..	50	115/50	115/50	68/50
Kothari Textiles P.	8	8	6	10	8/28	8/28	9/35
Lakshmi	25	20	20-20*	50	132/00	132/00	135/50
Madura	30	15	15	15	35/15	35/15	34/00
Mettur Industries	30	22½	20	100	225/00	225/00	298/00
Palani Andavar P.	50	35	..	10	193/15	193/15	202/75
Vasanta P.	25	20	...	100	234/00	234/00	276/00

* 1964

SOUTH INDIA SUGAR MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 8-12-64 Rs.	1-12-64 Rs.	A year ago Rs.
Andhra P.	16	12	...	10	12/50	12/50	17/36
Cauvery P.	8	6	..	100	98/75	100/00	112/00
Deccan Sugar	12	18	18	5	10/60	10/65	12/47
E.I.D.—Parry	21 3/7	28 3/7	..	£1	35/65	35/80	37/95
Indian Sugar P.	10	8	8	10	8/90	8/90	10/25
Jeypore P.	15	15	...	10	16/25	16/50	16/00
K. C. P.	15	15	...	10	23/50	24/00	23/90
Kothari	Nil	Nil	Nil	10	6/20	6/20	7/00
Mysore	30	30	30	10	27/75	27/75	46/75
Travancore P.	7½	5		10	8/15	8/15	7/40
United Breweries	60	25	Nil-9*	10	23/78	23/78	33/25

* 1964

SOUTH INDIA MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 8-12-64 Rs.	1-12-64 Rs.	A year ago Rs.
Aluminium Industries	18	18	..	10	23/15	23/10	19/75
Andhra Cement P.	10	9	9-9*	10	9/90	9/90	9/87
Ashok Leyland	8	8	..	5	7/15	7/05	7/47
Binny	22½	21	...	100	265/00	265/00	228/00
Brunton & Co.	Nil	Nil	...	10	4/50	4/50	5/03
Enfield P	4	4	...	10	10/30	10/30	9/12
India Cement P.	9	12	...	5	5/06	5/03	5/70
Indian Steel Rolling P.	12½	10	...	10	9/75	9/75	10/40
Mettur Chemical Industrial P.	12½	13½	18½	10	14/00	14/20	13/30
Mysore Chem & Fert.	10	5	..	10	7/60	7/60	7/95
Mysore Chemical Mfgs. P.	20	20	...	10	15/50	15/50	16/70
Mysore Lamp P.	25	37	...	10	29/60	29/60	30/00
Mysore Paper	15	15	...	10	11/43	11/78	12/70
Mysore Tobacco	Nil	10	...	10	11/02	11/02	11/50
Parrys Corl	30	26	...	1	3/05	2/96	3/37
Spencer (Provisions)	18	18	...	10	21/50	21/50	20/37
Standard Motors P.	7	6	...	10	10/00	10/00	11/58
T Stanes P	15	32½	...	10	28/55	28/55	27/40
Textool	15	15	..	100	128/00	128/00	147/00
Tube Investments	10	10	10	100	176/00	176/00	228/00

* 1964

LIGHT RAILWAY AND ROPEWAY COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 9-12-64 Rs.	1-12-64 Rs.	A year per Rs.
Ahmedpur Katwa	1.90	1.75	...	100	25/37	25/37	26/00
Arrab Sasaram	5	5	4	100	31/62	31/62	29/50
Bankura Damoodar	1.90	1.75	..	100	25/37	25/37	26/50
Burdwan Cutwa	1.90	1.75	..	100	25/37	25/37	26/50
Chapramukh Silghat	2.90	2.80	2.40	100	30/00	30/00	40/00
Cherra Chhatak Ropeway	12	12	...	8	4/62	4/62	5/75
Darjeeling Ropeway	..	..	...	10	8/50	8/50	8/50
Dehri Rohtas	20	15	..	10	10/00	10/00	13/12
Futwan (Rampur	1.90	1.90	1.80	100	25/50	25/75	28/70
Howrah Amta (P)	5	4½	4	100	34/50	34/50	40/00
Howrah Sheakhala	5	4½	4	100	36/50	36/50	45/00
Katakhal Lala Bazar	3.10	1.90	..	100	41/00	41/00	41/00
Shahdara (Delhi)	3	Nil	Nil	100	51/25	51/25	52/00

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GLOOMY OUTLOOK FOR THE CAPITAL MARKET

EXCEPT for brief spells of speculative activity, the Indian stock markets have been sluggish and depressed for the greater part of the past year. At the beginning of 1964, hopes were high that the Budget which the Central Finance Minister, Mr. T. T. Krishnamachari, was due to present would end the long phase of depression which began in the middle of 1962, and was accentuated first by the Chinese invasion and then by the famous Morarji Desai Budget of February 1963. Mr. Krishnamachari's Budget, however, came as a disappointment and a shock; nothing that has happened since has made it necessary to alter first impressions that its effects on the private capital market would be extremely damaging. The fall in equity prices has brought serious losses to genuine investors, and the decline in turnover has affected the marketability of their holdings.

The damage that has been done is not fully reflected by the fact that the Reserve Bank's index for variable dividend industrial securities (base year 1952-53 equals 100) has fallen from 172.3 to 162.8 over the past year. The point has to be remembered that, despite a small improvement, the index was already at a very low level at the end of 1963. The worst effects have been felt in the new issue market. The volume of new flotations offered for subscription by the public has declined, and the response they have got has been extremely poor. Most of the issues have been left in the hands of the underwriters, and with very few exceptions the new shares are quoted below par. The Government has yet to realise that subscription by the underwriters does not solve the basic problem of attracting the savings of the people; the underwriters' resources are not limitless either. But perhaps the worst consequence of the stagnation of the new issue market is that the inflow of foreign capital has been discouraged; several projects involving collaboration from foreign investors have had to be dropped because the rupee capital could not be raised.

Against this background, the presidents of the recognised stock exchanges in India have submitted a thoughtful and timely memorandum to the Central Finance Minister, in which they highlight some of the important fiscal changes that are necessary to review the capital market. In the case of the new issue market in particular, they suggest one main change—that investments in new companies should be exempt from the wealth tax, and also from the capital gains tax. The case for exemption is sound. It rests primarily on the fact that those who invest money in new companies generally do not get a return for at least four or five years, since it takes the companies about that much time to reach a dividend-paying stage. It is wrong to add to the sacrifice implicit in waiting so long by forcing investors to pay wealth tax on their investments in new companies. Furthermore, when compensation for the long wait is forthcoming in the form of appreciation in the value of the new shares, the compensation is unjustifiably eroded by the capital gains tax. A major precondition for the revival of the new issue market, therefore, is that investments in new companies should not be subject to these two levies.

The new issue market, however, cannot flourish on its own; its prospects are inevitably bound with those for the market in older shares. Almost the sole support for the latter in recent months has been provided by such institutions as the Life Insurance Corporation and the Unit Trust of India; public interest has been negligible. From time to time, there has been a minor revival of activity on rumours that the tax structure for companies and for investors is about to be modified so as to reduce the burden on them. But the rumours have proved baseless so far; although several modifications have been made, their net effect has been to make the tax laws stiffer. The stage has now been reached where no relief can be expected until the next Central Budget is presented at the end of February. Investors may not be inclined to sell, since present prices are very low. But the inclination to buy will be strongly restrained by the thought that most shares are already fully valued in relation to their dividend yields. The average yield on ordinary shares at present ranges between 6 percent and 7 percent. This is hardly much at a time when good debentures yield around 7 percent and good preference shares yield more than 9 percent. Even banks pay around 6½ percent on their long-term deposits, and some companies have been paying up to 12 percent on the deposits they have invited from the public. Equity yields, in other words, have not kept pace with the general rise in interest rates. It is unlikely that they can, as long as they are depressed by the tax on dividends. In all fairness, the least that can be done is that dividends of up to 10 percent should be exempt from the tax.

The low level of equity yields might have been more acceptable if the growth prospects for the shares were good. But growth prospects have been undermined by the tax on bonus issues. This year, they have been undermined further by the decision to make bonus shares subject to capital gains tax in shareholders' hands. The Government has paid no attention to protests that the tax on bonus issues is unjustified since such issues are made out of reserves which have already been taxed. The capital gains tax on bonus shares is even more indefensible, especially since it is levied regardless of whether the shares are or are not sold. Apart from discouraging investment, the worst effect of such double or triple taxation is that it is distorting the capital structure of companies. The case for reform is strengthened by the fact that the revenue from all these taxes (including the dividend tax) is small in relation to the damage they have caused.

In the final analysis, a recovery in the stock markets will depend to a large extent on the personal savings of potential investors. The stiff taxes on personal incomes and wealth have reduced such savings drastically in recent years. Personal savings have also been seriously eroded by the rise in prices. As the economic situation is extremely grim and the uncertainties about the future are many, such savings as still exist are tending to go increasingly into investments which bring fixed returns. Among such investments, the choice is more and more in favour of those which carry tax exemption facilities. The success this year of the

small savings schemes and of the Unit Trust of India is in fact due in large measure to the existence of such facilities. In the process, however, the flow of risk capital into industry is suffering. The immediate prospects for the stock markets, therefore, are not particularly promising. The worsening of the foreign exchange situation, it is reported, has already led to a substantial cut in imports, which will badly affect the working of industry. Worried by the inflationary pressures in the economy, the Government is also retreating from the policy of decontrolling the prices of industrial commodities which was tentatively inaugurated a year ago. An improvement in industrial profits thus seems unlikely; a general economic recovery sparked off by a rise in agricultural production, together with major fiscal changes aimed at promoting saving and investment, may prove to be essential prerequisites for an improvement in the capital market.

FUTURE OF THE D.V.C.

SINCE the Central Minister for Irrigation and Power, Dr. K. L. Rao, made a statement in the Lok Sabha recently about reorganising the Damodar Valley Corporation "on functional lines", the future of the organisation has looked uncertain. For that reason, public interest in its affairs has increased. Some Rs. 160 crores of public money has so far been sunk into the D.V.C., from which great things were expected. The move to break it up has come as an anti-climax, and people are naturally anxious to know how the theory of "functional" reorganisation is going to work out in practice. Dr. Rao's statement was later clarified to mean that the D.V.C. would continue to function only as a power producing body, presumably under the Central Government, and the residuary assets would be divided between the two participating State Governments of West Bengal and Bihar as follows: irrigation for West Bengal and soil conservation facilities and fisheries for Bihar. Subsequently, a senior civil servant, who was once chairman of the D.V.C., is said to have been engaged for drawing up a reorganisation plan. When the scheme is finalised and accepted for implementation, the original concept of the unified development of the entire valley cutting across State boundaries will have died an unnatural death, and presumably no second attempt will be made to develop another area in the country on similar lines.

Even while the reorganisation scheme is being drawn up, West Bengal has posed some awkward questions to the Central Irrigation and Power Minister. According to one West Bengal Minister's statement, his Government will not take over the irrigation canals unless their navigability is assured throughout the year. Dr. Rao tried to evade questions about the implications of this statement. He did not clear doubts as to what would happen to the canals if the Water Transport Board which the West Bengal Government has set up to "examine the question of commercial operation" did not recommend the take-over, and in that case, who would have the responsibility for running the canals. West Bengal has not taken over the canals so far, although these would have been useful for irrigation purposes; it does not obviously intend taking them over in the near future.

It is, however, good that the D.V.C.'s power production programme has not suffered on account of the confusion and uncertainty. Its third plan power schemes are going through as scheduled. The first 140 MW unit of the Chandrapura station was recently commissioned. Of the remaining two (of the same capacity), one will go into production in March next year and the other by the middle of 1967. The Corporation already had a total installed capacity of 502 MW, consisting of two thermal and three hydro-electric power stations, the largest power generation capacity for any single system in the country. When all the three units of the Chandrapura station are commissioned (to which three more 140 MW units wil be added during the fourth plan period), and the capacity of the 150 MW Durgapur power station is enhanced by a third unit (of 140 MW capacity) in a few years' time, the D.V.C.'s total installed capacity for power generation will have gone up to 1,482 MW.

It is unlikely that either West Bengal or Bihar will welcome the D.V.C.'s power expansion schemes. They are jealous in guarding the authority of their own State Electricity Boards, but they are not voicing their opposition openly, presumably because the power needs of the region served by the D.V.C. system are growing fast, and neither of the two has a surplus of electricity from their own sources. The Central Ministry of Irrigation and Power is keen on pushing the national grid scheme through as quickly as resources permit, and that could be another reason why the States have not been protesting. A third, and more probable, reason is the prospect of getting a bigger sum as their share from the D.V.C. power undertakings, since the assets they are to inherit under Dr. Rao's scheme are not likely to yield much revenue.

Even if the D.V.C. functions smoothly as an Inter-State power producing agency after the proposed reorganisation takes place, a lot of questions will remain to be settled—about managing the waters of the dams and the control of the Durgapur barrage for example. The requirements of irrigation and flood control can at times become mutually conflicting. (The suspicion lingers that the devastating floods of 1959 were due to the wrong management of the dam waters by D.V.C. engineers.) Even if the control of the dams passes to the Centre, which the latter may exercise through the D.V.C., the problems will not be solved and all sources of friction will not disappear. The anti-soil erosion measures in the upper region of the valley lying in Bihar may have been completed, but the flood difficulties of West Bengal are still there. If the D.V.C. is broken apart and the responsibility for flood control in industrial West Bengal passes to this State, it will have to build embankments on the unprotected side of the lower Damodar. That will involve heavy cost. And those who control the dams or the barrage may not always be in a position, or may not be willing, to release as much water as the canals may require for irrigation or commercial navigation. The break-up of the D.V.C., therefore, does not provide an easy way out which it is made to look. But if the Governments of Bihar and West Bengal cannot agree to participate in a common national enterprise, there is no alternative.

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COTTON PRICES RISING

COTTON prices have been rising rapidly for some weeks now. Futures trading in Bombay had to be suspended on Wednesday of last week as the hedge contract rose above Rs. 775 for 3 quintals, the permissible ceiling for the predelivery period; unofficially, the March contract was bid up to Rs. 780. In the ready section, nearly all the varieties are commanding sizable preminus, ranging from Rs. 40 to Rs. 100 a candy above the statutory ceilings Spot prices have risen by Rs. 100 or Rs. 150 a candy from the lowest levels recorded during September-October. Never have cotton prices been so high, certainly not at this time of the season. Some of the varieties are quoted at an all-time record, and, on average, Indian cotton is about Rs. 250 to Rs. 300 a candy costlier than the comparable foreign variety.

That cotton prices should have pierced the ceilings—and so very early in the season—is bad enough, because it reduces the price control scheme to a farce. What makes the situation appear much worse is that prices have been pushed to fantastic levels even when the overall supply of the commodity is regarded as reasonably satisfactory. Despite the downward revision of the crop estimates due to partial damage in certain areas of Khandesh and Punjab, the 1964-65 crop is expected to be not below 6 million bales. With a record carryover of 2.6 million bales and probable imports of 950,000 bales, the total supply should be sufficient even if the consumption of mill increases.

The view is widely shared, in both official and unofficial circles, that the rise in cotton prices is quite unwarranted. While pointing out that there was enough cotton to meet the industry's requirements, the Central Minister of Commerce, Mr. Manubhai Shah, conceded in the Lok Sabha recently that cotton prices had in some cases pierced the statutory ceilings. It is surprising that the Central Minister should have mentioned the fact without saying what action had been taken to make cotton available to the industry within the ceiling rates. Surprisingly, too, the authorities have remained as idle spectators. The Forward Markets Commission can scarcely take credit for having prescribed a heavy margin on all "long" positions above Rs. 775. This margin is practically useless as it will not become operative during the predelivery period, that is, up to the end of February. No business can be officially recorded above Rs. 775 until the end of February. Of course, it is the spot material that really matters, and only New Delhi is competent to take action which can have an impact on the course of spot prices.

It is amusing to find an official of the Central Commerce Ministry stating that "with the cooperation of the mills, the trade and growers, conditions in the cotton market would settle down soon." Any difficult situation could be tided over if all the conflicting interests decided to co-operate. But the important question is: what is to be done when the necessary co-operation is not forthcoming? That cotton prices should have been pushed to fantastic levels in spite of a reasonably satisfactory supply proves that the various interests are unwilling to co-operate. Enquiries from informed sources show that the cotton crop is moving to the market at an extraordinarily slow pace. The crop is not bad, but stocks are being tightly held by growers, co-operative societies and ginning factories It should not be difficult to discourage the holding of stocks if appropriate measures are taken. The margin on advances against cotton could be stepped up appreciably in order to make holding of stocks difficult and costly, and holding of stocks in excess of prescribed limits could be prohibited. Requisitioning and compulsory survey need to be introduced immediately and persons found guilty of contravening the law should be severely punished.

Mills may have to be allotted quotas for buying indigenous cotton, the size of the quotas being determined according to the movement of the crop. Speculative activity will have to be discouraged through a scheme of rigorous margins

made applicable at substantially below the prevailing prices. It is preposterous to suggest that the rise in prices cannot be checked effectively. All that is needed is firm action and honesty on the part of the administration entrusted with the task of implementing price control. Price control has no meaning if it cannot be enforced. The question of keeping cotton prices in check is of particular significance in view of the partial control over cloth production and prices. If cotton prices cannot be held down, it will be difficult to resist the industry's plea for an upward revision of the prices of controlled varieties. It is hardly necessary to emphasise the need for expediting the import of foreign cotton. The Government has done well in releasing a global import quota for 214.000 bales of cotton, including 70,000 bales from Pakistan.

Current News and Comment

Examining Industrial Licensing

The Central Ministry of Industry and Supply has recently set up a study team to enquire into the working of the Directorate-General of Technical Development. The study team is required to examine the organisation, structure, method of work and procedures of the D.G.T.D., particularly with a view to locating the points at which delays occur, where bottlenecks exist and where administrative failures are possible and suggest measures for improvement so that opportunities for corruption are eliminated. Industrial organisations are being asked to express their views on the working of the D.G.T.D. and offer suggestions for its improvement. The memorandum submitted to the study team by the All India Manufacturers Organisation (A.I.M.O.) contains many valuable suggestions, which, if properly implemented, would go a long way in removing several avoidable hardships suffered by entrepreneurs. These suggestions are the outcome of the difficulties faced by the industrial community in setting up and running industrial enterprises.

The A.I.M.O. has rightly urged the Government that a properly phased programme of industrial licensing should be evolved and implemented by the D.G.T.D., keeping in view the expected yearly availability of foreign exchange during a five-year planning period. Experience shows that licences were issued almost to the targeted capacity even before the commencement of a five-year plan period or in the first year of the plan. This led to bottlenecks in foreign exchange, transport and the like by the middle of the plan period, thereby resulting in the imposition of drastic restrictions on imports and industrial licensing. The memorandum has suggested that there should be better co-ordination between the D.G.T.D., Central Ministries of Industry and Supply, Commerce, Finance and the Planning Commission in order to evolve a properly phased programme of industrial licensing. To avoid complaints that entrepreneurs were not given adequate opportunity to submit their applications, it has been suggested that full publicity should be given throughout the country at the commencement of every year to the capacity that would be licensed for various industries during the course of the year. It is also suggested that the D.G.T.D. should have a service department to inform entrepreneurs about the capacity position relating to an industry. This will be possible if the Directorate keeps an up-to-date well-indexed record of the capacities visualised, capacity booked and capacity open for licensing of various items.

Another important work of the Directorate is to assist industries in the procurement of raw materials, essential building materials like steel and cement, capital goods, fuel, electric power, transport facilities, etcetera. The large amount of idle capacity in various industries indicates that the Directorate's work in this matter is not quite satisfactory. The A.I.M.O. has suggested that the D.G.T.D. should be charged with the responsibility of reviewing the problems of each industry every year and of recommending prompt remedial measures. On-the-spot study of important industrial establishments is considered very necessary, particularly in view of the Government's stand that additional industrial licensing capacity should be allowed to be established only when the production required cannot be secured from the optimum working capacity of existing units.

The A.I.M.O. has stressed that the D.G.T.D. should have a separate directory of all products made in the country and make it readily available to actual users; a brief reference to the directory should be adequate to examine the application from the indigenous angle. As the preparation of such a comprehensive directory, product-wise and manufacturer-wise, will take time, it is suggested that in the meantime, the system of block licensing should be extended to every unit registered with the Directorate. On the basis of the value of licences granted to these units in the past, a ceiling of foreign exchange should be allotted from half year to half year and all these units should be permitted to import whatever permissible items they wish within that ceiling, without prejudice to the interests of the indigenous manufacturers. The memorandum has also suggested that letter of intent should be granted wherever licensing capacity exists, not only for key industries but also for other industries and this should be equally applicable whether the industry is large or medium. It is said that some of the technical officers who process the applications are not fully aware of the latest rules and regulations. Even when a request is made for the issue of a letter of intent, the officer concerned insists on having all the detailed information. Thus the very purpose of the issue of a letter of intent is nullified.

Value of the Rupee

The erosion in the purchasing power of the rupee in recent years came in for strong criticism in the Lok Sabha recently. The observation of the Dean of Allahabad University a few months ago that the rupee was now worth only 17 paise, compared with its value 17 years ago, provided much ammunition to critics. Both Congress and Opposition members argued that the rupee had lost as much as 83 percent of its value during this period. The reply from the Treasury benches was notable for its evasiveness and was aimed more at deflecting the argument than at answering critics. The Minister of State for Finance, Mr. B. R. Bhagat, stated that there was no precise measure of the value of the rupee, although in the same breath he added that price indices were used to measure the changes in its value.

While the precise measurement of the loss suffered by the rupee may be left to academicians, it cannot be denied that prices have shot up in recent years, particularly in the last few months. The wholesale price index in mid-November this year stood at 156.8 (base year 1952-53 equals 100), which represents a rise of 22.4 points compared with a year ago. The wholesale price index does not tell the whole story since it understates the sharp rise in the price of essential commodities and does not reflect the much higher level of retail prices. Mr. Bhagat admitted that the index showed a rise of about 100 percent over the past 17 years, but added that nearly half of the increase took place in the postwar and post-partition inflationary phase which lasted until 1951. He claimed that the increase between 1961 and 1963 was small. It may be true that the earlier rise in prices was due to special factors, but can the rise through the subsequent years be explained in such terms? And when the special factors ceased to exist, did prices respond to the change? It is ironical that prices should have continued to rise and established new records during the three plans, which are supposed to be aimed at ushering in an era of plenty. During the year ended June 1964, the increase in wholesale prices, according to the Reserve Bank of India, "was larger than in any previous year, except 1955-56, since the commencement of the five year plans in 1951" There may be a divergence of opinion about the extent of erosion in the value of the rupee, but there can be little doubt that public tolerance of inflation is fast wearing out.

While factors like the stagnation in agricultural output for three successive years and the big increase in population have undoubtedly been responsible for the pressure on prices, the Government cannot absolve itself of blame. The reckless pursuit of inflationary monetary policies, notably deficit financing, is a major cause of the rise in prices. The safe limit of Rs. 550 crores for deficit finance suggested by the planners for the entire third plan period was crossed when the plan was half-way through. The authorities have been expanding money supply at the rate of 10 percent to 13 percent a year, when the real output has been rising at an average rate of only 3 percent. A rise in prices has thus become inevitable. A greater measure of financial discipline on the part of Governments, both at the Centre and in the States, would have considerably reduced the pressure on prices. Mr. Bhagat mentioned that the prices in many countries had shown an even bigger rise than in India, as if this were an extenuating factor. It may be true that prices in other countries too have risen, but this is poor consolation for the people of India.

Oilseeds Prices Reach New High

Oilseeds prices keep soaring. Castorseed, linseed, cottonseed and groundnut—all were bid up to new high levels for the season. In Bombay, castor and linseed futures rose beyond their respective ceilings (valid up to the end of January) of Rs. 190 (a 250 kilograms) and Rs. 45 (a 50 kilograms) and were bid up to Rs. 192 and Rs. 46.50 in unofficial dealings. Cottonseed futures rose to Rs. 116.50, which is only Rs. 1.50 below the ceiling of Rs. 118 (a 250 kilograms). Groundnut futures crossed the second marginal line of Rs. 103 (a 250 kilograms) and rose to a high of Rs. 108 in kerb dealings; official trading had to be suspended at above Rs. 103.90 because of the limit on the price rise during any week. The rise in oilseeds futures since about the beginning of November has been spectacular. In a matter of some six weeks, groundnut futures have risen by almost the full range in the previous season, and at its last week's high of Rs. 108, groundnut futures are substantially higher than the ceiling prescribed for the 1963-64 season. With castor and linseed quoted above the ceilings, speculative activity is now virtually confined to groundnut and here again, only the big and resourceful operators can afford to trade because of the penal margin of Rs. 10,000 a 25 metric tons—the minimum unit of trading—on all purchases.

Never have oilseeds prices been quoted so high at this time of the season, as they are quoted at present, suggesting near-famine conditions in the market. The phenomenal rise in oilseeds prices has intrigued most observers as the overall supply position of oilseeds this season is considered to be much better than in the previous one. The groundnut crop is reported to be much larger than the 1963-64 harvest, and the outlook for mustardseed and rapeseed and linseed crops is believed to be fairly promising. What is more, the export of groundnut oil has not been permitted this season so far, whereas considerable export sales had been effected by now last year. In spite of a better harvest, marketable supplies of groundnut have continued to be restricted, especially in Bombay. This is because, Gujarat State, which is the main source of supply of groundnut for Bombay, has banned the export of groundnut outside the State. The export of groundnut oil from Gujarat is allowed, but the supply of oil has failed to catch up with demand. This is partly because Gujarat is unable to crush all the seeds that keep flowing to the market.

Apart from the restricted flow of groundnut and groundnut oil in Bombay, bullish sentiment in oilseeds last week was greatly helped by the Government's decision to allow the export of groundnut H.P.S. on the basis of shipping bills. The export of groundnut had never been banned officially, but no shipping bills were being passed by the authorities since the end of June. Export sales in groundnut so far are estimated around 25,000 tons. In spite of the pressing need to augment the scarce foreign exchange resources, the Government's decision allowing the export of groundnut H.P.S. has evoked sharp criticism because even

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without exports, edible oil prices have risen to levels which are beyond the reach of the common man.

The current season has run hardly two months and groundnut oil is already quoted around Rs. 23 (a 10 kilograms). Yet another factor which has influenced the course of oilseeds prices in the past week or so is the receding prospect of securing all the 75,000 tons of soyabean oil from the U.S.A. under P.L. 480 at an early date. Latest reports indicate that hardly 25,000 tons are likely to reach the country by March-end, and the remaining 50,000 tons will be spread over a further period of six months. In view of the steep rise in soyabean oil prices over the past few months, it is not unlikely that the *vanaspati* industry might press the Government of India to arrange for the import of cottonseed oil instead of soyabean oil. The Government's export policy for groundnut and groundnut oil and the supply of edible oils from abroad have no doubt a significant bearing on the future trend of edible oil prices in the country. But despite improved supply, there is a distinct danger that edible oil prices might continue to soar if the Government does not take effective steps to discourage speculative tendencies. Holding and hoarding of stocks must be discouraged at all levels—even at the grower's end. There are no indications yet that the Government is willing to act firmly, but if the necessary action is delayed for long, the situation might well get out of control.

Modernising the Cotton Mills

The difficulties of the Indian cotton mill industry relate not only to the restrictions on its expansion and adequate supply of cotton at reasonable prices. They also relate to the problem of building up internal resources for rehabilitation and the modernisation of its old and outmoded machinery. Since the indigenous supply of machinery is limited both in quantity and variety, the industry needs to be assured of adequate foreign exchange for imports. That nearly 50 percent of the machinery used in cotton mills is as old as 40 years or more is common knowledge. If the industry is to hold its own in export markets, and improve its performance, if it is to increase the supply of cloth in the domestic market, and that at cheaper prices, the modernisation and expansion of the mill industry is urgent and imperative.

The Planning Sub-Group on Cotton Textiles has estimated that for the expansion of the spinning and weaving capacity of the industry, Rs. 92 crores will have to be invested during the remaining two years of the third plan and Rs. 225 crores during the fourth plan, making a total of Rs. 317 crores. To this has to be added the requirements for rehabilitation. The industry has actually been spending at an annual rate of Rs. 40 crores on rehabilitation. This requires to be stepped up considerably in view of the rising prices of machinery and the need to accelerate the pace of rehabilitation. But even on the assumption that investment in rehabilitation remains unchanged at the level of Rs. 40 crores a year, the finance required for rehabilitation for the remaining two years of the current plan and the fourth plan period will be Rs. 280 crores. Together with Rs. 317 crores required for expansion, the total financial needs of the cotton mill industry up to the end of the fourth plan will be of the order of Rs. 597 crores. The cost is bound to go up with the rise in machinery prices.

The Indian Cotton Mills Federation has submitted a memorandum to the Central Ministry of Finance seeking specific fiscal relief in the forthcoming Budget in order to enable the industry effectively to implement its programme of modernisation and expansion. The Federation points out that in the present state of the capital market, it is difficult for new textile units to come into being. Even if part of the expansion is entrusted to new units and financed by them through resort to the capital market, the requirements of the existing units for the expansion already allowed and that which may be allowed, as also for rehabilitation, will be substantially in excess of Rs. 400 crores. The Federation says that with the low profitability of the textile industry, it may be possible to raise only a small portion of this amount in the form of fresh capital. The industry, therefore, will have to obtain most of the funds from internal resources and borrowings. But the internal resources are being fast eroded. The Federation has cited figures from its study of a very large number of companies covering the period 1955 to 1959 and 1961 to 1962, to support its contention concerning the depletion of internal resources The Federation has argued that the internal resources should be adequate to meet the growing requirements of working capital. There is an even more important reason why the industry's internal resources must expand. The mills will have to continue to rely heavily on borrowings for financing the bulk of their investment programme. Not only has the cost of borrowing been increasing, but it is becoming increasingly difficult to obtain loans. In the circumsftances, it is all the more necessary for the industry to be able to attract loans by presenting a better picture of its finances. The Federation has told the Central Ministry of Finance that the cotton textile industry should be included in the list of industries of national importance which have been given rebate in income tax and super tax. It has also pleaded for the grant of development rebates on a more liberal scale, as has been done in the case of the coal and shipping industries.

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THE INDIAN REVENUES

THE Revenue of India has increased in a remarkable manner during the past quarter of a century, but the expenditure has increased also During the twenty-five years, ended 31st March, 1903, there have been deficits on only nine occasions, but they totalled 12¾ millions sterling; the last five years, however, have all shown a surplus amounting to 15 millions and the remaining eleven years yielded nearly 12 millions more. The net result for the twenty-five years being a surplus of 14¼ millions sterling. The following figures of Revenue and Expenditure are interesting:—

	Revenue	Expenditure
	£	£
1878-79	45,962,977	44,539,912
1882-83	49,353,063	48,903,172
1887-88	53,325,096	54,677,650
1892-93	60.086,914	60,642,522
1897-98	64,257,207	67,830,014
1902-03	77,434,915	74,365,366

The interest paid by India on her ordinary debt is comparatively small, only £1,435,250. For railways it amounts to £4,689,121 and for Irrigation Works £969,105 making a total of £7,093.476, the rupee being taken at 1s. 4d. To the Revenue of £77,434,915, the Land and Railways account for a half, indeed the great increase in revenue is due to railways which contributed a gross revenue of £20.133,900 and the net revenue from which pays the interest on the total public debt. The great item of expenditure is, of course, the Army, which takes £17,346,392 The total public debt at the end of 1902-03 was £209,792.440, but the railways more than pay for all the interest on it.

FROM

CAPITAL

15th December, 1904

A Ditcher's Diary

FEW ANY LONGER THINK THAT CHINA IN THE UNITED Nations is more dangerous than China without; the latest explosion, beastly and crude, has only underscored India's old and very sensible policy on the question. It is, however, obvious now that, since the autumn invasion of 1962, there has been some rethinking in New Delhi, mostly, as it appears, on barren lines. Then there appears to have been some re-rethinking. Thinking never did a bureaucracy any harm; but I get worried about New Delhi because thinking is frequently engineered—a process more technological or financial than mental. From the point of view of political morality, there was never any reason to review the stand that Peking should occupy the seat now filled by Formosa, although the active rôle taken by India to seat communist China at the United Nations might quite forgivably be abandoned after what China has done to India. What is suggested by the latest reports from Delhi is that in the Government of India there is in progress a very alarming cold war. One part of the bureaucracy does not much mind identifying itself with the U.S. State Department; and another has vague, perhaps not so vague, sympathies with ideas usually associated with what Mr. Krishna Menon and his group stood for. Mr. Swaran Singh has not been in the External Affairs Ministry long enough to find out; but he does need to sort out his men abroad. For reasons I will not go into on this occasion, Mr. Nehru permitted a kind of dyarchy in the Indian Foreign Service; it was by no means uncommon once to see in an Indian mission abroad two strands of thought and action, frequently to the annoyance of the chief of the mission. This is no longer necessary, for neither Mr. Shastri nor Mr. Swaran Singh is out to lead the world or even Asia. It is now possible to present India as a country which is more worried about itself than about the rest of the world. The world outside, I am sure, will be more appreciative of this modest image. If China behaves differently, why must we weep? During the war I remember a cartoon in which a patient U.S. sergeant sought to be reasonable with the Chinese and told his G.I., "Be tactful with these Chinks; say, 'O.K. China is bigger than Texas'."

WHETHER INDIA REALLY NEEDS A 1,000 KW TRANSmitter, medium-wave, together with two short-wave sisters to keep company, is not a question I want immediately to consider; for some people the only principle apparently is "the more the merrier". What I want to ask is, if India could *afford* to buy three such transmitters, why has it taken New Delhi eighteen months or more to take the simple decision? If all three could be bought just like that, for rupees that few seem to care for, why this delay? There is, I suggest, something wrong in a set-up in which even a choice involving little or no financial commitment takes months and months. The country knows that the original A.I.R.-V.O.A. deal has not to this day been fully explained I simply do not believe that the agreement was reached, like the acquisition of the British Empire in India, in a fit of absentmindedness. Who made those arrangements, and for what considerations? The Russian offer is still vague enough; one can never be certain what the Russians said and what we are being told the Russians did in fact offer. Are there, again, political strings, such as the A.I.R.-V.O.A. deal had? It is all very well for Mrs. Indira Gandhi to say that the transmitters are intended not merely to counter Chinese propaganda but also to project India's image to south-east Asia. What sort of image? This Mrs. Gandhi has not yet spelled out; and I don't blame her at all. There is no such thing as an Indian image, unless one thinks of the Nataraja, which presents several secular difficulties, or of the Air-India Maharajah which has its own limitations. Expansion is by now accepted as an achievement in itself; so it is not surprising that Mrs. Indira Gandhi was cheered when she announced the deal with the Russians. The earlier announcement that A.I.R. was going to broadcast for longer hours at home may also have been welcomed. It remains necessary to ask *what* is going to be broadcast in the extra hours. The new Minister for Information and Broadcasting has evidently brought some new thinking; it will be good to know that it is not exclusively in terms of quantity. An ounce of sense or genuine entertainment remains more valuable than 1,000 kW of gibberish.

THE BEST ADVICE I CAN GIVE BUSINESS MEN IS never to take too much notice of good advice—not unless they read it in *Capital*, that is. No breed is more subject to the well-intentioned sermonising of others, but for all the use most of it is, the best thing to do is to disregard it altogether. In that spirit, then, I offer below, together with a few of my own remarks in brackets, ten commandments for business men drawn up by the Bishop Suffragan of Pontefract, in England, the Right Reverend Eric Treacy. I have taken them from the recent issue of a British newspaper, and I must leave it to my readers to decide the author's qualifications for proffering such advice. One: Thou shalt not flap. It produces nervousness and irritability in persons on a lower level. Two: Thou shalt not put thy business before thy family. Becoming a stranger to one's children is too high a price to pay for commercial success. (Especially at prevailing levels of taxation?) Three: Thou shalt learn the art of delegation. Four: Thou shalt encourage criticism. (I cannot speak for Britain, but in India a business man does not have to.) Five: Thou shalt neither eat nor drink too much, but shalt seek temperance in all things. Six: Thou shalt be without prejudice. Do not dismiss new ideas because they come from a source you do not like. (This is asking too much of human nature; and in any case is probably more applicable to Governments than business men enthused with the profit motive.) Seven: Thou shalt be forward-looking. (Good advice for anybody this.) Eight: Thou shalt not covet thy neighbour's house, car, wife, secretary, works manager, or anything that is his. (Which looks to me like the perfect example of confusing personal ethics with business ones; the coveting of efficient employees and superior facilities and equipment is surely one of the more important forces making for mobility and progress in business.) Nine: Thou shalt not burn the candle at both ends Taking work home is a dangerous habit showing lack of discipline. (For underworked divines, maybe.) Ten: Thou shalt not let another take thy place in staff relations. (Odd this one, after number three.) So there you have them for what they are worth. All rather axiomatic perhaps? I think so; where they are not in fact irrelevant. But I suppose one must be patient. Business is like journalism. Everybody thinks he knows better than the professional how the job should be done.

TWO LIONS, INSTEAD OF ONE, ARE NOW AT LARGE IN Kashmir. If Mr. G. M. Sadiq still seems reasonably unafraid, there may be two reasons. In the first place, Sheikh Abdullah's ten years or so in jail cut him down to size more than somewhat. In the second, Bakshi Ghulam Mohammed was always wearing a mane made in Delhi. It is amazing what a term out of office will do to most politicians, a tribe of "paper tigers" if ever there was one; and in this respect Sheikh Abdullahs differ not at all from Khrushchevs. Yet I cannot shake off the feeling that all is not well in Kashmir. Even as in Punjab Mr. Pratap Singh Kairon has begun to show signs of continuing interest in politics, the Sheikh and the Bakshi in Kashmir retain considerable political support of a sort than can at very short notice create mischief. Then look at Mr. Biju Patnaik and Mr. Biren Mitra of Orissa or Mr. Nijalingappa of Mysore. The more I look at the different States of India in their disarray the more I feel that the Centre's total incapacity to tame the States stems from New Delhi's own lack of cohesion; I am almost convinced that all the

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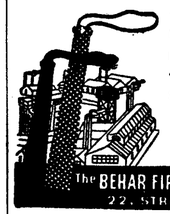
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warring factions in the States are able to continue their fighting mainly because they all have their respective backers right there in Mr. Shastri's Cabinet or on its periphery. The time may be fast approaching when Mr. Shastri, or someone else in New Delhi, will have to say that he will stand this nonsense no more and be prepared to go out of politics. Of compromise, leading not to genuine unity but only to public hypocrisy, the country has had quite enough. Mr Atulya Ghosh's recent statement on what for obscure reasons has come to be called the "little A.I.C.C." at Ranchi seemed to me to be another pointer to great schisms at the top; it could be construed as a challenge at once to the Prime Minister and the Congress President; and Mr. Ghosh is not the kind of politician who will attack anyone without being reasonably certain of injuring him. Parliament has lately heard much about integrating Kashmir. How about integrating some other parts of the country which do not live under the supposed shadow of Article 370?

ONE EXPRESSION OF THE MUCH-CHERISHED ASIAN inferiority complex is the old claim that the atomic bomb would never have been dropped on Japan had it been a European country. This has always seemed to me to be the epitome of nonsense, but the only real way to refute an assertion of this kind is to ascertain whether or not it was ever intended to drop the bomb on Berlin if Germany had not surrendered in the meantime. I had always hoped that when the history of the whole affair came to be written it would throw some authoritative light on this point. Well, it has been now, and it doesn't. The official historian of Britain's atomic energy programmes, Margaret Gowing, whose *Britain and Atomic Energy, 1939-45* has recently been published, claims to have found only two documents in the British Government's wartime archives which express doubts about using atomic bombs against Germany and Japan. On the other hand, she does not appear to have found anything which suggests a decision was actually made to drop the bomb on Germany if it had been ready in time. The doubts seem mainly to have centred on whether either country should be given advance warning and offered the alternative of unconditional surrender first. Mrs. Gowing's own verdict on the question is summed up thus: "My opinion from the general flavour of the documents is that the bomb would have been used to end the war against Germany if it had been ready in time". And that, I suspect, is about as near as we shall ever get to the truth. In the event, the decision to use the bomb on Japan was made by the United States, although with formal British approval, Britain having merged her development effort—which was the pioneering one, incidentally—with the Americans to avoid duplication. For myself, I have not the slightest doubt but that the bomb would have been used against Berlin. After what the Allies did to Hamburg and Dresden, to mention only two examples, the obliteration of Berlin, even by atomic means, would have presented no problems of conscience at all.

THE PROFESSOR OF ANATOMY AT THE HOSPITAL was excellent at his job, but he *would* tell racy stories during his lectures. This was all very amusing for the young men, but rather embarrassing for the female interns who finally decided to walk out the next time the Professor overstepped the mark.

The Professor, however, got wind of this plan just before the next day's lecture.

As he took his place on the platform, there was an air of taut expectancy. Removing his pince-nez, he began:

"I heard a rather amusing little story the other day. As you know, or may not know, there is a dire shortage of night-club hostesses in Paris at the moment and so . . . . . ."

The girls in the class exchanged glances and made for the door in a body.

"Ladies, ladies!" called the Professor. "Your enthusiasm is laudable, but the next plane does not leave until tomorrow afternoon."

THE DITCHER

Guide for Investors

METAL BOX PAYS INTERIM ON INCREASED CAPITAL

THE Metal Box Company Of India Ltd has declared a taxable interim ordinary dividend of 6 percent for the year ended March 1965. This interim distribution absorbs Rs. 19.32 lakhs. It absorbed Rs. 14.49 lakhs for 1963-64. The increase is due to the fact that the present interim has been declared on the ordinary share capital which was doubled in February 1964. by the issue of rights shares in the proportion of one new share for each one held at a premium of Rs. 2.50 a share.

The directors have stated that the increase does not imply that there will be an equivalent increase in the final dividend, but is designed to reduce the disparity between the interim and final dividends. Judging by this observation the stock market thinks that the final dividend has been left an open question. It seems to interpret that the intention of the directors is to pay at least the same final dividend as was paid for 1963-64. It was given at the rate of 9 percent on the increased capital and absorbed a sum of Rs. 28.98 lakhs. If the final for 1964-65 were repeated at 9 percent, the total distribution for the year would amount to 15 percent, compared with 18 percent for 1963-64. But in the latter year, the interim of 9 percent was paid on the smaller capital while the final of 9 percent was given on the increased capital. On the basis of a 15 percent dividend the ordinary shares at Rs. 30.25 would give a yield of 5 percent. In that event the shares would look almost fully valued. But it is necessary to bear in mind that the prospect for a bigger final for the current year cannot be ruled out, although it will depend on what the profit for 1964-65 will allow.

Outlook for Scindia Steam Good

IN his statement which has been circulated to the shareholders of the Scindia Steam Navigation Co Ltd along with the report and accounts of the Comany for 1963-64, Mr. Dharamsey M. Khatau, chairman, takes a fairly optimistic view of the outlook for the current year. The results for 1963-64 have been good. Nevertheless, the good effects of various freight increases were more than offset by increased operation costs as freight rises were effective only for a part of 1963-64. The shortage of cargoes on liner services has caused concern. He says there is no point in encouraging new Indian shipping lines in those spheres where the Conference lines are giving adequate service. Commenting on the increase in operation costs, he mentions strikes in ports here and abroad. Delays in Indian ports have been quite serious. There have also been substantial increases in stevedoring costs and cargo-handling charges. Unless the Government takes steps to improve working conditions in various ports, the shipping companies will find it difficult to operate at a reasonable profit. As for coastal shipping, the freight structure is not only unremunerative but the shipping companies have also been not provided with enough cargoes. It is necessary to earmark a certain quantity of traffic for coastal shipping to make it self-supporting.

The Company has added light vessels to its fleet during 1963-64. Scindia Workshop Ltd, a subsidiary, has taken steps to diversify its activities without disturbing its main business of ship-repairing. The factory has begun to undertake considerable orders from outside parties. Bombay Steam Navigation Co. (1953) Ltd, another subsidiary, has resumed its services from 11th October, 1963. (Details of the statement are printed on a later page in this week's issue of *Capital*).

Blundell Eomite Paints to Raise Capital

BLUNDELL Eomite Paints Ltd, which is embarking on a major programme of erecting and equipping an entirely new factory in Thana to replace, modernise and overcome the limitations of its existing factory in Byculla (Bombay), proposes to enter the capital market about the middle of January with a public issue of 124,909 equity shares of Rs. 10 each at a premium of Rs. 8 a share. The Company has been licensed to expand its capacity to 4,000 tonnes of paints and enamels and 1,300 kilolitres of varnishes a year. Its installed capacity for synthetic resins is 486 tonnes a year. The capital outlay on the expansion scheme is estimated around Rs. 89.55 lakhs, of which the Company has already raised Rs. 21 lakhs through a rights issue in October 1963 and Rs. 1.07 lakhs by issuing 5,091 shares of Rs. 10 each at a premium of Rs. 10 a share to the members of the staff in April 1964.

The proposed public issue will provide Rs. 22.48 lakhs, including the premium. The balance of Rs 45 lakhs will be raised by way of a term-loan from the Industrial Development Bank of India for which an application has already been made. The Company has already secured a licence to import Rs. 7.65 lakhs worth of plant and machinery. The Company manufactures and markets an extensive range of well-known paints, including a number of branded products of Blundell Spence and Co. Ltd. The range of products covers a comprehensive range of surface coatings for structural, maintenance and decorative purposes and industrial finishes for a host of specialised purposes.

The authorised capital of the Company is Rs. 75 lakhs and the present paid-up capital is Rs. 42.25 lakhs. Its reserves and surplus aggregated Rs. 25.41 lakhs on 30th June, 1964. The Company has made good progress in recent years. Its sales have risen from Rs. 1.23 crores in 1959-60 to Rs. 2.10 crores in 1963-64, and the gross profit increased from Rs. 14.94 lakhs to Rs. 36.04 lakhs. The gross dividend for 1961-62 and 1962-63 was 80 percent, but no dividend was declared for 1963-64 with a view to conserving resources. The directors believe that in the absence of adverse circumstances it will be possible to declare a dividend of 17 percent on the increased capital for 1964-65. With the new project gradually coming to fruition, the profits in future are expected to show an increase consistent with the growth of the Company. The entire public issue of 124,909 equity shares made at a premium of Rs. 8 a share has been underwritten.

Kirloskar Electric Results Impress

THE working results of Kirloskar Electric Co. Ltd for the year ended June 1964, fully justify the directors' decision to step up the dividend from 10 percent to 12.5 percent. Apart from the increase in the dividend, the directors have also recommended the issue of bonus shares in the proportion of one share for every three shares held by capitalising Rs. 20.45 lakhs from the general reserve. The bonus issue is subject to the approval of the Controller of Capital Issues and the Industrial Finance Corporation of India.

The Company's turnover during 1963-64 at Rs. 5.49 crores shows an increase of about 21 percent over the previous year's figure of Rs. 4.55 crores. The gross profit has increased by nearly 30 percent from Rs. 83.25 lakhs to Rs. 1.08 crores. The ratio of gross profit to sales has gone up from 18.3 percent to 20 percent.

Appropriations include depreciation Rs. 14 lakhs (against Rs. 13.85 lakhs), development rebate reserve Rs. 4.50 lakhs (against Rs. 4.13 lakhs), taxation Rs. 51.75 lakhs (against Rs. 31.35 lakhs), general reserve Rs. 15.12 lakhs (against Rs. 4.25 lakhs), loan redemption reserve Rs. 1 lakh (the same), rehabilitation and modernisation reserve Rs. 2.75 lakhs (against Rs. 2 lakhs) and dividend equalisation reserve Rs. 1.50 lakhs (against nil). The proposed dividend will absorb Rs. 7.67 lakhs (against Rs. 6.13 lakhs), leaving a nominal surplus of Rs. 113 to be carried forward, against Rs. 578 brought in. The directors state in their report that the Company has continued to maintain good progress in the production of electric motors, transformers and alternators. It is expected that the rated capacity of welding generators, the production of which was taken up recently, will be achieved within a year. The Central Government has issued a letter of intent concerning its proposal to manufacture flame-proof motors and alternators up to 1,500 kVA. The Company has negotiated a foreign exchange loan worth Rs. 38.84 lakhs for the import of plant and machinery and steps are being taken to purchase the capital equipment.

North Bihar Sugar Resumes Dividend

NORTH Bihar Sugar Mills Ltd has declared a taxable ordinary dividend of 10 percent for the year ended June 1964, after a long interval. The profit has risen from Rs. 3.72 lakhs for 1962-63 to Rs. 12.81 lakhs for 1963-64, after providing Rs. 2.10 lakhs (against Rs. 1.87 lakhs) for depreciation and Rs. 7.000 (against Rs. 16.000) for development rebate reserve. Taxation is allocated Rs. 6.20 lakhs and general reserve Rs. 1.50 lakhs. The carry-forward is Rs. 1,003, against a debit balance of Rs. 3.60 lakhs brought in. The cane crush amounted to 1.3 million quintals with a recovery of 9.96 percent.

Share Offer by Kalyanpur Lime and Cement

KALYANPUR Lime and Cement Works Ltd is offering 30 250 cumulative redeemable preference shares of Rs. 100 each carrying a fixed dividend of 9.5 percent, free of company's income tax but subject to the usual deduction of tax at source, and 400,000 ordinary shares of Rs. 10 each for public subscription at par. The present issue consists of 30.250 preference shares and 457.500 ordinary shares, of which 57,500 ordinary shares have been subscribed by the directors and their friends. The entire public issue has been underwritten. The list opens on 24th December, 1964. (Details of the issue are printed on a later page in this issue of *Capital*.)

The Company is manufacturing Portland cement and lime, and the present output capacity of cement amounts to 420 tonnes a day. The Company has obtained an industrial licence to install an additional plant with a capacity for 600 tonnes a day. The proceeds of the new issue will be used to finance the new project

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for which the Government has sanctioned an import licence for Rs. 80 lakhs. The Company was given a loan of Rs. 65 lakhs by the Industrial Finance Corporation of India for its past expansion. It now proposes to give a further loan of Rs. 1 25 crores for the new project. The Company's limestone quarries are situated in Banjari, Bihar, and its cement factory is situated near the quarries. The directors of the Company are Messrs Chandradeva Prakash Sinha, Ramkrishna Dave, Harinandan Sahaya, Narbada Sankar Ranchodlal Pandya, Madhab Churan Law, Ganesh Prasad, Satyadeva Prakash Sinha and Karuna Kant Dutt.

Raymon Engineering Skips Dividend Again

COMMENTING on the loss of Rs. 5.60 lakhs incurred for the year ended March 1964, after providing for depreciation, the directors of Raymon Engineering Works Ltd say in their report that the working was interrupted by the shortage of basic raw materials like matching steel, steel castings, electrodes, forging billets and pig iron. Adequate supplies of power were received from December 1963. Substantial orders for wagons, wagon components and structurals have been received. The construction of the structural shop and the additional assembly bay has been completed. Various collaboration agreements with foreign companies for expansion are expected to be finalised in the near future. The total investment in the expansion project may amount to Rs. 3.33 crores. A large loan may be obtained from P.L. 480 funds. In view of the loss that has been carried forward, dividends have again been passed.

Preference Share Issue by New Swadeshi Mills

THE New Swadeshi Mills of Ahmedabad Ltd is offering 25,000 9.3 percent redeemable preference shares of Rs. 100 each at par for public subscription. The entire public issue has been underwritten. The subscription list will open on 14th December and will close on the 21st or earlier, but not before 16th December. The Company has an authorised capital of Rs. 1 crore, comprising Rs. 60 lakhs in equity shares of Rs. 100 each and Rs. 40 lakhs in redeemable preference shares of Rs. 100 each. Of this, only 26,145 equity shares had so far been issued. The Company owns two textile mills in Ahmedabad, which are manufacturing coarse and medium count cloth and are equipped with up-to-date process houses.

Very recently, the Company has started manufacturing superfine cloth in one of the units. It is holding a licence for the manufacture of steel castings to the extent of 4,800 tons a year. It has also applied for an industrial licence to set up an export oriented mill with 25,000 spindles and 500 looms. The Company's requirements of funds have increased after the purchase in December 1963 of the block assets of the Bharatkhand Textile Manufacturing Co. Ltd and the proceeds of the present issue will be used to meet these requirements. No amount is estimated to be required for payment of the purchase of any specific properties or for meeting any specific expenditure. The preference shares which are now offered for public subscription are redeemable at par at any time after 31st March, 1976, and before 31st March, 1978, on three months' previous notice by the Company.

Phosphate Company Repeats

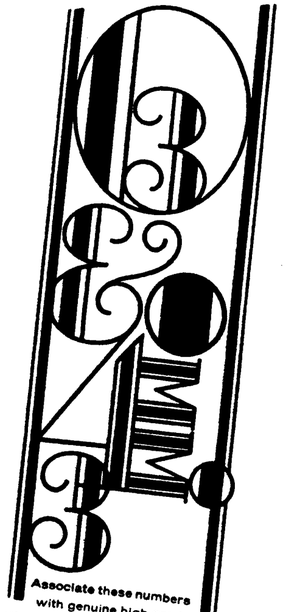
THE Phosphate Co. Ltd has done well for the year ended June 1964. The output rose to 50,900 tonnes. The licensed output capacity has now been increased to 61,800 tonnes a year, and the directors hope that there will be no difficulty in obtaining enough raw materials. Production costs have tended to increase due to rising prices of stores, packing materials and freight. It is hoped that the Government will give further incentives to stimulate the production of fertilisers for increasing agricultural production.

The profit has risen from Rs. 9.27 lakhs for 1962-63 to Rs. 15.28 lakhs for 1963-64, after providing Rs. 5.24 lakhs (against Rs. 4.70 lakhs) for depreciation and Rs. 27,473 (against Rs. 1.22 lakhs) for development rebate. A taxable ordinary dividend of 15 percent has been repeated which works out to a yield of 8.6 percent at the present price of Rs. 175 a share of Rs. 100 each. Taxation absorbs Rs. 7.50 lakhs (against Rs. 6.50 lakhs) and general reserve Rs. 3.20 lakhs (against Rs. 1 lakh). The carry-forward is Rs. 3,537, against Rs. 11,013 brought in.

Kamani Engineering to Invest in New Venture

KAMANI Engineering Corporation Ltd has promoted a new company jointly with the Andhra Pradesh Industrial Development Corporation for the manufacture of porcelain insulators in Andhra Pradesh. The annual capacity of the factory will be 1,920 tons of H.T. and 480 tons of L.T. insulators. An industrial licence has already been obtained for this purpose. The issued capital of the new Company will be Rs. 60 lakhs, out of which the Andhra Pradesh Industrial Development Corporation and Kamani Engineering have agreed to subscribe 25.5 percent each.

The directors feel that the joint venture will be very profitable for the Company. It will be handling sales of insulators as it is already experienced and established in this line. In addition to the dividend on the investment, the Company will, therefore, earn a profit out of the sales of the products. The insulators will be used by Kamani Engineering in the transmission line contracts undertaken by it. An extraordinary general meeting has been called on 28th December, for the approval of the directors' proposed investment in the new venture.



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Central India Shows Better Results

THE working results of the Central India Spinning, Weaving and Manufacturing Co. Ltd for the year ended June 1964, show an impressive improvement over the previous year's performance in that the gross profit has shot up from Rs. 17.88 lakhs to Rs. 45.27 lakhs whereas the turnover has recorded only a small increase from Rs. 6.08 crores to Rs. 6.55 crores. After providing Rs. 20.45 lakhs (against Rs. 14.29 lakhs) for depreciation, the remaining surplus of Rs. 24.82 lakhs has been used towards reducing the amount of revenue losses carried forward from the previous year which will now stand reduced at Rs. 15.38 lakhs. The directors have attributed the increase in the profits during 1963-64 to the improved tone of the cloth market accompanied by changes in the pattern of production and the continuous process of renovation and rehabilitation of the mills.

Referring to the revised textile control order under which popular varieties of cloth have been brought under statutory control, the directors state that while the implications of the new scheme on the working of the Company cannot be ascertained with any degree of accuracy at this stage, it is bound to affect the earnings of the Company adversely, although it is difficult to foretell to what extent. Besides, the increase in the dearness allowance with effect from 1st August, 1964, will impose an additional burden of Rs. 6 lakhs on the Company. On the export side, the Company's performance was affected by restrictions experienced in the U.K. market consequent on the introduction of the quota system.

The directors have expressed the view that the recent overall increase in duty by 15 percent on imports imposed by the U.K. Government will result in further shrinkage of exports. In the U.S.A., Indian cloth continues to be still uncompetitive. The disturbed political conditions in Africa are also likely to reduce the export of blankets and *charsas* there. During the year ended June 1964, the Company installed new and used plant and equipment of the value of Rs. 27 lakhs. These included combing equipment, drawing frames, drying ranges, automatic looms, conversion material for ring frames, drafting system and other miscellaneous humidification, electrical and mechanical equipment. After the close of the financial year, further orders worth Rs. 3 lakhs have been placed for plant and equipment. The directors are hopeful of securing at an early date a long-term loan of Rs. 50 lakhs from the Industrial Finance Corporation to finance further expenditure on new plant and equipment.

Mysore Cements Disappoints

MYSORE Cements Ltd reports disappointing results for the year ended June 1964. After providing Rs. 20.85 lakhs (against Rs. 25.02 lakhs) for depreciation, the year's working has resulted in a loss of Rs. 21.68 lakhs, compared with Rs. 24.89 lakhs in the preceding year. The performance looks all the more disappointing when viewed against the background of a substantial increase in the sales from Rs. 33.40 lakhs to Rs. 57.49 lakhs. Including the losses brought forward from the earlier years, the total loss carried forward amounts to Rs. 46.56 lakhs. The preliminary expenses, underwriting commission, etcetera, to be written off amount to Rs. 3.04 lakhs.

The directors state that production during the year was only 71 percent of the rated capacity due to the non-availability of spares and irregular supply of quality limestone, resulting in intermittent breakdown of the plant. The directors, however, point out that determined steps have since been taken to obtain sufficient stocks of spares and to ensure adequate supplies of limestone. The increase in the retention price of cement from Rs. 77.75 to Rs. 79 a tonne from 1st July, 1964, is expected to have some effect on the current year's working results. The Company's expansion programme for increasing the production of cement is expected to be completed by about the middle of next year. The survey of limestone deposits is in progress.

Baroda Rayon Fares Well

THE Baroda Rayon Corporation Ltd reports encouraging results for the year ended September 1964, which marks the first year of full operation of the rayon plant. The output of rayon yarn amounted to 2,764 metric tons on 100 denier basis, against the licensed capacity of 2,300 metric tons. The sales increased from Rs. 1.37 crores to Rs. 3.46 crores and the gross profit increased from Rs. 9,533 to Rs. 64.15 lakhs. The directors have provided Rs. 54.37 lakhs for depreciation for the previous year. No provision has been made for depreciation for 1963-64 which is placed at Rs. 54.86 lakhs. The surplus of Rs. 11.31 lakhs together with the preceding year's carried over balance of Rs. 2.03 lakhs has been carried forward. A sum of Rs. 5.93 lakhs being the amount of preliminary expenses, brokerage and underwriting commission and further issue expenses has been written off, against the amount of share premium account of Rs. 6.30 lakhs.

The directors state that the rayon plant has now progressively achieved the optimum efficiency and that the quality of rayon yarn produced can compare with the rayon yarn produced by any other competitive manufacturer, and the same has been well received by the weavers all round. The Company had hoped to get better realisation for its yarn after the removal of distribution and price control on rayon yarn in December 1963, but earlier expectations were belied following the heavy increase in the excise duty in the February Budget. Instead, the prices started sagging and the industry was faced with the accumulation of stocks. The market conditions remained sluggish and unfavourable during a considerable part of the year. It was only in the middle of October that the long-awaited relief, although inadequate, was given to the industry. The directors have expressed the hope that the Company would be able to clear off its stocks in the course of two months. They expect the demand to improve and the turnover and working results are likely to show an improvement in the course of the next year. The export promotion scheme under which the industry was required to deliver yarn at a concessional rate has been abolished.

The directors state that though the scheme has been abolished, it will continue to have its impact on the working results till the time the backlog of commitments under the scheme is over. It is felt that after March 1965, the Company will have no further commitments to deliver the yarn at concessional rates. It has applied for a licence for the import of plant and machinery for increasing the capacity of the plant by 1.25 tons a day. The licence is expected to be received in the course of the next few months. The Company received during the year a licence for the import of equipments to convert its boilers from coal-firing to oilfiring. The machinery is expected to be received soon. The Company is expected to receive a weaving capacity of 100 looms for manufacturing rayon fabrics under the Government's incentive scheme for export of fabrics.

K. C. P. Pays the Same

ALTHOUGH the dividend has only been maintained at 15 percent, the working of the K.C.P. Ltd for the year ended June 1964 shows a marked improvement over the previous year's performance. According to the preliminary report, the gross profit is higher by about 33 percent at Rs. 1.41 crores, against Rs. 1.06 crores in the preceding year. Appropriations include depreciation Rs. 64.34 lakhs (against Rs. 49.10 lakhs), development rebate Rs. 10 lakhs (against Rs. 5 lakhs), taxation Rs. 31 lakhs (against Rs. 26.08 lakhs), expenses relating to years other than the accounting year Rs. 17.69 lakhs (against Rs. 33,345), rehabilitation reserve Rs. 6.97 lakhs (against Rs. 9.39 lakhs), gratuity reserve Rs. 75,000 (against nil), general reserve Rs. 2 lakhs (against Rs. 3 lakhs) and dividend reserve Rs. 14.15 lakhs (against Rs. 14.14 lakhs). The directors have written back a sum of Rs. 6.01 lakhs, against Rs. 18.59 lakhs in the preceding year. Equity dividend of 15 percent absorbing Rs. 10.29 lakhs and preference dividend amounting to Rs. 3.85 lakhs are to be paid out of the dividend reserve. The Rs. 10-paid share of K.C.P. is currently quoted around Rs. 24, offering a gross return of about 6.6 percent.

Dandekar Machine Works Pays More

G. G. Dandekar Machine Works Ltd has done well during the year ended June 1964, which happens to be the silver jubilee year of the Company. Apart from maintaining the dividend at 12½ percent, the directors have declared a jubilee dividend of 2½ percent and also proposed a bonus issue in the proportion of one share for every nine shares held by capitalising Rs. 1 lakh from the reserves. The turnover of the Company during 1963-64 amounted to Rs. 19.45 lakhs, against Rs. 17.46 lakhs in the preceding year and it made a gross profit of Rs. 4.89 lakhs, against Rs. 4.26 lakhs. Allocations include depreciation Rs. 78,000, (against Rs. 52,000), development rebate reserve Rs. 44,000 (against Rs. 17,000), taxation Rs. 2.18 lakhs (against Rs. 2.34 lakhs), general reserve Rs. 25,000 (the same), gratuity reserve Rs. 15,000 (the same), dividend reserve Rs. 1.04 lakhs (against Rs. 84,000) and jubilee bonus to employees Rs. 20,000 (against nil).

The directors state that the foundry, the machine and assembly shops are being expanded. The supply position of rice mills has improved and the delivery period has been reduced from 12 months to four months. But buyers are hesitant to accept the delivery of mills because of the frequently changing Government pronouncements concerning the rice milling machinery industry and the distribution of foodgrains. The directors are negotiating with some leading manufacturers for technical collaboration and if collaboration arrangements materialise, the Company may need to issue further capital. Accordingly it is proposed to increase the authorised capital from Rs. 10 lakhs to Rs. 50 lakhs.

Pulgaon Mills Pays More

THE Pulgaon Cotton Mills Ltd reports encouraging results for the year ended June 1964, and the directors have stepped up the dividend from 4 percent to 6 percent, which restores the cut effected in the

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preceding year. While the sales have recorded only a smal increase from Rs. 1.78 crores to Rs. 1.86 crores, the gross profit has risen appreciably from Rs. 4.59 lakhs to Rs. 7.04 lakhs. Allocations include Rs. 38,045 (against Rs. 16,931), depreciation Rs. 3.02 lakhs (against Rs. 2.52 lakhs), development rebate reserve Rs. 84,396 (against Rs. 81,640), taxation Rs. 1.30 lakhs (against Rs. 63,000), general reserve Rs. 1 lakh (against Rs. 2.50 lakhs) and dividend reserve Rs. 50,000 (against Rs. 1 lakh).

The proposed dividend is to be paid out of the dividend reserve. After making various appropriations, there remains a surplus of Rs. 5,737 to be carried forward, against Rs. 5,698 brought in. The directors state that the Company is likely to show better working results in future because the implementation of the renovation programme. The working during the current year, however, is likely to be affected by the rise in cotton prices and the scheme of partial control too is considered to be somewhat disadvantageous to the Company.

Andhra Cotton Will Soon Enter Market

ANDHRA Cotton Mills Ltd which proposes to set up a spinning mill with an initial capacity of 12,000 spindles in Lingapuram near Proddatur, will soon be in the market to raise Rs. 19.10 lakhs through public subscription. The project is estimated to cost Rs. 65.39 lakhs which is proposed to be met by the capital issue of Rs. 30 lakhs, a loan of Rs. 20 lakhs from the Andhra Pradesh Financial Corporation and deferred payment credit of Rs. 15.39 lakhs. The construction of the factory building and administrative building has already commenced.

If all goes according to the plans, the mill will go into production in April 1965, initially with 6,000 spindles and the other 6,000 spindles will start production some three months thereafter. The Company has been permitted to install an additional 13,000 spindles to make it a unit of 25,000 spindles. The question of setting up additional capacity will be taken up in course of time. The issued capital of he Company is Rs. 30 lakhs made up of Rs. 20 lakhs in equity shares of Rs. 100 each and Rs. 10 lakhs in 9.5 percent cumulative redeemable preference shares of Rs. 100 each. The promoters, directors and their associates have taken up 10,891 equity shares. The remaining 9,109 equity shares and 10,000 preference shares will soon be on offer for public subscription.

Herdillia Chemicals to Raise Capital

THE Herdillia Chemicals Ltd which has been promoted and managed by Nowrosjee Wadia and Sons (Private) Ltd, will in future function under the management of E.I.D.-Parry Ltd. The necessary resolution will be placed before the shareholders for their approval at the annual general meeting. The change of management follows the desire of the existing management to be released from the responsibilities.

"For personal reasons and due to certain pertinent factors relating to their own organisation." The directors intend to offer the balance of the issued capital of the Company consisting of 4,021,006 equity shares of Rs. 10 each to E.I.D.-Parry and other companies and the investing public. Of these, 2,741,006 shares will be offered to the Distillers Co., London, Hercules Powder Co. of the U.S.A., the Commonwealth Development Finance Co. Ltd., the Finance and Development Corporation of the National and Grindlays Bank, the E.I.D.-Parry Ltd and other parties.

The balance of 1,280,000 shares will be offered for public subscription as soon as arrangements for obtaining loans, underwriting and guarantee facilities for the finance required for the project have been completed. E.I.D.-Parry Ltd proposes to take up in its own name shares of the value of Rs. 41 lakhs, while the foreign collaborators propose to subscribe for Rs. 1.80 crores. The A.I.D. has agreed, in principle, to grant a rupee loan of Rs. 2.65 crores and the Company's application for a dollar loan equivalent to Rs. 1.59 crores from the Export-Import Bank of Washington is expected to be approved shortly. The Company has obtained a lease for land for its factory near Thana (Bombay) and arrangements for the construction of the main plant have been concluded.

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Model Mills Does Well

THE working of the Model Mills Nagpur Ltd during the year ended 30th June, 1964, shows a marked improvement over the previous year. Although the turnover has registered only a modest increase from Rs. 3.48 crores to Rs. 3.52 crores, the gross profit has gone up substantially from Rs. 10.89 lakhs to Rs. 19.31 lakhs. The ratio of gross profit to sales, however, is still very poor around 5.4 percent. Allocations include depreciation Rs. 4.69 lakhs (against Rs. 3.66 lakhs), bonus for 1962-63 and 1963-64 Rs. 6.57 lakhs (against Rs. 2.34 lakhs), *ex gratia* payment to employees Rs. 90,714 (against Rs. 2.59 lakhs), interest on bank cash credit Rs. 1.71 lakhs (against Rs. 1.65 lakhs), additional depreciation for the third shift Rs. 80,000 (against nil) and development rebate reserve Rs. 75,000 (against Rs. 27,500).

After making these adjustments, there remains a balance of Rs. 3.89 lakhs, which together with Rs. 31.84 lakhs brought in, from the preceding year is being carried forward In his report, the authorised controller, who is now managing the company, says that the Company's performance during 1963-64 would have been still better but for the rise in wages, dearness allowance and provident fund and increase in interest charges. As for the outlook for the current year, he says that it is difficult to forecast the results in view of the uncertainty about the operation of the scheme of partial control over cloth. The soaring cotton prices are likely to affect adversely the Company's working in the current year.

Mysore Sugar Earns More

DESPITE a decline of about 16 percent in the sales from Rs 3.94 crores to Rs 3.30 crores, the gross profit of the Mysore Sugar Co. Ltd for the year ended June 1964, has been more than doubled from Rs. 10.57 lakhs to Rs. 22.26 lakhs. The dividend has been reduced from 30 percent to 15 percent, but the dividend for 1963-64 is payable on the increased capital of Rs. 43.16 lakhs, against Rs. 21 79 lakhs in the preceding year with the result that the total distribution among the shareholders is almost about the same. Despite substantially larger profit, the directors have had to withdraw as much as Rs. 4.29 lakhs from the reserves in order to provide for the payment of the dividend; in the preceding year, a sum of Rs. 5.80 lakhs had been withdrawn from the reserve for dividend payment.

Appropriations include depreciation Rs. 9.58 lakhs (against Rs. 8.54 lakhs), development rebate reserve Rs. 2.70 lakhs (against Rs. 81,000) and taxation Rs. 7.37 lakhs (against Rs. 70,000). The proposed dividend absorbs Rs. 6.47 lakhs (against Rs. 6.54 lakhs).

The directors state that the Company's working results would have been still better but for the expenditure of Rs. 6.6 lakhs on account of *ex-gratia* payment to workers for 1962-63 and the setback in production resulting from the short crushing season. The quantity of cane crushed amounted to 201,000 tonnes, against 260.000 tonnes in the previous season, and the output of sugar fell from 27,390 tonnes to 22,091 tonnes. The recovery was a little better at 10.98 percent, against 10.57 percent. The Company has received a licence for the manufacture of acetic acid. and orders for machinery to be imported from abroad have been placed. It has finalised arrangements for foreign credit to the tune of Rs. 23 lakhs. Additional equiment worth Rs. 23 lakhs was installed during January-June 1964 as part of the expansion programme for sugar. The Company has applied to the Government for a licence to increase the capacity of the distillery from 1.2 million gallons, to 2.4 million gallons.

Hindustan Sugar Pays More

THE working results of the Hindustan Sugar Mills Ltd for the year ended June 1964, show a marked improvement over the previous year's performance. The sales are up by about 27 percent from Rs. 7.51 crores to Rs. 9.58 crores and the gross profit has risen by nearly 67 percent from Rs. 76.39 lakhs to Rs. 1.267 crores. The dividend distribution has been raised from 14 percent to 15 percent, including a bonus of 3 percent against 4 percent in the preceding year. Appropriations include depreciation Rs. 18.07 lakhs (against Rs. 15.28 lakhs), development rebate reserve Rs 95,000 (against Rs 60,000), taxation Rs 67.12 lakhs (against Rs. 32.28 lakhs), general reserve Rs. 25 lakhs (against nil) and rehabilitation reserve Rs. 3.22 lakhs (against Rs. 8.50 lakhs). The directors have set aside a sum of Rs. 1.30 lakhs for taxation for previous years. Preference dividend amounting to Rs. 36.000 (the same) and equity dividend amounting to Rs. 18 lakhs (against Rs. 16.80 lakhs) are to be paid out of the general reserve. The quantity of cane crushed in 1963-64 amounted to 750.000 tonnes against 497,000 lakh tonnes and the output of sugar was 74.096 tonnes against 50,340 tonnes. The Company has plans to increase the capacity of the distillery from 1.53 million gallons to 3 million gallons a year The increase in the capacity of the distillery is expected to be achieved during the current financial year The Company's scheme for setting up a cement factory with a capacity of 400.000 tons a year in Rajasthan has been approved by the Government. The Company has also plans to manufacture chip board from bagasse.

India Forge to Expand

THE fourth annual report of India Forge and Drop Stampings Ltd for the year ended June 1964, indicates that the Company has now overcome its teething troubles. Although the Company's plant began its operations in April, it could not achieve a satisfactory level of production till August 1964. The production of steel forgings since the start up in April to the end of October is placed at 556 tons including the tonnage processed from customers' material. The directors are hopeful that the production having been stabilised, the current year's working will be satisfactory.

Encouraged by the internal demand for forgings, the Company has plans to expand its manufacturing capacity. It has negotiated for the import of one high-speed forging press along with ancillary equipments which, when installed, will bring about a substantial increase in the output of precision drop forgings. The Company is considering proposals for further expansion to achieve the licensed target of 7,200 tonnes of forgings a year. It has got adequate stock of raw materials and other consumable stores. Due to the shortage of indigenous materials. the Company was granted an import licence for steel billets under the A.I.D. programme and the necessary orders have been finalised. Its working during 1963-64 shows a loss of Rs. 63.529, before providing for depreciation and development rebate. After adjustments. the total loss amounting to Rs. 1.03 lakhs has been carried forward. The directors state that out of the foreign exchange loan of Rs. 30 lakhs sanctioned by the I.C.I.C.I., the Company has so far drawn about Rs. 27 lakhs towards imported plant and equipment. It repaid during the year to the I.C.I.C.I. two instalments amounting to Rs. 3.41 lakhs. and a further instalment of Rs. 1.78 lakhs was paid in November.

Malwa Sugar Mills Disappoints

THE Malwa Sugar Mills Co. Ltd has again produced disappointing results for the year ended June 1964. After providing Rs. 5.05 lakhs (against Rs. 5.14 lakhs) for depreciation, the year's working shows a loss of Rs. 9.37 lakhs, against Rs. 11.06 lakhs in the preceding year. A sum of Rs. 1,100 (against Rs. 1.000) has been provided for development rebate. Last year's loss of Rs. 9.38 lakhs together with the earlier years' loss of Rs. 55.61 lakhs, making a total of Rs. 64.99 lakhs, is being carried forward. The output of sugar during 1963-64 totalled 48,686 quintals, against 48,644 quintals. The Company was forced to close down its crushing operations early in February due to insufficient supply of cane as the cane was diverted to *gur*. The area under cane for 1964-65 is reported to be 10 percent larger and crop reports so far have been encouraging. The Company hopes to be able to secure at least 2.1 million maunds of cane during the coming season.

Kelvinator of India Incurs Loss

AFTER providing Rs. 2.63 lakhs (against Rs. 1.84 lakhs) for depreciation, Kelvinator of India Ltd has incurred a loss of Rs. 1.23 lakhs during the year ended June 1964, against a loss of Rs 5.01 lakhs in the preceding year. No provision has been made for development rebate. The Company sold 1,011 refrigerators during the year—the first refrigerator was placed on the market only in January 1964—of which 442 refrigerators were provided with indigenously assembled sealed-in systems. The initial difficulties having been overcome. the Company is now in regular production and since the close of the financial year, production is stated to have been stabilised.

Standard Batteries Raises Dividend

THE increase in the dividend by the Standard Batteries Ltd for the year ended June 1964 from 10 percent to 11 percent is well justified by the Company's encouraging performance during the year. Sales are higher by about 18 percent from Rs. 1.40 crores to Rs. 1.65 crores and the gross profit has gone up by about 31 percent from Rs. 21.69 lakhs to Rs. 28.55 lakhs. Allocations include depreciation Rs. 6.24 lakhs (against Rs. 4.53 lakhs), development rebate Rs. 1.11 lakhs (against Rs. 96.232), taxation Rs. 12 lakhs (against Rs. 9 lakhs) and general reserve Rs. 2.20 lakhs (against Rs. 1.20 lakhs).

After providing for the proposed dividend which absorbs Rs. 4.95 lakhs (against Rs 4.50 lakhs) there remains a balance of Rs. 9,676 to be carried forward, against Rs. 12,045 brought in. The directors state that there was a considerable increase in the demand for the special type of batteries both for defence and civilian requirements as well as for exports. Necessary steps are being taken for a substantial increase in the Company's production which is expected to show an increase of about 50 percent in the current year. It is considering proposals for technical collaboration from the developing countries in Africa and Asia. The fully-equipped research laboratory of the Company is expected to be in operation by the end of the current year.

D. B. R. Mills Skips Dividend

THE Dewan Bahadur Ramgopal Mills Ltd reports a marked improvement in its working results for the year ended June 1964. Sales of cloth, yarn and waste have risen, although only marginally, from Rs. 1.09 crores to Rs. 1.13 crores, but the gross profit has improved considerably from Rs. 3.22 lakhs to Rs. 8.09 lakhs. The ratio of gross profit to sales is, however, still very poor. The dividend has again been skipped. Appropriations include depreciation Rs. 4.68 lakhs (against Rs. 2.90 lakhs), development rebate Rs. 23,000 (against Rs. 31,000), depreciation relating to previous year Rs. 2.15 lakhs (against nil) and debenture redemption reserve Rs. 1 lakh (against nil). After making some minor adjustments there remains a balance of Rs. 18,976 to be carried forward, against Rs. 62,800 brought in. No

New Capital Issues

NINE companies, including two Central Government undertakings, have been authorised to raise fresh capital aggregating Rs. 9.39 crores Of these, seven are issuing their capital in equities and two in debentures. Two of the companies involve foreign collaboration. Four companies are offering part of their capital to the public by prospectus. The following are the details:

Heavy Electricals (India) Ltd, Bhopal, a Government of India undertaking, is to issue further capital of Rs 3.45 crores, divided into 34.500 equity shares of Rs. 1.000 each for cash at par. The money will be utilised for civil engineering works, purchase of machinery and plant, training of engineers, etcetera.

Rehabilitation Industries Corporation Ltd, Calcutta, a Government of

India undertaking, is to issue further capital of Rs. 1 crore divided into 10,000 equity shares of Rs. 1,000 each for cash at par. The capital will be utilised for financing the various projects under its control during the year 1964-65.

Handicrafts and Handlooms Export Corporation of India Ltd, New Delhi, is to issue capital of Rs. 28 lakhs, divided into 28.000 equity shares of Rs. 100 each to be issued privately at par. The capital will be utilised for the promotion of exports of handicrafts and handlooms.

Steelcrete Foundation Ltd, is to issue Rs. 1 crore equity capital in shares of Rs. 10 each for cash at par of which shares of the value of Rs. 40,00,000 will be subscribed by Foundation Overseas Ltd, Canada, or their nominees against supply of construction machinery, etcetera. Out of the balance, Rs. 29,00,000 will be subscribed privately and Rs. 30,00,000 will be offered to the public by prospectus. The money will be utilised in meeting the cost of installation, in connection with the contract of the Yamuna hydel project awarded to the Company by the U.P. Electricity Board.

Indian Explosives Ltd, Calcutta, is to issue further capital of Rs. 43 lakhs, divided into 430,000 equity shares of Rs. 10 each for cash at a premium of Rs. 12 a share. Out of this, shares of the value of Rs. 57,000 will be issued to directors and employees of the Company and of associate companies. The balance shares of the value of Rs. 37.30 lakhs will be offered for subscription to the public by prospectus. The capital will be utilised for the manufacture of detonators.

Larsen and Toubro Ltd, Bombay, will be issuing Rs. 1.75-crore debenture stock carrying 7 percent rate of interest redeemable in 1976 and in units of Rs. 1,000 each. The debentures will be offered to the public for cash at par. The money will be utilised on the expansion programme of the Company.

Modi Industries Ltd, Modinagar, U.P., is to issue capital of Rs. 50 lakhs divided into 5,000 debenture units of Rs. 1,000 each, for cash at par. The debenture will carry interest at a rate not exceeding 7½ percent a year. The capital will be utilised for construction of an electric furnace, re-rolling mill and wire drawing plant.

Star Paper Mills Ltd, Calcutta, is to issue further capital of Rs. 30 lakhs divided into 300,000 equity shares of Rs. 10 each for cash at par. The issue will be made to the existing shareholders and to the public simultaneously on the condition that only shares not taken up by the existing shareholders will be allotted to the public The money will be utilised for financing the expansion scheme.

The Aluminium Industries Ltd, Kundara, Kerala State, is to issue capital of Rs. 67.50 lakhs in 675,000 equity shares of Rs. 10 each for cash at a premium of Rs. 2.50 a share. The capital is required for manufacture of wire-drawing and stranding machines in Ramachandrapuram near Hyderabad in collaboration with a Japanese firm. The shares will be issued to the existing shareholders in the ratio of one new share for every two shares now held.



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MSWC-19J

The Stock Markets

PRICES IMPROVE ON SPECULATIVE SUPPORT

Wednesday Evening.

THE Calcutta stock market has been steady during the past week. Prices of speculative shares in particular have been marked up on replacement buying. There has also been a fair amount of short-covering. The clearing last Monday passed off smoothly and the carry-forward charges were about the same as they were at the previous settlement. Birla Jute have attracted backwardation charges due to an over-sold position. The rally seems to be mainly technical in character.

Operators are hoping that the Government will soon take steps to stimulate activity in the capital market. The joint memorandum submitted by the presidents of stock exchanges to the Central Finance Minister Mr. T. T. Krishnamachari, has forcefully reiterated the need to modify the fiscal system. Lyons Range seems to think that at the annual meeting of the Associated Chambers of Commerce due to be held in Calcutta next Monday, the Prime Minister, Mr. Lal Bahadur Shastri, may give some indication of the incentives likely to be offered by the Government to revive confidence in the corporate sector. However, the prospect of any modification of the fiscal system before the next Budget, due at the end of February 1965, is remote.

Since support has mainly been speculative, it appears that operators in raw cotton and oilseeds markets have diverted their attention to stock exchanges because futures trading in the former markets has been suspended. Considering that these markets may resume futures trading in the next few days and that the year-end closing of bank accounts is approaching, speculative support is not likely to continue for long. As for cash scrip, the Life Insurance Corporation and the Unit Trust have made scattered purchases. Although prices of selected cash shares have tended to improve slightly in the absence of pressure, support on the whole has been small.

Indian Iron have gained on replacement buying, combined with short-covering. Among engineering shares, Jessop are steady. Guest, Keen, Williams, Braithwaite and Texmaco have improved slightly. Scattered support for Jay Engineering has been forthcoming. Kumardhubi and Britannia Engineering are freely available.

In the miscellaneous section, clearing shares have attracted the maximum attention. Dunlop Rubber, Indian Aluminium, and Hindustan Motors have gained on short-covering. Rohtas Industries continue to be neglected Associated Battery have improved. Metal Box are steady on declaring an interim dividend. The repetition of the interim dividend by Britannia Biscuits has helped to maintain the price of the scrip. British India Corporation are steady, but India Steamship are easier.

Among new shares, Hindusthan Twyfords and India Carbon have attracted attention. Electric company shares are sluggish and have not responded to the prospects of an increase in power rates. Bank shares are dull, although prices are about maintained. In paper shares, Orient are active. Titaghur and Seshasayee have tended to be easier. Shree Gopal and Bengal have met with scattered support Sugar shares are freely available, but investors have been cautious. The improvement in the production of sugar during the current season is likely to be much smaller than was originally hoped for. The cane supply continues to be diverted to the manufacture of *gur* and *khandsari*.

Birla are active in jute shares and the price has hardened due to the shortage of scrip. Barnagore have improved. Business in Union, India and Ganges has passed around previous levels, while New Central have been freely offered without attracting support. In a circular letter to the shareholders, the Company has pointed out the reasons for not being able to publish its annual accounts in time because the books of the Company are lying with the Government.

Coal shares are sluggish and prices have tended to drop in the absence of support. Burrakur, Bengal and Central India have weakened. Investors are worried over the absence of an improvement in the demand for coal. Cotton mill shares have turned hesitant due to the rising price of raw cotton. Unless an adequate supply of raw cotton is available at reasonable prices, profits of mills will suffer since a large part of cloth production has been controlled. J. K. Rayon are about steady due to short-covering. Bharat Commerce and Dunbar have met with scattered buying, while Elgin are weaker.

In tea shares, turnover has been small and is largely confined to selected Dooars gardens. The slight improvement in prices of teas at the auctions held in Calcutta this week has helped to improve the outlook for 1964. If the recommendations of the Tea Finance Committee for providing medium and long-term loans to the industry for expansion are implemented, the prospects should improve.

Government securities are dull and small business has passed. The 3 percent Conversion Loan 1986 has been sluggish around Rs. 62. Prices of short- and medium-dated stocks are nominally steady. Most of the State Government loans are freely available, but institutional interest is lacking.

Bombay

LARGE TURNOVER IN CLEARING SHARES

STEEL SHARES ATTRACT ATTENTION

Wednesday Evening.

THERE has been a substantial improvement in the Bombay stock market during the past week. Prices of selected clearing shares like National Rayon and Standard Mills have hardened appreciably in response to brisk short-covering. Turnover in clearing shares has been fairly big. Operators seem to have been encouraged by the fact that the next clearing has been postponed, and will now take place early in the New Year. Although prices of cash shares have been well maintained, business has been small.

The steadiness is largely due to broadening speculative support. The suspension of futures trading in the raw cotton and oilseeds markets seems to have diverted operators to stock markets. Dalal Street is also inclined to believe that the Prime Minister, Mr. Lal Bahadur Shastri, will deliver an encouraging speech at the annual meeting of the Associated Chambers of Commerce in Calcutta next Monday.

Steel shares are in the limelight. The earlier improvement in Tata Engineering has not been maintained towards the close due to rumours of a strike. Larsen and Toubro have responded to the prospects of a bonus

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issue. Premier Construction and Alcock Ashdown are steady. In motor-vehicle shares, Hindustan Motors have enjoyed support from outside centres. Premier Automobiles are sluggish. Prices of selected cotton mill shares have improved. Standard have gained appreciably on replacement buying, combined with short-covering. Bombay Dyeing, Kohinoor and Svadeshi are steady. Morarjee, Simplex and India United Ordinary have gained slightly.

In miscellaneous shares, National Rayon have been a bright feature and have gained considerably due to substantial purchases by a prominent operator. Gwalior Rayon are steady. Voltas have met with support. Tata Oil have gained. Among sugar shares, Belapur and Phaltan have met with scattered support. In steamship companies, Scindia Steam have recovered on short-covering following an encouraging statement by the chairman of the Company.

In cement shares, Associated Cement are steady. Mining shares are quiet, and Be Be Petrol have retreated on producing disappointing results. Bank shares are sluggish, although prices show little change. Electric shares have improved on balance. Support has been forthcoming for Ahmedabad and Tata Hydro.

Madras

BOMBAY ADVICES HELP MARKET

SELECTIVE SUPPORT FOR PLANTINGS

Tuesday Evening.

STEADY conditions have prevailed in the Madras stock market during the past week, although turnover has been restrained due to the holiday on account of "Vaikunta Ekadashi". Higher advices from the Bombay stock market have contributed to the steadiness. Business in clearing shares has been negligible, but selected cash scrip, particularly in the miscellaneous and planting sections, have attracted support. Operators seem to think that the Government may give some fiscal incentives to revive confidence in stock markets.

Government securities have been dull, and only a few State Government loans have been transacted. Good preference shares and debentures have been supported. Bank shares are sluggish, although prices are about maintained. Sugar shares have been neglected. Good tea and rubber shares have met with support due to encouraging crop reports. Coffee shares have nevertheless been freely offered because of the uncertain outlook for exports. Textile shares have weakened following the sharp rise in the price of cotton. Selected miscellaneous shares have been bought on good corporate news.

In banks, Indian Overseas have been done at Rs. 150, and Syndicate Bank A at Rs. 143.50. In electric companies, Negapatam are steady at Rs. 11.25 and South Madras at Rs. 11.86. Among sugar shares, Deccan have reacted to Rs. 10.14 and E.I.D. to Rs. 35.35. Andhra have been sold at Rs. 12.50, but K.C.P. are steady at Rs. 23.50. Mysore have attracted support up to Rs. 27.75 since the Company will issue bonus shares in the proportion of one share for every four held, including the rights issue, which will be made on 23rd December 1964. Madura have been done at Rs. 9.44 on declaring a taxable ordinary dividend of 6 percent.

In planting shares, Consolidated Coffee are steady at Rs. 25.15, and Periakaramalai at Rs. 3.66. Blue Mountain have improved slightly to Rs. 2.22, but Cochin Malabar have weakened to Rs. 6.07. Ouchterlony have come to hand at Rs. 3.40. In tea shares, Parkside are quoted at Rs. 20.50, Peermade at Rs. 20.90 and United Nilgiri at Rs. 22.25. In composite gardens producing tea and coffee, Kil Kotagiri are steady at Rs. 5.10 and Nilgiri at Rs. 8.50. Among coffee shares, Rajendra have been sold at Rs. 12 and Ossoor at Rs. 2.80.

In textile shares, South India Viscose have recovered to Rs. 101.75 on short-covering. Travancore Rayon have hardened to Rs. 17.75, but Madura have weakened to Rs. 35. Lakshmi have been maintained at Rs. 132. Bangalore Woollen have met with support at Rs. 281 and Buckingham at Rs. 277. Adoni are freely available at Rs. 8.75 and Anglo-French at Rs. 148. K. Rajendra have been done at Rs. 74.75 and Loyal at Rs. 40.

In miscellaneous shares, Aluminium Industries have reacted to Rs. 23.20, but Ashok Leyland have hardened to Rs. 7.25. In cement shares, Dalmia are weaker at Rs. 12.90, but India are steady at Rs. 5.10. Business has been done in Mettur Chemical at Rs. 14.30. South India Steel and Sugar are quoted at Rs. 8.85 since the Company will issue 100,000 ordinary shares of Rs. 10 each for public subscription. Seshasayee Paper are maintained at Rs. 7.20 and Mysore at Rs. 11.25. Kirloskar Electric are supported at Rs. 22.25 since the Company will issue bonus shares in the ratio of one share for every three held, subject to the sanction of the Government and the Industrial Finance Corporation. Andhra Scientific have come to hand at Rs. 13.48 on declaring a taxable ordinary dividend of 10 percent. Parry's Confectionery have improved to Rs. 3.05, but Spencer are easier at Rs. 21.50. Textool are steady at Rs. 128 and Tube Investments at Rs. 167.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 38/25—39/12—38/19—38/94—(33/25).

Burrakur Coal—Rs. 15/87—15/87—15/87—15/87—(17/25).

Dunlop Rubber—Rs. 30/56—31/06—30/50—30/94—(36/00).

Guest, Keen, Williams—Rs. 22/62—23/06—22/56—23/00—(26/12).

Hindustan Motors—Rs. 16/22—16/91—16/22—16/81—(19/22).

Howrah Jute—Rs. 16/06—16/06—16/06—16/06—16/06—(18/62).

Indian Aluminium—Rs. 30/25—30/81—30/22—30/62—(29/12).

Indian Copper—Rs. 3/26—3/32—3/24—3/32—(3/43).

Indian Iron—Rs. 25/28—25/90—25/26—25/84—(25/06).

Indian Cable—Rs. 35/00—35/25—35/00—35/25.

Jaipur Udyog—Rs. 10/12—10/12—9/94—10/12—(11/94).

J. K. Cotton—Rs. 9/37—9/50—9/37—9/50—(13/25).

Kesoram Industries—Rs. 23/50—24/62—23/44—24/62—(27/69).

Orient Paper—Rs. 32/10—33/20—32/00—33/20—(38/90).

Orissa Cement—Rs. 12/00—12/06—11/94—12/06—(14/00).

Rohtas Industries—Rs. 9/56—9/66—9/50—9/62—(12/53).

Shree Gopal Paper—Rs. 25/06—25/06—25/06—25/06—(25/00).

Textile Machinery—Rs. 25/10—25/60—25/00—25/60—(28/35).

GILT-EDGED

2½% U.P. Zemindary Compensation Bonds—Rs. 39/00—39/00—39/00—39/00.

Do. (Collected up to 30.6.64)—Rs. 40/37—40/37—40/37—40/37.

3% Loan (1986)—Rs 62/00—62/30 s.t.—62/00—62/05.

3% „ (1966-68)—Rs. 98/25—98/40—98/25—98/40.

3½% „ (1968)—Rs. 99/75—99/75—99/75—99/75.

3½% „ (1967)—Rs. 99/75 c.t.—99/75—99/70—99/75.

4% „ (1970)—Rs. 99/00—99/05—99/00—99/05.

4% „ (1972)—Rs. 98/85—98/85—98/85—98/85

4% West Bengal (1967)—Rs. 99/35 c.t.—99/35—99/35—99/35.

4% Orissa (1969)—Rs. 98/40—98/40—98/40—98/40—98/40.

4% U.P. (1969)—Rs. 98/30—98/40—98/30—98/40.

4% Andhra Pradesh (1969)—Rs. 98/40—98/40—98/40—98/40.

4% Madhya Pradesh (1969)—Rs. 98/40—98/40—98/40—98/40.

4½% Loan (1986)—Rs. 100/10—100/15—100/10—100/12

4½% „ (1972)—Rs 100/15—100/15—100/15—100/15.

4¾% „ (1989)—Rs. 100/00—100/00—100/00—100/00.

4½% „ (1985)—Rs. 100/10—100/10—100/10—100/10.

4¾% Orissa (1976)—Rs. 96/75—96/80—96/70—96/75.

4¾% Madras (1976)—Rs. 97/05—97/05—97/05—97/05.

BANKS

Allahabad—Rs. 248/50—248/50—248/50—248/50—(260/00).

United Bank of India (Rs 10/- paid)—Rs. 8/19—8/31—8/19—8/31—(7/75).

Do. (Conty Rs 20/-) (Rs. 10/- paid)—Rs. 7/56—7/65—7/56—7/65.

RAILWAY

Dehri Rohtas—Rs. 10/12—10/12—10/06—10/06—(12/62).

TEXTILES

Bowreah—('B' Pref.)—Rs. 91/00—91/00—91/00—91/00—(88/00).

Cawnpore—Rs. 6/19—6/25—6/19—6/19—(7/00).

Dunbar—Rs. 25/75—25/75—25/69—25/69—(29/00).

Jaya Shree—Rs. 12/44—12/56—12/44—12/56—(17/06).

New Victoria—Rs. 1/00—1/12—0/97—1/12—(1/50).

Do. (Pref.)—Rs. 2/12—2/12—2/12—2/12.

Rajasthan Spinning—Rs. 9/94—10/00—9/87—9/94.

COALS

Bengal—Rs 229/00—230/00—229/00—230/00—(270/00).

Borrea (Pref.)—Rs. 91/00—91/50—91/00—91/50—(84/00).

Bharat—Rs. 2/28—2/28—2/25—2/25—(3/62).

Central India—Rs. 8/37—8/37—8/37—8/37—(9/56).

Katras Jherriah—Rs. 25/70 c.t.—26/25—25/70—26/25—(33/75).

Karanpura—Rs. 13/50—13/50—13/50—13/50.

New Churulia—Rs. 2/44—2/44—2/44—2/44

Standard—Rs. 9/44—9/44—9/44—9/44—(13/12).

South Karanpura—Rs. 6/44—6/44—6/25—6/25—(8/75).

Western Bengal—Rs. 8/44—8/62—8/37—8/62—(9/00).

JUTES

Anglo-India—Rs. 180/00—184/00—180/00—184/00—(175/00).

Auckland—Rs. 124/00—124/00—124/00—124/00—(150/00).

Do. (1st Pref.)—Rs. 69/00—69/00—69/00—69/00—(72/00).

Do. (2nd Pref.)—Rs. 60/00—60/00—60/00—60/00—(57/50).

Barnagore—Rs. 245/00—250/00—245/00—250/00—(213/00).

Calcutta (Pref.)—Rs. 60/00—60/00—60/00—60/00—(72/00).

Cheviot—Rs 20/31—20/37—20/37—20/37—(22/81).

Fort William—Rs. 19/62—19/69—19/56—19/56—(26/56).

Ganges—Rs. 12/44—12/56—12/37—12/37—(13/37).

Gondalpara—Rs. 14/25—14/25—14/12—14/12—(16/19).

Gouripore—Rs. 20/87—21/12—20/87—21/12.

Howrah ('A' Pref.)—Rs. 93/00—93/00—93/00—93/00—(95/00).

Do. (7% Pref.)—Rs. 93/00—93/00—93/00—93/00—(90/50).

Hooghly—Rs. 12/75—12/81—12/75—12/81.

India—Rs. 14/94—14/94—14/94—14/94—(15/50 s.t.).

Kinnison—Rs. 105/00—105/00—105/00—105/00—(140/00)

Lawrence ('A' Pref.)—Rs. 91/00—91/00—91/00—91/00—(93/00).

New Central—Rs. 10/00—10/06—9/37—9/50—(13/37).

Northbrook (Pref.)—Rs. 71/00—71/00—71/00—71/00—(91/00).

Naihati (2nd Pref.)—Rs. 66/00—66/00—65/00—65/00—(90/00).

Do. (1st Pref.)—Rs. 107/00—107/00—106/50—106/50.

National—Rs. 19/00—19/12—19/00—19/12.

Do (Pref.)—Rs. 91/00—95/00—91/00—95/00—(93/50).

Presidency—Rs. 4/19—4/25—4/06 s.t.—4/25—(5/37).

Reliance—Rs. 6/66—6/75—6/66—6/75—(8/06).

Do (Pref.)—Rs. 113/00—114/00—112/00—113/00—(121/00).

CEMENTS

Ashoka—Rs. 6/50—6/50—6/50—6/50—(7/37)

Assam Bengal—Rs. 3/75—3/81—3/75—3/81—(3/62).

Bengal Potteries—Rs 4/12—4/18—4/07—4/18—(5/19).

Dalmia (Bharat)—Rs 12/81—12/81—12/75—12/75—(12/62).

Do. (Pref.)—Rs. 8/00—8/00—8/00—8/00—(8/00).

Sone Valley—Rs. 3/78—3/91—3/78—3/87—(4/50).

CHEMICALS

Alkali & Chemical—Rs. 27/56—27/56—27/50—27/50—(33/37).

Chemicals & Fibres—Rs 15/94 c.t.—15/94—15/75—15/81.

Smith Stanistreet—Rs. 13/00—13/00—13/00—13/00—(12/31).

PUBLIC UTILITIES

Calcutta—Rs. 15/31—15/31—15/19—15/25—(14/56).

Do. (Pref.)—Rs 8/19—8/44—8/19—8/25—(7/87).

Dishergarh (1st Pref.)—Rs. 70/00—70/00—70/00—70/00.

ENGINEERINGS

Bhartia Electric Steel—Rs. 14/75—14/94—14/75—14/94—(15/00).

Binani Metal—Rs. 12/75 c.t.—13/31—12/75—13/31—(11/87).

Britannia Eng.—Rs. 9/25—9/44—9/25—9/44—(10/31).

Braithwaite & Co.—Rs. 32/75—32/75—32/62—32/62—(33/00).

Burn (7% Pref.)—Rs. 112/00 s.t.—114/00—112/00—113/00.

Dalmia Iron—Rs. 12/00—12/00—11/87—11/87—(11/56).

Hindustan Wire—Rs. 9/25—9/25—9/25—9/25

Indian Steel and Wire Pro.—Rs 26/50—27/00—26/50—27/00—(36/87).

Indian Iron (Pref.)—Rs. 84/00—84/00—83/00—83/00—(80/00).

Jay Eng.—19/94—20/06—19/94—20/06—(21/87).

Jessop & Co.—Rs. 25/44—25/75—25/44—25/62—(24/25).

J. K. Steel—Rs. 17/75—17/81—17/75—17/81—(17/94).

Kumardhubi—Rs. 5/34—5/34—4/34—5/34—(9/00).

Marshalls—Rs. 3/25—3/62 3/25—3/59—(2/62).

Machinery Mnfg.—Rs 21/00—21/00—21/00—21/00.

National Iron & Steel—Rs. 5/35—5/35—5/30—5/30—(5/75).

Textile Machinery (6½% Pref.)—Rs. 102/00—102/50—101/50—101/50.

INSURANCE

New Asiatic—Rs. 7/19—7/75—7/19—7/75—(8/50).

MISCELLANEOUS

Aluminium Corpn.—Rs. 10/94—11/00—10/87—11/00—(13/62).

American Refrigerator—Rs. 9/03—9/12—9/03—9/12.

Associated Battery—Rs. 24/62—24/75—24/00—24/56—(27/50).

Angelo Bros.—Rs. 24/87—24/87—24/75—24/75.

Bhartia Commercial—Rs. 6/62—6/62—6/62—6/62.

Bararee Coke—Rs. 20/69—20/69—20/69—20/69—(22/06).

B. I. Corpn.—Rs. 10/50—10/94—10/44—10/94—(9/00).

British Paints—Rs 22/44—22/44—22/12—22/44—(22/62)

Bharat Nidhi (Pref.)—Rs. 46/50—47/00—46/50—47/00.

Dyer, Meakin Breweries—Rs. 22/56—22/75—22/56—22/75—(32/00).

Electric Construction—Rs. 13/06—13/16—12/94—12/94—(13/06).

Eastern Investment—Rs 95/50—95/50—95/50—95/50.

Goodyear India—Rs. 18/25—18/25—17/50—17/62.

Gwalior Rayon—Rs. 36/75—36/75—36/75—36/75.

Hindustan Aluminium—Rs. 12/44—12/75 s.t.—12/37—12/40—(13/81).

Hindusthan Development—Rs. 3/91—3/94—3/81—3/94.

Indian Tack & Nail—Rs. 8/37—8/37—8/31—8/31.

Incheck Tyres—Rs. 6/19—6/28—6/19—6/28.

India Carbon—Rs. 13/06—13/25—13/06—13/25—(15/87).

Indian Oxygen—Rs 23/75—23/81—23/62—23/81—(26/62).

J. K. Synthetics—Rs. 12/56—12/81—12/56—12/81—(13/50)

Jayshree Tea Industries—Rs. 14/25—14/25—14/25—14/25—(14/50).

Martin Burn—Rs. 26/31—26/56—26/25—26/31—(28/31).

Madhya Pradesh—Rs. 8/75—8/75—8/75—8/75.

Metal Box—Rs. 30/25—30/25—30/25—30/25—(52/25).

Metal Distributors—Rs. 9/00—9/12—9/00—9/06—(4/41).

National Tobacco—Rs. 10/87—10/87—10/87—10/87—(13/31).

National Rubber Mfg.—Rs. 10/19—10/19—9/87—9/94—(13/44).

Do. (New)—Rs. 4/50—4/50—4/50—4/50

National Rolling—Rs. 21/62—21/81 x.d.—21/56—21/81 x.d.

Philips India—Rs. 27/75—29/00—27/75—29/00—(28/50)

Phillips Carbon—Rs. 11/37—11/37—11/37—11/37

Rallis India—Rs. 118/00—118/00—118/00—118/00—(129/50).

Shaw Wallace—Rs. 15/00 c.t.—15/00—14/50—14/62—(17/69)

Shalimar Rope Works—Rs 16/50—16/62—16/50—16/62.

Shalimar Wire Industries—Rs 8/62—8/62—8/62—8/62—(4/50).

Sirsilk—Rs. 6/75—6/87—6/62—6/87—(10/12).

Union Carbide—Rs 29/00—29/12—28/75—29/12—(42/12).

Universal Cables—Rs. 9/87—10/25—9/81—9/97—(12/19)

Usha Martin Black—Rs. 13/94—14/00—13/94—14/00

Walford Transport—Rs. 3/19—3/19—3/19—3/19—(4/09).

Woolcombers of India—Rs. 10/06—10/12—10/06—10/12—(14/56).

OIL

Indo-Burma Petroleum—Rs. 18/19—18/25—17/94—17/94—(21/75).

PAPERS

Bengal—Rs 26/62—26/62—26/44—26/44—(28/50).

Ballarpur—Rs. 15/81—15/81—15/75—15/75

India Paper Pulp—Rs. 16/75—16/75—16/75—16/75.

Straw Products—Rs. 8/75—8/75—8/75—8/75—(10/69).

Sirpur—Rs. 11/69—11/69—11/56—11/56—(13/69)

Shree Gopal (2nd Pref.)—Rs. 99/00—100/00—99/00—100/00—(98/00).

Seshasayee—Rs. 7/15—7/18—7/06—7/18—(7/94)

Star—Rs 8/50—8/87—8/50—8/87.

Titaghur—Rs. 11/56—11/62—11/56—11/62—(16/87).

SHIPPINGS

India Steamship—Rs. 6/47—6/50—6/37—6/50—(9/87)

Port Shipping—Rs. 16/87—17/00—16/75—16/75—(14/37).

SUGARS

Bharat—Rs. 16/00—16/00—16/00—16/00—(16/00).

Balrampur—Rs. 1/65—1/65—1/65—1/65—(1/81).

Carew & Co (Pref.)—Rs. 81/50—81/50—81/50—81/50—(73/50).

Darbhanga—Rs. 8/62—8/62—8/50—8/56—(9/87).

New Savan—Rs. 3/44—3/65—3/44—3/65—(4/50).

New India—Rs. 30/00—30/00—29/50—29/50.

Raza Buland—Rs. 9/87—9/87—9/87—9/87—(10/25).

Shree Krishna Gyanoday—Rs. 8/19—8/25—8/19—8/25—(7/94).

REAL PROPERTIES

Hindusthan Building—Rs. 3/40—3/40—3/31—3/31.

Midnapore Zemindary—Rs. 33/50—33/50—33/50—33/50.

TEAS

Bormahian—Rs. 10/50—10/56—10/50—10/56.

Betjan—Rs. 27/31—27/44—27/31—27/44.

Baradighi—Rs. 20/69—20/75—20/69—20/75—(23/69).

Bhatkawa—Rs 13/75—13/81—13/56—13/56—(17/25).

Brooke Bond—Rs. 9/25—9/25—9/00—9/00—(12/00).

Birpara—Rs. 143/00—144/00—143/00—143/00—(162/00).

Dhunseri—Rs 9/94—10/00—9/87—9/87—(11/87).

Dhelakhat—Rs. 20/62—20/62—20/62—20/62—(20/69).

Dchra Dun—Rs. 72/00—72/00—72/00—72/00

Grob—Rs 6/12—6/12—5/94—6/00—(7/50).

Gohpur—Rs. 12/60—12/60—12/50—12/50—(14/69).

Hasimara Industries—Rs. 12/06—12/25—12/00—12/25—(13/44).

New Chumta—Rs. 18/44—18/56—18/44—18/56—(24/62).

Oodlabari—Rs. 14/25—14/25—14/25—14/25—(13/37).

Pchargoomiah—Rs 11/50—11/56—11/50—11/56—(14/37).

Patrakola—Rs. 135/00—140/00—135/00—140/00—(129/00).

Rydak—Rs. 22/62—22/62—22/56—22/56—(25/75)

Seajuli—Rs. 21/25—21/25—21/06—21/06—(25/25).

Tezpore—Rs. 12/87—13/06—12/87—13/06—(15/19).

DEBENTURES

7% Carew & Co.—Rs. 96/00—96/25—96/00—96/25—(100/00).

3½% (1956-66)—Howrah Bridge—Rs. 94/50—94/50—94/50—94/50.

5½% Esso Standard—Rs. 94/50—94/50—94/50—94/50.

London

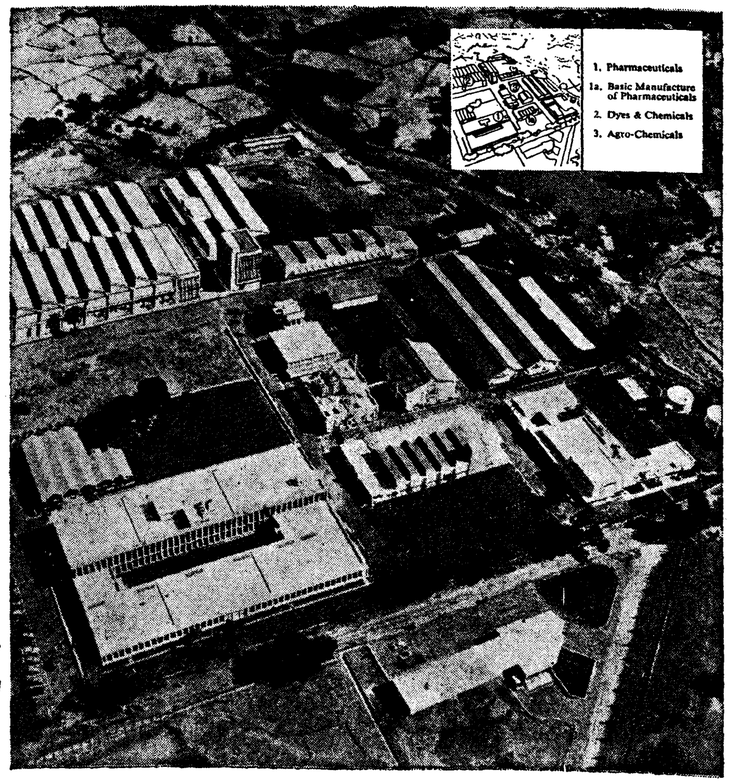
TAX STATEMENT CAUSES HEAVY PRICE FALL

CREDIT CURB MOVE HITS GILT-EDGED

London, 15th December.

IT was a week of unsettled conditions in the stock market and business continued to diminish daily. After moving ahead in anticipation of the Chancellor's taxation statement, there was an immediate sharp reaction following it on keen disappointment with the contents. The price slide was the heaviest since that which followed the big Wall Street setback in May 1962. Stocks to suffer most were those of companies with large overseas earnings on consideration of their new tax position and Bowaters, Turner and Newall gained little benefit from the results where the dividend proved disappointing. Dunlops, Hawker Siddeley, Courtaulds, Metal Box and Tube Investments all gave way. Gilt-edged were a confused market with the tax position still uncertain and with the Bank of England request for credit restraint also contributing. Dollar stocks lost ground and there was some selling from this side by investment trusts. Continental issues also weakened. Gold shares were well favoured, following Press recommendations and on the move to obtain a higher gold price. Diamonds also moved up, but sea diamonds were a weak spot. Coppers improved irregularly, but tins fell away. Oils showed fairly sharp falls and rubbers and teas lost ground.

In more ways than one...



This is an aerial view of the Sandoz industrial complex. The site covers more than 70 acres. The plant and machinery incorporate the most modern manufacturing techniques, including a high degree of automation. All Sandoz products are manufactured, processed or formulated here, many from the basic stages. Each manufacturing wing has its own Product Development and Quality Control laboratories.

It is here that Sandoz works for national progress in more ways than one...

Pharmaceuticals:
On 4th February, 1961, Dr. S. Radhakrishnan, then Vice-President of India, formally inaugurated the Pharmaceutical and Chemical Plants. The pharmaceuticals manufactured represent established names in therapeutic use and are the result of continual and progressive research in Sandoz Laboratories all over the world.

Dyestuffs and Textile Chemicals:
A complete range of specialised dyes and chemicals is available for the requirements of the textile, leather and paper industry. Most of the dyestuffs licenced for manufacture will be produced for the first time in India. A pilot plant is in operation since last year and capacity production will start early in 1965.

Agro-Chemicals:
The product range in this line has a vast market in India where agriculture on a scientific basis is just beginning to take shape.

SANDOZ
International Research for National Progress

SANDOZ (INDIA) LTD. Head Office: Bombay 1.

Money

STATE BANK FACING PROBLEMS OF RAPID GROWTH

(BY A SPECIAL CORRESPONDENT)

The State Bank has grown impressively over the past decade. Its share of the country's banking business is to go up from the present 33 percent to 50 percent in the next five years. Consequently, it is now facing the problems of administration inevitable in conditions of rapid growth.

THE working of the State Bank of India during the first decade of its existence reflects the dual rôle and functions of a nationalised commercial bank, which is run according to business principles but within the framework of public policy. There is, however, little new in this tight-rope walking. For 14 years prior to the establishment of the Reserve Bank of India in 1935, the Imperial Bank of India, the State Bank's predecessor, performed an equally difficult and unusual task by combining some central banking obligations with the functions of a commercial bank.

During the last decade, the State Bank has progressed, not only in terms of branches and business, but also in organisation and methods, in techniques and practices of lending and accounting, and in matters which are pertinent to its growth and efficiency such as recruitment and training, premises and housing, personnel welfare and labour relations. The bank, along with its seven subsidiaries, has opened more than 1,000 branches to build a network of 1,728 branch offices spread all over the country. Business has increased three-fold and the staff four-fold; above all, the bank has played a pioneering rôle in extending banking facilities to new and non-traditional small-scale industries, and to the export and co-operative sectors.

Increased Share of Banking

It is clear that with its experience and new initiatives, the State Bank is now poised for undertaking larger responsibilities and for playing a more important rôle in the economy. The Government has already declared its intention that the share of the State Bank in the country's banking system will go up from one-third at present to one-half in the next five years, and the declaration is being followed up by action on various fronts. In addition, the State Bank is making its own efforts to expand business. Under a directive from the Central Finance Ministers, deposits of all public, semi-public and local authorities and of all such institutions as receive Government assistance in the form of grants, aids or advances can be kept only with the State Bank. Under the revised credit control formula, the bank commands more than half of the total borrowing facilities from the Reserve Bank, with the result that borrowers turned down by the commercial banks due to the credit squeeze can be accommodated by the State Bank easily. As a result of a peculiar interpretation given by the Reserve Bank to its own deposit rates directives, all other banks have been compelled to refund their existing 3 percent three-day notice money deposits, but the State Bank continues to pay 3 percent on all its existing three-day notice money.

Nevertheless, despite past progress and future prospects, it is obvious that the State Bank, with its existing organisation, has reached the limits of its expansion. The strains are already reflected in the inadequacy of staff and accommodation and in the gradual deterioration of business and operational efficiency; payments to and from the Government at the State Bank have already become an ordeal, and procedural delays and operational inaccuracies have become exasperating. Problems of size have come along with progress.

Administrative Problems

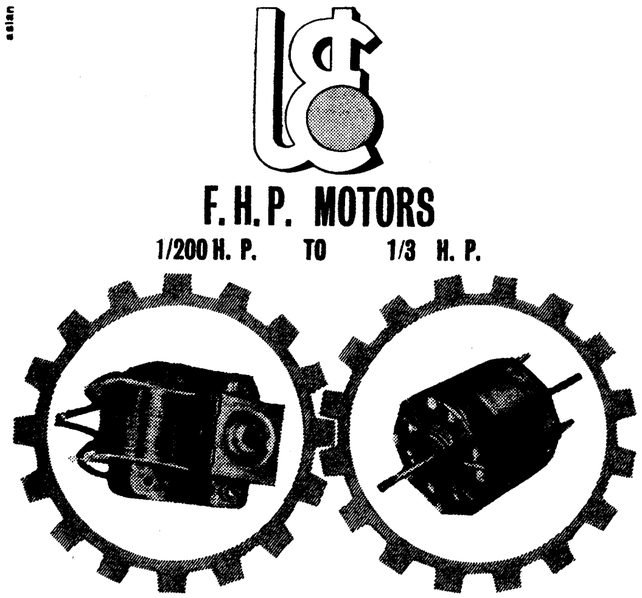
It has become almost impossible to administer over 1,700 branches and keep in touch with their agents, staff and customers from a single central office. Problems of personnel and premises, and of accounting and business techniques, have increased in number as well as in complexity. The chairman of the State Bank mentioned at the 1963 annual general meeting of the shareholders that a committee of experts had gone into the details of staff, premises and accounting problems of larger size and its report was being implemented, although he did not disclose what the committee's recommendations were, and how they were being implemented.

The central office of the bank is being assisted by four local head offices in Bombay, Madras, Calcutta and New Delhi. The latter were conceived more as regional liaison units than as offices which could lighten the task and burden of the central office. They had so far no powers beyond recruiting and maintaining an establishment in their regions. The 1964 amendments to the State Bank of India Act are, therefore, intended to alter the organisation. They have the two-fold purpose of enabling the creation of a larger number of local head offices and of increasing their authority and autonomy with reference to the powers of granting loans and advances. The aims of these enabling powers are to facilitate delegation and decentralisation of functions within the bank, so that business can be transacted in a more efficient and expeditious manner.

Framework for Future

The State Bank is thus building up a framework and laying guidelines for future progress in three ways. First, its techniques of lending and operational practices are being revolutionised in the light of experience and its desire to finance the economic development of the country. Secondly, an internal expert committee is dealing with the problems of staff, premises and accounting in order to smoothen the process of expansion. Lastly, the statutory changes have provided scope for organisational changes in the bank's set-up. A fifth local head office in Kanpur was created in August even before the new amendment received the President's assent, and a sixth local head office was inaugurated in Ahmedabad on the very day on which the State Bank Amendment Act became effective—1st December, 1964.

With the reallocation of jurisdiction among the six local head offices (yet more to come in 1965) and with their increased powers, the administration of the State Bank will be effectively decentralised. In addi-



tion to the establishment matters, the boards at each of the local head offices can now deal independently not only with the traditional remittance and lending business and with the acceptance and realisation (if needed) of securities, but also with new lines of activities like housing loans, hire-purchase finance and term loans, within the broad policy laid down by the central board of directors of the State Bank.

Decentralisation of Powers

The future is, however, uncertain. Extensive decentralisation and wider discretionary powers for the increased staff of local head offices provide only the framework. Much more will depend on the extent to which increased powers and larger facilities are used. Procedural delays will not be curtailed unless the new local boards feel themselves confident and competent to take risks and responsibilities: operational delays cannot be reduced unless the local boards are able to instil a greater sense of discipline and duty among the staff under their jurisdictions: efficiency and quality of service at the branch counters and managers' desks are unlikely to improve, unless the supervisory and managerial staff are relieved from the sheer voluminous burden of day-to-day routine and hour-to-hour banking.

Moreover, it has not yet been fully realised that the amending legislation, which has facilitated the delegation of wider powers to a larger number of local head offices, has at the same time increased and extended the Government's control over the management of the State Bank by increasing the nominated and official element on the central and local boards.

THE CALCUTTA MONEY MARKET

MODERATE INCREASE IN ADVANCES

Wednesday, 16th December.

THE general level of advances has risen moderately in the Calcutta money market during the past week. This is because the requirements of the cotton, jute and sugar mills are slightly higher. The credit given to the iron, steel and engineering industries, and to the foodgrains and seeds trade is unchanged. In the interbank market, conditions have been easier, and the call rate has dropped from 5½ percent to 4 percent.

The exchange market has been moderately active, with a fair supply of both tea and gunny bills. The demand for remittances is small. In the London market, sterling has shown a mixed trend and fluctuations have been narrow.

BULLION WAS STEADY IN CALCUTTA during the past week due to good support, particularly from upcountry centres. Silver rose from the previous week's level of Rs. 253.50 to Rs. 257.20 a kilogram, quoted today. The price was quoted at 113¼d in London and at 129.3 cents in New York.

In sympathy with the rise in silver, gold was also steady and the price of 14-carat advanced from Rs. 68.25 to Rs. 68.75.

DURING THE WEEK ENDED 11TH December, Government of India Treasury bills for Rs. 55,98,00,000 were sold in favour of the Reserve Bank.

TENDERS FOR Rs. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 15th December. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.375 percent were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.500 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 21st December.

IT IS STATED THAT 91-DAY INTERmediate Treasury bills will be sold from 16th December to 19th December at Rs. 99.391 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 9th December to 12th December amounted to Rs. 1.50 crores.

ACTIVE NOTES ROSE BY Rs. 37.56 crores to Rs. 2,510.53 crores and the total note issue by Rs. 28.81 crores to Rs. 2,520.23 crores, according to the return of the Reserve Bank of India for the week ended 11th December, 1964. The currency expansion was adjusted by increasing rupee securities by Rs. 30 crores to Rs. 2,216.13 crores. Deposits of the Government of India dropped by Rs. 33.25 crores to Rs. 53.05 crores while those of State Governments rose by Rs. 12.33 crores to Rs. 17.82 crores. Balances of scheduled banks at Rs. 93.55 crores showed a rise of Rs. 4.32 crores. Balances held abroad declined by Rs. 55 lakhs to Rs. 10.84 crores but investments were up by Rs. 24.94 crores to Rs. 23.30 crores, of which scheduled banks rose from Rs. 18.26 crores to Rs. 23.30 crores of which advances against usance bills amounted to Rs. 1.41 crores (Rs 4.26 crores). Advances to State Governments at Rs. 28.09 crores showed little change.

THE RETURN OF THE STATE BANK OF India for the week ended 4th December, 1964, shows a rise of Rs. 47 lakhs to Rs. 667.23 crores in total deposits. Investments in Government securities are down by Rs. 5.50 crores to Rs. 283.93 crores, while other authorised investments remain unchanged at Rs. 8.98 crores. Advances, including loans, cash credits, overdrafts, and bills discounted and purchased have increased by Rs. 17.24 crores to Rs. 362.72 crores. Cash and balances are, in consequence, shown at Rs. 23.49 crores or Rs. 1.97 crores less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 4th December, 1964, shows Demand and Time liabilities at Rs. 1,349.69 crores (Rs. 28.60 crores on account of borrowings from banks) and Rs. 1,391.48 crores (Rs. 17.09 crores), compared with Rs. 1,370.05 crores (Rs. 31.56 crores) and Rs. 1,399.77 crores (Rs. 15.88 crores), respectively, in the previous week. Cash has risen by Rs. 3 lakhs to Rs. 65.69 crores, while balances with the Reserve Bank have declined by Rs. 1.67 crores to Rs. 92.09 crores. There is a drop of Rs. 36.72 crores to Rs. 802.54 crores in investments. Advances and bills discounted at Rs. 1,784.34 crores show a rise of Rs. 49.48 crores. The ratios to total liabilities of cash and balances and of advances and discounts are, in consequence, shown at 5.8 percent and 65.1 percent, against 5.8 percent and 62.6 percent.

THE CHARTERED BANK IS ACQUIRING a 40-percent interest in the ordinary share capital of the Mutual Acceptance Company Ltd of Sydney, Australia, which is to be increased to A£3,203,725. The total cost of this investment to the Chartered Bank will be A£1,922,235 (£1,537,788 sterling), including a premium of 50 percent. The Mutual Acceptance Company Ltd was incorporated in 1936, and at present is the largest Australian finance company without bank backing. The Company with its subsidiaries provides a full range of hire-purchase and general finance facilities and has offices in Sydney, Melbourne, Brisbane, Adelaide and Canberra.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 18-12-64.

Issue Date	Maturity Date	Amount (('000's Rs.)	Average Acceptance Rate
18-12-64	21-3-65	2.00.00	Rs. 2.500%
11-12-64	14-3-65	2.00.00	Rs. 2.500%
4-12-64	7-3-65	2.00.00	Rs. 2.400%
27-11-64	2-3-65	2.00.00	Rs. 2.360%
21-11-64	23-2-65	2.00.00	Rs. 2.400%
13-11-64	16-2-65	2.00.00	Rs. 2.499%
6-11-64	9-2-65	2.00.00	Rs. 2.500%
30-10-64	2-2-65	2.00.00	Rs. 2.400%
23-10-64	26-1-65	2.00.00	Rs. 2.500%
9-10-64	12-1-65	2.00.00	Rs. 2.500%
1-10-64	4-1-65	2.00.00	Rs. 2.400%
25-9-64	28-12-64	2.00.00	Rs. 2.399%
18-9-64	21-12-64	2.00.00	Rs. 2.386%

(Monthly Muturities ('000's omitted)

December, 1964	6,00.00
January 1965	6.00.00
February 1965	8.00.00
March, 1965	8 00.00
Total	26.00.00

CLEARING HOUSE RETURNS

(Rs. (thousand)

Week	Calcutta	Bombay
11-12-64	1,09,57.34	1,28,65.07
4-12-64	1,41.83.31	1,58.43.77
27-11-64	10,97.49	1,41.53.08
20-11-64	1,04.29.50	1,36.73.14

RESERVE BANK

ISSUE DEPARTMENT

(In 000's of Rupees)

	Week Ended 11-12-64	4-12-64	13-12-63
Liabilities—			
Notes in Banking Dept.	9,69.55	18,45.74	14,72.56
Notes in Circulation	25,10.53.38	24,72,96.73	23,36,22.72
Total Notes Issued	25,20,22.93	24,91,42.47	23,50,95.28
Assets—			
A. Gold Coin and Bullion	1,17,76.10	1,17,76.10	1,17,76.10
Foreign Securities	85 45.69	85 45.69	97,45.69
Total of A	2,03,21.79	2,03,21.79	2,15,21.79
B Rupee Coin	1,00,88.09	1,02,07.53	1,16,42.47
Rupee Securities	22,16,13.05	21,86,13.15	20,19,31.02
Total	25,20,22.93	24,91,42.47	23,50,95.28

BANKING DEPARTMENT

Liabilities—			
Capita Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund	86,00.00	86,00.00	73,00.00
National Agricultural Credit (Stabilisation) Fund	9,00.00	9,00.00	8,00.00
National Industrial Credit (Long Term Operations) Fund	10,00.00	10,00.00	...
Deposits—			
(a) 1 Central Govt.	53,05.40	86,30.02	49,92.85
2 State Govts.	17,82.09	5,48.96	14,88.27
(b) Banks :—			
(i) Scheduled Banks	93,55.05	89,23.11	82,73.36
(ii) State Co-operative Banks	2,92.20	2,74.02	1,92.84
(iii) Other Banks	4.96	1,59	4.61
(c) Others	1,43,28.41	1,44,57.15	1,65,26.79
Bills Payable	41,43.93	46,14.34	28,72.27
Other Liabilities	48,40.22	45,95.59	39,49.19
Total	5,90,52.26	6,10,44.78	5,49,00.18
Assets—			
Notes	9,69.55	18,45.74	14,72.56
Rupee Coin	5.80	4.76	2.72
Small Coin	9.33	8.98	2.27
Bills Purchased and Discounted :—			
(a) Internal	...	...	...
(b) External	...	...	...
(c) Govt. Treasury Bills	1,36,03.77	1,64,11.44	80,64.61
Balances Held abroad	10,84.32	11,38.78	8,22,10
Investments	1,42,44.71	1,17,51.37	1,97,72,42
Loans and Advances to :—			
(i) Central Government	...	...	...
(ii) State Governments	31,62.89	44,42.32	39,58.13
Loans and Advances to :—			
(i) Scheduled Banks	23,30.20	18,26.45	7,85,55
(ii) State Co-operative Banks	1,59,63.62	1,59,39.59	1,31,67.54
(iii) Others	3,50.53	3,33.93	1,74,55
Loans, Advances and Investments from National Agricultural Credit (Long Term Operation) Fund			
(a) Loans and Advances to :—			
(i) State Govts.	28,08.77	28,09.41	26,98.98
(ii) State Co-operative Banks	11,18.81	11,42.33	9,17.20
(iii) Central Land Mortgage Banks	...	...	...
(b) Investment in Central Land Mortgage Bank Debentures	4,45.53	4,45.53	3,35.31
Other Assets	29,54.43	29,44.15	27,06.24
Total	5,90,52.26	6,10,44.78	5,49,00.18

SCHEDULED BANKS

(In 000's of Rupees)

	Week Ended 4-12-64	27-11-64	6-12-63
(i) Demand Liabilities—			
(a) Demand Deposits :			
(1) From Banks	65,29.45	65,84.16	51,77.89
(2) From others	11,82,65.64	11,98,74.52	9,70,88.25
(b) Borrowing from Banks	28,59.54	31,55.85	24,42.43
(c) Others	73,14.82	73,90.29	60,79.27
(ii) Time Liabilities—			
(a) Time Deposits :			
(1) From Banks	34,59.91	34,84.21	28,72.45
(2) From others	13,26,24.85	13,35,79.18	12,45,10.95
(b) Borrowing from Banks	17,08.66	15,87.53	22,27.08
(c) Others	13,54.42	13,26.16	10,33.16
(iii) Borrowing from State Bank—			
(a) Demand Liabilities	12,96.22	9,51.07	6,25.75
(b) Time Liabilities	55,14.16	47,44.80	19,61.00
(iv) Borrowing from Reserve Bank	15,37.45	1,31.31	14,50.60
(v) Cash	65,68.70	65,65.93	56,11.54
(vi) Balances with the Reserve Bank	92,08.88	93,76.09	81,52.99
(vii) Balances with other Banks in current account	23,94.30	23,53.13	22,33.29
(viii) Money at call and short notice	66,81.35	78,78.30	56,56.45
(ix) Investments in Central and State Govt Securities	8,02,54.20	8,39,26.27	7,37,47.13
(x) (a) Loans Cash Credits and Overdrafts	14,84,64.57	14,48,37.48	12,77,96.40
(b) Due from Bank	25,82.66	20,96.00	12,54.05
(xi) Inland Bills purchased and discounted	1,99,15.74	1,90,89.70	1,83,90.40
(xii) Foreign Bills purchased and discounted	74,70.95	74,62.91	58,02.20
(xiii) Total of X, XI and XII	17,84,33,92	17,34,86,09	15,32,43,05

THIS ANNOUNCEMENT IS NOT A PROSPECTUS

Persons interested in full details are requested to obtain copies of the Prospectus, which are available from the Registered Office of the Company or from the Offices of the Company's Brokers, Bankers to the Issue and the Underwriters.

KALYANPUR LIME & CEMENT WORKS LIMITED

(The Company was incorporated in India as a Public Company on the 11th August, 1937 under the Indian Companies Act, 1913).

***Registered Office:* 2 & 3, Clive Row, Calcutta-1.**

EXISTING AND PROPOSED ACTIVITIES

The Company's business is the manufacture of Portland Cement and Lime. The existing manufacturing capacity of cement is 420 tons per day. The Company has an Industrial Licence to instal an additional plant with a capacity of 600 tons per day which is now proposed to be installed.

LOCATION OF WORKS

The Company works limestone quarries at Banjari in the district of Shahabad, Bihar and has its cement factory adjacent to the quarries.

SHARE CAPITAL

Authorised: Rs.		**Issued, Subscribed and fully Paid-up** Rs.
23,00,000	Divided into 23,000 8.5% Cumulative Preference Shares of Rs. 100/- each (free of Company's Income Tax but subject to deduction of taxes at source at the prescribed rates) with participating rights ..	19,75,000
42,00,000	Divided into 42,000 9.5% Cumulative Redeemable Preference Shares of Rs. 100/- each (free of Company's Income Tax but subject to deduction of taxes at source at the prescribed rates) ..	—
1,35,00,000	Divided into 13,50,000 Equity Shares of Rs. 10/- each	54,25,000
2,00,00,000		74,00,000

PRESENT ISSUE

30,250 9.5% Cumulative Redeemable Preference Shares of Rs. 100/- each at par (free of Company's Income Tax but subject to deduction of taxes at source at the prescribed rates)	30,25,000
4,57,500 Equity Shares of Rs. 10/- each at par ..	45,75,000
	76,00,000

Out of the Present Issue:

(1) 57,500 Equity Shares of Rs. 10/- each have been subscribed for and will be allotted to the Chairman, Directors or their friends	5,75,000
(2) Now offered at par to the Public:	
(a) 30,250 9.5% Cumulative Redeemable Preference Shares of Rs. 100/- each (free of Company's Income Tax but subject to deduction of taxes at source at the prescribed rates)	30,25,000
(b) 4,00,000 Equity Shares of Rs. 10/- each ..	40,00,000
	70,25,000

BOARD OF DIRECTORS

1. **SRI CHANDRADEVA PRAKASH SINHA**, M.A., Chairman, Edward House, Arrah (Bihar).
   Industrialist.
   Chairman of: Bank of Behar Ltd.
   South Behar Sugar Mills Ltd.
   Kirlampudi Sugar Mills Ltd.
   Madras Vanaspati Ltd.
2. **PANDIT RAMKRISHNA DAVE**, M.A., LL.B., 9, Elgin Road, Allahabad, Advocate.
   Partner in: Import Association, Allahabad.
3. **SRI HARINANDAN SAHAYA**, 26C, Alipore Road, Calcutta-27.
   Industrialist.
   Director of: Associated Pigments Ltd.
   Indian Coconut Products (P) Ltd.
   South Behar Sugar Mills Ltd.
   Hindustan Vehicles Ltd.
4. **SRI NARBADA SANKAR RANCHHODLAL PANDYA**, 101, Walkeshwar Road, Bombay-6.
   Merchant,
   Director of: Betterby Corporation Ltd.
   Karnatak Sugar & Cellulose Works Ltd.
5. **SRI MADHAB CHURN LAW**, M.A., 223, Cornwallis Street, Calcutta.
   Merchant,
   Director of: Associated Pigments Ltd.
   Partner in: Messrs. M. C. Law & Co.
   Messrs. C. C. Law & Co.
   Messrs. K. D Law & Co.
6. **SRI GANESH PRASAD**, "Kunj Vilas", Exhibition Road, Patna.
   Landlord.
7. **SRI SATYADEVA PRAKASH SINHA**, B.Sc. (London), Edward House, Arrah (Bihar). Industrialist.
8. **SRI KARUNA KANT DUTT**, 55, Karaya Road, Calcutta.
   Stock Broker.
   Director of: Ondal Coal Co. Ltd.
   Sendra Coal Co. Ltd.
   Standard Coal Co. Ltd.
   General Investment & Trust Ltd.
   Investment & Finance Co. Ltd.
   Punjab Minerals Co. Ltd.
   Amalgomated Development Ltd.
   Shalimar Rope Works Ltd.
   Britannia Engineering Co. Ltd.
   Birds Investments Ltd.
   B. N. Kalen Ltd
   Bengal Freemasons' Trust Association.
   Managing Director of: Place, Siddons & Gough (P) Ltd.

DATES OF OPENING AND CLOSING OF SUBSCRIPTION LIST

The Subscription List will open at the commencement of banking hours on the 24th December, 1964 and will remain open until the close of banking hours on the 4th January, 1965 or earlier at the discretion of the Directors, but not before the close of banking hours on the 30th December, 1964.

APPLICATIONS

Copies of the Application forms and Prospectus can be obtained from the Registered Office of the Company or from the undermentioned Bankers, Brokers and Underwriters.

BANKERS

Allahabad Bank Limited, Patna.
First National City Bank. Calcutta.
State Bank of India, Dalmianagar.
Bank of Behar Ltd., Patna.

BANKERS TO THE ISSUE

The Central Bank of India Ltd: at their branches at:

Agra	Cochin	Hyderabad	Madras	Poona
Ahmedabad	Coimbatore	Indore	Madurai	Ranchi
Ajmer	Cuttack	Jodhpur	Meerut	Surat
Allahabad	Calcutta	Jabalpur	Monghyr	Truchirapally
Amritsar	Chandigarh	Jamshedpur	Moradabad	Trivandrum
Arrah	Delhi	Jaipur	Muzaffarpur	Varanasi
Bangalore	Gaya	Jhansi	New Delhi	Vijayavada
Baroda	Gorakhpur	Kakinada	Nagpur	
Bhagalpur	Gwalior	Kanpur	Patna	
Bombay	Gauhati	Lucknow		

Allahabad Bank Ltd., at their branches at:

Allahabad	Bareilly	Dehra Dun	Patna
Aligarh	Batala	Delhi	Satna
Ambala	Bhopal	Jamalpur	
Bombay	Calcutta	Lucknow	

First National City Bank: at their branches at.

Bombay	Calcutta	New Delhi	Madras

BROKERS

AHMEDABAD

MESSRS CHINUBHAI CHIMANLAL DALAL,
Manek Chowk, Ahmedabad.

BOMBAY

1. MESSRS. HARKISONDASS LUKHMIDASS,
   Stock Exchange Bldg., 5th Floor, Apollo Street, Fort, Bombay-1.
2. MESSRS. LEWIS & JONES,
   Bank of Baroda Building, Apollo Street, Fort, Bombay-1.
3. MESSRS. KANTILAL PURTAPSHI,
   97, Stock Exchange Bldg., Apollo Street, Fort, Bombay-1.
4. MESSRS. P. R. SUBRAMANYAM AND SONS,
   70-A, Stock Exchange Bldg., Apollo Street, Fort, Bombay-1.

BANGALORE

1. MESSRS. P. R. SUBRAMANYAM & SONS,
   Shree Siva, 24, Fourth Street, Benson Cross Road, Bangalore-6.
2. MESSRS LOKKUR & COMPANY,
   Kempegowda Road, Bangalore-9.

CALCUTTA

1. MESSRS. PLACE, SIDDONS & GOUGH (P) LTD.,
   6, Lyons Range, Calcutta-1.
2. MESSRS. KHANDELWAL BROS., 25, Swallow Lane, Calcutta-1.

NEW DELHI

1. MESSRS. HARBANS SINGH MEHTA, & CO.,
   33, Regal Buildings, Parliament Street, New Delhi.
2. MESSRS. BHARAT BHUSHAN & CO.,
   H-45, Connaught Place, New Delhi.

MADRAS

1. MESSRS. KOTHARI & SONS,
   Oriental Buildings, Armenian Street, Madras-I.
2. MESSRS PATERSON & CO.,
   Vanguard House, 11/12, Second Line Beach, Madras-1.
3. MESSRS. SOMAYAJULU & CO.,
   Andhra Insurance Bldg., 337, Thambu Chetty Street, Madras-1.

UNDERWRITERS

Name & Address of Underwriters

1. Life Insurance Corporation of India,
   Yogakshema, Foreshore Road. Bombay
2. The Industrial Credit & Investment Corporation of India Limited,
   ICICI Building, 163, Backbay Reclamation, Bombay-1
3. Industrial Finance Corporation of India,
   Parliament Street. New Delhi
4. Unit Trust of India,
   Amar Building,
   Pherozshah Mehta Road,
   Bombay-1
5. Bihar State Industrial Development Corporation Ltd., Patna

THE SCINDIA STEAM NAVIGATION COMPANY LIMITED

CHAIRMAN, MR. DHARAMSEY M. KHATAU'S REVIEW

Summary of the Statement of Mr. Dharamsey M. Khatau, Chairman, The Scindia Steam Nav. Co. Ltd., made at the 45th Annual General Meeting of the Shareholders on Wednesday, the 16th December, 1964, at Scindia House, Ballard Estate, Bombay.

Shri Dharamsey M. Khatau, Chairman of the Scindia Steam Navigation Co., Ltd., referred feelingly to the sad death of our beloved Prime Minister Shri Jawaharlal Nehru who gave national shipping its place of pride in the transport economy. In welcoming the new Prime Minister Shri Lal Bahadur Shastri, he referred to the consolidation and expansion of the shipping industry achieved due to bold and energetic policy pursued by him during his tenure as Transport Minister. While referring to the recent freight increases which were effective only for a period of the year, he stated that these increases were off set by continued increase in costs. He was critical of the entry of other Indian Lines into the Shipping services which were satisfactorily maintained by Indian Lines, Members of the Shipping Conferences, inasmuch as such entry would render a working of the Lines uneconomic. He made special reference to strikes in ports in India and abroad, the berthing and dry-dock delays and the poor despatch, which all went to add to the cargo handling costs. He urged the Government to take active interest in requiring Port Trusts to maintain efficiency at ports at the highest level possible and to make labour more productive through the introduction of incentive schemes and the adoption of other similar methods.

Raising Freight Rates

Regarding the rates of freight on the Coast, he pressed for adequate increase in the background of a detailed reference to the 1962 recommendation of Shri R. G. Abbhi's Commission, which was not fully accepted by the Government and which itself was not considered adequate by the industry. He referred to the costs that have since risen and maintained that the view that the return on capital would be adequate if "some uneconomic ships" were eliminated was not practical. His reason was that apart from the fact that all units of any industry are not economic in operation at all points of time, the Coastal industry suffered from a particular handicap in that though it was keen on eliminating uneconomic units, foreign exchange was not available for purchase of replacement vessels. He insisted that the Coastal vessels should be given adequate quantities of coal, salt and other cargoes which must be continuously assured to enable Coastal shipping to work economically and to develop in a planned manner and at the same time to provide for efficient services.

He made particular reference to the urgent need for making continuous and expeditious use of the machinery of the Maritime Freight Commission and observed that this Commission should be charged with the responsibility of making periodical assessment of costs of operation and thereafter permitting the shipping companies appropriate increases from time to time. He requested the Government to take required decision early.

Shri Khatau made reference to the addition of eight vessels to the fleet since the last Annual Meeting. Of these, six are for employment on the Coast of India, one for the West Coast and one for Overseas trade. A further order for three 15,000 ton vessels was placed with Messrs. Lithgows Ltd., Glasgow. There were also on order with the Hindustan Shipyard three vessels and one 3,800 d.w.t. motor vessel was on order abroad.

War Risk Insurance

Regarding War Risk Insurance, Shri Khatau referred to his observations back in 1962. The Indian National Steamship Owners' Association, he had said, have been requesting the Government of India since September, 1959 to evolve a suitable scheme and it was urged that immediate measures be taken to formulate the scheme so as to ensure adequate insurance protection to Indian vessels against war risks. Although the Association were advised that the Government were actively considering the matter, nothing had so far happened. He, therefore, reiterated his appeal to the Government to give this question priority consideration.

Regarding Scindia Workshop Ltd., he referred to the conclusion of the contract with Messrs. Siemens Engineering & Manufacturing Co. of India Ltd., Bombay, for manufacture of cargo winches and to the negotiations with Messrs. Mac-Gregor-Comarin, Paris, for manufacture of Ship's Hatch Covers.

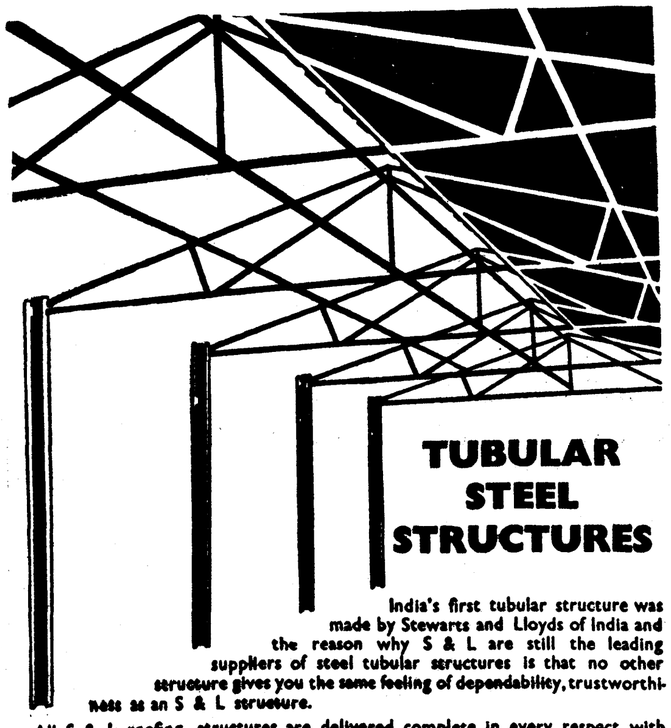
Regarding Konkan services, Shri Khatau observed that the new Committee which was expected to be formed by the Government and to submit its report to the Government had not yet been formed. As a result, no progress had been made in determining the amount payable to the Company for the year 1962-63 and onwards. This was, he said, in the background of the original claim of the Bombay Steam Navigation Co. (1953) Ltd. against the Maharashtra and the Central Governments for the two years 1961-62 and 1962-63 amounting to Rs. 25,68,253. He requested the Government to hold early a Tripartite Conference between the Government of India, the Government of Maharashtra and the Company. In his concluding remarks he said unless freight rates were designed to cover costs of operation, shipping companies cannot work on an economic basis.

Regarding future prospects, his observation was that the Company's year under review was good and, as far as he could see, the Company expected to maintain the improvement.

Shri Khatau welcomed Shri Raghunath Singh, the newly appointed Chairman of the National Shipping Board, and referred to his close knowledge of shipping problems. He said he would look forward to further satisfactory progress of the industry. He also expressed his appreciation of the active assistance of Shri Raj Bahadur, Transport Minister, and Dr. Nagendra Singh, Special Secretary, for their efforts in stabilising and expanding Indian Shipping.

He thanked the shippers, patrons and consignees, here and abroad, and appreciated the services of the Management, Officers and Staff and the Company's Agents.

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



TUBULAR STEEL STRUCTURES

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All S & L roofing structures are delivered complete in every respect with trusses, purlins, columns, hook bolts for roofing and all necessary studs, nuts and washers.

Write today for your requirement of these sturdy and dependable tubular steel structures.

S&L **STEWARTS AND LLOYDS OF INDIA PRIVATE LIMITED**
Regd. Office: 41, CHOWRINGHEE ROAD, CALCUTTA-16 PHONE: 44-3511
Branch Office: Himalaya House, 5th Floor, Patson Road, Bombay

SAS-S & L-1064

ANNOUNCEMENT REGARDING THE PROPOSED ISSUE OF CAPITAL

This is not a Prospectus. Persons interested in full details may obtain copies of prospectus from the Company's Registered Office or from the Underwriters, Bankers and Brokers to the issue mentioned hereinafter.

SHAMA FORGE COMPANY LIMITED

(Incorporated as a Public Company on 5th October, 1963 under the Companies Act, 1956)

Registered Office: **14-F, Connaught Place, Centre Circle, New Delhi.**

SHARE CAPITAL

AUTHORISED:

7,00,000 Equity shares of Rs. 10/- each	Rs.	70,00,000
30,000 Cumulative Redeemable Preference shares of Rs. 100/- each	Rs.	30,00,000
	Rs.	1,00,00,000

ISSUED AND SUBSCRIBED:

	Equity Rs.	Preference Rs.
7 Equity shares of Rs. 10/- each fully paid up by subscribers	70	
1,43,543 Equity shares of Rs. 10/- each and 5,225 9.5% Cumulative Redeemable preference shares of Rs. 100/- each by Promoters, Directors, their friends, associates and others including Indo-Burma Petroleum Co. Ltd. (both 50% paid up)	14,35,430	5,22,500
	14,35,500	5,22,500
Total paid up Capital	9,79,035	

PRESENT ISSUE:

3,56,450 Equity shares of Rs 10/- each	35,64,500	
19,775 9.5% Cumulative Redeemable Preference shares of Rs. 100/- each	19,77,500	
	55,42,000	
Out of the present issue 2,16,450 Equity shares are reserved for allotment at par to Kropp Forge Company of U.S.A. foreign collaborators against price of equipment to be supplied by them to the Company	21,64,500	

NOW OFFERED AT PAR FOR PUBLIC SUBSCRIPTION:

1,40,000 Equity shares of Rs. 10/- each	14,00,000	
19,775 9.5% Cumulative Redeemable preference shares of Rs. 100/- each	19,77,500	
	33,77,500	

Note :—Cumulative Redeemable Preference Shares are carrying dividend @ 9.5% free of Company's tax, but subject to deduction of tax at source at prescribed rates and these shares are redeemable at such premium if any as may be determined at that time by the Company and at any time after the expiry of twelve years from the date of allotment but before fifteen years from the said date at the option of the Company by a notice of at least 15 days.

UNDERWRITERS

INDUSTRIAL FINANCE CORPORATION OF INDIA, Reserve Bank Building, Parliament Street, New Delhi; **INDUSTRIAL DEVELOPMENT BANK OF INDIA**, Reserve Bank Building, Bombay; **LIFE INSURANCE CORPORATION OF INDIA**, Yogakshema, Foreshore Road, Bombay 1; **MADHYA PRADESH FINANCIAL CORPORATION**, Shiv Vilas Palace, Indore City; **UNION BANK OF INDIA LIMITED**, 66/80, Apollo Street, Fort, Bombay-1, and **MESSRS. BATLIVALA & KARANI**, Union Bank Building, Dalal Street, Fort, Bombay-1.

BOARD OF DIRECTORS

1. **SHRI C. C. DESAI**, I.C.S. (Retd.), 44, Friends Colony, New Delhi. **Industrialist: Chairman of:** Antifriction Bearings Corporation Ltd., Camphor and Allied Products Ltd., Indian Detonators Ltd., Lynx Machinery Ltd., Modella Woollens Ltd., Premier Tyres Ltd., Sankey Wheels Ltd (Alternate chairman) and others. **Director of:** Spencer & Company Ltd., United Carbon India Ltd. and others.

2. **SHRI BIMAL K. KHANNA**, 22, Ratendone Road, New Delhi. **Businessman: Director of:** B. K. Khanna & Co. Private Ltd., Shama Engine Valves Ltd., Shama Pistons & Rings Ltd. Bliss & Laughlin-Shama Ltd.

3. **MR. RAYMOND T. O'KEEFE**, President, Kropp Forge Company, 5301, West Roosevelt Road, Chicago 50, Illinois, U.S.A. **Industrialist: President:** Kropp Forge Company, U.S.A.

4. **MR. STUART D. MISHLOVE**, Treasurer, Messrs. Kropp Forge Company of U.S.A., 5301, West Roosevelt Road Chicago 50, Illinois, U.S.A.

5. **SHRI KAMAL N. KHANNA**, 22, Ratendone Road, New Delhi. **Businessman: Director of:** B. K. Khanna & Co. Private Ltd., Shama Engine Valves Ltd., Shama Pistons & Rings Ltd., Bliss & Laughlin-Shama Ltd.

6. **MR. N. WHITEHEAD**, 49, Hill Park, Powai Road, Bombay-6. **Company Executive: Chairman of:** Indo-Burma Petroleum Company Ltd. **Director of:** Indo-American Electricals Ltd., Assam Sillimanite Ltd., Shama Pistons & Rings Ltd., Bliss & Laughlin-Shama Ltd., Balmer Lawrie & Co. Ltd. and others.

7. **DR. PRANLAL PATEL**, Mathuradas Mill Compound, Tulsi Pipe Road, Lower Parel, Bombay-13. **Industrialist: Director of:** Malleable Iron & Steel Casting Co. Pvt. Ltd. Kamani Metals and Alloys Ltd., Acme Pig Iron & Centrifugal Pipe Works Ltd., Graham Firth Steel Products (India) Ltd., Murphy India Ltd., Tensile Steel Ltd., and others.

8. **SHRI S. B. BILIMORIA**, Union Bank Buildings, Dalal Street, Fort, Bombay-1. **Stock Broker: Director of:** Shama Engine Valves Ltd., Firth Sterling Steel Co. of India Ltd., Indo-American Electricals Ltd., Shama Pistons & Rings Ltd., East India Hotels Ltd., and others. **Partner of:** Batlivala & Karani, Bombay.

9. **SMT. K. RATHOUR**, 22, Ratendone Road, New Delhi. **Business: Director of:** Shama Engine Valves Ltd., B. K. Khanna & Co. Private Ltd., Shama Pistons & Rings Ltd., and others.

10. **MR. D.F.N. SYMONDS**, 19, Sunder Nagar, New Delhi. **Businessman.**

MANAGING AGENTS

Messrs. B. K. Khanna & Co. Private Ltd., 14-F, Connaught Place, Centre Circle, New Delhi.

AUDITORS

Messrs. A. F. Ferguson & Co., Chartered Accountants, Scindia House, New Delhi.

BANKERS TO THE ISSUE

The Union Bank of India Ltd., Connaught Place, New Delhi.

The National & Grindlays Bank Ltd., 'H' Block, Connaught Circus, New Delhi.

The Central Bank of India Ltd., National Insurance Bldg., Parliament Street, New Delhi.

SOLICITORS TO THE ISSUE

Messrs. Orr Dignam & Company, 29, Netaji Subhas Road, Calcutta.

LEGAL ADVISERS

Messrs. Rajinder Narain & Co., Advocates, 14/F, Connaught Place, New Delhi.

Mr. Phem Nath Khanna, Advocate, 14, Asaf Ali Road, New Delhi.

BROKERS TO THE ISSUE

CALCUTTA:

G. M. Pyne, Allahabad Bank Buildings, 14, India Exchange Place, Calcutta-1.

Stewart & Co., 14, India Exchange Place, Calcutta-1.

BOMBAY:

Batlivala & Karani, Union Bank Buildings, Dalal Street Fort, Bombay-1.

Mahadevia Bros., Stock Exchange Old Building, Dalal Street, Fort, Bombay-1.

A. B. Pandit & Company, 32, Apollo Street, Fort, Bombay.

Merwanjee Bomanjee Dalal, Allahabad Bank Building, Apollo Street, Fort, Bombay.

MADRAS:

Chitra & Co., 322-323 Linghi Chetty Street, Madras-1.

Maconochie & Co., Mercantile Bank Building, Madras-1

Paterson & Co., Vanguard House, III Floor, 11/12, Second Line Beach, Madras-1.

DELHI:

Raj Paul Chadha & Co., Delite Cinema Building, Asaf Ali Road, New Delhi.

DELHI:

P. Roy Company, 3/8, M. M. Road, Jn. Panchkuin Road, New Delhi-1.

Raja Ram Bhasin & Co., 31, Delhi Stock Exchange Association Building, Asaf Ali Road, New Delhi

M. R. Dhawan & Co., 4/8, Asaf Ali Road, New Delhi.

Desh Bandhu Gupta & Co., 45, Stock Exchange Bldg., Asaf Ali Road, New Delhi

J. S. Sahny & Co., 25, Stock Exchange Building, Asaf Ali Road, New Delhi.

HYDERABAD:

P. B. Afzulpurkar, Sultan Bazar, Hyderabad.

BANGALORE:

M. Nanjappaiah Jaligirdar, 181, Cavalry Road, Bangalore-1.

AHMEDABAD:

Kantilal Chandulal & Co., Shahibag, Near Rly. Crossing, Ahmedabad.

Chinubhai Chimanlal Dalal, Manek Chowk, Ahmedabad

Chimanlal Laibhai, 2286, Manek Chowk, Ahmedabad

OBJECTS AND PROPOSED ACTIVITIES

The main object for which the Company has been established is, inter alia, to carry on the business as manufacturers of and dealers in 'Forgings" of various types. The Industrial Licence from the Central Government authorises the manufacture of 5,000 tons annually of mild and alloy steel forgings. The indigenous production of forgings is inadequate to meet the present, as also the growing demands from the expanding industries and for the Defence requirements in all its phases from Ordnance to aircraft and missiles. The tariff policy of the Government of India gives encouragement to the forging industry and the Company hopes to establish itself in a short period as one of the premier manufacturers of quality forgings in mass scale.

FOREIGN COLLABORATION

The Promoters, viz., Messrs. B. K. Khanna & Co. Private Ltd., entered into an agreement dated 1st August, 1963 with Messrs. Kropp Forge Company of Chicago, U.S.A. who, having 66 years experience in forging industry are among the largest manufacturers in U.S.A. of forging from various ferrous and non-ferrous metals. The said collaborators have agreed to make available their extensive experience in the manufacture of mild and alloy steel and other metal forgings, to assist in the layout of the plant and erection of factory, to train Indian personnel at their Works and to provide men with technical experience This agreement has been assigned in favour of the Company by the promoters. The duration of the Agreement is ten years.

LOCATION

The Plant will be located at Bhopal in Madhya Pradesh where land has been acquired.

FINANCIAL ARRANGEMENTS

The Company has arranged loans from Industrial Finance Corporation of India for Rs. 26,40,000/- (foreign exchange loan of Rs 23,34,000/- and rupee loan of Rs. 3,06,000/-) and United States Agency for International Development ("A.I.D.") for Rs. 47,50,000/-.

APPLICATION FOR SHARES

Application for shares must be for a minimum of 25 equity shares of multiples thereof and/or for a minimum of 5 preference shares or multiples thereof, and must be on the prescribed forms accompanying the prospectus, which can be had from the Company's Registered Office, Underwriters, the Bankers and Brokers to the Issue

All application forms duly completed must be lodged together with the amount payable on application with the UNION BANK OF INDIA LIMITED, Connaught Place New Delhi or THE NATIONAL AND GRINDLAYS BANK LIMITED H-Block, Connaught Circus, New Delhi or THE CENTRAL BANK OF INDIA LIMITED, National Insurance Building Parliament Street New Delhi, or at principal branches of any of the said Banks at Agra, Ahmedabad, Ajmer, Allahabad, Ambala, Amritsar, Bangalore, Baroda, Bhopal, Bombay, Calcutta Chandigarh, Coimbatore, Cuttack, Dehra Dun, Delhi, Ernakulam, Gauhati Hyderabad, Indore, Jaipur, Jammu, Jamshedpur, Jullundur, Kanpur, Kotah, Lucknow, Ludhiana, Madras, Madurai, Meerut, Mysore, Nagpur, New Delhi, Patiala, Patna, Poona, Ranchi, Shillong and Surat.

DATE OF OPENING AND CLOSING OF SUBSCRIPTION LIST

The subscription List will open both in respect of Equity and Preference Shares, at the commencement of banking hours on 28th December, 1964, and will remain open until the close of 12th January, 1965, unless closed earlier or later at the discretion of the Directors but not before the close of the banking hours on 2nd January, 1965.

INTERADS

New Delhi

PACT ON MADRAS REFINERY WILL BE SIGNED SHORTLY

(FROM OUR NEW DELHI CORRESPONDENT)

THE Government of India and the Iranian-American combine, consisting of the American International Oil Company and the National Iranian Oil Company, have reached an agreement to build the Madras refinery with a capacity of two-and-a-half-million tons. Three outstanding issues—the guarantee on the refineability of Darius crude, the most favoured treatment for India in relation to the price of the crude and a larger dollar loan to finance the fertiliser-*cum*-petrochemical complex to the extent of at least $5 million—have been satisfactorily settled after mutual discussions, followed by the exchange of letters incorporating the basic principles of the agreement. Lawyers are now engaged in giving legal shape to the agreement which, it is expected, will be signed shortly.

According to official sources, oil has been struck in the Lokhoa area, a few miles from Jorhat in Assam. Preliminary estimates place the oil reserves at 20 million tonnes. The area is in the vicinity of an existing oilfield. Meanwhile, the Oil and Natural Gas Commission has announced its 1964-65 drilling programme. It proposes to drill 151 wells deploying 40 rigs. The drilling areas include Ankleshwar, Ahmedabad and Cambay in Gujarat; Rudrasagar, Kakwa and Teok in Assam; Hoshiarpur in Punjab; Port Canning in West Bengal; Purnea in Bihar; and Tihar, Tanakur and Mohando in U.P. In addition, the O.N.G.C. plans to drill a series of shallow wells in the Godavari delta where gas seepage is believed to exist.

Meanwhile, led by Mr. Galloway of Union Carbide, the representatives of Dow Chemicals and the American International Oil Company—forming a consortium—have offered to build a petrochemical complex in Koyali, Gujarat, at an estimated cost of $50 million in foreign exchange. Last month, the I.C.I.-Phillips Petroleum combine also submitted detailed proposals for setting up the complex. Phillips Petroleum of the U.S.A. is at present building the Cochin refinery in partnership with the Government while I.C.I. is engaged in a number of projects in India, including explosives and terylene. Union Carbide similarly holds a licence to set up a naphtha cracker unit in Bombay and has applied for its expansion. The A.I.O.C. is now becoming a partner of the Government in building the Madras refinery. The Government is presently examining both proposals. It proposes to set up industries for the extraction of aromatics (benzene and xylene) and for the manufacture of butadiene and acrylonitrile in the vicinity of the Barauni refinery in Bihar. The A.I.O.C., it will be recalled, told the Government that the Madras refinery with a capacity of two-and-a-half-million tons will not be able to sustain both the fertiliser and the petrochemicals complex. It has also told the Government that it specialises in aromatic extraction industries. The use of the technical and financial assistance to be provided by the A.I.O.C. in the aromatic extraction industries in Bihar cannot, therefore, be ruled out.

AGRICULTURE

The Shanker Report

The former Secretary to the Central Ministry of Food, Mr. V. Shanker, it is believed, has recommended in a report that all agricultural activity at the Centre, including co-operative credit and Panchayati Raj, should be brought under one Minister of State. This would involve a partial, if not complete, liquidation of Mr. S. K. Dey's "empire". The Chief Ministers of Gujarat and Rajasthan recently declared that the two programmes have not benefited the people for whom they were launched. This "storm in a tea-cup" may not worry Mr. Dey who, contrary to the Prime Minister, has been defending the use of jeeps in development blocks. He said that the number of jeeps in "normal" community development blocks was 3,411. But he did not disclose their number in "abnormal" blocks.

Novel Ideas

The Minister pretends that he has never been in the wrong. It is sometimes the politician and sometimes the serviceman who is responsible for the "unfounded" allegation that the programmes sponsored by his Ministry have failed. In earlier, years, he caught the late Mr. Nehru on the soft side by making community development blocks organise village schools. He also put forward a proposal for organising the village defence force two years ago to drive the Chinese back to Peking. Mr. Dey told the Lok Sabha during its July session that the village level workers had "now" been instructed to give first priority to agricultural production.

The father of the concept of the welfare State, Lord Beveridge, stated in his well-known book, *Employment in a Free Society:* "Idleness is not the same as want, but a separate evil. Men must also have the chance of rendering useful service and of feeling that they are doing so. This means that employment is not wanted for the sake of employment, irrespective of what it produces. Employment which is merely time-wasting, equivalent to digging holes and filling them up again will not serve the purpose. Employment must be productive and progressive." The issue which the Government and the Planning Commission have to face is whether, and to what extent, employment-oriented planning has been productive. Such an examination is extremely necessary for the community development programme.

Various committees have evaluated the usefulness of the community development programme for raising production in agriculture. The findings have not been complimentary to the Ministry. A fresh examination in the light of the Shanker report has now become necessary, particularly because of the economic crisis. The examination might show how much unproductive employment has been provided by the community development organisation.

COAL

Study on Transport Needs

According to reports in a section of the Press, the coal transport study undertaken at considerable cost has "already become obsolete" for the obvious reason, that the demand for both coal and transport has declined. If these reports are correct, the conclusion so reached should be confined to people who are not planners but panic-mongers.

A look back to the transport crisis which faced this country two years ago, and the shortage of cement which is now accepted as a normal phenomenon, like the contamination of drinking water supply in Delhi, is called for. A similar slackness in the railway transport position some four years ago led the Planning Commission to a decision to reduce the production of railway wagons. The result of this "hand-to-mouth" policy was that not enough wagons were available when the economy, recovered. As for cement, at one stage its shortage led to the appointment of a committee to suggest alternatives to cement as a medium for construction. Then there was a sudden glut, followed by a season of shortages.

The issue is a straight one, namely, whether the present economic crisis is regarded as a permanent feature of the Indian economy. If it is, there is no need for the fourth plan or for the Planning Commission. If India has to have the fourth plan, which envisages a growth rate of 6.5 percent, it follows that the present economic crisis is a temporary phenomenon and the tempo of economic activity has to be accelerated. The slack demand for rail transport system should then be regarded as a passing phase, and the transport system should be geared to meet the additional demand arising from the planned growth of production. From this broader viewpoint, the coal transport study cannot be regarded as obsolete.

FOODGRAINS

Rice and Wheat Production

Production figures gathered from official sources show that the production of rice was 34,807,000 tons in 1961-62, 31,914,000 tons in 1962-63, and 36,489,000 tons in 1963-64. Imports of rice during the same period were 390,000 tons in 1962, 483,000 tons in 1963 and 519,000 tons in the ten months ended October 1964, or about 14 percent of home production.

The production of wheat was 12,039,000 tons in 1961-62, 10,829,000 tons, in 1962-63, and 9,708,000 tons in 1963-64. Imports of wheat were: 3,250,000 tons, in 1962, 4,071,000 tons in 1963 and 4,346,000 tons till October 1964.

Imports of wheat are almost 50 percent of the home production. This should be a matter of some concern to those responsible for India's food policy. The area under rice can perhaps be stepped up to make India self-sufficient in the commodity. The same is not true of wheat for which the import bill is already big. As it is, the rice-eating people are subsidising the wheat-eating population of India.

FOREIGN LOANS

Statement from T. T. K.

In a statement in the Lok Sabha last week, the Central Finance Minister, Mr. T. T. Krishnamachari, gave details of the loans granted to India by the aid-giving countries during the first three years of the third plan, the amounts used and interest paid on them. The following is a summary of the statement:

(In Rs. crores)

Country	Amount of loan	Amount used up to 31st August, 1964	Interest paid up to 31st August, 1964
A. Loans payable in foreign currency:			
U.S.A.	555.59	298.52	2.36
United Kingdom	166.66	98.12	7.87
West Germany	220.58	119.61	10.13
Canada	7.35	2.84	Negligible
Japan	84.94	32.27	0.28
Switzerland	3.25	—	—
Poland	15.50	—	—
France	38.09	—	—
Italy	47.04	3.54	0.02
Austria	4.21	1.52	—
Belgium	9.52	—	—
Netherlands	13.15	0.26	—
	1161.88	556.68	20.66
B. Loans payable in rupees:			
Denmark	1.03	—	—
U.S.A.	46.18	25.80	0.92
Total	47.21	25.80	0.92
Totals A and B	1,209.09	582.48	21.58

SOUTH AFRICA

Trade with Communist Bloc

Last year, the Security Council voted in favour of arms sanctions against South Africa. The Council's resolution was phrased in the form of a recommendation. Britain stated that she was willing to ban those arms "which would enable the policy of apartheid to be enforced". The U.S.A. said she was willing to ban the sale of arms to South Africa, but not the sale of other commodities, such as petroleum and its products. France made a clear distinction between strategic equipment and material required for internal and external defence purposes. A vote by the General Assembly had called on all countries to stop the sale of arms military equipment and to cease supplying petroleum in all its forms to South Africa.

Apart from arms traffic, African countries also increasingly called for a total trade boycott of South Africa so as to bring the Verwoerd Government to its knees. The U. N. Special Committee on Apartheid, in its report to the General Assembly published recently, recommends that countries should ban the export of a large number of items to South Africa. But this has not stopped communist countries from actually increasing their trade with South Africa in 1963. According to trade figures issued by the South African Government, the increase was in many cases substantial, even though none of these countries have signed trade or payments agreements with the South African Republic.

	(In £ 000)
East Germany	893
Czechoslovakia	1,746
Hungary	476
Poland	384

Many allegations about South African trade with communist China have appeared in the Press this year. They seem to be largely borne out by the facts as far as they are available. According to official Chinese data, China imported from South Africa goods valued at £3 million and exported goods to that country to the value of £700,000. The trade is being intensively continued and, according to a U.N. report on international trade, China supplies explosives to South Africa.

Most of China's imports from South Africa are believed to have been maize, both white and yellow. In 1964, the South Africa maize crop

has apparently been poor, so there is probably no export surplus. But canned foods make up a portion of South Africa's exports to China. South Africa buys pig bristles and sacking from China, among other items.

CHEMICALS

New Unit Planned

The representatives of the Chicago Bridge Company were here last week to discuss with the Government a proposal to set up an undertaking to manufacture pressure vessels and allied equipment required for the chemical and petro-chemical industries. The planned capacity of the unit is 15,000 tons a year on a two-shift basis. The Government has suggested two alternatives for financial and technical collaboration or merely for technical collaboration.

INFORMATION MINISTRY

Enquiry into Working

In order to evaluate the work at present being done by the various units of the Central Ministry of Information and Broadcasting in the light of the high professional standards required of them, and with a view to suggesting measures both on a short-term and long-term basis, the Government of India has set up a ten-member committee consisting of Mr. Asok K. Chanda (chairman); Messrs Nath Pai, M. S. Gurupadaswamy, Dr. L. M. Singhvi, Shrimati Kamala Chaudhri, Mr. V. C. Shukla, all members of Parliament and Messrs Hasan Zaheer, Asok Mitra, M. Chalapathi Rau, and Dr. Hazari Prasad Dwivedi. Kumari Mehra Masani, Director of Programmes, Directorate-General, All India Radio, will act as secretary to the Committee.

The Committee will avail itself of the services of experts in different fields of mass communication as consultants. The terms of reference of are: (1) to determine and define the rôle of the Ministry of Information and Broadcasting in terms of the Government's responsibility and functioning in mass communications; (2) to examine and evalute the operation, policies, programmes and productions of the various media units of the Ministry; (3) to examine and assess, in general terms, the current and projected activities of the other Governmental agencies engaged in mass communications; (4) to indicate the extent to which these operations, policies, etcetera, in each of the units meet the standards of an efficiently functioning unit in terms of the present objectives of the unit, and the objectives of such a unit as determined in terms of the Government's responsibility and functioning in mass communications; (5) to recommend appropriate changes, where necessary, to be made in the various media units; (6) to determine the desirability and feasibility of instituting a system of co-ordinating all Government activities in mass communications and specify what form such co-ordination should take, and (7) to draft a specific practicable programme of mass communications, with detailed reference to the media, facilities, personnel, funds and time required for implementing the programme.



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INDIAN TEXTILE EXPORTS

U.S.A. and U.K. Seek Restraint

The U.S.A. and the U.K. have asked India to restrain her textile exports to specified levels. Canada has not asked India to apply restraints in the same manner, but exports to that country meet with tariff barriers. Because of these restraints it has become difficult for India to increase the export of her textiles to these countries. On the whole the overall export of all categories of cotton fabrics as well as mill-made cotton textiles has been steadily increasing, and the value of export of cotton fabrics has risen from Rs. 51 crores in 1962-63 to Rs. 58 crores in 1963-64. In the first six months of this year also, this steady increase is being maintained.

HEAVY ELECTRICALS

New Company

With the formation of a new Company under the name and style of Bharat Heavy Electricals Ltd, the Heavy Electricals (India) Ltd has been bifurcated. The new Company has taken over the heavy electrical equipment plant, Hardwar, the heavy power equipment, Hyderabad, and the high pressure boiler plant, Tiruchirapalli. The Hardwar plant will manufacture steam turbo sets, with a total annual capacity of 1.5 million kW, hydro turbo sets with a total annual capacity of 1.2 million kW, heavy and medium size A.C. and D.C. electric motors with a total capacity of 515,000 kW a year, and starting and control apparatus, for completing the turbines, turbo generators and electric motors. The Hyderabad plant is designed to manufacture annually 800 MW of steam turbines and turbo alternators in sizes up to 100 MW each. The production programme of the Tiruchirapali plant is as follows): (1) manufacture of high-pressure boilers with a total capacity of 750 MW a year; (2) manufacture of boiler fittings not only to meet its own requirements but also to the extent of 1,800 tonnes a year for meeting the needs of other enterprises; and (3) manufacture of ten packaged boiler units.

COALMINING

U.S. Aid Sought

Loan assistance from the U.S.A. has been sought by India for developing an open-cast coking coal mine with a capacity of 1.5 million tonnes, and for a washery to beneficiate the coal at Ramgarh and for three developing non-coking coal mines with a total capacity of 5.05 million tonnes and a coking coal mine with a capacity of 1.50 million tonnes.

WAGON SUPPLY

Stabling for Lack of Traffic

There has been some stabling of wagons during the current year on the Indian railways. The daily average number of wagons stabled for want of traffic during the first seven months of 1964-65 is as follows:

	Broad Gauge		Metre Gauge	
	Number of wagons stabled	Percentage of stabling to total holding	Number of wagons stabled	Percentage of stabling to total holding
1964	592	0.2	379	0.4
1964	45	0.02	276	0.3
June 1964	773	0.3	556	0.5
July 1964	7,672	2.7	2,264	2.2
August 1964	15,039	5.3	3,482	3.4
September 1964	19,240	6.8	4,694	4.5
October 1964	17,897	6.3	4,289	4.1
Average:	8,751	—	2,263	4.1

In November and December 1964, the number and percentage of wagons stabled have come down further on the broad gauge and the metre gauge. The shortfall in wagons loading compared with anticipations during the seven months, April 1964 to October 1964, for want of traffic, amounted to 10.21 million tonnes. The commoditywise breakdown of this shortfall is shown below:

Coal	7.10 million tonnes
Raw materials to steel plants	1.05 million tonnes
Finished products from steel plants	210,000 million tonnes
Iron ore for export	310,000 million tonnes
Other goods	1.54 million tonnes
Total	10.21 million tonnes

PULP-MAKING

Public-sector Projects

The Central Minister of Heavy Engineering, Mr. T. N. Singh, told the Consultative Committee of Parliament that the Government was considering the setting up of one or more pulp making plants in the public sector, for meeting the needs of small paper plants and for filling the gap in the fourth plan demand and production. For newsprint, it was proposed to have one large unit with an approximate annual capacity of 60,000 tonnes in the public sector. The National Industrial Development Corporation had been entrusted with the work of preparation of a preliminary project report, which was expected by the end of this month.

STATE CONCERNS

New Bureau Planned

The Government of India is examining a proposal to set up a bureau of public enterprises to act as a service and evaluation centre for all public enterprises. The details are being worked out and the bureau is likely to be set up in the near future.

COAL WASHERY MACHINERY

Polish Collaboration

A Polish delegation recently visited India to finalise the terms of a collaboration agreement with the Heavy Engineering Corporation for the fabrication of machinery for washeries. Discussions with the Polish team are in progress. The team is at present engaged in making a study of the requirements and preparing a feasibility report.

Manufacturing Firms

Four firms have been granted licences for the manufacture of coal washeries with foreign collaboration. They are:

Name of the firm	Name of foreign collaborators
Messrs McNally Bird Engineering Company Ltd, Calcutta	Messrs McNally Pittsburgh Corporation, U.S.A.
Messrs Britannia Engineering Company Ltd, Calcutta	Messrs Simon Carves Ltd., U.K.
Messrs Tata Robins Fraser Ltd, Jamshedpur	Messrs Hewitt Robins Incorporated U.S.A. and Fraser and Chalmers Engineering Works of the U.K.
Messrs Argent Engineers Ltd, Calcutta	Messrs Roberts and Schaefer Company, U.S.A.

HIGH INCOME GROUPS

Publication of Names

As soon as the information is collected, the Government of India is thinking of publishing the names of individuals having an income of Rs. 2 lakhs and above and the names of firms having an income of Rs. 10 lakhs and above.

PUMPS AND COMPRESSORS

Russian Aid for Projects

A team of Russian experts has arrived here during the past week in connection with the pumps and compressors and steel foundry projects, which it is proposed to set up in the public sector with Russian assistance. The Russian specialists will assist the Government of India in the collection of initial data relating to technical, economic and locational project details with a view to preparing the detailed project reports.

The preliminary techno-economic report on the pumps and compressors project prepared by the Russian authorities visualises a capacity of 16,000 tonnes of equipment in ranges, not generally covered indigenously. The steel foundry, it is proposed, will be established with a capacity of 10,000 tonnes of steel castings required by the railways. The foreign exchange requirements of these projects are proposed to be met under the credit agreement signed on 21st February, 1961, between the Governments of India and Russia.

ELECTRONICS INDUSTRY

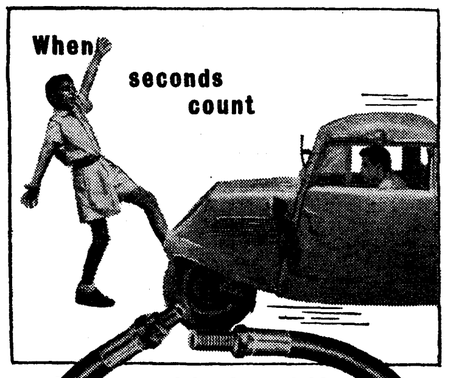
Report on Development

In an interim report on the production and investment necessary for a balanced electronics industry in India, the Electronics Committee has placed an expenditure of the order of Rs. 659 crores for 1963-73 for electronic equipment required by the defence services. Adding Rs. 70 crores for replacement parts, defence requirements come to Rs. 730 crores. The requirements of All India Radio, the departments of Civil Aviation and Light Houses and Light Ships, the Indian Railways, the Meteorological Department, Overseas Communication Services and internal security force, as estimated for the period up to 1973 by the respective Ministries, add up to a figure of Rs 90 crores. The Posts and Telegraphs Department is likely to use about Rs. 70 crores worth of electronic equipment in the same period. Miscellaneous items of entertainment equipment, such as phonograph amplifiers, tape-recorders and public address systems will form a sizable portion of the electronic apparatus produced. Based on the production and sales trends in other countries, a total of Rs. 100 crores can be taken as a reasonable figure. Similarly, in the field of industrial electronics, where a beginning was yet to be made in India, it is estimated that at least Rs. 200 crores worth of goods will be produced by the time the Indian electronics industry reaches full stature by 1973. It is further estimated that a minimum of Rs. 100 crores worth of electronic computers would be absorbed in the country in the next ten years. Taking all the above figures and those for the radio receivers, a total production figure of over Rs. 1,600 crores by 1973 is indicated for a balanced electronics industry in India.

The size of the existing industry is negligible compared with the task ahead. If new annual production capacity of Rs. 33 crores is established every year during the next ten years, a total production worth Rs 1,600 crores by 1973 will be achieved. The resulting production capacity will be Rs. 330 crores a year by 1973.

Raw materials required for the electronics industry cover a very wide range of metals and non-metals. Tungsten, molybdenum, nickel, chromium, gold and various alloys are widely used in vacuum tubes and transistors. Germanium, silicon and many other semi-conducting materials are needed in a purity not known in other fields of technology. Quartz and special glasses are used not only in components directly, but also in the equipment producing them. Insulators such as plastics, paper, laminated products, mica, special dry process electrical porcelain, varnishes and silicones and a very wide variety of chemicals are essential. A Rs. 330 crore a year electronics industry to be built up in ten years will require approximately Rs. 24 crores worth of raw materials every year.

Accessories such as connectors, cables, switches, knobs, relays, and solonoids will need common production facilities. The turnover in these items will be of the same order as in resistors or capacitors. There are many different types of resistors such as carbon composition, carbon film, metal film and wirewound resistors. There will be need for an annual production worth Rs. 7.5 crores. Almost an equal capacity is required for capacitors of all types. The investment required for such a production of resistors, capacitors and electronic accessories of an aggregate value of some Rs. 24 crores, would be of the order of Rs. 11 crores. An additional investment of approximately Rs. 15 crores will be required for



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the production of a wide variety of hardware and panel instruments of a total cost of Rs. 30 crores a year.

According to the Committee, total capital investment of Rs. 180 crores will have to be made over the coming ten-year period. The assumption made earlier that new production capacity of a value of Rs. 33 crores a year will be established every year during the next ten yars is equivalent to the assumption that new capital investment valued at roughly Rs. 18 crores, will be made in the electronics industry a year during the same ten-year period.

COTTON PRICES

Unwarranted Rise

The Central Minister of Commerce, Mr. Manubhai Shah, in a statement he made in the Lok Sabha said: "There has been an increase in the prices of Indian cotton in recent weeks and prices at present ruling are around the appropriate ceilings, and in some cases, have pierced the ceilings. The increase has been partly attributed to the reported damage to the crop in certain areas and to the anticipated increase in the mill consumption of cotton in the current season. Some of the increases are also due to rush in purchases by the mills. There has been also slight delay in the movement of new crop in Vidarbha and Khandesh areas. However, the total current crop is a record one and is estimated at 6.05 million bales.

"Imports of cotton in the current cotton year are expected to be about 950,000 bales, including the imports under P.L. 480 from the U.S.A. and under M.M.T.C.-C.C.C. barters from the U.S.A. This overall total includes India's immediate commercial commitments of imports from the traditional suppliers of cotton, namely, the U.A.R., the Sudan, Kenya, Tanganyika, East African countries and others. Already under this global commitment, quotas for import of 220,000 bales for this half-year are under issue; and purchase authorisations for 150,000 U.S. bales (180,000 Indian bales) from the U.S.A. under P.L. 480 are expected soon. Also, the import of 11,000 bales of Egyptian cotton lying in the U.S.A. stockpile has been allowed; the spillover of extended licences from the previous year is expected to be 22,000 bales being received in the current half-year; and under the M.M.T.C.-C.C.C. barters, physical deliveries of 125,000 bales are exected to be received at the minimum during the current half-year. Thus, before March-April 1965, more than 500,000 to 600,000 bales of imported cotton will be received out of the total 950,000 bales to be imported in the whole year.

"The large crop of indigenous cotton and above imports along with the usual carry-forward from the last year would be adequate for the increasing production of cloth. In the last ten months of the current year, there has been a continuous increase in the production of cloth and yarn of the cotton textile mills as well as cloth production in the handloom and powerloom sectors If the mills arrange their buying with some self-discipline, the situation should become normal and satisfactory.

CEMENT

Plans to Raise Output

There is an overall shortage of cement in the country. The present production in the industry is of the order of 9.5 million tonnes a year, while the demand is estimated at about 12.5 million tonnes. There are at present 37 cement factories in production with an annual installed capacity of 10.5 million tonnes. Additional capacity has been licensed for setting up new units and expanding existing ones to the extent of 4.47 million tonnes. Advance approval has also been given for a capacity of 8.9 million tonnes. On the basis of the progress made so far by these schemes, it is expected that by the end of 1964-65, additional capacity of 750,000 tonnes will be commissioned for production bringing the industry's total capacity to 11.25 million tonnes. In the year 1965-66, further augmentation of capacity by about 1.75 million tonnes is expected to be achieved. The Government is keeping a close watch on the progress of these schemes.

In order to stimulate the maximum utilisation of the existing capacity, an incentive by way of extra price is payable on the excess production achieved in the year 1965 over the best annual production for the three years ending 1962. This incentive scheme was in force in the year 1963 as well and was responsible for increase in production of about 500,000 tonnes.

Proposals for the import of balancing equipment by the existing factories for maximising the utilisation of capacity are under examination. Augmentation of production is also being achieved by the utilisation of blast furnace slag and pozzalanie materials. A new slag cement factory with an annual capacity of 290,000 tonnes has just gone into production. In order to promote the steady growth of the cement industry, the Government expects to set up shortly the Cement Corporation of India, a private limited company fully owned by the Government and entrusted with the following three principal functions: (1) survey, prospecting and proving of limestone deposits in the country; (2) establishment of capacity for manufacture of cement; and (3) all ancillary and supporting activity for building up the cement industry in the country, including the development of expertise.

NON-COKING COALS

Experiments on Conversion

A firm in the U.S.A. carried out preliminary laboratory tests on the samples of Indian coals from Kothagudem (Singareni), Kurasia and Bisrampur (Madhya Pradesh) to explore the possibility of converting these non-coking coals into metallurgical coke. The firm has reported that the preliminary results are sufficiently encouraging to support the belief that metallurgical coke can be produced from these coals. Further clarification is being obtained to ascertain whether there is a possibility of the process being tried on a commercial scale.

FORD FOUNDATION

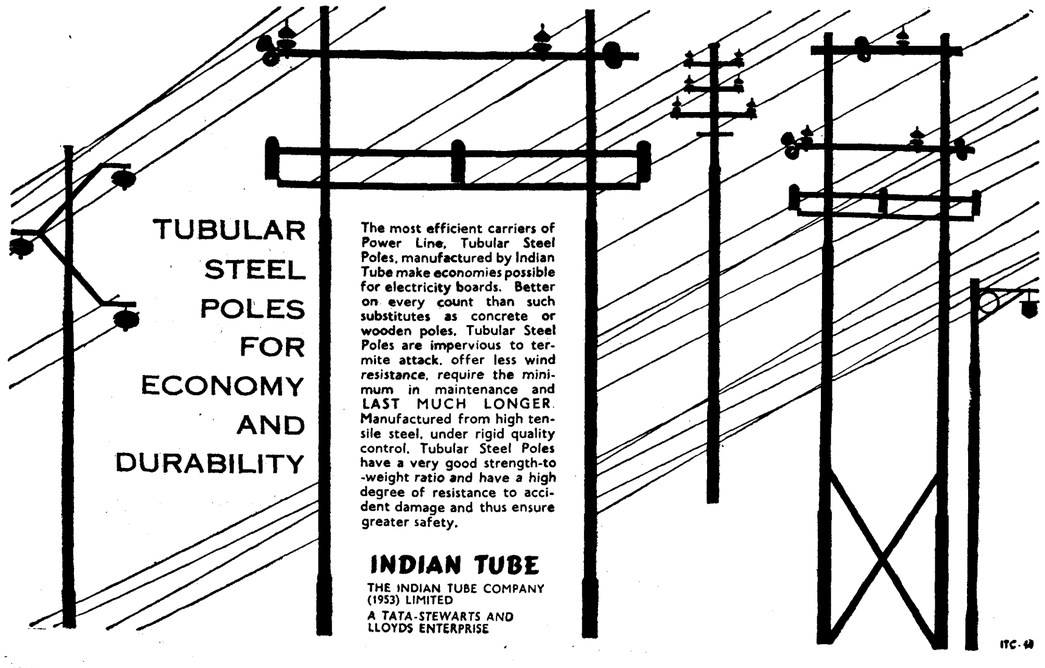
Grants to Indian Concerns

During the period from 1951 to January 1964, the Ford Foundation has authorised grants totalling $68 million (Rs. 32.3 crores) to various public and private institutions in India. The Ford Foundation holds prior consultation with the Ministries or Departments of the Government of India before making grants to various public and private institutions. The responsibility of implementing the aided programmes rests with the recipient institutions and not with the Foundation.

CANADA

Credit for India

Canada has extended a credit of $ (C) 1.96 million to India. It is repayable in 33 semi-annual instalments commencing from 1st November, 1968. The rate of interest is 6 percent a year. Interest is to be paid on 1st May and 1st November of each year, commencing on the first of these dates subsequent to the first disbursement. Repayment of principal and payment of interest will be in Canadian dollars. The credit will cover the foreign exchange cost for the import from Canada of industrial furnaces and related engineering services for the Durgapur alloy steel project of Hindustan Steel Ltd.



POLYETHYLENE

Steps to Overcome Shortage

There has been a shortage of polyethylene in the country during the last one year. The requirements and availability of polyethylene during 1963-64 and 1964-65 (April-July 1964) have been as follows:

Period	Requirement	Availability (Indigenous production and imports)
1963-64	10,000 to 11,000	8,100
1964-65	11,000 to 12,000	5,000 (April-July 1964).

The shortfall in indigenous production is attributable to short supply of alcohol to one of the two factories producing polyethylene. Arrangements have been made for the supply of adequate quantities of alcohol from indigenous sources and by imports, to this factory. Arrangements have also been made to import about 2,000 tonnes of polyethylene from rupee sources through the State Trading Corporation.

ROAD DEVELOPMENT

Suggestion for a Fund

The Informal Consultative Committee of Parliament for the Ministry of Transport has recommended the creation of a rural roads fund for expeditious construction of highways in the countryside. It also urged that more funds should be made available for this purpose in the fourth five year plan.

POWER LOAD SURVEY

New Committee Appointed

The Government of India has constituted the Third Electric Power Survey Committee to guide the load survey of the country during the year 1965. The 14-member Third Electric Power Survey Committee, the constitution of which has just been announced, is headed by the chairman of the Central Electricity Authority and includes Mr. K. B. Mathur, chairman, Heavy Elecricals (India) Ltd, and Dr. P. S. Lokanathan, Director-General, National Council of Applied Economic Research. The Planning Commission, State electricity boards and electricity undertakings in the private sector are also represented on the Committee.

SHIPPING

Italian Vessels Acquired

The State-owned Shipping Corporation of India has acquired three Italian ships built in 1956-57. These are second-hand ships which are only seven to eight years old as against their income tax life of 20 years. Their cost is placed at Rs. 413 crores.

INDUSTRIAL RAW MATERIALS

Cut in Imports Planned

In order to ease the balance of payments position, the Government of India is likely to impose a 10-percent cut on imports of industrial raw materials and components.

LORRY-MAKING

Self-contained State Unit

It is proposed to set up a self-contained unit for the production of Shaktiman and Nissan vehicles. The factory is proposed to be located in Jabalpur and will have a planned capacity for the production of 500 Shaktiman lorries and 600 Nissan vehicles a month.

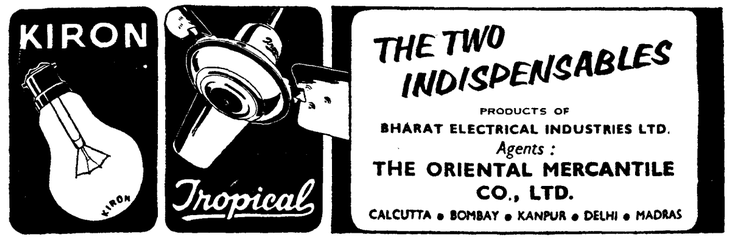
STEEL

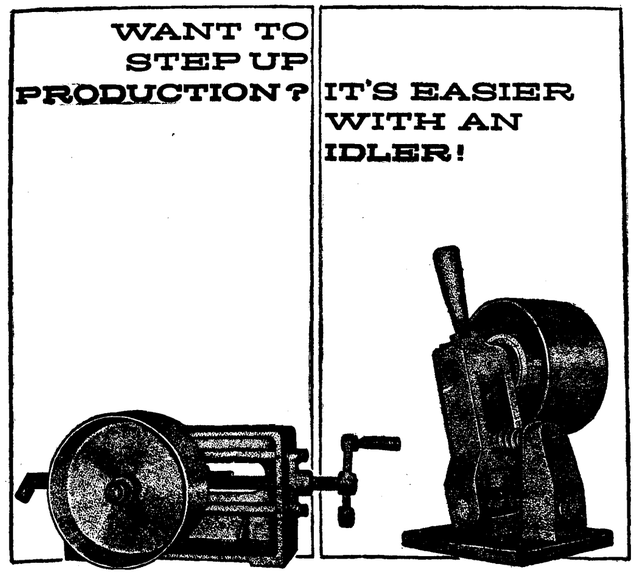
Talks on Fifth State Plant

The remaining hurdle for the Anglo-American collaboration to build the fifth State steel plant is expected to be removed this week, leading to the signing of the agreement. The representatives of the Anglo-American consortium, who were here last month, left behind the draft agreement which has been the basis of discussion between their lawyers and the Government of India. The remaining hurdle, it may be explained, relates to taxation. According to the draft agreement, the Government will ask the consortium to recommend the site or sites for the fifth State steel plant along with the engineering schemes for the project. This will be followed by the Government of India's decision to select the site finally, on the basis of which the consortium will be asked to prepare the project report. The Government will assure the consortium that subject to a mutually satisfactory agreement about the final terms of the contract, it would prefer unified responsibility in building the steel plant. For this purpose, the consortium could start mobilising financial resources forthwith. As soon as the project report is approved, the Government will ask the consortium to submit its financial plan for the project.

Durgapur Steel Plant Expansion

As far as the second expansion scheme of the Durgapur steel plant is concerned, the British Minister of Overseas Aid, Mrs. Barbara Castle, is expected here by the middle of January next year to finalise the deal. Contrary to earlier anticipations, the Secretary to the Central Steel Ministry, Mr. Wanchoo, was unable to leave India last week. Mr. Robert Fell of the British Trade Commission was, however, in London to iron out some minor differences.





London

U.K. CHANCELLOR EXPLAINS PROPOSED TAX MEASURES

(FROM OUR LONDON CORRESPONDENT)

THE City had rather a shock last week. Mr. Callaghan, the Chancellor of the Exchequer, endeavoured, in a written reply to a question in the House of Commons, to offer some explanation of the incidence of his tax measures to be introduced next April—the corporation and the capital gains taxes. He was undoubtedly right in announcing his intention to include these moves in his next Budget when he presented his autumn Budget, but in not specifying their scope he introduced an uncertainty that was hardly beneficial to his aim to restore the economic balance. Some clarification, it was soon evident, would be essential.

Unfortunately, now that this calarification is available far from setting minds at rest, it appears to have made confusion worse confounded. Industrial ordinary shares have taken a nasty toss on the Stock Exchange. Investors were apparently not impressed by Mr. Callaghan's "elucidation" of his proposed tax measures. City markets were also upset by the directive from the Governor of the Bank of England to the banks to clamp down on loans for property development and for "personal and professional" purposes. As a result of these cumulative setbacks, the *Financial Times* ordinary share index suffered a drop in one day which has not been exceeded for 2½ years, and gilt-edged stocks also went weak.

Indicating the exemptions from the proposed corporation and capital gains taxes, and the special provisions to cover special cases, Mr. Callaghan said that these were outline proposals, concerned with the ordinary conduct of business affairs. Special provisions might be necessary for special types of corporations, such as life assurance companies. The principal exemptions and special provisions are these :

Capital gains tax—Exemptions : saving certificates, development bonds maturing, or life insurance policies surrendered ; premium bond prizes, pools dividends, betting winnings where there is no disposal of an asset ; gains realised by charities on super-annuation funds that are already exempt from income tax ; gains by non-residents in the U.K. unless the sale is part of a permanent business in the U.K. ; owner-occupied house property. Any capital gains tax paid will be deductible for death duties. There will be an exemption limit of £1,000 on the price realised on the disposal of personal effects, such as cars.

Corporate Taxation

Corporation tax—(a) Investment and unit trusts and companies which get a dividend from subsidiaries should get a substantial reinsurance against double taxation of the same dividends. (b) Building societies are expected by the Government to find an advantage quickly in the new tax over their present liability to income tax plus profits tax on their surpluses. (c) Charities and superannuation funds exempt from income tax will not themselves have to pay corporation tax, and will continue to be exempt from income tax.

The capital gains tax will apply only to gains realised after next Budget day, and will not be restrospective. Gains will be liable to tax whenever the underlying assets were acquired, but the gain to be taxed on disposal will not exceed the difference between the value of the asset on the 1965 Budget day and the amount realised when disposed of later. Realisation for tax purposes will include disposal by sale, long lease, exchange, forfeiture, and the transfer of ownership by gift or death, and in the case of transfer, the asset will be treated as realised at its market value.

The tax will be charged on net gains realised in the year to the extent that those gains are not already subject to income tax. Relief for realised losses will be given primarily against any gains realised in the same year, with excesses or losses carried forward without a time limit and set against future gains. Relief for assets acquired before next Budget day will be given only for the proportion of the loss suffered after that day.

A company with overseas income that has been taxed abroad will be credited for that overseas tax only against the corporation tax to which it is liable at home : personal income in dividends will be subject to income tax and surtax.

Mr. Callaghan says ; "I realise that this will create special problems for certain companies, and I am considering whether, while adhering to the principles set out above, these problems could be eased by some transitional arrangement." First City reactions to the Chancellor's statement, which came after market hours, were mixed. The pattern proposed for the new corporation and capital gains taxes is much as expected. But on a number of specific points where the Chancellor's elucidation had been eagerly awaited by the market—such as the treatment of gilts, investment trusts and overseas income—the Government seems to be taking a tougher line than was hoped.

No Exemption for Gilts

Gilts : The fact that Government securities are not to be exempted from capital gains tax caused some consternation in the gilt-edged market. If individuals who buy low coupon stocks below par for the sake of the capital profit on redemption have in future to pay tax, one big support for the short-medium gilt-edged market will be knocked away. Closer study of the statement suggests, however, that the blow may be softened in a number of ways. Charities and pension funds, which are large investors in gilts, will be exempt on their gains ; and there are to be "special provisions" covering life assurance companies, which may also help. Moreover, "no tax will immediately be chargeable" where stocks are realisable as part of a conversion operation which could mean, in practice, that some redemption profits are exempt. The situation, however, remains unclear and as it seems that the switching which kept the market active may be regarded as liable to tax, gilts look like being subdued between now and the Budget.

Investment trusts : The promise not to subject investment trusts to double taxation appears not to be completely borne out. Income from investments in U.K. companies will be free of corporation tax in the trusts' hands only if it is passed on to shareholders in the form of dividends. This seems to imply that money retained for reinvestment will not be treated as "franked" income. To this extent, investors in unit trusts, which pay out all their income, will fare better. Again nothing is said on whether capital gains will be taxed twice. If shares only appreciate post-tax and shareholders are taxed again on their gains, the investment status of rusts must suffer.

Overseas income : Subject to possible transitional arrangements, credit for overseas tax will be given only against the corporation tax to which a company is liable. In other words, where the foreign tax paid is greater than (presumably) 35 percent, the excess will not be available to give relief for the tax on dividends. It looks, therefore, as if companies like Shell and B.A.T. with no U.K. tax bill will be faced with a choice between cutting into retentions to pay tax on dividends or reducing the net dividend. On the other hand, this would also mean that once prices were adjusted to the new situation the "net U.K. rate" companies would become more attractive investments for pension funds and others who can reclaim tax on dividends.

Preference shares : The Chancellor confirms that no relief from corporation tax will be given for preference dividends. Since these will now become more costly more companies are likely to propose schemes for repayment of preference capital.

Gifts : Capital gains tax will apply where ownership of assets is transferred by gift or on death. This seems to be a major departure of principle since it suggests that gifts *inter vivos* which have hitherto escaped duty if made five years before death will now be caught by capital gains tax. Capital gains tax paid will be deducted from the amount of an estate for death duty purposes, thus avoiding double taxation.

Life assurance : Capital gains tax will not be charged on sums received on the maturity or surrender of normal policies of life assurance. Since tax relief will presumably continue to be given on premiums the relative attractions of life policies as investments will become even greater.

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Liabilities *(Figures in thousand)* *Assets*

	1963	April 12. 1962		1963	April 12. 1962
	Rs.	Rs.		Rs.	Rs.
Capital	2,500	2,500	Cash	33,993	27,992
Reserves	7,032	6,656	Investment	160	120
Deposits	94,503	80,382			
Other Liabilities	5,954	3,198	Loan & Discts.	74,069	63,006
Contra A/cs.	10,940	7,958	Contra A/cs.	10,940	7,958
Profit & Loss	699	790	Other assets	2,466	2,408
	1,21,628	101,484		1,21,628	1,01,484

Jute

PRE-SHIPMENT INSPECTION TO START FROM NEW YEAR

FROM 1st January, 1965, there will be compulsory pre-shipment inspection of jute goods before they are exported. The order has been issued by the Central Ministry of Commerce in implementation of the Export Inspection Council's recommendations. Hessian and heavy goods of certain specified categories will be subject to quality control and pre-shipment inspection. The Indian Standards Institution has already finalised and published specifications for a large number of jute goods. It is proposed that goods will not be allowed to be exported unless they bear the I.S.I. certification marks.

This step is expected to stimulate exports, although it will be difficult to assess the precise benefits. The enforcement of pre-shipment inspection is not likely to affect the traditional contracts between Indian exporters and overseas customers, who send their own surveyors to approve of the goods before they are shipped. However, it is admitted on all hands that an assurance of quality, officially stamped on a product, will win more customers. This step has been deemed necessary in view of the frequent complaints about the quality of goods supplied by some exporters.

India will be the first country to enforce statutory quality inspection before shipment of jute products. On behalf of the industry, the I.J.M.A. has lent its active co-operation to the Government in the matter and tripartite bodies have been set up to enforce these measures at all stages of production and shipment.

Demand for Jute Mill Machinery

Sufficient capacity exists to meet almost the entire fourth plan demand for jute mill machinery from indigenous sources, says a study made by the Planning Commission Panel on Textile Machinery Industry. But as machines are being modified and improved due to changes in design and shifts in the industry's choice of equipment from time to time, the Panel feels it necessary to reallocate the permitted capacity among the different units. It has also recommended the scrapping of unused licensed capacities.

Analysing the production trend of the main items of jute mill machinery, spare parts, accessories and stores, the Panel has estimated the demand during the fourth plan period around Rs. 69 crores. By the end of that period, imports of finished machinery are likely to be confined to specialised items, costing about Rs. 1 crore a year in foreign exchange. The Panel observes that the increasing loss of markets for conventional types of jute goods due to Pakistani competition will compel the Indian industry to diversify its production, and manufacture more coated, non-woven, chemicals—and dyes-resistant fabrics and yarn. For the manufacture of these special products, the industry may have to import foreign machinery and equipment worth Rs. 50 lakhs a year.

Against India's annual demand for jute mill machinery valued at about Rs. 9.18 crores, the capacity licensed so far, or likely to be licensed shortly, is estimated at Rs. 16.94 crores. But a section-wise analysis shows that 53.4 percent of the licensed capacity is not being used as some of the designs and techniques have become obsolete due to new developments. If the installed capacity is fully used for the manufacture of items acceptable to mills, the annual capacity licensed for preparatory and spinning machinery may produce items worth Rs. 9.65 crores, as against a demand of Rs. 6.74 crores. Similar capacity for post-spinning machinery is about Rs. 7.29 crores, against the average annual demand of Rs. 2.44 crores. Most of the items of post-spinning machinery are expected to be produced in India by the beginning of the fourth plan. The annual output of carding machines, it is expected, will increase from 228 at present to 310. As for copwinders, it will be possible to raise production from 72 to 160. This increase will be effected by expanding the existing units or by setting up new capacities.

The Panel observes that it should be possible to fill up the demand-supply gap of about 33 percent in the manufacture of preparatory and spinning machinery by the formation of a consortium of the three major units. In case such an arrangement is not possible, the shortfall should be covered by expanding the units which produce items well received by the industry.

Record Output in West Bengal

West Bengal, it is expected, will produce a record jute crop of 3.67 million bales, excluding mesta, during the current season, against 3.20 million bales in the 1963-64 season, according to the final estimate prepared by the Agricultural Directorate of the State Government. The average yield an acre has also improved from 2.97 bales during the last season to 3.21 bales this season. Between 1947-48 and 1964-65, the acreage under jute has increased by 197 percent, from 1.1 million to 3.27 million.

Rise in Gunny Output

Working at the maximum level for 200 hours in November, against 192 hours in the previous month, mills reporting to the I.J.M.A. have shown a sizable increase in the output of jute goods from 98,000 tonnes to 104,500 tonnes. Production of sacking has increased by 4,500 tonnes to 46,800 tonnes, of hessian by 800 tonnes to 43,500 tonnes, and of carpet-backing and miscellaneous goods by 600 tonnes each to 8,200 tonnes and 6,000 tonnes, respectively. The increase in output during November is attributed to the discontinuance of the voluntary cutbacks in production by some mills, and an increase in working hours.

In November 1963, the mills produced a total of 103,800 tonnes working at the maximum level for 208 hours. Of this, 45,400 tonnes were hessian, 42,900 tonnes sacking, 8,100 tonnes carpet-backing and 7,400 tonnes other goods.

Further Decline in Mill Stocks

Another I.J.M.A. statement shows that stocks of jute goods with the reporting mills have declined during November by 3,600 tonnes from 117,800 tonnes to 114,200 tonnes—in spite of the large increase in output. The lower stock figures indicate a comfortable clearance of cargo during the month. Inventories of heavy goods dropped by 2,700 tonnes to 38,600 tonnes, of hessian by 500 tonnes to 45,200 tonnes, of carpet-backing by 300 tonnes to 19,700 tonnes and of miscellaneous goods by 100 tonnes to 10,700 tonnes. At the end of November 1963, total stocks were 111,300 tonnes—47,600 tonnes of sacking 46,000 tonnes of hessian, 15,100 tonnes of carpet-backing cloth and 8,600 tonnes of other goods.

Dundee Explores New Uses

Several Dundee firms have been trying to explore new uses for jute products. A new type of woven jute mat produced by a firm has been successfully used to check soil erosion on roadsides, river banks, hillsides and shore-lines in the U.K. The mat permits vegetation to grow on it. Planting under jute mats in ditches and the use of mats for shore-line stabilisation have produced good results. The firm is now carrying on extensive tests to widen the applicability of the product. The use of hessian as wall covering is gradually becoming popular in interior decoration as a result of the drive made by a number of prominent jute goods manufacturers of Dundee. Leading building contractors, architects and interior decorators have extended their support to the campaign.

THE JUTE MARKETS

Manufactured Goods : Easy conditions prevailed in the Calcutta gunny market during the past week. Sentiment was depressed due to tired long liquidation in the hedge market and the emergence of some mills as keen sellers for all positions in the spot market. There was some setback to shipments dut to the congestion of vessels at the Sandheads. Earlier in the week, there was a squeeze in sacking for ready delivery, so prices rose. But the improvement proved to be short-lived and prices drifted to new lows thereafter, while hessian escaped with minor losses. Towards the close, operators became cautious awaiting the outcome of the strike threat by longshoremen on the east coast of America. The publication of the I.J.M.A. gunny stock figures for November failed to help sentiment. The higher output of gunnies during the month also produced a bearish reaction. The week's completed business included fair contracts for woolpacks with Australia for all positions up to June, some Indian Government tenders for B Twills for December delivery and scattered hessian business with the U.K. and the U.S.A. Besides, there was short- and shipper-covering for ready positions. Fluctuations were wide in heavy goods and narrow in hessian. Turnover was fair in the hedge market and moderate in the spot market. The undertone was hesitant at the close.

Wednesday's quotations were as follows :

	Dec.	Jan.	Jan.-Mar.	Apr.-June
40in. 7½oz.	38.60	38.55	38.50	38.35
40in. 8oz.	41.10	—	—	—
40in. 10oz.	49.60	50.05	50.45	50.95
B Twills	153.65	150.15	147.60	142.85
Cornsacks	159.00	156.00	151.75	146.00
Heavy Cees (Plain)	150.75	149.00	147.25	142.50
A Twills	182.50	180.00	177.50	172.50
Liverpools	169.50	168.00	166.00	160.50

Raw Jute : Dull conditions marked trading in the raw jute market during the past week in spite of the issue on Monday of a maximum purchase quota of 200,000 bales for the week ending 19th December. A bearish trend in the finished goods market induced nervousness among holders. The quota seemed to be inadequate to absorb the accumulated stocks in Cossipore and in the agencies although daily arrivals at the terminal markets were low around 100,000 maunds. A major percentage of the fibre on offer was of the lower grades, so mills showed little interest. But prices were about maintained in the Tossa and Daissee areas due to greater mill demand for better-grade jute. Turnover was moderate and the undertone hesitant at the close.

Wednesday's quotations were as follows :

	Rates a maund		Rates a quintal	
	Mid.	Bot.	Mid.	Bot.
Assam-Agartala Jute	37.50	34.50	100.47	92.43
Northern Jute	37.00	34.00	99.13	91.09
Western Desal Jute	36.00	33.00	96.43	88.41
Selected Daissee	38.50	35.50	103.15	95.11
Assam-Agartala Tossa	38.50	35.50	103.15	95.11
Mesta : Assam-Northern	35.00	32.00	93.77	85.73
Local Daissee	35.00	32.00	93.77	85.73
Bihar Dist.	34.50	31.50	92.43	84.39

THE U.K. JUTE MARKETS

FIBRE QUIET

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market was quiet but steady in Pakistan during the past week, and some shippers reduced their rates by small amounts. There is a feeling here that this downward movement may continue over the next month. Sellers are anxious for business and discounting of the official rates is still taking place. Dundee spinners have been buying small quantities but these have been mainly ex warehouse. A substantial quantity of jute will be arriving in Dundee before the end of the year and a portion of this is still unsold to spinners. Registered sales of jute to the U.K. are now 463,000 bales which is approximately 62 percent of the annual consumption of the mills in Dundee and district.

There are still complaints about excess moisture in shipments of white jute arriving here, and this is the main reason for most buying interest being shown in spot parcels at present. Reports indicate that the Tossa crop will be of fairly good quality.

Offers made in Dundee were still very irregular with the lowest prices at £150 for Mill Firsts, at £138 15s for Export Firsts, at £123 10s for Export Lightnings and at £115 for Export Hearts, c.i.f. U.K., for January-February shipment. Grade Tossa-2/3 was available at £151 10s after business being placed at 10 a ton more. Grade Tossa-2/3 was at £135. Dacca Tossa-5 was offered at £157 15s and Dacca Tossa-6 at £137 15s. Outport Tossa-2/3 was available at £123 10s and Outport Tossa-4 at £115 10s, January-February.

Cuttings were quieter and offers are being made at £87 for S.N.C. and at £80 for N.C. There was no change in mesta and the official rates were being asked in all instances. Prices are at £ 110 10s for A, at £101 10s for B, at £92 10s for C and at £76 5s for cuttings, c.i.f. U.K., January-February.

The Siam jute market was again tending easier and little movement took place in this type of fibre. Offers were at £83 10s for grade A, at £77 10s for grade B, at £73 10s for grade C and £72 for cuttings, delivered mill Dundee for January-February shipment. There was an easier trend in the Calcutta goods market since the strikes at the mills in Pakistan were settled. Quotations were at 81s 7d for 40in. 10oz and at 63s 8d for 7½oz. a 100 yards c.i.f. and U.K. for December shipment, at 81s 11d and 63s 5d January-March and at 83s 3d and 63s 2d April-June. B Twills were at 255s 8d, 348s and 240s 9d for the respective shipment periods. A

fair amount of buying interest has been shown in the U.K. of late.

Dundee jute spinners are still very busy and supplies of yarns are only available for forward delivery. Prices are firm and there is nothing to indicate that any change is expected in the near future. The carpet trade continues to take regular supplies and this satisfactory position will continue. A fairly steady business is taking place in hessian cloth and certain descriptions are only available for delivery two months ahead. However, there is still a shortage of orders for heavy goods and very little demand is shown for sackings and tarpaulins.

THE PAKISTANI JUTE MARKETS

FIBRE DULL

(FROM OUR DACCA CORRESPONDENT

LOOSE jute prices have scarcely moved, although there has been an attempt to raise prices by the sellers. This was mainly because of the expected rise on account of the settlement of the mills' strike. The mills have not come out to buy and balers have, if anything, reduced their purchases. The former have stocks of something like three and a half months' jute with them as well as in their agencies. They also have contracted jute to be delivered, which will carry them for at least another month. So there is no urgency for them to buy.

As a result of this, the holiday period and the continuing shortage of finance, it is possible that loose jute prices may fall before they rise again. Certainly the first bearish factor has been seen, namely, that there is a slight improvement in the condition of the jute. In the pucca bale market transactions have been once again restricted and even cuttings have not moved very much.

From overseas, litle or no business is reported, although registrations for the second half of November amounted to 168.498 bales, bringing the total this year to slightly less than last year. The U.K. was the biggest buyer with 32,425 bales, followed by Poland with 23,380 bales. India bought 19,530 bales and Japan 16,025 bales. East Africa bought 12,230 bales.

What little business is reported overseas, has been largely done well below E.P.C. prices. The market is still controlled in this sector by the discounted prices at which afloat unsold jute is still available. Until this jute is disposed of, it will be difficult for prices to rise, however short the crop may be. There are of course no accurate figures about the quantity available, but reports vary from 50 bales to 80,000 bales.

With the end of the year drawing near and with the appearance for practically the first time this season of divergent market views it would perhaps be opportune to revise the situation and to study the expected size of the crop and consumption.

Statistics are at the best of times misleading and even more so in the jute trade, where they refer to a crop from thousands of small holdings. The P.J.M.A.'s statistics have, however, been produced regularly and generally after the crop has been harvested, so that even if not accurate, they are consistent.

According to these statistics, last year's production was 5.9 million bales, leaving a carryover into this season of 700,000 bales. Even as late as this, one can only get an estimate of what the current crop will be. Basing it on a fair average consensus of opinion of the trade, the current crop should not exceed 5 million bales, which, with a carryover of 700,000 bales, gives an availability of 5.7 million bales for consumption.

The Pakistani jute mills' consumption last season was 2.1 million bales. This season, although there are more looms in operation, there has been a strike for about three months. Before the strike, mills had reduced their working hours and although it only takes about a week for the mills to start producing properly again, there is no doubt that normal efficiency is not achieved for at least a month. The consumption by the mills this season will, therefore, be reduced by 600.000 bales to 1.5 million bales. Rural consumption remains unchanged at 200,000 bales, and the mills will almost certainly carry-over as they normally do, about 400,000 bales. This is only just over two months' consumption in a normal working year.

As will be seen from the figures given below, only 3.1 million bales are available for export overseas, out of which at least 500,000 bales will go to India.

	(Lakh bales)
Crop availability ...	57
Consumption by mills	15
Rural consumption ...	2
Carryover ...	5
Mills' carryover ...	4
Overseas consumption	31
Total	57

Total E.P.C. registrations to-date amount to 2,044,589 bales as opposed to 2,056,595 bales at this time of the last season.

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

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

Description	Quantity
1. Gunny bags	
(a) Hessian	
8,925 tonnes	(8,784 tons)
2,48,90 thousand metres	(2,72.2 lakh yds.)
1,91.4 lakh nos.	
(b) Sacking	
44.747 tonnes	(44,040 tons)
9,60,25 thousand metres	(10,50.1 lakh yds.)
4,84.5 lakh nos.	
2. Gunny cloth	
(a) Hessian	
34,550 tonnes	(34,004 tons)
11,69.50 thousand metres	(12,79.0 lakh yds.)
(b) Sacking	
2,037 tonnes	(2,005 tons)
46.24 thousand metres	(50.6 lakh yds.)
3. Carpet-backing	
8,246 tonnes	(8,116 tons)
63.77 thousand metres	(69.7 lakh yds.)
4. Other manufactures	
5,984 tonnes	(5,889 tons)
5. Total production	
(All kinds)	
1,04,489 tonnes	(1,02,838 tons)

Summary

	Nov. '64	Oct. '64	Nov. '63
	(000 metres and 00,000 yds.)		
Hessian	14,18.40	13,78.33	15,22.63
	(15.51)	(15.07)	(16.65)
Sacking	10,06.49	9,16.17	9,22.34
	(11.01)	(10.02)	(10.09)
Carpet-backing	63.77	59.26	62.87
	(70)	(65)	(69)
	(000 tonnes and tons)		
Hessian	43.5	42.7	45.4
	(42.8)	(42.0)	(44.7)
Sacking	46.8	42.3	42.9
	(46.0)	(41.7)	(42.2)
Carpet-backing	8.2	7.6	8.1
	(8.1)	(7.5)	(7.9)
Other	6.0	5.4	7.4
	(5.9)	(5.3)	(7.4)
Grand total	1,04.5	98.0	1,03.8
	(1,02.8)	(96.5)	(1,02.2)
Hours worked	200.0	192.0	208.0

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

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Commodity Markets

RECORD CROP, BUT TEA PRICES WEAKEN

ADDRESSING the latest annual general meeting of the Calcutta Tea Traders Association from the chair, Mr. J. C. Brock said that there was no difficulty in disposing of the remainder of the last season's crop at satisfactory prices, and within a reasonable time as supply seemed to be more or less in line with demand. Considering that the last season's crop was disappointing in size, the relative export figures were fairly good.

Referring to the talk suggesting that India is not doing well enough relative to Ceylon in the field of tea exports, Mr. Brock said that many ingenious ideas have been advanced for this, but he felt the only serious reason that India had not done better was the shortfall in the north Indian crop for two consecutive years prior to this present season. Comparatively, Ceylon has had good crops and thus had been able to show a better performance.

It had been suggested that one reason for the lack of better progress in India's tea exports might be something to do with comparative quality. Such suggestions were totally unfounded. India produces most of the finest tea in the world. Also the general standard of tea produced by the majority of the poorer quality gardens has noticeably improved in recent years.

The new season's sales up to the end of October proceeded very smoothly, and prices were maintained at a satisfactory level. Two important factors helped to maintain a good demand, firstly, that there was little carryover stock from the last season's small crop and secondly, that go-slows and threatened strikes in the London docks decreased the quantities which would normally have been offered there and thus prices for the smaller quantities available were temporarily inflated.

"It now seems" Mr. Brock said, this season's north Indian crop will easily reach a record level. This is particularly encouraging in the context of the Government's desire to attain higher targets of production." Most of this record crop has to be disposed of. From the weaker trend in the November and December auctions it was obvious that traders had some fear that the increased supply might be in excess of actual demand. This had caused a general weakening of the present demand and prices had fallen.

Referring to the Government's desire to increase export earnings, the current north Indian crop and recent lower prices should show that increased production did not automatically lead to increased export earnings. If there was an oversupply of tea, it was likely that lower levels of prices would then prevail and this in turn could mean that the quantity exported might rise, but export earnings could easily decrease. In fact, export earnings were only likely to be increased with a larger crop if the world demand had increased sufficiently to meet the larger supplies available at reasonable prices.

As the United Kingdom is by far the largest consumer of Indian tea, Mr. Brock suggested any joint promotional activity should be primarily concentrated on that country. This was very important if the younger generation was to be persuaded to drink more tea. At present, they apparently drank noticeably less than their elders. The same consumption trends were noticeable in the other traditional heavy tea drinking countries. The best results were, therefore, likely to be obtained if promotional activities were largely concentrated on the youth of such countries.

The present policy of not actively encouraging India's internal consumption might prove to be unwise, if increased supply was in excess of world demand in the future. Last year, internal consumption appeared to have shown little change and might have even slightly declined. This could be a serious matter. The demand from internal consumption is the producers' safety valve to prevent prices from declining to unattractive levels. In Mr. Brock's opinion, at the same time as the policy of increasing crop was being pursued every possible means should be used to promote the consumption of tea in this country as well as abroad.

Bigger North Indian Crop

The crop from north India will probably be over 70 million lbs above the 1963 output, and may exceed the 1951 record by 25 million lbs, writes a special correspondent. Here are the figures up to the end of November 1964: 619,423,362 lbs, compared with 548,934,361 lbs up to the same date last year, or an increase of 70,489,001 lbs. In 1961, the figure on the same date stood at 595,268,53 lbs.

Allowing for a normal December, the current year will yield about 25 million lbs more than 1961, showing an average increase of 4¼ million lbs a year for 1961-64, that is, an increase of 4 percent. Considering the growth of population and the improving standard of living, this moderate growth should not upset the market, but it has already knocked down prices.

Although south India has not done very well and Ceylon will finish the season below last year, the weight of tea from the north has depressed commodity prices for some time, but it has already been pointed out by this correspondent that prices tend to fall at this time of year when rains teas and end-of-season manufactures arrive in Calcutta for disposal.

The price range from December to April has been as follows (Rs. a kilogram).

	1960-61	1961-62	1962-63	1963-64
December	5.06	3.90	5.06	4.72
March-April	4.76	3.91	4.52	4.20

An easier tendency is also reported in Mincing Lane auctions where north Indian and other miscellaneous growths were included in the total offerings of 79,224 packages last week. Assams opened at 2d to 4d a lb lower than previous rates, and most other sorts by 2d, but later, a better tone developed.

The better quality high-grown and good colour medium teas from Ceylon met with a ready sale at around the previous week's levels, but the remainder received only modest support with values mostly 1d to 3d a lb easier. African grades were in fair request with the best invoices holding fully steady and other irregularly lower by up to 2d a lb, while the smaller quantity of south Indian teas available also recorded declines of about 1d. The price indication for plain tea was 2s 6d to 3s 7d, against 2s 6d to 3s 8d previously.

COFFEE

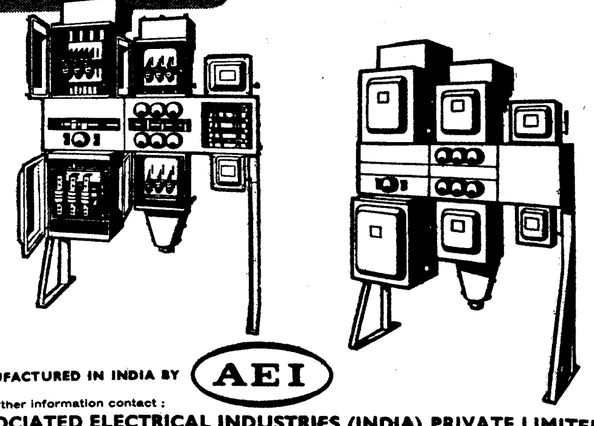
Fourth Plan Output Target

A production target of 85,000 tons in the fourth plan is being recommended for the coffee planting industry in south India. This is not an over-ambitious goal, writes our

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B2/AEI-38

South Indian correspondent. For the past few years, the industry has been showing a heartening trend of steady increase in its output, although there has been seasonal variations due to vagaries of the climate. During the current plan, production has gone up from 48,000 tons to 68,500 tons.

The upward trend in production has been made possible due to the adoption by the planters of the improved and disease-resistant seed material evolved by research, intensive methods of cultivation and protective measures against coffee pests and diseases. Increasing production of more and more quantities of coffee are becoming available for export. At the present moment, India is handicapped by the limitation of her export quota at 21,600 tons under the International Coffee Agreement. This quota is insufficient for India not only in the context of the progressive increase in production, but also from the pressing requirements of foreign exchange. India has already applied for an enhancement of the basic quota from 21,600 tons to 50,000 tons. A decision on this request now appears to be pending on the recommendations of the technical mission of the International Coffee Council which is to visit India.

Last season's harvest at well over 68,500 tons was the highest on record. Allocation for export was also the largest on record at 35,000 tons. The Coffee Board has done the biggest marketing operation in its life so far in the disposal of the 1963-64 crop. During this year, the largest quantity of coffee has been sold for export within the shortest possible time. It fetched fairly high prices compared with the previous year. The world shortage for coffee was the main factor that helped producing countries like India to realise an attractive price for their produce. There was a fall in the world production due to crop failure in Brazil. Consequent on the quick and heavy disposals, the Indian Coffee Board has been able to pay exceptionally quick returns to the growers as compared with the previous years. As against Rs. 1.30 a point made up to the end of August during the previous two seasons, the payment this year came to Rs. 2. Another 20 paise were paid in November making the total payment Rs. 2.20 a point.

For the coffee year 1963-64, the International Coffee Council has allowed so far an export quota of 22,431 tons for India as against the basic quota of 21,600 tons, taking into consideration the shortfalls in exports notified by other producing countries. India has not only shipped this entire quota of 22,431 tons, but actual shipments may even exceed this quota. In view of the restrictions placed under the International Coffee Agreement on exports to traditional markets, the need has risen for cultivating a large market for Indian coffee in the non-quota countries like the Middle East and Japan. Proposals are under way to send trade delegations to these two areas. India has been elected a member of the World Coffee Promotion Committee set up recently by the International Coffee Council. India is one of the producing countries who are in need of fresh outlets for their production which is on the increase.

The 1964-65 crop which has just started reaching the pool is currently estimated at about 63,000 tons, some 5,000 tons less than the previous crop. The prolonged drought in South India experienced earlier this year and the inadequate blossom showers are believed to have affected crop prospects adversely, particularly in the case of robusta which, due to consistent propaganda carried out by the Coffee Board, is becoming popular in this country.

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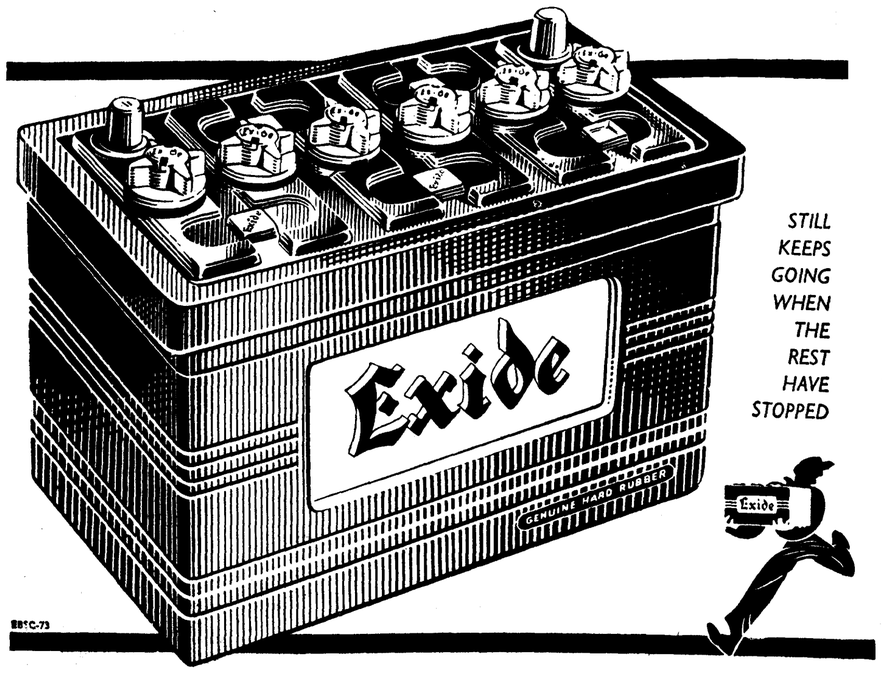
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BBTC-73

COMPANY AND PUBLIC NOTICES

EQUITABLE COAL COMPANY, LIMITED

NOTICE is hereby given that the payment of interest for the period from 1st July, 1964 to 31st December, 1964 on the 5½% Registered Debenture Stock, 1963/68 of the Company will be made to those stockholders whose names appear on the Company's Register on the 31st December, 1964 or in accordance with their instructions.

'or EQUITABLE COAL COMPANY, LIMITED.
MACNEILL & BARRY, LIMITED,
A. N. MITRA,
Secretary,
Managing Agents.
', Fairlie Place,
Calcutta-1, 10th December, 1964.

THE BRITANNIA BISCUIT COMPANY LIMITED

THE Directors have today declared an Interim Dividend in respect of the year ending 31st March 1965, at 3% on the Ordinary Shares and 5.20% on Preference Shares, both subject to deduction of tax.

The Register of Members of the Company will be closed from Saturday the 26th December 1964 to Monday the 4th January 1965 both days inclusive and the dividends will be paid on or after the 15th January 1965 to the Shareholders whose names appear in the Register of the Company on the 4th January 1965.

By Order of the Board,
A. P. CHANDA,
Director and Secretary.

15, Taratola Road,
Calcutta-53
11th December, 1964.

CORRIGENDUM TO TENDER NOTICE FOR SUPPLY OF WHEEL PINS FOR GATE

THE last date of receiving the Sealed Tenders of Wheel Pins for Gates is hereby extended up to 30th December, 1964. All other conditions remain unchanged.

Sd/- B. MISRA,
Superintending Engineer,
Delta Irrigation Circle,
Keshari Nagar : Bhubaneswar-1.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Philips India Ltd.	17-12-64	11 a.m.
The Kinnison Jute Mills Co. Ltd.	22-12-64	11 a.m.
Auckland Jute Co Ltd	22-12-64	11-10 a.m
The Northbrook Jute Co. Ltd	22-12-64	11-20 a.m
Orissa Minerals Development Co. Ltd.	28-12-64	11 a.m.
The Lackatoorah Tea Co. Ltd.	28-12-64	3 p.m.
The Burrakur Coal Co. Ltd.	29-12-64	11 a.m.
Bombay Burmah Trading Corpn. Ltd	30-12-64	4-00 p.m.

DIVIDENDS DECLARED OR PROPOSED.—Burrakur Coal Co. Ltd.—13 p.c. (o), subject to tax; Orissa Minerals Development Co. Ltd.— 10 p.c. (o), subject to tax; Balmer Lawrie & Co. Ltd.—7 p.c. (Int) (o), subject to tax · Sitalpore Sugar Works Ltd.—Nil; Britannia Biscuit Co. Ltd.—6 p.c. (o). (Int), subject to tax.

HIDES AND SKINS STEADY

The market was steady. Stocks of hides were higher, but those of skins were less than in the previous week.

Bazaar Sales

(Between 8th and 14th December, 1964)

Cowhides: Wet salted (Ord) 37,000 pcs., on the basis of Rs. 7 to Rs. 9.25; Wet salted (Slaughtered) 33,000 pcs. on the basis of Rs. 10.50 to Rs. 16 and Rs. 19 to Rs. 28; Wet salted (Ord) 5,000 pcs. on the basis of 90 P. a lb.

Goatskins: Wet salted (Patna, Daissee, Kustia) 1,62,900 pcs. on the basis of Rs. 340 to Rs. 350, Rs. 445 to Rs. 455 and Rs. 480 to Rs. 490; Wet salted (he-killed) on the basis of Rs. 4.75 and (she-killed) on the basis of Rs. 4.50 a piece : Pakur 2,600 pcs. on the basis of Rs. 290 : Patna-Muzafferpore 22,000 pcs on the basis of Rs. 305 to Rs. 335.

Bazaar Stocks

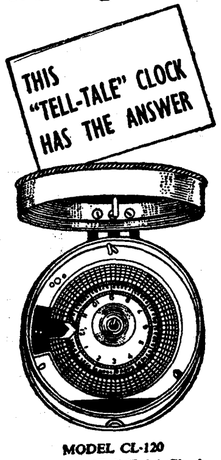
(14th December, 1964)

Cowhides: Wet salted 96,300 pcs.

Goatskins; Wet salted (Patna, Daissee, Kustia, Killed) 72,000 pcs; Assam-Dinajpur 1,92,500 pcs; Muzafferpore-Patna - Pakur-Purneah-Kissenganj 3,11,500 pcs.

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Figures given after stroke (/) mean paise.

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Wednesday, 16th December, 1964.

BANKS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until: 16-12-64	9-12-64	A year ago
				Rs	Rs.	Rs.	Rs.
Allahabad Bank P.	18	15	15	100	248/50	248/00	260/00
Bank of Baroda	17	16	16	50	99/00	98/00	94/00
Bank of India	20	20	18	50	101/50	101/50	107/00
Central Bank of India	20	20	20	25	52/30	52/30	56/50
Chartered Bank	15	15	15	£1	sh. 47/9	sh. 48/9	sh. 58/6
Hindusthan Commercial	Nil	Nil	..	50	10/00	10/00	13/50
Hindusthan Mercantile	Nil	Nil	..	50	10/75	10/75	15/50
Hong Kong & Shanghai	sh. 15	sh. 16	sh. 16	HK$25	£22½	£22	£20⅞
India Bank	15	14	15	100	158/00	158/00	158/00
Indian Overseas Bank	14	12	14	100	150/00	150/00	146/00
National & Grindlays Bank	14	16	14	sh. 15	sh. 33/9	sh.34/-	sh. 34/3
Punjab National Bank	20	20	20	10	20/37	20/37	20/50
Union Bank of India	11 2/5	11 2/5	11 2/5	5	6/52	6/52	6/56
United Bank of India	6	6	7½	10	8/31	8/22	7/75
United Commercial Bank	12	12	12	50	72/00	72/00	72/50

JUTE MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share*	Latest Market Quotations as available until: 16-12-64	9-12-64	A year ago
				Rs.	Rs.	Rs.	Rs.
Agarpara P.	2½	2½	12-10*	10	8/75	8/75	10/25
Alexandra P.	15	42½	..	100	246/00	246/00	300/00
Alliance P	Nil	10	12½	100	105/00	105/00	142/00
Anglo-India P.	7½	10	12	100	184/00	185/00	175/00
Auckland P.	12	Nil	15	100	124/00	123/00	150/00
Bally P.	25	25	25-20*	100	239/00	239/00	253/00
Barnagore P.	10	10	40	£5	250/00	245/00	213/00
Bengal P.	5	5	..	10	6/50	6/50	9/37
Birla P.	15	15	15-15*	10	38/94	38.25	33/25
Budge Budge P.	Nil	12	20	100	128/00	128/00	144/00
Calcutta P.	Nil	Nil	..	10	8/12	8/12	8/12
Caledonian P.	5	15	15-15*	100	133/00	133/00	181/00
Champdany P.	5	Nil	40-35*	10	21/62	21/62	23/00
Cheviot P.	5	25	..	10	20/37	20/44	22/81
Chitvalsah P.	Nil	5	Nil	10	7/81	7/81	10/31
Clive P	Nil	Nil	..	10	8/00	8/00	9/19
Dalhousie P.	1	Nil	25-7½*	100	110/00	110/00	143/00
Delta P.	Nil	12	16	100	139/00	139/00	159/00
Empire P.	7½	12½	15	10	13/19	13/19	17/75
Fort Gloster P.	10	12½	20-15*	100	268/00	268/00	372/00
Fort William P.	22½	10	20-15*	10	19/56	19/56	26/56
Ganges P.	10	15	20-20*	10	12/37	12/25	13/37
General Industrial	10	13	14	10	14/12	15/00	16/19
Gourepore P.	25	20	20-20*	10	21/12	21/37	23/12
Hastings P.	6	6	6—6*	100	128/00	128/00	128/00
Hooghly P.	20	7½	10	10	14/44	14/44	16/00
Howrah P.	10	Nil	10-12½*	10	16/06	15/87	18/62
Hukumchand P.	20⅝	26⅝	20⅝-26⅝*	7½	17/50	17/50	21/00
India	12	8	18-12*	12½	14/94	15/25	15/50
Kamarhatty P.	Nil	20	20	100	151/00	151/00	193/00
Kanknarrah P.	Nil	15	15	100	137/50	137/50	141/00
Kelvin P.	15	5	20	100	139/00	139/00	193/00
Khardah P.	5	12½	12½	10	17/75	17/75	17/81
Kinnison P.	7	Nil	10-5*	100	105/00	105/00	140/00
Lansdowne P.	Nil	Nil	Nil-12½*	100	111/00	111/00	111/00
Lawrence P.	15	10	10	100	101/00	101/00	98/00
Megna P.	12½	Nil	22-12*	10	11/19	11/19	12/87
Naihati P.	Nil	Nil	Nil-Nil*	100	68/00	68/00	104/00
Naskarpara	2½	5	..	10	5/50	5/50	8/00
National P.	Nil	10	10	10	19/12	19/12	23/50
Nellimarla P.	6	15	5	10	8/81	8/81	12/75
New Central P.	15	Nil	..	10	9/50	10/12	13/37
Northbrook P.	30	20	35	10	22/37	22/37	31/00
Nuddea	6	6	10-10*	10	10/37	10/37	
Presidency	6	10	10	5	4/25	4/06	5/37
Rameshwara P.	Nil	Nil	Nil-Nil*	10	7/75	7/75	9/20
Reliance P	Nil	Nil	Nil-Nil*	10	6/75	6/62	8/06
Samnugger P.	Nil	10	13	£1	10/50	10/50	10/50
Shree Ambica P.	6	Nil	..	10	30/00	30/00	35/00
Soorah P.	25	25	..	10	19/19	19/19	22/50
Titaghur P.	Nil	13	10	£1	10/50	10/50	10/50
Union P	6	Nil	20	100	134/00	134/00	161/00
Victoria P.	Nil	10	10	£1	10/50	10/50	10/50
Waverley P.	30	60	30	1	7/62	7/62	8/31

* 1964

COAL COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until: 16-12-64	9-12-64	A year ago
				Rs.	Rs.	Rs.	Rs.
Amalgamated	12½	15	12½-12½*	10	19/25	19/25	25/00
Bengal P.	21	19	16	100	230/00	230/00	270/00
Bengal Bhatdee	8	10	..	10	3/48	3/48	3/48
Bengal Nagpur	26	7	..	10	22/00	22/00	22/00
Bhalgora	Nil	..	..	10	3/62	3/62	4/62
Bharat Collieries P.	Nil	Nil	..	10	2/25	2/16	3/62
Bhulanbararee	Nil	Nil	..	10	10/00	10/00	10/00
Bokaro & Rampur	..	..	..	10	11/19	11/19	11/19
Borrea P.	15	15	15	10	20/25	20/25	21/44
Burrakur P.	13	13	13	10	15/87	16/25	17/25
Central India	10	10	9-10*	10	8/37	8/37	9/56
Central Kurkend P.	Nil	Nil	..	10	3/44	3/44	3/87
Churulia	..	..	..	4	3/06	3/06	3/06
Dhemo Main	Nil	..	..	10	2/94	2/94	4/50
East Indian	15	20⅞	20⅞-15*	£1	26/00	26/00	30/75
Equitable P.	10	10	10	10	20/75	20/75	25/00
Ghusick & Muslia	Nil	Nil	Nil	10	13/12	13/12	14/25
Guzdar Kajora	..	..	..	10	2/47	2/47	2/44
Hurriladih	Nil	..	..	10	5/44	5/44	5/50
Karanpura Development	5 / 15	3 / 9	3 / 9	10O / 10F	9/00	9/00	11/50
Karanpura Collieries P.	10	10	10-12*	10	13/50	13/50	16/00
Katras Jherriah	40	25	30-30*	10	26/25	26/50	33/75
Khas Kajora P.	10 2/5	..	..	10	11/50	10/50	17/62
Mundulpur	..	..	..	10	2/69	2/69	2/69
Nazira	Nil	Nil	..	10	4/69	4/69	5/00
New Beerbhoom P.	10	12	10	10	16/50	16/50	19/25
New Manbhoom	9	12	12-Nil*	10	9/50	9/50	15/25
North West	20	11	..	10 / 7½	19/75 / 18/00	19/75 / 18/00	19/75 / 18/00
Ondal P.	7½	7½	5	10	13/50	13/50	13/50
Parasea P.	1½	Nil	1 1/5	10	14/00	14/00	14/00
Pench Valley	10	10	12½-7½*	10	17/44	17/44	18/31
Pure Sitalpur	..	..	..	10	8/00	8/00	8/00
Raneegunge	17	17	17-14*	10	12/19	12/19	13/62
Rewa	20	10	15	10	21/87	21/87	28/50
Samla	10	7½	..	10	7/81	7/81	9/00
Searsole	Nil	Nil	..	2½	1/00	1/00	1/22
Seebpore P.	42 6/7	35 5/7	28 4/7	7	34/75	34/75	34/75
Sendra	¾	2½	2½-3*	10	3/40	3/40	4/06
South Karanpura	Nil	Nil	2½	10	6/25	5/94	8/75
Standard	10	10	10-10*	10	9/44	9/62	13/12
Union	Nil	5	..	10	10/00	10/00	10/12
Western Bengal	7½	9	9	10	8/62	8/50	9/00
West Jamuria	Nil	Nil	..	10	3/60	3/60	4/56

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COTTON MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until: 16-12-64	9-12-64	A year ago
				Rs.	Rs.	Rs.	Rs.
Basanti	3	Nil	..	10	8/50	8/50	13/25
Bengal Luxmi	6½	Nil	..	40	30/50	30/50	30/00
Bengal Nagpur P.	Nil	Nil	Nil	10	2/44	2/44	2/44
Bharat Commerce	15	15	..	10	18/87	18/87	24/00
Birla Cotton	20	20	..	10	27/00	27/00	27/00
Bowreah P	20	15	15	10	23/50	23/50	24/50
Cawnpore Textile	10	10	..	5	6/19	6/15	7/00
Delhi Cloth & Genl. P.	13	13	13	25	46/50	46/37	47/00
Dunbar	20	15	17½	10	25/69	26/12	29/00
Elgin P.	17½	17½	17½	10	19/12	19/12	23/06
J. K Cotton (Rayon) P.	12½	Nil	..	10	9/50	9/37	13/25
Jaya Shree	10	10	10	10	12/56	12/62	17/06
Muir P	..	..	..	100	60/00	60/00	74/50
New Victoria P.	Nil	Nil	..	2½	1/12	1/00	1/50
Orissa Textiles P.	Nil	Nil	..	10	7/00	7/00	6/25
Rampooria Cotton	3 / Nil	Nil	.. / ..	10 / 1	14/12 / 4/12	14/12 / 4/12	13/00 / 3/00
Swadeshi (Kanpur) P.	..	..	.. / ..	10O / 10PO	11/00 / 6/25	11/00 / 6/25	12/62 / 6/81

BOMBAY COTTON MILLS

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until: 15-12-64	8-12-64	A year ago
				Rs.	Rs.	Rs	Rs.
Ahmedabad Advance P.	16	12	..	100	146/00	146/00	143/75
Apollo	Nil	Nil	..	2	1/76	1/70	1/92
Beharilal Ramcharan	Nil	Nil	..	100	142/00	142/00	115/00
Bombay Dyeing, etc.	14	14	14	25	57/80	57/30	61/30
Bradbury P.	10	25	..	50	143/75	143/75	155/00
Century	30	30	..	100	561/00	554/00	689/00
Central India P.	Nil	Nil	Nil-Nil*	100	94/50	92/50	102/00
Coorla	11	11	..	100	175/00	173/50	170/00
Dawn	30	30	..	50	146/00	147/00	152/00
Edward Textiles	9	9	6	200	318/00	315/00	288/00
Elphinstone P.	18	22	18—18*	50	92/00	94/00	100/00
Finlay	23	23	..	100	306/00	307/00	323/00
Gokak	14	18	..	100	174/00	173/00	172/00
Hindoostan	50	50	..	250	965/00	965/00	950/00
India United	6 / 13½	14	.. / ..	10 / 1Dd	19/40 / 2/36	19/40 / 2/36	21/72 / 2/60
Indian	23 1/5	25	..	250	900/00	900/00	860/00
Indore Malwa United	8½	10	7½	100	215/00	215/00	202/00
Khatau Makanji P.	22	16	..	100	160/00	157/50	210/00
Kohinoor	15	18	18-21*	100	318/50	316/50	340/00
Lakshmi Vishnu P.	5.7	6	Nil-3*	100	82/50	82/00	102/00
Morarjee Goculdas P.	21½	24	24-20*	100	243/00	246/00	378/00
Mysore Spg & Mfg P.	14	14	..	50	34/50	34/50	45/00
New City of Bombay	Nil	Nil	..	100	150/00	150/00	165/00
New Great Eastern P.	Nil	12	..	100	160/00	160/00	178/00
Phoenix	15	20	..	100	224/00	224/00	224/00
Sassoon & Alliance	Nil	Nil	..	10	10/36	10/36	11/00
Sassoon Spinning	17	20	10-20*	10	36/10	37/75	42/50
Simplex	15	Nil	22-16*	50	120/00	122/00	128/00
Shree Niwas P.	18	20	14-8*	100	243/00	241/00	287/00
Svadeshi P.	17	19	17	100	264/00	263/00	251/00
Swan	36	21 3/5	..	100	273/00	273/00	270/00
Tata	20	22	20	25	47/50	47/50	57/70
Western India	46 2/5	25	..	250	800/00	850/00	875/00

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BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share	Latest Market Quotations as available until: 15-12-64	8-12-64	A year ago
				Rs.	Rs.	Rs.	Rs.
CEMENT ENGINEERING & METAL							
Associated Cement	12½	12	12-12*	100	152/50	150/75	153/50
ELECTRIC LTG., POWER							
Ahmedabad Electricity	7	6	..	100	103/50	103/25	95/70
Andhra Valley Power P.	5½	5	5	1,000	1,217/50	1,215/00	1,070/00
Bombay Subarban Elec.	8	8½	8½	100	114/00	114/00	106/50
Tata Hydro Elec. Power P.	5½	5	5	100	122/50	123/25	110/75
Tata Power P.	5½	5	5	1,000	1,240/00	1,240/00	1,142/50
Alcock Ashdown	17	22½	19	100	289/00	285/00	305/00
Jost's Engineering	8	10	10—Nil*	50	47/00	47/00	57/50
Larsen & Toubro P.	12½	18	14—14*	10	22/36	21/68	24/24
Mackenzies	10	12	14	100	137/50	137/50	137/50
Premier Construction P.	43 1/3	33 1/3	30	30O / 33F	221/00	214/00	161/00
Tata Eng. & Locomotive P.	12½	14½	14½-14½*	100	266/25	261/00	296/00
Tata Iron & Steel P.	9.1	10.36	10.36-11*	75O	147/75	144/50	144/25
INSURANCE COMPANIES							
British India General	..	15	15	10	13/76	13/76	12/24
Jupiter General P.	..	4	Nil	15	7/16	7/16	9/20
New India	38	38	38	15	47/25	46/00	48/25
Vulcan	20	20	20	10	16/52	16/36	16/76
MISCELLANEOUS							
Belapur Sugar	38	50	40	50	223/00	219/00	240/00
Bombay Burmah Trading	30	33	33-33 1/5*	25 / 20	54/90	55/70	61/80
					41/25	41/75	47/00
Hindustan Lever	26	26	12—14*	10	28/10	28/00	38/50
Industrial Invt Trust	6½	6½	..	100	78/00	78/00	74/00
Kemp (Chemists)	12½	12½	..	200	253/75	253/75	277/50
National Rayon	22	..	..	100	354/00	329/50	403/00
Scindia Steam Navign.	3	3	3	20	15/60	15/16	16/08
Shivrajpur Synd.	80	Nil	Nil	10	21/20	19/80	20/00
Tata Chemicals P.	6	6½	6½—10*	10	18/04	17/72	18/44
Tata Oil P	23	23	23—22*	25	47/00	47/25	69/00
Voltas	13	14	14—14*	100	267/00	259/50	257/50
Western India Match	16	16	16	100	234/00	234/50	272/00

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TEA COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until: 16-12-64	9-12-64	A year ago
				Rs.	Rs.	Rs.	Rs.
ASSAM GARDENS							
Amluckie	10	7½	5	10	16/00	16/00	18/37
Anandabag P.	32½	20	12½	10	33/25	33/25	33/25
Baghmari	15	7½	Nil	10	11/25	11/25	17/25
Barduar Tea	..	..	..	5	8/50	8/50	8/50
Basmatia	25	20	7½	10	18/06	18/06	27/25
Bateli	30	30	30	5	17/06	17/06	17/50
Betjan	45	30	25	10	27/44	29/00	30/12
Bishnauth	13	20	7½	10	13/25	13/25	18/69
Bokakhat	12	13	..	10	13/12	13/12	13/76
Bormah Jan P.	15	15	..	10	10/56	11/00	13/00
Bor Pukhuri	Nil	Nil	Nil	10	10/50	10/50	11/25
Brooke Bond P.	10	7½	7½	10	9/00	9/50	12/00
Dejoo Valley	20	30	..	10	40/00	40/00	60/00
Dessai & Purbuttia	10	15	12½	100	170/00	170/00	200/00
Dhelakhat	10	8	10	10	20/62	20/62	20/69
Dhunseri P.	15	10	10	10	9/87	10/00	11/87
Dibrugarh	40	30	..	10	27/50	27/50	32/50
Dimukusi P.	20	25	30	10	23/19	23/19	22/62
Dufflaghur	25	30	20	10	23/00	23/00	28/06
East India	Nil	10	Nil	10	10/25	10/25	15/12
Gillapukri	20	15	12½	10	23/00	23/00	25/44
Gohpur	5	20	..	10	12/50	12/50	14/69

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TEA COMPANIES—Contd.

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 16-12-64 Rs.	9-12-64 Rs.	A year ago Rs.
Grob	6	6	3	5	6/00	6/00	7/50
Hoograjuli (Assam)	20	17	12½	10	27/62	27/62	27/12
Hoolungooree	7½	20	15	100	168/00	168/00	200/00
Jutlibari	30	20	14	10	27/87	27/87	31/50
Kingsley Golaghat P.	35	..	..	100	125/00	125/00	125/00
Kotamullai P.	Nil	Nil	Nil	5	10/31	10/31	10/31
Krishnabehari	8	10	6	10	11/30	11/30	11/80
Kyang Tea	..	..	..	10	8/06	8/06	8/06
Ledo	Nil	Nil	Nil	10	14/25	14/25	13/75
Maud Tea & Seed	7½	7½	..	10	12/00	12/00	14/00
Methoni	14	20	11	10	13/25	13/25	17/87
Mohecma	Nil	..	..	10	11/50	11/50	11/50
Mothola	30	35	35	100	425/00	425/00	507/00
Murphulani (Assam)	15	25	17½	10	26/50	26/50	26/50
	20.63	30.63	23.13	10	26/87	26/87	26/87
Naga Hills	10	10	10	10	21/25	21/25	22/25
Namburnadi	12	..	..	10	12/87	12/87	12/87
New Cinnatolliah	Nil	Nil	5	100	455/00	455/00	302/00
Rajgarh	13½	17½	12½	10	18/56	18/56	19/00
Sapoi	20	10	..	10	15/81	15/81	18/50
Seajuli	15	30	25	10	21/06	21/06	25/25
Telonian	25	25	..	10	19/00	19/00	22/12
Tengapani	30	22½	12	10	36/50	36/50	35/75
Tezpore P.	12½	12½	12½	10	13/06	12/69	15/19
Tongani	Nil	..	..	10	5/19	5/19	5/31
Tyroon	15	25	..	10	24/75	24/75	31/00
CACHAR							
Arcuttipore	5	6	..	10	7/00	7/00	7/00
Baitakhal	2½	..	7½	10	6/00	6/00	7/71
Central Cachar	7½	5	..	100	73/00	73/00	85/00
Eastern Cachar	Nil	..	..	10	5/06	5/06	4/56
Kallinugger Khoreel	2	..	..	100	84/00	84/00	87/00
Hattikhira	8	Nil	Nil	10	6/69	6/69	8/75
Kunchanpore	Nil	..	..	10	6/00	6/00	6/00
Looban	Nil	Nil	Nil	10	3/75	3/75	4/69
North Western	20	10	..	100	165/00	165/00	175/00
Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50
Roopacherra	10	Nil	..	10	9/94	9/94	9/94
Rungamattee	5	5	5	50	47/00	47/00	50/00
Sonai River	Nil	..	..	10	5/06	5/06	5/05
DARJEELING							
Bloomfield	..	..	..	10	3/25	3/25	3/12
Chamong	10	10	..	10	8/87	8/87	9/00
Darjeeling Tea & Chin.	30	30	..	100	197/00	197/00	197/00
Dilaram	4	..	..	100	102/50	102/50	102/50
Gielle	..	8 4/7	15	10	18/12	18/12	11/69
Lingia P.	10	17½	15	10	15/00	15/00	14/00
Longview	10	..	..	10	8/25	8/25	11/00
Margaret's Hope	15	15	..	10	11/81	11/81	12/19
Mim	27½	27½	Nil	100	430/00	430/00	191/50
Nagri Farm	25	35	35	10	28/12	28/12	29/56
Okayti	25	25	..	100	600/00	600/00	600/00
Pashok	Nil	..	..	10	18/75	18/75	20/00
Poobong	Nil	5	Nil	10	10/50	10/50	7/50
Pussimbing P.	Nil	Nil	Nil	10	7/69	7/69	7/50
Rungiee Rungliot	20	7½	5	100	290/00	290/00	386/00
Seeyok	Nil	..	..	10	8/50	8/50	8/60
Singell	Nil	Nil	..	100	36/75	36/75	36/75
Singtom	Nil	2	..	10	3/25	3/25	3/50
Soom	40	40	30	10	39/00	39/00	35/50
Sungma	15	20	..	10	11/87	11/187	14/56
Teesta Valley	..	8 4/7	10	10	12/00	12/00	15/87
Tukvar	Nil	..	..	10	3/56	3/56	6/00
DOOARS							
Banarhat P.	21	21	17	100	161/00	161/00	241/00
Baradighi	25	25	15	10	20/75	20/75	23/69
Bhatkawa	15	20	..	10	13/56	13/87	17/25
Birpara P.	12½	17½	10	100	143/00	143/00	162/00
Carron	5	7½	Nil	100	125/00	125/00	161/00
Choonabhuti P.	20	20	7½	100	176/00	176/00	210/00
Ellenbarrie	5	10	7½	100	300/00	300/00	184/00
Engo	30	40	30	100	225/00	225/00	136/00
Ethelbari	5	7½	..	10	11/87	11/87	11/87
Gairkhata	20	11	7	10	12/00	12/00	21/50
Gopalpur	2	10	..	25	19/50	19/50	20/00
Hantapara P.	5	10	7½	100	97/00	97/00	108/00
Hasimara P.	..	18	15	10	12/25	12/31	13/44
Huldibari	..	19 2/7	11	10	11/00	11/00	13/05
Jaybirpara	Nil	Nil	..	10	8/94	8/94	18/50
Killcott	15	15	10	10	14/06	14/06	15/19
Manabarrie	6	10	10	10	58/50	58/50	59/50
Nagaisuree	15	15	5	100	142/00	142/00	140/00
New Dooars P.	20	14½	Nil	100	170/00	170/00	230/00
Oodlabari	7½	Nil	7½	100	14/25	14/00	13/37
Phaskowa	Nil	Nil	Nil	100	121/00	121/00	125/00
Rajabhat	Nil	6	6	10	10/25	10/25	12/00
Ranicherra	15	7½	..	10	12/00	12/00	12/62
Rydak	20	25	25	10	22/56	22/62	25/75
Sarugaon	40	40	40	10	37/00	37/00	36/31
TERAI							
Atal	..	..	..	10	5/37	5/37	6/31
Belgachi	20	..	..	10	23/12	23/12	20/50
Gungaram	12½	12½	..	100	140/00	140/00	130/00
New Chumta	..	12 6/7	20	10	18/56	19/00	24/62
New Terai	10	15	..	10	20/50	20/50	23/00
Paharagoomiah	20	2½	..	10	11/56	9/87	14/37
Putinbaree	14	..	..	10	55/00	55/00	45/00
Tirrihannah P.	60	60	..	10	49/00	49/00	49/00
CHITTAGONG							
Kodala	Nil	..	..	10	9/25	9/25	9/25
Kornafuli	Nil	..	..	10	11/25	11/25	9/31
Oodaleah	Nil	..	..	10	8/00	8/00	8/00
SYLHET							
Chundeecherra	Nil	Nil	Nil	10	29/75	29/75	26/00
Dauracherra	22½	20	Nil	10	14/75	14/75	11/56
New Samanbagh P.	Nil	Nil	Nil	10	20/25	20/25	13/37
Patrakola	40	15	Nil	100	140/00	135/00	129/00
Rainagar	Nil	Nil	..	10	9/56	9/56	9/50
Tellapara	22½	10	Nil	100	169/50	169/50	110/00

‡ Hectares

MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1960	1961	1962	Paid-up per Share Rs.	Latest Market Quotations as available until 16-12-64 Rs.	9-12-64 Rs.	A year ago Rs.
MININGS							
Burma Mines	2 3/5	Nil	Nil	3½S	0/44	0/44	0/44
Chrestien Mica Industries P.	15	12½	..	10O	9/09	9/09	10/31
	25	20	..	5Dd	6/53	6/53	6/87
Indian Copper Corporation	27	27	18	2s	3/32	3/26	3/43
Metal Corporation P	Nil	Nil	..	10O	6/00	6/00	8/19
Orissa Mineral Development	36	28	20	10	20/00	20/00	26/00
CEMENT, LIME, SLATE, ETC.							
Ashoka Cement	7	7	7—7*	10	6/50	6/56	7/37
Assam Bengal Cement	..	Nil	Nil	10O	3/81	3/22	3/62
				1Dd	0/59	0/59	0/50
Bengal Potteries	15	12	12	2½	4/18	4/09	5/19
Bisra Stone Lime	30	30	10	..	16/00	16/00	22/00
Dalmia Cement (Bharat) P.	12	12	12-12*	10O	12/75	12/81	12/62
				1Dd	3/06	3/06	2/81
Jaipur Udyog P.	6	8	10-10*	10	10/12	10/03	11/94
Kumardhubi Fireclay & Silica P.	18	18	18	10	18/45	18/45	18/45
Orissa Cement P	15	15	10	10	12/06	12/25	14/00
Reliance Firebricks & Pottery	22	15	10	10	22/75	22/75	22/75
Sone Valley Portland Cement	4	6	8	10	3/87	3/84	4/50
Sutna Stone & Lime	27½	30	35-20*	10	18/00	18/00	28/31
CHEMICAL INDUSTRIES							
Alkali & Chemical Corpn. of (I)	12	15	15—15*	10	27/50	28/31	33/37
Bathgate & Co Ltd P	Nil	Nil	..	5	9/84	9/84	9/84
Bengal Chemical & Pharm. P.	7	10	10	100	102/00	102/00	98/50
Calcutta Chemical P.	18	18	18	10	19/12	19/12	17/87
Frank Ross P	..	..	..	6	4/13	4/19	3/25
Smith Stanistreet P.	25	25	25-22½*	5	13/00	13/00	12/31
ELECTRIC LIGHTING, POWERS							
Agra Electric Suply	11	11	11-11*	100	126/00	126/00	118/00
Bareilly Electric Supply	11	11	11-11*	10	10/94	10/94	11/81
Bhagalpur Electric Supply	11	11	11-11*	10	12/87	12/87	12/81
Calcutta Electric Supply	8	10	8	8	7/12	7/12	6/69
Cuttack Electric Supply	7	7½	7½	£1	15/25	15/31	14/56
Disnergarh Power Supply P.	7½	10	Nil	10	15/00	15/00	11/87
Jhansi Electric Supply	10	10	10-10*	100	86/00	86/00	98/00
Jubbulpore Electric Supply	..	Nil	7	10	4/90	5/90	4/90
Mirzapur Electric Supply	10	10	10	10	10/75	10/75	11/25
Muzafferpore Electric Supply	..	..	..	..	7/50	7/50	12/00
Muttra Electric Supply	12½	12½	12½	10	17/75	17/75	11/50
Patna Electric Supply	..	..	..	10	11/06	11/06	11/06
Shahjahanpur Electric P.	10	10	10	10	10/75	10/75	10/31
Situa (Jhariah) Electric	6½	6½	6½	10	6/62	6/62	6/87
United Provinces Electric	10	9	9	10	9/62	9/62	4/50
Upper Jumna Valley Electric	11	11	11-11*	100	193/00	193/00	150/00
	13½	13½	13½-13½*	11	25/37	25/37	18/00

* 1963

MISCELLANEOUS COMPANIES—Contd.

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 16-12-64 Rs.	9-12-64 Rs.	A year ago Rs.
ENGINEERING & METAL							
Arthur Butler (Muzafferpore) P.	Nil	10	..	10	15/00	15/00	14/94
Bhartia Electric Steel	10	12½	15	10	14/94	14/69	15/00
Braithwaite India P.	25	14	20	10	32/62	32/75	33/00
Bridge & Roof	30	30	30	10	52/25	52/25	52/25
Britannia Building & Iron P.	Nil	Nil	Nil-Nil*	10	3/62	3/62	3/37
Britannia Engineering P	10	10	..	10	9/44	9/50	10/31
British India Electric Cons.	20	15	15	10	29/12	29/12	31/00
Burn P (Engineering)	25½	28½	25-15*	100	278/00	278/00	314/00
Calcutta Steel	15	15	12½-15*	10	13/31	13/31	13/81
Dalmia Iron	10	10	10	10	11/87	11/94	11/56
Guest, Keen, Williams	14	14	12	10	23/00	22/75	26/12
Hooghly Docking	Nil	12½	10	50	80/00	80/00	95/00
Indian Iron & Steel P.	16	16	16-17*	10	25/84	25/24	25/06
Indian Malleable Casting	Nil	Nil	..	5O	5/19	5/19	6/00
	Nil	Nil	..	10½	2/81	2/81	2/06
Indian Standard Wagon P.	28½	28½	20-20*	10	36/69	36/69	35/37
Indian Steel & Wire Products	24	23	18	10O	27/00	27/19	36/87
Industrial Containers	10	10	..	10	25/62	25/62	21/37
Jay Engineering	17 3/20	15	10-8*	10	20/06	20/00	21/87
J K Steel P	20	10	15	10	17/81	17/75	17/94
Jessop & Co P.	8.58	8.58	10	10	25/62	25/56	24/25
Kumardhubi Engineering P.	11½	15	Nil-16½	3	5/34	5/37	9/00
Marshall Sons (India)	Nil	Nil	Nil	2	3/59	3/44	2/62
National Iron and Steel	Nil	Nil	..	10	5/30	5/37	5/75
Saran Engineering	10	12½	10	4	8/31	8/31	8/12
Steel Containers	20	20	17½	10	24/31	24/31	29/50
Textile Machinery	10	12½	12½-15*	10	25/60	25/15	28/35
SUGAR BREWERIES, ETC.							
Balrampur Sugar	8	4	Nil	2½	1/65	1/50	1/81
Belsund Sugar	10	6 2/3	3 1/3	7½	7/62	7/62	8/94
Bharat Sugar P.	15	15	15	10	16/00	14/50	16/00
Carew (Sugar) P.	Nil	Nil	Nil	10	12/44	12/44	11/37
Cawnpore Sugar P.	Nil	Nil	Nil	10	9/81	9/81	9/75
Champaran Sugar	12	Nil	Nil	10	11/62	11/62	12/62
Durbhanga	Nil	5	..	10	8/56	8/56	9/87
New Savan Sugar and Gur	5 3/5	3 7/10	..	10	3/65	3/50	4/50
Purtabpur Sugar P	Nil	Nil	..	10	9/12	9/12	10/81
Ramnugger Cane & Sugar P.	35	30	15	10	24/25	24/25	29/31
Raza Buland	10	10	10	10	9/87	9/87	10/25
Ryam Sugar P	Nil	Nil	..	10	4/12	4/12	4/50
Samastipur Central Sugar	Nil	Nil	..	10	3/62	3/62	4/10
Shree Krishna Gyanoday Sugar P.	10	Nil	..	10	8/25	8/25	7/94
Shree Sitaram Sugar	..	..	..	10	7/28	7/28	7/12
Sitalpore Sugar	Nil	Nil	Nil	10	3/69	3/69	3/69
United Provinces	6	Nil	..	10	12/00	12/00	12/00
Upper Ganges Sugar P.	72½	72½	..	10	60/25	60/25	85/00
MISCELLANEOUS							
A. Firpo (Restaurateur)	10½	5	..	10	5/90	5/90	5/00
Aluminium Corporation P.	12	12	5-9*	10	11/00	11/00	13/62
Anderson Wright Ltd. P.	Nil	6	6	10	11/50	11/50	11/50
Angelo Bros	28½	28	28	10	24/75	24/75	26/37
Assam Match	20	20	20	10	25/25	25/25	27/75
Assam Saw Mills & Timber	Nil	3	..	3	2/50	2/50	2/50
Associated Battery	15	15	15	10	24/56	24/56	27/50
Associated Hotels of India P.	10	10	10	10	10/37	10/37	10/31
Balmer Lawrie & Co.	25	25	22½	100	237/00	237/00	258/00
Bararee Coke	Nil	15	15-20*	10	20/69	20/75	22/06
Birds Investments P.	10	10	..	10	8/50	8/50	10/37
Britannia Biscuit P	30	25	21-21*	10	36/62	36/62	50/25
British India Corporation P.	7	9	15	5	10/94	10/62	9/00
British Paints	12½	10	15	10	22/44	22/37	22/62
Calcutta Silk Manufacturing P.	Nil	..	..	10	6/94	6/94	6/94
Clive Row Investment	7½	8	8	10	8/75	8/75	8/56
Duncan Brothers & Co. Ltd P.	14	14	12	100	110/00	110/00	138/00
Dunlop Rubber Co (India) P.	20	15	17½	10	30/94	30/50	36/00
Dyer Meakin (Breweries)	30	..	..	5	22/75	22/44	32/00
Eastern Investments Ltd. P.	14	12	10	100	95/00	101/00	117/00
Electric Construction	10	10	10	10	12/94	13/37	13/06
French Motor Car	20	20	..	20	31/75	31/75	32/75
Ganges Rope	20	20	20	100	253/00	253/00	236/00
General Investments Trust P.	5	5	5-5*	75	43/00	43/00	43/00
Gillanders Arbuthnot & Co Ltd P.	11	11	11-9.6*	10	12/62	12/62	14/00
Gladstone Lyall & Co. Ltd P	Nil	Nil	..	10	..	..	..
Godfrey Phillips (India) Ltd. P.	40	30	20	10	21/75	21/75	28/12
Great Eastern Hotel	6	7	..	250	260/00	260/00	250/00
Hindustan Aluminium P.	Nil	Nil	Nil	10	12/40	12/50	13/81
Hindustan Motors P	12	12½	11½-11½*	10	16/81	16/19	19/22
Hindusthan Pilkington	12	Nil	Nil	10	12/94	12/94	16/19
Hindusthan Pwytords P.	Nil	Nil	Nil-Nil*	10	14/56	14/56	14/19
Hoare Miller & Co Ltd.	6	..	..	10	5/37	5/37	5/62
Imperial Tobacco	9	9	8-6½*	10	8/37	8/37	10/12
Indian Aluminium Co Ltd. P.	15	17½	17½	10	30/62	30/31	29/12
Indian Cable P	22½	22½	22½-25*	10	35/25	34/75	38/06
Indian Oxygen	15	12	12	10	23/81	23/75	26/62
Indian Rubber Manufacturers P.	30	36	..	10	21/75	21/75	19/87
Indian Wood Products	30	30	25	10	26/25	26/25	29/62
Isaac Holdens	Nil	Nil	5	10	10/12	9/94	14/56
Investments and Finance P.	7½	7½	7½-7½*	100	55/00	55/00	30/00
J. K Synthetics	3	Nil	10	10	12/81	12/62	13/50
James Wright P.	..	..	..	5O	2/75	2/75	2/75
	..	..	..	1Dd	00/43	00/43	00/43
Jardine Henderson Ltd P.	7	6	7-7*	100	72/00	72/00	77/50
Jay Shree Industries P.	12½	12½	..	10	14/25	14/44	14/50
Kesoram Industries P.	12	12	13-15*	10	24/62	23/62	27/69
Macfarlane & Co.	Nil	Nil	..	50	4/50	4/50	6/69
	Nil	Nil	..	1Dd	1/81	1/81	1/44
Macneill & Barry Ltd P.	8	7½	8½	100	95/00	95/00	92/00
Martin Burn Ltd P.	27½	25	25	10	26/31	26/56	28/31
McLeod & Co. P.	15	18	..	100O	230/00	230/00	210/00
Metal Box Co. of India Ltd P.	25	25	19-18*	10	30/25	30/50	52/25
National Insulated Cable P.	25	25	18-20*	10	24/37	24/37	23/87
National Pipe & Tubes P.	20	20	20	10	28/50	28/50	27/75
National Rolling & Steel Ropes	15	15	15	10	21/81	23/31	19/87
National Rubber P	6½	8	10	10	9/94	10/12	13/44
National Tobacco P	7	7	..	10	10/87	10/75	13/37
New India Investment Corpn.	8 2/5	8 2/5	..	75	56/50	56/50	59/50
Octavius Steel P.	7½	7½	..	100	..	..	..
Philips India	12	13	15	10	29/00	29/50	28/50
Publicity Society	75	75	50	4	25/06	25/06	22/62
Rallis India P	8½	8½	10	100	118/00	116/00	129/50
Rohtas Industries P.	10	8	9-8*	10	9/62	9/56	12/53
Sirsilk P	..	..	..	10	6/87	6/65	10/12
Sen-Raleigh Industries P.	8	5	Nil	10	13/50	13/50	15/12
Shaw Wallace P.	15	7½	12½	10	14/62	15/81	17/69
Spencer's Hotel	2½	..	..	2	1/25	1/25	0/65
Union Carbide	18	12½	15	10	29/12	30/00	42/12
Walford Transport	30	30	27	10	3/19	3/19	4/09
INSURANCE COMPANIES							
Concord of India	20	20	20	5	9/85	9/85	11/25
Hercules	26½	26½	26½	10	23/50	23/50	23/25
Ruby General	13½	15½	15½	8	11/70	11/70	10/25
Standard General	..	..	..	10	7/75	7/75	6/12
Triton	50	50	50	25	127/00	127/00	130/00
FLOUR MILLS							
Bengal	25	25	30	10	33/75	33/75	34/12
Delhi P.	..	..	..	10	14/00	14/00	14/00
Ganesh P.	..	..	..	12½	10/00	10/00	14/75
Hooghly	Nil	Nil	5	10	19/75	19/75	19/75
United	10	7½	10	10	27/81	27/81	27/81
OIL COMPANIES							
Attock Oil	13½	13½	13 1/3	£1	sh. 29/10½	sh. 30/-	sh. 36/6
Burmah Oil P.	..	11½	22½	£1	sh. 51/7½	sh. 54/9	sh. 65/9
Indo Burmah Petroleum P.	25	22½	17½	10	17/94	18/12	21/75
Tide Water Oil	35	35	35	10	37/00	37/00	30/25
PAPER MILLS							
Bengal P	27½	20	20	10	26/44	26/69	28/30
India Paper Pulp	13	12	15-15*	10	16/75	16/56	19/06
Orient Paper P	22½	22½	20	10	33/20	32/05	38/90
Shree Gopal Paper P.	17 6/7	17 6/7	18	10	26/06	25/25	25/00
Sirpur P	8½	8½	5	10	11/56	11/78	13/69
Star Paper P.	Nil	Nil	Nil	10	8/87	8/78	9/12
Titaghur P.	13	13	13-13*	2½PO	3/37	3/37	3/25
	20	10	10-2½*	10AO	11/62	11/62	16/87
	20	10	10-2½*	10BO	11/62	11/62	16/87
West Coast P.	7½	..	..	100	164/00	164/00	170/00
PRESSING COMPANY							
Camperdown	11	..	..	100	110/00	110/00	104/00
REAL PROPERTY STORAGE							
Bengal Bonded Warehouse	8	8	9	A500	1,250/00	1,250/00	1,050/00
				B62½	125/00	125/00	125/00
				C100	186/00	186/00	122/00
				D12½	45/00	45/00	14/15
Calcutta Safe Deposit	Nil	Nil	..	100	7/81	7/81	7/75
Humayan Properties P.	3	Nil	..	10O	11/00	11/00	11/00
	..	..	..	1Dd	2/10	2/10	2/10
Midnapore Zemindary P.	Nil	Nil	Nil	85	33/50	33/75	18/00
TRAMWAYS & STEAMER							
Bengal Assam Steamship P.	7½	10	10	100	105/50	105/50	128/00
Calcutta Landing & Shipping	7½	22	6	10	21/00	21/00	14/00
Calcutta Steam Navigation	Nil	Nil	Nil	10	7/25	7/25	8/87
Calcutta Tramways P	8	8	8	£1	11/31	11/31	10/87
Fraser	..	..	..	10	10/00	10/00	9/87
India General Nav. Railway P.	Nil	Nil	..	£10	38/00	38/00	43/25
India Steamship P.	Nil	Nil	Nil	10	6/50	6/47	7/34
Port Shipping	Nil	Nil	12	10	16/75	17/12	14/37

*1964

SOUTH INDIA PLANTATION COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 15-12-64 Rs	8-12-64 Rs	A year ago Rs.
Amalgamated P.	10	10	..	10	9/21	9/21	10/01
Anandam P.	18	15	..	10	14/35	14/35	14/19
Athimattam	5	Nil	..	2	1/45	1/45	1/23
Balanoor P.	12	12	..	10	11/20	11/20	13/25
Baimadies P.	5	Nil	5-10*	2	2/10	2/10	1/80
Be Be P	5	Nil	..	5	2/35	2/35	2/33
Blue Mountain	10	10	10	2	2/22	2/20	2/53
Chembra Peak	20	20	20-25*	2	5/20	5/20	4/50
Cochin Malabar P.	20	20	12-12*	3	6/07	6/12	6/37
Coffee Lands P	12	9	..	10	17/50	17/50	16/10
Consolidated Coffee P.	20	15	..	10	25/15	25/30	21/50
Coonoor P.	15	17½	17½	10	16/80	16/80	18/25
Coorg P.	20	15	..	2	4/77	4/85	4/85
Cottanad Plantation P.	10	6½	..	10	9/85	9/50	9/00
Devashola (Nilgiri)	20	15	..	10	30/65	30/65	24/60
Devon P	12	12	..	10	12/35	12/35	11/96
Emerald Valley	Nil	6	..	5	7/00	7/00	6/30
Gokul	10	10	..	2	2/03	2/03	2/23
Haileybury P.	12½	11	..	10	12/35	12/25	12/60
Kailas	25	30	..	2	6/30	6/30	6/20
Kalasa Tea Produce	25	15	15	2	4/28	4/12	4/10
Kil Kotagiri P.	25	25	20	2	5/10	5/10	5/15
Lucky Valley	10	10	..	10	11/75	11/75	12/00
Malankara	16	14	14-16*	10	15/72	15/72	15/02
Midland Rub & Prod P.	12½	12½	10-10*	10	10/85	10/85	10/90
Nilgiri P.	10	10	..	10	8/50	8/50	8/50
Nonsuch	20	20	20	10	22/50	21/70	23/87
Ossoor	15	15	15	2	2/80	2/80	3/50
Ouchterlony	12	6	..	2	3/40	3/40	4/35
Parkside Neilgherry	22½	27½	25	10	24/00	24/00	27/50
Peermade P	25	20	12½	10	20/90	20/75	20/50
Peninsular	20	20	17½	10	19/65	16/65	20/70
Periakaramalai	20	12½	15	2	3/68	3/72	3/47
Rajagiri Rub & Prod P.	20	20	..	10	23/00	23/00	21/25
Rajendra P.	25	20	..	5	12/00	12/00	10/42
Swinton	6	Nil	..	2	2/66	2/52	2/68
Teekoy P.	4	6	..	10	6/60	6/60	6/50
Thirumbadi	12	10	10	1	1/78	1/78	2/03
Travancore Rubber	12	12	..	10	11/75	11/75	11/25
Travancore Rub & Tea P.	10	10	..	10	8/10	8/70	9/84
Tropical Plantations	8	8	..	25	20/50	20/50	20/00
Twyfords	6	5	..	10	9/00	9/00	8/12
United Nilgiri	22	22	..	10	22/25	22/25	23/75
Vaikundam	30	35	..	10	34/30	34/30	33/75
Waterfall Estates P.	10	10	10	2	2/37	2/37	2/40
Woodland P	10	Nil	..	10	6/50	6/50	6/90

† Kgs.

SOUTH INDIA COTTON MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 15-12-64 Rs	8-12-64 Rs	A year ago Rs.
Bangalore W. C. Silk P.	18	18	24	100	281/00	281/00	233/50
Buckingham & Carnatic P.	18	18	18	100	277/00	278/00	297/00
Cambodia P	12	9	..	10	8/75	8/75	10/00
Coimbatore Cotton	16	9	..	100	170/00	170/00	167/00
Coimbatore Spg & Wvg.	16	8	..	50	115/50	115/50	87/00
Kothari Textiles P.	8	8	6	10	8/28	8/28	9/35
Lakshmi	25	20	20-20*	50	132/00	132/00	132/00
Madura	30	15	15	15	35/00	35/15	34/00
Mettur Industries	30	22½	..	100	225/00	225/00	290/00
Palani Andavar P.	50	35	..	10	235/98	193/15	202/75
Vasanta P.	25	20	..	100	234/00	234/00	255/00

* 1964

SOUTH INDIA SUGAR MILLS

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 15-12-64 Rs	8-12-64 Rs	A year ago Rs.
Andhra P.	16	12	..	10	12/50	12/50	17/36
Cauvery P.	8	6	..	100	98/50	98/75	114/00
Deccan Sugar	12	18	18	5	10/14	10/60	11/98
E.I.D —Parry	21 3/7	28 3/7	..	£1	35/50	35/65	38/65
Indian Sugar P.	10	8	8	10	8/90	8/90	10/00
Jeypore P	15	15	..	10	16/25	16/25	16/00
K. C. P.	15	15	..	10	23/50	23/50	23/90
Kothari	Nil	Nil	Nil	10	6/20	6/20	7/25
Mysore	30	30	30	10	27/75	27/75	46/75
Travancore P.	7½	5	..	10	6/79	8/15	7/40
United Breweries	60	25	Nil-9*	10	23/78	23/78	33/25

* 1964

SOUTH INDIA MISCELLANEOUS COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 15-12-64 Rs	8-12-64 Rs	A year ago Rs.
Aluminium Industries	18	18	..	10	23/20	23/15	18/75
Andhra Cement P.	10	9	9-9*	10	9/90	9/90	9/95
Ashok Leyland	8	8	..	5	7/25	7/15	7/20
Binny	22½	21	..	100	265/00	265/00	287/50
Brunton & Co.	Nil	Nil	..	10	4/50	4/50	5/00
Enfield P	4	4	..	10	10/30	10/30	9/20
India Cement P.	9	12	..	5	5/08	5/06	5/45
Indian Steel Rolling P.	12½	10	..	10	9/70	9/75	9/90
Mettur Chemical Industrial P.	12½	13¾	18¾	10	14/20	14/00	12/60
Mysore Chem & Fert.	10	5	..	10	7/25	7/60	7/95
Mysore Chemical Mfgs. P.	20	20	..	10	15/50	15/50	16/70
Mysore Lamp P.	25	37	..	10	29/60	29/60	30/00
Mysore Paper	15	15	..	10	11/25	11/43	12/60
Mysore Tobacco	Nil	10	..	10	11/02	11/02	12/00
Parry's Confl	30	26	..	1	3/05	3/05	3/15
Spencer (Provisions)	18	18	..	10	21/50	21/50	20/75
Standard Motors P.	7	6	..	10	10/10	10/00	10/33
T. Stanes P	15	32½	..	10	28/55	28/55	27/40
Textool	15	15	..	100	128/00	128/00	146/00
Tube Investments	10	10	10	100	167/00	176/00	222/00

* 1964

LIGHT RAILWAY AND ROPEWAY COMPANIES

NAMES	Dividends per cent 1961	1962	1963	Paid-up per share Rs.	Latest Market Quotations as available until 16-12-64 Rs.	9-12-64 Rs.	A year per Rs.
Ahmedpur Katwa	1.90	1.75	..	100	25/37	25/37	26/00
Arrab Sasaram	5	5	4	100	31/62	31/62	29/50
Bankura Damoodar	1.90	1.75	..	100	25/37	25/37	30/00
Burdwan Cutwa	1.90	1.75	..	100	25/37	25/37	29/00
Chaparmukh Silghat	2.90	2.80	2.40	100	30/00	30/00	40/00
Cherra Chhatak Ropeway	12	12	..	5	4/62	4/62	4/62
Darjeeling Ropeway	..	..	..	10	8/50	8/50	8/50
Dehri Rohtas	20	15	..	10	10/06	10/00	12/62
Futwah Islampur	1.90	1.90	1.80	100	25/75	25/50	28/70
Howrah Amta (P)	5	4½	4	100	34/50	34/50	40/00
Howrah Sheakhala	5	4½	4	100	36/50	36/50	45/00
Katakhal Lala Bazar	3.10	1.90	..	100	41/00	41/00	41/00
Shahdara (Delhi)	3	Nil	Nil	100	51/25	51/25	52/00

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ASSOCHAM REVIEWS A YEAR OF ECONOMIC INSTABILITY

FEW years in Indian economic history since independence have been marked by a more suffocating atmosphere of gloom, uncertainty and frustration than the one now ending. If in the circumstances anxiety was the keynote of the two main speeches delivered at the annual general meeting of the Associated Chambers of Commerce and Industry in Calcutta on Monday, the fact can hardly be surprising. The president of Assocham, Mr. A. D Ogilvie, in a thoughtful and carefully-worded address took great pains to place the crisis of the present in perspective by recalling the achievements of the past. The Prime Minister, Mr. Lal Bahadur Shastri, in turn spoke of "the remarkable transformation that has taken place in this country since independence"; of the five year plans having given millions "the first glimmer of hope for a better future"; of "a new dynamism on our farms and factories"; and, most surprisingly, of "a commendable display of mutual goodwill between labour and management, between industry and Government, and indeed between different sections of our ancient community." But if at the end of it all a feeling of uneasiness and uncertainty remained, nobody could perhaps be held to blame for it, for the hardships of the present could not have been soothed by pleasant reveries about the past.

The economic situation, as the senior economist in Mr. Shastri's Cabinet recently put it, is "extremely grim". The deterioration started around the time of the Chinese invasion two years ago. Defence expenditure was increased sharply. On top of it there was a large increase in plan outlays. The result was that, since there was no corresponding increase in production, prices shot up. As Mr. Ogilvie pointed out, the rise in wholesale prices during the last 12 months was, with a single exception, much greater than in any year since 1951. Because of the price rise, human suffering has been deep and widespread. The Government's budgetary and economic planning has been seriously upset. In commerce and industry, labour unrest has grown, productive efficiency has suffered, costs have risen, financial problems have become more acute and efforts to promote exports have been seriously handicapped. As the Assocham president declared, nothing is more urgently needed now than "a long, cool look at the position of the economy and the immediate and also the distant objectives which are in mind". In other words, a fundamental change in economic policies is necessary.

The most disappointing feature of Mr. Shastri's address was that it did not indicate precisely the sort of changes that he considered possible. He acknowledged the dangers of inflation, and the need for measures to check it. "Some of these (measures) may seem somewhat irksome to Government departments who have been called upon to curtail expenditure, as well as to the private sector. But the steps necessary to check inflation are far less painful than the consequences of persistent inflation". However reassuring the words may have sounded, the truth is that very little has been done to cut back expenditure so far. The Government said some time ago that it would spend Rs. 70 crores less during the current financial year than it had originally intended to. Mr. Shastri did not care to explain on Monday whether the Rs. 70-crore cut would be adequate, considering that the total expenditure to begin with was budgeted to increase by over Rs. 200 crores in comparison with 1963-64. The inadequacy of the cut has meanwhile been demonstrated by the fact that prices, after a brief decline in October and November, have once again started rising—at a time when the seasonal decline precipitated by the arrival of the harvests should have been accelerated. The Prime Minister might in the circumstances have been expected to say whether the Government was prepared for a still bigger reduction in its outlays, so as to demonstrate the firmness of its intention to check the rise in prices. But Mr. Shastri did nothing of the sort.

As Mr. Ogilvie pointed out, the causes of the inflation in India are mainly two. The first is that "large additional amounts of purchasing power" have been pumped into the economy. And the second is that agricultural production has stagnated, while the growth of industrial output has slowed down. The stagnation in agriculture has been extremely serious at a time when the population has been increasing rapidly, and when the demand for raw materials to sustain industrial production and the export drive has been rising. Thanks to the shortage of food and the increase in prices, the Government has in recent months shown somewhat greater awareness of the need to raise the output from the farms. But it would have been more reassuring if the awareness had been demonstrated in practical rather than in mainly verbal terms.

Mr. Shastri, for instance, offered a prolonged and exhortatory dissertation about many of the elementary things that need to be done: yields and productivity ought to be raised, better seeds, manures, irrigation and credit facilities should be provided. State Agricultural Departments should be more active, "a special spirit" should be generated, and so on. But many among his audience might forgivably have wondered who on earth the exhortations were being addressed to, if not to Mr. Shastri himself and to the Government over which he has the honour to preside. In brief, it might have been more heartening to hear the Prime Minister say what *has* been done, and what *will* be done, rather than what he along with millions of others thinks *ought* to be done. Mr. Ogilvie had made two useful points which offered Mr. Shastri the opportunity to be more specific. The first was that the Government should be more flexible in its attitude to ceilings on land holdings, so as to leave scope for investment in modern, progressive and large-scale farming operations. The second was that the rise in the prices of agricultural commodities had probably raised cultivators' incomes by anything between Rs 300 crores and Rs. 500 crores; measures should be devised to get part of the increase invested in new methods and equipment. On the first of these points, Mr. Shastri's answer was wishy-washy. As for the second, he did not choose to discuss it at all, although one might have thought that devices to secure the rein-

vestment of agricultural incomes are among the most crucial needs of the country today.

Many people had expected that the Prime Minister, possibly worried by slow-down in industrial growth, would use the opportunity of the Assocham meeting to indicate broadly the sort of remedies and incentives the Government was thinking of trying. A detailed indication was, of course, not to be expected: to the extent that the incentives would have to be fiscal in nature, they could hardly have been announced at an Assocham meeting held in December, with Parliament still in session and with the Budget only a couple of months away. But, even after due allowance is made for such limitations, it seems the Prime Minister seemed more eager to prescribe watery old nostrums than to analyse present problems. The burden of his remarks was that private enterprise was not a bad thing, and the Government was rather fond of it in some ways. The sluggishness of the capital market of course was there, and not many new industries had come up during the last two years. But the matter was receiving the Government's "serious" attention. The need to stimulate the inflow of private foreign investment "in appropriate fields, particularly in industries where we are seeking to introduce new techniques", was also recognised.

In this way, the crucial problems relating to the acceleration of industrial growth were largely bypassed. Some of these problems arise from the shortage of essential inputs, such as power and imported materials. If the power shortage has eased a little in certain parts of the country, the scarcity of imported materials is worsening. There is a clear need, therefore, for diverting more of the foreign aid India gets to maintenance imports. But Mr. Shastri, instead of acknowledging the need, merely reiterated the urgency of increasing exports. He did not show any great awareness of the fact that costs have to be kept down in the interests of export promotion, and also of internal stability. On the contrary, he decided to excuse the damage done by the Bonus Commission without a qualifying murmur, and to defend the establishment of the Monopolies Commission for the flimsiest of reasons. The Assocham president's plea for greater understanding and assistance in developing the traditional export industries too was not answered. This was in spite of the fact that Mr. Ogilvie made an excellent point when he highlighted, on the basis of a study prepared by the U.N. Economic Commission for Europe, the enormous export opportunities which would arise in the coming years in western Europe alone. The scope for Indian industries to exploit those opportunities, together with the Government's approach to problems of costs, prices and incentives, could have been usefully analysed.

A factor which is of crucial importance to the promotion of exports, and to the revival of the economy generally, is taxation. Mr. Ogilvie rightly emphasised that corporate and personal taxation now represents "a crushing burden"; it has led to "a sense of discouragement", "some feeling of inertia" and "a disturbing lag in performance". A substantial reduction in taxes is necessary to generate the confidence, and to promote the saving and investment, without which a rapid increase in production cannot occur. A cut in tax rates might lead to a temporary decline in the Government's revenue; but the fall would very soon be made up through the resulting increase in economic activity. A serious effort, therefore, has to be made to reduce Government expenditure to a level where sizable tax cuts would be possible. Mr. Ogilvie mentioned in addition the need to check tax evasion, to which Mr. Shastri, perhaps significantly, responded by talking of the need for eliminating "tax evasion and avoidance". What was left largely unsaid on both sides was that the high level of taxes itself provides the strongest incentive for evasion; the Government's relentless search for revenue has thus over the years placed bigger and bigger premiums on dishonesty. The economic stagnation and the moral decline which the present fiscal system has precipitated has proved ruinous, and cannot be cured by authoritarian measures alone. A radical reorientation of the Government's ideas and attitudes may first be necessary so as to assure the honest of fair rewards for their labours. Such a reorientation, supported by evidence that justice is done at the political level too, would be of incalculable value in promoting the "sense of social responsibility" which Mr. Shastri, in a slightly different context, talked about.

TAXES AND FOREIGN CAPITAL

THE Indian economy has tended to stagnate since the last Central Budget, although the fiscal measures it introduced were intended to promote economic growth and investment. The resolution on taxation passed by the Associated Chambers of Commerce and Industry highlights the adverse effects of heavy taxation. The increase in direct taxation has hit honest assessees most, since a large part of the total income has evaded taxation. So the anti-evasion measures of the Government need to be tightened. The other disturbing feature is the uncertainty that has been introduced by frequent changes in the tax structure and tax rates. Mr. D. W. Law (Madras Chamber) pointed out that since business plans are generally made for five to 15 years, industrialists need to be given a measure of security relating to taxation for a much longer period than is now the case.

Although the Finance Act, 1964, gave some tax reliefs, their benefits have been almost offset by new levies. The increase in the rate of super-tax applicable to Section 104 companies has tended to hinder development. The levy of capital gains tax on bonus shares in the hands of shareholders is inequitable, particularly when these shares are not sold. Since the levy does not take into account the drop in the value of existing holdings due to the bonus issue, the tax becomes payable on notional gains without any set-off for notional losses on existing holdings. Mr. R. N. Sen (Bengal Chamber) mentioned that foreign investment will naturally be discouraged, because a foreign investor may be required to bring in more funds than he thought of investing just to pay the tax on bonus shares for retaining his share in the equity of an Indian company.

The dividend tax of 7½ percent is for all practical purposes an additional levy of super-tax on corporate bodies. So it has tended to depress the capital market. The abolition of the super profits tax was welcome, but the benefits were undone by the imposition of the surtax on profits. The most disturbing aspect is that efficient companies will have to pay more than others in the same industry under this levy. As far as Indian nationals are concerned, the benefit of the reduction in income tax rates has been largely offset by the introduction of the annuity deposit scheme.

As for the restrictions imposed on the admissibility of expenditure, the relevant provision of the Finance Act, 1964, needs to be administered in such a way that the normal conduct of business is not interrupted. If the incidence of corporate and personal taxation were reduced, expansion and growth would be encouraged. The yield from direct taxation would also increase in the long run. The Government should take steps to encourage the plough-back of profits in the corporate sector for promoting development. Allowances on account of development rebate and depreciation given to companies so far have been used for investing in the business and have not been frittered away.

The Assocham resolution on international investment forcefully points out the importance of encouraging the flow of foreign private capital into Indian industry. Since the country's repayment liabilities on account of interest and principal may amount to about Rs. 1,100 crores during the fourth plan, on top of the large amount of foreign exchange that will be needed to finance development plans, the importance of attracting foreign private capital cannot be exaggerated. Official aid will, it is true, be larger than the inflow of foreign private capital, but the advantages of the latter are conspicuous. Official aid cannot harness self-interest as effectively as when a foreign investor puts his money into a joint venture. Apart from obtaining equipment from foreign countries, foreign private capital brings with it technical and managerial know-how. Despite the willingness of the Government to attract foreign capital, the flow is still small. Foreign investors have been discouraged by various factors. Firstly, taxation in this country is too high. As a result, the return of investments is not very attractive. Secondly, the prevailing depression in the Indian capital market has made it difficult to attract matching Indian capital. So it is necessary to take steps to revive confidence in the local capital market.

Mr. H. K. S. Lindsay (Bengal Chamber) pointed out that the Government is taking measures to remove obstacles in the way of foreign capital. Following the recommendations of the Swaminathan Committee on licensing and the V. K. R. V. Rao Committee on the use of external assistance, steps have been taken to simplify procedures to eliminate delays. But there is still some discrimination against foreign capital which calls for closer examination. There are certain industries in which foregin capital is not normally allowed because equipment and technical knowledge are available within the country. Since the growth of many of these industries has been far too slow, it is time to consider whether the participation of foreign capital will not be in the interests of the economy. Private foreign capital can help promote India's exports by offering export know-how and trade connections. Mr. H. P. Nanda (Punjab and Delhi Chamber) mentioned how private-sector companies entering into collaboration agreements with foreign companies for the manufacture of essential products, which are at present imported, could procure these commodities from the foreign collaborators' own factories until actual production starts in this country. This would save a considerable amount of foreign exchange. Under collaboration agreements, the Indian company could stipulate that payment for such commodities would be made with the products manufactured in India and not in foreign exchange. In the process, India's exports would be boosted.

CHECKING THE PRICE RISE

ASSOCHAM'S resolution on prices makes a succinct analysis of the causes of inflation, and suggests the only sensible remedy in a situation of shortages, namely, creating the conditions to increase output. While proposing the resolution, Mr. P. L. Tandon (Bombay Chamber) pointed out that unless the rise in prices was checked, the growth of the economy would suffer and planning itself would become infructuous. Basically, the inflationary bias in the economy originates from the stagnation in agricultural output in the context of a fast-growing population. The pull exerted by rising food prices on the prices of other goods has been so strong as almost to dislocate the economy. The setback in agriculture has not only caused widespread distress among the people, but has also starved many farm-based industries of raw materials.

The task of increasing agricultural production has to be conceived in strictly practical terms. As Mr. Tandon pointed out, small-scale industries and co-operatives may be encouraged, but this should not stand in the way of the larger producers who are in a position to harness superior skills and equipment for stepping up output. At present the Government's obsession with land ceilings has dislodged the large cultivator from the field, but with him have also gone the advantages of large-scale production and technological resources. The Government's land reforms, which may be fully justified in theory, have eliminated the landlord, who used to be the farmer's financier. Thus the cultivator has lost his source of credit, and has not been able to do his job efficiently except in the few places where co-operative credit societies function usefully. Obviously, in the present situation, the aim should be to increase agricultural production quickly, and the agency which can do it most efficiently should be permitted to function.

Assocham's resolution on food and agriculture, while urging the Government to treat the problem as being of urgent national importance, has rightly emphasised that the present policy on land holdings should be reconsidered in the interests of agricultural efficiency. Sponsoring the resolution, Mr. P. K. Sahgal (Upper India Chamber) pointed out that the scope for extensive cultivation was very limited, since in the opinion of experts there was hardly any sizable area of land left to be brought under the plough. So the food production programme has to be based mainly on intensive cultivation, and methods which give quick results have to be adopted. This, Mr. Sahgal said, would mean concentrating on such factors as irrigation, fertilisers, plant protection and pest control. Major irrigation schemes, like heavy industry, are slow to mature. A much larger return on the outlay can be obtained from minor rather than major irrigation works. Furthermore, efforts should be directed towards using the existing irrigation facilities fully instead of going in for big new projects.

While the raising of farm production should undoubtedly become the major plank of economic policy, concerted efforts are necessary for stimulating the output of consumer goods. As Mr. Tandon stressed while speaking on prices, in a large number of industries production can best be stimulated by relaxing or removing the controls that serve no productive purpose, but act as brakes upon growth. Controls have in fact rendered many important industries, such as cement and sugar, unattractive for the investor. They have also severely curtailed the internal resources needed by companies for expansion or modernisation. Controls are at best palliatives, which may have temporary justification during a period of shortages, but they cannot be viewed as an integral part of the pricing system. Making a forceful plea for giving priority to consumer goods industries in the fourth plan, Mr. Tandon said that their capital requirements, in terms of both rupees and foreign exchange, were small, while their yields were large. The bigger yields can help the economy as well as the tax-collector. With their quicker and better profitability, consumer goods industries can permit larger savings and enlarge the pool of investible funds. Encouraging these industries can thus make a significant addition to the gross national product, help restrain the pressure on prices and "offer incentives to produce more by giving more things to buy".

On the question of starting consumer goods industries in the public sector, an idea which has gained currency in view of the current shortages, Mr. Tandon posed a series of important questions. The shortages of consumer goods have not arisen because the private-sector units were unwilling to produce more. The shortages are primarily due to the stifling effect of controls on prices (as in the case of cement), inadequate supplies of raw materials (as in the case of sugar) and the Government's dogmatic approach (as was reflected in its restrictive policy towards the textile industry in its anxiety to aid the decentralised sector). Given these difficulties, even State industries would not work well. As Mr. Tandon rightly observed, to stimulate production in consumer goods industries, they should be given a proper chance—and this applies to any industry, whether in the private or the public sector.

INDUSTRIAL GIANTS IN CONFLICT

OVER most of Europe the rate of increase of production and trade seems to be slowing down and industrialists foresee intensified competition. Many of these industrialists are reviewing the organisation of European industry against the background of a similar situation—slower growth, more competition—that may be developing in the United States; and many of them doubt that European industry, as now organised, can effectively resist American penetration. In the Common Market (most obviously in France but not only there) this penetration is a big political issue. It is useless to speculate at the present stage how European industry would have been organised if Britain and the other countries of the Free Trade Association had been embodied in the Common Market. Some industrial units would have been bigger than they are now; others would have lost their separate identity or been eliminated. But it is not certain that a bigger market would have been more securely "European" than the Common Market and the Free Trade Association are now. Americans have more experience than Europeans in organising large-scale production and trade, and the European subsidiaries of American corporations would probably have been no less successful—they might have been more successful—in a larger market than they are in the present groupings.

The problem of adjustment is more complex in the Community than in the Association, because among the nations of the Community industry is more widely dispersed. In the Association it is mostly concentrated in Britain, though there are big industrial units in Sweden and Austria. In this grouping, expanding the size of industrial units involves, mainly, merging of British companies. In the Common Market it may involve either merging within one country or merging across national borders; but the Community's half-formed legal system (among other factors) has impeded the wider regrouping of industry. The amalgamation of Pechiney and St. Gobain in the French chemical industry is characteristic of many national mergers in the Community, but the more complex combination of German Agfa and Belgian Gevaert in the photographic industry is, at present, exceptional. The biggest German motor-car company, Volkswagen, has tentatively proposed association with its counterparts in Italy and France, Fiat and Renault respectively; but the division of markets envisaged in the idea—each company confining its production to a specified range of vehicles—seems to conflict with the Community's rules against cartels.

The intrusion of General Motors and Ford into Continental Europe seems to have worried Volkswagen, the biggest European motor firm, more than their parallel intrusion into Britain has worried British Motor Corporation. However, both these European firms have recently become associated (very loosely in the British case) with another strong company (each in the high-quality range of products)—Volkswagen with Mercedes-Benz, B.M.C. with Rolls-Royce. The biggest British companies are no more than medium-size by American standards, but at home and abroad most of them—companies such as Royal Dutch-Shell and Unilever (which are Anglo-Dutch), Imperial Chemical Industries, British Motor Corporation, Courtaulds, International Computers and Tabulators, Plessey—are effectively combating their respective American competitors. However, even in Britain, more accustomed than the Continental countries to the presence of American subsidiaries (which have inclined towards Britain partly because her language is, more or less, intelligible), the deepening penetration of these subsidiaries causes varying anxiety. Recently, for instance, a survey by David Rayner Associates, publisher of "American Electronics and Instruments Interests in the United Kingdom", has shown that as many as 150 electronic and instrument companies in Britain are owned or controlled by American corporations, and this firm has estimated that in the next 20 years half of this most vital technological industry in Britain will fall under American control. But the British industry has formed a research association which will stimulate and co-ordinate research and eliminate duplication of effort in this field.

In general, despite the (to some minds rather disappointing) changes in the Common Market, the scale of industry is still bigger in Britain than in Continental Europe. The latest assessment by the U.S. business magazine, *Fortune*, based on companies' sales in 1963, showed that of the 200 biggest companies outside the U.S.A., 54 were British, 33 were German, 25 were French. (Incidentally, as many as 37 were Japanese.) But a national study by the corresponding French magazine, *Entreprise*, showed a decided concentration of French industry in the bigger companies, the biggest 50 accounting for nearly half of the total sales of the biggest 500. However, size is not the only, nor the safest, criterion of strength. Most big European companies have been drastically reorganised in the last few years, but there are still some whose efficiency is much below the average, whereas many smaller companies, lean, not overweight, are more efficient than the average. Economies of scale are less important—indeed, less practicable—in technological than in mass-production industries; whereas quality of management, ability to organise, are important in any company, regardless of its size. Americans still have confidence in size. The biggest sewing-machine plant in the world, Singer's, in Scotland (where most American companies in Britain are concentrated), is being further expanded to meet Japanese competition (for competition is not all one way). American corporations are earning good profits in Europe, and their importance in the balance of world payments will probably grow.

Current News and Comment

Raising Port and Transport Capacity

In a resolution on ports and transport, the Associated Chambers of Commerce has rightly expressed its concern over the Government's failure to exploit fully the potential which exists for the co-ordinated development of all forms of transport and to ensure the maximum use of existing equipment and facilities. Apart from increasing the capacity of the railways, it has urged the Government to provide adequate incentives to road transport operators and to expand and modernise port facilities. Moving the resolution, Mr. J. W. Anson (Bombay Chamber) said that the Government now appeared to realise the need to develop ports and transport more clearly than was perhaps the case in the first two plans. The Deputy Chairman of the Planning Commission said earlier this year that there would be planned and co-ordinated development of all forms of transport. The Central Finance Minister also stated in Parliament in September that high priority would be given to organising the country's transport system. The railways have made substantial progress during the current plan: wagon capacity has increased; electrification has been carried out on a number of routes; and new lines have been constructed in a number of areas. But, in most cases, these steps for enlarging capacity have either been long overdue—as on the east coast of India—or have been planned to meet urgent regional needs—as in Kandla port's hinterland or in Assam for defence purposes. While it is necessary to continue to increase the capacity of the railways from year to year, the extent of investment should at all times be related not only to the additional load which the railways have to move, but also to the norms of efficiency they must attain.

The Government has discriminated against road and inland water transport. If the mileage and standard of Indian roads is poor, poorer still is the vehicle population of the country. As for the inland waterways system, rivers in India could well form mainstreams of traffic and commerce. A study of the waterways system in Holland, France and Germany would show how great the potential is and to what extent it can be tapped in a country of India's size. Seconding the resolution, Mr. A. D. Murton (Tuticorin Chamber) devoted his attention to the port and transport system in south India, and said that port development there had deceived considerable attention in recent years. This year has seen not only the commissioning of the new dock in Madras, but also the start of work on both the Mangalore and

Tuticorin harbour projects. Of equal and possibly of far-reaching importance is the Sethusamudram scheme to cut a navigable canal to connect the Gulf of Munnar with Palk Bay. The scheme will be taken up in the fourth plan. But the lack of a unified track gauge on the railways is a serious handicap for optimum efficiency and economy in operation. Supporting the resolution, Mr. H. F. Whithouse (Bengal Chamber) concentrated on the problems of Calcutta port. He said that the draught graph of the port indicated in 1961-62 that it would be out of action within two years. A precarious and partial recovery has been achieved since then, but the draughts available are still far short of those required to operate a ship economically from Calcutta. Apart from dredging and river training, the solution, it is said, lies in the Farakka barrage scheme. It is hoped that enough headwater will be forthcoming from the barrage to "rehabilitate" the river Hooghly, after meeting irrigation needs.

Increasing Power and Water Supplies

Power production capacity in India has increased considerably in recent years. At the beginning of the first plan, the installed capacity was only 2.51 million kW ; it rose to 3.42 million kW at the end, and went up further to 5.39 million kW at the end of the second plan. But the third plan target of 12.5 million kW (in terms of installed capacity) is not likely to be realised ; in fact, according to the latest statistics published a few months ago, by the Central Electricity Authority, there will be a shortfall of about 1.6 million kW. In official quarters, the gap is not regarded as a major one, but as Mr. P. A. A. Majeed (Cochin Chamber) stressed at the Assocham annual meeting, the failure to achieve the target can pose awkward problems.

The capacity target for the fourth plan is 25 million kW, or double that for the third. This doubling is justified on the ground that in industrial economies, power demand almost doubles itself every few years, and India must bear their experience in mind while planning for increased power production. The suggestions made in this connection at the Assocham meeting were very relevant. It was said that large thermal plants should be installed to supplement hydro-electric energy ; the country definitely needs nuclear power stations ; and the possibility of utilising ocean tidal waves for generating electricity should be explored. Electricite de France is already building a Rs. 43-crore tide-powered hydro-electric plant in France, and it might be worth taking advice for a similar project in India. Generating electrical energy through the use of ocean tides would eliminate the heavy dependence in certain parts of this country on a timely and successful monsoon. Some of these suggestions are already being implemented, but what is lacking is a definite long-term plan to build adequate power resources to meet the growing needs of rural and urban development. Those who favour a short-term plan argue that it is safer in view of the uncertain elements in planning in relation to industrial growth and other unpredictable economic factors. They overlook the limitation that it does not go far enough in dealing with a continuous process like power development. A 15-year plan could cut the time involved in project construction and generation of power and ensure that energy availability keeps as close, and is adjusted as nationally and as nearly as possible, to an ever-growing demand.

As with power, so with water. There has no doubt been great progress in harnessing turbulent rivers and in using them for the production of hydro-electricity. Yet there has been a continuous and serious shortage of water in certain States ; there the gap between the demand for domestic, industrial and navigational needs, and the actual availability, is constantly increasing. Typical examples are provided by Greater Bombay and the cities of Madras and Delhi, where water deficits run into millions of gallons. In many rural areas too, there is an almost perennial water shortage, especially in the summer months. In view of the fact that water, like power, is the life line of the nation, the Ministry of Health should recast its recent allotment of Rs. 600 crores for national water supply schemes in the next plan, and recalculate the urban and rual requirements on a forward basis.

Outlook for Sugar Output

Doubts about achieving the output target of 3 million tons of sugar during the current season persist in view of the fact that two factors have held down production. Since the Government prohibited the manufacture of bold grains, the output of carbonation factories in particular suffered. In switching their equipment over to the production of small grains, these factories are producing much less than they did in the past season. Secondly, the present strike by canegrowers around Meerut and Muzaffarnagar, U.P., which are big sugar-producing districts, has interrupted the working of several factories. Production in the two districts amounts to about 10 percent of the total Indian sugar output. The factories operating in these areas are producing only up to 50 percent of their capacity. The canegrowers' strike seems to have been caused because of the high price of *gur*. So canegrowers are finding it more profitable to use cane for producing *gur*. In the circumstances, immediate measures should be taken to bring down the price of *gur* to the parity level in order to stop diversion. The production of *gur* and *khandsari* is wasteful since the recovery is only half of what it is in the case of sugar.

Factors Retarding Growth

The planners and politicians are worried about India's economic malaise, although their diagnosis differs according to their personal predilections and ideological beliefs. Dr. V. K. R. V. Rao, member of the Planning Commission, frankly admitted in his speech at the meeting of the Merchants Chamber of Commerce in Calcutta last week that the present setback in the nation's economic growth was attributable to the sudden rise in defence expenditure. In 1962-63, the defence budget was about Rs. 330 crores, and it rose to Rs. 850 crores in 1963-64. To finance this increased expenditure, the Government had to increase taxes, causing a fall of 2 percent in the national income. Dr. Rao stated that the Chinese attacked India not to grab territory, but only to upset the economic balance of the country so that its progress would be retarded. It would now appear that their purpose has been fulfilled, although the planners strongly proclaimed at the time of the Chinese aggression that both defence and development should be accorded the same priority. Dr. Rao did not develop this theme, but being a member of the Planning Commission, he should have appreciated that resources being limited, the same priority could not have been given to both defence and development programmes. The slogan that was raised to this effect in the wake of the Chinese aggression was no doubt politically captivating, but was economically impracticable.

The above limitation apart, the coincidence of a number of adverse economic developments has accentuated the economic crisis. As Dr. Rao himself admitted, the real trouble started when the agricultural output was far below the target in 1963. This, together with the increased defence budget, sent the prices of essential commodities soaring. Dr. Rao, however, indulged in only pious platitudes when he said: "This situation will not continue for long ; the prospects of increased production are much more than the prospects of it remaining constant." Along with the shortfall in farm production, industrial output also did not "reach the target fixed under the present plan period." Meanwhile, the provision in the draft report of the Planning Commission for raising the fourth plan budget by an extra Rs. 2,500 crores has given rise to misgivings. It has been stated that the money required for the purpose will be raised by increased taxes and by stopping the flow of unaccounted money. Dr. Rao did not discuss in detail to what extent the Government can be optimistic on this account, mainly because of the slow progress in detecting unaccounted money. But he pointed out that tax evasion was still considerable. People are more interested in dealing in cash than in cheques, for cash can be easily concealed.

Dr. Rao did well to stress the need for quick-yielding projects for reducing the inflationary pressures generated by development expenditure. However, the draft of the fourth plan does not give an indication that the planners are inclined to accept quick-yielding projects, although the latter require less resources.

Family Planning in West Bengal

The population of West Bengal increased by 33 percent from 26.3 million to 35 million during the decade 1951-61, compared with a rise of 21 percent (from 361 million to 438 million) in India as a whole. The growth in West Bengal was partly on account of the refugee influx and migration from other States, but it was mostly due to the high birth rate in the State. With the exception of Kerala, West Bengal has the highest population density in the country There are 1,032 persons to a square mile here, compared with the all-India average of 373, that is, about three times as many. The average conceals worse congestions in Calcutta district, where the density is placed at 73,000 persons to a square mile. It is natural that the industrial belt should have a high density, but even in agricultural north Bengal, the number of persons to a square mile is rarely less than 600, and in the comparatively inaccessible and infertile Darjeeling district, it is 539. It is a well-known fact that the man-land ratio here is the lowest for any State. There is not much scope for expanding cultivation, and anything that the State can do to raise agricultural production is only to encourage the intensive cultivation of land.

The National Council of Applied Economic Research, which surveyed the economy some time ago, estimated that the average rate of *per capita* income growth in West Bengal in the second plan period was lower than the all-India rate of 1.57 percent. Therefore, it recommended that the State should achieve an annual overall growth rate of 7.4 percent between 1961 and 1971, in order to attain a *per capita* annual income rate of 3.7 percent. The corresponding investment proposed is Rs. 2,015 crores at 1955-56 prices. But the suggested increase in *per capita income* would not depend on investment alone, even if adequate resources can be mobilised on the scale recommended by the Council ; it would depend as much on checking the rise in numbers. The West Bengal Government, therefore, is doing right in promoting family planning consciousness among the people, a drive which it is just intensifying through observing a family planning week throughout the State.

In keeping with the all-India policy, the accent of the West Bengal programme is on sterilisation, of the male in particular. Since contraceptives are rather expensive for most people and the "rhythm" method has not been convincingly successful, sterilisation is considered the best course to adopt. It is reported that even in the countryside, men in increasing numbers have been going in for vasectomy, although the number of operations is still very much below the target fixed by the Planning Commission to reduce births from around 45 a 1,000 at present to something like 20 to 22 a 1,000 by the sixth plan period. The West Bengal Government has now increased the facilities for the operation ; all hospitals will do it free of charge. The State has also launched an educational campaign in the villages to make people realise the urgent need for limiting their families.

Oilseeds Futures at Standstill

Trading in oilseeds futures in Bombay has been almost at a standstill for the past few weeks. Except for cottonseeds, the little activity that has been reported in other seeds from time to time has been in the nature of kerb deals because castor and linseed futures have been quoted higher than the ceilings fixed for them and groundnut futures have kept above the prescribed weekly range. All the outstanding positions in groundnut January, castorseed March and linseed March were squared up on Monday, 14th December, at rates suggested by the special committee nominated by the president of the Bombay Oilseeds and Oils Exchange. The rates recommended by the committee were: groundnut Rs. 110.50 (a 100 kilograms), castorseed Rs. 192.50 (a 250 kilograms) and linseed Rs. 46.25 (a 50 kilograms). The committee's proposals to square-up outstanding positions were made with a view to averting a payments crisis in the market. But strangely enough, the rates proposed by the special committee and subsequently endorsed by the Exchange were the highest rates recorded up to that time. Not only that. The rates for castor and linseed were even higher than the maximum prices that had been fixed by the Exchange up to the end of January—Rs 190 for castor and Rs. 35 for linseed. That the Board of the Bombay Oilseeds and Oils Exchange should have decided to accept the committee's proposals for squaring-up the outstanding positions at prices higher than the maximum prices fixed by it, betrays a complete lack of sense of fairness and responsibility on the part of the market authorities. The Forward Markets Commission, too, cannot escape the blame for allowing such a thing to pass on the plea that it does not wish to interfere in the normal working of the exchanges.

The squaring-up of outstanding positions in groundnut January, castorseed March and linseed March has been followed up by the Board's decision to remove the ceilings on castor and linseed for new transactions. The Forward Markets Commission, however, has fixed the ceiling of Rs. 110 (a 100 kilograms) for groundnut. Prospects of resumption of normal trading in oilseeds futures seem remote as prices have scored further spectacular gains. Within just one week Castor March has shot up from Rs. 192.50 to Rs. 206, linseed has moved up from Rs. 46 to Rs. 56 and groundnut January has gone up from Rs. 110 to Rs. 116. The rise has been even steeper in ready groundnut and groundnut oil. Groundnut ready Karad bold is currently quoted around Rs. 130 (a 100 kilograms) and groundnut oil is available around Rs. 24.20 (a 10 kilograms). Never have oilseeds prices been quoted so high at this time of the season. Little comfort can be derived from the Central Commerce Minister's recent statement in the Lok Sabha that the anticipated rise in internal production together with proposed imports would result in near self-sufficiency in oilseeds and oils. If prices have been pushed to record high levels despite a reasonably satisfactory supply position, it shows that the authorities have completely lost control over market forces. The situation prevailing in the oilseeds market is by no means an isolated phenomenon. Chaotic conditions prevail in most of the commodity markets. The prices of grains, pulses, spices, *gur*, vegetables and metals have risen by 50 to 300 percent over the year Cotton prices have long been quoted much above the ceilings and the authorities have yet to take firm action to keep prices within the ceilings.

Scrap Trade Pleads for Freight Cut

The scrap industry does not just represent huge piles of discarded and unserviceable iron and steel items. It is a big industry with a vast unexploited export potential. Unfortunately, only about one-third of total scrap arisings, which are conservatively estimated around 1.5 million tons, are being collected and put to use at present. The rest is being allowed to go waste due to lack of a proper export outlet. The trade has long been urging the Government to remove various export restrictions, but still there seems no realistic export policy in sight. At present, only inferior varieties of ferrous scrap are being allowed to be exported, and these have a limited and widely fluctuating demand in the world market. In addition, the cost of collection of scrap is high which renders exports unremunerative. From 375,000 tons in 1961, the export of scrap fell to 132,000 tons in 1962. Exports rose to 341,000 tons in 1963 because of the export incentive scheme. The incentive having been withdrawn since the middle of this year, scrap exports have again been declining and the figure for 1964 is unlikely to exceed 300,000 tons.

Speaking at the first annual general meeting of the Iron and Steel Scrap Association of India in Bombay on 19th December, the president, Mr. Sultan A. Nathani, urged the Government to remove all restrictions on exports, and allow suitable export incentives to compensate for the heavy loss on the export of scrap. He said that exports had fallen with the withdrawal of export incentive and warned that if the situation worsened further, not only the industry and trade will face inactivity, but the collection machinery, which takes a pretty long time to get organised, will be paralysed. Mr. Nathani said that the Government's restrictive export policy had been dictated by influencial domestic furnace owners even though they required no more than 150,000 tons of scrap a year. The curtailment of export outlet was beneficial to furnace owners as it assured their supplies at low prices, but as rightly pointed out by Mr. Nathani, the country has been losing foreign exchange to the tune of about Rs. 8 crores to Rs. 10 crores because of the restrictions on exports. Mr. Nathani contended that if the export of all the surplus of over 1 million tons of scrap was encouraged, the domestic furnace owners would have to pay a higher price—not exceeding 15 percent—for their supplies.

Mr. Nathani made a strong case for a substantial reduction in railway freight rates for scrap. The scrap collection in the country at present is confined to the port towns of Bombay, Calcutta and Madras This is because the high incidence of railway freight is discouraging scrap collection from the outlying areas. Scrap is a low-priced commodity, but the freight rates charged on it are equivalent to the freight on pig iron which had a base price twice that of scrap. Besides, the incidence of freight on scrap is high also because the actual quantity of scrap loaded in wagons averages 18 tons, against the standard load capacity of 24 tons a wagon. The short-loading of wagons is necessitated by the lack of processing facilities at upcountry destinations. Losses on transit are also believed to be not less than 10 percent. Mr. Nathani expressed the view that if the railways offered reduced freights as was done in the case of other exportable commodities, the collection of scrap would increase and the country could earn extra foreign exchange of the order of several crores of rupees.

The trade's plea for concessional freight rates had already been examined by the Central Ministry of Commerce and the Railway Board in July 1963 and the Board is reported to be of the view that the trade's demand is justified. Mr. Nathani also suggested that the railways, the biggest contributor of scrap in the country, should sell their scrap by auctions or through tenders and that the practice of making supplies to nominees of the Iron and Steel Controller should be abandoned. The Central Minister for Railways, Mr. S. K. Patil, who inaugurated the meeting, assured the scrap trade that its demand for reducing freight rates for the movement of scrap would be considered "very sympathetically". Mr. Patil confessed that he was not quite aware of the vital rôle played by the railways in the scrap trade and industry.

Mill Cloth Output Up

The output of cloth and yarn from Indian cotton mills in October is provisionally placed at 442 million yards and 183 million lbs, respectively, raising the totals for the first ten months of the current year to 4,239 million yards and 1,747 million lbs, compared with 4,017 million yards and 1,621 million lbs in the same period last year. While yarn production this year is likely to set a new all-time record around 2,100 million lbs, cloth production might not exceed 5,100 million yards, which is not only far behind the plan schedule, but is considerably short of the industry's past achievements. Mills are known to have produced a little over 5,300 million yards of cloth as far ago as 1956. With the increased supply of cotton over the years, the total output of cloth has been rising, but the increase has been only in the decentralised sector. On current reckoning, the latter is likely to achieve the target of 3,500 million yards in 1965-66, but it seems doubtful whether the mill sector will be able to reach even the revised target of 5,500 million yards ; the original target had been fixed higher at 5,800 million yards. It has been the standing complaint of the mill industry that it has been unable to step up its production because its weaving capacity has been frozen at the level of 200,000 looms. But this is not convincing. The mills are known to have produced 5,300 million yards in 1956 and 1957, and there exists scope for better utilisation of the existing loom capacity. Recently, however, mills have also been permitted to install additional looms, although to a limited extent.

The structure of the Indian cotton textile industry is likely to undergo a significant change if the recommendations of the Powerlooms Enquiry Committee are fully implemented. The Committee has recommended that additional production of cloth in the fourth plan should be exclusively in the decentralised sector, and that mills should not be given any additional loomage, but mills which have already been licensed to set up additional looms may be allowed to install them. Reports from New Delhi indicate that the Asoka Mehta Committee's report on powerlooms is not likely to be accepted in full. The Central Minister for Commerce, Mr Manubhai Shah, told the Rajya Sabha recently that if all the recommenda-

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In addition, there are many other articles and features, including surveys of developments during the year in jute, tea, coal, cotton textiles, the stock market, life and general insurance, banking, sugar, and rail and road transport.

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tions of the Committee were accepted, it would lead to a virtual extinction of the handloom sector. *He assured the House that whatever may be the* Government's decision, there would be built-in safeguards for the handloom and the *khadi* sector as the Government was wedded to protecting the handloom industry which gave employment to nearly 50 million people. Mr. Shah stated that there was a move to produce an additional 100 million yards in the *khadi* sector to provide uniforms for school children and for the N.C.C. and the A.C.C. He said that in the expansion of the textile industry, all steps would be taken to ensure that powerlooms were given their due share and handlooms were well protected. The expansion of loomage in the mill sector would be allowed, but on a limited scale. While the Government has still to take a final decision on the Powerloom Enquiry Committee's report, the draft outline of the fourth plan has assigned a relatively small rôle to the organised mill sector. The targets of cloth production have been tentatively fixed at 6,000 million yards for the mill sector and at 5,000 million yards for the decentralised sector. Thus the additional capacity which is proposed to be created during the fourth plan is merely 500 million yards for the mill industry, against 1,500 million yards for the decentralised sector.

Industrial Activity

Corrected for seasonal fluctuations, *Capital*'s Index of Industrial Activity increased by 11.1 points during April 1964. There were rises in tea, tyres, bicycles and railway tonne-kilometres. Sugar, jute, yarn, cloth, cement, coal, pig iron, finished steel, paper, motor-cars and electricity declined.

NOTICE

There will be no issue of CAPITAL on 31st December, 1964, because of the Christmas holidays. The first issue of the New Year will be published on Thursday, 7th January, 1965.

CORRESPONDENCE

DESIGN ORGANISATION

(To The Editor of "Capital")

Sir,

I have seen your comments in your esteemed issue dated 19th November, 1964, on page 743 under the caption "Steel—Rôle of Design Organisation". I would like to clarify the position.

The H.E.C. does not propose to set up any design organisation whose functions will either compete or overlap with that of the Central Engineering Design Bureau of the Hindustan Steel Ltd. There have been discussions between the H.S.L. and the H.E.C. in this connection. The functions of the C.E.D.B. are quite distinct in relation to preparation of project reports, layouts, planning and procuring plant and equipment for expansion or new steel units, and the C.E.D.B. is well equipped for this purpose. Take the case of the sixth blast furnace complex being set up at Bhilai. The design and planning department of the Bhilai steel project will be the general designers, and as such, will be approving all designs and drawings procured or prepared by the H.E.C. As a matter of fact, the detailed project report has been supplied by the C.E.D.B. to the general suppliers, and it would be too much if the H.E.C. was to take up this function.

On the design side, the H.E.C. has been able to oragnise on a fairly satisfactory basis design cells for product design and preparation of details thereof, for various metallurgical equipment and plant they will be manufacturing in the heavy machine building plant. On the other hand, we have also a central design organisation for civil and foundation designs, design of structures, design of layouts for water mains, sewerage, electrical and other utilities. We have also developed these facilities during the period of our construction of our units and this organisation will be useful for such turn-key jobs as we shall be accepting as principal equipment suppliers.

In our coalmining machinery plant at Durgapur, we have set up a good design cell for designing machinery and equipment for coalmining and other material handling purposes. We are also negotiating for foreign collaboration for setting up a design cell for the preparation of project reports, layouts and design of equipment for coal washeries for which the country so far depends upon foreign technical know-how. The training of designers and creating efficient design cells for product designs, for detailed drawings, for projecting and planning, is a slow process and with the assistance of our foreign collaborators, we have been largely successful in our efforts. I may again repeat that in so doing, there is and will be absolutely no effort on the part of the H.E.C. to duplicate.

As there appears to be some misunderstanding in connection with what I mentioned on the subject, I thought I should clarify the position.

Yours etcetera,
T. R. Gupta
Chairman,
Heavy Engineering Corporation
Ranchi, 21st December.

"CAPITAL" CHRISTMAS TOY FUND

We acknowledge, with thanks, the receipt of the following donations for the 1964 Fund:

Rs. 106

Management Staff of The Imperial Tobacco Co. of India Ltd, Kidderpore Branch.

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Mr. C. E. Cargin and other members of the staff of Jessop and Co. Ltd.

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THE CALCUTTA MUNICIPALITY

We are not sure that the Municipal Commissioners have been well advised to make so much fuss about the Resolution of the Government of Bengal on the administration of the Municipality. It is evident that Sir Andrew Fraser endeavoured to steer a middle course and to tread upon nobody's toes if he could avoid it. The reference to the supposed bias of the Committee that drew up the original review was, we think, a mistake. It was not a question of bias, but of fact. Were the matters brought to light, true or untrue? The report of the Committee was very voluminous, far too much so in our opinion; business men will not spare the time to read pages of foolscap, they want things put before them in a nutshell; the amended review, which was, we hear, really the original one with a large portion of it deleted by Mr. Allen with blue pencil and then reprinted and passed on to Mr Gupta, was a far more readable production, and the only difference between the two was in the concluding paragraph. Thus the matters brought to light by the Special Committee were fully admitted by the responsible executive, and in our issue of October 6th we showed how damaging they were. The Bengal Chamber of Commerce, the Trades Association, and the Local Press have virtually endorsed the action of the Special Committee, though they have not agreed with the radical suggestions made; and this being so, it seems only beating the air for the Commissioners to assail Sir Andrew's Resolution. *Litera scripta manet.* The public are convinced that the Municipality is in sad need of improvement; the Government, we suspect, is of the same opinion, but we all know that the ostrich hides its head in the sand and fancies that then no one can see it; the result proves disappointing.

FROM

CAPITAL
22nd December, 1904

A Ditcher's Diary

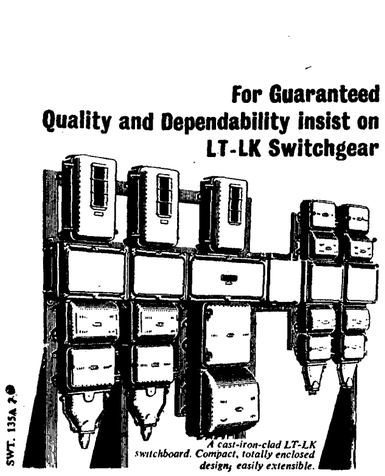
Those who expected the Prime Minister to make a major statement of policy at the Assocham meeting on Monday were disappointed, and no doubt deserved to be. There is nevertheless, I presume, some consolation to be derived from the fact that, after a year during which business men have been subjected to more than their routine share of criticism, the session turned out to be a very polite and pleasant affair indeed. The mellowing influence of the Calcutta cold-weather season is not to be underestimated, but the credit goes chiefly to the two main speakers: to Mr. A. D. Ogilvie for a presidential address that was as restrained as it was constructive, and to Mr. Shastri for a painstaking reassembly of some of the nicer, if well known, remarks he has made about business, industry and the economy in six months of Prime Ministership. If the debate in the process proved to be largely inconclusive at most points, the experience, for the audience, could not have been an unexpected or even an uncommon one. It has been argued, not always with conviction, that the chief significance of such exchanges derives not so much from the details of criticism or defence, since those are familiar enough, but from the shades of emphasis on the broader issues raised in the course of the discussion. From that point of view, it might be said that Mr. Shastri's speech showed him to be a moderate and reasonable man, perhaps a little fonder of pleasant generalisations than of precise answers or positive decisions. Business men are entitled to draw some solace from the fact that he spoke, on the whole, not unfavourably of them, although he did invite them to cultivate a greater "sense of social responsibility". The private sector was blessed with a reference to its "important rôle", and industry with another reference, albeit brief, to its difficulties in raising capital for expansion. I am assured that many discerning gentlemen have been greatly cheered by remarks such as these, and not in Lyons Range or Dalal Street alone. But what they all add up to, in terms of policy decisions for the future, I should not care or dare to guess. The result of previous equations composed of similar polite generalisations has, as the condition of the economy shows, so far been by and large nil.

Let it be said straightaway that, all in all, India is one of the freest countries in the world. Some of the freedom we owe to ministerial inadequacies and official incompetence; many Ministers dare not get nasty because they are themselves frequently vulnerable and many things are not enforced because the officials don't bother to. The greatest source of our freedom was, of course, Nehru, who really believed in what we call democratic decencies. Yet in the national character there is a streak of illiberalism which, fed by a certain type of newspapers and politicians, occasionally rears its truly ugly head. The row over Sheikh Abdullah's passport seemed one such instance. I think Sheikh Abdullah's idea of an independent Kashmir is so much nonsense; India won't have it and nor will Pakistan. But, let it be admitted, India's record with the Sheikh is far from flawless. First, the man is arrested; then the trial just goes on and on, with more than one counsel resigning. Then the whole farce of the trial has to be called off. After that ordeal, without ultimate sanction from the law, the Sheikh is entitled to some courtesy from this country. Time was when you didn't need a passport to travel as you liked; the original passports were requests for protection rather than permits to leave the country. And now some apparently believe that before an Indian citizen obtains his passport he must give sundry undertakings to Authority. I have had occasion to tell more than one Indian diplomatist abroad, "You represent the Government of India, I don't. I'm travelling as a free citizen of a free country and do not expect me to support everything my Government has done". When Sheikh Abdullah goes abroad and says things contrary to India's official policy, he will be an excellent advertisement for the freedom enjoyed by Indian citizens. Thanks largely to President Nasser, Pakistan has totally failed to stir up the Middle Eastern countries over Kashmir. If the Sheikh now tries to excite them over the question, he will discover with dismay how bored they are.

Dr. Ram Manohar Lohia does not make things easy for anyone; and he probably deserved what he got from the Speaker on Monday. Yet, make no mistake, he will be missed in the House, for he is the only member in the Opposition whose opposition to the Government is total, uncompromising and not at all based on invective alone. He does his home work; few others do. But what became painfully clear on Monday was that the Government does not give Parliament the sense of urgency it should; the Treasury benches give the impression of thinking that there is all the time in the world to solve the country's problems. More important is procedure. Dr. Lohia, as Shaw said of Wells, is not a gentleman, so far as parliamentary manners go. Parliament itself may go if its proceedings do not reflect not Westminster manners but the desperate urgency of the country's political and economic crises. If most people are beginning to treat the emergency as a joke, it is because Ministers themselves have forgotten all about the Chinese attack, except for the purpose of public speeches. Mr. Hem Barua recently spoke of some M.P.s letting out their quarters at fantastic rents; there was only embarrassment all round, not a sense of shame. I yield to nobody in my respect for Parliament. That is my title to speak of it frankly. It was a member of Parliament who told me recently that a large number of M.P.s, irrespective of their Party affiliations, consider themselves as belonging to a club; members must settle their differences without the people being let in on club secrets. The people, who pay, may not enjoy a pantomime indefinitely. Parliamentary democracy is not a parlour game; its purpose must always be manifest to the people who have a right to know what they are paying for. They certainly will not pay for a new caste called M.P.s with privileges galore. Dr. Lohia's maiden speech—that three-anna explosion—was the most effective exposure Parliament ever heard of Indian poverty. That, for me, is enough reason why his voice should not be stilled for the rest of the current session; Dr. Lohia himself should walk his way back into the Lok Sabha.

Of course Mr. Lal Bahadur Shastri, when in London, never used the phrase "nuclear shield"; what I want to know is who did. Of course Mr. Shastri will accept a guarantee—an "umbrella"?—only if it is underwritten by both East and West; what I want to know is how on earth he thinks he is going to get such a joint undertaking. Then Mr. Shastri said at Santiniketan on Monday that armed might could never be the basis of India's foreign policy; what I want to know is just what his Government is doing with the 800-odd crores of rupees, which is India's defence budget. It will have been clear by now that I am a little sick and tired of all this talk on the bomb; perhaps the whole country is too. Half the time, I suspect, New Delhi just hasn't a clue what it is talking about when the subject is nuclear bombs; and Dr. Bhabha, chastised by Mr. Krishna Menon, was not very forthcoming when he addressed members of Parliament recently. It was revealed recently that the Cabinet had never discussed the Chinese explosion; I am not sure that the Cabinet discusses anything of importance these days. The Prime Minister spoke of withdrawing jeeps from the community development projects; within days Mr. S. K. Dey let it be known that he was going to do nothing of the kind. To adapt the immortal remark of Commodore Vanderbilt, "This is one helluva way of running a Government". Mr. Shastri has given up the External Affairs Ministry. This apart, he has retained every other office Mr. Nehru held. So it was that Mr. Shastri was at Aligarh University recently; and a few days later he addressed the Visva-Bharati convocation as Acharya. And, of course, he holds the portfolio of atomic energy, as Mr. Nehru did. Mr. Shastri was the first man to admit that he was no Nehru. Can it be that the Prime Minister has

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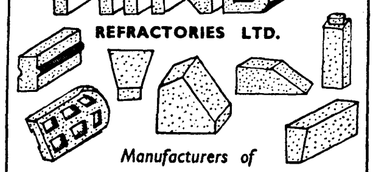
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since changed his mind on the subject, that he thinks he can give himself the same sort of routine as Mr. Nehru and pull it off? On the bomb, as on so many other things, Mr. Shastri needs to think hard and deeply and quickly. How can he, if he is making speeches all the time? Meanwhile I notice that the West Bengal Fire Service could not handle a fire adequately because it had not asbestos suits. And we talk about nuclear shields!

IT HAS ALWAYS SEEMED LIKELY THAT THE REASON Sir Phillip Francis was appointed in 1773 to be one of the British Government's representatives on the Council of Bengal—with such disastrous results for Warren Hastings—was that his identity as the notorious "Junius" had become suspect, and it was considered expedient to entice him out of the country. It has never been quite so obvious why Francis should have accepted, unless indeed he was persuaded by the £1,000-a-year salary which went with the job. This was a great deal of money in those days and must have been much more than he was getting as chief clerk at the War Office. It is said that one of the first things he did on being appointed was to borrow £2,500 from the East India Company, a fact which suggests he had pressing debts to settle. But according to a new theory, outlined in the *Sunday Times*, the reason Francis may have been as anxious to leave Britain as it appears the British Government was to get rid of him, could have had some connection with his being a spy in the pay of Louis XV : an eighteenth-century James Bond, as the newspaper picturesquely puts it. The theory that Francis was "Junius", whose letter in the *Public Advertiser* between 1769 and 1772 had so upset the Government of George III, has never been conclusively proved. But it is based on a number of significant coincidences. It is also a fact that Francis took great care to mutilate his private documents in a way that suggested not so much that he wished to hide from posterity his identity as "Junius", about which, given his character, he might reasonably have been expected to be posthumously proud, but that he was really anxious to obscure his rôle as a spy. Further investigation is awaited ; perhaps some day we shall know. In the meantime it is interesting to reflect what a difference it would have made to Warren Hastings and his plans for Bengal if some breath of this had got about while Francis was making such an insufferable nuisance of himself on the Council. For one thing, that ridiculous duel between them would probably never have been fought. And Hastings himself might ultimately have been spared the agony of his impeachment.

THE INCREASE IN PRICES AND TAXES HAS NOT affected the stock markets alone ; it seems also to have told on nobler enterprises, such as the one represented by *Capital*'s Christmas Toy Fund, which each year brings a little cheerfulness into the lives of poor children in this traditional season of generosity. I note, to my dismay, that contributions to the Fund have amounted to only Rs. 2,869 this year, as against Rs. 3,988 last year and Rs. 4,410 in 1961. The collection is the poorest for several years, and the position is worsened by the fact that the price rise has not bypassed toys ; they are now costlier than ever before. The net result is that several hundred poor children may have to go without the little happiness which toys from the Fund formerly brought them. There are, no doubt, good and sound reasons for the disappointing response this year ; the young ones who have to forgo their moments of happiness, however, are not likely to be consoled by economists' explanations or by the arithmetic of the market-place. Still I do not despair, and sincerely hope that next year will bring better things—both for the children and for the contributors to the Fund. It is said that a pessimist is one who sees his glass as half-empty, while an optimist prefers to describe the same glass as half-full. I should like to be an optimist, and to say that the Toy Fund kitty is half-full. To those who filled it to this level in spite of the many demands on their purse, I offer my sincerest thanks. And to all of *Capital*'s readers I wish a merry Christmas and a very happy and prosperous New Year.

THE DITCHER

Guide for Investors

RIGHTS ISSUE FROM GOODYEAR INDIA

THE ordinary shares of Goodyear India have dropped to Rs. 17.44 because the shareholders are getting sceptical about the rights issue. The Company is issuing rights ordinary shares in the ratio of eight new shares for every five held at a premium of Rs. 7 a share. The disappointment of the shareholders seems justified because while the ordinary share capital will be greatly expanded, the Company has been unable to pay any dividend since it sold shares to the Indian public in April 1961. At that time the ordinary shares of Rs. 10 each had to be subscribed at a premium of Rs. 7 a share. Apart from the fact that the dividend has been skipped during the past four years or so, the value of the shares has now gone down to almost the subscribed price.

It is true that the Company is doing better during the current year ; gross sales have amounted to Rs. 10.6 crores for the first 11 months of 1964, compared with Rs. 8.4 crores for the corresponding period of 1963. The net profit has amounted to Rs. 30 lakhs, against a net loss of Rs. 53 lakhs. The directors anticipate an overall net profit in excess of Rs. 40 lakhs for 1964. But the important question is : Can the Company pay any dividend for 1964 ? Since it has already undertaken an expansion scheme to increase the production capacity of the Ballabgarh factory from 210,000 tyres to 310,000 tyres a year, the directors will be more inclined to conserve resources rather than pay dividends.

The prospect for issuing bonus shares by capitalising the share premium account has rightly been overlooked by the shareholders, at least for the time being. Considering the poor performance of the Company during the past four years, it is doubtful whether the Government will allow it to capitalise reserve at the present stage. In any case, the further expansion of the share capital is unlikely to improve the outlook for the shares. Meanwhile, the profit of the Company needs to be improved substantially before it is possible to take an encouraging view.

A section of the Calcutta stock market has raised the following interesting question. The Indian shareholders had to subscribe for 400,000 ordinary shares at a premium of Rs. 7 a share in April 1961. With their subscription the paid-up share capital amounted to Rs. 2 crores. The present rights issue will also be subscribed by only the Indian shareholders because the parent Company, the Goodyear Tire and Rubber Company of the U.S.A., has not been offered any rights shares. Under the circumstances, it is wondered whether bonus shares, if and when they are issued by capitalising the share premium account, will be allotted to only the Indian shareholders who have contributed to the share premium account.

Associated Battery Fares Well

THE ordinary shares of Associated Battery Makers (Eastern) Ltd have improved slightly to Rs. 24.75 due to the declaration of a larger dividend of 16.5 percent, subject to tax. During the previous three years, a dividend of 15 percent had been paid. At the present price, the yield amounts to 6.7 percent. The net profit has improved slightly from Rs. 64 lakhs for 1962-63 to Rs. 68.54 lakhs for the year ended August 1964, after providing for depreciation but before taxation. The modernisation programme implemented earlier has begun to show. The Company is the largest producer of storage batteries in India. It has greatly extended its production over the past few years to cover batteries for railway coaches. It is also producing stationary accumulators for power stations, telephone exchanges and other electrical installations. It is also making efforts to increase the export of its products.

The outlook for the shares is fairly encouraging considering that the ordinary share capital of Rs. 1.18 crores is backed by impressive reserves of more than Rs. 98 lakhs, including the share premium account of Rs. 28.63 lakhs. In January 1960, the Company issued 680,000 ordinary shares of Rs. 10 each at a premium of Rs. 5 a share. Fixed assets amount to Rs. 54.62 lakhs and investments to Rs. 20.41 lakhs.

Philips India to Issue Rights

AT a general meeting of the shareholders of Philips India Ltd held on 17th December, the resolution authorising the issue of 400,000 ordinary shares of Rs. 10 each at a premium of Rs. 6 a share was passed. Out of these shares, 100,000 shares will be taken by N. V. Philips Gloeilampenfabrieken, Eindhoven, and the remaining 300,000 shares will be offered to the other shareholders on a rights basis in the proportion of these new shares for every five held. The letters of rights offering the new shares will be posted on 8th January, 1965, to all shareholders registered in the books of the Company as on 17th December, 1964.

Waverley Jute Skips Dividend

WAVERLEY Jute Mills Co. Ltd has passed dividends for the year ended May 1964. The profit has amounted to Rs. 2.20 lakhs, against Rs. 2.93 lakhs for 1962-63, after providing Rs. 26,091 (against Rs. 23,805) for depreciation and Rs. 4 lakhs (against Rs. 7 lakhs) for taxation. Income from various sources, including the sale of loom hours, dropped from Rs. 14.81 lakhs to Rs. 10.08 lakhs. A sum of Rs. 7.10 lakhs has been provided for taxation relating to previous year. The carry-forward is Rs. 7,499, against Rs. 57,655 brought in. The directors mentioned that the scrapping of the Working Time Agreement has deprived the Company of the sale of loom hours. They have leased out some buildings and land to the Kelvin Jute Co. Ltd. They are also considering a proposal to amalgamate the Company with Kelvin Jute in due course.

Kelvin Jute Cuts Dividend

THE Kelvin Jute Co. Ltd. has halved the taxable ordinary dividend to 10 percent for the year ended May 1964, which works out to a yield of 7.2 percent at the present price of Rs. 139 a share of Rs. 100 each. The directors do not take an optimistic view of the prospect for the current year. The production of carpet-backing cloth has been cut due to the decline in demand, so the full output capacity has not been used. The modernisation and replacement of old equipment continued throughout 1963-64. The profit has dropped from Rs. 23.65 lakhs for 1962-63 to Rs. 5.98 lakhs for 1963-64 after providing Rs. 24.74 lakhs (against Rs. 9.82 lakhs) for depreciation, Rs. 1.24 lakhs (against Rs. 9.82 lakhs) for managing agents' remuneration, Rs. 5 lakhs, including Rs. 2.07 lakhs for previous years, for taxation (against Rs. 9 lakhs). Development rebate reserve is allocated Rs. 5.3 lakhs. The carry-forward is Rs. 10,554, against Rs. 94,936 brought in. Sales improved from Rs. 3.47 crores to Rs. 4.68 crores.

Outlook for Great Eastern Shipping

THE annual general meeting of the Great Eastern Shipping Corporation held in Bombay last week was quite a stormy affair. The manner in which the board of directors had recommended a dividend of 70 paise a share and subsequently raised it to Rs. 1.08 a share had left a bad taste in market circles because of the wide fluctuations in the price of the scrip which is on the forward list. The angry shareholders did not hesitate to question the motive behind the revision of the original dividend, although it had been effected after a strong representation by the Bombay Shareholders' Association and the rise had been welcome.

The chairman, Mr. A. H. Bhiwandiwalla, while conceding that there had been an "error of judgment" on the part of the board of directors, assured the shareholders that neither the board nor the managing agents of the Comany had any ulterior motive in the declaration of the dividend and its subsequent revision. Mr. Bhiwandiwalla said that the board was rather conservative in declaring a dividend of 70 paise a share initially as the Company's working during the first three months of the current year was not quite encouraging. Subsequently, however, the representatives of some big shareholders approached the board with a plea for a higher dividend. Instead of raising the quantum of dividend, the board had initially intended declaring an interim dividend for the current year and it tried to persuade the shareholders' representatives. But since they insisted on raising the dividend, the board finally agreed to step up the dividend, especially because the Company's working during the second quarter of the year had registered an improvement.

Replying to shareholders' questions, the chairman said that he could not commit whether the dividend would be maintained at Rs. 1.08 a share for the current year. It would be maintained if the profits were maintained and the Company did not have to bear any additional burdens. Mr. Bhiwandiwalla informed the shareholders that the Company had earned Rs. 3.37 crores by way of freight during the current half year compared with Rs. 3.06 crores in the same period last year. But he was quick to add that while this figure looked much higher than that of last year, actual earnings showed only a nominal increase as the current year's earnings included the carryforward amount of Rs. 78 lakhs, against Rs. 51 lakhs in the previous year. Besides, this increase had been achieved with larger fleet and, therefore, reflected poor turnround of ships in India. It was heartening to hear Mr. Bhiwandiwalla say that instances of delay in the ports had declined during the last few months, and that if this improvement continued, the second half of the current year would be able to show much better financial results. Moreover, the Company had a larger carry-forward freight and this would yield some profit, and this together with the recently profitable tramp operations, had encouraged the chairman to look forward to hopeful conditions for the current year.

Mr. Bhiwandiwalla said that the management did not expect any tax liability for the current year. While two ships from the Company's fleet were recently scrapped, five were added to it. Replying to various enquiries by the shareholders, Mr. Vasant J Sheth, a director, said that the Company possessed a fairly modern fleet and that it was trying to pull out of the coastal trade which was unremunerative. Out of the pre-

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sent earnings of about Rs. 5 crores, coastal operations accounted for about Rs. 2 crores. Mr. Sheth said that the Company could be lucky if its earnings could reach the Rs. 6-crore mark. He emphatically denied the allegation made by certain shareholders that the managing agents had disposed of any shares out of their holdings; on the contrary, their holdings had increased. Mr. Sheth disclosed that while the Life Insurance Corporation held only 100 fully-paid shares and 33 bonus shares of Great Eastern Shipping, the Unit Trust of India held 4,575 fully paid shares.

Vazir Sultan Tobacco Raises Dividend

THE 5 percent increase in the dividend from 20 to 25 percent (this simply restores the cut) for the year ended September 1964 by the Vazir Sultan Tobacco Co. Ltd, is well justified by the Company's imported performance during the year. The sales have gone up by about 30 percent from Rs. 13.48 crores to Rs. 17.57 crores and the gross profit has risen by nearly 21 percent from Rs. 1.218 crores to Rs. 1.472 crores. Appropriations include depreciation Rs. 9 lakhs (against Rs. 8.27 lakhs), development rebate Rs. 86,152 (against Rs. 93,637), taxation Rs. 98.38 lakhs (against Rs. 90.68 lakhs), general reserve Rs. 7 lakhs (against nil), gratuity reserve Rs. 2.41 lakhs (against nil), reserve for assets and stock replacement Rs. 2.50 lakhs (against Rs. 2 lakhs), preference dividend Rs. 1.72 lakhs (the same) and equity dividend Rs. 25 lakhs (against Rs. 20 lakhs).

After making some minor adjustments, there remains a surplus of Rs. 23,712 to be carried forward, against Rs. 1,417 brought in. The working results of the Company would have been still better but for the increase in the excise duty and the rise in costs of production. The directors state that although the management wanted to defer a price revision necessitated by the increase in excise duty in March 1964, it had to revise upward in August the price of "Charminar", the popular brand of the Company's cigarettes. The provision for taxation has been on the assumption that the liability will be assessed at 60 percent, but it may turn out to be smaller.

Parry's Confectionery Fares Well

PARRY'S Confectionery Ltd, which has changed its accounting period from March to September in order to bring it in line with E.I.D.-Parry, reports encouraging results for the 18-month period ended 30th September, 1964. The total dividend for 1963-64 (18-months) amounting to 27 percent works out to 18 percent for a 12-month period, against 16 percent in the 12 months ended March 1963. The results for 1963-64 and 1962-63 are not comparable as the former covers a period of 18 months, as against 12 months of 1962-63.

The Company's sales during 1963-64 set a new record at Rs. 2.77 crores, against Rs. 1.48 crores in 1962-63. The gross profit amounts to Rs. 26.88 lakhs, against Rs. 15.21 lakhs. Appropriations include depreciation Rs. 2.99 lakhs (against Rs. 1.80 lakhs), development rebate Rs. 10,000 (against Rs. 2,500), taxation Rs. 14.71 lakhs (against Rs. 8.15 lakhs) and general reserve Rs. 1.60 lakhs (against Rs. 65,000). The proposed dividend absorbs Rs. 5.40 lakhs (against Rs. 3.20 lakhs), leaving a surplus of Rs. 3,895 to be carried forward, against Rs. 2,705 brought in. The directors state that the Company purchased during the period plant and machinery of the value of Rs. 7.25 lakhs for purposes of replacement and rehabilitation. The costs of production continued to rise due to severe import restrictions and the high prices of indigenous raw materials.

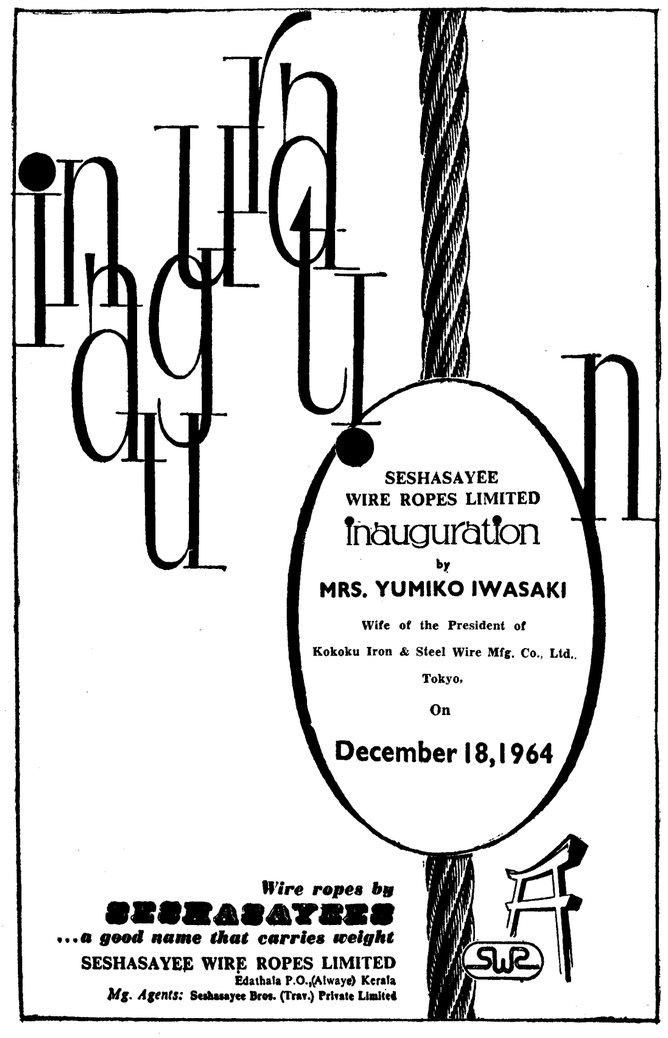
The Company was obliged to increase the prices of its products which, however, did not fully cover the increase in production costs. The chairman of the Company, Mr. H. V. R. Iengar, says in his annual statement to the shareholders that there exists considerable scope for exporting the Company's products. But he has added that it is difficult to achieve a satisfactory volume of export business in face of competition from other countries because of the high cost of production here. It will not be possible to build up substantial export business until considerable assistance by way of supply of sugar and glucose at international prices is forthcoming and imports of other essential raw materials are liberalised. Mr. Iengar has urged the Government to view the industry's problems more sympathetically and extend the necessary help for the development of exports.

Modella Woollens Does Well

MODELLA Woollen did well in the year ended June 1964. With its gross profit up by about 26.5 percent from Rs. 18.11 lakhs to Rs. 22.91 lakhs, the Company was able to step up its dividend from 6 percent to 7 percent and that too on the enlarged capital. From what the chairman, Mr. C. C. Desai, stated at the Company's annual meeting on 18th December, the shareholders can look forward to the future with a measure of optimism. The Company has booked sufficient commission, combing jobs for the next six months which has enabled it to start the third shift at the Chandigarh plant from 7th December. The wool combing plant of Chandigarh is expected to reach its expanded annual rated capacity of 5 million lbs by about the middle of next year.

Mr. Desai stated that the shoddy plant in Thana continued to run satisfactorily and that the sales of this unit for the first five months of the current year amounted to Rs. 20.9 lakhs, against Rs. 23 lakhs in the corresponding period of the previous year. Since the two carding sets were not sufficient to feed 2,000 spindles, steps were being taken to install a third carding set for which it had received the essentiality certificate for the import of necessary plant from Italy. This third carding set is expected to be commissioned by the end of 1965.

Mr. Desai told the shareholders that the Company was suffering from the raw material shortage as the Government had reduced annual import ceiling from Rs. 9 crores to Rs. 5 crores. He urged the Government to restore the cut imposed on the import of woollen rags and said that the country should avoid at all costs any cut in the import of raw materials required for the production of shoddy yarn which was used in the manufacture of cheap varieties of woollen fabrics and blankets needed by the common man. The chairman



indicated that the Company had plans to set up an integrated plant having both spinning and weaving capacity. The scheme is at present under the consideration of the Government. The chairman informed the shareholders that the income tax authorities had exempted the entire dividend of 7 percent for 1963-64 from tax. Replying to a question, Mr. Desai disclosed that the Company had 5,331 shareholders of whom 65 held more than 500 shares each. The Life Insurance Corporation holds 79,150 shares in the Company.

Share Offer by Shama Forge

SHAMA Forge Company Ltd which proposes to set up a factory at Bhopal (Madhya Pradesh) for the manufacture of mild and alloy steel forgings will soon be in the market to raise Rs. 33.77 lakhs through public subscription. (Details of the issue appeared in last week's *Capital*.) The Company has been licensed to manufecture 5,000 tons annually of forgings required in civil and defence industries. The indigenous production of forgings is inadequate to meet the present demand which is bound to grow with the expansion of industries. The Company has secured the technical and financial collaboration of Kropp Forge Company of Chicago, U.S.A., which is among the largest manufacturers in the U.S.A. of forgings from various ferrous and nonferrous metals.

Shama Forge has an authorised capital of Rs. 1 crore made up of Rs. 70 lakhs in equity shares of Rs. 10 each and Rs. 30 lakhs in preference shares of Rs. 100 each. The issued and subscribed capital is Rs. 19.58 lakhs. The present issue consists of 356,450 equity shares and 19,775 9.5 percent redeemable cumulative preference shares. Out of this, equity shares of the value of Rs. 21.64 lakhs are reserved for allotment at par to Kropp Forge Company against the price of equipment to be supplied by it to Shama Forge. The remaining 140,000 equity shares of Rs. 10 each and 19,775 preference shares of Rs. 100 each are now being offered for public subscription.

The entire public issue has been underwritten. The list will open on 28th December and will close on 12th January or earlier, but not before 2nd January. The Company has been granted a loan of Rs. 47.5 lakhs by the A.I.D. (U.S.A.) and Rs. 26.40 lakhs by the Industrial Finance Corporation.

Structural Engineering Earns More

STRUCTURAL Engineering Works Ltd reports encouraging results for the year ended June 1964. The sales are up by about 21 percent from Rs. 1.29 crores to Rs. 1.57 crores, and the gross profit has risen by nearly 40 percent from Rs. 14.17 lakhs to Rs. 18.97 lakhs. The ratio of gross profit to sales has improved from 10.9 percent to 12.1 percent. The dividend has been maintained at 6 percent, but it is on the increased capital, the new shares being entitled to a proportionate dividend. The distribution among the equity shareholders is larger at Rs. 4.73 lakhs, against Rs. 4.06 lakhs in the preceding year. Appropriations include depreciation Rs. 6.58 lakhs (against Rs. 6.15 lakhs), development rebate Rs. 27,000 (against Rs. 50,000), taxation Rs. 5.75 lakhs (against Rs. 97,000), general reserve Rs. 1.20 lakhs (against nil), contingency reserve Rs. 1.36 lakhs (against nil) and gratuity reserve Rs. 15,000 (against nil). A sum of Rs. 4.40 lakhs (against Rs. 1.35 lakhs) has been withdrawn from the deferred taxation reserve. After providing for the proposed dividends absorbing Rs. 6.94 lakhs (against Rs. 6.27 lakhs), there remains a balance of Rs. 3,559 to be carried forward, against Rs. 5,683 brought in.

The directors state that the Company's working results would have been even better but for certain unexpected difficulties. Its Dhamangaon unit, which was set up to fabricate and lay reinforced concrete pipes for the duct line project of the Bombay Municipal Corporation, remained idle during the second half of the year for want of cement. The pipe plant remained inactive during the first half of the year and it could go into full swing only in the latter half. There was also a considerable increase in the cost of production due to the rise in the cost of labour, materials, etcetera, and higher dearness allowance paid to the Company's employees.

Although the work on the reinforced concrete pipe project is still at a standstill and it cannot be resumed unless adequate supply of cement is made available, the directors are inclined to take an optimistic view of the future. The pipe plant is expected to reach full production in about two months' time when the Company hopes to be able to go in for three shift working. It has been actively implementing its expansion programme which is estimated to cost Rs. 1.73 crores. The Muland plant for the manufacture of Cochran boilers and pressure vessels is expected to go into production in March 1965, and it will get into full swing a few months thereafter. The capacity of the factory is 168 boilers a year on a single shift basis. The Company has on hand orders of the value of over Rs. 5 crores excluding orders for boilers worth Rs. 30 lakhs to Rs. 40 lakhs and these are expected to keep the Company's establishment fully engaged during the current year. Its operations during the current year have been better with the output during the first four months amounting to 4,000 tons, against 2,000 tons in the corresponring period of the previous year. The directors are hopeful of maintaining the dividend for the current year on the existing capital. The Company has secured its financial requirements for the expansion programme. The I.C.I.C.I. has granted a long-term loan of Rs. 60 lakhs and the entire amount has been drawn to meet the needs of the projects undertaken with foreign collaboration.

Mysore Coffee Maintains Dividend

THE Mysore Coffee Curing Works Ltd has maintained the dividend for the year ended June 1964 at 10 percent. The working results, however, show a considerable improvement over the previous year, the gross profit having gone up from Rs. 2.47 lakhs to Rs. 3.50 lakhs. Allocations include depreciation Rs. 30,075 (against Rs. 33,114), taxation Rs. 1.66 lakhs (against Rs. 1.10 lakhs), general reserve Rs. 21,274 (against Rs. 13.086), dividend equalisation reserve Rs. 25,000 (against Rs. 10.000) and contingency reserve Rs. 9,500 (against nil). The proposed dividend absorbs Rs. 98,731 (the same) leaving a sum of Rs. 1,379 to be carried forward, against Rs. 2,032 brought in.

Andhra Scientific Earns Less

DESPITE an increase of about 20 percent in the sales from Rs. 35.18 lakhs to Rs. 42.38 lakhs, the gross profit of the Andhra Scientific Co. Ltd for the year ended June 1964, is

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Qualifying Education: Applicants should hold at least a Bachelor's degree in any subject or any professional qualification considered equivalent to a degree. The medium of instruction is English and a good command over the language is required.

Qualifying Test: An appropriate test for post-graduate study in Management will be administered at different centres in India. There will also be a qualifying interview.

Academic Year: The first year of the two-year programme will run from August 9, 1965 to May 6, 1966.

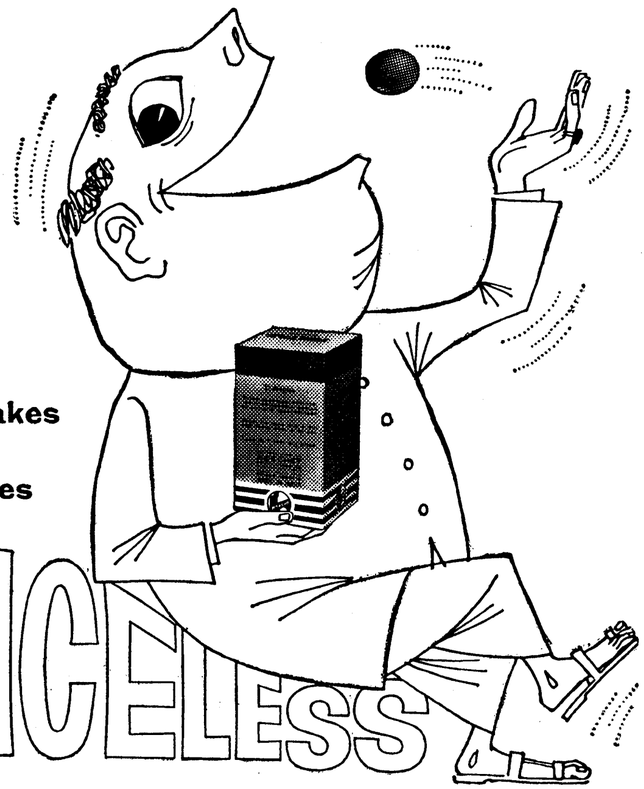
Fees: Fees for board, room and tuition will be Rs. 1,700/- per academic year.

Location: The programme will be residential, conducted at the Institute campus in Calcutta.

Applications and enquiries: Last date for application is February 1, 1965. Applications and information may be requested from:

The Programme Director
Post-Graduate Programme
Indian Institute of Management, Calcutta
"Emerald Bower"
56-A, Barrackpore Trunk Road, Calcutta-50

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slightly down from Rs. 6.29 lakhs to Rs. 6.09 lakhs. The dividend has been maintained at 10 percent. Allocations include depreciation Rs. 2.41 lakhs (against Rs. 1.87 lakhs), development rebate reserve Rs. 32,000 (against Rs. 96,000), taxation Rs. 1.09 lakhs (against Rs. 1.93 lakhs), machinery rehabilitation reserve Rs. 30,000 (against nil) and dividend reserve Rs. 1,39 lakhs (against Rs. 1.01 lakhs). A sum of Rs. 30,000 (the same) has been transferred from the dividend equalisation reserve. After making some minor adjustments, there remains a surplus of Rs. 372 to be carried forward, against Rs. 6,561 brought in. The proposed dividends absorbing Rs. 1.39 lakhs (the same) are to be paid out of the dividend reserve.

Share Offer by Kalyanpur Lime and Cement

KALYANPUR Lime and Cement Works Ltd owns two cement manufacturing units in Banjari, Bihar State. The factory has been built adjacent to its limestone quarries, so the cost of raw materials is low. The aggregate capacity of the present units is 420 tons of cement a day. The Company is expanding its works and is going to put up a third unit of 600 tons a day. The estimated production, after expansion, may amount to 350,000 tons after 1966. The Company paid a dividend of 8 percent on its equity shares for 1963 and has recently declared an interim dividend of 5 percent for six months ended 30th June, 1964. It expects to continue to pay dividends at 10 percent during the period of construction of the third unit. The Company is importing the main cement plant from the U.S.A. and Germany and is also getting technical assistance from the foreign machinery manufacturers for erection and commissioning of the third unit. An import licence of the value of Rs. 80 lakhs has been granted by the Government for imported machinery. The proposed expansion is estimated to cost Rs. 2.65 crores. The Company's new issue comprises 9.5-percent cumulative redeemable preference shares of Rs. 30.25 lakhs and of equity shares of Rs. 45.75 lakhs. (Fuller details appeared in last week's issue of *Capital*.)

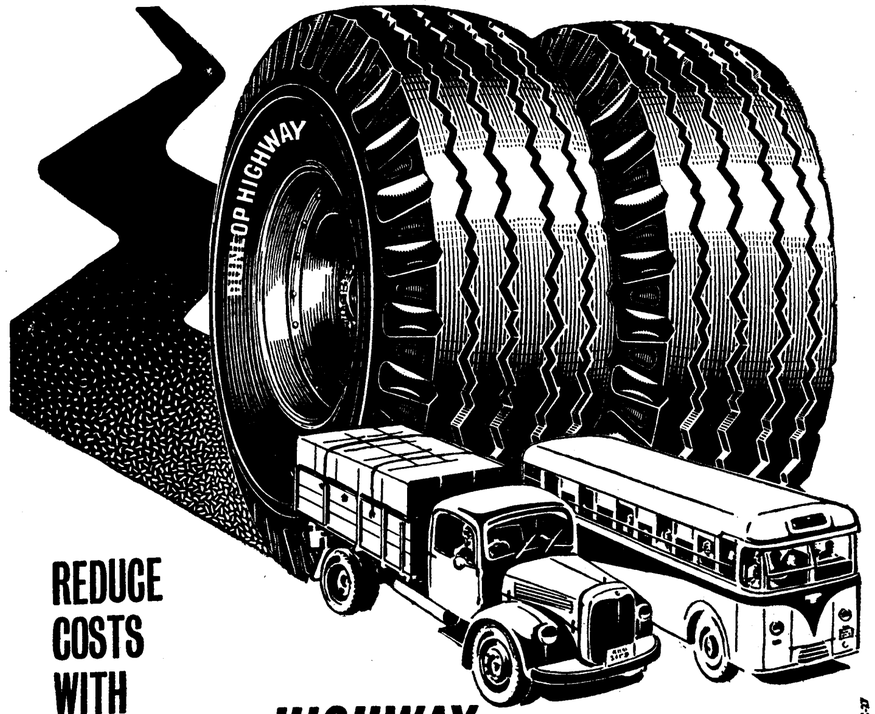
Hindustan Oxygen Incurs Loss

AFTER providing Rs. 1.25 lakhs for depreciation and Rs. 3.10 lakhs for development rebate, the working of the Hindustan Oxygen Gas Co. Ltd for the year ended June 1964, shows a loss of Rs. 5.57 lakhs. In 1962-63, the Company had suffered a loss of Rs. 37.807 after providing a sum of Rs. 14,187 for depreciation. The total deficit carried forward at the end of June 1964, amounts to Rs. 5.97 lakhs. The Company started production of oxygen and acetylene gases in January 1964, and the sales up to the end of June amounted to Rs. 77,713. The sales are reported to be gradually picking up.

The capital expenditure incurred during 1963-64 amounted to Rs. 12.76 lakhs, which includes the expenditure of Rs. 2.22 lakhs during construction and Rs. 1.94 lakhs as advances given to contractors and engineers during the previous year now capitalised. The net value of the fixed assets at the end of June 1964 is Rs. 31.59 lakhs, against Rs. 20.21 lakhs a year ago. The directors point out that the factory could not work to the rated capacity in the initial stages, but efforts are now being made to augment production.

Gobind Sugar Earns More

THE increase in the dividend from 20 percent to 22.5 percent by the Gobind Sugar Mills Ltd for the year ended June 1964, provides little indication of the Company's improved performance during the year. The sales have gone up from Rs. 1.55 crores to Rs. 2.56 crores and the gross profit has shot up from Rs. 9.60 lakhs to Rs. 40.42 lakhs. Allocations include depreciation Rs. 4.58 lakhs (against Rs. 2.80 lakhs), development rebate Rs. 1.87 lakhs (against Rs.



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31,000), taxation Rs. 31 lakhs (against Rs. 3.70 lakhs), renovation and renewals reserve Rs. 2.70 lakhs (against Rs. 50,000) and general reserve Rs. 6.50 lakhs (against nil). After providing for the proposed dividend absorbing Rs. 1.63 lakhs (against Rs. 1.50 lakhs), there remains a surplus of Rs. 13,916 to be carried forward, against Rs. 3,093 brought in. The cane crushed during the year amounted to 172,000 tons, against 144,000 tons in the preceding year.

Tecalemit (Hind) Share Offer

TECALEMIT (Hind) Ltd is offering 98,000 ordinary shares of Rs. 10 each for public subscription at par. The list opens on 6th January, 1965.

(Details of the issue are printed on a later page in this issue of *Capital*). The present issue consists of 400,000 ordinary shares out of which 112,000 shares will be allotted to Tecalemit Ltd of the U.K., for the supply of machinery, and 100,000 shares partly for cash and partly for consideration other than cash. The directors and their friends have subscribed for 90,000 shares. The directors are His Highness Marthanda Varma Elaya Raja of Travancore, Messrs Francis James Grandison, Sylvester Govett Gates, Robert George Edwards, Nigel Jack Bennett, Harry Jeavons, Kaladaikurichi Ramasubbier Sundaram Iyer, Seshu Iyer Narayanaswamy, Tharumapuram Srinivasaiyer Narayanswami, Subroto Ghose, Shankar Lall Agarwala and Rajendra Kumar Jain.

The Company incorporated on 4th December, 1963, has taken over the Indian business of Tecalemit (India) Ltd and has entered into an agreement with Tecalemit Ltd of the U.K. concerning the licence to manufacture the products concerned. It has acquired a space for a factory in Calcutta, which has been operating since April 1964. It is negotiating for the construction of another factory in Bangalore. It is engaged in the manufacture of a wide variety of garage servicing equipment, industrial lubrication equipment, motor-vehicle accessories, etcetera.

Central Pulp Will Soon Enter Market

THE Central Pulp Mills Ltd which has been licensed to set up a pulp mill with a daily capacity of 75,100 tonnes of different grades of paper pulp, will soon be in the market to raise Rs. 1.725 crores through public subscription to meet part of the capital requirements of the project. The factory will be located near Surat (Gujarat). Nearly 80 percent of the Company's requirements of bamboos will be met from the nearby forests. The project is estimated to cost Rs. 6.54 crores, of which Rs. 2.625 crores will be provided by the equity and preference capital issue, Rs. 3.25 crores by a loan from the Export-Import Bank, Rs. 37.50 lakhs by term loans from banks and Rs. 29.30 lakhs from short-term bank borrowings.

The Company has an authorised capital of Rs. 5 crores made up of Rs. 4 crores in equity shares of Rs. 100 each and Rs. 1 crore in 9.3 percent redeemable cumulative preference shares of Rs. 100 each. It has already issued equity capital worth Rs. 10 lakhs and it is proposed to make a further issue of equity capital amounting to Rs. 1.713 crores and preference capital amounting to Rs. 81.25 lakhs. The promoters, directors and their associates have already taken up equity shares worth Rs. 80 lakhs. The balance of equity capital and the entire preference capital will soon be offered for public subscription. The entire public issue has been underwritten. The Company has applied to the Government of India for licence to import machinery from the United States under the Eximbank financing scheme. The Export-Import Bank has approved in principle a loan of Rs. 3.25 crores in U.S. dollars for the import of machinery from the U.S.A. The Company hopes to be able to complete the erection of the mill and commence production by March 1967.

Anup Engineering: New Venture

KASTURBHAI Lalbhais have promoted a new company known as Anup Engineering Ltd for the manufacture of chemical machinery which will include semi and fully automatic centrifuges, pressure vessels, dryers, evaporators, heat exchangers, crystallisers, mixers, condensors, water purification plants required by chemical, pharmaceutical and food industries and equipment for laundry and hospitals. The Company has been licensed to manufacture chemical machinery worth Rs. 97 lakhs a year. Hind Laboratories (Private) Ltd, belonging to the Kasturbhai Lalbhai group and engaged in the manufacture of chemical machinery, has been merged with Anup Engineering which has secured the collaboration of Machinefabriek Reineveled N.V. Delft, Holland.

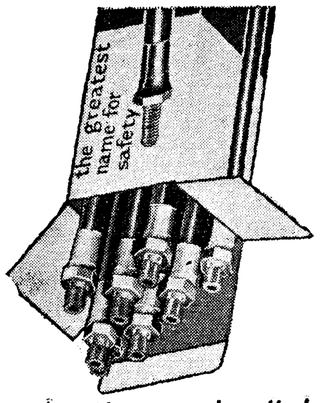
The foreign collaborators will provide the technical know-how and also participate in the capital and will be allotted shares worth Rs. 3 lakhs—Rs. 2.5 lakhs in consideration of know-how and Rs. 50,000 for cash. The factory will be located in Ahmedabad and it is expected to be commissioned by about the middle of 1966. The project is estimated to cost Rs. 45 lakhs. The Industrial Finance Corporation has agreed to give foreign exchange loan of Rs. 18.39 lakhs for the import of machinery. The Company has an authorised capital of Rs. 2.50 crores—all in equity shares of Rs. 100 each. The issued capital will be Rs 30 lakhs of which only Rs. 14 lakhs will be offered for public subscription towards the end of January or early February. The board of directors of the new Company includes Mr. Chinubhai Chimanlal (chairman), Mr. Narottam Shrenik Kasturbhai, Mr. Chinubhai Manibhai, Mr. Arun Pratapsinh, Mr. Nayan Nanavati and Mr. A. Bolsterlee and Mr. P. Van Riel (special directors).

Fit Tight Nuts Pays More

FIT Tight Nuts and Bolts Ltd has raised the dividend for the year ended September 1964 from 9 percent to 15 percent. The directors point out that a substantial portion of the dividend is likely to be exempt from tax under Section 84 of the Income Tax Act as the Company started the manufacture of new items during the year. The increase in the dividend is fully justified by the impressive performance. The sales have risen by about 90 percent from Rs. 31.82 lakhs to Rs. 60.21 lakhs, and the gross profit has increased by about 92 percent from Rs. 14.21 lakhs to Rs. 27.23 lakhs. The ratio of grass profit to sales works out to 45.2 percent, against 44.6 percent in the preceding year.

Allocations include depreciation Rs. 6.24 lakhs (against Rs. 5.38 lakhs), development rebate Rs. 3.67 lakhs (against Rs. 5.38 lakhs), taxation Rs. 8 lakhs (against Rs. 75,000), general reserve Rs. 2.50 lakhs and dividend reserve Rs. 4.50 lakhs (against Rs. 2.75 lakhs). After making various appropriations, there remains a balance of Rs. 44,360 to be carried forward, against Rs. 4,343 brought in. The proposed equity dividend absorbing Rs. 4.50 lakhs (against Rs. 2.70 lakhs) is to be paid out of the dividend reserve.

The Company has provided full depreciation and development rebate. It has received a licence for importing machinery worth Rs. 8 lakhs for development and manufacture of highly specialised items of fastenings and also the necessary foreign exchange loan from the I.C.I.C.I. Orders for machinery have been placed and the plant is expected to go into production by March 1965. The Government has agreed in principle to grant a licence for the import of balancing equipment worth Rs. 4 lakhs. The Company has entered into a collaboration agreement with a well-known West German firm for the manufacture of various types of tungsten carbide dies. The Rs. 100-paid share of Fit Tight Nuts is currently quoted around Rs 192, offering a gross return of about 8.3 percent.



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The Stock Markets

PRICES OF CLEARING SHARES IMPROVE

Wednesday Evening.

THERE has been a fair improvement in the prices of clearing shares in the Calcutta stock market during the past week due to brisk short-covering. It looks as if bears are busy covering their short positions in view of the forthcoming holidays. Higher advices from Dalal Street have also been a helpful factor. The observations made by the Prime Minister, Mr. Lal Bahadur Shastri, at the Associated Chambers of Commerce and Industry have had little effect since he did not indicate any concrete measures which the Government proposes to adopt for stimulating activities in the capital market. Beyond expressing his concern over the sluggishness of stock exchanges, Mr. Shastri did not say much.

Lyons Range seems to think that the memorandum submitted by the presidents of stock exchanges is receiving the attention of the Central Finance Ministry. Whether the Government will accept any of the remedies recommended by the presidents is anybody's guess. Since investment confidence will not revive until the fiscal system is suitably modified, no striking improvement is expected to take place in the stock market until February end when the Budget will be presented. For the time being, activity may decline and fluctuations may be narrow. Holders are not inclined to sell since prices are considered low. Investors will not also care to extend their commitments until the outlook for equities improves.

Indian Iron have gained mainly in response to short-covering Engineering shares are on the whole dull. Jessop have met with scattered buying. In clearing miscellaneous shares, attention has centred on Dunlop Rubber, Indian Copper, and Hindustan Motors. Associated Battery are steady on paying a higher dividend. Indian Oxygen have retreated due to profit-taking, but Philips India are maintained on the prospect of a rights issue. Goodyear India, Union Carbide and British Paints have been sluggish. Rallis are fractionally higher due to the declaration of a higher taxable ordinary dividend of 11 percent, against 10 percent last year. Electric company shares lack interest.

Managing agency shares like Martin Burn and Jardine Henderson are quiet. British India Corporation are steady, while India Steamship are being freely offered. Among new shares, India Carbon have met with scattered interest. Hindustan Aluminium have reacted due to profit-taking. Bank shares are sluggish, although prices show little change. Sugar shares are neglected due to no prospects of substantial improvement in the output of sugar during the current season. The shortage of cane supplies, particularly in U.P. has caused concern. In paper shares, Orient have fluctuated both ways. Titaghur and Seshasayee have tended to drop. Shree Gopal and Bengal are steady.

Turnover in jute shares has shrunk. Investors are holding off due to the drop in the prices of jute goods. The resumption of work in Pakistani mills after the strike is being bearishly interpreted Birla and Barnagore are steady, but Ganges, Union, India and Cheviot have tended to be easier. Coal shares have dropped in the absence of support. Burrakur, Bengal and Central India are available at lower prices.

Cotton mill shares are being dealt in cautiously due to the sharp rise in the price of raw cotton. Since the Government will not increase the price of controlled cloth, profits of mills will shrink unless the rise in the price of raw cotton is restrained. J. K. Rayon have recovered on short-covering. Bharat Commerce and Dunbar are steady, while Elgin are weaker. Although selling pressure in tea shares has abated due to the improvement in prices of teas at recent auctions held in Calcutta, investors are chary of buying these shares. They like to wait until the recommendations of the Tea Finance Committee are implemented by the Government. Stray business in selected Dooars and Assam gardens has been transacted.

Government securities are sluggish and a small turnover has been done. The 3 percent Conversion Loan 1986 is hovering around Rs. 62. Prices of short- and medium-dated stocks are nominally steady. Due to their preoccupation with meeting the demand of the busy season, banks are taking virtually no interest in securities. State Government loans are on the whole easier.

Bombay

EQUITIES RISE IN BIG TURNOVER

L.I.C. BUYING HELPS SENTIMENT

Wednesday Evening.

FOR the first time in several weeks, Dalal Street presented a somewhat lively appearance last week Equities, which had started rallying towards the previous week-end, pushed their way further up and despite considerable intermittent profit-taking and tired bull liquidation, the market wound up the week with a sprinkling of further small gains More significant than the recovery in prices was the improvement in market sentiment which was reflected in a marked expansion in turnover With the suspension of forward trading in certain important commodities, some of the operators there seem to have turned their attention to the stock market. The operators are reported to have accumulated sizable bull positions in certain popular scrip.

The entry of new bulls appears to have scared bears who had been dominating the market for long. Equity prices had been marked down to levels which seemed to discount all the known adverse factors. Persistent bear selling and nervous bull liquidation over the past several weeks had rendered the technical position of the market vulnerable. Bears, therefore, rushed for a cover when they found that the market was offering resistance to further pressure and operators from commodity markets had turned their attention to the stock market.

While the recent recovery seems essentially technical, sentiment last week was aided by reports that the Life Insurance Corporation had made further purchases of selective scrip. Sentiment was further helped by Mr. Lal Bahadur Shastri's statement at the annual meeting of the Associated Chambers of Commerce and Industry that the Government would do all it can to assist the private sector in fulfilling the plan targets. He stated that the private sector had an important rôle to play in the country's economic development.

The recent recovery in equity prices has been brought about primarily by short-covering. It is difficult to say how far the current recovery phase might go. Whether this recovery will mark the beginning of a change in the underlying trend in equity prices will depend on the next Central Budget. Will the Central Finance Minister heed the various suggestions put forward by the stock exchange presidents in their joint memorandum for reviving the capital market?

Steel shares displayed a distinctly firm undertone on renewed bull support. With bears anxious to cover their sales, occasional profit-taking was well absorbed. Engineering shares were in good demand. Tata Locomotive held firm despite the announcement of a lock-out. Voltas were marked up on expectations of a higher dividend.

Cotton textile shares were also steadier despite reports indicating that the Government was in no mood

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to revise the realisation multipliers to compensate for the rise in cotton prices. Hopes that the Government *was likely to take firm action to* bring down cotton prices induced bear covering in textiles. The recovery *was particularly marked in* rayon shares which had been the weakest in the declining trend. *National Rayon recovered* sharply on strong bull manipulation. Baroda Rayon firmed up on buying based on *the Company's encouraging* performance.

Motor-car shares showed marked strength. Hindustan Motors improved on reports that the L.I.C. had made sizable purchases of this scrip. Cement shares were quietly steady. Sugar shares were steadier due to the scarcity of offerings. Dyes and chemical shares firmed up in sympathy with the general trend. Selected counters in the miscellaneous section evoked fair enquiry. Bank, insurance and electric shares were dull but steady.

Cash shares which had been neglected for long evoked good enquiry and recorded sizable gains. Sandvik Asia, S.L.M.-Maneklal, Colour-Chem, Fit Tight Nuts, A.B.C. and Hindustan Wired Glass were some of the outstanding bright spots.

Madras

BOMBAY ADVICES HELP SENTIMENT

SELECTIVE SUPPORT FOR PLANTINGS

Tuesday Evening.

THE Madras stock market has been steady during the past week. Prices of clearing shares, in particular, have improved due to short-covering, combined with replacement buying. Support has also been forthcoming, from outside sources. *The improved trend in the Bombay* stock market has helped to impart steadiness. Operators and investors think that the Government will carefully consider the memorandum which the stock exchange presidents have submitted to the Central Finance Minister, Mr. T. T. Krishnamachari. Towards the close, turnover has tended to decline in view of the long holidays; the stock market will remain closed from 25th December, 1964 to 3rd January, 1965, for Christmas and New Year.

Business in Government securities has been negligible. A fair turnover has been seen in good preference shares. In bank shares, State Bank of Travancore have been supported up to Rs. 82.50. Indian Overseas have been quoted at Rs. 152. In the sugar section, Deccan have hardened to Rs. 10.60 on replacement buying. E.I.D. have gained fractionally at Rs. 35.75. Andhra are quoted at Rs. 12.60 and Mysore at Rs. 27.75. Travancore have reacted to Rs. 6.95 due to profit-taking.

Selective support has been forthcoming for planting shares. Consolidated Coffee are fully steady at Rs. 25.37 and Periakaramalai at Rs. 3.70. Blue Mountain are barely steady at Rs. 2.22, and business has been done in Cochin Malabar at Rs. 6.07. Ouchterlony have come to hand at Rs. 3.37. Among rubber shares, Kailas have attracted support up to Rs. 6.30 on prospect of a bonus issue in the ratio of one bonus share for every two held. In tea shares, Haileyburia are steady at Rs. 12.40, Nelliampathy at Rs. 5.20 and Peermade at Rs. 20.90. In composite gardens, producing both tea and coffee, Waterfall have been done at Rs. 2.40 on paying a taxable ordinary dividend of 10 percent. Devon have been taken up to Rs. 12.35 and Coorg at Rs. 4.77. Among coffee shares, Anaparai are steady at Rs. 3.75 on paying a taxable ordinary dividend of 20 percent. Swinton have come to hand at Rs. 2.52 and Mysore Coffee at Rs. 4.12.

In textile shares, South India Viscose have recovered to Rs. 102 and Travancore Rayon to Rs. 17.75. Madura are steady at Rs. 35 and Lakshmi at Rs. 132. K. Rajendra have reacted to Rs. 74.75 on the prospect of a rights issue in the proportion of one new share for every four held, at par. Bangalore Woollen are quoted at Rs. 279.50. Buckingham at Rs. 277, Mettur at Rs. 225 and Ramnarayan at Rs. 85.

In the miscellaneous section, Ashok Leyland are wanted up to Rs. 7.25 and Aluminium Industries are about steady at Rs. 23.70. In cement shares, India are weaker at Rs. 5.10 and Dalmia at Rs. 12.75. Mettur Chemical have met with support at Rs. 14.25. Seshasayee Paper have improved to Rs. 7.20, but Mysore are sluggish around Rs. 11.25. Parry's Confectionery have improved to Rs. 3.03 on paying a final taxable ordinary dividend of 9 percent, making 27 percent for the year. Ruby Rubber have been done at Rs. 4.33 on declaring a taxable ordinary dividend of 9 percent. Kirloskar Electric are wanted at Rs. 22.25, but Madras Rubber have softened to Rs 9.06. Spencer are maintained at Rs. 21.50 and Textool at Rs. 128.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 38/87—39/00—38/69—38/81—(33/87).

Burrakur Coal—Rs. 15/75—15/75—15/75—15/15—(17/50).

Dunlop Rubber—Rs. 30/87—31/03—30/62 s.t.—30/75—(36/87).

Guest, Keen, Williams—Rs. 22/87—23/06—22/87—23/00—(26/62).

Hindustan Motor—Rs. 16/69—17/09—16/69—16/94—(19/19).

Howrah Jute—Rs. 15/87—15/87—15/87—15/87.

Indian Aluminium—Rs. 30/50—30/62—30/87—30/50—(29/00).

Indian Copper—Rs. 3/32—3/44—3/31—3/39—(3/40).

Indian Iron—Rs. 25/72—26/04—25/60—25/92—(25/20).

Indian Cable—Rs. 34/56—34/69—34/50—34/56—(37/00).

J. K. Cotton—Rs. 9/50—9/56—9/19—9/31—(13/06).

Jaipur Udyog—Rs. 10/12—10/19—10/00—10/12—(12/00).

Kesoram Industries—Rs. 24/47—24/78—24/37—24/62—(28/31).

Orient Paper—Rs. 32/95—33/50—32/95—33/35—(39/00).

Orissa Cement—Rs. 12/12—12/19—12/12—12/19—(14/25).

Rohtas Industries—Rs. 9/56—9/62—9/50—9/59—(9/94).

Shree Gopal Paper—Rs. 25/50—25/62—25/44—25/56—(25/12)

Textile Machinery—Rs. 25/45—25/65—25/35—25/50—(27/90).

GILT-EDGED

3 % Loan (1970-75)—Rs. 90/30—90/30—90/30—90/30.

3 % „ *(1986)*—Rs. 62/00—62/05—62/00—62/05

3½% „ (1967)—Rs. 99/70—99/70—99/70—99/70.

3½% „ (1969)—Rs. 97/80—97/80—97/80—97/80.

4 % „ (1981)—Rs. 97/50—97/50—97/50—97/50

4 % „ (1970)—Rs. 99/00—99/05—99/00—99/03.

4 % Saurastra (1967)—Rs. 99/40—99/45—99/40—99/40

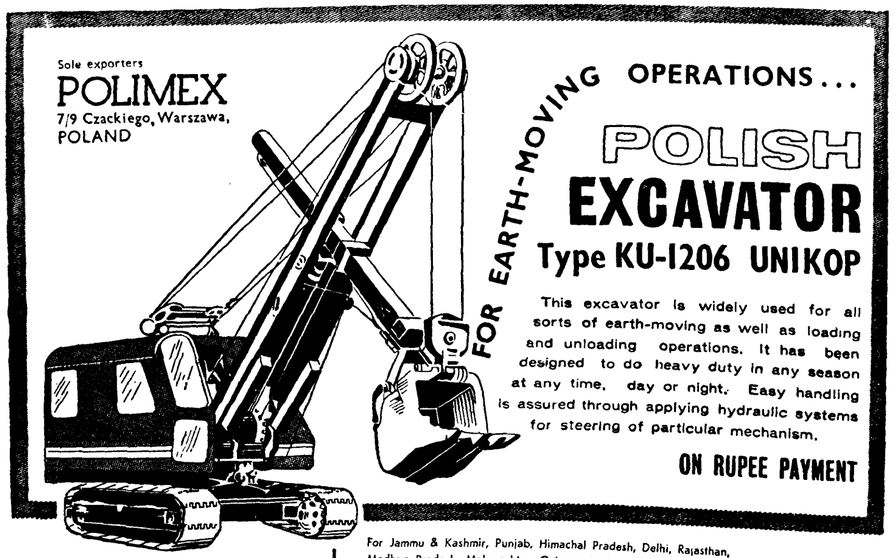
4 % U.P. (1968)—Rs. 98/77—98/83—98/77—98/83

4 % West Bengal (1968)—Rs. 98/75—98/75—98/25—98/25

4 % „ (1967)—Rs. 99/40—99/40—99/35—99/40

4 % Orissa (1969)—Rs. 98/40—98/40—98/40—98/40

4 % Maharastra (1967)—Rs. 99/40—99/40—99/40—99/40.



4 % „ (1969)—Rs. 98/40—98/40—98/40—98/40.

4 % Mysore (1969)—Rs. 98/40—98/40—98/40—98/40.

4 % U.P. (1967)—Rs. 99/10—99/10—99/10—99/10.

4¼% Loan (1989)—Rs. 100/05—100/05—100/05—100/05.

4¼% West Bengal (1976)—Rs. 99/42—99/42—99/42—99/42.

4¼% Maharastra (1969)—Rs. 99/45—99/45—99/45—99/45.

4¼% Orissa (1976)—Rs. 96/75—96/85—96/70—96/75.

4¼% U.P. (1976)—Rs. 96/88—96/90—96/88—96/90.

4½% Loan (1972)—Rs. 100/15—100/15—100/10—100/10.

4½% „ (1986)—Rs. 100/10—100/10—100/10—100/10.

BANKS

Hindusthan Mercantile—Rs. 10/25—10/25—10/25—10/25—(12/37).

Punjab National—Rs. 20/44—20/44—20/44—20/44—(20/50).

United Bank of India (Rs. 10/- paid)—Rs. 8/31—8/69—8/31—8/62—(7/69).

Do. (Conty Rs. 20/-) (Rs. 10/- paid)—Rs. 7/75 c.t.—7/75—7/75—7/75.

United Commercial—Rs. 72/50—72/50—72/50—72/50.

TEXTILES

Bowreah—Rs. 23/25—23/37—23/25—23/37—(24/50).

Bharat Commerce—Rs. 18/87—19/06—18/87—18/94—(24/75)

Elgin—Rs. 19/12—19/19—19/12—19/19—(22/94)

Jaya Shree—Rs. 12/56—12/62—12/50—12/50—(17/19).

New Victoria—Rs. 1/06—1/12—1/03—1/06—(1/56).

Do. (Pref.)—Rs. 2/12—2/12—2/06—2/06.

COALS

Bokaro & Ramghur—Rs. 14/00—14/00—14/00—14/00.

Central India—Rs. 8/37—8/37—7/94—8/19—(9/50).

East Indian—Rs. 26/00—26/00—25/87—25/87—(30/75).

Karanpura Collieries—Rs. 13/75—13/75—13/75—13/75—(16/00).

New Beerbhoom—Rs. 15/50—15/50—15/44—15/44—(19/25).

Western Bengal—Rs. 8/56—8/56—8/37—8/53—(9/00).

JUTES

Anglo-India—Rs. 185/00—186/00—185/00—186/00—(175/00).

Do. (Pref.)—Rs. 102/00—102/00—102/00—102/00.

Birla (1st Pref.)—Rs. 78/00—78/00—78/00—78/00.

Barnagore—Rs. 248/00—248/00—248/00—248/00—(217/00).

Ball: (Pref.)—Rs. 105/00—105/00—105/00—105/00.

Cheviot—Rs. 20/37—20/37—20/37—20/37—(22/81).

Empire (Pref.)—Rs. 98/50—98/50—92/50—92/50

Ganges—Rs. 12/50—12/50—12/31—12/31—(13/50)

Gourepore—Rs. 21/00—21/00—20/87—20/87—(23/12).

Hooghly (Pref.)—Rs. 12/94—12/94—12/81—12/94.

National—Rs. 19/06—19/12—19/06—19/12—(23/00).

Do. (Pref.)—Rs. 95/50—95/50—95/50—95/50.

New Central—Rs. 9/37—9/75—9/31—9/75—(13/06).

Northbrook—Rs. 22/25—22/25—22/12—22/12—(31/00).

Presidency—Rs. 4/19—4/25—4/12—4/19—(5/37).

Reliance (Pref.)—Rs. 112/50—112/50—112/50—112/50.

MININGS

Metal Corpn.—Rs. 5/87—5/94—5/87—5/94.

Orissa Minerals—Rs. 19/94—20/00—19/94—20/00—(26/00).

CEMENTS

Ashoka—Rs. 6/44—6/50—6/37—6/37—(7/50).

Assam Bengal—Rs. 3/81—3/87—3/81—3/87—(3/62).

Bengal Potteries—Rs. 4/25—4/25—4/25—4/25—(4/75).

Dalmia (Bharat)—Rs. 12.75—12/75—12/75—12/75—(12/69).

Do. (Pref.)—Rs. 8/47—8/47—8/43—8/43.

Sone Valley—Rs. 3/84—3/87—3/75—3/81—(4/44).

CHEMICALS

Alkali & Chemical—Rs. 27/50—27/62—27/25—27/31—(32/87).

Smith Stanistreet—Rs. 12/75—12/81—12/75—12/81—(11/50).

PUBLIC UTILITIES

Benares—Rs. 12/81—12/87—12/69—12/87—(11/75).

Calcutta—Rs. 15/19—15/25—15/06—15/19—(14/66).

United Provinces—Rs. 187/00—187/00—185/50—185/50—(153/00).

ENGINEERINGS

Bhartia Electric Steel—Rs. 15/00—15/06—14/94—15/00—(14/37).

Burn & Co.—Rs. 249/00—250/00—247/00—250/00—(313/00).

Braithwaite & Co. (Pref.)—Rs. 113/00—113/00—113/00—113/00.

Bharat Ball Bearing—Rs. 10/62—10/69—10/62—10/69.

Dalmia Iron—Rs. 12/09—12/12—10/12—10/12—(11/50).

Hindusthan Wires—Rs. 9/25—9/25—9/19—9/19.

Indian Steel & Wire Pro.—Rs. 26/50—26/62—26/44—26/50—(35/37).

Indian Iron (Pref.)—Rs. 83/00—83/00—83/00—83/00

Indian St Wagon—Rs. 35/37—35/50—35/31—35/50.

Jessop & Co.—Rs. 25/50—25/75—25/37—25/62—(24/25).

J. K. Steel—Rs. 17/87—17/87—17/87—17/87—(17/94)

Do. (Pref.)—Rs. 103/00 x.d.—103/00 x.d.—103/00 x.d.—103/00 x.d.

Machinery Mfg. (Pref.)—Rs. 55/00—55/00—55/00—55/00.

Marshalls—Rs. 3/50—3/50—3/50—3/50—(2/62)

National Iron—Rs. 5/40—5/40—5/12—5/12—(6/00).

Raymon Eng.—Rs. 4/19—4/19—4/12—4/12.

Textile Machinery (6½% Pref.)—Rs. 102/50—102/50—102/50—102/50.

MISCELLANEOUS

Albion Plywood—Rs. 6/37—6/37—6/25—6/25.

Angelo Brothers—Rs. 24/62—24/62—24/25—24/31—(26/25).

Associated Battery—Rs 24/56—24/75—24/56—24/75—(27/50).

American Refrigerator—Rs. 9/06—9/44—9/06—9/44

Associated Industries—Rs. 7/25—7/25—7/25—7/25.

Assam Hardboard—Rs. 6/44—6/50—6/44—6/50.

B. I. Corpn.—Rs 11/06—11/06—10/87—11/00—(8/81).

Do. (Pref.)—Rs. 115/00 s.t.—116/00—115/00 s.t.—116/00.

Bhartia Commercial—Rs. 6/00—6/00—5/06—5/06

Britannia Biscuit—Rs 35/62—35/62—35/50—35/50—(50/25).

Bararee Coke—Rs 20/81—20/94—20/81—20/94.

Clive Row Investment—Rs. 8/87—9/00—8/87—8/94—(8/50).

Dr. Paul Lohmann—Rs 7/12—7/44—7/12—7/25

Dunlop Rubber (2nd Pref.)—Rs. 71/00—72/00—70/50—71/75.

Dyer Meakin Breweries—Rs. 22/75—22/75—22/50—22/50—(32/25).

East Anglia Plastics—Rs. 6/37—7/69—6/31—7/69

Electric Construction—Rs. 13/19—13/25—13/16—13/16—(12/87).

Gillanders Arbuthnot—Rs. 12/25—12/25—12/25—12/25—(14/00).

Goodyear India—Rs. 17/50—18/62—17/44—18/62

Gwalior Rayon—Rs. 37/50—37/50—37/50—37/50.

Hoare Miller—Rs. 4/25—4/25—4/25—4/25

Hindustan Leyer—Rs. 27/25—27/25—27/25—27/25

Hindustan Aluminium—Rs. 12/37—12/50—12/19—12/37—(13/87).

Do. (Pref.)—Rs. 121/00 c.t.—121/00—121/00—121/00.

Hindusthan Pilkington Glass—Rs. 12/06—12/12—12/00—12/00—(16/19).

Hindusthan Gas—Rs. 18/50—18/50—18/50—18/50.

Imperial Tobacco—Rs. 8/37—8/37—8/31—8/31—(10/00).

Inchek Tyres—Rs. 6/37—6/62—6/37—6/62.

India Carbon—Rs. 13/19—13/25—13/19—13/25.

Indian Oxygen—Rs. 23/50—23/50—22/50—22/56—(26/75).

Jayshree Tea Industries (Pref.)—Rs. 101/00—101/00—101/00—101/00.

Martin Burn—Rs. 26/31—26/31—26/12—26/19—(28/25).

Metal Distributors—Rs. 9/00—9/06—9/00—9/06.

National Rolling & Steel Ropes—Rs. 21/69—21/69—21/69—21/69—(19/56).

National Rubber Mfg. (New)—Rs. 4/69—4/69—4/65—4/69.

National Insulated Cable—Rs. 24/12—24/12—24/12—24/12.

National Pipes & Tubes—Rs. 27/56—27/56—27/56—27/56.

Philips India—Rs. 29/00—29/00—29/00—29/00—(28/50).

Rallis India—Rs. 120/00—121/50—120/00—121/50.

Sirsilk—Rs. 6/87—6/87—6/78—6/84—(9/94).

Shaw Wallace—Rs. 14/25—14/31—13/87—13/87—(17/69)

Shalimar Wire Industries—Rs 9/25—9/25—8/87—8/87

Universal Cables—Rs 9/81—9/94—9/81—9/81.

Usha Martin—Rs. 14/00—14/06—14/00—14/06.

Walford Transport—Rs. 3/25—3/25—3/16—3/19—(4/06).

INSURANCES

Concord of India—Rs. 9/87—9/94—9/75—9/75—(11/25).

New Asiatic—Rs. 7/75—7/81—7/62—7/62.

Ruby General—Rs. 11/69—11/69—11/69—11/69

PAPERS

Ashok—Rs. 4/00—4/00—4/00—4/00.

Ballarpur—Rs. 15/87—16/06—15/87—16/06.

Bengal—Rs. 26/44—26/50—26/37—26/37—(28/56).

India Paper Pulp—Rs. 16/81—16/87—16/62—16/62—(19/06)

Orient (1st Pref.)—Rs. 91/00—91/50—91/00—91/00.

Star—Rs. 9/00—9/06—8/94—9/06—(9/06).

Do. (6½% Pref.)—Rs. 87/00—87/00—87/00—87/00.

Straw Products—Rs. 8/81—8/81—8/72—8/75.

Sirpur—Rs. 11/75—12/00—11/75—12/00—(13/25).

Seshasayee—Rs. 7/06—7/19—7/00—7/06.

Titaghur—Rs. 11/62—11/69—11/44—11/44—(16/50).

SHIPPINGS

India Steamship—Rs. 6/41—6/50—6/37—6/44—(7/19).

India General Nav.—Rs. 38/00—38/25—38/00—38/25—(43/00).

Port Shipping—Rs. 16/81—16/87—16/81—16/87—(14/12).

PRESSINGS

Bhagwati (Pref.)—Rs. 59/75—60/00—59/75—60/00.

Hooghly Ganges Hyd.—Rs. 6/25 c.t.—6/25—6/25—6/25.

REAL PROPERTIES

Hindusthan Building—Rs. 6/00 s.t.—6/00—4/50—4/56.

Midnapore Zemindary—Rs. 34/50—34/75—34/50—34/75—(17/50).

SUGARS

Carew & Co.—Rs. 12/25—12/56—12/25—12/56—(11/37).

Do. (Pref.)—Rs. 82/62—83/25—82/62—83/25.

Cawnpore—Rs. 9/87—9/94—9/87—9/94.

Raza Buland—Rs. 9/94—9/94—9/94—9/94—(10/12).

Shree Krishna Gyanoday—Rs. 8/25—8/25—8/25—8/25—(8/25).

Do (5% Pref.)—Rs. 53/00 c.t.—53/00—53/00—53/00.

TEAS

Bor Pukhuri—Rs. 10/44—10/50—10/37—10/37—(11/25).

Betjan—Rs. 27/25—27/40—27/25—27/40—(30/12).

Bishnauth—Rs. 13/00 c.t.—13/00—13/00—13/00—(18/69).

Bormah Jan—Rs. 10/44—10/50—10/44—10/50—(13/00).

Bateli—Rs. 16/00—16/00—15/81—15/94—(17/50).

Central Cachar—Rs. 69/00—69/00—69/00—69/00—(75/00).

Dhelakhat—Rs. 20/69—20/75—20/62—20/62—(20/75).

Ellenbarrie—Rs 360/00—361/00—360/00—361/00—(184/00).

Gairkhata—Rs. 11/94—11/94—11/94—11/94.

Hattikhira—Rs. 6/44—6/50—6/37—6/37.

Hanuman—Rs. 10/06—10/06—10/06—10/06.

Hasimara—Rs. 12/00—12/06—12/00—12/06—(13/06).

Kingsley Golaghat—Rs. 125/00 x.d.—125/00 x.d.—125/00 x.d.—125/00 x.d.—(125/00).

Do. (Pref.)—Rs. 86/00 x.d.—86/00 x.d.—86/00 x.d.—86/00 x.d.

Patrakola—Rs. 144/00—151/00—144/00—151/00—(129/50).

Rajabhat—Rs. 9/94—9/94—9/94—9/94—(12/00).

Rydak—Rs. 22/62—22/62—22/62—22/62—(25/75).

Rajgarh—Rs. 15/75—15/81—15/75—15/81—(18/50).

Sarugaon—Rs. 38/00—38/00—38/00—38/00.

Sungma—Rs. 11/94—12/25—11/94—12/25—(14/56).

Tezpore—Rs. 13/06—13/19—12/94—13/06—(15/19).

Tyroon—Rs. 24/75—24/75—24/75—24/75.

DEBENTURES

7 % Guest, Keen, Williams—Rs. 102/25—102/25—102/25—102/25.

5½% Burmah-Shell—Rs. 94/00—94/00—94/00—94/00.

6½% Bengal Coal—Rs. 97/75—97/75—97/75—97/75

London

BUYERS RESTRAINED BY ADVERSE NEWS

SELECTIVE BUYING IN EQUITIES

London, 23rd December.

IT was another disappointing week in the stock market. There was nothing to induce buyers to open commitments while there was no lack of adverse influences, including the November overseas trade figures. Gilt-edged passed through a very difficult period and still had the capital gains tax uncertainty to contend with. The support given to the Funds by the authorities on Thursday seemed to have shocked many people outside the market, but this was by no means a new thing as the Government broker was always prepared to steady the market in times of stress. Indeed conditions were a good deal steadier for his action, although prices were somewhat lower than a week ago. Equities drifted lower, but there was small selective buying in the past two days. Bear covering also helped to some extent. Dollar stocks met with a good demand, following the upward trend on Wall Street. The dollar premium moved up to over the 10 percent mark again. Gold shares were in the forefront and substantial gains were recorded, but the market appeared to have boiled over and the gains were pared. Coppers lost ground, while tins moved irregularly. Oils fell away on tax uncertainties, but were steadier now. Plantation shares were inclined to ease.

RESERVE BANK

ISSUE DEPARTMENT

(In 000's of Rupees)	Week Ended 18-12-64	11-12-64	20-12-63
Liabilities—			
Notes in Banking Dept.	13,62,58	9,69,55	16,13,22
Notes in Circulation	25,07,45,76	25,10,53,38	23,35,75,46
Total Notes issued	25,21,09,34	25,20,22,93	2,51,88,68
Assets—			
A. Gold Coin and Bullion	1,17,76,10	1,17,76,10	1,17,76,10
Foreign Securities	85,45,69	85,45,69	97,45,69
Total of A	2,03,21,79	2,03,21,79	2,15,21,79
B Rupee Coin	1,01,74,55	1,00,88,09	1,17,35,87
Rupee Securities	22,16,13,00	22,16,13,05	20,19,31,02
Total	25,21,09,34	25,20,22,93	23,51,88,68

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	80,00,00	80,00,00	80,00,00
National Agricultural Credit (Long Term Operations) Fund	86,00,00	86,00,00	73,00,00
National Agricultural Credit (Stabilisation) Fund	9,00,00	9,00,00	8,00,00
National Industrial Credit (Long Term Operations) Fund	10,00,00	10,00,00	...
Deposits—			
(a) 1. Central Govt.	54,30,96	53,05,40	49,70,52
2. State Govts.	10,78,66	17,82,09	8,92,96
(b) Banks :—			
(i) Scheduled Banks	90,08,70	93,55,05	83,76,76
(ii) State Co-operative Banks	2,68,40	2,92,20	1,91,64
(iii) Other Banks	3,17	4,96	3,91
(c) Others	1,43,72,30	1,43,28,41	1,70,48,22
Bills Payable	51,14,05	41,43,93	34,86,33
Other Liabilities	45,90,45	48,40,22	41,66,12
Total	5,88,66,70	5,90,52,26	5,57,36,46
Assets—			
Notes	13,63,58	9,69,55	16,13,22
Rupee Coin	5,84	5,80	3,13
Small Coin	9,71	9,33	2,42
Bills Purchased and Discounted :—			
(a) Internal	...	...	...
(b) External	...	...	...
(c) Govt. Treasury Bills	1,25,27,28	1,36,03,77	68,79,11
Balances Held abroad	9,85,68	10,84,32	9,74,98
Investments	1,42,73,06	1,42,44,71	2,13,38,90
Loans and Advances to :—			
(i) Central Government	...	...	...
(ii) State Governments	39,03,96	31,62,89	42,18,55
Loans and Advances to :—			
(i) Scheduled Banks	22,81,05	23,30,20	6,97,25
(ii) State Co-operative Banks	1,57,97,55	1,59,63,62	1,31,67,11
(iii) Others	3,62,79	3,50,53	1,81,80
Loans, Advances and Investments from National Agricultural Credit (Long Term Operation) Fund			
(a) Loans and Advances to :—			
(i) State Govts.	20,05,19	28,08,77	26,91,13
(ii) State Co-operative Banks	11,12,98	11,16,81	9,04,81
(iii) Central Land Mortgage Banks	...	...	...
(b) Investment in Central Land Mortgage Bank Debentures	4,45,53	4,45,53	3,55,31
Other Assets	29,91,90	29,54,43	27,08,74
Total	5,88,66,70	5,90,52,26	5,57,36,46

SCHEDULED BANKS

(In 000's of Rupees)	Week Ended 11-12-64	4-12-64	13-12-63
(i) **Demand Liabilities—**			
(a) Demand Deposits :			
(1) From Banks	68,48,39	65,29,45	53,59,64
(2) From others	11,74,79,74	11,82,65,64	9,71,07,51
(b) Borrowing from Banks	29,89,59	28,59,54	23,80,42
(c) Others	72,54,95	73,14,82	58,52,63
(ii) **Time Liabilities—**			
(a) Time Deposits :			
(1) From Banks	33,59,32	34,59,91	25,85,94
(2) From others	13,33,93,66	13,26,24,85	12,52,84,60
(b) Borrowing from Banks	13,45,69	17,08,66	21,42,99
(c) Others	13,49,69	13,54,42	10,28,95
(iii) **Borrowing from State Bank—**			
(a) Demand Liabilities	15,46,27	12,96,22	7,81,05
(b) Time Liabilities	56,97,15	55,14,16	10,14,50
(iv) Borrowing from Reserve Bank	21,99,00	15,37,45	7,87,40
(v) Cash	64,85,54	65,68,70	56,81,28
(vi) Balances with the Reserve Bank	97,91,69	92,08,88	79,49,64
(vii) Balances with other Banks in current account	25,16,66	23,94,30	21,95,29
(viii) Money at call and short notice	66,16,70	66,81,35	53,47,16
(ix) Investments in Central and State Govt. Securities	7,65,87,20	8,02,54,20	7,26,93,95
(x) (a) Loans, Cash Credits and Overdrafts	15,05,30,97	14,84,64,57	12,89,20,33
(b) Due from Banks	24,17,12	25,82,66	12,48,39
(xi) Inland Bills purchased and discounted	2,01,73,44	1,99,15,74	1,89,16,05
(xii) Foreign Bills purchased and discounted	73,48,50	74,70,95	56,52,87
(xiii) Total of X, XI and XII	18,04,70,03	17,84,33,92	15,47,37,64

Money

THE CALCUTTA MONEY MARKET

SLIGHT INCREASE IN ADVANCES

Wednesday, 23rd December.

THERE has been a small increase in the general level of advances in the Calcutta money market during the past week. It has occurred almost entirely because the requirements of the cotton mills are higher. The credit given to the other main categories of borrowers—the jute and sugar mills, the iron, steel and engineering industries, and the food-grains and seeds trade—is unchanged. In the interbank market, conditions have eased a little, and the call rate has dropped from 4¾ percent to 4 percent.

The exchange market has been less active. The supply of tea bills is fair, but there are very few gunny bills. The demand for remittances has been moderate. In London, sterling has shown a somewhat weaker trend in relation to most of the major currencies, although fluctuations have been narrow.

BULLION WAS STEADY IN CALCUTTA during the past week. There was a shortage of supplies. Silver rose from the previous week's level of Rs. 257.20 to Rs. 269.50 a kilogram. The price was quoted at 113¼d in London and at 129.3 cents in New York.

In sympathy with the rise in silver, gold was steady and the price of 14-carat rose from Rs. 68.75 to Rs. 69.50 a 10 grams.

DURING THE WEEK ENDED 18TH December, Government of India Treasury bills for Rs. 56,53,75,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 22nd December. The total amount offered was Rs. 2,15,00,000. Tenders at Rs. 99.380 percent were accepted in full and those at Rs. 99.375 percent were allotted 93 percent approximately. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.499 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 4th January.

IT IS STATED THAT 91-DAY Intermediate Treasury bills will be sold from 23rd December, 1964 to 2nd January, 1965 at Rs. 99.391 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 16th December to 19th December amounted to Rs. 2.65 crores.

ACTIVE NOTES DROPPED BY Rs. 3.07 crores to Rs. 2,507.46 crores while the total note issue rose by Rs. 86 lakhs to Rs. 2,521.09 crores, according to the return of the Reserve Bank of India for the week ended 18th December, 1964. Notes held in the Banking Department consequently rose by Rs 3.94 crores to Rs. 13.64 crores. Deposits of the Government of India increased by Rs. 1.26 crores to Rs. 54.31 crores, but those of State Governments dropped by Rs. 7.03 crores to Rs. 10.79 crores. Balances of scheduled banks were Rs. 3.46 crores smaller at Rs. 90.09 crores. Balances held abroad at Rs. 9.86 crores showed a decline of Rs. 98 lakhs. Investments rose by Rs. 30 laghs to Rs. 142.74 crores. Loans to scheduled banks declined from Rs. 23.30 crores to Rs. 22 81 crores, of which advances against usance bills amounted to Rs. 2.28 crores (Rs. 1.41 crores). Advances to State Governments stood at Rs. 39.04 crores, against Rs. 31.63 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 11th December, 1964, shows a drop of Rs. 6.04 crores to Rs. 661.19 crores in total deposits. Investments in Government securities are down by Rs. 26.87 crores to Rs. 257.06 crores, while other authorised investments remain unchanged at Rs. 8.98 crores. Advances including loans, cash credits, overdrafts and bills discounted and purchased have improved by Rs. 7.86 crores to Rs. 370.58 crores. Cash and balances are, in consequence, shown at Rs. 30.27 crores or Rs. 6.78 crores higher.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 11th December, 1964, shows Demand and Time liabilities at Rs. 1,345.73 crores (Rs. 29.90 crores on account of borrowings from banks) and Rs. 1,394.48 crores (Rs. 13.46 crores), compared with Rs. 1,349.69 crores (Rs. 28.60 crores) and Rs. 1,391.48 crores (Rs. 17.09 crores), respectively, in the previous week. Cash has declined by Rs. 83 lakhs to Rs. 64.86 crores, while balances with the Reserve Bank have increased by Rs. 5.83 crores to Rs. 97.92 crores. There is a drop of Rs. 36 67 crores to Rs. 765.87 crores in investments. Advances and bills discounted at Rs. 1,804.70 crores show a rise of Rs. 20.36 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.9 percent and 65.9 percent, against 5.8 percent and 65.1 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 24-12-64.

Issue Date	Maturity Date	Amount ((000's Rs.)	Average Acceptance Rate
24-12-64	27-3-65	2,00,00	Rs. 2.499%
18-12-64	21-3-65	2,00,00	Rs. 2.500%
11-12-64	14-3-65	2,00,00	Rs. 2.500%
4-12-64	7-3-65	2,00,00	Rs. 2.400%
27-11-64	2-3-65	2,00,00	Rs. 2.380%
21-11-64	23-2-65	2,00,00	Rs. 2.400%
13-11-64	16-2-65	2,00,00	Rs. 2.499%
6-11-64	9-2-65	2,00,00	Rs. 2.500%
30-10-64	2-2-65	2,00,00	Rs. 2.400%
23-10-64	26-1-65	2,00,00	Rs. 2.500%
9-10-64	12-1-65	2,00,00	Rs. 2.500%
1-10-64	4-1-65	2,00,00	Rs. 2.400%
25-9-64	28-12-64	2,00,00	Rs. 2.399%

(Monthly Muturities

	(000's omitted)
December, 1964	2,00,00
January 1965	6,00,00
February 1965	5,00,00
March, 1965	10,00,00
Total	25,00,00

CLEARING HOUSE RETURNS

Week	Rs. (thousand) Calcutta	Bombay
18-12-64	.....	1,30,24,69
11-12-64	1,09,57,34	1,28,65,07
4-12-64	1,41,83,31	1,58,43,77
27-11-64	10,97,49	1,41,53,08

INCHEK TYRES LIMITED

A SATISFACTORY BEGINNING

SIR A. RAMASWAMI MUDALIAR PREDICTS GROWTH FOR TYRE INDUSTRY AND COMPANY

Addressing the Shareholders of Inchek Tyres Ltd., at its 4th Annual General Meeting on December 22, 1964, at Calcutta, Sir A. Ramaswami Mudaliar, K.C.S.I., D.C.L. (Oxon.), Chairman, said :

Ladies and Gentlemen :

I have great pleasure in extending to you a hearty welcome to the Fourth Annual General Meeting of your Company. The Directors' Report and Audited Accounts for the year ending 30th June, 1964, have been in your hands for sometime now and with your permission I shall take them as read.

The working of the Company during the first year of its commercial operation ending June 1964 resulted in a loss of Rs. 5,29,140/- which, after providing for depreciation to the extent of Rs. 3,65,355/-, amounted to Rs. 8,94,695/- and your Directors have recommended that the said amount be carried forward. Considering the fact that commercial production and selling operations commenced at the end of the first half of the year under review, the loss incurred is neither heavy nor unusual and it compares favourably with the performance of similar tyre manufacturing units established in India in the recent past.

Exports Encouraging

You will have noticed from the Directors' Report that the Company has already embarked upon a programme of progressively raising its exports to a number of countries so soon after the introduction of its products in the internal market. The orders received from these countries are indeed encouraging.

Production Rationalisation and Quality

Your Board of Directors undertook during the year under review a programme of rationalisation and balancing of types and sizes of tyres and tubes to effectively meet popular demand. You will be gratified to learn that the quality of the Company's products has been highly appreciated by customers all over the country and abroad and the retreading performance of the tyres has also been very satisfactory. I am confident that consequent on your Board's policy of maintaining a high standard of quality and rationalisation of production according to the pattern of demand, there may not be much difficulty in selling the products manufactured by the Company. The present production programme of the Company comprises 350 tyres per day and there are plans for progressive increase in this number. Your Directors expect that the working of the Company during the current year will be better.

Expansion

The scheme of second stage expansion referred to in my speech last year has been unavoidably delayed due to the time lag in selecting plant and machinery and finalising other details. An application has already been submitted for a licence valued Rs. 93 lakhs for import of plant and machinery from Czechoslovakia and the issue of the licence is awaited. Implementation of this expansion will be made through a phased programme commencing from 1965. Financial planning for the expansion programme is presently under the active consideration of your Directors. On completion of this scheme the Company's installed capacity will rise to 1000 tyres per day.

I am optimistic about the future prospects of the tyre industry in India in general and of your Company in particular. The index of production of rubber manufactures including tyres and tubes during the first eight months of 1964 was 195.2 as against 186.9 for the whole of 1963. The output of automobile tyres (other than tractor and aero tyres) in 1964 is expected to be more than 20 lakh Nos. as against 19.25 lakh Nos. in 1963. There was significant expansion of production of transport equipments during the first-half year of 1964, registering an increase of nearly 30 per cent as compared with the corresponding period of 1963 The trend of production of automobiles, motor cycles, three-wheelers, etc. has been steadily improving. The auto-vehicles production target for the Fourth Plan is likely to be double that of the Third Plan and there is a proposal for the manufacture of 11-ton vehicles. The progress in this sphere together with the road development schemes likely to be undertaken during the Fourth Plan period will substantially increase the demand for tyres, tubes and accessories. Consequently the tyre industry will have good scope for development and expansion.

Rising Prices of Raw Materials

A redeeming feature of the 1964 Budget was the extension of certain concessions in respect of excise duty on tyres and tubes particularly to the newly established units. It is, however, rather disquieting to note that this welcome fiscal assistance is being largely offset by the continuously rising prices of indigenous raw materials which the industry has to consume in an increasing measure. I hope, in consideration of these circumstances, the Government would provide for further fiscal concessions to the industry, particularly to the new and smaller units.

Development of Indian Talents and Cordial Labour Relations

With the increase in the strength of trained Indian personnel, the number of foreign technicians deputed by the collaborators has been progressively reduced and at present there are only three senior foreign technical personnel, who will stay in India for some time more according to the terms of the collaboration agreement.

In pursuance of its policy of achieving higher productivity, the Company has recently negotiated and settled a suitable system of labour payment linked with productivity. The scheme has been well received by the labour union and workers. The relation between the Management and labour has been cordial.

Before I conclude, I take this opportunity to express our sincere appreciation of the co-operation and assistance offered by the technical collaborators Messrs. Technoexport Foreign Trade Corporation, Praha, Czechoslovakia and the loyal and devoted work of all officers and staff of the Company throughout the year under review.

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



THIS IS ONLY AN ANNOUNCEMENT AND NOT A PROSPECTUS.

Persons interested in full details regarding the proposed issue of Capital are requested to apply for a copy of the Prospectus from the Registered Office of the Company, or from the Bankers to the Issue and Brokers mentioned hereinafter

TECALEMIT (HIND) LIMITED

(Incorporated on 4th December, 1963, under the Companies Act, 1956)

Registered Office: **8 & 12, Chittaranjan Avenue, Calcutta-13.**

EXISTING AND PROPOSED ACTIVITIES OF THE COMPANY

The Company, which has been promoted by Tecalemit Ltd., U.K. is engaged in the manufacture of a wide variety of Garage Servicing Equipment, Industrial Lubrication Equipment, Automobile Accessories, Lubricating Oil Dispensing Equipment, Grease & Oil Guns & Pumps, Adaptors, Special Lubrication Assemblies, and Pipe and Pipeline Fittings. The Company has plans to increase the range of products to include Nylon Tubes and Hoses, Low & High Pressure Grease and Hydraulic Hoses, Automobile Filters and Filter Elements, Oil Firing Equipment for ceramics and other uses, Fire Fighting Appliances and Vehicle Lubrication Systems.

The Company was incorporated on 4th December, 1963, and has taken over the Indian business of Tecalemit (India) Limited, a Company incorporated in the U.K., including the Sales Offices and Godowns situated at Calcutta, Bombay, Madras and New Delhi, and has entered into a Trade Mark User Agreement and an Agreement covering Licence to Manufacture with Tecalemit Ltd., U.K.

LOCATION OF INDUSTRY

The Company has also acquired, through an arrangement, a factory space and stores in Calcutta (West Bengal) which has been in operation since April, 1964, and is negotiating for the construction of a further factory in Bangalore (Mysore).

DIRECTORS

Name & Address	Description & Occupation
1. **His Highness Marthanda Varma Elaya Raja of Travancore.** (Chairman) "Rampriya" Bellary Road, Bangalore.	Business. **Chairman of:** Cardboard & Packaging Co. (Mysore) Private Ltd. **Managing Director of:** Varma Industrials Private Ltd. **Director of:** The Southern Structurals Ltd. The Enfield India Ltd. The Southern Cables Corporation Ltd. The Mysore Cements Ltd. Standard Motor Products of India Ltd.
2. **Mr. Francis James Grandison,** (Managing Director), 9A, Alipore Avenue, Alipore, Calcutta-27.	Company Executive. **Director of:** Tecalemit (India) Ltd.
3. **Mr. Sylvester Govett Gates, C.B.E.,** Flat 'D', 29, Eaton Square, London, S.W.1.	Company Executive. **Chairman of:** Bank of West Africa Ltd. Tecalemit Ltd. **Joint Deputy Chairman of:** Westminster Bank Ltd. Westminster Foreign Bank Ltd. **Director of:** Tecalemit (Engineering) Ltd. Gabriel Manufacturing Co. Ltd. Tecalemit (Australasia) Pty. Ltd. and others.
4. **Mr. Robert George Edwards,** (Alternate for Mr. Sylvester Govett Gates), Flat No. 11, Tivoli Court, 1-A, Ballygunge Circular Road, Calcutta-19.	Stock Broker. **Managing Director of:** Place, Siddons & Gough (Private) Ltd. **Director of:** Fort Gloster Industries Ltd. Gladstone Lyall & Co. Ltd. Indian Iron & Steel Co. Ltd. Indian Standard Wagon Co. Ltd. British Paints (India) Ltd. and others.
5. **Mr. Nigel Jack Bennett, D.F.C., F.C.A.,** C/o. Tecalemit Ltd., Old Court, Cox Green, Maidenhead, Berkshire. England.	Company Executive. **Chairman of:** Tecalemit (Engineering) Ltd. Foamite Ltd. Industrial & Domestic Heaters Ltd. British Oil Burners Ltd. Tecalemit (Developments) Ltd. **Managing Director of:** Tecalemit Ltd. **Director of:** Tesco/Tecalemit (Pty.) Ltd. Gabriel Manufacturing Co. Ltd. and others.
6. **Mr. Harry Jeavons,** (Alternate for Mr. Nigel Jack Bennett), C/o. John Thompson (India) Private Ltd., 8 & 12, Chittaranjan Avenue, Calcutta-13.	Company Executive. **Managing Director of:** John Thompson (India) Private Ltd. **Director of:** Saraswati Industrial Syndicate Ltd.
7. **Mr. Kalladaikurichi Ramasubbier Sundaram Iyer,** "Gomati" Sir Desikachari Road, Madras-4.	Industrialist. **Chairman of:** The Enfield India Ltd. The Madras Motors Private Ltd. Easun Engineering Co. Ltd. Sakthi Pipes Ltd. **Managing Director of:** The English Cycle & Motor Importing Co. Private Ltd. **Director of:** Hackbridge-Hewittic & Easun Ltd. **Partner of:** The Royal Cycle & Motor Co. The Pioneer Cycle House.
8. **Mr. Seshu Iyer Narayanaswamy,** "Seshadri", 6, Chittaranjan Road, Teynampet, Madras-18.	Stock Broker. **Chairman of:** Aluminium Industries Ltd. Central Scientific Supplies Co. Ltd. and others. **Director of:** Chemicals & Plastics India Ltd. General Paper Ltd. and others. **Senior Partner of:** Chitra & Co. (Stock Brokers).
9. **Mr. Tharumapuram Srinivasaiyer Narayanswami,** 2, Dr. C. P. Ramaswami Aiyar Road, Madras-18.	Businessman. **Director of:** The India Cements Ltd. Industrial Chemicals Ltd. The Madras Industrials Investment Corpn. and others. **Partner of:** Salcoe & Co. S.N.N. Company. National Carriers Corporation
10. **Mr. Subroto Ghose,** 17A, Burdwan Road, Calcutta-27.	Businessman. **Director of:** The Malhati Tea Syndicate Ltd The Bijoynagar Tea Co. Ltd. The Luxmi Ideal Investment & Finance Corpn. Pvt. Ltd Swastika Agency Pvt. Ltd. **Partner of:** Ghose Estates.
11. **Mr. Shankar Lall Agarwala,** 1, Lord Sinha Road, Calcutta-16.	Businessman. **Director of:** Kadar Rubber Manufacturing Co. Pvt. Ltd. Power & Machinery Construction Co. (Private) Ltd. **Partner of:** Bansidhar Shankarlal
12. **Mr. Rajendra Kumar Jain,** B.Sc. (Engg.) P-40, Mission Row Extn., Calcutta-13.	Electrical & Mechanical Engineer. **Director of:** Power & Machinery Construction Co. (Private) Ltd. **Partner of:** Relay Corporation.

SHARE CAPITAL

Authorised Capital:

10,00,000 Equity Shares of Rs. 10/- each ... Rs. 1,00,00,000

Present Issue:

4,00,000 Equity Shares of Rs. 10/- each ... Rs. 40,00,000

Out of the present issue:—

(a) Tecalemit Ltd., U.K. has agreed to subscribe for and will be allotted 1,12,000 Equity Shares of Rs. 10/- each at par credited as fully paid for supply of Machinery and 1,00,000 Equity Shares of Rs. 10/- each partly for cash and partly for consideration other than cash ... Rs. 21,20,000

(b) The Directors and their friends have subscribed for cash 90,000 Equity Shares of Rs 10/- each at par including the 7 Equity Shares subscribed for and fully paid by the subscribers to the Memorandum of Association ... Rs. 9,00,000

(c) NOW OFFERED FOR PUBLIC SUBSCRIPTION ... 98,000 Equity Shares of Rs. 10 each at par ... Rs. 9,80,000

Rs. 40,00,000

ASHOK LEYLAND LIMITED

CHAIRMAN, SIR A. R. MUDALIAR'S SPEECH

The following is the speech delivered by Sir A. Ramaswami Mudaliar, K.C.S.I., D.C.L. (Oxon.) Chairman, Ashok Leyland Limited, to the Shareholders at the Sixteenth Annual General Meeting of the Company held on 17th December, 1964 at Ennore, Madras.

Gentlemen,

I have great pleasure in extending to you a cordial welcome to the Sixteenth Annual General Meeting of your Company.

The Directors' Report, audited balance sheet and profit and loss account for the year ending 30th September, 1964 have been circulated to you and, with your permission, I shall take them as read.

As the Profit and Loss Account shows, the sales for the year 1963/64 at nearly Rs. 17.38 crores were a little over 59% in excess of the corresponding figure for 1962/63. This result was achieved by an increase in the average output of Comet chassis per month from just over 200 in 1962/63 to 315 in 1963/64; and by a substantial increase in the sale of spare parts, arising partly from a larger allotment of foreign exchange providing for the manufacture of more spare parts in your factory. The surplus available after provision for taxation has enabled your Directors to propose a dividend of 9% subject to deduction of tax and to transfer to general reserve a sum a little in excess of Rs. 36 lakhs.

Your Factory's ability to increase its output by over 50% in one year must be accepted as unusual, being in excess of what could normally be expected. In January 1964, in my speech at the last Annual General Meeting, I enumerated the reasons which had made the results for the 1962/63 year disappointing. I also advised you that it was possible to anticipate an improvement with some confidence; and I indicated that the re-establishment of a flow of materials adequate to sustain the Factory's output, the more rapid installation of plant and machinery after a period of delay in machine tool deliveries and other steps which your Company had taken to overcome the difficulties faced during 1962/63, would make 1963/64 a more satisfactory year from the financial point of view. By the end of 1963, production had been re-established at a satisfactory level; and it is to the credit of all concerned that throughout the year which ended on the 30th September, 1964 there was a steady improvement.

Smooth Progress

A study of the graph of output from 1954 to 1964 included in the Balance Sheet, will show that a smooth upward curve could be drawn, on which the actual output figures would lie approximately, with the exception of actual output figures for 1961/62 and 1962/63, the former being above the smooth curve and the latter below it. This indicates that in the year 1961/62 we produced more chassis than was justified by the foreign exchange available for imported materials, this fact contributing among others which I have previously enumerated to the very serious drop in production in 1962/63. I would not wish to be over-optimistic on the basis of the 1963/64 results, but it is very satisfactory to note that they indicate a reversion to the previous steady increments in yearly output, the actual 1963/64 output being approximately equal to what the curve would indicate. It is interesting to record that your Company anticipates an output in the 1964/65 year of not less than 4,500 "Comet" chassis and that this figure is close to the one which would be obtained from the curve to which I have referred, if it were plotted from an equation satisfying the actual outputs from 1954/55 to 1963/64, excluding the figures for 1961/62 and 1962/63. It is to be noted that if the 1964/65 target is achieved, the increase in production will be approximately 20% in comparison with the 1963/64 year.

It is necessary for me, at this point to emphasise that all forecasts of future developments assume the maintenance of good relations between Management and employees. While, on the whole, these relations have remained cordial since your Company started production in 1954/55, there have recently been indications of some restlessness amongst employees, leading to a regrettable tendency for workmen deliberately to reduce output on several occasions, with a view to induce Management to make concessions. The temporary shortage of rice, which has faced employees with domestic worries, has contributed to some deterioration in their readiness to co-operate in achieving full output from the Factory. It is hoped, however, that better counsels will prevail and that the Company's employees will revert to a tempo of work which will maintain the steady increase in output which must be achieved for economic working.

Expansion Programme

I am happy to be able to inform you that the expansion programme initiated in 1960 with a view to increasing the production of Comet chassis to not less than 5,000 per annum, with adequate provision for spare parts manufacture is nearing completion. Within a month or two all the plant and machinery, including jigs and special tooling, will have been installed; and steps taken some time ago to train artisans will make it practicable for full utilisation of the installed capacity to become effective. Based on the output achieved during the 1963/64 year, it is possible to hope that actual production will in due course considerably exceed the planned figure. This arises from the fact that, assuming your employees will work with a will, their efficiency will be at a higher figure than was anticipated, so that in future years it will not be at all impossible to achieve outputs considerably in excess of 5,000 per annum without further capitalisation. At the same time, it will become increasingly practicable to produce in your factory spare parts adequate to meet the demand.

I have referred to the production of spare parts as one of your Company's important activities. In recent years, the supply of spare parts to your customers has been, for reasons beyond control, far from satisfactory and too many vehicles have been temporarily unserviceable for prolonged periods because essential replacements parts were not available. In common with other Automobile Manufacturers, your Company faced the difficulty that insufficient foreign exchange could be made available for the import of spare parts, while factory facilities remained inadequate to provide for the level of output necessary to meet the demand not only for current production but for the servicing of the large number of vehicles already in service. Another disability has been that the ancillary industries, manufacturing in India a wide range of components which manufacturers purchase in the finished condition, were unable to meet the demand for spare parts additional to supplies made to manufacturers for inclusion in the chassis and engine. The position has already greatly improved and will continue to do so. More foreign exchange has been made available for importing spare parts not available from Indian factories; and improved output facilities in the factories is enabling manufacturers increasingly to produce components, additional to those required for chassis manufacture, for sale as spare parts. If the present improvement can be maintained, it is anticipated that your Company will soon be in a position to meet all spare parts demands within a reasonable period from the receipt of orders.

I have referred to the general expansion programme which was inaugurated in 1960. More recently, in 1963, with a view to increasing the indigenous content of the Comet chassis, it was decided to add to components being manufactured in your factory differential wheels, pinions and trunnions; engine cam shafts; and engine timing gears. Your Directors decided that it would be undesirable to risk over capitalisation by making a capital issue to cover the expenditure which would have to be incurred on the import of plant and machinery for the manufacture of these new components. Accordingly, a loan of Rs. 60 lakhs was negotiated with the Commonwealth Development & Finance Company, which became available from August 1964. All the plant and machinery required for this expansion of the Factory's manufacturing facilities is currently being ordered and it is hoped that it will be installed so that actual production will commence in 1965. With the inclusion of this additional range of components to be manufactured in your Factory and your Company's ability to purchase additional bought out finished components, for example brake assemblies, from new manufacturing concerns established more recently in India, it is anticipated that it will be possible to increase the indigenous content of the Comet chassis to 90% before the end of 1965, compared with a figure of 82% at the present time.

New Models

In my speech to you in January 1964, I informed you that the Government of India had approved the inclusion of new models in your Company's range of products, based on the Leyland Beaver chassis; and I enumerated the types of vehicles it was proposed to manufacture. You will be pleased to know that during the 11 months which have elapsed since the last Annual General Meeting, considerable progress has been made with planning for the

TECALEMIT (HIND) LIMITED —*Cont'd.*

BANKERS

Canara Bank Limited,
Mahatma Gandhi Road,
Bangalore-1.

National & Grindlays Bank Limited,
6, Church Lane,
Calcutta-1.

BANKERS TO THE ISSUE

Canara Bank Limited,
Mahatma Gandhi Road,
Bangalore-1.

National & Grindlays Bank Limited,
19, Netaji Subhas Road,
Calcutta-1.

The Bank of India Limited,
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1. **Life Insurance Corporation of India.**
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Stock Exchange Building,
Apollo Street, Fort,
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Paterson & Co.,
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Maconochie & Co.,
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APPLICATIONS

Copies of Application Forms and Prospectus can be obtained from the above-mentioned Bankers to the Issue and Brokers.

DATE OF OPENING AND CLOSING OF THE SUBSCRIPTION LIST

THE SUBSCRIPTION LIST WILL OPEN AT THE COMMENCEMENT OF BANKING HOURS ON 6TH JANUARY, 1965 AND WILL CLOSE AT THE CLOSE OF BANKING HOURS ON 16TH JANUARY, 1965 OR EARLIER AT THE DISCRETION OF THE DIRECTORS BUT NOT BEFORE THE CLOSE OF BANKING HOURS ON THE 8TH JANUARY, 1965.

introduction of the heavier duty chassis. The provision of funds for the construction of new buildings for the first phase of the "BEAVER" project has been included in the Company's 1964/65 Capital Budget. Building plans are nearing completion and work will be commenced in the near future. Provisional estimates have been completed with a view to assessing the expenditure which will have to be incurred on plant and machinery for the new project. These estimates indicate that about Rs. 330 lakhs will be required for the purchase of machine tools, jigs, etc. which will have to be imported. Additionally, a sum exceeding Rs. 200 lakhs will be required for buildings and for plant and machinery to be purchased in India. Your Directors are giving their active consideration to the most advantageous manner in which finance can be made available to meet the very high level of expenditure involved. In this connection, it is with pleasure I am able to inform you that the Leyland Motor Corporation has indicated its readiness to provide the amount of Rs. 330 lakhs (approximately £2.5 million) which will be required for imported plant and machinery, subject to satisfactory arrangements being approved by the Government of India. Your Company is engaged in ascertaining as closely as possible the amount of money in rupees which will become available from internal resources, so that it will be possible to calculate the balance which will have to be provided by a capital issue. As far as work on this problem is concerned, it appears that it will not be necessary to raise capital to cover the total estimated expenditure of approximately Rs. 550 lakhs (the sum of the amount required for imported plant and machinery and that required for buildings and plant and machinery to be purchased in India). It is probable, therefore, that the necessary finance will be raised partly by a capital issue and partly by a loan from the Leyland Motor Corporation, subject to the Government of India approving such a loan and its terms. Certainly, however, some additional capital will have to be raised and an application to the Controller of Capital Issues has been made for a new issue of Rs. 221 lakhs, of which Leyland Motor Corporation will take approximately Rs. 133 lakhs and the balance be subscribed by Indian shareholders.

Until such time as the heavier duty chassis have 100% indigenous content, it will, of course, be necessary for your Company to obtain an allotment of foreign exchange to cover the import of components from the United Kingdom. It is possible that such an allotment will not be made earlier than the 1st April, 1965, so that the first of the heavy duty chassis for sale may not be available until after June 1965. Market surveys indicate that there will be a demand for the heavier duty chassis which will justify your Company's decision to include the new models in its range of products. In this connection, it is anticipated that by 1968 when production of the heavier duty chassis will be fully established, with a high indigenous content such restrictions on gross vehicle weights as might at the present time inhibit sales in a number of States will have been amended, so that it will be practicable for road transport users to take full advantage of the greatly increased payload capacities of the new model.

ECONOMIC RESEARCH

- is an essential part of modern commerce. But it is
- not always easy to obtain. The ordinary business
- house does not usually possess the records, statistics
- and archives which are the raw material of research

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- has constructed and maintains a number of cost of living
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  - business research.

P. O. Box 14, Calcutta-1 or 5, Mission Row, Calcutta, India.

Ennore Foundries

The increase of your Company's demand on Ennore Foundries Ltd. and additionally the increase in the demand for iron and aluminium castings by other manufacturers has necessitated steps being taken to ensure that Ennore Foundries can meet this demand. Plans are nearing completion and orders have already been placed for plant and machinery to enable Ennore Foundries to increase its output to 200 tons per week. Looking to the future, provisional plans are already in train, so that when the demand arises the Foundry output can be increased to something over 400 tons per week.

You will be interested to know that your Company recently prepared a Five-Year Plan with a view to forecasting the probable increase of its turnover, the capital expenditure necessary to achieve it and the likely profitability each year. Calculations made in relation to this Five-Year Plan indicate that by 1967/68 the Company's turnover may reach a figure of about Rs. 33 crores, with a reasonably fair profit on capital employed at that time, after taxation. Data utilised for the preparation of this Plan were conservative, revenue being calculated on the low side and the expenditure on the high. However, the figures must necessarily be treated with reserve because the assumptions on which they have been based may prove incorrect with the passage of time. Any unexpected or abnormal increases in material costs, reductions in foreign exchange available for the Automobile Industry, loss of production due to labour disputes, etc. would obviously reduce the turnover and at the same time the Company's profitability. The plan will, nevertheless, be useful, as representing reasonable annual targets at which the Company can aim and indicating that subject to reasonably normal conditions being maintained, output of your Company's products may increase steadily with satisfactory profitability.

I have considered it necessary to give you a fairly detailed account of the programme of expansion which the Board has decided upon and which I trust will have your general approval.

Changes in Board and Top Management

Let me now refer to the changes in the constitution of the Board itself and to the changes in the Company's top management. It is with deep regret that I have to report the loss that the company has sustained by the sad demise of Sir Henry Spurrier, Chairman of Leyland Motors, and a Director of your Company since the collaboration agreement was arrived at by the Indian Company with Leyland Motors. Sir Henry took the keenest interest in the development of the Indian company and we were fortunate to have more than one visit from Sir Henry, to your factory and offices. It was his vision which enabled us to undertake the expansion of this company, after its formation as Ashok Leyland Ltd. The Directors have placed on record, their deep sense of loss at the passing away of Sir Henry and I am certain that you as shareholders, will join in expressing your great appreciation of his contribution to the success of the Company and, your regret at his demise.

Mr. W. West, Chairman and Managing Director, West Yorkshire Foundries Ltd. and a Director of Leyland Motors, has been co-opted as a Director in the place of Sir Henry.

I referred to changes in the top management of the Company. Mr. A. E. L. Collins, who has been Managing Director of the Company since its reconstitution, is shortly leaving us to take a place in Leyland Motors, London. His services to your Company have been invaluable. His devotion to duty, his concern for the growth and prosperity of your Company, his intimate knowledge of Indian conditions, his suave manners and his tact in dealing with the staff, particularly with the workers in the factory cannot be exaggerated. Mr. Collins has set a pattern of conduct as Managing Director which can be paralleled by only a few examples. As this will be the last meeting of the shareholders which Mr. Collins will be attending as Managing Director, I am sure you would like to place on record, a Special Resolution of appreciation of his unique services.

To remove any deep feelings of disappointment at his departure which you may feel at this juncture, I should hasten to state that he will still be available to us for advice and consultations in India over a long period. In the projects that we are undertaking, the expansion that we contemplate, it is essential that Mr. Collins, who has been associated in the planning and has such intimate knowledge of it, should be available, particularly in the initial stages. I said that Mr. Collins will be joining the Leyland Motor Company in London, but he has kindly agreed to visit our Company at least once a quarter to see the progress we are making and give us the benefit of his advice. We are extremely thankful to Mr. Collins for this gesture of his deep interest in our Company—a gesture which entails not a little trouble, labour and time on his part. We are also thankful to Leyland Motors for not merely agreeing to this proposal, but actively supporting it. As you will see from the Notice, Mr. Collins will be retiring at the end of March from the services of your Company.

From the notice of the Meeting before you, you would have seen that the Board of Directors has decided to appoint Mr. J. C. Watson as Managing Director of the Company for a period of five years from the 1st April 1965. Mr. Watson has been the Factory Manager from the 1st October 1963. His work has been quite satisfactory and much of the credit for the improved production in the factory during 63/64 is largely due to him. The Directors have no hesitation in recommending to you, for approval, the resolution which is before you, to appoint him as Managing Director for the period mentioned therein. With your approval, the Company will approach the Government for its sanction.

Thanks

It only remains for me now to thank the Management, Officers, Clerical Staff and the Workers at the Factory for their enthusiastic co-operation which has helped the Company to progress steadily during the years. I trust that this co-operation on the part of the workers, particularly, will continue in the future and even as they are proud of the place that Ashok Leyland occupies in the automobile industry in India now, they will be even more proud in the near future, of its position —a position which will be due in no small measure to the co-operation of Officers, Staff and Workers.

I should like to thank both the Central Government and the State Government for the advice, help and assistance that we have received from them.

Finally, I should like to thank you all—the Shareholders of the Company for the continued support that you have extended to us, which has enabled the Board to go confidently forward with its plans for enlarging the scope of your Factory.

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

J. K. STEEL LIMITED

CHAIRMAN, MR. LAKSHMIPAT SINGHANIA'S ADDRESS

The following is the Chairman's address by Mr. Lakshmipat Singhania at the 11th annual general meeting held in Calcutta on Monday, December 21, 1964.

Gentlemen,

I have pleasure in welcoming you to the 11th annual general meeting of the company. The annual report and accounts for the year ended June 30, 1964, together with the directors' report have already been circulated.

During the year, a number of far-reaching changes have taken place in our country and abroad. We have lost our most beloved leader, Pandit Jawaharlal Nehru, who showed us the way for economic uplift of the country. He was a worldwide figure and was recognized as a unique personality of the time. The lead given by him in the economic, social and political fields will be of invaluable guidance to us for the future in building up the Nation. We have been fortunate to have Mr. Lal Bahadur Shastri as country's new leader and Prime Minister. He hails from the masses and, therefore, understands the difficulties of the common man much more than anybody else. There can be no doubt that his leadership will be of immense benefit to the country.

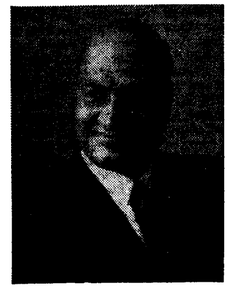
The country is facing at present difficult problems, such as very slow rate of economic development, shortage of essential commodities like food and consumer goods, and slowing down of the rate of production in many spheres. The result is that the real value of rupee has been going down and, due to the incidence of extraordinary heavy taxation on the people who form a small minority of the total population, the economic condition of these people has been greatly affected. Shifting the blame from one place to another is not going to solve the problem. The wholesale dislocation of normal channels of trade and foisting blames on certain people, who create the wealth, is not going to help. I have always believed that, taking the nation as a whole, there cannot be anything wrong in the country. It reminds me of a saying "You cannot divide nothing. Wealth is production and the more you produce the more there is to divide but if you won't produce anything above bare subsistance and no matter how you divide, it is still nothing".

Production Hindrances

I have always emphasized that, under no circumstances, production should be hampered. Unfortunately, what is happening in our country today is that there are more hindrances to production, and those, who produce, meet with more of discouragement and obstacles than of encouragement and help. The fundamental basis of production is cooperation between the Government, the producer and the worker, and unless and until it is viewed in this perspective, it is not possible to step up production, no matter whosoever is blamed. Without production no problem can be solved and, therefore, all emphasis should be laid on more production instead of laying stress on certain theoretical and political aspects, which tend to retard production.

Coming to the affairs of the company, sales have slightly gone down and gross profit is less by about 2½% as compared to last year. This can be mainly attributed to the fact that last year's sales included substantial portion of carried forward stocks. The margin of profit on sales was also affected on account of higher prices of raw materials and increased cost of labour and stores. Further, continued restrictions on power and difficulty in getting raw materials affected production. I hope, in the coming year, we will not only make up this leeway but also increase our sales, as we have started the manufacture of new products and also expect the supply of raw materials to improve.

The supply position of billets, which is the raw material for production of jute baling hoops, continues to be very difficult. Further, the main producers are reluctant to manufacture and supply 2" square billets, which the company has been getting from the very inception and for which your mills are designed and equipped. We are now asked to take and roll bigger size billets which are more than 50% in weight and which will result in lowering of production. Probably the reluctance of the main producers to supply 2" square billets, which they have so far been



Mr. Lakshmipat Singhania

doing, is due to the fact that the price of 2" square and bigger size billets being the same leaves them with lesser margin of profit when rolling 2" square billets. We have suggested to the Government that it should examine this matter and allow suitable increase in the price of small sized billets so that the rolling industry is not made to suffer. It is an irony of fate that the rolling industry, which is rendering important service to the nation, has not been looked after properly. It was expected, that after the public sector plants would come into operation and after the expansion of the existing private sector plants, there would be enough supply of billets to the rolling industry. Unfortunately, however, the situation has worsened rather than improved, and at present billet supplies to the rolling industry is not even half of their total requirements, resulting in continuous national loss due to idle capacity.

Wire Rope Plant

As mentioned by me last year, the project for doubling the capacity of your wire rope plant has made good progress. The foreign exchange requirements were arranged through the help of the Industrial Credit & Investment Corporation of India Limited. The machinery has started arriving, the building is practically ready and, it is hoped, that in a few months, the plant will be put into commission. Although it was hoped that we would be able to start this plant earlier, there has been some delay due to the delays in getting the import licence and going through other formalities. The Government has already licenced production capacity for steel wire ropes to the extent of 40,000 tonnes whereas the present consumption in India is very much less. Several new wire rope factories have recently come into operation and it will be some time before production and demand will adjust themselves. However, a significant development is the change in the pattern of demand of wire ropes from mining to engineering because of considerable reduction in the production target of the coal industry, which is the largest single consumer of wire ropes in India.

During the year the company commenced production of electric hoist blocks and chain pulley blocks. These products of the company are of good quality and have been well received in the market. I hope that this new line of manufacture of your company will, in course of time, develop further with the growing demand in the country for such goods.

The company is also finalising the arrangements for the manufacture of electric overhead travelling cranes and it is hoped that in not too distant future we shall be able to commence their manufacture.

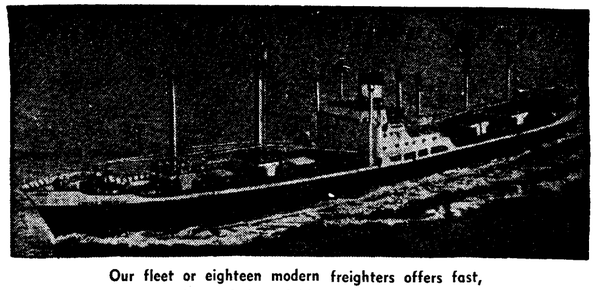
The labour situation in the State is unfortunately not conducive to an atmosphere of higher production and has been a constant source of worry and disturbance. The labour leaders do not adopt helpful and constructive policies but encourage new and unreasonable demands about which there is no finality. They frequently advise go-slow tactics which means not only a loss to the nation but also a great loss to this State as entrepreneurs are losing faith in the establishment of new industries in this State. I have always viewed this development with great pain, particularly when there is so much unemployment in this State and the prime need of the State is increased opportunities for more employment, which can be generated only by establishing new industries and by expanding existing industries. I hope that the State Government will give this matter very serious consideration at an early date and take steps to improve the situation.

It is unfortunate that the Bonus Commission recommendations and the subsequent Government decisions on it have not led to better industrial relations between employers and workers. On the contrary, more confusion and difficulties have been created in resolving the bonus problem. Unless the situation is cleared, it will have an adverse effect on production. I only wish that while taking decisions on this matter the Government would keep in mind the ultimate burden on the consumer and the requirements of industrial development.

Gentlemen, as I have said earlier, I wish to repeat that prosperity of the country depends upon greater production with greater efficiency and I earnestly appeal to every one, who is interested in the welfare of the country, particularly of this State, whether he is a worker or belongs to management, to do his utmost to increase the production.

On your behalf I must express my appreciation for the good work done by all sections of the company's employees. Our thanks are also due to the managing agents for the very valuable services rendered by them and to our customers for their continued patronage of our products.

N.B. This does not purport to be a record of the proceedings of the annual general meeting.



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ASSOCHAM ANNUAL MEETING

TEXT OF RESOLUTIONS ADOPTED

AT the annual general meeting of the Associated Chambers of Commerce and Industry of India, held in Calcutta on Saturday and Monday, the following resolutions were unanimously adopted:

Prices: *Bombay Chamber of Commerce and Industry.* The unprecedented increase in the general level of prices during the current year is, perhaps, the biggest economic challenge the country's economy has had to face since independence. In their attempts to bring down prices, the Government has resorted to controls and rationing, procurement of foodgrains, zonal restrictions on their movements, tightening of bank credit and exhortation to the public and trade. These do not, however, offer a long-term solution. Controls and rationing are, at best, palliatives; procurements, merely a form of redistribution; and exhortation, only an appeal to emotions; they do not produce more. Growing shortages of agricultural and consumer goods on the one hand, and mounting nonproductive public expenditure and increasing money supply on the other, have brought about an inflationary situation. The remedy surely lies in stimulating agriculture and production, particularly of consumer goods, a rigorous pruning of non-productive expenditure, and in according priority to investments of shorter gestation, though in no way ignoring the need for building the industrial base. Happily, the Government keenly appreciates the need to combat boldly the problems of production and the problem of containing inflation. The Associated Chambers in welcoming this, would urge that a certain freeing of the economy and a more pragmatic approach will help to produce the greater flow of food and consumer goods which is required to stabilise prices.

Food and Agriculture: *Upper India Chamber of Commerce.* The Associated Chambers have observed with growing concern the inability to achieve a substantial and steady increase in agricultural output, particularly of foodgrains. They consider that a solution of the food problem by increased production and efficient distribution is vital to the country's economic stability and the successful implementation of its development plans. The Associated Chambers, therefore, urge the Central and State Governments to treat the problem as of the most urgent economic and national importance and, as a means of achieving a prompt, substantial and lasting improvement in the food situation, suggest—(a) that intensified cultivation and increased crop yields should be stimulated by greater adoption of such measures as the supply of improved seeds, fertilisers, pesticides, better cultivation methods and the use of modern implements, and the provision and utilisation of more irrigation facilities; (b) that in the interest of improving agricultural efficiency the present policy on land holdings should be reconsidered; (c) that the administrative machinery and personnel connected with agricultural services, particularly at State and district levels, should be strengthened; (d) that short-term agricultural credit to cultivators should be extended and improved; (e) that minimum prices for foodgrains should be fixed at the beginning of the season with a guarantee of purchase from the agriculturists at such prices at any time; (f) that the free movement of foodgrains throughout the country should be permitted at all times.

Taxation: *Madras Chamber of Commerce.* The laudable intention of the Government of India as expressed in the Finance Minister's speech introducing the 1964 Budget to get taxation policy to the paramount task of promoting economic growth was noted with much satisfaction by the Associated Chambers. They observe, however, that the overall picture that has emerged since the Finance Act, 1964, is that, while the reliefs granted under the Act were not insignificant, the new levies on bonus shares and equity dividends, the limitations on admissible expenditure and the application of an increased rate of super tax to a particular category of companies added to the severity and complexity of direct taxation. The Associated Chambers would, therefore, urge that in consonance with the object of promoting economic growth through modifications in taxation policy, the Government should give consideration to further bold and imaginative reductions in the heavy incidence of corporate and personal taxation which would have a stimulating effect on the economy, revive investment and schemes for development, and in so far as they improve the rate of growth of the economy, would increase rather than reduce the yield of direct taxation.

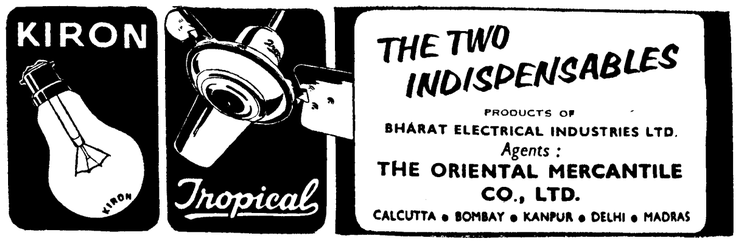
International Investment: *Bengal Chamber of Commerce and Industry.* The Associated Chambers believe that increased private international capital investment can play a major part in reducing economic and industrial disparities between the nations, and that in the present stage of Indian industrial and agricultural growth such capital can have a particularly stimulating effect on the expansion and diversification of the economy. They, therefore, welcome the positive steps which have been taken by the Government of India to provide incentives to foreign enterprise which can make a contribution to the national interest and to remove obstacles in implementing schemes of collaboration. The increasing interest shown by foreign investors in Indian projects is gratifying, but the response is still incommensurate with Indian investment and economic possibilities. The Associated Chambers recommend that even more intensive study of this problem is necessary in order that effective proposals may be made to deal with existing deterrents and to ensure that there are sufficient incentives to attract foreign capital on the scale necessary.

Ports and Transport: *Bombay Chamber of Commerce and Industry.* While acknowledging the action taken by the Government of India to deal with the various aspects of the transport problem, the Associated Chambers are concerned at the Government's failure to exploit fully the potential which exists for a co-ordinated development of all forms of transport and to ensure the maximum utilisation of all existing equipment and facilities. They urge that (a) greater attention be paid to centralised, co-ordinated and effective planning for the continuing development of all forms of transport in order to maximise the combined transport capacity of the country within the limits set by available resources; (b) continuing attention be devoted to increasing the capacity of the railways; to extending routes, replacing narrow gauge with broad gauge, and single tracks with double tracks in selected areas, with a view to maximising benefits to industries and trade; to introducing modern methods of operation in order to increase overall efficiency; (c) road transport be recognised as an important and, in an expanding economy, in increasing measure an inevitable supplement to rail transport; the development of roads and road transport be accorded urgent and greater attention by the Government; an equitable and uniform procedure be evolved to encourage road transport operators and to eliminate the difficulties and imposts which impede successful operation; (d) the planned development of ports be pursued with all possible vigour both as regards extension and modernisation of the major ports and enlargement of selected minor ports into major ports; (e) while ensuring equitable treatment to labour in general in all spheres, labour relations be handled with greater promptitude and firmness to avoid costly stoppages at a time of national emergency; and (f) bearing in mind the importance of transport in the context of the plans, and the urgency attached thereto, all possible efforts be made to implement policy decisions with the utmost vigour.

Labour and Production: *Punjab and Delhi Chamber of Commerce and Industry.* Having regard to the inherent limitations in the availability of resources in India and the alarming decline in the rate of growth of the national economy notwithstanding the vastly increased input of resources, it is the manifest duty of every section of the community to ensure the fullest utilisation of the existing facilities for achieving maximum production. In ensuraing such maximum utilisation, the labour force has a vital rôle to play; but in the opinion of the Associated Chambers, a fundamental change in the mood and motivation of the labour force which is essential for the attainment of maximum production can only be achieved if the Government will (a) orientate its labour policy uncompromisingly towards increasing production; (b) emphasise the national community needs as against industrial labour's own self-interest in the solution of labour problems; (c) take effective steps to raise the standards of labour discipline; and (d) differentiate between labour unrest based on industrial problems and labour agitation generated by politically-oriented trade unionism.

Power and Water: *Cochin Chamber of Commerce and Industry.* The Associated Chambers welcome the considerable improvements in the supply of electric power in many regions of the country and appreciate the relief which as a result has been given to industrial development and industrial production. They would emphasise however that crisis conditions have been experienced in certain areas and much remains to be done before all existing inadequacies and shortages are eliminated. Immediate attention appears to be required to the problem of supplementing hydro-electric sources with thermal generating stations and the need to spread resources by the development of State and regional grids. Further, there is reason to believe that schemes for the expansion of generating and distributing capacity are still not satisfactorily adjusted to the probable growth in long-term demand and the Chambers urge that the plans for the increase in power generation in relation to existing and potential industrial and consumer demand should continue to receive the highest priority.

While recognising that certain States have taken steps to utilise the water available for the expansion and extension of hydro-electricity, there has not been the same urgent alertness in expanding the supply of water required for domestic, industrial and agricultural consumption. All of these, in their various ways, are basic requirements for the future development of the health and prosperity of the country. The Associated Chambers would accordingly urge that future planning should devote considerably more attention and financial assistance to the provision of reservoirs, wells and other methods of supplying water for the numerous purposes for which it is a fundamental prerequisite.



NEED FOR A BOLDER EFFORT DURING THE FOURTH PLAN

By Tarlok Singh
(Member, Planning Commission)

Economic growth in the early years of the third plan has been disappointing, mainly because of agricultural stagnation and bigger defence spending. If such conditions are allowed to persist, they will do serious harm to the country. So a breakthrough is urgently needed.

TO pull a nation of more than 450 million out of the depths of poverty calls for sustained and almost superhuman effort. Under the best conditions, this effort would have caused deep stresses and strains. The task has been rendered even more difficult by the inadequate performance of the Indian economy over the past three years, specially in agriculture, by the great burdens which the country has had to bear because of the emergency, by the recent rise in prices and by the loss of a great leader of men who had for long embodied and inspired the national will.

While the basic impediments to rapid economic progress remain, such as the high rate of growth of population, lack of capital and foreign exchange resources, social conflicts not yet fully resolved and numerous problems of organisation and implementation, the negative aspects of the prevailing mood are a cause for real concern. They militate against a correct approach in the present critical period and to the next phase in India's development. If allowed to continue, they will do untold harm to the prospect of growth and stability during the coming years. Therefore, the key to a fourth plan capable of supporting a breakthrough in economic development lies in determined and relentless effort to deal with causes which have held back progress in recent years and to stimulate at every level the necessary zest and unity of endeavour. This is the central task of leadership at the national and State levels and in every sector of the economy.

If there is less public debate at present on the basic objectives and strategy of the fourth plan than occurred when the second or the third plan was formulated, this is to be explained by two circumstances. First, the broad approach to planned development set out in the earlier plans is now widely accepted. There is in fact no serious alternative to it. Rapid growth of the economy, increase of agricultural production and reorganisation of the rural economic structure, building up of basic and heavy industries, expansion of employment opportunities, securing of a minimum for the bulk of the people and diffusion of economic power are rightly regarded as essential aims. In this background, limitations of resources, including internal savings and foreign exchange, are recognised as constraints on the extent of advance that can be achieved in any direction during a given period. The second reason for lesser interest in discussions of a fundamental nature is the fact that problems of implementation have come to the fore in a manner not previously witnessed. These problems are now better understood. The factors which come in the way of substantial results being obtained in relation to any given effort or investment have been more closely identified.

In each field one can see how, given the necessary resources in personnel and materials and concentration of effort, substantial results, even exceeding targets set in the plan, are in fact achievable. For this reason, in the closing period of the third plan and in relation to the fourth plan as a whole, within the scheme of the agreed objectives and approach, the main accent has to be on action, on execution and on devising effective means. This is not to under-estimate the importance of goals of development. For, national plans are sustained both by vision for the future and by success in the present. Since tens of millions of persons are engaged in carrying out vital tasks, the perspectives of development, the aspirations of the people and the achievement of a just social order are a necessary condition for securing the best that each individual and each group can give towards the fulfilment of the plans.

Popular Co-operation

Although there have been many shortcomings in practice, a feature of India's development plans has been the attempt to involve large numbers of persons, groups and institutions in their preparation and execution. Five year plans have been thought of as a framework of action within which a great deal of activity would be generated, both directly and indirectly. Allocations of resources under the plans are essentially a means for stimulating widespread activity, for carrying greater awareness to the community as a whole and invoking from it a steadily increasing response. To the extent this process has remained incomplete, there has been a smaller measure of success than could have been attained.

Nevertheless, it would be proper at this juncture for every group in the economic life of the country to ask itself whether, on its part, it had done all or even a considerable part of what was expected of it under the third five year plan, and to propose the means by which it would more speedily eliminate the gaps which remain. Latterly, the most common attitude has been one of criticism and complaint rather than of deliberate effort to deal with the elements which account for slower progress. Too many have tended to speak, as it were, from the outside; too few as partners in a common undertaking. At this stage, therefore, earnest efforts, based on an approach of confidence in the nation's capacity and complete involvement from within, to repair the damage done to the third plan and to build up the future on stronger foundations constitute by far the most important and urgent aspect of work on the fourth plan.

In earlier plans, the factors which caused the greatest uncertainty related to the mobilisation of resources and securing the necessary foreign exchange. In these matters, experience in the third plan is encouraging. On the whole, despite the emergency through which the country has passed, the Centre and the Stages together would mobilise over the plan period about Rs. 700 crores more than the initial target. Although there will be strains, the Indian economy is capable of raising progressively larger resources for its development. In the matter of raising internal resources, this capability is likely to improve steadily. There is less assurance in the matter of external resources, but, within a margin, it is possible to reckon on sizable amounts of external aid and credits. At the same time, the performance of the economy in realising the third plan target for exports represents a distinct advance on the first decade of planning and holds promise for the future. At the beginning of the third plan, pressures on transport and power inhibited industrial effort and economic growth. Now there are slacks in the economy, specially in transport, and there is scope for accelerating the total effort. Thus, in a number of directions, despite setbacks in agriculture and the moderate rates of growth in industry, the fourth plan will start under more favourable conditions than the third.

The main causes of disquiet in relation to the fourth plan arise from the price situation of recent months and from factors bearing on organisation, administration and implementation. Success in the period immediately ahead in dealing with prices and implementation and in pushing the economy to a higher level of performance would greatly alter the outlook for the fourth plan. In relation to prices, the country is doubtless passing through a period of painful transition. The memorandum on the fourth plan has pointed out that during the second plan, prices rose by about 30 percent, but much of the increase was in industrial raw materials and manufactured articles. Between March 1961 and September 1964, prices rose by about 25 percent, but the rise in the price index of food articles was over 44 percent, while in that of manufactured articles it was about 6 percent and in industrial raw materials about 7 percent.

Recent measures to fix producers' prices at remunerative levels take into consideration the facts of the present situation as well as the need to ensure an adequate price incentive to the farmer. The first exercise on the fourth plan has been undertaken in terms of the price levels of 1963-64. How far this will call for revision when work on the preparation of the fourth plan reaches its final stage depends on developments in the intervening period. It is obvious that without an enormous amount of social discipline and of restraint of anti-social elements, it will be extraordinarily difficult to achieve a statisfactory price equilibrium. The problem of prices, therefore, is currently the most crucial factor in the formulation of the fourth five year plan.

Administrative Challenge

The very scale of efforts to be undertaken in the fourth plan makes a compelling and inescapable demand for higher standards of administration and organisation. Unless the administrative challenge is met, the larger dimensions of the fourth plan will be whittled down in practice and the investment will yield a much smaller return than the country is entitled to expect. The challenge runs through every facet of activity. Even where the main elements of the problem of implementation in any field have been discerned and their inter-connections noted, it is not in practice easy to eliminate completely the gap between planning and execution. But it is within the range of practical action greatly to narrow this gap by creating the conditions for sound organisation and team work, integrated effort, assured supply of materials and other inputs, appropriate delegations of authority, avoidance of delays and the necessary motivations and incentives.

In the past, planned development was often thought of as being largely a matter of framing the right economic and social policies, formulating investment plans, harnessing resources and enabling those responsible, whether at the Centre or in the States or in the private sector, to carry out the tasks assigned to them. The problems of implementation have proved in fact to be much more obdurate. They now call for more detailed strategies, for a better and sharper tools, for a more complete and unremitting pursuit of specific objectives than was allowed for in the past. This may be illustrated by a few examples drawn from tasks visualised in the memorandum on the fourth plan, recently approved by the National Development Council.

Investment Planning

The fourth plan is reckoned at present to involve as an outer limit a total investment of about Rs. 20,000 crores and current outlays amounting to about Rs. 2,500 crores. To the extent current outlays rise disproportionately, the volume of investment will be affected. Therefore, the plan must have a built-in scheme of expenditure control, of parformance budgeting and of performance evaluation. In turn, this will call for a review in fundamental terms of the existing system of maintaining public accounts. Of the total investment of about Rs. 20,000 crores, about Rs. 7,000 crores falls within the private sector.

Allowing for inherent difficulties in assessing private savings and of chanelling these into given directions, it will be necessary to determine much more accurately than in the past the sources and extent of savings in different parts of the economy and to devise various institutional and other means for directing savings into various planned investments, both in the corporate and in the household sectors. The existing data in this field need to be probed deeply. Again, considering investment programmes in the public sector, it is apparent that within each sector of the plan, there must be a careful study of alternatives, appraisal of costs and benefits and stricter application than in the past of the criterion of return on investment.

Successive five year plans mark important phases in the country's development. There is real justification for this approach in as much as each plan sets signposts to be reached and prescribes tests which must be accomplished over a given period by the nation as a whole. Yet, a five year plan is in a sense only a symbol and a framework. Planning and development have to be continuous and have to go on all the time. At each stage, one gathers in the harvests of the past and takes a fresh look at the future. This notion of continuity has to become more organically a part of our planning techniques and practice than has been possible thus far.

This implies, firstly, a carefully worked out plan of long-term economic development for at least ten or 15 years, which is reviewed from time to time; secondly, a view each year of the growth of the economy as a whole over the succeeding five-year period; and, thirdly, in relation to all major projects, a forward view each year of the physical programmes and the financial forecasts for the next four to five years. Moreover, since India's development takes place in the context of an expanding and rapidly changing international economy, with all its tensions and problems, as part of the planning

process itself, there must also be a constant effort to interpret international developments and to relate them to national and regional objectives and policies. National economic planning in a setting such as India's is based on internal as well as on external assumptions, and these must be continuously tested and recast to the extent necessary.

Intensive Agricultural Areas

Over the past eight years, it has been recognised that the largest promise of increased agricultural production and higher yields lay in areas with irrigation and assured rainfall. At one stage, it was proposed that community development projects should be established as a matter of priority in areas in which conditions of agricultural growth were more favourable. This did not happen in practice. Therefore, by a series of steps, following the mid-term appraisal of the third plan, the approach of intensive areas has been accepted as a matter of agricultural policy. It has been agreed that about 1,500 development blocks, covering roughly 20 to 25 percent of the cultivated area, should be slected for intensive agricultural development and taken up over the three years, 1964-65, 1965-66 and 1966-67. The slection of areas for intensive agricultural development and working out of detailed area plans for development of resources, extension, adoption of scientific practices, marketing and credit constitute an enormous administrative and technical task. Only if this task is carried out with the necessary thoroughness and organisation will the larger inputs of personnel and materials and investments contemplated for these areas bear fruit.

Side by side with the question of stimulating rapid agricultural growth in the more favourable areas, much more attention has to be given under the fourth plan to the problem of accelerating growth in those parts of the country which have remained markedly backward. It is in these areas that mass poverty is to be found in its extreme and concentrated form. Some of these areas have the natural resource potential for economic growth. But there are others in which conditions of development are not inherently favourable. Each such area has to be identified, its conditions carefully studied and an appropriate scheme of development devised for it.

Allied to this problem of backward areas is that of the backlog of unemployment and under-employment. The fourth plan will add about 23 million to the labour force. Within the third plan period itself, the backlog of unemployment will have increased by 4 million. The rough reckoning of additional employment opportunities arising from investment programmes in the fourth plan is 20 million to 21 million. Growth in employment of this order will fall short of the minimum needs of the economy. The fourth plan, therefore, needs critical scrutiny from this aspect. A large rural works programme, sufficiently intensive and directed specifically towards areas with large pockets of unemployment and under-employment becomes, therefore, an essential component of the fourth plan.

Private Sector Plans

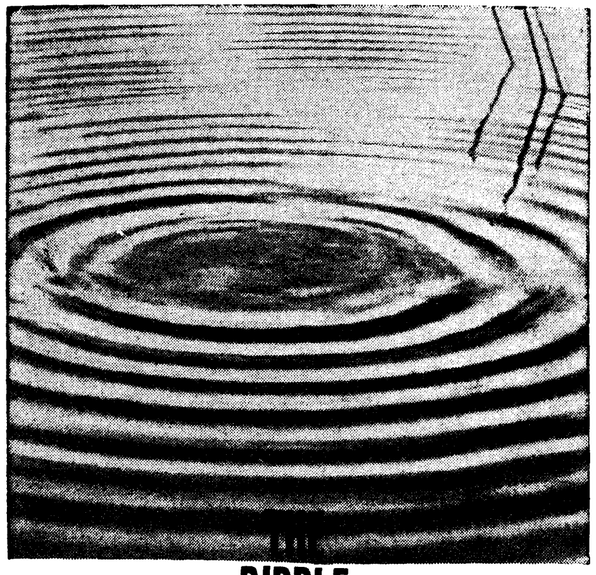
In earlier plans, it could be assumed that industrial development programmes assigned to the private sector were likely to be implemented fully, roughly over the period of the plan. After the experience of recent years, this is not a safe assumption. Government and financial institutions established by it have now a larger responsibility in guiding private investment, both foreign and indigenous. It is not enough to be able to prevent private investments in directions not envisaged in the plans. A more positive approach has to be developed. Both for capital investment and for supply of raw materials and components, detailed planning has become as essential in the private sector under the plan as it is in the public sector. Where private industry is unlikely to carry out its share in the plan, it has become necessary to ensure that public agencies will step in and undertake larger programmes. It has also become a matter of public interest and policy to ensure that as the private sector expands, on the one hand, considerations of scale and costs are borne in mind and, on the other, there is a wider spread of industrial opportunity to small and medium-sized units and the co-operative sector and to less developed areas, and concentration of economic power is avoided.

To take one more example; for many years, attempts have been made to undertake planning at the district and block levels. Local plans have a vital rôle, specially in the acceleration of development in rural areas and, to an increasing extent, also in urban areas. They are the means by which, at the level of the community, the people can be drawn into the planning process, can assume larger burdens for their own development and can mobilise local resources. In the fourth plan, there has to be a close and systematic approach in formulating and implementing district, block and village plans as well as in relation to city development plans. Through these plans, planning becomes a national movement, involving popular institutions and leadership and leading the mass of the people into a scheme of intensive effort for rapid development. This task is as inspring as it is one of formidable proportion. Yet, thanks to the institutions of democracy which have been established and the national consensus which exists, this undertaking is within the nation's capacity. Its successful accomplishment has revolutionary significance for India's future.

Management and Organisation

These examples and the analysis given earlier suggest that in their wider sense management and organisation have to be the keynote of the fourth plan. Although there have been many deficiencies, the country's institutions, administrative apparatus and enterprise have already succeeded in achieveing substantial progress. A great deal of objective evaluation of the factors of success and failure in different activities have been identified.

The fact that the rate of progress achieved during the past three years is smaller than had been hoped for makes some of the tasks of the fourth plan more difficult than they need have been. In the course of development such setbacks will occur from time to time. They should strengthen our resolve and lead to greater effort. Our approach of planned development and the basic objectives of democratic socialism derive from the needs of India's economy and her social structure. The fourth plan cannot but reaffirm them. It is primarily in the sharpness of the tools for carrying through economic and social policies, in the efficiency and vitality of the organisations through which development plans are implemented, in the quality of planning and in the intensity of the effort undertaken at every level, that the fourth plan must mark a major break from the past.



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STATE FINANCE CORPORATIONS NEED MORE RESOURCES

By A. Raman

State Finance Corporations are too conservative and strict in their lending policies. They may be of greater help to medium and small industries if their resources are increased and the lending policies liberalised.

WHEN the Industrial Finance Corporation of India was established in 1948, the need was felt for a suitable agency in order to provide capital for medium-sized and small-scale industries and thereby supplement the activities of the Corporation. Besides, only public limited companies and co-operative societies could get financial assistance from the Corporation. So some other new agencies had to provide financial assistance to the private-limited concerns and other private enterprises. Thus the State Financial Corpoations' Act was passed on 28th September, 1951, which made provision for the establishment of the State Financial Corporations.

By and large, there is a close resemblance between the provisions of the Industrial Finance Corporation Act and the State Financial Corporations Act. According to the latter, the functions of these Corporations are to "(a) grant loans or advances to, or subscribe to the debentures of industrial concerns repayable within a period of 20 years; (b) guarantee loans raised in the market by industrial concerns and repayable within 20 years; (c) underwrite the issue of stock, shares, bonds or debentures by industrial concerns, subject to the condition that any part of the issue taken upon in accordance with the underwriting arrangement is disposed of within seven years. It is also stipulated under the Act that the maximum amount of the share capital of the State Financial Corporations would be Rs. 5 crores and the minimum Rs. 50 lakhs.

Share Capital

As a result of the passing of the Act, State Financial Corporations have been established in many States. There are at present Financial Corporations in 15 States, namely, Andhra Pradesh, Assam, Bihar, Maharashtra, Gujarat, Kashmir, Kerala, Madhya Pradesh, Madras, Mysore, Orissa, Punjab, Rajasthan, Uttar Pradesh and West Bengal. Their paid-up capital as at the end of 1962-63 was as follows:

Name of the State Financial Corporation	(In Rs. crores)
Andhra Pradesh	1.50
Assam	1
Bihar	1
Maharashtra	1
Kashmir	0.50
Gujarat	1
Kerala	1
Madhya Pradesh	1
Madras	1.32
Mysore	1
Orissa	1
Punjab	1
Rajasthan	1
Uttar Pradesh	1
West Bengal	1
	15.32

Generally speaking, the authorised capital of each State Financial Corporation varies from Rs. 2 crores to Rs. 4 crores; but the majority of the Corporations have Rs. 2 crores as their authorised capital; and the paid-up capital of these Corporations ranges from Rs. 50 lakhs to Rs. 1.50 crores. The respective State Governments, the Reserve Bank of India, financial institutions such as scheduled banks, co-operative banks and insurance companies and the general public have contributed to this paid-up capital. The share capital of the Corporations enjoys the guarantee of the State Government concerned for the repayment of the principal and the payment of dividends.

Loans Sanctioned

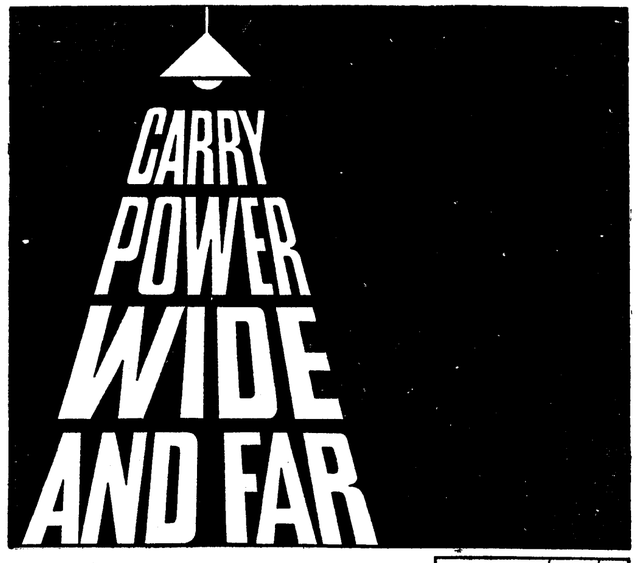
In 1953-54, there were only two State Financial Corporations; and they sanctioned and disbursed loans amounting to Rs. 70 lakhs and Rs. 30 lakhs, respectively. In 1954-55, there were eight State Financial Corporations; and the loans sanctioned and disbursed by them stood at Rs. 2.1 crores and Rs. 1.3 crores, respectively. The 12 State Financial Corporations functioning in 1955-56 sanctioned loans amounting to Rs. 4.05 crores; and the amount actually disbursed was Rs. 1.9 crores. Between 1956-57 and 1963-64, loans sanctioned and disbursed by the Corporations are as follows:

Amount sanctioned	Amount disbursed (In crores of rupees)
1956-57	4.43	2.86
1957-58	4.77	3.71
1958-59	4.99	3.33
1959-60	5.88	3.94
1960-61	9.16	4.75
1961-62	12.91	8.07
1962-63	18.33	11.33
1963-64	17.9	

The total amount of loans sanctioned by the various State Financial Corporations till the end of 1963-64 comes to Rs. 85.2 crores.

The progress of the State Financial Corporations was not much in the beginning. The volume of loans sanctioned was low during 1953-54 and 1954-55. During 1955-56, the amount sanctioned rose slightly which might have been due to the increase in the number of these Corporations; but the increase was not significant. There was no marked improvement in the operations of these Corporations till 1959-60. However, during 1960-61 to 1962-63, there was a substantial increase in the loans sanctioned by the Corporations. The amount of loans sanctioned so far reached the maximum in 1962-63. The activities of the Corporations, however, stood at a lower level during 1963-64 and not only was there no increase in their lending activities but there was even a slight decline in the amount of loans sanctioned.

In examining the working of these Corporations, one has to consider the following questions: (1) What is the rôle of the State Financial Corporations in the provision of funds for industrial development? (2) What is the nature of their lending policy? (3) For what types of industries have they provided capital?

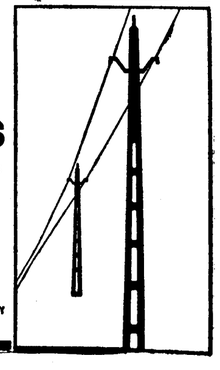


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(4) What is their attitude towards the financing of small-scale industries? (5) Have the State Financial Corporations adequate resources? and (6) What is the future rôle of these Corporations?

Rôle of the Corporations

The progress of the Corporations during the last 11 years has already been discussed. In the beginning, the level of activity of these Corporations was rather low; perhaps, it was due to the fact that they had just started working. Till 1959-60, the lending activities of the Corporations were not much. But during the last three or four years, the working of these Corporations has assumed some importance. Nevertheless, the operations of the Corporations have not increased to the extent they should have. If one takes into consideration the needs of small-scale and medium-sized industries, one may observe that the Corporations are meeting only a part of their needs and that there is scope for offering more financial assistance by them.

The question naturally arises as to whether this trend is due to the strict lending policies of the Corporations or whether it is due to a smaller number of applications. As far as the lending policies are concerned, it may be mentioned that the Corporations generally keep a margin of 50 percent and give half of the value of the security pledged as loan. They also give loans on the guarantee of one of the following agencies, namely, the State Governments, the scheduled banks and the State co-operative banks. All the loans are usually given for periods of ten to 12 years, although the Corporations can give loans up to a miximum period of 20 years.

The lending policy of the Corporations has come in for criticism. It is felt in some quarters that they could be more liberal in granting loans. In its memorandum on the State Financial Corporations, the Indian Merchants Chamber has urged that loans should be given against fixed assets, both industrial and non-industrial, and that they can be granted for a maximum period of 20 years. The margins kept can also be lowered. Furthermore, the procedures and methods of lending stand in the way of borrowers availing themselves of the credit facilities provided by the Corporations. So the Chamber has suggested that the procedures of borrowing should be simplified and the costs of borrowing reduced.

It is gratifying to note that the terms of borrowing have been liberalised by some of the Corporations. For instance, the Andhra Pradesh State Financial Corporation lends at present up to a maximum of 60 percent of the cost of construction of buildings, inclusive of service charges and 75 percent of the cost of machines; and the Rajasthan State Financial Corporation grants loans up to three-fourths of the value of imported machines, apart from Customs duty. The other Corporations can also liberalise their lending policies. The charges to be paid by way of stamp duty, registration charges, etcetera, for borrowing are quite high, so they should be reduced.

Attempts have also been made to enlarge the scope of working of these Corporations through suitable legislation. As a result of the passing of the State Financial Corporations (Amendment) Act of 1956, the number of industries eligible for assistance from these Corporations has increased. Furthermore, the Corporations can take up agency functions on behalf of the Government of India, the State Governments or the Industrial Finance Corporation "in the transaction of any business with an industrial concern in relation to loans or advances granted, or debentures subscribed by anyone of them". The State Financial Corporations (Amendment) Act of 1962 has further increased the scope of the working of these Corporations and has laid down that the Corporations can guarantee (a) "deferred payments due from any industrial concern in connection with the purchase of capital goods within India and (b) loans raised by industrial concerns from scheduled and State co-operative banks". The Corporations can also function as the agent of the Industrial Credit and Investment Corporation of India in relation to the loans sanctioned by it or its subscription to the debenture-capital of a concern. Besides, the lending limits of these Corporations have been increased, and they can now give loans up to Rs. 20 lakhs for public-limited companies and co-operative societies. Furthermore, they can also lend for financing industries along with the State Bank of India, and the other Corporations such as the Industrial Finance Corporation, the Industrial Credit and Investment Corporation and the National Small Industries Corporation. These measures—taken with a view to increasing the usefulness of the State Financial Corporations—would no doubt be helpful to industrial units. The increase in the amount of financial assistance provided by the Corporations in recent years must have, to some extent, been due to the increase in the scope of their activities. In spite of these, as we have already stated, it is necessary that the Corporations play a more important rôle.

Some Suggestions

As has already been noted, the Corporations are thought to be unduly conservative and strict in their lending policies. They have no doubt to pursue sound lending policies; but this does not mean that they should be unduly cautious. They can follow a flexible lending policy and while lending, they need not attach importance only to security but can also take into consideration the soundness of the projects, their capacity to earn profits and their importance from the point of view of the economy of the country.

Furthermore, though a few of the Corporations are taking an interest in the underwriting of industrial issues, the rôle of the State Financial Corporations has not so far been significant in this field. It is, therefore, necessary that the Corporations should take more interest in this line of activity. They should also participate in providing equity capital to industrial units.

So far, the Corporations have been generally providing fixed capital only and working capital in exceptional cases. In the future, they can continue to provide fixed capital. They need not supply working capital to industry, for industrial units are able to meet their requirements from commercial banks.

A number of industries have received financial assistance from the Corporations. But the industries which have been dependent on the resources of these Corporations have varied from State to State. The Corporations have so far provided capital for units manufacturing sugar, glasswares, confectionery, wood and machine screws, hardware materials, engineering goods, electric fans, house-hold utensils, surgical dressing goods, cycles and cycle-parts, plastic goods, radio parts, matches, locks and padlocks, bricks and tiles, chemicals, paper and strawboards. Apart from those mentioned above, some other units like those of hosiery, steel rolling, textile processing, cotton ginning, rice husking, cashewnuts, oils, jewellery, cigarettes, printing and stationery and paints and varnishes have also received financial assistance from the Corporations.

So the Corporations have helped both medium-sized and small-scale units; but when one takes into consideration the amount of assistance given to them, one finds that while the rôle of the Corporations in financing medium-sized units is significant, they have provided comparatively little assistance for small-scale industries. The low level of financial assistance to the small-scale units may be due to the incomplete and vague nature of the applications submitted by them, the absence of adequate and reliable data on the demand for and the supply of their products, the inadequacy of assets to offer as security and the non-maintenance of adequate accounts or records concerning their true financial position. Furthermore, small business men are usually not well known, so it is not easy to get adequate information on their financial standing. Lending against personal guarantee is also not possible in these cases. Moreover, the provision of loans by the Government to these units at concessional rates and the assistance of the National Small Industries Corporation might also have contributed to the low level of financial assistance to small-scale units.

More Resources Needed

The State Financial Corporations get financial assistance from various sources. As has already been mentioned, the share capital of the Corporations enjoys the guarantee of the respective State Governments concerning the repayment of capital and the payment of dividends. In order to enable the Corporations to declare the minimum guaranteed dividend, namely, 3½ percent, the State Governments give subventions to the Corporations. In the beginning, the Corporations were generally dependent to a great extent on subventions as their business and turnover were not much; but subsequently, with an increase in their activities, the Corporations depended to a lesser degree on subventions. During the last two or three years, some Corporations have been able to dispense with the subventions of the State Governments, since there has been an appreciable improvement in their business and earnings; and in the case of the other Corporations, the amount of subventions drawn has generally declined considerably. It may be expected that the Corporations would be able to do away with the subventions of the State Governments altogether after some time.

The Corporations have augmented their resources by issuing bonds; in fact, the value of bonds issued by them is now greater than their paid-up capital. As at the end of 1962-63, the various Corporations had issued bonds amounting to Rs. 18.5 crores while for 1963-64, they issued bonds amounting to Rs. 2.10 crores. Thus, till the end of 1963-64, the value of bonds issued by all the Corporations was Rs. 20.60 crores. In the case of some of the Corporations, such as that of West Bengal, Punjab, Maharashtra and Madras, the value of bonds issued has been even two or three times their paid-up capital.

The Corporations can raise resources in the open market easily only when conditions are favourable to them. But in floating their bonds, they have to face the competition from other borrowers. So they have to offer attractive terms; and, in fact, some Corporations have been able to float bonds only on terms favourable to subscribers. They offer a higher rate of interest in order to encourage the public to contribute liberally to these bonds.

In 1961-62, it was possible for the Corporations to raise funds by offering interest rates of 4.25 percent and 4.5 percent, however, during 1962-63, some of the Corporations had to raise resources only by offering a higher rate of interest, namely, 4.75 percent and offering the bonds at an issue price of Rs. 99. Of late, there have been some difficulties in the way of the Corporations raising resources by issuing bonds.

The acceptance of fixed deposits has also become a noteworthy feature with some of the Corporations. As at the end of February 1964, the Corporations had deposits of Rs. 9.1 crores. The Madras Industrial Credit and Investment Corporation has been able to mobilise the maximum amount of deposits aggregatting to more than Rs. 6 crores. The Andhra Pradesh and Kerala State Financial Corporations are also accepting fixed deposits, although such amounts are small. Apart from fixed deposits, the Madras State Financial Corporation is also accepting short-term and short-notice deposits; and the amount of these deposits stood at Rs. 50.2 lakhs and Rs. 6.3 lakhs, respectively, as at the end of 1963-64.

The State Financial Corporations of States like Bombay, West Bengal and Gujarat do not appear to have been successful in getting fixed deposits from the public although they offer higher rates of interest than commercial banks. This is due to the fact that the private firms in these States attract the savings of the people to a greater extent by the offer of higher interest rates.

Loans from Reserve Bank

Apart from these resources, the State Financial Corporations are also getting medium-term loans from the Reserve Bank of India and refinancing facilities from the Refinance Corporation. Till the end of March 1963, a few Corporations were granted medium-term financial assistance to the extent of Rs. 2.7 crores, while in 1963-64, they were sanctioned Rs. 3.9 crores by the Refinance Corporation. Thus, till now, the loans received from the Refinance Corporation have amounted to Rs. 6.6 crores. The medium-term loans taken by the Corporations from the Reserve Bank of India also help them in their lending operations. These loans are constantly renewed. Till the end of March 1964, the total amount of these loans was Rs. 4 crores.

So a number of measures have been taken for augmenting the resources of the Corporations. These measures would no doubt help in the lending activities of the Corporations; but they may not be enough. So some other measures have been suggested for improving the resources of these Corporations. The Indian Merchants Chamber has suggested that the State Financial Corporations should be given a tax holiday. According to it, "The State Financial Corporations are at present taxed like the other corporate sectors.....The Government should consider the advisability of extending fiscal relief to the State Financial Corporations, with a view to enabling them to augment their resources. It appears that the Government of Pakistan has given some tax concessions to the concerns operating in that country. The development corporations in some of the foreign countries are also granted similar concessions and facilities". This suggestion seems to be a good one and deserves serious consideration. Apart from this, the Chamber has also expressed the view that the Reserve Bank of India and the State Governments should forgo the dividends accruing to them on the shares owned by them in the State Financial Corporations.

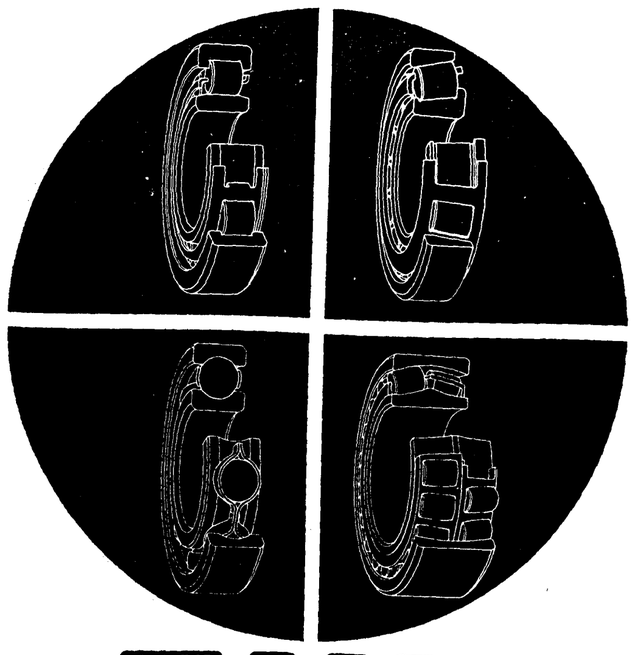
This suggestion is based on the idea that just as the Reserve Bank of India and the Government of India have forgone the dividends accruing to them on the shares owned by them in the Industrial Finance Corporation, the State Governments and the Reserve Bank of India should also forgo the dividends accruing to them from the shares owned by them in the State Financial Corporations. It may be mentioned that the State Financial Corporations are already getting financial assistance from the State Governments in the form of subventions and hence it is not necessary for them to forgo the dividends on the shares owned by them. On the other hand, the Reserve Bank can forgo its dividends for some years just as it has done in the case of the Industrial Finance Corporation or the State Bank of India. This would provide some resources to the Corporations.

An important feature of the working of these Corporations is the degree of progress made by the Corporations. Although there are 15 Corporations, only a few have made adequate progress. Till the end of 1962-63, the Madras, Maharashtra, Punjab and West Bengal Corporations have sanctioned loans amounting to Rs. 10.55 crores, Rs. 10.29 crores, Rs. 7.92 crores and Rs. 6.15 crores, respectively. This would mean that a little more than 50 percent of the loans are sanctioned by these four Corporations. Among the other Corporations, the Madhya Pradesh, Assam and Andhra Pradesh State Financial Corporations have made some progress. But their progress is not as much as that of the Madras, Maharashtra, Punjab and West Bengal Corporations. The other Corporations have granted only a small volume of advances; and the amount of loans sanctioned by them was as follows as at the end of 1962-63:

	(In crores of rupees)
Bihar	3.80
U.P.	3.78
Kerala	3.12
Rajasthan	2.72
Gujarat	1.59
Mysore	1.57
Orissa	1.32
Kashmir	0.26

Difference in Progress

Some explanations may be given for the difference in the progress of these Corporations. This may be due to the variations in their size. Furthermore, all the Corporations were not established at about the same time; some have been in existence for a long period while others have been functioning for a relatively short period. Thus, even though the Corporations may be willing to lend, the various factors enumerated above must have been responsible for their slow progress.



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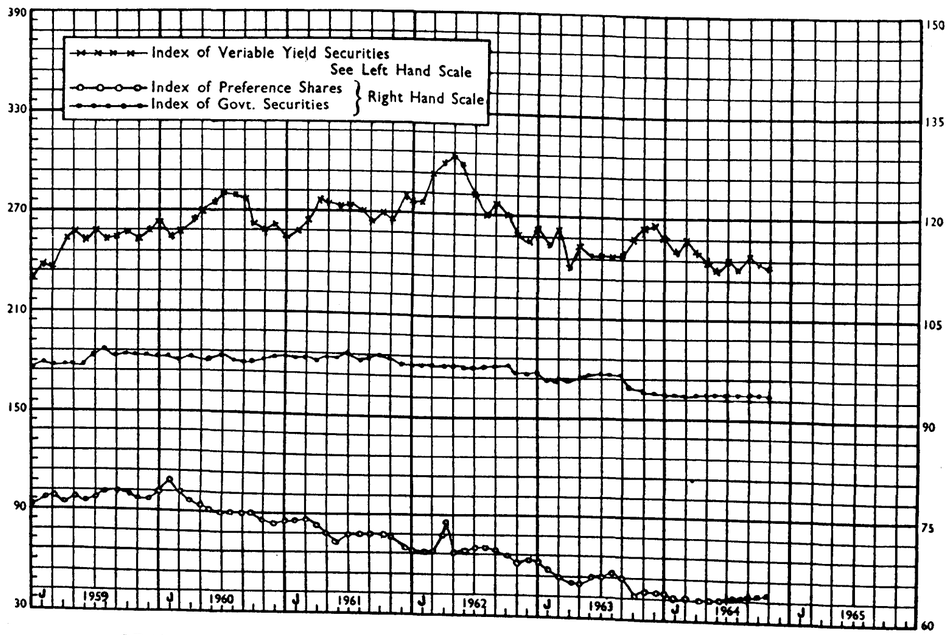
"CAPITAL" STOCKS AND SHARES INDEX*

The *Capital* Stocks and Shares Index (Base: 1939) has now been brought up to October 1964. As compared with September, the October indices for Government securities and preference shares show rises of 1 point each.

There were decreases in banks 2.7 points, cottons 4.1 points, coals 3.6 points, jutes 1.6 points, teas 2.6 points, papers 15.2 points, sugars 5.7 points and miscellaneous 1.5 points, while increases occurred in minings and oils 1.6 points, cements 0.5 points and engineerings 1.7 points.

Combining all the factors, *Capital* variable yield securities in dropped by 2.0 points during O ber 1964.

	Index of Govt. Securities	Index of Preference Shares	Variable Yield Securities											
			Banks	Cotton Mills	Coals	Jute Mills	Mining and Oil	Cement Lime etc	Eng and Metal Works	Tea Shares	Paper Mills	Sugar Shares	Others	Combi Inde
Weights	—	—	9	12	9	11	10	6	6	6	17	7	11	100
1962														
January ..	97.4	69 7	177.8	313.4	228.0	122.2	143.2	89.6	283.2	235.5	1286.1	236.0	323.5	27(
February ..	97.5	69.9	190.4	347.7	224.9	130.1	167.5	80.1	300.7	235.1	1383.5	238.8	337.9	29:
March ..	97.4	74.7	175.2	328.3	223.5	138.8	168.5	93.0	317.5	235.1	1390.1	245.9	330.1	29(
April ..	97.4	70.2	166.6	321.3	232.6	147.2	173.4	97.3	318.2	227.0	1390.8	246.9	321.4	29(
May ..	97.5	70.3	163 2	322.5	260.1	144.4	169.7	95.8	268.8	227.0	1423.9	265.4	325.0	29(
June ..	97.7	71.1	159.2	310.9	243.8	136.9	163.8	94.7	261.1	221.9	1389.5	256.6	329.9	281
July ..	97.3	71.8	160.8	307.7	232.1	131.7	163.2	95.2	256.4	218.9	1313.3	253.3	315.2	274
August ..	97.3	71.1	169.8	307.7	234.6	134.5	157.4	95.8	259.1	216.0	1349.7	256 6	339.4	278
September ..	97.2	70.4	156.6	303.1	227.5	136.9	155.3	95.8	253.3	200.7	1283.5	256.6	328.6	272
October ..	96.7	68.7	162.1	306.8	218.9	126.5	148.5	89.6	223.8	214.7	1198.0	251.9	316.8	25(
November ..	96.2	68.1	162.1	299.4	217.9	126.5	148.5	89.3	218.4	213.8	1198.0	251.9	312.1	25(
December ..	96.5	68.1	162.1	299.8	220.9	129.3	148.5	89.8	244.3	213.8	1221.8	251.9	315.2	263
1963														
January ..	95.8	67.1	144.6	266.4	214.3	132.5	144.8	85.4	257.4	249.1	1064.8	265.7	316.2	256
February ..	95.8	66.4	145.1	268.9	202.6	124.2	149.4	86.7	273.8	252.9	1101.2	261.7	314.2	259
March ..	95.4	65.8	144.8	264.3	191.4	117.8	141.4	81.8	257.4	244.8	963.4	255.3	292.0	244
April ..	96.1	65.8	140.6	273.0	213.3	122.2	145.7	84.4	269.8	245.2	1037 6	248.9	298.2	254
May ..	96.4	66.8	135.9	266.8	198.0	128.1	143.2	84.6	266.1	245.7	984.6	243.8	295.6	248
June ..	96.5	66.8	133.8	254.0	201.1	123.0	150.3	79.4	271.2	253.7	1002.5	241.5	291.5	248
July ..	96.5	67.2	135.9	256.1	201.6	123.4	151.5	81.6	269.8	248.6	968.6	239.2	295.6	247
August ..	96.6	66.1	135.3	263.5	199.5	128.5	153.1	84.2	281.9	241.9	1004.5	238 5	297.7	250
September ..	94.1	63.6	135.6	285.4	198.5	130.9	162.0	88.9	294.3	253.7	1055.5	219.6	314.7	262
October ..	94.2	64.5	136.7	291.2	204.6	130.5	151.9	91.7	304.7	260.1	1067.4	227.3	325.5	267
November ..	94.0	64.5	142.4	292.4	206.1	131.3	143.9	87.8	297.0	255.0	1085.3	230.7	337.9	266
December ..	93.9	64.1	142.2	299.4	197.5	122.6	133.7	88.5	276.5	257.1	1099.2	234.1	321.4	259
1964														
January ..	93.9	63.8	128.8	287.4	191.9	121.8	122.7	87.0	271.8	256.3	1078.7	231.0	311.1	252
February ..	93.7	63.9	129.1	299.8	196.0	123.4	131.0	88.1	276.9	250.8	1104.6	231.7	328.1	258
March ..	93.7	63.8	129.3	285.0	186.3	115.8	124.2	87.6	275.9	251.2	1061.5	230.7	319.3	252
April ..	93.7	63.6	125.9	276.2	181.7	112.3	122.7	87.2	278.5	246.5	1042.3	216.6	312.6	247
May ..	93.8	63.7	125.9	266.4	184.3	109.5	115.9	89.6	269.5	246.5	995.9	213.5	321.9	242
June ..	93.5	63.7	128.5	274.7	183.7	109.1	121.1	88.7	275.5	239.3	1038 3	218.6	311.1	246
July ..	93.6	63.8	130.9	283.3	174.1	109.1	119.0	87.2	272.8	248.6	991.9	204 4	311.6	242
August ..	93.8	63.9	130.9	284.1	182.2	113.9	124.3	89.8	283.2	244.4	997.2	206.5	319.3	248
September ..	93.7	64.5	137.7	280.4	179.7	111.5	122.0	90.4	277.5	238.5	919.0	214.9	326.0	244
October ..	93.8	64.6	135.0	276.3	176.1	109.9	123.6	90.9	279.2	235.9	903.8	209.2	324.5	242



* Publication 5th August, 1937. First Revision 16th October, 1941. Second Revision 9th January, 1948.

INTRODUCING SHARES OF NO PAR VALUE

By G. S. Deb

The idea of introducing shares of no par value is gradually gaining ground in the industrially advanced countries of the West. India should consider whether it can be introduced here with proper legislative safeguards for investors.

THE historical concept about the formation of capital structure of joint-stock companies tends to undergo a change with the advent of new and progressive ideas of industrial finance. The capital of joint-stock companies, so far in traditional ways, has been understood as a certain nominal amount in terms of money divided into a certain definitive number of units of a specified nominal value. These units, usually known as shares, comprise the capital of the company which is ultimately reflected in its assets. The specified nominal value of each unit is called its par value, the total of which represents the nominal capital of the company. The company is authorised to issue its shares up to its nominal capital in the usual way, and once the capital is raised and invested in assets, the par value loses its identity and may represent a value which in terms of money be something higher than par or just at or below par. The question, therefore, arises that if the par value has, in fact, a limited significance, it is better as a matter of policy and in the interest of sound finance to have shares of no par value.

A no par value share has no nominal value specified for it but if such shares are desired to be issued on a company's formation, the particulars relating to them are to be laid down in the document of incorporation. In the case of subsequent issues, the consideration for which they may be issued or, as it is usually known, be sold may be fixed in the articles or bylaws but under most statutes, the directors may be empowered to settle the consideration. The law even provides that they have such power unless the articles reserve it to the general meeting. If, however, the power is reserved to the general meeting a majority of two-thirds of the total outstanding stock and if there is more than one class of each class—is usually required.

Generally, the directors are authorised to decide what part of the consideration received for no par value shares is to be appropriated to capital and what to surplus. According to the practice followed, every share of the capital stock without nominal or par value must be equal to every other such share of the capital stock subject to the preferred, deferred or other special rights or restrictions, conditions or limitations attached thereto. Moreover, each share certificate for no par value shares, in addition to complying with the requirements as to share certificates generally, must show the number of shares it represents and the number of such shares which the company is authorised to issue. The relative share certificate must not express any nominal or par value of such shares.

Great Flexibility

It is worth while to consider why the idea of having shares of no par value is gaining popularity Judged from a realistic standard, the chief reason for having shares of no par value is its flexibility in the event of changes in the financial structure of a company and affords a more realistic approach to the appraisal of profits in relation to assets employed in the business. It tends to avoid the common misunderstanding and uninformed criticism which arise when profits and dividends are measured by reference to the nominal value of shares. Such a faulty yardstick cannot be accurately considered as a guide to the assessment of the net worth of a company which ultimately determines the value of its shares. Of the various factors which are taken into consideration, the number of shares issued, the value of the assets of the company and their earning power are the most important elements and not the nominal par value of the share.

To an ordinary investor, who has no idea about the mechanics of investment, a share is considered to be cheap if it is below par and dear if it is above par. He will hardly appreciate that par value as mentioned is nothing more than a fiction once the shares are fully paid and the fact that a share is a token of a right to a portion of a company's divisible profits and in a winding up, to a share in the surplus assets is often lost under misconception. Once a share is issued and is fully paid its real worth may have little relation to par value but depends on the success or failure of the company. In some other matters, no par value shares have some distinct advantages particularly with reference to merger, payment of dividend, marketability and bonus issue.

In short these may be summarised as follows: (a) It is not really very convenient to make the valuation accurately in cases of reorganisations, mergers and amalgamations of companies. If earning power is considered to be the basis of evaluation, no par value shares can be issued on the basis of the earning power so determined and distributed equitably to the parties bringing in assets. The great advantage is the flexibility in the price of issue of no par value shares under circumstances when due to abnormal market conditions the issue of shares with a denomination could not be successfully made at their par value.

(b) The two useful criteria which act and react to determine the market price of a share are earnings yields and dividends yields under the existing conditions. The dividends on no par value shares having been declared and paid as a state amount of cash a share and not as a percentage of a nominal value becomes much more straightforward being in relation to the real value of a share.

(c) No par value shares could be made readily marketable than in the case of shares having a par value. The price for issue can be determined depending upon the climate of investment and, being flexible in nature, such issue price can be pegged high, medium or low as is warranted by the circumstances. It may be that shares of low nominal value suffer from certain unexplained prejudices from the point of investment but no par value shares do not suffer from such disadvantages since these can be "split" and/or "consolidated" as often as is necessary when the price makes the shares unwieldy or for any other reason which may be desirable.

(d) The question of making a scrip bonus issue for the purpose of minimising the palpable difference between nominal share capital and the value of real assets employed does not arise. This would mean a definite advantage since such bonus issues cause considerable misunderstanding as it is not realised by many and deliberately ignored by some that a bonus issue which consists merely in capitalising reserves does no more than divide into smaller pieces the existing claims of the members to the profits and assets.

Some Disadvantages

These are, of course, some of the highlights which make the no par value shares prominent and realistic, compared with the shares having a nominal value. But there are many other points to be considered, particularly those features which might tend to bring in disadvantage as well. One of the main reasons which led to the introduction of, or more currently the revival of, no par value shares was to evade any responsibility for the watering of stock. If the shares have no par value and there is no restriction in fixing the price which should be paid by the subscribers of original shares or of shares issued in connection with an increase of capital, the question of any further liability beyond the payment of the price agreed cannot arise. In case of issues for property, the company may give the vendor any number of no par value shares as consideration for the property transferred.

Again, if an increase of the company's working capital becomes necessary, the new shares can be issued at any price the company thinks fit. There remains, therefore, the possibility of overcapitalisation and if the company is a going concern, such an action might prove injurious to the existing shareholders. The shares having no par value unlike their counterpart with a stated nominal value justifying the existence of fixed capital, there seems to be no theoretical limit to the use for dividends of the considerations received on account of the issue of such no par value shares. It has been said that shares without par value conceal what money or property a share really represents, and this attack against the propriety and wisdom of the authorisation of no par value shares was mainly based on the conception of the erosion of capital in the guise of dividend.

All these and many more dangers can, however, be suitably checked by way of legislation supplemented by stock exchange regulations and sound accountancy practice to secure that the investor is as well protected as he is today. It would not be quite correct to say that this new system is more open to abuses than the par value system and provided adequate safeguards are taken, there is no reason why this stranger should not be allowed to pass in the formation of the capital structure of the company. In order to ensure that dissipation of capital by paying it away in dividends is prevented and that the power of the directors to issue further no par value shares at less than their market value is limited in favour of the existing members, some of the possible safeguards which might be considered to be useful may be outlined as follows: (1) The amount realised on subscription to an issue of no par value shares should be used for capital purposes only and should be subject to the provisions of the Companies Act concerning such matters as may relate to reduction of share capital. (2) The existing members of the company holding shares of no par value should be given the right to be offered *pro rata* all subsequent issues of such shares. (3) There cannot be any question of issue of no par value shares which might be prejudicial to the interest of the existing rights of any shareholder as a result of conversion of shares or stock into no par value shares. The law should be quite vigilant on this point and there should be adequate provision that in such a contingency any member may petition the court to disallow the issue if he can establish that the scheme envisaged will adversely affect his rights as a member of the company.

India which is gradually entering into a phase of planned industrial development and has given considerable opportunities for industries to develop in the private sector where joint-stock enterprise is a common feature should consider whether the shares of no par value can be introduced into her system and for that purpose what type of legislation would be necessary for ensuring safeguards for investors and public interest. There is no doubt that opposition to the introduction of no par value shares is based more on apathy and ignorance than on merit and justification favouring such an issue. The Indian investor has habitually looked into the price index in his quest for the justification of the success or failure of an enterprise, but such index has very often been misleading due to the existence of other forces manipulating the price. It is worth while to question on what basis the value of share of a company under flotation is determined and what safeguards are there for the investor to check the accuracy of such value except to base his ideas on certain hypothesis manifest from the relevant prospectus published in this connection.

New Issues

It has been observed in many cases that the higher the nominal value, the higher is the preference for investment. No wonder, therefore, a few years ago, due to the rather affluent conditions of the money market, some of the new issues of companies with a bit of promise for expansion as a result of technical collaboration from abroad were many times more oversubscribed than one could reasonably imagine. Furthermore, there have been cases when shares of newly floated companies were subject to brisk speculation shooting the price to a dangerously high level, and such conditions were predicted to be the result of growth prospect to characterise in the handsome yield of the dividend. All these features adequately prove that the nominal value of shares has no direct bearing on the price mechanism or in the determination of the net worth of a going concern.

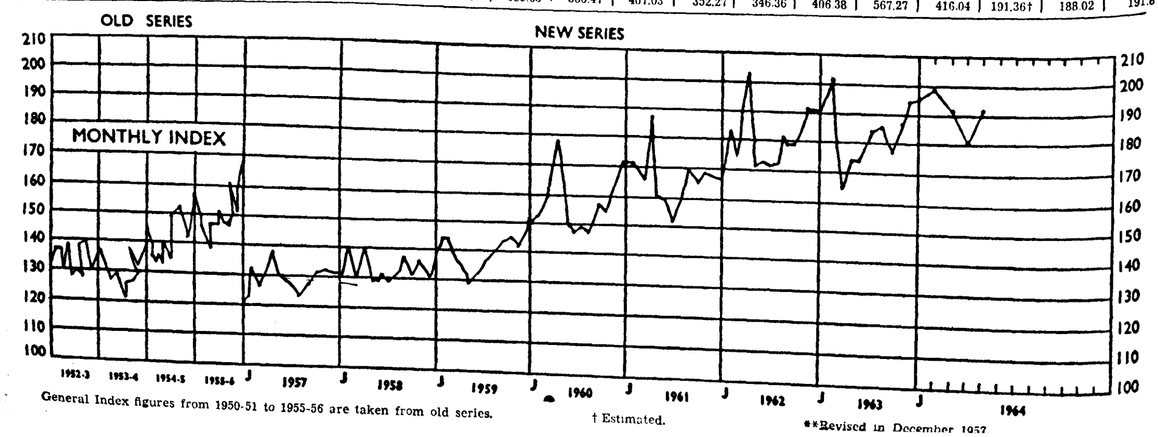
Moreover, in the case of companies whose loan arrangements provide for conversion of such loans into equities under certain circumstances, it is often a headache for the management to safeguard the interest of the existing shareholders who might as a result of conversion turn into a minority and the possibilities for survival and continuation of the undertaking by its existing management might become problematical. It would not be quite correct to say that such a crisis, if it can be so called, can be overcome by manipulation of the capital structure of the company through the issue of shares in the usual way, but certainly the board of management would be able to find some comparative advantages under a no par value system to decide the number of shares to be so issued upon conversion in order to protect the interest of the existing shareholders.

"CAPITAL" INDEX OF INDIAN INDUSTRIAL ACTIVITY **

The *Capital* Index of Indian Industrial Activity (Base: 1953) has now been brought up to April 1964. Compared with the preceding month, there were rises in tea 49.16 points, tyres 10.98 points, bicycles 35.45 points and railway tonne-kilometres 10.55 points, while decreases occurred in sugar 125.91 points, jute 12.29 points, yarn 3.59 points, cloth 2.48 points, cement 18.32 points, coal 4.45 points, pig iron 5.61 points, finished steel 46.08 points, paper 14.93 points, motor-cars 191.21 points and electricity 9.49 points.

Combining all the factors, the *Capital* Index of Indian Industrial Activity rose by 11.1 points during April 1964.

	Sugar	Tea	Jute	Cotton Textiles: Yarn	Cotton Textiles: Cloth	Cement	Coal	Iron & Steel: Pig Iron Ferro-Alloys	Iron & Steel: Finished Steel	Paper & Board	Tyres	Motor-cars	Bicycles	Electricity	Railways net tonne-kilometres	General Index	General Index Index adjusted for
Weights	4.63	4.9[illegible]	5.11	4.19	19.38	4.04	6.01	1.91	5.81	1.27	3.13	1.45	0.45	2.11	14.48		
1950-51	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	110.8*	
1951-52	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	125.1*	
1952-53	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	132.9*	
1953-54	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	130.4*	
1954-55	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	141.3*	
1955-56	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	151.2*	
New Series																	
1954	78.07	105.91	106.74	103.72	102.45	116.35	102.58	104.32	121.41	110.8[illegible]	112.1[illegible]	103.9[illegible]	140.5	112.21	108.74	105.8	
1955	123.51	109.81	118.25	108.32	104.41	118.75	108.58	106.82	123.36	132.3	122.74	165.[illegible]	185.5	115.91	123.41	116.9	
1956	143.77	109.58	125.85	111.06	108.7[illegible]	130.36	110.01	110.2[illegible]	130.71	138.[illegible]	138.91	231.[illegible]	251.[illegible]	145.36	124.91	122.[illegible]	
1957	160.15	109.45	118.54	118.23	108.99	148.31	121.47	107.63	131.47	150.41	149.73	229.35	302.55	163.48	143.16	132.1	
1958	154.54	115.78	122.21	111.9[illegible]	100.95	161.78	126.43	118.2[illegible]	126.9[illegible]	181.1[illegible]	171.6[illegible]	190.75	343.61	184.7[illegible]	151.96	134.6	
1959	165.45	116.32	113.90	114.4[illegible]	101.96	181.71	131.21	172.35	168.68	210.4[illegible]	200.15	260.92	373.65	219.24	153.72	141.8	
1960	198.49	113.74	124.79	115.39	103.48	204.96	145.64	227.44	213.24	249.20	225.76	371.18	400.38	247.36	173.10	158.42	
1961	230.68	125.51	111.68	126.32	104.85	217.74	156.44	280.05	279.68	262.78	238.89	386.22	397.70	287.78	173.69	166.16	
1962	215.80	124.12	135.91	125.92	102.28	226.77	171.71	321.85	365.48	276.65	256.27	415.32	422.55	323.10	193.17	181.17	
1963	179.08	123.45	142.29	129.59	99.19	247.48	185.85	378.77	418.31	330.41	298.64	374.98	447.88	374.05	202.75	183.91	
1961																	
January ..	503.05	19.70	120.99	123.65	107.42	222.44	171.98	282.30	279.84	262.12	230.02	435.69	410.45	268.29	172.56	175.83	170.9
February ..	466.56	22.62	108.56	116.06	100.48	211.97	174.62	286.28	260.61	259.62	235.79	444.22	428.64	253.45	176.75	169.68	167.5
March ..	469.80	25.91	122.79	120.70	103.75	225.02	184.93	286.48	308.56	270.86	249.64	469.40	440.43	285.60	243.68	201.85	189.2
April ..	387.45	66.23	111.19	120.11	103.55	217.62	151.99	274.12	251.23	253.52	232.95	404.[illegible]	383.65	281.7[illegible]	143.75	156.31	160.1
May ..	198.68	101.54	109.94	121.31	105.84	225.02	153.97	278.51	245.13	264.46	213.41	406.91	406.18	292.02	157.94	156.79	160.9
June ..	40.96	164.71	92.95	127.45	107.21	203.65	140.00	267.70	264.71	247.65	247.16	385.78	383.73	289.66	154.88	150.20	155.4
July ..	7.71	202.98	88.95	132.20	109.53	198.95	139.27	280.61	271.04	260.36	264.74	347.16	393.77	292.76	161.79	153.93	154.7
August ..	135.69	239.17	108.15	131.96	108.52	215.05	146.27	284.26	286.64	262.91	260.21	396.98	417.00	297.18	167.43	166.68	169.1
September ..	15.69	237.43	105.11	130.01	104.44	214.03	153.73	271.28	290.04	258.80	264.30	356.58	385.14	292.97	170.86	161.92	164.7
October ..	42.94	232.49	107.32	130.49	104.74	214.63	143.45	292.23	298.59	277.48	168.65	316.72	356.68	293.10	178.22	162.19	167.9
November ..	110.78	149.16	129.42	126.70	100.23	230.86	154.17	279.86	297.54	260.43	247.16	279.22	434.45	294.61	174.46	163.08	167.5
December ..	389.78	44.28	134.81	135.22	107.51	233.62	163.51	301.82	302.22	275.18	252.66	390.95	432.95	311.76	181.85	176.41	167.0
1962																	
January ..	506.50	20.20	133.56	132.46	107.36	220.60	166.65	297.56	335.40	275.17	248.04	446.12	406.50	316.67	192.28	188.30	182.4
February ..	471.18	18.85	125.41	120.18	97.50	210.25	162.16	270.06	320.98	251.70	223.88	434.31	444.81	297.64	180.05	176.15	174.0
March ..	472.30	30.49	133.01	127.31	102.60	239.90	173.75	319.66	380.89	279.32	249.37	494.91	439.59	318.63	268.17	215.87	203.2
April ..	327.88	73.88	131.90	123.25	101.71	225.84	167.29	296.89	318.64	270.71	245.91	346.98	435.40	319.51	160.44	170.28	174.1
May ..	148.04	117.32	135.50	126.49	104.01	232.19	171.64	321.95	371.16	276.47	239.60	410.34	471.09	324.22	174.95	171.65	175.9
June ..	37.64	164.35	135.09	123.93	103.02	196.38	161.87	298.85	365.76	259.38	271.75	427.84	447.18	316.17	172.25	166.00	171.2
July ..	4.55	193.54	142.96	126.39	106.20	210.35	162.60	319.73	396.71	280.53	271.75	396.55	452.27	328.10	179.32	171.89	172.7
August ..	4.55	237.66	145.17	129.22	106.14	221.21	165.95	336.48	369.40	267.31	271.75	395.60	364.22	344.92	195.22	179.53	181.9
September ..	8.27	221.98	138.81	124.24	100.39	213.81	170.87	336.48	369.40	277.34	263.40	401.47	357.73	326.52	188.01	174.25	178.0
October ..	28.35	221.53	125.55	117.96	94.43	228.50	168.46	336.48	369.40	264.21	206.24	390.86	418.64	319.34	190.94	171.93	177.6
November ..	160.22	142.70	140.06	129.74	102.57	246.44	194.17	336.48	369.40	300.60	291.48	425.78	348.18	319.34	205.76	187.21	191.6
December ..	420.17	47.08	143.92	129.87	101.42	275.80	195.21	391.62	418.64	317.07	292.04	413.10	485.00	346.13	210.66	200.95	191.0
1963																	
January ..	530.39	24.92	142.40	129.54	100.84	258.25	195.65	391.21	413.01	305.25	308.98	378.79	409.09	338.28	220.82	206.95	201.1
February ..	441.73	15.71	130.39	118.57	90.73	236.70	188.92	363.31	393.20	294.01	292.39	338.36	419.09	349.32	217.32	189.12	186.9
March ..	283.09	25.94	144.34	126.77	99.20	264.10	184.31	398.72	463.89	323.74	296.67	397.50	426.82	357.81	180.81	177.64	176.9
April ..	91.63	68.55	145.58	126.89	98.46	256.98	190.69	392.57	393.08	308.43	290.71	311.81	435.45	370.63	191.36	170.81	174.6
May ..	5.39	117.03	144.89	131.13	101.04	256.54	191.43	389.53	395.90	318.26	275.27	365.00	478.18	370.98	191.36	170.60	174.8
June ..	0.46	143.04	138.54	121.21	97.39	229.11	176.06	386.08	401.17	312.36	283.64	359.48	437.27	360.69	209.46	175.91	181.1
July ..	4.37	207.77	150.41	121.21	103.50	233.08	183.66	399.32	438.80	336.64	332.77	345.43	416.36	383.27	212.74	184.23	185.0
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October ..	41.36	237.46	132.87	132.05	96.30	251.52	181.72	342.50	430.83	356.87	277.68	406.98	449.55	387.14	190.94†	178.67	184.4
November ..	239.13	134.95	143.37	137.02	100.82	248.10	184.27	344.46	428.37	350.95	310.81	466.12	479.09	388.70	205.76†	190.44	194.8
December ..	486.15	54.38	148.20	143.80	105.57	278.54	189.92	371.96	447.48	359.34	311.19	540.09	526.82	415.35	210.66†	205.14	195.7
1964																	
January ..	568.77	21.37	140.33	142.35	105.62	250.79	193.57	397.09	423.92	353.29	333.71	460.26	522.27	421.65	220.82†	204.33	198.4
February ..	568.77	19.81	137.02	128.68	93.87	256.29	177.70	358.11	416.30	330.86	319.75	443.19	522.27	407.01	217.32†	193.71	191.5
March ..	492.17	21.28	155.52	144.44	107.65	274.35	188.08	356.08	453.11	367.20	335.38	597.59	531.82	425.53	180.81†	193.39	180.7
April ..	366.26	70.44	143.23	140.85	105.17	256.03	183.63	350.47	407.03	352.27	346.36	406.38	567.27	416.04	191.36†	188.02	191.8



General Index figures from 1950-51 to 1955-56 are taken from old series.

† Estimated.

**Revised in December 1957

New Delhi

DRIFT AND INDECISION IN MIDST OF ECONOMIC CRISIS

(FROM OUR NEW DELHI CORRESPONDENT)

In a book entitled *A Prime Minister Remembers*, Lord Attlee said "It is often a mistake to force the issue: better to let things take their time, let people blow off steam without actually bringing them to opposite sides of the line, where they cannot go back. There is sometimes virtue in not allowing people to make up their minds too quickly."

This is the way of thinking of a socialist Prime Minister, who gave freedom to India. Looking at the India of today, one would feel that the Government is faithfully implementing the Attlee doctrine of "wait and see". Parliament, and in particular the Public Accounts Committee, is given full freedom to "blow off steam". The Government, however, leaves problems over to solve themselves in time. The Public Accounts Committee, for example, is dominated by the Congress Party with a Congressman as its chairman. At regular intervals, it submits its reports to Parliament, criticising the inaction or defaults of the Government—not in generalities but by attracting attention to specific cases. The reports are published in the newspapers and are often commented upon, but they hardly disturb the placidity of the Government.

India is in the midst of one of the worst economic crises. Food shortages and high prices have affected the common man. And yet there is no coherent thinking in New Delhi. For the first time since independence, the writ of the Centre does not run in the States. And the Balkanisation of India will commence on 26th January, 1965, when the link language, namely, English, ceases to be the official language of India.

The country is passing through balance-of-payments difficulties of the worst type. As already reported, it has to pay $75 million to the International Monetary Fund and another $16 million to the India-Pakistan Indus Commission. Meanwhile, a cut of at least 10 percent in the import of industrial raw materials and components has become inevitable. Yet the Central Ministry of Oil continues to discuss the four-year-old proposal to set up a lubricating plant submitted by Esso which, according to the Government, would have saved Rs. 3 crores a year in foreign exchange. Esso's other proposal, to put up a million-ton iron ore reduction plant in Goa, which could earn about $18 million a year in foreign exchange, is facing ideological opposition.

The situation in recent years has gone from bad to worse. The tragedy is that there appears to be no breakaway from the cherished policy of drift. "Give them bread and circuses" was the ancient Roman *récipe* for keeping the population quiet. The Government is busy staging circuses and New Delhi's engagement diary is mostly crowded with inauguration ceremonies. The Government is busy celebrating a "family planning week" and a "Posts and Telegraphs week".

MANAGING AGENCY

Abolition Being Examined

The Central Finance Minister, Mr. T. T. Krishnamachari, said in the Lok Sabha last week that the question of the continuance or otherwise of the managing agency system in well-established industries is being examined by the Government. It is examining the proposal to abolish the system in such sectors of industries which no longer require an entrepreneur's guidance, skill and know-how. Some such industries, it is said, could be textiles, sugar and cement.

But the issue is not as simple as it looks. A managing agent of a textile mill may and does operate a number of other units, which may be in the state of infancy. There may be inter-locking of capital between a textile unit and other units. Then again, there are joint-stock companies, which may not have a managing agent but are controlled and dominated by members of one family to the exclusion of others. Such companies, some say, violate the basic principles of public limited liability companies.

H.E.C.

Reorganisation Planned

The Government is considering reorganising the Heavy Engineering Corporation. One of the units, at present managed by the Corporation, it is expected, will be separated and made independent. Meanwhile, the services of the Financial Director of the Corporation, Mr. R. V. Subramaniam, have been loaned to the Indian Investment Centre and he will become its Director. Mr. Subramaniam will take up his new assignment in January 1965.

COAL MINES

Mechanisation Recommended

The Coal Mining Adviser to the Government of India has stressed the need of mechanisation of coal mines. He says that mechanisation is the only answer if coal production is to be stepped up in a short period. As for coking coals, it is accepted that India will need washing arrangements for coals before they become suitable for the metallurgical industry. For efficient working of the washeries at economic costs, it is necessary that such units should be fairly large, and linked with individual producing units. According to the Coal Mining Adviser, the following steps are necessary for the existing mines:

1. Re-arrangement in the lay-out by the provision of better haulage system:

2. Greater use of modern underground mining machinery such as coal cutters, mechanical loaders, power drills, mechanical conveying from the face, etcetera.

3. Provision of better ventilation.

4. Improvement in surface lay-out, including loading arrangements.

The following steps are necessary for new mines: 1. For open-cast mines, complete mechanisation for the removal of both over-burden and coal is absolutely essential for obvious reasons;

2. For underground mines there should be complete mechanisation right from the face to the surface, *i.e.*, coal getting at the face; loading at the face; transportation from face to the main road; from the main road to the pit-bottom or the incline mouth to the surface and finally into the wagons.

Here India has to consider the adoption of modern long-wall method of mining with caving or stowing as conditions permit.

"To illustrate this point, India has coal cutters at the face. The coal cutter has to be supported by a suitable mechanical loader so that coal at the face is removed quickly. Where conditions permit, continuous miners can be introduced which perform double work, namely, cutting and loading. The coal from the face after being loaded has to be cleared. This can be accomplished by providing suitable conveyors—chain conveyors or locomotive haulage or shuttle cars, again depending upon the mining conditions. Once the coal comes to the main road, it can be moved quickly to the incline mouth or pit bottom by suitable belt conveyors.

"From this point coal has to go to surface loading arrangements through fast winding or other surface transportation, again depending upon the conditions. There will be need for provision of adequate bunkers so that the irregularity in the matter of wagon supply can be dealt with without affecting or breaking the chain in mechanisation from the face to the surface. Plans have been drawn for the manufacture of all types of machinery mentioned above, and these will be available in the country with adequate provision for spare parts, thus ensuring continuous and efficient working of this machinery in different stages.

"In the process of mechanisation in mines—open-cast or underground—there has to be complete link at all stages so that coal at the face is loaded rapidly and carried with the same speed to the main haulage point from where it is moved to the pit bottom or the incline mouth without causing detention or stoppage anywhere. From the pit bottom or the incline mouth, the coal has to come up quickly and they through suitable and adequate surface loading arrangements into the wagons for despatch to the consuming centres. In this process, if there is any hold-up anywhere, the whole link gets dislocated and, therefore, the obvious advantages of mechanisation get lost."

Steps have already been taken to manufacture different types of machinery required in the country in Durgapur and at other places. Along with the machinery, spare parts will also be manufactured.

GHANA

Indian Help for Textile Mill

India and Ghana are to co-operate in putting up a cotton textile mill at the site of the Volta river project in Ghana, it is understood. The project envisages the establishment of a composite cotton textile mill constsiing of about 12,500 spindles and 300 looms. The proposed mill will be capable of variegated production. It will be designed to produce the finer varieties of cloth and thus help to fulfil Ghana's need for locally manufactured quality fabrics.

The Indian participation in the project will be in the form of supply of machinery and equipment management of the unit in two initial stages, if necessary, and the provision of comprehensive training facilities to Ghanian executives, engineers and technicians in all responsible jobs to enable them to take over the entire management as quickly as possible. The major portion of the capital to be invested in the project, including land, building, etcetera, will come from Ghana.

The establishment of such a unit, requiring a very large number of workers will help substantially in providing continued employment to the labour force at present employed on the Volta river project. The details of the collaboration arrangement are being worked out through muttual consultation.

Investment Abroad

The question of Indian investment abroad was raised in the Informal Consultative Committee of Parliament, attached to the Central Ministry of Finance. The Finance Minister, Mr. T. T. Krishnamachari, explained that since India was short of capital and foreign exchange, the Government could not permit investment abroad by Indian nationals in any "sizable way". However, investments in the form of supply of machinery and equipment from India or when shares are acquired against the supply of know-how and other connected services will be permitted. In such cases, approval was given when there were prospects of earning a handsome dividend on the investment and there was scope for developing India's export trade by the supply of components and raw materials for the manufacturing programme.

Indian investments, Mr. Krishnamachari said, are normally made in joint ventures abroad engaged in manufacturing activities. The investment is normally made in the form of equity shares but any proposal from Indian parties to make a loan to these joint ventures of, say, three to five years' duration, could also be considered as long as the loan is to be used for the supply of goods from India.

Because of India's difficult foreign exchange position, the Government is not in a position to approve of any proposals for investment abroad by way of cash remittance. However, small amounts of foreign exchange might be released in good cases to cover comparatively small requirements of initial expenditure for incorporating the company, etcetera. In a really exceptional case, small investment in cash may also be considered if this is inescapable to clinch a major proposal where investment will mainly be in the form of supply of machinery from India.

The Minister said that there was no approved list as such of countries in which investments abroad were allowed. So far proposals had been received and approved for pharmaceuticals, sewing machines, bicycles, textiles, trailers, steel furniture, hume pipes, safety razor blades, fans and light engineering goods. The value of Indian investment abroad approved since 1961 amounted to about Rs. 31 crores.

OILSEEDS

Rise in Prices

Replying to a question as to whether due to the export of oilseeds to foreign countries, there had been an abnormal rise in the price of oilseeds in India, the Central Minister of Commerce, Mr. Manubhai Shah, said

that "these exports have no relation to internal prices which are continuously rising due to numerous factors. The internal prices have been rising for many commodities, of which most are not exported at all. Also prices of groundnut seeds were rising even before the small balance quantity of H.P.S. kernels was allowed to be exported. Hardly any actual exports of H.P.S. groundnut kernel have yet taken place and yet the internal prices are going up due to the internal demand and supply and other reasons."

The Minister explained that several measures to check a rise in prices had been taken, such as the import of 75,000 tons of soyabean oil and cottonseed oil from the U.S.A. under P.L. 480, of which 30,000 tons are expected to reach India very soon. The ban on export of all edible oils continues. Also, intensive steps have been taken to increase the production and area under cultivation of rape and mustardseeds in addition to groundnut seeds. "Perhaps the production of rape and mustardseeds this year would be a record crop over and above the favourable increased estimated production of groundnut seeds. The Forward Markets Commission has prescribed ceilings on contracts in oilseeds and oils which are having some restraining influence on the spot prices. Several fiscal measures and monetary controls have been imposed to control general prices of all commodities, including oilseeds."

The Minister added that "the need to promote exports and earn valuable foreign exchange to sustain and accelerate national development should be appreciated and that any minor hardship, real or psychological, on that account for temporary periods should be cheerfully tolerated."

KANDLA

Free Trade Zone

The free trade zone in Kandla is being set up in an enclosed area of half a square mile. The main objectives in establishing the zone are: (1) to promote Indian exports and earn foreign exchange; and (2) to bring about the fuller utilisation of the facilities already developed at Kandla port.

Export-oriented industries will only be permitted to be set up in the zone. The types of industries that have so far been approved for establishment in the zone are the following: readymade garments, embroidery and cut works, stainless steel utensils, P.V.C. electrical wires and cables, bicycle components, umbrella parts and umbrellas, pharmaceutical products, multiwall paper, exercise and account books, synthetic essential oils, perfumes, sports goods, tea bagging and plastic bangles.

EXPORTS

Study by Expert Body

An international team of trade experts is now visiting India to study export efforts and suggest improvements. It consists of two members each from the U.K., the U.S.A., and Japan, and one from Italy. They are Messrs W. T. Pearce, H. W. Vallender, A. O. Stanley, M. Katoh, M. Yoshida, Drs. Roberts J. Clark and B. Tosarelli.

New Corporation Planned

A proposal to establish an Export Industries Materials Corporation has been endorsed by the three-day seminar on the export of chemicals and allied products held in Calcutta. The suggestion had been made by the Engineering Export Promotion Council in order to meet adequately the difficulties faced by the exporting industries in the procurement of raw materials and components. It is envisaged that the proposed corporation will stockpile the required imported and indigenous materials and make them available at international prices to the exporting industries which are now hampered by shortages.

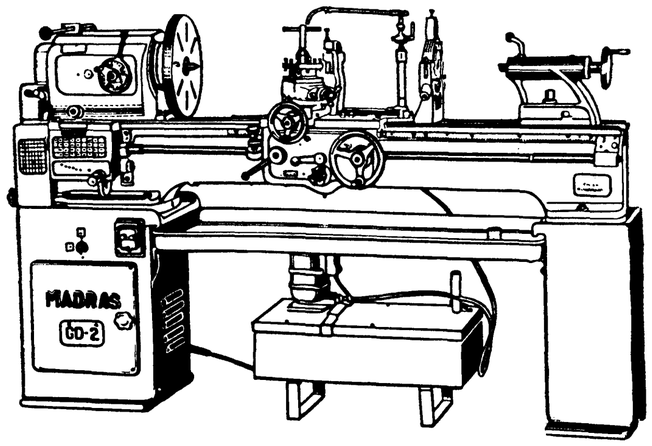
It was noted that there was considerable unutilised capacity in the paints and varnishes, rubber products and glassware industries because of the shortage of raw materials. A study group will go into this question and suggest remedies. The seminar recommended the examination of the import entitlements permitted under the export promotion schemes for chemicals and allied products. It was felt that there was considerable scope for further adjustment of the freight rates. So these problems should be brought to the notice of the authorities concerned for remedial action.

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HIGH-POWERED TRANSMITTER

Policy Clarified

Mrs. Indira Gandhi, Central Minister for Information and Broadcasting, made the following statement in the Lok Sabha on a high-powered transmitter. She said that "in October 1964, it was decided that (i) the earlier proposals of having six 100 kW/sw and one 1000 kW/mw transmitters, and five 100 kW/sw transmitters as provided for in the third five year plan may be given up; and that the Ministry of Information and Broadcasting may be authorised to enter into commitments for the purchase of two×250 kW/sw and one ×100 kW/sw transmitters for installation in Delhi within the third five year plan.

"However, in view of the feeling of urgency expressed in Parliament and outside, concerning the need for a super high power medium wave transmitter for broadcasting to countries to the north and south-east of India, the whole matter was recently reconsidered at a meeting to which technical experts were invited. At this meeting it was unaninously agreed that

"(i) Medium-wave transmission within its comparatively limited range was much more effective than short-wave transmission;

"(ii) It has the advantage of being received by even cheap single-band receivers as well as, of course, all-band sets;

"(iii) For the limited purpose of efficient broadcasts to countries like Tibet, Sikkim and Bhutan in the north and Burma, Thailand, Malaysia and part of Indo-China in the south-east, a powerful medium-wave transmitter would be preferable to a short-wave transmitter;

(vi) The medium-wave transmitter would be effective only for a limited period—four hours in the evening—and, if both the north as well as the south-eastern group were to be served, the time would have to be divided between the two, and arrangements for reversal of the beam would be necessary;

"(v) If a similar service was needed for broadcasts to the west, another transmitter to be sited either in Bombay or Bhuj would be necessary and this would cover Pakistan, Afghanistan, Saudi Arabia and the north-eastern portions of Africa;

"(vi) With suitable aerials, the two 250 kW short-wave transmitters, proposed to be stationed in Delhi, would serve all the areas mentioned above and also countries beyond, such as China towards the east, Russia and the African countries to the west;

"(Vii) The short-wave transmission would provide day and night service, but reception, though very much wider in range, would not be so effective in the countries within the shorter range as medium-wave transmission;

'(viii) Considering India's resources, although from the long-term angle, short-wave transmitters would be preferable, for the immediate presentation of a proper image of India and her policies to the countries to the north and south-east of India, a powerful medium-wave transmitter would be more advantageous, particularly in view of the fact that most listening is done during the evening hours.

"It has accordingly been decided that All India Radio should go in for a super high power medium-wave transmitter for location in Calcutta in addition to the short-wave transmitters already approved.

Television Service in Delhi

Arrangements for expanding the present limited television service in Delhi from 26th January, 1965, are in hand. The object is to find out by experience what type of programmes are likely to be educative as well as popular and also to prepare material for the future programmes. The social educative programme telecast at present only twice a week will now be telecast every evening, and the rest of the programme will provide entertainment as well as education for growing boys and girls.

The project will be implemented in two phases. The final capital cost is estimated at Rs. 55 lakhs, excluding cost of sites, and Rs. 24.23 lakhs a year as recurring expenditure. Of this amount, it is proposed to spend Rs. 11.5 lakhs (for capital equipment and spares) immediately to enable the expanded service to function efficiently. The fully expanded service will serve the villages within a radius of 60-80 miles from the station.

Side by side, the Government is examining proposals to set up transmitting stations in Bombay, Calcutta, Madras and Delhi as also to manufacture cheap receiving sets. The U.K. and U.S. offers to cover both the installation of transmitters, to manufacture sets in India and to operate services are being examined. Hungary has also shown interest.

TRACTORS

Import from Poland

Only 400 tractors in a semi-knocked-down condition will be imported from Poland during 1964 for assembly in the country under a manufacturing programme. The c.i.f. price of each tractor, with certain deletions, would be about Rs. 5,267.

LABOUR

Payment of Wages in Kind

Two statements, made in the Lok Sabha, should show that labour could never go wrong as far as production is concerned. The Central Labour Minister, Mr. Sanjivayya Reddy, admitted that workers had gone back on their agreement reached in Bangalore to receive part payment of their wages in kind. He explained that the Standing Committee on Industrial Truce Resolution, which met in Delhi in November, did not regard the system of payment of wages in kind as practicable. It, however, recommended that the Government should enact legislation immediately to compel employers to set up fair-price shops and that such shops should supply the six commodities at prices recommended by the Indian Labour Conference in Bangalore, namely, rice, wheat and sugar at scales and prices prevailing in general fair-price shops, and two varieties of textiles, pulses and cooking medium at wholesale rates as prevailing in the nearest wholesale market. Thus the main features of the scheme of payment of wages in kind would be included in the legislation on fair-price shops. The standing committee also reiterated the earlier decision that the fair-price shops should be converted into co-operatives as early as possible. It is accordingly proposed to introduce a Bill on the subject at an early date.

The Central Minister of Commerce, Mr. Manubhai Shah, recently outlined some of the reasons for the low productivity of Indian workers. He said that the main reasons for the lower productivity of an average Indian worker, compared with his counterpart in the U.S.A., were the differences in the level of technology employed, the standards of management, condition of machinery and its maintenance, differences in the training of workers, the level of wages and incomes, working conditions in the industry and other social and historical factors. The need for rehabilitation and modernisation of the industry has been kept in view, and assistance is given to the industry to meet these requirements. As for other aspects such as the training of workers and adoption of modern methods of management, efforts are being made to introduce them to the extent possible in Indian conditions.

What would have been the attitude of the Central Minister of Labour had the employers backed out from the Bangalore resolution of the Indian Labour Conference is not disclosed. Similarly, Mr. Manubhai Shah forgot to mention the important rôle played by competition in improving not only productivity but also the quality of goods and performances of workers.

DYESTUFFS

Protection to be Continued

The Government of India has accepted the Tariff Commission's recommendation to continue the existing protective duty of 20 percent *ad valorem* on dyestuffs. The Government has also accepted the recommendations of the Commission to bring under protection with immediate effect and up to 31st December, 1967, the following:

(1) naphthols at the existing revenue duty of 50 percent *ad valorem*.

(2) fast colour bases at the rate of duty of 75 percent *ad valorem*.

(3) 2-amino-anthraquinone at 45 percent *ad valorem* (preferential) and 55 percent *ad valorem* (standard).

(4) benzanthrone at 65 percent *ad valorem* (preferential) and 75 percent *ad valorem* (standard).

(5) beta oxy naphthoic acid (B.O.N. acid) at 65 percent *ad valorem* preferential and 75 percent *ad valorem* (standard).

The Government has also accepted the recommendations of the Tariff Commission that concessional rate of duty should be granted to certain intermediates up to 31st December, 1967, and also withdraw concessional duty enjoyed by some intermediates used by the dyestuff industry.

U.K.

The Import Surcharge

With effect from 27th October, 1964, the U.K. Government imposed a temporary levy of 15 percent on all imports, with the exception of foodstuffs, basic raw materials for industry, and unmanufactured tobacco. On the basis of a preliminary study is was apprehended that about 28 percent of India's exports might be affected by the levy. So representations were made for relief, especially in relation to hand-made products and other main affected sectors of trade. Subsequently, the U.K. Government took steps to remove certain anomalies in the levy and as a result undressed leather including, East India kips, has been exempted from the levy. Further developments are awaited.

ROAD TRANSPORT

High-powered Body Planned

A proposal to set up a high-powered committee to examine whether the present taxation on motor transport has become a disincentive to the growth of road transport in India is being considered by the Government. The bigger issue, however, is how the Central Government wil persuade the State Governments to implement the recommendations of the committee.

WOOL

Limited Imports Allowed

The Government has allowed limited imports of raw wool of all qualities, required by the woollen industry, valued at Rs. 5 crores for the period October 1964-September 1965. In addition, imports made under the export promotion scheme are expected to be of the order of about Rs. 2 crores to Rs. 3 crores. Total imports would thus be of the order of Rs. 7 crores to Rs. 8 crores which will provide the industry with about 13 million to 15 million lbs of imported raw wool. In addition, it is open to the industry to use synthetic fibres for blending with wool to increase the availability of raw materials. The requirements of the industry would be in the range of Rs. 18 crores to Rs. 20 crores for the full year but due to shortage of foreign exchange, larger imports are not possible.

EXCHANGE RESERVES

Drawing from I.M.F.

The Central Finance Minister, Mr. T. T. Krishnamachari, has openly admitted in Parliament that India's economic situation is extremely grim. Apart from internal discontent accentuated by the food shortage and inflation, the country is faced with one of its most serious foreign exchange crises. In addition to the repayment of loans, India has to repay, during this month, $75 million to the I.M.F. and $15 million to the Indo-Pakistan Joint Indus Commission. Her external reserves have already reached a dangerously low level. It looks as if India may have to renew her drawings from the I.M.F. for sometime more. As far as the repayment of loans is concerned, three possibilities are being discussed. They are: (1) the refinancing of loans by the lender countries; or (2) shifting by some years the date for the repayment of loans; or (3) an enhanced aid to meet the import bill, which will free resources for the repayment of loans. Britain and West Germany are the two principal countries whose short-term loans are due for repayment this year. Imports will be further slashed by 20 percent.

IMPORT DUTIES

Concessions for Indian Goods

The following countries have relaxed, suspended or removed import duties on Indian goods. Austria, Canada, Denmark and Sweden have taken off the import duty from tea. In Australia, tea in bulk, and in the countries of the European Economic Community black tea, is imported duty-free. Czechoslovakila has suspended import duties on the following Indian goods: tea, coffee, cocoa beans, unmanufactured tobacco, vegetable oils, oilseeds, cotton yarns, jute yarns, leather, various tanning extracts, mica-slabs, tyres and tubes, and prepared or preserved tinned fish.

In Finland, raw cotton is duty-free while duty on bananas with stems has been reduced by 13 percent. Unroasted coffee is free of duty in Austria while it has been suspended in Norway, Sweden, and Spain. In the U.S.A., instant coffee is duty-free.

The European Economic Community has allowed the following reductions to India:

Commodity	Reduced from
Cashew kernels	5 percent to 2.5 percent
Pepper of the genus piper, neither crushed nor ground	20 percent to 17 percent
Pimento of the genus capsicum neither crushed nor ground, other	20 percent to 10 percent
Nutmeg, neither crushed nor ground	20 percent to 15 percent
Coffee, unroasted, not freed of caffeine	16 percent to 9.6 percent
Castor oil, intended for other purposes	8 percent to 7 percent
Bathing costumes, babies outer garments	21 percent to 16.8 percent
Men's outer garments of man-made textile fibres	20 percent to 16 percent
Women's outer garments of man-made textile fibres, bathing costumes	20 percent to 16 percent
Tea, imported in immediate containers of net capacity of 3 kilograms or less	23 percent to 5 percent
Carpets, carpeting and rugs of wool or of fine animal hair, knotted	Binding of the existing duty of 32 percent with maximum of 4.5 A.U. a square metre
Seeds of coriander neither crushed nor ground	Exempted
Seeds of coriander crushed or ground	Exempted
Curry powder and paste	Exempted
Ginger in other form	Exempted
Bleached shellac	Exempted
Mango chutney	Exempted
Ginger, preserved by sugar	Exempted
Ginger, preserved or prepared without alcohol	Exempted
Black tea	Exempted
Cardamoms, neither crushed nor ground	Exempted
Cardamoms crushed or ground	Exempted
Tobacco seed oil, crude	Exempted
Tropical wood in the rough	Exempted
Tropical wood, roughly squared or half squared	Exempted
Tropical wood, sawn lengthwise	Exempted
Equipment for cricket and polo	Exempted

London

CONFLICTING VIEWS ON U.K. INDUSTRIAL TRENDS

(FROM OUR LONDON CORRESPONDENT)

THE latest economic indicators—the November trade figures and the index of production for October—once again offer conflicting pictures, with the result that the uncertainty about the economic outlook, and the various opinions held on it, continue to prevail and further complicate the issue. After nine months' stagnation, the all-industries index of production, adjusted to remove seasonal influences, rose two points in October to 129 (1958 equals 100). The expansion was mainly due to higher output by the iron and steel, engineering and vehicles industries and helped by the colder weather stimulating the output of gas and electricity. One month's figures are dangerous as a guide, but at last the index appears to be corresponding with industrialists' reports of rising output and sales instead of conflicting with them.

This is not the case, however, with the November trade figures. These show no real improvement over the October figures when seasonal changes between the two months are allowed for. The seasonally adjusted values are as follows: exports £357 million, up £6 million from October; imports £474 million up £19 million; re-exports £14 million, up £2 million. The crude "trade gap" works out at £103 million, against £92 million in October, but a better guide is the "trade balance", estimated in terms of actual payments, which is unchanged in November at £54 million.

November Trade Figure

The President of the U.K. Board of Trade, Mr. Douglas Jay, commented that there was nothing surprising in these November trade figures. Imports had continued to come in at about the level of recent months. These November imports were deliveries against contracts placed earlier. "It was not to be expected," Mr. Jay added, "that the temporary import charges imposed at the end of October would bring about such an early reduction in arrivals." Mr. Jay also suggested that the slight fall in exports earlier in the year may have come to an end, but much depended now on how Britain's exports to Europe would fare in the coming months.

One section of business expects output, and exports, to rise in the coming months. A clear majority of the firms answering the F.B.I.'s latest enquiries are optimistic on both counts. The problem is that in June the same people declared themselves to be even more optimistic than they are now. Yet official statistics have failed to show any improvement either in production generally or in export sales since then. There were two reasons why the results of the F.B.I. survey into industrial and export trends have been greeted with even more than the usual amount of interest. Firstly, they provide the first systematic analysis of industrial opinion after the general election. Secondly, they provide an interesting commentary on the rather pessimistic official economic indicators which show that industrial production had been maintained at the same level since January, and that the rate of increase of British exports had tended to level off.

The majority of the respondents are as optimistic about the general business situation as they were five months ago. Firms in the mechanical engineering and building material industries tend to be more optimistic, while those in shipbuilding, textiles and paper and printing are more pessimistic. Although the number of firms reporting an increase in the level of output was not as great as in June, nearly one half say that output has increased, while only 10 percent say that it has decreased. It seems to have increased particularly rapidly in the mechanical engineering, electrical engineering, chemical and building material industries, while it seems to have been rather sluggish in the textile and paper and printing industries.

Nearly half the firms also report an increase in the rate of total new orders. This is remarkably high. Many firms, working at full capacity and faced with an acute shortage of skilled labour must be tempted, during the present conditions to turn away or at least discourage new orders. One of the most interesting parts of the survey was the answers to the question: "What are the factors likely to limit your output over the next three months?" There is every indication that many of these "bottlenecks" are, as a result of the expansion during the past five months, becoming more serious.

Shortage of Skilled Labour

The shortage of skilled labour is certainly getting worse. It is hitting hard at the engineering industries, where over 60 percent of the respondents in the mechanical engineering and over 50 percent in the electrical engineering and shipbuilding industries say that it is likely to limit output. There does not as yet seem to be a great shortage of "other labour", except possibly in the metal and metal manufacturing industries, where nearly a third of the firms say that it is likely to limit output. There is no doubt, however, that this shortage of skilled labour is leading to hold-ups in the "pipeline" and to the fact that, in the mechanical engineering, electrical engineering and vehicle industries, a rapidly increasing number of firms say that a shortage of materials or components is likely to limit output.

It seems that most firms are managing to extend plant capacity. The shortage of plant capacity is still fairly serious in the metal industries but it is not as serious as it was five months ago in the engineering industries and in the vehicle industry. A large proportion of the respondents continue to expect to authorise more capital expenditure on new buildings and new plant and machinery during the next 12 months. It is expected, not surprisingly, to be at an exceptionally high level in the electrical engineering industry and the chemical and building material industries. But it is not expected to be at a very high level in the shipbuilding, textile and paper and printing industries. The high level of investment demand is reflected by the continuing high level of new orders received for capital equipment.

Nearly 10 percent of the respondents seem to have built up their stocks of raw materials during the summer months and to have anticipated the import surcharge. But having done so, there is every reason to hope that during the next three months at least, stock holdings will be maintained at a fairly constant level, or perhaps decrease. There is some cause for alarm in the fact that the majority of firms in every sector of manufacturing industry, except as usual, in chemicals, say that costs have risen and are expected to continue to rise sharply. However, only one quarter of the firms compared with nearly one-third in June say that average selling prices have risen.

Optimistic Results

The optimistic results of the export survey are at first sight, and in the light of recent official statistics, mystifying. Nearly one-third of the firms are more optimistic about their export prospects during the next 12 months than they were 12 months ago. Firms in electrical engineering, vehicles and shipbuilding tend to be particularly optimistic. This optimism is borne out by the fact that over 40 percent of the firms report an increase in export orders and over one third of the firms report an increase in export deliveries. Yet these figures conceal a wide difference in the export performance of various industry groups. In some of the main exporting industries, like mechanical engineering, electrical engineering and chemicals, the rate of increase of actual deliveries during the last five months fell significantly below the level that was forecast in June. In the less important exporting industries like food, drink and tobacco and building materials, firms have in general been able to live up to or improve upon their expectations.

The reason why firms in mechanical engineering and electrical engineering have not been able to live up to their expectations are not hard to find. Both these industries have been faced with acute shortages of skilled labour and growing shortages of materials or components. At the same time, the maintenance of the high level export orders in the engineering industries would indicate that future prospects continue to be favourable.

The respondents are, however, faced with increasing price competition in the export markets. Over 60 percent say that prices are likely to limit their ability to obtain export orders during the next three months. And very few firms, except in the vehicle industry, report that average prices at which export orders are booked have been increasing. An interesting corollary of this is that an increasing number of firms, more especially in the engineering industries, say that a shortage of credit or finance is likely to limit their ability to obtain export orders during the next three months.

In the industrial export markets, a large number of firms agree that export prospects in the European Free Trade Area are likely to improve while rather fewer than in June say that prospects are improving in the European Common Market. More firms say that export prospects in the less developed countries—and especially in Africa and India—are improving.

On the other hand, confidence among British merchants engaged in foreign trade, both about the general business situation in this country and about exports, has dropped sharply in the last four months. In a report, the Association of British Chambers of Commerce describes the result of its latest merchanting trends enquiry as easily the most pessimistic since the survey was started nearly three years ago. The report is based on replies from 305 merchants whose estimated annual turnover is about £430 million. Returns were filled in after the import surcharge and export rebate schemes had been announced but before Bank rate was raised. About half were also completed before the Budget.

Drop in Orders

Of those replying half say they are less optimistic about the general business siutation than they were at the time of the previous survey in August. A majority of export merchants say there has been a drop in the rate of orders received over the past four months and in the rate of deliveries and the level of outstanding orders. At the same time, delivery dates appear to have lengthened and prices to have risen. Looking ahead to the next four months, merchants expect to see a significant decline in the tempo of business and more than a third think that export prices will continue to rise. The bigger firms, moreover, are generally more pessimistic than smaller ones. The only exceptions to this generally gloomy picture are firms dealing in engineering products and manufactured chemicals who forecast increases in new orders and in deliveries.

All trades except textiles and clothing report reasonable prospects in the North American markets, but elsewhere the outlook is patchy. Textiles and clothing take a gloomy view in all markets, while manufactured chemicals report worsening prospects only in south-east Asia and Japan. Prospects for engineering products are thought to be reasonable in western Europe, Russian block countries and China. No sign is evident, however, of any real revival of business in the Indian sub-continent.

Import merchants expect a substantial decline in import business as a result of the 15-percent surcharge. All trade groups forecast a reduced rate of orders placed abroad and of import arrivals. Even trades not materially affected by the surcharge foresee some reduction in business, though food and drink imports are expected to show the least fall. There is evidence in the returns of some precautionary buying in anticipation of import controls.

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FIBRE PRICES EASE ALTHOUGH ARRIVALS DECLINE

SLUGGISH conditions have been prevailing in the raw jute market during the past fortnight or so in spite of a decline in daily arrivals from 125,000 maunds to 100,000 maunds in the terminal markets. Mills have so far been selective in their offtake. Market circles believe that they have restricted their purchases to quality fibre. Meanwhile, there has been a glut of lower-grade jute in Cossipore and in the agencies. Nervous offerings of such jute by weak holders at a discount have brought about a general softening of prices during the fortnight by Re. 1 a maund to Rs. 34.50 a maund, f.o.r., Calcutta, ready, basis Assam Bottoms. There are also certain other factors which have contributed to the decline.

First, the resumption of work in East Pakistani mills has failed to prop up fibre prices in that country since the mills have comfortable stocks of raw jute in their warehouses. Overseas offtake has been sluggish, as foreign buyers of Pakistani fibre are in a holiday mood. With the arrival of more jute in upcountry markets and the mopping up of more than 50 percent of the seasonal crop, the earlier fears of a big shortfall in the output have been discounted. The latest trade estimates indicate a crop of 5.5 million bales, which will help Pakistan to cover its normal consumption needs and export commitments. The carry-over to the 1965-66 season is likely to be smaller than in the previous season. But Pakistani jute circles believe that the comparatively high prices received by growers this season will encourage them to produce a bigger crop next year.

Bigger Imports of Long Jute

Secondly Indian jute mills have already bought a bigger quantity of long jute and cuttings from Pakistan this year than in 1963-64. Enough foreign exchange has been allocated by the Government of India for this purpose. Since September 375,000 bales of long jute and cuttings have been lifted from Pakistan by the J.B.S.A. The latest import quota of 200,000 bales has also been allotted to the J.B.S.A., thus making a total of 575,000 bales (against last year's carryover of 560,000 bales) exclusive of the undelivered goods against contracts up to 30th June, 1964. The Jute Commissioner has assured the industry a fresh quota of 200,000 bales from Pakistan and another 200,000 bales from Thailand, if necessary. So the Indian industry's anxiety about the availability of quality long jute and cuttings for blending purposes has been allayed.

Thirdly, the earlier fears of a short-fall in the Indian jute crop have been removed with the announcement of a record crop of 3.67 million bales in West Bengal this season, against 3.2 million bales in 1963-64, despite the setback caused by drought conditions in May and June in the Daissee and Tossa belts and the flood damage to plants in northern Bengal. Bears now estimate the all-India crop around 7.5 million bales, while the conservative estimate is 7.2 million bales. Besides this, there has been a general improvement in quality due to the introduction of large-scale crop improvement and better retting techniques.

Fibre Supplies Adequate

Lastly, although the industry has been working its installed capacity at maximum levels (except in the case of some mills during September and October), it has been able to get a regular supply of jute. The mills have been able to build up some stocks besides meeting their day-to-day requirements. The indications are that a steady supply of fibre will be maintained during the rest of the season, though the carry-over may be much smaller than the 2.8 million bales brought forward from the previous season. A striking aspect of the marketing of the crop this season is that sharp fluctuations in fibre prices have been restrained by the judicious allocation of maximum weekly purchase quotas in proportion to the market arrivals and the regulation of mills, fibre stocks by the Jute Commissioner.

Since the resumption of work in Pakistani mills, prices have sharply reacted in the finished goods market. At the current levels of gunny prices, mills cannot afford to pay higher prices for fibre, since their manufacturing profits have already been squeezed to the minimum. So a downward movement of fibre prices seems to be warranted by the trend of the jute goods market.

Exports of Carpet-backing Fall

A sharp drop in the export of carpet-backing cloth from 11,600 tonnes in October to 8,500 tonnes in November has offset the increase of 4,100 tonnes in internal consumption of heavy goods. The total despatches from mills reporting to the I.J.M.A. show a modest rise of 1,700 tonnes to 107,500 tonnes. The offtake of sacking has improved by 5,200 tonnes to 49,500 tonnes and of other goods by 100 tonnes to 5,400 tonnes, while the offtake of hessian has declined by 500 tonnes to 44,100 tonnes.

Exports have absorbed 71,000 tonnes in November, against 72,700 tonnes in the preceding month. Shipments of hessian were 39,200 tonnes (against 39,500 tonnes), of sacking 21,100 tonnes (against 20,000 tonnes) and of miscellaneous sorts 2,200 tonnes (against 1,600 tonnes). The increase in internal consumption from 33,100 tonnes to 36,500 tonnes has been attributed mainly to the brisk offtake of heavy goods by the Indian Government and to seasonal factors. Sacking despatches have improved from 24,300 tonnes to 28,400 tonnes, while hessian has shown a minor decline from 5,100 tonnes to 4,900 tonnes and other goods from 3,700 tonnes to 3,200 tonnes.

In November 1963, total despatches were 100,200 tonnes—40,100 tonnes of hessian, 47,400 tonnes of sacking, 6,700 tonnes of carpet-backing and 6,000 tonnes of other goods. Exports absorbed 36,200 tonnes of hessian, 24,900 tonnes of sacking, 6,700 tonnes of carpet-backing and 2,500 tonnes of miscellaneous goods, making a total of 70,300 tonnes. Internal consumption amounted to 29,900 tonnes—3,900 tonnes of hessian, 22,500 tonnes of sacking, and 3,500 tonnes of other goods.

Decline in U.S. Burlap Consumption

Burlap consumption in the U.S.A. has declined from 72.6 million yards in October to 65.1 million yards in November. It was 76.9 million yards a year ago. The total offtake for the first 11 months of the year has been 799.7 million yards, against 836.8 million yards for the corresponding period of 1963. The monthly average so far this year has been 72.7 million yards, while it was 76.07 million yards in 1963. U.S. stocks at the end of November rose by 3 million yards to 271.8 million yards. Of these, 122.7 million yards (against 132.4 million yards) were spot stocks and 149.1 million yards (against 136.4 million yards) were afloat. In November 1963, the inventories were 280.7 million yards—159.2 million yards spot and 121.5 million yards afloat. At the November rate of consumption, the stocks will last 4.175 months. The corresponding stock duration at this time a year ago was 3.66 months on the same basis.

Shipper circles in Calcutta ascribe the decline in U.S. offtake to the hardening trend in burlap prices since the start of the strike in Pakistani mills. Heavy-duty, duty-paid, spot and afloat burlap prices in New York gradually rose from 12.65 cents a yard on 1st November to 12.85 cents a yard on 23rd November. After hovering around this level up to 1st December, the rate rose further to 12.90 cents on 9th December at which level it has been ruling so far. U.S. bookings, of late, have been more or less of a routine nature, indicating that the price has reached the critical level where a bulk consumer prefers to use up his stocks and adopt a "wait-and-see" attitude before placing fresh orders. Since the resumption of work in East Pakistani mills, prices of hessian have gradually softened in this country as well, and enquiries have started coming to Calcutta shippers.

No Decision on Bonus

The tripartite Industrial Committee on Jute, which met in New Delhi last Saturday, has failed to reach an agreement on the issue of the bonus payable to jute mill workers. At the suggestion of Mr. D. Sanjivayya, Central Minister for Labour and Employment, who presided over the meeting, the Committee has decided to meet again in Calcutta on 25th January to make a fresh effort to come to a settlement. Representatives of the I.J.M.A., the Employers Federation of India, the I.N.T.U.C., the A.I.T.U.C., the Hind Mazdoor Sabha and the United Trades Union Congress took part in the deliberations. The West Bengal Labour Minister, Mr. Bejoy Singh Nahar, also attended the talks.

THE JUTE MARKETS

Manufactured Goods: Easier conditions prevailed in the Calcutta gunny market during the past week on reports that Pakistani mills had resumed normal working after the long strike. Overseas buyers were in a holiday mood and awaited a decline in prices. Shippers deferred fresh commitments in view of the strike threat on the eastern coast of the U.S.A. Towards the week-end, it was learnt that the U.S. strike was called off following a wage settlement. Earlier in the week, sentiment was helped by reports of substantial enquiries for heavy goods for December-March positions from Nigeria and heavy bookings of woolpacks for January-June positions by Australia. But it suffered a setback on the publication of the I.J.M.A. despatch figures for November showing a decline in exports by 1,700 tonnes. The drop in carpet-backing shipments from 11,600 tonnes to 8,500 tonnes was ascribed to the clearance of huge lots of held-over cargoes during October. Smaller consumption of burlap in the U.S.A. during the previous month and the slow offtake by that country accentuated the bearishness. The small tender for B Twills for January delivery from the Indian Government was disappointing. Shorts and shippers continued their routine covering. But the continuing congestion of vessels at Sandheads impeded the smooth flow of export cargo. The weak sentiment in the spot market was influenced by the setback in the hedge market following heavy long-liquidation and some amount of short-selling. Prices fell after wide fluctuations. Sacking was affected more than hessian. Turnover was large in the futures market, and moderate in the spot market. The undertone was hesitant at the close.

Wednesday's quotations were as follows:

	Dec.	Jan.	Feb.	Mar.
40in. 7½oz.	37.80	37.80	37.65	37.60
40in. 8oz.	40.30	—	—	—
40in. 10oz.	48.35	48.25	49.25	49.50
B. Twills	148.40	144.25	142.30	140.00
Cornsacks	151.75	151.75	147.75	144.50
Heavy Cees (Plain)	145.75	132.50	141.90	139.65
A Twills	177.50	175.50	173.00	171.00
Liverpools	166.50	163.00	161.50	159.00

Raw Jute: Subdued conditions prevailed in the raw jute market during the past week. Although daily arrivals in the terminal markets amounted only to about 100,000 maunds and the Jute Commissioner had renewed the maximum purchase quota of 200,000 bales for the week ending 26th December, prices drifted downwards by about 50 paise to Rs. 34 a maund, for Assam Bottoms

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delivered in Calcutta. Panicky offerings by weak holders of ready lower-grade jute depressed the trend, although quality fibre still commanded a premium and met with ready acceptance. In the upcountry markets, prices, though softer, hovered above Calcutta parity. Reports of an easy trend in the Pakistani jute market were an additional depressant. Turnover was mainly confined to selected-grade jute for ready positions in Calcutta and the terminal markets. The closing undertone was hesitant.

Wednesday's quotations were as follows:

	Rates a maund Mid.	Bot.	Rates a quintal Mid.	Bot.
Assam-Agartala Jute	36.50	34.00	97.79	91.09
Northern Jute	35.00	33.50	93.77	89.75
Western Desal Jute	35.00	32.50	93.77	87.07
Selected Daissee	37.50	35.00	100.47	93.77
Assam-Agartala Tossa	37.50	35.00	100.47	93.77
Mesta:				
Assam-Northern	34.50	32.00	92.43	85.73
Local Daissee	33.00	31.50	88.41	84.39
Bihar Dist.	32.50	30.50	87.07	81.72

THE U.K. JUTE MARKETS

RESTRICTED BUYING OF FIBRE

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market was quieter in Pakistan, and offers were being freely made during the past week. Less buying interest was shown by the mills there, and as a result of this, larger quantities of jute were becoming available to shippers. There are reports from Pakistan that the quality of fibre is now showing some improvement.

Demand for raw material from Dundee spinners was very small and the business taking place was mainly in spot parcels. A large quantity of unsold jute is now afloat to the U.K. and spinners will take this up in due course. However, this is bound to have a weakening influence on prices in the Dundee market as holders of these parcels are anxious for business because of the high interest charges in the U.K. at present.

Prices quoted were very irregular. This is likely to continue until all the unsold jute is taken up. Offers are being made at £150 for Mill Firsts, at £137 10s for Export Firsts, at £122 10s for Export Lightnings and at £114 for Export Hearts, c.i.f. U.K., for December-January shipment. Grade Tossa-2/3 was named at £151 and Grade Tossa-4 at £135. Dacca Tossa-5 was at £156 and Dacca Tossa-6 at £137 10s. There were sellers of Outport Tossa-2/3 at £117 10s and of Outport Tossa-4 at £111, December-January. Spot and afloat parcels could be obtained at less than the above rates in many instances.

Prices of cuttings showed little change during the past week. Offers were at £87 for S.N.C. and at £80 for N.C. Mesta was slightly easier, but the prices asked were still considered too high when compared with other types of raw material. Offers were at £109 10s for A, at £100 10s for B, at £91 5s for C and at £76 5s for cuttings, c.i.f. U.K., for December-January shipment.

The Siam jute market was quiet, and although prices were at a reasonable level, there was very little buying interest shown here. Offers were at £82 for grade A, at £77 10s for grade B, at £73 10s for grade C and at £71 10s for cuttings, delivered mill Dundee for December-January shipments.

The Calcutta goods market was steady and a small business took place in imported goods in the U.K. Quotations were at 81s 6d for 40in. 10oz. and at 63s 3d for 7½oz. a 100 yards c. and f. U.K. for December shipment, at 82s 3d and 63s 3d January and at 82s 8d and 63s 3d February. B Twills were at 254s 11d, 250s and 245s 10d for the respective shipment periods.

Dundee jute spinners are very busy, and they have orders in hand for delivery several months ahead. The carpet trade continues to take regular supplies and further buying has taken place as there is nothing to indicate that lower prices can be expected in the near future.

Manufacturers of hessian cloth are also busy, but their position is not quite so good as a month ago. There has been a slackening off in demand of late, but most producers have orders in hand for delivery over the next two months. The heavy end of the trade is very quiet and little buying interest is shown in sackings and tarpaulins. As a result of this, producers are offering a discount for large quantities. So far this has not increased demand.

U.S. BURLAP CONSUMPTION AND STOCKS

U.S. burlap consumption during November was 7.5 million yards less than during October 1964 and 11.8 million yards lower than in November a year ago. Bag cut-up was 46.8 million yards and piecegoods deliveries 18.3 million yards, compared with 55.9 million yards and 21 million yards, respectively, in November 1963. Consumption for the first 11 months of 1964 is 37 million yards less than during the comparable period a year ago. U.S. spots and afloat stocks at the end of November increased from the end of October by 3 million yards. At 271.8 million yards, 122.7 million yards were spots (down 9.7 million yards) and 149.1 million yards were afloats (up 12.7 million yards). Stocks represent about 3.7 months' supply.

U.S. burlap consumption (as reported to T.B.M.A.) (In million yards)

	1964	1963
Jan.	71	61
Feb.	63	78
Mar.	63	75
Apr.	63	68
May	55	65
June	59	60
July	55	60
Aug.	69	63
Sept.	68	67
Oct.	63	68
Nov.	56	66
Dec.		65
Total	685	796
Mo. Av.	62	66

U.S. burlap consumption (estimated industry total) (In million yards)

	1964	1963
Jan.	82	68
Feb.	73	89
Mar.	74	85
Apr.	74	77
May	64	76
June	70	69
July	64	68
Aug.	81	70
Sept.	81	80
Oct.	73	79
Nov.	65	77
Dec.		75
Total	800	912
Mo. Av.	73	76

U.S. burlap stocks (as reported to T.B.M.A.) (In million yards)

	1964	1963
Jan.	240	266
Feb.	230	256
Mar.	227	261
Apr.	231	254
May	232	252
June	238	251
July	251	252
Aug.	223	235
Sept.	221	232
Oct.	219	230
Nov.	223	232
Dec.		245

U.S. burlap stocks (estimated industry total) (In million yards)

	1964	1963
Jan.	291	306
Feb.	284	304
Mar.	273	304
Apr.	277	300
May	278	296
June	286	296
July	300	297
Aug.	280	279
Sept.	275	289
Oct.	269	278
Nov.	272	281
Dec.		294

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NGB/46C

Commodity Markets

COMMITTEE RECOMMENDS INCENTIVES FOR TEA

THE chairman of the Tea Finance Committee, Mr. V. V. Chari, has explained the background to the recommendations contained in the committee's report, which has since been submitted to the Government and placed before the Lok Sabha. (A summary of the recommendations was published in *Capital* of 10th December.) Mr. Chari, who is the Additional Secretary to the Central Ministry of Finance, has said that the tea industry needs incentives to embark on a steady development programme. Because of a downward trend in their profits over a number of years, there is disinclination on the part of the management to incur fresh expenditure on development. In the southern region, for instance, in 1964 which was a bumper crop year, the net profits on paid-up capital and reserves taken together increased to 26.5 percent from 24 percent in 1950, but in 1962 these declined sharply to 9.7 percent. Mr. Chari did not have the precise figures relating to estates in north India, but he felt that things could not have been very different for them. The industry had undertaken some replantation in good years, but later progress has been very inadequate. It will be difficult for the industry to fulfil the fourth plan target of 1,000 million lbs. Even in the third plan, output and export targets have had to be revised downwards.

Apart from the recommendations which have already been reported, the following are some of the important ones with which Mr. Chari dealt specifically at his Press conference:

(1) A cess at the rate of four paise a kilogram with effect from the next financial year, should be levied on all tea produced.

(2) All land suitable for tea plantation within the existing grants of tea gardens should be exempted at least for some years from resumption or requisition by the State Governments unless required for public projects of paramount importance.

(3) Applications from tea gardens for additional Government land for expanding the area under tea should receive favourable consideration by State Governments; and

(4) The price of fertilisers paid by tea gardens should not exceed the price payable by other agriculturists.

The expenditure on planting for the purpose of computing the development allowance will include (1) the cost of preparing the land; (2) the cost of seeds and cuttings and nurseries; (3) the cost of actual planting and (4) the cost of upkeep up to and including the fourth year commencing from the year in which a start is made for preparing the land. The assessing officers should deduct expenditure on the cost of upkeep after plantation in new areas in computing the taxable income. For the purpose of computing the development allowance, the cost of planting will be subject to a ceiling of Rs. 4,000 an acre in the plains and Rs. 5,000 an acre in the hill areas.

The report says that the rate of tax on the agricultural portion of the composite income should not exceed the rate of tax on the non-agricultural portion of it.

The committee has recommended that a suggestion made by the Agricultural Refinance Corporation that finance for small tea growers should be provided through central co-operative banks and land mortgage banks should be pursued. For the economically weak gardens, which are not necessarily small in area, the committee has recommended the relaxation of some of the conditions applicable to loans made by the Tea Board.

Also, extension service on the lines of what has been done for agriculture should be provided. Hire purchase loans should be allowed to be repaid over a period of ten years instead of the present duration of seven years. Furthermore, the hire-purchase scheme should be extended to the purchase of second-hand driers and prime movers provided the Tea Board is satisfied that these machines are suitable in all respects.

Tea estates are now required by law to provide houses for their labour. The committee has endorsed the recommendation of the working group on plantation labour housing that a subsidy of 25 percent of the cost of houses be provided on the lines of the industrial housing scheme.

It is understood that the allowance for new plantations will be 50 percent of expenditure, whereas the cost of replanting will receive financial assistance up to 40 percent of the cost including upkeep for four years, writes a special correspondent. Other matters under consideration include refund of a proportion of excise duty on exports (18 percent is indicated) as a surcharge of 20 percent was added to excise rates under the Finance Act 1963. At that time the export duty was abolished. The abolition of the West Bengal tax on tea entering Calcutta is also understood to have been recommended.

Interest at 4 percent on loans for replanting and new planting is said to have been recommended for the first five years and to compensate lenders, interest for two additional years, namely, the sixth and the seventh year, would be at 6 percent.

The congestion continues at Calcutta port and tea shipments fill all available space. At Sale No. 30 held in Calcutta recently on 14th, there was a good general demand for leaf, generally at a decline, but some grades continue to find buyers at firm and even dearer rates. Fannings sold well and there was definitely a better enquiry for C.T.C. offerings, while plain teas kept steady. Both medium and good C.T.C. found support, and in some cases, the rate appreciated. Darjeelings were reported slightly easier. In view of the large supplies from north India, this season, the current indications are encouraging. Cochin also reported a good demand for dust teas with high-growns well supported and good medium grades were firm to dearer. At the Calcutta tea sales of 31st December, there was a good general demand.

Some 31,450 packages were up for sale at the latest London auction of which 27,475 packages were from Calcutta. Prices for Assams were firm to dearer, but Dooars met with an irregular market with prices about 1d a lb lower.

LOSS INCURRED BY STATE ELECTRICITY BOARDS

On examining the accounts of the various State Electricity Boards for 1962-63, it was seen that except the Boards of Madras, Mysore, Madhya Pradesh and Uttar Pradesh, the other Boards were not in a position to pay even interest charges on the loans advanced by the State Governments. The Conference of Irrigation and Power Ministers, held earlier this year, had noted that the financial position of most of the State Electricity Boards in the country was unsatisfactory and that in the interest of promoting healthy power development, immediate steps were necessary to put the Boards on a sound financial footing. As decided at the Conference, a Power Tariff Committee was set up to examine the following:

(i) Ways and means of improving the revenues of the various State Electricity Boards and also the income from electricity duty; and

(ii) the pattern of relationship between the tariff and electricity duty.

The Commission, among other things, suggested that the objective for all the State Electricity Boards should be to aim at higher revenues sufficient to cover operation and maintenance charges, contributions to the general and depreciation reserves and interest charges on loan capital.

Boards should keep the cost of generation, transmission and distribution, including overheads, as low as possible taking necessary corrective steps by periodical reviews.

As a general rule, the Board should supply power only at rates which provide for operation and maintenance costs, depreciation and interest charges. However, for the supply of power to energy intensive industries, the Committee recommends that the different views expressed on the principles to be followed may be placed before the Government of India for its consideration.

To facilitate intensive rural electrification, the Committee recommends: (a) that the possibility of getting loans interest-free for the first five years may be explored, (b) advantage may be taken of the loan assistance, if any, offered by the Life Insurance Corporation and (c) Boards should consider whether the minimum guarantee levied by them on agricultural consumption can be reduced or abolished.

With the object of increasing agricultural production in the country, the Government of India has decided to liberalise the terms of loan assistance being given to the State Governments for rural electrification. Under the revised terms, the loans will be repayable over a period of 30 years. No interest will be payable in the first five years. The principal and interest will be recovered in 25 equal instalments every year from the sixth year.

The State Governments have been requested to pass on the loans to their State Electricity Boards without charging higher rates of interest.

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MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA

(Base: August 1939)

THE Middle Class Cost of Living Indices, by groups, have now been brought up to November 1964. As compared with October, the November indices for Food, Fuel & Lighting, Clothing and Miscellaneous remain unchanged at 642, 308, 620 and 331 points, respectively.

Combining all the factors, the Middle Class Cost of Living Index for Calcutta shows that the cost of living remained unchanged at 533 points during November 1964.

Middle Class Cost of Living Index Number for Calcutta. Prices in August 1939=100

Groups	Weights	GROUP INDICES Nov. 1963	Dec. 1963	Jan. 1964	Feb. 1964	Mar. 1964	April 1964	May 1964	June 1964	July 1964	Aug 1964	Sept. 1964	Oct. 1964	Nov. 1964
Food ..	53.6	598	591	584	576	583	595	599	608	616	626	635	642	642
Fuel and Lighting ..	4.4	308	308	308	308	308	308	308	308	308	308	308	308	308
Clothing ..	12.4	609	609	609	609	609	609	609	609	609	620	620	620	620
Miscellaneous ..	29.6	321	321	321	321	321	321	331	331	331	331	331	331	331
Combined index ..	100.0	505	501	497	493	497	503	508	513	518	524	529	533	533

Compiled and constructed by the Statistical Department of "Capital".

Books

ECONOMIC MIRACLES IN EUROPE

Economic "Miracles". By Jossleyn Hennessy, Vera Lutz and Giusseppe Scimone. (Published for the Institute of Economic Affairs by Andre Deutsche Ltd, London W.C.1. Review copy received from Rupa and Co., 15 Bankim Chatterjee Street, Calcutta 12. Price 25s, pages 228.)

In the postwar era, three countries in Europe are said to have experienced an economic "miracle"—West Germany, France and Italy. The experiences and methods adopted by them for the restoration of their crippled economies are examined separately against the background in each country by three economists; two of them are better known as journalists. The purpose of the book is to assess the significance of the "miracles" for Britain. The Institute of Economic Affairs invited the three writers to give their views on the causes, performance, adaptation or end of each "miracle". Written in a style free from political bias, the book provides useful information and stimulating discussion on the resurgence of these economies. While suggesting tentative answers to the current problems, the authors have left enough opportunity for readers to draw their own conclusions. The essays are thus useful not only to Britain but to all the economies of Asia.

The essay on the West German "miracle" is by Mr. Jossleyn Hennessy. He attributes the resurgence of the West German economy to the inspiration of the present Chancellor, Dr. Ludwig Erhard, who replaced the Nazi war economy by the *sozialemarktwirtschaft* or "the liberal market economy" as interpreted by Professors Eucken and Ropke. The former was Dr. Erhard's chief adviser; he protested against the totalitarian ideology of the Hitler *régime* and believed that the State's first obligation was to preserve the freedom of the individual. "Freedom was lost when the individual was at the mercy of concentration of power, political or economic". He was against both private monopoly and Government planning which eliminate competition and concentrate power. West Germany, therefore, chose the way of the free-market economy. The author concludes that the real guarantee for the genuine security of rising wages and employment is the rising productivity of a flexible, competitive economy—free from restrictive practices. This is what the West German worker enjoyed in the 1950's, and it is his guarantee for the future.

France chose the way of indicative planning and by a series of "plans" seems to have applied the opposite principle of State guidance and pressure. Starting with the first plan of modernisation and equipment, popularly known as the Monnet plan, four plans have almost been completed, and the fifth is already in the preparatory stages. With a brief description of the organisational and administrative machinery and the method of preparing the plans, Dr. Lutz establishes an interesting relation between the plan and economic policy as a whole. There is a judicious analysis of the achievements and failures of these plans. Two criticisms of the plan are particularly striking. One is that it has not so far succeeded in formulating an incomes policy, and the other is that it has not been sufficiently "democratic". But the popular enthusiasm for the plan in France since 1961 is in part explained by a very special political situation. Dr. Lutz is a British-born economist who lives in Switzerland and knows France well.

The third of the trinity of European economic "miracles", that of Italy, is described in a short essay by Dr. Giuseppe Scimone, an Italian journalist. It is claimed that the economic resurgence during the postwar years has been largely the result of the courageous political measures adopted by the Italian Government under the influence of Dr. Luigi Einaudi as Governor of the Bank of Italy and Minister of the Budget. Without resorting to increased import cuts, his policy restored the incentive of business men to increase their activity, made Italy attractive for foreign investment, increased savings and stabilised the cost of living. In spite of the "miracle", many problems have arisen due to the lack of confidence. Industrialists are uncertain of trade unionists, the taxpayer does not trust the impartiality of the tax office, the efficiency of the bureaucracy is in question, and fraud and dissimulation are common. The system is blamed as one major cause of the present inflationary trend.

In a stimulating introduction to the book, Mr. J. Enoch Powell asks: What is it that Britain and the United States "haven't got" which is yet common to all these faster growing economies? He reviews the possible explanations and concludes that there is no discernible relationship of cause and effect between the economic "miracles" and the direction of economic resources by Government action.

INDUSTRIAL PSYCHOLOGY

Industrial Psychology. By Thomas William Harrell. (Review copy received from Oxford Book Company, 17 Park Street, Calcutta 16. Price Rs. 9, pages 398.)

Industrial psychology is the study of people at work in industry and business. It is concerned with the physical aspects of the work environment as, for instance, lighting and temperature and their effect on work output and safety. It is also a study of the principles and practices of human relations and is concerned with the attitudes and motivation that effect high morale and enthusiasm at work and with the causes of monotony which bring about boredom. It is the study of mental health on the job and the ways of helping back to mental health those people who have become upset and confused. It is the study of the relations between the supervisor and his subordinates and of the factors which lead to industrial strife or to co-operation between management and labour.

Industrial psychology is a complicated study of a number of things, but it is always primarily the study of people—as individuals or in groups—in the work situation. The objective of industrial psychology will be principally one of profit, so productivity and efficiency are important. Having thus stated what industrial psychology is, it need hardly be emphasised how important this subject is to India, since practically no attempt has been made so far in this direction here.

The book is written in simple, readable style. The exposition is clear, and the three major aspects of industrial psychology, namely, individual differences, human relations, and human engineering have received a well-balanced coverage. The emphasis has rightly been laid on motivation. Modern industrial and psychological testing has also received due attention. Besides, many illustrative examples from actual industrial situations and practices have been incorporated.

Some of the author's remarks deserve to be quoted: "The result of time study on industrial efficiency are not known exactly. It is probable that time study accompanied by incentive-pay plans increases production. The amount of increase, however, is probably considerably less than the maximum possible because of labour's distrust of time study methods." "Accidents are related to many environmental, mechanical and human conditions. There is usually a combination of mechanical ineffectiveness and human error. Seldom is there an accident where either mechanical or human error is completely missing." "Pay has been assumed by business executives to be the most important incentive and at times to be the only incentive that needs to be considered. The viewpoint of business executives towards pay is changing. It is coming to be believed that the worker wants several things more than he wants higher pay." "Praise should be given for work well done wherever possible. Punishment, if it is a reprimand, should be given in private; in any event, it should be used only when necessary."

Brief chapter summaries, a list of current references offering suggestions for further reading and an index add to the value of the book. Although meant for the under-graduate student, it should be read by students, labour leaders, industrialists and personnel officers.

COMMON MARKET

A Study of the European Common Market and Its Impact on India's Foreign Trade. By R. S. Nigam. (Published by S. Chand and Co., Fountain, Delhi. Price Rs. 10, pages 196.)

Mr. Nigam has broken new ground in the current literature on Indian economic problems by writing this book on the impact of the European Common Market on India's foreign trade. At the outset, the author explains the constitution of the E.C.M. and discusses the general agreement arrived at in Rome to eradicate trade barriers between the six Continental countries and to adopt a common tariff policy towards other nations.

India's exports to the European Common Market countries amount to an annual average of Rs. 50 crores, but she is heavily dependent on them for machinery, chemicals and capital equipment which are so essential for her economic development. This is precisely the reason why she should seek every opportunity to increase her exports to these countries and reduce her mounting adverse balance of trade with them. Unfortunately, the uniform tariff policy and the inclusion of Associated Overseas Territories in the Common Market plan threaten the competitive position of her exports, mainly jute goods, cotton textiles, cotton waste, coir, tobacco, coffee and vegetable oil. The situation will become serious if Britain joins the Common Market and denies preferential treatment to traditional items of Indian exports like jute goods, cotton piecegoods, cotton yarn and tobacco. Britain being the largest single buyer of Indian goods, the repercussions on this country's ability to earn foreign exchange in such circumstances can hardly be over-emphasised.

The threat, meanwhile, is two-fold: first, the Common Market countries will tend to substitute their own products and those of their overseas territories for Indian goods, the latter's competitive strength being diminished by the discriminatory tariff imposed on them. Secondly, capital will increasingly flow to develop industries within the Common Market and the Associated Territories and less capital will be available for India.

The author discusses with admirable precision India's trade relations with the Common Market, both countrywise and commoditywise. Her largest single item of export to these countries is manganese ore, followed by coffee and hides and skin. There is scope for expansion of India's export of preserved food and light engineering materials. It is hoped that with the abolition of tariff on tea, Indian tea will have a better chance to compete with Indonesian tea.

SECRETARIAL PRACTICE

Secretarial Practice. By Acharya, Govekar and Date. (Published by A. R. Sheth and Co., Princess Street, Bombay 2. Price Rs. 10, pages 732.)

The number of public limited companies is increasing with the growth of industries in this country. An intimate and detailed knowledge of the working of a public limited company is now a necessary prerequisite for any student of modern industrial organisation. The law relating to incorporation and management of companies seeks to achieve several objectives. It defines and limits the powers and responsibilities of industrial management. The rights and duties of shareholders, boards of directors, managing agencies, auditors, etcetera, are all set out in considerable detail in the context of the law. The basic object of the latter is, of course, to ensure that competent and responsible units of industrial entrepreneurship are developed in this field so as to promote public welfare.

In this book, the three authors, who are teaching commerce and economics in different colleges, have attempted to discuss the legal position. They also suggest how secretarial duties should be discharged in day-to-day management. The inclusion of the text of the Companies Act pertaining to important topics and the specimen forms of various documents connected with secretarial work, the chapters on company correspondence, books and registers, company reports, company law administration and control of capital issues add to the utility of the book.

CENSUS REPORT

Census of India 1961 (Vol. XVI), West Bengal and Sikkim. By J. Datta Gupta. (Published by the Manager of Publications, Civil Lines, Delhi. Price Rs. 6.20, pages 377.)

The volume is immensely informative and interesting. One is naturally impressed by the meticulous calculations involved in it. But the delay involved in publishing such an important statistical report is rather too much—the 1961 census coming out in the middle of 1964. However onerous the job may be, considering its importance the Government should organise the whole set-up so that the next census report is published with all the good features of the present one minus the vicious temporal lag.

COMPANY AND PUBLIC NOTICES

THE GENERAL INVESTMENT & TRUST CO. LTD.

NOTICE OF INTERIM DIVIDENDS.

THE Board of Directors has sanctioned payment of the following Interim Dividends for the year ending 28th February, 1965, subject to deduction of tax.

On the 1st Cumulative Preference Shares @ 3.25%.

On the 2nd Cumulative Taxable Preference Shares @ 2.498%.

The above dividends will be paid on or after the 20th January, 1965, to those members whose names appear in the Company's books on the 11th January, 1965, or to their mandatees.

The Share Transfer Registers of the Company will be closed from 4th January, 1965 to 11th January, 1965, both days inclusive.

By Order of the Board,
BIRD & CO. (PRIVATE) LIMITED,
Secretary.

Registered Office,
Chartered Bank Buildings,
Calcutta, 16th December, 1964.

ASSOCIATED BATTERY MAKERS (EASTERN) LIMITED.

NOTICE TO SHAREHOLDERS.

THE Accounts of the Company for the year ended 31st August, 1964 exhibit a net profit after allowing for depreciation of Rs. 68.84 lakhs before tax.

After providing for taxation and reserves, and bringing in the balance from the last Account, the amount available is Rs. 19.56 lakhs.

The Board of Directors has resolved to recommend to the Shareholders at the forthcoming Annual General Meeting that the Dividend for the full year on the issued Capital of Rs. 118 lakhs be declared at the rate of 16½% subject to tax.

By Order of the Board,
H. M. COX,
Secretary.

Registered Office:
Barlow House,
59C, Chowringhee Road,
Calcutta-20.
Calcutta, 16th December, 1964.

HIDES AND SKINS STEADY

The market was quietly steady. Stocks were higher than in the previous week.

Bazaar Sales

(Between 15th December and 21st December, 1964)

Cowhides: Wet salted (Ord) 5,000 pcs. on the basis of Rs. 7.50 to Rs. 9.25; Wet salted (Slaughtered) 33,000 pcs. on the basis of Rs. 10.50 to Rs. 16.50 and Rs. 19 to Rs. 28; Wet salted (Ord) 1,000 pcs. on the basis of 90 P. a lb.

Goatskins: Wet salted (Patna, Daissee, Kustia) 60,700 pcs. on the basis of Rs. 340, Rs. 445 to Rs. 460 and Rs. 480 to Rs. 490; Wet salted (he-killed) on the basis of Rs 4.75 and (she-killed) Rs. 4.50 a piece; Purneah 6,200 pcs. on the basis of Rs. 315.

Bazaar Stocks

(21st December, 1964)

Cowhides: Wet salted 99,800 pcs.

Goatskins: Wet salted (Patna, Daissee, Kustia, Killed) 85,500 pcs; Assam-Dinajpur 182,000 pcs: Muzafferpore-Patna Pakur-Purneah-Kissenganj 350,000 pcs.

THE INVESTMENT & FINANCE COMPANY LIMITED.

NOTICE OF INTERIM DIVIDENDS.

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By Order of the Board,
BIRD & CO. (PRIVATE) LIMITED,
Secretary.

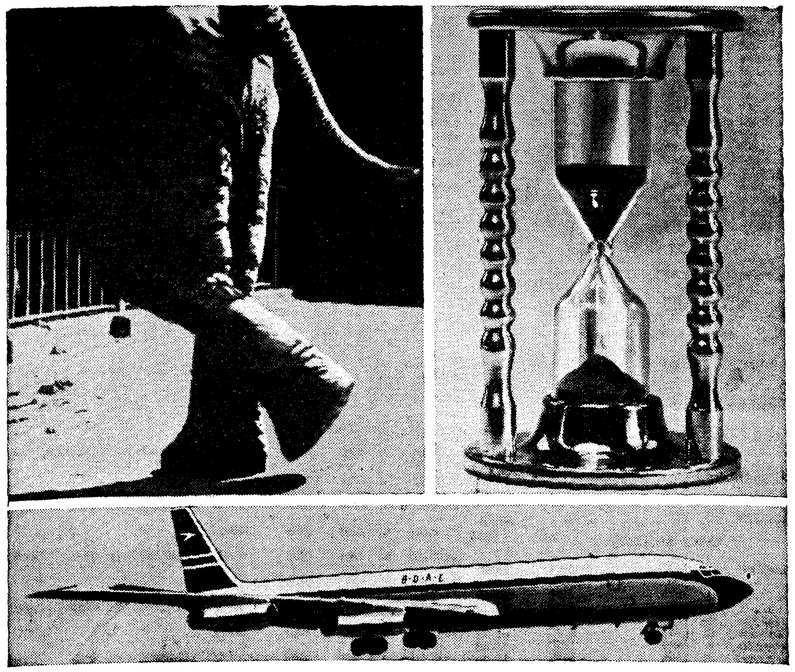
Registered Office,
Chartered Bank Buildings,
Calcutta, 16th December, 1964.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Orissa Minerals Development Co. Ltd.	28-12-64	11 a.m.
The Lackatoorah Tea Co. Ltd.	28-12-64	3 p.m.
The Burrakur Coal Co. Ltd.	29-12-64	11 a.m.
Bombay Burmah Trading Corpn. Ltd.	30-12-64	4-00 p.m.

DIVIDENDS DECLARED OR PROPOSED.—Associated Battery Makers (Eastern) Ltd.—16½ p.c., subject to tax; Parry's Confectionery Ltd.—9 p.c. (f), subject to tax for the 18 months ended 30-9-64.

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Official quotations of the Calcutta, Bombay, Madras, London Stock Exchange Associations and other sources.

Figures given after stroke (/) mean paise.

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Wednesday, 23rd December, 1964.

GOVERNMENTS LOANS

Outstanding Amount	Interest per cent	Year of issue	Repayable	Market quotations
Rs.				Rs.
GOVERNMENT OF INDIA				
2,48,91,06,000	3	1946	1986 or later	62/05
8,93,33,000	3	1896-97	At the option of the Government of India after a months notice	62/00
14,77,48,000	2½	1946	1976	83/10
1,10,11,78,000	3	1943	1966-68	98/40
1,15,05,83,000	3	1948	1970-75	90/30
1,53,67,92,000	3½	1955	1965	100/05
86,63,53,000	3½	1956	1974	96/50
56,99,30,000	3½	1957	1967	100/00
1,97,40,92,000	3½	1956	1967	99/70
70,00,000	3½	1958	1968	99/00
1,56,64,22,000	3½	1958	1968	99/75
1,90,85,42,000	3½	1959	1969	97/80
82,65,41,000	3½	1960	1966	100/00
71,78,00,000	4	1964	1970	99/03
1,54,70,22,000	4	1957	1972	98/85
94,51,44,000	4	1958	1973	98/90
81,06,39,000	4	1959	1979	97/50
98,05,17,000	4	1960	1980	97/25
65,96,55,000	4	1961	1981	97/50
84,12,53,000	4	1963	1969	99/50
69,74,00,000	4½	1964	1989	100/05
1,08,86,71,000	4½	1963	1973	100/15
28,07,95,000	4½	1962	1972	100/10
52,01,71,000	4½	1963	1986	100/10
1,14,03,37,000	4½	1962	1985	100/10
BOMBAY				
3,40,34,300	4	1952	1964	99/95
6,57,22,800	4½	1957	1968	98/40
6,58,20,700	4½	1958	1970	99/00
4,35,25,000	4½	1958	1971	98/70
MADHYA PRADESH				
2,03,28,800	3	1948	1964	98/50
MADRAS				
5,24,81,200	4	1952	1964	99/95
5,55,57,300	4½	1958	1970	99/00
UTTAR PRADESH				
1,55,31,200	3	1938	1961-66	94/00
5,89,13,900	4	1952	1964	99/95
7,65,53,900	4½	1958	1970	98/80
WEST BENGAL				
2,00,00,000	4	1952	1964	99/95
7,58,72,200	4	1952	1967	99/40
7,11,46,100	4	1956	1968	98/25
5,10,49,700	4½	1958	1970	98/75
7,69,69,400	4	1959	1971	97/10
7,00,00,000	4	1960	1969	98/50
7,00,00,000	4½	1961	1972	98/80
7,00,00,000	4½	1962	1974	99/50
MYSORE				
2,95,35,200	4	1933	1952-63	100/00

PORT TRUST LOANS

Amount	Interest per cent	Year of issue	Repayable	Market quotations
Rs.				Rs.
CALCUTTA				
90,24,300	4	1914	1974	98/25
76,90,100	4	1915	1975	98/25
68,02,300	3	1921	2nd 1981	82/00
1,50,00,000	6½	1921	2nd 1981	144/00N
£892,600	5	1923	1953-83	£61
£901,000	5	1924	1954-84	£61
1,24,00,000	4½	1957	1987	99/50
	4½	1958	1988	99/00
50,00,000	4½	1959	1989	99/00
1,50,00,000	4½	1961	1971	98/75
80,00,000	4	1931	1991	93/00
60,00,000	3½	1935	1965	99/00
50,00,000	3	1946	1976	83/50
50,00,000	3	1945	1-2-2005	72/00
50,00,000	3	1945	1-2-1973	83/75
25,00,000	3	1938	1963-65	93/00
50,00,000	3	1946	2006	72/00
50,00,000	2½	1947	1977	78/50
50,00,000	3	1948	1978	83/00
50,00,000	3	1950	1980	81/00
50,00,000	3	1951	1981	80/50
50,00,000	4½	1953	1963	98/75
50,00,000	4	1953	1983	97/50
90,00,000	4	1955	1985	97/25
77,00,000	4	1956	1986	97/25
1,00,00,000	4	1959	1969	99/50
1,00,00,000	5	1963	1993	••
57,72,000	4½	1961	•••	•••
BOMBAY				
36,50,000	4	1904	1964	96/00
44,00,000	4	1905	1965	96/00
15,00,000	4	1906	1967	96/00
44,00,000	4	1907	1968	96/00
75,00,000	4	1908	1968	96/00
40,00,000	4	1909	1970	92/00
56,00,000	4	1910	1971	92/00
75,00,000	4	1911	1972	92/00
STERLING LOANS				
£892,600	5	1923	1953-83	£63
£901 000	5	1924	1954-84	£63
£835,100	5½	1932	1962	£96½
MADRAS				
28,48,275	3½	1947	1977	A
9,88,000	3	1947	1977	A
8,00,000	3	1949	1979	A
20,00,000	3½	1947	1977	82/00
2,13,14,500	3½	1949	1979	82/00
4,00,00,000	3½	1950	1965	95/00

IMPROVEMENT TRUST LOANS

Amount	Interest per cent	Year of issue	Repayable	Market quotations
Rs.				Rs.
CALCUTTA				
50,00,000	4	1934	1964	99/25
35,00,000	3½	1935	1965	98/00
30,00,000	3	1936	1966	92/50
20,00,000	3	1938	1963-68	92/00
80,00,000	4	1952	1962	100/00
1,02,00,000	4	1956	1968	98/50
75,00,000	4½	1958	1968	101/00
BOMBAY				
60,00,000	4	1903	1963	98/25
50,00,000	4	1904	1964	98/25
20,00,000	4	1906	1966	97/50
15,00,000	4	1907	1967	97/50
30,00,000	4	1908	1968	£95½N
£566,600	4	1909	1969	£95½N
£333,000	4	1910	1970	£100/00
25,00,000	4	1912	1972	95/00
13,00,000	4	1913	1973	95/00
50,00,000	4	1914	1974	95/06
25,00,000	4	1916	1976	95/00
66,00,000	6	1920	1945-80	119/50
25,00,000	4	1927	1961-70	99/75
10,00,000	3½	1936	1966	89/00

MUNICIPAL LOANS

Amount	Interest per cent	Year of issue	Repayable	Market quotations
Rs.				Rs.
CALCUTTA				
66,88,000	3½	1951	1966	98/50
10,00,000	5½	1932	1962	100/75N
33,91,000	3½	1935	1965	96/00
72,50,000	4½	1954	1979	100/00
60,00,000	3	1936	1966	93/00
47,50,000	3	1938	1968	92/50
21,10,000	3½	1942	1972	92/00
87,36,000	4	1952	1962	99/75
2,22,72,000	4	1955	1985	97/25N
1,67,32,000	4½	1958	1970	101/00N
73,36,000	4½	1958	1968	100/50
57,72,000	4½	1961	•••	•••
BOMBAY				
20,00,000	4	1913-13	1974	95/00
2,00,34,000	3½	1951	1966	89/00
8,25,00,000	3½	1947	1977	82/00
2,13,14,500	3½	1949	1979	82/00
4,00,00,000	3½	1950	1965	95/00
MADRAS				
15,00,000	3½	1951	1961	107/00
10,00,000	3½	1952	1962	107/50

2½% U P Zemindary Abolition Compensation Bond (per Rs 100) Rs 41/90*

* Ex eight instalments but inclusive of accrued interest.

These notes refer to the Debentures on the next page.

Option to repay at par on 6 months notice—

(a) Option to extend the redemption period for further 10 years

(b) at any time after.

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

(d) Option to redeem at 2½% Prem after 14-5-64 and before 15-5-69.

Option to repay on 6 months notice—

(e) at any time after 30-6-61 at 101%.

(f) at 101% between 1-1-60 & 31-12-64.

(g) at 102/8% after 30-6-5* but before 30-6-64.

(h) at any time after 30-6-65 at 101%.

Option to repay on 6 months notice—

(i) at any time at 3% Premium.

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

(k) at any time at par.

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

(m) redeemable at 103% on 31-12-64 with option to redeem on any interest date at same premium after 30-6-59.

(n) at any time on two months notice—

(o) to be redeemed at a premium of 10% Rs 10,000 to be redeemed annually by drawing on 3 months notice with option to redeem all after 5 years from date of issue on 6 months notice Option not exercised repayment to be made after full term.
Option to repay

(p) at par after September 1960.

(q) at par on or after 1-12-56.

(r) with option to redeem at 101% after 10 years or at 100/8% after 12 years

(s) Rs 1,000 Debentures to be redeemed annually by drawing from 1-5-56 with option to redeem at 100/8% between 1-5-57 to 1-5-61 and at 101% afterwards

(t) with option to redeem at 101% after 10 years or at 100/8% after 13 years

(u) with option to redeem all or any of the Debts at 101% at any time after 31-3-64 and at 100/8% at any time after 31-3-66.

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

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

(x) At par all or any of the Debts on 31st December, 1965 or on any subsequent interest date

(y) Redeemable (a) at 102½ on 1st October 1974 or in the event of voluntary liquidation of the undertaking being purchased or in the event of the security becoming enforceable or (b) at 105% at any time after 31st March 1953 on 6 months notice from the Jo (c) also redeemable out of a sinking fund (commencing in 1938) by drawing at 102% or purhase at or under 102%

(z) Also redeemable out of a cumulative sinking fund of 1½% per annum commencing in 1942 by purchase at any price less than par or by annual drawings at par

JOINT STOCK COMPANIES' DEBENTURES

Amount Authorised	Amount Outstanding	Rate of Interest per cent	NAME OF COMPANIES	Year of Issue	MARKET PRICE 23-12-64	MARKET PRICE 16-12-64	A year ago	Interest payable	Principal Repayable	Remarks
Rs.	Rs.						Rs.			
			(CALCUTTA)							
			COAL							
60,00,000	60,00,000	6½	Bengal	1961	97/75	99/00	100/00	1st May 1st Nov.	31-10-75	(X)
30,00,000	30,00,000	6	Bharat Collieries	1944	90/00	90/00	90/00	30th April 31st Oct.	30-6-64	..
20,00,000	20,00,000	4½	Burrakur	1947	90/00	90/00	82/00	30th June 31st Dec.	30-6-67	(G*)
50,00,000	50,00,000	5½	Equitable	1953	97/00	97/00	98/00	1st July 1st Jan.	14-12-68	(r*)
			COTTON MILL							
4,00,000	4,00,000	6	Bengal Nagpur	1897	90/00	90/00	85/00	10th May 10th Nov.	15-11-66	(I)
			JUTE MILLS							
15,00,000	12,00,000	5½	Agarpara	1939	91/50	91/50	92/00	1st Oct 1st April	31-3-69	..
15,00,000	15,00,000	4	Auckland	1945	94/00	94/00	78/00	30th June 31st Dec.	31-12-64	(F)
9,00,000	6,00,000	5½	Alexandra	1939	91/50	91/50	91/00	30th June 31st Dec.	30-6-69	(g)
10,00,000	10,00,000	6½	Bengal (2nd Mortgage)	1940	95/50	95/50	95/50	30th June 31st Dec.	30-6-65	(b)
12,00,000	10,69,000	5	Chitavalsah	1951	93/00	93/00	88/50	30th June 31st Dec.	30-6-66	(e)
25,00,000	17,73,000	5½	Dalhousie	1954	95/00	95/00	90/00	31st March 30th Sept.	31-3-69	(u*)
10,00,000	8,86,000	5	Empire	1951	92/00	92/00	91/00	15th Jan 15th July	15-7-66	(e*)
25,00,000	8,87,000	5½	Fort Gloster	1952	99/00	99/00	98/00	31st March 30th Sept.	30-9-66	(Q*)
30,00,000	30,00,000	5½	Howrah	1955	93/50	93/50	92/50	31st March 30th Sept.	31-3-70	(N)
25,00,000	25,00,000	5	Kinnison	1949	97/00	97/00	90/00	30th June 31st Dec.	31-12-64	(f*)
25,00,000	12,04,000	5½	Kamarhatty	1955	97/50	97/50	89/50	30th June 31st Dec.	30-6-70	(h*)
25,00,000	25,00,000	5½	Naihati	1952	92/00	92/00	90/00	30th June 31st Dec.	31-3-67	(l*)
5,00,000	5,00,000	6½	Nellimarla	1939	92/00	92/00	92/00	14th Nov 14th May	14-3-74	(d)
20,00,000	20,00,000	4	Northbrook	1945	94/00	94/00	85/00	30th June 31st Dec.	31-12-64	(B)
25,00,000	25,00,000	5	Reliance	1950	94/50	94/50	81/00	31st March 30th Sept.	30-9-65	(M*)
12,00,000	12,00,000	5½	Union	1937	90/75	90/75	95/50	31st March 30th Sept.	31-3-67	..
10,00,000	10,00,000	6½	Waverley	1925	80/00	80/00	80/00	31st Jan. 31st July	31-7-72	..
			MISCELLANEOUS							
30,00,000	18,80,000	4½	Associated Hotels of India	1948	850/00	850/00	850/00	1st Jan. 1st July	31-12-62	(v)
10,00,000	9,96,000	7	Aluminium Corporation of India Ltd.	1948	97/00	97/00	92/00	1st Jan 1st July	31-12-65	(U)
5,00,000	5,00,000	4½	Bareilly Electric Supply Co Ltd	1949	97/00	97/00	88/00	30th June 31st Dec.	31-12-64	(m*)
12,00,000	12,00,000	4½	Benares Elec Ltd & Power Co Ltd.	1949	97/00	97/00	90/00	30th June 31st Dec.	31-12-64	(m*)
1,00,00,000	90,00,000	5	Buckingham & Carnatic Co Ltd.	1952	100/00	100/00	100/00	1st April 1st Oct.	1-3-72	(T*)
5,00,000	3,00,000	5½	Britannia Engineering	1945	94/00	94/00	94/00	30th June 31st Dec.	31-12-69	(g)
8,00,00,000	8,00,00,000	5½	Burmah Shell Refineries Ltd	1954	94/00	94/25	93/75	1st March 1st Sept.	1-9-69	(K*)
2,66,00,000	2,32,89,400	5	Calcutta Electric Supply Corporation	1950	95/50	95/50	90/50	1st Jan 1st July	1-1-70	(*)
£350,000	£325,280	4½	Calcutta Tramways	1900	£66/00	£66/00	£66/00	1st Jan 1st July	..	(w)
£250,000	£157,788	5	Calcutta Tramways	1933	£74/00	£74/00	£74/00	1st April 1st Oct.	1-10-74	(y)
19,50,000	17,50,000	7	Carew & Co	1938	93/25	96/25	100/00	1st June 1st Oct.	1-6-63	(s)
5,50,000	2,46,000	6½	Carew & Co (2nd Mortgage)	1941	95/00	95/00	95/00	1st March 1st Sept.	28-2-70	(i)
21,00,000	21,00,000	5½	Chowringhee Properties	1915	85/00N	85/00N	85/00N	1st Feb. 1st August	1-2-64	..
25,00,000	15,03,000	4½	Clive Buildings	1936	82/00	82/00	82/00	1st July 1st Jan.	1-7-86	(A)
1,00,00,000	1,00,00,000	6½	Dalmia Cement	1946	86/00	86/00	86/00	31st March 30th Sept.	1970	(p)
1,30,00,000	1,04,55,000	6½	Dunlop Rubber Co (I) Ltd.	1950	99/25	99/25	100/25	1st Jan 1st July	1-1-73	(b*)
1,00,00,000	1,00,00,000	6½	Dunlop Rubber Co (I) Ltd.	1958	99/25	99/25	100/25	1st Jan 1st July	1-1-73	(w*)
1,00,00,000	91,80,000	5½	Indian Cable Co Ltd	1954	94/50	94/50	98/00	1st Jan 1st July	30-6-69	(t*)
20,00,000	20,00,000	5½	Kumardhubi Fireclay & Silica Works	1954	92/00	92/00	92/00	31st Dec	31-12-69	(D*)
10,00,000	10,00,000	4	Kumardhubi Engineering Works Ltd.	1946	90/00	90/00	84/00	31st May 30th Nov.	31-5-71	(O)
6,50,000	6,50,000	6	Katakhal Lala Bazar Railway	1945	85/00	85/00	85/00	30th June 31st Dec.	31-12-74	(*)
45,00,000	39,70,000	4	McLeod & Co Ltd (Con Notes)	1947	410/00 P note	410/00 P note	450/00 P note	30th June 31st Dec.	31-12-72	(l*)
1,00,00,000	74,75,000	5	Macneill & Barry Ltd	1951	77/50	77/50	85/00	1st April 1st Oct.	1-4-71	(P*)
12,00,000	12,00,000	4	National Tobacco Co India Ltd.	1946	93/00	93/00	85/00	30th June 31st Dec.	30-6-66	(S)
20,00,000	20,00,000	5	Patna Electric Supply Co. Ltd.	1949	97/00	97/00	90/00	31st May 30th Nov.	1-12-64	(Y)
1,00,00,000	50,50,000	6	Rontas Industries Ltd.	1946	90/00	90/00	96/00	30th June 31st Dec.	31-12-69	(a*)
4,00,00,000	4,00,00,000	5½	Esso Standard Ltd	1953	93/25	93/25	91/00	1st May 1st Nov.	1-5-68	(H)
10,00,000	10,00,000	6½	Shree Gopal Paper Mills Ltd.	1944	95/00	95/00	95/00	Jan & July	15-7-66	(E*)
£200,000	£200,000	4½	Shahdara (Delhi) Saharanpur Rly.	1905	£64N	£64N	£64N	1st Jan 1st July	..	..
15,00,000	11,40,000	5	Sijua Jherriah	1951	91/00	91/00	91/00	1st Jan 1st July	30-6-76	(*L)
30,00,000	30,00,000	4½	United Provinces Elec. Supply Co. Ltd.	1949	97/00	97/00	90/00	31st March 30th Sept.	31-12-64	(C*) (*m)
			TEA							
2,50,000	2,50,000	6	Baitakhal	1943	95/00	95/00	95/00	30th June 31st Dec.	1-7-63	..
			(BOMBAY)							
1,00,00,000	98,28,000	4	Andhra Valley Power Supply	1940	98/50	98/50	98/50	1st April 1st Oct.	1952	..
80,00,000	50,00,000	4	Tata Power	1941	86/00	86/00	86/00	..	1951-55	..

(Continued from foot of previous page)

(A) Repayable at par by 1988 by annual Drawings on 1st July each year. May repay the issue in full after 30th June 1961 on 6 months notice

(B) Repayment at par on 31st Dec. 1964 with the option of repayment on 31-12-54 or any subsequent interest date at a prem. of 2%

(C) Rs 36,000 to be redeemed at par annually by drawing.

(D) With option to redeem any part at 101% after 31-12-64 and at 100½% after 31-12-66

(E) Rs 50 Each will be redeemed annually by drawings from 1st May 1964 onwards The Co. has option to redeem all Debentures at 101% on 1st May 1963 on 6 months notice

(F) Option to redeem all or any of the Debentures at a premium o Re. 1/- per cent by giving one month's notice on the 31st December 1954 or any subsequent interest date

(G) May be redeemed on 30th June 1957 at a premium of 1% or on 30th June, 1962, at a premium of 4%.

(H) May be redeemed at a Premium of Rs 20/- per debenture (i.e. 2%) if redeemed earlier than 31st Dec. 1955 on 6 months notice

(I) The Company has option to repay all or any at par by giving notice for 6 months expiring on any interest date after 30th Sept. 1955 At any time on or after 1st Oct. 1957 the holders may convert each note of Rs 500/- into 25 ordinary shares to take effect on 1st Oct. in each year on giving 15 days notice prior to such day

(J) May be redeemed at 101% at any time after 31st March. 1963 and at 100½% on any time after 31st March 1955.

(K) Rs 1,000,000 Debentures will be redeemed at par annually by drawing from 1-9-65 Any Debenture outstanding on 1-9-68 will be redeemed on that date with option to redeem all Debentures at 101% on 1-9-64.

(L) Any time on 6 months notice.

(M) At par in September 1960.

(N) May be redeemed at the end of 1965 or thereafter at 101%

(O) Option to repay at par on or after 31st May 1961.

(P) Redeemable at par on 31st Dec. 1972 with option to redeem at par at any time on 6 months notice after 30th June 1958. At any time after 31st Dec. 1948 each note of Rs. 500/- may be converted into two ordinary shares of Rs 100/- each ranking for dividend from 1st January following

(Q) With option to redeem annually Rs 3,00,000/- at par after 31-3-58 by drawing or by purchase in the open market

(R) May be redeemed annually at par by drawing after 10th year also the whole issue at 101% on or after 31-3-63

(S) (Option to repay at par one month's notice). At any time after 1st October 1956.

(T) (Option to repay at par on 6 months notice) after 1-1-67

(U) (Option to repay on 3 months notice). At any time after 31st December 1960

(V) May be redeemed at par on 30-6-56 or any subsequent interest date on one month's notice.

(W) After giving six months notice

(X) Rs 5,00,000 will be redeemed each year from and after 1964.

* These Debentures are registered and are transferable by transfer Deeds.

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations 23-12-64 Rs.	Market Quotations A year ago Rs.
	BANK					
1901	Allahabad Bank (May Nov.)	15.00	6	100	95/00	93 50
	COALS					
1896-97	Borrea (June Dec.)	4.00	6½	100	91/50	84/00
1901-19	Burrakur (Jan July)	22.98	7	100	105/00	102/00
1946	Burrakur (June Dec.)	4.50	6T	10	6/00	6/00
1895	Equitable (May Nov.)	4.00	6	100	93/00	80/00
1931	Khas Kajora (March Sept.)	1.93	5	10	8/75	9/00
1920	New Beerbhoom (Jan July)	2.00	7	10	10/62	10/50
1898-00	Ondal (June Dec.)	2.00	5½	100	85/00	85/00
	COTTONS					
1902	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	80/50	77/00
1884	Bangalore (Jan July)	6.00	6	100	92/59	71/50
1938	Basanti (Oct.)	5.00	8½	10	7/19	7/00
1896	Bengal-Nagpur (Apr Oct.)	3.00	7	100	48/00	48/00
1900	Bowreah 'A' (Apr Oct.)	6.00	8	100	109/00	114/00
1900	Bowreah 'B' (6) (1) (Apr Oct.)	6.00	7	100	91/00	88/00
1919	Bradbury "B" (Jan Dec.)	14.85	7	50	56/00	59/70
1920	Buckingham & Carnatic (Jan July)	21.30	7½	100	111/10	109/00
1928	Cambodia (July)	1.00	7	100	68/85	83/63
1912	Central India (Apr Oct.)	50.00	5	500	447/50	450/00
..	Delhi Cloth & General (Oct.)	20.00	4½	25	16/63	16/63
1912	Elgin (May Nov.)	11.00	8	100	111/00	111/50
1943	Elgin "B"	10.00	5	10	6/44	6/44
1919	Elphinstone (May Nov.)	25.00	7T	100	78/50	77/50
1919	Kesoram (June Dec.)	20.00	7	100	86/00	107/50
1925	Khatau Makanji (Nov.)	10.00	6	100	85/00	80/50
1937	Kotnari (Nov.)	12 00	6	10	7/23	7/97
1900	Muir (Feb Aug.)	30 00	6	100	98/50	122/00
1913	New Great Eastern (Mar.)	8.00	5½	200	99/00	120/00
1920	New Victoria (Apr. Oct.)	16.06	6	5	2/06	2/87
1933	Palani Andavar (Mar.)	2.00	7	50	115/45	115/45
1935	Svadeshi (Bombay) (May)	15.00	5	100	86/30	86/00
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	66/00	69/00
1931	Vasanta (Apr. Oct.)	3.00	6½	100	79/70	86/14
1908	Vishnu (Apr.)	16.00	7	500	390/00	405/00
	JUTES					
1927	Agarpara (Jan July)	10.00	7	100	100/00	96/50
1905	Alexandra (Feb Aug.)	9.00	7	100	96/00	85/50
1895	Alliance (March Sept.)	15.00	6	100	71/00	76/00
1917	Anglo-India (May Nov.)	40 00	7	100	102/00	98/00
1909	Auckland (July Jan.)	10.00	5½	100	69/00	72/00
1945	Auckland (July Jan.)	15.00	4½	100	60/00	57/50
1918	Bally (Jan July)	20.00	7	100	105/00	111/00
1896	Barnagore (Oct Dec.)	£200	5T	£5	42/00	41/50
1940	Bengal (June Dec.)	10.00	5½	100	78/00	70/00
1919	Birla (June Dec.)	23 64	7½T	100	97/00	90/00
1894	Budge Budge (May Nov.)	9.00	7	100	95/00	95/00
1934	Calcutta (Jan July)	6.00	6½	100	60/00	72/00
1915	Caledonian (June Dec.)	10.00	7	100	92/00	93/00
1919	Cheviot (June Dec.)	10.00	7	100	95/00	99/00
1928	Chitavalsah (Mar Dec.)	5.00	7	100	92/50	89/00
1900	Clive (First) (May Dec.)	8.00	6	100	54/00	68/50
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	63/00	74/00
1903-13	Dalhousie (July Jan.)	11.76	7	100	90/00	91/00
1897	Delta (June Dec.)	5.00	6	100	92/50	64/75
1912	Empire (Jan July)	10.00	7	100	91/00	96/00
1890-93	Fort Gloster (Jan July)	14.00	7	100	73/00	111/00
1948	Fort Gloster (2nd)	7.00	5	100	69/50	66/62
1911	Fort William (May Nov.)	10 00	7	100	104/00	115/00
1916	Ganges (June Dec.)	6 00	8	100	91/50	106/00
1895-04	Gourepore (June Dec.)	26.50	6	100	90/00	89/00
1935	Hastings (Aug Feb.)	25.00	6	100	89/00	89/00
1913	Hooghly (July)	11.76	10	10	12/94	12/00
1890	Howrah (Jan July)	8.75	7	100	93/00	90/50
1903-06	Howrah "A" (Jan July)	17.50	7	100	93/00	95/00
1919	Hukumchand (June Dec.)	40.00	7	100	100/00	95/00
1898-04	Kamarhatty (Apr Oct.)	16.00	6	100	81/50	81/00
1900	Kanknarrah (Apr Oct.)	10.00	6	100	81/00	81/00
1935	Kedarnath (Jan July)	2.00	7	100	90/50	90/00
1907	Kelvin (Mar Sept.)	10.00	7	100	96/50	100/00
1895-09	Khardah (May Nov.)	9.00	6	100	74/00	71/50
1900-13	Kinnison (July Jan.)	15.00	7	100	89/00	91/00
1905	Lansdowne (July Jan.)	15.00	7	100	91/00	93/00
1912	Lawrence "A" (July Jan.)	5.00	7	100	98/00	95/00
1906-07	Lawrence "B" (July Jan.)	10.00	5½	100	65/00	71/00
1905-06	Naihati (July Jan.)	7.50	7	100	106/50	125/00
1945	Naihati (July Jan.)	10.00	4½	100	90/00	90/00
1917	National (May Nov.)	5.00	7	100	95/50	93/50
1939	Nellimarla (Apr Oct.)	5.00	6	100	71/00	76/00
1915	New Central (Jan July)	33.00	7	100	91/00	88/00
1908-09	Northbrook (July Jan.)	15.00	7	100	71/00	91/00
1935	Rameshwara (Jan July)	7.00	6	10	13/81	12/44
1906-12	Reliance (Jan July)	20.00	7	100	112/50	121/50
1928	Shree Ambica (Mar Sept.)	11 70	7½	100	96/50	90/00
1920	Soorah (Feb Aug.)	10 00	7	100	104/00	104/00
1901-02	Union (July Jan.)	6.00	7	100	98/50	98/50
1918	Waverley (Mar Sept.)	7.50	5	50	40/25	42/50
	MISCELLANEOUS					
1937	Alkali & Chemical (Mar. Sept.)	31 00	5	100	85/50	89/00
1938	Aluminium Corpn (Oct.)	20.00	6	100	93/50	93/50
1944	Aluminium Corpn (Oct.)	20.00	5	100	67/00	61/00
1949	Anderson Wright (Dec.)	20.00	4½	100	66/62	66/62
1917	Andhra Valley Power (May Nov.)	49.34	7T	1,000	987/50	1,006/25
1919	Arthur Butler (Mar.)	1.30	7	10	10/00	12/00
1916	Asstd. Hotels of India (Mar Sept.)	21.67	7T	100	55/00	54/00

Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations 23-12-64 Rs.	Market Quotations A year ago Rs.
1895	Bengal Assam Steamship (Nov.)	3.00	7	60	57/50	54/75
1926	Bengal Chemical (Aug.)	6.25	7½	10	11/81	11/31
1889	Bengal Paper Mill (Mar Sept.)	2.00	7	50	51/00	51/00
1928	Bengal Paper Mill "A" (Mar. Sept.)	4.00	7	100	98/00	98/00
1936	Birds Investments (Dec.)	24.00	5½T	100	52/50	52/50
1962	Braithwaite & Co	40.00	9T	100	113/00	109/50
1918	Britannia Biscuit (Feb Aug.)	15.00	8	10	11/00	11/00
1920	British India Corporation (Feb.)	81.00	8	100	116/00	108/00
1995-99	Burn Eng (1st & 2nd) (Feb Aug.)	13.00	7	100	113/00	116/00
1903-5	Burn Engineering (Feb Aug.)	15.00	6	100	103/00	103/50
1909-11	Calcutta Electric Supply (Mar Sept.)	£1,900	5	£1	8/25	7/87
1937	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	70/50	70/00
1906	Calcutta Tramways (Jan July)	£250	5T	£1	8/12	8/25
1938	Carew & Co (Jan.)	8.00	6½	100	83/25	73/50
1905-24	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	118/00	104/50
1940	Chrestien Mica Industries Ltd.	30.00	5½T	100	38/87	39/50
1937	Dalmia Cement (Bharat)	35.00	6	10	8/43	8/00
1916	Delhi Flour Mills (Oct.)	90.00	7T	100	101/00	101/00
1935	Deshergarh Power Supply "A" (Jan.)	16.00	5	100	70/00	67/00
1940	Duncan Brothers & Co Ltd	45.00	4	100	60/00	56/50
1926	Dunlop Rubber "First" (Jan July)	30.00	8	100	108/00	107/50
1936	Dunlop Rubber 'Second' (Apr.)	40.00	5½T	100	71/75	68/00
1897	East India Distilleries (Jan July)	£200	7	20st	15/64	18/90
1908	General Investment & Trust (Feb Aug.)	1.00	5	100	56/00	56/00
1947	General Investment & Trust (Feb Aug.)	1.00	6T	100	48/00	48/00
1946	Gillanders Arbuthnot (Apr Oct.)	25.00	6T	100	54/00	56/00
1946	Gladstone Lyall & Co Ltd	15.00	6T	100	60/00	60/00
1948	Godfrey Phillips India Ltd.	30.00	5½T	100	60/75	60/75
1940	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	62/00	62/00
1940	Gwalior Sugar (Dec.)	5.00	7	100	62/00	62/00
1936	Humayan Properties Ltd (Nov.)	12.00	6	10	7/56	7/19
1936	Indian Aluminium (Mar Sept.)	40.00	5T	100	66/00	66/75
1927	Indo Burma Petroleum (Jan July)	50.00	7T	100	68/00	70/00
1899	India General Navg & Railways	£244	6	£10	83/00	79/00
1923	Indian Cable Co (Nov.)	12.88	6	10	31/75	31/75
1918	Indian Standard Wagon (Aug or Sept.)	19.66	7	100	109/00	111/00
1936	Indian Iron & Steel	2,69.95	5	100	83/00	80/00
1936	Investment and Finance (Feb Aug.)	2.00	5	100	48/00	69/00
1935	Investment and Finance (Feb. Aug.)	2.00	6T	100	42/00	60/00
1937	James Wright (Jan July)	1.30	6	50	14/00	14/00
1937	Jardine Henderson Ltd.	50.00	5½T	100	57/75	56/00
1941	Jessop & Co	10.00	5	100	76/25	75/50
1915	Kumardhubi Engineering (June)	12.00	5	100	76/00	68/00
1915	Martin Burn Ltd.	30.00	5	100	87/00	80/50
1946	McLeod & Co.	10.00	5T	100	46/00	44/50
1930	McLeod & Co.	40.00	5	100	62/50	61/25
1936	Mettur Chemical & Industrial (Sept.)	20.00	6	10	8/23	9/25
	Metal Box Co of India Ltd	30.00	6T	100	76/50	77/50
1938	Mysore Chemical Mfg (Sept.)	2.00	6	10	6/73	7/83
1942	National Tobacco (June Dec.)	25.00	5	100	68/50	64/87
1944	National Tobacco (Jan Dec.)	20.00	4½	100	59/50	58/00
1917	Poona Electric Supply Co Ltd (June Dec.)	4.00	7	100	99/50	99/50
1935	Premier Construction "First" (Apr.)	10.00	6¼T	100	78/80	72/50
1936	Premier Construction "Second" (Apr.)	15.00	6¼T	100	76/00	70/50
1922	Purtabpore (Sugar) (Oct.)	6.00	10	10	13/44	10/56
1936	Ramnugger Cane & Sugar (Aug.)	4.00	6	100	82/00	82/00
1933-36	Rohtas Industries (April)	20.00	7	100	102/00	101/00
1935	Rohtas Industries "B" (April)	86.00	4½	100	55/50	54/50
1944-48	Shaw Wallace & Co Ltd.	75.00	6T	100	56/75	57/25
1936	Shree Gopal Paper	7.50	7	100	99/00	98/00
1936-38	Shree Krishna Gyanoday Sugar "A" (Oct.)	6.00	6	100	62/00	62/00
1937	Shree Krishna Gyanoday Sugar "B"	12.00	5	100	53/00	70/00
1918	Smith Stanistreet (Chemists) (Nov.)	5.00	10	50	74/50	74/50
1933	South Behar Sugar (Oct.)	5.00	9	100	20/50	20/50
1897	Spencer & Co 'A' (Provisions) (Jan July)	23.20	6¼T	10	6/61	6/58
1923	Spencer & Co 'B' (Provisions) (Jan July)	36.80	8¼T	10	9/59	9/50
1936	Star Paper (Apr Oct.)	10.00	5	100	67/00	68/00
1925	Surat Electricity (April)	5.00	6½	100	102/50	104/00
1939	Tata Chemicals (Nov.)	60.00	5	100	96/00	91/50
1910	Tata Hydro Electric Power (Sept Mar.)	89.23	7	100	101/50	100/00
1906	Tata Iron & Steel (First) (Nov.)	75.00	6T	100	127/50	121/00
1918	Tata Iron & Steel (Second) (May)	6,93.82	7½T	100	102/75	102/75
1919	Tata Power (May Nov.)	86.97	7½	1,000	1,035/00	1,035/00
1928	Titaghur Paper Mills (Mar Sept.)	11.50	8	100	116/50	117/00
1936	Titaghur Paper Mills "2nd" (Mar Sept.)	15.00	4½	100	64/25	66/50
1934	Vellore Electric (Sept Mar.)	1.25	6	10	5/78	6/25
	TEAS					
1903	Amluckie (May Nov.)	75.00	7	10	21/96	21/96
1901	Banarhat (Jan.)	4.00	6½	100	81/75	86/50
1900	Birpara (Jan.)	1.00	8	100	104/00	104/00
1947	Brooke Bond Estate India Ltd.	35.00	6T	100	56/50	58/75
1914	Choonabhutti (Jan.)	2.00	6½	100	80/50	90/50
1901	Dimakusi (June Dec.)	70.00	8	10	8/25	9/50
	Dhunser	1.20	10	10	7/00	7/00
1894	Gielle (Sept.)	2.00	6	100	59/50	60/00
1901	Hantapara (Jan.)	50.00	8	100	89/84	89/84
1904	Hasimara (Mar.)	3.00	7	100	83/00	86/50
1897-99	Kingsley Golaghat (Dec.)	2.40	6	100	45/00	65/00
1929	Moheema (May Nov.)	3.20	6	10	4/81	4/75
1907	New Dooars (Jan.)	2.00	6½	100	86/00	91/00
1903	New Samanbagh (Nov.)	1.00	8	100	90/50	90/50
1888	Okayti (Dec.	50.00	7	100	84/50	84/50
1914	Peermade (July)	1.50	6	100	73/30	72/77
1916	Pussimbing (Jan.)	2.05	7	100	93/00	87/00
1909	Sonai River (May)	1.00	6	100	66/00	100/00
1932	Tezpore (Jan.)	2.06	8	10	7/37	7/37
1922	Tirrihannah (May Nov.)	1.00	10	10	11/46	11/46

BANKS

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

Paid-up Capital Ordinary Rs.	Reserve & other Funds Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 23-12-64 Rs.	16-12-64 Rs.	A year ago
67,50,000	1.33.55.000	24.28.10.621	26.41.432	4.67.637	12	Allahabad Bank P.	18	15	15	100	248/50	248/50	260/00
2,00,00,000H	2.44.93.760	45.38.16.085	75.00.247	2.96.969	12	Bank of Baroda	17	16	16	50	99/00	99/00	94/00
4.05.00.000H	4.86.00.000	50.72.83.602	1.25.00.000	4.19.847	12	Bank of India	20	20	18	50	101/50	101/50	110/00
2,63,01,800H / 52.50.000	5.53.41.648	91.06.63.918	1.89.26.426	91.510	12	Central Bank of India	20	20	20	25	52/30	52/30	58/50
£6.600.000	£7,900,000	£208,379.848	£1.069.378	£574,024	12	Chartered Bank	15	15	15	£1	sh. 47/1½	sh. 47/9	sh. 58/1½
1,25.00.000H	10.00.000	3.70.50.489	9.68.909	17.401	12	Hindusthan Commercial	Nil	Nil	..	50	10/00	10/00	13/50
50.00.000H	3.10.000	1.52.63.057	2.11.49.462	52.289	12	Hindusthan Mercantile	Nil	Nil	..	50	10/25	10/75	15/50
HK$79.046.125	HK$240.000.000	HK$3.117.934.633	HK$47.716.320	HK$5,511.638	12	Hong Kong & Shanghai	sh. 15†	sh. 16†	sh. 16†	HK$25	£22⅝	£22¼	£20¼
85.80.000	78.34.584	20.39.37.477	17.00.155	1.61.942	12	Indian Bank	15	14	15	100	159/00	158/00	158/00
1,00.00.000	93.62.535	17.03.88.147	16.23.334	1.01.850	12	Indian Overseas Bank	14	12	14	100	152/00	150/00	146/50
£5,703.000	£5.400.000	£131.367.034	£679.318	£357.227	12	National & Grindlays Bank	14	16	14	15	sh. 32/3	sh. 33/9	sh. 34/1½
2,00.00.000	3,07.10.000	84.19.60.154	1,25.56.166	2,27.073	12	Punjab National Bank	20	20	20	10	20/44	22/37	19/50
1,00.00.000	76.00.000	22.00.55.074	27.36.301	1.57.743	12	Union Bank of India	11-2/5	11 2/5	11 2/5	5	6/60	6/52	6/52
2,68.84.370	1.00.30.000	31.22.05.273	26.39.808	4.15.814	12	United Bank of India	6	6	7½	10	8/62	8/31	7/62
2,79,66.812	3,20,00,000	49,86,00,180	76,42,869	75,941	12	United Commercial Bank	12	12	12	50	72/50	72/00	72/50

† Per share

JUTE MILLS

Paid-up Ordinary Capital Rs	No. of Looms	Net Block Account Rs	Reserve & other Funds Premiums & Forfeited Shares if any Rs	Cash & Securities Rs	Net Profits including taxation Rs	Carry forward Rs	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs	Latest Market Quotations as available until 23-12-64 Rs	16-12-64 Rs	A year ago Rs
60,00,000	879	99,81,890	76,63,500	8.86,951	19.88.920	30,951	3	79	Agarpara P.	2½	2½	12—10*	10	8/75	8/75	10/37
6.00,000	440	30.57.138	21.01.100	6.26.077	22.41 118	32,706	12	165	Alexandra P.	15	42½	..	100	246/00	246/00	300/00
30.00,000	2,561	57.64.872	26.04.850	5.25.867	18.38.975	1,05.589	6	165	Alliance P	Nil	10	12½	100	105/00	105/00	150/00
59,04,900	1,264	1,41 77.325	1,15.30.000	71.28.938	35.65.975	55.895	3	63	Anglo-India P.	7½	10	12	100	186/00	184/00	228/00
40.00,000	810	85,59,425	36.36,908	4.30.423	45.63.966	1,526	3	21	Auckland P.	12	Nil	15—12½*	100	124/00	124/00	150/00
20.00,000	955	1,02.10.363	46.32.069	6.64.478	15 79.586	24.424	8	22	Bally P	25	25	25—20*	100	239/00	239/00	253/00
£275.000	[illegible]	£377,381	£1,028,581	£221,017	£309,475	£7,946	3	128	Barnagore P.	10	10	40—30*	£5	248/00	250/00	213/00
45.00,000	600	[illegible]	15 46.700	[illegible]	[illegible]	[illegible]	6	235	Bengal P.	5	5		10	6/50	6/50	9/37
1,59.56.210	1,373	7,39,53,838	4,30.61.136	96.39 875	1,11,00.519	40,062	3	22	Birla	15	15	15—15*	10	38/81	38/94	33/12
36.00,000	891	46.08.736	20.48.440	16.71,597	43.23.494	35.907	10	2	Budge Budge P.	Nil	12	20	100	128/00	128/00	144/00
7,47.380	602	12 59 548	1 17 958	1 73 320	41 970	48 481	6-12	62	Calcutta P	Nil	Nil	..	10	8/12	8/12	8/12
18.00,000	616	54.89,909	40.88.628	4.33.492	19.56.178	7.332	11	440	Caledonian P.	5	15	15—15*	100	133/00	133/00	181/00
29.58.200	1,400	76 11.573	1,01.10.201	4.04.567	30.87.988	30.261	3	304	Champdany P.	5	Nil	40—35*	10	21/62	21/62	22/69
38.58,150	1,131	67,05.590	72 45.112	12.64.351	41.57 638	1,02.122	11	2	Cheviot P	5	25	..	10	20/37	20/37	22/81
30.15,000	300	51.15.293	36.54.850	16.26.307	—480.984	—410,550	7	165	Chitavalsah P.	Nil	5	Nil	10	7/81	7/81	10/31
16.00,000	959	13 80 489	25 12 433	1 35 556	51 574	18 647	8	318	Clive P	Nil	Nil	..	10	8/00	8/00	9/19
31.49.200	766	64.54.820	24.37 694	4.25.057	16.78.204	9.930	3	21	Dalhousie P.	1	Nil	25—7½*	100	110/00	110/00	143/00
56.00,000	1,599	1,12,10.485	74.12.967	3.45.236	37.84.549	23.475	11	2	Delta P	Nil	12	16	100	139/00	139/00	159/00
15.00.000	300	41.34.892	42.21 700	9.25.844	15.13 538	84.695	7	165	Empire P	7½	12½	15	10	13/19	13/19	17/75
63.00.000	1,884	2,17,21.868	1,38.61 438	8.53 676	45.25 110	15.622	3	138	Fort Gloster	10	12⅓	20—15*	100	260/00	260/00	372/00
41.89.189	1,014	1,37,28.309	42.14.377	2.17.281	10.00.019	4.080	3	234	Fort William P.	22½	10	20—15*	10	19/56	19/56	26/44
54.32.100	1,106	1,77.10.278	83.61 398	1.52 730	51.58.075	43.666	3	367	Ganges P	10	15	20—20*	10	12/31	12/37	13/56
43.20,000	601	1.30.91.315	46.54.205	1.29.361	21.04.959	9.681	12	359	General Industrial	10	13	14	10	14/12	14/12	16/25
48.00,000	1,394	1,34.74 293	82.53.423	48.11 745	65.24.022	41.505	3	19	Gourepore P.	25	20	20—20*	10	20/87	21/12	23/56
40.00,000	1,016	1,07.49.461	1.22 75.042	66.04.302	28 52.320	2.274	3	234	Hastings P.	[illegible]	6	6—6*	100	128/00	128/00	128/00
16.80,000	720	32.20 357	44.86 659	2.59.301	9 22 006	4.294	3	356	Hooghly P.	20	7½	10	10	14/44	14/44	16/00
65.62,500	1,940	62.81.418	51.91.579	14.93.084	40.60.622		3	128	Howrah P	10	Nil	10-12½*	10	15/87	16/06	19/25
52.50.000	[illegible]	1,50.08.913	1.08.90 055	23.39 044	57.69.850	2.904	3	35	Hukumchand P.	28⅓	26⅔	26⅔-26⅔*	7½	17/50	17/50	21/00
87.30.000	790	1.37.65.684	59.89.948	36.44.107	28 13.519	8,630	3	355	India	12	8	18—12*	12½	14/94	14/94	16/37
43.20,000	[illegible]	48.38.710	36.84 700	8.25.320	43.90.084	..	12	128	Kamarhatty P.	Nil	20	20	100	151/00	151/00	193/00
54.00.000	1,527	43.79.575	16.53.308	4.87 955	45.55.022	..	12	128	Kanknarrah P.	Nil	15	15	100	137/50	137/50	141/00
28.00.000	703	1.27 62 408	72.61 800	15 66.004	32.65 397	94.936	5	165	Kelvin P	15	5	20	100	139/00	139/00	193/00
54.00.000	1,530	1,05.15.103	49.74.720	6.27.099	34.67.725	41.261	3	382	Khardah P.	6	12½	12½—12½*	10	17/75	17/75	17/87
48.00.000	1,250	77.11.483	47.87 477	23 71.495	29 49 140	13.127	3	106	Kinnison P	7	Nil	10—5*	100	105/00	105/00	140/00
24.48.000	931	27.71.700	5.13 600	13 13 411	11 11.224	6.707	3	21	Lansdowne P.	Nil	Nil	Nil—12½*	100	111/00	111/00	98/00
28.00.000	840	18.20.681	14.76.475	46 02.878	12.02.428	7.256	3	21	Lawrence P.	15	10	10—10*	100	101/00	101/00	111/00
81.65.200	1,294	2.36.34 876	90.18 605	4.20.464	67.99.536	3.495	3	355	Megna	12½	Nil	22—12*	10	11/19	11/19	13/31
29.98.900	815	88.18.934	41.42.655	3.53.015	5.69.802	32,760	3	101	Naihati P.	Nil	Nil	Nil—Nil*	100	68/00	68/00	104/00
20.00.000	425	10 79 854	15 55 000	26 11 429	1 98 343	17 815	10	107	Naskarpara	2½	5	..	10	5/50	5/50	8/00
35.00.000	852	2.82.38.827	97.30.449	23.86.188	28.36.819	4.576	10	378	National P	Nil	10	10	10	19/12	19/12	23/94
26.25.000	816	35 16.713	36.29 172	14.01.935	4 40.187	35.230	1	165	Nellimarla P.	[illegible]	15	5	10	8/81	8/81	12/75
1,56.00.000	1,765	3.08 96 119	2 42 10 122	26 20 231	—18 53 066	15.530	3	335	New Central P.	15	Nil	..	10	9/75	9/50	13/25
16.79.880	567	66.61.562	59.61 792	4.82 198	19.17.044	7.905	3	21	Northbrook P.	30	20	35—25*	10	22/12	22/37	31/00
66.79.500	1,092	97.24 747	61.30.745	7.56.539	20.44 821	20.062	3	19	Nuddea	[illegible]	5	10—10*	10	10/37	10/37	
25.00.000	400	24.42 457	13 65 554	8.76 427	7 59 908	17.103	7	165	Presidency	6	10	10	5	4/19	4/25	5/50
30.00.000	305	40.98 695	5.66 488	98 624	6.61 516	16.893	3	166	Rameshwara P.	Nil	Nil	Nil—Nil*	10	7/75	7/75	9/20
49.50.000	1,276	53.44.192	6.91 790	5.98.162	14.79.976	8,85 502	6	128	Reliance P	Nil	Nil	Nil—Nil*	10	6/75	6/75	8/00
£600 000	2,013	£1.602.126	£1.398 262	£285.022	£197.841	£2.892	12	64	Samnuggur P	Nil	10	13	£1	10/50	10/50	10/50
30.00.000	911	47 47 615	15.81 656	27 81 385	3.13 128	3.184	3-9	61	Shree Ambica P.	[illegible]	Nil	..	10	30/00	30/00	35/00
14.00.000	401	21.82.940	17 16.854	14.69 644	15 77 802	26.425	12	166	Soorah P	25	25	..	10	19/19	19/19	21/87
£600,000	1,794	£1 631 120	£1 276 938	£247 424	70 811	£3.525	12	64	Titaghur P.	Nil	13	10	£1	10/50	10/50	10/50
35,98,600	1,326	58.42.630	45 04.220	14 29.029	14.18.130	2,671	3	21	Union P	6	Nil	20—10*	100	134/00	134/00	161/00
£400,000	1,331	£1.372 172	£1.002 577	£193 286	£48.412	£1.951	12	64	Victoria P.	Nil	10	10	£1	10/50	10/50	10/50
2,50,000	465	7.64.459	9.70.000	15.49.934	9.93.458	57.655	5	165	Waverley P.	30	60	30	1	7/62	7/62	8/31

* 1964

COAL COMPANIES

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

Paid-up Capital Ordinary Rs.	Net Block Account Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 23-12-64 Rs.	16-12-64 Rs.	A year ago Rs.
25,50,000	68,05,441	59,90,550	1,49,662	22,72,946	16,512	12	236	Amalgamated	12½	15	12½-12½*	10	19/25	19/25	26/00
20,00,000	4,10,81,913	2,88,23,173	30,83,212	62,75,084	1,03,409	10	2	Bengal P	21	19	16	100	230/00	230/00	270/00
4,49,350	4,37,882	1,30,132	91,796	43,397	4,471	10	2	Bengal Bhatdee	8	10	..	10	3/48	3/48	3/48
2,25,000	3,06,216	5,45,835	5,19,015	1,55,638	16,129	12	368	Bengal Nagpur	26	7	..	10	22/00	22/00	22/00
15,97,000	25,07,455	4,47,308	14,214	−2,45,265	−6,47,481	9	153	Bhalgora	Nil	..	..	10	3/62	3/62	4/37
40,00,000	67,23,620	2,75,000	21,19,681	11,80,816	2,120	9	152	Bharat Collieries P.	Nil	Nil	..	10	2/25	2/25	3/69
7,15,000	14,96,845	11,02,672	64,329	−3,06,406	−4,92,536	6	335	Bhulanbararee	Nil	Nil	..	10	10/00	10/00	10/00
16,00,000	38,87,275	16,18,636	7,185	1,21,936	−79,196	12	362	Bokaro & Ramgur	..	..	..	10	14/00	11/19	11/15
7,50,000	29,24,890	29,11,605	7,46,652	9,82,707	6,037	12	106	Borrea P	15	15	15	10	20/25	20/25	21/44
90,92,480	3,38,93,303	1,81,03,774	37,16,881	41,84,568	5,063	6	21	Burrakur P.	13	13	13—13*	10	15/75	15/87	17/69
49,97,000	58,89,392	10,46,028	14,70,133	9,89,517	20,778	3	166	Central India	10	10	9—10*	10	8/19	8/37	9/94
8,00,000	18,69,439	12,97,490	98,040	6,357	214	12	..	Central Kurkend P.	Nil	Nil	..	10	3/44	3/44	3/87
6,00,000	.	1,55,159	6,05,672	63,765	7,043	12	106	Churulia	..	..	..	4	3/06	3/06	3/06
16,00,000	25,01,305	Nil	19,429	−6,45,261	−5,39,034	12	444	Dhemo Main	Nil	..	..	10	2/94	2/94	4/50
£384,000	£1,183,392	£828,529	£304,532	£225,291	..	4	128	East India	15	20¾	20¾—15*	£1	25/87	26/00	30/87
29,63,700	1,36,20,784	1,22,22,090	33,81,520	14,35,632	1,57,517	12	19	Equitable P.	10	10	10	10	20/75	20/75	25/00
15,00,000	22,69,942	71,000	31,302	7,080	−6,48,987	3	307	Ghusick & Muslia	Nil	Nil	Nil	10	13/12	13/12	14/25
6,50,000	4,21,847	Nil	12,025	10,670	−14,705	12	30	Guzdar Kajora	.	..	..	10	2/47	2/47	2/44
8,00,000	5,43,022	..	16,703	−10,172	−3,65,023	12	393	Hurriladih	Nil	..	..	10	5/44	5/44	5/50
15,00,000O 5,00,000F	26,00,237	29,37,098	36,07,570	94,026	1,570	12	21	Karanpura Development	5 15	3 9	3 9	10O 10F	9/00	9/00	11/50
20,00,000	45,84,112	17,65,600	34,320	17,46,069	1,971	2	21	Karanpura Collieries P.	10	10	10—12*	10	13/75	13/50	16/00
14,90,460	23,78,946	20,19,953	9,49,954	14,96,787	22,818	1	2	Katras Jherriah	40	25	30—30*	10	26/25	26/25	33/75
1,38,400	6,75,000	95,000	11,80,294	49,776	1,918	6-12	337	Khas Kajora P.	10 2/5	..	..	10	11/50	11/50	17/62
6,65,750	6,95,833	Nil	9,780	−1,60,535	−16,47,497	3	372	Mundulpur	..	..	..	10	2/69	2/69	2/69
7,48,240	3,39,261	56,489	7,29,802	1,15,573	74,711	12	347	Nazira	Nil	Nil	..	10	4/69	4/69	5/00
31,97,210	88,87,936	46,16,139	4,45,645	17,86,837	15,709	10	2	New Beerbhoom P.	10	12	10	10	15/44	16/50	19/25
10,00,000	11,60,730	6,73,184	79,733	−38,584	−66,880	3	202	New Manbhoom	9	12	12—Nil*	10	9/50	9/50	15/25
1,15,000 1,37,500	7,03,719	4,31,409	40,364	1,44,042	15,045	12	441	North West	20	11	..	10 7½	19/75 18/00	19/75 18/00	19/75 18/00
7,50,000	1,94,347	12,52,534	22,90,175	−20,571	..	12	447	Ondal P.	7½	7½	5	10	13/50	13/50	13/50
16,68,000	36,04,636	4,56,392	4,10,353	3,23,446	1,327	12	207	Parasea P.	1½	Nil	1½	10	14/00	14/00	14/00
15,75,000	38,39,919	30,64,325	4,82,017	4,60,368	7,234	3	236	Pench Valley	10	10	12½—7½*	10	17/44	17/44	18/31
2,50,000	[illegible] 62,405	[illegible]	11,530	2,003	18,581	6-12	5	Pure Sitalpur	..	..	..	10	8/00	8/00	8/00
41,97,070	66,97,906	48,90,000	10,13,795	5,70,878	15,752	3	370	Raneegunge	Nil	17	17—14*	10	12/19	12/19	13/62
13,50,000	42,14,846	32,96,490	4,30,299	19,16,691	8,453	12	236	Rewa	20	10	15	10	21/87	21/87	28/50
37,50,000	74,38,430	38,61,070	1,69,086	12,37,914	26,993	12	48	Sanua	10	7½	..	10	7/81	7/81	9/00
2,50,000	4,47,534	74,281	10,748	−19,279	−4,27,396	1	353	Searsole	Nil	Nil	..	2½	1/00	1/00	1/22
2,80,000	13,16,067	14,49,316	7,39,416	4,60,584	16,284	12	2	Seebpore P.	42 6/7	35 5/7	28 4/7	7	34/75	34/75	34/75
12,84,000	5,598	6,35,222	18,68,748	51,177	382	12	106	Sendra	3½	2½	2½—3*	10	3/40	3/40	5/00
17,50,000	32,03,711	11,77,056	36,734	1,89,147	3,001	8	21	South Karanpura	Nil	Nil	2½	10	6/25	6/25	8/75
5,00,000	1,30,000	16,18,969	26,21,147	1,34,224	4,723	12	108	Standard	10	10	10—10*	10	9/44	9/44	13/12
2,50,000	4,36,300	3,23,000	36,660	1,37,973	1,77,952	12	..	Union	Nil	5	..	10	10/00	10/00	10/12
49,98,000	79,98,514	11,08,150	2,90,223	11,12,075	90,850	3	166	Western Bengal	7½	9	9—10*	10	8/53	8/62	9/06
7,00,000	26,06,335	Nil	47,091	−6,51,403	−6,23,711	12	444	West Jamuria	Nil	Nil	..	10	3/60	3/60	4/56

* 1964

COTTON MILLS

Paid-up Capital Ordinary Rs.	Number on Spindle	Looms	Net Block Account Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 23-12-64 Rs.	16-12-64 Rs.	A year ago Rs.
15,00,000	14,108	356	14,06,683	3,15,002	12,59,541	26,012	41,532	12	49	Basanti P.	3	Nil	..	10	8/50	8/50	13/09
7,11,280	36,000	932	17,17,120	2,20,369	30,842	3,66,177	47,818	3	27	Banga Luxmi	6½	Nil	..	40	30/50	30/50	30/00
27,00,000	31,476	624	17,77,373		93,872	−6,24,150	−6,86,163	12	223	Bengal Nagpur P.	Nil	Nil	..	10	2/44	2/44	2/59
60,00,000	.	..	2,44,45,645	65,56,000	4,13,900	43,25,129	5,758	12	394	Bharat Commerce P.	15	15	15—15*	10	18/94	18/87	23/44
39,95,950	38,764	992	60,94,300	1,21,02,782	53,37,204	39,77,025	1,67,525	3	22	Birla Cotton	20	20	..	10	27/00	27/00	33/00
33,60,000	43,136	641	1,13,15,319	45,62,881	2,74,548	14,72,717	7,833	12	138	Bowreah P	20	15	15	10	23/37	23/50	24/50
30,00,000	22,000	510	40,26,405	68,61,034	5,45,176	9,97,828	11,228	12	35	Cawnpore Textiles	10	10	..	5	6/19	6/19	7/37
3,38,36,225	1,97,348	3,307	13,15,49,920	9,00,55,996	1,25,01,694	1,43,36,771	2,79,665	6	238	Delhi Cloth & Genl. P.	13	13	13—17*	25	46/72	46/50	47/87
38,00,000	43,049	618	65,71,796	61,81,868	1,65,881	25,16,474	36,763	12	138	Dunbar	20	15	17½	10	25/69	25/69	29/00
63,00,000	54,000	1,200	1,20,30,927	2,33,36,673	87,18,503	41,89,328	5,435	9	389	Elgin P.	17½	17½	17½	10	19/19	19/12	23/12
6,35,00,000	..	..	3,48,97,571	56,34,321	45,50,730	19,28,764	1,22,795	12	158	J. K. Cotton (Rayon) P.	12½	Nil	..	10	9/31	9/50	13/00
73,77,250	6,272	202	1,35,97,000	51,88,685	4,20,764	43,21,513	12,265	12	22	Jaya Shree	10	10	10	10	12/50	12/56	17/06
30,00,000	38,000	1,825	47,44,548	52,19,301	92,65,055	18,77,941	−7,77,290	12	208	Muir P		.	..	100	60/00	60/00	74/50
35,11,583	78,848	1,367	47,49,840	3,96,960	1,09,256	12,73,361	−63,55,495	12	237	New Victoria P.	Nil	Nil	..	2½	1/06	1/12	1/50
45,00,200	..	..	1,08,10,352	78,144	1,34,188	12,34,741	−22,17,524	3	399	Orissa Textiles P.	Nil	..	..	10	7/00	7/00	6/25
19,47,750O 6,00,000Dd	23,196	795	15,49,229	80,773	2,37,475	3,38,087	..	6	4	Rampooria Cotton	3 Nil	Nil Nil	.. ..	10 1	14/12 4/12	14/12 4/12	13/00 3/00
17,50,000O 1,57,50,000Po	1,14,836	2,077	4,48,79,351	2,63,83,071	2,15,81,189	76,20,241	5,044	12	333	Swadeshi (Kanpur) P.	.. ..	.. ..	.. ..	10O 10PO	11/00 6/25	11/00 6/25	12/62 6/81

* 1964

TEA COMPANIES

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

Paid-up Capital Ordinary Rs.	Net Block Accounts Rs.	Reserve & other Funds Rs.	Area Hectares	Outturn and Average Price per Kg. realised for crop 1962 Kgs.	1962 Rs.	1963 Kgs.	1963 Rs.	Estimate 1964 Kgs.	Net Profits including taxation Rs.	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 23-12-64 Rs.	16-12-64 Rs.	A year ago Rs.
												ASSAM							
4,45,700	18,16,361	..	368	4,13,012	5.67	3,93,565	5.12	4,47,900	..	12	165	Amluckie P.	10	7½	5	10	16/00	16/00	18/37
7,00,000	12,87,737	8,53,082	520	3,01,064	6.71	3,05,534	6.38	3,37,500	1,57,003	12	88	Anandabag P.	32½	20	12½	10	33/25	33/25	33/25
5,50,000	18,46,941	..	..	3,20,928	5.99	2,92,672	5.74	3,62,900	..	12	165	Baghmari	15	7½	Nil	10	11/25	11/25	17/25
1,80,000		..	..	..	..	..	..	..	..	12	349	Barduar Tea	..	..	..	6	8/50	8/50	8/50
7,65,000	19,19,779	10,58,955	164	2,86,800	6.60	2,38,500	6.40	2,90,000	93,901	12	2	Basmatia	25	20	7½	10	18/06	18/06	27/25
4,95,900	6,83,583	..	..	3,35,928	4.25	4,12,342	4.34	4,12,000	..	12	345	Bateli	30	30	30	5	15/94	17/06	17/50
6,40,000	12,45,706	12,30,747	510	4,05,929	6.66	3,77,284	6.20	4,24,600	3,19,017	12	88	Betjan	45	30	25	10	27/40	27/44	30/12
33,00,000	39,79,551	18,42,000	2,566	15,17,589	6.71	14,55,468	6.20	15,61,600	3,64,100	12	279	Bishnauth	13	20	7½	10	13/00	13/25	18/69
6,00,000	11,68,235	5,03,003	..	2,09,073	7.12	..	..	..	2,62,960	12	202	Bokakhat	12	13	..	10	13/12	13/12	13/70
7,50,000	13,90,224	11,90,375	..	3,00,721	5.85	..	..	..	3,94,885	12	165	Bormah Jan P.	15	15	..	10	10/50	10/56	13/00
4,50,000	7,46,000	1,66,688	243	2,58,733	6.32	2,50,399	5.71	2,72,700	−61,009	12	279	Bor Pukhuri	Nil	10	Nil	10	10/37	10/50	11/00
35,00,000	69,16,491	15,64,034	..	13,51,189‡	5.27	14,26,004	5.12	..	8,08,462	6	127	Brooke Bond	10	7½	7½—5*	10	9/00	9/00	13/06
1,20,000	9,24,434	9,31,522	..	2,00,496	5.90	..	..	..	2,85,668	12	165	Dejoo Valley	20	30	..	10	40/00	40/00	60/00
8,40,000	15,03,068	10,10,142	558	5,97,724	6.12	4,74,509	6.22	5,33,773	3,36,682	12	128	Dessai & Parbuttia	10	15	12½	100	170/00	170/00	200/00
17,53,440	24,29,411	..	..	6,22,165	2.96	2,94,761	6.64	3,26,545	..	12	214	Dhelakhat	10	8	10	10	20/62	20/62	20/75
7,00,000	20,59,002	8,86,030	562	5,54,691	5.45	6,16,178	5.55	6,20,000	3,01,110	12	365	Dhunseri P.	15	10	10	10	9/87	9/87	11/87
4,50,000	17,18,470	16,36,695	..	3,01,917	6.68	..	..	..	5,86,443	12	165	Dibrugarh	40	30	..	10	27/50	27/50	32/50
4,73,400	10,40,300	9,72,100	266	2,97,513	6.44	3,74,657	6.13	3,37,500	4,70,171	12	279	Dimakusi P.	20	25	30	10	23/19	23/19	22/62
7,00,620	14,67,400	15,89,500	273	4,03,594	6.70	4,02,568	6.34	4,36,000	2,46,743	12	279	Dufflaghur	25	30	20	10	23/00	23/00	28/00
10,00,000	20,23,880	8,76,500	497	4,94,612	6.30	4,58,567	5.85	5,17,000	−2,38,981	12	279	East India	Nil	10	Nil	10	10/25	10/25	15/56
5,03,760	15,35,889	6,34,672	264	3,19,832	..	3,27,853	..	..	89,461	12	354	Gillapukri	20	15	12½	10	23/00	23/00	25/44
6,76,000	12,41,500	7,48,500	228	2,59,394	7.44	..	..	..	4,74,030	12	279	Gohpur	5	20	..	10	12/50	12/50	14/69
23,29,085	56,04,055	36,07,741	1,059	10,39,276	6.17	10,04,928	6.09	10,80,000	45,819	12	202	Grob	6	6	3	5	6/00	6/00	7/62
5,00,000	14,09,777	7,61,908	..	3,45,217	..	3,50,876	..	..	1,32,740	12	354	Hoograjuli	20	17½	12½	10	27/62	27/62	27/12
8,70,000	16,05,713	26,50,646	310	2,78,400	6.64	2,58,600	6.62	76,061	2,90,000	12	2	Hoolungoorie	7½	20	15	100	168/00	168/00	200/00
9,00,000	20,42,643	11,69,455	804	5,33,423	6.50	4,92,625	6.23	5,57,700	2,73,921	12	88	Jutlibari	30	20	14	10	27/87	27/87	31/50
2,40,000	..	..	..	..	..	..	..	..	..	12	236	Kingsley Golaghat P.	35	..	..	100	125/00	125/00	125/00
1,80,000	21,94,612	1,77,500	517	4,88,346	4.97	5,86,302	4.63	5,60,000	1,75,587	12	63	Kotamullai P.	Nil	Nil	Nil	5	10/31	10/31	10/31
5,00,000	10,88,222	3,29,728	353	1,66,356	6.02	1,47,651	6.17	1,80,000	64,621	12	41	Krishnabehari	8	10	6	10	11/30	11/30	11/80
2,00,000		..	..	..	..	..	..	..	..	12	236	Kyang Tea	..	..	..	10	8/06	8/06	8/06
6,50,000	16,02,991	9,85,234	270	2,81,500	5.30	3,00,600	5.06	3,00,000	28,762	12	63	Ledo	Nil	Nil	Nil	10	14/25	14/25	13/75
8,00,000	11,99,968	1,30,508	275	2,10,642	5.26	..	..	..	1,25,716	12	..	Maud Tea & Seed	7½	7½	..	10	12/00	12/00	14/00
10,00,000	16,18,885	14,63,370	262	3,74,221	7.12	3,50,854	6.39	5,90,000	2,25,877	12	202	Methoni	14	20	11	10	13/25	13/25	17/87
4,80,000	..	..	..	..	..	..	..	..	1,26,539	12	..	Moheema	Nil	..	..	10	11/50	11/50	11/50
1,50,000	3,91,923	14,90,825	188	1,22,745	..	1,79,058	..	..	..	12	138	Mothola	30	35	35	100	425/00	425/00	507/00
1,75,000O 2,00,000Po	15,71,082	9,67,447	165	1,71,400	8.41	1,69,500	6.82	2,00,000	1,89,528	12	2	Murphulani (Assam)	15 20.63	25 30.63	17½ 23.13	10 10	26/50 26/87	26/50 26/87	26/50 26/87
4,00,000	13,49,106	12,81,235	220	3,26,748	5.10	3,04,796	..	3,40,000	2,18,849	12	143	Naga Hills	10	10	10	10	21/25	21/25	22/25
5,35,000	.	..	..	.	..	..	..	..	..	12		Namburnadi	12	..	..	10	12/87	12/87	12/87
5,00,000	4,52,000	6,28,237	311	2,96,696	7.64	3,29,182	5.59	3,10,000	1,91,821	12	63	New Cinnatolliah	Nil	Nil	5	100	455/00	455/00	302/00
6,00,000	15,30,769	7,94,922	170	2,30,700	6.35	1,99,100	5.84	2,30,000	1,58,579	12	2	Rajgarh	13½	17½	12½	10	15/81	18/56	19/00
13,50,000	25,76,607	4,53,937	..	6,04,795	..	..	..	..	1,40,864	12	354	Sapoi	20	10	..	10	15/81	15/81	18/50
2,49,000	6,64,400	7,35,000	213	2,07,643	7.36	2,01,112	6.63	2,17,800	1,26,915	12	279	Seajuli	15	30	25	10	21/06	21/06	25/50
5,98,000	17,86,091	15,24,544	..	3,90,802	5.61	..	..	..	5,06,871	12	88	Teloijan	25	25	..	10	19/00	19/00	22/12
8,00,000	12,89,565	7,46,597	490	3,38,378	6.81	3,40,080	6.52	3,73,787	2,56,410	12	88	Tengpani	30	22½	12	10	36/50	36/50	35/75
19,82,880	36,21,344	24,74,580	2,112	23,01,040*	2.62	25,21,280*	2.41	23,40,000*	8,41,736	12	236	Tezpore	12½	12½	12½	10	13/06	13/06	15/19
7,50,000		.	..	..	..	..	..	..	..	12	95	Tongani	Nil	..	..	10	5/19	5/19	5/31
5,20,000	35,17,473	30,30,165	..	6,51,147	5.76	..	..	..	7,11,074	12	165	Tyroon	15	25	..	10	24/75	24/75	31/00
												CACHAR							
3,00,000	..	..	..	1,39,861	4.03	..	..	..	..	12	..	Arcuttipore	5	6	..	10	7/00	7/00	7/00
4,00,000	..	..	..	..	..	..	..	..	..	12	35	Baitakhal	2½	..	7½	10	6/00	6/00	7/71
11,00,000	12,50,663	9,58,809	310	3,15,866	4.92	3,30,923	4.85	3,77,000	2,79,622	12	128	Central Cachar	7½	5	..	100	69/00	73/00	85/00
7,00,000	..	..	..	..	..	..	..	..	..	12	383	Eastern Cachar	Nil	..	..	10	5/06	5/06	4/56
4,50,000	3,31,773	2,80,000	..	..	..	..	..	..	−54,506	12	384	Kallinugger Khoreel	2	..	..	100	84/00	84/00	87/00
12,60,000	19,62,879	14,26,438	943	5,80,232	3.97	6,63,197	4.45	6,70,000	45,217	12	202	Hattikhira	8	Nil	Nil	10	6/37	6/69	8/75
3,60,000			..		..	..	..	..	..	12	63	Kunchunpore	Nil	..	..	10	6/00	6/00	6/00
5,63,690	5,28,079	1,57,990	231	1,51,283	4.26	1,71,112	4.63	1,65,000	59,885	12	202	Loobah	Nil	Nil	Nil	10	3/75	3/75	4/69
12,60,000	22,28,419	11,42,054	2,221†	5,18,387	4.33	..	..	..	6,13,497	12	..	North Western	20	10	..	100	165/00	165/00	175/00
2,59,050	6,14,069	1,01,916	239	2,13,805	4.21	2,25,257	4.63	2,30,000	68,688	12	202	Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50
2,60,000	6,82,449	2,92,663	..	1,95,018	4.62	..	..	..	−1,73,960	12	165	Roopacherra	10	Nil	..	10	9/94	9/94	11/00
5,25,000	12,50,875	12,23,600	316	2,79,277	4.46	2,93,522	4.34	12,87,000	80,082	12	63	Rungamattee	5	5	5	50	47/00	47/00	50/00
4,00,000	..	..	..	..	..	..	..	..	..	12	..	Sonai River	Nil	..	..	10	5/06	5/06	5/05
												DARJEELING							
3,99,750	..	..	..	..	..	..	..	..	..	12	101	Bloomfield	..	..	..	10	3/25	3/25	3/12
2,79,900	3,72,700	1,55,000	165	77,090	8.74	..	..	..	51,557	12	279	Chamong	10	10	..	10	8/87	8/87	9/00
3,75,900	..	..	..	3,13,229	5.63	..	..	..	..	12	139	Darjeeling Tea	20	30	..	100	197/00	197/00	197/00
2,00,000	..	..	..	..	..	..	..	..	..	12	200	Dilaram	4	..	..	100	102/50	102/50	102/50
2,00,000	6,39,479	3,58,163	..	1,37,275	7.58	..	..	..	1,97,231	2	74	Gielle P.	..	8 4/7	15	10	18/12	18/12	11/69
7,00,000	10,17,300	2,75,676	428	3,11,895	7.70	3,07,000	7.37	3,22,000	2,75,870	12	279	Lingia P.	10	17½	15	10	15/00	15/00	14/00
10,32,000	..	..	..	..	..	..	..	..	..	12	95	Longview	10	..	..	10	8/25	8/25	11/00
4,00,000	6,16,891	5,85,879	..	1,77,960	8.18	..	..	..	2,23,445	12	165	Margaret's Hope	15	15	..	10	11/81	11/81	12/19
1,59,000	4,35,272	3,84,726	187	1,08,800	8.99	1,05,600	6.94	1,10,000	−49,706	12	2	Mim	27½	27½	Nil	100	430/00	430/00	491/50
2,99,900	19,18,100	16,26,000	279	2,14,750	9.03	2,07,707	7.66	2,23,900	3,42,887	12	279	Nagri Farm	25	35	35	10	28/12	28/12	29/56
4,00,000	3,93,839	3,21,500	205	99,331	10.07	..	..	..	2,40,000	12	390	Okayti P.	25	25	..	100	600/00	600/00	600/00
3,30,000		.	..		..	..	..	..	..	12	..	Pashok	Nil	..	..	10	18/75	18/75	20/00
3,00,000	4,55,324	1,77,500	194	1,22,495	6.65	1,12,874	6.44	1,20,000	34,269	12	63	Poobong	Nil	5	Nil	10	10/50	10/50	7/50
2,05,000	5,15,133	2,27,703	570	1,16,997	5.95	95,502	5.81	1,26,000	15,481	12	361	Pussimbing P.	Nil	Nil	Nil	10	7/69	7/69	7/50
1,40,000	4,97,834	5,63,000	138	85,234	6.64	86,726	7.21	95,000	2,834	12	63	Runglee Rungliot	20	7½	5	100	290/00	290/00	386/00
3,00,000	..	..	..	..	..	..	..	..	..	12	385	Seevok	Nil	..	..	10	8/50	8/50	8/60
6,25,000	7,48,893	10,816	..	1,38,742	6.51	..	..	..	47,720	12	398	Singell	Nil	Nil	..	100	36/75	36/75	36/75
9,00,000	.	.	..	1,23,431	6.92	..	..	..	..	12	101	Singtom	Nil	2	..	10	3/25	3/25	3/50
4,50,000	5,56,200	5,68,100	224	1,60,068	8.53	1,58,073	7.82	1,57,800	2,22,529	12	279	Soom	40	40	30	10	39/00	39/00	35/50
6,25,000	13,51,854	13,02,062	..	1,89,392	9.58	..	..	..	..	12	165	Sungma	15	20	..	10	12/25	11/87	14/56
3,20,000	9,98,901	8,67,133	..	2,03,428	6.16	..	..	..	..	2	74	Teesta Valley	..	8 4/7	10	10	12/00	12/00	15/87
12,00,000	..	..	..	..	..	..	..	..	..	12	..	Tukvar	Nil	..	..	10	3/56	3/56	6/00

† Acres   * lbs.   ‡ 1963

TEA COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Area Hectares	Outturn and Average Price per Kg. realised for crop 1962 Kgs.	1962 Rs	1963 Kgs.	1963 Rs	Estimate 1964 Kgs.	Net Profits including taxation	Accounts closed	Mg. Agents, Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share Rs.	Latest Market Quotations as available until 23-12-64 Rs	16-12-64 Rs.	A year ago Rs.
Rs	Rs.	Rs.							Rs										
												DOOARS							
27,00,000	70,10,077	33,43,960	1,052	14,84,400	4.86	14,09,900	5.15	15,15,000	8,20,033	12	2	Banarnat P.	21	21	17	100	161/00	161/00	241/00
12,00,000	29,84,113	24,11,835	436	6,66,481	5.13	6,59,968	4.93	..	4,47,910	12	128	Baradighi	25	25	15	10	20/75	20/75	23/69
9,00,000	19,19,630	30,59,434	..	7,00,569	4.58	..	..	..	5,74,606	12	386	Bhatkawa	15	20	..	10	13/56	13/56	17/25
9,00,000	26,52,750	23,52,500	586	6,69,938	5.01	6,79,448	4.71	6,70,000	3,87,508	12	63	Birpara P.	12½	17½	10	100	143/00	143/00	162/00
9,00,000	25,37,049	14,59,389	365	5,21,400	4.63	4,90,700	5.07	52,50,000	84,373	12	2	Choonabhutti P.	20	20	7½	100	176/00	176/00	210/00
3,00,000	5,93,417	6,45,000	197	2,25,971	4.59	2,34,951	4.42	2,10,000	98,827	12	63	Ellenbarrie	5	10	7½	100	361/00	300/00	184/00
1,20,000	3,71,713	3,31,056	266	1,63,195	3.85	1,62,151	4.11	1,70,000	63,192	12	397	Engo	30	40	30	100	225/00	225/00	136/00
4,80,000	9,33,182	71,548	..	2,64,339	..	..	..	..		12	354	Ethelbari	5	7½	..	10	11/87	11/87	11/87
7,50,000	15,18,748	10,75,265	872	5,04,794	5.46	4,69,544	5.18	5,15,320	1,13,960	12	88	Gairkhata	20	11	7	10	11/94	12/00	21/50
14,00,000	27,81,035	19,25,521	425	5,85,748	..	..	..	..	2,00,689	12	387	Gopalpur	2	10	..	25	19/50	19/50	20/00
36,00,000	54,86,904	43,81,500	1,051	13,74,053	4.76	14,23,297	4.52	14,00,000	5,98,697	12	63	Hantapara P.	5	10	7½	100	97/00	97/00	108/00
64,00,000	73,47,386	53,93,750	..	30,66,464	5.78	29,91,312	5.97	31,15,000	25,45,814	3	74	Hasimara	..	18	15—15*	10	12/06	12/25	13/44
16,50,000	26,67,650	17,26,078	..	6,99,826	4.51	..	..	..	2,06,848	2	74	Huldibari	..	19 2/7	11	10	11/00	11/00	13/0[illegible]
7,00,000	8,95,117	5,13,133	246	1,88,900	5.59	..	..	..	—61,500	12	2	Jaybirpara	Nil	Nil	..	10	8/94	8/94	23/81
13,50,000	32,41,680	36,28,241	598	8,24,799	4.59	7,89,297	4.47	8,00,000	3,21,920	12	63	Killcott	15	15	10	10	14/06	14/06	15/19
2,00,000	15,83,652	5,65,701	..	2,53,887	..	246,001	..	..	13,735	12	354	Manabarrie	6	10	10	10	59/50	59/50	59/50
9,60,000	22,35,359	24,09,000	477	5,07,722	4.76	4,67,868	4.62	4,90,000	—12,429	12	63	Nagaisuree	15	15	5	100	142/00	142/00	140/00
14,00,000	36,15,282	21,01,728	471	6,40,900	5.10	5,90,200	5.01	6,75,000	—73,566	12	2	New Dooars P.	20	14½	Nil	100	170/05	170/00	230/00
6,40,000	13,89,457	6,58,184	292	3,26,073	3.55	3,49,153	4.42	3,51,500	8,839	12	363	Oodlabari	7½	Nil	7½	100	14/25	14/25	13/62
2,50,000	3,90,597	3,37,500	126	1,26,816	4.64	1,24,724	4.39	1,30,000	—20,200	12	63	Phaskowa	Nil	Nil	Nil	100	121/00	121/00	125/00
6,00,000	9,17,349	11,90,832	..	3,91,886	4.70	3,68,115	4.70	3,66,500	1,16,562	12	165	Rajabhat	Nil	6	6	10	9/94	10/25	12/00
7,65,000	17,57,543	17,47,050	..	4,76,526	5.07	..	..	..	1,63,000	12	165	Ranicherra	15	7½	..	10	12/00	12/00	12/75
14,92,800	37,15,740	31,72,862	736	9,78,337	5.44	10,22,018	5.23	..	8,09,998	12	128	Rydak	20	25	25	10	22/62	22/56	25/75
3,46,000	13,81,974	12,21,589	279	3,30,000	4.76	3,79,500	4.63	..	3,25,246	12	44	Sarugaon	40	40	40	10	38/00	37/00	26/37
												TERAI							
4,50,000	..	..	..	..	..	..	..	..	..	12	101	Atal	..	..	..	10	5/37	5/37	8/75
5,00,000	..	..	..	..	..	..	..	..	..	12	345	Belgachi	20	..	..	10	23/12	23/12	20/50
13,44,000	23,77,032	28,68,000	665	7,22,909	4.63	8,02,864	4.33	7,50,000	4,38,359	12	63	Gungaram	12½	12½	10	100	140/00	140/00	130/00
3,00,000	6,69,527	9,72,507	..	2,95,710	4.54	..	..	..	2,25,077	2	74	New Chumta	..	12 6/7	20	10	18/56	18/56	24/62
7,20,000	..	..	..	3,33,644	4.94	..	..	..	..	12	139	New Terai	10	15	..	10	20/50	20/50	23/00
11,70,000	..	..	..	4,71,480	4.45	..	..	..	..	12	139	Pahargoomiah	20	2½	..	10	11/56	11/56	14/37
1,00,000	..	..	..	..	..	..	..	..	..	12	63	Putinbaree	14	..	..	10	55/00	55/00	45/00
2,20,000	..	..	..	3,84,347	5.05	..	..	..	..	12	165	Tirribannah P.	60	60	..	10	49/00	49/00	49/00
												CHITTAGONG							
1,25,000	..	..	..	..	..	..	..	..	..	12	139	Kodala	Nil	..	..	10	9/25	9/25	9/25
2,40,000	..	..	..	..	..	..	..	..	..	12	139	Kornafuli	Nil	..	..	10	11/25	11/25	9/31
2,00,000	..	..	..	..	..	..	..	..	..	12	139	Oodaleah	Nil	..	..	10	8/00	8/00	8/00
												SYLHET							
3,00,000	13,56,430	20,59,293	667	2,14,907	7.92	2,32,138	7.61	2,54,012	6,06,230	12	..	Chundeecherra	Nil	Nil	Nil	10	29/75	29/75	26/00
6,00,000	10,31,611	23,60,801	236	2,03,558	8.17	2,33,398	6.87	2,18,000	6,63,292	12	63	Dauracherra	22½	20	Nil	10	14/75	14/75	11/56
5,59,930	15,08,299	20,08,800	1,108	11,48,080	3.34	11,40,560	2.74	1,10,400	7,46,734	12	236	New Samanbagh P.	Nil	Nil	Nil	10	20/25	20/25	18/37
36,00,000	65,96,023	1,80,01,644	1,799	17,98,140	8.16	19,04,713	6.83	18,87,000	58,03,923	12	63	Patrakola	40	15	Nil	100	151/00	140/00	129/00
3,20,000	4,21,718	1,48,642	740†	4,24,800*	3.23	..	..	..	4,07,821	12	236	Rajnagar	Nil	Nil	..	10	9/56	9/56	9/50
9,00,000	21,89,888	38,62,827	485	3,69,737	8.08	3,75,942	6.80	4,17,000	6,87,001	12	63	Teliapara	22½	10	Nil	100	169/50	169/50	110/00

† Acre

* 1964

MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 23-12-64	16-12-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
								MININGS							
£2,369,796	..	£222,628	£2,755,618	£10,242	£180,384	12	153	Burma Mines	Nil	Nil	Nil	3½S	0/44	0/44	0/44
30,00,000O	37,08,889	32,54,468	34,05,355	15,96,846	13,914	12	312	Chrestien Mica Industries P.	12½	..	..	10O	9/09	9/09	10/19
15,00,000Dd									20	.	..	5Dd	6/53	6/53	6/87
£1,371,300	£1,758,381	£225,873	£755,274	£1,057,163	£72,310	12	68	Indian Copper Corporation	27	18	..	2s	3/39	3/32	3/46
2,39,52,727	40,07,495	22,25,150	1,11,140	5,75,762	18,044	3	343	Metal Corporation P.	Nil	Nil	Nil—Nil*	10	5/94	6/00	8/00
20,00,000	39,96,216	69,35,296	52,45,375	5,48,175	4,767	6	21	Orissa Mineral Development	28	20	10—10*	10	20/00	20/00	26/00
								CEMENT, LIME, SLATE, ETC.							
59,90,843	1,58,98,785	17,06,000	2,33,036	4,97,991	10,914	3	381	Ashoka Cement	7	7	7	10	6/37	6/50	7/37
43,14,600O	41,51,412	21,43,429	29,64,072	1,70,813	6,44,675	3	60	Assam Bengal Cement	Nil	Nil	..	19O	3/87	3/81	3/62
70,976Dd												1Dd	0/59	0/59	0/50
55,23,146	98,02,889	19,77,396	66,723	24,46,663	1,703	12	155	Bengal Potteries	12	12	..	2½	4/25	4/18	5/37
40,00,000	73,55,750	28,31,157	3,76,724	23,10,445	50,122	3	21	Bisra Stone Lime	30	10	..	10	16/00	16/00	22/00
1,73,49,650O	1,87,13,180	1,43,86,260	2,06,26,145	1,06,24,610	..	12	123	Dalmia Cement (Bharat) P.	12	12	12	19O	12/75	12/75	12/75
5,00,00,000Dd												1Dd	3/06	3/06	2/81
2,50,00,000	5,31,92,513	2,27,42,184	35,61,930	68,71,783	16,727	3	335	Jaipur Udyog P.	8	8	10—10*	16	10/12	10/12	12/31
30,00,000	89,55,197	56,55,899	6,48,783	21,48,526	25,499	12	21	Kumardhubi Fireclay & Silica P.	18	18	..	10	18/45	18/45	18/45
2,25,00,000	3,77,58,590	1,36,03,808	30,93,905	98,75,491		12	362	Orissa Cement P.	15	10	..	10	12/19	12/06	14/37
6,00,000	20,07,006	21,78,065	17,41,738	4,85,806	30,441	2	223	Reliance Firebricks & Pottery	15	10	..	10	22/75	22/75	22/75
75,00,000	63,28,018	44,95,600	5,26,119	12,18,128	6,195	12	357	Sone Valley Portland Cement	6	8	8	3	3/81	3/87	4/56
12,04,570	31,17,215	13,90,910	2,60,870	8,80,262	5,375	12	9	Sutna Stone & Lime	30	35	20	10	18/00	18/00	28/31

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agts., Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per Share	Latest Market Quotations as available until 23-12-64	16-12-64	A year ago
Rs.	Rs	Rs.	Rs	Rs.	Rs							Rs.	Rs.	Rs.	Rs.
								CHEMICAL INDUSTRIES							
62.00.000															
2,48,00,000A	8,04,72,738	2,26,33,273	3,46,012	1,10,87,234	5,671	9	121	Alkali & Chemical Corpn of (I)	15	15	15	10	27/31	27/50	33/50
20,00,000	17,39,281	15,681	11,245	—88,949	—9,86,991	12	442	Bathgate & Co Ltd P.	Nil	..	..	5	0/84	0/84	0/84
15,00,000O															
11,08,900A	76,41,344	68,84,605	21,11,440	18,06,053	1,30,717	3	245	Bengal Chemical & Pharm P.	10	10	..	100	102/00	102/00	101/00
22,54,700B															
15,00,000	36,34,102	22,82,883	19,49,050	12,04,892	6,978	6	377	Calcutta Chemical P.	18	18	..	10	19/12	19/12	17/87
4,95,000	99,022	Nil	41,554	72,146	2,566	2	129	Frank Ross P	4 1/6	3½	..	6	3/19	3/19	2/75
20,00,000	13,53,440	19,28,251	8,26,842	13,72,614	481	6	191	Smith Stanistreet P.	25	25	22½—25*	5	12/81	13/00	12/31
								ELECTRIC LIGHTING, POWERS							
19,99,600	1,18,31,088	51,52,883	23,86,788	2,30,678	13,612	3	32	Agra Electric Supply	11	11	11	100	126/00	126/00	118/00
8,00,000	33,64,320	16,30,275	6,14,845	1,45,861	1,852	3	32	Bareilly Electric Supply	11	11	11	10	10/94	10/94	12/50
17,00,000	1,05,78,889	54,27,530	13,74,815	3,49,029	5,522	3	32	Benares Electric Supply	11	11	11	10	12/87	12/87	12/81
5,91,360	15,65,473	8,07,902	2,70,659	1,36,558	£100,524	3	202	Bhagalpur Electric Supply	10	8	..	8	7/12	7/12	6/69
£4,262,646	£21,040,641	£10,815,240	£173,698	£1,599,019		3	90	Calcutta Electric Supply P.	7½	7½	..	£1	15/10	15/25	14/50
6,60,040	..	..	..	..	..	3	202	Cuttack Electric Supply	10	Nil	..	10	15/00	15/00	11/87
43,20,000	84,69,786	43,52,031	35,04,850	26,80,041	45,007	3	2	Dishergarh Power Supply P.	10	10	10—10*	100	86/00	86/00	83/00
5,34,640	17,29,086	96,513	95,409	65,283	3,590	3	168	Jhansi Electric Supply	Nil	7	..	10	5/90	5/90	5/90
22,49,550	70,77,611	29,85,246	5,14,229	2,97,774	3,286	3	32	Jubbulpore Electric Supply	10	10	10	10	10/75	10/75	11/25
4,95,000	6,70,324	2,24,149	1,09,770	46,495	39,015	3	258	Mirzapur Electric Supply	..	..	..	9	7/50	7/50	12/00
5,82,390	24,50,815	6,87,284	3,48,986	2,22,292	22,259	3	202	Muzafferpore Electric Supply	12½	12½	..	10	17/75	17/75	11/50
6,99,700	13,47,574	1,14,377	2,15,991	83,664	18,988	3	329	Muttra Electric Supply	9	9	..	10	11/06	11/06	11/06
35,07,380	98,50,374	48,67,675	3,95,468	12,96,460	1,27,547	3	202	Patna Electric Supply	10	10	..	10	10/75	10/75	10/31
9,10,000	8,77,208	2,86,692	3,19,022	1,58,667	17,201	3	202	Shahjahanpur Electric P.	6½	6½	..	10	6/62	6/62	6/87
16,80,000	24,13,949	16,03,685	9,75,497	4,58,680	3,975	3	21	Sijua (Jherriah) Electric	9	9	..	10	9/62	9/62	8/50
56,00,000	2,78,66,926	80,13,213	29,14,259	4,35,432	9,311	3	32	United Provinces Electric	11	11	11	100	185/50	193/00	145/00
5,00,000	20,91,859	12,25,998	7,11,286	48,760	1,934	3	32	Upper Jumna Valley Electric	13½	13½	13½	10	25/37	25/37	18/00
								ENGINEERING & METAL							
6.00.000	17,68,727	7,28,551	3,76,395	8,30,823	4,14,416	12	300	Arthur Butler (Muzafferpore) P.	Nil	10	..	10	15/00	15/00	14/94
50,00,000	41,22,015	56,58,221	3,98,490	44,22,016	2,263	12	31	Bhartia Electric Steel	10	12½	15	10	15/00	14/94	15/00
1,00,00,000	2,22,25,340	1,40,28,433	27,21,380	1,24,47,705	..	12	289	Braithwaite & Co. (India) P.	25	14	20	10	32/62	32/62	34/25
12,00,000	72,34,505	58,62,090	6,74,545	23,90,816	..	12	24	Bridge & Roof	30	30	30	10	52/25	52/25	52/25
19,88,670	39,85,103	6,09,796	1,36,988	2,31,949	—4,05,003	12	192	Britannia Building & Iron P.	Nil	Nil	Nil—Nil*	10	3/62	3/62	3/37
1,00,00,000	1,24,97,389	52,95,465	14,403	22,04,192	..	12	24	Britannia Engineering P.	10	10	..	10	9/44	9/44	10/62
25,00,000	33,60,837	23,97,576	67,36,942	97,05,514	..	4	32	British India Electric Cons.	20	15	15	10	29/12	29/12	31/00
1,68,00,000	3,72,24,252	2,29,32,397	23,44,551	52,92,495	1,57,572	3	437	Burn P (Engineering)	28½	28½	25—15*	100	250/00	278/00	314/00
1,00,00,000	63,22,965	22,70,823	1,84,809	26,72,847	6,868	9	434	Calcutta Steel	15	15	12½-15*	10	13/31	13/31	13/81
80,00,000	1,25,35,558	43,00,000						Dalmia Iron	10	10	10	10	10/12	11/87	11/75
6,32,18,740	6,68,87,945	5,12,05,807	2,59,97,968	2,17,43,217	..	12	227	Guest, Keen, Williams	14	14	12	10	23/00	23/00	26/62
17,50,000	18,91,774	11,04,000	21,473	3,81,335	3,237	12	32	Hooghly Docking	Nil	12½	10	50	80/00	80/00	95/00
12,44,08,990	59,94,26,612	41,05,47,562	5,88,65,054	11,51,21,913	..	3	32	Indian Iron & Steel P.	16	16	16—17*	10	25/92	25/84	25/18
3,85,000O	11,52,812	14,001	1,82,994	—4,15,836	—4,03,294	8	223	Indian Malleable Casting	Nil	Nil	..	5O	5/19	5/19	6/00
1,54,000Dd									Nil	Nil	..	1D	2/81	2/81	2/06
77,97,000	58,96,726	1,25,90,911	58,71,000	1,79,18,483	..	8	32	Indian Standard Wagon P.	28½	28½	20-20*	10	33/50	36/69	36/37
96,79,740	3,18,91,158	3,40,11,775	1,42,54,661	—3,17,414	7,607	3	122	Indian Steel & Wire Products	24	23	18—18*	10	26/50	27/00	36/87
12,00,070	1,13,344	5,39,415	3,634	17,25,389	.	12	24	Industrial Containers	10	10	..	10	25/62	25/62	21/37
1,51,87,500	2,77,46,365	1,40,12,181	10,13,586	29,24,188	4,084	8	443	Jay Engineering	17 3/20	15	10—8*	10	20/06	20/06	21/87
40,00,000	59,72,655	35,85,700	10,46,980	20,45,860	86,647	6	132	J. K. Steel P	20	10	15	10	17/87	17/81	18/12
2,04,00,000	4,03,12,353	3,00,16,258	77,10,062	1,47,51,086	64,915	10	290	Jessop & Co. P.	8.58	8.58	10	10	25/62	25/62	24/94
27,64,800	65,86,747	65,04,900	4,81,457	34,49,008	3,146	11	21	Kumardhubi Engineering P.	11½	15	16½	3	5/34	5/34	9/25
10,50,000	3,10,043	19,18,004	4,98,040	1,69,624	—16,90,253	6	170	Marshall Sons (India)	Nil	Nil	Nil	2	3/50	3/59	2/69
49,96,000	61,94,985	13,58,398	3,83,036	2,56,716	—4,42,917	3	192	National Iron and Steel	Nil	Nil	..	10	5/12	5/30	6/00
6,00,000	8,80,620	1,95,941	1,95,941	1,99,608	1,529	8	25	Saran Engineering	10	12½	10—10*	4	8/31	8/31	8/12
14,00,070	11,26,150	15,36,386	2,31,497	13,63,971		12	24	Steel Containers	20	20	17½	10	24/31	24/31	29/50
4,50,00,000	2,88,27,452	1,25,61,066	9,59,687	2,04,38,226	54,305	12	22	Textile Machinery	10	12½	12½-15*	10	25/50	25/60	28/25
								SUGAR, BREWERIES ETC.							
14,00,000	17,74,143	10,85,375	21,121	—1,66,279	—1,53,368	6	371	Balrampur Sugar	8	4	Nil	2½	1/65	1/65	1/87
29,23,537	27,33,655	11,43,842	8,71,871	—30,816	2,237	9	234	Belsund Sugar	10	6¾	3¾	7½	7/62	7/62	8/94
15,00,000	8,17,746	22,06,086	17,96,173	5,98,492	9,429	6	316	Bharat Sugar P.	15	15	15	10	16/00	16/00	16/00
32,00,000	48,01,728	55,23,048	4,75,535	58,20,900	133	6	89	Carew (Sugar) P.	Nil	Nil	Nil	10	12/56	12/44	11/56
30,00,000	98,13,767	58,73,563	6,92,990	—16,68,824	—42,63,672	10	25	Cawnpore Sugar P.	Nil	Nil	Nil	10	9/94	9/81	9/75
15,00,000	29,70,913	47,91,301	1,37,198	—49,013	—8,50,783	6	25	Champaran Sugar P.	12	Nil	Nil	10	11/62	11/62	12/62
38,01,380	25,88,250	31,90,540	1,79,345	4,77,197	1,97,076	8	395	Durbhanga	Nil	5	..	10	8/56	8/56	9/87
11,00,000	6,45,722	3,75,000	10,90,564	95,437	52,205	6	140	New Savan Sugar and Gur	5 3/5	3 7/10	..	10	2/65	3/65	4/50
9,00,000	19,47,931	23,02,870	2,05,743	2,86,458	4,006	10	400	Purtabpur Sugar P	Nil	Nil	..	10	9/12	9/12	10/81
16 59,820	41,61,410	57,86,996	6,074	26,41,178	3,047	8	1	Ramnugger Cane & Sugar P.	35	30	15	10	24/25	24/25	29/31
65,00,000	57,79,829	44,91,845	20,03,707	19,78,012	10,419	10	92	Raza Suland	10	10	10	10	9/94	9/87	10/37
5,00,000	6,07,238	1,72,778	3,77,84[illegible]	4,24,492	13,209	6	25	Ryam Sugar P.	Nil	Nil	..	10	4/12	4/12	3/37
11,99,000	22,10,161	18,54,067	2,09,165	—2,24,407	—2,20,853	6	..	Samastipur Central Sugar	Nil	Nil	..	10	3/62	3/62	4/62
39,99,000	67,63,908	25,93,624	11,16,368	1,90,057	7,981	6	140	Shree Krishna Gyanoday Sugar P.	10	Nil	..	10	8/25	8/25	7/94
7,94,500	13,54,858	68,548	66,643	—7,18,697	—7,19,847	6	94	Shree Sitaram Sugar	..	..	..	10	7/28	7/28	7/12
9,99,950	20,47,130							Sitalpore Sugar	Nil	Nil	Nil	10	3/69	3/69	3/69
16,00,000	42,22,843	19,40,304	2,03,163	—11,15,414	—9,17,147	9	341	United Provinces	6	Nil	..	10	12/00	12/00	11/00
8,00,000	90,57,769	67,09,675	9,18,326	37,10,125	25,765	6	316	Upper Ganges Sugar P.	72½	72½	..	5	60/25	60/25	85/00

* 1964

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary Rs.	Net Block Accounts Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net profits including taxation Rs.	Carry forward Rs	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share Rs.	Latest Market Quotations as available until 23-12-64 Rs	16-12-64 Rs.	A year ago Rs.
								MISCELLANEOUS							
8,00,000	3,05,800	2,09,907	5,89,590	1,44,140	2,623	10	85	A Firpo (Restaurateur)	10½	5	..	10	5/90	5/90	5/00
1,17,18,750	7,78,41,082	2,43,57,285	3,43,934	39,67,851	22,287	3	132	Aluminium Corporation P.	12	12	5—9*	10	11/00	11/00	13/62
20,00,000	42,19,493	17,50,000	53,08,486	4,79,403	25,172	12	382	Anderson Wright P.	Nil	6	6	10	11/50	11/50	11/50
30,00,000	16,96,720	44,23,928	21,81,674	26,48,673	2,17,061	8	268	Angelo Bros.	22½	28	28	10	24/31	24/75	26/75
30,00,000	23,93,699	43,10,024	16,21,703	25,26,521	18,162	12	274	Assam Match	20	20	20	10	25/25	25/25	27/50
13,99,998	20,06,639	20,17,850	6,814	1,70,203	94,397	9	348	Assam Saw Mills & Timber	Nil	3	..	3	2/50	2/50	2/50
1,18,00,000	54,61,855	98,34,917	67,73,791	53,69,644	7,978	8	391	Associated Battery	15	15	15	10	24/75	24/56	27/81
20,00,000	1,41,96,365	57,08,103	7,65,347	2,25,357	4,66,650	3	204	Associated Hotels of India P.	10	10	10	10	10/37	10/37	10/81
80,01,400	50,84,811	1,26,93,254	1,02,37,288	47,75,572	..	12	386	Balmer Lawrie & Co.	25	25	22½	100	237/00	237/00	258/00
12,00,000	5,56,579	15,08,839	7,13,214	14,18,987	..	3	128	Bararee Coke	Nil	15	15—20*	10	20/94	20/69	22/06
44,00,000	..	9,27,823	68,58,981	2,87,091	50,926	9	160	Birds Investments P.	10	10	..	10	8/50	8/50	10/37
68,95,530	1,33,47,478	1,00,95,705	6,42,808	92,16,110	745	3	50	Britannia Biscuit P.	30	25	21—21*	10	35/50	36/62	50/25
3,25,00,000	92,71,518	2,59,58,217	1,52,24,566	2,20,29,077	23,545	12	33	British India Corporation P.	7	9	15	5	11/00	10/94	9/00
50,00,000	22,64,569	49,02,950	5,98,751	38,24,033	2,226	12	392	British Paints	12½	10	15	10	22/44	22/44	22/62
5,00,000	6,33,781	1,65,739	1,54,429	2,63,717	5,201	3	213	Calcutta Silk Manufacturing P.	Nil	..	..	10	6/94	6/94	6/94
1,38,80,000	..	14,77,612	1,78,11,400	14,89,102	2,75,442	12	2	Clive Row Investment	7½	7½	8	10	8/94	8/75	8/56
1,08,00,000	27,30,517	1,26,67,000	2,75,14,550	41,14,029	22,124	12	169	Duncan Brothers & Co. P.	14	14	12	100	110/00	110/00	140/00
4,50,00,000	6,45,91,744	6,23,00,650	26,09,266	3,27,69,401	..	12	96	Dunlop Rubber Co. (India) P.	20	15	17½	10	30/75	30/94	37/00
27,56,355	1,31,99,222	1,76,30,095	24,30,790	1,00,50,837	12,604	3	116	Dyer Meakin (Breweries)	30	..	..	5	22/50	22/75	31/87
76,89,000	..	65,11,801	1,78,16,453	13,76,534	1,51,252	12	21	Eastern Investments P	14	12	10	100	95/50	95/50	117/00
60,93,400	95,80,000	34,47,000	14,32,081	29,35,962	21,399	10	388	Electric Construction P.	10	10	10	10	13/16	12/94	13/06
30,00,000	28,94,555	27,23,303	19,90,832	15,65,118	2,10,371	3	51	French Motor Car	20	20	..	20	31/75	31/75	32/75
14,00,000	19,96,247	19,89,048	71,342	14,62,346	6,552	12	19	Ganges Rope	20	20	20	100	253/00	253/00	236/00
2,25,000	..	73,065	5,20,619	26,463	42	2	21	General Investment & Trust P.	5	5	5—5*	75	43/00	43/00	43/00
65,00,000	30,85,392	61,69,746	1,64,23,851	20,60,591	19,276	3	105	Gillanders Arbuthnot & Co. P.	11	11	11—9.6*	10	12/25	12/62	14/19
40,00,000	17,69,681	7,21,344	36,90,302	5,43,666	8,524	12	209	Gladstone Lyall & Co. P.	Nil	Nil	..	10	..	..	..
40,00,000	32,95,341	35,10,500	91,044	34,34,324	2,446	12	310	Godfrey Phillips (India) P.	40	30	20	10	21/75	21/75	28/12
30,00,000	43,74,366	17,66,560	1,60,432	1,09,512	794	3	223	Great Eastern Hotel	6	7	..	250	260/00	260/00	250/00
5,99,15,000	12,12,97,991	1,57,327	36,27,386	4,65,783	—1,90,67,933	12	438	Hindustan Aluminium P.	Nil	Nil	Nil	10	12/37	12/40	13/81
8,09,49,550	9,32,49,223	3,80,11,174	2,06,12,407	2,91,89,156	13,299	3	22	Hindustan Motors P.	12	12½	11½-11½*	10	16/94	16/81	19/41
1,80,00,000	8,43,03,252	44,59,689	19,50,134	11,58,982	—12,90,310	10	..	Hindusthan Pilkington	12	Nil	Nil	10	12/00	12/94	18/41
39,91,300	88,43,937	1,02,500	35,826	7,40,556	—5,19,975	3	211	Hindusthan Twyfords P.	Nil	Nil	Nil-Nil*	10	14/56	14/56	14/12
30,20,000	23,35,537	16,00,000	24,48,098	8,91,968	86,500	12	294	Hoare Miller & Co.	6	..	..	10	4/25	5/37	5/62
15,16,00,000	8,50,75,083	11,33,81,191	2,19,30,404	2,89,22,010	80,158	3	325	Imperial Tobacco	9	9	8—6½*	10	8/31	8/37	10/37
6,00,44,460	13,31,09,732	5,02,72,274	1,30,56,534	3,74,31,246	4,12,610	12	293	Indian Aluminium P.	15	17½	17½	10	30/50	30/62	29/62
2,46,63,450	2,77,06,309	3,70,04,031	64,21,577	1,89,87,484	9,790	3	34	Indian Cable	22½	22½	22½—25*	10	34/56	35/25	39/81
3,64,00,000	5,80,31,205	2,05,01,886	32,59,129	1,40,40,263	35,587	9	366	Indian Oxygen	15	12	12	10	22/56	23/81	26/62
8,27,970	8,82,919	12,42,783	10,99,551	12,01,372	53,791	3	223	Indian Rubber Manufacturers P.	30	36	..	10	21/75	21/75	19/87
20,00,000	3,08,827	29,55,665	1,44,979	17,93,931	3,056	9	88	Indian Wood Products	30	30	25	10	26/25	26/25	15/12
79,78,310	81,32,468	22,85,500	6,19,214	21,27,050	17,347	12	63	Isaac Holdens	Nil	Nil	5	10	10/12	10/12	16/56
5,00,000	..	3,15,956	13,17,443	96,660	19,473	2	21	Investments and Finance P.	7½	7½	7½—7½*	100	55/00	55/00	30/00
1,25,00,000	1,51,51,941	36,00,000	1,25,80,918	26,30,706	30,393	6	439	J. K. Synthetics	3	Nil	10	10	12/81	12/81	12/94
5,87,500C 1,17,500D	2,28,843	Nil	5,88,284	—1,19,242	—1,18,804	12	281	James Wright P.	..	..	..	50	2/75	2/75	2/75
2,00,00,000	60,80,909	1,00,37,759	5,52,66,992	44,78,489	..	3	39	Jardine Henderson P.	..	6	7—7*	1Dd	00/43	00/43	00/43
1,09,33,290	2,45,94,981	72,53,990	9,89,540	36,94,613	41,622	12	22	Jay Shree Industries P.	7	6	7—7*	100	72/00	72/00	79/00
1,99,95,660	8,39,79,825	4,95,51,451	64,88,007	1,50,15,072	14,501	3	22	Kesoram Industries P.	12½	12½	12½	10	14/25	14/25	14/50
6,34,000C 66,000Dd	3,17,363	6,02,958	8,21,617	—14,078	—4,849	3	133	Macfarlane & Co.	12	12	13—15*	10	24/62	24/62	26/87
1,50,00,000	1,08,42,842	1,10,08,357	3,08,97,102	45,30,173	40,503	12	334	Macneill & Barry P.	Nil	Nil	..	50	4/50	4/50	6/69
1,47,12,250	69,29,198	1,38,23,546	2,13,42,011	91,60,378	1,289	9	309	Martin Burn Ltd. P.	Nil	Nil	..	1Dd	1/81	1/81	1/44
									8	7½	8½	100	95/00	95/00	92/00
									27½	25	25	10	26/19	26/31	28/50
47,12,000	18,46,595	90,33,368	2,73,18,501	25,28,932	..	12	282	McLeod & Co. P.	15	18	..	100	230/00	230/00	210/00
3,22,00,000	3,39,11,209	2,96,70,151	44,50,023	1,54,09,781	2,480	3	167	Metal Box Co. of India P.	25	25	19—18*	10	30/25	30/25	52/25
1,35,00,000	85,15,441	1,31,43,467	11,00,897	1,00,47,763	40,361	3	7	National Insulated Cable P.	25	25	18—20*	10	24/12	24/37	23/87
30,00,000	23,68,847	36,90,300	12,33,457	30,79,310	19,484	9	7	National Pipes & Tubes P.	20	20	20	10	27/56	28/50	28/19
40,00,000	33,84,769	46,86,095	15,32,370	34,15,331	8,895	6	7	National Rolling & Steel Ropes	15	15	15—20*	10	21/69	21/81	19/87
50,00,000	68,13,665	21,55,713	14,06,275	22,44,262	58,629	12	375	National Rubber P.	6½	8	10	10	9/94	9/94	13/44
79,97,000	74,92,596	1,29,48,132	33,63,433	26,23,104	3,26,438	12	79	National Tobacco P.	7	7	8	10	10/87	10/87	13/37
23,31,600	1,014	13,02,891	9,90,509	6,26,950	40,375	12	35	New India Investment Corpn.	82/5	82/5	..	75	56/50	56/50	59/50

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary Rs.	Net Block Accounts Rs.	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts Closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share Rs.	Latest Market Quotations as available until 23-12-64 Rs.	16-12-64 Rs.	A year ago Rs.
								MISCELLANEOUS (Contd.),							
80,00,000	6,27,241	59,20,402	91,23,845	14,28,049	24,342	12	321	Octavius Steel P.	7½	7½	..	100	..	..	..
2,30,00,000	2,57,91,597	1,13,85,086	37,59,800	1,65,57,208	43,297	12	306	Philips India	12	13	15	10	29/00	29/00	28/62
4,86,200	83,496	6,12,800	1,02,081	4,43,784	48,408	3	140	Publicity Society	75	75	50	4	25/06	25/06	22/62
8,25,00,000	1,04,34,519	67,80,570	1,53,00,152	73,34,623	5,962	8	332	Rallis India P.	8½	8½	10	100	121/50	118/00	130/50
5,00,00,000	7,68,08,083	3,02,96,433	1,17,74,495	76,94,277	1,697	8	338	Rontas Industries P.	10	8	9—8*	10	9/59	9/62	12/62
44,25,386	5,30,68,835	Nil	14,04,497	1,80,253	37,513	3	42	Sirsilk P.	..	..	..	10	6/84	6/87	10/06
1,35,00,000	2,41,71,538	86,99,991	20,94,175	11,62,162	4,301	9	376	Sen Raleigh Industries P.	8	8	Nil	10	13/50	13/50	15/12
75,00,000	96,97,751	69,54,952	1,85,84,497	58,21,689	3,55,749	12	278	Shaw Wallace P.	15	7½	12½	10	13/87	14/62	17/69
3,00,000	4,33,174	23,169	81,501	17,483	1,739	12	111	Spencers Hotel	2½	..	..	2	1/25	1/25	0/65
2,80,00,000	5,43,90,902	3,80,54,275	42,48,951	2,68,66,630	1,93,008	12	301	Union Carbide	18	12½	15	10	29/12	29/12	42/62
10,51,000	7,73,634	30,76,382	11,34,569	10,01,022	21,687	12	195	Walford Transport	30	30	27	10	3/19	3/19	4/00
								INSURANCE COMPANIES							
13,50,000	7,94,163	12,60,009	1,56,64,497	10,02,726	25,426	12	174	Concord of India	20	20	20	5	9/75	9/38	11/25
24,00,000	1,36,130	1,19,24,652	1,28,63,865	11,01,955	21,084	12	248	Hercules	26½	26½	26½	10	23/50	23/50	23/25
32,00,000	22,25,063	1,49,05,006	1,63,93,712	28,55,873	..	12	88	Ruby General	13½	15½	15½	8	11/69	11/70	10/31
6,00,000		21,62,472	27,92,604	1,493	12,240	12	..	Standard General	..	..	..	10	7/75	7/75	6/12
5,75,000	16,150	77,88,770	1,05,97,904	8,24,867	—	12	39	Triton	50	50	50	25	127/00	127/00	128/00
								FLOUR MILLS							
12,00,000	4,12,000	31,52,123	9,74,078	13,79,503	..	12	24	Bengal	25	25	30	10	33/75	33/75	34/12
5,60,000	6,51,040	4,47,038	2,17,808	1,05,473	1,26,880	10	97	Delhi P.	..	..	..	10	14/00	14/00	14/00
68,90,137	47,18,438	17,72,910	68,85,368	33,61,767	4,07,338	9	175	Ganesh P.	..	..	..	12½	10/00	10/00	14/75
9,00,000	4,40,285	4,52,302	17,475	4,58,269	1,45,883	12	236	Hoogly	Nil	Nil	5	10	19/75	19/75	19/75
9,00,000	2,81,809	8,41,748	1,08,638	3,16,243	8,262	11	236	United	10	7½	10	10	27/81	27/81	27/81
								OIL COMPANIES							
£2,900,001	£2,280,344	£2,000,442	£296,893	£1,405,917	£192,796	12	249	Attock Oil	13½	13 1/3	13½	£1	sh. 29/10½	sh. 29/10½	sh. 36/7½
£94,062,159	£28,669,445	£26,020,826	£118,296,889	£24,063,315	£1,241,331	12	52	Burmah Oil P.	..	11½	12½	£1	sh. 49/7½	sh. 51/7½	sh. 66/3
3,00,00,000	63,60,473	1,10,69,746	3,07,80,407	52,60,638	1,79,343	12	249	Indo Burmah Petroleum P.	25	22½	22½	10	17/94	17/94	21/87
6,00,000	3,08,556	9,90,737	3,38,958	5,47,290	23,403	10	2	Tide Water Oil	35	35	35	10	37/00	37/00	30/25
								PAPER MILLS							
68,44,348	3,75,21,799	95,96,956	1,43,746	3,52,350	..	12	436	Bengal P.	27½	20	20	10	26/37	26/44	28/09
98,20,000	1,13,18,693	37,14,186	1,15,420	12,51,215	43,578	3	4	India Paper Pulp	13	12	15—15*	10	16/62	16/75	19/06
1,90,87,250	6,87,00,000	57,39,270	1,08,97,843	1,40,08,528	93,457	3	22	Orient Paper P.	22½	22½	20	10	33/35	33/20	39/15
1,25,51,920	3,30,51,371	3,08,30,792	1,23,87,315	1,29,79,069	43,420	12	140	Shree Gopal Paper P.	17 6/7	17 6/7	18	10	25/56	26/06	25/19
2,73,19,050	1,28,25,108	94,29,176	43,90,889	2,93,680	1,08,791	8	22	Sirpur P.	6½	8½	8	10	12/00	11/56	13/50
1,00,00,000									Nil	Nil	Nil	10	9/06	8/87	9/06
10,00,000A	4,04,77,968	8,52,085	2,98,345	34,96,055	10,37,344	9	38	Star Paper P.							
4,37,500PO									13	13	13—13*	2½PO	3/37	3/37	3/25
2,23,87,880AO	4,98,53,383	3,19,44,056	31,73,789	13,76,397	12,254	8	108	Titaghur P.	20	10	10—2½*	10AO	11/44	11/62	17/12
66,04,800BO									20	10	10—2½*	10BO	11/44	11/62	17/12
1,50,00,000O	4,95,97,051	95,00,000	1,73,752	38,44,198	17,196	8	373	West Coast P.	7½	—	..	100	164/00	164/00	170/00
								PRESSING COMPANY							
4,30,000	1,81,531	1,45,000	5,34,788	65,294	24,928	7	326	Camperdown	11	..	—	100	110/00	110/00	104/00
								REAL PROPERTY STORAGE							
												A500	1,225/00	1,250/00	1,050/00
10,00,000A												B62½	125/00	125/00	125/00
1,25,000B												C100	186/00	186/00	122/00
2,00,000C	14,69,599	9,53,120	1,54,870	1,24,262	3,212	6-10	73	Bengal Bonded Warehouse	8	8	9	D12½	52/00	45/00	14/15
25,000D												100	7/81	7/81	7/75
1,42,150	11,68,346	4,23,135	33,823	31,259	3,142	3	6	Calcutta Safe Deposit	Nil	Nil	—	100	11/00	11/00	11/00
1,00,00,780O	19,85,068	9,01,590	13,43,272	3,61,779	1,33,593	9	432	Humayun Properties P.	3	Nil	—	1Dd	2/10	2/10	2/10
2,00,000Dd									..	..	..	25	34/75	33/50	11/00
79,90,000	40,60,276	Nil	11,80,103	—71,396	—19,95,668	4	448	Midnapore Zemindary P.	Nil	Nil	Nil—Nil*				
								TRAMWAYS & STEAM.							
20,00,000	40,37,049	33,73,558	9,90,121	5,76,314	54,558	10	1	Bengal Assam Steamship P.	7½	10	10	100	105/50	105/50	128/00
6,25,000	4,66,782	7,61,818	9,53,643	79,944	17,786	10	89	Calcutta Landing & Shipping	7½	22	6	10	21/00	21/00	34/00
12,60,000	47,23,176	14,01,984	1,02,898	63,719	—11,281	1	96	Calcutta Steam Navigation	Nil	Nil	Nil	10	7/25	7/25	8/87
£700,000	£2,889,537	£1,565,916	£315,682	£153,252	£2,006	12	98	Calcutta Tramways P.	5	..	5 6	£1	11/31	11/31	10/69
3,04,880	4,87,987	1,56,706	13,440	1,35,098	—535	8	135	Fraser & Co.	..	..	..	10	10/00	10/00	10/00
£655,581	£1,970,899	£432,854	£419,913	—£80,988	—£84,854	8	631	India General Nav. & Railway P.	Nil	Nil	..	10	38/25	38/00	43/25
2,47,50,000	14,15,88,744	1,65,24,538	1,15,01,775	9,57,474	..	3	291	India Steamship P.	Nil	Nil	Nil—Nil*	10	6/44	6/50	7/47
14,08,220	14,10,633	7,11,906	30,216	5,51,124	17,363	12	..	Port Shipping	Nil	Nil	12	10	16/87	16/75	14/75

* 1964

BOMBAY COTTON MILLS

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

Paid-up Capital Ordinary	Number of Spindles	Looms	Net Block Account	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share	Latest Market Quotations as available until 22-12-64	15-12-64	A year ago
Rs.			Rs.	Rs.	Rs.	Rs.	Rs							Rs.	Rs	Rs.	Rs.
40,00,000	48,652	1,016	1,28,56,156	46,70,828	20,69,878	10,39,744	26,620	..	269	Ahmedabad Advance P.	12	..	..	100	145/00	146/00	143/75
50,00,000	48,254	896	20,17,010	9,99,960	10,78,394	1,49,501	2,24,486	12	229	Apollo	Nil	..	..	2	1/74	1/76	2/02
40,00,000	41,135	980	43,32,511	11,42,781	4,76,501	1,42,728	..	3	350	Beharilal Ramcharan	Nil	..	..	100	142/00	142/00	112/00
2,50,98,000	2,03,942	4,911	5,87,37,535	3,82,76,918	47,87,842	62,56,837	67,586	12	199	Bombay Dyeing, etc.	14	14	..	25	57/90	57/80	61/40
10,00,000	35,052	648	32,07,778	34,59,612	5,45,173	10,89,180	1,37,996	3	262	Bradbury P.	25	..	..	50	145/00	143/75	155/00
1,27,75,700	1,18,296	2,760	4,98,32,541	3,26,61,468	25,80,078	80,66,350	9,53,042	12	22	Century	30	..	..	100	573/00	561/00	686/00
46,87,500	1,15,188	2,062	2,99,18,629	10,75,722	15,14,712	3,59,289	—40,19,762	6	269	Central India P.	Nil	Nil	Nil	100	95/00	94/50	102/00
26,00,000	24,916	719	37,34,829	32,52,434	1,01,653	7,46,029	1,28,751	3	68	Coorla	11	..	..	100	175/00	146/00	153/00
28,00,000	43,512	..	33,97,504	29,03,230	5,19,246	23,98,267	2,06,873	12	262	Dawn	30	..	..	50	146/00	318/00	288/00
34,00,000	49,164	920	74,35,701	43,13,002	1,86,928	—9,41,132	—9,38,834	12	269	Edward Textiles	9	6	..	200	318/00	92/00	99/00
2,98,63,675	47,700	886	1,36,80,735	56,02,280	2,57,709	10,62,512	12,247	12	59	Elphinstone P.	22	18	18	50	94/00	306/00	315/00
50,00,000	63,212	784	85,32,658	71,62,852	16,838	4,09,432	37,155	12	241	Finlay	23	..	..	100	310/00	174/00	177/00
39,04,700	77,969	..	19,75,309	43,25,176	23,64,706	12,85,523	85,195	12	56	Gokak	18	..	..	100	175/00	965/00	950/00
12,00,000	40,856	1,116	64,14,595	68,13,239	10,75,932	4,27,954	5,195	3	305	Hindoostan	50	..	..	250	965/00		
2,00,00,000 } 50,00,00,000 }	2,48,870	6,498	4,41,45,022	3,84,70,022	31,82,629	1,32,22,197	5,89,816	12	15	India United	14 / 37½	..	..	10 / 1Dd	19/28 / 2/36	19/40 / 2/36	22/44 / 2/66
9,00,000	47,824	1,202	75,60,490	61,57,161	4,26,274	..	..	3	305	Indian	25	..	..	250	885/00	900/00	860/00
50,00,000	50,074	1,426	74,72,293	26,00,000	26,71,578	4,58,532	8,880	12	103	Indore Malwa United	10	7½	..	100	215/00	215/00	200/00
59,85,000	65,260	1,514	1,07,21,545	82,79,165	25,00,707	76,87,297	38,751	6	149	Khatau Makanji P.	16	..	..	100	163/75	160/00	210/00
1,00,00,000	1,20,504	1,846	1,76,50,904	1,36,17,072	20,69,195	65,91,664	9,095	12	146	Kohinoor	18	18	21	100	319/50	318/50	343/00
89,60,000	49,880	1,369	1,72,98,220	72,37,399	5,89,295	—72,073	—18,72,053	12	83	Lakshmi Vishnu P.	6	Nil	3	100	82/50	82/50	101/00
51,75,000	71,652	1,620	2,44,04,458	78,75,201	1,68,667	33,39,748	..	6	104	Morarjee Goculdas P.	24	24	20	100	243/00	243/00	395/00
39,68,250	50,480	500	55,13,433	39,56,794	22,08,037	2,05,250	Nil	2	261	Mysore Spg & Mfg. P.	14	..	..	50	34/50	34/50	44/50
24,00,000	45,944	432	23,52,760	7,45,700	10,79,000	15,67,753	8,456	12	..	New City of Bombay	Nil	..	..	100	150/00	150/00	165/00
30,00,000	46,884	1,029	22,27,098	25,72,444	27,32,568	12,48,697	153	12	..	New Great Eastern P.	12	..	..	100	160/00	160/00	178/00
48,00,000	54,244	728	53,94,222	35,02,899	1,54,21,523	21,027	27,380	12	119	Phoenix	20	..	..	100	226/00	224/00	230/00
10,00,000	9,520	277	13,17,604	2,78,222	9,963	3,22,456	—1,07,771	12	257	Sassoon & Alliance	Nil	..	..	10	10/36	10/36	11/00
80,60,000	96,488	2,127	2,80,93,686	1,62,43,024	12,70,360	41,26,788	673	12	339	Sassoon Spinning	20	10	20	10	36/10	36/10	45/50
60,48,000	49,840	1,258	1,19,42,498	50,19,415	1,34,242	32,70,817	9,856	3	379	Simplex	Nil	22	16	50	122/00	120/00	129/00
1,00,00,000	77,436	1,640	1,62,20,494	86,36,202	95,49,874	35,49,582	51,723	12	327	Shree Niwas P.	20	14	8—9*	100	248/00	243/00	287/00
1,00,00,000	65,040	2,000	1,96,83,714	1,42,81,829	24,73,197	35,08,617	8,176	12	269	Svadeshi P.	19	17	..	100	264/00	264/00	252/00
36,00,000	40,328	549	56,94,838	71,73,330	7,774	8,20,551	26,062	12	341	Swan	21 3/5	..	..	100	275/00	273/00	268/75
65,57,875	63,248	1,800	2,12,86,475	1,12,83,538	11,32,192	20,80,953	1,422	12	269	Tata	22	20	..	25	48/25	47/50	56/50
12,00,000	45,508	1,308	62,07,441	12,11,933	31,81,227	52,10,985	8,027	3	205	Western India	25	..	..	250	800/00	800/00	875/00

* 1964

BOMBAY MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits Including taxation	Carry forward	Accounts closed	Mg. Agts., Secretaries, etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share	Latest Market Quotations as available until 22-12-64	15-12-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs							Rs.	Rs	Rs	Rs.
								CEMENT							
19,06,68,750	28,49,18,158	12,76,85,523	5,86,09,994	5,14,17,638	68,243	7	53	Associated Cement	12	12	12	100	152/50	152/50	150/00
								ELECTRIC LTG. POWER							
8,74,77,100	11,61,05,785	1,36,05,785	30,82,878	78,42,903	638	..	..	Ahmedabad Electricity	6	..	..	100	103/50	103/50	95/50
3,02,77,000	9,34,77,781	1,23,89,917	32,52,570	52,28,395	36,154	3	146	Andhra Valley Power P.	5	5	..	1000	1,215/00	1,217/50	1,075/00
1,75,00,000	3,95,16,553	1,21,07,263	17,22,888	39,87,421	3,370	3	267	Bombay Subarban Elec	8½	8½	..	100	112/50	114/00	107/50
2,39,99,975	7,17,76,350	1,39,56,841	51,65,971	60,68,808	27,536	3	146	Tata Hydro Elec. Power P.	5	5	..	100	123/00	122/50	111/00
5,15,36,000	17,59,03,832	3,61,11,341	57,28,753	1,22,80,113	29,988	3	267	Tata Power P.	5	5	..	1000	1,255/00	1,240/00	1,037/50
								ENGINEERING & METAL							
33,42,200	17,06,292	44,16,374	1,54,08,311	5,79,666	1,35,820	12	268	Alcock Ashdown	22½	19	..	100	290/00	289/00	302/00
14,75,050	7,99,713	4,61,618	2,25,568	—24,763	—33,604	3	115	Jost's Engineering	10	10	Nil	50	47/00	47/00	60/00
1,65,00,000	1,36,83,136	1,15,74,779	1,09,19,945	48,29,564	11,973	3	351	Larsen & Toubro P.	18	14	14	10	22/40	22/36	24/08
11,00,000	1,03,70,225	3,45,914	..	..	1,016	7	283	Mekenzies	12	14	..	100	137/50	137/50	137/50
2,50,000O } 1,31,250F }	5,834	1,00,53,052	1,79,52,042	3,35,178	59,102	12	284	Premier Construction P.	33 1/3	30	..	30O / 33⅓F	323/50	221/00	161/00
7,99,97,300	17,30,38,018	5,09,28,017	13,84,385	3,61,61,616	14,962	3	269	Tata Engg & Locomotive P.	14½	14½	14½	100	272/00	266/25	289/50
27,55,70,601	1,00,15,07,970	50,23,25,401	16,55,31,274	16,47,12,030	2,44,126	3	269	Tata Iron & Steel P.	10.36†	10.36†	11-12*†	750	147/50	147/75	145/75
								INSURANCE COMPANIES							
20,00,000	..	23,84,913	95,96,033	4,24,629	1,18,606	12	297	British India General	15	15	..	10	13/76	13/76	12/24
18,74,940	25,01,134	2,88,61,155	2,61,49,442	38,951	4,65,316	12	55	Jupiter General P.	4	Nil	..	15	7/16	7/16	9/25
1,42,42,125	23,46,782	8,80,68,899	9,41,74,741	92,81,250	44,28,397	12	179	New India	38	38	..	15	49/00	47/25	49/50
15,99,270	..	29,41,860	59,86,789	6,05,803	3,81,242	12	255	Vulcan	20	20	..	10	16/36	16/52	16/75
								MISCELLANEOUS							
70,49,650	41,70,604	1,23,53,608	1,09,82,038	67,94,850	3,00,263	9	42	Belapur Sugar	50	40	..	50	222/50	223/00	240/00
1,83,50,000 } 84,00,000 }	3,34,19,072	2,76,00,447	1,67,73,491	1,13,92,935	2,25,985	5	285	Bombay Burmah Trading	33	33	35 1/5	25 / 20	55/50 / 41/25	54/90 / 41/25	61/80 / 47/50
8,24,36,000	6,05,91,322	4,82,83,719	47,53,662	4,30,51,407	..	12	91	Hindustan Lever	26	12	14	10	28/00	28/10	38/25
99,99,250	3,754	20,08,796	1,44,31,515	8,97,490	30,418	12	299	Industrial Invt Trust	6½	..	..	100	78/00	78/00	74/00
11,99,900	13,82,957	7,34,142	14,05,223†	68,232	16,942	7	67	Kemp (Chemists)	12½	..	..	100	200/00	253/75	277/50
2,41,12,100	7,40,36,031	2,03,71,160	27,32,067	1,69,61,608	4,41,151	12	352	National Rayon	22	..	..	100	393/50	354/00	388/00
11,27,98,680	25,25,08,055	11,58,24,547	11,18,89,983	48,75,907	2,82,649	7	198	Scindia Steam Navign.	3	3	..	20	15/44	15/60	15/80
21,00,000	47,55,927	61,15,000	3,17,297	—3,40,349	—23,63,858	11	146	Shivrajpur Synd	Nil	Nil	Nil	10	22/60	21/20	21/25
3,02,33,815	6,32,84,424	1,44,04,272	23,87,449	89,88,449	3,923	6	269	Tata Chemicals P.	6½	6½	10	10	18/20	18/04	17/00
1,05,05,475	2,21,88,319	1,25,42,386	47,75,465	50,73,815	1,187	3	269	Tota Oil P.	23	23	22	25	47/75	47/00	69/75
2,55,00,000	1,37,35,974	3,64,27,137	85,33,891	1,78,87,313	Nil	8	360	Voltas	14	14	14	100	271/00	267/00	260/00
2,75,00,000	2,77,62,199	2,98,63,675	1,60,81,755	1,16,48,391	44,408	12	274	Western India Match	16	16	16	100	235/00	234/00	276/00

† per share.

* 1964

SOUTH INDIA PLANTATION COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Acreage	Outturn and Average Price per kg/lb realised for crop		Net Profits	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share	Latest Market Quotations as available until 22-12-64	15-12-64	A year ago
Rs.	Rs.	Rs.		Lbs	Rs.	Rs.							Rs	Rs	Rs	Rs.
4,75,000	16,06,067	1,50,000	1,992	7,996cwt	9.68	1,19,757	3	401	Amalgamated P.	10	10	..	10	9/21	9/21	10/01
2,50,000	12,57,795	5,72,253	878	1,12,000	1.48	70,011	12	402	Anandam P	18	15	..	10	14/35	14/35	14/19
3,25,000	6,09,131	1,50,000	402	1,28,802	1.47cts	3,501	2	403	Athimattam	5	Nil	..	2	1/45	1/45	1/18
10,98,990	13,90,078	4,83,841	1,630	225 168†	4.39	4,11,296	3	287	Balanoor P.	12	12	..	10	11/20	11/20	14/30
3,00,000	3,68,575	2,25,000	171‡	43,490†	..	62,815	5	404	Balmadies P.	5	Nil	5—10*	2	2/10	2/10	1/78
47,32,230	13,36,710	1,56,268	971	3,58,241	1.65cts	33,110	5	270	Be Be P	5	Nil	..	5	2/35	2/35	2/27
46,00,000	1,23,45,152	25,11,425	1,329	8,53,764†	4.81	12,37,848	6	141	Blue Mountain	10	10	10	2	2/25	2/22	2/67
14,00,100	28,67,681	20,95,127	1,856‡	8,51,234†	4.55	9,04,350	3	210	Chembra Peak	20	20	20—25*	2	5/20	5/20	4/50
38,91,270	46,12,278	19,45,895	3,257‡	11,32,759†	3.41	10,13,193	2	210	Cochin Malabar P.	20	20	12—12*	3	6/07	6/07	6/20
32,50,000	39,31,701	30,58,661	2,710	19 48,320	..	5,71,249	6	405	Coffee Lands P	12	9	..	10	17/50	17/50	15/50
98,55,000	1,15,74,498	63,44,278	7,001	60,81,120	..	25,60,567	6	406	Consolidated Coffee P.	20	15	..	10	25/48	25/15	21/85
9,66,730	21,85,500	13,90,424	441	4,52,382	2.25	56,592	9	203	Coonoor P.	15	17½	17½	10	16/80	16/80	17/83
4,80,000	10,36,448	4,76,798	432	3,53,888	1.52	1,19,880	3	407	Coorg P	20	15	..	2	4/77	4/77	4/60
8,00,000	11,82,508	2,17,761	1,026	1,57,785	1.47	46,942	5	12	Cottanad Plantation P.	10	6½	..	10	9/85	9/85	9/31
6,00,000	8,89,831	4,80,155	346	3,25,310†	2.56	1,25,313	12	212	Devasnola (Nilgiri)	20	15	..	10	30/65	30/65	24/60
4,74,650	9,14,544	3,31,040	456	1,38,386†	4.26	1,36,712	5	287	Devon P	12	12	..	10	12/35	12/35	11/96
1,50,000	3,38,952	1,26,500	197	1,12,936†	2.56	28,121	12	408	Emerald Valley	Nil	6	..	5	7/00	7/00	6/30
4,50,000	3,64,462	20,000	278	52,830	..	40,424	12	409	Goku	10	10	..	2	2/03	2/03	2/23
35,00,000	42,82,156	17,77,500	1,465	17,21,550	2.04	2,13,414	12	410	Hatleyburia P.	12½	11	..	10	12/40	12/35	12/40
11,85,700	28,02,055	10,77,705	1,529	4,59,804	1.67	3,60,461	7	402	Kailas	25	30	..	2	6/30	6/30	6/28
9,00,000	12,32,263	7,23,749	378‡	3,14,942†	..	4,04,443	3	210	Kalasa Tea Produce	25	15	15	2	4/28	4/28	4/25
17,17,076	28,48,525	14,32,010	811‡	4,62,975†	5.54	7,80,209	10	210	Kil Kotagiri P.	25	25	20	2	5/06	5/10	5/30
4,00,000	4,11,258	1,21,604	267	605 757	2.31	46,485	12	203	Lucky Valley	10	10	..	10	11/75	11/75	12/00
13,50,000	19,78,359	9,14,031	1,785‡	3,42,748†	3.03	4,63,747	3	411	Malankara	16	14	14—16*	10	15/72	15/72	15/02
40,50,000	67,47,600	17,25,166	4,013	12,60,448†	3.85	9,94,509	3	270	Midland Rub & Prod P.	12½	12½	10—10*	10	10/85	10/85	11/30
14,26,250	33,33,809	4,83,591	1,585	4,86,596	2.90	1,80,000	3	402	Nilgiri P.	10	10	..	10	8/45	8/50	8/30
38,10,000	24,28,291	11,02,621	1,056	7,29,106†	2.92	16,62,532	6	14	Nonsuch	20	20	20	10	22/50	22/50	23/80
9,75,000	11,21,586	3,67,000	293‡	2,29,900†	..	3,27,700	3	210	Ossoor	15	15	15	2	2/85	2/80	3/60
19,45,980	33,19,864	24,42,874	7,970‡	6,55,342†	4.48	—5,06,184	10	210	Ouchterlony	12	6	..	2	3/37	3/40	4/65
17,00,000	27,55,157	13,87,519	1,099‡	10,69,078†	4.19	7,13,678	12	9	Parkside Neilgherry	22½	27½	25	10	24/00	24/00	27/50
17,00,000	27,36,576	12,82,318	1,562	10,83,565†	4.20	11,29,838	12	9	Peermade P	25	20	12½	10	20/90	20/90	20/55
5,00,000	7,80,31†	4,35,530	1,167	4,83,268	1.50	1,65,244	2	259	Peninsular	20	20	17½	10	16/65	19/65	20/70
97,94,880	78 72,019	20,68,711	2,074‡	23,46,900	3.86	13,16,964	3	210	Periakaramalai	20	12½	15	2	3/70	3/68	3/44
13,50,000	48,44,469	13,58,959	952‡	845,000†	3.16	8,05,161	6	270	Rajagiri Rub & Prod P.	20	20	..	10	21/80	23/00	18/60
2,00,000	3,14,567	1,53,963	711	3,320cwt	1.32	1,18,791	3	412	Rajendra P.	25	20	..	5	12/00	12/00	10/42
1,25,000	1,90,373	15,000	216	..	..	43,141	3	413	Swinton	6	Nil	..	2	2/66	2/66	2/68
10,00,000	20 71 084	2,48,373	1,454	4,30 695	1.51	63,263	3	172	Teekoy P.	4	6	..	10	6/60	6/60	6/50
9,15,300	14,26,883	10,75,840	2,365	2,35,780	3.20	2,77,689	9	210	Thirumbadi	12	10	10	1	1/78	1/78	2/03
3,00,000	3,51 +3.	10 47	1,301	2 23 94	3.21	40 856	12	414	Travancore Rubber	12	12	..	10	11/75	11/75	11/25
41,00,000	72,63,801	12,63,584	2,535‡	12,19 484†	..	10,61,172	12	9	Travancore Rub & Tea P.	10	10	..	10	8/15	8/10	9/95
40,00,000	23,48,701	1,36,000	3,028	6,38 402	1.00	2,02,762	12	271	Tropical Plantation	8	8	..	25	20/50	20/50	20/50
15,75,000	24,78,11	16,00,000	1,267	3,63,293	2.16	1,00,000	12	410	Tweford	6	5	..	10	9/00	9/00	8/12
31,93,280	30,03,223	17,04,089	3,638	4,28,976†	3.11	12,85,686	5	250	Unitec Nilgiri	22	22	..	10	22/25	22/25	23/80
5,80,010	4,26,836	2,82,051	952	1,94 400	1.50	2,20,066	12	415	Valkundam	30	35	..	10	36/50	34/30	33/75
47,25,000	78,06,431	21,33 763†	2,214‡	13,41,277†	3.77	15,22,472	6	157	Waterfall Estates P.	10	10	10	2	2/40	2/37	2/53
7,95,000	12,64,609	6,35,454	971	1,65,429	1.78	88,225	3	416	Woodland P.	10	Nil	..	10	6/50	6/50	7/50

‡Hectares

† Kgs.

* 1964

SOUTH INDIA COTTON MILLS

Paid-up Capital Ordinary	Number on Spindles	Looms	Net Block Account	Reserve & other Funds Premium & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share	Latest Market Quotations as available until 22-12-64	15-12-64	A year ago
Rs.			Rs	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
5,21,50,000	46,240	1,157	1,13,35,197	2,05,37,667	29,35,225	1,33 49,220	8,778	12	445	Bangalore W C. Silk P.	18	18	24	100	279/50	281/00	233/50
4,99,78,000	1,20,238	2,758	3,98,78,769	4,24,41,649	32,42,332	1,00,04,894	34,777	12	445	Buckingham & Carnatic P.	18	18	18	100	277/00	277/00	278/00
80,00,000	28,000	..	22,72,475	51,405	36,302	1,68,513	42,421	12	433	Camboola P	12	9	..	10	8/75	8/75	10/12
80,00,000	28,000	..	74,98,712	59,35,014	5,68,958	10,85,517	..	12	188	Coimbatore Cotton	16	9	..	100	170/00	170/00	169/00
98,99,600	13,864	..	74,98,712	59,35,014	5,68,958	22,227	—7,52,342	—10,23,34(	1	46	Coimbatore Spg & Wvg.	16	8	..	50	115/50	115/50	68/50
90,78,900	2,853‡	407	47,91 212	1,98,681	10.00 190	5,62,227	31,244	12	141	Kothari Textiles P.	4	8	6	10	8/28	8/28	9/35
87,20,000	30,512	300	1,08,14,489	23,10,438													
1,06,50,000	1,10,800	..	2,04,58,691	1,02,72 660	64,27,750	66,04,914	25,194	3	186	Lakshmi	25	20	20-20†	100	132/00	132/00	135/80
1,75,02,480	3,00,000	..	5,13,24,237	6,09 41,668	1,06,32,125	1,01,11,071	59,354	12	108	Madura	30	15	15	15	35/00	35/00	34/00
80,00,000	24,252	503	16,80,682	28,23,200	45,78,074	23,62,309	10,434	5	49	Mettur Industries	30	22½	20	100	225/00	225/00	298/00
4,00,000	20,137	Nil	4,36,608	4,00,000	14,24,908	1,39,437	2,687	12	60	Palani Andavar P.	50	35	..	10	235/98	235/98	202/75
21,00,000	48,974	270	43,85,330	43,50,000	11,97,728	16,77,243	91,696	12	47	Vasanta P.	25	20	..	100	234/00	234/00	276/00

‡ Hectares

† 1964

SOUTH INDIA SUGAR MILLS

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net profits	Carry forward	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share	Latest Market Quotations as available until 22-12-64	15-12-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
30,00,00	62,64,264	26,55,000	5,52,400	10,92,779	22,959	9	417	Andhra P.	16	12	..	10	12/50	12/50	17/36
40,00,000	80,62,883	12,61,424	1,58,472	13,46,266	1,40,987	6	218	Cauvery P.	8	6	..	100	98/50	98/50	112/00
39,84,000	80,95,449	50,28,500	10,91,223	29,00,521	9,587	5	218	Deccan Sugar	12	18	18	5	10/60	10/14	12/47
£1,127,700	£3,463,073	£2,075,782	£414,795	£648,473	£21,999	9	319	E.I.D.-Parry	21 3/7	28 3/7	..	£1	35/75	35/50	37/95
63,97,650	39,62,680	15,44,848	64,64,375	12,35,437	69,501	9	418	Indian Sugar P.	10	8	8	10	8/90	8/90	10/25
12,45,572	1,22,66,623	18,99,861	1,51,052	5,99,416	2,090	6	419	Jeypore P.	15	15	..	10	16/25	16/25	18/00
10,52,200	2,87,27,773	1,23,75,000	31,53,982	20,76,426	91,745	6	420	K C P.	15	15	..	10	23/50	23/00	23/90
79,98,000	1,40,86,784	Nil	3,14,482	—16,486	—1,26,762	6	141	Kothari	Nil	Nil	Nil	10	6/20	6/20	7/00
21,79,280	69,98,950	1,19,98,416	46,28,924	1,22,390	4,559	6	264	Mysore	30	30	30	10	27/75	27/75	46/75
30,00,000	35,93,381	11,41,000	10,12,037	4,88,902	1,46,735	4	218	Travancore P.	7½	5	..	10	6/95	6/79	7/40
50,00,000	46,26,876	72,96,098	1,01,16,243	37,47,573	..	3	320	United Breweries	60	25	Nil—9*	10	23/75	23/78	33/25

* 1964

SOUTH INDIA MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net profits	Carry forward	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share	Latest Market Quotations as available until 22-12-64	15-12-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
1,00,00,000	86,99,116	39,83,750	10,36,603	19,80,945	1,52,816	3	421	Aluminium Industries	18	18	..	10	23/75	23/20	19/75
71,03,170	76,52,046	10,34,008	6,28,302	11,87,102	2,761	12	16	Andhra Cement P.	10	9	9—9†	10	9/90	9/90	9/87
3,02,67,658	1,59,93,383	25,63,610	1,84,694	30,01,343	20,076	12	422	Ashok Leyland	8	8	..	5	7/25	7/25	7/47
1,00,00,000	17,47,981	49,33,435	2,75,867	19,86,813	4,39,222	12	423	Binny	22½	21	..	100	268/50	263/00	228/00
7,50,000	5,45,587	56,538	41,650	93,226	—1,46,143	12	270	Brunton & Co.	Nil	Nil	..	10	4/50	4/50	5/03
24,99,000	40,82,511	3,52,644	62,051	3,33,186	4,810	12	424	Enfield P.	4	4	..	10	10/32	10/30	9/12
2,24,44,750	3,21,08,642	66,66,496	73,60,475	51,28,679	1,38,608	3	425	India Cement P.	9	12	..	5	5/10	5/08	5/10
23,82,732	16,92,196	2,50,222	93,924	2,16,808	2,977	12	239	Indian Steel Rolling P.	12½	10	..	10	9/70	9/70	10/40
1,40,00,000	1,39,97,059	37,48,801	36,09,251	29,82,180	11,631	3	253	Mettur Chemical Industries P.	12½	13½	18½	10	14/28	14/20	13/30
24,81,220	12,69,939	10,47,778	17,48,674	8,48,641	8,514	3	233	Mysore Chem. & Fert.	10	5	..	10	7/25	7/25	7/95
8,00,000	5,20,889	4,52,189	2,18,413	2,33,791	85,187	3	151	Mysore Chemical Mfgs. P.	20	20	..	10	15/50	15/50	16/70
6,56,250	5,13,585	9,38,696	6,374	1,23,899	3,146	3	426	Mysore Lamp P.	25	37	..	10	29/60	29/60	30/00
25,00,000	55,50,342	37,12,500	2,43,664	14,29,395	36,663	3	226	Mysore Paper	15	15	..	10	11/25	11/25	12/70
10,00,000	7,56,329	3,16,884	29,32,342	75,422	622	3	201	Mysore Tobacco	Nil	10	..	10	11/02	11/02	11/50
10,00,000	6,54,848	8,02,000	2,60,194	4,84,835	1,51,607	3	213	Parry's Conf.	30	26	..	1	3/03	3/05	3/37
40,00,000	82,50,079	1,03,14,883	40,58,627	23,52,432	10,74,117	6	221	Spencer (Provisions)	18	18	..	10	21/50	21/50	20/37
47,00,000	86,53,610	20,65,000	51,902	7,85,966	3,869	12	427	Standard Motors P.	7	6	..	10	10/10	10/10	11/58
11,56,300	5,95,547	14,04,007	16,66,624	4,19,707	41,732	9	7428	T Stanes P.	15	32½	..	10	28/55	28/55	27/40
39,84,400	42,58,650	13,07,750	26,027	6,92,616	932	4	429	Textool	15	15	..	100	127/00	128/00	147/00
2,50,00,000	4,24,61,684	2,14,79,630	72,21,483	85,33,091	50,510	7	430	Tube Investments	10	10	10	100	167/00	167/00	228/00

†1964

LIGHT RAILWAY AND ROPEWAY COMPANIES

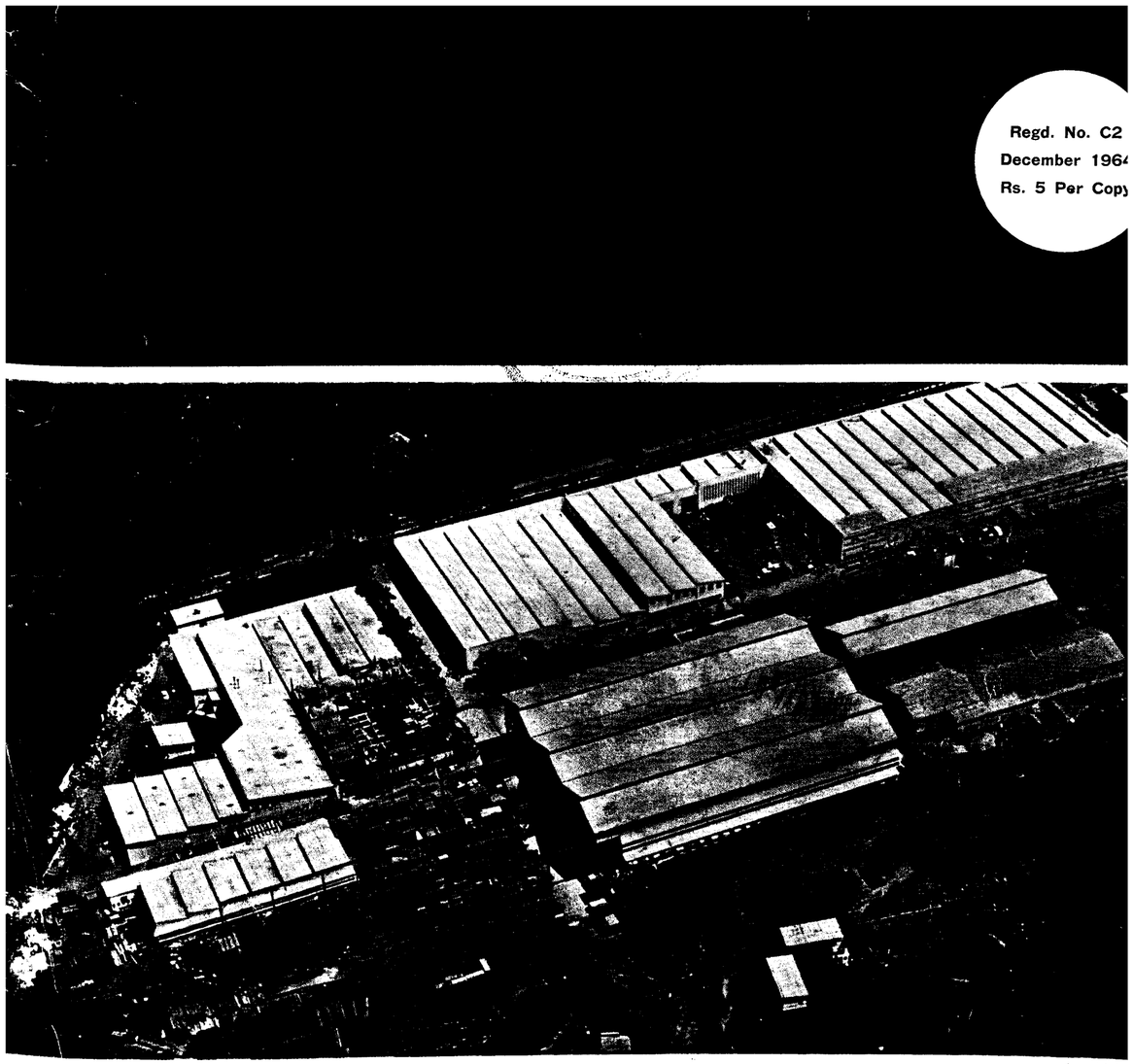
Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	Net Earnings	Carry Forward	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent 1961	1962	1963	Paid-up per share	Latest Market Quotations as available until 23-12-64	16-12-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
17,24,000	18,02,732	12,576	—2,52,424	..	3	165	Ahmedpur Katwa	1.90	1.75	..	100	25/37	25/37	26/00
21,69,300	35,00,464	6,11,708	2,54,450	1,080	3	32	Arrah Sasaram	5	5	4	100	31/62	31/62	29/50
34,00,000	35,33,840	21,816	—4,66,034	..	3	165	Bankura Damoodar	1.90	1.75	..	100	25/37	25/37	26/50
17,80,000	20,25,854	10,772	—3,07,176	..	3	165	Burdwan Cutwa	1.90	1.75	..	100	25/37	25/37	26/50
31,00,000	28,10,290	46,916	1,59,749	2,620	3	32	Chaparmukh-Silghat	2.90	2.80	2.40	100	30/00	30/00	40/00
4,75,000	1,48,268	5,33,369	1,35,796	3,691	3	286	Cherra Chhatak Ropeway	12	12	..	5	6/62	6/62	6/75
2,47,650	2,28,169	59,790	42,389	4,003	3	101	Darjeeling Ropeway	..	..	..	10	8/50	8/50	8/50
40,00,000	50,13,568	24,42,000	11,34,152	17,232	3	335	Dehri Rohtas	20	15	10—10*	10	10/06	10/06	13/12
11,49,700	16,09,728	2,500	26,271	806	3	32	Futwah Islampur	1.90	1.90	1.80	100	25/75	25/75	25/75
16,00,000	49,11,910	12,56,213	1,82,293	6,372	3	32	Howrah Amta (P)	5	4½	4	100	34/50	34/50	40/00
6,00,000	13,66,352	5,29,960	90,311	2,342	3	32	Howrah Sheakhala	5	4½	4	100	36/50	36/50	45/00
5,91,100	11,74,348	15,024	73,560	160	3	165	Katakhal Lala Bazar	3.10	1.90	..	100	41/00	41/00	41/00
15,00,000	61,42,583	16,81,057	19,411	Nil	3	32	Shahdara (Delhi)	3	Nil	Nil	100	51/25	51/25	52/00

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

1. Anderson Wright Ltd.—7, Wellesley Place, Calcutta.
2. Andrew Yule & Co., Ltd.—8, Clive Row, Calcutta.
3. S. N. Beri—6, Middle Road, Hastings, Calcutta
4. Hazareemull, Heeralall—148, Cotton Street, Calcutta.
5. Amritlal Ojha & Co., Ltd.—"Security House" Netaji Subhas Road, Calcutta.
6. Alcock, N. C.—Hultsdrof Mills, Colombo.
7. Associated Industrial Development Co (Private) Ltd.—"Nicco House", Hare Street, Calcutta-1
8. Agarwala, S. L.—Indian Insurance Building, Old Cantonment Road, Dehra-Dun.
9. Aspinwal & Co. (Travancore) Ltd.—Chavadi Parambu North Commercial Canal Road, Alleppy
10. Aryan Planter Agency—P-12, Chowringhee Square, Calcutta.
11. Allum Bharucha & Co.—214, Hornby Road Bombay
12. Associated Planters Private Ltd.—25, General Patters Road, Madras.
13. Antony M. K.—Alleppey
14. Harrison And Crossfield Ltd.—Cochin.
15. Agarwal & Co.—E. D Sassoon Building, Dougall Road, Ballard Estate, Bombay
16. V. Ramkrishna—Ramkrishna Bldgs., 38, Mount Road, Madras-6.
17. Amte & Co.—Bubli
18. B. M. Krisnan—Sri Jayachamaraja Wadiyar Road, Bangalore-2
19. Macneill and Barry Ltd.—2, Fairlie Place, Calcutta
20. Ojha Brothers Ltd.—Security House, Netaji Subhas Road, Calcutta
21. Bird & Co (Private) Ltd.—Chartered Bank Buildings, Calcutta.
22. Birla Bros Private Ltd.—8, India Exchange Place, Calcutta.
23. Babulal & Co. Ltd.—13, Syed Salley Lane, Calcutta.
24. Balmer Lawrie & Co., Ltd.—21, Netaji Subhas Road, Calcutta.
25. British India Corporation Ltd.—Sutherland House Kanpur
26. R. L. Thompson—Agraharam Road, Bangalore-2
27. Bengal Textile Agency Ltd.—11, Clive Row, Calcutta
28. Swadeshi Enterprise Ltd.—41 Chowringhee Road, Calcutta.
29. Beardsell W. A. & Co Private Ltd.—Second Line Beach, Madras
30. Bhagyalakshmi & Co.—Delhi Road, Udamalpet Dt. Coimbotore
31. Rameshwar Fantia—1 & 2, Old Court House Street, Calcutta
32. Martin Burn Ltd.—12, Mission Row, Calcutta
33. K. M. Wilcox—Sutherland House, Kanpur
34. Dr. W. J. J. Curry—9, Hare Street, Calcutta.
35. Ramdutt Ramkissendas—9, Brabourne Road, Calcutta
36. Baljoria & Co.—27, Brabourne Road, Calcutta
37. Birla L. N.—8, Royal Exchange Place, Calcutta
38. Birla B. M.—"India Exchange", Calcutta-1
39. John Valentine Jardine Paterson—4, Clive Row Calcutta
40. Bhargava, R. K.—Mohalla Masjid Bagh, Badshanagat
41. Binarilal Lahoty—161-1, Mahatma Gandhi Road, Calcutta.
42. W. H. Brady & Co., Ltd.—Brady House, 12-14, Veer Nariman Road, Bombay-1
43. Brijlal Bilasvai & Co.—Aga Khan Buildings Dalal Street, Fort, Bombay.
44. Punam Chand Batia—19, Circular Garden Reach Road Calcutta.
45. Chakravartu Sons & Co.—22, Canning Street, Calcutta
46. G. Purushotnam Naidu—24, Krishnaswamy Mudaliar Road Coimbatore.
47. Chetty K. K. S. & Bros.—Singanallur, Coimbatore-5
48. S. R. Poddar—33, Netaji Subhas Road, Calcutta
49. Calcutta Agency Ltd.—24, Netaji Subhas Road, Calcutta
50. Chanda, A. P.—15, Paratola Road, Calcutta.
51. Shoobridge, F. G.—234-3, Lower Circular Road, Calcutta
52. W. S. Eadie—175, West George Street, Glasgow C.2
53. Cement Agencies (Private) Ltd.—121, Queen's Road Fort Bombay
54. Consolidated Elec Agencies—17B, Elphinstone Circus Fort Bombay
55. K. S. R. Iyer—Imperial Bank Buildings, Bank Street Fort Bombay
56. Chinoy F. M. & Co. Ltd.—Radio House, Apollo Bunder Bombay.
57. Cumberbatch & Co.—Colombo.
58. Cowasjee Jehangir & Co., Ltd.—Ready Money Mansion, Churchgate Street, Fort, Bombay
59. N. K. Jalan—Kamini Chamber, 32, Nicol Road, Ballard Estate Bombay.
60. Chandrie & Co., Ltd.—Madras
61. Bagaria More Co., Ltd.—5, Clive Row, Calcutta
62. Dayaram & Sons—9, Old Court House Street Calcutta
63. Duncan Brothers & Co., Ltd.—31, Netaji Subhas Road, Calcutta
64. Duff Thomas & Co.—2 and 3, Clive Row Calcutta
65. Dass Bros.—29, and 30, Strand Road, Calcutta
66. A. K. Das—15, Netaji Subhas Road, Calcutta
67. Day P. E.—Anderson's House, Bishopsgate, London, E.C.2
68. Hari Brothers Private Ltd.—Scindia House New Delhi.
69. Dadabhoy Sir M. B.—Kampte Road, Civil Lines, Nagpur
70. N. D. Bangur—14, Netaji Subhas Road, Calcutta
71. B. C. Roy—Hindusthan Building, 4, Chittaranjan Avenue, Calcutta.
72. Duffs J. C. & Co., Ltd.—National Bank Buildings, Netaji Subhas Road, Calcutta
73. C. C. Dey—25, Netaji Subhas Road, Calcutta
74. Davenport & Co. Private Ltd.—6, Church Lane, Calcutta
75. Desai, R. M.—14 Nicol Road, Ballard Estate, Fort Bombay
76. Dodwell & Co., Ltd.—Glennie Street, Slave Island, Colombo
77. Darragh Small & Co. Ltd.—Alleppey.
78. Dadabhoy B. A. & Co.—Ilaco House, Sir Phirozeshah Mehta Road Bombay.
79. B. N. Elias & Co. Private Ltd.—1 and 2, Old Court House Corner, Calcutta.
80. Eastern Corpn. Ltd.—7, Wellesley Place Calcutta
81. Ebeling, A. F.—Rawalpindi.
82. Poddar, P. L.—135, Canning Street, Calcutta
83. Pratapsingh Mathuradas—9, Wallace Street Fort Bombay
84. S. B. Industrial Development Co., Ltd.—12, Old Court House Street, Calcutta.
85. A. Firpo Jr.—18/2, Chowringhee, Calcutta.
86. Forbes, Forbes, Campbell Ltd.—Forbes Buildings, Home Street, Fort, Bombay
87. S. V. S. Iyer—88C, Old Prabhadevi Road Bombay-28
88. Gillanders Arbuthnot & Co., Ltd.—Clive Buildings, Netaji Subhas Road, Calcutta
89. Gladstone Lyall & Co., Ltd.—4, Fairlie Place, Calcutta
90. H. L. Bowker—"Victoria House", Calcutta.
91. P. L. Pandon—India House, Fort Street, Bombay
92. Govan Bros. (Rampur) Private Ltd.—4, Scindia House New Delhi.
93. Govan Bros Ltd.—Malhotra Buildings, Queensway New Delhi
94. R. N. Datta—93-A, Dharamtalla Street, Calcutta
95. Daga & Co., Ltd.—9, Royal Exchange Place Calcutta
96. M. L. Bexon—57B, Free School Street, Calcutta-16
97. Govan, R. G. & Co.—Scindia House, Connaught Circus, New Delhi.
98. Turnbull, R. W.—P-4, Mission Row Extension Calcutta
99. Abinash Chandra Das—Jalpaiguri.
100. Guha, Nalin Kumar—18/11/1-B, Raja Raj Ballav Street Calcutta
101. Purushottamlall—5, Clive Row, Calcutta
102. George, A. V. & Co., Ltd.—Ancherl Bank Bldgs., Kottayam, Travancore.
103. Kundilia, G. Seksaria—139, Meadow Street, Fort, Bombay
104. Gopikisan Piramsi—Dr. Ambedkar Road, Parel, Bombay-12
105. John Whitton Casson—Gillander House, Netaji Subhas Road Calcutta.
106. F. W. Heitgers & Co. (Private) Ltd.—Chartered Bank Buildings, Calcutta.
107. Howrah Trading Co., Ltd.—8, Dalhousie Square East Calcutta
108. A. & F. Harvey Ltd.—Pandyan Building, West Veli Street, Madurai.
109. Holmes Wilson & Co. Ltd.—"Stephen House" Calcutta
110. R. G. Khanna—Solan Brewary, Simla.
111. Hotel (Control) Private Ltd.—4 & 4/1, Wellesley Place Calcutta
112. Glass, J. H.—Bilbao House, 36, New Broad Street, London, E.C.2
113. B. P. Khaitan—14 Netaji Subhas Road, Calcutta
114. Harrison & Crossfield Ltd.—Calcutta.
115. F. V. Braddeley—The Great Social Buildings, Sir Phirozeshah Mehta Road, Fort, Bombay.
116. K. G. Khanna—Solan Brewery (B.P.).
117. Hari Sons—Avlur (Cochin State).
118. Hormusjee Sons & Co.—605, Girgaum Road, Dhobi Talao, Bombay-2
119. Ramnarayan Sons Ltd.—Bombay.
120. Industrial Financing Co.—63, College Street, Calcutta
121. Imperial Chemical Industries (India) Private Ltd.—34, Chowringhee, Calcutta.
122. Indra Singh & Sons Private Ltd.—7, Wellesley Place Calcutta.
123. Hari Brothers Private Ltd.—Scindia House, New Delhi
124. R. Raja Rao—Honnawal Road, Shimoga
125. Iyer, I. R. Anantharam & Bros. Ltd.—Pushpagiri, Trichur
126. N. Sirur & Co. Private Ltd.—70, Forbes Street, Fort, Bombay
127. J. P. Hannay—2, Metcalfe St., Calcutta.
128. Jardine Henderson Ltd.—4, Clive Row, Calcutta
129. S. S. Bhimwal—7, Chowringhee Road, Calcutta
130. Jhajharia Bros. Ltd.—138, Harrison Road, Calcutta.
131. Jain, N. K & Co. Ltd.—"Devashram", Arrah, Shahabad
132. J. K. industries (Private) Ltd.—7, Council House Street, Calcutta
133. James & Co Ltd.—25, Netaji Subhas Road, Calcutta
134. Jute Industries Ltd.—4, Lyons Range, Calcutta
135. John, V. C.—Kottayam, Travancore State.
136. Jones, H. Edwin—Oriental Building, Bombay Elec House, Ahmedabad.
137. John, Kurian—Kottayam, Travancore State.
138. Kettlewell Bullen & Co Ltd.—21, Strand Road, Calcutta
139. Kilburn & Co. Private Ltd.—4, Fairlie Place, Calcutta
140. Karamchand Thapar & Bros. Private Ltd.—Thapar House, 25, Brabourne Road, Calcutta-1
141. Kothari & Sons Agency Private Ltd.—Armenian Street, Madras
142. R. Suryanarayan Rao—Channapatna, Mysore State
143. S. L. Dhanuka—P-15, Bentinck Street, Calcutta
144. Khaitan, D. & Sons—14, Netaji Subhas Road, Calcutta.
145. P. S. Nilkantan—1, Waterloo Street, Calcutta
146. Kittick Industries Ltd.—Mome Street, Fort Bombay
147. Kanga, H. D.—Electric House, Post Fort, Bombay
148. Kurian, John—Alleppey.
149. Khatau Makanji & Co.—6, Ballard Road Fort, Bombay.
150. Killick, A. S.—2-6, 2nd Line Beach, Madras
151. S. Ramanathan—Chickbanavar P.O., Bangalore Dt
152. Broken Hill Secretariat Ltd.—31, Dover Street, London E.C.2
153. Low H. V. & Co Private Ltd.—3, Synagogue Street, Calcutta.
154. Lomas, J. E. W.—19, St. Swithin's Lane, London E.C.4
155. Bharat Ram Bhagat & Co.—45 Tangra Road, Calcutta
156. Hind Agents Ltd.—Indu House, 15, Dougall Rd. Ballard Estate, Bombay.
157. Kothari Menta & Co. Private Ltd.—Armenian Street Madras
158. Padampat Singhania—Kamala Tower, Kanpur
159. Lala Gurusharan Lall—Guraru Dist., Gaya
160. Lovelock & Lewes—4, Lyons Range, Calcutta.
161. Lohia, D. D.—173, Harrison Road, Calcutta.
162. G. E. Solomon—Dare House, Parry's Corner, Madras
163. Mackinon Mackenzie & Co. Private Ltd.—16, Strand Road, Calcuta.
164. L. R. Anantaram Iyer & Bros Ltd.—Pushpagiri, Trichur
165. McLeod & Co Ltd.—8, Netaji Subhas Road Calcutta
166. Hindusthan Investment Corporation Ltd.—15, India Exchange Place, Calcutta
167. B. Barker—Barlow House, 59C, Chowringhee Road Calcutta
168. Moona Lall & Sons—120/1 Civil Lines, Jhansi
169. K. P. Goenka—31, Netaji Subhas Road, Calcutta
170. Marshalls (Direction) Private Ltd.—33/1 Netaji Subhas Road, Calcutta.
171. W. S. Malden—P.O. Lohat, Dist. Darbhanga
172. East India Agencies Private Ltd.—Palai, Kerala State
173. Moulton G. S. & Co (India) Ltd.—11 and 12 Esplanade Mansions, Calcutta.
174. N. M. Cole—8, Clive Row, Calcutta.
175. Satya Narain Gupta—Subzimandi, Delhi.
176. Moton & Co.—Maung Pauley Street, Rangoon
177. H. B. Marshall—1, Humayan Place, Calcutta.
178. Madura & Co. Ltd.—Cochin.
179. A. D. Shroff—New India Assurance Bldgs, Mahatma Gandhi Road, Fort, Bombay
180. Matatlal Gagalbhai & Sons—Rustam Bldgs., 29, Churchgate Street, Fort, Bombay.
181. Murphy, C.—Rampart Row, Fort, Bombay.
182. Menta, Chunilal V. & Co. Ltd.—Queen's Mansions, Prescott Road, Bombay.
183. Sir V. N. Chandavarkar—Standard Buildings Hornby Rd. Fort Bombay.
184. Mysore Industrial Development Co.—33 Gandhinagar Bangalore City
185. Mascarenhas B. M.—Platform Road, Bangalore City
186. Naidu, G. Kuppuswamy & Co.—Pappanaikenpalayam, Coimbatore.
187. Best & Co. Ltd.—The Hyderabad Laminated Products Ltd., Secunderabad-3
188. R. Beema Naidu & Co.—Singanallur, Coimbatore.
189. Naidu, A. G. Guruswamy & Co.—Peelamedu, Coimbatore.
190. Naidu, P. S. Govindaswami & Sons—Coimbatore
191. B. Roychowdhuri—13, Convent Road, Entally, Calcutta
192. B. D. Agarwalla—Stephen House, 4, Dalhousie Square, Calcutta.
193. Kesarmal Manocha—529/1, Hall Bagh, Amritsar.
194. G. V. Swaika—"Pollock House", 18B, Brabourne Road, Calcutta.
195. A. Maiti—71, Park Street, Calcutta.
196. Srinivasan, S. D.—7, Council House Street, Calcutta
197. Narainda Lachmandas Ltd.—Raipurwa Kanpur
198. Dharamsey M. Khatau—Scindia House, Dougall Road, Ballard Estate, Bombay.
199. Nowrosjee Wadia & Sons (Private) Ltd.—Neville House, Ballard Estate, Bombay
200. Doodhawala & Sons—5, Muktaram Babu Street, Calcutta-7.
201. R. Arunachalam—17, Richmond Road, Bangalore-1
202. Octavius Steel & Co., Ltd.—14, Old Court House Street, Calcutta
203. Matheson Bosanquet & Company Ltd.—Belmount, Coonoor, Nilgiris.
204. Oberoi Hotels (India) Private Ltd.—17, Chowringhee, Calcutta
205. Oakley Bowden & Co. Ltd.—15, Armenian Street, Madras.
206. Ogale Glass Works Ltd.—43, Gandhinagar Bangalore City
207. Deepchand Kishenial—25, Netaji Subhas Road, Calcutta
208. Indian Textile Syndicate Ltd.—Kanpur.
209. E. R. Elliot Lockhart—4, Fairlie Place, Calcutta
210. Peirce Leslie & Co., Ltd.—8/222, Beach Road, Calcutta, Kerala.
211. H. L. Somany—2, Wellesley Place, Calcutta
212. P. G. Krishna Iyer—Mount Pleasant, Coonoor, Nilgiris.
213. Poddar, K. N.—37, Vivekananda Road, Calcutta
214. James Warren & Co., Ltd.—31, Chowringhee Road, Calcutta.
215. Parkins Ltd.—Kottayam.
216. Parkin, O. & Co.—26, Apollo Street, Fort, Bombay
217. L. C. Kanoi—P-8, Mission Row Extension, Calcutta.
218. Parry & Co. Ltd.—Dare House, Parry's Corner, Madras
219. India Sugar Agencies Ltd.—Mangalore.
220. Price, R. G. N.—National Bank Bldgs., Madras
221. Z. R. Irani—1/153, Mount Road, Madras
222. Chrestien Mica Industries Ltd.—4, Lyons Range, Calcutta
223. R. N. Agarwala—4, Lyons Range, Calcutta
224. Lohia Brothers Ltd.—138, Canning Street, Calcutta.
225. Roy, B. K.—1, 2 and 3, Old Court House Street, Calcutta.
226. M. D. Shivanenjappa—Kampegowda Road, Bangalore 9.
227. W. Morrice—41, Chowringhee Road, Calcutta-16
228. Ramnarain Sons Ltd.—Bank Street, Fort, Bombay
229. Rajputna Textile (Agencies) Ltd.—Delisle Road, Chenchpoka, Bombay.
230. Rajam, C.—Oriental Bldgs., Armenian Street, Madras.

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

231. Ramamurthy, A.—Ravakhada (Orissa), Koraput Dist.
232. Ratnams Ltd.—Pugalur, Trichinopoly.
233. T. Shamanna—1129, Vani Vilasa Road, Mysore.
234. Bangur Bros. Ltd.—14, Netaji Subhas Road Calcutta.
235. Soorajmull Nagarmull—8, Dalhousie Square East, Calcutta.
236. Shaw Wallace & Co., Ltd.—4/5, Bankshall Street, Calcutta.
237. Srivastava J. P. & Sons—Kanpur.
238. Bharat Ram Charat Ram Private Ltd. —Bara Hindu Rao, Delhi.
239. A. R. Kalairaja Chettiar—Coimbatore.
240. A K. T. K. M. Narayanan Namboodripad—Kallai Malabar.
241. Singh, Ranjit—Lucknow.
242. N. L. Roy & Co.—9, Royal Exchange Place, Calcutta.
243. Shyamlal Agarwal—9, Dalhousie Sq. East, Calcutta
244. Sovaram Keshavdeo—15, Netaji Subhas Road, Calcutta
245. Dr B. N. Ghose—6, Ganesh Avenue, Calcutta-13.
246. Sundaren, S.—Indian Mercantile Chambers, Nicol Road, Bombay
247. Singhania Padampat—Kamala Tower, Kanpur
248. E. K. Srinivasan—16, Hare Street, Calcutta.
249. Steel Bros & Co., Ltd.—Gillanders House, Netaji Subhas Road, Calcutta.
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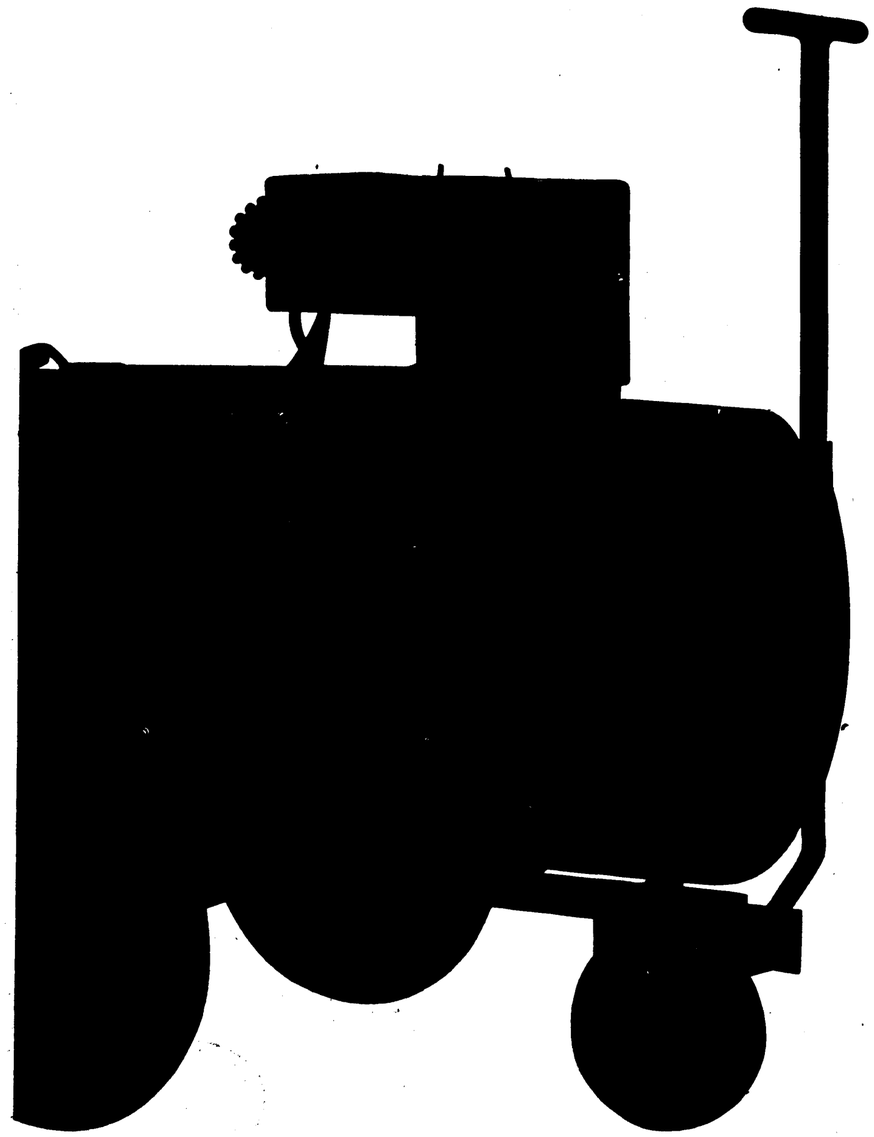
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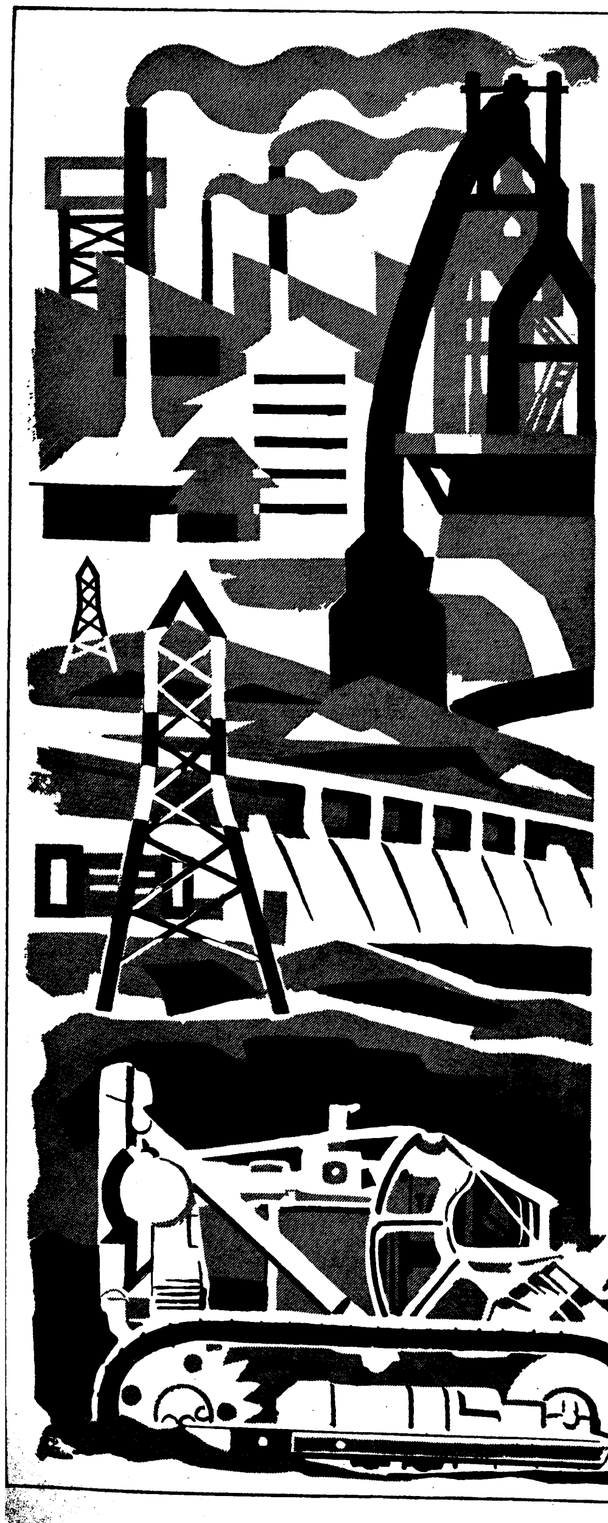
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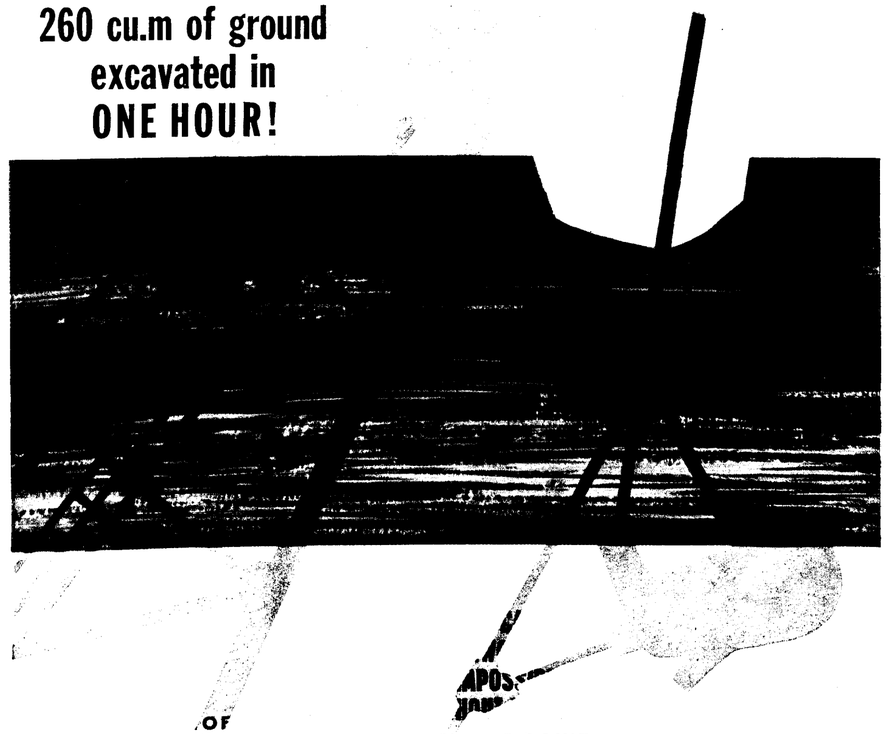
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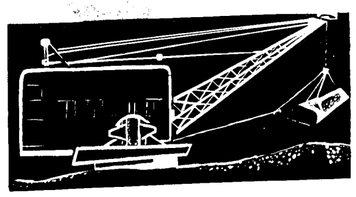
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Soviet Trade and Aid Policies Towards Developing Countries

The object of this article is to examine the extent, motives and prospects of Soviet aid to, and trade with, developing countries. Professor Nove of Glasgow University, one of the world's leading authorities on the subject, says that the expansion of Soviet aid has been severely limited by the growing strains within the Soviet economy itself, which have made it difficult to make capital goods available, additional to those already covered under existing aid agreements. Neither the exaggerated fears of alarmed Western observers, nor the equally exaggerated hopes of pro-communist elements, have been confirmed by the events of the past few years.

By

ALEC NOVE

THE word "Soviet" has for long been the cause of a rise in emotional temperature, and this has often caused lack of understanding of Soviet actions and exaggerated alarm, or exaggerated hopes, of the consequences of such actions. There is a disinclination to adopt, or even consider, normal explanations. Indeed, there is something in such attitudes far older than communism. The story used to be told that, at the Congress of Vienna in 1815, a Russian delegate died. Metternich was said to have remarked: "I wonder what his motive was?" Yet the key to understanding is the avoidance of an attitude which ascribes to the Russians exceptional qualities of virtue, malevolence or effectiveness.

True, the Russians themselves have frequently endeavoured to present themselves as exceptional, as "people of a special kind", and have been so treated by American counter-propaganda. However, despite this rare instance of Russo-American agreement, it is always best to analyse the facts on the initial assumption that the most "ordinary" explanation is likely to be correct, and only if the facts refuse to fit such an interpretation should we look further. To take a political example, correspondents in the London *Times* some years ago sought to explain variations in Soviet foreign policy in terms of Pavlovian conditioned-reflex analysis, instead of analysing Soviet diplomatic manœuvres as diplomatic manœuvres. True, in respect of trade and diplomacy alike, Russia's ultimate aims are not of the traditional Great-Power type. However, in their actions the Soviet leaders tend to react to problems as they arise without constant reference to ideology or ultimate aims. Anyhow, this will be our initial hypothesis.

Relative Neglect

Having made these preliminary points, let us now examine the history of Soviet aid to and trade with developing countries in general, and India in particular. Russia virtually ignored developing countries until 1955, except for some traditional trade with neighbouring States (*e.g.*, Afghanistan, Iran) and some purchases of tropical raw materials such as rubber, the latter by using sterling earned by exports to Britain. There were several reasons for this relative neglect. One was that, until roughly 1950, Russia was not able to export appreciable quantities of manufactures. Her industries were still inadequately developed (though rapidly growing) when the war broke out, and the great damage done by the war was only made good around 1950. A second reason was a wrong political appreciation. The great decolonisation process, after the war, was not understood by Stalin. He thought that the West had found a new device for political and economic control, a kind of neo-colonialism, and that Nehru and other national leaders were imperialist tools. Absurd though this view was, no one dared challenge it so long as Stalin was alive, and so opportunities, economic and political, were missed. Stalin's death provided a belated opportunity for Soviet politicians and planners to bring their assessment of developing countries into line with reality.

A Reassessment

It followed from such a reassessment that Russia was bound to make some effort to expand her economic relations with, and political influence in, developing countries which had become newly independent. The West had already been granting economic aid, and this was in a number of instances tied to membership of military alliances directed against the Soviet Union. The developing countries were conscious of the urgent need to expand their industries, and Russia, claiming to be the world's second industrial power, could scarcely stand aside from aid and trade, unless she wished to let the whole "game" go to the West without a struggle.

The problem was, and is, to make available for developing countries resources which, in most cases, were also needed at home, or in the Soviet bloc. Russia, despite her industrial progress, remained and remains a country of shortages, of strain. Materials and machinery are administratively allocated, that is, rationed. The investment programme reconciled with difficulty the conflicting claims of many capital-starved branches of the economy. Those conflicts were exacerbated by the "liberalising" consequences of Stalin's death, as his successors sought to invest heavily in agriculture, housing, consumers' goods, *i.e.*, in the previously neglected sectors of the economy. In this context, while trade could be a valuable source of additional goods, aid was a burden which the economy could ill afford to bear, even though it represented a tiny percentage share in the national product.

Aid, from the first, took almost wholly the form of undertaking to deliver goods on credit, with interest generally around 2½ percent, repayment being made in the goods of the country concerned. Since this interest rate was well below the market rate, and since the goods in which repayment was to be made were often of low priority (*e.g.*, tea, cashewnuts), there is no doubt that these credits did impose some burden on the Soviet economy. It is perhaps not a coincidence that 1955, the year in which the first important credit agreements were negotiated, was also the last year in which Russia sent large quantities of capital goods on credit to China. Aid to (as distinct from trade with) China ceased altogether in 1956, and Chinese repayments began. This released some additional resources for aid to other countries.

Quarrels with the West

The turn in Soviet aid and trade policies was heralded by journeys to India and elsewhere by Khrushchev and Bulganin. The number of credit agreements grew steadily. Table 1 on page 9 shows the record up to a year ago. In a number of instances, aid and trade developed because the country concerned quarrelled with a former Western partner (Egypt, Iceland, later also Cuba), or because a fiercely anti-communist *régime* was overthrown (the Nuri Government in Iraq). In no case were the quarrels and changes in question *caused* by Soviet economic aid or trade. However, these things became closely associated in the public mind, and gave rise to an excessive degree of alarm about the effectiveness of "Soviet economic penetration".

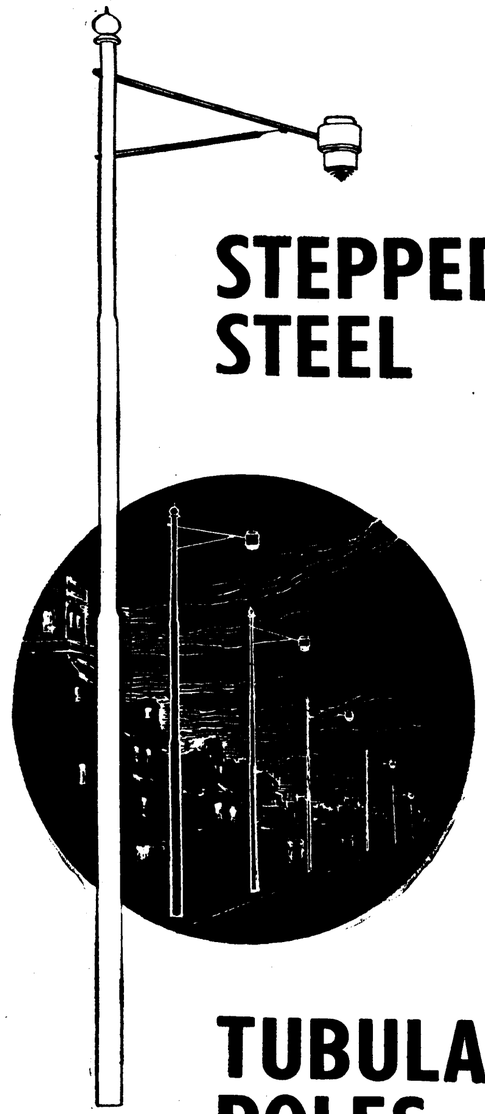
It is somewhat misleading to add Soviet credit agreements together and to present the resulting sum as representing the amount of "aid rendered". The agreements, to repeat, usually consist of undertakings to deliver goods at various future dates. Until the goods are delivered, no aid can be said to have been rendered. This point is made not in order to criticise the Soviet aid programme; it is alarmed Western publicists who have given great publicity to these somewhat exaggerated and misunderstood figures of "total aid".

The number and value of *new* aid agreements seem definitely to have shown a tendency to decline since 1958. The total flow of aid deliveries has shown a marked year-by-year fluctuation, but was considerably higher in 1963 than in previous years, especially to India, because of the delivery of capital goods in connection with credit agreements negotiated in past years. This is reflected in the upward trend in exports shown in Table 2 on page 9. There seem to have been two reasons for the slackening off of the rate at which new credits have been negotiated: growing economic strains within Russia, which find expression in much-reduced growth rates, and new commitments to aid Cuba. The bearing of all this on the likely future levels of Soviet aid will be further analysed at the conclusion of this article.

The Impact of Aid

Yet Soviet aid had, to some extent still has, an impact which seems disproportionate. Let us consider the reasons. In my view, they have been as follows:

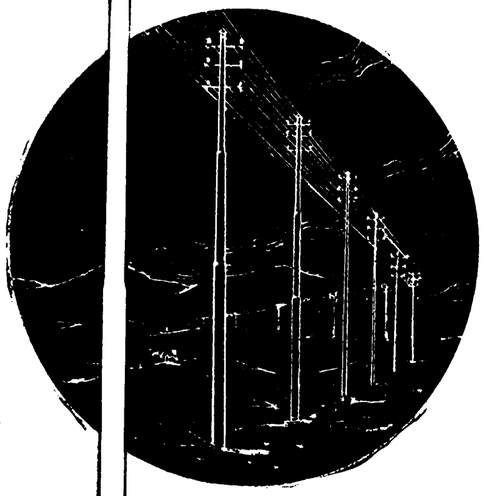
(1) As already mentioned, the relative scale of Soviet aid has been exaggerated, notably by Western commentators. It has also been common to compare Soviet *credits* at 2½ percent interest with Western *grants*, as if a *loan* of $1 million, even at low interest rates, is equal to a gift of $1



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million—a mistake none of us would make in our personal financial lives. Yet it is well known that a sizable proportion of Western aid takes the form of grants.

(2) Soviet aid has been concentrated on relatively few countries. India, Indonesia, Egypt and Afghanistan account for over two-thirds of all credit agreements negotiated with non-communist developing countries (*i.e.*, excluding Cuba) since the aid programmes began.

(3) It has been concentrated to a considerable extent on prestige projects. By this I do not just mean stadiums and hospitals, which are not relatively very important, but such items as the Bhilai steel mill, which has an impact on the imagination much greater than relief shipments of foodstuffs from America of equivalent value, because the steel mill is connected with development, with industrialisation, with progress.

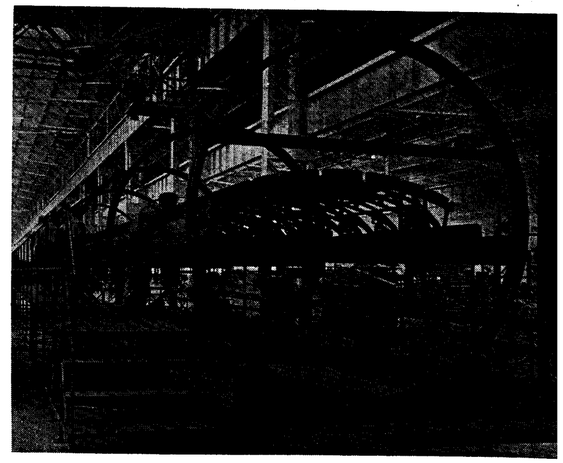
(4) For good or bad reasons, Russia benefits from anti-imperialist sentiment, in countries other than those who, like Iran, Turkey and Poland, have traditionally regarded Russia as an imperialist Power. Russia is also a country itself recently underdeveloped. That such a country should be able to give aid, to supply an efficient steel mill and technical training, has a significant psychological effect. This was further strengthened by novelty; it seemed a new, exciting, promising source of support for industrialisation, especially as the Socialist aspirations of many developing countries were treated with some distaste in America.

(5) Russia was careful at no time to make its aid conditional upon joining any Russian-led alliance. This pleased neutralist opinion, especially when, in the Dulles era, American policy was less intelligent in this respect. Even military aid was rendered to countries which, like Egypt, imprisoned communists and followed a quite independent foreign policy.

Western Fears

Contrary to Western fears, Soviet technicians did not behave like agents of "penetration", but tended to keep to themselves and get on with their job, as Indians connected with the Bhilai scheme have witnessed. It is possible that they have caused less annoyance than some Western specialists because they have been less obtrusive and have lower living standards, but this hardly constitutes subversion.

Soviet aims were, of course, in considerable part political, even though there were some economic dividends from establishing themselves in new and potentially important markets. (This consideration looms much larger in the motivation of Czechs, Hungarians and Poles, who face the urgent task of expanding exports and who rely much more than the Russians on foreign trade.) Soviet publicity naturally did its best to utilise the aid programmes so as to win friends and influence people, but it has been neither more efficient nor more energetic than, for example, the United States Information Service, and, in so far as there are "rules of the game" in trade-and-aid, Russia has observed them.



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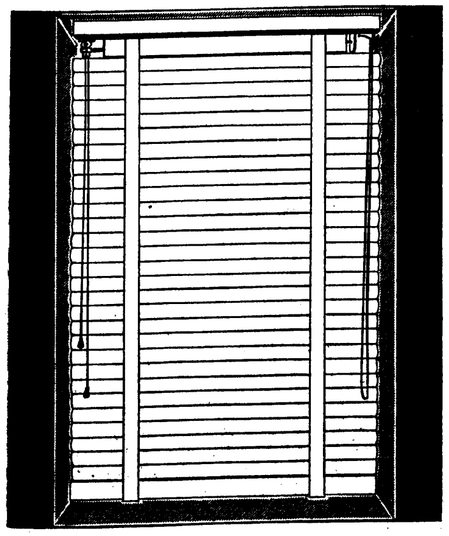
Impact Less Now

However, in the last few years there is no doubt that the impact of Soviet aid is less than it was. The Soviet leaders must feel somewhat disappointed. Let us now examine the reasons for this. I suggest that there are five of them:

(1) Both the West in its alarm, and also the hopeful "developing" recipients, tended to project into the future the very large increase in a which characterised the period 195 58. When the wave levelled o there was some feeling of psychol gical let-down. Thus a glance the Indian trade statistics will sho how small a proportion of her i ports of manufactures comes fro Russia and her allies. The West r mains, and clearly will for long r main, the principal supplier, a everyone must know this.

(2) The novelty has worn off, a this at a time when repayment f

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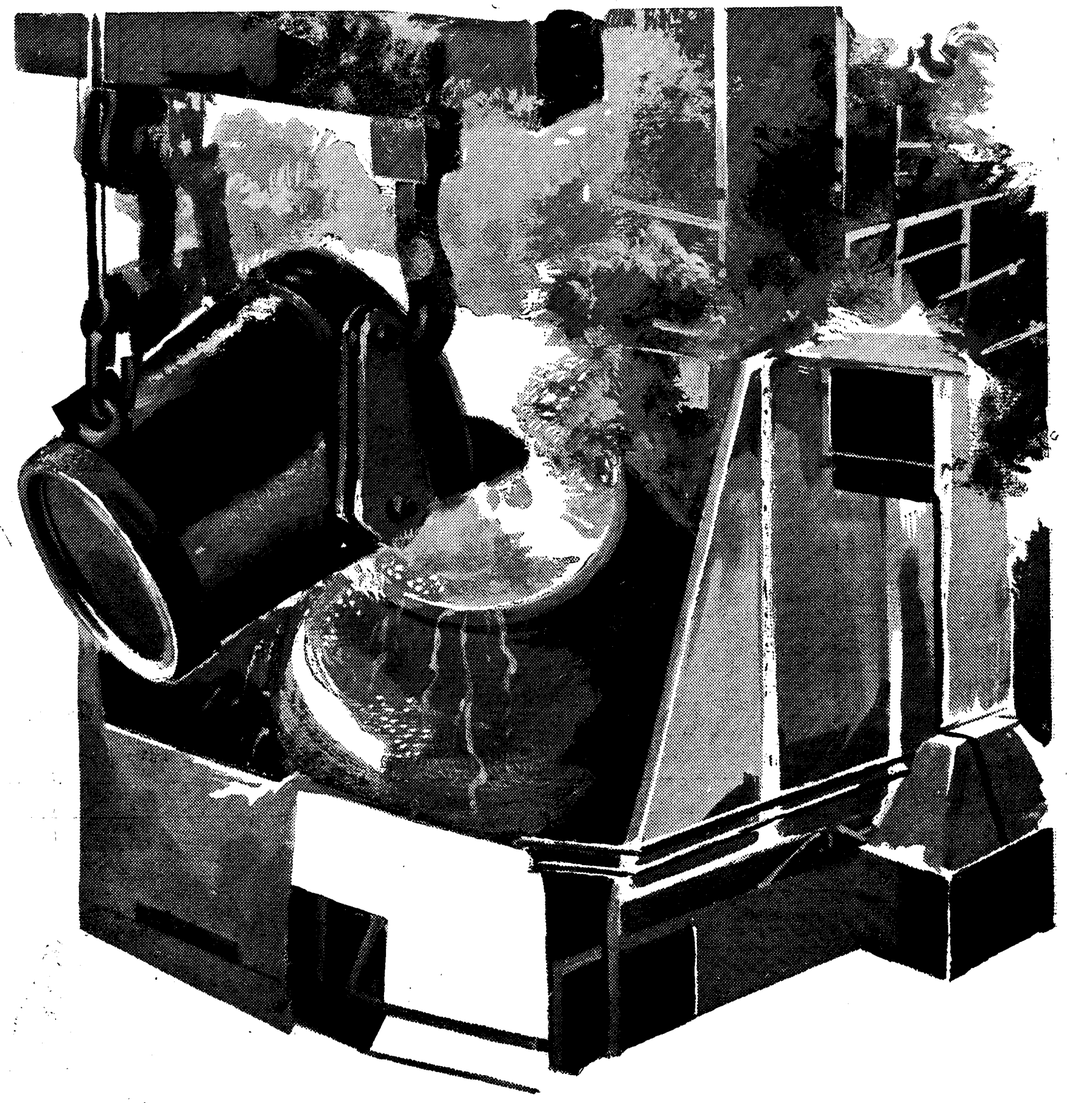
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past credits, out of inadequate exportable surpluses, inevitably causes some strain.

(3) There have been some disappointments over quality, though undoubtedly some very good Russian equipment has been exported, and some legends current about Soviet mistakes would seem to be legends. Thus *Pravda* made fun of the allegation that the Russians sent "snow-ploughs to Guinea"; they were bush-cutting equipment, so it was claimed, and, since the error would have been so ludicrous, this explanation was probably correct. The same *Pravda* article noted the accusation that Russian cement was said to have hardened when left out in the rain at Rangoon; it pointed out that cement has a habit of hardening when it is wet, and it might not have been the Russians' fault if it was left out in the rain!

(4) Many of those who have been sent to Russia for training, far from becoming indoctrinated converts to communism, have been immunised against it for life, since there are many features of life in Moscow which must cause acute disappointment to those for whom distance lent enchantment.

(5) A growing list of internal difficulties, in agriculture and in industrial growth, have somewhat tarnished the image of Soviet planning, which had been helpful to Soviet influence in the past.

Table 1

TOTAL SOVIET ECONOMIC CREDITS AND GRANTS EXTENDED TO NON-COMMUNIST UNDERDEVELOPED COUNTRIES, 1ST JANUARY, 1954 to 31st DECEMBER, 1963*

(Millions of current U.S. dollars)

Area and recipient country	
Total ...	** 3,377
Latin America: Argentina	100
Middle East ...	962
Iran	39
Iraq	184
Syrian Arab Republic ...	150
Turkey	10
United Arab Republic (Egypt)	553
Yemen	26
Africa	524
Algeria	101
Ethiopia	102
Ghana	89
Guinea	70
Mali	55
Somali Republic ...	57
Sudan	22
Tunisia	28
Asia	1,788
Afghanistan ...	500
Burma	14
Cambodia	21
Ceylon	30
India	811
Indonesia	369
Nepal	10
Pakistan	33
Europe: Iceland ...	3

* Data for 1963 are preliminary.

** Actual drawings under these credits and grants during this period totalled $1,200 million.

Note: The above table is taken from *Annual Economic Indicators for the U.S.S.R.*, published by the Economic Committee of the United States Congress. As far as can be ascertained, this represents the best available estimates of Soviet aid down to the end of 1963. The table is confined to *economic* aid. The inclusion of military aid would considerably increase some of the abpve figures, notably those relating to Indonesia and Egypt. The table also excludes any Soviet aid to communist countries.

The Split with China

Perhaps one should add a sixth consideration, the indirect effects of the split with China. It is interesting to note that one of the many causes (as well as consequences) of the split was Chinese resentment at the scale of Soviet aid to other, non-communist States. As already pointed out, Soviet credits to China ceased as long ago as 1956. As Table 2 on this page shows, trade declined greatly after 1960. Facing serious problems at home, the Chinese leadership must have looked with no favour at all on the flow of Soviet credits to India, Egypt and elsewhere. China, indeed, began some modest aid programmes of her own, some to communist countries whom she wished to wean away from Moscow's influence (*e.g.*, North Korea, Albania), and also to other developing countries (Cambodia, Nepal, Ceylon, Algeria, among others). Her terms tended to be more favourable than Russia's; for example, much of the aid to Burma, Nepal and Ceylon consisted of gifts or was interest-free.

As China could ill afford such acts, it began to look as if she was intending to compete not so much with the West as with Russia. Similarly, the substantial scale of Soviet aid, especially in armaments, to Indonesia may well have had a primarily anti-Chinese connotation (military aid is "cheap", the reason being that it usually represents a transfer of obsolete weapons from a large stockpile and so is not a significant economic burden). The same has evidently been true in India, as Chinese propaganda has not failed to point out. The conflict between China and India did nothing to improve the standing of communism, and the evident disagreement on this issue between Russia and China underlined the split within communism, and weakened the impact of Communist Parties, which might otherwise have "cashed in" on the favourable atmosphere engendered by the flow of aid.

This point could be of really substantial importance, because the *direct* impact of Soviet aid on the political and strategic situation has never been as great as some alarmist critics imagined. The use of "loaded" words such as "communist penetration", with implications of exceedingly clever spies and propagandists, encouraged misunderstanding. Soviet aid, technicians and goods are not in themselves more likely than their American or British equivalents to overthrow governments or influence the minds of men. Political effect depends to some considerable extent on the idea that communism, or the history of Russia, offers a model for those who wish to break out of the vicious circles of underdevelopment and poverty. Soviet aid then becomes like an advertising poster attuned to consumer demand. But, for reasons already analysed, the appeal has been of decreasing effectiveness.

The Future

What of the future? The demand for aid is ever growing, the needs of the developing world are more urgent than ever. How will the Soviet Union react, now that Khrushchev has fallen? Obviously, any judgment can only be a more or less informed guess. To me at least, it seems very probable that Russia and her European allies will try to encourage mutually advantageous trade, but are much more likely to cut aid than to increase it. The reasons are closely connected with the internal economic difficulties common to all the communist-ruled States at the present time. Soviet planners are worried by a falling industrial growth rate, and by strong competing claims for resources. The new rulers have promised the fulfilment of ambitious plans to build more houses; they must attempt to provide much more capital for agriculture, and the vast programme for chemicals contributes to the present shortage of capital goods. Economies in military expenditure would relieve pressure on resources, but there seems little immediate prospect of this. The balance of payments is strained too, and the abnormally high sales of gold to pay for wheat last year has done nothing to improve matters. Foreign aid is unpopular.

The easiest way out will probably be to avoid making new commitments, while carrying out promises already made. An indication of this has been the reported disapproval by the new leaders of Khrushchev's latest commitments to aid Egypt, made without the prior approval of his colleagues, or so we are told. Czechoslovakia, Poland and Hungary are also in acute balance-of-payments difficulties, and their planners will seek to avoid "unrequited" exports, even while doing their utmost to sell manufactures in Asia, Africa and Latin America. These countries are now sufficiently independent of Russia to be able to resist pressure, if any were to be exercised, to make them increase their aid commitments. Therefore, we ought to expect no very striking contribution from Russia or her allies, at least until their internal economic problems become less troublesome.

Table 2

SOVIET EXPORTS TO SOME MAJOR DEVELOPING COUNTRIES

(Millions of U.S. dollars)

	1955	1958	1961	1963
Egypt	11.0	87.7	108.7	133.9
Iraq	0	0	37.3	43.0
Iran	22.4	27.4	18.1	23.5
Guinea	0	0	27.2	14.0
Ghana	0	0	15.4	16.5
Afghanistan	13.6	23.1	39.4	44.4
Burma	0.2	2.6	3.9	6.6
Ceylon	0	0.6	1.8	19.0
India	7.3	130.0	95.4	219.7
Indonesia	0.1	27.2	31.3	49.5
Pakistan	0.3	2.0	3.0	6.1
(China)	(748.3)	(954.5)*	(367.33)	(185.3)

Source: Soviet trade returns, with roubles converted into dollars at the official rate.

The above figures do *not* appear to include armaments.

* 1959.

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Place of Private Enterprise in the Fourth Plan

The private sector has an important place in the fourth plan. It will be responsible for producing priority items like food and cloth. On its success will depend to a large extent the success of the plan itself.

By

ASOKA MEHTA,

Deputy Chairman, Planning Commission

PRIVATE ownership continues to be the dominant form of organisation in the Indian economy. Agriculture, which accounts for nearly 50 percent of the national income and on which roughly 70 percent of the population depend for their living, is wholly privately owned. A considerable portion of large industry and practically the whole of medium and small industry, a part of such essential services as power, road and waterway transportation, health and education and nearly the entire distributive trade also belong to the private sector of the economy. The really interesting question is, therefore, not whether the private sector has a future or not in this country; it is whether and how a socialist society can be brought about while leaving such large and growing areas of productive activity to private ownership and largely free enterprise.

We have indeed been seeking an answer to this last question ever since 1929 when the Indian National Congress adopted its first important economic programme. Through a gradual process of clarification of ideas, resolution of doubts and rejection of alternatives repugnant to the basic philosophy of our State, we have evolved a workable solution to the problem. This solution is incorporated in the Industrial Policy Resolution of 1956 as well as in the Congress resolution on the socialist pattern of society. The resolution makes the consideration of social gain, rather than private profit, the basis of all socio-economic action. Within the larger framework of this policy, the Industrial Policy Resolution of 1956 lays down the respective fields of operation of the private and public sectors of the industrial economy. This Resolution delimits a well-defined area for the public-sector industries, leaving a large and growing field for the private sector.

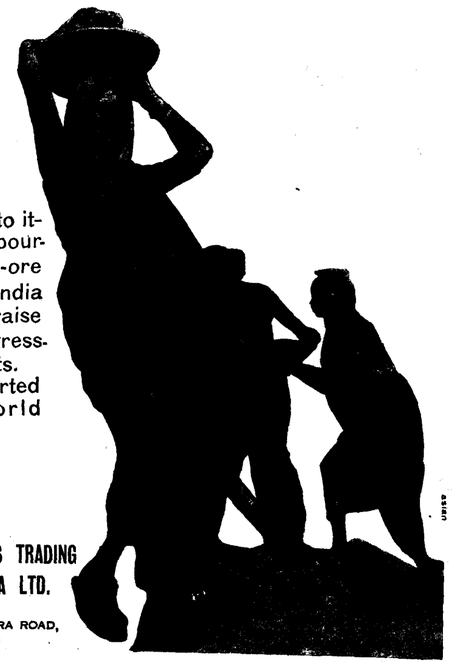
While we have emphasised the need for State enterprises in heavy and machine-making industries, as well as for certain forms of State trading, we have recognised the usefulness of enlarging the scope of co-operation as a form of economic organisation, and have at the same time clearly undertaken to provide opportunities to the private sector to develop and expand as an agency for planned national development. This really means that in terms of State policy, the private sector is recognised as a tool of social advance and not as a necessary but transitory evil.

Progress of Private Sector

In view of this clearly set out policy, with its pragmatic as against dogmatic overtones, it is not surprising that the private sector should have made significant advances in many fields in the last few years. A random selection of new activity in the industrial field in particular would

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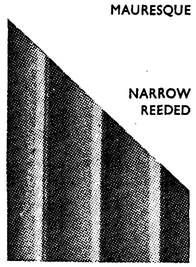
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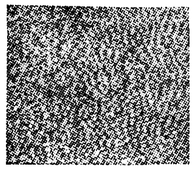
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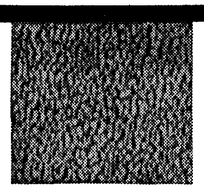


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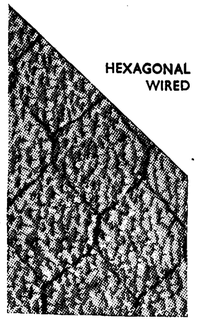
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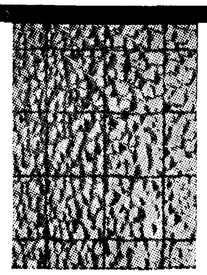
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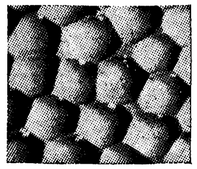
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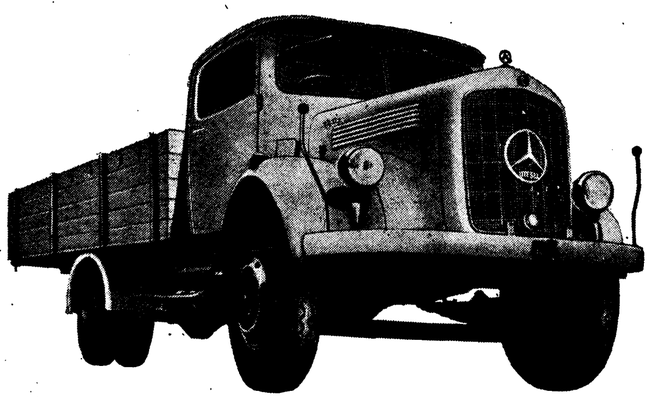
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According to the preliminary estimates for the fourth plan, the total private-sector investment in all fields is likely to be nearly Rs. 7,000 crores as against a total public-sector investment of between Rs. 14,500 and Rs. 15,500 crores. Of this Rs. 700 crores is likely to be invested in agriculture, Rs. 400 crores in small industry, Rs. 2,400 crores in organised industry, Rs. 650 crores in transport and communications and Rs. 1,470 crores in housing and construction. It may be noted that the scale of investment in organised industry in the private sector will be over 35 percent of the likely total investment (as distinct from outlay) in this field in the fourth plan. This points not only to the great importance accorded to the private sector in the fourth plan, but also to the great responsibilities placed on it in fulfilling the plan. While it is yet too early to indicate the actual programmes of which this total investment will be composed, there is no doubt that the utmost care will be given to the formulation of these programmes so that overlapping of activity in the public and the private sectors is avoided, and the programmes in the two sectors are built up in a co-ordinated fashion.

Producing Consumer Goods

It is obvious that in the interest of quicker production of consumer goods and agro-industries, which is going to be one of the main features of the fourth plan, the private sector will be given a big job in the field of consumer goods production. Its share in transportation, particularly in roadway transportation, is also likely to go up significantly. At the same time it is expected that in certain relatively sophisticated lines of production such as metals and petrochemical based industries, the private sector will have to shoulder a great responsibility. Finally, in the context of the vital need for increasing our exports, particularly of light engineering goods and other manufactures, the rôle of the private sector in these fields will be of crucial importance.

It is thus clear that even apart from agriculture, which holds the key to the success of the fourth plan and in which private enterprise has to give a proper account of itself, the rôle of private sector in industry and transportation as well as in distributive trades is going to be of much greater importance than in the past. In fact, the growth of agricultural production depends upon adequate output of the necessary industrial inputs. Then again, it is not sufficiently realised in this country that delays in or lack of co-ordination in the matter of scale of activity, proper location, etcetera, do not plague the public enterprises alone. These are ailments as much of the public sector as of the private. It is, therefore, necessary that private-sector enterprises become increasingly alert to the opportunities provided by the State to them in various ways and adopt a change in the style of their operation. In the last analysis, the capital that is made available to the private sector, although it may have come from the pockets of private individuals, is really a part of the capital of the society as a whole.

The Proper Line of Advance

An increase in awareness on the part of the private sector of its social responsibilities and its place in the total economic framework should also help in removing some of its misunderstandings about its proper line of advance. There is a well marked tendency on the part of private enterprise to modernise its techniques of production in the hope of earning greater profit and to take unilateral action for this purpose. The choice of techniques is a difficult socio-economic problem and it is necessary to take into account the implications of a change in technique for diverse economic factors such as employment in the industry as a whole, operation in the less advanced units, etcetera. These considerations may require the private sector in certain fields, say, in cotton textiles, to accept temporary restrictions in the choice of technique or in the tempo of modernisation which it might otherwise wish to maintain. In certain other fields again such as export industries, it may become necessary for the private sector quickly to modernise its method of production and adopt superior techniques, perhaps against its will or against consideration of its immediate profit. All these curbs and stimuli administered to the private sector are not arbitrary, and their rationale can be understood. Economic activity, production processes, are carried on in this country at different levels of technique. The raising of the levels has to be attempted purposefully, otherwise it would lead to disruption, economic and social. While capital is being accumulated to transform technologically the processes of production, it is also necessary to extract the maximum results out of the traditional methods of production. To get the maximum output out of the current stock of capital and also to augment it, not just by accretion but also by diversification of the processes of production, is the essence of development. It is obvious that this implies planning and conscious response on the part of private enterprise to the plan purposes.

Investment Planning

What all this amounts to is nothing but a plea for much more careful investment planning, based on considerations of social gain and maximum possible information about the social implications of private action. Although the institutional framework for such planning has already been brought into existence, it is unfortunate that private enterprise has not started making full use of its opportunities. Apart from the need for investment planning, there are certain areas in which fresh talents from the private sector have yet to be organised on a scale commensurate with the country's needs. The first and foremost requirement is that of developing industrial consultancy agencies, preferably organised on an industry-wise pattern, which can progressively undertake the work of advising entrepreneurs on ways of improving existing lines of production or of developing new ones. Along with this there is also a need for developing indigenous capacity for undertaking designing of equipment and for project engineering. It is true that there are rudiments of such organisations, both in the private and public sectors, in the case of various industries. But all this organisation is, quantitatively speaking, of limited influence when it is realised that the designing and engineering services needed in the next ten to 12 years are likely to be of the order of Rs. 800 crores or more! Full-scale development will be within the country's reach only when it is able to replace foreign technical know-how, assimilate the changes occurring almost immediately and also make its own contributions.

A large and crucially important portion of the priority production in the fourth plan will be in the private sector. Food, cloth and housing represent the core of these priorities. The failure or the success of the plan will, to a very large extent, be determined by the failure or success of the private sector. And failure or success of the private sector in the fourth plan, which will depend greatly on the quality of its performance, will also determine the future of the private sector in the economy. India has embarked on a great experiment in democratic planning, in bringing about thoughtful social change through peaceful means. Whether this experiment will succeed or not will depend to a very large extent on whether the private sector responds to its new rôle in the society, that of a responsible and creative agent of economic progress tempered with economic and social justice.

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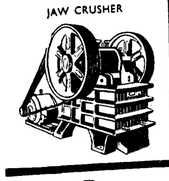
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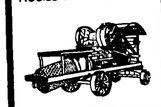
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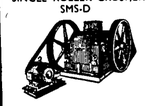
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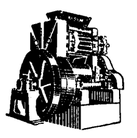
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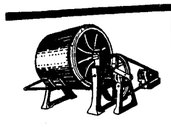


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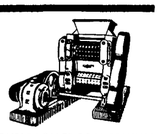
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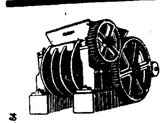


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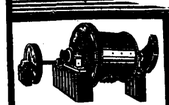
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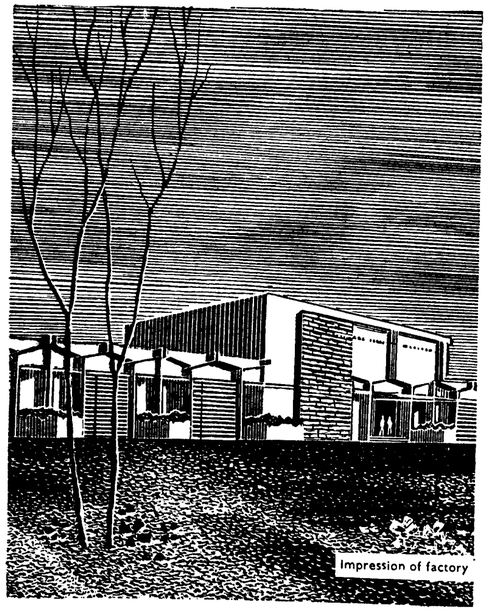


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ASP/UM—114

HINDSIGHT AND DISPUTATION ABOUT THE U.K. PAYMENTS CRISIS

Britain's central problem is to maintain solvency at home and abroad. An agreed incomes policy would greatly improve the prospects for her exports. She could then accelerate the growth of the economy and maintain the value of the pound.

By
GEOFFREY TYSON

SINCE the war there have been seven sterling crises of greater or less severity ; last month's affair was of the "greater" variety. It has been tided over temporarily and a devaluation has been avoided thanks to the ability of the Bank of England, and the oft-derided "City", to organise in a matter of 36 hours massive standby credits which would make it very unwise indeed to run a bear account in sterling in the foreign exchange market. We know a great deal more today about the problems of international liquidity and reserve currencies than we did 30 or 40 years ago.

I was active in financial journalism in India at the time of the devaluations of 1931 and 1949 and can testify that on the occasion of the first there was very little understanding of the real issues. What we did know was that the gold standard (to which Chancellor Winston Churchill had unwisely re-committed Britain in 1925) had been abandoned and that the pound was being allowed to depreciate in order to replenish the gold reserve. There followed substantial exports of "distress" gold from India, because world commodity prices had touched rock bottom and the agriculturist was very glad to turn his own metallic reserves into cash and at a reasonable profit. Sir George Schuster was the then Finance Member and to celebrate our misfortunes we had two Budgets. A few months after Britain devalued the pound, the U.S.A. devalued the dollar.

Premature Devaluation

I always considered the 1949 devaluation premature and overdone. Unquestionably sterling was overvalued immediately after the war, but Stafford Cripps, the then Chancellor, allowed himself to be persuaded, by the International Monetary Fund in which American counsels were dominant, to adopt a rate that was too low. On the other hand, in his Dadabhai Naoroji Memorial Lectures to Bombay University in 1957, Mr. C. D. Deshmukh declared : "What clearly emerges is that the rupee was overvalued when it was decided to devalue in consonance with Britain and thirty-odd other countries. At this distance, everything that went before it seems to point to this as the ineluctable *denouément*. That the Indian decision was inevitably hurried—both because of the comparative suddenness of the British decision and the need of prompt action to prevent confusion—did not mean that we were wholly unprepared for such a prospect. Devaluation was forced on India by economic circumstances ; its allegiance to and participation in the sterling area only influenced the timing of her decision."

The one sterling area country, of course, that did not devalue on this historic occasion was Pakistan. It was difficult at the time to discover on what technical grounds she took her stand, but that hardly mattered when, a few months later, the Korean war sent commodity prices sky-high and Pakistan reaped many uncovenanted benefits of her non-devaluation. She was, in fact, able to hold her rate until 1955 when she was obliged to bring her rupee into line with the rest of the sterling bloc.

Recent Sterling Crisis

Currency crises invariably give rise to a lot of disputation and the display of a great deal of hindsight. Last month's run on sterling was no exception, and it is safe to say that the debate will continue for quite a time yet, if only because the events of the third week of November represent a pretty narrow squeak for the pound. There have been innumerable explanations of which political Party was most responsible for the dangerous situation which was allowed to develop. None of them are wholly satisfactory. Only the Treasury and the Bank of England know all the facts though there is a good deal of evidence to suggest that the crisis was steadily building up throughout the summer. It is claimed that if a Conservative Government had been returned, ex-Chancellor Maudling would have tided over the difficulties with short-term borrowing and tackled the persistent and underlying problem of the balance of payments in his April 1965 Budget. The proponents of this point of view maintain that whereas Mr. Maudling would have played it *pianissimo* and off-the-cuff, Mr. Callaghan has shown much too little subtlety and understanding of the delicate character of what confidence means in the context of international finance.

Almost certainly there is a modicum of truth in both these assertions. The Conservative leader must accept a large share of the blame for the strain on the pound prior to 15th October—and in particular for prolonging the uncertainty by putting off the election to the last possible moment—while the Labour administration must assume responsibility for mistakes which can be traced to ham-fisted policies and maladroit utterances since it assumed office. Basically, Britain's problem is her balance of payments, but nothing that Mr. Callaghan initially said or did suggested that he appreciated this fact. Right up to a relatively short time ago he and his advisers were pouring scorn upon what they were pleased to call a "stop-go" policy which, reduced to its simplest form, is the intelligent use of Bank rate, to which incidentally they were driven in the end. The Labour Party has always allowed it to be supposed that they had some magic formula whereby you could run an international banking business and everything that goes with it without regard to interest rates.

Task of Maintaining Solvency

But, of course, while interest rates are essential items in monetary strategy they are only part of the problem which faces Britain today. Put in its crudest possible form, that problem consists of the task of paying our way in the world and of maintaining solvency at home and abroad. It is estimated that the deficit in the U.K. balance of payments for 1964 may amount to as much as £700 million to £800 million, and if this be so nothing short of a gigantic national effort will suffice to put the account right. The $3,000 million (£1,070 million) credit which was negotiated with foreign central banks in the last week of November for the defence of sterling provides nothing more than a breathing space and in any case much of it will have to be re-negotiated in three or six months' time when the life of the credit ends. Presumably the willingness of the lenders to continue the credits will turn very largely on the kind of promises and performance the Wilson Government has given by that time.

In a recent analysis of the situation the admirable *London and Cambridge Economic Bulletin* says it may yet

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turn out that the two chief constraints on British economic policy that are at present accepted, i.e., "the 4 percent growth target and maintenance of the exchange value of the pound, between them make a solution impossible"; and it goes on to say that "the problems of internal balance and external balance must be tackled simultaneously if either is to be solved". What are those problems? Looking first at those which are related to internal balance one must enquire why in recent months there has been such a marked slowing down in the rate of growth. One of the major factors limiting production has undoubtedly been an increasing shortage of labour, on top of which there have been significant cuts in working hours during the last year. More regard must also be paid to the increasingly obvious limitations of plant capacity in the U.K. Thus, for a large part of 1964 output appears to have been fairly static, and in the engineering industry, for example, there is strong evidence that it was chiefly limited by supply rather than lack of demand. In other words, all the signs point to an economy whose internal resources have been pretty fully stretched.

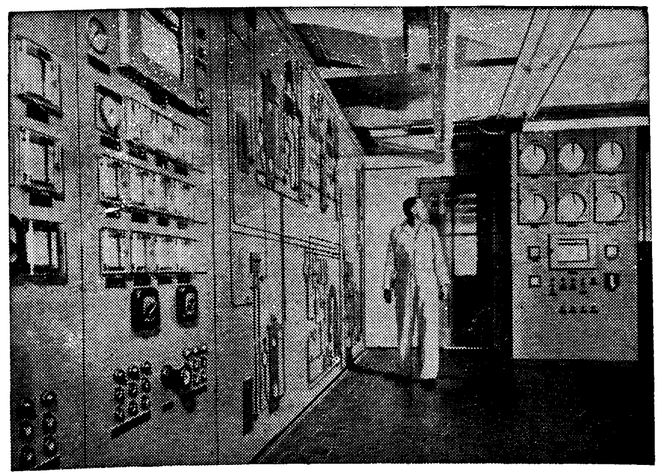
Slow Expansion of Exports

So far as the external balance is concerned, it is crystal clear that Britain's overseas trade is not expanding at the rate that it should, and that in particular exports have been lagging badly behind imports. The latter have risen particularly sharply in the 1963-64 phase of the latest "stop-go" cycle. There has been a heavy increase in stock-building and imports of manufactures have increased sharply, always an ominous sign in an economy in which manufacturing activities are dominant. However, most analysts of the trade balance expect imports of manufactures to show some falling off in future trade returns beginning with the last quarter of 1964. And, of course, Mr. Callaghan's 15 percent surcharge is designed to achieve just that result. While a reduction of the import side of the equation is an essential step towards rectifying the present imbalance of payments, an increase in exports is also necessary. The *National Institute Economic Review* calculates that in the next two years or so the Government has to find some way of shifting at least £500 million of resources into the balance of payments either to increase exports or replace imports. In other words, a bigger share of Britain's output must be exported, and obviously it is in the manufactures sector that there is most scope for this.

Exports of manufactures, as a proportion of total output, appear to have been falling slightly for some years. In 1963, 30.2 percent of the output of manufacturing industry was exported; for the first nine months of 1964, the annual rate appeared to be running at about 29 percent. This is contrary to the experience of our chief trading rivals and while it is very easy to generalise and say that British exports are not competitive, it is very difficult to prove it. It does, however, appear clear that in some important branches of industry the easier home market has been given priority over exports. That seems the only explanation for the recent failure of machinery exports to rise during the first nine months of this year though such notoriously "sticky" export lines as cotton textiles show a 9-percent rise for the middle two quarters of 1964 compared with the average of the year 1963. The National Institute's verdict is that "since the engineering industry's output in the middle of this year was running some 5 percent above last year's average, the inference is clear that it has in the last year been giving priority to home orders over export orders".

Argument for Devaluation

There is a school of thought—true it is in a minority—which maintains that the quickest and surest way out of the present difficult situation is by a modest devaluation which would take the pound from its present $2.79 rate to say $2.50. The argument is that a mild devaluation would act quickly and surely on the balance of payments, whereas the deflationary measures (the object of which is to reduce domestic demand and free resources for the export market) will only act cumulatively over a lengthy period of time. Meanwhile, of course, growth is retarded and almost all the things that the Labour Party has been promising for years have to be put aside because of their inflationary implications. This must obviously be a bitter draught for Mr. Wilson and his colleagues to swallow, though as these lines are being written there are signs that they may be able to pull off an agreed incomes policy. Were we to have such a thing it would almost certainly make a great deal of difference to the prospects of British exports, of which has (£2,000 million) are sold by about 200 companies and the remainder by some 6,000 other companies according to a statement recently made by Sir Norman Kipping, Director General of the Federation of British Industries. If half of the latter group could be made as keen on exports as the select band of 200 there would be no balance-of-payments problem and no talk of a sterling devaluation, either in Britain or on the Continent.



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ECONOMIC PLANNING LACKS SENSE OF PURPOSE AND URGENCY

India's economic and political problems are increasing. Slow economic growth, the rapid rise in population and mounting shortages have disturbed stability. Yet there is no sense of urgency among those in authority.

By H. M. PATEL

THE world is in a parlous condition today and it is no exaggeration to say that India is, if anything, in an even more parlous condition. Its population is increasing at an uncomfortably fast rate: prices keep on rising in an equally uncomfortable manner: production is not increasing fast enough in the industrial sector, and is almost stationary in the agricultural sector: the authority of the Centre is being openly flouted by the States in matters where it is imperative that a uniform policy should be accepted throughout the country. The threat from China still remains, and is, if anything, more to be guarded against.

Against this background, it is most disturbing that those in authority still fight shy of taking action along lines which the facts of the case necessitate for fear of possible political reactions. Somehow or other, it is essential that a sense of urgency, and a determination to see that whatever is decided upon is carried through, should inspire the people, and, even more, the Government.

The midterm appraisal of the third five year plan brought out very vividly the fact that the country had not succeeded in making the progress that had been hoped it would make under the plan on a number of fronts. The failure was attributed not so much to defective planning as to the absence of a sense of urgency among those whose business it was to implement the plan. It appears to have been felt that organisationally, there were two major defects, and there had been failure in making a real impact in one important field. It is true that projects had been included which had not been as fully prepared as they should have been, but in the main, it was felt that procedural and other difficulties of the normal governmental machinery were responsible for greatly slowing down progress on most of the projects.

The moral was obvious, and it was decided to streamline the procedures to the maximum extent possible, and to lay the greatest possible emphasis on implementation. Secondly, in spite of the fact that there was an integrated plan, it had not been found possible to ensure the degree of co-ordination, in particular, of economic policies that is essential. And, finally, it had to be admitted that not much had been achieved in the sphere of agriculture, and that conditions in rural areas were not showing any marked improvement.

Lessons Not Learnt

Nothing, unfortunately, that has occurred since the midterm appraisal justifies thinking that the lessons have, in fact, been learnt. Despite a certain streamlining of procedures, procedural delays continue to take place, and no one in authority seems to feel particularly indignant at such delays. The progress of the projects in hand continues to be slow. No greater attention appears to be placed on the implementation of projects. Everything, it would appear, proceeds exactly as before, slowly, without any sense of urgency and without adequate co-ordination. And as for agriculture, it has the first priority only on paper and in speeches.

The fourth five year plan is now being drawn up. It has been tentatively decided that the total expenditure under the plan would be of the order of Rs. 21,500 crores. From time to time, one is told of sums of money which are to be allocated to the principal heads under which planning proceeds—power, irrigation, industry, agriculture, and so on. But relatively little is said about the steps that are contemplated for ensuring timely implementation of the various projects that it is intended to execute under each of these major heads. One is inclined to suspect that, as in the past, planning is proceeding on the assumption that the sponsors of the projects may be relied upon to see that they are executed efficiently and without avoidable delay. No doubt the project proposals will be subjected to the kind of scrutiny to which proposals are usually subjected, but can one be certain that the scrutiny will be directed in a realistic way towards satisfying oneself that the chances of the projects being executed according to the schedule contemplated will be good?

An illustration may serve the purpose of emphasising this point. As a result of the load survey carried out by the Central Water and Power Commission, it became clear that certain States will be faced with a power shortage in the early years of the fourth five year plan period. Accordingly it was decided to give advance sanction to certain power projects, which would otherwise have had to wait until the fourth plan period began, and the plan itself was ready in every respect. The underlying intention in giving advance sanction was to enable the implementing bodies to make sufficient progress on the relevant projects during the third five year plan itself, to ensure their completion during the first year or two of the fourth plan period. In actual fact, procedural obstacles have already all but neutralised the value of the advance action. And at the Government of India level, no one seems greatly to be perturbed.

Lack of Co-ordination

Of the failure to co-ordinate action and policies, any number of illustrations can be given. The question of the co-ordinated development of road and railway transport and of coastal shipping may perhaps provide a sufficiently convincing and representative illustration. Because, historically, the railways developed first in this country and were also the first major public-sector enterprise, their interest has very largely tended to dictate the Government's policies in relation to road development as also the development of coastal shipping. Both roads and shipping have had to struggle hard to get the Government to accept the position that both of them have a vital rôle to play in the economy of the country and that, therefore, their development also must receive the Government's serious attention.

While the railways cannot dispute this, they have continued to be jealous of their position and have not looked on the development of road transport and coastal shipping with a kindly eye. When a couple of years ago, there was an acute shortage of wagons, making it difficult for the railways to cope with the transport of coal required in different parts of the country, emergency action had to be taken to make coastal shipping take on the responsibility for carrying a couple of million tons to States situated on the eastern and the western coasts. The shipping companies were advised to make their plans on the assumption that they would be required to carry coal up to roughly that quantity year after year. As soon as the wagon situation eased, however, no time was lost by the railways in staking their claim to the additional one million tons that they had surrendered to coastal shipping! To coastal shipping, this one million tons makes all the difference between continuing to work at a loss and being able to break even or even make a small profit: to the railways, two million tons constitute a very negligible addition to the 250 million tons of goods that they would anyhow carry.

The railways have already arranged with the Ministry concerned with coal to transport these 2 million tons, even while the Ministry of Transport continues to argue about the justice of coastal shipping's claim. It is fairly obvious that the Government's avowed policy to develop a vital and vigorous coastal shipping system is being set at naught by the railways by depriving coastal shipping of just the extra amount of freight which would have helped to make the latter economically strong. The fact that the railways would not have actually gained if they did not have these two million tons of coal to carry over very long distances at a heavily subsidised rate is not strictly relevant here, but merely underlines the complications that are caused when there is no determined co-ordinating hand to arbitrate between contending interests.

Road Transport Development

Likewise for years, the railways have prevented the development of road transport. Not until independence, for instance, was there a road connecting Bombay and Ahmedabad, two large industrial centres in what was then one State. Fortunately, good sense prevailed and there is today a national highway which connects these two important industrial centres. The volume of traffic along the road is very heavy, and yet the railways have been agreeably surprised to find that the volume of traffic which they are offered has not only not declined, but increased. The railways, nevertheless, persist in pressing upon the Government their apprehensions from these two directions and claim that the competition offered by road transport is of a wasteful character.

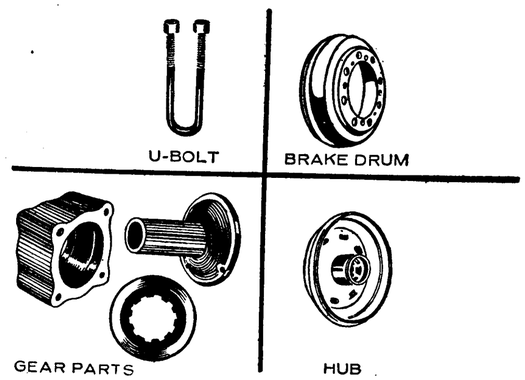
There are no two opinions but that the country must have a sound railway system, a sound road system, and also flourishing coastal shipping. What remains to be ensured is that there is no unhealthy competition: a modicum of competition is always healthy, for it ensures economy and efficiency on the one hand, and prevents wasteful expenditure on the other. It is for the Government to decide in a firm manner after a careful examination of all considerations what rôle each of the three has to play in the economy of the country. It must, in other words, co-ordinate and not just drift.

Contradictory Policies

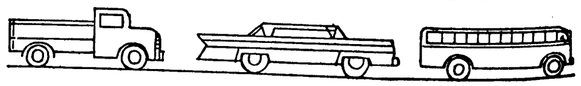
Another illustration of contradictory and unco-ordinated policies is to be found in the anxiety of the Government to maximise industrial productivity, and to acquire a larger foothold in the export markets of the world on the one hand, and on the other, its pursuit of a labour policy which reduces hours of work and increases wages, without linking either with productivity.

It is surely time the Government made up its mind about what it really wants and then adapted its policies in different spheres so that they harmonise and facilitate the achievement of its major objectives. A factor which has contributed in a major way to the failure to achieve the targets set has been the failure of

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agriculture to show an improvement in productivity of any significance. Since agriculture is responsible for about 50 percent of the national income, the effect of stagnancy in agricultural productivity is bound to be serious on the country's economy. The community development organisation which has been set up for the purpose of improving agricultural productivity and also conditions generally in the rural areas has been spending vast sums of money during the past several years. But, judging by results, it is difficult to resist the conclusion that that (community development) organisation has not been successful in its efforts to raise the yield of agricultural crops in general, and food crops in particular.

The reasons for this failure are manifold. The community development organisation does not appear to have allowed sufficiently for the fact that conditions in the rural areas vary from State to State, and in many cases, even from district to district. It is not only that the quality of land varies, or that the amount of rainfall in different parts of the country varies markedly, or that the irrigation facilities are by no means evenly spread, but even more that the quality of human beings varies greatly, in their temperament, their energy, their money sense, and above all in their attachment to traditional ways. Thus, in Gujarat, areas situated along the west coast are more advanced and more prosperous than those in the eastern and northern parts of the State. And among the areas along the coast, progress has been much more significant in some *talukas* or *tehsils* than elsewhere. In these areas, the bulk of the people are endowed with a money sense, have enterprise in their blood, and are hard working by nature. The people, in the main, do not wait helplessly until the Government comes along with assistance: once they are satisfied that by the adoption of any new practice or acceptance of any new activity, financial benefit would ensue, it does not take them long to find ways and means of adopting the new and improved practices, and securing the maximum benefits from them.

Community Development

In the eastern and northern parts of the State, the people are poorer and backward in every relevant way, educationally and as agriculturists. Clearly, the approach of the community development organisation must necessarily be different in the latter, compared with the former, and if that is not the case, there takes place much wasteful use of resources, human as well as material. In the former areas, far more satisfactory results could be achieved ensuring to farmers their requirements of fertilisers, improved seeds and pesticides in good time and in sufficient quantities. In the latter areas could have been concentrated the extension activities in an intensive form.

The community development organisation also did not allow sufficiently for the conservatism and prejudices of the farmers. The farmers are not reluctant to adopt new practices which can be demonstrated to them to be good. For this purpose, the person who advises them must be capable of inspiring in them confidence and faith in his knowledge and judgment. The village level worker rarely has the requisite knowledge or personality: nor, usually have his superiors.

Finally, few community development organisation workers show the necessary degree of missionary zeal for their work. Where such workers have operated, very good results have undoubtedly been realised. Even now if the activities and the areas of operation of the community development organisation are curtailed, and only those truly devoted to their duties as village level workers, etcetera, are engaged and encouraged, far more satisfactory results could definitely be achieved.

Cattle and the Rural Economy

It would be difficult to realise from a perusal of the activities of the community development organisation that cattle play a particularly significant and vital rôle in the economy of the rural areas. Bullock power still plays an important part in farming activities and is likely to continue to do for many years yet: and the quality of the bullocks, therefore, is something to which much attention needs to be given. This country has an enormous number of cows, but their quality, generally speaking, is extremely poor, and is growing progressively poorer in spite of various schemes for their improvement. There are large numbers of buffaloes, and because of the way in which milk supply of Bombay is organised, quite a considerable number of the best quality of animals are lost to the country every year. Neither the cow nor the buffalo can be improved unless there is a realisation that there are too many of them, that there is not enough fodder for all of them, and that a high percentage of them are useless as milch cattle.

The country at long last has woken up to the fact that the population is growing at too fast a rate to enable it to bring about an improvement in the general standard of living that it is seeking to achieve. There is, as a result, talk of drastic action to achieve effective reduction in the rate of population growth. As for cattle generally, however, the public has still to realise how very serious is the position, and how very urgent is the need for ruthless planned action for an immediate reduction of their numbers, coupled with vigorous steps for improving the quality of the surviving cattle.

The public mind must be trained appropriately. India cannot afford the luxury of the paradox that with the largest number of cattle in any country in the world, the total milk production is less than that of countries one-tenth her size. The average milk yield from each animal here is the lowest. With improved quality of cattle and with half the total number there are today, the milk yield could easily more than double itself. The pressure on land for pasture and cattle-feed too will be lessened, and many other worthwhile benefits would ensue.

Milch cattle are of great importance to the rural economy. Quite apart from the fact that milk in this country constitutes an important and essential food for the people, it can contribute greatly to the income of the farmer. An efficient dairy complex, like the Kaira District Milk Co-operative Union (Amul Dairy) is bringing to the small farmers of the district several crores of rupees a year: and what is more significant, has led to a marked improvement in the quality of the cattle. Within less than a decade, it has come about that virtually the same number of cattle yield almost twice the quantity of milk.

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obviously poses itself is why, so far, Amul's achievements have not been emulated elsewhere in the country by any other co-operative organisation. Why have not the Central and the State Governments generally, thought it fit to devote greater attention to dairy development, and all that it implies in the way of improved quality cattle, increased supply of milk, and substantial addition of reliable subsidiary income to the farmers?

Foodgrain Shortages

The Government is rightly concerned about foodgrains shortages. And yet it is unwilling to take a series of obvious steps which would immediately increase the availability of foodgrains by at least 10 percent of the total production, and possibly, a substantially higher percentage. These steps relate to protection of crops from the depredations of monkeys, *neelgais*, peacocks, wild cows, and a host of other creatures, whom through misplaced "kindness to animals" theories, the authorities as well as the people refrain from destroying. This is another luxury the country cannot afford, and it is time the Government took courage and began a purposive education of the people to a right attitude in this matter.

Even more than the failure of the community development organisation to effect an improvement in the rural scene, what has been most unfortunate has been the attitude of the Government to the economic problems of the rural area. There has been a persistent tendency to look at the economic problems of the country from the point of view of the urban areas. Thus, for instance, it is recognised that only by ensuring the farmers reasonable prices for their produce, can it be hoped to induce them to put forth the effort needed to produce more. Nevertheless, the Government proceeds to determine the reasonableness of the prices to be given by the consideration that the cost of living of the people in the urban areas should not be allowed to rise! The result inevitably is to fix minimum prices at levels which certainly cannot be regarded as incentive prices by the farmers. It does not seem to have occurred so far to the Government that it may be possible to give to the agriculturist reasonable and incentive prices, without necessarily having to allow the cost of living indices to rise.

Minimum Food Prices

What is, however, even more surprising is that the Government, while it has now decided to fix minimum prices, has not yet given any thought to the establishment of machinery which would ensure that the farmers obtain the minimum prices for their produce, should they wish to take advantage of the Government's offer. The minimum prices fixed by the Government for agricultural produce have not only never been realistic, but from the point of view of the farmers have been completely illusory.

It has remained always one of the minor mysteries of administration, why the Government after first deciding to implement the very important recommendations of the Rural Credit Survey Committee's report in this matter, later reversed that decision in practice. The Survey had recommended the establishment of a large number of warehouses throughout the country, with a view to making them an important link in the marketing of agricultural produce. The Government of India has undoubetedly set up a Central Warehousing Corporation and most State Governments have also in their turn established State warehousing organisations. The total number of warehouses that have been constructed, however, in the past six to seven years of their existence has been remarkably small. What was needed was to see that the farmer is able to take his produce to a warehouse, obtain receipt for it, and on the strength of that receipt obtain finance for his current requirements from his village or *taluka* co-operative bank.

With such a machinery in existence, the farmer would rarely find it necessary to dispose of his produce at the harvest time when the prices may be at their lowest. The same machinery, likewise, would be available for the Government for the implementation of its policy to purchase agricultural produce at minimum prices laid down by it. In the absence of some machinery of this kind, the promulgation of minimum prices remains very largely meaningless as far as the farmer is concerned. This is so obvious that one wonders why it is that the Government has hitherto not taken energetic steps for the establishment of such a machinery when it is so anxious to increase agricultural productivity and when it is convinced that the assurance of minimum prices would constitute a major inducement to the farmer to put forth his best effort to increase his productivity.

Sound Infrastructure

It is generally agreed that without a sound infrastructure, the economy of the country cannot either develop rapidly or function efficiently. When the planners talk of this infrastructure, however, they have generally in mind the requirements of the industry and of the city rather than of agriculture and the rural areas. Thus, adequate transport and communication facilities are rightly considered essential basic requirements of a country. In India, however, the rural areas benefit from a road programme only, or very largely, because whether they are national highways or State and district roads, they must necessarily pass through the countryside. What the rural areas require most—the approach roads linking them with the State and district roads—have so far been given low priority. In monsoon many villages in Gujarat are cut off from their markets where they have to go for the disposal of their produce as also for the purchase of their essential requirements.

To sum up, if the maximum benefit is to be derived from the planning effort, the planners must be honest and not continue to delude themselves with high-sounding slogans and claptrap. If, as is universally accepted, agriculture should have the highest priority in the planning effort, it must be ensured in fact, as on paper, that priority is given to agriculture, and all that goes with it. Where so many interests are involved and so many different matters have to be embraced within the planning effort, it is inevitable that policies which are sound in themselves may clash with each other unless those policies are co-ordinated in a competent manner. Finally, competent implementation of the projects and policies of a plan is just as vital to its success as the soundness of the plan and the projects themselves. These may be said to be among the essential planning realities, and the authorities cannot afford to ignore them indefinitely.

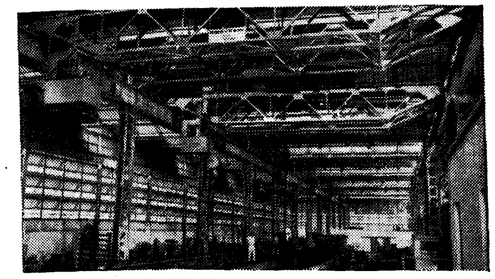
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POPULATION GROWTH NECESSITATES DESERT RECLAMATION

The world's population has been growing at an increasing rate. Man's hope lies in reclaiming deserts, which may yield not only food but also industrial raw materials.

By
S. CHANDRASEKHAR
Director, Indian Institute for Population Studies, Madras,
Visiting Professor, University of California

THE present state of man and his fellow creatures, his habitat the earth, and the universe of which it is a part, is the result of an incredibly long period of cosmic, biological and human evolution as well as of recent historical, cultural and demographic development.

Most cosmologists believe that the universe, including the galaxies of stars and the Extra Galactic Nebulae, as it is known today, is about 5,000 million to 15,000 million years old. The earth which we inhabit is one of the smaller planets and is of relatively recent origin, about 4,500 million to 5,000 million years old. This estimate is based on the fragmentary but reliable evidence of radioactive methods of dating.

And life—say the virus, the simplest organism—emerged on this planet about 3,500 million years ago and with it biological evolution was inaugurated. The hominids and eventually man as he is known today emerged on the cosmic scene about a million years ago. And in a sense, with the emergence of man and his gradually evolving superior powers, the population problem, not dissimilar to the population problem of the animal kingdom, began.

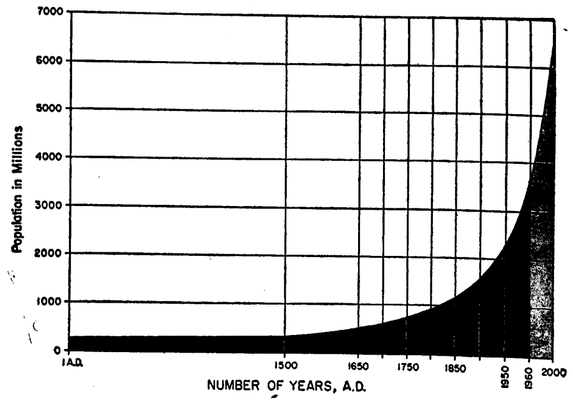
It has now been estimated on the basis of scattered and fragmentary evidence that the human population on this planet was about 125,000 about one million years before Christ. This number increased very slowly, in fact so slowly that the human numbers were almost stationary for long stretches of time. Man lived by hunting, fishing and gathering. Around 300,000 B.C. human numbers increased to one million. Man ate the animals and the more powerful animals ate him. He was hunted and eaten by lions and tigers. By 25,000 B.C. the human population of the world had increased to about five million. Man had become the most potent of living creatures because he was partially rational; he could think and reason. And he invented artificial weapons far more deadly than claws, teeth and brute force, the weapons used by non-human animals. His mastery over the animal world was soon established and by 8,000 B.C. his numbers increased to approximately 10 million This is the period when man became an agriculturist and neolithic culture sprang up in the Nile Valley.

Evolution of Civilisation

Between 4,000 B.C. and 3,000 B.C. "civilisation" slowly began to emerge. Metallurgy and manufacturing began. Writing was invented in Egypt and wheeled vehicles appeared in India. This period witnessed the rise of the ancient civilisations. The Mesopotamian civilisation (3,000 B.C.), the Chinese civilisation (3,500 B.C.), the Greek civilisation (3,000 B.C.) and India's Indus Valley Civilisation (2,500 B.C) witnessed the spread of organised agriculture and the rise of cities.

By 1,000 B.C. the population had increased to 100 million, despite the fact that the death rate during the period must have been almost equal to the birth rate. By the time of Christ (B.C.-1—A.D.), the world population is estimated to have increased to about 250 million. Between the Roman period and the Dark Ages up to 1,000 A.D. the population increased slowly to about 300 million. The effects of the Black Death (1348-1350) which killed a quarter of the population of Europe at the time continued to be felt for the next half a century. There was no medical science nor hygiene and sanitation as at present. The cities and countryside were incredibly filthy. The water closet, that underrated but most important invention, did not appear until the time of Queen Elizabeth.

Fortunately by 1650 the Modern Age began and from here there are relatively reliable figures for the population of the world. About 1650 the population became 550 million. The Industrial Revolution began in England around 1750 and gradually spread to France, Germany and other parts of Europe and the problem of poverty and population became acute enough in England and Europe for Malthus to publish his famous *Essay on the Principle of Population* in 1798.

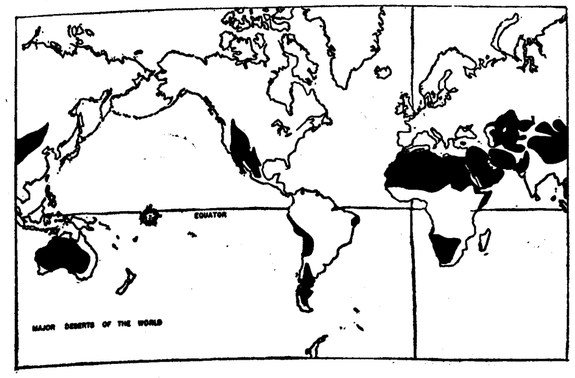


World population growth after Christ

Expansion of Population

About 1850, when the Industrial Revolution had spread to the United States of America and Charles Darwin had brought out his great work *The Origin of Species* (1859) the world population had passed the 1,000 million mark and rose to 1,194 million. This is a landmark. Thus it took the *homo sapiens* nearly a million years to reach their first 1,000 million.

By 1950 an overwhelming majority of mankind had gone through the agricultural, industrial, commercial, health and scientific revolutions and human numbers exceeded 2,000 million. The population of the world reached the figure of 2,400 million in the mid-twentieth century. The first atom bomb was exploded in 1945 and man entered the nuclear age. In other words, man took almost a million years to increase his numbers to 1,000 million, but it took less than a hundred years (1850-1950) to reach 2,000 million. Man had successfully learnt to control his early death. The incidence of sickness had come down dramatically. The death rate was cut down from 50 to 15 per 1,000 in the more civilised parts of human society. Until recently the only creatures man had failed to master were bacteria or germs. The reason was simple: man did not know they existed. As soon as he discovered their existence he was able to produce antibiotics to overcome these invisible enemies, now visible, thanks to the electronic microscope. Thus man has been able to effect death control, but not birth control, and the resultant population explosion is more insidious in the long run than the atomic explosion. The only enemy man has not conquered is man himself. He has escaped being food for lions and tigers and bacteria, but unfortunately he continues to live under the threat of becoming cannon fodder or the victim of nuclear explosion.



Major deserts of the world

And by 1964 the world population has passed 3,000 million. Today it is around 3,300 million. It is remarkable that while it took nearly one million years to reach the 1,000 million and a hundred years to reach 2,000 million, it took less than fifty years to reach 3,000 million. This is extraordinary multiplication.

Likely Growth in 2000 A.D.

What will the size of the world's population be by 2,000 A.D.? The date is less than 35 years from now and will come about in the life-time of many of us. According to several projections on certain assumptions

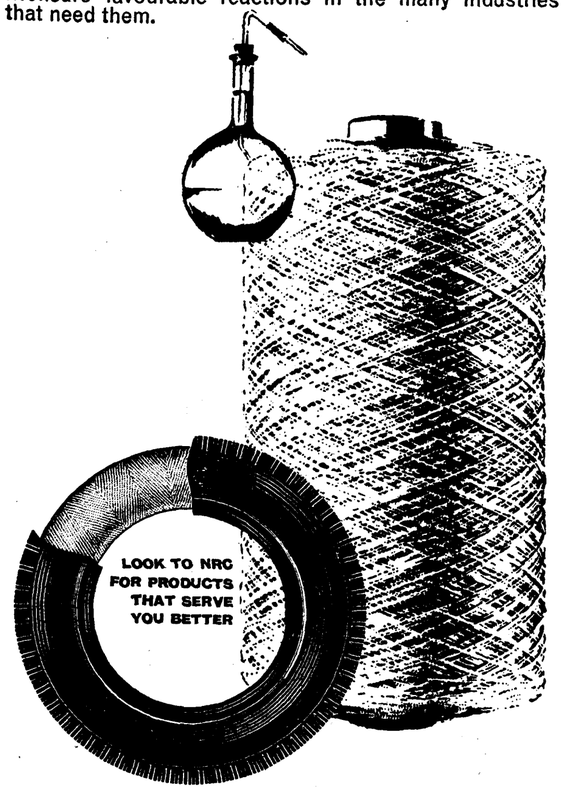
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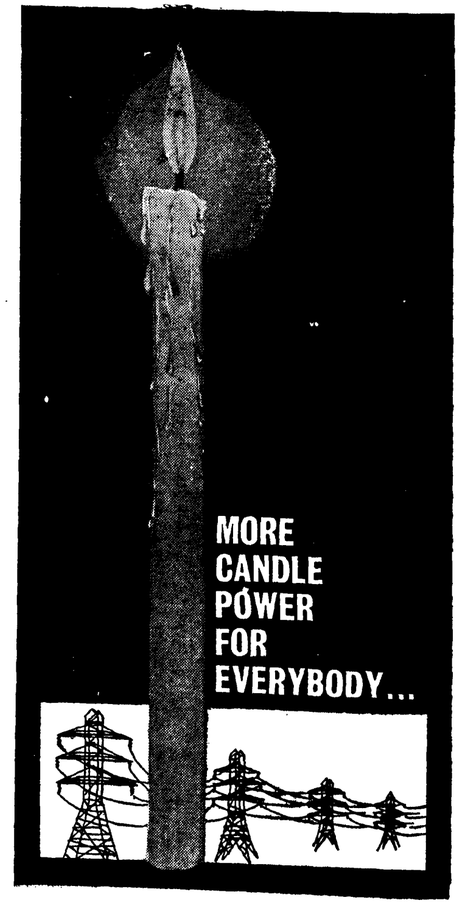
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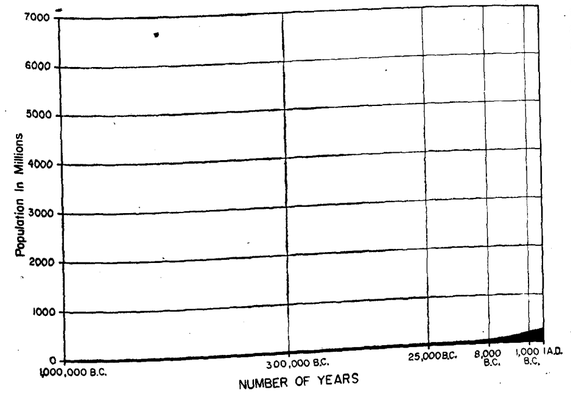


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Growth of world population before the Christian era

on man's fertility and mortality, it is estimated that the world's population will exceed 6,300,000,000 by 2,000 A.D.

This phenomenal current and prospective increase poses many difficult problems but even the mere enumeration of these problems is outside the scope of this article. Two major difficulties may, however, be mentioned. One is the problem of food supply for the adequate nutrition of the present population and the future months yet to come, and the second is the problem of space for the needs of man's diverse activities.

As for food production and consumption, the available statistics give a rather grim picture of the extent of hunger in the world. It is estimated that at present 300 million to 500 million people out of more than 3,000 million people are underfed and that up to one half of the world population—perhaps even more—suffer from hunger and malnutrition. That is, half of the world's population suffers from some kind of nutritional deficiency. Undernutrition means insufficient *quantity* of the diet. That is, an insufficient calorie intake. This normally results in loss of body weight, the consequent weakness resulting in reduced physical activity. The term "hunger" usually denotes this condition. On the other hand, malnutrition refers to the defective *quality* of the diet. In many parts of the world, people—and these may include well-to-do people—may consume sufficient quantities of food but be deficient in such protective foods as meat, milk, fruit and vegetables. They usually consume a lot of cereals or starches. This is due to either poverty (protective foods are relatively expensive), ignorance (they do not know what a balanced diet is) or dietary prejudices and habits (they may know what is good diet but traditional prejudices prevent them from consuming such food). Thus both undernutrition and malnutrition lead to poor health and lower resistance to disease.

Sources of Food Supply

The total food supply available to the world has to come from either animals or plants or fish. If we exclude the fish from the waters, the supply of animal and plant products depends on land. And the pattern of land utilisation to obtain these two sets of products depends on a wide variety of factors such as the total available acreage for cultivation and pasture, rainfall and irrigation, the natural and "induced" fertility of the soil, fertilisers, seeds, and the general scientific level of farming which in turn depends upon a host of economic and cultural factors such as literacy and the knowledge of the farmer and the resources at his command. While all these factors are quite relevant, the major limiting factor to begin with is the area of the land available for cultivation and pasture.

There are only two basic ways of looking at land for agricultural purposes: one is to make the cultivated land yield double and treble present yields. And second is to bring the potentially usable land under cultivation.

Availability of Land

It has been estimated that with the world population at 3,000 million (the actual population is 3,300 million) there are about 12.5 acres of land theoretically available as living space for each man, woman and child. Of this area of 12.5 acres, only 1.1 acre is actually cultivated while 2.65 more acres are potentially available for cultivattion. The soil is rather inadequate on 1.25 acres, 2.5 acres are too arid, 2.5 acres are too mountainous for cultivation, and 2.5 acres have too cold a climate to grow any crops at all. Therefore, we shall have to give up the inadequate soil, the 2.5 acres of mountainous soil and the 2.5 acres of too cold land. What is then available is 2.65 acres of potentially usable soil and 2.5 acres of arid or desert land for use.

To repeat, what is actually cultivated per person is 1.1 acres. And then we have per person 2.6 acres of potentially usable land and 2.5 acres of arid land. Now the problem is whether we can bring these 5.1 acres (2.6 + 2.5) per person under cultivation.

To begin with, it may be objected that before we bring the difficult marginal lands under cultivation, we should make the already cultivated land yield more. This is necessary, for if India can make her cultivated land yield as much as China or Japan does, not to speak of any comparison with the United States, India's food problem can be solved in no time. This, of course, needs to be done, even

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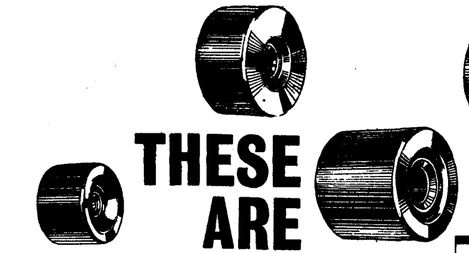
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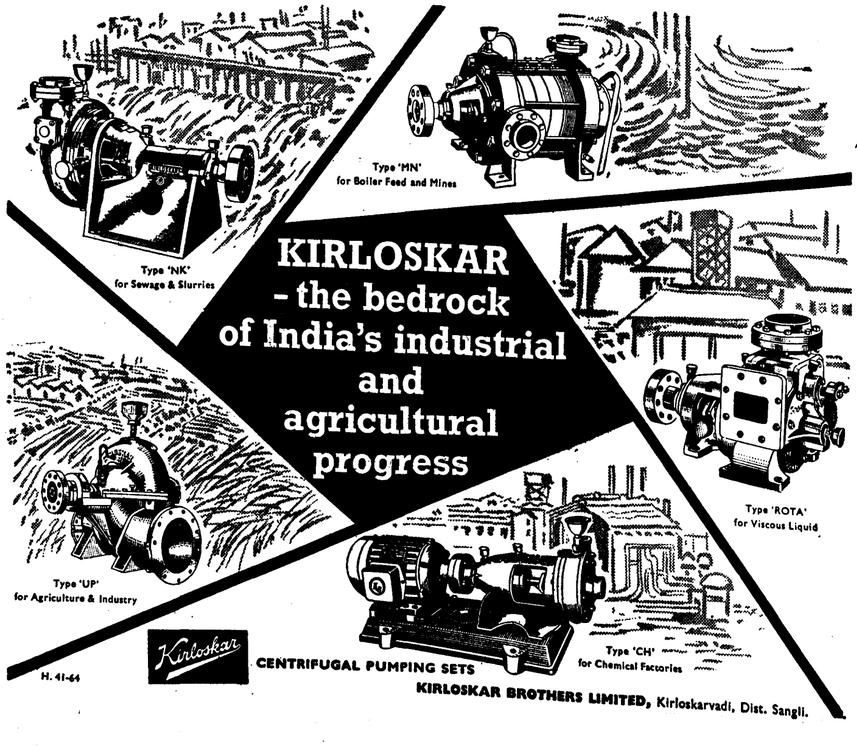
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W. 5	.048	.212	17	15	43	28
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if it involves a silent social revolution in the countryside.

It is the other factor of bringing all potential land under cultivation that needs to be explored here. Particularly the arid or the desert lands. For a country like India where so many problems await attention and need to be tackled, the problem of harnessing the deserts for man's use —cultivation and habitation—may appear to be ot only remote interest. And, yet, the taming of the deserts for man's use should be given high priority, for we must realise that in less than 40 years the present total population of the world is likely to double, demanding more space on which to live and work and more land on which to raise food.

Characteristics of Deserts

What and where are these deserts? Arid, dry or desert land can be defined in several ways, from the point of view of soil, moisture, rainfall, precipitation, vegetation, etcetera. The simplest definition of a desert is a region with an average annual rainfall of less than 10 inches. But averages must be taken with some caution for deserts are notorious for extremes, whether it is rainfall or temperature. For ten years a desert may have a precipitation of only a few inches and may then suddenly experience a downpour and floods. At noon a desert may become intensely hot, and at night extremely cool. The Sahara desert has registered a temperature of 180 degrees (higher than that of boiling alcohol) at noon. At the other extreme, it has registered temperatures below freezing at night.

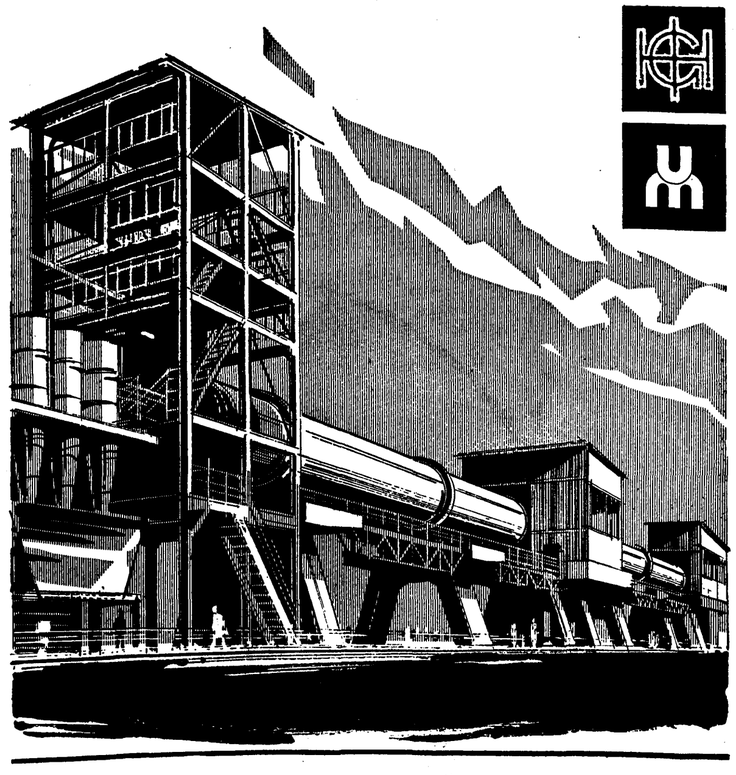
It is estimated that arid areas cover a seventh of the world's total land area of 56 million square miles and the deserts proper occupy a fifth of the arid areas. There are a dozen major deserts in the world and in order of size, they are the Sahara in north Africa (3.5 million square miles), the Australian desert (1.3 million square miles), the Arabian desert (nearly one million square miles), the Turkestan desert (three-quarters of a million square miles) in south-western Russia, the north American desert (half a million square miles) covering parts of south-western United States and north-western Mexico, the Patagonian desert in Argentina (260,000 square miles), the Thar or the Great Indian desert (230,000 square miles) east of the Indus in India and Pakistan, the Kalahari desert (220,000 square miles) in Bechuanaland, South Africa, the Takla Makan desert (200,000 square miles) in China's Sinkiang Province, the Iranian desert (150,000 square miles), the Atacama-Peruvian desert (140,000 square miles) in Chile and Peru and the Gobi desert (125,000 square miles) in Mongolia.

It is obvious that in the years to come the world's deserts will have to be pressed into the service of man. The deserts can yield minerals for man's factories, space for habitation and land for eventual cultivation. Today, this possibility may appear incredible and far-fetched for the simple, forbidding reason of lack of life-giving waters. Once man can use his technology to bring water either from the sub-soil, from outside or artifically from the sky, the desert can spring to life and make human habitation possible at far higher levels of living than what the desert nomads such as the Bedouins and the Tuaregs, the Bushmen and the Bindibus have been able to achieve through the centuries.

Implications of Desert Development

There is no doubt that the development of the deserts and semi-arid lands will need tremendous capital investments and technological pioneering. Apart from the possibilities of obtaining living space and land for factories and other non-agricultural uses, and soil for cultivation, the sands in some parts of the Sahara and Saudi Arabia have already yielded enormous oil resources —resources unsuspected half a century ago. In these areas the desert oil is paying for air-conditioned houses. It is true that several countries where large deserts are situated are relatively underdeveloped and cannot normally afford the capital investment or the technological know-how to begin to tap the potential resources of such land. But at the suggestion of U.N.E.S.C.O. and with the help of other U.N. specialised agencies, Desert or Arid Land Research Institutes have been set up in Egypt, Israel, Australia, the French Sahara, India and the United States, to study how best to bring these lands into use. The small state of Israel has already shown what can be done with planned determination. As the former Israeli Premier once observed, they could not afford the luxury of deserts with their limited land area. But now even the U.S.A., with tremendous land area, is gradually bringing the arid lands into use. They have even succeeded in making them tourist attractions.

Once desert resources are located and tapped, enormous areas can be brought under cultivation, exploitation and occupation. With population pressure mounting everyday no area of land, no matter how hostile and forbidding, should be left unexplored and unexploited.



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Fixing Right Criteria for Growth: Need for Fresh Look at Planning

The scale of investment has increased in each successive plan, but with no corresponding increase in real incomes. Shortages and high prices have caused widespread distress and discontent. Dr. Rao stresses that the pattern of plan investments and priorities, and the very strategy of planning itself, need to be re-examined.

By
V. K. R. V. RAO
Member, Planning Commission

PLANNING has come to stay in India. All political Parties are in favour of it, although they may differ in their concepts of planning and the composition of the machinery. Planning has done positive good to the country. It has led to a higher rate of *per capita* consumption of foodgrains, sugar, coffee, tea and cloth; as well as of producers' goods like steel and electricity. India also has more of educational and medical facilities a head, compared with 1951.

Yet there is dissatisfaction. This is so because the rise in output has been below the target. Secondly, the economic development itself has aroused greater interest in planning among the people; correspondingly, expectations have increased, and with it, disappointments. A greater part of all economic life is now occupied by the plans and with the increasing rôle and magnitude of the public sector, a larger number of persons are coming under the scope of planning. Lastly, there have been distortions and failures in the planning process, resulting in rising prices and a higher cost of living. The people are naturally dissatisfied, in spite of a substantial growth of national income. This is realised both inside and outside the planning machinery.

Patterns of Investment

The first plan showed a more than anticipated rise in national income, and simultaneously also, a fall in prices, but the second plan ended with just the contrary results. During the first three years of the third plan, the country has been experiencing a virtual stagnation in agricultural production, and this has led to a conspicuous rise in prices. Increasingly larger amounts have been invested in every successive plan, and yet there have been no corresponding increases in real income, which means the investments are not giving adequate results. Therefore, a fresh look at Indian planning means a fresh look at the patterns of investment and their operation.

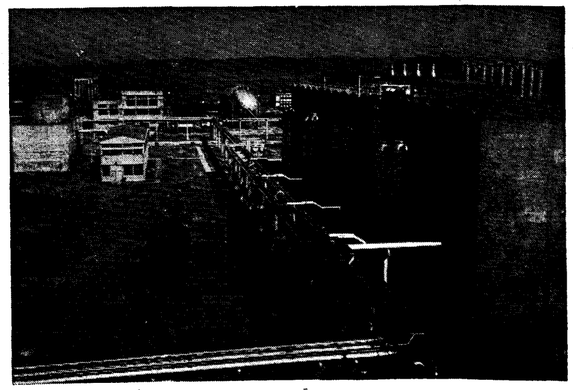
Why are the investments yielding results lower than targeted or anticipated? Firstly, the investments have generally a long gestation period (that is, the period between the first date of input and the first date of output). In other words, it may be said the investment pattern is such that many of the projects yield consumption goods after a long period of time, and they are also time-consuming even in producing non-consumption goods. It must also be remembered that in the early stages, a substantial part of the production consists of goods in process, which really mean no output is immediately available. On the other hand, the investments give rise to incomes immediately they are made, thereby creating a time lag between the flow of income and flow of goods and thus creating inflationary pressures.

The longer the gestation period of investment projects, the stronger are the forces of inflationary pressure. Nevertheless, the country has to go in for investment of this kind, since it has to produce capital goods to lay the foundations for stable and self-sustaining economic growth. Now that some steel and power plants have come into existence, a new look implies some change in the investment pattern so that there are more projects which give quicker results; and those having a longer gestation period are scrutinised more carefully.

Costs and Returns

Secondly, a new look implies that the investment projects have to be examined more strictly from the economic point of view. Projects having a low cost-benefit ratio should be given priority. Therefore, functional location and economies of scale must weigh more heavily, rather than sentiments and pressures of non-economic nature, in allocating new projects. One cannot be sure whether all the projects taken up so far have really been located on the criterion of natural advantages. There have been some regional-*cum*-political pressures in the allocation of projects, with the result that output and time-phasing have not always been satisfactory. It is not suggested that projects with longer gestation periods be cut down or eliminated but the investment pattern has to be decided more on economic criteria than perhaps has been the case so far.

Thirdly, the projects yielding adequate returns are also to be scrutinised from the viewpoint of the utilisation of their capacity. In this context, the projects using maintenance imports or imported parts and components have to be more carefully examined not on an *ad hoc* basis, but as an integral part of long-period planning with a view to making both short-period and long-period arrangements which are needed for the utilisation of their full capacity. Therefore, a fresh look at Indian planning essentially involves a fresh look at the pattern and composition of investment. There is an element of truth in the argument that since a significant part of the investment is financed through the creation of money by the banks and thus involves a rise in prices, the total investment should be cut down. This view is correct, but only to a limited extent. What is more important is to screen the investment projects on the criteria of their size, composition, location and the extent of utilisation of their capacity.



The ammonia plant at the Rourkela fertiliser factory

Public Sector Efficiency

As the plans become larger it is imperative that the rate of return should also grow higher. If there must be a larger public sector in the planned system of the socialist economy, public enterprises should yield high rates of return. Otherwise, this country's socialism will become self-defeating. If public enterprises give lower returns, a larger ratio of public sector in industry will also lower the overall rate of growth. Therefore, it is necessary that the prices and production policy of public enterprises should be looked into with care from the points of view of cost reduction and increase of profitability.

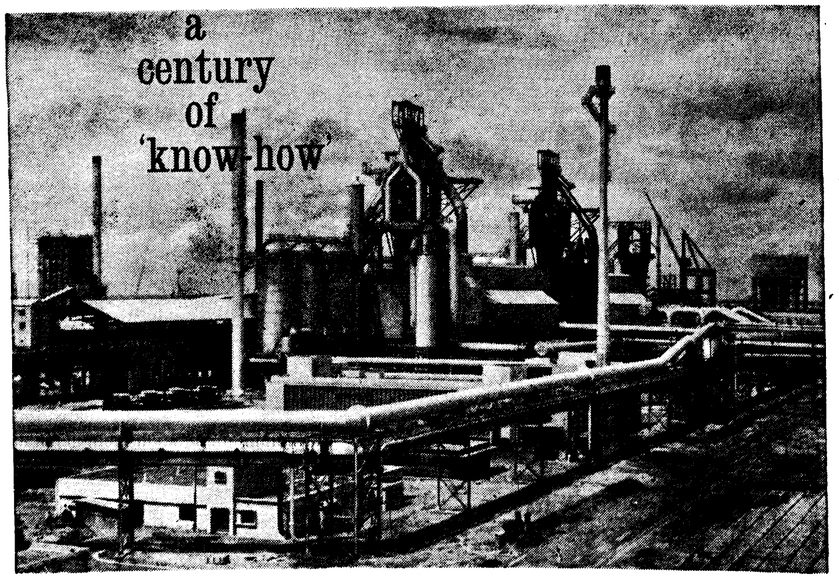
Fourthly, there has also been dissatisfaction over planning on the ground that the benefits of development have been unequally distributed among classes and regions and between the urban and the rural areas. In particular, there is grave dissatisfaction with the fact that after 13 years of planning, there are so many millions of people who lead a sub-standard existence in terms of levels of living. Now the time has come to declare that the objective of planning should not merely be a rise in the per capita income, but also a significant rise in the minimum levels of income so that the poorer sections of the Indian society (such as the depressed classes, tribals, and agricultural labourers) have a level of living that will at least be a tolerable minimum.

The Human Factor

Lastly, the history of economic growth of developed countries like the U.S.A. shows that more than 50 percent of their development is traceable to what is called the residual factor, but should be more correctly described as the human factor. Therefore, in underdeveloped countries like India, the human factor should be given high priority in the investment and development programmes. There should be a special stress on the building of human capital, not only through education—general and scientific—but also through the creation and development of proper motivations, attitudes and oganisations, which are conducive to rapid economic development. These motivations and attitudes can be created partly through the necessary structural and institutional changes in the socio-economic field and partly through appropriate incentive schemes for the various categories of working people engaged in the planned reconstruction of the national economy.

On the whole, therefore, while the country has not done badly in its economic development efforts, it can do much more, provided it takes a fresh look at planning, its approach, its strategy, and its implementation.

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THE NEW SPIRIT OF CO-OPERATION IN AID AND TRADE

This year the poorer nations combined to demand bigger aid and trade programmes from the developed countries. India has an important role to play in the new scheme of international co-operation.

By

GEORGE BARRELL

THE year 1964 has not been without its full quota of important events. Asked to enumerate them, the thoughtful observer would almost certainly mention the Chinese atom bomb, the dismissal of Mr. Khrushchev and the outbreak of Goldwaterism in the United States. He would, of course, be perfectly right. Yet he could be accused of missing the most important of them all, at least potentially. This is nothing more or less than the progress which has taken place in international attitudes towards aid and development problems during the year. Such matters move slowly, and inevitably lack the spectacular character of the events just mentioned. Yet in terms of long-term world impact, and especially on the circumstances facing the poorer countries, recent changes in thinking about economic development could prove to be of immeasurably wider significance. Two years ago it had begun to look as if aid was falling into disrepute as a method of helping the underdeveloped countries, and that the main hope for the future was in expanding world trade. To some extent this is what has happened. But in seeking to tackle the situation, the poorer nations have not only succeeded in impressing their trade needs more firmly on the richer ones, but they have also created a new awareness of the importance of maintaining current aid programmes and expanding them during the years ahead. This has been no mean achievement.

Having established that fact, it is important to appreciate that progress has nevertheless been severely limited. This is inevitable. It takes considerable time for viewpoints to change and new ideas to permeate down. Future progress will continue to be marked by a general attitude of grudging reluctance on the part of those countries who will have to find the money for development and make the adjustments in their own economies which may be required to increase the trading opportunities of the poorer nations. But the importance of what has happened during the past year lies in the fact that it is these poorer nations which are themselves forcing the pace; and they have begun to appreciate the advantages of co-operating in order to do so. The main calendar event in this development year, the meeting in Geneva of the U.N. Conference on Trade and Development, was of major significance because it combined the forces of the poorer countries in the pursuit of a single goal; and, incidentally, put the richer nations well and truly on the defensive. The Conference set a pattern for the future, not only in the matter of its deliberations, but in this all-important sphere of co-operation. Other things being equal, the movement can expect to gather momentum in coming years, a fact which could have great significance indeed for the future of the world.

Limited Success of U.N.T.A.D.C.

The outcome of the U.N. Trade and Development Conference, (U.N.T.A.D.C.), far from justified the wilder hopes placed in it at the start. It did not, for instance, produce any concrete decisions for increasing aid and trade programmes. This was perhaps to be expected. The Conference was the largest international gathering of its kind ever held. The number of delegations, over 100, ensured that an exchange of views rather than any firm results would be the only practicable achievement. It was comparatively easy under these circumstances for the United States and Russia, the two nations whose economic size places them in the forefront of potential benefactors, to clothe in fine words their general unwillingness to make substantial concessions in favour of the underdeveloped. It was not difficult either for Britain and France, whose approach at least by comparison was constructive, to present their far-reaching and imaginative plans, and gain a useful propaganda advantage by doing so, without running too great a risk of having to implement them.

All this was rather a pity. But one solid achievement was recorded, the establishment of a permanent secretariat not vastly different from the original concept of a World Trade Organisation. This latter project was resisted by the western powers partly because it would have weakened the G.A.T.T., and partly due to the voice it would have given the Soviet Union in world trading affairs. In the event, the new Trade and Development Board, as it is to be called, will be like other specialist organs of the United Nations in that its decisions will not have executive authority. The richer countries will have no veto over its deliberations, such as they originally demanded. But all specific proposals for action may be referred to "conciliation committees", or "the good offices of the U.N. Secretary-General", or "any other means within the framework of the U.N." This somewhat tortuous procedure in case of dispute will limit the effectiveness of the new body and has certainly caused disappointment among the more militant of the underdeveloped countries. But it probably ensures greater progress in the long run. Results in this difficult field will be achieved by pressure and persuasion, not by dictation, which in any case the poorer nations are in no position to exercise.

No Sign of Life

The U.N.T.A.D.C. ended in June, but so far nothing has been heard from the continuing body. It was planned to have three committees, one dealing with commodity trading, another with trade in industrial products and the third with invisibles. This is an improvement on the original U.S. idea for one committee only, to handle commodities, and represents a considerable gain in organisational opportunities. If these committees are now functioning, then it is time the world was hearing from them. In particular, they ought to be making their weight felt in efforts to prevent the threatened collapse of the "Kennedy Round" of tariff cutting under the G.A.T.T. The first tasks of the new Board are to investigate, and suggest action on, the various proposals placed before the full conference, including particularly those for commodity price support and the granting of preferences on industrial manufactures. In some cases the committees were to absorb existing specialist organisations functioning under the United Nations; in others, close co-operation was to be maintained. The full Conference is to be reconvened periodically.

The important facts about the Conference and its continuing organisation are briefly these. They do represent a strong force working towards a solution of the outstanding problems facing the developing countries, and act as a constant reminder to the richer nations of their responsibilities in the process. They may not have the power of a World Trade Organisation, but they do at least ensure that the G.A.T.T. will be allowed a little longer in which to tackle the new functions required of it. The G.A.T.T. has produced results in the past; it would simply not be wise to replace it with a new and untried body until it has been proved conclusively that it cannot answer the needs of the underdeveloped countries, even if the richer nations agreed to such a change. Most important of all, the Board represents a new attempt at co-operation on the problems of development. Of its 55 members, 31 will be from the poorer countries and only 24 from the richer ones. This means that the weight should always be on the side of greater progress, that is, provided the underdeveloped members do not use the opportunity for making propaganda at the expense of the developed, thus damaging their cause. The whole set-up, though by no means perfect, is a considerable achievement in international co-operation and deserves to be regarded as such.

Bleak Prospects for the G.A.T.T.

If the verdict on the 1964 meeting of the U.N.T.A.D.C. is a reasonably promising one, it is impossible to say the same for the Kennedy Round of the G.A.T.T. This in fact began in 1963, and since then has twisted its way through an infinite maze of political and economic complications to its present threatened impasse. It will be something of a miracle if the Kennedy Round survives, and an even bigger one if anything of great benefit to the underdeveloped world emerges from it. Hitherto the danger has come from the "disparities" issue, which owes its origin more to political than economic factors. But now the main threat seems to be from the possible deliberate decision of France to break the negotiations up because West Germany has failed to keep to the spirit of her bargain of January 1963 and agree to a Common Market price for agricultural gains. There is no reason to suspect that France is bluffing about her intentions; politically she does not appear to be finding her ties with the European



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Community particularly convenient at the moment.

There is at present a grave danger that the Kennedy Round will fail in its chief purpose of cutting the tariff barriers of the main developed countries. At least theoretically, however, this need not entirely exclude further consideration of the "Action Programme", although it almost certainly will do in practice. The Action Programme was originally drawn up by the poorer members of the G.A.T.T. as being the best means, within the present structure of the Agreement, by which their desire for increased trading opportunities might be satisfied. It is based on eight main points. These provide for a standstill on all new tariff and non-tariff barriers erected against the export by the underdeveloped of products identified as being of special interest to them; the elimination of quantitative restrictions from which they are at present suffering; the permission of duty-free entry for tropical products; the reduction and elimination of tariffs on primary products, semi-processed and processed goods; and the progressive reduction by the richer countries of internal fiscal charges and revenue duties. Other points deal with reporting procedures and further measures to assist the efforts of the poorer nations to diversify their economies and strengthen their export capabilities.

Hopes for the Action Programme

If it is ever implemented, the Action Programme should at least partly satisfy the main trading aspirations of the underdeveloped G.A.T.T. members. Lack of faith in this possibility, however, was partly responsible for the U.N.T.A.D.C. being convened, and it would be difficult to sustain any optimism concerning possible changes in the future. The main hope, perhaps, is that the obvious threat to the existence of the G.A.T.T., the Kennedy Round apart, if the Action Programme is not implemented, may push the richer member-countries into conceding some of its provisions. France, in particular, has sought to divorce consideration of the Action Programme from questions concerning the Kennedy Round, partly, no doubt, because she fears being shouldered with the blame for any failure.

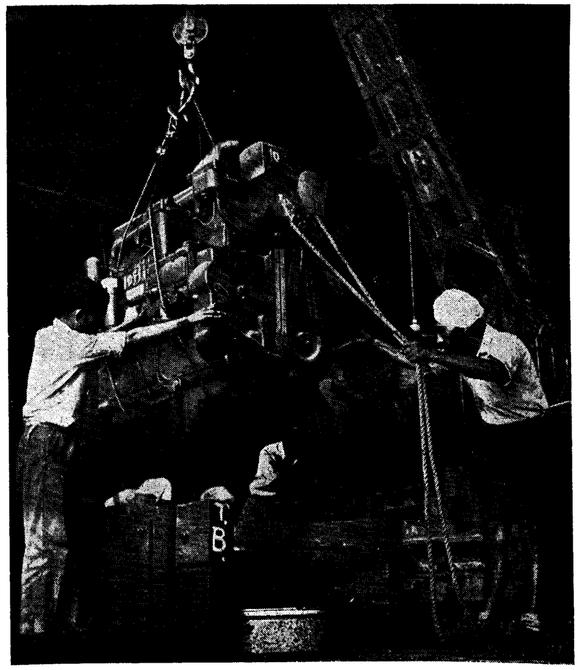
The main value of the G.A.T.T. to the world as a whole lies in the fact that it has proved to be workable. Its demise would be a serious loss, although mainly to the developed countries. This fact imposes obligations. The richer nations are on the defensive in the G.A.T.T. and seem likely to remain so; it will not be easy for them to obstruct all progress on the Action Programme. The pressures from the underdeveloped countries have been mounting steadily in the past year, and will no doubt continue to do so as the habit of co-operating in their own interests grows on them. Progress is likely to be slow, and often conceded only reluctantly by the richer nations. Yet it cannot be ruled out altogether, especially as one of the main purposes of the U.N.T.A.D.C. continuing organisation, when it begins to operate, will be to nudge the richer members of the G.A.T.T. into a more co-operative frame of mind over the Action Programme.

Evidence of the growing aggressiveness of the developing countries towards the problems of aid and trade was also revealed in the annual deliberations of the International Monetary Fund and the World Bank family last September in Tokyo. This year's I.M.F. meeing produced more than a passing reference to development matters. It was not conceded that the interests of the poorer countries contributed to the argument in favour of expanding the Fund into a true world currency bank, or justified the adoption of some variant of the plan put forward by the British expert, Mr. Maxwell Stamp. But in rejecting such expedients, it was obviously considered necessary to divert criticism by dwelling at more than usual length on the contribution at present being made by the I.M.F. to world development. This has never been spectacular, inevitably perhaps in view of the structure and limited aims of its organisation. It would be surprising if in future years the pressure on the Fund did not increase for structural changes designed to increase its usefulness to the poorer countries. At present this is strictly limited by the rules governing its lending powers, which indeed are becoming increasingly irksome to the richer countries as well.

Under its new President, Mr. George Woods, the World Bank has recently broken new ground in its lending activities. The steady growth of its satellite organisations, the International Development Association and the International Finance Corporation, has also proved a boon to the developing world. It is probably unnecessary for the poorer countries, singly or in co-operation, to press the Bank too heavily for an enlargement of its activities. They are already expanding as a matter of course, and seem likely to go on doing so. It is indeed questionable whether further relaxation in its rules governing lending would be in the interests of the countries it is trying to help. These have generally had the effect of encouraging an often much-needed sense of realism. Some increased help with the drawing up of sound project proposals might be an asset. But on the whole, the Bank's policies have been both useful and realistic. They are also encouragingly progressive. Aim for the Future.

Aim for the Future

The aim for the future among the underdeveloped countries should now be to step up the pressure for concessions from the richer ones as rapidly as possible. They will not always be assisted by political developments, of course. Yet these need not necessarily impair the growing unity among the poorer nations. The events of the past year have shown clearly that whatever their political leanings, the one thing the poorer nations usually find they have in common is their poverty. The growing division of this world into rich and poor nations may be regrettable in many ways, but it promises increasingly to serve the interests of development generally. So does the recent thaw in the cold war. Admitted that East-West rivalries have up to now been one of the main motives behind aid programmes, but there is nothing to suggest that co-operation between the two sides would not promote even faster progress. The eclipse of Mr. Khrushchev has naturally raised doubts about whether such co-operation can be achieved in the foreseeable future, and until the new Russian leaders have shown their hand more clearly such doubts may remain. But this year the Russians found themselves ranged alongside the West in Geneva with their backs to the wall. It would be odd if this posture did not eventually encourage the spirit of co-operation between them in the field of development.



Repair work being done in a tractor workshop

This is where the main hope now lies. The new Trade and Development Board, the pressure group of the underdeveloped world, will be dealing with Russia and the West equally. When its activities meet with little response, the party responsible for obstructing will be held up to world ridicule on a particularly sensitive matter. Ground will have to be conceded, if only gradually and with reluctance. It will, of course, be necessary to understand the problems of the developed countries when dealing with their electorates, but on the whole this is not a matter calling for excessive tact. One of the main purposes of the new Board will be to create a climate in which the interests of the underdeveloped will be considered in every international economic move that is made in future, and in which the steady expansion of aid programmes will become for the developed countries an accepted way of life. There is no obvious reason why the Board cannot eventually attain a status comparable with that of, say, the G.A.T.T. The scope for its activities is practically limitless.

A Rôle for India

The record of the past year is, therefore, an impressive one. It should achieve its place in development history as the first in which the poorer countries chose to combine for the purpose of bringing concerted pressure to bear on the richer ones. The actual progress made does not necessarily detract from this achievement. It is now necessary to press the advantage, and at the same time show the developed nations how it can be in their best interests to step up their aid and trade programmes. It remains true that the chief hope lies with trade; aid matters are too easily influenced by international politics. The task of prizing open the domestic markets of the richer countries and impressing upon them the benefits to all concerned or a more efficient division of labour on the international plain, must be the long-term aim of the new Board. Its secretary-designate, Dr. Raul Prebisch, has already outlined his plan of attack.

The sharp division of the world into rich and poor regions, with the accompanying overtones of race and colour conflict, is now more readily accepted as a danger to world peace than it was even two years ago. The emergence of the larger part of Africa from colonialism is perhaps mainly responsible for this. The new awareness is not entirely the consequence of outraged conscience; more accurately it could be described as the promptings of enlightened self-interest. It is important that it be exploited to the utmost, and by all possible means. As the most populous of all the poorer countries, India must of necessity play a prominent part in the proceedings. India's representatives have earned a considerable reputation in the past year for the statesmanlike way in which they have behaved in international economic gatherings, particularly the U.N.T.A.D.C. There is a rôle ready made for them as leaders in this new movement towards greater co-operation in world trade and aid matters.

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Need to Develop Export Industries to Cater to Foreign Markets

Exports play a vital role in a developing economy. Industries specially catering to overseas markets should be set up. There is also a need for an export policy resolution on the lines of the Industrial Policy Resolution.

By
P. S. LOKANATHAN
Director-General, National Council of Applied Economic Research

AMONG the many constraints slowing down India's rate of economic development, foreign exchange may easily be rated as amongst the most important. The rôle of foreign exchange in developing economies is not merely that it supplements domestic savings; though undoubtedly this is important. In India the difference between the 15-percent rate of investment and the 11-percent rate of domestic savings during the last two years is accounted for by foreign aid and foreign loans. But even more dominating is its rôle in extricating the country from its balance-of-payments difficulty. Without foreign exchange availability, even the available domestic capital and domestic material resources could not be put to proper use.

Many of the projects depending for their implementation upon foreign capital goods and equipment, not easy to manufacture within the country in a short period of time, would have to remain undeveloped but for the foreign exchange with which to buy the goods from abroad. Developing countries find difficulty in increasing exports sufficiently and rapidly to get the essential imports for their development programme. Many of the basic and heavy industries which have been developed during the second and third plans could not have been developed without the imports of equipment and capital goods, and even raw materials which foreign aid made possible. There is in India's case a third aspect of this problem. It is that the lack of sufficient foreign exchange and the inability to earn it through exports have tended to slow down output because most of the capacities built up through foreign capital and through domestic resources have remained greatly underutilised for lack of essential raw materials, components and accessories.

Idle Capacity in Industry

The degree of underutilisation in industry, transport and certain other sectors has not yet been studied thoroughly and completely. The National Council of Applied Economic Research is currently engaged in this task. But such partial studies as have been made by others and reports of study teams constituted for other purposes have made it clear that the degree and extent of underutilisation is pretty serious. So far as small industry of the modern type is concerned, there has been evidence to show that the degree of underutilisation is as much as 50 percent to 75 percent. But even in the large and medium industries, the capacities built up with such heavy investments of capital have been utilised only to the extent of 40 percent to 50 percent. Underutilisation varies between industry and industry.

The following table shows the extent of underutilisation of capacity in some of the industries, both in the consumer and capital goods sector :

Industry	Percentage of utilised capacity to total capacity (1963)
Bicycles	24
Watches	73
Fluorescent lamps	30
Aluminium conductors	32
Copper conductors	75
Paper-insulated power cables	60
Room air-conditioners	56
Brass/copper/lead pipes and tubes	66
Brass/copper sheets and circles	48
Duplicators	34
Conveyor belting	34
Machine screws	35
High-tensile bolts and nuts	53
Wire ropes	76
Railway wagons	40
Laboratory glassware	71
Sheet glass	40
H.T. insulators	40
Synthetic rubber	60
Power and industrial alcohol	50
Copper sulphate	35
Nitric acid	42
Sulphuric acid	33

Without claiming that 100 percent of capacity can always be utilised, there can be no gainsaying the fact that if only sufficient imports are possible, India's industrial output could increase by 15 percent to 20 percent, almost immediately. The maintenance imports, as they are called, are insufficient and unless the country is able to increase them to a level needed to maintain the economy in full steam, production will continue to suffer in volume. While the world recognises the legitimacy of our seeking foreign aid and loans for new projects for development, India's inability to earn the needed maintenance imports through her exports is rightly regarded as a failure of her planning policy and implementation. It is not that the difficulties in increasing exports are not appreciated. On the contrary they are. That is why, thanks partly to the British Industry (Kipping) Mission and thanks to the increased knowledge in other countries of the nature of India's maintenance imports problem, non-tied aid is being granted increasingly by the U.K., the U.S.A. and other countries. But there is a growing feeling that the country has not put forth sufficient effort to develop its exports rapidly to enable it to earn all the maintenance imports that it needs.

Rôle of Export Earnings

To summarise : the problem of foreign exchange for India's rapid economic development has three or four aspects. First, she should earn enough of it to balance her maintenance imports. Secondly, she should seek to supplement her domestic capital resources by foreign capital, and thirdly and not least importantly, she should find additional foreign exchange to enable her to buy all the capital goods and equipment which she needs for her new industries. And finally, and over a period of years, she should be able to become self-reliant in respect of all her capital needs in the sense that on balance she should not continue to be a net borrower.

If these objectives are kept clearly in view, the most important task is to develop a sound national export policy. It may seem strange that despite all the talk of exports and despite the excellent work which the Ministry of International Trade has been doing in the field of export promotion—thanks to the dynamism of the Minister for Commerce, no sound export policy should have been evolved. Yet that is a fact. Under the leadership of the Planning Commission, the country has been educated to regard exports as surpluses of domestic production over domestic consumption. This means in effect that exports are residual, a poor third after domestic production and domestic consumption. Whatever is left over is turned on to the foreign buyer who (as some Indians still think) should consider himself as fortunate that he is given a share of India's production. Such a concept is fatal to the export drive. As long as exports are regarded only as residual, to be promoted when the country is suffering from a glut and banned when she does not have enough for her consumption, there is no hope for India ever to solve her foreign exchange problem properly.

Such a concept suffers from two fatal weaknesses. It fails to assign to exports its proper rôle, and secondly, it regards exports as something taken away from the country and fails to understand that through exports she exchanges the less valuable commodities for the more valuable and essential ones. Exports are a nation's current savings which it employs either in exchanging for consumer goods and capital goods or for lending to other countries. In either case they would add to the strength of the nation's economy. But in the case of India, exports are an imperative. Without adequate exports the efficient running of her economy will not be easy. Her dependence on foreign countries for essential capital goods would also slow down the rate of her growth. In the light of the above, her whole attitude to exports must undergo a radical change. The country should decide firmly that her exports should not be relegated to a secondary place. Rather it should rank equally with other important goals—increased production, increased imports and increased exports.

Surplus Concept Meaningless

The surplus concept is dangerous in another way. With her population increasing at the rate of 10 million to 11 million a year (equal to the population of Australia) and with money incomes increasing on account of the enormous developmental and non-developmental outlays, the surplus concept will have no meaning. The country can consume all that she produces without leaving any surplus for export. Even now despite the development that has taken place in the country, the *per capita* consumption of many essential commodities has not increased appreciably. One could justifiably argue that since the levels of consumption are so low even with all that is produced, the country should utilise all her production for bringing up the consumption levels to a minimum.

But such a view would be fatal to exports. What really needs to be understood is that exports should rank with additional consumption in some proportion in respect of additional production. For example, not long ago when domestic production of steel was only two million tons, the country was prepared to be content with consuming 2½ million tons, half a million tons being imported. Now when production has gone up to about five million tons and at the end of the fourth plan it is expected to increase to 14 million or 15 million tons, there is no reason why domestic consumption should not be limited to a million short of the domestic production, leaving one million tons for export.

The policy should, therefore, be to permit a certain portion of the increased production for exports equally with domestic consumption. Another example may also be cited. A study by the N.C.A.E.R. of the

country's export possibilities has revealed that there is enormous demand for oils and oilseeds, but India is not in a position to export because the domestic demand not only outruns the supply but is permitted to get such a priority as to leave very little for further export. Hence along with intensive efforts to increase production, some restraint on additional consumption is necessary so that exports can be increased.

Need for Stable Policy

This is typical of many other commodities also; the export policy should also be clearly defined and there should be stability in India's policy and action. For example, the banning of vegetable oil exports by the Government of Gujarat was ill-conceived because the foreign buyer would naturally turn to other markets because of the uncertainty of getting Indian products. Hence, the export policy should be redefined thus: When domestic supplies increase, while a portion of the increase should obviously go for consumption, another portion should go for export. The proportion might vary as between different commodities. If this is not accepted and if the surplus policy continued, exports will never reach a level which is required for maintenance and growth.

There is a view widely held in this country that she should try to reach a self-generating economy at the end of the fifth plan willy-nilly, and towards this end she should try to secure a proper balance of payment by matching her imports to her export capacity. In other words, it is envisaged that the balance of payments can be struck at a relatively modest level of export and import. Such a view would justify reducing essential imports, to the barest minimum. This way of looking at the problem seems to be totally wrong. India's exports as a percentage of her national income are about the lowest in the world, the only exceptions being the U.S.A. and Russia. All other countries' exports constitute a higher percentage of national income ranging from 10 percent to 30 percent. India's exports are still at a meagre proportion of about 6 percent to 7 percent. The conditions in the U.S.A. and Russia are very different. Such a tight balancing of exports and imports at a low level would leave India in great difficulties in planning for development and would give her little opportunity for manœuvring to meet the changing domestic and international situation. On the other hand, a higher percentage of exports of national income will give her greater flexibility in planning and in implementation.

The aim should, therefore, be to increase the volume of exports so that exports reach about 10 percent to 12 percent of the national income thereby enabling the country to save for a larger volume of imports. If imports are restricted, she would be constrained to develop certain industries which are not necessarily the most profitable or productive. There might be a distortion of economic structure as a result of this voluntary imposition of constraint. For these reasons national policy requires that while aiming at a self-generating economy and a balance of payments equality as quickly as possible, this should not be at the sacrifice of a high level of exports and a high level of imports relatively to the present proportion.

Exports Look Up

After a decade of stagnation during which Indian exports stayed round about Rs. 600 crores per annum—exports were on average Rs. 609 crores a year during the first plan and Rs. 614 crores during the second plan—there has been a welcome improvement since the beginning of the 'sixties and this improvement has been maintained during the last three or four years. Last year (April 1963-March 1964) exports reached a new high of about Rs. 800 crores. Figures for recent months indicate that the third plan export target of Rs. 3,800 crores will be reached. If the September 1964 figures are indicative of the future, one might reasonably be sure of hitting a target of round about Rs. 900 crores this year. Many factors have contributed to this improved performance, not he least of which are the sustained efforts by the Government of India to promote exports. Export Promotion Councils are operating in respect of about 15 commodities and commodity boards have been set up for a number of other commodities.

The establishment of an Institute for International Trade with its emphasis on the training of export personnel and commercial counsellers who are to serve abroad is a milestone in export promotion effort. A substantial amount has been provided for market research which is to be conducted on a large scale. Export financing and export insurance schemes have been devised to help in sustaining the export effort. Pre-inspection arrangements for quality control, greater attention to standardisation and meeting the specifications of the foreign buyer are other steps taken to improve exports. There is a growing awareness on the part of export traders that the quality and scale of after-sale service should improve. Trade, commercial and industrial intelligence services have been streamlined. A new orientation has been given to the foreign service personnel working in Indian embassies and missions abroad; they have been taught to look upon trade promotion as an essential part of their work.

Board of Trade

In fact there is an entirely new look in the Ministry of International Trade which with its various Directorates is now getting well equipped for the tasks it has undertaken to do. A Board of Trade which advises the minister is periodically reviewing and assessing the export performance and export efforts. Of course the results will take time to show. But anyone who has followed the export promotion efforts of the country during the last three or four years has no reason to be unduly pessimistic. Trade and industry are slowly getting to be export conscious. Nevertheless, much more remains to be done if the modest and even inadequate target of Rs. 5,100 crores of exports for the fourth plan period is to be achieved. The target has to be compared with the value of maintenance imports during the fourth plan estimated to be of the order of Rs. 5,500 crores and with the total import needs of over Rs. 8,000 crores.

Unless present policies and methods are further improved, even the target of Rs. 5,100 crores in the fourth plan pediod may be difficult to achieve. Hence there is need for further change in the export policy. The country should boldly decide that her export should not fall below the level needed to sustain the economy in full production and hence the export target should be raised to Rs. 5,500 crores with all the implications which a higher target would involve in terms of policies and measures of action. The need for larger exports is further reinforced by other considerations. India cannot afford to rely on too much of foreign aid and loans in the face of the growing demands of several other developing nations upon the not inexhaustible sources of foreign capital. The Planning Commission has recognised this implicitly by not seeking more foreign aid in the fourth plan than what has been provided for and assumed for the third plan requirements. But India's import needs are growing, and unless they are matched by more exports, balance of payments difficulties will be aggravated. Secondly, the burden of interest and repayment is growing. It can only be met by greater exports.

Here the question arises whether the country is borrowing more than she can afford. The answer would depend upon the burden of interest rates, the other terms of credits, upon the purposes for which the loans are secured and above all upon the effectiveness of the loan utilisation. On all the above the broad conclusion would appear to be one of cautious optimism. In recent years, thanks to the farsighted efforts of the World Bank, the terms of loans are more favourable to the borrowing countries, India included. The rates of interest have been brought down, the loans are for long term extending to 40 years, the terms of repayment provide for greater flexibility, and an initial moratorium period is allowed during which no interest or repayment has to be made. Loans have, on the whole, been properly utilised except for unusual delays both at the lending and the borrowing ends partly because some of the projects had not been fully worked out in advance and partly because by the very nature of these loans which are tied to projects, a great deal of time has to be spent in agreeing upon the details of the projects.

One unfavourable element in foreign private capital participation, which sought occasionally to impose restrictions on the sale of Indian products in specific foreign markets, has now been removed. The only major disadvantage yet remaining is perhaps the high cost of some of the tied foreign loans. It is estimated that the costs of capital goods and equipment which have necessarily to be secured from the donor countries have often been higher by 15 percent to 20 percent compared with international prices. This is an area where there is room for further negotiations between the lending and borrowing countries. But on the whole, provided the loans have been used in either import-saving industries or export promotion industries or in imports of essential economic overheads equipment, the real burden of foreign debt should not be too much, not beyond the capacity of the country to bear, and to repay. But a note of caution is necessary. It is that so long as repayments are involved, mere saving of foreign exchange will not be enough. There should be sufficient amount of foreign exchange earnings to repay the debt obligations. Hence the balance between developing import saving industries and export promotion industries should be properly struck.

Pessimistic Tone of Estimates

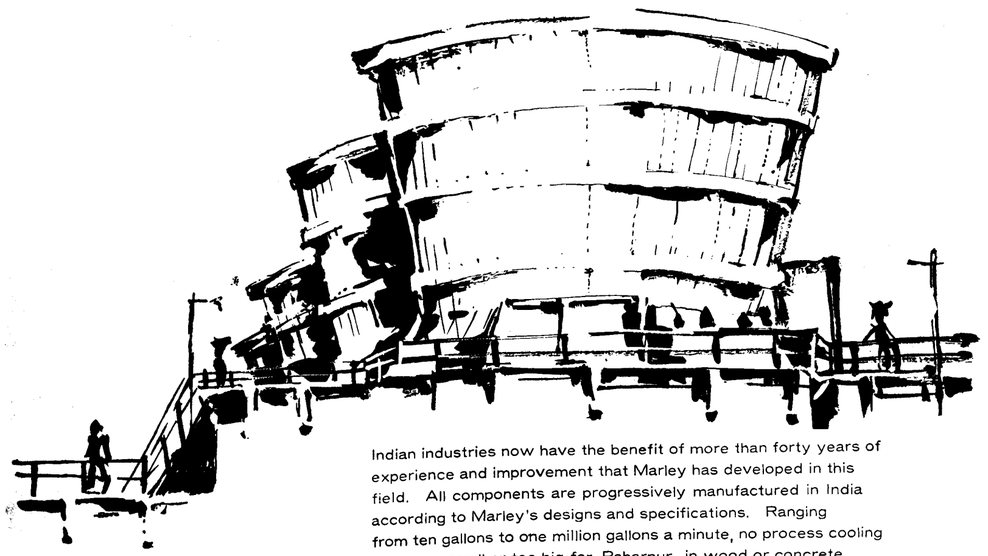
To resume the main thread, if India is determined to increase her exports to the level indicated above, there can be no reason why the goal cannot be achieved. Projections of future export possibilities in India usually have been on pessimistic lines. An E.C.A.F.E. document on export projections estimates the increase of India's exports by 50 per cent between 1960 and 1980. Even though the projection covers only some commodities, it seems to be a gross underestimate. Other estimates are slightly better, but even so there has been a general feeling that India's export will not increase very rapidly. But our needs certainly cannot be met except on a higher level of export performance. As the third plan report pointed out: "Considering the requirements on account of repayment obligations abroad and maintenance and development imports, it is estimated that by the end of the fourth plan the annual level of exports would have to rise to about Rs. 1,300 crores to Rs. 1,400 crores, that is, to at least twice the present level".

The pessimism governing India's future exports in some quarters, however, stems from the fact that the past trend was very poor; the cost of her products being too high in terms of international prices, and with a population explosion anticipated by 1980, the domestic consumption will absorb all the increases in production. But such a view fails to take note of the export imperatives. If such a low level of exports in 1980 is to be accepted as the target, it would be an admission of India's failure. It would also mean that the hope of India's attaining a reasonable level of economic prosperity will have to be abandoned. Such a view also fails to take note of the strength which India has in certain directions.

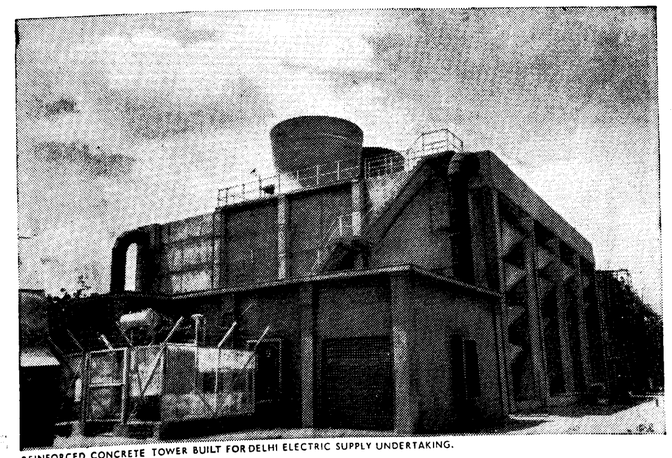
The possibilities of increasing exports of iron ore, pig iron and pig iron products, industrial machinery of some kinds, steel, several agricultural commodities and agriculture-based industry are immense. The country should adopt sound export and production policies, and these must be consistently implemented. There is need for a measure of economic, social, and political discipline which does not exist yet. The inflationary pressures that have been developed in the economy, which show a strong bias in favour of domestic consumption, should be reduced. Targets of export should be reflected in the policies adopted in the planning of industrial capacity and allocation of resources during the fourth plan period. There is also need for all the ministries in the Government of India and the State Governments to act in consonance with export policies, and for them not to take action which would impede the flow of exports.

Import Substitution

India, like other developing countries, has followed a policy of import substitution as one of the major



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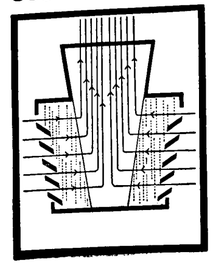


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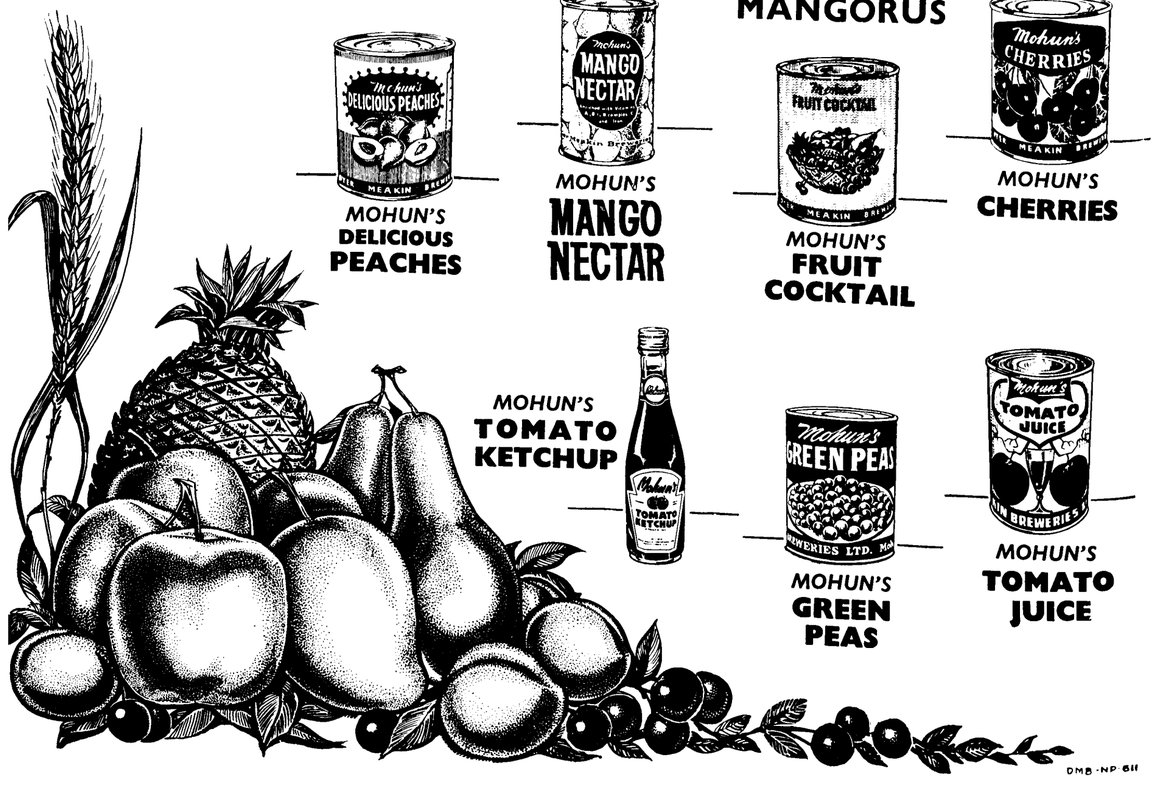
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instruments to save foreign exchange. In this she has attained considerable success; but the possibilities of further saving on imports are favourable. The saving effected through the establishment not only of the steel industry but also of the aluminium industry, machine-building industries such as textile and sugar machinery industries and the establishment of the heavy engineering plant in Ranchi, the establishment of Heavy Electricals in Bhopal—all have contributed to substantial saving of imports. However, a review of India's policy on import substitution and export promotion industries seems to be called for.

Experience has shown that for all developing countries it is easy to promote import-saving industries because the advantages are very obvious. But as time goes on, the element of comparative advantage in some industries comes into the picture. As a country takes up more and more sophisticated and heavy capital-intensive industries, which require highly qualified and trained personnel for operating these plants, the advantages of import substitution lose their initial dimension, because such import-saving industries are built up at too much cost. On the other hand, export promotion industries if carefully planned would have a better advantage because the gains resulting from equal amounts of investments would be much more. Agricultural industry and agricultural processing industry are outstanding examples of how developing countries can earn substantial foreign exchange. The time is opportune for a review at a high expert level of the relative gains flowing from investments in import-saving and export promotion industries in terms of investments and in terms of time.

This is not to say that further investments should be directed only to export promotion industries. But the policy based on import saving cannot obviously be adequate for a country like India which must earn foreign exchange in order to meet repayment obligations. Therefore, export promotion industries must be given a higher degree of priority than has been the case so far. The pattern of investment should be more carefully and scientifically determined in terms of cost benefit ratio including the impact on foreign exchange. Such a study is immediately called for.

Public Sector Must Export

In this connection it may also be pointed out that public-sector enterprises manufacturing machinery and basic products are heavy consumers of foreign exchange. With our policy of expanding the public sector, unless attention is given to ensuring that the public-sector enterprises begin to earn some foreign exchange, the burden of reducing foreign exchange liability would fall more and more upon the declining private sector. Hence public-sector enterprises should become more and more aware of their responsibility for earning foreign exchange and should be brought into the scheme for increasing exports. In future, all public-sector enterprises should be required to plan for a certain volume of exports of the products which they manufacture.

Cost reduction should be treated as a major policy matter. It is well-known that in the present inflationary situation in the country, the cost of everything that is being produced or manufactured has gone up, thereby reducing her competitive position in the world market. Not long ago India was one of the cheap producers of steel. During the last few years, even steel is being priced out of the international market. In fact it would not be an exaggeration to say that there is hardly any manufactured product which can stand international competition or can stand on their own without subsidies and other concessions. The cost of India's industrialisation is getting to be very heavy and onerous, in terms of scarce real resources. Hence selectivity of approach is required in identifying industries for rapid development; otherwise, a time may come when India will ultimately be a high cost producer, and the total net return from all her investments would be a minus. In this context the establishment of a cost reduction cell in the Planning Commission should be welcomed. But as yet no results are visible.

External Tariffs

One of the handicaps of Indian exports besides her higher domestic costs is the high tariffs, quantitative restriction, and quota restrictions, internal duties on many of her manufactured commodities imposed by other countries, developed and developing. The Government of India has recently laboured hard to reduce some of these restrictions and has achieved some success. At the recent World Trade Conference, the developing countries pressed for a reduction of tariffs and quantitative restrictions. After all, lending countries cannot afford to be high tariff countries. It would not be possible for borrowing countries to repay the debt, if heavy restrictions are imposed upon their export products and exports are the only means for repayment of the debt. Therefore, it is essential that the developed countries' tariff policy should undergo a radical change. At the same time it should be frankly recognised that many of the difficulties in expanding exports is within the country and not without. India's exports suffer either because her production costs are high or she is not able to increase her production substantially to take advantage of the world demand for many of her commodities. The world's demand for Indian products is elastic by and large with the exception of jute and tea where India holds a dominant place. A slight reduction in the cost and hence in the price of India's export goods might cause a considerable expansion of her exports. During the last 15 years there has also been a reduction in the tariffs and internal duties imposed by the developed countries. Hence the argument that Indian exports suffer only because of external restriction is not wholly tenable.

India's competitive position is affected not only by cost factors but also by non-economic factors. Here also India's position has been very vulnerable. Her inexperience in export promotion, inability or unwillingness to maintain the quality, lack of standardisation, lack of organisation to render after-sale service, market research, understanding of the consumer needs and consumer preferences and lack of appreciation of the fact that she should produce what the foreign consumer wants rather than try to sell whatever she produces—these are some of the major handicaps which have affected her export trade adversely. It is also unfortunate that restrictions on travel by business men also have contributed to our failure to understand the needs of the foreign market.

Promoting an Export Sector

One important method of increasing exports is to promote the concept of an export sector in the Indian economy. This means that the country should begin to identify the products for which the world demand is pretty high and for which she has certain definite competitive advantages. The aim should be the establishment of export sectors in these industries for the manufacture of these products or for increasing the supplies.

The development of such an export sector would mean that the country can rationalise and secure economies of large-scale production by organising plants on a large scale. In cotton textile, which is a well-established industry in India, there may be scope for plants which will be specialising on finishing stages, products of which can be sold in outside market at a reasonable price. Similarly, concerning jute, the production of jute carpets can be organised on a large scale for which there is a good external market. Above all, there is the need for organising a steel plant specifically for export. The categories of steel which should be produced in the export plant should be clearly fixed after ascertaining the demands abroad.

In certain other parts of the world, the idea of export sector has been pursued to some effect. For example, in the U.A.R. a modern textile mill has turned out high class products at a reasonable cost. The entire production of this mill has been earmarked for export. It is no wonder that the competitive position of this industry has become very strong. It was stated at one time that a steel industry might be established in Goa specially for export. Similarly, other industries must be established with predominant export orientation. For example, in the case of sugar, it is clear that with the present localisation of the industry it would be impossible to export to the extent possible or necessary unless it is ensured that new sugar factories are established in areas which have comparative advantages. Special sugar factories should be established in the south and the west, the whole of whose product should be earmarked for export. Coupled with this policy of developing the export sector, there should be an integrated policy of tax incentive, export incentive and other measures to help export. The development of special export houses either on an individual basis or as a group of exporters would be a further step in the right direction.

Devaluation will Not Help

There is a growing opinion in the country and elsewhere that the high cost of Indian export is due to the over-valuation of the rupee. Some contend that India should, after a careful study, decide upon devaluation of her money. While devaluation has certainly some advantages and would increase her exports, one is not sure whether devaluation is a remedy for lagging exports. Success of devaluation measure is conditional upon the commodities having high price elasticity of demand in the world market and upon the domestic costs not going up proportionately to devaluation. Devaluation may affect not only the commodities which need some help but also those which do not need help. The possibility of counter-measures by other countries if India devalues her rupee should not also be overlooked. Again, having regard to the fact that India has to import for the next ten years substantial amounts of capital goods, raw materials, components and parts, one is not sure whether on balance the country would benefit from devaluation. In the writer's view devaluation is not really necessary. Better results can be secured by the policy of offering export incentives.

The export incentive scheme which is now in operation has undoubtedly given a fillip to the export of the new manufactured products in the engineering and chemical fields. When the export incentive scheme was initiated, there were some abuses by which the import entitlements were sold in the open market to the highest bidders without regard to the needs of the high priority industries or industries included in the third plan. These abuses have now been rectified. Import entitlement of raw materials and components and parts can only now go to a buyer who is himself a user, and the industrialists who get import entitlement should register with the Export Promotion Council not only their names but also the names of the parties to whom imports have been resold. Also the export incentive schemes affect only about 20 percent of India's exports, the rest of the exports have not needed any concession. With further improvements in the system of operating the scheme, there is no reason why export incentives should not be continued. It is true that the operation of the scheme of subsidies and incentives raises some administrative problems. But even so, on balance the country with a selective export incentive scheme would be better off than if devaluation of the rupee is resorted to.

Primacy of Agriculture

Whatever view one may take of the various matters discussed above, the primacy of the agricultural sector in the present context of India's development remains undisputed. Agriculture holds the key not only to the prosperity of the masses of the population but also to a successful solution of her balance-of-payments problems. Surpluses in traditional exports are dependent upon the development of agriculture. And in fact nearly 60 percent to 70 percent of India's exports are primarily or indirectly agriculture-based.

Apart from the fact that agricultural products are large foreign exchange earners like tea, coffee, spices, pepper, cotton, oils, oilseeds, etcetera, industries which are agriculture-based are also great foreign exchange earners; for example, cotton textile, jute, vegetable oils, sugar and other commodities of this kind. Consequently, improvements in agricultural production and larger allocation of scarce resources for agriculture will be highly rewarding. At present the Indian farmer is subject to a large negative tariff in the form

of subsidies for competitive imports. In India a farmer has to pay a very high price by international standards for most of his purchases. The present allocation is also heavily in favour of the non-farm manufacturing industries. A shift in investment to agriculture would be highly productive. It is in this sense that the new emphasis on agriculture is mostly to be welcomed. While it is true that the export prospects of Indian ore, pig iron, steel and other industrial products are bright, increased investments in agriculture should be further explored.

In framing the export policy, one should also recognise the fact that exports will not be possible unless the country is also prepared to import. It also needs to be recognised that each of the developing countries would also try to diversify its economy. This implies that India's export and import policy should be governed by the knowledge that while promoting exports one should be ready to import, if thereby domestic production and exports could be greatly increased. As a policy India may have to assist neighbouring developing countries in their progress towards industrialisation. Long-term agreements by which India agrees to buy imports of certain commodities in return for her exports could be very profitable. It is gratifying to note that India's policy is now being oriented towards assisting the industrialisation of her neighbours and efforts have been made recently to help in setting up textile mills, sugar mills and engineering industries. The Government of India has given permission to export capital in the form of machinery and other equipment from India. Such a policy should be doubly welcomed. It helps India to earn foreign exchange in the form of invisible earnings while affording her an opportunity to sell her machinery and equipment. It also creates an atmosphere in the other countries, which would be favourable to Indian exports. Although on balance India will be a net borrower for several years to come, the new trend by which she is also exporting a little of her capital should be greatly welcomed.

Conclusions

Finally to summarise :

(i) There is need for proper understanding of the rôle of export in the developing economy of India.

(ii) Export should not be regarded as merely a surplus after consumption needs of the country are met.

(iii) Export should be given equal importance with the principle of increasing domestic consumption.

(vi) The Indian public should be educated about the marginal nature of the impact of exports on domestic availability and prices.

(v) Exports should not be regarded as a diminution in the total output ; rather as one that brings about a qualitative improvement in the output.

(vi) Agriculture and agriculture-based industry should receive the highest priority from the point of view of exports.

(vii) The policy of banning of ports should not be undertaken the first encounter of difficult without careful examination of oth possibilities.

(viii) An export sector should developed and should form an portant part of national exp policy.

(ix) There is need for an expo policy resolution to be approved the country in the same way as t Industrial Policy Resolution.

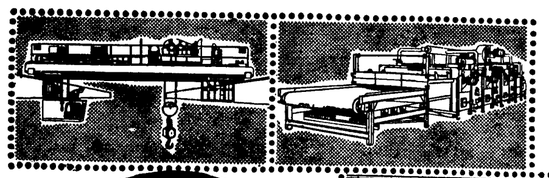
(x) Market studies area-wise a product-wise should be intensified.

(xi) Target for export should n be lower than that required to me fully the maintenance imports.

(xii) Devaluation seems to be doubtful value.

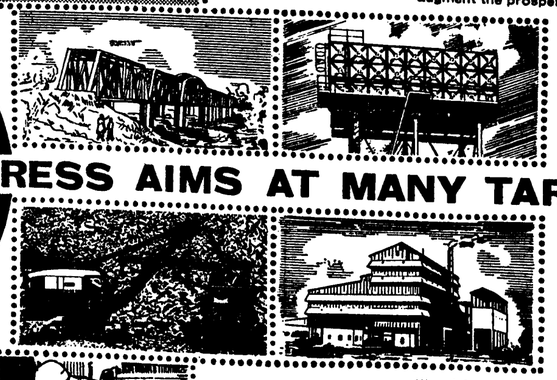
(xiii) Export incentive scheme should work more efficiently and t greater effect.

(xiv) There is no virtue in setting a date like 1975 for the stoppage o foreign loans and foreign aid. What is needed is to ensure that the country increases her exports rapidly.

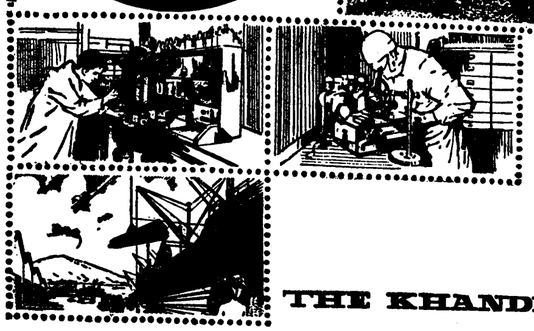


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FAULTY PLANNING HOLDS UP AGRICULTURAL PROGRESS

Indian agriculture has not done well during the third plan. Yet a target of 5 percent annual increase has been set for the next quinquennium. The target looks too high.

By
M. S. SIVARAMAN
Member, Board of Revenue, Madras

"OUT of evil cometh good". How true will this be if the prevailing stagnation in agriculture makes one realise that some of the current basic approaches to increasing production need objective study! Instead, uncritical explanations are being offered by some to account for the absence of progress in agriculture in general and food production in particular. The farmer, his practices and the seasons are blamed, but sound planning should aim at a progressive improvement of farming in spite of seasonal variations, and the ills of present-day Indian agriculture cannot be so readily explained.

If the first ten years of planning have shown a rising graph of over 3½ percent in the production of foodgrains, why has it flattened out in the next three years to hardly any rise at all? If the farmer is backward and his methods are primitive and unscientific, how were the acre yields of paddy in the last century nearly double of what they were in the base period of the plans in certain parts of the country? Why should a planned objective of a far lower level of yield be so difficult of attainment? Is there no method capable of wide application which can produce substantial results in a short time? These are problems for which a solution has to be found if Indian agriculture is to be developed to meet the needs of a growing population and economy.

Claims of Increase

Doubts have been expressed about the correctness of the inference drawn from the published figures of increase in the level of production of foodgrains from 57.6 million tons in 1949-50 to 79.7 million tons in 1960-61. Although this works out to an arithmetical increase of about 3½ percent a year, the actual could not have been so high, because of elements of non-comparability. For instance, the reported area under foodgrains has "increased considerably in ten years from 245 million acres to 280 million acres, but only a small part of this represents an actual extension of the cropped area, and the rest is accounted for by rectification of statistical omissions. The cultivated area in the base year was possibly nearly of the same order as 280 million acres. A major part of the production on the extra 35 million acres is now included in total production, but this cannot be called additional production.

Again, the earlier method of computing acre yields through eye estimates has been changed to crop-cutting in recent years. The results obtained by the two methods have been found to be widely different. Thus while eye estimates gave an annual production of 2.2 million tons of rice for Orissa for some years, crop cutting reported a production of 3.6 million tons in 1959, but for statistical purposes, 1.4 million tons have been taken as extra production.

In view of the wide changes affecting both the area and acre yields of the main crops, the reported production for 1949-50 cannot be adopted as such for projecting the likely trends in the future. However it is possible to estimate broadly the result of planned efforts for the more important of the aids to production, namely, irrigation, fertilisers and manures and improved seeds.

Expansion of Irrigation

By the end of the second plan, the gross cropped area and the net area under cultivation became more or less stabilised for the country as a whole. As a result of concerted attempts to exploit the water resources of the country, there has been a sizable addition to irrigation. The area of crops irrigated has increased from 53.7 million acres in the base year to about 69 million acres. Of this, the gross irrigated area under food crops has risen from about 49 million acres in 1949-50 to about 60 million acres by 1961. A part of the increase might have been the result of improvement in area and crop reporting, but even without taking into account this possibility and adopting the accepted yardstick of extra production of one-third ton of grains for every additional acre irrigated, the increase in the output of foodgrains from this factor works out to less than 4 millon tons.

One of the major drawbacks of Indian agriculture is the deficiency of nitrogen in the soil. Some steps have been taken to remedy this by using fertilisers, and as a result, the consumption of nitrogenous fertilisers has increased from 280,000 tons in terms of ammonium sulphate in 1950-51 to about 850,000 tons in 1960-61. A large part of the fertiliser was no doubt applied to cash crops which yield a higher profit to the cultivators; but assuming that the entire additional consumption of fertilisers was on food crops, the extra production from this would be 1.2 million tons—the yardstick of production is 2 tons of foodgrains for every ton of fertiliser.

While emphasis is being laid everywhere on the importance of using inorganic fertilisers, sufficient stress has not been placed on the need to replenish the organic nitrogen in the soil. To rectify this, the then deputy chairman of the Planning Commission, the late Sir V. T. Krishnamachari, was keen in 1957 that the author should take up this matter with the agricultural departments of all the States. In spite of the lukewarm and doubting attitude on the part of many to a programme which involved local initiative and drive and close contact with the farmers, an impetus has been given in several States to the production of composts and use of green manures for the important cereal crops like rice, wheat and barley and there was an increase from 2 million acres to about 10 million acres under green manure between 1956 and 1961.

No financial outlay was involved and more spectacular results could have been achieved had the extension agencies directed their main attention to two or three carefully thought-out programmes of this nature where success could be obvious even to a casual visitor. A large part of the increase was in one State, Orissa, where the area went up from about 10,000 acres in 1957 to over 3 million acres by 1961, as a result of the enthusiastic co-operation of some of the principal officers in the State. The conventional yardstick ignores the cumulative effect of the repeated use of green manures : still the additional production from this factor would be about 1 million tons.

Area under Improved Seeds

By the end of the second plan, the area under improved seeds was reported to be about 55 million acres. No correct estimate of the area covered by improved seeds in the base period is available. Several of the important improved seeds for the major cereal crops have been evolved many years ago, and the cultivators have not been lagging behind in taking to high yielding or disease-resistant strains released by the research wings of the Agricultural Department. It is, therefore, possible that a large part of the area was already covered by improved seeds. Assuming that all the 55 million acres was an addition to the area which used improved seeds, the extra production from this would be about 5 percent an acre or 1 million tons.

Broadly speaking, the major growth factors which contribute to additional production could account for about 7 million tons a year by the end of the second plan. Taking this as high as 10 million tons, the actual production in the base year was possibly of the order of 79.69 minus 10 or 69.69 million tons or about 70 million tons. An addition of about 10 million tons in ten years' time will work out to an average increase of about 1.4 percent a year, whereas the population of the country has shown an annual rise of about 2.15 percent. While the rate of increase of population has not fallen off, food production has shown hardly any rise in the last three years.

The reported production of foodgrains was 79.74 million tons in 1961-62, 77.21 million tons in 1962-63 and 78.17 million tons in 1963-64. Thus the production in the third year of the third plan was 1.5 million tons below the level reached at the end of the second plan, and 16.5 million tons below the projected level for 1963-64 according to the third plan! The annual rate of rise during the first 13 years of planning may, therefore, dwindle down to below 1 percent a year, or less than half the rate of increase of population. The obvious consequence of this is seen in the rise of the price levels of foodgrains and general rise in the cost of living.

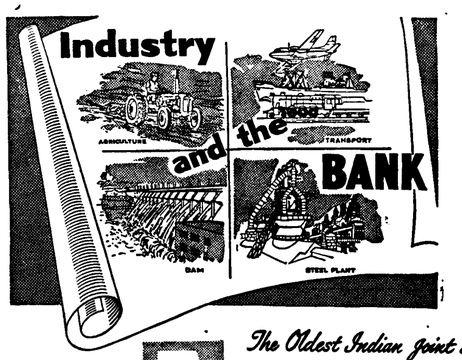
However that may be, it is obvious that foodgrain production has to go up at a much faster rate than in the past. An increase of 5 percent a year has been postulated as a desideratum during the next few years. But if grain production has to reach a level of 120 million tons in 1970-71, the annual increase will have to be still higher. Having regard to the depressing experience of the recent past, an increase of this order may look completely unrealistic.

The programme for improving crop yields and total production for the next plan are still under discussion in the Centre and in the States : but in effect, it looks as if they will be a continuation of the current approaches with some emphasis on select items like, (i) irrigation, particularly minor irrigation, (ii) increased annual consumpton of fertilisers to 2.2 million tons of nitrogen from the approved target of 1 million ton of nitrogen for the third plan, (iii) coverage of the entire area under foodgrains with improved seeds, (iv) extensive adoption of plant protection measures, (v) large use of improved implements, in particular low power tractors.

Irrigation no doubt plays a vital rôle in ensuring crop production, particularly in a tropical country where the annual precipitation barely extends over the duration of the major crops. However, except in south India where there is a compulsory charge for irrigation, the cultivators in other parts of India in areas of good rainfall resort to irrigation only when the course of the monsoon is adverse. In many States, irrigation is still treated merely as a protection against drought rather than as an assured aid to crop planning and this attitude has to change. According to earlier estimates, irrigation from the major and medium sources may reach 65 million to 90 million acres at the end of the fifth plan in 1976, from about 22 million acres at the beginning of the first plan.

Minor Irrigation Schemes

An additional irrigation of 19 million acres was expected from minor



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irrigation sources in the first two plans, but the actual increase was less than 7 million acres. The reasons for the considerable shortfall are not fully known. The common notion that minor irrigation sources are fully exploited soon after execution did not materialise in practice. Any expectation of a considerable addition to the area under minor irrigation has to be viewed with caution, particularly when fresh sources that could be readily tapped may not be found in abundance and the cost of future additions will be far higher than in the past. In any event, the total gross cropped irrigated area by the end of the fourth plan may not exceed 100 million acres which will be an increase of about 30 million acres from the position in 1960-61.

Under Indian conditions, there are two main agronomic limits to the use of nitrogenous fertiliser, namely, (i) availability of sufficient soil moisture during peak requirements like the time of flowering and fruiting, (ii) the response of the crops.

Tenancy Conditions

Besides these, the conditions of tenancy some time act as a disincentive to fertiliser application. An important feature that is lost sight of by many is that over two-thirds of the cultivated area in India depends entirely upon the monsoon rains which fall within a continuous period of three to four months. India is not favoured by nature in this matter, whereas in countries like the United States, there is a fair amount of rain every month. Under the Indian conditions of general high temperature, the nitrogenous fertiliser stimulates very rapid plant growth and excessive transpiration. This accelerates depletion of moisture from the soil with devastating effect if the rains happen to be then unfavourable.

There is a school of thought which holds the occurrence of unfavourable monsoons may be once in three to four years and, therefore, the cultivators should set off this failure against the additional output in normal years. But in the present economic set-up, most cultivators cannot afford to take such risks. There are others who advocate a general use of nitrogenous fertilisers for all crops even under rainfed condition in areas of "assured rainfall" which, according to them, are places where the rainfall exceeds about 40 inches in a year. What is required for the success of a crop is not the total quantum of rain as its proper distribution and this may be far from being assured. Often the distribution is adverse and the farmers come to grief when nitrogenous fertilisers are applied under rainfed conditions even in areas where the rainfall is normally heavy.

The prevailing temperatures and humidity are high in the main cropping season. There is, therefore, great danger of incidence of fungus diseases which thrive when there is extra availability of nitrogen in the soil. For instance, the autumn and winter paddies suffer from blast, and foot-rot in many regions. The crops suffer considerable damage particularly in the later stages of growth, whereas in Japan such fungus diseases cease to be a problem in the maturing period of the crop when the prevailing temperature is low. Some of the major crops like paddy and wheat have weak stems and the plants sometimes lodge in high wind.

If the lodging happens at the time of flowering, the yield is greatly affected. Any considerable increase in the use of nitrogenous fertilisers for cereal crops cannot, therefore, be expected unless non-lodging and high yielding types resistant to diseases are evolved. Attempts at inducing in the local paddies some of desirable qualities of the Japanese and Chinese varieties, have not yielded any significant or practical results. A few promising cultures are now available, but it will take many years before varieties of paddy with a higher intake of nitrogen can be distributed to suit the agroclimatic conditions of the different zones.

When the fertiliser target for the third plan was being considered, the writer had urged that a consumption target of 500,000 tons of nitrogen would be the optimum, but a target of 1 million tons was fixed. The reported consumption of nitrogenous fertilisers for three years from 1961-62 are 221,000 tons, 292,000 tons and 375,000 tons of nitrogen. The writer's estimate of the possible consumption at the end of the third plan appears to be nearer the mark. Apart from the general reasons already given, some of the specific points which the author had in view when he suggested a lower fertiliser target are summed up below :

Target for Fertiliser Consumption

(a) Some of the assumptions made while estimating a consumption target of 1 million tons were in my view completely unrealistic : for instance, the assumption that 40 million acres or 80 percent of the unirrigated paddy area in India would use nitrogenous fertilisers at the rate of 20 lbs of nitrogen an acre by 1956 could never materialise. A major part of the unirrigated paddy area is covered by the winter types which are season-bound. The flowering takes place in October, and the paddies suffer greatly in the areas when the monsoon withdraws prematurely by the middle of September. It is not likely that the cultivators would under such conditions take to the use of the fertiliser on any extensive scale except in low-lying areas where there will be assured moisture.

(b) The assumption that 80 percent of the area under irrigated paddy would use 20 lbs of nitrogen could not also be accepted : for under the prevailing terms of tenancy in many parts of the country, the cost of cultivation is borne by the tenant or landowner and the produce is shared. Sometimes, the proportionate share in the extra return may not compensate for the cost of the fertiliser. In areas like the Cauvery delta in which the cultivators have been accustomed to the use of fertilisers for several decades, the dosage seldom exceeds 15 lbs an acre for fear of lodging and fungus diseases.

(c) Sufficient account has not been taken of the current and future levels of application of organic manures like compost and green manures.

(d) The dosage adopted for sugarcane was 80 lbs (nitrogen) an acre as fertiliser but the optimum ranges from 80 lbs in the south to 40 lbs in Uttar Pradesh and Bihar which contain nearly two-thirds of the cane area in the country and double these as organic manures. A weighted average of inorganic nitrogen for sugarcane will not, therefore, exceed 53 lbs !

Fertilisers are now largely applied to cash crops which yield good profit and future increases in the offtake will have to be mainly for cereals. Apart from price incentives, there will be no great increase in the application of fertiliser to cereals unless there is considerable extension of irrigation. Thus, to consume 2 million tons of nitrogen by 1970-71, the irrigated area in the country will have to be of the order of over 200 million acres by the end of the fourth plan, and every acre of such irrigated area should use at least 20 lbs of nitrogen.

The stupendous magnitude of these assumptions can be imagined when one finds that after several decades of experience in the use of fertilisers and four years of intensive package assistance in a district like Tanjore, the average application is less than 8 lbs of nitrogen an acre for paddy even when every paddy field enjoys the benefit of a fine system of irrigation. As already mentioned, the use of nitrogenous fertilisers under unirrigated conditions in India with a brief spell of rain cannot be thought of for most crops without protective irrigation. At the present rate of progress of plant breeding and extension of irrigation, it is possible that it may not be possible to reach the third plan consumption target of 1 million tons of nitrogen even by the end of the fourth plan.

A programme which aims at covering with improved seeds to 270 million acres out of 286 million acres of cereals and pulses can have no relation to realities, for improved seeds have not been evolved for a major part of this area. Improved seeds have been released to suit about 80 percent of the area under paddy, wheat and barley and this can cover about a maximum of 100 million acres. Some improved seeds are available for pulses and millets for a few tracts. The total coverage under these may not exceed 30 million acres. The programmes for selection or breeding improved seeds for millets have lagged behind because many of the millets are extremely sensitive in their adaptability : for instance, the Periamanjal cholam (jowar) of Coimbatore does not thrive in an adjoining district like Salem. It may be mentioned that attempts were made to produce improved seeds for the Tenkasi tract of Tirunelveli at the Millet Breeding Station, Coimbatore, and seeds which gave good performance at Coimbatore were produced, but they failed at Tenkasi. Millet development is beset with many difficulties, and it is not likely that improved seeds will become available for large areas for several decades.

Agricultural Implements

There is a move to replace many of the existing agricultural implements, in particular, the wooden plough by other types. But as a measure of increasing production, a change in the type of plough will have no effect. According to Russell and Keen, there is no evidence to show that cultivation plays any significant part in increasing crop yields. A review of the past experiments in India has clearly established that the inversion iron plough has no marked advantage over the country plough except for some of the garden crops and for eradicating certain types of weeds. The general finding is that the indigenous tillage implements are quite adapted to local conditions. No doubt local ploughs can be improved to increase their efficiency without adding to the burden on the work animals. But some of the grandiose schemes for introducing several lakhs of power tillers or low horse-power tractors will not result either in quicker ploughing or in eliminating drudgery to the farmer, for the ploughman has to walk behind these tractors and the time taken to plough an acre will be nearly the same as with the bullock plough, being determined by the width of the furrow and the rate of walking ! By and large, the strain on the operator will be greater and the outturn of the power tiller will not be different from that of the ordinary bullock drawn plough : And of what use will these "walking" tractors be for transporting manure or the produce of the fields ? The bullocks will still have to be maintained in addition to the mechanical tillers !

On many occasions the writer has repeatedly stressed that the more correct approach to increasing agricultural production in India is to build up soil fertility and this is possible mainly through traditional agriculture with its emphasis on organic manures. It will be of interest to recall that in an experiment at Cuttack to study the residual and cumulative effects of organic and nitrogenous fertilisers, it was found that after eight years of continued application, there was significant residual effect from the use of composts whereas the fertiliser depressed the yield slightly below the control. The unmanured plot gave a yield of 2,053 lbs an acre, while the plot in which the ammonium sulphate had been applied for eight years previously, the yield was 1,976 lbs when no fertliser was used and the plot which received composts at 8,000 lbs an acre gave a yield of 2,605 lbs. even without any application of manure in the ninth year.

All over the world traditional agriculture with its emphasis on organic manures is essentially sound. But unfortunately, agricultural extension now proceeds on erroneous lines in many places. It is now an axiom with many that crop yields are generally low because the farmers' methods are primitive. The wooden plough is referred to contemptuously as the Vedic plough and an emblem of backwardness. There is considerable visdom and science in what the cultivator does and a failure to recognise this more than any other factor accounts for the craze for misplaced innovations which have slowed down the progress of real agriculture in India.

The general impression that is being sedulously fostered by some that the Indian farmer does not know his job is completely unfounded. Speaking of the cultivators of the Godavari delta, Dr. Roxburgh, the distinguished botanist who had spent 12 years among them observed in 1792 as follows : "When they (the Indian farmers) see a certain prospect of gain with little additional trouble they have frequently been known to

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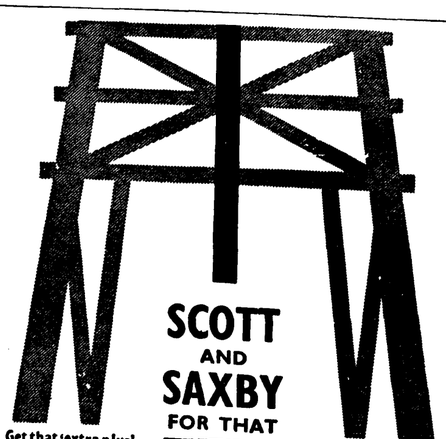
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adopt improved practices. The sugarcane impoverishes the soil so much that it must rest or be employed during the two or three intermediate years for the growth of such plants as are found to improve the soil of which the Indian farmer is a perfect judge. The leguminous tribe they find best for that purpose." The practical application of symbiosis and green manuring was well known to the Indian cultivator long before its scientific background was discovered in Europe in the last century.

Cotton Cultivation with U.S. Help

It may be of interest to narrate how the East India Company in its anxiety to promote cotton cultivation obtained the services of a few American cotton planters to teach the Coimbatore cultivators, as it was then considered that "the American system was based on simple principles of vegetable physiology and nearest approach to perfection." These planters came with their complete set of farm implements and tools and tried out the methods then prevalent in America.

In a detailed report made in 1845 on the results obtained, Dr. Wight observed as follows: "A few years' experience showed that the primitive implements of agriculture in India are well adapted for cultivation under local conditions" and that "the habitual rotation system is a thousand times better adapted to the soils of this country than the farming, one without rotation of America which in obedience to the practice of our instructors—the American planters—we have been hitherto required to adopt, but which they have also become now thoroughly satisfied is not applicable to the soils of India."

Dr. Wight also observed that "the American plough is better than the native one, but when the ground is turned over two to three times with the latter, the preponderance is not so much in favour of the former as might at first be supposed, a point on which we have had sufficient experience to enable me to speak with considerable confidence." His conclusions were that (a) the country ploughs were as good as the American ploughs, (b) riding of rows had to be discarded in order to conserve moisture in the soil and (c) cotton had to be rotated with other crops unlike in America." The story of the introduction of the American methods in Madras where the soil and climatic conditions are totally different should be a warning to those who now condemn the country plough and the local agronomic practices as fit to be scrapped and replaced by tools and practices of alien origin. But the lessons of history appear to have been forgotten.

It may be useful to refer to some observations of the Madras Board of Revenue in 1873 which are of topical interest. "The Board wish to say in vindication of the 'degraded' agriculture stigmatised by Dr. Robertson (then Superintendent of the Saidapet Experimental Farm) being persuaded that most of its shortcomings are due to want of means, rather than want of knowledge of first principles. There can be no greater error than to suppose the ryot ignorant of or indifferent to the use of animal or vegetable manure. He spares no pains in procuring both, carts leaves from the jungle to supplement his deficiencies ..... the Land Settlement Report on the charges of cultivation will show the place which manure occupies in the Hindu scheme of agriculture and the importance attached to cleaning the land. But the Board does not press this view so far as to deny that there is a great room for improvement: their object is to show that it is absolutely necessary before taking a decisive action, to know the real condition of agriculture in this Presidency and form a clear and just idea of where it is wanting and of what nature should be the remedies."

There is great practical wisdom in these observations of experienced administrators who had studied rural life with an earnestness and thoroughness which could well be copied, but it is unfortunate that some of the current methods for stimulating production partake of the wrong approaches mentioned by the Board of Revenue, Madras.

Vitality of Indian Agriculture

According to reports left by early Collectors the paddy yields in various districts in Madras at the beginning of the last century were nearly double of what they were during the base period of the plans. The high yields were obtained within a few years of the devastating effects of local wars and bear abundant testimony to the inherent vitality of Indian agriculture and the soundness of the traditional practices.

There has been undoubtedly a decline in the productivity of the soil, but this cannot be attributed to the ignorance of the cultivator or adoption of wrong methods. The decline was the result of development of conditions which have made it difficult to follow some of the old practices like the large-scale use of leaves and manures in cultivation. With the spread of cultivation the supply of manure leaves has dwindled. But it has been shown as a result of certain practical measures initiated by the author over 17 years ago in Madras that the leaves necessary for any holding for green manuring irrigated fields or for use on dry lands after composting can be produced from within the holding or along its borders without in any way affecting the usual crops.

A switch back to the traditional practices and level in the matter of manuring can be brought about within three to four years on over 90 percent of the cultivated area in India in the same way as was accomplished in every one of the State agricultural farms in the composite Madras State between 1951 and 1953. It may be recalled that the green manured area in Tanjore district was less than 200,000 acres in a year for several decades, but within three years every field in this district containing 1.4 million acres of paddy had a border crop of Sesbania in 1955 even before the community development programme was introduced in the district. This is equally possible in every village and on every holding in the country. No large staff is required, for the spread of Sesbania in Tanjore district was done with the limited staff then available in the Agricultural Department. What is required is enlistment of local enthusiasm and given proper direction it should not be difficult to achieve the same in every place for the very large staff of extension workers now in the country. This will be the beginning of a real leap forward in Indian agriculture.

Requirements of Tropical Agronomy

Many instances can be cited of striking improvement in production within a few years when an approach consistent with tropical agronomy is adopted; for instance, the average acre yield of paddy in the Aduthurai Research Station in the Cauvery delta was 1,860 lbs in 1948-49, and the standard of cultivation in this farm was then considered to be quite high. The acre yield was stepped up to 3,330 lbs, nearly double of what it was four years earlier, mainly by the adoption of a new approach to the production of green manure seeds initiated by the writer. The total output of paddy in the farm went up from 107,000 lbs to 233,000 lbs and at the same time, the production and use of green manure increased from 20 tonnes in 1948-49 to 397 tonnes in 1952-53. A partial adoption of these successful methods demonstrated in Aduthurai completely changed the food situation in the State from a deficit to a surplus economy within four years and the effect of this was seen in a spurt in the acre yield of paddy, whereas there was a steady declining trend for over two decades before 1950. The late Prime Minister of India, Pandit Jawaharlal Nehru, had on more than one occasion referred to the impact of this green manure programme in Madras on the agricultural economy of the State.

At Cuttack the average of yield of paddy in a plot of about five acres in which a permanent manurial experiment was conducted was 2.474 lbs in 1950-51; as a result of the cumulative effect of the application of green manures at 5,000 lbs an acre, the yield from each acre increased steadily from year to year up to 3,461 lbs in four years. The yield of paddy at the Coimbatore Central Farm likewise increased from about 2,000 lbs to 4,000 lbs in a period of 20 years, and according to the memoirs of the Madras Agricultural Department, this was the result of systematic growing of green manure crops in rotation with paddy.

Average Increase in Output

The average annual increase in production was over 21 percent in Aduthurai, over 10 percent in Cuttack and 5 percent in Coimbatore, in complete contrast with the halting progress of the last 13 years in the country. These instances from different agroclimatic zones show unmistakably that soil fertility can be built up and the acre yields increased within a few years by a reversion to some of the traditional methods which have stood the test of time. In places where the traditional methods are still observed, the crop yields continue to be high.

For example, in the Thambravarni valley of Thirunelveli district, the yield of paddy is over 4,000 lbs an acre in large areas, nearly double the State average. Here the paddy fields are not inherently fertile. The soils are often shallow with sheet granite underneath: but the farmer has continued to apply large quantities of leaves, brought from outside, and thereby the fertility of the soil is maintained at high levels. Now that there is a method by which the required organic manures can be grown from within the cultivated areas without affecting the crops, the level of manuring can be raised all over the country to what obtained in the last century and restore soil fertility to the old levels and also improve on them in the light of present-day advances in plant nutrition, plant breeding and plant protection.

It is not possible to progress far when the real organic base of agriculture is neglected and the blame is placed on the weather: for it should not be forgotten that in the old days when the seasons were not very different, crop yields were far higher. Those who blame the weather forget that sound planning in agriculture should eliminate as far as possible the adverse effects of seasonal variations by adopting helpful agronomic practices to overcome the twin problems of Indian agriculture, namely, deficiency of soil nitrogen and of soil moisture.

It is not generally realised that some of the methods now sought to be widely extended actually aggravate the difficulties which the Indian farmers face. For instance, extensive use of nitrogenous fertilisers under unirrigated conditions may lead to depletion of soil moisture during the critical phases of plant growth and depress production. Application of chemical fertilisers without addition of organic manures inhibits the population and activities of the natural agencies of soil recuperation like the earthworms, and microflora. Large scale use of high-yielding seeds without adequate manuring will reduce the store of plant nutrients and moisture in the soil and lead to diminishing results.

Lack of Adequate Drainage

Extension of irrigation without attention to drainage has resulted in the rise of ground water to unhealthy levels in Punjab. In large areas in Punjab and Uttar Pradesh saline and alkaline conditions have resulted in the soil from defective drainage. Excess of moisture in some of the areas under the Hirakud project in Orissa has reduced paddy production in the lowlying fields which used to produce high yields in the pre-project days. Large-scale use of pesticides has destroyed the farmer's friends like the frogs, lizards, snakes and bumblebees which help to keep down many noxious insects. There can be no doubt at all that an important reason for the relatively tardy progress of agriculture in recent years is the self-stultifying effect of some of the major inputs of production.

In the anxiety to quicken the pace in agriculture, attempts have been made to stimulate production through short cuts, ignoring their fuller biological implications. We cannot supply concentrated nitrogen to plants without promoting transpiration and depletion of soil moisture. We cannot grow plants with higher potential for yield without draining the soil of moisture and plant nutrients. We cannot destroy the pests of crops without at the same time destroying the beneficial creatures and organisms. The resultant of some of the productive efforts has been stagnation after an initial rise, but steady progress can be ensured only when the approaches are attuned to the requirements of tropical agronomy. Nature's laws are inexorable: we can conquer Nature only by stooping to her dictates, but not in violent opposition.

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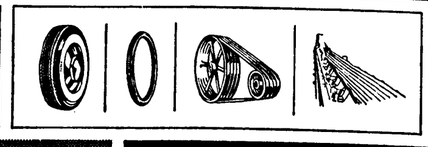
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HIGH TAXES RETARD PROGRESS OF ROAD TRANSPORT

Taxation of road transport in India is the highest in the world. But the sums spent on road development are very small despite the need for better communication facilities.

By

F. P. ANTIA

IMPROVED communication facilities are basic to the success of any plan for economic progress. While not discounting the importance of other transportation media, it can be said that roads have a vital rôle to play in the economic development of India. Essential to the well-being of a modern State, they are both a national amenity and an economic asset. The history of the world is replete with examples of economies vitalised and revitalised by highway construction—particularly the modern motorways linking strategic areas with each other and providing a cheaper, speedier and more efficient transportation agency than any other for the carriage of men and materials.

Italy was the first country in the world to build roads exclusively for motor traffic—with her "autostrada" linking principal cities and ports and running from Rome to Ostia, and Naples to Pompeii. Although, judged by modern standards, they leave much to be desired, this pioneer attempt is creditable for initiating the idea of segregating fast-moving, long-distance traffic. United States road engineers, however, went far beyond the Italians in devising plans for modern roads. None can fail to marvel at the breadth of vision and tremendous engineering skill symbolised in the construction of her superb motorways, magnificent flyways, and sub-surface expressways as, for example, in and around Detroit, New York and Los Angeles.

Trunk Road System

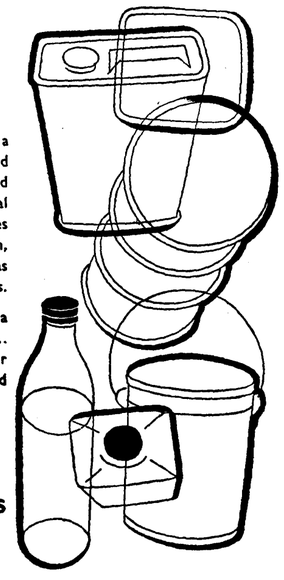
One of the finest examples of a complete modern trunk road system constructed to a national pattern is the German network of "Autobahnen". Their clean simplicity of line is both æsthetically satisfying and permissive of continuous speed with safety. France with her routes nationales, and Sweden with her superb flyways, elevated highways and sub-surface roads, provide further examples of the miracles of modern engineering. The advanced economies apart, numerous underdeveloped countries have launched ambitious road development programmes guided by the fact that nothing can stop the expansion of motor traffic and that ultimately a complete system of highways designed on a national scale has to be provided for. The pertinent question is: Can India afford the so-called "luxury" of these magnificent modern roads?

To begin with, it is a universally acknowledged fact that the road density in India is inadequate and out of line with the mounting needs in the country. With barely 0.36 mile of road a square mile of area, the country stands at the bottom of the road map of the world. Qualitative deficiencies in road surfacing and geometrics are equally deplorable. These alarming conditions, coupled with the current hand-to-mouth method of financing for road development in India, would lead one to imagine that the achievement of a road network comparable with that of an advanced industrialised country is almost impossible for her for decades to come. While the country has a long way to go to rival western highway standards, road transport is the one sphere of its economic activity wherein progress should not be retarded for financial or other reasons.

Contrary to the position that obtained half a century ago, the motor-vehicle today is not a mere "toy of the rich". Even assuming that the road transport industry did not pay sufficiently for its own advancement, it will have to be very high up in the country's list of priority during the successive five year plans, as a basic economic necessity for promoting its rapid advance. That this has not been so is regrettable, particularly because road transport operations constitute a major source of revenue to both Central and State Budgets, contributing to the State coffers far in excess of the disbursements made.

Taxation on road transport in India is notoriously high; it is, in

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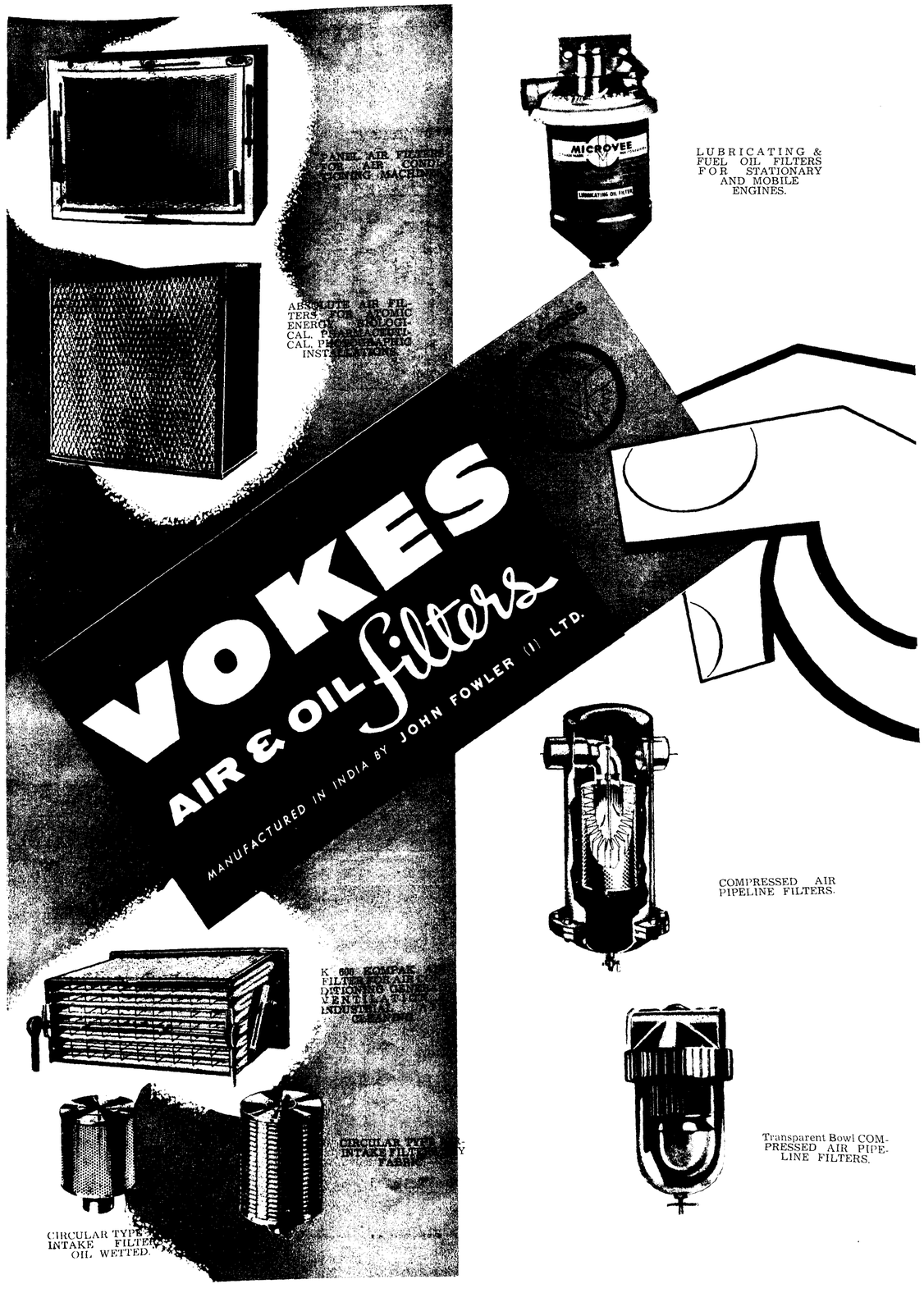
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act, the highest in the world—averging Rs. 3,700 a year a vehicle, a igure which is over seven times the mount paid in an affluent society ike the U.S.A. High road taxation n India is a compound of a perplexng variety of levies, imposed at all evels—Central, State and municipal —and at all stages from the manufacture of vehicle components to vehicle operation. Thus the total revenues from road operations during 1963-64 amounted to Rs. 264.3 crores and are expected to be not less than Rs. 276.47 crores during the current financial year. In sharp contrast to these appreciable figures stands the paltry sum of Rs. 127.2 crores which was expended on road development during 1963-64. At a time when the country needs more and better roads with increasing urgency as an instrument to promote economic growth, it is indeed difficult to understand why large sums are being diverted from road transport to general revenues year after year.

The answer to this persistent neglect of road facilities may partially be sought in the attitude of the authorities concerned—an attitude strongly biased in favour of the railways. The very fact that colossal sums are being spent on railway development while the promotion of road transport—indeed of all other modes of surface transport—is being retarded, has rendered the country's entire transportation structure the Achilles' heel of its planning. Efficiency in transportation being an indispensable element in economic growth, the pulsation of the economy at every stage of production, distribution and consumption is extremely sensitive to its adequacy or otherwise. it is indeed a vulnerable sector in the entire infra-structure of planning.

One would have expected that the third plan, based on the lessons learnt from the two preceding plans, would be structurally better integrated, making full allowances for transport capacity to develop in step with production. As things stand, even assuming the railways augment their capacity to 260 million tons as scheduled, there being no other well-developed agency of transport, the burden of hauling some 115 million additional tons of traffic expected to be generated at the onset of the fourth plan, will inevitably fall on roads. The severe incongruity between supply and demand can well be appreciated when one considers that the total road facilities through the length and breadth of India will be geared to cater to some 25 million tons only, at best, at the close of the current five year plan.

Strongly railway-oriented as it is, transport planning in India leaves much to be desired. In a world of increasing road-mindedness, the railway, the marvel of a bygone century, is beginning to become an obsolete agency of transport except in certain special fields. The severe rigidity of its operations renders it infinitely less efficient than the flexible modern mechanised road transport. As a less efficient agency is being sedulously nursed with the lion's share of investment in transport, it is inevitable that the improvements made in transport in the decade-and-a-half of planning have been only marginal.

The effects on the transport situation apart, the capital and employment aspects of rail and road transport exert their repercussions in varying ways on the economy at large. In the agrarian districts of the country, labour immobility through ignorance, lack of transport, etcetera, results in fractional and disguised unemployment in addition to the widespread undisguised unemployment that looms large in the country. The only way out of this economic "impasse" is an all-out attack on economic backwardness—a line of action in which the rôle of road transport can in no way be overestimated. Road transport, with its remarkable flexibility, can traverse almost any terrain, not open to the railways. The fact that it has the requisite capacity to reach rural India with her huge potential employable labour force is of tremendous significance. The employment potential of road transport is truly amazing. In the U.S.A.—a country with considerably less than half of India's population—the motor-car industry provides employment to 11.9 million persons. For a commercial vehicle, the National Council of Applied Economic Research in India has estimated labour potential at 12.63 persons—a point overwhelmingly in favour of extending road transport services on as wide a scale as possible.

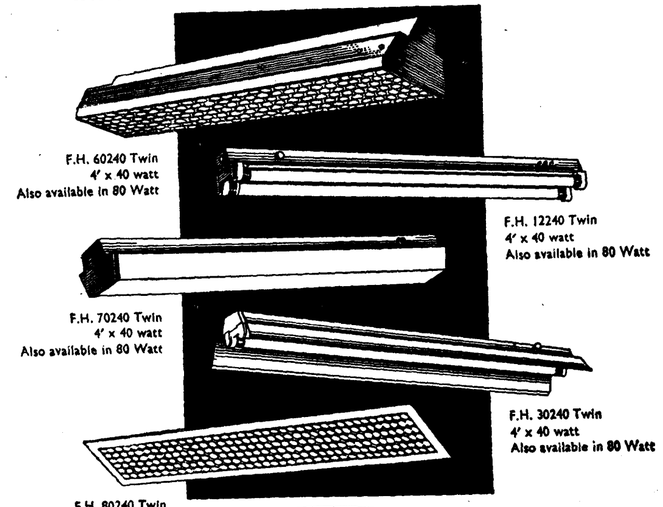
As is only too well known, the rate of capital formation in India is regrettably low because savings in proportion to income are low. Under these conditions, economic wisdom dictates the extension of technical progress which is by and large capital-saving and not labour-saving. Compared with the railways, road transport is far the less capital-intensive agency, requiring less than Rs. 3 lakhs a mile for the construction of a dual-carriage road, against the Rs. 7 lakhs to Rs. 10 lakhs required for a corresponding length of a railway line. In this context, it must further be borne in mind that while technical progress creates those conditions under which a higher rate of capital formation may be obtained, its mere absorption in the economy does not connote that the rate of capital formation will automatically tend to rise in proportion. As long as capital formation is not stepped up in keeping with the massive investment made, there is a growing disequilibrium between the growth of work force and the growth in employment. In the context of investment in road transport, however, the problem does not arise, as the very forces governing the rate of capital formation increase to the extent necessary to absorb the labour force, both actual and potential.

Employment Potential

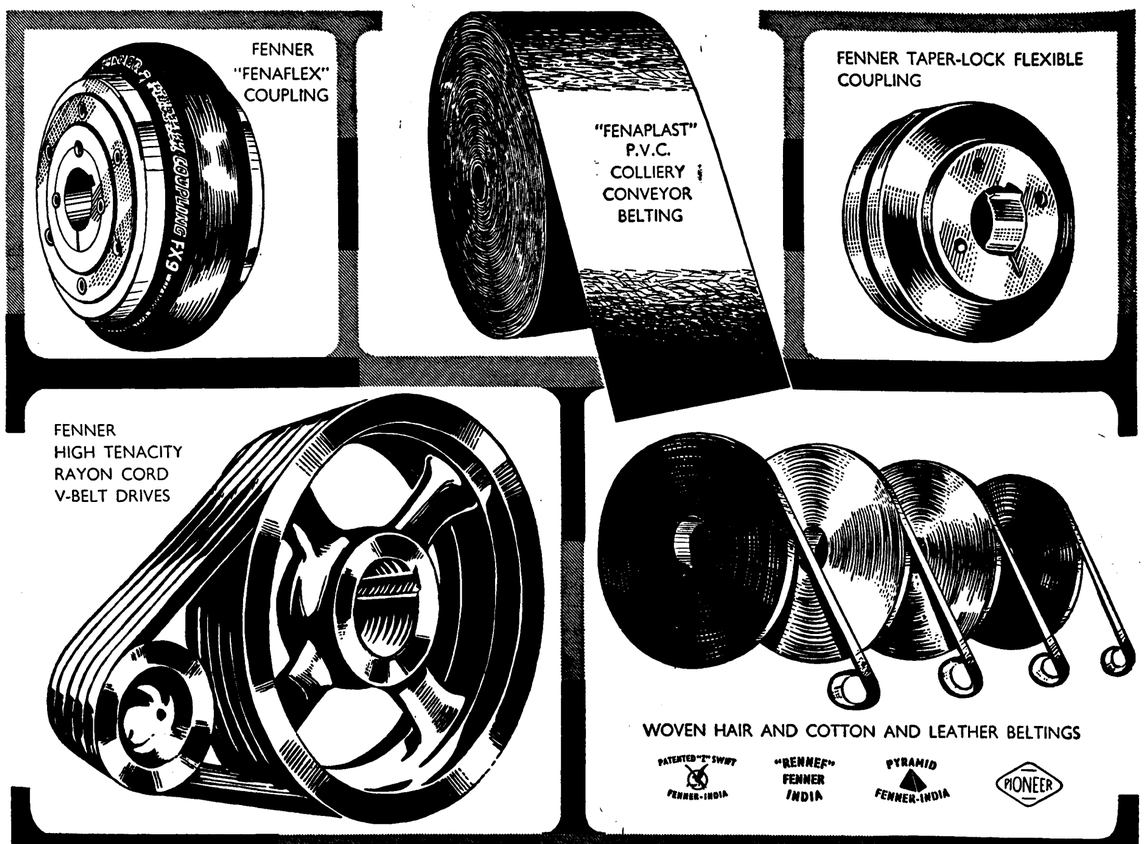
There is no denying that a high rate of capital formation is the only way out of the rut. By augmenting carrying capacity and economising on capital, road transport. while simultaneously opening up new vistas of employment to India's labour force, can make a significant contribution to this end.

India's chief problem in planning today is the achievement of a more balanced growth. The penetration of a road into a hitherto depressed region has been instrumental in revolutionising areas in both the developed and underdeveloped world. With the opening up of such areas and the provision of more effective links, larger and more profitable markets develop, new industries are attracted, wage bills rise, demands increase and diversify. No railway network, however elaborately planned, can bring about quite as spectacular an achievement.

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CHECKING THE CONCENTRATION OF ECONOMIC POWER

The Monopolies Commission faces a difficult task. It has to steer clear of popular prejudices and make an objective assessment of the nature of the so-called concentration of economic power. To shackle large-scale enterprises in the attempt to curb monopolies would be a mistake.

By
N. DAS

THE bogey of concentration of economic power has been with this country ever since the Constitution was adopted in 1950. The preamble to the Constitution solemnly resolved to secure to its citizens social, economic and political justice and equality of status and opportunity. The Directive Principles of State Policy—an important part of the Constitution—also said that the State shall direct its policy towards ensuring, among other things, that the operation of the economic system does not result in the concentration of wealth and the means of production to the common detriment.

These objectives have been reiterated on many occasions both by the Government and the Planning Commission. As a matter of fact, one of the specific objectives of the third five year plan is "reduction of disparities in income and wealth, prevention of concentration of economic power and creation of the values and attitudes of a free and equal society". Even as the draft outline of the plan was being considered, the Government felt that an enquiry should be made "to study recent trends in the distribution of income and wealth and, in particular, to ascertain the extent to which the operation of the economic system has resulted in the concentration of wealth and the means of production". A Committee on the Distribution of Income and Levels of Living was accordingly appointed on 13th October, 1960, with Professor P. C. Mahalanobis as chairman. The Committee submitted the first part of its report in February 1964: this covered the main issues of recent trends in the distribution of income and wealth and of concentration of wealth and the means of production.

A Curious Document

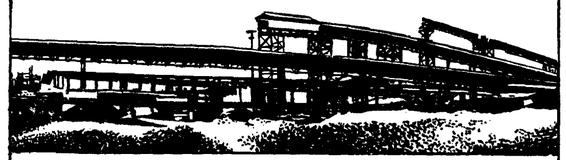
The report was a curious document in as much as it made the frank admission that (a) the required data were not available for a direct study of the question of income distribution and no firm conclusions could be drawn on the subject and (b) even the data on concentration were inadequate and incomplete. Yet, it made certain observations on both the issues which seemed to confirm the popular belief that there had been an increase in the inequality of income distribution, particularly in the urban sector, and that the operation of the two plans had facilitated the process and increased the degree of concentration. Within a few days of the submission of this report, a Monopolies Commission was set up (a) to enquire into the extent and effect of concentration of economic power in private hands and the prevalence of monopolistic and restrictive practices in important sectors of economic activity other than agriculture and (b) to suggest such legislative and other measures that might be considered necessary in the light of such enquiries. The Commission got down to work towards the middle of 1964 and is expected to submit its report some time in 1965.

Although doubtful about the need for the appointment of a Monopolies Commission, the business community has accepted it with good grace, because it feels that an impartial and objective enquiry by an independent commission headed by a former Supreme Court Judge would expose the hollowness of the myth of monopoly and the concentration of economic power in the private corporate sector in India today. It will be interesting to recall in this connection that only a day prior to the announcement of the appointment of the Commission by the Central Finance Minister, Mr. Nityanand Kanungo, the then Central Minister for Industry, had assured the Lok Sabha that "the existing procedures and laws are sufficient to see that no monopolies are possible in the field of production".

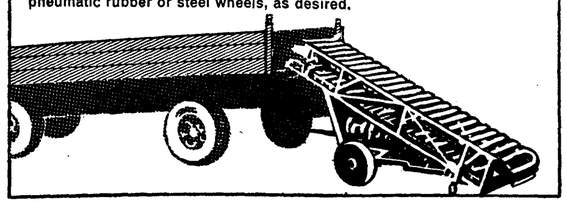
Words like "monopoly" and "concentration of economic power" raise

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such emotive feelings that it is necessary to know what precisely one implies when one uses them. The term "monopoly", in the strict sense, signifies sole control over the supply of any commodity or service. According to classical economic theory, the strength of the monopolist lay in his power to raise prices by regulating the supply as he pleased. It followed, by implication, that the activities of the monopolist were to the detriment of the consumer and of the community.

This classical concept of "monopoly" is, however, no longer valid in the world of today. It has been replaced by the concepts of duopoly, oligopoly, monopolistic competition and imperfect competition. In actual practice, in no country or industry is there one individual or company controlling all the supply (including possible substitutes). Secondly, monopolistic conditions of supply and price-fixing are not always disadvantageous to the community. Situations exist in which monopoly brings substantial benefits to the consumer—much greater than what could be had under conditions of perfect competition.

Three Schools of Thought

Broadly speaking, there are three schools of thought on the subject of monopoly. In the U.S.A.—the home of the classical tradition of economic theory and public policy—competition is regarded as an influence tending towards lower costs and prices, better quality and technological progress, because of inter-company pressures and the elimination of marginal enterprises. Socialist economic theory, on the other hand, regards competition as a source of duplication and waste and a cause of the degradation of quality and labour standards. Both the schools of thought, however, agree that unregulated private monopoly leads to excessive prices and profits, restriction of output, delay in the adoption of better production methods, and the impairment of quality and labour standards. Then, there is a third view which regards restrictions on competition as not inherently evil, but as a device of varying significance leading sometimes to monopolistic abuses, but more often to economies in production, rationalisation of industry and protection of business and labour from wasteful excesses of competition.

Before one can answer the question whether monopoly exists in India or not, it may be pertinent to point out that, even in western countries, information on the subject is incomplete and insufficient. Secondly, there is a lack of standards of judgment by which to determine the relative importance of different kinds of facts. There is also no agreement among economists and public men on some key issues like (a) how much competition is desirable and (b) whether it is possible to preserve this competition without adversely affecting the interests of the community. Data on the subject are even more fragmentary in our country; nor is there any accord on the main issues.

Does this country have "monopoly" in any form today? There are many examples of monopoly to be found in the public sector, *e.g.*, the railways, the telegraphs, the telephone industries, life insurance, civil aviation (internal) and certain fields of import and export. As many of these fall into the category of public utilities in which monopoly is considered desirable for economic reasons, no one is perturbed even when the State does manipulate the price or supply or both—not necessarily for the benefit of the consumer.

It has, however, been alleged that monopoly exists in certain segments of the private corporate sector. Now, we all know that there is no monopoly in terms of *absolute* control over supply. But is there even *substantial* control over supply in any field of economic activity? Here, it would be useful to apply the yardstick of western countries. The practice in the West is to regard a situation as monopolistic where, broadly speaking, at least one-third of the market is in the hands of a single firm or group of firms. In the United Kingdom, for example, under the Monopolies and Restrictive Practices (Enquiry and Control) Act of 1948, a case can be referred by the Board of Trade to the Monopolies Commission for enquiry if one-third of an industry is in the hands of a single company or a group of companies acting together. A recent study made by the Economic and Scientific Research Association, Calcutta, shows that in only three or four industries (cigarettes, soap, refrigerators, fluorescent lamps and electric fans), are there single units producing more than one-third of the total output of the industry.

Even in these cases, this is due either to superior efficiency and lower cost, or to the fact that they are pioneering units and others have yet to follow their lead. As a matter of fact, even the Mahalanobis Committee conceded that (a) the monopoly or semi-monopoly position enjoyed by a few concerns at the beginning of the first plan period has been considerably reduced as a result of steady expansion of the industrial sector (including the public sector) during the last decade or so, and (b) there was some justification for such localised industrial concentration in terms of the economies of scale.

This brings us to the question of bigness in the private corporate sector. In any democratic "have-not" society, "big business" is looked upon with suspicion by the man in the street. This suspicion becomes particularly acute when it so happens, as has happened in the scarce economy of this country today, that the smaller units and individuals—whether producers or consumers—do not have easy access to what they require for their own use (either production or consumption) while the bigger units or more prosperous individuals seem to wallow in plenitude. The slogan of monopoly and/or concentration of economic power is then raised and "big business" held responsible for the difficulties and travails of others.

Now, as everyone knows, bigness is the inevitable result of recent advances in technology. It is the fruit of mass production and mass consumption and is an index of economic progress, offering considerable opportunities for the reduction of costs, providing funds for research and enabling a large number of working population to maintain a standard of living which small business simply cannot provide. As a

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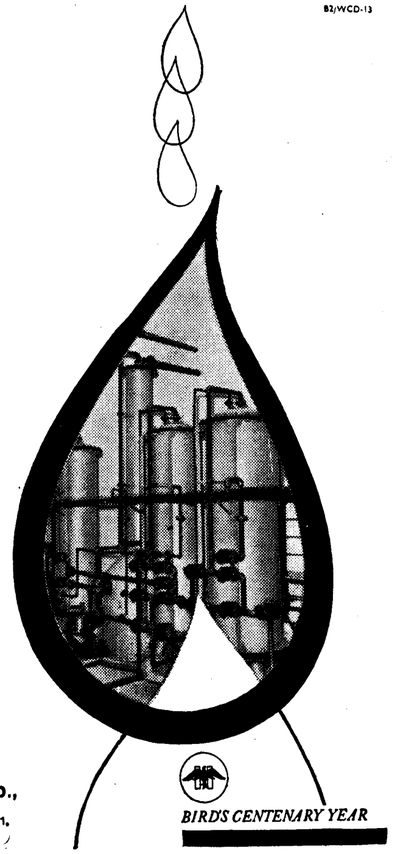
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Area:

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Population:

34,926,279 (1961)

Density of Population:

1,032 per Sq. mile

Percentage of Literacy:

29.3 (1961)

Outlay of Five-Year Plan:
(in crores of Rs.)

1st Plan : 67.71
2nd Plan : 147.81
3rd Plan : 293.15

Number of Schools: (General Education)

1947-48 = 15,853
1961-62 = 35,208

Students in Schools:

1947-48 = 15,66,611
1961-62 = 39,52,349

No. of Technical Institutions:

1947-48 = 13
1961-62 = 48

Students in Technical Institutions:

1947-48 = 1,135
1961-62 = 6,325

Expenditure on Education:

1947-48 = Rs. 5.59 Crores
1960-61 = Rs. 34.08 ,,

Per Capita Expenditure on Medical & Public Health:

1947 = .95 nP.
1962 = 3.85 nP.

Number of Beds:

1948 = 17,549
1962 = 29,474

Number of Doctors:

1947 = 1 for every 5,000
1962 = 1 for every 1,797

Death rate per 1000:

1948 = 18.1
1962 = 6.5

Expectation of life:

1949 = 35.60 years
1962 = 48.13 years

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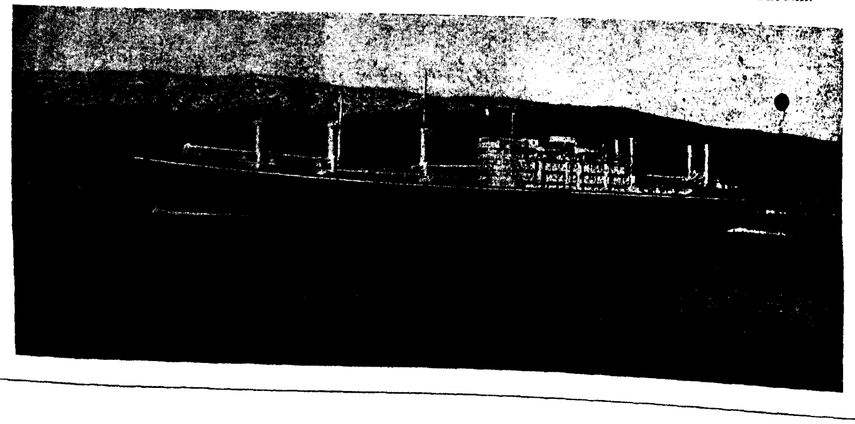
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matter of fact, all over the world, economic progress has been characterised by a steadily growing tendency towards the formation of large enterprises on the one hand and the growth of various types of integration on the other. Even the Mahalanobis Committee has said: "There is such a thing as the economy of scale which works in favour of big business, on purely economic grounds, and economic considerations are certainly relevant especially in the context of our scarce resources and the imperative need for our making the most economic utilisation of these resources. In many industries, the size of the domestic market is small in relation to the size of the plant at which maximum average costs begin to obtain; and any attempt to reduce the degree of concentration by breaking down economic-size units into a large number of uneconomic-size plants would only lead to economic waste".

Technological Developments

Then again, a country which intends to export on a large scale cannot afford to ignore the costs of production. India must sell at international prices and, to be able to do so, those units which hope to sell their products to foreign countries, must be abreast of the latest technological developments. This is possible only when the units are big. Secondly, leading foreign companies would ordinarily enter into collaboration arrangements only with firms of standing and repute—firms which have plenty of resources, managerial talent and technical competence. Because of their own international standing and power to dictate terms, the latter can also pick and choose their foreign collaborators.

Even so, our "big business" is really very small by international standards. In *Fortune's* latest (1963) list of the 200 largest foreign companies in the world ranked by sale and assets, there is the name of only one Indian Company, namely, Tata Iron and Steel, and it ranked 186th! Its sales and assets were $192,307,000 and $332,242,000, respectively, as against the sales and assets figures of $6,521,292,000 and $10,651,001,000 of the No. 1 largest foreign Company, *viz.*, Royal Dutch-Shell.

It is, however, argued that while there may not be any monopoly or semi-monopoly in India in the accepted sense, there is some concentration of economic power in the private corporate sector, especially when viewed from the angle of the economy as a whole. According to the Mahalanobis Committee, "there are a small number of individuals or groups who have in their control significant volumes of economic power in terms of capital, income, employment or media of communication which, though not consisting of a large percentage share of the national aggregate in each case, nevertheless set them so much higher than any other individual or group in the relevant context that it gives them a disproportionately large influence and enables them to exercise economic power not measurable statistically by mere ratios of concentration".

Unfortunately, this rather sweeping statement has not been buttressed by any scientifically processed and objectively presented data. Although the relevant chapter of the report and the appendix contain a number of tables, misleading or unwarranted conclusions have been drawn from them. For example, an analysis of advances made by scheduled banks to industry shows that the main beneficiaries have been the big and medium enterprises. Similarly, the share of loans in the total liabilities in the case of a few top "complexes" or "groups" has been shown to have increased to some extent during the period 1951-58. From this, the conclusion has been drawn that this has increased concentration of power in a few hands! Apart from the obvious fallacies, the fact has been completely overlooked that—far from increasing concentration—loans made by various financial institutions have subjected the borrowing enterprises to a more continuous scrutiny and caused a dent in their economic power! Similarly, figures have been given of 20 selected groups having increased their share of all corporate private capital from 29.2 percent to 34.2 percent during the period 1951-58, and the conclusion has been drawn that this was another evidence of the increasing tendency towards concentration!

The Mahalanobis Committee has obliquely hinted that a few groups in the private corporate sector wield a considerable amount of economic power through the devices of intercorporate investment, common managing agencies, common directors, etcetera. It has been conveniently overlooked that such devices are by no means peculiar to this country: similar arrangements are recognised methods of business in the developed countries of the West where the State is ever zealous to curb monopolies or monopolistic combinations. Secondly, such devices promote operational efficiency and reduce costs. Finally, the Government of India already exercises a number of countervailing powers and can and does put a stop to any abuse of these devices by any particular company or group.

Regulatory Powers

The last point needs to be amplified. Although there is no law at present specifically preventing monopolies, the Government has wide powers for regulating production, prices, profits and the movement and distribution of goods. These powers are exercised under the Industries (Development and Regulation) Act, the Essential Commodities Act, the Indian Companies Act, and various other Acts. During the last decade or so, the Government has made ample use of these countervailing powers and has seen to it that no single company or group is able to dictate what should be produced or sold and at what price. The entry of the State into industry and trade in a big way has further diluted any kind of concentration of economic power that might have existed in the private corporate sector. All the five year plans hold diffusion of economic power as one of their main objectives, and ever since the first plan was drawn up, the development of the private corporate sector has been made to conform to the pattern envisaged by the planners.

It is sometimes alleged that the Government's own policies have, instead of effecting a diffusion, led to further concentration of economic power in the private corporate sector. It has been stated, for instance, that "concentration is the fruit of Government planning and licensing policy in the industrial sector and the exercise of such concentration that exists in the big managing houses is, partly, the result of licensing which, in turn, is often directed by considerations of optimum size in particular industries". It is true that the Government's licensing policy has tended to give a certain degree of protection to producers at the expense of efficiency and has, to some extent, kept out competition, but this has been due to the fact that there is only a limited market for certain commodities and it would obviously not have been in the public interest to have granted licences to all and sundry. Secondly, certain industries are comparatively new to India: other units would come in only if a demand for the product has been already built up. New fields of industrial activity are necessarily pioneered by single units or at best by a very small number. Thirdly, there are industries which, by their very nature, do not admit of a large number of units either because of the huge capital outlay involved or of the comparatively limited market. In all these cases, the fact that more units have not come in yet need not be viewed with any great apprehension.

Planned Development

Planned development was initiated in this country only 13 years ago. Thirteen years is not a very long period of time in the history of a nation. Even so, all available evidence indicates that whatever quasi-monopoly or concentration of power there was at the beginning of the first plan period has become considerably diffused by now. In any case, there is no concentration of economic power (in the private corporate sector) of the type which one can see in some of the western countries.

In India today, the State has stepped in as the "countervailing power" in a big way. I had referred to the phenomenon as early as in 1961 in the third revised edition of my book, *Industrial Enterprise in India*. Since then, the State has assumed further powers, both direct and indirect, to contain "the original powers of capitalism".

Among the conditions that are necessary for preventing undue concentration of power in any industrial group, two are of special importance. Firstly, there should be no combination among the larger units and, secondly, there should not be any serious impediment to the entry of new enterprises. Both these conditions are to be found in India today. There is keen competition among the companies in the same industry, whether they are managed by managing agents or boards of directors. There has been no evidence of collusive combinations among them to restrict output or to raise prices. Even on the rare occasions when output has shown a tendency to fall, or prices a tendency to rise, due to the operation of factors over which industry has no control (*e.g.*, the shortage of raw materials or levy of heavy excise duties), the Government has appeared on the scene and sometimes compelled the units concerned to get on with production and distribution even at a temporary loss. As for the entry of new enterprises, not only do existing industrial groups have no powers to stop such entrants, but they submit gracefully to any measure the Government takes to broaden the industrial base.

As for market power, the scope for concentration is even less. The prices of many important commodities (*e.g.*, steel, motor-cars, cement, coal, petroleum, fertilisers and sugar) are more or less fixed by the Government, while, even in relation to others, a careful watch is kept. Although temporary cornering of goods and services is not unknown, restrictive practices deliberately manipulating prices are few and far between.

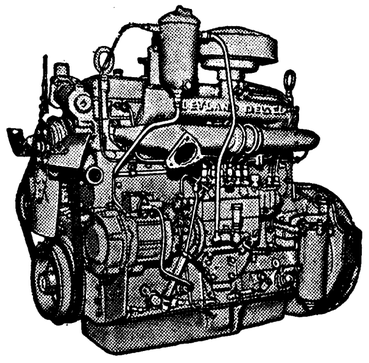
Encouraging Small Entrepreneurs

Another fact which militates against concentration of economic power in a few individuals or groups is the deliberate encouragement given by the Government to small entrepreneurs. A sizable proportion of the Government's direct outlay is on the development of cottage and small-scale industries: Rs. 33.6 crores was spent under this head in the first plan and Rs. 180 crores in the second, while the provision on this account in the third plan is of the order of Rs. 250 crores. In addition, small industries get financial accommodation from the various specialised institutions set up by the Government; some of them are also given preference when tendering for Government institutions and projects. India is certainly humming with industrial activity, but this activity is not confined to a privileged few.

One should, therefore, look at the problem calmly and dispassionately. Bigness is both necessary and desirable in the industrial world today and one need not look upon a company or group with suspicion merely because it is big or has controlling interest in a number of undertakings. Even if a company wields some economic power, as long as that power is not used irresponsibly (and the Government has already got enough countervailing powers in its armoury), the public need not feel unduly worried. The question that should be asked is whether a company or group is indulging in anti-social practices—practices which are not in conformity with the objectives of India's Constitution and the plans.

The Monopolies Commission has a very difficult task before it. It has to steer clear of popular prejudices on the subject and to make an objective assessment of the nature and extent of the so-called concentration of economic power in private hands and the prevalence, if any, of monopolistic or restrictive practices. As a result of the various controls and regulations and the very heavy fiscal burden, entrepreneurship in the private sector is already at a low ebb. While no sensible person would object to the Government assuming powers to put down monopolistic or restrictive practices which are against the public interest, the likelihood of the Government putting further fetters on large-scale enterprise in the private sector continues to worry those in charge of industry. It is never popular to dispel myths assiduously propagated, but one earnestly hopes that the Monopolies Commission will steer clear of slogans and shibboleths, and give an objective and definitive verdict on all the issues that have been referred to it.

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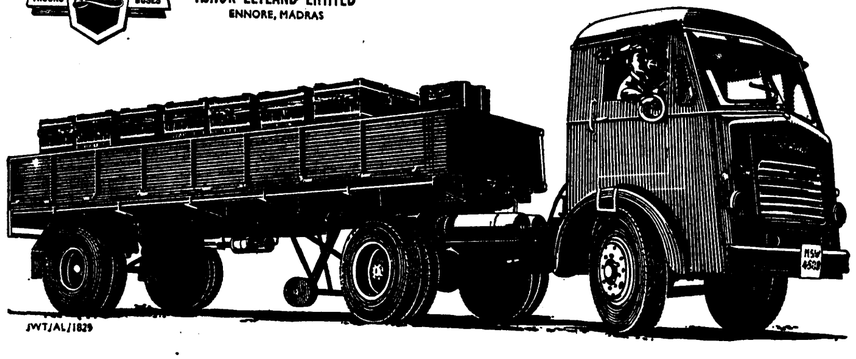
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INTERNATIONAL LIQUIDITY AND THE COMING WORLD RECESSION

The importance of gold in international settlements should be reduced. Because liquidity is inadequate, a world depression may come any time. The danger can be avoided if the International Monetary Fund is made into a super central bank.

By

KERSI DOODHA

Department of Economics, University of Bombay

FOR a little less than a century (1815 to 1914)), the gold standard ruled despotically over the monetary destiny of the world. After the first World War, attempts were made to restore it between 1926 and 1933. These did not succeed because of the parochial behaviour of various countries, the onset of the depression and the resultant currency chaos. Following the devaluation of sterling in 1931, a series of competitive exchange depreciations took place. The object was to earn more foreign exchange by exporting the domestic depression abroad. But as each was trying to outsell the other, none could benefit by the struggle for foreign markets. The breakdown in foreign exchange stability resulted in loss of mutual confidence and respect. As there was no machinery for negotiating, each country acted in isolation. Exchange restrictions, obstacles to free trade and other techniques for reducing the level of world's income were thoughtlessly imposed. The restrictive practices, except for a brief period after the Great Depression, tended to deepen; disaster inevitably followed in the shape of the second World War.

In the postwar period, a more sober world settled down to the job of reconstruction. This effort bore fruit in 1946 with the establishment of the Bretton Woods twins: the International Monetary Fund (I.M.F.) and the International Bank for Reconstruction and Development (I.B.R.D.). The former, with which we are directly concerned, was charged with the duty of gradually destroying barriers to free trade and introducing multilateralism through the medium of stable rates of exchange. Since exchange restrictions were the principal means of preventing free trade, the task before the I.M.F. was to dismantle this machinery. It was not an easy thing, because the lack of means to finance the balance of payments disequilibria, would force countries to retain exchange barriers. Therefore, the I.M.F. was so devised as to provide short-term loan assistance ranging from three to five years at the maximum, whenever temporary factors induced a distress in the balance of payments. Nevertheless, whenever a fundamental disequilibrium in the foreign trade account was observed, an orderly adjustment in the value of the exchange rate was to be effected. Finally, the I.M.F. was to provide a common meeting ground for diverse views from which a consensus would emerge.

Reconstruction Finance

These noble aims of the I.M.F., while being adequate for a normal period, proved insufficient to meet the requirements of the postwar world. The world in 1946 required reconstruction finance more than anything else. The Fund, however, was incapable of ministering to this need. Such aid, therefore, came to be bilaterally negotiated (the Marshall Plan) or through regional arrangements (the European Payments Union, the Colombo Plan, etcetera). The Fund remained aloof from these developments believing that these were attempts at undercutting its authority. This policy of lofty isolationism made it a stranger to such international monetary developments as *de facto* convertibility of sterling in 1955 and the limited convertibility of currencies of major international trading partners in 1958. Stable exchange rates and recourse to convertibility were the chief achievements of the 'fifties.

In an otherwise optimistic picture, a jarring development was simultaneously rearing its ugly head; the U.S.A. was suffering a continuous deficit in its balance of payments since 1952. Till 1958 the creditor countries were content to hold dollars as short-term assets in their reserve portfolio, so it did not create any special problem. The U.S.A. always got back what it had lost. However, after 1958 a mounting surplus of dollar holdings was partially converted into gold through the central bank window. (The U.S.A., because of the gold guarantee, is committed to give gold for dollars at a fixed price of $35 a fine ounce on demand to central banks.) This conversion led to a significant outflow of gold from the U.S.A. which was assumed to be a sign of weakness. It introduced an element of nervousness among the private holders of dollars. Since they were incapable of getting their dollars converted into gold at the U.S. Treasury, they took recourse to the free market in gold in London. Because of the sudden demand for gold, the gold price in London began to rise and in some unofficial dealings on 20th October, 1960, reached a record level of $40 an ounce. A collapse of convertibility *a la* 1958 seemed imminent. It was widely held that gold would be shortly revalued in terms of the dollar. Two events occurred, however, which frustrated this expectation. In a forthright post-election speech, President Kennedy announced that the U.S.A. had no intention of devaluing the dollar in terms of gold. Secondly, the U.S. Treasury secretly informed the Bank of England to sell gold from its reserves in the open market, such loss being replenished by it at a later date.

These decisions helped to stabilise the gold and exchange markets. Still, the consensus of European opinion was urging the United States to apply strong fiscal and monetary measures to correct the deficit in its balance of payments. If the U.S.A. accepted this advice, it was argued, her domestic economic policy would come into conflict with policy decisions imposed on her by her international relations. Moreover, if the deficit in the payments position was to be corrected, two major items, defence and development aid, would be the principal targets. Between them they accounted for $8,000 million worth of capital transfers in a single year. But if these items were axed, it was felt, the free world's survival would be jeopardised. Nevertheless, even if these issues were sidetracked, what is important to remember is that the moment the United States succeeded in restoring an equilibrium in her balance of payments, dollars would cease to flow out. This would tend to dry the fountain from which the world had got accustomed to supplementing its international reserves. There would, therefore, arise a liquidity crisis, if no *alternative* arrangement was made.

Measurement of Liquidity

But precisely what is this creature called international liquidity? How can one measure it? On what factors depend its adequacy? In what manner can liquidity be met without endangering world prosperity? International liquidity, in simple language, means the need for money at the international level to put through trade transactions and build up precautionary and speculative balances. Such a demand is measured as a ratio of gross reserves to total world imports. Gross reserves are further defined as gold in the treasury plus convertible currencies. The total world imports are valued at c.i.f. prices. Though the ratio of gross reserves to imports is found to be cyclically unstable, empirically it has been found that over the secular period, it tends to remain constant at 50 percent. This may be interpreted to mean that on average countries demand international reserves equivalent to their six months' imports.

It may be observed that in the above ratio, the constancy is secured by assuming steady rates of growth both in gross reserves and imports. It is generally held that gold, which is the major component in international reserves, appears to grow at an annual average compound rate of 1.5 percent. On the other hand, Gustav Cassel and Joseph Kitchin found from an analysis of time series data that total world imports tended to grow at the rate of 3 percent a year. The I.M.F. in its study *International Reserves and Liquidity* accepted the constant character of the numerator and denominator of the ratio, and came to the conclusion that international reserves would be adequate for the decade ending 1966. Robert Triffin in his *Gold and the Dollar Crisis* questioned the Fund's conclu-

TABLE 1

International Liquidity

(in $(U.S.) million)

Year	World's gold production	Gross reserves	World imports (c.i.f.)	Ratio of gross reserves to imports (percent)	Average world import prices* (1958 = 100)
1	2	3	4	5	6
1951	827	4.700	8,200	57	—
1952	852	4,800	8,000	59	—
1953	848	4,900	7,700	64	—
1954	897	5,100	8,000	63	—
1955	940	5,200	8,900	58	104
1956	980	5,300	9,900	54	104
1957	1,019	5 400	10,800	50	101
1958	1,051	5.500	10,100	54	100
1959	1,127	5,700	10,600	53	99
1960	1,178	5,900	11,900	50	100
1961	1,215	6,000	12,400	49	98
1962	1,300	6,200	13,200	47	96
1963	1,355	6.500	14.300	46	98

N.B. *Unweighted average of import prices prevailing in the U.S.A., Canada, western Europe and Japan.

Source: *International Financial Statistics.*

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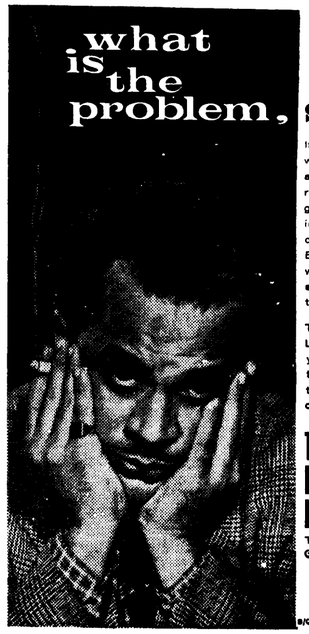
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sion. He pointed out that in so far as world trade may be expected to grow at a uniform historical rate, the Fund is justified in taking up a complacent attitude. What would happen, however, if world trade grew at more than the historical rate? Triffin hence posed the problem in terms of a spectrum of growth rates. He felt that as the rate of world growth tended to exceed the historical limit, gold will have to be supplemented increasingly by the holdings of currencies. Data in column 4, Table 1 seem to uphold Professor Triffin's fears because the growth in world imports during the period from 1951 to 1963 has been at the average rate of 5.7 percent a year.

Now when imports are rising faster than gold reserves and the gap in reserves comes to be met by increased holding of currencies, the national equilibrium of the ratio of gold to international reserves is disturbed. This ratio is implicitly assumed to possess in its turn an average value of 50 percent. Consequently, when with the increase in world trade a larger reliance is placed upon currencies, this notional equilibrum is destroyed. People begin to lose faith in holding on to currencies. There will be an undercurrent of tension which will remain latent, so long as international confidence persists. But perchance should an event occur, sufficient in importance to cast doubt upon the prevailing psychology, a run on currencies will take place, destroying the fabric of convertibility. This will cause nations to retreat into their shell; exchange restrictions and impediments to free flow of goods and services will crop up destroying world prosperity.

Plethora of Plans

In order to save the world from such a disaster, as well as permanently to ward off the periodic crises of confidence, suitable modifications in the gold exchange standard adopted since 1922 have been advocated. Some like Sir Roy Harrod and Dr. W. J. Busschau want the price of gold to be doubled in terms of the dollar. Others like J. E. Meade and Milton Friedman suggest the employment of flexible exchange rates, rather than the current system of pegged exchange rates. Still others like Robert Triffin and Edward Bernstein recommend modifications in the institutional set-up of the I.M.F. to make it functional under modern developments. With this end in view, the Triffin plan, the Bernstein plans, the Stamp plan, the Maudling plan, the Zolottas plan, the Jacobsson plan, *et hoc genus omné* have been advanced. Some conservative elements notably Jacques Rueff have even gone to the extent of suggesting a return to the gold standard.

From all these suggestions, the most controversial is the one mooted by Professor Triffin. It is based essentially on the Keynes plan for the establishment of an International Clearing Union, which sought the creation of a central bank for central banks. This super central bank is to be endowed with powers to issue its own currency (bancor) at a definite rate a year. Though Triffin has watered down the controversial Keynesian proposals, critics continue to hold misgivings about its utility. Those who favour this ultimate goal say it is too much too soon. Others contend that since such a new organisation requires the delegation of national sovereignty to an international agency, it will not be acceptable to the conservative central bankers the world over. Some critics even go to the length of doubting the utility of the measurement criteria. Professor Fritz Machlup, for instance, feels that liquidity is a highly subjective phenomenon and can never be objectively calculated.

Ad Hoc Measures

For these reasons, a *via media* is struck in the form of undertaking *ad hoc* devices for strengthening world prosperity like the one in 1958, by which the I.M.F. quotas were subsequently increased by 50 percent. After the gold crisis in 1960, central bankers acted concertedly to refrain from converting their dollar holdings into gold. They further created in 1961 a gold and a currency pool to beat off speculative attacks on currencies. For instance, under the gold pool arrangement, an international gold price equalisation fund was created. Whenever an unusually large private demand for gold manifested, the dealers' depleting stocks were to be replenished by sales from this pool. On the other hand, when private demand tended to slacken, excess stocks with dealers were to be bought by the pool and the gold distributed to members for purposes of reserve holdings. Similar to the gold pool was the currency pool created by ten developing nations. Popularly called the Paris Club, the members who formed this group pledged to make available to the I.M.F., under certain conditions, a loan of $6,000 million, sufficient to meet the increase in demand for international reserves in the near future.

In a master move under the Roosa plan, the U.S.A. entered into bilateral agreements with some of the Continental countries in 1962 to build up a reserve of currencies. These holdings were to be later used for arbitrage purposes. In 1963, the system was extended to triangular swaps. In a way, the system of currency swaps merely endorses the use of larger number of currencies in international transactions. It thereby seeks to reduce the pressure on the dollar and the sterling as key currencies. It is quite likely that this is not a sound method of dealing with the liquidity problem, since experience seems to indicate a single reserve unit as an ideal solution. The reason is that a multicentred world can function as well as a unicentred world in periods of calm, but during periods of stress it is subject to wide and sweeping movements which may create a severe strain on the financial structure. So the Roosa plan, rather than fortify the world currency system, may probably add to its instability during a crisis of confidence. This once again emphasises the need for a centralised agency capable of issuing international legal tender.

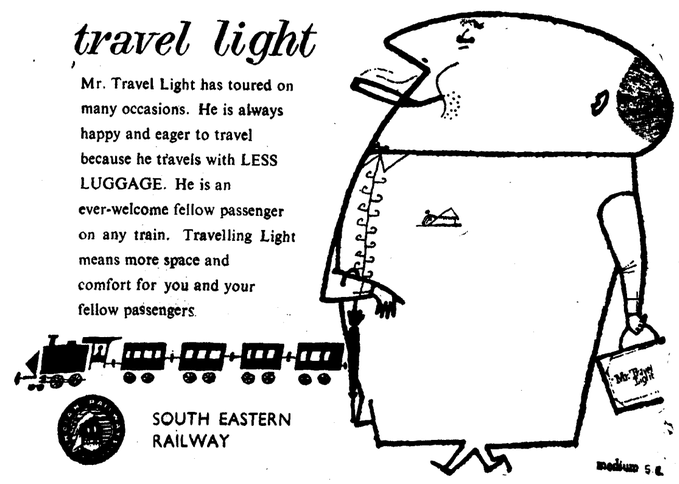
Probably, such a conviction led the U.S.A. finally to accept the Keynes-Triffin plan as the basis of solving the international liquidity problem. It may also be that this change in attitude was forced upon the U.S.A. by the intransigent attitude of the French at the recent Fund annual meeting at Tokyo. It will be recalled that at this meeting held in September 1964 an unanimous decision was taken to increase members' quotas with the Fund by 25 percent. As one-fourth of any increase in quotas, under article III, section 2 of the Articles of Agreement of the I.M.F., is to be paid in gold, many of the developing nations objected to it. France insisted on gold payment saying that if this was not enforced, it would be an invitation to anarchy in the system of quotas. In the absence of gold payments, France felt, exaggerated quotas might be demanded, which if acceded to, would lead to drawings higher than the country's importance in world trade would warrant. This would provide not only unwarranted succour from the Fund, but also lead to heavy drawings from the I.M.F. and hence create a shortage in liquidity too!

Personally, I do not approve of the French attitude as since 1946 our common objective has been to bury for good the barbaric gold relic from our midst. Our task in the future is to reduce the importance of gold in official use. Let private individuals, if they so desire, continue to deal in gold. But at the international level, where countries are directly involved currency settlements should prevail. After all, confidence is not so much in gold, as in the will to honour international obligations. We have to learn to respect and trust one another. It is only when we get rid of suspicion that credit will commence to play in the international sphere the identical creative rôle it is playing in the domestic field.

If at all the world was saved from the danger of a liquidity crisis between 1956 and 1964, it was due to the rapid increase in the production of gold. As column 2 in table 1 (on page 57) reveals, gold production rose at an average annual compound rate of 3 percent a year, double the historical level. It thereby assisted in cushioning to some extent the increase in world imports too. Obviously the lack of confidence in the dollar and the practice of keeping reduced reserves of currencies led to a decline in the ratio of gross reserves to imports from 50 percent in 1960 to 46 percent in 1963 (column 5 in the table). Significantly, this did have a deflationary impact on prices as indicated by column 6 in table 1. In the table there, if the world's index of prices is measured as an unweighted average of import prices (1958 equals 100) prevailing in the United States, Canada, western Europe and Japan, then it will be noted that this index has tended to decline below its 1960 mark. It is quite likely that this trend would have been accentuated if the U.S. economy did not continue its record postwar prosperity cycle in 1964. Once signs of weakness again appear in the U.S.A., then *it is quite likely that a depression between now and 1966 may materialise.* This reduction in levels of economic activity may be directly attributed to the want of international liquidity. Before such a calamity comes, it is advisable to act now by negotiating to convert the I.M.F. into some kind of a super central bank.

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High Interest Rates: Propitious Time for Revising Plan Priorities

The era of high interest rates should provide an excellent opportunity for revising India's plan priorities and her unduly inflated cost structure.

By

S. K. MURANJAN

EVEN in advanced industrial countries, the rôle of the interest rate in the management of their economies has fallen to a subordinate place. This is largely because maintenance of external balance has ceased to be the prime object of attention. Instead full employment has become the primary concern even at the sacrifice, if necessary, of external equilibrium. For achieving full employment, it is recognised that investment and national expenditure have to be sustained at the requisite level. Interest rate then becomes only one incentive or disincentive, and it has to be supplemented by varied fiscal measures according to the nature of each situation. As tax revenues and consequently government expenditure now account for a large fraction of national income and expenditure, it is not surprising that fiscal policies are looming larger and larger in overall economic policies.

The problem of developing countries like India is essentially different. These suffer from gross inadequacies of savings and productive equipment. Obstinate unemployment or underemployment is of course there. But they originate in lack of equipment or structural deficiencies which are not quite amenable to economic incentives alone. In any case, they call for very long-term remedies. Economic growth has, therefore, to take precedence over full employment.

Our past experience amply demonstrates that a sizable volume of savings and even creation of appreciable economic overheads do not by themselves assure economic growth. Political dependence was no doubt a serious obstacle. But even more serious was the paucity of economic enterprise in terms of both capacity and social coverage. Indian industrial and agricultural enterprise, as it has developed in the last 100 years, has commendable achievements to its credit, but historical and social limitations no less than limited resources do not qualify it for the task of overall growth. Hence the emergence of a public sector to supplement the efforts of private initiative and enterprise. With the public sector growing in volume and strength, monetary and fiscal policies had to undergo a profound reorientation not to be thought of in the case of more self-sustaining and self-reliant economies.

Interest Rate and Savings

The demands of the public and private sectors on the national volume of savings posed indeed a great hurdle. Some marginal augmentation of savings could be achieved by capital licensing aimed at prohibition of whatever is deemed luxury or non-urgent investment. The only other two straightforward remedies available were fiscal inducements to save and/or direct or indirect restriction of consumption.

It was possible to adopt a policy of high interest rates from the very start. A high interest rate has a rather unpredictable effect on the volume of savings. Much depends on the economic and social structure of the community in question. A high interest rate has only a limited significance for "government savings". Apart from the burden of debt service, it is for government largely a matter of taxation and control of unproductive expenditure. For business and company savings, the interest rate is a very minor influence. The economic climate—in which the interest rate is the only factor—and fiscal incentives play a much more decisive rôle. The third main source of savings which in most advanced economies account for as much as 70 percent of the total is personal savings. While a high rate makes security for the future much easier to achieve for those who are otherwise deterred, there are others who are already saving and who may find that with higher interest rates security no longer requires the wonted sacrifice, of consumption. General experience seems to indicate that, by and large, higher rates stimulate the growth of savings. This is all the more so because in all modern communities there are compulsory social security funds of sizable aggregates which benefit from higher rates.

The deterrent to high interest rate as a monetary policy is not its problematic effect on the aggregate volume of savings, but its alleged unfavourable effect on economic activity in certain contexts. It is clear that such a fear is quite out of place for a country on the threshold of large-scale planned investment. The priorities of public-sector investment have little reference to the level of interest rates or short-run profitability—and very much more so where underdevelopment necessitates concentration on economic and social overheads. With a large volume of investment assured in the public sector, the private sector is assured an economic climate favourable to venture and enterprise despite high interest rates. Public-sector investment could be effectively reinforced by fiscal incentives. It would scarcely be an exaggeration to say that the discipline of high interest rates and relatively low price level might have precluded the emergence of intractable labour and wage problems which have bedevilled our planning so much.

The actual course of events was the reverse. Economic policy was probably dominated even in this underdeveloped country by the Keynesian superstition that a low interest rate is always good for economic growth no less than for full employment. The war-time era of low interest rates was prolonged into the planning era, facilitated no doubt by the continuation of some of the war-time controls and subsequently by the reaction of prices to the end of the Korean war. India's Bank rate was no doubt raised in November 1952 to 3½ percent, but it was only as a follower of the Bank of England rate, whose mechanism of operation is quite different. By and large, the low rates continued far into the second five year plan when investment began on a very large scale.

Apart from faith in the virtues of low rates in general, the impelling motive was to keep the price of public-sector borrowing as low as possible. It was not quite properly appreciated that low rate for public borrowing and high programmes of investment both in the public and the private sectors went *ill together*. As was inevitable in no year was the Government able to borrow more than a modicum of its requirements for implementing its ambitious plans, and for its failure to raise loans in adequate volume the country had to pay the penalty in other more distressful ways.

Outwardly, the policy of low rates seemed to succeed. With the war-time technique of short- and medium-term loans, the conditions of borrowing were kept moderate. There is always an assured market for loans of *this kind* in the world of business, banking and fiduciary investment. But this market has its limits. This policy of moderate rates succeeds only so long as it does not overstep these limits. But it left the problems of resources largely unsolved. Besides, a war does not last beyond five or six years. But war-time short-term borrowing does not quite suit investments which take relatively longer periods to bear fruit and this is another restriction on such borrowing. The policy of moderate rates appeared to succeed only because the Government was content with whatever it got.

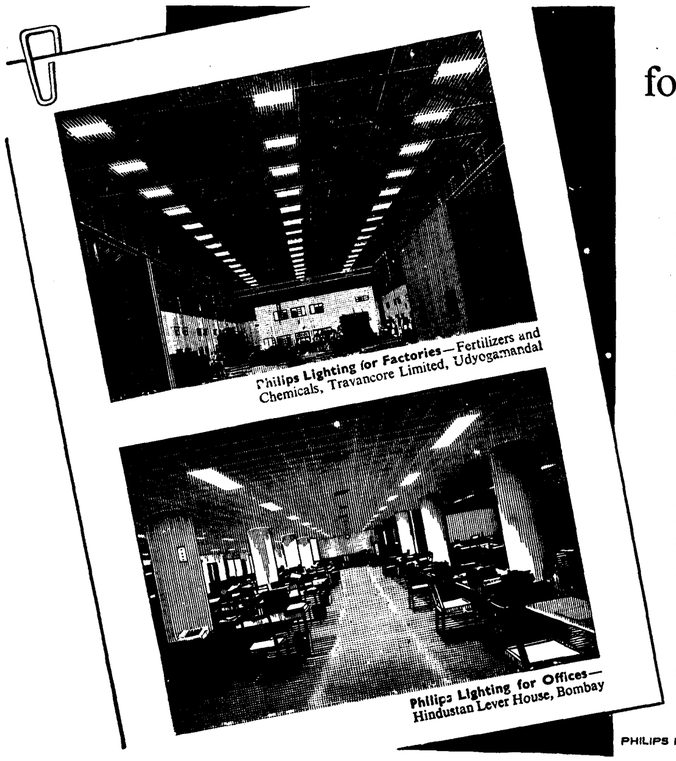
High Rates in Capital Market

The avoidance of bigger raids on the funds of the capital market did not in any way accommodate the private sector. What the Government could not raise by way of loans, it began to consfiscate by way of taxation and in the last resort it practised deficit financing. Towards the latter half of the second plan, the Finance Minister initiated a policy of heavier and more widely spread taxation which tended to fall mostly on the savings of urban classes. Taxation of the omnivorous kind we have witnessed till today has two contradictory effects. With the classes of persons with more than ample incomes who save largely because they cannot spend, taxation merely shifts savings from private hands to government hands. The effect on the consumption of these classes is almost nil. In the case of higher and lower middle classes and labour, whose margin for savings is small, taxation restricts consumption and to that extent may be credited with the creation of new savings. In the aggregate, taxation has progressively reduced capital available to the private sector.

From 1957-58 coinciding with the omnivorous budgets, the growing scarcity of capital was reflected in the slow rise of interest rates in the private long-term capital market. Rates on debenture and preference capital began to creep up. The effect on short-term capital was muffled up for some time by the new money which flowed in from deficit finance. The deposit and lending rates of banks could not, however, long escape the influence of hardening long-term rate. The Government and the Reserve Bank seemed unwilling to accept the logic of the situation and the subsequent stepping-up of Bank rate to 4 percent was only a tardy and inadequate acknowledgment of a *de facto* situation. It was made effective not by its absolute level but by various devices which were adopted from time to time to ration central bank credit.

Matters were brought to a head by the Chinese invasion and its aftermath. Despite an unprecedented resort to deficit finance and heavier-than-ever taxation the economy could hardly bear the triple pressure of defence expenditure and the demands of the public sector and the private sector. The debenture rate passed beyond 7 percent which was a substantial rise from 6 percent of the middle 'fifties. Preference capital rate exceeded 9 percent to 10 percent, which compared with less than 7 percent in the middle 'fifties. The banks found their deposits stagnant and had to adjust their lending rates. Finally the Reserve Bank merely registered the changed climate by stepping up its rate first to 4½ percent early in 1963 and later recently to 5 percent. It is a matter for careful consideration whether in the prevailing economic environment a straight increase of 1 percent was not preferable to two steps of ½ percent each. Even with 5 percent, the rate has to be made effective by tying it to liquidity ratios of borrowing banks so that the actual rate is much higher.

From the later years of the second plan to the aftermath of the Chinese invasion, the time over which these changes in the structure of interest rates were spread is quite substantial



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—six to seven years in fact. As already observed, the effects of the shortage of long-term capital on the banking system were delayed by the steady practice of deficit finance by the Government to make good the shortfalls in investment resources. In most years the volume of deficit finance tended to equal or even exceed what the Government could raise by way of loans. As central bank credit granted to the Government on this account seeped into the banking system, multiple creation of credit took place and gave the illusion of abundant money capital. It is more than probable that those who decided on the volume of deficit finance overestimated from time to time the cash-absorbing capacity of the economy. The non-monetised sector of the economy is a large one, perhaps from one-quarter to one-half, and the impact of deficit finance fell exclusively on the monetised sector.

The situation was concealed for quite a time by the imports of American wheat and rice, and the steadiness in the prices of these superior foodgrains. But the danger signal was hoisted as early as the middle of 1961 by which time the prices of domestic agricultural materials rose quite appreciably, contrary to the steady level of world prices and quite out of parity with them. It required the recent flare-up of foodgrain prices caused by a marginal shortage to push up raw material prices still further, and with the absorption of surplus money supply in higher prices the all-round shortage of capital was disclosed to full view.

Incentives to Save

When a government diverts the bulk of the community's savings to itself by means other than loans and particularly by taxation, it makes itself responsible for two things. Firstly, it must maintain all inducements to save and, secondly, it must practise the utmost economy of capital. The first requirement is particularly important from the standpoint of the private sector, which because of high taxation of individuals must strive to generate savings within trade and industry themselves. Recent Indian Budgets seem to make serious inroads into these inducements. Apparently, the dividend tax is an inducement to keep profit in business rather than distribute it as dividends. But the taxes on bonus issues has dealt a severe blow to expectations and caused undue depression in the investment market. It has undermined the basis of bonus issues and curtailed investment actuated by hopes of capital appreciation.

The stake to revenues involved is not much as only a few well-managed and exceptionally prosperous concerns are in a position to issue bonus shares, but the psychological damage inflicted on the investment market is very widespread. The Unit Trust and nationalised insurance encourage saving, but these have largely a bearing on classes who rarely invested or are just developing interest in investment. By and large, the present state of the investment markets is not conducive to the generation or growth of venture capital, and the abolition of bonus share taxes or at least the tax on the unrealised profits of bonus shares in the hands of the shareholders would be a very suitable measure to improve the investment climate.

Wastage of Capital

The Government is much more guilty on the charge of failure to practise economy in the use of scarce resources. When taxation passes much beyond the limit at which tax-paying classes cease to reduce consumption and begin to draw on savings to pay taxes, there is a moral obligation on the Government to ensure that these diverted savings are put to strict productive use. No one who knows anything about the Parkinsonian proliferation of governmental machinery and the armies of idlers who benefit by it can but wonder whether this is the same country of whose poverty Mahatma Gandhi was the visible symbol. The extravagance to which both our political leadership and higher official ranks have contributed has to be seen in order to be believed. Unless the non-development expenditure of the Government is severely curtailed this wastage of the country's resources must impair gravely its economic growth.

The other source of wastage is much more difficult to dissect and locate. It centres on the corruption and malpractices which have grown round India's economic planning. One can only indicate here the lines along which investigation has to be carried out. One has to locate the broad forms which these abuses assume, the classes of persons, who, as dispensers or recipients of unaccounted money, participate in them, the uses to which unaccounted money would be put if such abuses did not exist, the uses to which it is being actually put, effects which must ensue if the present campaign to unearth unaccounted money either succeeds or fails substantially, etcetera. This general definition of the problem indicates how difficult the analysis is particularly in quantitative terms. Briefly, one may say that unaccounted money takes three forms—bribes and illegal gratifications, premiums extracted to avoid or exploit price and other Government controls and finally income salted away to avoid taxation. Bribes and gratifications are paid by all sorts of people, business and non-business alike, and except at the higher non-political level, where they are rare, are small in amount and many in number.

These bribes act as additions to current income and where they are paid by business men mean some wastage of capital. Where this income is not hoarded, it will most probably find vent in better living. The matter becomes more serious with money used to evade controls. The amounts involved are huge though confined to a small class of people, are shared at the ultimate expense of the consumer between traders and business management, and, since a strict, integrated tax system does not permit open investment, they are either hoarded or dissipated in extravagant living. As for tax avoidance and the unaccounted money misappropriated thereby, the culprits are either traders who escape altogether or others like professional persons who benefit by understating their incomes. With both, some of the ill-gotten gains probably find their way into investment, *benami* or otherwise, but much is hoarded.

It is difficult to estimate the total amount of the national income involved in this unaccounted money. With a note circulation of about Rs. 2,500 crores, it would not be fantastic to suggest that not more than 10 percent or 20 percent of this circulation is passing as unaccounted income. But it is difficult to say how often in a year these notes are used as illegitimate money. All one could say with confidence is that illegitimate money has much slower turnover than legitimate money. It would be even more difficult to estimate the extent to which this total money is disposed of in hoarding, investment and extravagant living. But the visual evidence of unearthed hoards and extravagant living suggest that the wastage element must be substantial.

If the present efforts to unearth unaccounted money succeed and put such fear in the hearts of man that new culprits do not take the place of the old, the Government will benefit by increased revenues, have less cause to evoke deficit financing and there will be less extravagant living. Less resources will be diverted into avoidable and unnecessary production and more will be available to augment needed goods. If the present efforts fail, the future conditions will be worse than the present. There will be less of a proneness to hoard with its tendency to lower prices, and more of a propensity to spend extravagantly so that no trace will be left of the money for the authorities to raid or investigate about. As extravagant life must be screened from public attention, life must take to more subtle forms of corruption.

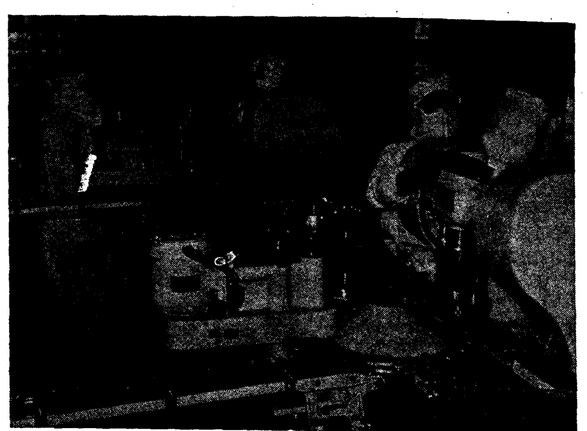
Future Policy

What should be India's monetary and investment policies for the future? The country is only on the threshold of an era of capital scarcity and high interest rates. A 5-percent Bank rate is not itself high although because of the tie with liquidity levels, the effective rate will be much higher. A 4-percent rate for three months prevails even now in the U.S.A. A difference between our banking system and advanced banking systems is that the latter hold the overwhelming bulk of their deposits on a less-than-one-year basis, whereas in India banks derive much the substantial portion of their working capital from deposits of one year right up to five years. It is a debatable point whether our banks should be allowed to compete for investible funds and weaken the growth of the investment habit, a situation accounted for very largely by their failure to attract short-term funds now going to waste. The position would be different if our banks were to develop proclivities towards industrial banking, of which there are as yet no signs and the merits of which are not so clear.

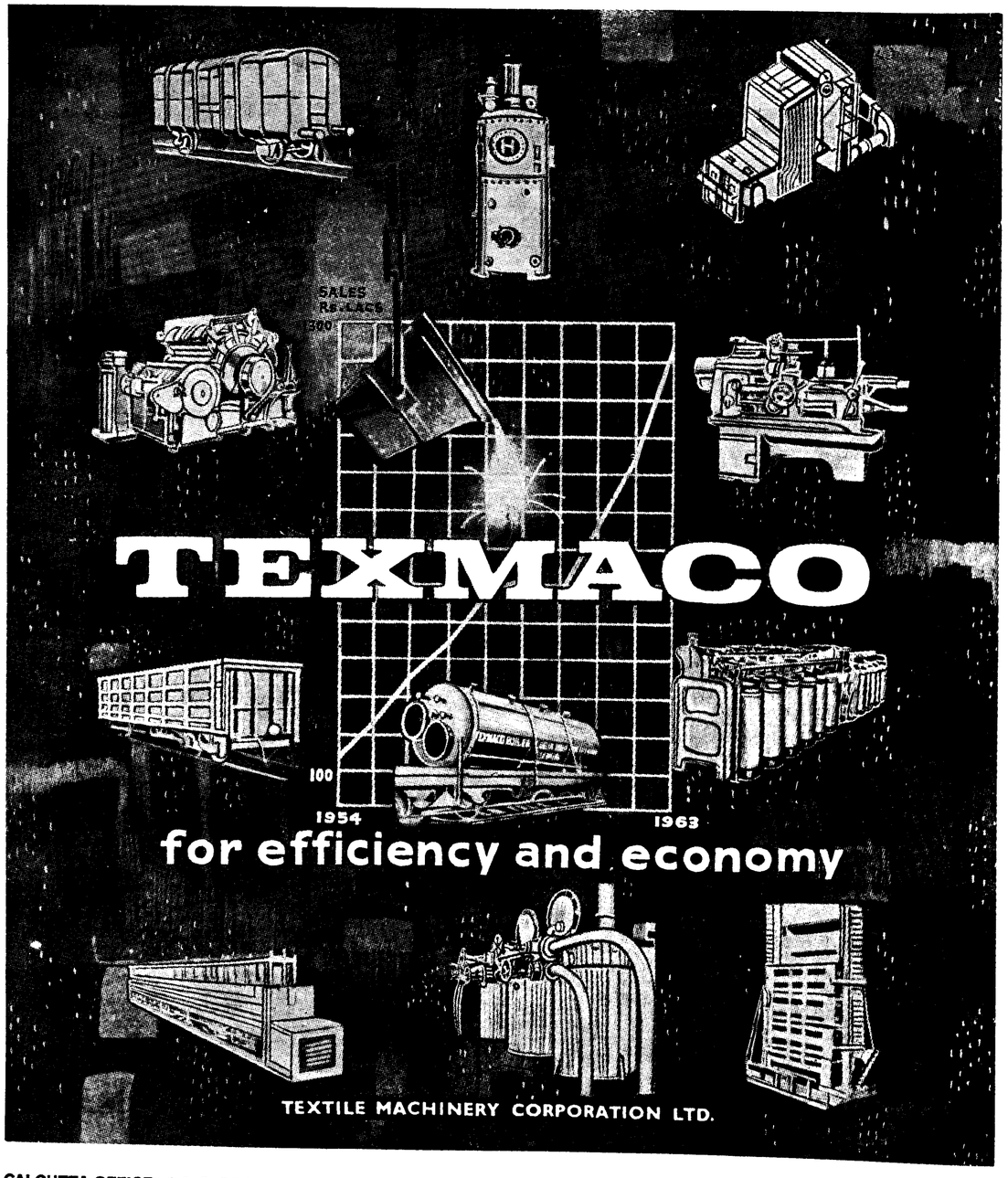
So long as the Government is undertaking large investments in the public sector and there is a race between shortages and still more investments, there need be no fear of even an economic recession. Even the private sector which will have to pay higher price for its working capital and select lines of investment with greater care, could be quite buoyant under the stimulus imparted by the public sector. The West German recovery and the rapid development in spite of maintenance of high interest rates in conformity with her labour and capital situation should be a sufficient assurance on this point. Both the public and the private sectors should benefit by the enforced revision of their ideas about techniques of production which must now suit higher rates all round.

There has been till now too little improvisation and too much blind adoption of techniques suitable to advanced and capital-glutted countries. This observation applies, of course, much more to fabricating than basic industries which have perforce to adopt the scale and techniques used in the advanced countries. Again, the era of high interest rates should provide a golden opportunity to revise our planning priorities and our unduly inflated cost structure. The key to the fourth plan should be public sector concentration on agriculture, industrialisation which strictly subserves the purposes of agriculture and the economic overheads of power, transport and water.

With a favourable harvest and less financial inducement to hold stocks, a fall of prices to more reasonable levels should be a prelude and signal to revise costs. The strain of adjustments will not be small. But India's industrial and other costs have been too long out of parity with world costs to such an extent that Indian planning is difficult to sustain on such a basis. A restraint on deficit finance is naturally a pre-condition of success in the new era.



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Managing Director,
Agricultural Refinance Corporation

IT is more than 15 months since the Agricultural Refinance Corporation started functioning, so it is time to take stock of what it was expected to achieve, what it has done so far towards that end and what it should do in future. As one begins thinking on these lines, one's mind goes back to days towards the close of 1962 and early 1963, when in the course of the discussions on a Bill introduced in Parliament for the setting up of the Corporation, several members welcomed the proposal heartily; in particular, they gave active support to the definition given to the term "agriculture" in the Bill, which besides agriculture proper included all allied activities such as fishery, and animal husbandry, poultry farming, dairy farming. If one were to repeat the words of the ex-chairman, Professor D. G. Karve, from his speech made at the Corporation's inaugural function, the whole field of non-human biology, namely, all plants and animals are covered by the definition.

With agriculture defined in such wide terms, the scope of the Corporation's function has been so broad-based that there could be no development activity in the agricultural sector, worth its name, which would not secure adequate financial assistance from the Corporation by way of long-or medium-term loans. And the potentialities for agricultural development in India are very great calling for huge investment of capital and promising equally profitable returns. Such prospects for developmental activity have gained considerable importance in recent months on account of the great emphasis placed on increased agricultural production. It is in this context that the rôle of the Corporation in financing such endeavours assumes unique importance.

High Hopes

Ever since the Corporation started functioning, it has been very much alive to the great task assigned to it and has been always aware of the high hopes raised by the Members of Parliament and the Press at the time of its inauguration. It is this awareness that made it play, in the first year of its establishment, an active rôle in stimulating interest among the various State Governments, the financing institutions and several other statutory bodies connected with agricultural development, in the preparation of worthwhile and economic schemes designed for agricultural development, and thereby increase farm production.

This has been done side by side with its preoccupation in the first few months with essential preliminary matters connected with the organisation of an entirely new institution. This rôle called for frequent visits to the States by the officers, the managing director and the chairman of the Corporation and special on-the-spot studies. In spite of these, one has a feeling of disappointment that the fruits of such intense labour put in by the Corporation to stimulate interest in the preparation of good schemes of agricultural development have been quite discouraging. The Corporation has so far been able to approve only four schemes of agricultural development from two States, three for reclamation and development of land and one for development of coconut plantation involving a total financial outlay of Rs. 6.375 crores and a commitment to the Corporation of Rs. 5.738 crores. Even this sanction has not yet been drawn upon. This has been so, despite the availability of the much needed requisites for increased food production, namely, abundant resources by way of manpower, water, and larger tracts of unutilised cultivable waste land. It is most unfortunate that there should be something like a stalemate in that vital sector of the economy.

Before trying fully to analyse the causes underlying this stalemate, it would be necessary to know how a scheme is expected to be drawn up, what type of assistance is rendered by the Corporation in its preparation and with whom the responsibility for the preparation of a scheme rests.

Functions of the Corporation

For this purpose, it is necessary to review the functions of the Corporation broadly into two main divisions, (1) development of agriculture proper, that is, cultivation of food crops and cash crops grown on land and (2) development of other activities allied to agriculture, that is, the extended definition of agriculture given in the Act, namely, poultry farming, dairy farming, pisciculture, animal husbandry, etcetera. It may be mentioned here that even prior to the inauguration of the Corporation, the Reserve Bank of India had been interesting itself in the provision of financial assistance for certain special development schemes involving large amounts. These schemes related to the provision of long-term loans for agriculturists for the development of land under the Nagarjunasagar, K. C. Canal, Kaddam and Musi Canal projects for which correspondence had been going on for some time. After the Corporation came into existence, at least three circulars have been issued detailing the terms and conditions under which financial assistance would be available, indicating the procedure to be followed in the preparation of schemes and the agency through which such schemes should be submitted to the Corporation. The details required to be furnished in any scheme of development, in particular its economics, are not more than what any lender, private or institutional, would have called for in order to satisfy himself about the purpose for which the assistance is needed and the profitability of the venture.

The following are broadly the details called for by the Corporation in a scheme of development: (1) area selected for implementation; (2) arrangements made for supervision and technical advice; (3) duration and phases of the scheme; (4) ownership and valuation of land; (5) expected net increase in production; (6) the economics of the scheme giving in detail the gross annual income, the annual estimated expenditure, the existing liabilities of the agriculturists, other expenses, the net income available to the cultivator during each year of the cultivation till the loan is repaid in full and a repayment schedule for the loan; (7) agency for financing and execution of the scheme; (8) scale of financing an acre; (9) rate of interest to be charged; (10) arrangements for short-term finance and marketing and (11) arrangements for assured supply of water, improved seeds, fertilisers, implements, etcetera, and (12) most important of all, facilities for technical advice and guidance.

To fulfil its objective, the Corporation expects that a scheme should aim at increased agricultural production. Further, to ensure effective supervision over disbursements and recovery of loans and generally over the implementation of the scheme, it expects that any scheme should be drawn up for specified areas and for specified crops and that it should be a compact, and composite one. To see that the developmental finance given really benefits the agriculturists, emphasis is placed on a scheme being businesslike, commercially paying and economic in content.

Rôle of State Governments

It is also quite natural to expect that in any scheme of agricultural development, the concerned State Government should be very actively interested. It is for this reason that the State Governments through their departments of agriculture or any other technical departments concerned are expected to give technical advice and assistance in the formulation of a scheme. The Governments are expected to be associated not only in the formulation of a scheme, but also at various stages of its implementation. To further see that the State Governments have a demonstrable interest in special schemes, they are required ordinarily to take up at least 25 percent of the debentures to be floated by the central land mortgage banks for financing the same.

A long-term loan for developmental purposes cannot be given without adequate security. What security can be expected from a farmer other than his own land that he wants to develop? For this reason it is stipulated that the cultivators to be financed under any scheme should be those who have unrestricted mortgageable or alienable rights over their holdings which are proposed to be mortgaged to the financing institutions. The schemes should, therefore, relate to the areas where the participants own the land and have unrestricted rights. Further, with a view to ensuring that they take more than ordinary interest in the schemes evolved for their benefit, the cultivators are expected to contribute at least a part of the funds required, from their own resources.

The most important point to be noted here is the offer made by the Corporation to help any State Government who may so require, in the preparation of special schemes of development. For this purpose, officers of the Corporation are sent to the spot to help the authorities concerned to prepare schemes in a manner as close to the Corporation's requirements as possible. This would avoid unnecessary correspondence on missing links in any scheme or clarifications on points. This offer of help even in the preparatory stage of a scheme is anything other than its

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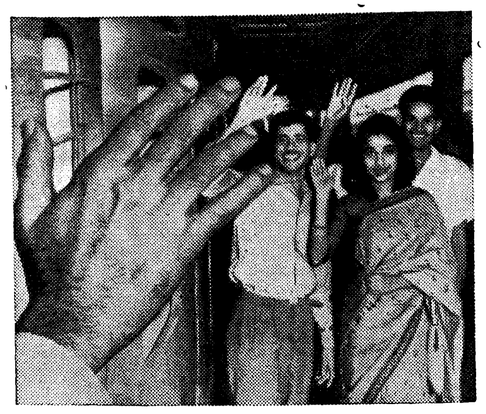


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financing activity. The Corporation does this as part of its developmental rôle.

Submitting Schemes for Loans

The schemes prepared on the lines indicated above and the application for refinance, have to be submitted by co-operative banks through the concerned Registrar of Co-operative Societies, who will forward them to the Corporation with his comments through State Governments. This will enable the Registrar to be actively associated with the development schemes to be financed by the Corporation. Scheduled banks need not route their schemes and applications through the Registrar of Co-operative Societies or any other Government departments unless otherwise indicated by the Corporation. However, since refinance from the Corporation will be available only if schemes of agricultural development have its approval, the financing scheduled banks will be well advised to refer the schemes to the Corporation before they proceed to give any loans. This will enable the Corporation to examine the schemes in all their aspects and suggest any changes which may be required. The applications for refinance by the scheduled bank concerned to the Corporation then becomes a routine matter.

After a scheme is received from a State Government, it is examined by the Corporation in detail and clarifications are sought on important points. After the receipt of such clarifications, the Corporation proceeds to assess the technical and economic feasibilities of the scheme. For this purpose, the Corporation itself takes certain steps and also requires the State Governments and the financing agencies to adopt certain measures, an idea of which is given below.

Technical Evaluation

The Corporation carries out a technical evaluation of the scheme through experts in the particular line, specially appointed for the purpose on an *ad hoc* basis. This technical report, for instance, in a scheme of land reclamation and development, will give an idea of the availability of sufficient water for irrigation purposes, construction of the necessary canals and channels, the suitability of the soil for the crops intended to be grown, the total output of farm produce which can be expected from the implementation of the scheme and based on farm requirements and the slope of levelling, fertilisers, the cost of reclamation, etcetera. This report is considered by the Corporation before sanctioning refinance facilities.

The Corporation also carries out with the help of the Division of Rural Economics, Reserve Bank of India, a benefit-cost survey in the area covered under the scheme. This survey is intended to show the extent to which the agriculturists, particularly the small agriculturists, would stand to benefit by the scheme in the form of a better crop pattern, yield and income from the land following the implementation of the scheme. One of the objects in taking up this survey is to ensure that farmers of small means are not left out from the purview of the scheme, but are assisted by the concerned State Governments, financially and otherwise, so that they may be able to repay the loans given to them out of their enhanced repaying capacity. This will incidentally ensure that the scheme is worked out on a compact basis and can be easily supervised.

Economic Feasibility

Apart from conducting a benefit-cost survey, a senior officer of the Corporation is also sent to make an on-the-spot study in the project area and to hold discussions with the officials of the Government and the primary financing agency thereafter, with a view to finding out the economic feasibility of the scheme, availability of facilities for the short-term requirements of the farmers, and the soundness of the various financing agencies which are expected to provide loans for both short and long-term purposes to the agriculturists under the scheme.

A technical plan is required to be prepared for every individual agriculturist covered by the scheme. For example, for schemes involving reclamation and development of land, the technical plan should take into account all the factors involved in the development of land, including levelling, bunding, crop pattern and even consolidation of holdings where feasible. The concerned State Government which is expected to play a significant rôle in the execution of all schemes of agricultural development on a planned and organised basis, should preferably initiate action in preparing such plans under its guidance, preferably by the agricultural or other technical departments and, if necessary, in consultation with the financing agencies.

Thus. it is only after satisfying itself about the thoroughness of a scheme, its economic viability, technical feasibility and its utility to the agriculturists that the Corporation proceeds to advise the financing institutions on approval of the schemes, and submission of formal loan applications thereafter. All these precautions and measures are intended to ensure that the refinance facilities made available by the Corporation are properly used and result in increasing agricultural production. This process no doubt would entail some time-lag between the submission of a scheme by a State Government or a scheduled bank to the Agricultural Refinance Corporation and its final passage at the hands of the Corporation. In a scheme of development which involves considerable financial outlay, if the lender is to be fully satisfied about the soundness of a proposal made, some time-lag is inevitable. But the Corporation endeavours to see that the time-lag is reduced to the minimum.

Terms and Conditions

Then one tries to look for the reasons for inadequate response to the appeals of the Agricultural Refinance Corporation in the terms and conditions attaching to refinance facilities for the Corporation. One wonders whether the fulfilment of the terms and conditions are so stringent as to make it difficult for the State Governments and the financing institutions to satisfy them. A brief idea of the terms is indicated below:

(i) *(a) Period and size of loan:* Financial assistance in the form of medium-term loans will be available for periods of not less than three years and not more than five years. Long-term assistance from the Corporation, that is, refinance or loans for periods exceeding five years will, for the time being, be restricted to a maximum period of 15 years, but in exceptional cases, the Corporation may extend the period up to 20 years. The Corporation will also consider the need for and permit in suitable cases deferred payments against principal and/or interest. For instance, in the case of plantations it may be several years, depending on the crop concerned, before a newly planted garden begins to yield fruit. During these years of waiting, a farmer may not be able to repay anything towards his principal loan instalment or even towards the interest thereon.

Even in the case of food crops, if new lands are reclaimed and put to cultivation a period of two years or so of waiting may be necessary. Deferred payment of loan instalments offered by the Agricultural Refinance Corporation is, therefore, a special facility not available from any existing long-term credit agencies. The minimum amount of financial assistance which can be obtained from the Corporation by way of refinance or loans will be Rs. 1 lakh. This does not mean that the minimum loan that a financing agency can make to its borrowers should be Rs. 1 lakh. The financing agency can make smaller loans to its clientale, but when it wants to reimburse itself from the Agricultural Refinance Corporation, the amount should be not less than Rs. 1 lakh.

(b) Rate of interest: The rate of interest to be charged by the Corporation will normally be 5½ percent a year for all types of financial assistance. However, this is subject to review from time to time, and will be fixed by the board of directors on the merits of each case. The interest is payable every half-year ending 31st December and 30th June. The financing institutions are granted discretion to charge interest according to the circumstances of each case, but subject to the approval of the Corporation.

(c) Security: The repayment of principal and payment of interest on the loans granted by the Corporation should be fully and unconditionally guaranteed by the Government. Under the first proviso to Section 22(4) of the Agricultural Refinance Corporation Act, the Corporation is empowered to dispense with Government guarantee if other security to the satisfaction of the board of the Corporation is made available to it. This enabling provision to dispense with Government guarantee has been recently invoked for purposes of financing development of plantation crops through scheduled banks. The security acceptable to it under the first proviso to Section 22(4) of the Act, is now the sub-mortgage, sub-hypothecation or sub-pledge, etcetera, of the security in the form of land, plant and machinery, etcetera, mortgaged, hypothecated, pledged or otherwise secured to the scheduled banks by the primary borrower.

(d) Other important terms and conditions: (i) As already referred to earlier. it will be advisable for a financing institution to refer to the Agricultural Refinance Corporation beforehand all schemes they intend to finance. This will enable the Corporation to examine schemes thoroughly and, if it aproves them, refinancing becomes assured. But it is open to a financing institution to first grant medium-term and long-term loans to constituents and then seek refinancing facilities from the Corporation. But, in such cases, the granting of refinance facilities will depend on the merits of each case.

Conditions of Refinance

(ii) The Corporation will not normally refinance a loan unless the application for it is submitted before the expiry of 12 months from the date on which the loan was granted by the concerned financing institution. But it has been recently decided to consider provision of refinance facilities in the case of plantation crops for the discharge of old debts if they had been incurred for development purposes and if it is satisfied that further development might suffer if the old debts are not cleared. A condition attaching to this is that the amount applied for meeting old debts should be within the balance available in the total limit to which the party is eligible from the standpoint of his security and repaying capacity, after satisfying the demand for funds for special development schemes.

(iii) In cases where the financing institution disburses a loan in instalments, the institution may avail itself of refinancing facilities for only some of the instalments. The reimbursement of each instalment will be treated as a separate loan by the Corporation by way of refinance.

(iv) A penal charge of 1 percent a year will be levied on loans repaid wholly or in part, earlier than the due date and the financing institution will not normally be allowed refinance facilities again for the same loan. Penalisation of earlier repayment may perhaps *prima facie* appear to be funny. Really it is not so. The intention is to ensure that borrowings from the Agricultural Refinance Corporation are used only for long-term development purposes and unless there is improper use, one cannot normally repay the loan taken before the due date. In fact, the repayment schedules are prepared taking into account the economics of the scheme and the repaying capacity of a borrower. Earlier repayment, made for instance by a financing agency to the Agricultural Refinance Corporation from its other resources would certainly not be repayment made from the fruits of the scheme refinanced by the Agricultural Refinance Corporation. However, if the repayment is effected by the borrower out of genuine recoveries, no penal interest would be levied.

These are normal conditions on a loan which would have been imposed on any borrower however creditworthy he may be. As a matter of fact, if a borrower is really creditworthy, the conditions will not be found stringent at all. All these terms and conditions, all questions put and all inspections and studies made by the Corporation have only this in view that the money disbursed by it in the form of loans is put to proper use and the country benefits from the use of the amount in the shape of increased food, increased fish, increased chicken, and increased edibles of every kind. This is a perfectly natural reaction of the Corporation when it prescribes certain

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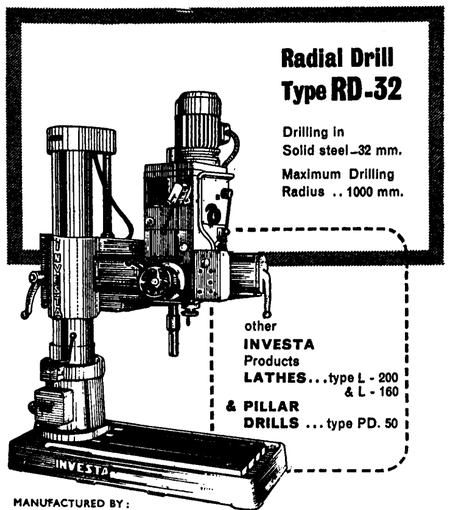
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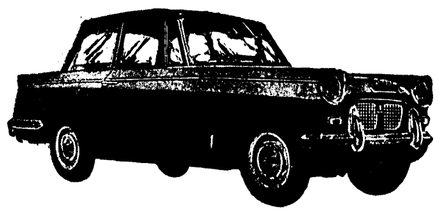


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conditions for making refinance available to any scheme.

Relaxation in Terms of Security

The officers of the Corporation, including the managing director and even the chairman, have been going round the various States and attending conferences and seminars to explain the objectives of the Corporation and clear doubts, if any, in the minds of the people concerning its refinance facilities. During the course of the visits, the only real difficulty referred to by some individuals, banks and associations of planters related to the Corporation's insistence on Government guarantee for every loan given by the Corporation in terms of Section 22(4) of the Agricultural Refinance Corporation Act. As observed earlier, even this condition has been relaxed for loans made by scheduled banks for the development of plantation crops. This relaxation applies only to scheduled banks for the following reasons :

In the case of the land mortgage banks, the necessity to waive Government guarantee may not arise. The normal pattern of raising resources by land mortgage banks is by way of flotation of debentures which are guaranteed by the State Governments as to the payment of interest and repayment of principal. It is expected that the financing of special schemes of agricultural development will also be done through the flotation of special debentures for the purpose. The State Governments have never been chary of extending their guarantees to the co-operative movement as they are intimately connected with its growth and are helping it in many ways, through subsidy, grants-in-aid, cheap loans for share capital contribution, providing for inspection, audit and supervision of all co-operatives, supply of technical advice and guidance and so on. There is a separate department to look after co-operatives in every State.

In short, State Governments are functioning as partners in the co-operative movement, and hence would not have any objection to extend the guarantee to the special development debentures also. Real difficulties, in obtaining Government guarantee would, therefore, be felt only by scheduled banks. As the State Governments have no control over these banks who have their area of operation spread throughout the country and even outside the country also, some Governments may not be readily forthcoming to extend the necessary guarantee for special schemes even though the development of agriculture in their jurisdiction is one of their main concerns. Thus, it is to enable the scheduled banks to play their rightful rôle in helping agricultural development in this country that the first proviso to Section 22(4) was invoked enabling the Corporation to waive Government guarantee, which rightly or wrongly has come to be considered as an obstacle in the way of scheduled banks entering the picture.

Proper Initiative

The previous paragraphs would have clearly shown that neither the terms and conditions attached to the refinance facility are so stringent nor the procedure to be followed in the preparation of schemes, its scrutiny by the Corporation and disposal of loan applications thereafter, so cumbersome as to present difficulties for those wishing to avail themselves of the refinance facilities. Proper initiative in the preparation of worthwhile schemes of agricultural development has got to be shown by State Governments and financing institutions. The Corporation can fulfil the rôle it is expected to play in agricultural development only as a refinancing agency which means the original financier has got to play his part first and all authorities connected with development schemes directly as well as indirectly have got to put their heads together.

The Corporation has recently addressed the Chief Secretaries of the various State Governments, emphasising the need for preparing more schemes for agricultural development. For this purpose, it has been suggested to them that they might constitute special committees charged with the responsibility of the preparation and scrutiny of all such schemes. The committees might consist of representatives of the State Government departments of agriculture, co-operation, irrigation, finance and other technical departments and the finacing institutions eligible for assistance from the Corporation.

As far as the financing banks are concerned, although State co-operative banks are eligible for refinance facilities from the Corporation (besides central land mortgage banks and scheduled banks), their rôle is rather limited. They can finance only schemes which require medium-term loans, and such schemes which from the point of view of the amount of finance involved, or the other terms and conditions involved, cannot be handled in the normal course of their business. Therefore, besides the State Governments, the initiative in financing worthwhile schemes has largely to come from central land mortgage banks and scheduled banks. In the field of development of land proper, that is, in the levelling of land, application of manures and fertilisers, cultivation of paddy, wheat, etcetera, dependence can be and has to be placed to a very large extent on central land mortgage banks, which are now established in every State although they are well developed only in a few.

Ever since the Corporation started functioning, it has been very closely in touch with all the central land mortgage banks in the country, individually, as well as collectively, through seminars and conferences organised by the All India Central Land Mortgage Banks' Co-operative Union. It is, therefore, expected that within a year or two, from many of the States where unutilised land and water supply exist, worthwhile schemes of agricultural development will be forthcoming.

Rôle of Scheduled Banks

In the field of plantations, however, developmental activity cannot be promoted in a large number of cases, except through the scheduled banks. The larger among the individual planters would be requiring a sizable volume of funds, depending on the crop to be raised, which co-operative land mortgage banks would not, under their existing framework, be able to satisfy. It is said that the cost of preparing one acre of land and growing crops like tea or coffee would be between Rs. 3,000 and Rs. 4,000; their repayment would commence from, say, the seventh year and thereafter; a period of ten years or more would be necessary before a loan is fully repaid. The volume of finance required by big planters would, therefore, be considerable.

To organise a large number of bigger individual planters into a co-operative, subject to all the restrictions imposed on their activities by the Co-operative Societies Act, would, therefore, be a very difficult proposition. The inclusion of scheduled banks among the constituents of the Corporation is, therefore, a deliberate step. It casts a new responsibility on them. Hitherto, scheduled banks have generally kept away from meeting the financial needs of agriculture. Neither for current production nor for developmental investments have they lent to any noticeable extent. Their hesitation to enter into financing of agriculture on a long-term basis might have largely arisen from the fact that their resources, which are short-term in nature, could not be locked up in long-term investments. But in the context of planned development of agriculture on progressive and profitable lines, such aloofness would no longer be justified as the facility of refinance is being offered by the new Corporation to them. With this facility, it should be possible for scheduled banks to take a more possible constructive interest in schemes of progressive farming and agricultural development concerning that class of farmers and planters who for various reasons, are outside the co-operative fold today.

Therefore, if there are plantations which require developmental finance either for replanting purposes or for extension of estates and whose estimated value is high enough to warrant the sanctions of loans by scheduled banks after keeping the usual margin, scheduled banks should not lag behind in coming to their help. If such schemes of development are prepared on the lines indicated in the earlier paragraphs and presented to it for consideration, the Corporation would be prepared to examine them thoroughly and if the schemes are on approved lines, reimburse the scheduled banks fully. The Corporation is proposing to convene a conference of scheduled banks shortly to give the banks an opportunity to discuss the problems which they would have to face in entering the field of long-term finance so that the difficulties could be solved by mutual discussions and the banks enabled to play their rightful rôle in the agricultural development of the country.

Helping Small Planters

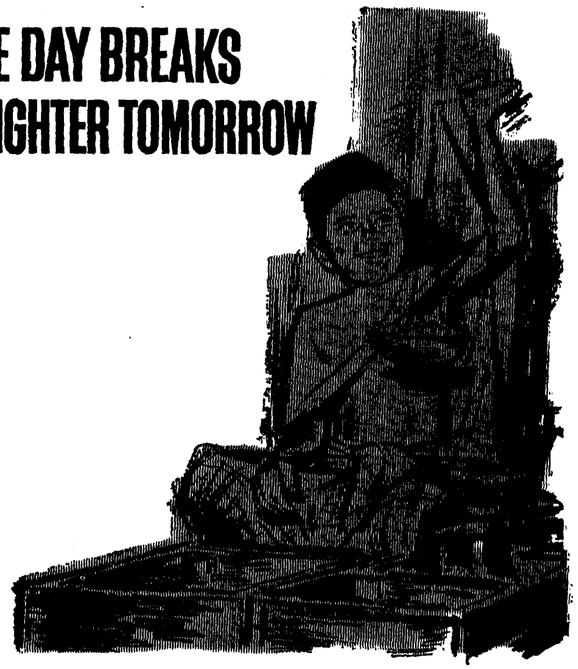
There are, however, small planters whose number is pretty large, but whose total holdings are very inconsiderable. In the case of tea, for instance, one is told that small planters, some 11,000 in number, would hardly constitute 1 percent of the total output of tea. But they also have to live. They are, individually speaking, perhaps financially too weak to be helped by scheduled banks but collectively organised, they may become creditworthy and actively help in increasing production. If small planters can be organised into separate primary land mortgage banks exclusively organised for their benefit, they may be able to obtain long-term financial aid either for new plantation or replantation from the Agricultural Refinance Corporation through the apex co-operative land mortgage bank in the States. But in this matter also, difficulties are there, the chief among them being the problem of making available short-term credit to these small planters through the co-operative movement namely, the apex co-operative banks central co-operative banks and primary societies. This also is engaging the Corporation's attention.

It now remains for the Press and the public to see that the financing agencies both in the co-operative and commercial banking sectors do not remain content with pointing out the difficulties standing in the way of preparing and implementing special schemes of agricultural development, but in trying to get over the difficulties and in searching for a solution for them so as to be of maximum help for the progressive improvement of India's agricultural economy. This is the vital need of the hour. As for the Corporation nothing would be wanting on its part in giving a most sympathetic consideration to all worthwhile schemes of agricultural development which may be presented by either sector.



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Self-sustained Growth a Receding Goal in Indian Planning

Self-sustained growth is a major goal of Indian planning. But the rate of economic progress in recent years has been too slow with a meagre increase in per capita income. The ratio of capital to output is very high; the savings margin remains small.

By
D. BRIGHT SINGH

THE major objective of planned economic development in contemporary low-income countries is to transform these economies from a state of underdevelopment and stagnation into one of self-sustained growth. Such an economic transformation would eliminate most of the characteristics of economic backwardness—low income, low rate of savings and capital formation, preponderance of primary industries, poor standards of health and literacy of the people and the various social institutions and attitudes which inhibit material advancement. The transformation would lead to the emergence of those important economic and social features which mark the present-day advanced industrial economies.

In an important article published eight years ago, Professor W. W. Rostow[1] argued on the basis of statistical data relating to some of the developed countries that it is possible to fix approximately the period of time when they experienced such transformation. The process of change covers normally a period of about 20 or 30 years, but this crucial stage in the economic progress of a country is preceded by a much longer period of gestation when the preconditions are created for the economy to "take off into self-sustained growth". The more important among these conditions are the rise in national savings and capital formation to about 10 percent of national income, the emergence of an entrepreneurial class capable of making productive investments in the economy which would ensure a steady improvement in the rate of growth of national output and a significant change in the social attitudes of the people involving a modification of the institutional and organisational set-up in a manner that would facilitate economic expansion.

The most important feature of an advanced economy is that its growth is self-sustained, whereas in a backward economy what little improvement there is in national income, is achieved with considerable strain. This difference obviously springs from the fact that the rate of growth of an economy, by and large, depends on the rate of investment which in turn is determined by the volume of savings. Since savings are the difference between production and consumption, the extent to which savings can increase depends on the relative rates of growth of production and consumption. Thus as long as population is growing at the same rate as national income, production would just keep pace with consumption requirements so that there is no possibility of widening the savings margin. Most of the underdeveloped countries are in this trap. The population barrier to economic growth can be broken only if the rate of capital formation rises high enough to bring about a rate of growth of output which is appreciably higher than the increase in consumption. When that stage is reached, *per capita* income would steadily rise, savings would be enlarged and further increase in investment and output becomes easier. Growth then involves no strain and becomes self-sustained and automatic.

Increase in National Income

The need for an accelerated rate of increase in production and national income leading to self-sustained growth is stressed in the five year plans of India. It is, therefore, relevant to review briefly the progress made so far in this direction. However, in view of the changed political and economic circumstances under which the present day low-income countries are developing the relative significance of the different conditions of growth as laid down by Rostow requires some reassessment. In an economy like India's in which development is planned and in which public-sector investment is as great as or greater than private sector investment, and where public sector investment is concentrated on economic infrastructure and basic industries, it is clear that in initiating the process of growth, the State would have to play as important a part as private entrepreneurs did in the nineteenth century.

The importance of the conditions that ensure a free flow of loanable funds is certainly as great in planned and mixed economies as in free enterprise economies, but they take on a different form and aspect in the former. While in the free enterprise economies in their early stage of development, banking and financial institutions and the capital market developed spontaneously out of the needs of entrepreneurs and through their enterprise and initiative, in a country like India, the provision of financial facilities has to be organised by the State. In other words, the State plays an important part not only in the utilisation of savings, but also in the mobilisation and canalisation of such savings. At the same time, the increasing interest taken by the State in the development of transport and communications and in the starting of capital goods and basic industries may be expected to spark off the transformation into self-sustained growth.

Hence the question how far planned economic development in India in the last decade has taken the country towards the stage of self-sustained growth has to be answered mostly in terms of what the State has achieved. As Rostow himself has indicated, the starting of the era of planning may be considered as an event which ushered in the transformation stage. The attainment of political freedom, the acquiring of international status as a free nation and the awakening of the masses to the need for building up the economy may be considered as the non-economic forces which have initiated this process of transformation. This process would continue until the stage of self-sustained growth is reached. Effective planning and development along proper lines would shorten this period of transformation and bring nearer the next stage of development when economic growth becomes automatic and normal. In this sense, the success or failure of planned development in the country has to be judged with reference to the following three considerations:

(1) Whether *per capita* income has increased substantially so that larger savings are available in the economy and the investment rate has risen appreciably;

(2) Whether social attitudes have changed in a manner conducive to economic progress; in other words, whether the achievement so far made has aroused in the minds of the people a desire to make further improvements, and widened their vision of the possibilities of development, whether it has awakened mass enthusiasm and support for development;

(3) Whether public investment for the provision of economic infrastructure and the development of basic industries has furnished a sound foundation for a rapid build-up of the superstructure.

Transition to Self-sustained Growth

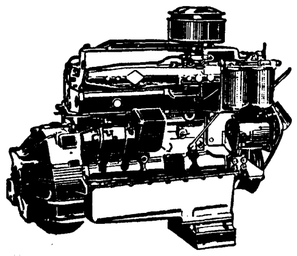
The 10 percent rate of investment, the attainment of which according to Rostow marks the transition to self-sustained growth should not be interpreted too narrowly. What is significant about the minimum rate of investment is that this rate should be high enough to ensure such a rate of growth of income that would help further increase in investment. Rostow illustrates his statement with investment data relating to Sweden and Canada in the last three or four decades of the nineteenth century. However, in some of the contemporary under-developed countries one finds that the investment rate is equal to or exceeds the rate of 10 percent to 15 percent of national income attained in the western developed countries at the take-off stage.

In reality, the extent to which a given rate of investment would help in increasing income and accelerating savings and capital formation depends upon the efficiency of investment, that is, the capital-output ratio and also the rate of growth of population. But since the economic and non-economic conditions prevailing in the present-day developed countries in their early stages of growth were different from that of modern low-income countries, it is difficult to have any precise notion of the level of investment that would ensure self-sustained growth. Economic development in the western countries in the nineteenth century was brought about by private enterprise. Increased production of certain manufactured consumption goods and the emergence of some leading sectors of the economy facilitated the establishment and development of other industries. But the nature of economic development in the underdeveloped countries of today is different. In these countries investment in the initial stages has to be on economic and social overheads and on heavy industries which involve large initial capital outlay.

Further, the rate of growth of population is very much higher than what it was in the western countries in the nineteenth century. For these reasons, the minimum rate indicated by Rostow has to be raised considerably. Roughly we may say that a rise in the rate of net investment to about 15 percent or 18 percent of the net national product is necessary if an underdeveloped country of the present day is to approach the stage of self-sustained growth.

Viewed against this requirement, the achievement of India in the past few years is far from satisfactory. The national income at 1960-61 prices increased from Rs. 10,200.4 crores at the beginning of the first plan to Rs. 12,100.3 crores in 1955-56 and to Rs. 14,500 crores in 1960-61. Over the decade covered by the first two plans —1950-51 to 1960-61, national income increased by 42 percent, but since population increased by 21 percent in these ten years, *per capita* income increased by only 16 percent. In the ten years, 1950-51 to 1960-61, the rate of *per capita* income increase of 1.6 percent in India was lower than that of other under-developed countries like Burma (3.5 percent), the Philippines (2.6 percent) and Thailand (1.8 percent). In Japan in the same

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period, the annual rate of increase in *per capita* income was 8.2 percent.

Savings and Investments

Corresponding to the meagre increase in *per capita* income, the savings and investment level also failed to move up to any appreciable extent. In the five years of the first plan, savings increased from about 5 percent of national income to about 7 percent and at the end of the second plan, it rose slightly to 8.5 percent, which was 3 percent less than the rate expected to be achieved. Total tax revenue of the Central and State Governments amounted to 7 percent of national income in 1950-51; in 1960-61 it increased to only 9 percent. Investment at the end of the second plan reached the target of about 11 percent of the national income, but this could not have been attained without the massive foreign aid which amounted to as much as 3 percent of national income. To some extent, the poor show of savings was due to the deterioration of the effectiveness of investment and the failure of the State to mop up a good proportion of the increased incomes of the wealthier classes. Investment resulted in a proportionately lesser increase in income in the second plan than in the first. Obviously, much of the rise in the ratio of capital to output in the second plan period was due to the nature of the investment—the greater emphasis on heavy industries.

Nevertheless, the unimpressive results in income growth can be explained only if other factors like waste in investment expenditure and the failure to utilise fully the capital created in the process are taken into account. The failure in savings is all the more disappointing when viewed in the light of the fact that much of the increase in income tended to get concentrated in the hands of a few who already belonged to the highest income groups. Hence the question arises whether there was not a failure to mobilise fully the savings potential provided by the higher incomes of particular classes of income earners. The fact is that while the consumption level of the masses of the society including the so-called middle class fixed income earners has not improved, there is ample evidence indicating indulgence in conspicuous consumption by the richer few. In short, planned development in India in the first decade of planning did not help in raising the savings margin to anywhere near the level necessary to bring about accelerated growth.

The next question to be considered is whether planned development has brought about the changes in social attitudes which are conducive to economic growth. An analysis of changes in human behaviour, attitudes and motivations or of modifications in social customs and pattern of living, is clearly beyond the scope of a study in economics. A quantitative assessment of such variations is difficult. Nevertheless, in so far as an improvement in this direction is set as one of the major objectives of planned development in this country, to be attained through public investment in social welfare measures and by means of an egalitarian tax and public expenditure policy, it would be possible to infer indirectly from government outlays on this head, the nature and degree of change that has taken place. It may also be added that successful execution of the programmes of development, particularly those which affect directly the immediate interests of the community, goes a long way towards enlisting the co-operation and support of the masses. Negatively, it means that to the extent public development expenditure has failed to show clear results it has failed to arouse popular enthusiasm.

Rapid Rise in Population

In view of the vastness of the country, the size of its population and the latter's rapid rate of increase, the very low standards of health and literacy, the social rigidities and the adverse influence of custom and tradition, and the general apathy of the masses, public outlay on social services and welfare schemes under the first two plans has to be considered as inadequate. Social services accounted for 23 percent of the first plan outlay, but the proportion declined to 18 percent in the second plan and to 17 percent in the third. It has also to be remembered that in the years 1950-51 to 1960-61, the actual expenditure under this head was much less than the planned amount.

Planned efforts over a decade succeeded in raising the percentage of students enrolled in schools in the age group six to 11 years from 42.6 to 61.1 only. The All India Educational Survey undertaken in 1957-59 pointed out that for the country as a whole in 1957, about 29 percent of rural habitations and about 17 percent of the rural population were not served by any school. Outlay on public health also falls short of the great needs of the economy. The increase in the number of hospitals and dispensaries from 8,600 in 1950-51 to 12,600 in 1960-61 and of beds from 113,000 to 185,600 is obviously very inadequate in a country with a population of 439 million, in which the average expectation of life of 40 years is among the lowest in the world, and where one out of ten children born dies before completing one year of life.

Bauer draws attention to the fact that the expenditure on education in the second plan is between one third and two fifths of that on large and medium industries in the public sector and that development expenditure on elementary education is about half the cost of each of the three steel plants planned in the public sector.[2] The expenditure on elementary education increased by only Rs. 2 crores in the second plan over the first—from Rs. 85 crores to Rs. 87 crores. The inadequacy of trained teachers and their very low incomes and status and the extreme measures taken to economise on educational facilities leave no doubt about the relative neglect of this important sector of the economy. The unimpressive performance of the community development projects and the halting manner in which land reform measures have progressed are other indications of the fact that social reconstruction has not been given the serious attention which it deserves.

Although repeated stress has been made in all the plans about the social objectives of bringing about economic equality and better distribution of the benefits of economic improvement among all classes of people, this objective still remains a distant ideal. Statements have been made over and over again in public documents about reducing disparities in income and wealth through taxation, control of monopolies, fixation of land ceilings and minium wages, better treatment of labour, granting of subsidies, etcetera. However, inflation and rise in capital values have only accentuated inequalities. The increase in agricultural and industrial production has not improved social well-being or reformed social structure, while community development has benefited only a minority. Thanks to a steady rise in prices, the lower middle classes have now lower real incomes and the industrial workers have barely maintained the prewar level of real wages.

Distribution of Income

It is estimated that as much as 30 percent of the increase in total income during the decade covered by the first two five year plans accrued to the higher income groups. The result is that the bulk of the population do not feel that they have benefited in any obvious way from the economic development of ten years. There has, therefore, been no social reawakening and the enthusiasm of the people has not been aroused. That in the initial stages of planned effort in an under-developed country like India which has stagnated for long, there is need for a great measure of austerity is understandable. But the fact is that in a backward economy where the consumption levels are miserably low, where planned development is taking place within a democratic framework, and where social ideals of justice and equality are loudly proclaimed, the average consumer expects some improvement in his lot as a result of all the ambitious investment schemes and is likely to be left with a sense of frustration when his hopes are not realised, in some measure.

Far from evoking his enthusiasm, this failure to raise consumption standards would only estrange his feelings and deprive him of what

[2] Bauer P. T.—*Indian Economic Policy and Development*, London 1961, pp. 51-52.

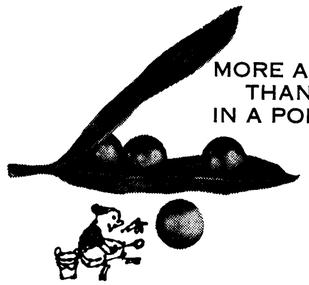


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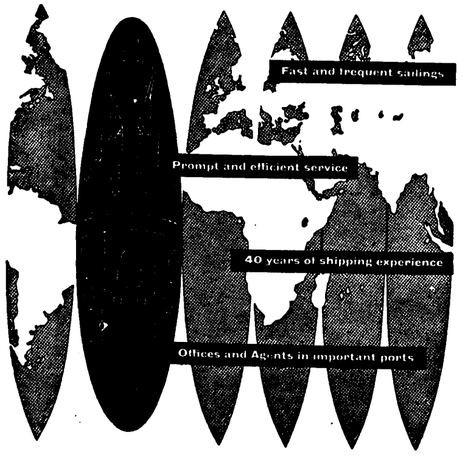
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little faith he might have had in Government schemes of economic expansion. The average intake of food in the country is still below accepted nutritional standards, and the consumption of cloth a head which rose from 9.2 yards in 1950-51 to 15.5 yards in 1955-56 has remained constant since then and is only around the prewar level. Housing is woefully deficient and about a half of the population of India has, on an average, only Rs. 13 a month to spend on consumer goods. It is, therefore, not surprising that labour productivity has not improved. Nor is sufficient attention devoted in the plans to increase the wages of labour and its productive efficiency.

Public co-operation in planning effort depends to a great extent on the degree of success attained in achieving the targets which in turn is determined by the efficiency of the techniques. Here again, the performance of economic planning in India has not been such as to create popular confidence and elicit the support of the masses. Among the laudable objectives of planned development, the achievement of which would undoubtedly appeal to the masses, are the provision of increasing employment opportunities, self-sufficiency in the mater of food and control of the price level. In none of these has the achievement been satisfactory.

Increase in Labour Force

It was expected that in the course of 1956-61 labour force would increase by about 10 million which it was hoped would be absorbed by the new employment opportunities created in the course of the five years. But in actual fact, employment in the second plan period increased by only 6.5 million, and since the backlog of unemployment at the commencement of the second plan was 5.3 million, the number of unemployed at the end of the second plan should have increased to about 9 million. According to the third plan, the addition to the labour force because of the growth of population in the five years covered by it would be about 17 million. If this is added to the backlog of 9 million, the total employment that would have to be provided in the third plan period would be of the order of 26 million. But the third plan hopes to create new employment for only about 15 million persons. This would mean that unemployment in the country would have increased by about 50 percent at the end of the third plan as compared with the position at the end of the second quinquennium. To this has to be added the problem of the under-employed whose number is reckoned at about 15 million to 18 million.

The effects of the failure to increase domestic food production to a sufficient extent are too obvious to need mentioning. Before the commencement of the first plan, the country was importing on the average about 3 million tons of foodgrains annually to meet domestic consumption requirements. The growth of population at a rate of 2.25 percent a year, would itself have created an additional demand of about 800,000 tons a year. Over the five years of the first plan, food production increased by 26 percent, but in the second plan period the increase was only 15 percent. As a proportion of total public outlay on development, the allotment to agriculture and community development under the third plan is increased to 14 percent, against 11 percent in the second plan. This is a welcome feature, but past experience makes it clear that planned development has not succeeded in effecting the breakthrough on the agricultural front which is basically important for the rapid growth of the economy.

Recently, in a note prepared for the National Development Council, the Planning Commission has admitted that the performance in the agricultural sector "has been woefully short of expectations".[3] The general wholesale price index (1952-53 equals 100) rose from 98.1 in 1956 to above 105 in 1957 and 1958 but since then, spurted to reach the high level of 158 in the second week of September 1964. That deficiencies in production, particularly of food, have much to do with this rise in prices is clear from the fact that an appreciable fall in the production of foodgrains and some industrial raw materials in 1957-58 brought about a sharp uptrend in prices in the next year. The similar rapid rise in prices in recent months has also to be attributed largely to deficiency in food production. But the rise in prices also reflects the lack of a price policy in the country and the failure to maintain a balance between the levels of investment and the resources available.

In addition to the obvious adverse economic and social consequences of persistent inflationary conditions, a steady and continuous rise in prices creates a feeling in the minds of the prople which the administration is incapable of tackling the problem successfully. At any rate, in so far as inflation has an obvious depressive effect on real incomes, the fixed income classes and wage-earners are led to think that what is called planned economic development, has only helped in lowering the purchasing power of the rupee and in transferring wealth to the already wealthy classes. In such a situation, it is idle to expect that the co-operation of the masses would be forthcoming or their enthusiasm for development effort could be aroused.

Outlay on Heavy Industries

It now remains to examine to what extent heavy public outlays on basic industries and on economic overheads have helped in preparing the ground for the economy to take off into self-sustained growth. Since planning started, considerable emphasis has been laid on the building up of economic overheads that would facilitate rapid growth. The proportion of public outlay on power, organised industry and minerals and transport and communications formed 44 percent of the total public outlay on development in the first plan period and increased to 58 percent in the third plan. The rise is particularly marked in the second plan, while total public spendings between the first and the second plan increased by 135 percent, expenditure on the above three items increased more than threefold.

Public expenditure visualised in the third plan represents a rise of about 60 percent over the second, and outlay on the heads of development mentioned above, is expected to increase by 50 percent. There has been a commensurate increase in output also. Over the ten years 1950-51 to 1960-61, industrial production increased by 94 percent; the output of iron and steel rose by 138 percent and chemicals by 188 percent, while machinery of all types increased by five times the size at the beginning of this period. In the third plan period, national income is expected to increase by about 30 percent. Among the different sectors contributing to total product, large increases of 237 percent, 145 percent and 114 percent are visualised for engineering, metal manufacture and power, respectively; also, agricultural output would improve by 21 percent. The figures in the following table convey an idea of the emphasis laid on the production of basic industrial goods and machinery in the second and third five year plans.

Accent on Capital Goods Industries

The policy of building up heavy industries started in the second plan period is continued in the third plan. The idea behind this policy is that the economy should become self-sufficient in the matter of capital goods and machinery so that the strain on the balance of payments will be eased. Self-sufficiency is not an essential condition of self-sustained growth. A country may be importing necessary goods which it cannot produce, yet it may have a high rate of income growth and can easily meet its import obligations out of its export earnings. The stress is on the ease with which domestic earnings are increased and savings accelerated. However, in a country like India, self-sufficiency in capital goods is a requisite for attaining the stage of self-sustained growth. Since exports and imports constitute only a small fraction of total income and there is difficulty in increasing exports, the wherewithal to bring about self-sustained growth has to be found within the country. This makes increased production of capital goods and machinery and the development of power and transport all the more important. And the prospects in this matter seem quite encouraging.

It is thus seen that while the achievements in a decade of planned economic progress in India in savings and in bringing about the necessary changes in social attitudes have been disappointing, the progress in industrialisation and especially in the building up of basic industries, constitutes an important redeeming feature. Estimates have been made about the point of time when the Indian economy would be able to take off into self-sustained growth. The third five year plan expects national income to rise to Rs. 19,000 crores by 1965-66 and to Rs. 25,000 crores and Rs. 33,000 to Rs. 34,000 crores at the end of the fourth and fifth five year plans. Simultaneously, *per capita* income would rise to Rs. 530 by 1976 representing an increase of 66 percent over the level in 1960-61. This would necessitate a rise in investment from 11 percent in 1960-61 to 14-15, 17-18, and 19 to 20 percent of national income by the end of the third, fourth and fifth plans. However, it is difficult to make any guess about the occurrence of the take-off with reference to the *per capita* income or even the rate of investment attained.

Matter of Faith

Such estimates have to be, by and large, merely a matter of faith. It does not seem correct to assume that when the investment rate reaches a certain level at a particular period of time, the economy would shake itself off the tentacles of economic backwardness and launch itself into an era of accelerated growth. The process of economic transformation is strenuous and may be quite long drawn. Nor is there any assurance that once a high rate of investment and income growth is attained, there would not be any falling back. All that can be said is that when the basic factors which conduce to a high growth rate are set—that is, economic overheads are provided, and structural, organisational and institutional changes are brought about, there is an opportunity for the economy to lift itself up from the state of stagnation so that the very process of growth would alter the pattern of savings and composition of income and other circumstances in a manner that would make further growth easier.

The entrepreneurial rôle assumed by the Government in India and the large investment outlays in the public sector may well be the element which would trigger off the forces of growth. Large Government spendings on heavy industries have raised the capital-output ratio and strained the resources of the country. Increased concentration on basic industries has led to a relative excess of overheads and under-utilisation of capacity in some lines of enterprise, but it only means that as economic activity in both the public and private sectors gains momentum, and the growth of income brings about a rise in the level of demand, the added capital equipment would be better and fully utilised, so that efficiency of investment would increase and the capital-output ratio would fall. When at this stage, large external economies become available, it would be easier to increase national output, *per capita* income would rise, savings margin would widen.

[3] The *Hindu*, Madras dated 21-10-64.

TRENDS IN THE PRODUCTION OF INDUSTRIAL GOODS AND MACHINERY
1955-66=1965-66*

	Unit	1955-56 Achievements	1965-66 Targets
1. *Power:* Electricity			
Installed capacity	Million kW	3.4	12.7
Generated	Million kWh	10,777	45,000
2. Iron ore	,, tons	4.3	30.0
3. Steel ingots	,, ,,	1.7	9.2
4. Finished steel	,, ,,	1.3	6.8
5. Aluminium	'000 tons	7.3	80.0
6. Machine tools graded	Value in Million Rs.	7.8	300.0
7. Electric motors 200 b.h.p. and below	'000 h.p.	272	2,500
8. Nitrogenous fertilisers	'000 tons	79	800
9. Steam railway locomotives	Numbers	179	1,175

*Source—*Third Five Year Plan*, annexure 1, pp. 77-84.



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THE ROLE OF MONEY IN A DEVELOPING ECONOMY

Money is not a real factor of growth. But it plays a catalytic part in speeding up the process. Its supply must expand with national output. The monetary policy in a developing economy should aim at regulated expansion of the currency.

By
D. R. KHATKHATE

ALTHOUGH economic development is governed, in the final analysis, by the "real factors" such as saving-investment, productivity of capital and labour, population, etcetera, the rôle of money and other financial assets is crucial in determining its speed in view of the monetary manifestation of the growth process. In a free or partially planned economy, decisions to save and invest, when they are mediated through the use of money, are largely affected by attitudes and motivations of the spending and investing units towards money as an asset. The pervasive influence of money tends to increase with the proliferation and diversification of financial assets which are the consequences of a gradual separation of those who save from those who invest.

This importance of money as a factor in economic development stems mainly from its function as a store of value, which enables autonomous economic units to hold it for precautionary and speculative purposes. Thus, it is the demand for money to meet cash balance requirements in a growing economy, its intimate relationship with the demand for other financial assets and changes therein that should form, more appropriately, the main concern of monetary policy in relation to economic development.

Monetary policy, in its broader context, should deal with the cost of money, its availability and quantity. Since all these magnitudes—cost of money, availability and quantity—are affected, directly or indirectly, by the changes in the prices of Government bonds and other financial assets like shares and debentures, monetary policy, so interpreted, should not be confined merely to the operations of a central bank, but also cover those aspects of fiscal policy (such as the management of public debt) which have a bearing on variations in the stock of money.

In any discussion of the rôle of monetary policy in economic growth, it is essential to understand, in all its ramifications, the function of money in a given economy, and more so, when the economy does not possess al the hallmarks of a developed industrial and financial structure. Broadly, there are three approaches to the relation of money to economic growth whether as a circulating medium or a store of value. Firstly, money may be conceived to be a causal factor in economic development in so far as its availability induces a regular and balanced expansion of the economy. In this sense, money discharges the function of a catalytic agent. Secondly, money is taken to be a permissive rather than a causal factor. Use of money is a necessary but not sufficient condition for a rapid expansion of the economy. This interpretation makes money a positively ineffective force, but a negatively powerful one. Thirdly, the use and cost of money are simply considered to be immaterial for economic development or its speed. The rôle of money thus is purely passive. This manner of looking at money approximates to endowing it with a neutral rôle.[1]

Empirical Evidence

Empirically, it is almost difficult to pin down any one of these rôles on money in the context of economic growth. Data are often non-extant and inadequate, where available, which offer conflicting evidence as to the rôle money plays in economic growth. About money as a causal and catalytic agent of growth, the statistical series concerning the United States for about a century seem to suggest a significant relationship between changes in the stock of money and changes in economic activity.[2] But even here, the evidence is not conclusive. It is true that the turning points in the stock of money generaly preceded those in output, particularly industrial. However, all that this indicates is that there is a strong presumption in favour of money as a causal factor and nothing beyond. This would remain so as long as a *modus operandi* of the influence of money on the changes in the economic system is firmly identified.

What then is the precise rôle of money in economic development? A relationship between money and output, although stable through time, is mechanistic as a basis for seeking a causal connection between the two. It tends to slur over the complexity of the growth process in the real world. Perhaps a more helpful approach, and more rewarding in terms of practical policy, would be to view the rôle of money either as a causal or permissive or a passive factor; money is more of a transmuting agent which tends to galvanise the whole process of development. If, for instance, money is totally absent in the economic system, the crucial variables influencing growth would remain tethered and thus the growth would not be as fast as it would be otherwise.

The reasons why money plays such a vital rôle in the growth process are easy to understand. For one thing, the economy using money takes on an impersonal character. Savings remain no longer dormant in separate pockets for want of necessary matching investments; money helps to transmute them into monetary form available to anyone willing to pay the price. Thus the use of money obviates, at one sweep, all the obstacles arising from space and time. For another, money brings up to the surface all the price relationships in all their entirety which leads to optimum utilisation of resources. In other words, all that money does in a growth process is that it provides "an efficient payments mechanism" and guides "qualitatively and quantitatively the flow of funds to economic units whose aggressive spending is stimulating real output and the flow of financial assets to economic units whose restraint on spending frees resources for real investment."[3]

Having pinpointed the function of money in the process of development, the question is: what should more appropriately constitute money? Money is variously defined; at one extreme is pure currency while at the other is, besides currency, demand and time deposits, financial assets of all sorts. Thus, there is a whole spectrum of liquid assets, the nearest bar of which is represented by currency with almost 100 percent liquidity. However, for the under-developed economies, the definitional problem as regards money is hardly relevant. In such economies, it is more currency and bank deposits, the use of the latter is only limited; other types of financial assets are not available partly due to the inadequate growth of the financial institutions. In fact, as will be discussed later in this article, it becomes a prior charge on the monetary authorities to promote the use of financial assets. As a broad generalisation, therefore, it might be argued that the monetary authorities in developing countries should concern themselves primarily with the regulation and control of currency and deposits to facilitate the growth process.

Monetary Policy

For a proper evaluation of the rôle of monetary policy in economic development, it is necessary at the outset to indicate what economic development precisely implies. Without going into the problem of what constitutes a right measure of economic growth, it can be stated, in general terms, that economic development connotes (a) a rise in *per capita* income through time; (b) a gradual transformation of the subsistence sector which is a distinguishing feature of an under-developed economy into a monetised sector; and (c) increasing institutionalisation of saving and investment. The first two aspects have a direct relevance for the optimum degree of monetary expansion in a growing economy; the third one has a larger implication for a promotional monetary policy of the central bank in an under-developed economy. Each one of these aspects is dealt with separately in what follows:

Theoretically, the monetary authority should be able to ensure that level of money supply in a progressive economy which would be consistent with the growing national product, employment and a steady price level. Thus, the right rate of expansion in money supply should make it necessary for holders of money to effect any adjustment in prices or interest rates or output and employment so as to bring their demand for money in line with the cash balances made available to them by the monetary authorities. On the operational plane, however, the question of what should be the optimum degree of expansion in money demand in the context of economic growth is not altogether tractable. If the objective is development with a relative price stability, then the warranted expansion in money supply would be the same as the rate of growth in total national product. The underlying reasoning is that a larger national product implies corresponding rise in the volume of transactions and unless money supply increases in the same proportions, prices would tend to fall with consequent changes in output, employment and capital accumulation. Thus, only one function of money, namely, a medium of exchange, is emphasised. However, this argument, namely, that money supply should increase *pari passu* with the growth in national product, hinges for its acceptance on what objective the growing economy should place before itself to maintain a desirable level of prices.

Price Inflation

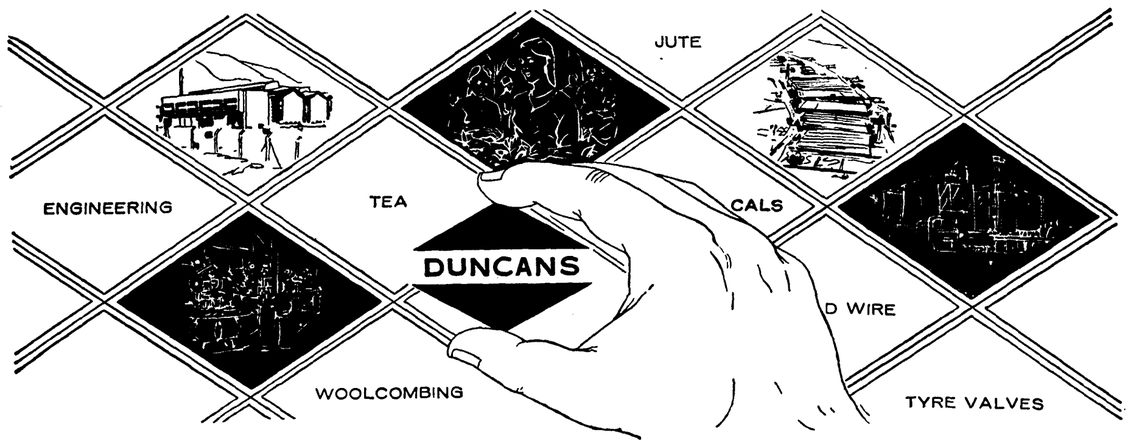
The question which then acquires crucial importance in this context is whether price inflation is helpful for rapid economic development. There is a fairly common notion that a certain degree of inflation acts as a catalytic agent in the development process. This is based on the fact that with steadily rising prices, the ratio of profit-income to national

[1] Whittlesey, C. R., *Relation of Money to Economic Growth, American Economic Review, Papers and Proceedings*, May 1956.

[2] Friedman, Milton and Ana Schwartz, *A Monetary History of the United States, 1867-1960*, pp. 682-695.

[3] Shaw Edward S. Discussion, "Monetary Rôle in Balanced Economic Growth," *American Economic Review, Papers and Proceedings*, May 1956.

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income tends to rise in relation to the ratio of wage-income to national income. Since, generally, the proportion of profit-income saved is higher than that of wage-income, the aggregate saving-income ratio tends to grow faster and thus facilitates the acceleration of economic development. The implicit assumption is that it is a creeping inflation. Although this argument seems to be logically plausible and consistent, the empirical evidence concerning whether a growth rate is higher with creeping inflationary rise in price level than with relative stability in prices is conflicting.

A mass of statistical data has been put forth in support of the thesis that economic development is more rapid in countries which have been able to maintain comparative stability in prices than in countries with persistent inflationary pressures. In certain other countries, there is also evidence to the contrary. Thus, whether inflationary rise in prices, in the course of economic development, should be permitted or not, remains a question to be decided essentially on the basis of intuitive judgment and the knowledge of the behaviour of other variables in the economy—real as well as monetary. All that the economist *qua* economist can say is that a certain amount of inflationary rise in prices is inescapable as an incident of growth. The policy-maker, however, should ensure that the creeping inflation does not escalate into chronic inflation with all its deleterious effects.

The relevance of the above discussion for the right degree of money supply is obvious. If a certain price level is considered desirable or inevitable depending upon how one views it, the demand for money would then have to rise more than in proportion to the growth in national product, the extent being given by the desirable rise in prices.

Apart from this, there are two more reasons why it should be necessary to increase money supply more than in proportion to the rise in national product, even assuming that relative price stability continues to remain the principal objective of monetary policy. The first reason is that with the rise in income, demand for money as one component of saving tends to increase due to the precautionary and speculative motives of holding money. When *per capita* income grows, the need to hold a relatively large proportion of income in the form of money is felt more intensely as the financial commitment of people tends to increase. The utility of the precautionary monetary balances also reflects their invulnerability to risk from default or from increases in interest rates if savings are held in the form of other financial assets like government bonds or corporate debentures and shares. But there is a point beyond which it is more the speculative motive which necessitates holding of large cash balances. Since economic development connotes a widening of the range of financial assets, savers and investors are prone to shift their savings from one type of asset to another, out of their desire to make speculative gains. Thus, monetary balances as a proportion of national income tends to grow which is the same thing as a fall in the income velocity of money, namely, the number of times money enters into the generation of income-flow.

Income Velocity of Money

This is not, however, only a theoretical possibility ; it has a solid basis in the empirical investigations. That the income velocity of money falls with the growth of national product, is verified by Professor Milton Friedman on the basis of the data relating to the American economy.[4] His results show that, on an average, the cash balance requirements in the U.S.A. have risen by 1 percent every year, coinciding as they did with a corresponding rise in *per capita* income during 1867-1960. Judging by this historical experience, the behaviour of cash balances in the newly developing countries would not be radically different, although one may possibly argue on a plane of theoretical abstraction that a development of the financial system and consequent improvement in the payments mechanism may lead to a fall in the ratio of stock of money to national income.

The second reason referred to above relates to a gradual extension of frontiers of the exchange economy with the acceleration of the growth process, which requires a larger money supply for the use of the spending and investing units in the shrivelling subsistence sector for transactions, precautionary as well as speculative purposes. Most of the under-developed economies are characterised by a non-monetised or a subsistence sector, the extent of which varies from country to country. For example, it is estimated by the National Sample Survey (Fourth Round) that around one-third of the Indian economy in 1952 was represented by a subsistence sector, where saving, investment and other transactions were conducted without recourse to mnoey. Since then, the size of the sector might have shrunk, as the Indian economy progressed at a rapid rate, although it is difficult to specify any particular rate of monetisation. Due to a supplantation of the subsistence sector, the processes like investment and saving get translated into monetary form so that they grow at a faster rate. Furthermore, the scope for dissipation of saving, which takes place in a barter economy, is also less.

While a provision of money to meet the demands of a subsistence sector which is getting monetised acts as a stimulus to the economic development, accretion to stock of money as a result does not generate inflationary pressures as that money is used for transactions which were previously mediated without the use of money. Secondly, they go to satisfy the cash balance requirements of the newly monetised units.

Now the question raised initially about the optimum rate of monetary expansion consistent with the requirements of economic development can be answered. The right rate of growth of money that the monetary authorities in the developing economies should aim at is given by the rate of expansion in national output, the tolerable rise in price level, the extent of rise in cash balance requirements with a rise in *per capita* national income and the rate of monetisation of the subsistence sector. In deciding upon the actual extent of monetary expansion, the monetary authorities may fall back on the experience of now developed countries and on their own understanding of the economy. With all this, perhaps, the precise limit may be difficult to lay down. In that case, it would be more rewarding to indicate the range within which monetary expansion can take place and then regulate it within that range according to the exigencies of the situation.

[4] Milton Friedman and Ana Schwartz, *A Monetary History of the United States, 1867-1960*, pp. 679-682.

Deficit Financing

One of the interesting exercises made in India in recent years to indicate what is now known as a "non-inflationary" level of deficit financing is based on the above approach. Proceeding on the basis of certain assumptions concerning output, monetisation and prices, demand for money was projected and then working backwards, a non-inflationary deficit-financing (or net bank credit) to be incurred by the Government was arrived at.[5]

The task of monetary policy, however, is far from simple. The aggregate level of monetary expenditure is not represented by merely a stock of money ; it has another dimension as reflected in the velocity of money, namely, the number of times money is used for spending on goods and services. Thus changes in the aggregate level of expenditure are governed by the variations in money supply and its velocity. The transaction velocity of money depends on the range and availability of near-money assets which can easily and without much cost be converted into money proper. However, velocity of money is difficult to be controlled by the monetary authorities. It is generally the experience of developed and under-developed countries alike, that a fall in quantity of money brought through monetary measures is normally accompanied by an opposite effect, namely, an increase in the turnover of the reduced level of monetary stock so that aggregate monetary demand tends to remain unaffected.

Thus, the volatile nature of the velocity of money imposes a limitation on the rôle of monetary policy. This limitation, however, although serious in the short run, seems to recede in the long run. There is a certain definite maximum limit up to which velocity can increase. This is because conversion of any near-money asset does require money proper. If, therefore, money itself is regulatd, in course of time, its availability for conversion gets constricted and inevitably, the velocity tends to change in the same direction as the change in money supply. To that extent, therefore, monetary policy remains effective.

[5] B. K. Madan, *Aspects of Economic Development and Policy*, Bombay, 1964, pp. 247-264.

Monetary Expansion

If maintenance of an overall rate of desired monetary expansion is the object of the monetary authorities, the rôle of the monetary authorities may seem to be purely passive. In fact, it is even suggested by economists like Professor Friedman that there is no need for any central bank if a certain desired monetary expansion is automatically assured in a growing economy. Any such view, however, misconceives the nature of changes in the demand for money. Although the rising trend in money supply is predetermined with reference to population, output, monetisation, etcetera, there are often deviations, sharp and unpredictable, from the trend-rise in money supply.

For instance, over a long period, historical experience suggests that income velocity of money tends to decline at a rate of around 1 percent a year, but this does not warrant an assumption of absence of fluctuations in the long-term trend. In point of fact, it is found that during an expansionary phase of business cycles, the income velocity of money is higher than the trend-figure and lower than it during a downward phase of the cycle. Since any such deviations lead the economy away from its long-term timepath of growth, either though distorting the pattern of investment and saving or their size, it becomes necessary for the monetary authorities to take prompt action to regulate the changes in money supply so as to make them conform to the desired long-term changes. Furthermore, while the aggregate change in the stock of money may be in a desired direction, certain important sectors of the economy may yet remain starved of the money flows. The developing economy has some lagging sectors such as agriculture or small-scale industries, the growth of which is retarded by the lack of availability of finance on adequate scale and at reasonable cost. This implies that monetary policy should ensure a distribution of money flows in appropriate channels conducive to the rapid growth of the economy.

Regulating Private Outlay

In a partially planned developing economy, there is one more dimension to the operation of the monetary policy apart from ensuring overall expansion of money supply. It is sometimes argued that the main objective in such economies is one of influencing "private outlay in such a way as to supplement or offset public expenditure and contain total effective demand within limits compatible with price stability."[6] This manner of setting the objective, however, appears to be misleading. In a partially planned economy, there are certain targeted investment for the public and private sectors of the economy. If it is desired to achieve a safe rate of monetary expansion, as is done in India on the eve of the formulation of the third five year plan,[7] the planning authorities assume implicity a certain distribution of bank credit between the public and private sector investment, the total quantity of which is given by the safe rate of monetary expansion. If the actual private sector investment remains within the limits of targeted investment, then a corresponding expansion in bank credit to the private sector would be necessary, and would be consistent with a given objective of a safe increase in money supply.

The monetary authorities should curtail the credit expansion only if

[6] R. J. Bhatia, "The Rôle of Monetary Policy in Price Stability—The Indian Case", 1951-59. *Review of Economics and Statistics, XLIII*, November 1961.

[7] Madan, B. K., op. cit.



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it exceeds the limit set by the targeted private investment and thus contain the pressure on prices. But there may be occasions when the monetary expansion in the economy may well go beyond the safe level despite the private investment remaining within the confines of targeted investment. In that case, the objective of monetary policy should be to apply a brake on credit extension to public investment. It would then follow that the monetary authorities in a partially planned economy where actual private investment remains within the limit of a predetermined investment targeted cannot merely influence private outlay either to supplement or offset public expenditure because it would in that case merely reduce private investment below a planned level; it should instead curtail credit to the sector where actual investment has tended to exceed the targeted investmnt and thus to exert a presure on prices.[8]

Having examined the larger objectives of monetary policy in relation to economic development, the relative efficiency of various methods by which variations in money supply are brought about may be considered. Any change in money supply which is the same thing as the monetary liabilities of the banking system including the central bank is reflected in a change in the financial assets and/or the net monetary liabilities of the banking system, namely, a difference between non-monetary liabilities and non-financial assets. It would thus be seen that it is necessary to influence assets and/or liabilities of the banking system if money supply is to be changed in either direction. The instruments of monetary policy employed for this purpose are mainly (a) open market operations, (b) Bank rate and (c) variable reserve ratios. These are instruments of general credit control which do not discriminate between the sectors which use bank credit. Apart from this, recourse is had to selective credit controls to regulate the flow of credit to preferred sectors or prevent its flowing to certain inessential sectors. All these instruments of monetary regulation are well known and enough is said in text-books on monetary theory and policy on their relative efficiency. What is not sufficiently known is the extent of relevance of each of these instruments in developing economies which are partially planned. There are certain features of such economies which tend to modify substantially their effectiveness; in some cases, their connotation is altogether altered. These aspects of regulatory instruments are dealt with in the following.

Open Market Operations

Open market operations are considered to be a flexible instrument in influencing directly, without much delay, the volume of bank reserves and, therefore, of bank credit. But the difficulty lies not in the impact of this technique on bank money which is obvious; it is more a question of whether it is appropriate at all to classify it as a pure instrument of monetary control as divorced from the budgetary considerations. The purpose, nature and function of open market operations in under-developed countries are totally different. Unlike the practice in vogue in developed countries with well-knit capital and money markets, open market operations are mainly designed to manage the public debt.

For instance, it has been stated that "in general, open market operations have been used in India more to assist the Government in its borrowing operations and to maintain orderly conditions in the Government securities market than for influencing the availability and cost of credit."[9] It is not at all difficult to see the rationale of such a policy in relation to open market operations. For one thing, in ecinomies with partial planning, financing of public investment acquires crucial significance. Since borrowing from the public constitutes an important item in the pattern of financing, the Government is naturally concerned with the creation of an appropriate climate for smooth absorption of the sale of government bonds by the public. Thus, a preoccupation with this objective of maintaining orderly conditions in the security market tends to hamstring the use of open market operations as a technique of monetary control. For another, the under-developed countries have a narrow market for government securities due to the inchoate stage of their capital and money market so that any change that emanates from open market operations tends to result in more violent fluctuations in the prices of government bonds without affecting significantly the cash base of commercial banks. It is, of course, true that there are many occasions when requirements of the budgetary and monetary policies may coincide and the ensuing net sale or net purchases of securities on either count may be in the same direction. But it would be more a coincidence than a design implicit in a particular monetary action.

Rôle of Bank Rate

The primacy of Bank rate as a weapon of monetary control rests on a larger issue of the rôle of interest rate in determining decisions to save and invest, the choice of production techniques and the pattern of investment. Apart from these more fundamental questions, it is to be also seen whether the changes in interest rates would be sufficiently pervasive in under-developed economies. Taking the second technical aspect first, the pervasiveness of interest rate depends upon the speed with which any impulse in the short-term market is transmitted to the long-term capital market where funds for use for investing in fixed assets are lent or borrowed. Such an impulse can travel fast *via* its impact on the values of the financial assets in the economy and through them the lending operations of the financial intermediaries. However, there is no plethora of near-money assets in the developing economies and to that extent, the impulse from the short-term to long-term slows down, if not cut dead altogether.

Partly offsetting this disadvantage, however, is the existence of some of the medium-term and long-term lending institutions, directly under the aegis of the central bank. Since these institutions obtain a certain amount of share capital from the central bank as also occasionally borrow from it to replenish their resources, the monetary authorities get into a vantage position to regulate long-term rates almost as directly as the short-term rates. The degree of effectiveness, however, depends on the extent to which private sector investment relies on the term-lending institutions.

The impact of interest rate changes on the choice of production techniques and the pattern of investment is to be construed as more fundamental. It is often argued that the under-developed economies are characterised by a shortage of capital and abundance of labour so that rise in the interest rate would tend to economise the use of relatively scarce factor of production, namely, capital, and raise the input of relatively more abundant factor, namely, labour. However, this argument ignores some of the most important facts in the under-developed economies. True that a resource endowment is favourable to the rise in interest rates, but while it is a necessary condition it is not a sufficient condition for a change to take place in production techniques in response to a rise in interest rates.

Firstly, the choice of a production function is often discontinuous, such that a shift from a relatively capital-intensive technique to a relatively labour-intensive technique can take place only when a rise in interest rates is sufficiently sharp. Even granting that a rise is made very sharp to facilitate a shift along a discontinuous production function, it ill-serves the requirements of economic development as its adverse psychological repercussions would outweigh the favourable impact tn the production techniques. The result may be a slowing down of the rate of growth of the economy. Secondly, although labour is abundant and consequently "shadow" wages are lower than the market wages, the efficiency wage is much higher. The net advantages of use of more labour-intensive techniques is, therefore, limited. Thirdly, the existing technological horizon in the under-developed economy is such that the so-called labour-intensive techniques are both labour-consuming and capital-consuming, so that purely on the basis of efficiency, the use of labour-intensive techniques is wasteful, unless a new intermediate technology is thought out.

Above all, the experience of the now advanced countries shows that the growth is facilitated more by a modern sector of the economy which uses the most up-to-date techniques of production. The modern sector sets a pace for the rest of the economy and the resultant growth rate is higher than it would be in the absence of it. The logic of this is simple. In an industry which uses modern techniques of production, capital-output ratio is no doubt higher, but it is associated with a greater rate tf growth as a result of technical progress which is rapid in sectors using advanced technology.

Saving and Interest Rate

Likewise, the effects of a higher interest rate on decisions to save is rather problematic. It is an observed fact that in countries like India and Ceylon that as much as about 70 percent of the saving of the household sector is in the form of physical assets like housing, small business or insurance policies. None of these can be considered to be motivated by the interest rate. The factors affecting the desire to save, therefore, are altogether different. It is, however, true that the higher interest rates may in many cases draw the monetary savings from the unorganised to the organised sectors. To the extent the savings are brought within the ambit of organised banks, the influence of monetary policy is fortified.[10]

The use of variable reserve ratios is generally more potent as their impact is known to be direct, precise and certain. By raising or lowering the reserve ratio, the monetary authorities affect the credit creating capacity of banks, volume of credit and, therefore, the stock of money. However, this technique for its more efficient use has to influence also other liquid assets of banks. If this is not done, banks might meet the additional cash requirements consequent on any change in reserve ratios by adjusting the portfolio of liquid assets. For this reason, in some of the countries the ratio that is varied is the liquid assets ratio. While employing this instrument it has to be remembered that changes in the reserve or liquid assets ratio have to be sharp and large, if that instrument is to succeed in the context of under-developed countries. The total impact of any change in the reserve ratio on money supply depends, besides the extent of multiple credit creation by banks, on the ratio of bank reserves to total reserve money which is defined as currency with the public and bank reserves. This ratio is normally smaller in under-developed countries than in more advanced countries and, therefore, the final impact on money supply of a given increase or decrease in the reserve ratio of banks is smaller. For instance, in India this ratio is only 6.3 : 100, compared with 43.3 : 100 in the United States and 24.5 : 100 in the U.K. and 10.3 : 100 in Japan.

Credit Control

A flow of credit to the strategic sectors of the economy is usually regulated through operations of selective credit controls. This takes various forms in various countries. It may stipulate margins on credit against certain securities. In the advanced countries like the U.S.A., margins are imposed on advances against shares, consumer durables and real estate, etcetera, while in India the practice is to vary the margins for lending against the commodities in short supply or to impose ceilings on credit to certain undersirable sectors. However these controls are conceived and implemented, they hardly go to the heart of the problem, namely, to ensure the end-use of credit.

The problem in the partially-planned economy is somewhat different because of certain institutional developments. Where planning is in operation, certain output targets are set and to ensure that these targets are conformed to, some control devices such as capital issues, import

[8] D. R. Khatkhate, "The Rôle of Monetary Policy in Price Stability," *the Review of Economics and Statistics, Vol.* XLVI, May 1964.

[9] "Open Market Operations of the Reserve Bank of India", *Reserve Bank of India Bulletin*, June 1960.

[10] Madan, B. K., "*Monetary Policy and Economic Development*," *Reserve Bank of India Bulletin*, July 1964.

licensing, foreign exchange allocation, etcetera, are evolved. This implies that corresponding to the plan in real terms, the financial counterpart with its predetermined sectoral allocation of funds is also available so that it is possible for the financial institutions, be they commercial banks or term-lending institutions, to decide upon the priority to be granted to certain industries. Provided a proper co-ordination is brought about between various control organisations and the financial institutions, it is easy for the monetary authorities to ensure the end-use of credit flows and thus to give a content to the selective credit controls.

The last aspect of monetary policy in developing economies is associated with the institutionalisation of saving and investment. Accumulation of debt in the economy is one facet of the growth process. In the early stage, investment by any unit is limited to the saving of the same unit. Once, however, economic development gathers momentum, the requirements of investment tend to go beyond the limits imposed by self-financing and in consequence, the net investing units borrow directly from the net saving units. Thus, the financial liabilities and assets rise in the same proportion. In most of the under-developed countries, the method of direct financing, namely, issue of debt by those who save to those who invest is more widely prevalent as exemplified by the existence of a large unorganised credit sector, providing credit to the farmer, business and small-scale industrial enterprises. In the organised corporate sector, the direct financing takes the form of issue of debentures, preference shares, etcetera.

Economic growth is slower when methods of financing remain confined to only self-financing and direct financing. With the progress of the economy, direct financing tends to prove inadequate to meet an intense demand for loanable funds. It is at this point that the emergence of financial intermediaries, both bank and non-bank, has proved to be of crucial importance. The primary function of these institutions is to issue debt of their own by getting surplus funds from the net saving units and loaning them out to the net investing units. But the total debt accumulation through institutionalisation of saving and investment tends to rise faster in relation to income and wealth than under self-financing or direct financing. The growing importance of financial assets arising from indirect financing is manifested in the widening of preference of the people for financial assets as saving media. The more advanced the economy is, greater is the ratio of saving in the form of financial assets to that in non-financial assets. For example, this ratio for the household sector in the United States is 3 : 1. The corresponding ratio for India was .8 : 1 in 1950, and it has risen since then to 1 : 1.

The relevance of all this for monetary policy in a developing economy is self-evident. If indirect financing as reflected in the rising ratio of financial assets to national income and wealth is a concomitant of the process of economic growth, it follows that the creation of a climate for the evolution of an appropriate structure of financial intermediaries including commercial banks should become a first charge on policy-makers. These institutions do not grow in an autonomous manner. It requires, therefore, nursing from the authorities to hasten the formation of such financial institution. A central bank by virtue of its being at the helm of financial management, can undertake this task by adopting a promotional monetary policy as distinct from the regulatory one. In many developing countries, a central bank has been instrumental in creating a wide network of financial institutions to channelise saving of the community to the sectors where its use is most urgent. Perhaps, this promotional aspect has acquired a much greater prominence in the operation of monetary policy in these countries than its regulatory aspects.



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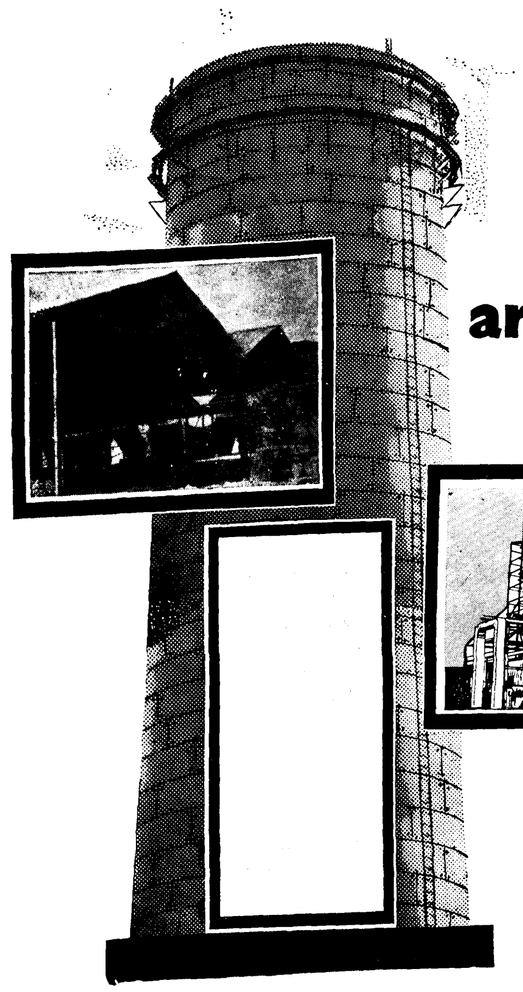
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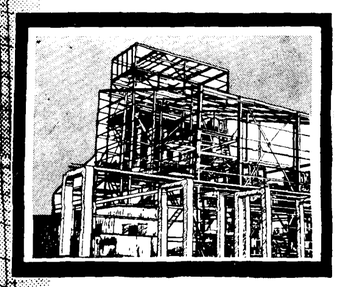


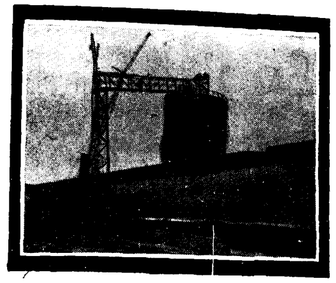
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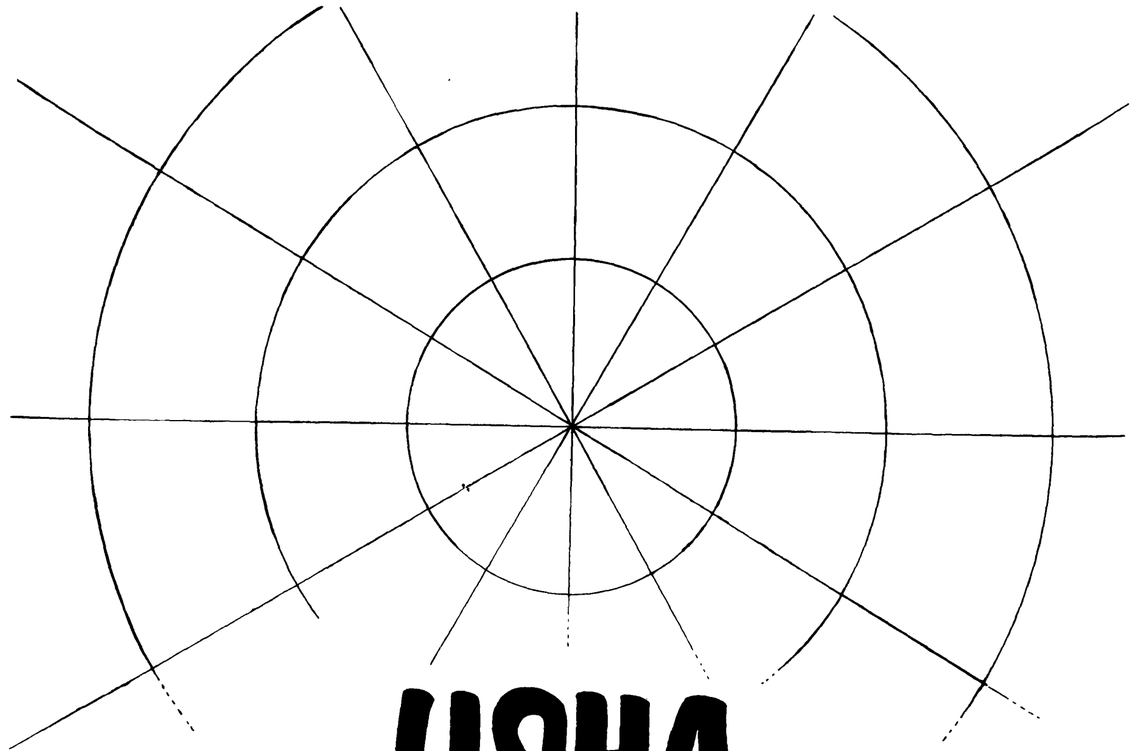
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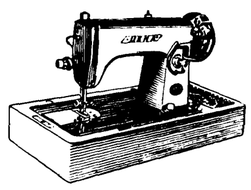
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Measures to Check the Growth of Unrecorded Gains

The Government may not be able to check the growth of unrecorded gains and unaccounted money by coercive measures alone. To achieve the purpose, it has to adjust taxes to a level that people can be persuaded to accept.

By

C. N. VAKIL

IN recent discussions, the phrase "unaccounted money" is frequently used to indicate certain resources which some persons seem to have obtained by undesirable means. They seem to have succeeded in not accounting such resources to the income tax authorities and, therefore, in evading taxes. The volume of such resources seems to have grown to large dimensions; various estimates have been made in this connection, although everybody knows that it is not possible to make even an approximate estimate because by hypothesis such resources are secret and not recorded. In view of the importance that has grown round this phenomenon since it was first referred to by the Central Finance Minister, Mr. T. T. Krishnamachari, in November 1963, it would be appropriate to understand it as clearly as possible.

It is usually assumed in discussions on the subject that the resources referred to above are in the form of cash or currency notes. The phrase "unaccounted money" helps to create this presumption in the minds of those who talk about it. The estimates of such money have been put at Rs. 3,000 crores. The recent raids in Bombay on the houses of some well-known film stars revealing hoards of large amounts of cash in their possession must have further confirmed the current belief that such resources are held in cash. The fallacy of the estimate in terms of money is seen when one remembers that the total notes in circulation issued by the Reserve Bank of India is about Rs. 2,500 crores. Those who suggest an estimate of Rs. 3,000 crores of "unaccounted money" are obviously wrong, if one assumes that these resources are in terms of so much cash.

Double Transactions

It may be asserted that those who hold such resources in cash are more an exception than the rule. It is true that such resources are often obtained, in the first instance, in the form of money. Being aware of the risk of holding the resources in cash, they are anxious to convert them into something else. The money is either spent in lavish expenditure or converted into commodities or invested in property. As it is no longer possible to invest large amounts in gold, people may invest in other forms of jewellery such as diamonds and pearls. Some use these amounts to buy stocks of certain commodities, raising their prices in consequence; they do so in the hope of selling the commodities at an advantage later. It is well known that property, such as land, buildings and flats, changes hands creating the peculiar phenomenon of double transactions, one official and legal in terms of which the transfer is effected; the other, which is a condition precedent to the former, is a transfer of a certain amount of cash between the parties concerned without which the legal transaction would not take place. Such transfer of cash is known as *pugree* or "on money" or some such phrase understood between the parties themselves.

There is no record of such transfer of cash; no receipt is given. There are also certain methods which are becoming current by which the so-called black money can be converted into white and used in the normal way. Fictitious transactions are made on paper for this purpose. For example, a person having a genuine deposit of his own in a bank is persuaded to withdraw, say, a lakh of rupees. He gives a nominal loan of the amount to "X" who wants to convert his "black" money into "white". "X" gives a promissory note to the lender which is then cancelled with the remark "paid", and returned to "X". For this service, the lender gets an amount treated as interest on the loan. The lender does not part with his cash; he puts it back in his deposit account in due course when the transaction has come to an end. "X" is able to show with the document in his possession that he has raised a loan of a lakh of rupees. His "black" money is then accounted in his books as a loan from his friend, in whose books also the loan would be shown. Any number of ingenious devices are contrived by people who wish to cheat the law by creating paper evidence of legal transactions, behind which it may be difficult for the income tax authorities to probe further.

If one can visualise the nature and volume of transactions which may be taking place on these lines with the help of resources of the type referred to above, one would come to the conclusion that the term "unaccounted money" does not describe the phenomenon correctly. It leads to the conclusion referred to above, namely, the impression of the large size of such resources which goes beyond the total volume of currency issued by the Reserve Bank. It is possible, however, to say that the claims on different types of commodities, property and other forms of wealth that the parties in question may have obtained may be in large dimensions, approximating to the suggested figure of Rs. 3,000 crores for the country as a whole. If this assumption is nearer the truth, then it reflects the gravity of the situation and the immensity of the problem that has been created. We prefer to designate such resources as "unrecorded gains*", which brings out the nature of the phenomenon perhaps more effectively than "unaccounted money". It would, therefore, be desirable to analyse the problem as far as possible to ascertain the motives which lead to the situation, its effects on the economy and possible remedies.

Avoidance of Taxation

As far as the principal motive of the persons who indulge in acquiring such unrecorded gains is concerned, it is avoidance of taxation. When avoidance of taxation occurs on a fairly large scale in a democratic society, the phenomenon should be examined sympathetically, even though it is a most undesirable form of anti-social activity. In the first place, it is obvious that those who avoid taxes in this manner show a complete lack of identity of interests between themselves and the Government. They seem to believe that the Government is some authority interested in fleecing them, and that it is their normal function to defeat such measures of the Government. They ignore the fact that the Government represents society at large and has important functions not only for law and order, but also for social welfare and economic development. They do not realise that they are a part of the society which the State represents and that it is their prime duty to co-operate with the State in carrying out its objectives.

When such a person is reminded that it is the national Government that he is dealing with, his answer would be something of this nature: "He would say that he fails to understand the policy of the Government and that he does not have confidence in the same. He is not able to understand the need for heavy taxation. When he is told about the schemes of development, his rejoinder is that a good bit of the money so collected by the Government is wasted, because he is aware of the corruption and inefficiency in schemes which the Government undertakes. He is quick in pointing out some top persons in the Government, such as Ministers and officials, who are known to be corrupt and waste public money raised from taxation. He, therefore, argues that he is justified in avoiding paying taxes to the Government which does not use his resources properly." The attitude of mind reflected in the above sentiments easily spreads among certain classes of people who would like to have larger resources left at their disposal instead of having to pay them as taxes; they are used to somewhat higher expenditure and are goaded by self-interest in this attitude. They have found methods by which they can escape taxation and treat them as a normal affair, almost a way of life.

The prevailing belief concerning the taxation policy of the Government is that the limit of taxation is determined by the limit of squeezability. The Government or the officers concerned are looked upon as heartless persons anxious to squeeze to the utmost the resources of the people by way of taxes; this attitude implies that the taxpayer is left dry or he is squeezed out. This attitude is accompanied by an open or concealed effort at resistance against the squeezing process; this leads to systematic efforts to evade taxes. One may characterise this attitude as wrong; there is no effort to justify it in any way. But as long as it exists on a large scale, it is desirable and essential in the interests of the country to take adequate and timely steps to change the outlook of the people towards a better understanding of their rights and responsibilities.

It is obvious that the above situation in the first place brings about a complete distortion of the economy. The transactions indulged in by these persons do not enter into any official record and, therefore, official statistics of economic activity tell an incomplete tale. Because they are anxious to spend away such resources as fast as possible, they do not mind paying more for a given object that they desire and in the bargain push up prices. This situation further brings about moral deterioration in society in as much as there is an adverse effect on human values, particularly on things which one should consider as good and noble. Those who are able to parade riches so obtained are able to get power and influence in society and the honest person remains at a discount.

The younger generation who observe this way of life in their surroundings in the family and elsewhere get accustomed to this situation as a normal way of life, and to some extent they share in the advantages in as much as they have

* The phrase "unrecorded gains" was first used by me in the Ogale Memorial Lecture delivered under the auspices of the Maharashtra Chamber of Commerce on 16th October, 1963, in Poona.

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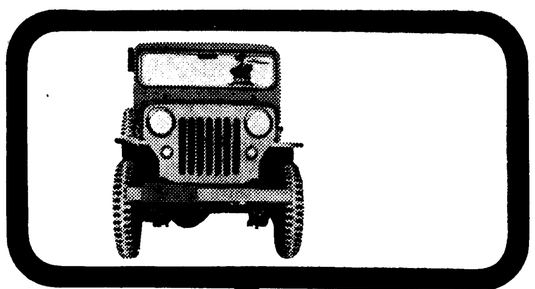
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the opportunity to spend lavishly. For example, the pocket money in the hands of boys and girls in such families is known to be unusually large. Such a moral deterioration in society is obviously against national interests. It is bound to corrode society in general by spreading wrong values in every walk of life. The phenomenon should, therefore, be treated as a national disease which requires radical remedies. It is a moral problem, although in the economic form.

Coercive Measures

The Government may adopt both legislative and administrative measures to deal with such unrecorded gains. Such coercive measures may have some effect but may not root out the evil. Such an effort on the part of the Government would create complicated problems of administration and a series of unpleasant measures against which political pressures may emerge. In spite of this, it becomes the duty of the Government not to look on, but to strain its resources to deal with the evil as far as possible. A series of measures have been taken recently to deal with the situation. Although the effect of the same cannot be seen in a short time, it is realised by all that the evil is deeper than can be treated only by such measures.

From the long-term point of view, therefore, it may be said that unless the outlook of the people is changed, it will not be easy to remove this tendency completely. People should be made to realise the importance of honest dealings with the Government. They would realise this if they had national consciousness and the feeling that the interests of the country should be placed above one's self-interest. Such a national consciousness would result in complete identity of interests between the people and the Government with the result that the people would be willing to sacrifice for the country, if necessary, and in any case would not be willing to take advantage for themselves at the cost of the interests of the country. Such national consciousness should establish a widespread feeling in all classes of people that certain things cannot and should not be done by a national of the country, and anyone who indulges in such undesirable things would be branded and treated as "un-Aryan".

For this purpose, it is essential under present conditions to have a simultaneous approach to bring about such a change in outlook both with reference to the adult population as well as the younger generation. Systematic propaganda of a convincing nature is called for to bring about the desired change in the outlook of the adult population. The fact that the interests of each person are completely inter-woven with those of the country as a whole, has to be instilled in the mind of every adult person in the country. Anyone departing from the code of behaviour consistent with the interests of the country would invite general odium from other members of society, would be looked down upon and ostracised. As far as the younger generation is concerned, it should be possible to raise in them the necessary patriotic sense so that their outlook on life may be of the right character.

That there is considerable room for improvement in the country's educational system for acheiving this goal need not be stressed. In the haste with which quantitative progress has been made in the educational sphere at all levels, the country has overlooked the quality of education not only in the standards of subjects taught but also in the maintenance and development of character of the younger generation. The sense of patriotic discipline and the attitude for correct values to be adopted for the purpose of the unity of the country have not been developed in the right spirit.

During British rule, religious teaching was not introduced in schools and colleges as the British Government found it convenient to adopt a neutral attitude towards the different religions of the country. Since independence, India has become a secular State and has thus avoided religious differences in political life. This has also resulted in the continuation of the British method of avoiding the teaching of religion in educational institutions. The cultural heritage of India is bound up with the ancient religion of the country; the teachings of the highest principles of religion would go a long way in inculcating in the young mind noble ideas leading to the building up of character, discipline and patriotism.

In a democratic society, it is essential that the masses of people are able to understand the Government's policy in general, the need for growing expenditure in a welfare State and, therefore, the need for raising additional taxes. If such understanding does not exist, there will be resistance to the policy of the Government with undesirable consequences. In spite of adult suffrage, it cannot be denied that the masses of the people are not able to understand the significance of the rapid changes in the country as well as of the need for growing expenditure and additional taxation.

The evidence of waste and inefficiency as well as of corruption which it is not difficult for the ordinary man to notice in the public life and administration of the country is likely to create antipathy for Governmental schemes of development and an attitude of indifference, if not of active hostility, towards the Government. It is usual for the Government to think in terms of nationalisation of different activities or of expanding the functions of the State in the hope of bringing about a socialistic society or removing the known evils of free enterprise. But as long as the attitude of the people is that of indifference towards the expansion of Governmental activities, the success of such measures is doubtful. Socialistic measures presuppose an understanding as well as active cooperation of the people for their success in a democratic society. As long as the above conflict continues, it is not possible for the Government to achieve the desired end. Care has to be taken to see that socialistic reform does not lead to unsocialistic evils on account of the non-acceptance in practice of widespread resistance in private of such reform amounting to disobedience of Authority.

The policy of progressive taxation at a high level in the interests of socialism defeats its purpose, if it results in widespread evasion and demoralisation of society. It is no equality, if it is accompanied in practice by unrecorded gains and wasteful expenditure both in the public and private affairs. The object of better distribution should proceed in a manner by which the New Society develops national consciousness and disciplined efforts for mutual help and national progress, without straining the inherent self-interest in man beyond reasonable limits. Legislative and administrative actions for which the people are not mentally ready are often defeated in the long run. National character should not be sacrificed at the altar of theoretical equality.

Taking the above considerations collectively in view, one may say that the ideal limit of taxability in a country like India should be that limit at which there would be no temptation to evade taxation; such a limit would be higher if there was full understanding of the Government's policy and full confidence in the Government's capacity to spend public resources efficiently without leakage. The assumption is that there is complete identity of interests between the people and the Government, and that the people are patriotic enough to resist the temptation to evade taxes provided they are convinced of the justification for the same. It is not possible to lay down any formula for such a limit of taxability; it is bound to vary according to circumstances and it has to be ascertained by trial and error. The proposed limit of taxability makes the Government responsible for explaining its policy to all classes of people and justify additional taxation to the satisfaction of the people.

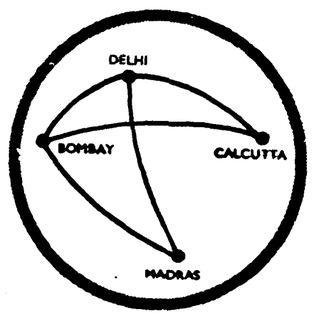
Besides, it requires the Government at all levels to be above board and set an example of integrity and efficiency. It also puts equal responsibility on the people who are expected to be patriotic and willing to part with their resources in the common cause; such willingness follows greater understanding of the policy of the Government. If there is such liaison between the people and the Government, it would not be difficult for the latter to carry out a socialistic policy intended for the progress of the country. Once the concept of "squeezability" as the limit of taxation is removed and replaced by that of "willing acceptability" by the people, the outlook will change for the better. The yield from taxes under the proposed method need not be smaller than from the prevailing method, for once people realise the need for paying more and are convinced of the good use of their resources, they will be willing to accept more burdens with active co-operation, and without resistance. The Government should work towards such an ideal and stop the moral deterioration which has overtaken the people before it is too late.



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Growth of the Corporate Sector: Role of Reserves in Financing Expansion

Private industry has not resorted much to borrowing for its fixed capital formation in recent years. It has shown a tendency to use owned funds or to issue further share capital for financing expansion.

By

H. T. PAREKH

General Manager, The Industrial Credit and Investment Corporation of India

THE progress made by industry in the private sector during the period of the plans is reflected most comprehensively and concretely in the annual studies published by the Reserve Bank of India in its monthly *Bulletin* as "Finances of Indian Joint Stock Companies". These are based on an analysis of the annual balance-sheets and profit and loss accounts of individual companies since 1951. An attempt is made here to bring these annual studies together with a view to examining what light they throw on certain aspects of the nation's industrial development.

These studies measure, in financial terms, the substantial expansion that has taken place in productive facilities and output of the organised private industrial sector, both in the aggregate and also industrywise. They bring out the extent of capital formation taking place in industry and how far this was financed by internally generated funds and how far from funds raised outside in the form of permanent or long-term capital and borrowing from banks and other sources. They show the relative importance of long-term capital and of working capital used to build up fixed assets and to finance inventories. They give a picture of the capital structure of the industrial sector and the relative composition of different forms of capital in this structure.

Of even greater interest perhaps is the analysis of operations of these companies which brings out the relative costs of the three factors of production—labour, capital and management—during the dynamic decade of development. The study also brings out the increasing contribution which the industrial sector has been able to make to Government revenues by providing resources through direct corporate taxation and indirectly from excise duties.

They also show the rate of profitability in industry as a whole and in each industry year after year, extending over a decade of planned development. The overall findings which emerge out of these figures may be of general interest, particularly at a time when the fourth plan is being formulated.

Better Coverage

These annual studies of company finances have been expanded over the period to give a better coverage; although the figures are, therefore, not strictly comparable over the years, they have grown to be more representative of the corporate sector. The following table shows the extent to which the industrial sector has been covered by successive studies, which deal with public limited companies only having a paid-up capital of not less than Rs. 5 lakhs. Public-sector companies are not included in these studies. Banking, insurance and investment companies are also excluded to bring out the industrial growth. These studies broadly cover the period of the first, second and third plans as shown in the following table:

Table I

ANNUAL STUDIES OF THE COMPANY SECTOR

1950-55	1956-60	1961 and 1962
Number of companies analysed each year 757, 746, 771 and 751.	Number of companies analysed 1,001	Number of companies analysed 1,331
Percentage covered by paid-up capital of companies included to total paid-up capital of public companies. 66 percent	Percentage covered by paid-up capital of all companies at work at the end of March 1956 78 percent	Percentage covered by paid-up capital of all companies at work at the end of March 1961 87 percent

The consolidated financial picture of Indian industry in the private sector at the beginning of the period in 1951 and after the development of 11 years in 1962 is shown in Table II below:

Table II

CONSOLIDATED BALANCE-SHEET OF CORPORATE SECTOR 1951 AND 1962

(Rs. in crores)

Capital and liabilities	1951	1962	Assets	1951	1962
Companies	757	1331	Gross fixed assets	580	2213
Paid-up capital	337	800	Less: Depreciation	277	928
Reserves	197	602			
Borrowings (other than bank borrowing for working capital)	93	402	Net fixed assets	303	1285
Borrowing from banks	103	493	Investments	58	137
Current liabilities and provisions	235	841	Inventories		
			Raw materials, finished goods, work in progress, stores, receivables, etcetera	465	1462
			Cash	61	120
			Other miscellaneous assets	78	134
	965	3138		965	3138

The above table shows the four-fold growth which has taken place during the planned years, in fixed capital formation, although some allowance should be made for the fact that the industry covered in 1951 was 66 percent and that covered in 1962 was 87 percent. In this period, the gross fixed assets have increased by over Rs. 1,600 crores from Rs. 589 crores to Rs. 2,213 crores, while the net fixed asset formation in the form of depreciated value of fixed assets increased over four times from Rs. 303 crores to Rs. 1,285 crores. The gross capital formation has thus increased at an average rate of over Rs. 150 crores. The development in recent years is known to be at a much bigger rate than this average. The depreciation provision during this period amounted to about Rs. 650 crores.

Ploughing Back Earnings

The capital needed for this expansion has been almost wholly met by ploughing back earnings and by raising new capital to a small extent. As shown in Table II, the paid-up capital of the companies concerned increased during this period from Rs. 337 crores to Rs. 800 crores. The reserves of the companies have increased three-fold to Rs. 600 crores in 1962, against Rs. 197 crores in 1951. The balanced character of the capital structure of the Indian industry as a whole is well reflected in the fact that at the end of 1962 the entire net fixed assets of Rs. 1,285 crores were financed only from owned funds of Rs. 1,400 crores made up of the paid-up capital of Rs. 800 crores and reserves of Rs. 600 crores. That is to say, the private industrial sector has not depended on any borrowings for its fixed capital formation but has carried out its development with cash generated by industry itself and partly with further share capital.

Moreover, the investments held by the companies at the end of 1962 of Rs. 137 crores have also been largely financed out of the balance of owned funds. These investments have increased during the period by about Rs. 80 crores from Rs. 58 crores to Rs. 137 crores.

Besides the fixed capital formation, the consolidated balance-sheet shows the changes which have taken place in the inventories and book debts and the manner in which this has been financed between the years 1951 and 1962. The current assets of the corporate sector made up of raw materials, finished goods, work-in-progress, stores and receivables increased three-fold by Rs. 1,000 crores from Rs. 465 crores to Rs. 1,462 crores. The cash and bank balances held by the companies have doubled from Rs. 61 crores to Rs. 120 crores. This growth in the current assets has been financed by a four-fold increase in the long-term borrowings from institutions other than commercial banks which have increased by about Rs. 300 crores from Rs. 93 crores to Rs. 402 crores. The normal channel of borrowings from commercial banks for working capital has provided Rs. 493 crores, a five-fold increase from Rs. 103 crores in 1951. Thus, the corporate sector has found it necessary to incur long-term debt from non-banking channels primarily for working capital purposes. The rest of the finances for carrying the inventories which include book debts has been met by trade credits and outstandings included under current liabilities and provisions.

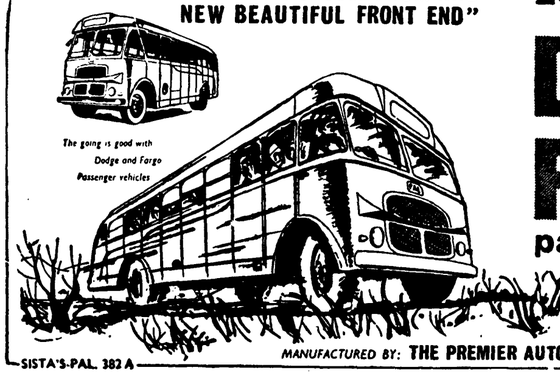
It can be, therefore, concluded that the finances of the corporate sector as a whole are well balanced and the borrowings, both short-term and long-term, bear a satisfactory relationship with the permanent capital in the form of owned funds. The ratio of equity to long-term debt of industry as a whole is 3½:1 and of capital to debt 1½:1, which is very satisfactory.

It has been stated above that the industrial sector met its capital needs mostly from profits generated

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within but that a part of the capital was raised by new issues.

Table III below shows the new capital raised by these companies yearly from 1951 to 1962 and also the kinds of capital raised:

Table III

CAPITAL AND DEBENTURE ISSUES 1951-1962

(Rs. in crores)

Year	Ordinary shares	Preference shares	Debentures	Total	
1951	5	2	2	9	
1952	3	2	2	7	
1953	5	1	2	8	
1954	5	1	3	9	
1955	8	3	5	16	49 (1951-55)
1956	19	5	1	25	
1957	25	4	1	30	
1958	18	4	6	28	
1959	20	7	5	32	
1960	20	2	5	27	
					142 (1956-60)
1961	31	3	6	40	
1962	25	1	5	31	71 (1961-62)
	184	35	43	262	

The table brings out the interesting fact that during the five-year period 1951-55, new capital issues totalled Rs. 49 crores or an average of about Rs. 10 crores a year. In the following five-year period, the total was Rs. 142 crores or an average of Rs. 28 crores a year. In the following two years of the third plan, the average has gone up to Rs. 36 crores.

During the 11 years, the total capital raised amounted to Rs. 262 crores, of which Rs. 184 crores was in ordinary shares, Rs. 35 crores in preference and Rs. 43 crores in debentures. Thus ordinary capital accounted for 70 percent of the total issued capital.

Annual Company Accounts

Viewed in the context of India's planned development, during the first plan period of 1951-55, gross fixed assets formation—as shown in the annual accounts of 750 companies—amounted to Rs. 238 crores (average Rs. 48 crores) which these companies met wholly by internal cash generation of Rs. 242 crores (Rs. 150 crores in depreciation provision + Rs. 92 crores in addition to reserves). During this period, the companies increased their share capital by new issues of Rs. 50 crores and capitalised reserves to the extent of Rs. 28 crores by bonus issues.

During the second plan period of 1956-60, gross fixed capital formation of 1,001 companies amounted to Rs. 550 crores or an average of Rs. 110 crores which is double the capital formation under the first plan. Internal earnings to finance this capital expenditure exceeded Rs. 450 crores (depreciation Rs. 310 crores + addition to reserves Rs. 147 crores). This works out to an average of over Rs. 90 crores a year which is almost twice the amount ploughed back in the preceding five years. Thus 80 percent of the gross fixed asset formation was paid for from internal earnings. The amount of new capital raised during the five-year period was Rs. 142 crores, which at an average of Rs. 28 crores a year is nearly three times the capital raised in the previous period.

This comparison of the fixed capital formation and its financing during the two plan periods brings out clearly the dynamic aspect of industrial growth for those who doubt the availability of resources to match the requirements of industrial development.

The results of the first two years of the third plan show likewise that gross fixed assets formation tended once again to double over the average of the second plan. It amounted to Rs. 380 crores in two years which is an average of Rs. 190 crores. This was financed by internal earnings of Rs. 311 crores (depreciation Rs. 217 crores + addition to reserves Rs. 94 crores), which is an average of Rs. 155 crores. As in the earlier period, 80 percent of the fixed assets formation was met out of internal funds. External capital raised during the period was about Rs. 70 crores, which met the balance of the finance needed to purchase capital assets.

Costs of Operation

The above is the financial profile of industry on capital account. On revenue or operations account, the picture looks as in Table IV below:

Table IV

CONSOLIDATED REVENUE ACCOUNT

(Rs. in crores)

	1951	1962		1951	1962
Raw materials and manufacturing expenses	736	1,757	Sales	1,076	3,166
Salaries and wages	168	495			
Other expenses	61	264	Difference between opening and closing stocks	28	26
Interest	7	50			
Excise duty	11	247			
Managing agency commission	12	13			
	995	2,826		1,104	3,192
Depreciation	26	113			
	1,021	2,939			
Profit before taxation	83	254			
Provision for taxation	33	129			
	50	125			
Dividend	26	80			
Transfer to reserves	24	45			

In a period of 11 years, sales increased three times from Rs. 1,076 crores to Rs. 3,166 crores. Raw materials and other manufacturing expenses in 1962 amounted to Rs. 1,757 crores (raw materials consumed Rs. 1,463 crores) which is 55 percent of sales. The corresponding ratio of manufacturing expenses to sales in 1951 was 68 percent. The second major item of expenditure is salaries and wages which also trebled during this period from Rs. 168 crores to Rs. 495 crores. The labour cost as percentage of sales has remained unchanged at 15 percent in 1962 as in 1951. It has not increased relatively as is commonly supposed. The increase in "other expenses" has been nearly four times during this period. Interest payment, as may be expected, increased to Rs. 50 crores in 1962, against Rs. 7 crores in 1951. The service charge on borrowed funds of the corporate sector at the end of 1962 in the form of interest works out to an average of 6 percent. The cost of borrowing was relatively more than twice what it was in 1951.

The most striking item of expenditure is payment for excise duty, which increased over 20 times from Rs. 11 crores to Rs. 247 crores. The incidence of indirect taxation in the cost structure of industry is well brought out by this figure which shows that the excise duty collection constituted 8 percent of sales and even higher of the total cost. In 1962-63, the total collection from excise duties of the Centre and States amounted to Rs. 715 crores. The incidence of excise duties falls normally on the consumer, but the figures given above show how the cost structure of industry is being rapidly inflated by this form of taxation. Its impact has been rising steeply in recent years and it is possible that the percentage today will be higher than two years ago.

Rising Turnover

It is interesting to observe that while the total turnover has risen three times and almost every other item of cost has increased correspondingly, the cost of management in the form of managing agency commission has not gone up at all. The rate of remuneration of managing agents has been reduced by legislation and the number of managing agencies has also been falling in recent years. The cost of management at Rs. 13 crores is practically the same as 11 years ago. It constituted 1 percent of sales in 1951 and 0.4 percent in 1962. Moreover, several managing agencies are themselves public limited companies whose income does not go to a few persons but to a large number of shareholders. The financial cost of management is no longer heavy as in the past.

While the cost of labour has remained unchanged over the period and the cost of management has gone down, the provision of capital has risen, as is natural. As the productive facilities improve by more and better equipment, the depreciation cost must tend to rise. Depreciation provision which was Rs. 26 crores in 1951 has risen over four times to Rs. 113 crores in 1962. This is 3½ percent of turnover, against 2½ percent in 1951.

Profit, after depreciation but before taxation, has also shown a threefold increase during the period from Rs. 83 crores to Rs. 254 crores. Provision for taxation has, however, risen four times from Rs. 33 crores to Rs. 129 crores. Whereas in 1951, direct taxation took away 40 percent of profits before taxation, it now takes away 50 percent. This reduces the capacity of the industry to strengthen its reserves which is shown by the fact that while in 1951 almost 50 percent of net profits was ploughed back, only 36 percent is ploughed back today.

The amount distributed as dividend also shows a corresponding increase, having risen to Rs. 80 crores, compared with Rs. 26 crores. This works out to 10 percent on the total paid-up share capital of Rs. 800 crores shown in Table II, compared with 7½ percent in 1951. The servicing of the owners' capital thus costs on average 10 percent of the paid-up capital (not taking into account reserves of the companies). The service charge on borrowed funds of the corporate sector at the end of 1962 in the form of interest works out to an average of about 6 percent.

Measuring Profitability

From a study of the capital and revenue account of the corporate sector, its profitability can be established. Profits can be measured in relation to sales and turnover. They can be measured in relation to capital employed which itself is interpreted in a variety of ways by including or excluding borrowed funds. In Table V below, the profitability rate is first shown in relation to sales year by year. The second set of figures, also year by year, establishes the net return on owned funds or permanent share capital of the corporate sector after tax provision is made from profits.

As shown above, gross profits as percentage of sales was 10 percent in 1962, against 9.7 percent in 1951. In most of the years, it has ranged between 9 and 10 percent. The corresponding figures for the U.S.A. are lower as shown in the table.

Profits after tax as percentage of net worth (*i.e.*, capital + reserves) was 9.6 percent in 1951 and 9 percent in 1952 after declining at one time to 5.7 percent in 1962 and having risen to 10.8 percent in 1960. Here the U.S. figures are somewhat higher than in India. It is not possible to draw any conclusions from these comparative ratios except to say that they do not appear to be unreasonably low for India.

The broad conclusion which emerges from the above study is that gross fixed assets have shown a tendency to double themselves every five years. Secondly, 80 percent and more of such capital formation is financed from internal earnings of the corporate sector and the rest has been met from new capital raised on the

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market. Thirdly, while fixed assets increased by 281 percent between 1951-62, sales increased only by 194 percent, in other words the ratio of fixed assets to sales declined from 1.9 in 1951 to 1.4 in 1962. This shows that the requirement of capital for achieving a given rate of output (adjustment required for inventory is small) has increased, particularly if the change in price levels is taken into account. This shows that the balance in the corporate sector is moving in favour of more capital-intensive industries.

At the same time, it is also seen that inventory growth is almost as large as in fixed assets. In a growing economy, as production increases, requirements of the stock of materials to feed the higher requirements increases. This growth in inventory needs not only to be managed thro inventory control methods, but it also to be financed. The figures 1951-62 show that of the rise of Rs. crores in inventories, Rs. 390 cro (39 percent) was financed thro bank borrowings. The balance financed through other sources, cluding suppliers' credit.

This has important lessons future planning. Firstly, as the co try becomes more industrialised, t growth in output to be expected a result of a given investment likely to be smaller. Secondly, a p of the increasing output would co to be held in inventories and wo not be available for immediate c sumption. Both these points wo need to be kept in mind when fina cial requirements of industry determined under the fourth plan.

Table V

* GROSS PROFITS AS PERCENTAGE OF SALES

India

1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962
9.7	7.2	8.8	9.6	10.6	9.8	8.0	8.5	10.0	10.2	10.2	10.1

U.S.A.

(last quarter of each year)

10.1	8.6	6.7	8.2	10.3	9.3	7.6	8.6	7.9	7.1	8.5	8.2

(* for India as shown in the Reserve Bank study, after depreciation but before inte and managing agency commission).

PROFITS AFTER TAX AS PERCENTAGE OF NET WORTH

India

9.6	5.7	6.8	7.8	9.4	8.7	6.5	7.1	10.6	10.8	10.0	9.0

U.S.A.

(last quarter of each year)

10.9	11.3	9.5	10.6	13.5	12.6	9.8	10.7	9.6	8.4	10.5	10.5

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Restricting Credit to Check Inflation: Unaccounted Money Makes Control Ineffective

The Reserve Bank has tried to establish a healthy relationship between the growth of credit and deposits through its recent credit control measures. But unaccounted money continues to accentuate inflation.

By R. M. MITRA

THE tangled web of "relative ease" and "relative restriction" has provided the pattern for credit control policy of the Indian monetary authorities since 1956 when the qualitative or selective control of bank credit was introduced for the first time. The current theme of this policy is that if the quality or purpose of a credit-use accords with the basic objectives of "development and defence", the quantity available for it should not be restricted.

Doubts about the effectiveness of the measures so far taken in accordance with this policy have, however, been increasing in the face of the steadily rising price level. The distortive effect of rising prices is underlined by the fact that national income in 1955-56, computed at current prices, was 4.8 percent less than that estimated at 1948-49 prices; on the other hand, the computation of national income in 1962-63 at current prices was 157 percent higher than that at 1948-49 prices.

Control of Bank Credit

It has, therefore, been thought fit to make a bolder use of the traditional weapon of Bank rate. The latter, which was increased from 4 percent to 4.5 percent on 2nd January, 1963, was again raised to 5 percent on 25th September, 1964. The system of slab rates for the Reserve Bank's lending introduced in October 1960, has simultaneously undergone a structural change; the "tiers" were hitherto linked to the "average statutory reserves", but they are now arranged on the structure of "liquidity reserve". Both the systems of "tiers" are designed to control the amount of borrowing through the operation of differential interest rates for credit made available by the Reserve Bank to scheduled banks. But the previous system purported to allot a "quota" of borrowing to each scheduled bank on the basis of a prescribed percentage of the statutory reserve maintained by it with the Reserve Bank under Section 42 (1) of the Reserve Bank of India Act, 1934; borrowings in excess of the quota would, however, be permitted up to the declared ceiling, subject to increasingly higher rates of interest for the rising "tiers" of credit (each "tier", also, represents a declared percentage of the statutory reserve).

The present system abandons the link with statutory reserve and seeks to make credit costlier in proportion to diminishing liquidity. The aggregate of cash, balances with the Reserve Bank and other notified banks, balances in current account with other banks and investments in Government securities *as reduced* by the total of borrowings from the Reserve Bank and the State Bank, will represent the extent of liquidity of a bank (as distinguished from the liquidity requirements contained in Section 24 of the Banking Companies Act, 1949). The percentage of liquidity to the aggregate of time and demand liabilities (as defined for the purpose of Section 42 of the Reserve Bank of India Act, 1934) will measure the liquidity position of each bank. Interest on credit obtained by a scheduled bank from the Reserve Bank will be charged at Bank rate as long as the liquidity position is not less than 28 percent; but the lending rate will increase by ½ percent for the entire amount of borrowing for every one percentage point decrease in the liquidity position. An exception to the new system of lending rates should, however, be noted; banks will continue to be allowed refinance facilities at Bank rate against rupee export bills, subject to the existing condition that commission, interest and discount charged by them on such bills shall not aggregate to more than 1½ percent a year above Bank rate.

Although the new system of lending rates does not seem to have set a quantitative limit to the credit available from the Reserve Bank, a directive simultaneously issued by the Reserve Bank under Section 21 of the Banking Companies Act, has served to introduce an effective ceiling. This directive prohibits an Indian scheduled bank with demand and time liabilities aggregating Rs. 50 crores or more and every scheduled bank incorporated outside India, from charging interest or discount, as the case may be, at more than 9 percent a year on loans, advances, cash credits, overdrafts or usance bills, made, renewed or discounted, as the case may be, on or after 26th September, 1964.

Fears have been expressed that the combined effect of these measures will be to prevent the banks from playing their normal rôle in financing the current busy season activity.

Supply of Credit

If, as in the case of rupee export bills, the banks found it remunerative to work on the basis of a margin of 1½ percent between the rates of borrowing and lending, they could continue to borrow from the Reserve Bank as long as the Reserve Bank's lending rate did not exceed 7½ percent, and thus could allow their liquidity position to fall as low as 23 percent. The statistics published in the *Reserve Bank of India Bulletin* show that the liabilities of all scheduled banks on the last Friday of August 1964, aggregated Rs. 2,729 crores (liabilities for the purpose of Section 42 of the Reserve Bank of India Act include deposit and all other liabilities other than paid-up capital, reserves, credit balance in the profit and loss account, loans taken from the Reserve Bank, the State Bank, any other notified bank and from the Refinance Corporation for Industry) and that the quantity of liquidity as defined above amounted to Rs. 947.27 crores; the liquidity position, therefore, stands at about 34.7 percent. The average position (without allowing for the effect of individual variations from the average) could, therefore, permit the scheduled banks to borrow till an impairment to the extent of 11.7 percent took place in their existing liquidity position. Thus the scheduled banks could conceivably increase their borrowings from the Reserve Bank by about Rs. 320 crores with reference to the position as on 28th August, 1964 (and without taking into account the effect of subsequent increases in deposits and other liabilities and of further contraction of credit, if any, before the close of the 1964 slack season).

It is observed that the expansion of credit during the 1963-64 busy season amounted to Rs. 376 crores; as the requirements of the 1964-65 busy season should be at least 10 percent higher than those of the preceding year (considering the increasing rate of economic activity), the total expansion of bank credit may need to reach about Rs. 414 crores. The increase in deposits to the extent of about Rs. 94 crores might, therefore, fill the gap. Scheduled banks' deposits increased by Rs. 84.51 crores (from Rs. 2,235.75 crores to Rs. 2,320.26 crores) during November 1963 to April 1964: and it will not be reasonable to expect an increase in deposit of not below the above level for the period November 1964 to April 1965. But the above assumption are weakened by the provision for the application of an increase in the Reserve Bank's lending rate to the entire amount of a scheduled bank's borrowing and not simply to the amount represented by the relative stage of deterioration of the liquidity position. For conserving their earning capacity, the banks may not, in the event, find it prudent to allow their liquidity position to be reduced below 28 percent which provides scope for an increase in total borrowing of not more than Rs. 183 crores with reference to the position as in August 1964.

Scheduled Bank Borrowings

It is true that the scheduled banks' borrowings from the Reserve Bank did not exceed Rs. 107 crores outstanding at any time during November 1963 to April 1964; the scope for borrowing of Rs. 183 crores during November 1964 to April 1965 would, therefore, seem to pose no serious threat to the supply of bank finance for legitimate economic activity. But during the last busy season, additional resources were mobilised by realisation of investment in Government securities to the extent of about Rs. 145 crores and a fall in cash in hand and balances with the Reserve Bank of about Rs. 29 crores apart from the above-mentioned increase in deposit of about Rs. 85 crores. As any decline in investment in Government securities and cash holding will have adverse effect on the liquidity position, its impact on the scheduled banks' borrowing rates will be the same as that of the increase in the amount of borrowings.

The fact that the difference between earnings at 4 percent on Rs. 183 crores and at 1½ percent on Rs. 320 crores amounts to Rs. 2.52 crores should *a priori*, operate as a positive deterrent in the availability of resources for bank finance for the current busy season.

The Reserve Bank has taken particular care to make it clear that the object of the revised credit control measures is not to curb credit as such but to prevent deterioration of the relation between bank credit and deposit resources. It has accordingly advocated a rationalisation of interest rates on deposits since it feels that a "narrow spread between the interest rates on deposits placed for very short periods and for longer periods is not conducive to the process of deposit mobilisation". The Reserve Bank has also expressed its feeling that a minimum rate of 4 percent a year for deposits of 91 days with suitable spreads for deposits on longer terms, may promote an adequate growth of bank deposit.

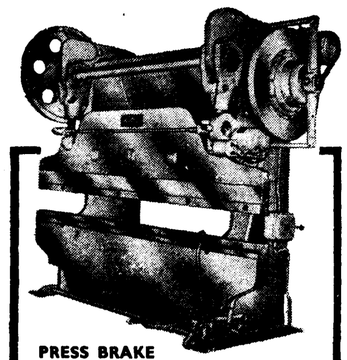
It is significant, however, to note that although a directive was issued on the same day, that is, on 25th September, 1964, to control interest rates on deposits, in exercise of the powers conferred on the Reserve Bank by Section 35A of the Banking Companies Act, the directive confines itself to prescribing maximum rates for shorter-term deposits. According to the directive, no scheduled bank shall pay interest on deposits accepted or renewed as from 26th September, 1964, at rates higher than (i) those being paid on current accounts as on 25th September, 1964, for deposits up to 14 days, (ii) 1.25 percent a year for deposits for 15 to 45 days and (iii) 2.50 percent a year for deposits for 46 to 90 days. A lower range of rates for shorter-term deposits has perhaps been laid down so that suitable spreads for rates on longer-term deposits may not bring

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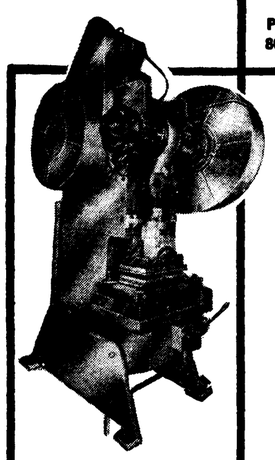
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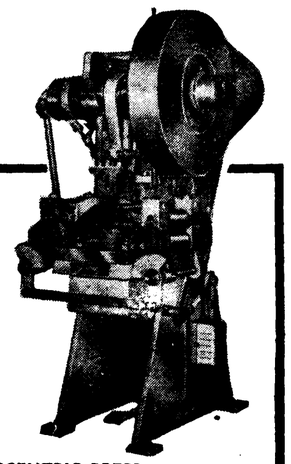


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about an irrational rise in interest rates. (It seems that the objective as stated by the Reserve Bank would be served more effectively if a scheme of "spreads" was formulated for deposits in different groups of maturity and a maximum prescribed for deposit in the longest period group.)

It is evident that the underlying motive of the measures discussed above is to ensure that money flows in the recognised channels of banking. Indications are that the money which eludes the supervision and control of the monetary authorities is being employed to a great extent in hoarding, unhealthy speculation and other activities not essential to the processes of production and distribution, while "over-extended" credit is resorted to by bankers to provide finance for essential and productive operations. The unwholesome results of this situation are that money operating outside banking channels generates inflation while bank money based on "over-extended" credit endangers the stability of the banking structure. But it remains to be seen whether upward pushes of interest rates will serve to achieve the desired diversion of the flow of money and will not enhance the cost of banking operations.

In this connection, it may be noted that the pace of growth of banking resources, which received a great stimulus under the impact of the second five year plan, seems to have slowed during the current plan period. Scheduled banks, aggregate liabilities, including inter-bank balances, rose by about 27 percent from Rs. 822.05 crores as on the last Friday of March 1952 to Rs. 1,043.15 crores on the last Friday of March 1956. The corresponding period between 1956 and 1960 showed a significant rise of about 82 percent from Rs. 1,043.15 crores to Rs. 1,902.02 crores. Deposit figures, excluding inter-bank balances, are available as from 25th November, 1960, and show a rise of 37 percent from Rs. 1,746.06 crores in March 1961 to Rs. 2,384.76 crores in June 1964. It is true that figures excluding inter-bank balances and those including such balances are not strictly comparable. But, if anything, the change in the basis of computation of figures for periods subsequent to 25th November, 1960, accentuates the broad trends.

Problem of Inflation

The index number of wholesale prices for all commodities rose by 28.5 percent during the period of the second five year plan from 99.2 in March 1956 to 127.5 in March 1961 (Base: 1952-53 equals 100). The first year of the third plan showed a fall in the index number which stood at 122.9 in March 1962. But this downward course proved short-lived, and the index sauntered up to 127.4 in 1962-63; thereafter, it steadied and developed speed to reach 147.8 in June 1964, showing a 16-percent rise in the course of 15 months. There has been a total rise of 49 percent in the index number of wholesale prices within a period of a little more than eight years; and the index number of consumer prices which rose from 96 in 1955-56 to 150 in June 1964 (Base: 1949 equals 100) recorded a higher proportional increase of 56 percent. It will be interesting to know that the fall in the index number of wholesale prices occurring between March 1961 and March 1962 was accompanied by a rise in bank deposits of about 10 percent (from Rs. 1,746.06 crores to Rs. 1,921.87 crores) while the rise of 16 percent in the index number between March 1963 and June 1964 coincided with a rise in bank deposits of little above 16 percent (from Rs. 2,042.26 crores to Rs. 2,384.76 crores). Furthermore, despite an increase in scheduled banks' liabilities of 27 percent, the first plan witnessed falls in the index numbers for both wholesale and consumer prices (as indicated by the figures quoted above for 1956). It is no wonder, therefore, that the problem of inflation continues to worry monetary and fiscal authorities. Meanwhile, the "great debate" goes on.

Some believe that the money made available by the Reserve Bank for agricultural loans through the State Co-operative Bank (which rose from Rs. 12.98 crores outstanding in March 1956 to Rs. 164.83 crores outstanding in June 1964) strengthens the holding power of the producer and that this factor contributes to the rise in price level; some point to the rising curve of commercial bank credit which has recorded an increase of about 133 percent from Rs. 761.25 crores in March 1956 to Rs. 1,773.78 crores in June 1964 and which represented 74.38 percent of deposits in June 1964, against 72.98 percent in March 1956; some maintain that the plan outlay represented by slow-maturing capital projects and unmatched consumer goods in adequate quantity is the villain of the piece and that the "unaccounted money", escaping the channels of organised banking, is the main accomplice.

The preliminary estimates made by the Central Statistical Organisation show national income for 1962-63 at Rs. 13,370 crores (worked out at 1948-49 prices) which registers a rise of 2.4 percent over the revised estimate for 1961-62 and brings about an annual average rise of 2.5 percent for the first two years of the third plan period, compared with the average annual rises of 3.4 percent under the first plan and 4 percent under the second (as against the target of 5.4 percent for the third plan). Available indications would seem to permit an assumption of an increase of 3 percent for 1963-64; national income at constant prices may, therefore, aggregate Rs. 13,770 crores for 1963-64, showing a total rise of 31.5 percent between 1955-56 and (national income for 1955-56 amounted to Rs. 10,480 crores at 1948-49 prices). It is significant, however, that national income for 1962-63 amounted to Rs. 15,400 crores at current prices, showing a rise of 4.1 percent over Rs. 14,800 crores for 1961-62 and about 54.3 percent over Rs. 9,980 crores for 1955-56. If, again, an assumption of 5-percent increase in national income at current prices is made for 1963-64, the figure would work out to Rs. 16,170 crores, registering an increase of 62 percent between 1955-56 and 1963-64.

A general idea of the part played by prices of goods as distinguished from the cost of services in the progress of inflation disclosed by the above figures, may be obtained from a consideration of the arithmetical calculations shown below (on the basis of the decline of 5 percent in the index number of wholesale prices between 1948-49 and 1955-56 and the rise of 46 percent during the period 1955-56 and 1963-64.) A simple application of the different figures discussed above yields the following results:

(A) National income in 1955-56 at constant prices	=	100.0
Add increase at constant prices	...	31.5
National income at constant prices in 1963-64	...	131.5
Add increase in the index number of prices at 46 percent	...	605
National income at current prices in 1963-64		192.0
(B) National income in 1955-56 at constant prices	=	100.0
Deduct decrease in the index number of price at 5 percent	—	5.0
National income at current prices in 1955-56	—	95.0
(C) Increase in national income at current prices between 1955-56 and 1963-64=192-95=97, i.e., 102 percent.		

On the other hand, the estimates shown earlier indicate a rise of 62 percent in national income at current prices which works out as follows:

National income at constant prices in 1955-56	=	100.0
Deduct fall in prices between 1948-49 and 1955-56	=	5.0
National income at current price in 1955-56	=	95.0
Add rise of 62 percent	...	58.9
National income at current prices in 1963-64	=	153.9

Influence of Money

The discrepancy in results produced by the two processes of calculation is perhaps accounted for by the fact that the rise in prices of goods has not been reflected in a corresponding or uniform increase in factor cost of the various components of national income (*e.g.*, commerce, transport, communications and other services).

A study conducted in the Economic Department of the Reserve Bank on trends in money and real wages in India (1951-61) seems to strengthen the above indication of a lack of uniformity between costs and prices. The study (published in the April 1964 issue of the *Rseerve Bank of India Bulletin*) shows that the average annual money earning a factory worker rose by about 21 percent between 1955-56 and 1961, whereas it appears from the statistics compiled in the office of the Economic Adviser to the Government of India, that the average of monthly index number of wholesale prices of all commodities rose by 35 percent (from 92.5 to 124.9) during the corresponding period.

It is true that factory wages represented only about 4.4 percent of national income in 1961 and further that this element merged in the price of manufactured goods which (and not factory wages, separately) forms a component of national income. Still, the trend of factory wages indicates the course of money wages in the field of commerce, transport, communications and other services which do not enter the official wholesale price structure but constitute separate components of national income. The above considerations seem to make it a tenable proposition that wages, whether or not they are disproportionately high compared with productivity, are lagging behind in the race to catch up with prices. It may, therefore, be interesting to enquire whether and how the weight of money and the influence of other factors like cost of credit and indirect taxes are the operative factors in the growth of inflation.

Legal tender in circulation (excluding the holdings of treasure and banks) have increased by 68 percent from Rs. 1,571.01 crores in March 1956 to Rs. 2,635.92 crores in June 1964; during the same period scheduled banks' deposits have risen by about 129 percent from Rs. 1,043.15 crores (without adjustment for inter-bank transactions) to Rs. 2,384.76 crores (after adjustment for inter-bank transactions).

In this connection, it may be useful to note that it is the turnover of money rather than the stock that directly influences prices (although a larger stock of money may indirectly cause a larger turnover under the operation of "motives" described by Keynes).

The amount of cheques passing though the bankers' clearing houses rose from Rs. 7,960.24 crores in 1955-56 to Rs. 16,808.54 crores in 1963-64; the ratio of cheque clearances to aggregate deposits of scheduled banks, however, fell from 7.6:1 to 7.4:1.

Turnover of Bank Money

It is customary to consider the turnover of bank money as a coefficient of demand deposits and not to treat time deposits as part of the money supply. While this method of computation of money supply seems to be outworn in view of the easily convertible character of time deposits, which really serve to meet the definition of Keynes' "speculation" motive, the absence of reliable data relating to the turnover of demand deposits other than on current accounts operates as a further limiting factor.

It is gathered that the total debits to current accounts (including cash credit and overdraft accounts) amounted to Rs. 25,087.85 crores in 1960-61, against Rs. 16,823.83 crores in 1955-56. Cheque clearances for 1960-61 and 1963-64 were Rs. 12,550.66 crores and Rs. 16,808.54 crores, respectively. If one be permitted to make a notional calculation of the turnover of current accounts for 1963-64 on the basis of the proportion of cheque clearances and total debits obtaining in 1960-61, the aggregate debits to current accounts in 1963-64 would amount to about Rs. 33,800 crores.

As it would perhaps be futile to conjecture the rate of turnover of legal money, the present enquiry may be confined to an examination of (i) the relationship between the turnover of current accounts and national income, (ii) the relationship between the stock of legal money (outside

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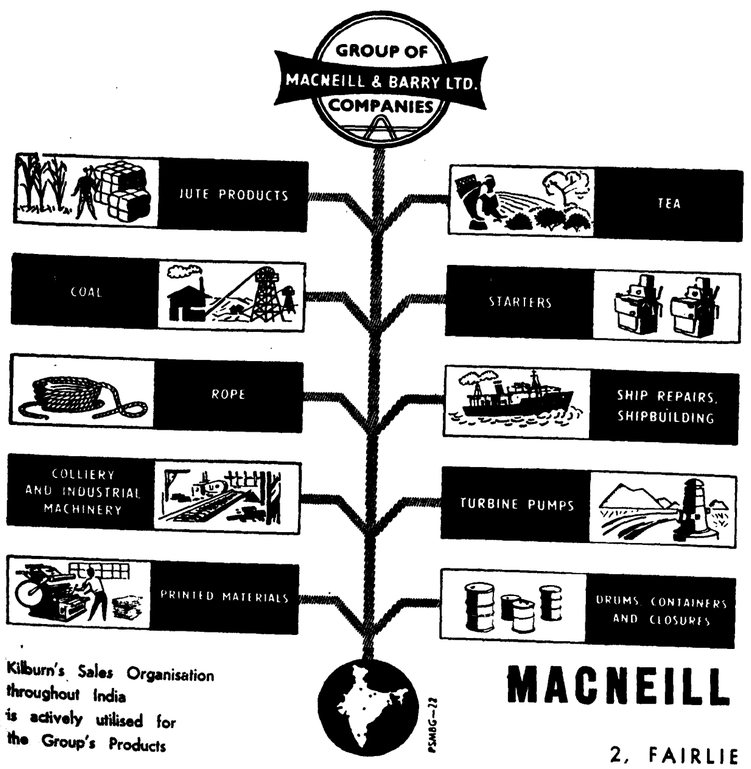
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banking channels) and national income and (iii) the relationship between the amount of aggregate bank deposits and national income.

The turnover of current accounts (as notionally computed) represents about 245 percent of national income in 1963-64 at constant prices, against about 161 percent in 1955-56. Legal money (outside banking channels) aggregating Rs. 157.01 crores on the last Friday of March 1956, represented 15 percent of national income at constant prices in 1955-56 while the last Friday of March 1964 showed legal money so circulating at Rs. 2,605,56 crores, representing 18.9 percent of national income for 1963-64 at constant prices. The percentages relating to national income at current prices would work out to 209 for the turnover of current accounts and 16.1 percent for circulating legal money in 1963-64, compared with 168.8 and 15.7 percent, respectively, in 1955-56.

It is important to note that while the percentage of circulating legal money in relation to national income at constant prices rose by about 26 percent (from 15 to 18.9), that of bank money turnover rose by 52.2 percent (from 161 to 245). The corresponding rises at current prices amount to 2.5 percent (from 15.7 to 16.1) and to 23.8 percent (from 168.8 to 209), respectively, for legal money and the turnover of bank money.

It appears, therefore, that compared with the bank money turnover, the amount of circulating legal money shows a relatively small rise at constant prices and an inconsequential rise at current prices. As for the turnover of bank money, it is worth noticing that the 1955-56 figure of Rs. 16,823.83 crores bears a ratio of about 16.7 : 1 to the annual average of aggregate deposits (Rs. 1,003.54 crores) in 1955-56 while the estimated figure of Rs. 33,800 crores gives a ratio of 15.5 : 1 to the annual average deposits for 1963-64 (Rs. 2,194.23 crores). Although there has been an increase in the average time deposits from 40.3 percent of average aggregate deposits in 1955-56 to about 58.5 in 1963-64, it is clear that the above-noted relative increase in turnover of bank money (including credit money) is in tune with the growth of total deposits which, as has been noted earlier, has not yet had any influence on prices. The rôle played by the turnover of legal money remains an imponderable; but it seems evident that neither the stock of legal money nor the turnover of current accounts and the amount of bank deposits has exercised a strong upward pressure on the price level.

Unaccounted Money

It has been noted that legal currency in circulation represented 15 percent and 18.9 percent of national income (at constant prices) in 1955-56 and 1963-64, respectively. The annual average of aggregate bank deposits amounted to Rs. 1,003.54 crores, representing 9.6 percent of national income at constant prices in 1955-56 and Rs. 2,194.23 crores, representing 15.9 percent in 1963-64.

According to informed opinion, these rises in money flowing outside the banking channels and aggregate bank deposits are accounted for by increasing monetisation of the economy. And, in any case, their aggregate of about 35 percent of national income remains much less than 60 percent prevailing in the U.S.A. It would appear, therefore, to be a fair assumption that the increasing weight of money stems not from the stock of money (whether bank money or unaccounted money) but mainly from the turnover of unaccounted money.

The question arises, therefore, whether suitable measures can be evolved to stop money flowing outside banking channels or to keep the turnover of money so flowing under the supervision and control of the monetary authorities.

It would be an absorbing, but perhaps not very rewarding, job to follow the course of money from the point of issue to such recipients who withhold it from the banking sector. It is obvious that legal money issued by the Reserve Bank in the course of disbursement of either Government payments or loans and other payments returns to the Reserve Bank through the process of payments made by the public to the governmental authorities or loans repaid and other payments made to the Reserve Bank. But the actual operation of the issue of legal money takes place when the bodies maintaining accounts with the Reserve Bank withdraw money in cash and release it to the public or persons claiming direct payments from the Reserve Bank receive them in cash, and the operation of return of such money takes place when bodies maintaining accounts with the Reserve Bank deposit cash in these accounts or persons liable for any payment to the Reserve Bank of India make it in cash. Excess of cash released over the amount of cash returning, represents, by and large, the amount of money flowing outside banking channels. These outflow and reflow of money pass through commercial banks, co-operative banks, recognised financial agencies and Governmental authorities.

The repayment of deposit and the extension of loans are the principal occasions for release of money by commercial banks, co-operative banks and other financial agencies; and Budgetary payments and plan expenditure provide the main outlet for the release of money by the Governmental authorities. Any money that circulates in the form of legal tender is generally required to cover (i) the necessities of cash payments for small transactions or for transactions at places distant from banking offices, (iii) unorthodox profit accruing from the use of loan money in the private sector, (iii) manipulative profit accruing to the private sector from supplies to, or contracts executed for, the public sector and (iv) undisclosed surplus of income over expenditure in the hands of individual income-holders.

Although the requirements of cash according to item (i) may be reduced with further expansion and rationalisation of banking services, the very nature of its use is a safeguard agains inflation. Cash according to item (iv) to the extent held by wage-earners should also not be of much consequence in view of the lag between prices and wages and because it really forms part of item (i). Cash referred to at items (ii) and (iii) and surplus income of income-holders other than wage-earners, would thus appear to account for the bulk of unaccounted money.

The profit of 1,333 selected medium and large public companies as appearing from studies published in the *Reserve Bank of India Bulletins,* fell from 10.2 percent of sales in 1961-62 to 10.1 percent in 1962-63, while tax provisions rose from 43.3 percent of profits in the earlier year to 50.6 percent in the latter year. There does not, therefore, seem to have been any rise in the profitability of disclosed trading operations. And, in any event, cash in hand held by these companies amounted to only about 0.5 percent of their total assets in both 1961-62 and 1962-63. As for individual income-holders other than wage-earners, provisions for progressively rising rates of income tax and other direct taxes combined with rising prices should not leave scope for any worthwhile surplus.

Manipulative Transactions

These considerations lend strength to the assumption hinted earlier that the part of cash flowing outside banking channels, not represented by item (i) above, is the aggregate of (a) manipulative transactions and/or undisclosed profits of manufacturing, trading and other business concerns and (b) undisclosed income of income-holders belonging to professional classes. Experience shows that the inadequate supply of bank credit encourages one to resort to the unorganised sector for financing even legitimate economic activity and that use of such credit leads to manipulative transactions.

It is true that the average aggregate bank credit rose from Rs. 632.46 crores in 1955-56 to Rs. 1,568.09 crores in 1963-64, representing 6.4 percent and 11.4 percent, respectively, of national income at constant prices. But the impact of this increase has been reflected in the turnover of current accounts which has already been discussed. Moreover, considering that commercial bank credit in the U.S.A. ranges in the neighbourhood of 30 percent of national income, it would appear that a further rise in bank credit in India is necessary to lessen the importance of the rôle of unaccounted money in the financing of productive and distributive operations. Furthermore, it is worthwhile to remember that the declared objective of the Reserve Bank is not to reduce the amount of bank credit but to bring about a healthy ratio between credit and deposit. Money represented by unlawful or undisclosed profits and income which flows outside the banking sector, cannot evidently be attracted by higher interest on deposit rates nor restrained by higher lending rates in the organised banking system.

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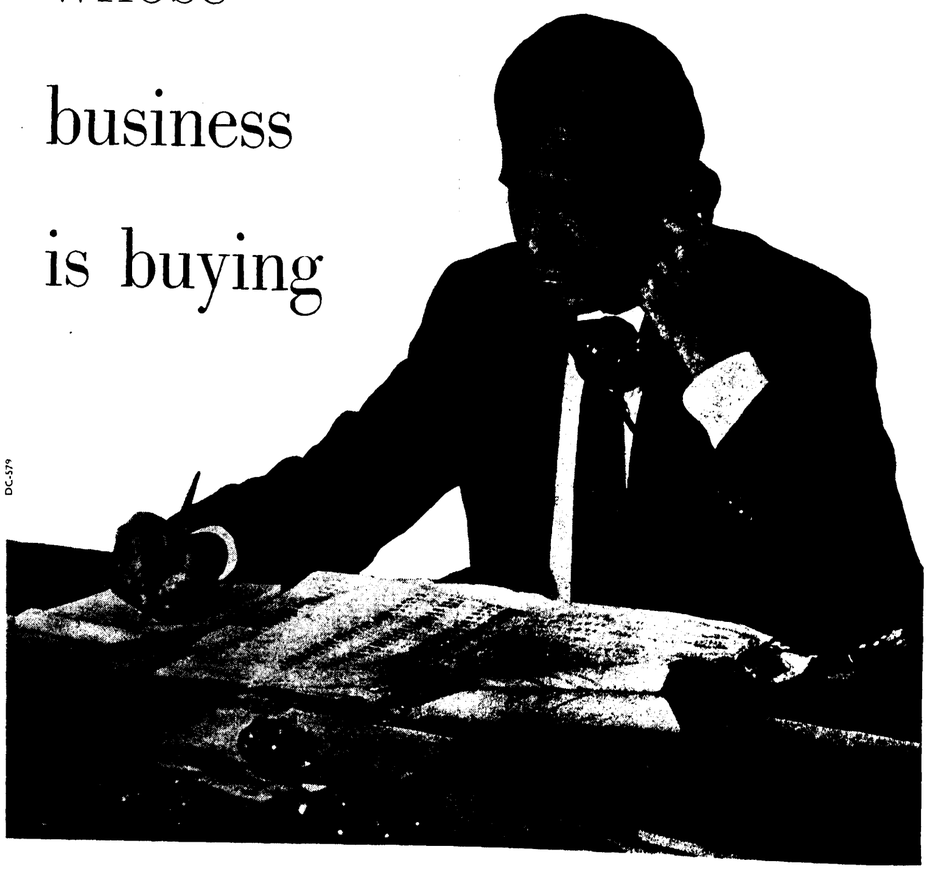
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Control of Managerial Remuneration Under the Companies Act

The Companies Act has imposed several curbs on managerial remuneration. It is necessary to review the provisions to ensure that the incentives for corporate management do not suffer.

By

A SPECIAL CORRESPONDENT

IN the history of corporate enterprise and company law in India, the detailed intervention by the State occurred only after the passing and promulgation of the present Companies Act in 1956. Numerous provisions of the present Act today constitute a rigorous system of control over corporate enterprise and their application differs only in degree, if a company is a private company and not a public company or if a company is a board-of-directors-managed one and not one under the management of managing agents. The control exercised by the provisions of the Companies Act, 1956, is so comprehensive and multi-faced that the traditional autonomy or freedom of company managements in the affairs of a company has been substantially controlled and its place has been taken by new traditions of "State-guided" corporate management.

In some ways, the freedom of company managements in other countries having a well-developed corporate sector has in recent decades been restrained or circumscribed by certain conventions or rules drawn up outside the framework of the company law as a result of pressures from public institutions or even voluntarily adopted by them in response to public opinion prevailing in those countries. But such curtailment of freedom of company management is regarded as neither restrictive nor damaging to the spirit of corporate enterprise as it is believed to be imbued with a sense of realism which leaves the springs of enterprise quite free and lets the forces of public control or to be more specific those of public opinion operate in a constructive and positive manner that allows an enterprise sufficient manoeuvrability to grow and develop and not binds it down to meeting certain social imperatives fully first and then permit it to think of growing and expanding. In spite of the desirability of giving a trial to voluntary restraints for the preservation of larger interests of public and more directly those of the persons coming in direct contact with the company, socio-economic scene in the country had changed radically after independence as a result of the adoption of socialistic policies and goals by the Government. These, in fact, became a matter of creed be-fact, became a matter of creed be-cause of their adoption in the country's Constitution and in the preamble of the five year plan reports.

Deep Suspicion

Moreover, the distasteful demeanour of the corporate management during the second World War period aroused deep suspicion in the minds of the public and the Government. The combined effect of this thus had been that the revised company law came to contain stringent provisions which are said to promote the welfare State goals cherished in the various State documents. The provisions of the Companies Act are all-round stringent, be it the matter of disclosures to be made at the time of the incorporation of a company, disclosures to be made in the profit and loss accounts and balance-sheets, inter-corporate loans and investments, or of appointments, terms, tenure and remuneration of managerial personnel. Of these various matters, the approach of the provisions of the law is particularly strict in relation to matters directly concerning the managerial personnel. This is clear from the fact that no less than 108 sections directly concern the managerial personnel including all categories of personnel such as the directors, managing directors or whole-time directors, managing agents, secretaries and treasurers and managers.

Apart from these sections which deal with their obligations, duties, circumstances in which they could or could not be appointed, how they are to run the company, what remuneration they are to draw and how long they could continue in office or when they have to go out of office and in such an eventuality what compensation they are entitled to, etcetera, there are many other sections which cast certain obligations on the corporate bodies and their board of directors which have a bearing on managerial personnel. In fact, it can easily be said that next to the winding up matters which take about 144 sections of the Companies Act—that is one-fifth of the total number of sections of the Act—comes the bunch of provisions which directly concern the managerial personnel.

Company law in no other country, excepting perhaps in the United Arab Republic, devotes such a great attention to the behaviour of managerial personnel. In that country, the provisions pertaining to managerial personnel are few in a rather diminutive Act but they are very frightfully strict. On the question of managerial remuneration, the provisions of the U.A.R. law are that "while the statute of the company would lay down the method of fixing the remuneration of the members of the board of directors, the remuneration of the board, if fixed on the basis of percentage of profits, would not exceed 10 percent of the profits after deduction of depreciation, legal and statutory reserves and the distribution to shareholders of a dividend of not less than 5 percent on the capital or such higher percentage as may be provided for in the statutes". That is to say, the remuneration payable to the management is some sort of a residuary payment after all other apportionments have been made and as a result of these prior allocations, the statutory limit of 10 percent could even in most cases become an illusory maximum that is very rarely reached.

Furthermore, the U.A.R. law provides that the total amounts that a director can get for his directorship from a company in the form of a salary would not exceed £(E)600, that is approximately Rs. 8,000 a year or in other words, Rs. 660 a month. Taking into account the provision in the law that no person can be a member of the boards of more than six joint stock companies, which are subject to the company law, and assuming that a person can be remunerated by way of salaries by the companies, a director's aggregate remuneration from six companies could come to a maximum amount of £(E)3,600 or Rs. 48,000 a year, that is, Rs. 3,600 a month. This is the limit of salary income.

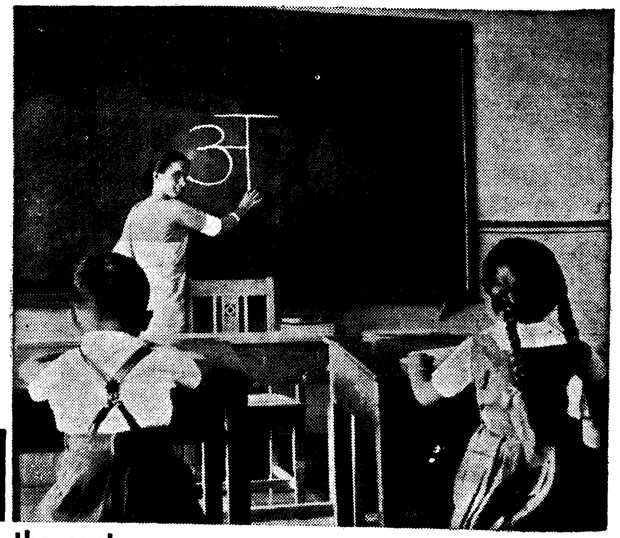
For global income including all payments including remuneration, salaries, attendance fee, representation allowance and any other payment in any form, a third provision in the U.A.R. law says that the total remuneration or payment of any kind received by a chairman of a board of directors, a managing director, a member of a board of directors or any member of personnel employed by any company is not to exceed a maximum of £(E)5,000, that is Rs. 70,000 a year, *i.e.*, Rs. 5,900 a month. In comparison to the above limits of remuneration allowed to the managerial personnel in the U.A.R., the provisions of the Indian Act are no doubt liberal but they are decidedly strict if one compares the levels of remuneration sanctioned to the managerial personnel under them in this country with the levels of remuneration which the company managing directors designated as chairman and vice-chairman in the United States and other directors are actually paid in the U.K. and the U.S.A.

Restrictions on Remuneration

Thus, unlike the company law in other countries like the U.K. and the U.S.A., one of the distinguishing features of the Indian company law is that it limits the maximum managerial remuneration payable by public companies and within these ceilings the Government has laid down the restrictions on the remuneration payable to various categories of managerial personnel. The origin of these restrictions, in some way, can be traced back to the extensive amendments to the company law made in 1936 when, for the first time, some element of regulation on various aspects of company management was written into the statute and a new Section 87C was introduced according to which all future appointments of managing agents could be made only on the basis of remuneration calculated on a fixed percentage of the net annual profits of the companies concerned with a provision for minimum payment in the case of inadequate profits.

The manner in which the net profits for purposes of calculating remuneration of the managing agents were to be computed was also spelt out in the sections introduced into the substantive Companies Act, 1913, by the 1936 Amendment Act. Later in 1951, the Indian Companies (Amendment) Act, 1951, added some important provisions to the law which, among other things, made it compulsory for public companies to seek approval of the Government in relation to any increase in the remuneration of existing managing agents and managing directors as also the terms of appointment of new managerial personnel. This had been done as it was seen that the company managements in control of affairs of companies had indulged in an orgy of enrichment at the cost of consuming public by widening profit margins as also that of the investing public by raising the remuneration, fees and commissions. The latter phenomenon alone could be tackled within the framework of the Companies Act. The alarming proportions that this

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abuse along with many others had reached led the Government to sponsor the Amendment Bill in 1951 without waiting for the report of the Bhabha Committee which was currently reviewing the working of the Companies Act and was to suggest "the measures necessary to promote efficient and economic management of companies".

For administering the provisions of the Amendment Act, 1951, the Government set up an Advisory Commission to make recommendations to the Government concerning the appointment, remuneration, etcetera, of the managerial personnel. Later on, when the Companies Act, 1956, which was based on the recommendations of the Bhabha Committee was passed, the functions of the Advisory Commission were enlarged and it got full statutory status under Section 411 of the Act. Here, it may be mentioned that the latest Companies (Second Amendment) Bill, 1964, propoes to abolish this Advisory Commission as such and the decisions on matters pertaining to the managerial personnel would in future be taken by the Company Law Board. The Advisory Committee which is to take the place of the Advisory Commission would not have such quasi-administrative functions which the Commission enjoyed but will rather have more generalised functions as indicated by the language used in Clause 53 of the Bill which says that "for the purpose of advising the Central Government and the Company Law Board on such matters arising out of the administration of this Act as may be referred to it by that Government or Board, the Central Government may constitute an Advisory Committee consisting of not more than five persons with suitable qualifications". In other words, the existing Technical Advisory Committee which considers general issues of administration has been given a statutory recognition on the lines as the English Companies Act does.

To understand the nature and significance of the scheme of managerial remuneration outlined in the substantive provisions of the Companies Act, 1956, it is necessary to take cognisance of the five forms of management, namely, (a) board of directors form of management, (b) management by managing agents, (c) management of secretaries and treasurers, (d) management by managing or whole-time directors and (e) management by managers. Further, Section 197A which was introduced in the substantive Act of 1956 in 1960 prohibits the simultaneous appointment by companies, including private companies, of more than one of the four categories of managerial personnel, i.e., the managing director, managing agent, secretaries and treasurers and manager.

The Key Section

In the scheme of managerial remuneration, the key section which has relevance to all categories of managerial personnel is Section 198 which says that in the case of a public company or a private company which is a subsidiary of a public company, an overall maximum of managerial remuneration is to be 11 percent of its annual net profits computed according to the provisions of Sections 348 to 350 of the Act. The term "remuneration" includes monetary equivalent of amenities and perquisites also apart from salaries. Further, this section says that in the event of absence or inadequacy of profits in any year, a minimum remuneration up to Rs. 50,000 a year can be paid to all managerial personnel together, but in addition, directors can be paid sitting fees for attending the board meetings. The section also permits in appropriate cases an increase in the minimum remuneration beyond Rs. 50,000 provided the Central Government has approved of it. This provision has been made to relieve hardships where the lack of profits is not due to inefficient and bad management but due to certain extraneous reasons beyond the control of the management.

Further, under the overall umbrella of 11 percent, individual ceilings for different categories of managerial personnel have also been prescribed. For the managing agents, the provisions of Section 348 of the Act say that "a company shall not pay by way of remuneration, whether for his services as managing agent or in any other capacity, any sum in excess of 10 percent of the net profits of the company in any year. In this prescribed statutory maximum, any payment made by way of remuneration to every partner of the managing agency firm, or every director of the managing agency company if it is a public company or to every director and member of the managing agency company if it is a private company will be deemed to be included in the remuneration of the managing agent". For the secretaries and treasurers, the statutory limit fixed is 7½ percent of the net profits under the provisions of Section 381 of the Act, whereas for new managerial class of "managers" the maximum limit is 5 percent of net profits payable by way of a monthly payment or by way of a specified percentage.

For remunerating managing director or whole-time director, the provisions of sub-section (3) of Section 309 state that he may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the company or partly by one way and partly by the other provided that except with the approval of the Central Government such remuneration shall not exceed 5 percent of the net profits for one such director and if there is more than one such director, 10 percent for all of them together. These maxima would include salary allowances and perquisites. For the other directors who are neither the whole-time or managing directors and the remuneration does not include anything by way of a monthly payment, sub-section (4) of Section 309 lays down a maximum remuneration of 1 percent of net profits if the company has managing agents, secretaries and treasurers, managing or whole-time directors or manager and where none of these exists, the aggregate remuneration of the directors would exceed 3 percent of net profits.

Percentage Ceilings

The foregoing different percentage ceilings have been fixed considering the nature of duties, responsibilities and services expected to be performed by each category. Within the aforesaid maximum limits, the actual remuneration payable to each category has to be fixed by the articles or by a resolution of the company or of the board or by an agreement. Approval of the Central Government is required to the terms of remuneration of the managerial personnel at the time of their appointment or reappointment or when an increase in the existing remuneration is proposed. The maxima indicated above can be exceeded in individual and deserving cases after obtaining the Government's approval. In the case of managing agent or secretaries and treasurers, however, approval can be accorded to exceed the percentage ceilings only if it is in the public interest. These regulatory provisions do not apply to the remuneration of other categories of employees, including executives not being manager or managing director or whole-time director.

The basic philosophy or objective underlying the whole scheme of managerial remuneration in the Act is to cut down the cost of management consistent with efficiency and maintenance of high standards, to link the remuneration of the managerial personnel to the fortunes of their companies, to evolve patterns of corporate behaviour in the sphere of management in tune with modern developments and the changing circumstances of a developing economy and contribute in some measure to the attainment of the ultimate ends of the social policy of the country. Government control was considered necessary because past experience did not justify vesting of complete discretion in the shareholders mainly for the reason that, by and large, the shareholders either through apathy or through a feeling of ineffectiveness or on account of being dispersed far and wide in the country, were not in a position to exert any influence in these matters. The limits specified, soon after the provisions of the Act came into force, were made known by the Government to be the maxima and the actual amount of remuneration within the respective maxima was to be determined on the merits of each case.

In administering the provisions of the Act pertaining to managerial remuneration as in other managerial matters, the Government was to be guided by the advice of the Advisory Commission which—as the Government contemplated—was to be a highly expert and independent body composed of a chairman preferably with a judicial background and four members representing the interests of trade and industry, labour shareholders and the accounting profession. The interposition of the Advisory Commission between the corporate management and the Government was considered necessary or desirable because it was felt that in the exercise of large discretionary powers of overpowering nature for the corporate management, the Government should have the benefit of a careful assessment of the *pros* and *cons* of individual cases, which called for the exercise of the Government's discretionary authority, by a body of competent people who were generally familiar with company methods and practices, and could be expected at the same time to take a broad view of the legal and social responsibility of company managements and also of the pervasive public interest implicit in the manner in which the companies carry on their work.

The Advisory Commission set up under Section 411 of the Companies Act, 1956, in April 1956 during the course of the last ten years has evolved a number of guiding principles on the basis of which they advise on remuneration in individual cases to the Government. As for other managerial matters, the Commission had the advantage of adopting some of the criteria laid down by the predecessor commission which had been formed after the passing of the Companies Amendment Act in 1951 but in the matter of remuneration all guiding principles at present in vogue have been framed by the three successive Advisory Commissions that have been formed by the Government since 1956. The more important guiding principles pertaining to remuneration are mentioned in the following.

Payment of Commission

In the case of board of directors managed companies, the payment of commission to the director is to be freely allowed up to the statutory maximum of 3 percent of net profits. While the Act permitted the sanction of remuneration in excess of 3 percent as also a similar liberal dispensation in minimum remuneration, but this should not be done. As for the sitting fees, these have to be decided on the basis of the size of the company and its profits during the preceding three years and generally the maximum sitting fees are not to exceed Rs. 250 a meeting.

For the managing agency-managed companies, the Commission evolved the following light-step sliding scale formula for fixing the remuneration to be paid by them to their managing agents. In fixing the managing agent's remuneration on the sliding scale given below, the Commission had assumed the 10-percent remuneration allowable under the provisions of Section 348 of the Companies Act, 1956, to be the ceiling for the remuneration and not the remuneration to which the managing agents became automatically entitled. The Commission was guided by the consideration that there was scope for reducing the managing agent's remuneration, particularly in the case of bigger units where a smaller percentage remuneration would, in absolute terms, amount to a considerable figure. For example, if the profits of the managed company came to Rs. 1 crore, on the basis of the slab rates of 10 percent, the managing agents would receive a commission of Rs. 10 lakhs, but under the formula worked out by the Commission, the remuneration would come down to about Rs. 6½ lakhs.

10 percent on the first Rs. 10 lakhs of net profit or fraction thereof.
9 percent on the next Rs. 10 lakhs of net profit or fraction thereof.
8 percent on the next Rs. 10 lakhs of net profit or fraction thereof.
7 percent on the next Rs. 10 lakhs of net profit or fraction thereof.
6 percent on the next Rs. 25 lakhs of net profit or fraction thereof.
5½ percent on the next Rs. 25 lakhs of net profit or fraction thereof.
5 percent on the next Rs. 25 lakhs of net profit or fraction thereof.
4 percent on any sum over Rs. 1 crore.

As for the minimum remuneration, the Commission evolved the principle that it was to be fixed with reference to the size of the company which was to be determined by effective capital

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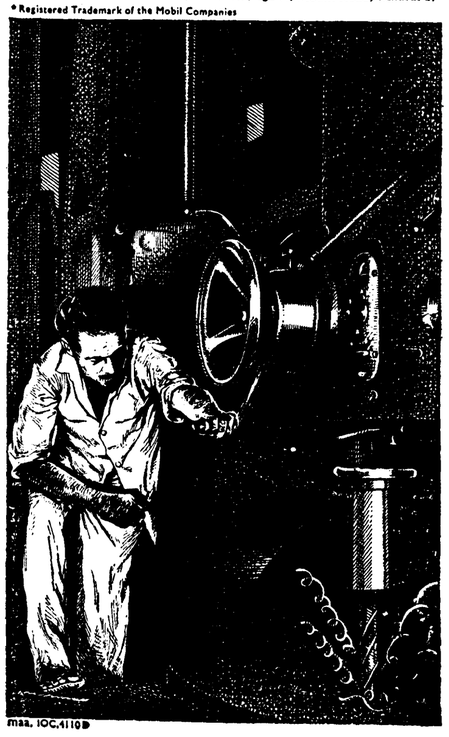
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apply the limit of Rs. 50,000 in the particular cases. Ordinarily, it can be ascertained only at the end of the financial year of a company whether the proposed remuneration payable to managing or whole-time directors will be within the statutory limit of 11 percent of the net profits of the company or not. But since monthly salary and allowances payable to the managing or whole-time directors will be deemed to be the minimum remuneration in the event of absence or inadequacy of profits in any year, for the purpose of Section 198(4), the Advisory Commission necessarily has to consider all these matters before agreeing to any fixing of remuneration on the proposed scales.

No Specific Ceilings

Although there is no specific ceiling provided in the Act in relation to the maximum amount that can be paid annually to an individual managing or whole-time director (or manager) apart from the fact that the ceiling is expressed as a percentage of the net profits, the Commission has laid down that the remuneration by way of salary and commission payable to a managing or whole-time director should not ordinarily exceed Rs. 1,20,000 a year, even if the total managerial remuneration was well within the ceiling of 11 percent of the net profits of the company as laid down in Section 198. This principle has been laid down to cover the cases of companies which make very large profits and would have on that basis paid a very high remuneration to the managing directors. This absolute amount of Rs. 1,20,000 is to cover the remuneration by way of salary, dearness allowance, overseas allowance, any other fixed allowance and commission on net profits, but not perquisites such as free house, car, servants, provident fund, and pensionary benefits. Only under very exceptional circumstances, relaxation from this ceiling is allowed.

The exceptions given are (a) in the case of oil companies, where remuneration paid to personnel working in India for the time being has to bear parity with the remuneration paid to similar personnel working in other units in the other countries, (b) in cases where the director concerned had already been working under the same company on a remuneration in excess of the ceiling and he is to be reappointed on the same post or is to be promoted to another directorship involving higher or additional responsibilities, (c) in cases where on the appointment of an existing director to another directorship involving additional or higher responsibilities, it is proposed to allow a reasonable increase on the remuneration he had been drawing and (d) in cases where on the appointment of a senior executive to the office of director, it is proposed to allow a reasonable increase on the remuneration he had been drawing as an executive.

Managing or whole-time directors who are in receipt of monthly salary and commission on net profits should not be allowed to draw any additional guaranteed minimum remuneration besides their monthly salaries in the event of absence or inadequacy of profits.

The sum total of the various guiding principles adopted by the Advisory Commission is that if these were to be written into the framework of the Companies Act, they would have the effect of increasing the number of regulatory provisions concerning managerial remuneration from 10 to 50. Thus the flexibility which was said to be the key-note of regulatory provision for managerial remuneration, with the various guiding principles laid down by the Advisory Commission, has changed into rigidity, for there was some criterion or guiding rule for even an odd type of case, let alone for generality of cases with some distinguishing characteristics. Apart from this fact that the provisions of law have been overloaded with a number of administrative rules of criteria, another basic point to be noted in this connection is that the correlation of managerial remuneration to net profits arrived at after deduction of various expenses, etcetera, is not found in any studies on the subject in the U.K. or the U.S.A., let alone the cognisance of this principle in the official papers or any statute. The scientific, statistical investigations of correlation between the managerial-executive income, sales and profits in the U.S.A. and the U.K. showed that it was higher between executive income and sales than between executive income and profits. Secondly, some studies have shown that a typically large company seeks to maximise not its profits but its sales and the executive salaries, therefore, appear to be far more closely correlated with the scale of operation of the firm than with its profitability. Thirdly, managerial remuneration has been observed to vary with the size of the company. Fourthly, the amount of remuneration in industrial cases is based on such rational factors also, as a fair reward for the responsibility assumed by the individual executive and the motivation of the executives who significantly affect company profits to discharge their responsibilities in an outstanding way.

Personal Factors

Apart from these, personal factors such as family relationships, length of time for which a person has been connected with the enterprise or ability also determine remuneration in some cases. Thus a comparative study of criteria of managerial remuneration in the U.K. and the U.S.A. with those in this country makes it clear that in India the normal remuneration is determined almost entirely by the past performance and the size of the company and the personal competence and qualifications of the individuals have a marginal importance in the sense that their absence would push the remuneration further down or even result in rejection of the proposal of appointment by the Government and their presence would not go to increase the amount of remuneration as at present calculated on the basis of the profit-cum-size formula. The operation of the remuneration criteria followed by the administration in India in the short run is likely to show the reduction in the managerial remuneration paid by the company but they may not in the long run prove conducive to the growth of the enterprise as the remuneration structure bears little correlation to sales, which have a greater psychological appeal to managerial personnel than the net profits as the latter are subject to a number of extraneous reductions and factors.

Furthermore, the present criterion, namely, that of making managerial remuneration dependent on net profits provides an incentive to the unscrupulous management to increase profits, even by restricting production and supply—a technique not unusually employed by unscrupulous managements and which encourages exploitation of the consumer. If, on the other hand, sales become the measuring rod of managerial remuneration, the management will seek its salvation by pushing up sales which will not only benefit the consumer, the management and the company but would go a long way in relieving the economy from the muddles it is caught in.

However, the managerial remuneration scheme as laid down in the Indian Companies Act and as evolved by the Government is a novel one. It derived its justification from the exploitation practices indulged in by corporate managements whose sole preoccupation while in power had been to enrich themselves at the expense of current prosperity and future growth of the enterprises and deserved to be given a trial. A ten year period of experimentation should be enough and a stock-taking should take place during the next financial year 1965-66. The abolition of the Advisory Commission as contemplated in the Companies (Second Amendment) Bill, 1964, which might result in a break in the present policies pertaining to managerial remuneration makes such an appraisal a relevant matter.

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Monetary Policy of Reserve Bank: Scope for Restricting Credit

Over the years, the Reserve Bank has shown a preference for selective credit controls. But their effectiveness has been greater when used in conjunction with more general instruments of credit control.

IN a developing country such as India, monetary authorities are faced with a difficult task. When the Government pursues inflationary methods of financing development, and calls upon the central bank to control the resultant inflation, the *restrictive* rôle of monetary policy assumes special importance. This

By
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rôle implies that the authorities not only have to use quantitative instruments of credit policy more vigorously, but must also be versatile in developing qualitative controls best suited to the needs of the particular stage of development.

This article briefly recounts the efforts of the Reserve Bank of India in developing a monetary policy consistent with the planned development of India during the four-year period ended March 1964. In doing so, an attempt will be made to focus sharply on the restrictive rôle played by the Bank.

On 11th March, 1960, the Reserve Bank announced a series of credit restraint measures in order to meet the expansionary situation which threatened the Indian economy. These measures consisted not only of selective credit controls but also included, for the first time, resort to the instrument of variable reserve requirements. The selective credit control measures consisted of: (1) the imposition of a minimum margin of 50 percent on advances by sheduled banks against ordinary shares, above Rs. 5,000, (2) a ban on the direct financing of *budla* (switch) transactions by scheduled banks through the purchase of shares in their name for the current settlement and sale for the next settlement; and (3) fixing of a ceiling on clean (that is, unsecured) advances.[1]

Impounding Additional Deposits

On the same day, the Reserve Bank impounded 25 percent of the additional deposits flowing into the banking system after 11th March, 1960. It might be of some interest to note in this connection that while scheduled banks could be legally called upon to maintain reserves with the Reserve Bank up to a maximum of 20 percent of demand and 8 percent of time liabilities, the Bank did not make any such distinction in resorting to this measure, nor did it relate the percentage to total deposits. Instead, it made the higher margin applicable *at a uniform rate to all classes of deposits* that would accrue after the date of the order. This method was followed presumably to accord a fair treatment to all types of banks and also to avoid penalising those banks which had taken more pains to attract deposits.[2]

In short, during 1959-60, the Reserve Bank impounded additional deposits equal to 25 percent of the increase in total liabilities since 11th March, 1960; further, it imposed a ban on direct *budla* financing by banks as well as on advances against equity shares and unsecured loans. Various selective credit control measures were also taken to match the dynamic credit policy of the Bank.

Soon after the imposition of reserve requirements in March, slack season conditions appeared in the economy calling for some additional measures. Accordingly, the Bank raised the percentage of additional deposits to be maintained with itself from 25 to 50 with effect from 6th May, 1960. Furthermore, it was decided to confine advances under the bill market scheme during the period June to September 1960, only to such banks as had availed themselves of the facilities in the preceding busy season and further to restrict the relative credit limit to each of these banks.

These measures, restrictive as they were, failed to bring about the degree of credit contraction as had been hoped for by the authorities. This induced the Bank to introduce with effect from 1st October a system of graded lending rates keeping Bank rate unchanged at 4 percent. The salient features of the system of graded lending rates may be described here briefly. Effective 1st October, 1960, each scheduled bank was assigned (for borrowing from the Reserve Bank) a quota for each quarter equal to half of the average amount of the statutory reserves required to be maintained by it under Section 42 (1) of the Reserve Bank of India Act during each week of the previous quarter. Borrowings within the quota limit were to be charged interest at Bank rate. Any borrowing over this limit up to 200 percent of the quota would bear a penal rate of 1 percent over Bank rate, and borrowings above 200 percent of the quota, a penal rate of 2 percent above Bank rate. Since the rates applied to borrowings under both Section 17 (4) and (c) of the Reserve Bank of India Act, it was no longer considered necessary to fix separate ceilings for individual banks for borrowings under the bill market scheme.[3]

In addition to introducing the graded lending rates, the Bank directed all scheduled banks to adhere to a minimum lending rate of 5 percent on all advances; banks were also directed to raise their average lending rate at least by 0.5 percent. It is worth noting that while these restrictive measures were aimed at increasing the cost of credit, no attempt was made to limit the volume of credit the Bank would make available to scheduled banks.

It is a well-known fact that the Indian credit market follows in a broad sense a rhythmic pattern of slack and busy seasons during which time the demand for credit waxes and wanes. The various measures described above were taken during the slack season of 1960 to direct the "excess" credit into the "pipe line." As the economy passed from easy to stringent credit conditions towards the end of the year, relaxation of earlier measures became necessary. Consequently the Bank withdrew in two stages the directive of 6th May concerning the maintenance of additional statutory reserves with the Reserve Bank. Effective 11th November, further impounding of the increase in liabilities over the existing level was suspended and about half of the reserves already impounded amounting to Rs. 13 crores was also released. Subsequently, beginning 13th January, 1961, the additional reserve requirement imposed in March 1960 was totally revoked thereby releasing another Rs. 13 crores of reserves to banks. Finally, with effect from 22nd February, 1961, the Bank also removed the ceiling of 2 percent on interest on specified time deposits. In conformity with its policy of operating credit regulation measures in a flexible manner, the Reserve Bank also modified selective credit controls. These controls were relaxed in the case of sugar and foodgrains and extended to cover advances against raw jute and jute goods. The provisions of the control on advances against groundnuts and other oilseeds were left unchanged.[4]

Open Market Purchases

In passing, it may be mentioned that the Reserve Bank resumed its net open market purchases in 1960-61, the total net purchase amounting to Rs. 6.5 crores. It is worth mentioning that to a considerable extent the sales of securities represented investments in Government securities by the State Bank of funds accruing to it on account of the operation of the P.L. 480. To that extent, net purchases of securities in the *normal* sense could be considered even higher.

To conclude, the year 1960-61 witnessed once again an active and highly flexible credit policy which was consistent with the general trend in the monetary policy of the Reserve Bank during the past few years. Until the end of the slack season, the Bank further tightened its restrictive measures of the previous year; first the Bank raised the additional reserve requirements in May and later in October introduced a system of graded lending rates. With the advent of the busy season, however, it relaxed the special reserve requirements. In addition to the general credit control measures, the Bank also applied selective credit controls to exert proper influence on the selected commodities.

Three-tier System

The history of monetary policy in the subsequent year was rather uneventful. During 1961-62, the Bank used the three-tier system of slab rates devised in 1960 as the chief instrument of credit control. The Bank's credit policy continued to be characterised by caution with due consideration to the needs of the development plan and the changing economy.

While in 1960-62, the Reserve Bank used both the reserve requirements and Bank rate to restrict credit, it did not do so in relation to open market operations, although they were conducted in broad conformity with its general line of policy. In fact, in an atmosphere of inflationary pressures, the Bank purchased Rs. 6.52 crores worth of securities in 1960-61 and another Rs. 8 lakhs in the following year. It was officially explained that these purchases were made to ease out the restrictive repercussions arising from the tightening of other instruments.

The manner in which the Reserve Bank imposed selective controls broadly followed the pattern established a year earlier. As the supply and the price situation improved during the slack season of 1961, controls on advances against paddy, rice, groundnuts and shares were relaxed. Likewise, improved conditions warranted complete removal of the controls on advances against sugar, wheat, raw jute, jute goods and finally, on clean advances. Also, the permissible limits on advances against paddy and rice were raised. In short, while the Bank's policy on selective controls was one of progressive relaxation, wherever necessary, it did not fail to tighten these controls to the appropriate degree.

In passing, it may be mentioned that as in previous years, in 1961-62 the Bank did not find it of much importance to enhance the effectiveness of its general and selective controls through the use of moral suasion. While no official justification was provided for such inaction, vigorous monetary controls over a

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[1] *Annual Report of the Board of Directors* of the Reserve Bank of India, 1960, pp. 15-16.

[2] "Controls on Bank Credit," *Commerce*, 1st March, 1960, p. 450.

[3] For details see the Reserve Bank of India's *Report on Currency and Finance* (hereafter called *Currency Report*), 1960-61, pp. 42-43.

[4] For details, see *Currency Report*, 1960-61, pp. 43-44.



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decade might have conditioned the system to a degree that further persuasiveness on a voluntary basis was rendered unnecessary.

Onerous Task

The task of the Reserve Bank during 1962-63 turned out to be particularly onerous. For, on the one hand, the Bank had to assist in the maintenance of the tempo of development effort and, on the other, resources had to be allocated in a substantial measure to higher expenditure on defence. The objective of the Bank's credit policy continued to be one of adequate financing of economic growth and simultaneously ensuring a reasonable price stability. More specifically, the Bank raised both the cost of central bank credit and tightened restrictions on its availability. However, great care was taken to regulate the supply of credit in a flexible manner so that banks could finance credit expansion during the year to satisfy both the development and defence needs of the economy.

As might be expected, in the slack season of 1962, in the midst of a general all-round relaxation and easiness, the Reserve Bank vigilantly watched the developments in the economy. And, as the possibilities for an undue growth in deposits became evident in the slack season of 1962, the Bank clamped down its restrictive measure on the banking system. Effective July 1962, a four-tier system was introduced, designed to raise the average lending rate of the Reserve Bank by ½ percent or more.[5]

Following the measure mentioned above, the Bank observed that the contraction of credit in the 1962 slack season was relatively small; also, since there was need for greater restraint in view of the possible inflationary implications of increased defence expenditure, a revised system of lending rates, effective 31st October, 1962, was announced on the eve of the 1962-63 busy season. Under this system, for the first time, a limit equal to a bank's average statutory reserves during the previous quarter was set on the total amount which a bank could normally borrow from the Reserve Bank.[6] However, the Bank explained the revised system by pointing out that the new system of quotas and lending rates would be operated in a flexible manner and banks were consequently asked to furnish details of their requirements of finance from the Bank during the busy season. Banks were also urged to control their advances, refuse advances for speculative purposes and consider recalling in suitable cases their advances against gold and shares and unsecured advances.

A cursory glance at the Reserve Bank's official rate policy clearly reveals that since May 1957, when the rate was formally raised from 3.5 percent to 4 percent, the rate had been progressively raised in a subtle way in the form of a slab rate system introduced on 1st October, 1960, and modified in July and October 1962. In order to formalise these progressive increases, the Reserve Bank officially announced its third Bank rate increase from 4 percent to 4.5 percent. The increase, which became effective on 2nd January, 1963, was characterised as in "the nature of a simplification and realignment of the Bank's lending rate structure."[7] Simultaneously, the three-tier system of lending rates introduced in October 1962 was simplified into a two-tier system by merging the first two slabs. Under the latter system, banks were permitted to borrow a sum equal to 50 percent of their statutory reserves at Bank rate and the remaining 50 percent at 6 percent; any borrowing beyond this level was to be charged a higher rate.

Preferential Treatment

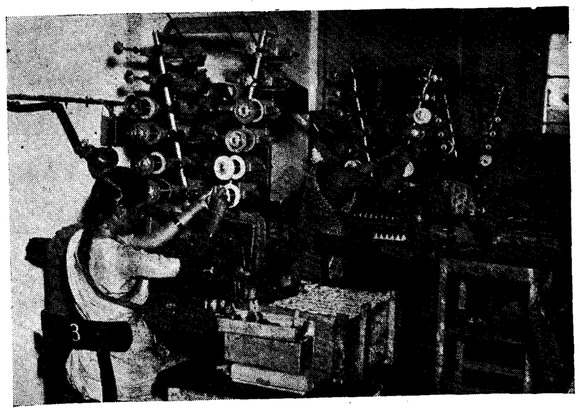
Another interesting feature of the Reserve Bank's general credit control policy was the continuation of the preferential treatment to certain specified sectors of the economy, such as small-scale industries, co-operatives and the export sector.[8] At the time when the October 1962 scheme was announced, banks were permitted to borrow at Bank rate additional amounts based on their lending to small-scale industries and co-operatives; however, their quotas in the next higher slab or slabs would stand reduced to the extent of such additions. This concession which was retained in the revised slab rate system introduced in January 1963 was further liberalised, effective March 1963, when the Bank decided that the additional quota would be available at Bank rate for such lending, over and above the normal borrowing limit.

The Reserve Bank's selective control policy was similar to the policy of previous years. On 25th January, 1963, the Bank amended its previous directive of 28th February, 1962, thereby relaxing the restrictions placed upon bank advances against groundnuts and other oilseeds. Furthermore, an important change in the Bank's policy of exempting advances against warehouse receipts covering foodgrains was brought about by issuing two directives, one in January 1963 and the other one two months later. Under these directives, the exemption was withdrawn and a margin of 25 percent was imposed on these advances. Finally, in April 1963, when the sugar prices began to rise due to the expectations of lower output in the 1962-63 season and the spurt in bank advances to parties other than those manufacturing sugar, the Bank issued a directive to scheduled banks prescribing a minimum margin of 45 percent on credit limits or advances granted to parties manufacturing sugar.

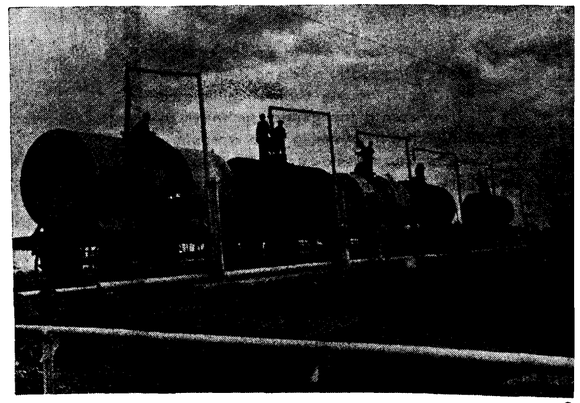
During 1963-64, the Reserve Bank first pursued credit policies similar to what was developed in the previous year, but later modified such policies in view of the changed situation. Thus, in October 1963, a directive was issued increasing the permissible quota for borrowings by scheduled banks from 100 percent to 150 percent of their statutory reserves. Under this directive, banks were permitted to borrow one-half of their quota at Bank rate and an equal amount at 6 percent. Borrowings beyond this limit, at 6 percent, were to be considered to be special accommodation, subject to a discussion between the Bank and the individual banks concerned. Additional quotas at Bank rate were permitted in relation to certain specified advances.

As the 1963-64 busy season advanced, it became evident that banks were borrowing heavy amounts from the Reserve Bank. This development appeared to be particularly alarming because of an anticipated slowing down of agricultural production. Consequently, on 11th March, 1964, the system of quotas and lending rates, which had been relaxed on the eve of the busy season, was restored to its earlier position, thus reverting to the tighter credit policy in force prior to October 1963. In addition, banks were asked to review their clean advances other than those to industrial borrowers and bring down the level of such advances. Banks were also asked to step up their efforts to mobilise deposits by all possible measures including reexamination of the interest rates offered by them on deposits.

Selective credit controls were also modified during the year. In general, the adjustments included reimposition of controls in the case of sugar and wheat, relaxation of the control on advances against shares and the



Women technicians in an electrical factory



Oil tankers being filled at Ankleshwar

[5] The basic quota of each scheduled bank for borrowing at Bank rate was reduced by one-half to 25 percent of the average statutory reserves of the bank in the preceding quarter; borrowings equal to another 25 percent of the average statutory reserves were to be charged a rate of 1 percent above Bank rate; those above 50 percent and up to 100 percent of the average statutory reserves a rate of 2 percent above Bank rate, and those above the statutory reserves a rate of 2.5 percent above Bank rate.

For details, see *Currency Report*, 1962-63, p. 42.

[6] According to this new system, borrowing up to 25 percent of the statutory reserves was to be charged at 4 percent, another 25 percent at 5 percent and the balance at 6 percent. However, it was indicated that the Bank would permit borrowing beyond this limit after making an assessment of the overall position of the borrowing bank and that such special accommodation would be at a higher rate of interest.

See *Currency Report, loc. cit.*

[7] *Reserve Bank of India Bulletin*, Vol. XVI, No. 12 (December 1962), 1959. In raising Bank rate, the Reserve Bank stated: "The question of adjusting Bank rate in the light of the trends in the money and capital markets has been engaging the attention of the Bank for some time. It has now been decided to fix Bank rate at 4½ percent and with effect from the close of business today, 2nd January, 1963, Bank rate will be 4½ percent.

The system of quotas and lending rates of the Bank for both bills and Government securities is, at the same time, simplified as under:

Rate	*Quota for borrowing*
4½ percent	50 percent of statutory reserve[9]
6 percent	Another 50 percent of statutory reserve.

[9] The average of the reserve required to be kept by a bank under Section 42(1) of the Reserve Bank Act during each week of the previous quarter."

Ibid.

[8] For details, see *Currency Report*, 1962-63, p. 43.

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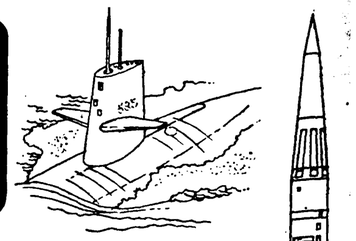
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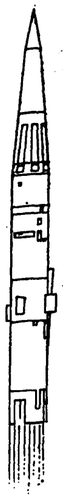
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tightening of the existing controls on foodgrains and groundnuts.[9]

An important observation that is pertinent in this connection is that the Reserve Bank did not make use of open market operations with the same flexibility as it did with its instrument of Bank rate. Open market operations were, however, consistent with the restrictive monetary policy that the Bank pursued. The Bank's open market operations were directed towards absorbing the excess liquidity; in 1962-63, its net sales amounted to Rs. 11 crores whereas these operations resulted in much larger net sales (Rs. 45 crores) in 1963-64.

Monetary Policy in Perspective

The story of monetary policy in India beginning with the period March 1960 until the present day is fascinating. Traditionally, the major responsibility of a central bank of a developed nation is considered to be the use of general and selective instruments of credit control with the prime objective of maintaining monetary *stability* of the country. The rôle of the central bank is, therefore, characterised primarily as regulatory. In India, the central bank has to operate in an institutional set-up of a mixed economy, heavy public expenditure under a planned development programme, existence of a large and important private sector, an indigenous juxtaposition of a highly organised and a loosely unorganised money and banking sector, and above all the existence of a primitive barter economy to a large degree. Under conditions such as these, the central bank must assist the Government to the maximum possible extent in the development process itself. In doing so, it may have to reorient itself for playing a highly versatile restrictive rôle.

Viewed in perspective, the history of monetary policy in India does suggest that the Reserve Bank as a monetary authority used the instruments of credit control judiciously in a manner to control the inflation that was generated primarily as a result of the Government's inflationary methods of financing.

An overall view of the general and selective instruments of credit control that were used over the period 1951-52 to 1963-64 would reveal that whereas both these types of instruments were used as complementary to each other, since 1956 until October 1960, selective controls were used much more frequently than general controls. Following October 1960, as observed above, while the Bank began experimenting with a novel Bank rate policy, selective controls continued to play their former dynamic rôle in monetary management. These controls were primarily directed towards foodgrains, but were also extended to sugar, groundnuts, other oilseeds, cotton textiles, stocks and shares and, recently, to advances against warehouse receipts.

The official preference for selective controls over general instruments was based on the following arguments. In the process of India's economic development, there is a legitimate and essential need for higher bank credit to be channelled into desirable avenues which, in turn, would encourage investment. Selective controls are designed to restrain particular types of investment or consumption. What is more important concerning these controls, however, is the fact that they *serve to divert* the flow of bank credit into the channels most desirable from the point of view of economic development of India. Moreover, the operation of selective controls can be discriminatory not only in relation to advances against different articles but also within the field where the controls are being imposed. It is true that selective controls are highly discriminatory. The official answer to that objection is that all types of controls are likely to prove discriminatory in some matters. Besides, in India there has already been set a preference for a socialistic economy in which the Government plays a major rôle in the development process, and hence selective controls would seem to be compatible with the present economic set-up in India.

While the preference for selective controls was definitely established, the Reserve Bank conceded the difficulties in the effective enforcement of these controls. As the Bank put it: "The problem of enforcement of selective credit controls among a host of banks differing widely in the structure of assets and liabilities and standards of management and some of them possessing large network of branches scattered throughout the country, has bristled with difficulties. Besides it could happen that by the time the Bank brought the excess over permitted levels to the notice of a bank and by the time the bank took action, seasonal forces would have brought about the desired result."

Reserve Bank Experiments

Since the implementation of the second plan, the Reserve Bank frequently experimented with selective instruments. However, granting the limitations, the effectiveness of these controls were more pronounced when used in conjunction with other instruments of credit control.[11]

In addition to selective controls, the Bank used, although with caution and restraint, *all* the instruments of general credit control, among which the instrument of Bank rate deserves special mention. In October 1960, a graded system of Bank Rate was introduced which, in effect, implied the raising of the rate for certain types of borrowings and also over a certain specified minimum. These quotas and the purposes of borrowing were frequently changed while keeping the basic Bank rate fairly stable. It is pertinent to point out here that the underlying objective of the use of the various instruments of credit control was actively to assist in the Government's planning efforts.

[9] 'Currency Report, 1963-64. pp. 49-50.

[10] H. V. R. Iengar, *Monetary Policy and Economic Growth* (Bombay, Vora and Co. Publishers Private Ltd, 1962), p. 203.

The future of selective controls was viewed by the ex-Governor of the Reserve Bank in the following words: ". . . the rôle of selective credit control on prices has been of somewhat marginal significance, but it is not for that reason that a weapon has to be discarded."

See Iengar, *op. cit.*, p. 204.

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NEED TO FIX ECONOMIC FREIGHT RATES FOR SEA TRANSPORT

Freight rates should allow a reasonable return on the capital invested in shipping and also a margin to meet replacement costs. If freight rates are artificially depressed in order to help exports, the quality of the service may suffer.

By
NEIL FORSTER

A VIGOROUS discussion has been going on over the last few years throughout the world on the question of the proper organisation and pricing of international sea transport. Sea transport is not the only industry faced with such a problem: the international airlines have also signally failed to find a pricing procedure which does not leave the great majority of them with an operating loss, or alternatively with an operating profit which is totally insufficient to replace their expensive units. Yet the fact is that international shipping rates rather than air transport fares have attracted most of the attention and criticism. This is because the former vitally affect the economies of nearly all countries in the world: airlines are by comparison a marginal luxury. There is little doubt that the influence of ocean freight rates on the marketability of exports and imports has been exaggerated; but, on the other hand, they can be a significant factor in c.i.f. prices, particularly in the case of low value commodities.

It is natural, therefore, that Governments should be extremely concerned about the impact of freight rates on imports and exports. Apparently they are not always so aware of the influence which their own actions have on these rates. All Governments naturally like to see their sea-farers well paid and so press for increases in their emoluments. All Governments are under pressure to ensure that their dock workers have bigger pay and welfare facilities. All of them are faced with the problem of expanding and maintaining port facilities in a world where the costs of these operations have been steadily increasing. The effect of pursuing these worthy objectives, and also of the general increase in prices in most countries, is to raise sharply the costs of the shipowner. Furthermore, he is hit by increasing and sometimes chronic port delays, by the rise in the cost of building and repairing ships and by a host of other factors.

Increase in Costs

In this steady rise in costs the shipowner, of course, shares the experience of most manufacturers or exporters of manufactured or processed materials. Yet, although many of the cost increases are directly influenced by Government or Government-sponsored action, it does not seem to be accepted yet that the ship operator must in the long run recover at least part of the extra expenditure from an increase in the price of the service he sells. Thus it is agreed that, in nearly every other branch of economy, prices have inevitably risen to meet the increase in costs. Yet it is not often realised that in many shipping trades the freight rates for major commodities are less than they were eight years ago, or at best the increase over the period has been marginal, even allowing for the increases of the past year or so. Why is it that in other industries an increase in prices is accepted as necessary, whereas in shipping this is considered immoral?

The fact is that the central issue does not seem to have been faced. Nobody has really come round to saying precisely how an international transport service ought to be priced. The purists will argue (when it suits them) that the free operation of market forces should be allowed unhindered. But this is not really practicable in a vital transport organisation because the whole basis of regular schedules and proper coverage of trades would collapse. That would be far more damaging to trade than a marginal rise in freight rates.

Furthermore, in international liner shipping, the days of entirely free markets have passed long ago because many lines are subsidised either directly or indirectly, and a situation would soon be reached where all would be either running at a loss or receiving heavy subsidies. This would in turn lead to discrimination in the distribution of Government and other cargoes. The result would be a distortion of normal services, a loss of efficiency and a heavy increase (though perhaps concealed by subsidies) in costs. Another point to bear in mind is that the growth of the national fleets of developing countries requires a certain stability in freight rates and services in order that sound experience and reasonable profits may be built up at an early stage.

Fixing Freight Rates

As an alternative, the freight rates for liner services can be fixed by the unilateral decisions of Shipping Conferences, which are themselves international bodies. In fact, this has not brought any excessive profits to shipowners as compared with other industries, but it has naturally given rise to a feeling that these international bodies are supranational and might attempt to dictate terms to Governments. The feeling was reflected at the U.N. Conference on Trade and Development held in Geneva earlier this year.

A third method of regulating freight rates is by direct Government control. This has been considered repeatedly by various Governments in the past, but in nearly every case it has been categorically rejected. How can any single Government control rates in any section of an international route where ten Governments may be involved? Each is naturally anxious about its exports, but the exports of one are the imports of another, so which of the Government concerned is going to control the freight rates? There cannot be a situation where freight rates one way are controlled by one Government and rates the other way are controlled by the other Government, with both trying to depress the rates on their own exports. Presumably, in the long run, the various Governments on the route would get together to decide freight levels. But then this would be almost a return to the Conference rate-fixing system because the Conference already consists of the shipping lines of many nationalities, all of which are probably basically representative of their national points of view.

At the U.N. Trade and Development Conference in Geneva, a certain amount of hostility was shown towards Shipping Conferences, but there was some lack of understanding of the basic principles involved. Fortunately, the good sense and moderation of the Indian delegation did much to guide the discussions on sounder lines. For instance, a great deal was said about discrimination in freight rates against the developing countries, whereas in fact the discrimination is the other way about. Freight rates on the exports of developed countries are almost invariably higher and more remunerative than those on the exports of developing countries. Of course, this is not the full picture because a shipowner sells space and the profitability of the voyage depends basically on the freight rate a cubic foot or cubic metre, which may not properly take into account the difference in the value of the commodities concerned and the incidence of the freight rate on that value.

Views of U.N.C.T.A.D.

The Geneva conference, under the guidance of the Indian delegation, concluded that some international body should be set up to investigate the structure of ocean freights; there does not seem any harm in that. But what is to be the criterion of judgment? Unless ocean freight rates are going to be distorted and used as a form of direct aid to developing countries or to subsidise their exports, any investigation will ultimately come back to the fact that the financial yield of each voyage should leave the operator with a margin of profit sufficient to replace his vessels in the long run and also to reward him reasonably for the capital he has at risk. Unless this principle is followed, the service will suffer as the shipowner may desperately try to squeeze some return from an unnaturally low freight revenue. When this happens, the damage to trade will probably be far greater than would have been the case if the freight rates initially had been pitched at a reasonable level.

The effect of depressing freight rates below economic levels, and thereby subsidising exports, would be to produce an everworsening service and a distorted picture of the true competitiveness of exports. If export subsidies are required, they should be direct and not at the expense of another industry. One often hears of sensitive commodities which should enjoy preferential freight rates; to some extent, this is reasonable where new exports are being promoted. But if an article is sensitive in the sense that it is scarcely competitive in international markets, it is neither just nor in the country's interests that its competitive position should be bolstered by low freight rates.

Many of the pleas for special consideration or for general reductions in freight levels, and many of the arguments against increases, fail to produce an answer to this basic problem. The only sensible yardstick for fixing freight rates in international liner trades is that the overall yield from a given voyage should in the long run cover the cost and maintenance of an adequate and efficient service, permit suitable depreciation to be provided and offer a reasonable return on the capital employed. Previously, the Shipping Conferences fixed their own freight rates to ensure that they were able to conduct their business without losses. If this system is now considered inadequate or unfair, any changes contemplated still need to meet the same objectives. The fact that shipping is a service industry does not in any way make it different from other industries where the price of the article sold must inevitably in the long run cover the cost of producing it. The problem is to establish the price by some system which is considered fair to the many and varied interests involved without jeopardising the efficiency of the service itself.

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Big Increase in Railway Revenue but Working Expenses Rise Sharply

The railways have to cope with an increasing volume of traffic under the plans. A fair proportion of the traffic consists of "smalls" and is uneconomic. The optimum use of capacity is possible only if a balanced policy on transport is followed.

By

L. A. NATESAN

THE railways occupy so important a place in the national economy that their operations reflect its general health, As the handmaid of agriculture, industry and trade, the railways register faithfully the pulsations in these sectors. Prosperity in agriculture and industry reacts on trade and results in increased earnings and traffic for the railways. Depression in these, on the contrary, affects railway earnings and traffic adversely. Improved and more efficient transport also promotes economic activity in the country. It is useful to keep from time to time a watch on the different aspects of railway working. The present time seems to be appropriate to attempt a brief review of the finances and performance of the Indian railways. The appraisal of their needs from the point of view of their present shortcomings is a necessary preliminary to taking the steps to meet transport demands likely to emerge during the fourth plan.

The gross traffic receipts budgeted for 1964-65 represent the highest level so far touched, namely, Rs. 668 crores, about Rs. 46 crores more than in the previous year, to be ascribed largely to the effect of some adjustments and a 2 percent supplementary charge on all freight other than export ore. Ordinary expenses for the year are Rs. 21.59 crores more than the revised estimates of last year, the increases being mostly under staff, repairs and maintenance, and fuel. Depreciation was placed at Rs. 83 crores and a special appropriation of Rs. 19 crores has been made to create a pension fund.

The main details of these items, as compared with the previous year, may be seen from Table I below:

TABLE I

INDIAN RAILWAYS' FINANCES DURING 1962-63 TO 1964-65

(In crores of Rs.)

	1962-63	1963-64*	1964-65**
Gross traffic receipts	566.79	622.22	668.00
Ordinary working expenses	362.38	393.34	414.68
Depreciation	67.00	80.00	83.00
Appropriation to pension fund	—	—	19.00
Payments to worked lines	0.14	0.14	0.14
Total working expenses	429.52	473.48	516.82
Net traffic receipts	137.27	148.74	151.18
Net miscellaneous expenditure	13.95	15.96	17.08
Net revenue	123.32	132.78	134.10
Payments to general revenues†	68.76	82.53	90.73
Payments in lieu of passenger tax	12.50	12.50	12.50
Net gain or surplus	42.06	37.75	30.87

* Revised estimates. ** Budget estimates. †Also called dividend.

The picture of buoyant revenues which Table 1 conveys does not indicate the signicant shortfalls under coal, export ore and raw materials for the steel plants, as these have been made up by compensating traffic in the high-rated categories during 1963-64. The financial figures cannot always indicate the true picture of the volume of traffic because of the effects of changes of fares and freight rates. The volume of traffic has to be examined from this point of view. Current figures available relate only to wagon loadings during the first half of the year. These indicate that the broad-gauge lines handled 3,637,000 wagon loads during April-September 1964 or some 41,000 less than during the corresponding period of last year.

The loadings on the metre gauge, however, have been on the increase, but the improvement here cannot offset the deterioration on the broad gauge which handles by far the largest proportion of the total traffic. What has made the trend rather disturbing are the lower levels of the broad-gauge loadings from May onwards, compared with the previous year, as shown in the accompanying table.

TABLE II

MONTHLY WAGON LOADINGS DURING APRIL-SEPTEMBER 1963 AND 1964

Year	Broad		Metre	
Month	625,998	633,038	296,713	328,392
April	624,711	617,574	301,104	318,156
May	596.925	607 115	281,199	297,546
June	629,723	602,165	298,618	294,863
July	601,829	678,034	293,287	290,772
August	599,047	598 831	293,050	288.813
September				
Total	3.678,152	3,637,187	1,757,809	1,876,180

The principal items under which the decreases have occurred and their comparative extent may be seen from Table III showing the cumulative loadings by commodity groups during the six months on the two gauges.

TABLE III

WAGON LOADINGS, APRIL-SEPTEMBER 1962, 1963 AND 1964

	Broad gauge		
	1962	1963	1964
Coal and coke for the public	774 175	883.390	836.621
Grain and pulses	207,649	243.590	233.920
Cotton, raw	10.295	9.703	8 558
Cotton, manufactured	5,522	4,832	4 786
Jute, raw	31,789	24,101	20 652
Sugar	35,620	32,882	27,754
Sugarcane	11 730	153	240
Tea	5,793	6,427	5.199
Metallic ores, manganese	30,841	24.042	30 580
Iron ore	289,333	342,589	321,000
Limestone and dolomite	134,193	127,489	117,376
	Metre gauge		
	1962	1963	1964
Coal and coke for the public	135,362	157,008	140,227
Cotton, raw	9 165	7,894	7,537
Cotton manufactured	1,339	1,553	813
Jute, raw	33,065	26.165	20,513
Jute manufactured	2,903	2 101	2,632
Sugar	40.741	38,294	30,133
Sugarcane	72,283	21,323	14 305
Iron and steel, others	36,734	36.299	34.575
Tea	10 514	10,336	8.690
Metallic ores, others	12,091	9,704	5,052

Drop in Some Commodities

The recession in one or two commodities may occur for unexpected and unpredictable reasons at all times. But the commodity groups referred to in the table are rather too many and too important for complacency or comfort. Coal despatches, according to later reports, are down by about 2 million tons. Iron ore production has also dropped by 4 percent during January-August over the corresponding period of last year.

There is still the second half of the Budget year in which the lag of the first can be overtaken and the earlier anticipations concerning increased traffic made good. The dilatoriness of official statistics militate against any worthwhile probe into the future. It is not clear that the economy has regained its resilience and, at the time of writing, the situation concerning food and prices has given rise to a great deal of anxiety. Although the penultimate year of the third plan should, from previous calculations, prove more promising than its predecessors, it would be unrealistic for more than operation on a lower key, say, the current levels of traffic volume.

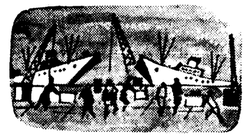
The position concerning capacity has become easier because of goods traffic not coming up to expectations. The passenger services have, therefore, been allowed to take up some of this, and there have been additions to trains as well as extensions to existing services. The approximate passenger earnings during the first half-year amount to Rs. 100.06 crores, or about 46 percent of the budgeted figure. If the present difficult situation in the domestic economy, particularly in the light of the erosion of incomes due to rising prics, continues much longer—it is difficult to see that it may not—a recession in passenger travel cannot be ruled out.

It is useful to view the latest year in the perspective of the performance of recent years. Table IV on page 118 shows how 1962-63 compares with 1950-51. The finances of the railways have increased under gross traffic receipts to 275 percent of the earlier year. The ordinary working expenses have just about doubled. The net revenue has risen from Rs. 48 crores to Rs. 123 crores.

The volume of traffic during this period shows an increase of 37 percent under originating passengers, 27 percent under passenger-kilometres. Under the impact of the plans and industrial activity freight traffic has gone up by 143 percent under originating tonnes and 138 percent under tonne-kilom tre. The additional train-kilometrage operated amounts to 28 percent under passenger and the proporti n of mixed, despite the considerable increase to 55 percent under goods and proportion of mixed.

Increase in Equipment

To secure these results, there has been a great increase in the equip-



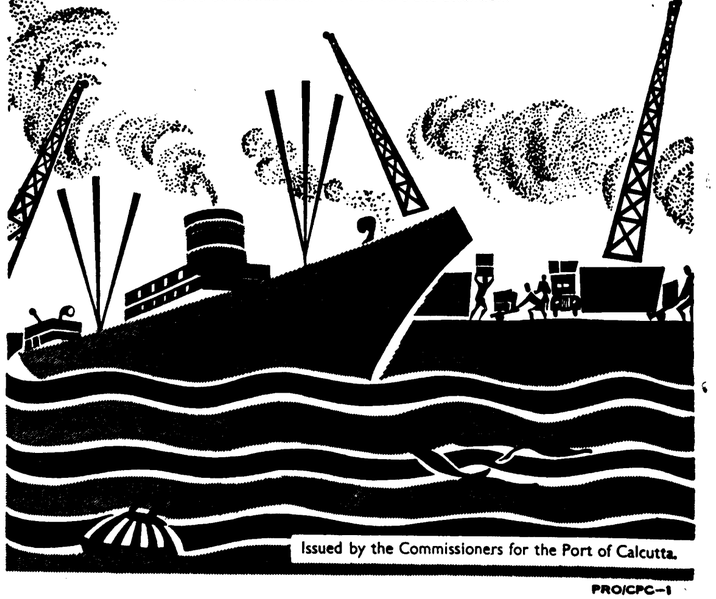
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TABLE IV

RAILWAY REVENUES AND TRAFFIC DURING 1950-51 AND 1962-63

	(Rs. in crores, other figures in million) 1950-51	1962-63
Gross traffic receipts ..	263	567
Ordinary working expenses ..	180	363
Total working expenses ..	210	430
Net revenue ..	48	123
Number of passengers ..	1,284	1,749
Passenger-kilometres ..	66,517	84,078
Tonnes, originating ..	93	179
Tonnes, kilometres ..	44,117	100.693
Train-kilometres, passenger and proportion of mixed	154	196
Train-kilometres, goods and proportion of mixed ..	112	174

ment used. The number of locomotives has increased by 30 percent from 5,416 to 7,042 on the broad gauge and by 52 percent from 2,494 to 3,788 on the metre gauge. The increase in the tractive power of the locomotives has been even more, namely, 109 million kilograms or 46 percent (B.G.) and 32 million kilograms or 64 percent (M.G.). The number of coaching vehicles which was inadequate to cope with the postwar demands of passenger traffic has increased by about two-thirds on both gauges.

The number of seats in the upper classes are up by 73 percent (B.G.) and by 40 percent (M.G.); in the third class by 36 percent (B.G.), and 78 percent (M.G.). The larger number of coaching stock has undoubtedly contributed to the substantial relief to overcrowding of trains in recent years. Turning to goods wagons, there has been an increase of 45 percent to 200,166 on the broad gauge and of 92 percent to 95,279 on the metre gauge. The increases in capacity have been even greater, namely, 57 percent and 129 percent, respectively, on the two gauges.

As against these striking increases, the size of the railway network has shown only a slight increase of about 5 percent from 53,955 kilometres to 56.742 route kilometres. There has been a greater increase under track-kilometrage from 76,248 to 87,019. But there has been a remarkable increase in electrification of the lines, from 380 route kilometres to 1,614 route kilometres and from 913 kilometres to 4,176 track kilometres.

These large additions to equipment, shown in greater detail in Table V under the different physical assets of the railways, have necessarily involved a considerable amount of new investment. The capital at charge of the Government railways has increased spectacularly from Rs. 827 crores in 1950-51 to Rs. 1,897 crores in 1962-63. Although this represents an increase of 138 percent, this is not all. For, other assets, not included in this figure, have been added to the railways financed from the depreciation fund and the reserve fund, amounting to Rs. 816 crores. Taking also this into account, the total works out to Rs. 2,713 crores, representing an increase of more than three times, namely, to 327 percent. So large an increase if considered from the point of view of the actual traffic increases would seem to be rather disproportionate. But railways have to plan ahead to provide capacity to meet future requirements, exceeding the current demands, by way of line capacity works, equipment and other facilities. The electrification programme should permit of much larger capacity than might be in evidence at present.

TABLE V

PHYSICAL ASSETS OF INDIAN GOVERNMENT RAILWAYS

	Broad-gauge 31st March		Metre-gauge 31st March	
	1951	1963	1951	1963
Mobile equipment:				
Locomotives:	5,331	6,575	2,490	3,697
No. Steam	..	35	..	27
Diesel Hyd.	17	219	..	60
Diesel electric	68	213	4	4
Electric	5,116	7,042	2,494	3,788
Total				
Tractive power (in million kilometres)	68	97	19	31
Steam	0.2	0.5	..	0.26
Diesel Hyd.		5.0		0.98
Diesel electric	0.95	3.33	0.04	0.02
Electric				
Rail cars: (Internal combustion)	11	31	7	46
No.	1,006	2,616	267	2,287
Seats	95	302	24	30
Electric motor coaches No.	14,768	51,787	1,248	2,388
Seats				
Coaching vehicles:	6,868	11,490	5.640	9,226
No.	67,678	116.971	33 504	47,467
Seats: Upper classes	512,887	780,515	266,728	474,999
Third				
Wagons:	85,948	126 345	32,973	58,228
Covered: No.	1,895	2,813	446	911
('000 tonnes) Capacity				
Open, high-sided	49.395	72,132	3,132	13,895
No.	1,099	1,950	52	264
Capacity ('000 tonnes)				
Open, low-sided:	2,430	1,689	3,005	3,156
No.	60	38	44	48
Capacity ('000 tonnes)	13,712	31,170	4,399	12,040
Special wagons, No.				
Fixed equipment:	25,259	27.359	24.185	25,063
Route kilometrage	42,013	49,687	29,536	32,451
Track kilometrage				
Kilometrage electrified:	351,853	1.578	36	36
Route		4.097	79	79
Track				

Rise in Staff Strength

The number of staff has risen in 1962-63 by 33 percent from 913,553 in 1950-51 to 1,212,040, in response partly to the demands of additional traffic. The number of staff is also affected by the capital investments in the industry. There is a close correspondence between employee productivity and the ratio of capital an employee. A comparative increase in the ratio of capital is always accompanied by increased productivity, generally more than in proportion to the extent of such increase. The capital an employee in 1950-51 worked out at Rs. 9,053; it has risen to Rs. 22,283, or to 247 percent in 1962-63. It should be worth while to enquire as to how the productivity of the railway employee has fared from this point of view.

The productivity of railway employees may be measured in terms of train-kilometres—the number of trains and the distances to which they have been operated—and the kilometrage under the passengers and goods. The ratio of train kilometrage an employee has risen during the period covered here from 290 to 305, or by about 5 percent. The ratio of transport output—taking the passenger kilometres and tonne kilometres together representing the transport output—worked out, at 152,441 in 1962-63 an employee, compared with 121,103 in 1950-51, an increase of 25 percent. These are overall averages, and some allowance has to be made for a train-kilometre now representing much more than what it did in 1950-51. But even taking into account the allowance to be made for such differences, the figures of productivity compares rather too poorly with the increase in the ratio of average capital an employee.

There must, of course, be reasons for these differences, which require to be probed further. While there have been gratifying advances in several factors of operating efficiency, the average speed of goods trains have been consistently on the decline. Despite the additions of more modern equipment such as the high-powered diesel-electric and electric locomotives, the speeds of goods trains have dropped from 17.4 kilometres to 15.4 kilometres on the broad-gauge and from 15 kilometres to 13.6 kilometres on the metre gauge. Heavier loads in trains are no answer to slow speeds, and unless there is improvement here fairly quickly, there is bound to be more costly operation to all concerned.

Lack of Cost-consciousness

As a commercial undertaking, the railways have in recent years missed the stimulating influence of cost-consciousness, essentially because transport has been enjoying a sellers' market, and because of the ease with which their revenues can be augmented by raising rates and fares. The effect of this is writ large in the average receipts a passenger and a tonne a kilometre.

TABLE VII

AVERAGE RECEIPTS A PASSENGER AND A TONNE A KILOMETRE

Year	Passenger	Tonne Paise
1950-51	1.45	3.20
1951-52	1.72	3.27
1955-56	1.72	3.50
1959-60	1.72	3.72
1960-61	1.71	3.87
1961-62	1.85	3.98
1962-63	2.01	4.12

The average has gone up by 38 percent by 1962-63 a passenger and by 29 percent a tonne a kilometre, and this, be it noted, especially during a period of unprecedented growth in the volume of traffic and steady improvement in operating efficiency. Formerly, any proposal for the enhancement of fares and freight rates would have had to pass through a critical Central Advisory Council and Standing Finance Committee. The abolition of these under the Constitution has deprived the country as well as Parliament and the Government of the benefits of the valuable scrutiny of these committees. The debates in Parliament can hardly afford the scope for the deliberative examination which can be conducted in the calmer atmosphere with the executive officials to assist. The result has undoubtedly been a diminished sensitiveness to financial controls, compared with the past.

This can be put right only if Parliament adopts a more effective method of scrutiny. It has now to allow for factors which did not exist before. One of these refers to the execution of many large projects under the plans, and these cannot brook the delays characteristic of the financial surveillance of a more leisurely period. The procedures have to be expedited. Another is that suggestions of strict financial justification of expenditures and new investment are often put off by vague appeals to increased employment, the obligations of a welfare State, etcetera, backed by political commitments or pressures. In the circumstances, it seems, easier to manipulate rates and fares, when such a course can be resorted to with the least trouble, than to cut down expenditure on items productive of neither additional earnings, nor economy. It is possible to be over-enthusiastic about regional claims of railway development, labour welfare schemes and concessions to special interests when no great difficulty need be experienced in finding the funds. The recent extension of the pension benefits to the railway employees seems to have fallen into this category.

Individually, some of these measures can be justified on large humanitarian grounds. Starting in a modest and limited way involving comparatively small expenditure, such proposals gradually increase in number and raise questions as to how these are going to be financed. If such socially desirable objectives are pursued at public expense in a particular public sector or industry, irrespective of their relation to the general level in other sectors, a more

serious injustice is perpetrated by transference of benefits to particular groups of employees, thereby creating preferred groups. It would indeed be an odd kind of socialist policy if this result comes about from deliberate State action.

Wrong Allocation of Resources

A situation of this kind can indeed be exceedingly susceptible to wrong allocations of resources of a pretty large magnitude. Insistence on financial justification is about the only means of preventing the law of diminishing utility to apply in the case of expenditure of the character just referred to.

The future of the railways is apt to be affected not only by these factors, but also by the present indecision as to transport policy in the country. When enormous sums are being invested in the provision of facilities for the different forms of transport, it is of the utmost importance to see that the outlays are so made as to be to the best advantage of the country. This means something more than elimination of inter-agency competition or the so-called co-ordination. It means that there is definite awareness of the economic fitness of each form of transport to handle particular traffics, and that the different media of transport are being so developed as to ensure adequacy of capacity for each eventually, if not immediately.

It also means that there is a clear recognition on the part of the policy-makers of the present state of transport and the tasks expected to be handled, what is needed to cope with the dimensions of the tasks of the immediate future, and finally, the emergence of adequate transport facilities so as to allow the different means of transport to handle the nation's traffic according to their respective economic suitability. Transport policy must take into account not only the relative state of development of the different agencies in relation to the traffic currently handled by them, but also of what is required to enable them to attain optimum capacity in relation to the needs of the future.

The nation, unfortunately, has been no wiser all these years for the labours of the Committee on Transport Policy and Co-ordination since 1959. Until its report comes out, it will not be known to what questions of transport policy, it will seek to provide an answer. If rumination over the ascertainment of policy takes all this time, how much more unpredictable will be the process of its implementation! Meanwhile, vast sums are being expended on transport in all its categories without any clear vision as to what they ought to be. For economic activity cannot be suspended till a leisurely committee makes up its mind to announce the conclusions it has reached.

There is indeed a note of urgency on this subject, because the dangers of the present drift are that too many at different levels are exerting pressure on transport policy and not all of them for sound reasons. The result is seen in the present unsatisfactory state of inter-State road transport, passenger as well as goods,



Boiler being made at a locomotive works

the procedure for licensing, and the regulation of rates and fares. The task of indicating what gaps have to be filled and how may have to be left to another committee to examine and report within a prescribed period.

The railways are too deeply interested in the enunciation of a sound national transport policy. In the absence of a properly organised alternative transport, they are often obliged to assume uneconomic burdens. It is certainly not in the nation's interests that an agency eminently designed for mass and long distance transport should be used for movement of smalls. But then, if there is other means for moving such traffic, there is no escape for the railways from having to handle them. This is a situation in which only a balanced transport policy and its implementation can help.

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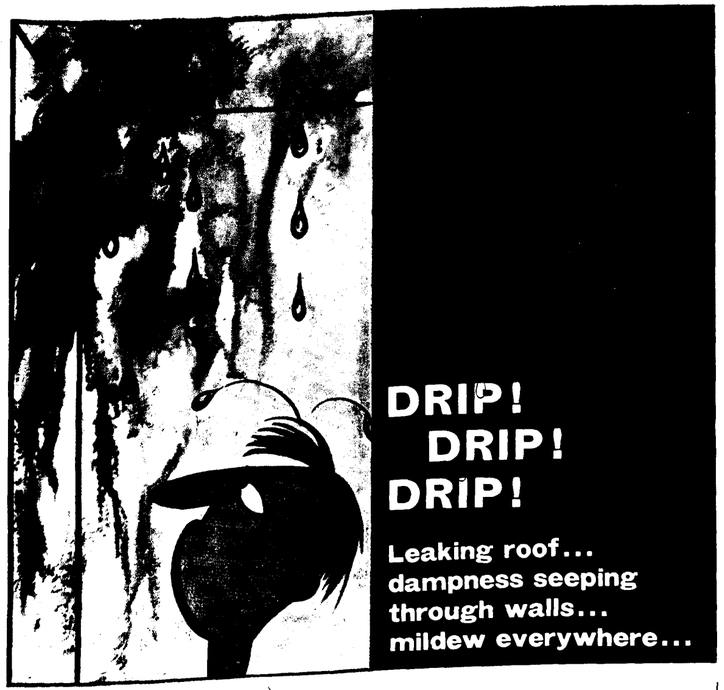
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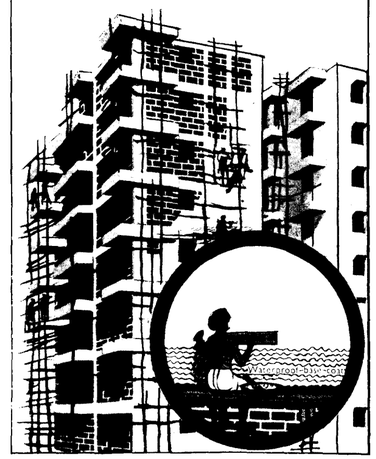
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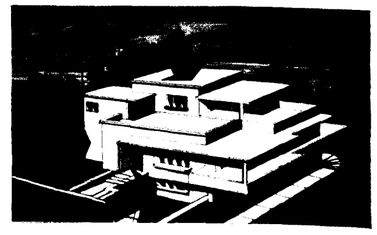
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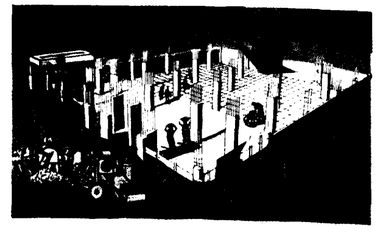
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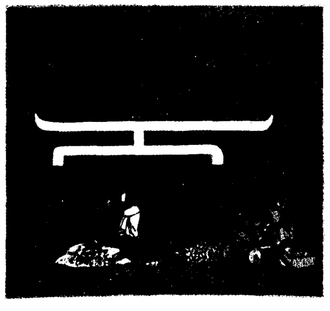
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Raising Indian Exports to E.E.C.: Prospects of Tariff Concessions Uncertain

If India can increase her exports to the E.E.C., it will be possible for her to increase her imports from that region. But the Indian plea for tariff and other concessions has yielded little by way of practical action so far.

By
MALCOLM SUBHAN

INDIA'S efforts during 1964 to improve her trading relations with the six-member European Economic Community were largely conditioned by the U.N. Conference on Trade and Development and the struggles of the contracting parties to the G.A.T.T. to revise it. The conference, which was attended by 119 countries, is likely to be regarded in years to come as marking a turning point in the economic relations between industrialised and developing countries. It was the first major conference to focus attention on the economic problems of the developing countries, and the first to stress the importance of foreign trade as an instrument of economic development.

During the conference, a large number of delegations strongly criticised the G.A.T.T. for its failure to help the economically weaker countries, and urged that it be replaced by a more representative organisation. A number of the developing contracting parties, including India, took the view that it would be more useful to write into the General Agreement a new chapter on the trade and development problems of the developing countries. Although attempts to revise the G.A.T.T. were begun in 1963, progress was slow, and the project was shelved pending the outcome of the recent world trade conference. Efforts to reach agreement on the model chapter were redoubled this autumn, and the special session of the contracting parties in mid-November was expected to adopt a new chapter whose operative section is based on the G.A.T.T. Action Programme.

Multilateral Negotiations

India's relations with the E.E.C. must be seen against the background of these multilateral negotiations in which both India and the E.E.C. have played important—if opposing—rôles. Like other developing countries, India has been trying to secure tariff and other trade concessions through bilateral as well as multilateral negotiations. Like many of them, she maintains relations with each of the six member States of the E.E.C. and also with its executive commission—the Hallstein Commission—in Brussels. At the same time, India is a member of various international bodies—the G.A.T.T. is only one of them—along with the six E.E.C. countries. This multiplicity of contacts is necessary as some ends are most readily achieved bilaterally whereas others must be pursued within a multilateral framework.

The choice of the forum may be dictated by external events. If India's efforts have been concentrated this year on multilateral trade negotiations, it is because the year has been dominated by such negotiations. The most important no doubt was the historic U.N. trade conference. One must not minimise the importance, however, of the negotiations within the G.A.T.T.: the Kennedy round, which opened this May and is expected to last two years, and the revision of the General Agreement. In a sense, India had no alternative but to concentrate her energies on these negotiations. When her Ambassador to the European Communities proposed last December informal talks with the Commission in order to study practical solutions to some of the graver problems facing India in her relations with the E.E.C., the Council of Ministers turned down the suggestion. The Six clearly were reluctant to negotiate bilaterally with India until they knew what the results of the various multilateral negotiations were likely to be.

The decision of October 1963, to grant India a number of tariff concessions unilaterally, appears to have been dictated by a desire to postpone bilateral talks for at least the coming year. As the concessions were of marginal importance in themselves, the Indian Mission continued to press the case for more comprehensive measures. In a letter to the Commission in January 1964, the Mission —after thanking the Community for the tariff suspensions on products of export interest to India—expressed the hope that talks would be held shortly on the many specific matters which could be resolved on a bilateral basis. It thus rejected the Six's argument that the solution to the remaining problems depended on the solutions adopted by the U.N. trade conference and the contracting parties to the G.A.T.T.

The request fell, on deaf ears, however. In its reply to the Indian *note verbale*, the Commission maintained its view that it was necessary to wait for the world trade conference and the Kennedy round to end before a detailed study along the lines advocated by India could be undertaken. This refusal even to envisage exploratory talks points to one of the principal difficulties facing India and other developing countries that try to open negotiations with the E.E.C. The decisions taken by the Six must be unanimous; hence they usually represent a compromise, between opposing points of view. But unanimous decisions tend to be rather more negative than if they have been taken on, say, a majority basis. Thus while some of the Six were prepared to consider sympathetically India's request for more substantial concessions, the need for unanimity resulted in a decision reflecting the opposing view.

The Hallstein Commission could perhaps tip the balance in favour of India (it has strongly urged exploratory talks with the Indian Mission in Brussels as a prelude to negotiations for a trade agreement); but its influence on the member-Governments has waned considerably since the breakdown of the British negotiations. The alternative to negotiations with the Community would be separate negotiations with each of the six member-States; but such bilateral negotiations are no longer possible on tariff matters as the Six now form a Customs union.

Views Exchanged

Exchanges on technical matters have continued between the Indian Mission and the Commission's experts, of course. In the early summer, the two sides exchanged views on such products as handloom cloth, jute goods and foodstuffs. Then in September, the Indian Mission addressed a second *note verbale* to the Commission drawing the latter's attention to the guidelines for tariff and non-tariff measures adopted by the U.N. Conference in June. The Mission expressed the hope that the Six would endeavour to apply them in their relations with India. The *note verbale* also proposed exploratory contacts for the autumn in order to prepare a programme of work based on a product-by-product approach.

Before examining the various solutions contained in the two Indian memoranda to the Commission this year, it will be helpful to examine briefly the basic problem which confronts India. It is primarily one of correcting the structural unbalance in its trade with the member-States of the Community. Although India's trade deficit with the Six has declined during the last few years, it nevertheless remains substantial, as the following table shows (the net deficit is defined as imports less exports plus aid):

INDIA'S NET DEFICIT WITH THE E.E.C.
(In $ million)

Member-country	1960-61	1961-62	1962-63	1963-64
West Germany	160	157	157	146
France	26	18	9	10
Italy	35	36	25	10
Netherlands	4	11	8	+2
Belgium	21	11	8	4
Luxembourg	Negligible			
Total	246	233	207	168

Although the overall deficit has been declining, that with West Germany remains substantial. Moreover, the decline is due not only to increased exports to the E.E.C. but also to a fall in the Community's exports to India. The emphasis clearly must be on finding ways and means of increasing India's exports to the Community: increased aid will merely postpone the day of reckoning. This is particularly true for aid given by the Six, much of which is in the form of suppliers' credits at commercial rates. The servicing of such loans inevitably represents a substantial burden on the economy.

The proposals contained in the Indian memoranda are, in fact, designed to fit in with the Six's common commercial policy, for they are largely based on measures already adopted by the E.E.C. It will be remembered that the Six last year suspended their tariffs on a number of products, the principal one of which was tea. The Indian Mission has suggested that these suspensions be extended to a number of other tropical products, including pepper, mushrooms, fresh and tinned fruits and juices, prawns and froglegs.

This list, which is not intended to be exhaustive of course, already bristles with difficulties from the Six's point of view. They maintain that as India is not the principal supplier, these suspensions would mainly benefit others. (Under G.A.T.T. rules, these suspensions would have to be on a non-discriminatory basis.) While the Six may not object to extending these concessions to other developing countries, they will certainly want to draw the line at countries such as Australia and the United States (both of which export tropical fruits). Moreover, the E.E.C. does not have unlimited freedom of action in relation to tropical products: the Convention of Associaton limits the concessions that may be offered. Imports of bananas, for instance, are subject to severe restrictions in order to safeguard the rights of the associated States and territories. (It is amusing to note that the Six had virtually agreed to suspend the tariff on froglegs, when the Belgians declared they could not support the measure as the sale of this item is forbidden in Belgium.)

A second group of products for which India is seeking tariff concessions includes such items as heavy jute goods, coir mats, handknitted carpets, handloom cloth and East India kips. There is a substantial tariff on nearly all these products in order to protect local manufacturers. Efforts were made to secure the reduction, if not elimination, of these tariffs during the British negotiations,

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but proved largely fruitless. India has now proposed the creation of new tariff sub-positions with sharply reduced tariffs. This would allow the Six to limit the concessions to products which are not produced in the Community in significant quantities and for which India is a principal supplier, *e.g.*, gray cloth produced from yarn of 30 counts and below and heavy jute bags. Although the Six have already made use of this technique—in the case of Iranian caviar, for instance—their response to the Indian proposal has been lukewarm. The fact is that the domestic industry in each case strongly opposes all attempts to reduce the level of protection.

Removing Tariff Differentials

The Indian memoranda also propose the elimination of the tariff differentials between raw materials and the finished and semi-finished products. Raw skins, for example, are allowed into the European Common Market duty-free, whereas the tariff on kips is 7 percent. Similarly, loose tea enters the E.E.C. duty-free, but tea in packets is subject to a 5 percent duty. (The Ceylon Government is trying to obtain duty-free entry for instant tea, which at present is subject to a duty of 24 percent.) A product-by-product study will obviously be necessary. Thus the Six have refused to remove the tariff on tea in packets on the grounds that such a measure would principally benefit British packers, while the main objection to eliminating the duty on kips has come from Italy.

Other Indian proposals cover products such as vegetable oils, manioc meal, sugar and tobacco, whose marketing prospects are likely to be endangered through the application of the common agricultural policy. (India's exports of manioc meal have already fallen sharply.) In certain cases—sugar and vegetable oils, for instance—the Community has not yet adopted the necessary regulations, and India has asked to be consulted before they are finalised. In other cases—tobacco is the principal one—the Six have granted preferential treatment to their associated States. The prospects for immediate concessions on these products are undoubtedly slight. For products such as sugar and vegetable oils, the Six are expected to follow a policy aimed at protecting either domestic interests or the interests of their African associates. Their reluctance to make concessions on vegetable oils is evident in the negotiations with Nigeria, despite the fact that for political reasons the Six would like these negotiations to succeed.

The final group of products for which India has requested tariff concessions includes her non-traditional exports of manufactured goods—light machinery, diesel engines, household equipment, etcetera. For such items a preferential suspension of the common external tariff was suggested in January, although with the failure of the industrialised countries to agree in Geneva to the creation of new preferential arrangements in favour of developing countries this solution is not feasible for the time being. It is not easy to find an alternative solution, however. A system of preferential quotas has been suggested, and may prove to be the only practical alternative. The Six have so far refused to consider a partial reduction of their tariffs on manufactured products on the grounds that it would only benefit other industrialised countries, especially Japan.

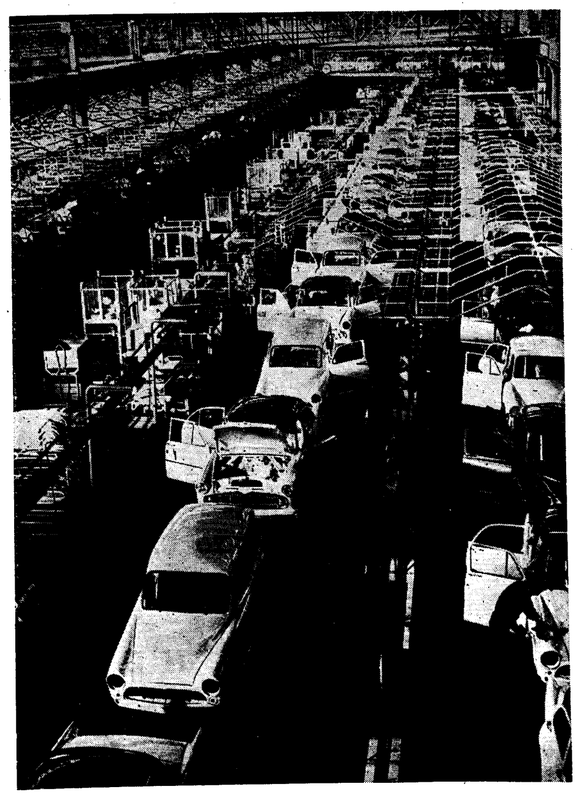
The two Indian memoranda also proposed a comparative study of tariffs on such traditional Indian exports as jute and coir products and their substitutes, paper and plastic in the one case and floor coverings in general in the other. Both the Indian products suffer from a tariff disadvantage in the sense that the tariffs on their substitutes are often substantially lower. At the same time, India has suggested an exchange of views on such problems as the supply of raw materials, principally mineral ores, to industries established in the E.E.C., preferential access for goods manufactured in India from raw materials imported from the E.E.C., and technical and financial assistance in production and marketing.

No Formal Reply

There has been no formal reply from the Commission to the *note verbale* of September, and it is clear that no decision can be expected before 1965. Much of the Indian effort has been directed at keeping India's problems constantly before the Commission, for it is recognised in official circles in Brussels that no action is likely in the near future on the Indian memoranda. It is not merely a question of lack of time on the part of the Six. After all, negotiations are going on with several other countries, and it is planned to hold talks at the level of experts with Yugoslavia at the latter's request. Some Community officials have suggested that the Six may agree to talks with India once discussion with Japan has started. Despite the obvious differences between the two countries, it is argued that the same formula—tariff quotas—may prove feasible in both cases.

In view of the severity of the present crisis within the E.E.C., it is extremely unlikely that the member-States will want to embark on any fresh ventures in the immediate future. The crisis—the gravest with which the Six have been confronted so far—has arisen over the French refusal to continue to participate in the work of the E.E.C. unless there is agreement on a broad range of agricultural problems, including the adoption of a uniform cereal price. The crisis is political as much as economic, however; it relates not only to the E.E.C. but also—and perhaps even principally—to the entire western alliance.

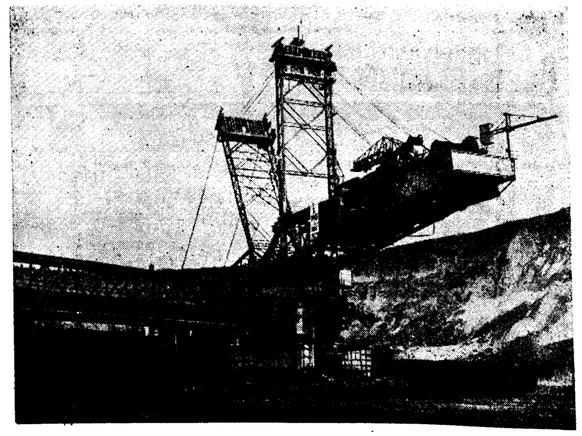
It must be remembered that for the French President the European Common Market is simply the first stage on the road to the political union of western Europe. The Franco-German alliance—intended as the cornerstone of this union—lost much of its significance with the departure from the political scene of Dr. Adenauer. His successor's readiness to accept the American proposals for a multilateral nuclear force is regarded by General de Gaulle as a betrayal of the principles enshrined in the Franco-German treaty. In order to prevent the emergence of a Washington-London-Bonn axis, the General has threatened to withdraw France from the E.E.C. unless the Germans accept the agricultural agreements for which he is pressing, and from N.A.T.O. unless the German and other European Governments abandon their plans to join the United States in setting up a multilateral nuclear force.



Assembly line in a French motor-car plant

Under such circumstances, bilateral negotiations with the E.E.C. are doomed from the start. Not until the present crisis has been resolved are the Six likely to be in a position to consider the numerous proposals outlined in the Indian memoranda. The alternative, of course, is to try to secure concessions through multilateral negotiations, such as those going on at present in the G.A.T.T. and familiarly known as the Kennedy round. (These negotiations are likely to suffer also as long as the E.E.C. is divided by internal disputes.) Moreover, multilateral negotiations can be as frustrating as bilateral—and even more time-consuming.

The solutions that India has proposed in its memoranda to the Six are inevitably among those which it has either proposed or supported in the G.A.T.T. and the U.N. Conference on Trade and Development. This is inevitable, for multilateral negotiations may be regarded as the extension of bilateral. The close connection between the two is perhaps best



Excavating machinery in use in a German lignite mine

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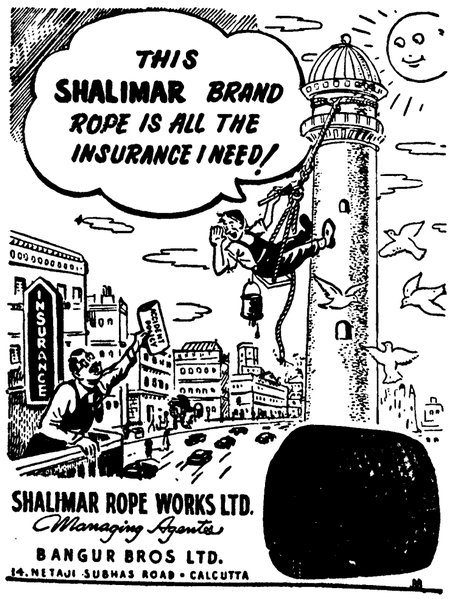
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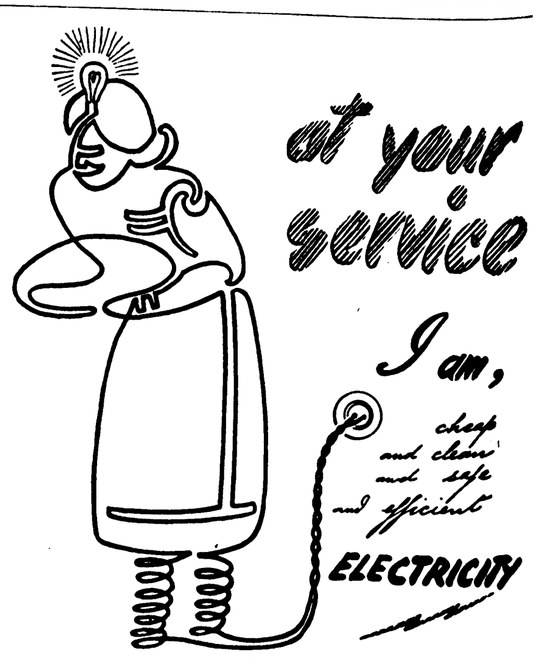
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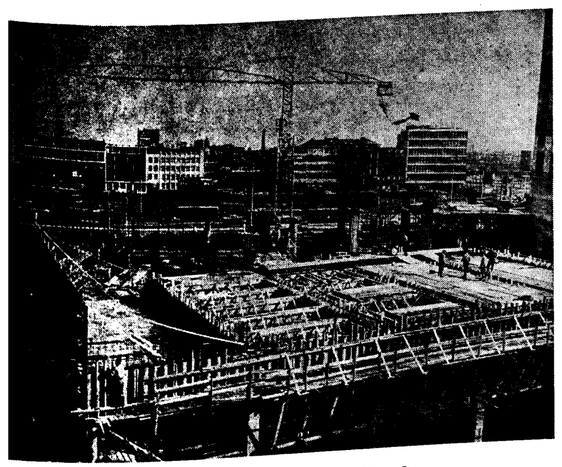
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emonstrated in relation to the ndian demand for preferential tariffs vhich, although it was made to the ix also, has been pressed mainly in he multilateral forums offered by the vorld trade conference and the .A.T.T. (where India has been supported, as for the principle at any ate, by the E.E.C.)

Principal Obstacle

The General Agreement, in its present form, is perhaps the principal egal obstacle to the creation of new preferences (except in connection with a free trade area or a Customs nion). The G.A.T.T. is based on the principle of non-discrimination, of which the corollary is the most-favoured-nation clause. What this means in practice is that any tariff concession offered by one contracting party to another must be extended to all other contracting parties. It is the application of this principle which will ensure that the developing contracting parties enjoy the tariff reductions which the industrialised eventually extend to one another during the Kennedy round. (It is likewise this principle which requires the Six to extend to all contracting parties any tariff suspensions they may grant India.)

India and the other developing countries have argued that in practice the principle of non-discrimination favours the economically strong at the expense of the weak. They have, therefore, been pressing for discriminatory treatment for developing countries—that is, for the removal of the restrictions on preferential arrangements, at least between industrialised and developing countries. A Group on Preferences was set up last year, and it eventually succeeded in drafting a clause which would make it possible for the industrialised contracting parties to extend preferences to the developing.

Although the Six have supported the proposed amendment to the General Agreement, its adoption has so far proved impossible because of the opposition of a handful of the industrialised contracting parties, the most important of which is the United States. While American opposition to preferential systems has its roots in the commercial history of the country, it is both economic as well as political in nature. Economically, the Americans feel that non-discriminatory tariff reductions, such as those envisaged under the Kennedy round, offer the developing countries the most scope for expanding their exports to the industrialised. Politically they maintain that the extension of preferences by industrialised to developing countries implies political links which, if acceptable in an earlier period, have no justification in the world of today.

The Special Session of the G.A.T.T. is unlikely to modify the General Agreement to admit preferential arrangements—even by treating them as temporary exceptions to the most-favoured-nation rule. The Group on Preferences, in fact, suspended its work indefinitely when it became clear that no compromise was possible. It is interesting to note, however, that during the opening session of the Kennedy round in May 1964, Mr. K. B. Lall, the leader of the Indian delegation, unsuccessfully tried to secure preferential treatment from the industrialised contracting parties by avoiding the use of the term "preferences."

Mr. Lall took as his point of departure the American claim that the Kennedy round will benefit both industrialised and developing countries alike. He pointed out that the negotiations would take considerable time, whereas the need for urgent action to solve the economic problems of the developing countries was widely recognised. He, therefore, urged the United States and other industrialised participants in the Kennedy round to extend the benefits of the projected 50-percent tariff reduction to the developing countries without waiting for the conclusion of the negotiations.

The failure of the developing contracting parties to secure preferences under the G.A.T.T. does not mean that all efforts will have to be abandoned for the time being. The fact is that a parallel struggle to secure preferential treatment was initiated in the U.N. Conference on Trade and Development, and is being continued in the special committee set up by the U.N. Secretary-General, U Thant, at the recommendation of the Conference.

From the Indian point of view, preferences are of importance only in relation to semi-manufactured and manufactured products; in the case of raw materials and primary commodities India has been pressing—along with other developing countries—for the complete elimination of all tariff and non-tariff restrictions, This is the basis of the Action Programme prepared by 18 developing countries and adopted by the G.A.T.T. ministerial session in 1963; and it is expected that it will be embodied in the model chapter to be incorporated into the General Agreement. Consequently, when India presented her proposal for preferential tariffs at the U.N. Conference, she did so in the second committee, which was concerned with the trade in manufactures and semi-manufactures.

Two Main Proposals

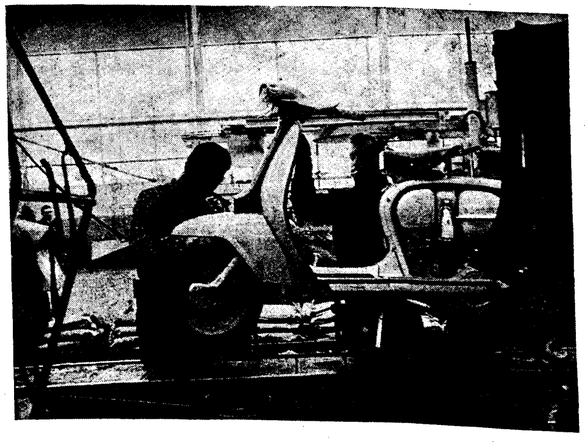
Interestingly enough, the two main proposals for preferential arrangements before the second committee were submitted by India, on the one hand, and Belgium on the other. The Indian proposal called on industrialised countries to modify their tariff structure so as to "provide for import duties on products imported from developing countries, which are not accorded duty-free treatment, to be reduced by a minimum of 50-percent of the m-f-n rate." It stipulated that the preferential treatment should be extended uniformly and in a non-discriminatory manner to all developing countries for a period of at least ten years.

The Belgian proposals, which were supported by the other members of the E.E.C., although they were presented on behalf of Belgium alone, provided for preferences to be granted by industrialised countries to developing on a selective, temporary and degressive basis. Under the Belgian plan, preferences would be extended only to countries that asked for them and only for products which had been approved by a committee on which both industrialised and developing countries were represented. The committee would also determine the size of the preference and its duration. Such preferences would be degressive in the sense that they would be gradually reduced during the period for which they were granted.

The Belgian proposals obviously appealed strongly to a number of the economically weaker developing countries. They were criticised by India's representative. He pointed out that experience had shown that product-by-product negotiations are time-consuming and generally unsatisfactory, and suggested that the conference adopt instead "a scheme of general preferences . . . providing in special cases for individual exceptions from the rule of preference." He also held that degressive preferences were contrary to the widely accepted principle of trade liberalisation.

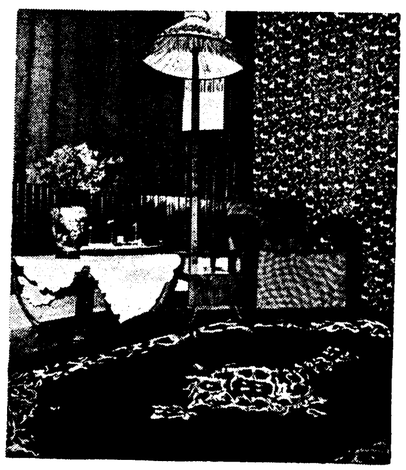
The developing countries that had initially opposed the Indian proposal for generalised preferences were persuaded to support it after it was made clear to them that their needs would be met by "special measures, particularly in the field of financial and technical assistance." The result was that the demand for generalised preferences was soon supported by all the developing countries and by a number of the industrialised, including the U.K. The United States, however, refused to accept either proposal, and in the end forced the developing countries to accept a compromise under which the U.N. Secretary-General would appoint a committee to re-examine the entire question.

If there is any lesson to be drawn from the Indian experience, with the Six as well as within the multilateral framework of the G.A.T.T. and the U.N. trade conference, it is that trade negotiations proceed slowly, and that in the last analysis concessions are not made on the basis of altruism but in return for real or imagined benefits. Consequently, India has tried to demonstrate to the E.E.C. that the expansion of her exports to the Community will make it possible for her both to increase her imports and to service the debt she has already contracted. In the multilateral forums, India has tried to show that the same principles are valid whether applied multilaterally or bilaterally. However, even when the argument carries conviction, its translation into action may still be far off.



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STRENGTHENING COMMONWEALTH RELATIONS THROUGH CONSTITUTIONAL LINKS

The Commonwealth is an association of free nations. Its economic ties are strong. The political bond could be strengthened through constitutional links such as a Commonwealth Privy Council.

By
A SPECIAL CORRESPONDENT

As a welcome sequel to the success of the last Commonwealth Prime Ministers' Conference, even the Astor-owned *Times* and *Sunday Observer*—hitherto dedicated to the U.K.'s political and economic integration with continental Europe—now admit that the Commonwealth embodies a greater economic and political "potential" than its critics have hitherto realised. Both national parties, *The Times* now affirms, are "Commonwealth Parties", and that at least is a step forward. As a politico-economic group, covering four continents, the Commonwealth, if well organised, offers wider scope for economic development than any alternative combination in the non-communist world. It has a moral, as well as material, appeal.

No other group is making a comparable contribution to the extension and development of parliamentary democracy. India—the most populous market in the non-communist world—is also the world's largest, and not the least stable, parliamentary democracy. It is too early to condemn the new African States, all less than a decade old, for immaturities not unnatural at this early period in their experience of responsible Government. Mr. Macmillan's attempt to take the U.K. into the European Common Market included one domestic objective, none the less impelling, although not publicly avowed. Inclusion of U.K. industry in a continental confederation, based predominantly on a commercial foundation, would have rendered it immune, at any rate for many years to come, from further nationalisation by placing it firmly and irrevocably on an international basis. The industrial egg, once scrambled, would have been extremely difficult to reintegrate. Another five years of Tory Government would probably have achieved that aim, and forced the Labour Party to seek an alternative philosophy and programme.

The aim was high, but so was the price—much too high. There are alternative ways of defeating or sterilising the form of creeping economic paralysis typified by bureaucratic socialism. The surest way to perpetuate and reinforce current prosperity would be to mobilise the political, economic, and financial resources of the welfare State to develop, step by step, a welfare Commonwealth. That is not a political day-dream. A Commonwealth decade of development depends for its success only on vigorous leadership.

Forms of Aid

The financial aspect is as important as the technical. American aid, on an 80-percent buy-American basis, is leading, *via* price inflation, to debt inflation and cumulative exchange difficulties which are now slowing down progress. Mechanical aid, in the form of peasant tractors, would avoid all three objections. Disused arsenals, aircraft factories, etcetera, could all be turned over to participation in the "war against want." An upsurge in agricultural productivity would underpin industries in the new Commonwealth States which are now forced to seek overseas markets because their own vast rural populations are, for the most part, unable to buy sufficient food, much less sufficient clothing, and other normal amenities. The weekly pay-packet of British workers exceeds the yearly income of an overwhelming majority of the 650 million citizens in the Commonwealth.

U.K. industry is being mobilised to reinforce mechanisation and chemicalisation of the communist *bloc* farms—with the active credit-support of the U.K. Government. The Government should apply at least equal energy and resources to stepping up Commonwealth farm productivity. The potential loss to U.K. exports ascribed to exclusion from the Common Market, has no economic warrant. Industrial production has never been more mobile and migratory. If any major exporting industry is unable to leap fiscal hurdles, tariff and non-tariff, it establishes branch factories on the right side of them. Some have done so; more will do so. A branch factory in Europe facilitates land-contact with 250 million or more potential buyers. Branch factories in Europe export employment, hoping to import dividends. U.K. industries are participating in local manufacture in every important Commonwealth country, helping to meet not only domestic demands, but export demands. Such industries would not have survived if the Beaverbrook dream of Empire Free Trade had crystallised. Political slogans rarely reflect sound economies whatever their origin or purpose. As the new chairman of a Commonwealth Economic Assessment Committee might discover, a programme of mutual aid, intelligently devised and applied, would show that the new Commonwealth countries offer U.K. industry the most lucrative "growth potential" accessible in the non-communist world.

Development Programme

The Common Market will not be neglected, but Commonwealth development programmes should go ahead concurrently. National development bonds are becoming productive. Local authority bonds are popular. Commonwealth development bonds, operating as export development bonds, are equally essential. The European and Commonwealth markets are complementary, not mutually exclusive.

Either the Commonwealth must draw closer together or, inevitably, it will drift further apart. The Suez misadventure almost dispersed it under the Eden Ministry. The Common Market misadventure only failed to do so because of the Gaullist veto. At this juncture—excluded from Europe—Britain retains the opportunity to regain Commonwealth leadership. Nostalgic imperialism in some circles has been succeeded by nostalgic Europeanism. There is no conceivable electoral or economic profitability in either mood.

Political Reconciliation

Those who prefer to look forward rather than backward, regard the creation of the new Commonwealth States—all voluntary members of the Commonwealth club—as Britain's "finest hour", constituting, as the Indian President said a few months ago, the "greatest act of political reconciliation in human history." Analogously, the Burmese Secretary-General of the U.N.O. described the new Commonwealth as "one of the noblest chapters in human history". Then why deplore as a calamitous defeat the completion of the political task all British political parties were pledged, irrevocably, to achieve?

In the British imperial record, there have been no Congos, no Algerias, no Abyssinias, nor, today, are there Cubas. The new Commonwealth States remain under the Crown because they are equally free to retain or abandon allegiance. The members pursue the same political ideals even though at varying paces, and perchance, with varying degrees of sincerity. There are dictatorships in the Commonwealth; but there are far more in Europe, and of older duration. There are more genuine parliamentary democracies inside the Commonwealth than beyond. All the new Commonwealth States, it is too often forgotten, are of postwar vintage. With 17 years of independence, India, the most mature, is nevertheless only of political under-graduate status. Some of the new African States are learning to walk, others have hardly reached that stage of growth and rank as kindergarten kids. Since when have mothers rebuked their offspring for lacking their own maturity of deportment and judgment? And why should the Mother of Parliaments show less tolerance and understanding than mothers of lesser experience and stature?

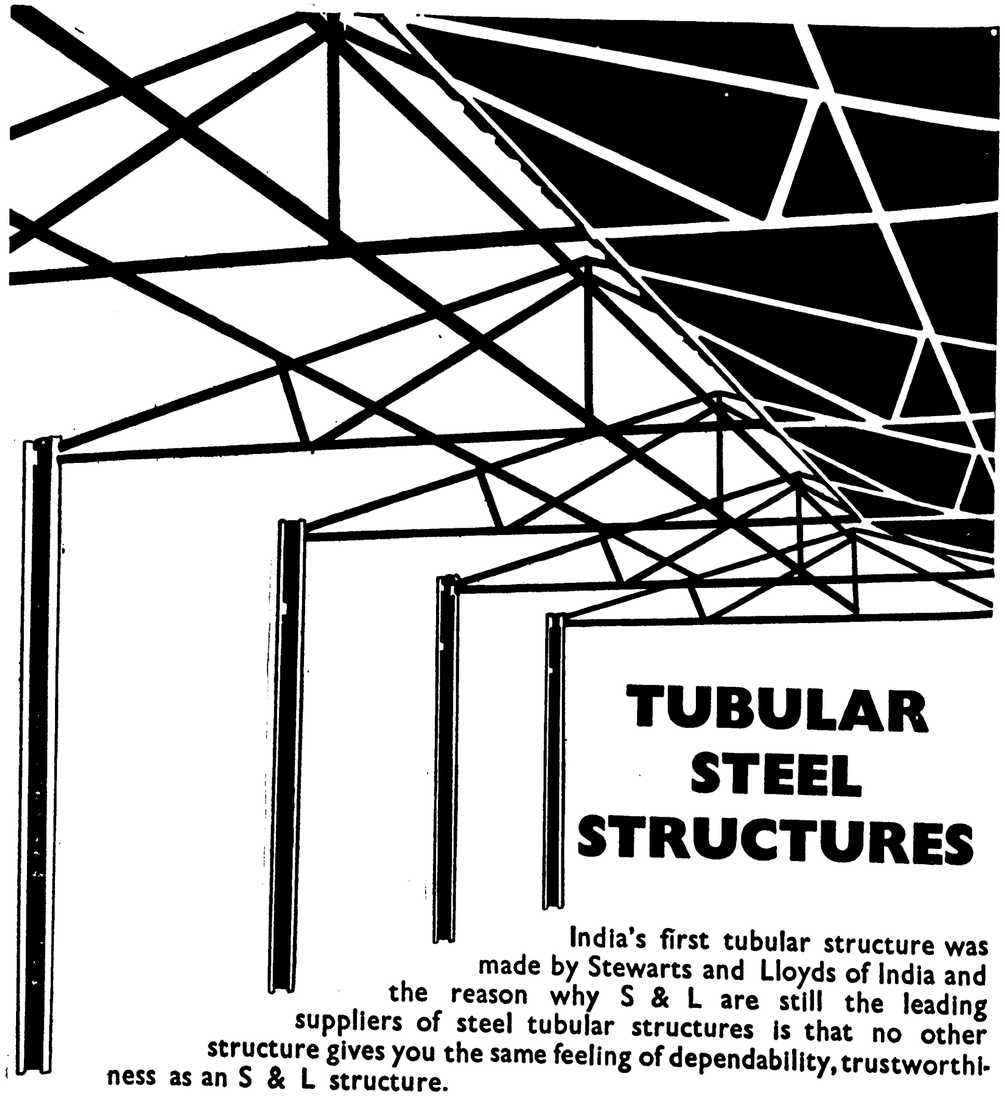
Closer economic links between Commonwealth units will, almost inevitably, lead to closer political links, leaving the political independence of all members completely intact. Commonwealth political links, enfeebled by decolonialisation, could be reinforced, on the new Commonwealth foundations, by placing the U.K. Privy Council on a fully Commonwealth basis, raising all Commonwealth Cabinet Ministers to that proud status (Right Honourables).

New Ministry Needed

The first step should be the supersession of the obsolete Commonwealth and Colonial Departments by a Commonwealth Economic Development Ministry focussed on economic problems alone. That transformation would facilitate concentration in the Foreign Office of all complementary functions including diplomatic relations. In that event as representatives of sovereign States, Commonwealth High Commissioners in London and other Commonwealth capitals should blossom into Commonwealth Ambassadors, adding diplomatic equality to political equality.

As members of a Commonwealth Privy Council, Commonwealth Cabinet Ministers would acquire constitutional contacts now wholly lacking. At this juncture such a link, wholly consultative even though Constitutional, might well prove mutually advantageous as between India and Pakistan in relation both to Kashmir and less explosive problems. At present—without such a constitutional link—meetings between Indian and Pakistani Ministers are ad hoc, and not always easy to arrange. Creation of a Commonwealth Privy Council would make contacts routine, and all the more fruitful for that reason. At this stage, Commonwealth Conferences are mostly limited to the Prime Minister level, and at varying intervals. A Commonwealth Privy Council would facilitate, and therefore encourage, recurring consultations at lower levels—among all Finance Ministers, perhaps linked in a Commonwealth Investment Council; among Foreign Secretaries; Education Ministers; Commerce Ministers, and so forth. No prior or post-commitment would necessarily be involved, but consultations might well promote prevision, and avoid policy clashes thereby: as, for instance, exemplified by the Suez and Common Market deadlocks, which a Commonwealth Privy Council would almost certainly have averted.

Another consultative link would also be opportune. The House of Lords might well gain additional prestige and value by developing into a Commonwealth Senate, using the new device of life peerages to promote that aim. If an Indian Peer, why not a Pakistani Peer? As there are Life Peeresses, who would be more welcome, and helpful, than Mrs. Pandit, who, as High Commissioner, President of the U.N.O. and in other high offices, has displayed competence and charm in equal measure. It might well be that if President Nkrumah agreed to become the voice of African nationalism in Westminster, the people of Ghana might have the opportunity to gain experience in the difficult art of parliamentary government. The experiment might prove enlightening.



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A British Venture To Keep Abreast Of What is New

By
OUR LONDON CORRESPONDENT

NOT far from London's Victoria rail terminal, there is a small office staffed by no more than 20 people who face a formidable task. They aim to collect, summarise, file and make available to industry details of all new products, all current development, all research. Seeing that the office came into being as recently as last April, the use of *all* is perhaps rather optimistic, at least at this stage, but there is no doubt that already, in the course of a few months, considerable progress has been made. It has written, or is in the course of writing, to every manufacturer who employs 20 or more people in the world asking for details of his new products, or the latest modifications to old ones, which the office undertakes to publicise free of charge.

In addition to this, it is establishing communications with universities and research bodies throughout the world asking for details of non-embargoed current research and development. Every report, abstract or bulletin, will be processed, put on to punched cards and incorporated in the monthly journal which the firm publishes. All this activity, of course, takes place behind the scenes. It takes a more tangible form in the New Product Centre, offering display facilities for the products themselves, and the Centre's monthly journal *New Products International*, which classifies condensed details of new products, processes, developments and research in an attractive form which proves easy to understand and, what is even more important, easy to use by those seeking information.

The Centre is run by a new company called Industrial Opportunities Ltd, for which the financial backing has been provided by Technical Development Capital Ltd, in which 41 insurance companies, merchant banks and investment trusts are shareholders, including Eagle Star, Legal and General, Prudential, Hambros and S. G. Warburg, among others. Sir John Benn, chairman of the United Kingdom Provident Institution, is chairman of Technical Development Capital, which was set up to provide risk capital to accelerate technical development on the lines suggested by the Radcliffe Report, but without any Government subsidies. T.D.C. has offices at 7, Copthall Avenue, London, E.C.2, the headquarters of Industrial and Commercial Finance Corporation, who act as secretaries to the Company. Because the New Product Centre will deal with projects which, in some cases, will require finance for their development, opportunities should arise in which its association with T.D.C. will be of advantage to all parties concerned.

New Product Centre

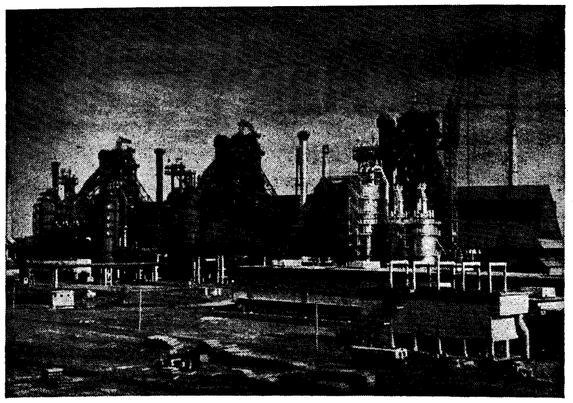
Essentially, the New Product Centre consists of (1) a filing system, (2) a means of providing information in "nutshell" form, (3) a library, (4) a "referral" service, and (5) display facilities for new products. The filing system has been started as a relatively simple lateral lay-out indexed according to the Europen Convention on the International Classification of Patents for Invention (this classification is used throughout the Centre and in the journal). It is controlled by a card index system which enables the Centre staff to locate by (a) class of product, (b) country of origin, (c) date of introduction. Ultimately, consideration will be given to changing over to a digital computer system.

The means of providing information in a nutshell form is represented by the journal itself. The library, which is also controlled by the card index system, contains relevant books, journals, papers and reports. It will be instantly apparent where documents not filed there can be obtained. This represents the essence of the "referral" method, which is the Centre's speciality. There will undoubtedly be many problems to which the Centre will not be able to provide an immediate solution. They claim, however, to know the most likely source of a solution to an industrial problem, especially those concerned with new products and processes, patents, manufacturing under licence, and disclosed research and development.

The Centre is Britain's first and indeed only industrial intelligence bureau, and that it meets a real need is evident from the fact that although it has been in existence for only a few months already well over 100 of Britain's top industrial companies are full subscribers, and even a larger number subscribe only to *New Products International*. Interest is fast developing both in the Commonwealth (members from which enjoy the same terms as those from Britain) and foreign countries. Full membership costs only 25 guineas a year, while the journal subscription is only 10 guineas a year.

Flow of Information

Information about new products and processes is reaching the New Product Centre at an ever-increasing rate. This is reflected in the steady expansion in the volume of the journal. The third issue of *New Products International* contained 10 percent more items than the first, and it is anticipated that this rate of increase will continue for some months to come. Already some 250 items of information are being dealt with each month. There is, of course, a good deal of wastage. Some "new" devices may be merely slightly modified versions of older products.



The blast furnaces in a State steel plant

What is a new product? It is a difficult question to answer. The Centre's definition is arbitrary, and also fluid. "A new product is a product which in our opinion is new to a market", they say. For instance, a product which is new to the French market, but old to the British, would be regarded as new (to satisfy French subscribers), but the washing powder in an exciting new dispenser would not be new, unless the brand had a new ingredient in it. Significant modifications are regarded as new, since by and large development inches forward with modification after modification and only occasionally do the Whittles and Flemings burst on the firmament.

The Centre's aim is to assemble in one package details of every genuinely new product and process marketed anywhere in the world. It also aims to supply a subscriber with details of products, processes, current research and development under any of the many classifications employed in summarised form or by referral to chapter and verse. The card index system which has been set up in the Centre, although still short on "memory", really works. It has proved more flexible than was first expected, and without elaborate cross-indexing. Queries in any particular field of manufacture can be simply and quickly "pre-screened" for possible reference to other fields. For example, a query on the spraying of crops raises possibilities in the internal-combustion engine, plastics and aircraft fields. This is not quite to suggest that the seeker after diversification may enter with crop spraying on his mind, but depart with the documentation necessary to enable him to launch into the plastics field, but, on a less dramatic level, this sort of thing does happen and has happened.

Answering Questions

A question which many visitors to the Centre have asked is: "Why should I be interested in a journal covering the whole spectrum of industry?" The answer lies in the fact that today we live in a world of specialists with little or no communication with the specialists in other fields than their own. Since an idea in one field so often has implications and applications for another, a journal such as *New Products International* serves as a catalyst or cross-fertilising agent. As a management journal it is surely essential reading for managing directors in small and medium firms, and technical directors, general managers and new product managers in larger companies. As the central processor of information (published in condensed form in the journal), the New Product Centre offers an invaluable service to top executives throughout industry.

Suppose a manufacturer is looking for a new product to produce under licence. The journal can offer him a wide variety from which to choose and the Centre can tell him how best to go about it. Perhaps he is looking for associated fields into which to diversify. Once again the journal gives him ample scope for selection. He may be seeking sub-contract work, and once again the journal can give him leads; or some one is requiring new lines to make his selling operation more profitable, so the journal provides the contacts.

Suppose an import-export agent is seeking new lines. Then *New Products International* summarises for him the products displayed at many more trade fairs than he can possibly visit himself, while also bringing him in summarised form a range of products he could match only by subscribing to at least a hundred journals. Or he may be anxious to find products to buy to make his own research, testing, production or administration more efficient. Then the Centre journal keeps him abreast of all the latest developments throughout industry.

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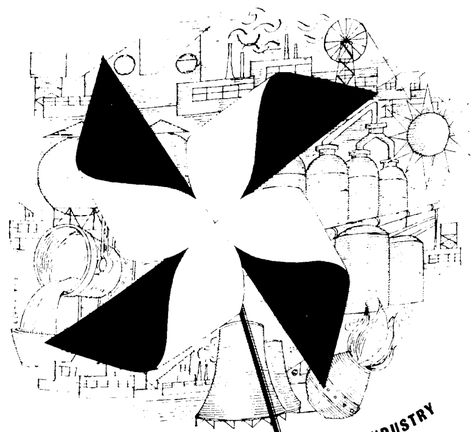


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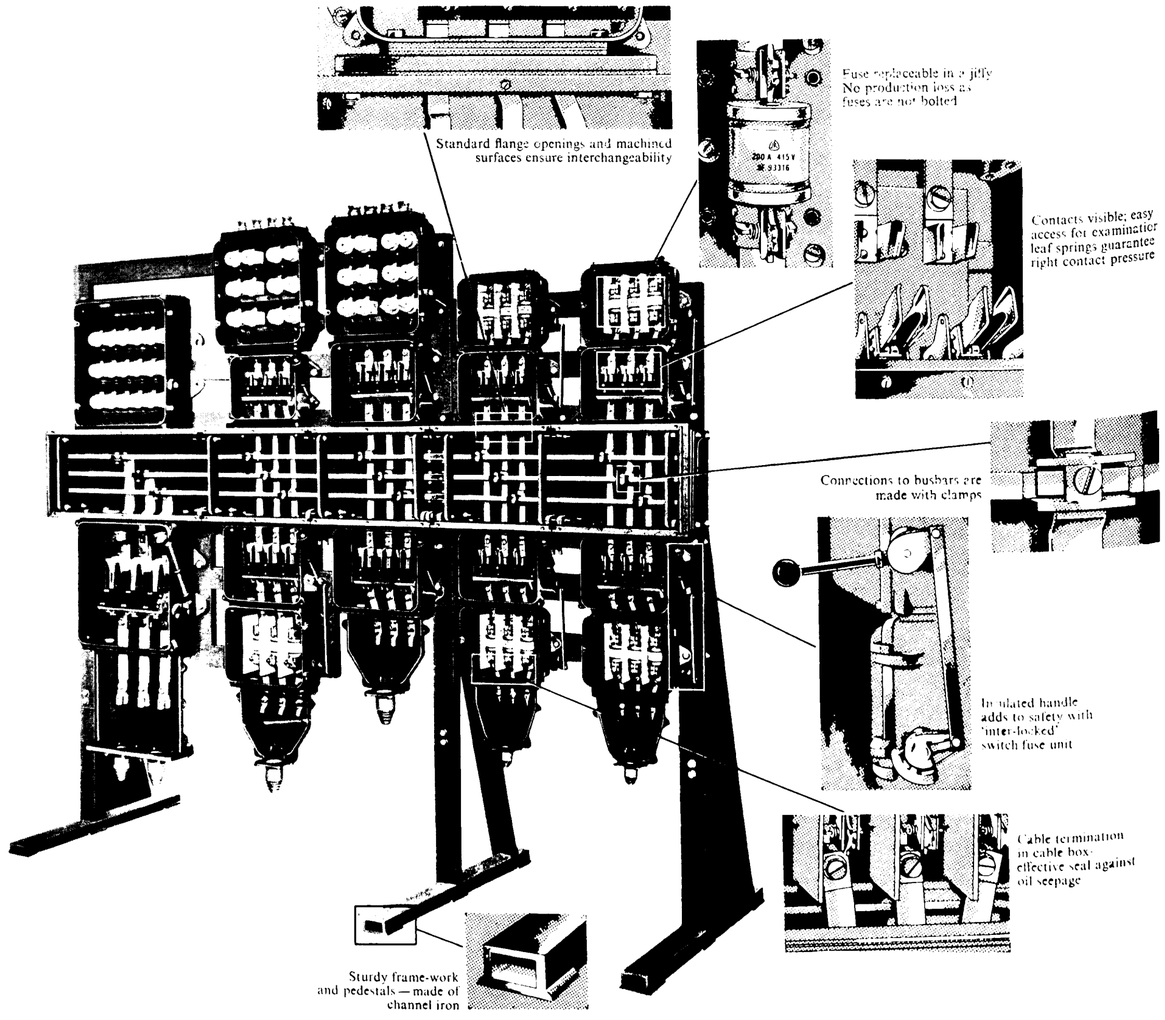
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FILMS IN INDUSTRY AND EXPORT PROMOTION

From being a medium of entertainment, films are fast becoming a means of industrial education. They also play a valuable role in export promotion.

By HUBERT E. WOUTERS

THE film is too often regarded solely from the point of view of its value as a medium of entertainment. It has other uses, and especially to industry as a whole, which call for wider appreciation. For instance, its use as a means of education offers opportunities for training apprentices or new employees, familiarising employees with new techniques, and not least in advancing the safety and comfort of workers. In this same field the film can do marvels in maintaining communications between management and labour and fostering better relations. But most important of all, perhaps, is the wonderful job the film can play in promoting sales of industrial products, especially in foreign countries.

It is possible to draw on the experience of British industry to illustrate just what facilities the film has to offer. So far as the use of films to communicate within organisations is concerned, Dr. Beeching, chairman of British Railways, and Sir Richard Costain, chairman of Richard Costain Ltd, the civil engineering contractors who work on projects all over the world, recently described to a meeting jointly organised by the British Industrial Film Association and the British Institute of Management, the communications problems met with in their very different circumstances and how they used films to help solve them.

Sir Richard explained that the problem of external communication for a rapidly growing organisation, even when faced with increased competition in the international market, is a comparatively straightforward one. Much more difficult is the problem of internal communication, for staffs of successful organisations tend to be overtaken by the increasing size and complexity of events. In the case of senior management it is essential that they be kept fully informed of the latest developments if they are to continue to be interested and efficient—yet the difficulty of doing this increases in proportion to the complexity of the information to be communicated. To give an example, Costain, as well as other major contractors, have adopted a method of planning sequential operations, based on a system evolved by contractors engaged on the American polaris project. Known in Britain as the "network analysis" or "critical path", the planning system is rather complicated and difficult to explain in writing. To ensure that Costain's technical and executive management fully understood the implications and operation of the system, a 15-minute film was made to put across the basic idea.

Aid to Education

The film, *Critical Path*, is a straightforward example of the power of the audiovisual media to explain and promote understanding of unfamiliar concepts. As there is considerable interest in the "critical path" system throughout industry—and as the film is the only one designed for British needs—Costain has made it available to industry through the Central Film Library, a Government operated organisation. Altogether 150 copies of the film are in use.

Discussing the reasons why film should be so effective in communicating with management, Sir Richard said that he would not suggest that film was at all times the only, or the best, method of communication, but it did possess a personal element which made it of tremendous value when both sponsors and producers clearly understood the jobs the films were intended to do and the type of audience for whom they were made.

This was also the theme of Dr. Beeching's remarks. He explained that probably no organisation in the country had a more difficult communications job than British Railways. There was not only the problem of explaining the changed rôle of the railways to the staff and the public, but there was also the task of overcoming a tremendous emotional resistance to change necessary before people would be reconciled to accept the ideas, no matter how well they might be understood. He used films to appeal to reason in such a way as to penetrate the emotional barrier and he thought they achieved the dual task because they created atmosphere, whilst presenting facts which themselves were seen in their appropriate environment.

The ability of film to carry audiences into the world created by it and participate in the situations presented in the film, is well exploited by entertainment film producers. In management communications this participation is particularly important when both emotion and reason are involved but, even when emotional resistance is small, the power of film to cause participation is very valuable. Dr. Beeching explained that in training drivers for the new electric trains some had to be retrained after long experience with steam or diesel and some were new men. Training took the form of lectures, wall-charts, diagrams, models and, most important, practical experience on the track. For many reasons it was essential to shorten the period of learner driving as much as possible—and this had been achieved by using films which enable the trainee to imagine himself at the controls and to experience in the world of the film, the actual sensation of driving. In a similar way passenger airlines train pilots to become familiar with landing on unfamiliar airfields by means of a pilot's-eye film technique, perfected by British Overseas Airways.

Use in British Railways

Dr. Beeching went on to describe his problems in presenting his plan for reshaping British Railways, to his employees as well as the public. As in the case of the *Critical Path* and the driving technique, there was a complicated story to tell, with much factual information leading to conclusions which were not likely to be accepted immediately by either the railway staff or the public. It was necessary, therefore, that the story should be presented in such a way as to draw people into realisation of the problems which confronted the Railway Board—and the people themselves—as managers, employees, users and owners of a nationalised railway system. The means of telling such a story had to be a film, which was considered to be "a much better medium than the written word lying cold on a page, with parts of the problem necessarily separated for the sake of clarity and with every opportunity for the biased reader to pick and choose."

A film, titled *Reshaping British Railways*, was made, not only to introduce the plan to the public on television, but also for special showings to B. R. staff throughout the country. In one month over 100,000 employees were reached in public cinemas hired in mornings, in halls and meeting places by mobile projectors, in mobile cinemas and even railway cinema coaches pulled into remote stations. (This was probably the first time that audiovisual means had been used in a major rôle to present an official report to the nation—but it was followed very closely by the Ministry of Transport, when it released the Buchanan Report on film to explain the implications of the report through *Traffic in Towns.)*

In explaining why filmed reports are successful, Dr. Beeching said, "the difference between a viable transport link and a non-viable one is essentially a matter of how much movement there is and how fast and efficient it is. What better medium to demonstrate this than the moving picture? Films have the advantage, too, of being able to use animated diagrams, of conjuring up history from the past and sometimes of anticipating the future. They can condense time and space. All these things help to enlarge the reality of the arguments to be presented."

Courtesy Drive

Discussing the need to maintain good relations between railway staff and the public, Dr. Beeching said that, as railway employees were in a job where there was no escape from human relationships, they might as well enjoy some of the real satisfaction and pleasure there is to be got out of them.

To achieve this, he used film. *Courtesy* is a film which looks at the situation and contains enough controversial material to stimulate discussion. "The film will be shown to station staff who will then be asked to comment. Previous experience shows that there will be plenty to say and plenty of disagreement about the points the film raises. The more, the better, for what is important is that because of its power to highlight living situations into which the audience is drawn, the film can make staff argue about things that they regard only with apathy when they come across them in their daily work. Emotion has been brought in."

What is so significant about the Costain and Beeching demonstrations was not so much what they said and showed, because for many years communications specialists have used the same arguments, backed up by practical examples. The significance is the level at which these arguments were expressed. In general, leaders of industry are concerned with broad policies, not so much with the techniques through which the policies are carried out, and for two men representative of the "new" type of industrial executive to recommend motion pictures as an essential and highly effective means of management communication marks an important step forward in our appreciation of communication technique.

In Dr. Beeching's own words, "In all our films, because we are often dealing with delicate things like building an emotional climate, we find that we need a high standard of

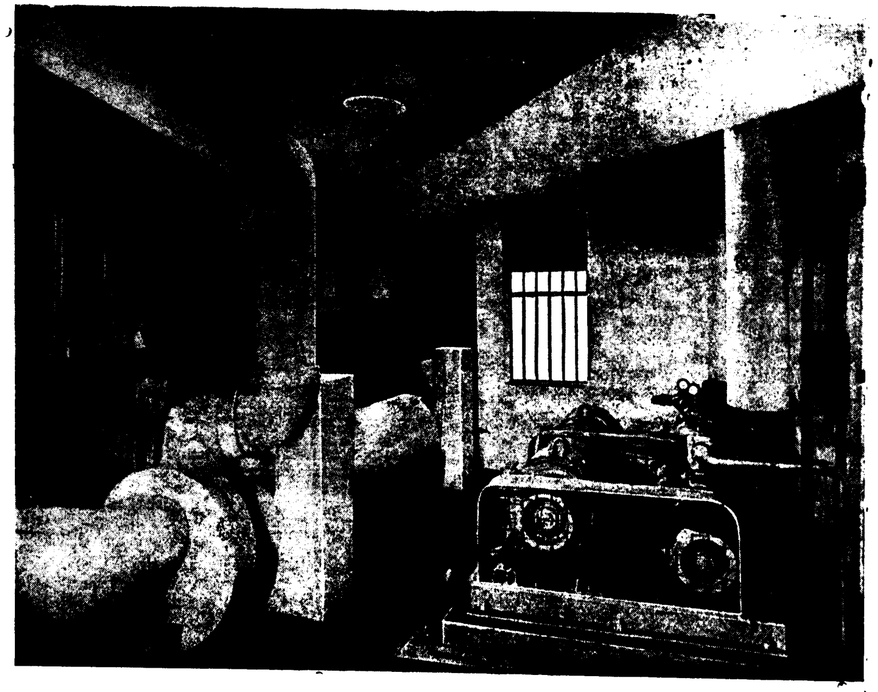
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RAISING EXPORTS TO AVOID PAYMENTS DEFICIT IN FOURTH PLAN

India's foreign exchange reserves are extremely inadequate in relation to her payments deficit. Since non-essential imports have already been drastically cut, exports need to be sharply increased in order to avoid a sizable payments deficit in the fourth plan.

By

R. L. VARSHNEY

INDIA'S imports have sharply risen during the first three years of the third plan, having increased from Rs. 1,006 crores in 1961-62 to Rs. 1,091 crores in 1962-63 and to Rs. 1,230 crores in 1963-64. The rate of increase in imports in 1963-64 at 13 percent is higher than the 8-percent increase in world imports and also the 10-percent increase in imports of industrial countries witnessed in 1963.

India's exports have also shown a steady increase and, in fact, reached the record level of Rs. 802 crores in 1963-64. This increase was mainly due to a general rise in world exports which increased at the rate of 8.5 percent in 1963, against 6 percent in 1962, although a part of this increase was also due to better arrangements for reporting the data. However, the increase in exports was less than the rise in imports with the result that the import surplus showed a continuous increase from Rs. 338 crores in 1961-62 to Rs. 429 crores in 1963-64.

As India's sterling balances had been reduced to an irreducible minimum by the end of the second plan, the heavy import surplus during the first three years of the third plan has been mainly financed by external assistance, the amount actually used to finance the balance of payments deficit being Rs. 1,314 crores (Rs. 202 crores by way of grants and Rs. 1,112 crores by way of loans).

The factors responsible for an enormous increase in imports have been (i) a high tempo of developmental activity resulting in large-scale imports of capital goods and other producer goods (total imports of capital goods, both on private and Government accounts, have been rising continuously for the last few years and in 1963-64, they accounted for nearly one-half of the total import bill), (ii) a sharp increase in food imports due to the continued shortage of food caused by a virtual stagnation in foodgrains production, (iii) increasing maintenance requirements of the developing Indian economy, (iv) substantial increase in imports for defence purposes, and (v) an increase in import prices specially in the case of machinery and transport equipment.

Virtual Stagnation in Exports

On the other hand, India's exports have been sluggish and stagnant and have failed to share in the growth of world trade. Despite the significant increase in world trade during the decade 1951-60 both in terms of value (by 55 percent) and volume (by 62 percent), India's share of world exports fell from slightly less than 2 percent in 1951 to about 1 percent in 1960. The proportion of exports to gross national product has also declined from 5.4 percent in 1951-53 to 4 percent in 1958-60. Export earnings financed 85 percent of India's total imports during the first plan period, 57 percent of her imports during the second and about 65 percent of her imports during the first three years of the third plan. The various reasons for the virtual stagnation of exports are summarised below:

(1) Stagnation in domestic agricultural production.

(2) Increased consumption of exportable goods at home due to (i) increased domestic utilisation of India's raw materials for industrial production, (b) larger purchasing power of the people and (c) growing population.

(3) Inflationary pressures in the Indian economy—inflation usually leads to a decline in exports (a) due to greater consumption of exportable products at home caused by an increase in domestic incomes, more so when imports are controlled, and (b) because the country becomes expensive to buy from. India has become a high cost producer, and in most of the important commodities, India has been priced out of the world markets. An increase in domestic demand has led Indian industry to concentrate on production for the internal market rather than for exports.

(4) Indian exports are facing a tough competition in world markets due to (a) the emergence of communist countries as suppliers, (b) stiffer competition from Japan and Pakistan and (c) high cost of Indian products.

(5) Relatively static world demand for the major traditional products exported by India.

(6) Protectionist trade policies of developed countries both for their manufacturing industries and agriculture; tariff increases at each stage from crude to processed materials and from processed materials to finished products, are a common feature of the tariffs of most industrialised countries. And this stands in the way of promoting India's exports of simpler manufactures. In addition, there are many non-tariff barriers such as quantitative restrictions and internal excise duties, specially in the E.E.C. countries which frustrate India's efforts to promote exports.

(7) Tariffs and other restrictions imposed by developing countries due to their balance-of-payments difficulties. There are a number of problems in increasing exports to developing countries, namely, (i) slow growth of effective demand in these countries, (b) restrictions placed therein on non-developmental imports and (c) their natural drive towards import substitution.

(8) Shrinkage in the total world trade in certain commodities due to fresh entrants in the field of their manufacture. This is specially true of cotton textiles.

(9) Fall in export prices—the volume of India's exports in the second plan was higher than in the first plan by 9 percent but this increase was not reflected in export earnings due to a fall in her export prices. The trend has continued during the first three years of the third plan. While the volume index of India's exports has increased from 100 in 1960-61 (1958 equals 100) to 126 in 1963-64, the unit value index has gone down from 110 in 1960-61 to 105 in 1963-64.

(10) Disturbed political and economic conditions in many of India's traditional export markets, particularly in the Middle East and the south-east Asian countries.

Terms of Trade

Between 1951 and 1956, the terms of trade were favourable to India and this resulted in a gain of Rs. 325 crores for India.[1] But from 1957-58, there has been an adverse shift in the terms of trade which has also adversely affected India's balance of payments. The terms of trade have continued to deteriorate during the third plan period from 115 in 1960-61 to 108 in 1963-64.

The recent increase in exports has also been achieved mostly by a rise in the volume of exports rather than by an increase in the unit value of exports. On the other hand, the import price index for machinery which constitutes about one-third of India's imports, increased from 98 in 1960-61 to 128 in 1963-64. There was no increase in the volume of machinery imports in 1963-64, compared with 1960-61, yet the value of their imports in 1963-64 was higher by Rs. 87.59 crores than in 1960-61. Thus the increase in value was caused by a rise in import prices only. This can give an idea of the extent to which the deterioration in the terms of trade must have affected India's balance of payments.

Imports have now been cut to the bone. The drastic import cuts have led to an acute shortage of many basic raw materials and components. This has retarded the rate of growth of industrial production. Costly substitutes are now being used, which has led to an increase in the cost of India's industrial products. Fortunately, due to greater availability of non-tied aid, the Government has announced some relief for the import of essential raw materials. Yet the foreign exchange allocation for the import of raw materials is far from adequate and the uneasiness on this score is likely to continue.

Any further cut in imports is just not feasible without adversely affecting production. The policy of import cuts, if pursued indiscriminately, would ultimately slow down the rate of development. In fact, the country must be prepared for a moderate increase in imports with the growth of industrialisation. If the experience of other countries is to be any guide, it can safely be asserted that the process of import substitution itself leads to an increase in the import requirements for components, spare parts, etcetera. It may not be out of place to mention that indiscriminate drive for import substitution may lead to the growth of industries which will never be truly efficient and thus would be a permanent drag on the progress of the country.

Export Promotion Efforts

The Government of India has taken a number of steps to increase India's exports and in recent years, export promotion efforts have been intensified. The target for exports during the fourth plan has been fixed at Rs. 5,100 crores. A realistic appraisal of the possibilities of expanding India's exports reveals that the achievement of this target will be an uphill task. Nearly 80 percent of her exports comprise agricultural products and agricultural-based goods. And the Central Food Ministry is already reported to be of the view that there would not be enough exportable

[1] *Tata Quarterly*—October 1958.

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surplus in agriculture or in agriculture-based industries to warrant the Rs. 1,200-crore export target set by the Planning Commission. Apart from the difficulties in expanding India's exports, India's exportable articles are few and limited in number and most of them are subject to tough international competition. The total world market for cotton textiles is contracting but the competition is increasing. Even in jute manufactures which are expected to earn Rs. 20 crores more a year, there is increasing competition from Pakistan. Besides, the use of paper, cotton and polythene as substitutes for jute goods has steadily increased.

World production of tea is increasing and a surplus is forecast by 1970 and competition from new sources must not be underestimated. Already India's contribution to the total world exports of tea has gone down from 45 percent in 1951 to 40 percent in 1963. As the price elasticity of demand for tea is lower than unity, increasing supply may involve pressure on tea prices and a fall in export earnings from tea should not be surprising. India's exports of cashewnuts are likely to face keen competition from Brazil and Mozambique and those of pepper from Indonesia and Malaya. The use of mica and lac is also likely to be seriously affected by the successful development of synthetic substitutes. Moreover, exports of raw cotton and jute manufactures and other producer goods are governed largely by business conditions abroad. Here also, the prospects are none too certain. There are indications that the boom conditions at present prevailing in the U.S.A. and the west European countries may not continue unabated for long.

India's exports of iron ore are expected to increase by about Rs. 60 crores a year on the assumption that world trade in iron ore will expand with the projected increase in steel output. It is very often ignored that steel expansion in Japan has already slowed down while the European and American steel industries have been faced with idle capacities. Again, a very large proportion of iron ore used by steel companies often comes from captive mines. Moreover, price prospects are uncertain. It seems very doubtful, therefore, if India can hope to increase her exports of iron ore by Rs. 60 crores a year. In the case of manganese ores, too, India has to face competition from Russia and the newly developing sources in South Africa and South America.

Vegetable oils, oilseeds and oilcakes are other items expected to contribute substantially to the increase in India's exports. Apart from the question of raising the domestic production of oilseeds, which is the condition precedent for any increase in exports of these products, there are other problems too. The unprecedented increase in the export of oilcakes in 1963 was caused by the shortage of fodder in Europe which may not continue for long. The demand for oils, specially for soapmaking oils, is uncertain due to the advent of synthetic substitutes emanating from petroleum chemistry. High expectations of earning a substantial quantity of foreign exchange by doubling the quantity of sugar exported may not materialise as the present favourable conditions may not continue for long.

Whether India should continue to subsidise exports of sugar at this rate is another question. Indian steel is no longer the cheapest in the world, and there is a surplus of steel capacity in the world. It is doubtful whether there would be any export market for Indian steel at all. However, there is good scope for increasing the exports of engineering goods. But here also it is very doubtful if India can increase their exports to about Rs. 50 crores a year. The possibility of increasing the country's exports in newer lines is wholly dependent upon its capacity to outbid the already established suppliers in the matter of prices and liberal credit terms. Even now the rate of increase in engineering exports has been very much short of what was envisaged in the third plan.

There is a growing satisfaction on the phenomenal increase in the volume of India's trade with the communist countries. But most of this increase has been achieved by exporting traditional items. If the increase has been achieved by diverting supplies from her traditional markets, there is no net gain. Again, as most of these goods are consumer goods, there would always remain a possibility that the import of these items may be curtailed to suit the balance of payments or other requirements of their own economies.

Increase in Foreign Aid

India has already got substantial external assistance for financing her development plans which amounted to Rs. 2,934 crores up to the end of the second plan and to Rs. 1,538 crores during the first three years of the third plan. She might get additional aid for the fourth plan too. But the chances of getting the entire foreign exchange component of the fourth plan underwritten by foreign countries do not seem to be very bright, partly because foreign aid is a matter of politics but mainly because foreign countries are getting concerned about India's increasing foreign exchange obligations. Her chronic balance-of-payments difficulties have created apprehensions about her capacity for debt servicing and timely repayments. The Government should also take this fact into consideration. The repayment obligations are already very heavy having been estimated at Rs. 1,200 crores during the fourth plan period. So before incurring fresh external obligations, India should be careful. There is a limit beyond which she cannot borrow as her capacity to service the debts is limited.

Again, most of the aid received by her is tied aid. The result of the tie-up is that the prices charged for goods obtained under these credits are higher than those charged by other suppliers. In the case of the U.S.A., the gap is estimated to be of the order of 30 percent to 40 percent.[2] The result is that the Indian industries start with an initial handicap in the form of higher costs. There is not much hope of a large increase in untied aid, particularly because the most important aid-giving countries, the U.S.A. and the U.K., are themselves facing balance-of-payments difficulties.

Imports of capital goods in the fourth plan have been estimated at Rs. 2,500 crores, and on maintenance accounts at Rs. 5,300 crores. India's total import requirements can, therefore, be placed at Rs. 7,800 crores. In addition, her liability for interest charges and the repayments due in connection with her external debt has been estimated at Rs. 1,200 crores during the fourth plan period. Assuming that her exports can reach the plan target of Rs. 5,100 crores, although it would be an uphill task, her foreign exchange gap during the fourth plan would amount to Rs. 3,900 crores. The official thinking on external assistance is that it would not show a significant rise over the third plan level of Rs. 2,500 crores. After taking into account this expected external assistance, there would be a gap of about Rs. 1,400 crores. A part of this gap may be financed out of the unspent authorisations during the third plan. Even then, there would be a gap of about Rs. 1,000 crores. India's foreign exchange reserves (excluding gold held by the Reserve Bank) at Rs. 125 crores are utterly inadequate in relation to her average payments deficit. The following suggestions are made in the light of the above facts :

1. The fourth plan should be such that it could be financed out of the available resources. That is inevitable if inflationary pressures are to be controlled and the foreign exchange problem is to be solved. The World Bank has rightly advised the Government of India that plans for development should be based on a realistic assessment of resources. India should be bold but not reckless. It may be noted that even with a lower investment, much better results can be achieved by (i) economy in the construction of plan projects, (ii) reduction in unproductive expenditure, and (iii) elimination of wasteful and nugatory expenditure. If the size of the fourth plan is reduced to match the available resources, the volume of maintenance imports would also be reduced proportionately.

2. An increase in production, both industrial and agricultural, is the condition precedent to a successful export drive and to a successful reconciliation of the external and internal needs. As about 80 percent of the country's exports depend upon agricultural production, an increase in the latter would go a long way in increasing our exports. An increase in the foodgrains production will provide a long-term solution to India's balance of payments. A rise in agricultural production is possible by an increase in the yield an acre for which there is good scope. Larger supplies of raw materials would not only make some increase in their exports possible but also enable fuller utilisation of industrial capacities. Industrial production should be increased by working more shifts where possible, maximum utilisation of industrial capacities and modernisation of existing equipment.

3. Import policy—A strict regulation of imports is unavoidable. There should be no liberalisation for some time to come even if the foreign exchange position of the country improves. Adjustment of import policy to the foreign exchange position from time to time has been the greatest weakness of India's import policy. Successive liberalisation of imports in the early years of the second plan, which coincided with inflationary pressures in the country, was responsible for the foreign exchange crisis she faced during the period. Her position would have been very comfortable indeed, if an austere policy similar to that which was being followed before 1955 had continued with suitable modifications. It is imperative to have a stable and uniform import policy independent of the foreign exchange position. As import requirements have already been determined by the Planning Commission, it should not be difficult to follow a stable import policy.

Imports of essential raw materials and spare parts essential for maintaining the domestic industrial and tertiary production should be allowed freely. It is a sad reflection on India's import policy that while essential industries are not allowed to import their raw materials due to the shortage of foreign exchange, industries producing air-conditioners, coolers, electrical gadgets, etcetera, required by people of the higher income brackets, continue to get their raw materials, and there is a glut of these goods in the market. Even imports of machinery and capital goods should be carefully scrutinised. There is ample reason to believe that the rate at which imports of capital goods have been taking place has been faster than what the resources and the requirements of the country permit. There is scope for reduction in Government imports also. Complaints are frequently made that the Government imports some of its requirements even when domestic supplies are available.

Export Policy

4. Export policy—A survey of the possibilities of expanding her exports shows that there is no room for complacency and that India will have to make all-out efforts to increase her exports. A suggestion frequently made is that exports should be encouraged even at some sacrifice in relation to domestic consumption. It is difficult to agree entirely with this view. A close scrutiny of the principal items of her exports would show that the potentialities of curtailing domestic consumption for greater exports are not much. Her major exportable commodities have been produced largely for exports, dependence being roughly 80-95 percent in tea and jute goods.

Then again, even if domestic consumption is curtailed for exports, it would offer only an iota of relief to the heavy import surplus. Of course, there may be some commodities where additional foreign exchange can be earned by sparing more for exports. In such cases, the remedy lies in an increase in production so that both the internal and external markets are satisfied. And production in such cases can be easily expanded by the utilisation of unused capacities which would also lead to lower costs. More than once the Government has hinted at the enactment of legislation to fix limits of internal sales of some commodities so that manufacturing units could export more.

This policy is open to serious objections : (1) If manufacturers are com-

[2] A study made by the Columbia University reported in the *Economic Times* of 26th October, 1964.

pelled to export, they would increase their internal prices to compensate themselves for losses incurred on exports. And it would be unfair to the internal consumer if he is asked to pay more when he is already paying higher prices than the world prices, the domestic market being a protected one. (2) Foreign buyers cannot be compelled to accept commodities they are not interested in. (3) Selling below domestic prices may be taken as dumping which may invite retaliation in which the more industrially advanced countries usually win. (4) Moreover, the policy of curbing the internal market is fraught with serious consequences. The internal market provides an essential cushion to domestic industries in times of world depression. (5) Lastly, any reduction in supplies for the internal market will be inflationary. As a matter of fact, the problem is not entirely of the availability of surplus for exports but of how to sell and to whom to sell.

The crux of the export problem is that India's prices are not competitive enough. In the long run, all export promotion efforts are likely to prove fruitless unless the exported article is able to sell itself. Hence every effort must be made to reduce costs of production by (i) ensuring the supply of cheap raw materials even if they have to be imported, (ii) introduction of modern techniques, (iii) rationalisation and modernisation of equipment and (iv) linking of wage increases to the rise in labour productivity. A major factor that reduces the competitive capacity of her export products is the large element of taxation that goes to increase the ultimate price. Levies like export duties, excise duties, sales taxes, cesses and surcharges should be rationalised.

Sooner or later, India will have to produce and export more and more processed and manufactured goods. A practical beginning in this direction should be made by an assessment of the possibilities of developing new industries, not just for import substitution but also for exports. Foreign capital may be invited to participate in developing suitable export industries for India. There is an increasing tendency on the part of developing countries to reduce the imports of assembled products and to increase the imports of spare parts and components. Herein lies a great opportunity to increase the exports of Indian components, spare parts and machine tools. Side by side, attempts must be made to project India's image abroad as a country capable of manufacturing goods of a high standard. It is a sad reflection on the work of India's trade commissioners and the export promotion councils that there is a noticeable lack of understanding in foreign countries about India's industrial progress.

Devaluation of the Rupee

5. Devaluation of the rupee as advocated by some economists will not be a solution of our balance of payments problem. Our imports have already been reduced to the minimum and a rise in the rupee prices of imported goods is not needed as a deterrent to the demand for them. India's essential import requirements are quite heavy and an increase in their prices will only accentuate inflationary tendencies. The foreign demand for about 50 percent of our exports is elastic in relation to business activity and not to price cuts. For about 30 percent of the country's exports consisting of "food, drink and tobacco", devaluation will lead to an increase in exports but the rise will not be sufficient to offset the decline in foreign exchange receipts due to a reduction in their foreign prices a unit. In the case of 20 percent of India's exports consisting of consumer goods other than food, devaluation will lead to a substantial increase and she might earn a little more in terms of foreign exchange. But international competition is the keenest in relation to such goods, and it is doubtful if China and Japan will allow India to take advantage of devaluation for more than a very short period. The domestic supply position of such goods is not likely to be very comfortable either. Thus an analysis of exports reveals that there is not much scope for an increase in exports by devaluation. It will only aggravate her import surplus and the foreign exchange problem.

6. Increase in foreign investments—India should invite private foreign capital to participate in India's economic development. From the balance-of-payments point of view, private foreign capital has some concrete advantages. Repayment of principal is necessary where the lender is a foreign government or an international institution. But private investors regard their ... ments as permanent. The servi... debt is limited to interest and ... dends.

Moreover, profits are likely ... small exactly in those years w... the balance-of-payments positio... difficult. Substantial part of pr... may also be reinvested. The p... motive would also ensure a so... choice of projects and a contin... interest in development. But to... cure larger foreign participation... Indian industries, a climate defi... ly conducive to foreign investm... will have to be created and freq... changes in policies will have to... avoided.

Side by side, Indian industria... should be encouraged to establish... dustries in Asian and Afr... countries in joint ventures with ... industrialists. India's experi... would prove very fruitful in deve... ing countries. Indian technic... might be less expensive than tech... ans from advanced countries. Ind... overseas who have accumulate... lot of capital should be too willin... help such collaboration by subs... ing to equity capital. It will ope... large avenues for the export ... Indian machinery and compon... It will also provide a perma... source of foreign exchange to I...

7. The Government may also ... plore the possibilities of rai... funds in the foreign financial cen... either by floating Government l... for general economic developmen... by guaranteeing capital raised ... private firms in the form of sh... and debentures.



Methods of Compiling Income Statistics in India Need Refinement

Indian national income statistics, especially those relating to inter-State comparisons of income and growth, are crude. No meaningful conclusion can be derived from them. The concepts and methods employed by different agencies vary widely.

By

V. G. RAMAKRISHNA AIYER

DO the prevailing statistical measurements really show the state of the country's economic growth? Do they represent the "quality" of the Indian economy as is reflected in the lives of the common people? Recent studies of inter-district and inter-State income differentials reveal that the economic disparities between several districts of a State are as grave as those among the States in the country. For instance, a recent study of the National Council of Applied Economic Research showed that out of 289 districts covered, the *per capita* income of as many as 207 are below the national average. The district-wise study shows Greater Bombay as the richest while Tehri Garhwal in Uttar Pradesh occupies the bottom place in the economic ladder. The top 10 percent of the districts arranged on a *per capita* basis accounts for nearly 20 percent of the aggregate income, while their population strength hardly comes to 11 percent. On the contrary, the share of the total income of the bottom 10 percent of the districts amounts to 7.5 percent, although they cover 13.5 percent of the population.

State-wise Break-up

A State-wise break-up gives top position to West Bengal and Maharashtra, while U.P. and Bihar are relegated to the foot of the table. There are also significant inter-State differences in the sectoral composition of income. Whereas 69 percent of the income of West Bengal and Maharashtra originates from the non-agricultural sector, nearly 59 percent of the income of Bihar and Madhya Pradesh is derived from agriculture. The other States in the Union are between these two extremes. Contrary to the general notion, Orissa and Assam do not figure as the least developed States judged by the sectoral composition of income.

As a matter of fact, economic disparities have little relation to industrial development in any State. They are found to be as marked in a State with a high degree of industrialisation as in another whose mainstay is agriculture. Similarly, the proportion of income originating from agriculture indicated notable variations in different States. While Bihar and Madhya Pradesh are dependent on agriculture to the extent of nearly 59 percent, the smallest proportion is found in West Bengal and Maharashtra with nearly 32 percent. Gujarat and Madras have a proportion of nearly 43 percent (less than the all-India average of 45 percent). All the remaining States seem to have exceeded the all-India average.

There are distinct disparities in the proportion of income derived from manufacturing, ranging from as low as 12 percent in Orissa and Punjab to 30 percent in West Bengal. As a general rule, the more affluent States lean more heavily on industry than on agriculture and services, with the sole exception of Punjab which gets the higher proportion of its income from services.

Data Collection Agencies

Apart from the N.C.A.E.R. findings, several statistical agencies such as the Central Statistical Organisation, State statistical bureau and even individual statisticians are already engaged in working out estimates of total income and *per capita* income in each State. These estimates were intended to indicate the differential economic development in the various States, but they are extremely rough and suffer from severe limitations. For instance, the estimates made by State statistical bureaux are not based on uniform estimation procedures and are not reconciled with national aggregates. Further, they are available for a few isolated years, and do not lend themselves to continuity of interpretation. On the other hand, estimates of State income by the Reserve Bank of India are not quite so reliable for sectors other than agriculture, mining and manufacturing and Central and State Governments.

There are also difficulties in the allocation of national income among various States. The most serious of these is that these estimates are, in fact, not estimates of State incomes, but of only State outputs, and they indicate only the output originating in the States and not the incomes accruing to the residents of the States. For example, these estimates indicate the value added by manufacture in a State, but it is quite likely that a greater part of this income finally accrues to the residents of other States to which workers or shareholders belong.

From the available estimates and the latest 1961 census results, it would appear that Punjab, Bengal, Bombay and Assam had the highest *per capita* income well above the all-India average. Madras, Andhra Pradesh, Uttar Pradesh and Madhya Pradesh had *per capita* incomes which were more or less equal to the all-India average, while the *per capita* incomes of Mysore, Bihar, Rajastan, Kerala, Orissa were lower than the national average, the lowest being the case of Orissa.

Income Figures

In interpreting these results, however, particular attention had to be paid to the difficulty that the income figures related to the origin and not to ultimate accrual. Thus Bengal with its immense industrial complex, naturally came high in the list, but this did not necessarily mean that the people of Bengal as a whole were better off from the point of view of consumption standards than, say, the people of Madras.

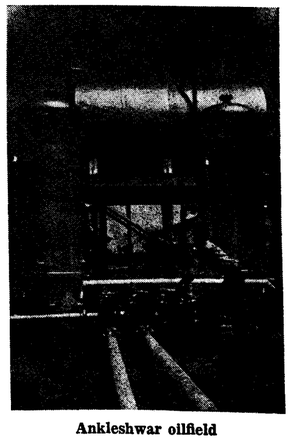
Inter-State comparisons are likely to get distorted by the presence in particular States of large-scale industry of which the ownership is widespread. Where there is no such statistically complicating factor, the ranking in the list might be considered as close to reality. This ranking is in relation to the absolute figures of *per capita* incomes in States. When one comes to consider the rate of growth of *per capita* income, say, in the last decade, the sharpest difference was in the case of Kerala, Rajasthan and Punjab. According to one estimate, there was a high rate of growth in Rajasthan and Punjab and a lower than the national average rate of growth in Kerala. According to another, there was the highest rate of growth in the former two, while yet another found that there was a lower than the national average rate of growth in Punjab and Rajasthan. Such bizarre results are due to the fragmentary character of the data and changes in the concept and methods of the estimates. The ranking of States on the basis of *per capita* income would be altered if account were taken of income accruing to, rather than, income originating in each State. In trying to find out in what way this pattern would be altered, the tax data might be used with profit.

Disparities and National Unity

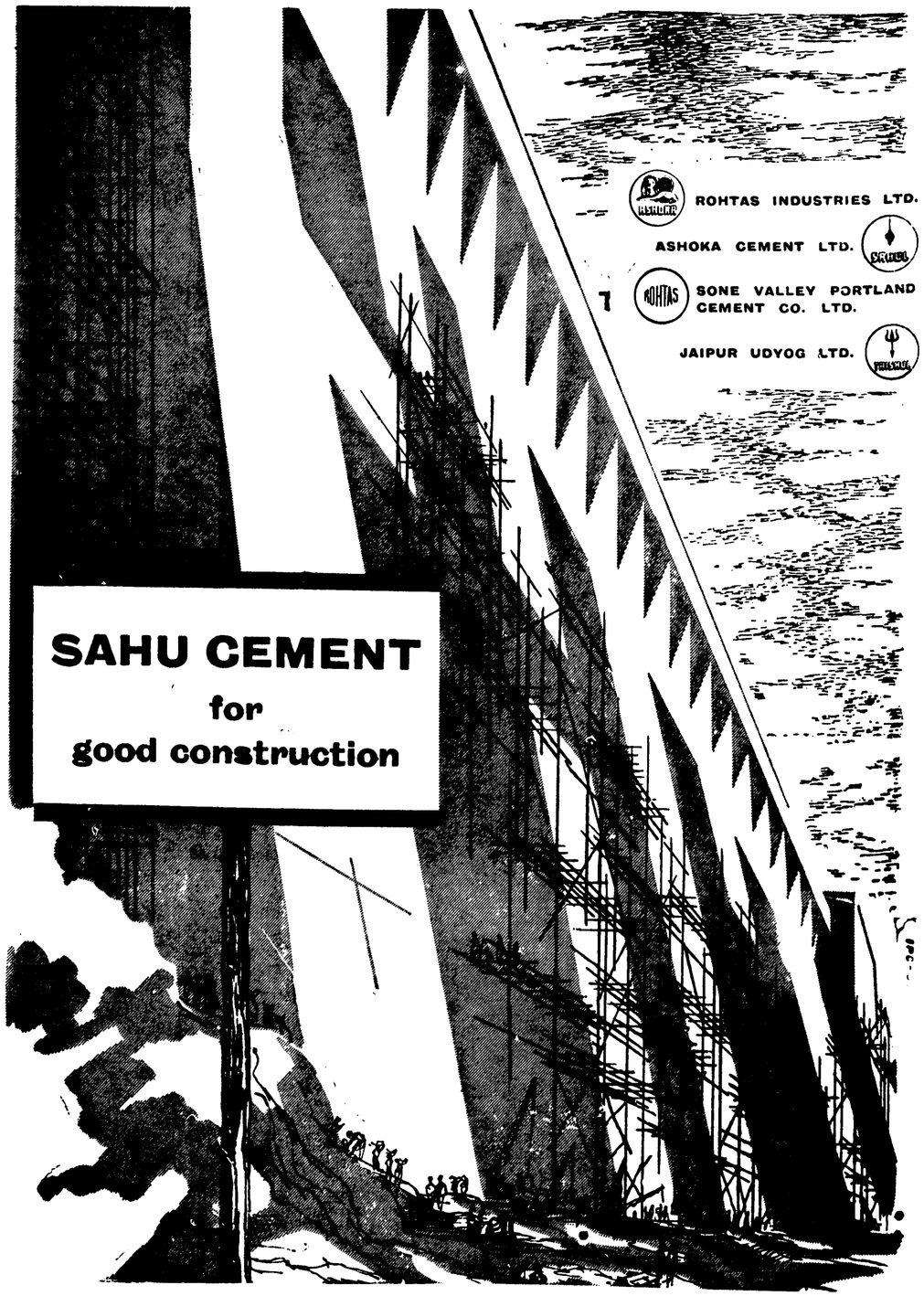
Is it political wisdom to discuss the fundamental question of considering the differential incomes as between States because it might be harmful to the concept of national integration? All efforts should be aimed at national integration. In development particularly, the concept of India as one unit is essential and that, therefore, the estimate of what happens in individual States is inappropriate and possibly dangerous. A much more important task would be to find out how the weaker sections of the community are faring.

On the other hand, it could be argued that one of the bonds that help to keep the country together is the feeling that all the States are taking part in a common adventure. From this point of view, it might lead to political frustration, if the feeling arose that some States were advancing more rapidly while others were lagging far behind. In other words, it might be considered necessary on political grounds to avoid serious disparities in the rates of growth lest political pressures developed of a character that might affect the country's integrity. No one could take up the position that progress must be uniform all over the country, for that would be clearly impossible. The iron and coal complex of Bengal and Bihar could not possibly be set up in areas where this raw material is not abundantly available. The generation of hydro-electric power is not possible in the Gangetic plain, as it is in parts of south and west India with their unique configuration of mountains and rivers. But subject to differences arising from the availability of raw materials and the like, the general position is that regional disparities should be avoided as far as possible. In fact, here one is projecting on a geographical plane, the concept in the social plane that wide disparities between different sectors of the population should be avoided as a matter of social justice.

At present, data available for inter-State comparisons are not susceptible of meaningful interpretation and require considerable refinement before they can be used. There has to be uniform concepts and uniform methods of collecting data. The method of investigation needs to be improved and the range of enquiry to be widened, statistical tools have to be devised in order that differential incomes and rates of growth among States may be estimated from time to time. There is a crying need for co-ordination in Indian planning, and nowhere it is more imperative than in the compilation of statistical data.



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L.I.C. Investments not in Best Interests of Policyholders: Expense Ratio High

The L. I. C. is doing well in its line of business, but its bonus record is not satisfactory according to current market standards. This is because the investment policy is designed to serve aims other than the policyholders' interests.

By
A. C. GUHA RAY

THE mounting discontent and the stalemate arising from the various trade union demands of the employees, including the field force and some officials of the Life Insurance Corporation of India, have brought many issues to the fore. They have also brought to the fore the controversial question whether nationalisation as a purely socialistic measure has not unleashed forces within the Corporation which have created the present difficulties. Experience has now made it clear that the nationalisation of a service like insurance has promoted no useful social purpose. Certain quarters still hold that in a welfare State, social utilities should be produced and controlled by the State. This is only a doctrinaire argument.

Creative efforts produce welfare, enriching the national dividend. When life insurance was nationalised, no new wealth was created. In this process, the waste of manhours has been colossal and waste of effort incalculable. Fiscal necessity led the then Central Finance Minister, Mr. C. D. Deshmukh, to nationalise life insurance. Barring that and except for the ideological bias of the ruling Party, no rational explanation can be given for this huge experiment. Experiment is always risky. It is more so when social life is concerned, and disastrous when it is purposeless. If life insurance was not to be left as a source of private profit, it would have been a comparatively easy matter to mutualise the companies, thus making every policyholder a participant in the gain and loss of a common venture. Since the world's largest insurance companies are primarily mutual companies, there is ample experience to draw lessons on this form of organisation. Therefore, the formation of a few mutual companies by mergers or alliances would have produced the desired goal. If fiscal considerations were the main reason for nationalisation, it would have been no particularly difficult thing to take control of the life funds without making such violent and radical changes.

Modern socialists have practically discarded nationalisation as a goal. The State is viewed as a federation of ventures where employers and employees work on agreed terms for the realisation of common objectives. Class distinctions automatically disappear in the new social order. While the State can get the best out of its citizens, it eliminates despotism of the bureaucracy. The nationalisation of life insurance in India is now bearing curious fruits. It is proving detrimental to the building up of a dynamic social order, to the interest of the common man, and particularly to life insurance itself. The State as a creator of employment has possibly chosen the course as one of its instruments. All socially necessary objectives may be good, but it will be an error if life insurance itself is considered secondary. Millions of policyholders who watch the career of the Life Insurance Corporation of India are filled with grave forebodings, and look with dismay at the wrangles that continually go on inside the Corporation. These wrangles are socially unnecessary and detrimental.

High Expense Ratio

It is common knowledge that the expense ratio of the L.I.C. is high. Its lapse ratio is disconcerting. Its bonus rates compare unfavourably with what could have been given in the current investment climate in India. These issues require to be tackled with foresight, thoroughness and on sound business principles. Life insurance is a highly technical subject. Unless there is dedication to the cause, the palliatives that are available will soon cease to be effective leaving the Corporation in a position where it might not even, by strict actuarial standards, meet all its liabilities.

The fourth valuation report on the assets and liabilities of the Life Insurance Corporation as on 31st March, 1963, discloses a profit of Rs. 26.34 crores, against Rs. 34.45 crores shown in the previous valuation for the two years 1960 and 1961. The share of the policyholders in the profit in accordance with the provisions of the Life Insurance Corporation Act, 1956, amounts to Rs. 25.39 crores, against Rs. 32.73 crores in the previous valuation period. The Central Government's share is Rs. 1.32 crores, against Rs. 1.72 crores. The return to the Central Government on its capital investment amounts to 20.57 percent, against 15.95 percent earned by it in the previous valuation period. On the whole, the Corporation has stepped up the bonus rates on insurance policies for the 15-month period ended 31st March, 1963.

As far as the Corporation is concerned, the bonus on whole life assurance policies has been raised from Rs. 16 a Rs. 1,000 a year declared for the two-year period ended December 1961, to Rs. 17.50 a Rs. 1,000 and that on the endowment assurances from Rs. 12.80 a Rs. 1,000 to Rs. 14 a Rs. 1,000. Likewise, proportionately higher bonuses have been declared for participating policies of the former insurers, in accordance with the classification of policies under the Differential Bonuses Regulations, 1961. The higher distribution, it has been claimed, has been rendered possible by the larger profit earned in the inter-valuation period, in spite of the slight increase in the rate of interest shown in the valuation.

Financial Condition

According to the Life Insurance Corporation Act, the Corporation will, at least once in every two years, cause an investigation to be made by actuaries into the financial condition of the business, including the valuation of its assets and liabilities. It is, however, not mentioned in this Section what should be the nature of qualifications of the actuary and also how he should be appointed—whether he should be an employee of the Corporation or an independent actuary. Public interest demands that the person entrusted with the actuarial investigation should be independent of any control of or influence by the Corporation itself or the Central Government and the policyholders should have opportunities to say what they think in the matter of appointment of the actuary. Since the Corporation has all along published its reports on the basis of valuations made by the actuaries who are its employees, the valuation suffers from the defect that an independent actuary had no opportunity of pronouncing judgment on the methods employed.

The chairman in reply to suggestions that have been repeatedly made that in view of the favourable mortality experience of the Corporation, the premium rates should be reduced, stated that when most of the insurers effected a substantial reduction in the premium rates in 1954, a considerable part of the current favourable experience concerning mortality and interest was anticipated and taken into account. He further pointed out that in adopting in 1956 the premium rates of the Oriental after further reducing these by Re. 1 on a Rs. 1,000 of the sum assured, or 5 percent of the premium whichever was less, the Corporation anticipated economy in expenses.

This anticipation, however, was belied; according to the chairman himself, because of the increasing pressure of inflationary forces it would be too much to expect any significant reduction in the expenses in the near future. He, therefore, stated that the general practice among insurers even in foreign countries is not to revise the premium rates for with-profit policies frequently. The general view of the insurers is that changes in experience concerning mortality, interest and expenses can more equitably be handled under with-profit policies by changes in the bonus rates than by altering the general level of premiums. He pointed out that when 90 percent to 95 percent of the new business is generally under with-profit plans, as is the case in India, passing the benefits of favourable experience in the form of reversionary bonuses to the policyholders rather than reductions in premiums is desirable, particularly as an anti-inflationary measure.

Small Increase in Bonus Rates

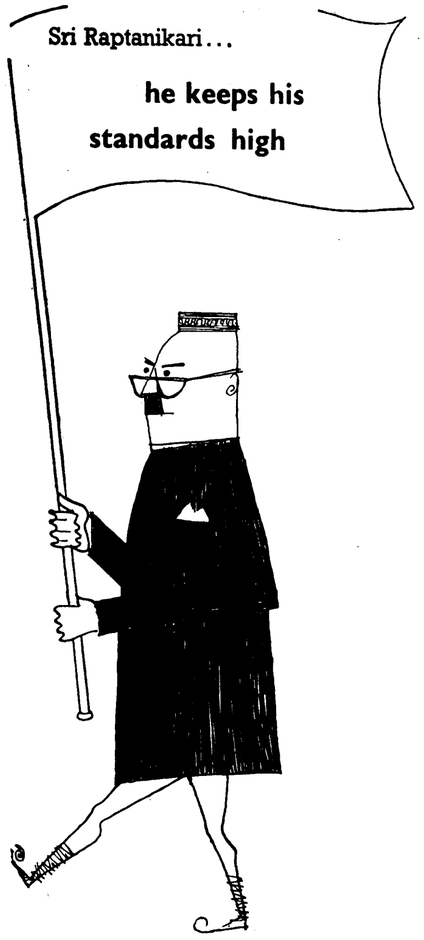
In conformity with this view and the line of policy, the Corporation has stepped up the bonuses on the policies not only of the Corporation but also of the former insurers. But while the bonus rates of some of the former insurers have shown favourable increases, the rise in the rates of the Corporation is rather nominal. It does not offset the progressive erosion of the value of the policyholder's savings on account of rising prices, nor is the increase an adequate index of the Corporation's economy in expenses.

For some years past, the mounting expenses of the Corporation have been cutting into the policyholder's surpluses. The renewal expense ratio for the inter-valuation period was 14.13 percent which is higher than 12.42 percent in 1961 and 12.90 percent in 1960. Again, the net rate of interest earned, in the inter-valuation period was 4.08 percent, compar-

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He's a stickler for quality. Ever striving for perfection. Takes meticulous care in selecting raw materials. Keeps well equipped test room and laboratory Exercises strict quality control. Products are checked at each stage of manufacture. Double checked before despatch.

Sri Raptanikari realises the importance of it all. He is conscious of the fact that to compete in an international market his goods should be second to none in quality. Repeat orders, he realises, depend on the quality of his product and Sri Raptanikari scores every time. The reputation his goods have earned in other countries is a credit for India and a help for other exporters to get easy acceptance of their goods.

In order to earn a good name for Indian goods and get repeat orders that bring foreign exchange for the country it is important that the standard of quality is kept high.

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ed with 4.14 percent earned in the previous valuation. The chairman explained that the lower yield was due to the fact that comparatively few declarations of dividends on preference or ordinary shares had been made during the months January to March. All these factors tended to erode the funds of the Corporation one way or the other thereby not making available to the policyholders any higher yield in the shape of dividends which they expected after the chairman had made the announcement some months ago that the favourable experience would be passed on to the policyholders in the form of reversionary bonus. This expectation has been more or less belied in the present valuation also. It now remains to be seen whether in the next valuation, more favourable results for the policyholders will be produced.

Protest by Mr. Kaul

The chairman, Mr. B. K. Kaul, has been criticised for the L.I.C.'s unsatisfactory record in bonus rates, which stems primarily from the low interest yield on investments and high expenses. When Mr. Kaul said that the benefits of favourable experience would be passed on in the form of reversionary bonuses to policyholders, he was taken at his word. Yet in the last valuation, he only paid lip service to this theme. Analysing the root causes of his failures, he wrote to the chairman of the Planning Commission with refreshing candour and commendable forthrightness. The L.I.C. chairman's main complaint is that the Industrial Finance Corporation and similar other institutions seek to raise medium-term loans at low rates in the hope of forcing them down the throat of the Life Insurance Corporation. Many of these loans are quoted at substantial discounts even before the lists open. While the institutions themselves charge interest at rates of 7 percent or 7½ percent, they expect the L.I.C. to finance them at 4¾ percent as if that was the main purpose of the nationalisation of life insurance.

As long as life insurance is voluntary, the volume of business, the chairman has observed, can be increased only if the L.I.C. can year after year show more profitable working. Unless it can demonstrate that a with-profit endowment insurance policy is a good investment proposition, it cannot make a substantially large impact on the masses. The L.I.C., the chairman added, has always been putting greater emphasis on its responsibilities to its policyholders. The extent to which the L.I.C. discharges its responsibilities to them, it would automatically discharge its responsibilities to serve the objectives of the plan. Since serving the interest of the policyholders would be the paramount consideration, the interests of the institution and the policyholders would be harmed if the L.I.C. did not work profitably. Its earnings from investments must be reasonable and adequate.

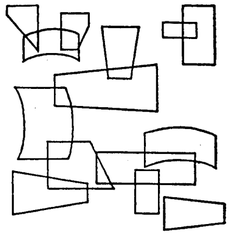
Wrong Impression

The impression in Parliament and Government circles that the funds of the L.I.C. are to be treated as a reservoir for providing cheap credit to Government and semi-Government institutions, who in turn would earn higher interest rates on credits expended by them on the strength of the funds drawn from the L.I.C., should be got rid of, and indeed the process now existing does more harm than good to the L.I.C. and to the millions of its policyholders who, in good faith, have entrusted to the Corporation their savings as investment. While the Industrial Finance Corporation, the various State financial corporations and Central land mortgage banks, pointed out the chairman, can themselves charge a higher rate of interest (as much as 7 percent to 7½ percent), the L.I.C. must, they expect, provide them funds at 4¾ percent. A distorted view of the nationalisation of life insurance persists among these institutions, and they expect, as a matter of right, to draw funds from the L.I.C. at cheap rates as if the L.I.C. is merely a purveyor of cheap credit and has no other obligations.

It has also been argued that the L.I.C. has no business to go about purchasing shares of companies in the private sector and thus lend support to the stock exchanges, considered, in some quarters, a den of speculators. They expect the L.I.C. to support new capital issues, particularly those which are not likely to find adequate public support, and thus help the industrialisation of the country. The chairman pointed out that the L.I.C. is not interested in supporting the stock exchanges or the speculators. It is merely interested in seeking a more satisfactory and progressive yield. Any other effects that its actions may produce are purely incidental. In its search for better yields, any large investment in new capital issues is out of the question and, of necessity, the chairman observed, the L.I.C. has to be choosy.

Not in Interest of Policyholders

What effect this communication of the L.I.C. chairman, will have on the Planning Commission and the Central Government is hard to predict, but the communication confirms the view long held by millions of policyholders that the funds are being channelled to subserve interests other than those of the policyholders. The L.I.C.'s prime rôle as a custodian of the policyholder's savings has been sought to be subverted in order that the various objectives of the Planning Commission can be served. As Mr. Kaul has rightly urged, the L.I.C. must be left free to seek profitable yields and thus should continue to make more profitable investments in the private sector. The proportions of its investment in the latter field should not be reduced with a view to providing a higher percentage for the public sector. The distortions that are being continuously made of the traditional image of a life insurance company must cease; otherwise, before long, the L.I.C. would lose the support of the savers. If the life fund declines, the part which the L.I.C. is playing in the capital market will inevitably decline with it, resulting in loss both to the L.I.C. and the capital market.



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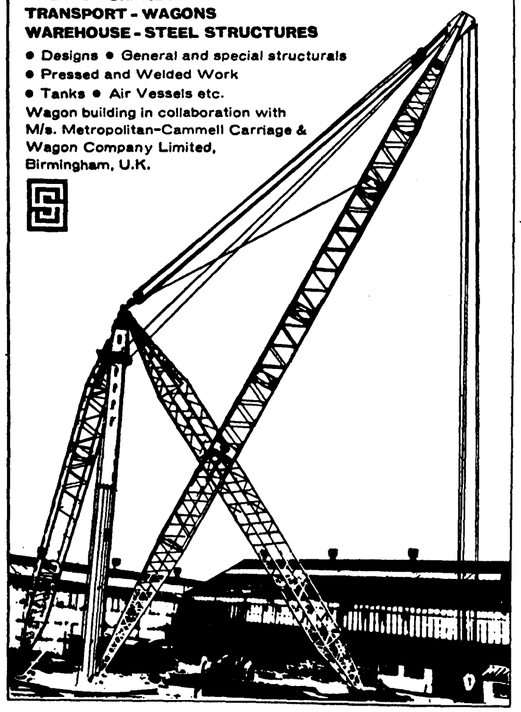
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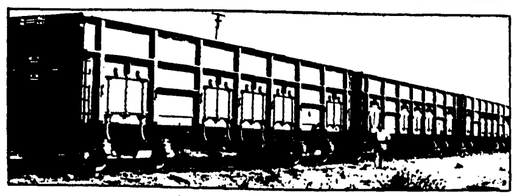
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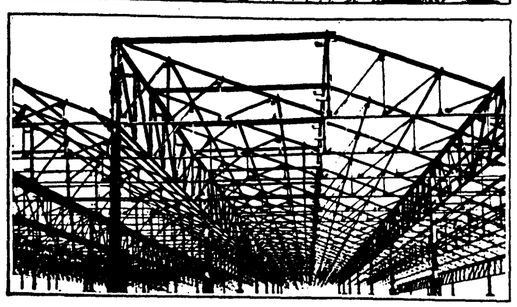
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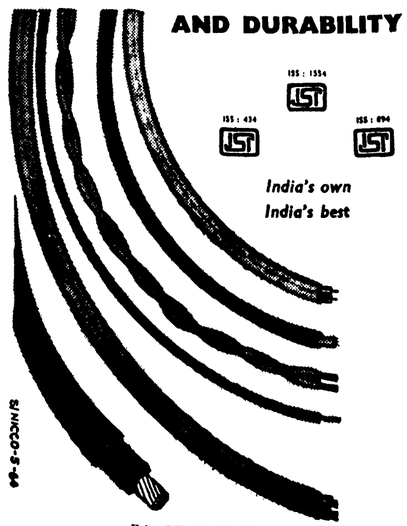
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Implications of the L.I.C. Entry into General Insurance

The business of general insurers in India continues to grow. But with the entry of the Life Insurance Corporation into the field, private insurers feel uncertain about their future.

By

A SPECIAL CORRESPONDENT

THE entry of the Life Insurance Corporation of India into the general insurance field is the biggest event of the year. It marks the commencement of a new era in this line of business in the country. Under the provisions of the Life Insurance Corporation Act, 1956, the Corporation is authorised to carry on any other business which may seem "to be capable of conveniently carried on in connection with its business and calculated directly or indirectly to render profitable the business of the Corporation." Since the Life Insurance Corporation of India is not a creature of the Insurance Act, 1938, the provisions of that Act concerning tariffs, etcetera, do not apply to the Corporation. They will apply only when there is a notification from the Government of India to this effect.

The Central Finance Minister in his statement has made it amply clear that the rulings of the Tariff Committee and the Executive Committee will not apply to the Life Insurance Corporation. That enables the Corporation in the transaction of general insurance business not to follow the tariffs of India or to be guided by the Executive Committee in the matter of setting up standards of conduct and sound practice. Nevertheless, the Life Insurance Corporation has entered into a gentleman's agreement with the tariff insurers in the country to follow the tariffs in force for the time being. This will continue for some time until, as is reported, the Corporation has the facility to devise on the basis of experience, its own rating structure. The Executive Committee's directives, in any event, will not be binding on the Corporation.

Basic Aim of Government

The entry of the Corporation into the new line, was prefaced by various statements. They were many, but it is not difficult to gather from them the basic aim the Government of India has in view. When life insurance was nationalised, the first phase of State trading in insurance started. With the L.I.C. taking to general insurance, the second phase has just begun. Although it is said that the Corporation by acting as a non-tariff company will act as a stabiliser in the uncertain general insurance market, it is obvious from the statement made by Mr. T. T. Krishnamachari in Bhubaneswar that the Life Insurance Corporation will make such a "serious dent" on the general insurance business of the private sector in about five years' time that there will be no need to pay compensation and that nobody will be upset. It will be seen from this pronouncement that the Central Government has ushered the Life Insurance Corporation into the general insurance trading in furtherance of its socialistic objectives. It has often been denied that the entry of the L.I.C. is calculated to introduce nationalisation by the back-door. But words cannot allay misgivings when there is every evidence to show what the ultimate intentions of the Government of India are. The L.I.C., to all intents and purposes, is the instrument by which the Government hopes to squeeze out the private companies from the market, and thus create conditions under which the L.I.C. will be able to shape the character of general insurance trading. The income of private companies will sooner or later be depleted, because of the business lost. Since the L.I.C. will be eventually reducing rates, even on retained business, their private insurers' premium income will be reduced. It has been claimed that by this device the L.I.C. will act as a stabilising force, for with a depleted premium income, the private insurers will have no funds to pay rebates or illicit inducements.

Competition with Private Insurers

Such are the assumptions of the new policy, but they cannot blind one to other consequences. If the L.I.C. so wishes, its vast manpower, branch offices, and above all, investments in several sectors of business can be used to take a good part away from large number of businesses in the books of the private companies. The beginning of operations of the L.I.C. in the general insurance field could be the beginning of the end of private general insurers. It may actually turn out to be a dangerous form of nationalisation.

For the first time, a significant analysis has been incorporated in the *Insurance Year Book 1963*, the latest, not included in the previous publications, giving a mathematical summary of the expenditure on account of reinsurance transactions abroad with the Indian business of non-Indian insurers and the total business of the Indian insurers during 1960, 1961 and 1962. The amount has been estimated at Rs. 1.84 crores, Rs. 3.27 crores and Rs. 2.06 crores, respectively. The method of computation leaves little room for criticism. It has been arrived at by adding profit of gross direct business in India of all insurers to the profit of gross direct business outside India of Indian insurers less the profit of total net business of Indian insurers and the profit of net business in India of non-Indian insurers.

The points to be considered, therefore, are the basic causes for this expenditure. Taking one section of general insurance in India only, namely, fire, it would appear that the sizable profits of Rs. 3.68 crores in 1960 on gross direct business in India of all insurers, Rs. 3.80 crores in 1961 and Rs. 5.60 crores in 1962 have been so processed by the insurers themselves that ultimately there was a drain of Rs. 1.26 crores in 1960, Rs. 99 lakhs in 1961 and Rs. 1.78 crores in 1962. This should show that the insurers in this country have not been able to utilise fully the absorbing capacity of the Indian reinsurance market. It has been suggested that as far as the non-Indian insurers are concerned, there is extensive reinsurance overseas by various book entries and that they hardly utilise India's absorbing capacity. If this be correct, then Indian and non-Indian insurers can retain the profits, as far as the fire and miscellaneous sections are concerned, within the country by exchanging business among themselves and pooling their own resources. Professional reinsurers, namely, the India Reinsurance Corporation and the Indian Guarantee, have not yet been able to influence results, and there seems to be scope for more professional reinsurers in India. The emergence of the L.I.C. as a direct writing company in India is based on wrong priorities and emphasis. The L.I.C. would have served the interests of the country better if, instead of being a direct writing company, it had emerged as a professional reinsurer.

Growth of Business

The growth of general insurance business in India has been substantial. The gross premium income written direct in India in 1962 reached the figure of almost Rs. 48 crores, compared with about Rs. 44 crores in 1961. It is estimated that in 1964 the gross premium income written direct in India will be near about Rs. 55 crores. Similarly, the net premium income in India has grown from about Rs. 32 crores in 1961 to about Rs. 36 crores in 1962.

The gross premium written direct outside India by Indian insurers (in fire and marine insurance business) in 1962 has suffered a fall, while the gross premium written direct in miscellaneous insurance business in 1962 has registered an increase over that of 1961.

The net premium income outside India of Indian insurers in all the three classes of general insurance business in 1962, has increased, compared with that of 1961. Yet in 1962, Indian insurers in gross direct business written outside India amounting to Rs. 10.19 lakhs, compared with Rs. 9.68 crores in 1961, suffered a loss of Rs. 1.18 crores, compared with Rs. 1.03 crores in 1961. Claims alone accounted for 62.8 percent of the said gross direct premium income in 1961, and this went up to 66.79 percent in 1962. There can be no more eloquent commentary on the poor standard of underwriting done outside the borders.

Underwriting Experience

The underwriting experience of Indian and non-Indian insurers in their total net business and net business in India in 1962 is, however, otherwise. Here the experience has been profitable throughout, it being 16.1 percent in fire department for Indian insurers, against 28.6 percent of non-Indian insurers. Similarly, it was 0.3 percent and 5.9 percent for Indian insurers in marine and miscellaneous departments, respectively, against 11 percent and 11.1 percent, respectively, for non-Indian insurers. Indian insurers seem to have broken the ice in net marine writings for the first time in recent years by showing a balance, although small, of 0.3 percent.

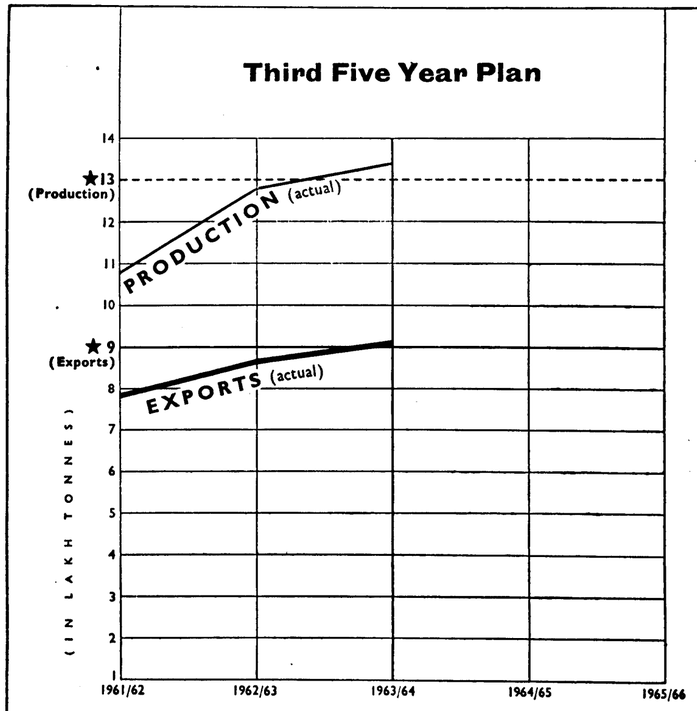
The underwriting experience of Indian and non-Indian insurers in their general insurance business written direct in India in 1962 is, however, quite favourable. It is 32 percent, 1.3 percent and 13.4 percent in fire, marine and miscellaneous sections, respectively, of Indian insurers, against 32 percent, 12.1 percent and 14.6 percent, respectively, for non-Indian insurers. It is obvious from this review that Indian insurers' gross profit in each section is considerably reduced by the process of exchange of business primarily transacted overseas, whether by treaty exchange or otherwise.

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Stock Market Depressed: High Taxes and Low Yields Discourage Investment

By
A SPECIAL CORRESPONDENT

THE Indian stock exchanges are closing 1964 in a depressed mood. The all-India index for ordinary shares has dropped from 172.6 to 164.9 (1952-53 equals 100) over the past year. The index for the Calcutta stock market has declined from 160.1 to 151.8 and that for Bombay from 181.2 to 174.6. The index for Madras has lost only fractionally from 174.7 to 174. Despondency has been caused by several unfavourable developments, both economic and political. Investors have turned apathetic because of two factors. Firstly, the current yields from ordinary shares are considered unattractive by present market standards. Due to soaring interest rates, the current yields of around 5½ percent to 6 percent are considered low, and investors do not think it worth while to buy shares unless the yield is 8 percent or so. So they are inclined to wait until share prices drop further to give a yield equivalent to the market rate of interest.

Secondly, the glamour of growth relating to equities has suffered a great deal due to the heavy fiscal levies on the corporate sector. The treatment of bonus shares—except those that are capitalised out of the share premium account—combined with the tax on bonus shares, has deprived equities of a good deal of attraction. The prospect for larger dividends has suffered due to the levy of the 7½-percent tax on dividends. Although production, sales and profits of companies have, on the whole, tended to increase, operators are worried because a large part of the profit has been mopped up by taxation. Furthermore, profits have not improved in proportion to turnover due to the rising production costs. Judging from current indications, it does not look as if prices of raw materials, stores, power and transport will decline in the near future.

Rising Prices

Meanwhile, wages of workers have risen considerably under various Wage Board awards. But in spite of larger emoluments, workers are still discontented due to the rising prices of essential commodities. The profitability of the corporate sector has been threatened by the Government's acceptance of the Bonus Commission's recommendations in a modified form. The implementation of the recommendations will mean that 60 percent of corporate profits will have to be paid towards workers' bonuses. Companies will, therefore, be left with little funds for modernisation, expansion and replacement.

Investors and operators have been worried by the critical food situation. The rising prices of essential commodities have strained the economy. The Reserve Bank's restrictive credit policy, it is feared, will interrupt the flow of bank credit into stocks and shares. Since the banking community is obliged to comply with a higher liquidity ratio, commercial banks will find it difficult to finance the requirements of the coming busy season. The proposed amendment to the Companies Act to restrict the currency of blank transfers has caused a great deal of concern, since it will tend to reduce liquidity and negotiability of shares. Funds will, therefore, be diverted from stocks and shares to other investment channels. Banks will be reluctant to extend credit to the stock market if the currency of blank transfers is reduced. Meanwhile, high lending rates of banks have rendered it almost impossible to finance stock market activities by borrowed funds.

Move to End Managing Agencies

Mr. T. T. Krishnamachari, Central Finance Minister, has recently made two important statements. Firstly, the possibility of terminating the managing agency system in selected industries next year has been indicated. Since it is difficult to recruit efficient directors, the removal of managing agents may deprive companies of efficient and experienced managerial personnel. Mr. Krishnamachari has also hinted at the possibility of reviving the former system of asking companies to deposit a part of their reserves with the Reserve Bank for development. The move seems pointless because companies are already using almost all their reserves for modernisation, expansion and diversification. The proposal of the Prime Minister, Mr. Lal Bahadur Shastri, to encourage the participation of the public sector in consumer goods industries, combined with the move of the Planning Commission to modify the Industrial Policy Resolution of 1956, has caused fresh jitters in the market.

In the political sphere, the Kashmir problem looks intractable, although the one relating to Indian immigrants into Ceylon has been partly resolved. The tension between India and Pakistan and between India and China has not yet abated. The change in the Russian leadership, and the detonation of the first atom bomb by China have caused fresh uncertainties. The troubles in Orissa and Kerala also pose fresh problems.

Share prices have fluctuated widely during the past year. There was a marked revival of confidence when Mr. T. T. Krishnamachari took over the Finance portfolio in August 1963. Despite the acceptance of the resolution on democratic socialism by the Congress Party at its Bhubaneswar session, operators were jubilant because some good measures were initiated by Mr. Krishnamachari. The compulsory deposit scheme and the Gold Control Rules were modified, credit supply from banks was liberalised; price control was removed from a few selected industries, and industrial licensing was liberalised. The steadiness was maintained until the 1964-65 Central Budget, but the market was disappointed by the measures introduced by the former. The replacement of the super profits tax by a surtax on profits has given only marginal reliefs to the corporate sector. The good effects of the grant of a rebate of 10 percent on income tax and supertax and 20 percent on surtax to companies engaged in certain priority industries have been of only marginal significance. The exemption of all inter-corporate dividends from supertax, the reduction in the rate of deduction of income tax at source from 30 percent to 20 percent on dividends declared by companies has been neutralised by the levy of the new tax on dividends. Although the Compulsory Deposit Scheme was withdrawn, the introduction of the annuity scheme for middle and high-income groups has tended to mop up substantial savings of the people who are prone to investing funds in stocks and shares. The few incentives offered to foreign collaborators have failed to attract foreign capital to any considerable extent. Anyway, the 1964-65 Central Budget adversely affected sentiment in the stock market. Heavy direct taxes—including the increase in the rates of wealth tax, gifts tax, estate duty and the substantial rises in excise duty, have tended to reduce the attraction for stocks and shares.

Depression Deepens

The depression was aggravated towards the end of May due to the death of Mr. Jawaharlal Nehru. Since then, the stock markets in India have tended to decline except for intermittent rallies due to short-covering and replacement purchases. The markets attach great importance to the establishment of the two public-sector institutions—the Unit Trust of India and the Industrial Development Bank. The establishment of the Trust should have bullish effects since it will invest large sums of money in shares. But in the long run it will influence the stock market bearishly. Since the units tend to assure an attractive tax-free return, they are expected to attract large savings. This will reduce the flow of funds into the stock market. This apart, it is time to consider the long-term effects of the operations of the Unit Trust of India and the Life Insurance Corporation of India on the market. Since large blocks of shares will pass into the tills of these two public-sector enterprises, it is wondered whether a large part of private-sector companies will not ultimately pass into the control of the Government. This besides, the purchase by these two big financial institutions will steadily lead to a shortage of good scrip.

As far as the Industrial Development Bank is concerned, it has been welcomed because it will tend to facilitate the supply of long-term funds to industries. It will co-ordinate the activities of the Industrial Finance Corporation, various State Financial Corporations and the Industrial Credit and Investment Corporation of India. Although the problem relating to industrial finance will be greatly mitigated by all these financial institutions, they will not be of much help to attract the savings of the community. Unless activity in the stock market is encouraged, it is difficult to mobilise savings.

Steel Shares Attract

Sectionwise, steel shares have attracted the most attention. The payment of a larger dividend of 17 percent, including a cash bonus of 1 percent, by the Indian Iron and Steel Co. Ltd for 1963-64, against 16 percent for 1962-63, has had good effects. The working of the steel companies during the current year will be governed by two factors. Firstly, production is expected to be bigger during the current year than in 1963-64. The bulk of the output has been decontrolled, although prices of these items are being voluntarily regulated. As far as the controlled items of production are concerned, they will not yield a better profit unless their retention prices are raised to more realistic levels. The worry of the shareholders centres on the important issue relating to the payment of advances which the Government gave to the Indian Iron and Steel Co. Ltd and the Tata Iron and Steel Co. Ltd. Although the Government has assured the Companies that it has no intention of converting the loans into shares, it remains to be seen whether it will provide funds to them for repaying the advances by raising the retention prices of steel. Meanwhile, both the companies have been asked to undertake further expansion. Indian Iron has already launched the first phase of expansion. The managements of both the Companies have assured the shareholders that no expansion will be undertaken unless it contributes to their benefit.

As far as engineering shares are concerned, the outlook is fairly encouraging. Order-books of almost all engineering firms are well filled, but nobody can guarantee that their working will not be interrupted by the shortage of raw materials, spare parts and power. It should not be forgotten that a considerable part of their installed capacities continues to remain idle, so steps should be taken to make a fuller use of these capacities. It is hoped that the larger non-project aid offered by foreign countries will be used to import more raw materials and spare parts to ensure a fuller working of installed capacities. But due to the progress in economic development, the demand for engineering products should steadily increase.

There has been great attraction for good miscellaneous shares because the supply of miscellaneous goods has generally been short of demand. Most of these industries are expanding as far as possible to cope with the rising requirements. Shares of companies making copper, rubber, motor-vehicles, batteries, paints, biscuits, chemicals and cables, etcetera, have generally been favoured. Despite the prospect of an increase in the reasonable return allowed to electric companies due to the increase in the Bank rate with which the reasonable return has been linked, electric company shares have not attracted attention due to the apprehension of nationali-

sation of these companies in the long run. Insurance shares are neglected because of numerous statutory controls under which these companies are obliged to work. Bank shares are being dealt in cautiously because the effects of the large liquidity ratio requirement and the restrictive credit policy of the Reserve Bank have not yet been fully worked out. Managing agency shares are not favoured because the Government intends to terminate the managing agency system in selected industries in due course. The prospect for cement shares depends on whether the Government will agree to increase the price of cement to a more realistic level. Support has been extended to paper shares because the price of paper may be raised to encourage further expansion of the industry. The supply of paper is short of demand which is expected to increase considerably in the near future. Sugar shares have been difficult to transact due to the absence of support. During the past two years, sugar companies have generally suffered losses due to a smaller output, combined with rising production costs. Their working will not improve unless an adequate supply of cane is assured to sugar factories.

Although jute shares have not met with selling pressure, buyers have tended to be cautious. During the current year, profits of mills have tended to shrink due to the sharper rise in the price of fibre than that of jute goods. Production costs have also been inflated by increased emoluments to workers, combined with higher prices of stores and power. The output of mills has, however, increased due to the scrapping of the Working Time Agreement. But it remains to be seen whether the increased production will be matched by a corresponding rise in the overseas offtake of jute goods. The levy of the surcharge of 15 percent on imports into the U.K. may reduce the offtake of jute goods by that country. However, the earlier fear relating to the shortage of fibre is unlikely to materialise. Current indications are that mills will have an abundant supply of raw jute during the current year.

Coal shares lack interest due to two factors. Firstly, the present price of coal fixed by the Government is not considered remunerative enough to give reasonable profits to collieries. Secondly, the output during the current year has been interrupted by the large accumulation of pithead stocks following the decline in demand. The steel companies, in particular, have reduced their offtake of coal to a considerable extent. Support is forthcoming for good cotton mill shares because the partial control of cloth is expected to ensure fair profits to mills. Furthermore, the supply of cotton is expected to be adequate. The domestic cotton crop during the current year will be larger than that of the previous year. Steps have also been taken to import a fair quantity of foreign cotton.

Tea shares have not been favoured, and stray business has been transacted. Only a few selected Assam and Dooars gardens have been fancied. Despite the prospect of a bigger crop in north India during 1964, investors have been discouraged by the poor marketing outlook for tea. The average price during the current season is barely equal to that of the previous season. Since production costs have risen substantially, it is feared that profits of tea companies during the current year will not be better than they were in 1963.

New Issue Market Dull

The new issue market has been depressed in line with the general trend of the stock market and the bulk of new issues have been quoted below par. During recent months, most of the new issues have had to be subscribed by the underwriters themselves. Although underwriting facilities have tended to increase, it is apprehended that in the coming months promoters will find it difficult to get their issues underwritten since funds of underwriters have been largely blocked in new issues. The depression is understandable because the prospect for equities has suffered a great deal due to various fiscal levies on corporate profits. Confidence in the new issue market will not revive until the fiscal system is suitably modified.

Investors have also tended to shy away from new shares because many new projects have gone awry due to miscalculation or mismanagement. Apart from the fact that the progress of new enterprises has been interrupted by various difficulties in the form of shortage of foreign exchange and raw materials, experience shows that many new companies have carelessly estimated their project costs. So they have been handicapped by the shortage of funds. Quite a number of companies have also been poorly managed. Although the Advisory Committee on Capital Issues has recommended to the Government that the restriction on the sale of shares allotted directly by a company before public subscription should be removed, it is unlikely to revive confidence unless the outlook for equities is improved by a modification of the fiscal system.

Government securities have turned dull and quiet. At this time of year when the busy season begins to gather momentum, banks generally take little interest in investments because their funds are used to finance the rising tempo of economic activities. This besides, prices of securities have tended to drop due to the increase in Bank rate from 4½ percent to 5 percent. The market for Government securities in India is more or less a closed one because buyers generally include banks, the Life Insurance Corporation of India, the Unit Trust of India, various financial institutions in the public and private sectors, provident funds, Port Trusts, municipalities, the Central and State Governments and other Government or semi-Government institutions. The Reserve Bank of India is no doubt a substantial holder of these securities. A striking anomaly is that there is very little support from the public. It is unfortunate that the Government shows no keenness to attract more public support by making yields on securities more attractive.

As far as the banking community is concerned, it is forced to hold substantial securities to comply with the increased liquidity ratio of 28 percent. Since the Reserve Bank operates Government securities in a restricted way, holders of these have found it difficult to transact them freely. It is time active steps were taken to liberalise the open market operations of the Reserve Bank. This will help impart greater liquidity and negotiability to these securities.

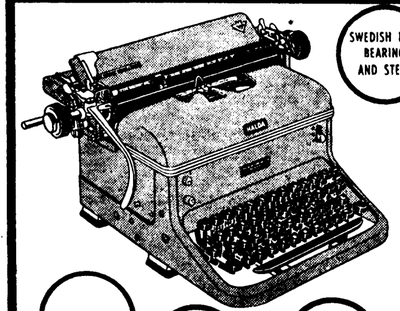
Borrowing Target

The 1964-65 Central Budget laid down a borrowing target of Rs. 295 crores. The Central Government made a conversion loan offer last April. Holders of the 3½ percent National Plan Loan 1964 and 3 percent Loan 1964 were offered to convert their holdings into either the 4 percent 1970 loan or the 4½ percent 1989 loan. The total conversion subscription amounted to Rs. 141.52 crores, leaving Rs. 47 crores which had to be repaid in cash by the Government towards the liquidation of the two maturing securities. Later in July, the second tranche of loans for cash subscription was offered to raise Rs. 150 crores. The 4 percent 1970 and 4½ percent 1989 loans were offered earlier. Since the rate of interest on the new loans was increased, the prices of existing securities tended to soften. In August, 13 State Governments, except Punjab, offered loans to raise Rs. 100 crores. These new loans carry an interest of 4.75 percent and are repayable in 1976. As was expected, a part of the total subscription was obtained through persuasion and pressure. So unwilling buyers have now been forced to sell their holdings at a discount.

The following table represents the movement of clearing shares in the Calcutta stock market during 1964:

	Opening	Highest	Lowest	Closing (as on 18-12-64)
Birla Jute	34.94	38.75	29.50	38.50
Burrakur Coal	17.50	17.94	15.47	15.87 x.d.
Dunlop Rubber	38.62	39.25	31.06	30.62
Guest, Keen, Williams	26.37	28.12	22.50	22.75
Hindustan Motor	19.03	20.12	16.41	16.34
Howrah Jute	18.25	18.62	15.37	16.06
Indian Aluminium	28.94	33.00	28.31	30.25
Indian Cable	37.12	39.31	33.00	34.75
Indian Copper	3.39	3.82	3.08	3.26
Indian Iron	24.98	26.84	24.10	25.28
J. K. Rayon	12.87	13.19	10.00	9.37
Jaipur Udyog	12.00	12.66	10.31	9.94
Kesoram Industries	28.06	30.12	23.75	23.56
Orient Paper	38.75	40.10	30.90	32.06
Orissa Cement	14.06	14.75	11.25	12.25
Rohtas Industries	12.25	13.06	9.87	9.56
Shree Gopal Paper	25.12	26.19	24.44	25.25
Textile Machinery	27.75	29.10	25.60	25.10

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Bonus Commission Recommendation Will Strain Tea Industry Further

The tea industry is bearing a heavy tax burden. The Bonus Commission's recommendations will further strain the industry's resources, and make it difficult for it to fulfil the plan targets.

By

A SPECIAL CORRESPONDENT

THE picture of the tea industry is very much the same as in 1963. Very high targets both for production and for export have been set by the Planning Commission, and accepted by the industry with the proviso that certain measures of tax relief must be given if the targets are to be achieved. The measures of relief are still being talked about, perhaps with more sympathy or even urgency than before, but they have not yet been given, and the targets are scarcely on the way to being achieved.

Meanwhile, several additional burdens have been laid on the industry. Firstly, the wage board, under strong political pressure, has decided on a second "interim" wage increase to labour. Rises in wages, within reasonable limits, should not be grudged, but this one was given on no rational basis other than a guess at the capacity of the industry in various areas to pay. The increases combined with the interim increase of 1962 considerably outstripped the rise in the cost of living since minimum wages were last fixed; such investigation as the wage board had made showed that over the previous 11 years, on average, 20 percent of the tea companies were making losses—not a very economical basis on which to run an industry.

Secondly, disregarding repeated warnings given by those responsible for the industry and ignoring the promise of prior consultation before any policy decision was made public, the Government of India (at the time this article was written) seems inclined to impose a minimum annual bonus of Rs. 40 a worker even on the many companies which year after year have made losses or only marginal profits. This, in a labour-intensive industry such as tea, may mean an additional burden of about Rs. 40,000 an estate, and many companies simply cannot obtain the funds to pay it. A temporary compromise has been reached with the labour organisations (including the I.N.T.U.C., U.T.U.C., and A.I.T.U.C.,) in north-east India to pay Rs 20 a head in the case of losing gardens, Rs. 25 in the case of gardens which have made "inadequate" profits (defined as those which, under the Bonus Commission's formula, would have been due to pay less than Rs. 40, had it not been for the minimum), and Rs. 40 in the case of those which have made adequate profit, as payment on account pending further negotiation. It may be noted that the first two classes above represent more than 70 percent of the acreage under tea in India.

The industry, like most employers, resents the imposition of bonus payments where there has been no profit. In north-east India it has previously never sought to impose a maximum limit on bonus a worker; under the previous agreement, now expired, the bonus was a straight percentage of profits divided in proportion to earnings. So the sole justification for a minimum bonus which the Bonus Commission could find, namely, that a maximum is to be applied, did not relate to the tea industry in north-east India. Nevertheless, the industry would probably now be prepared to compromise on the minimum formula suggested for the industry by Mr. Dandekar in his minute of dissent to the Bonus Commission's Report, i.e., 2 percent of annual earnings. It must be remembered that the tea garden workers are still recruited on a family basis, and strict preference is given to those living on the estate when vacancies occur. A bonus of Rs. 40 a worker would, therefore, mean a total family earning of about Rs. 120.

Concessional Supply of Grains

Thirdly, the price of rice and wheat has been steadily rising. In north-east India, which covers some four-fifths of the industry, foodgrains are sold to labour at concessional prices. These prices have not been raised, so that the whole of the cost of the rise in price has to be borne by the tea companies, the workers being completely sheltered. In south India, rice is sold to workers at cost price, but purchase by the tea companies at reasonable procurement prices is becoming increasingly difficult. The situation has been particularly difficult in Assam, where the State Government has not taken the same care as in West Bengal to see that the tea estates can obtain supplies, and indeed has, by regulation, kept them off the market in order to conserve supplies for the towns. When an industry is forced to accept the responsibility of supplying rice at fixed rates to its workers and is denied access to the open market, it is only fair that, under a system of control, the Government should see that adequate supplies are made available at fair prices.

Fourthly, so far from relieving the industry of its heavy burden of taxation, various State Governments during the past year have enhanced the rate of taxes. Assam has raised its agricultural income tax, and joins Kerala in the distinction of levying agricultural income tax at a higher rate than the Central Government levy (by convention 60 percent of the profits of the industry is taxed by State Government and 40 percent by the Centre, but there is nothing to prevent a State from raising its rate of tax higher than the Centre's, although the method of assessment may be the same). Assam has started on a policy of doubling up the land tax, and this has beeen followed by Mysore and now by West Bengal. Assam seems piqued by the fact that while West Bengal was allowed to keep its octroi collections indefinitely after the Supreme Court decided that such measures required the consent of the President (in effect the Government of India), Assam's carriage tax, as it then stood, was given only a limited extension up to March 1962.

Plea for Single Excise Levy

Limiting taxation when several authorities compete for revenue is difficult. What the industry pleads for is that, by and large, the Central Government should determine what level of taxation the industry should bear, that agricultural income tax on tea should be made uniform throughout the country at not more than the Central Government's rates; and that taxes on production, including carriage and octroi duties and the sales tax on the Cochin auctions should be confined to the Central Government's excise duty, a share of which might be given as a grant by the Centre to the State Governments within whose jurisdiction tea is grown and in proportion to such production, in compensation for their agreeing to forgo their right to levy special taxes on movement of tea.

It is noteworthy that over the last ten years not only have the marginal companies had a dismal record of loss and inability to fulfil their obligations under the Plantations Labour Act, but even the comparatively good going concerns, as shown by a recent review of 31 of the best known exporting companies, have suffered a steady contraction of their profits, so that they no longer have the funds to plough back, extend and rehabilitate their concerns. Still less do they have the funds to rebuild their workers' houses to the specifications laid down by the Assam and other State Governments. It is impossible now to attract fresh outside capital into the industry—not at least from the class of investor who believes in progress and expansion. The return on investment is not sufficient for the risk involved. It is easy enough to find buyers for what one might call the "run down" value of an existing estate. Loans are not the solution if there is not the wherewithal to service them.

Now that profit margins are not sufficient to provide for expansion, the tea industry is making a strong representation to the Government that there should be a direct reduction in the level of excise; the producers would not object if the funds accruing from such reduction were earmarked in the hands of the tea companies for replacements and extensions of tea areas and for installing new machinery in the factories. In order to get the maximum value from such tax relief, it is suggested that replacements and extensions of



Plucking in a tea garden

the tea area, hitherto regarded as a capital charge although no depreciation is allowed on the bushes, should be treated as a revenue charge. Unless this reasonable concession is allowed, half the value of the excise tax reduction may well be lost in additional income tax.

Producing Quality Teas

Measures such as these—and a restraint on the part of the State Governments from taking over for other purposes land within estates suitable for extensions—are quite essential if there is to be a successful effort during the succeeding five year plans to extend the area under good quality tea and achieve the export targets adumbrated by the working group of the Planning Commission. To produce more quality tea it is essential to plant on suitable ground—preferably not that from which old tea has recently been uprooted—with the best modern methods from tried and tested stock of high quality, and this costs much money. Nevertheless, great scientific advances have recently been made in the use of clonal material for new planting, and the know-how is there. It is the production and export of more quality tea that will bring in more foreign exchange. However much the world market for common tea may grow, many competitors are now steadily increasing their production, and most of them have readier geographical access to the markets of Europe and America. Yet India's tea can still fetch a higher average price a pound than any of her competitors'.

Instant Tea

For common tea, perhaps the future is with so-called "instant" tea. As those who have tasted the several brands know, this development has a long way to go before it can equal tea infused properly from leaf by orthodox methods. It is possible, however, that public taste may change to accept such substitutes. It should also be possible to add essences to instant tea in similar powdered form, orange or lemon or even whisky type to taste. But as an economical long-term proposition instant tea is best made not from already manufactured black tea but directly in a continuous process from green leaf. For this it is essential, again from the point of view of saving costs, to have a continuous suply of fresh leaf to keep the factory going all the year round. Here Ceylon (like Indonesia, if she is ever permitted again to develop) has with her continuous rainfall and absence of winter a great advantage over India, except for some portions of the Western Ghats in the south. It is thus in south India that production of instant tea is going ahead.

Turning to the opening of new markets abroad, the most hopeful area is still the European Common Market. However, despite the reduction of its external tariffs to nil as from 1st January, 1964, the E.C.M. countries still hold fast to their internal revenue duties on tea, and all the efforts of India's Ministers and diplomats have not succeeded in getting them lowered. The excuse given is that they apply equally to coffee and beer—in fact tea is still regarded as a comparative luxury. Nevertheless, vigorous efforts are being made by the Indian Tea Board from their propaganda centre in Brussels to expand the popularity of tea in western Europe.

Market Potential in U.K.

In Britain too a large campaign is afoot to preserve the popularity of the Englishman's traditional drink, for it shows signs of decline among the rising generation in the face of coffee. This decline can, however, be exaggerated, and it is perhaps rather beer and lemonade-type drinks that coffee is tending to replace among the monied teenagers of today.

In the U.S.A., India and Ceylon have for many years run a vigorous propaganda campaign for tea. Exports of Indian tea remain around 10,000 tonnes a year, but the value shows little tendency to rise above Rs. 6 crores despite the fall in the value of money. Canada unfortunately shows a persistent decline in consumption.

It is Russia and the U.A.R. which have shown the most remarkable rise in offtake from India over the past eight years, the former now absorbing as much as a seventh of the traditional British offtake, and it is the main purchaser of Darjeeling tea. The buying policies of communist countries may or may not persist, a thought that gives rise to considerable apprehension among tea producers. Any day a Russian government may decide that perhaps China is the country from which they should get their tea after all.

The 1964 crop in India has been a good one, in quality and in quantity. Prices have been shaky; and on average below that of last year, when the crop was short for climatic reasons. In a year of heavy crop, quality teas maintain their value while common teas drop. It will be interesting to see whether the total export earning during July 1964 to June 1965 exceeds the 1963-64 total of Rs. 121 crores or the 1962-63 total of Rs. 128 crores. Perhaps Rs. 125 crores is a modest bet. Meanwhile money does not rise in value.



TOO MANY TAXES CHECK GROWTH OF PLANTATION INDUSTRY IN SOUTH

The plantation industry represents an important sector of the economy. It is a major foreign exchange earner. But heavy taxation has been hampering its growth.

By
K. K. KURIEN

THE resource problems of the plantation industry are today discussed extensively in the context of the appointment of the Tea Finance Committee by the Government of India. Apart from the money required to meet the rising cost of production, the industry is urgently in need of huge funds for replanting and expansion, and also for discharging its obligations under various labour laws. According to one estimate, the cost of production in south Indian tea estates has increased three-fold in the past 17 years to well over Rs. 2,000 an acre. Similar increases might have occurred in the case of coffee and rubber as well. This has strained the financial resources of almost every planting company.

During the past decade, producers in south India have been becoming increasingly aware of the need for replacing the old type of plants with modern high-yielding varieties. To the country and the industry, it is equally beneficial to have the field planted with such material as would help each one to produce three times the present level of output. The replanting cost is estimated at about Rs. 5,000 an acre in the case of tea, Rs. 2,500 for rubber and Rs. 3,000 for coffee. The annual requirement for replanting tea alone is placed at Rs. 3 crores. Factories are in need of modernisation and expansion because most of them were set up in the '20s or even earlier. Over and above these, are the amounts required to discharge the industry's obligations under the Plantation Labour Act and other labour laws. Welfare measures involving capital outlay now exceed the cost of opening the plantations concerned.

There is little hope of attracting the capital needed to meet these requirements from the open market, unless the industry is in a position to give a reasonable return on the investment. There is no hope of lowering the cost of production if the present level of wages and amenities are to be maintained. There is no means of saving for reinvestment unless there is a reduction in the crippling burden of taxation.

The plantation industry is subject to a plethora of taxes. The Centre imposes income tax, excise duties and sales tax and the States agricultural income tax, sales tax, entry duties, octroi duties, land tax and building tax and the *panchayats* and other local bodies their own levies. The Central Government levies Union income tax on 40 percent of the income of the tea industry, and the State Governments within whose jurisdictions the plantation properties are situated, levy agricultural income tax on the remainder of the income. The State Governments also levy agricultural income tax on the whole of the income of the rubber and coffee plantations. The Central Govenment, through the State Governments, collects a Central sales tax on tea and coffee on inter-State transactions, and the State Governments, in addition, levy their own sales tax on local transactions.

Agricultural Income Tax

There is no uniformity concerning the rating of agricultural income tax in different States as also in the manner of ascertaining the taxable income, exemption, depreciation, etcetera. For instance, the Agricultural Income Tax Act of Kerala and that of Mysore impose rates which rise progressively with the corporate income. Variations in taxation on the same commodity which is produced in the different parts of the country are highly undesirable, particularly in the case of commodities like tea which have to be marketed under conditions of stiff competition. While Madras and Kerala have accepted the Central Government's recommendation to exempt the depreciation element in the price of rubber from the State agricultural income tax, the Government of Mysore has refused to fall in line. There is no limit placed upon the rate or extent to which agricultural income may be taxed by any individual State Government. This has resulted in the assessment of agricultural income at widely ranging and desperate rates. At least two south Indian States have imposed rates higher than the maximum to which the same income would have been liable under the Central income tax.

The rebates and concessions which are available under the Central Income Tax Act to specified industries of national importance of which tea is one, are not available under the Agricultural Income Tax Acts of the Kerala, Mysore and Madras Governments. The planters' plea is that the combined incidence of the Union income tax and the State agricultural income tax on tea and agricultural income tax on coffee and rubber should not exceed the net tax payable if the whole of the tea, coffee and rubber incomes were treated as subject to Central taxation.

The Kerala levy of 5 percent sales tax and a 5-percent super tax on tea sold through the Cochin auctions is particularly resented by the planters. This levy is in violation of the principle that goods for export should be exempted from sales tax. Besides, if the principle of exempting the first two sales from the levy of sales tax is accepted, teas sold through auctions for export will not attract this tax.

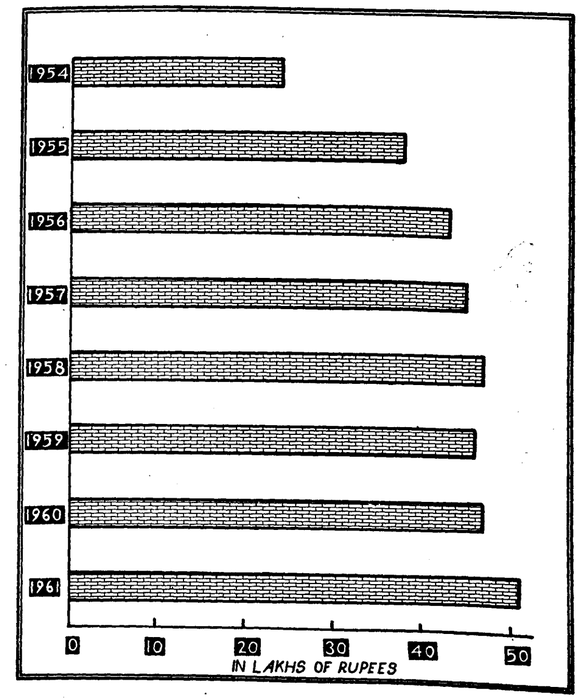
Unless the Tea Finance Committee deals with the problem of the ever-increasing taxation, it cannot find a satisfactory solution to the resource problems of the tea plantation industry. Most of the planters are working on large overdrafts. Any additional loans offered would only mean increasing their obligations to add to their cost under interest, besides having to pay back the principal. What the industry wants is a more reasonable tax structure. There are indications that the Government may appoint similar committees for the coffee and rubber plantation industries some time later and if it happens, the lessons learnt from the experience of the Tea Finance Committee would be of use to them. Any committee which examines the problem of resources for any branch of the plantation industry cannot avoid looking into the tax structure and if it really wants to see that the resource position is improved to any satisfactory level, it will have to recommend a rationalisation of the present tax structure of the Central and State Governments.

One interesting suggestion for coordinated approach to fiscal levies on plantations is that the Centre should take over the entire taxation of income and a fair share may be given to the respective States in keeping with the revenue they are currently receiving from the plantation industry. Although this may not fall within the precise jurisdiction of the Fourth Finance Commission, it can also be asked to examine this question in anticipation of a co-ordination of the taxes that fall on the plantation industry.

Depreciation of Field Assets

Among the other factors which affect the growth of the plantation industry is the disallowance of depreciation on field assets. Although plant age and soil become exhausted, no depreciation is allowed on planted assets and this factor lowers the ability of the industry to find the resources for replacement. The Tariff Commission on rubber has accepted the fact of the rubber tree having a limited economic life and accordingly provided for depreciation against capital consumption as in the case of other fixed assets. The same wastage takes place in the case of tea and coffee so much so they are also entitled for this depreciation allowance.

Another disability is that new plantings are treated as capital expenditure. Planters' case is that as a powerful incentive for expansion, the actual cost of those plantings should be charged to revenue. If for any reason, the Governments can not see their way to agreeing to this, a development rebate at 50 percent of



Outlay on labour quarters in South Indian tea plantations

the cost incurred may be allowed on all new plantings, whether replacement or extension.

Capital diverted to fulfil the obligations under the Plantation Labour Act now forms a large portion of the fixed assets of the planting companies. When these welfare measures were originally conceived, the availability of resources was fairly favourable. In the last ten years, the position has undergone a considerable change. In some cases, these welfare measures now exceed the cost of established plantations. This capital is not an investment as there is no financial return on it, so much so that it cannot be called for from the public. Therefore, it has to come from out of current savings. As in the case of new plantings, a 50 percent development rebate is sought by the planters with a view to enabling them to maintain the same tempo of welfare expenditure as in the past.

The planting districts of south India had experienced a prolonged and severe drought during the first half of 1964. Consequently, most of the crops were hit adversely. The worst hit was tea, the production of which was lagging behind last year's by about 17 million lbs by September-end, the period covered by the latest available figures at the time of writing. The loss was so big that in spite of the improvement in weather, planting circles hold the view that it is beyond the industry's capacity to make up this 17 million lbs by the end of the year, although they are confident of narrowing the gap substantially if weather remains favourable as it is at present. South India had a record output of tea at 193 million lbs in 1963. Production during the first nine months of the current year was to the tune of 126 million lbs, against 143.3 million lbs in the same period of 1963. Fortunately for the country, north India has had a very favourable weather this year, and the production there to the end of September at 441.2 million lbs was a gain of 43.6 million lbs over that of the same period last year. Present indications are that in spite of any possible shortage in south India, the Indian production of tea in 1964 will be a record 800 million lbs, thanks to the abundant harvest in north India.

Trend of Tea Exports

As for exports, both south India and north India have failed to keep up the tempo of the previous two years. The smaller crop has had its reflection on the exports from the south. Although production in north India has been higher, exports had been lower up to the end of June because of the lesser availability of tea during the first few months of the year. This was the result of smaller crops and higher exports in the previous two years. Exports have been looking up since June from both the south and the north, and the feeling in official circles is that by the end of the year, it will be possible to export at least 510 million lbs.

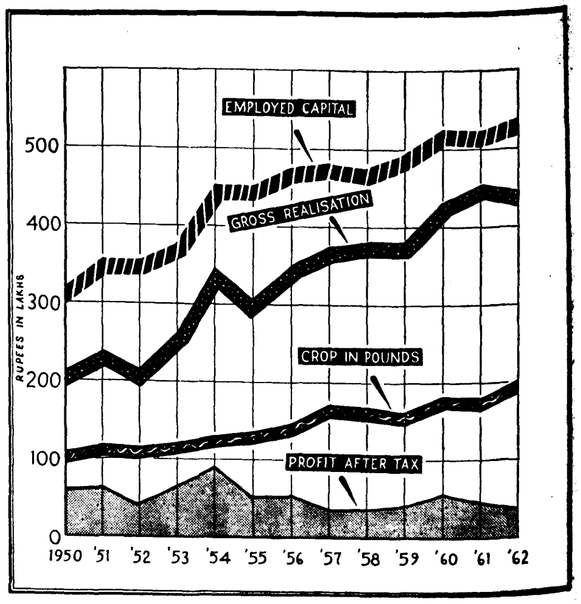
During the course of the year, an auction centre was opened in Coonoor on the Nilgiris and the result so far is said to be encouraging. Because of the presence of a large number of small growers with common teas to offer and the penal rate of a 5 percent sales tax imposed by the Kerala Government on teas sold at Cochin auctions, the Coonoor centre is expected to get a substantial share of the teas grown on the Nilgiris. This area has about 6,000 small growers, who feel that the classification of the Nilgiris as Zone IV is unfair, as its excise rate is fixed at 42 paise a kilogram. If a proper average is taken inclusive of the prices realised by the small growers, the average for the Nilgiris would be much lower than the auction sales average for selected teas at Cochin. A reclassification of the Nilgiris as Zone II is sought by the planters.

Record Coffee Output

A record volume of about 68,500 tonnes of coffee reached the Coffee Board's pool from the 1963-64 crop during the year. The Board had to carry out a big marketing operation in disposing of this crop. According to the latest available report, it had sold for export just over 30,000 tonnes from the 1963-64 crop by the end of October. Releases in the internal market during the first nine months of the year came to a total of 25,454 tonnes, representing a marginal increase of 344 tonnes over that of the corresponding period of last year. Internal consumption has been remaining static around 34,000 tonnes a year for some time now. It is not known how much of this was due to the rigid release policy of the Coffee Board, and how much to a market sense of adequacy. But with a production reaching around 70,000 tonnes, probably by the next season, the export quota for India at just over 22,000 tonnes is wholly inadequate. Given favourable weather, India's output could be well over 80,000 tonnes, of which 45,000 tonnes should easily be available for export.

The export quota of 22,000 tonnes which India has been given under the International Coffee Agreement, represents a meagre 33 percent of her production, compared with a quota of up to 80 percent of the maximum production fixed for some other countries. India has been pressing for an upward revision of her quota. The International Coffee Organisation has deferred a decision on this request, pending the report of a team it has deputed to India to study her production and export capacities in the light of her request. Planting opinion in India is that production by the end of the third plan period will be sufficient to meet internal demand on present levels and leave a surplus of 45,000 tonnes to 50,000 tonnes a year for export.

Another bright feature of the year was the higher return the growers had received on their crop. As against a final pool payment of Rs. 2 a point for the 1960-61 crop of 67,800 tonnes, the payment up to August 1964 on the 1963-64 crop had reached this figure. Although the final shape of the total payment for the season is not yet known, the Coffee Board authorities have already announced that the growers can expect a handsome payment. The main factor which had enabled the Board to pay a good price to the grower in spite of the big harvest was the higher price realised on export coffee. Export price has been ruling high for some time now on account of a shortage in the world market, brought about by successive crop failures in some countries like Brazil. Open auction was introduced again in India for export coffee during the year. Its results so far are considered encouraging.



Shrinking profits in plantations

Rubber Ceiling Price Removed

Towards the end of 1963, the Central Government withdrew the control over the maximum price fixed for natural rubber. It must have been thought possible that once the maximum price limit was removed in a country where production was hardly sufficient to meet even 50 percent of the rubber required by the manufacturing industry, the price would automatically rise. It must be credited to the capable manner in which the manufacturers were able to secure their supplies without in any way allowing the prices to rise.

There was a further increase in the indigenous production of natural rubber during the year. The 1964 output is expected to reach 46,000 tonnes, against 38,000 tonnes of 1963. In the coming years, the rate of increase would be even higher as new plantings come into being.

According to present forecasts of production and internal demand by the manufacturing industry for the next two plan periods, there should still remain a large gap between indigenous supply and total demand. Based on this there is a move for the setting up of more synthetic plants. There is at present one unit in this country with a capacity to produce 30,000 tonnes of S. B. rubber a year. Its owners are now finding it extremely difficult to sell this quantity due to the dearth of buyers. The reason is said to be the high cost of the material. It is at present priced at about Rs. 4 a kilogram, against Rs. 3.23 a kilogram of the first grade natural rubber produced in south India. It is said that synthetic rubber is not in a position to compete in point of price with natural in the near future. However, both the producers and consumers of natural rubber are unhappy about the favoured treatment given to the producer of synthetic rubber in U.P. by the Government of India. It is said that the developmental efforts which are being made on behalf of the natural rubber industry would largely be negatived by the new policy of the Central Government that every manufacturer should lift a certain percentage of the locally produced synthetic rubber in order to get his import licence.

Replanting Rubber Areas

The programme of replanting old and uneconomic rubber area is being actively pursued by many a grower. It is expected that much progress will be made in this direction in the coming years. New plantings also are taking place on an extensive scale. The attractions for both appear to be the fairly good return on rubber as well as the exemption given to rubber estates from the ceiling provisions of the land reform legislation of the State Governments.

Fresh plantations of high yielding strains are giving a good yield. The average yield from each acre has exceeded 900 lbs, where replanting has been done. This compares well with the yield rates in Malaya. According to one estimate, the yield rate is probably higher in certain parts of south India than in Malaya. This estimate rests on the fact that the Indian tapper exploits his plants far more lightly than his counterpart in Malaya where the number of tapping days is at least 70 more than in India. Several tapping days are lost in south Indian plantations in festival and other holidays and due to casual absence. The rubber planting industry now finds itself in a position to compete with synthetic rubber even at the ruling price of about Re. 1 a lb. About 65 per cent of the rubber area in the country has been replanted since 1953. These areas are giving on an average an yield of 900 lbs an acre. It is the high yield that makes the Malayan rubber planting industry fully competitive with synthetic producers.

Raising Cloth Production: Partial Control May Hamper Effort

In introducing partial control on cotton textiles to check the rise in prices, the Government has overlooked the industry's difficulties. Although the producers have decided to give it a fair trial, they feel that there can be no lasting solution to the price problem unless the mills are allowed to expand their capacity without any restriction.

By

RAMNATH A. PODAR

AGAINST the third plan target of 17.4 yards of cloth a head a year, the present availability is only 15.7 yards. This figure is, in fact, lower than the *per capita* consumption of 16.08 yards at the beginning of the second plan. This surely calls for vigorous measures to increase the production of cloth and the productive capacity of mills, but the measures that have been taken in this direction have been halting and half-hearted.

Even when India becomes an industrially advanced nation, the cotton mill industry will remain easily the most important national industry. This is so for the simple reason that clothing is one of the primary necessities of man and cloth production will have to be increased to meet the needs of the rising population. Furthermore, in a tropical country like India, man-made fibres can never be a substitute for cotton. It must also be realised that the cotton mill industry is the third highest foreign exchange earner and can increase its foreign exchange earnings provided it is allowed to do so.

Challenging Opportunity

The future of cotton textiles lies with the cotton-producing countries. With her vast acreage of 20 million acres under cotton, India has the potential to assume the leadership in the world markets. Unfortunately, the Government has failed so far to rise equal to this challenging opportunity.

This year's Central Budget afforded an excellent opportunity to the Government to accord to the cotton mill industry the priority that it deserves. Under the Budget, tax rebates have been conceded to certain specified industries in view of their importance to the country. The Indian cotton mill industry pleaded that it should find a place in this list of priority industries, but its plea has not been heeded. On the other hand, the industry had the misfortunue to witness in this year the publication of a document—the Powerloom Enquiry Committee's report—which recommends that during the fourth plan there should be no expansion of the mill sector's capacity.

The highlight of the current year was the scrapping of the voluntary price regulation scheme. The industry has welcomed this event for very good reasons. As the name of the scheme suggests, it was adopted voluntarily by the industry although at the request of, and in co-operation with, the Government. The scheme was introduced in August 1960 to check the rising prices of cotton textiles in sympathy with the soaring prices of all other commodities. The rise in prices was a necessity forced on the industry by extraneous circumstances. Between 1956 and 1958, the industry passed through a severe crisis caused by an oppressive excise levy imposed at the beginning of 1956. Relief came at last in 1958, but the industry's difficulties caused by the earlier heavy accumulation of stocks and the general economic malaise persisted until the middle of 1959. It was after this that the industry began to recover, but was immediately faced with two developments.

In the first place, there was a severe shortage of cotton and, moreover, the prices of Indian cotton at this time rose above world prices and continue to remain at that level. Secondly, there was the Central Wage Board's award which inflated the industry's wage bill from January 1960 onwards. Cotton and wages account for more than 75 percent of the industry's production costs, so it is natural that the prices of cloth should increase. The Government, however, wanted the prices to be brought down and bowing to its wishes and at considerable sacrifice to itself, the industry accepted a voluntary cut in textile prices. The first reduction was announced in August 1960 and it was followed by another in September. As the Government desired a bigger gesture from the industry, the prices of yarn and cloth were further brought down—the former in December 1960 and the latter in January 1961.

Voluntary Price Regulation

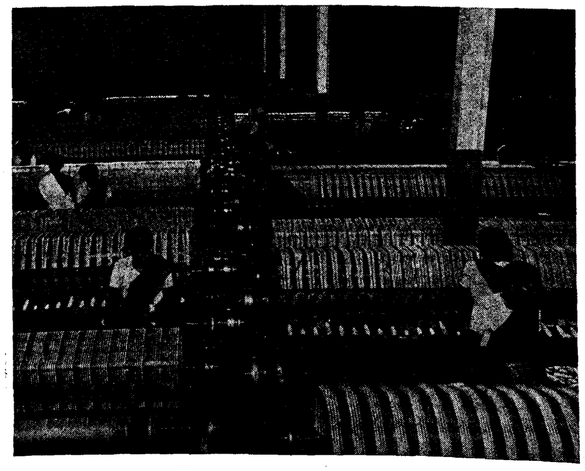
The voluntary price regulation scheme worked fairly smoothly in 1961 and the best part of 1962. But it was always conceived as a temporary measure which was to be replaced by a scheme to be enunciated by the Tariff Commission. Unfortunately, the Government never published the Commission's report, so the stop-gap scheme remained in operation beyond the time when it could be useful, and the inevitable results followed. The simple fact is that the prices of all the elements that go into the cost of production of cloth began to rise from the middle of 1962, and by the middle of 1963 the cost of production increased by 14 percent. By June 1964, the price increase required was of the order of 16 percent. It was obvious that the prices of cloth could not remain pegged to a level which had been rendered unrealistic by the rising cost of production.

In spite of the industry's persistent demands for an increase in cloth prices commensurate with the rise in production costs, the Government remained impervious. The result was that the scheme went completely out of alignment. The Indian Cotton Mills Federation, therefore, repeatedly urged the Government that the scheme should be abolished. After protracted negotiations, the Government decided that the voluntary price regulation scheme should be scrapped and replaced by partial control. As a matter of fact, the Government could easily have tried complete decontrol, particularly because of the easy supply and demand position, but the Government probably felt that decontrol was a risky proposition. The alternative adopted was partial control. Here too, the Government at first agreed to the proposal that a specified proportion of the industry's entire output should be brought under control. Subsequently, however, despite the industry's plea to the contrary, the Government decided to impose control on the production and prices of the entire output of four categories of cloth, namely, *dhotis*, *sarees*, long-cloth and shirting.

The scheme came into force on 20th October, 1964. It is estimated that the production of the four categories would amount to 45 percent of the civilian deliveries of mill cloth. A schedule of realisation multipliers was circulated to the mills in the last week of September to enable them to mark the prices on the controlled varieties of cloth by taking into account the cost of cotton and the conversion and processing charges. The schedule had been drawn up by the Government in consultation with textile technicians, but in the second week of October it was substantially modified on the ground that the prices indicated by the earlier multipliers were considered higher than those envisaged by the authorities.

Rising Production Costs

In the case of the majority of varieties, the prices under the new scheme are much lower than those fixed under the voluntary price regulation scheme. In other words, the increase in the cost of production, to which the industry has repeatedly drawn the attention of the Government, had not been fully taken into



Women workers in a textile mill

account. There are certain sorts which have been continuously running over a long period at prices fixed years ago under the industry's scheme without any additions to them due to rising costs. The producers of such varieties expected an increase in their prices by at least 10 percent. But this has not materialised.

Other equally valid objections can be levelled against the control scheme, but the industry has decided to give it a fair trial. It would, however, be pertinent to recall here what the Central Minister for Commerce said about it on 28th September, 1964. "The Government is fully aware", he said, "of the difficulties involved in the implementation of a scheme of statutory controls of this nature" and appealed to the industry, trade, the State Governments and the consumers to ensure its success. High-powered vigilance and enforcing bodies have been created for this purpose. So the industry has again entered the era of controls. But it is convinced that a great future awaits it if only the production of Indian cotton can be raised to the required level. With more than 19 million acres devoted to cotton, the task of realising the target of 7 million bales a year cannot be regarded as overambitious. It is unnecessary to ask for a larger acreage for this crop by ignoring the equally pressing claims of foodgrains. In fact, the area under cotton in this country is the largest in the world.

Raising the Yield

What is required, therefore, is the adoption of suitable measures for increasing the yielding capacity of land which today is extremely low. For instance, the yield of cotton an acre in India is 115 lbs, against 543 lbs in Russia, 457 lbs in the U.S.A., 463 lbs in the Sudan, 586 lbs in the United Arab Republic and 228 lbs in Pakistan. The much-cherished goal of self-sufficiency in cotton can be realised by India if only she can reach half of the world average of 290 lbs or 297 lbs an acre.

The Central and State Governments and the Indian Central Cotton Committee have been making ceaseless efforts to hasten the attainment of self-sufficiency in cotton. Since the industry has a large stake in the realisation of this goal, the Indian Cotton Mills Federation, its representative organisation, has drawn up a scheme with a view to offering its own assistance in furtherance of the objective.

The Federation's project will operate in five specially selected units of one thousand acres each situated in five of the most important cotton growing regions of the country. The first centre was inaugurated in Tudialur, near Coimbatore, on 13th October, 1964, by the Chief Minister of Madras. There will be similar centres in Maharashtra, Gujarat, Rajasthan and Punjab. An essential feature of the Federation's scheme is the rendering of assistance to the farmers in the project areas to adopt modern agricultural practices. They will be given better seeds, apart from fertilisers, and will be encouraged to adopt plant protection measures. Trained men will be stationed at each centre to undertake this responsibility. Their work will be supervised and guided by a senior agricultural expert who has already been appointed. For the present, the Federation's scheme is a modest one. It will certainly be expanded if it yields promising results.

It will, however, not be enough to make the country self-sufficient in cotton. This cotton can be spun and woven efficiently and at a reasonable cost only by the mill sector. Handlooms have no doubt a part to play in producing cotton textiles. But barring the cloth which the handlooms can produce economically and to the required standard of quality, the rest of the country's cloth requirements can be supplied to the satisfaction of all only by the mill sector. For more than two decades, mills were prevented from expanding their loomage and all encouragement was given to the so-called decentralised sector. Had it not been for this hostile attitude towards the mill sector, the cloth situation today could well have been entirely different.

However that may be, some marginal expansion in the spinning and weaving capacity of the mill sector has now been permitted. But what is required is that the mills should be allowed to expand their capacity without any restrictions. Any move to freeze the capacity as recommended by the Powerloom Enquiry Committee will be disastrous from the point of view of the national economy, Government revenues, export earnings, employment of workers and earnings and above all the interests of the consumer which seem to have been ignored by the Committee.

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New Perspectives Before Indian Jute Industry

The jute goods industry has achieved the third plan output and export targets well before schedule. As India's biggest foreign exchange earner, it faces the future with confidence in spite of the challenge from substitutes.

By

A SPECIAL CORRESPONDENT

TYPICALLY, the year 1964 has not been uneventful for the jute industry. It has again shown how vulnerable the mills are to awkward changes in their raw material supply, with damaging effects on market stability and manufacturing costs. The year has also been notable in other, more congenial ways. Demand for the industry's products has been strongly maintained, both at home and abroad, although the pattern of offtake has varied. Substantial progress has been made with the development of quality control and inspection systems, and also in the allied sphere of standardisation. Product research and development, though long-term and somewhat daunting activities, are continuing to receive increased attention. There have also been international stirrings, with an unusual number of cosmopolitan meetings concerned with jute—all evidence of a growing awareness that, overriding purely national interests, there is a battle to be fought for jute itself.

In the financial year 1963-64, the Indian jute industry produced 1,320,000 tons of goods and exported 900,000 tons. By so doing, the industry reached the targets set for it in the (final year of the) third five year plan, which in terms of output and export were 1.3 million tons and 900,000 tons, respectively. These figures are likely to be improved upon in the current year. It is understood that no other sector of the economy has matched this performance. The jute industry is, of course, pleased with its achievement but not unreservedly. Neither the industry nor the national planners could have foreseen the spectacular rise which took place during the early years of the third plan in two particular fields of export, namely, jute carpet-backing and the trade in jute goods with Russia; and it is these two factors, outweighing all others, which have been responsible for the jute industry reaching its targets.

Progress of Carpet-backing

In 1960-61, which was the year before the third plan was launched, the industry's exports of carpet-backing amounted to some 40,000 tons, representing 5.1 percent of the total exports By 1963-64 the statistics were reading 108,000 tons and 12 percent. Similarly, in the case of trade with Russia, there has been a remarkable transformation. In 1960-61, our total exports of jute products to that country amounted to 21,300 tons, representing 2.7 percent of the total exports while in 1963-64 the corresponding figures were 70,200 tons and 7.8 percent, respectively. In terms of production only, the attainment of the third plan target was, of course, greatly assisted by the continuing growth in the domestic consumption of jute goods. The internal offtake in 1960-61 amounted to 306,000 tons, rising to 374,000 tons in 1963-64.

From the point of view of bulk marketing, carpet-backing cloth for the tufted carpet industry is the only really major addition to the Indian jute industry's list of sale products for decades. Whether it will continue to feature prominently on that list is by no means certain. At present, most of the jute carpet-backing produced is marketed in the U.S.A. It still enjoys consumer preference there, but the manufacturers of synthetics are breathing hard down the jute industry's neck. The Indian jute delegation which visited North America in June this year came back with the strong impression that India will eventually, and before very long, lose business in the carpet industry to the petro-chemical, paper and fibre-glass complexes, though to what extent is unpredictable.

Main Problems Before the Industry

There are other important reservations in assessing the recent performance of the Indian jute industry and the latter's liability to continue to improve on this performance. These are concerned with (1) raw jute supply, (2) the steady expansion of the jute manufacturing industry in Pakistan and (3) technological advances in the world at large.

As already indicated, the past year has seen a recurrence of jute supply problems. This is bad enough in itself but worse when one considers that the cost of the Indian industry's raw material represents some 60 percent of the total cost of the finished product. The sharp and speculative rise in fibre prices in July and August, shortly after the commencement of the new jute season, was induced by reports of a short crop in Pakistan and some damage to the Indian crop by floods. For a time, in terms of simultaneous business, mills were incurring a loss on every ton of goods they produced. The price of Assam Bottoms touched Rs. 47 a maund in the third week of August, and this is to be compared with the minimum support price of Rs. 30 a maund operative in the previous season.

The situation improved only after various counter-measures were taken, including voluntary restraints on production by mills, the imposition by the East India Jute and Hessian Exchange of margins on hedge and T.S.D. contracts, the release of buffer stock jute with a deferment of its replacement, and the introduction by the Jute Commissioner of weekly maximum jute purchase quotas for the mills. (The last measure illustrates the vagaries to which the jute trade is subject: only a few months previously, in the 1963-64 season, the Jute Commissioner had been issuing minimum jute purchase quotas to support prices.) The release of licences for the import of raw material also helped ease the situation, although the consistently high prices prevailing in Pakistan have not offered very favourable marketing opportunities. At the time of writing, no reliable estimate is yet available of the current season's jute crops in India and Pakistan but almost certainly there will be a reduced carryover at the end of the season, i.e., in June 1965. It is also unlikely that replacement of the buffer stock jute will be practicable to any significant extent before next season.

Fibre Needs of Fourth Plan

These preoccupations within a season's compass are normal to the jute mill owners but both they and the Government have also to think, and are beginning seriously to do so, about the long-term problem of jute supply. If the fourth plan production target of 1.7 million tons of jute manufactures is to be realised, viewing the problem purely as a physical one, then an annual requirement of fibre of close on 10 million bales will have to be met by the end of the plan. Against this the present indigenous production is 7 million to 7.5 million bales and the consumption some 8 million bales. Considering the very marginal increase in the acreage yield of jute achieved in the last 18 years and the growing pressure on arable land for increased food production, it does not seem realistic, even after making reasonable allowance for more intensive cultivation, to assume that India will be able to produce 10 million bales of jute and mesta fibre by 1970-71.

A target of 9 million bales will be difficult enough to attain, and then only if there is a radically new approach to agricultural administration. The methods by which jute yields can be significantly improved are fully known for a long time. What is needed is an effective means of translating the theory into practice; or, if it is considered that the administrative machinery for this already exists, to make that machinery work. This is one of the most challenging situations facing the jute industry and, more especially, the Government.

It seems, too, that if the demand for India's jute goods develops in line with the present production programme, the country is going to be dependent on imports of fibre for quite some time to come. Here again there is a large question mark, as the ready availability of imported fibre cannot be confidently assumed.

Shortage of Quality Fibre

The third problem in the raw material context is the shortage of good quality fibre in India. The demand for this has increased with the shift in production to finer fabrics and speciality products, but it is a demand which is not being fully satisfied. The recent introduction of I.S.I. specifications for Indian hessians, requiring a better average standard of product from the industry, could well make the shortage of quality fibre even more acute. This only serves to underline the pressing need for improved methods of cultivation throughout the jute growing areas of India.

Plans in Pakistan for the installation of additional loomage continue to come off the drawing board, and official pronouncements from time to time are not lacking in ambition. A target of 22,000 looms by the end of 1970 has been set, compared with the existing complement of around 11,000 looms. Such proliferation, if it can be accomplished in the time prescribed (which is very doubtful), will seriously affect India's export trade, quite apart from upsetting the present balance of world jute manufacture and commerce. There are, however, many factors, some discernible now and others only potential, which could alter the trend of events. Raw material availability is one such factor, efficient maintenance of plant and machinery another, physical limitations on building, equipment and management programmes another, and changes in the absolute demand for jute products yet another.

The year 1970 is a long way off, and much could happen between now and then. In the meantime, India cannot afford to nourish herself on expectations, and, with no rapprochement between India and Pakistan on jute manufacture presently in sight, policy-making in India must be on the basis that competition from

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Pakistan will intensify. How that competition can be effectively met is a problem still awaiting a solution; and the temporary reprieve afforded by the prolonged strike in the Pakistani jute industry does not lessen the urgency of finding such a solution.

Scope for Joint Consultation

The trade rivalry between the two major Asian producers does not, happily, preclude joint consultations in areas where common benefit can be seen, as for example, in research to promote and extend the utilisation of jute. Both countries, together with those others abroad with established jute goods industries, have a common interest in keeping jute fashionable in the face of rapid technological developments throughout the world. The loss of markets which jute has sustained in the past 25 years to substitutes is by now common knowledge. This process of substitution has in no way spent itself. It has simply been obscured in the last decade or so by jute's gains (largely as a packaging material) in the developing countries and, to a lesser extent, by the development of new outlets for jute, as for example in carpet-backing, laminated bags for special uses, and decorative fabrics. This diversification of manufacture is encouraging, but it represents as yet only a small percentage of world jute production, which is still heavily committed to the packaging market. There are ominous signs that straight jute packaging has now reached the limit of its marketability in the more sophisticated countries; and this can be expected to happen in due course in the so-called developing countries, which are eager to identify themselves with the "developed". How will jute fare then?

Convention, it seems, must go by the board if jute is to retain its place in the register of important international commodities, such as for example wool and cotton (not to mention the ubiquitous man-made fibres). A very recent illustration of the precarious position which jute now occupies has been afforded by the development of a polyethylene woolpack, now being marketed in Australia by Japan. Here is another challenge to the jute industry, and an opportunity to prove that jute can adjust itself to modern tastes and needs. The loss of this wool market would be a severe blow to the jute industry, just as its preservation, if present endeavours are successful, will be a fillip to jute product research and development.

Research Conference

The Indian Jute Mills Association is to be commended for its initiative in convening, at the end of November this year, a conference of Research Directors of the Indian, Pakistan and United Kingdom jute industries. This will be an important landmark, as it will be the first occasion on which there has been joint consultation between these three leading jute goods manufacturing countries on the future of jute in world commerce. Among the subjects discussed were raw material in its various aspects; the uses of jute; product development; alternative materials, methods and processes; collaboration in textile research; quality control and standardisation; and the processes of manufacture.

Earlier in the year there were two other international jute conferences, both very much concerned with integrated planning for the future. The first of these was the Congress of the Association of European Jute Industries held at Paris in May, and at which the Indian, Pakistan and Japanese producers were represented by invitation, as observers. Attention was focussed on the decline in the European jute industry's share in world production from 32 percent in 1954 to 17 percent today, and a plea was made for balanced progress in the world jute economy, with the established and skilled European industry continuing to play its part. The Congress also emphasised the need for collaboration between the major jute producers and converters in stabilising jute prices.

An even more widely attended conference—the first session of the F.A.O. Study Group on Jute, Kenaf and Allied Fibres—took place in September in Rome, with 18 countries (including India) represented in addition to seven international organisations. The deliberations were wide-ranging, and covered long-term structural problems in the world jute economy, the pattern of manufacture and demand, the grading of raw jute, instability of supply and prices and the means of reducing it, and the improvement of statistics. It was agreed that the second session should be held in about one year's time. Meanwhile, a Working Party on Stabilisation has been set up and will have its first meeting in Dacca early next year.

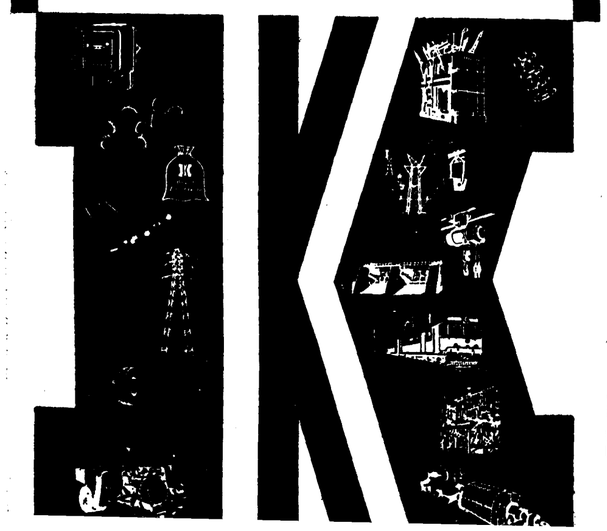
Turning from these international exchanges, which, it is hoped, foreshadow a concerted approach to the solution of the jute industry's problems, we might consider some of the more important developments in the Indian industry during the year under review. The abolition of the Indian Jute Mills Association's Working Time Agreement shortly after the commencement of the year, following consultations between the industry's leaders and the Government of India, was a major and unexpected event. For the first time in 25 years the industry found itself without the customary instrument to regulate its production. Commenting on this step, the chairman of the I.J.M.A. said at the last annual general meeting of the Association that he did not think they need fear any adverse repercussions, although he stressed that the Agreement had shown itself to be an admirable means of applying controls when they were required. One surmises that the Agreement, if it had still been in existence, would almost certainly have been used to help check the unwarranted rise in the jute market in August. As it was, mills individually took action through voluntary reductions in their output.

Two Administrative Bodies

Two new administrative bodies for jute were set up by the Government of India during the year in the shape of a Jute Textiles Consultative Board and a Jute Goods Export Promotion Advisory Committee. The resolution appointing the Consultative Board, of which the Commerce Minister is chairman and on which the industry and trade are represented, stated that the Government would endeavour as far as possible to consult the Board generally on

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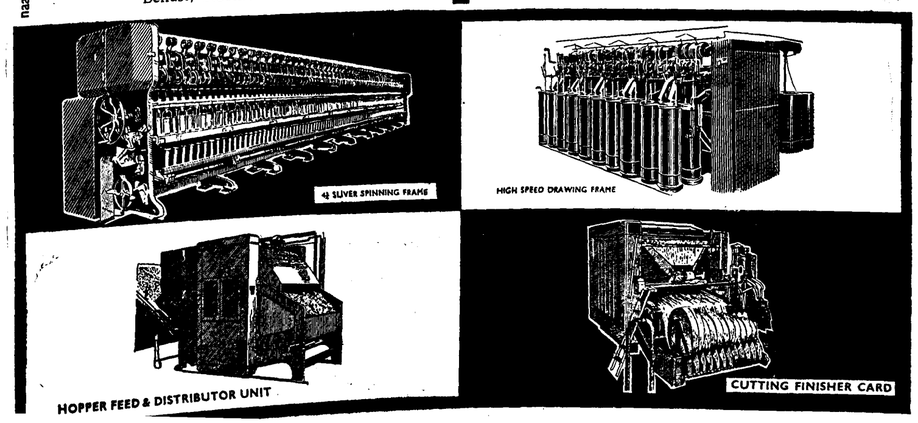
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important matters concerning the jute industry, particularly in regard to production, distribution and exports of jute goods, imports and exports of raw jute, matters relating to the development of the jute industry, research, and the procurement of raw materials, machinery and accessories required for the industry. The main function of the Export Promotion Advisory Committee, which has the Jute Commissioner as its chairman and also includes industry and trade representatives, is to act as a channel of communication between the Government, the industry and the exporting interests so as to facilitate discussion of export problems.

Good progress has been made with the development of quality control systems in the jute mills, under the stimulus of the I.J.M.A.'s voluntary scheme of quality control and inspection introduced in the latter part of 1963. The administrative machinery established by the Association, under the day-to-day management of the I.J.M.A. Quality Control and Inspection Committee (I.J.M.A.Q.C.-I.C.), has functioned most effectively and it has been recognised as the competent authority to deal with pre-shipment inspection of jute goods for export. Compulsory pre-shipment inspection, based on I.S.I. certification marking, will be introduced from 1st January next year. Four standard specifications have recently been finalised and issued, these being for Indian hessians, A Twills, heavy Cees and Cornsacks. Other standards under preparation include one for B Twills and another for "Seaworthy Packaging of Jute Products".

Better Deal for Customers

There is no doubt whatever that the Indian jute industry's customers are going to get a better and more uniform quality of product as a result of these disciplines, although it will be some time before their full effect makes itself felt. Instrumentation for quality control in the mills is not yet complete, additional staff have to be trained and gain experience, and quality consciousness has to percolate right down from the management to the factory floor. As for the I.S.I. standards, these are being treated as tentative for a period because experience alone will tell whether they are suitable or require modification in certain respects. The industry and its customers have been trading for over 100 years on the basis of the omnibus standard of "fair, average Calcutta quality". The translation of this guarantee into scientific terms is no easy task, but given time it will be accomplished.

Release of Buffer Stock

Reference has already been made to the release of the buffer stock jute to the mills. This decision was taken in August as a means of helping to counteract the abnormal rise in jute prices. The president of the Jute Buffer Stock Association, when speaking at the Association's annual meeting in September, correctly pointed



A carpet-backing loom

out that this operation could be seen as vindicating the principle of maintaining a buffer stock. He went on to say, however, that there was need for building up a really substantial stock amounting to around three months' consumption, as compared with the five to six weeks' stock which the J.B.S.A. had. The value of buffer stock operations was acknowledged at the Jute Study Group meeting in Rome in September, in the context of the discussions on stabilisation. Whether there could be an international arrangement, was canvassed at this meeting, problematic, but the possibility likely to be further examined.

The jute industry's future, in India and generally, is clearly exercising the minds of all concerned. If the past year has done no more than throw up indications that the industry is trying to shape events, rather than allow itself to be shaped by them, then some advance has been made.



Fourth Plan Coal Target Should Be Based on Realistic Demand Estimates

Coal production, after a steady increase, has lately shown signs of stagnating. There is a surplus of the lower grades. The relative overproduction is due to wrong estimates of demand. The fourth plan output target should be based on accurate and realistic estimates of the economy's coal requirements.

By

A SPECIAL CORRESPONDENT

THE general slowing down in the growth in the nation's economy which has been apparent over the last year and a half has had a serious impact on the state of the coal industry. Whereas on the eve of the Third plan the coal industry looked forward hopefully to a progressively rising demand, the picture now is one of a slump in demand, and a fading away of the earlier expectations. It is to be hoped that this is a temporary phase, but such a situation on the eve of the fourth five year plan cannot be ignored. It is, therefore, essential that stock be taken of the situation so that mistakes may not be repeated, and any lessons to be drawn therefrom are clearly understood so that by the time the fourth plan comes into operation, the industry's economic ills—for it undoubtedly is at present a "sick" industry economically—will have been diagnosed correctly and the appropriate remedy applied.

The industry's basic problem has been that the sluggish progress of industrial projects has continued to plague the demand for coal, and embarrassing surpluses of low and medium grades of coal have appeared which at times have compelled distress sales, thereby depressing the profit ratios of coal companies. As a corollary to this, coal stocks at pitheads have accumulated, and this in turn has been reflected in an overall fall in production.

Dealing first with the question of supply and demand, the following statistics of production speak for themselves:

TABLE I

OVERALL PRODUCTION

	(Million tonnes)
1956-57	40.95
1961-62	55.22
1962-63	63.83
1963-64	66.33
1964-65	63.00*

* Estimated.

From the overall production figures it would appear that the present production, which is likely to be some 3 million tonnes less than the 1963-64 production figure of 66.33 million tonnes, is now more or less in line with current demand.

TABLE II

COMPARATIVE STATEMENT OF GRADEWISE PRODUCTION

(In million tonnes)

Grades	1956-57 i.e., first year of second plan	1960-61 i.e., final year of second plan	Difference between cols. (2) and (3)	1963-64 i.e., third year of third plan	Difference between cols. (5) and (2)	1964-65 April to September Actuals	1964-65 Estimated
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Coking							
Sel. A	2.199	2.460	+ 0.261	2.115(A)	− 0.084	0.972	1.944
Sel. B	5.144	4.070	− 1.074	3.368(B)	− 1.776	1.503	3.186
Gr. I	4.190	6.740	+ 2.550	8.445(C)	+ 4.255	4.034	8.068
Gr. II	2.502	2.710	+ 0.208	3.569(D)	+ 1.067	1.587	3.174
Total coking	14.035	15.980	+ 1.945	17.497	+ 3.462	8.186	16.372
Non-coking							
Sel. A	4.737	5.250	+ 0.513	4.744	+ 0.007	2.323	4.646
Sel. B	5.419	6.210	+ 0.791	3.792	− 1.627	1.832	3.664
Gr. I	2.910	11.810	+ 8.900	19.622	+ 16.712	9.187	18.374
Gr. II	2.881	6.920	+ 4.039	7.278	+ 4.397	3.338	6.676
Gr. IIIA	0.739	1.350	+ 0.611	2.230	+ 1.491	0.877	1.754
Gr. IIIB	1.133	4.120	+ 2.987	4.730	+ 3.597	2.204	4.408
Non-graded*	8.213	4.080	− 4.133	6.440	− 1.773	3.429	6.858
Total non-coking	26.032	39.740	+ 13.708	48.836	+ 22.804	23.190	46.380
Grand total	40.067	55.720	+ 15.653	66.333	+ 26.266	31.376	62.752

* Up to 1960-61 included all outlying coalfields. Since 1960-61 includes Singareni and Assam only, and also the Neyvelli lignite project.

Note :
(A) Since 1962 Grades A, B and C.
(B) Since 1962 Grades D and E.
(C) Since 1962 Grades F, G. and H.
(D) Since 1962 Grade HII.

The gradewise production figures reveal that while the production of superior grades of coking and non-coking coals has remained more or less constant and the production of Grade I, both coking and non-coking has been steadily increasing—such coals now account for some 42 percent of the total production of coal—the production of medium and lower grades has also increased. The result has been to accentuate the pressure of demand for superior grades while there has been a glut in the inferior coals in the medium and low grade varieties.

Curb on Coking Coal

As for coking coal, a temporary restriction which augured ill for the producers of these coals and could well have had very serious effects on their programmes of expansion and finances, was the instruction issued in April 1964, pegging the output of coking coal at 12.5 million tonnes, against the current rate of 17.5 million tonnes on the ground that the reduced figure was all that was "immediately" needed by esential consumers and stating that it would not be possible, thereafter, to release coking coal to non-essential consumers as this would be in contravention of the Government's conservation policy. That the instruction was unnecessary and issued in haste will be apparent from the fact that six months later it had been estimated that, to meet the requirements of steel plants and cokeries, an additional production of 1.17 million tonnes of coking coal would be required over the accepted figure of 25.98 million tonnes of coking coal to be produced by the private sector during the fourth plan period. Fortunately, the instruction was withdrawn before any serious damage was done, but the consequences would have been most serious if the collieries concerned had been forced to put a stop, albeit temporary, to their expansion programmes and to lose heavily on the capital that had already been sunk by way of the investment needed for such expansion.

Moreover, this instruction ignored the facts that the current excess of production over consumption by steel plants, merchant cokeries and washeries was only temporary, that mining is a long-term process, and the work of development has always to be planned in advance of actual requirements. An offtake must, therefore, be provided for such coals even though they may not all be required immediately for metallurgical purposes. This is the inescapable price to be paid for the time lag between production and utilisation since if the latter is restricted at any particular juncture, it will be extremely difficult to build up production in a short time with consequent adverse effects on the rest of the economy.

As it is, the production of coking coal by private sector collieries has remained static over the last few years primarily because the major part of production is from old and well-established collieries where development has, in most cases, been substantially completed. Moreover, most of the increased production required from the collieries concerned can only be obtained through extensive sand-stowing and sand is in extremely short supply; to remedy the shortage of sand, the Coal Board's scheme for setting up central ropeways for sand for stowing purposes must be expedited.

Another reason for the reduced production of the better grades of coal is that, due to the reduced offtake of coal, several coal companies have reconsidered their ambitious production programmes and postponed the implementation of their expansion schemes until such time as they can find a market for the increased production, most of which will come from the increased investment by way of mechanisation. Finally, cognisance must also be taken of the fact that there has been downgrading of coking coals on a large scale with the result that the planned production of the original higher grades has fallen while there has been a corresponding increase in the unplanned production of the lower grades.

Glut in Inferior Coals

The current glut in inferior coals, referred to above, is serious and the question that naturally arises is how, in a planned economy, could a surplus of low grade coal arise? As far as the third five year plan is concerned—and, for that matter, the second five year plan also—the private sector was required to step up the output of only those better grades of coal, down to Grade I, which had all along been, and still are, in short supply. Its target, made up of programmes submitted by individual units, was accepted only after searching enquiries by technical committees into the particular projects submitted by the units concerned had been made. Even then, some of these projects were rejected

as being not feasible technically. Over and above the production programme as sanctioned under the third five year plan and which, except for some 1 million tonnes of Grade II coal in West Bengal and Bihar, did not visualise increased production in grades below Grade I, the production of Grade II, Grade IIIA and Grade IIIB in West Bengal and Bihar has increased by some 7 million tonnes over the production of those grades in 1956-57, i.e. at the end of the first year of the second five year plan.

In fairness, it must be pointed out that some 1 million tonnes of Grade I coal has been downgraded but even after taking this into account, as also approximately 1 million tonnes of Grade II coal covered by the third plan target, the fact nevertheless remains that the unplanned production of lower grade coals is in the region of 5 million tonnes. In view of the strict licensing policy under the Industries (Development and Regulation) Act, it is not understood how, in a planned economy, the overproduction of the qualities of coals not covered by the plan has been permitted. However, faced with a *fait accompli*, all that can be done is to ensure that this kind of unbalance does not arise in the fourth plan period.

As has already been stated, the overall demand for coal has not improved and has in fact worsened. By way of example, it is pointed out that up to the end of October 1964, some 3,000 wagons less than those placed during the corresponding period in 1963 were supplied to collieries in West Bengal and Bihar and that in the months of July and August alone, supplies fell by some 1,150 wagons. The railways themselves have now announced that their requirements of loco coal in December 1964, will be some 2,400 wagons less than had originally been planned due to: (1) a decrease in railway traffic and the fact that the anticipated increase in railway traffic has not materialised; (2) the progressive substitution of electric and diesel traction for steam traction; and (3) the railways' mounting coal stocks.

The question of demand is closely tied up with the five year plan targets since the target of production has naturally to be geared to estimated demand. That assessments of demand have been unreliable in the past will be apparent from the fact that the original third plan coal production target was fixed at 97 million tons (98.6 million tonnes). Later, there was talk of revising the target to 104 million tonnes, but nothing further materialised. According to the Planning Commission's mid-term appraisal of the third plan, the likely achievement would be in the neighbourhood of 90 million tonnes, which was lower than the demand originally anticipated on account of reductions in offtake of (a) between 3 and 4 million tonnes in the case of steel, (b) 2 million tonnes in the case of other industries, and (c) 1 million tonnes on account of the railways due to electrification and dieselisation. The coal industry has since been told that at the end of the third plan period the total demand is not likely to exceed 76 million tonnes. The fact that the production target has had to be reduced by some 21 million tonnes, whereas at one time it was sought to increase it by 7 million tonnes, brings out the necessity not only of more realistic estimates of future demand, but also of keeping a close watch on demand and changes in its pattern so that excessive over-production does not take place. Unless this is done, detailed planning is not possible. It is, therefore, essential that the instruments of planning are used with greater precision. This is particularly important since consideration is now being given to the industry's rôle in the fourth five year plan.

Shares of the Sectors

Turning to the fourth five year plan, according to the latest tentative assessment of the Central Ministry of Steel and Mines, the coal production target at the end of the fourth five year plan will be 136 million tonnes, i.e., 60.02 million over the estimated production at the end of the third plan period and 70.86 million tonnes over actual production in 1963-64. Of this increased production, the public sector will be required to produce 59.71 million tonnes, against its 1963-64 production of 12.48 million tonnes while the private sector is required to produce 76.49 million tonnes, against 1963-64 production of 52.66 million tonnes. In terms of coking, non-coking and blendable coals, the tentative targets are as follows:

	Production in million tonnes		
	1963-64 (actuals)	1970-71 (targets)	Increase in 1970-71 over 1963-64
(A) Coking			
Public sector	3.02	20.63	17.61
Private sector	14.50	25.98	11.48
Total coking	17.52	46.61	29.09
(B) Non-coking			
Public sector:			
(1) Bengal/ Bihar	0.76	1.76	1.00
(2) Outlying	6.70	33.88	27.18
Total	7.46	35.64	28.18
Private sector:			
(1) Bengal/ Bihar	27.59	37.50	9.91
(2) Outlying	8.07	9.57	1.50
Total	35.66	47.07	11.41
Total Non-coking	43.12	82.71	39.59
(C) Blendable			
Public sector	2.00	3.24	1.24
Private sector	2.50	3.44	0.94
Total Blendable	4.50	6.68	2.18
Total			
Public sector	12.48	59.51	47.03
Private sector	52.66	76.49	23.83
Grand total	65.14	136.00	70.86

These targets are not yet final and there are indications that a lower figure of 125 million tonnes is being considered. The World Bank has assessed the target at a much lower figure of 112.4 million tonnes, its lower estimate being accounted for by the continuing decline in coal consumption by the railways—even after making allowance for the railways additional power requirements to be generated entirely by thermal stations, the decline in the output of the iron and steel industry based on an output of 15 million tonnes of pig iron as against 18 million tonnes, and a 20 percent lower estimate than the Planning Commission's of the thermal electrical power demand in 1970-71.

When considering the erratic nature of planning for coal, it may also be mentioned that, in April 1963, a target of 180 million tonnes of coal was being considered and private sector collieries were asked to consider the possibility of stepping up their production by a total of 23.5 million tonnes. The final target will obviously depend on the Government's decision on the overall size of the plan and, thereafter, consideration will have to be given to the allocation of targets between the public and private sectors of the industry in the light of the funds allocated for coal development during the fourth plan.

Whatever target may eventually be decided on, steps must be taken to improve urgently the industry's viability since without a radical improvement in this, it will not be possible for the private sector to mobilise its full potential and resources in order to fulfil its targets. The industry has already suggested that the Government should diagnose the real reasons for the coal industry's malaise and prescribe the necessary remedy.

The Price Question

Of the many problems confronting the industry—and no apologies are made for repeating this—the largest single and most pressing problem is that of price, it being the industry's contention that the present price structure does not enable the coal companies to plough back into the business sufficient funds not only to meet the capital expenditure necessary for development, but also to redeem the present heavy indebtedness and to give shareholders a fair return. It is true that some coal companies are making profits, but these are low in comparison with those of other industries. In any case, what must not be lost sight of is the fact that whatever is available for ploughing back is grossly insufficient. Moreover, it appears that the problem of adequate price is not confined to the private sector alone since the Committee on Resources for the Fourth Plan has indicated that the return on capital employed by the National Coal Development Corporation is small and that if a return of 10 percent is to be achieved, an increase in the Corporation's coal selling prices appears to be unavoidable.

The view is apparently held in some quarters that the fact that the unplanned expansion of non-coking coals of the lower grades referred to earlier was achieved without any special price incentives or subsidies, indicates that the coal industry is financially stable. This view ignores the realities of the situation and the circumstances under which a major proportion of such lower grade coals are raised and the fact that with the exception of the National Coal Development Corporation where such coals are excavated mechanically from opencast mines the majority of mines producing these coals are run on what might be best termed a cottage industry basis. Moreover, this view also ignores completely two important factors, namely, the increased mechanisation in the large collieries and the comparative low output of the Indian mine worker. These two factors are closely interlinked in that although the proportion of coal won by the use of machines has increased by 70 percent during the last five years and the quantity of coal mechanically loaded and conveyed has increased three-fold, the average o.m.s. (output a man-shift in India) is at present of the order of half a tonne (compared with 96,000 tonnes for Hungary, 1,530 tonnes for Poland and 1,970 tonnes for West Germany). Although a considerably higher o.m.s. is being achieved in some of the larger and more mechanised mines due, in a large measure, to the fact of mechanisation, it is to be noted that it is only recently that the industry has gained the level of output a man-year which was being obtained in 1935. Moreover, during the period 1956-60, there was considerable additional capital investment in the industry as will be apparent from the fact that during this period, gross fixed assets rose from 4.8 percent a year to 6.3 percent a year, compared with an overall increase in o.m.s. of 0.05 tonnes during the same period.

The coal industry's price structure was last investigated by the Coal Price Revision Committee in 1959. In its award, the Coal Price Revision Committee provided for depreciation of Rs. 1.70 a ton of production as ploughback for rehabilitation and development, but in fact the coal industry has been unable to achieve this rate of plough-back. The Committee also recommended a profit margin of Rs. 1.75 a ton to permit the payment of a reasonable dividend after payment of taxes, but even this has been gradually eroded by various subsequent impositions on the industry which were not provided for in the formula evolved, and the failure of the Government to neutralise adequately past production cost increases. The result has been that representative units of the industry have not been earning even the meagre profit margin allowed. In the past, it has been the practice of the industry to ask for a uniform price increase to neutralise enhanced production costs, whenever this became necessary, but recently, the major producers and particularly those of the higher grades of coal currently in short supply, have urged in addition to neutralisation, direct price increases by way of an incentive in order to (a) increase the production of those coals which are immediately and vitally needed and (b) to modernise and rationalise production in order to lay the groundwork for the fourth and subsequent plans, for which development work must commence now. The last straight price increase granted from 3rd March, 1964, though inadequate,



Workers in an open cast coal mine

recognised the importance of this issue.

Outlay Estimates

Until the private sector's coal production target for the fourth plan is finally fixed and its share of the funds allocated for coal development known, it is not possible to state the amount of capital investment, that will be required to be made by private collieries. It is true that the Central Ministry of Steel and Mines has indicated a figure of Rs. 48.30 crores—Rs. 14.74 crores for additional production and Rs. 33.56 crores for the maintenance of production—for an increase in output of some 24 million tonnes, but neither this nor the foreign exchange component that will be necessary has yet been examined by the industry. Some indication of what the final outlay could be may be gauged from the fact that the third plan visualised a capital outlay of the order of Rs. 60 crores, with a foreign exchange component of some Rs. 28 crores, for an increased production of 17 million tonnes by the private sector.

As for the third plan outlay, it will be recalled that the private sector of the industry requested that sufficient foreign exchange should be provided to cover its requirement of imported plant and equipment and the spare parts essential for the maintenance and expansion of production and that, as a result, the World Bank agreed to provide Rs. 16.7 crores by way of foreign exchange to enable the private sector to import these requirements. At the time, most of the coal companies estimated that they would be able to finance their expenditure on expansion by the plough-back of profits from increased production, but, for a variety of reasons, such as increased taxation, enhanced costs of labour, stores, import duty, etcetera, without adequate and corresponding increases in coal selling prices, the plough-back originally anticipated did not materialise. It was not, in fact, until mid-1963, when the then Refinance Corporation of India Ltd prepared a scheme for the guarantee of advances granted to the private sector of the coal industry by approved credit institutions, that coal companies were able to arrange for the rupee funds necessary for the payment of imported machinery and its installation. That the coal industry is still considered to be one of the least inviting industries for attracting fresh investment support from the public is a well-known fact. It is, therefore, essential that the question of the viability of the industry receives immediate attention so that the appropriate remedy may be prescribed without which, it is feared, the industry's financial difficulties will merely be repeated—possibly to an exaggerated degree—during the fourth plan.

Aiding Collieries

Apart from a straight increase in prices, there are several other ways in which assistance can be provided readily. Among these are: (i) an increase in the present inadequate rates of subsidy for mining under deep, difficult and gassy conditions; (ii) the fully and speedy neutralisation of stowing costs, as also of special works carried out in the interest of conservation and safety, so that stowing costs are reimbursed in full, as recommended by the Coal Prices Revision Committee; (iii) the provision of an extra shift depreciation allowance and revision of the existing rates of depreciation on colliery plant and equipment to compensate for the increased wear and tear on colliery equipment and to neutralise the extremely arduous conditions under which this machinery has to be operated; and (iv) the provision of a depletion allowance.

While failure to improve the economic health of the private sector of the coal industry will undoubtedly be a major obstacle to the attainment of whatever production targets may be fixed for the fourth plan period, there are certain other prerequisites which are also essential. The first is the necessity of more broad, liberal and pragmatic application of the Industrial Policy Resolution. It is the private sector's experience that the Industrial Policy Resolution, as at present applied, is unduly restrictive. It is pointed out that there are many collieries whose reserves are depleting rapidly and whose production is likely to decline in the not-too-distant future. It is, therefore, necessary that they be granted leases for new coal areas if only so that they can maintain their production; unless this is done, many coal companies will be faced with the prospect of declining production, rising costs and, as a consequence, retrenchment of labour. The private sector also considers it most unfair and unjust that the National Coal Development Corporation should, for example, be able to notify "unworked" seams in otherwise working properties since the existing seams in working properties form part of the reserves of a colliery and to deprive the colliery of these naturally affects seriously the very foundation of the unit's viability. There are also instances where the private sector has not been permitted to work certain areas because, even though they have not been notified, the National Coal Development Corporation is said to be "interested" in them. Such areas comprise small areas between faults and/or small working properties contiguous to existing private sector working collieries and which can obviously be more easily and economically worked by those existing collieries. It is to be stressed that the private sector's attitude to the public sector is not a "dog in the manger attitude" since it is appreciated that, in years to come, the major part of the nation's coal production will come from the public sector. As long as the private sector exists, however, it is their view that the only criterion for deciding whether the public sector or the private sector should work a particular area should be which sector can work it more economically and easily.

Allocation of Production

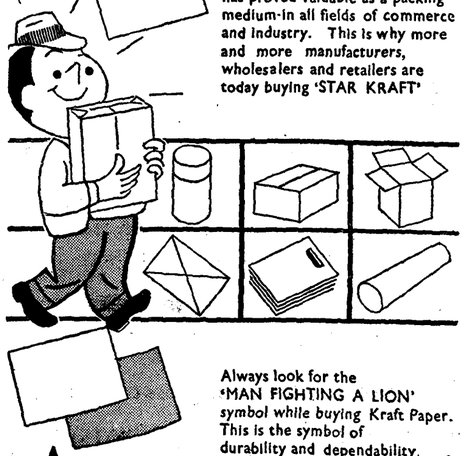
The private sector is also most concerned that the tentative breakdown of the required production under the fourth plan does not give it sufficient scope. For example, in

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the case of the outlying coalfields, namely, Madhya Pradesh and Central India, no provision at all has been made for any increase in the production of non-coking coal from private sector collieries while the production of the National Coal Development Corporation is to be increased from the present figure of 6.70 million tonnes to 33.88 million tonnes by the end of the fourth plan, a projected increase of over 400 percent! This aspect apart, the private sector has invested considerable amount of capital in obtaining plant and equipment under the World Bank loan and in modernising its collieries to improve production facilities and to increase production. If adequate scope is now not given to such collieries for an expansion in production during the fourth plan, such companies will be left with a larger surplus productive capacity and their viability will be seriously jeopardised. This would clearly be a waste of valuable resources and not in the nation's overall interests.

Looking to the future, and assuming that the industry's present difficulties will be surmounted, the following trends in the pattern of the industry are discernible. These are (i) that the units of production will be larger; (ii) increased mechanisation; and (iii) as a consequence of increased mechanisation, a gradewise change in the quality composition of output.

Increase in Colliery Size

In so far as (i) is concerned, this trend is already evident from the following comparative analysis:

	Number of collieries	
Annual production	**1953**	**1962**
up to 5,000 tonnes	261	173
5001 to 50,000 tonnes	392	346
50,001 to 100,000 tonnes	102	121
100,001 to 300,000 tonnes	95	175
above 300,000 tonnes	8	36
	858	851

Figures for 1964 are not strictly comparable since the collieries have been categorised on a slightly different basis and the categories also differ slightly. However, according to the latest statistics, the number of collieries currently in production is 815, distribution on the basis of output being as follows:

Up to 6,000 tonnes	222
6,001 to 60,000 tonnes	327
60,001 to 120,000 tonnes	102
120,001 to 300,000 tonnes	125
above 300,000 tonnes	39
	815

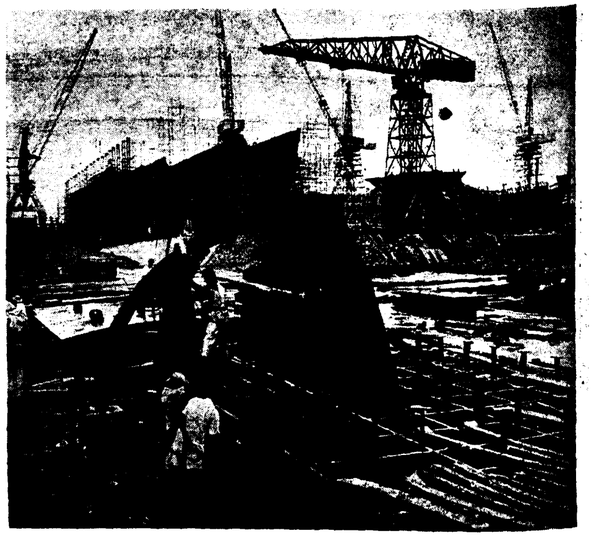
It will thus be apparent that while the number of very small collieries and of those producing up to 60,000 tonnes a year is decreasing, and some have in fact already ceased production on economic and other grounds, there has been a substantial increase in the number of collieries producing between 100,000 and 300,000 tonnes a year and over 300,000 tonnes a year. Even so, in 1964, 549 collieries out of a total of 815 were each producing not more than 60,000 tonnes a year. This raises the question of amalgamation of uneconomic collieries, the object of which is to bring them under unified control, to reorganise them and modernise them so that scientific and planned methods of exploiting coal can be followed and their resources exploited in the best possible manner, and it is believed that legislation is being considered to give effect to this.

As regards (ii), a corollary to the tendency towards large units of production is increasing mechanisation. This is essential if the industry's pace of production is to be accelerated at the tremendous rate at which it is planned. On the eve of the fourth plan, the industry must look much further ahead to the fifth and even sixth plans—when the fourth plan production might be expected to be doubled and quadrupled—in view of the inevitable long time lag between planning for development and the time when the expected peak production planned for is attained. Such massive production can only be achieved by increased mechanisation leading to the rationalisation of the techniques and scale of production.

As for (iii), a consequence of increased mechanisation is a gradewise change in the quality composition of output due to the fact that mechanisation results in the production of very small sized coal; in future, therefore, a large proportion of coal will be produced as slack rather than as steam coal. Moreover, as is already apparent, the percentage of the best grades of coal in relation to total output will necessarily fall, and, proportionately, the share of medium and low grade coal will naturally increase. To safeguard the quality of coal supplies, the extensive use of washeries and beneficiation plants will be necessary.

While the present position is bleak, there are hopes for the future since it has all along been assumed that the present lull in demand is purely temporary and that with the thermal power stations, steel, cement, brick and other coal consuming industries coming up, the demand is bound to increase in the future. While colliery owners are naturally greatly perturbed at the stocks of coal accumulated at pitheads, it is a basic fact that even when other sources of power are available such as atomic power, electricity, furnace oil, etcetera, coal will still be the prime source of power in the country and account for 70 percent of its power requirements. Furthermore, it must not be overlooked that coal is also of value as a raw material and, apart from being a necessary raw material for steel production, is used in the manufacture of coal-based chemicals and other derivatives, and it may be assumed that there will be a growing demand for coal as a raw material rather than solely as a source of power. Moreover, the fact that, in an expanding economy, coal production must always be slightly in excess of demand, must not be lost sight of.

These future trends are already discernible, but much will depend on the groundwork which is now being prepared for the fourth plan. If this is flimsy and superficial, the consequence will be disastrous for the industry and the economy as a whole. It is, therefore, to be hoped that a speedy and satisfactory solution to the coal industry's present problems may soon be found.



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Uneconomic Prices May Affect Sugar Production

The Government has fixed uneconomic prices for sugar while trying to raise its output. Both production and profitability of mills will suffer unless prices are made economic and unnecessary controls are removed.

By
J. S. MEHTA

THE year 1963-64 has been one of great strain. There was a general stagnation in agriculture as a result of which the country was in the grip of an acute food shortage and rising prices. Sugar prospects also continued to be shrouded by uncertainties. The production target of 3.3 million tonnes set by the Government for the 1963-64 season could not be achieved and the output is finally placed at about 2.6 million tonnes. The problem of sugar shortage, which emanated in 1962-63 following the unexpected and precipitous fall in the sugar output to about 2,135,000 tonnes, continued to remain unresolved. If anything, the problem of consumers—including bulk industrial consumers—was further accentuated.

It is indeed baffling how from an era of surplus, sugar has become a scarce commodity over the past two years, so much so that controls enforced on 17th April, 1963, were continued during the 1963-64 season as well. The industry, which had the satisfaction of maintaining a general upward trend in production since the initiation of the first plan and was justly proud of the distinction of having exceeded the production targets laid down in the first and second plans, finds itself in sorry straits since the beginning of the third plan. It is common knowledge that sugar production in 1960-61, the last year of the second plan period, was at the record level of about 3,029,000 tonnes. However, with internal consumption stagnating at about 2,126,000 tonnes and in spite of the additional demand created by export of about 247,000 tonnes, the industry was burdened with the excessive carryover stock of about 1,202,000 tonnes, causing unprecedented problems of storage and finance. Therefore, the third plan, which envisaged a production target of 3.5 million tonnes (3 million tonnes for internal consumption plus 500,000 tonnes for exports), commenced under very peculiar circumstances and ways and means had to be found to resolve the crisis of surplus sugar.

Production Cut

In order to balance the divergent forces of supply and demand, in the first year of the third plan, *i.e.*, 1961-62, the Government imposed a general 10 percent statutory cut on the production of factories. Furthermore, with a view to stimulating internal demand, the stifling control over the movement and price of released sugar was lifted in September 1961. These measures did have their intended effect because while sugar production was pegged down to the level of about 2,730,000 tonnes, the internal consumption recorded a very encouraging increase to about 2,562,000 tonnes, against about 2,126,000 tonnes in the preceding season. Sugar exports in 1961-62 were also stepped up to about 361,000 tonnes. These developments led to a marginal reduction in the stocks carried forward to the 1962-63 season, the figure being about 1,012,000 tonnes.

Although the reduction in stocks carried forward from the 1961-62 season was only marginal, the season had ended opening a new vista for the industry so that it could reasonably look forward to a total offtake of 3.2 million tonnes, including about 2.7 million tonnes for internal consumption and 500,000 tonnes for export. There was, therefore, the urgent need to increase sugar production in order to cater to the rising demand for both internal consumption and export. Because of this need, the Government removed the 10-percent statutory cut on production by factories imposed in the last season, and the mills were free to crush to their capacity. But belying all expectations, production in 1962-63 recorded a sharp decline to about 2,135,000 tonnes. This precipitous fall in output was beyond the control of the industry. Natural vagaries were responsible for this: while there was drought in some areas, in some others there were floods which severely damaged the cane crop. To add to the problem of the factories in getting adequate cane supplies for crushing, there was large-scale diversion of cane to its alternative users, namely, *gur* and *khandsari*. The cumulative effect of all these factors was the steep decline in production to 2,135,000 tonnes. In fact, the industry had foreseen this unfortunate development and had called upon the Government to adopt suitable corrective measures.

Apprehending that consumers may find it difficult to procure their normal sugar requirement at reasonable prices, the industry was contemplating voluntary regulation of prices and supplying sugar to consumers through fair price shops. The Government, on the other hand, seemed to remain oblivious of this fact and the industry came in for criticism as creating a psychology of scarcity. But when most of the factories actually stopped crushing operations in February 1963, the realisation of a shortfall in output dawned upon the Government, and as stated before, sugar control was enforced on 17th April, 1963, for the fourth time since independence without giving the industry a chance to put its scheme of voluntary regulation into operation. This extreme step was taken by the Government in spite of the experience gained in previous controls which inevitably stifled consumption and inhibited production. Despite the varied measures taken by the State Governments to ensure equitable distribution at reasonable prices, the consumers faced great difficulties in procuring even their normal requirements at the control prices and pockets of shortage were not an uncommon feature. It was once again proved beyond doubt that the enforcement of control measures in a geographically vast country like India presents unique problems of proper co-ordination and effective control.

Voluntary Regulation

Some sort of regulation was necessary in view of the decline in sugar production to about 2,135,000 tonnes which meant that the total available supplies in the country were about 3,147,000 tonnes (including the 1,012,000 tonnes carried forward from the preceding season), against the expected total offtake of about 3.2 million tonnes. But instead of resorting to statutory sugar control, the Government would have done well to give the industry a fair chance to put its scheme of voluntary regulation into operation. However, with rigid control on internal consumption, a stock of about 150,000 tonnes was carried forward in the 1963-64 season, although sugar exports in 1962-63 were higher at about 514,000 tonnes. The Government seemed to appreciate that in periods of real shortage, no amount of regimentation or control can keep the prices at reasonable levels in the interest of consumers and that the real solution of the problem lay in increasing sugar production substantially.

The realisation of the need to step up sugar production was manifested from the fact that the Government fixed a production target of 3.3 million tonnes for the 1963-64 season. To achieve this target, the Government allowed certain incentives to the cane growers and sugar factories. In the case of the former, cane price was generally raised to Rs. 1.75 a maund. Factories in the north facing keen competition from *gur* and *khandsari* were authorised to pay a cane price of Rs. 2 a maund, which was subsequently fixed as the minimum cane price. The maximum rebate on road centre cane was fixed at 12 paisa a maund, which meant that growers supplying their cane from a radius of 8 to 12 miles of the factory by road, got an additional 24 paisa a maund for their cane. Sugar factories were allowed a rebate in basic excise duty at rates varying between 20 percent and 50 percent in different parts of the season on additional production achieved over 1961-62.

What was perhaps the most welcome feature of the Government's sugar policy in the 1963-64 season was the belated recognition of the need to impose some sort of regulation on the other two sweetening agents, namely, *gur* and *khandsari* alongside sugar. With this end in view and in order to prevent an undue rise in prices of *gur* and *khandsari*, thereby guarding against any large-scale cane diversion from factory areas, the inter-State movement of *gur* and *khandsari* was restricted. The Government also amended the Defence of India Rules and added a new Clause 125 B whereby it gained powers to regulate cane supplies, particularly to factories. These powers were subsequently delegated by the Centre to the State Governments.

While the industry was at one with the Government concerning the need to increase sugar production substantially in 1963-64 and offered its best co-operation, it felt that the target of 3.3 million tonnes fixed by the Government, which was meant to be achieved with an effective production capacity of 2,812,000 tonnes, was rather optimistic considering the size of the crop and the policy adopted. The industry felt that if the Government were able to bring down and maintain *gur* and *khandsari* prices at a reasonable level, production achieved would be about 2.8 million tonnes. Actually following the Government's measures, *gur* and *khandsari* prices declined and the prospects of achieving a production of 2.8 million tonnes seemed to improve. But this optimism was rather short-lived as the Government was not able to maintain *gur* and *khandsari* prices at reasonable levels and they once again recorded inordinate increases leading to the large-scale diversion of cane from factory areas.

Selective Control

The Government did not see its way to accede to the industry's request for "selective control" whereby it could acquire a set percentage of the factories' output for controlled distribution at fixed prices against ration cards, leaving the factories free to dispose of their balance production in the open market so that they could take the normal business risk of paying a higher cane price in competition with *gur* and *khandsari*. This request went unheeded and the result was that the production target of 3.3 million tonnes set by the Government could not be achieved

and output is finally estimated at around 2.6 million tonnes. This means that the total available sugar supplies in 1963-64 were only about 2,750,000 tonnes, against about 3,147,000 tonnes in 1962-63. In view of this, in 1963-64, internal consumption has been reduced to about 2,350,000 tonnes. Exports also suffered, the quantity exported during 1963-64 being only about 250,000 tonnes. The following table gives the production, consumption and carryover stocks during the past few years:

(Figures in '00,000 tonnes)

Years	Production	Consumption	Carryover stock from previous season
1957-58	20.08	20.77	4.66
1958-59	19.38	20.98	3.65
1959-60	24.84	20.56	1.77
1960-61	30.29	21.26	6.05
1961-62	27.30	25.62	12.02
1962-63	21.35	25.26	10.12
1963-64 (estimated)	26.00	23.50	1.50

The bulk industrial consumers of sugar like fruit preservation industries, confectionery, biscuits, etcetera, were confronted with the unprecedented problem of sugar shortage. Their working was adversely affected by the insufficient sugar quotas allotted through the State Governments. These industries form an integral part of the country's economy and have been set up with high capital cost. Surely, it cannot be in the national interest to allow industrial capacity to work below capacity or intermittently. The sugar requirement of industrial consumers is a very insignificant proportion of the total annual sugar production, even in years of shortfall in production. In the national interest, the Central Government should itself undertake the responsibility of allotting sugar to its industrial consumers so as to ensure that the available industrial capacity in the country is put to optimum use and is not allowed to remain idle for want of an adequate supply of essential and basic raw material.

It would be pertinent to mention here that the steep decline in sugar production during 1962-63 and the shortfall in production, compared with the target in 1963-64, was principally confined to U.P., Bihar and Punjab where competition is mainly faced from *gur* and *khandsari*. The following figures will elucidate the point:

States	Sugar production 1961-62	Sugar production 1962-63	Percentage increase or decrease	Sugar output in 1963-64 (target fixed)	Production (estimated) in 1963-64
Uttar Pradesh	12,03,530	8,49,621	—29.43	15.00	11.08
Bihar	3,58,677	1,70,033	—52.62	3.50	2.38
Maharashtra	5,07,419	5,30,220	+ 4.38	6.50	5.30
Gujarat	33,861	36,893	+ 9.22	—	0.43
Madras	1,16,261	99,064	— 7.48	1.40	1.25
Andhra Pradesh	1,87,663	1,72,192	— 8.25	2.50	2.32
Punjab	90,592	62,445	—31.07	1.40	0.69
West Bengal	16,081	10,773	—33.01	...	0.09
Orissa	4,242	3,533	—16.73	...	0.06
Madhya Pradesh	30,948	34,250	+10.67	...	0.21
Rajasthan	15,551	13,714	—11.86	...	0.06
Kerala	10,769	12,011	+11.53	...	0.06
Mysore	1,37,753	1,26,408	— 2.64	1.50	0.98
Assam	5,428	4,272	—22.24	...	0.04
Pondicherry	10,269	9,744	— 5.12	...	0.15
All India	27,30,419	21,35,183	—21.24	...	
		(Other States)		2.20	
(a) Estimated production for the special season					0.90
		Total ...		33.00	26.00

In U.P., during 1962-63, production declined by about 354,000 tonnes, compared with 1961-62, while in Bihar the fall was of about 189,000 tonnes and Punjab 28,147 tonnes. These three States alone, therefore, accounted for 571,147 tonnes or about 98 percent of the total decline in production. Factories in these three States worked only for a limited period. In U.P., the duration of the season was 99 days, against 151 days in the 1961-62 season. The average duration during the first plan was 112 days while during the second plan period it was 148 days. In Bihar, the duration was unusually short. Factories worked for 73 days, compared with 148 days during the previous season, the average of 103 days during the first plan period and the average of 131 days during the second plan period. In Punjab, the corresponding figures were 84 days, 136 days and 125 days.

State-wise Production

As far as some other States like Maharashtra, Gujarat, Kerala and Madhya Pradesh are concerned, the situation was normal; production, instead of decreasing in 1962-63 compared with 1961-62, in fact rose. In Maharashtra, production increased by about 4.38 percent, in Gujarat by 8.95 percent while in Madhya Pradesh and Kerala the rise was 10.67 percent and 11.53 percent, respectively. During 1963-64, the situation is more or less the same despite best efforts of the industry. Against a production target of 1.5 million tonnes fixed for U.P., the output is estimated at 1,108,000 tonnes. In Bihar, against a target of 350,000 tonnes, production is estimated to be 238,000 tonnes. Punjab also has fared no better with a production of 690,000 tonnes, against the target of 140,000 tonnes. In these three States alone, the shortfall in production, compared with the targeted output, is 575,000 tonnes or about 82 percent of the total shortfall.

The foregoing clearly underlines the need for a thorough and objective study of the problems confronting the industry in U.P., Bihar and Punjab where the prospects of increasing production in the immediate future exist. Although the area under cane in the northern region is very large, the level of productivity is extremely low. Thus the scope for intensifying sugarcane cultivation in this region is very great.

Since production has fallen substantially in U.P., Bihar and the Punjab, it is here that output will have to be increased. There is vast scope to step up sugar production in these areas, since the recovery and the yield of cane an acre are notoriously poor. The State Government has at long last realised the need to undertake cane development work. And intensive cane development schemes have been launched in U.P., Bihar and Punjab. The backward state of agriculture in these areas is attributable to the complete dependence on natural vagaries. Proper irrigation facilities, good seeds, fertlisers, etcetera, are lacking. The State Governments are to blame for the present unsatisfactory state of affairs. For the specific purpose of collecting funds for cane development work, the State Governments levy cane cess or purchase tax on cane consumed by factories. But the sizable funds collected have not been wholly used for cane development. In fact, a very large percentage of the collections have been appropriated to general revenues.

The Punjab Government has taken a bold decision to use all cane cess collections for cane development work. The State Governments of U.P. and Bihar must emulate this fine example.

Low Yield

Due to the low yield of cane an acre and also low recoveries, the affairs of the industry in the north have been going from bad to worse. It is here and that too in U.P. and Bihar that most of the smaller units are situated. The sugar factories here are by no means technically inferior to their counterparts elsewhere in the country. It is only that their working has been rendered uneconomical due to inadequate and poor cane quality and low capacities. The machinery in factories installed in the early 'thirties of the present century are due for large-scale replacement. But the factories have been unable to put aside suitable funds for the purpose due to uneconomic prices fixed for them. So the working of the factories in these regions has proved uneconomical.

The problems of the very large segment of the industry situated in the north are now to some extent receiving the Central Government's attention. To resolve the problem of smaller units, the Government appointed a special committee under the chairmanship of Mr. S. N. Gundu Rao, ex-director of the National Sugar Institute, Kanpur, to study the matter in all its aspects. The committee is expected to submit its report shortly. The Central Government is also an active participant in the intensive cane development schemes launched in U.P., Bihar and Punjab. It will bear a part of the costs involved.

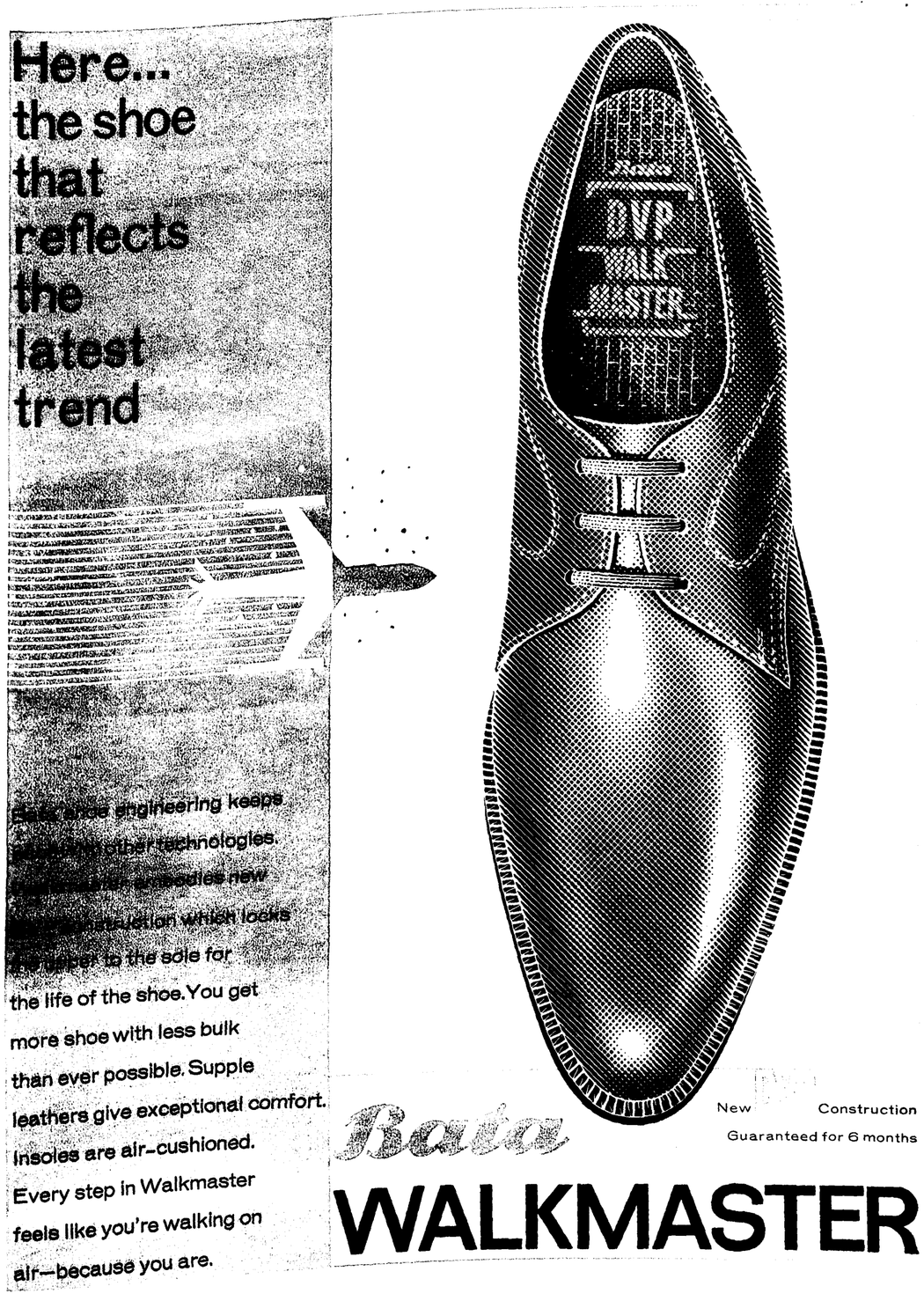
To facilitate cane development, perhaps in the realisation that the country's efforts to increase sugar production will depend on the development of agriculture, the Government introduced a scheme for paying cane price on the basis of its quality from the 1962-63 season. This scheme replaced the old and outmoded method of paying cane price on the basis of weight irrespective of the sugar content. Under this scheme, the Government has announced a minimum cane price linked to a specified recovery percent and for every 0.1-percent increase in recovery over the minimum, the growers are allowed an additional 1.5 paise a maund of cane. This is undoubtedly a step in the right direction and provides impetus to growers to improve their yields an acre and the recovery percent knowing that they will get higher prices for better quality cane.

The ultimate objective of the scheme is to pay cane price to individual growers on the basis of the cane grown by them, but due to the large number of growers involved, the achievement of the ultimate objective presents some practical difficulties. The scheme is to be implemented in a phased manner, extended to village, group levels and finally each grower will be paid a price on the basis of the quality of his cane.

Diversion of Cane

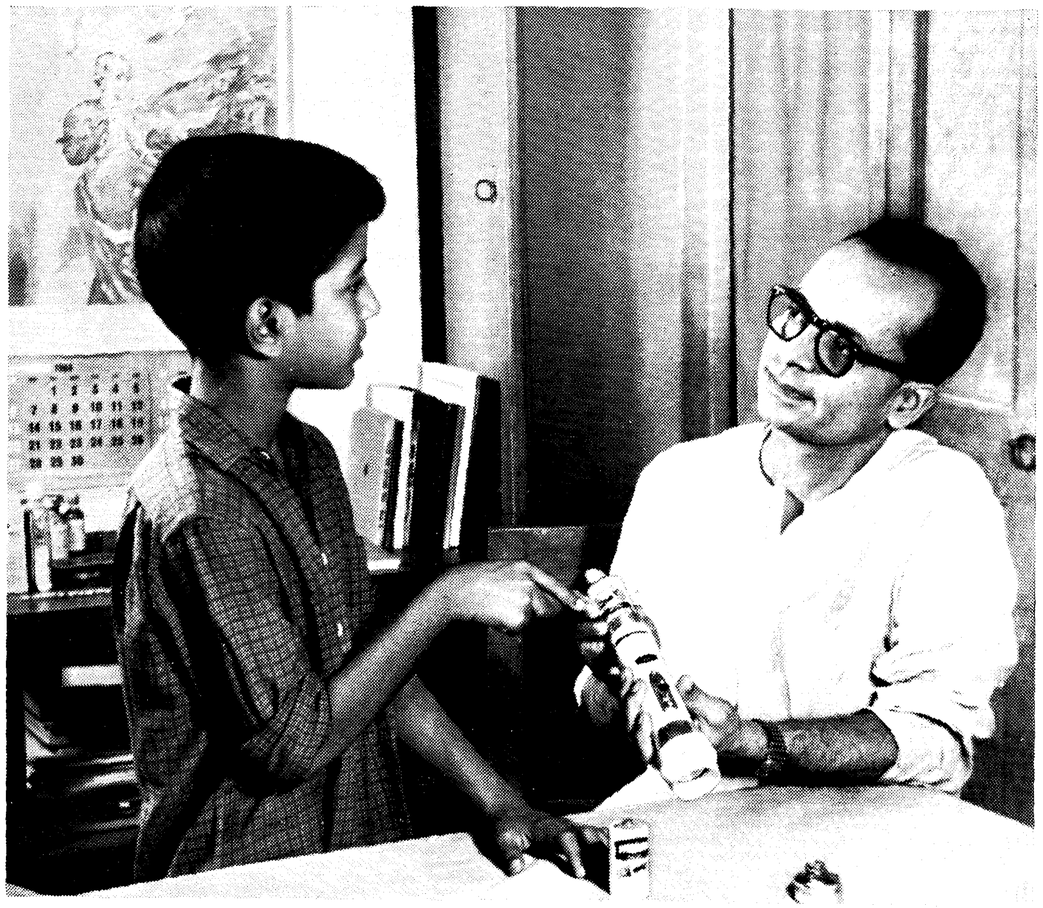
However, increasing supplies or improving the quality of cane will not be of much help if large-scale diversion of cane to the alternative sweetening agents, namely, *gur* and *khandsari* is not prevented. For maintaining parity between sugar, *gur* and *khandsari* in the matter of cane supplies, it is essential that the three must enjoy the same degree of freedom. Recently, Mr. C. Subramaniam, the Central Food Minister, has taken the bold decision of removing the ban on inter-State movement imposed on *gur* last year. He also indicated the possibility of removing the inter-State movement restrictions on *khandsari*. Thus *gur* and *khandsari* have been assured complete freedom. There is already fiscal discrimination against sugar vis-à-vis *gur* and *khandsari* because while excise duty is levied on sugar at Rs. 10.70 a maund, *gur* is fully exempted and on *khandsari* the levy is very nominal. Due to this fiscal disparity as well as the higher prices generally realised by *gur* and *khandsari* manufacturers, they are able to pay much higher prices for cane than that which the sugar factories can pay under the rigid cost structure allowed to them.

If on top of this, controls are limited to the sugar industry alone, it is bound to affect severely the industry's capacity to compete effectively with the alternative sweetening agents after securing adequate supplies of cane. The industry has strongly advocated and rightly too that the Government should allow at least limited freedom to factories by adopting a policy of selective control in the 1964-65 season. Under this policy, the Government can obtain from the factories at fixed prices such quantities as are actually required for



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controlled distribution, leaving them free to dispose of the balance in the free market. This will afford a limited freedom to the factories to increase cane price in order to counteract competition from the other two sweetening agents and would also make available requisite sugar supplies to the Government for controlled distribution. It would lead to free availability of sugar in the country and will also have a healthy impact on *gur* and *khandsari* prices which are now ruling at a high level. The policy of partial control has been gainfully tried in the 1950-51 season when it led to a sizable increase in sugar output. All these factors warrant that the industry's plea for partial control must be given favourable consideration.

Creating Additional Capacity

Moving from sugarcane to sugar, it may be pointed out that the Government's policy on sugar prices, the licensing of additional capacity and other allied matters is also very significant for stepping up output commensurate with the rising demand for both internal consumption and export.

The granting of an economic sugar price is a must for improving the working of the factories. In the matter of sugar prices, the industry has generally not received a fair deal at the hands of the Government. Due to the uneconomic prices generally allowed, the finances of the industry, particularly in the north, have been severely strained. The rigid cost structure of the industry has prevented factories from building up suitable reserves for the purpose of replacement and modernisation of their plants which were, by and large, put into commission some three decades ago. As such, it is imperative that the prices fixed not only cover the cost of production which has gone up in diverse ways but should also provide reasonable returns to the industry for replacement and modernisation of their old and outworn plants. In the ultimate analysis, the efficiency of a price policy has to be judged by the industry's financial results and its productivity. While the production of sugar has lagged behind and the country has been faced with an acute shortage, the financial results of the factories also make a very poor showing.

A large number of units are actually incurring losses and the return on capital which at present stands at an alarmingly low figure is declining. The Reserve Bank of India's study on the financial results of 1,331 companies, as published in its *Bulletin* of July 1964, shows that even during 1960-61, the gross profit as percentage of capital employed for the industry was as low as 8.8 percent. During the subsequent 1961-62 and 1962-63 seasons, this figure declined further to 7.4 percent and 7.6 percent, respectively. As against this, the gross profit in woollen textiles, matches, silk and rayon textiles, mineral oils, medicines, cotton textiles, tobacco, rubber plantations and basic industrial chemicals, etcetera, were much higher. The figure of net profit as a percentage of net worth as given in the said Reserve Bank survey further confirms the poor profitability of the industry. The comparative figures are as follows:

Industries	Gross profit as percentage of capital employed			Profit after tax as percentage of net worth		
	1960-61	1961-62	1962-63	1960-61	1961-62	1962-63
Woollen textiles	19.4	20.1	17.5	17.8	19.9	17.4
Silk and rayon textiles	15.8	13.2	9.7	19.1	17.1	11.1
Matches	15.9	16.1	17.6	12.5	11.7	13.4
Rubber plantations	16.9	14.0	13.3	10.5	7.3	8.0
Mineral oils	12.8	14.1	14.3	11.0	10.8	7.1
Medicines and pharmaceutical preparations	15.4	14.2	13.7	17.1	15.9	12.0
Basic industrial chemicals	13.7	12.3	10.5	14.1	13.1	11.4
Other chemical products	11.5	11.0	13.4	11.3	10.3	9.8
Cotton textiles	12.0	12.9	7.9	13.5	13.1	5.8
Electrical machinery	12.9	11.6	14.1	14.2	13.4	11.5
Machinery other than transport and electrical	11.5	10.4	11.0	14.7	12.8	10.7
Non-ferrous metals	12.8	10.9	9.6	17.4	9.0	9.9
Tobacco	13.5	11.9	14.2	8.7	6.9	7.7
Sugar	8.8	7.4	7.6	11.2	7.4	3.5
All industries	10.1	10.0	10.1	10.9	10.0	9.0

The foregoing analysis reveals that the sugar price policy which the Government has hitherto followed leaves much to be desired. In the absence of an appropriate price policy, both the productivity and the profitability of the industry, so vital for its growth and development, has suffered. It is hoped that the Government would adopt a positive sugar price policy which would take due note of the industry's requirement to rehabilitate, modernise and expand, consistent with the part it has to play in the country's economic development.

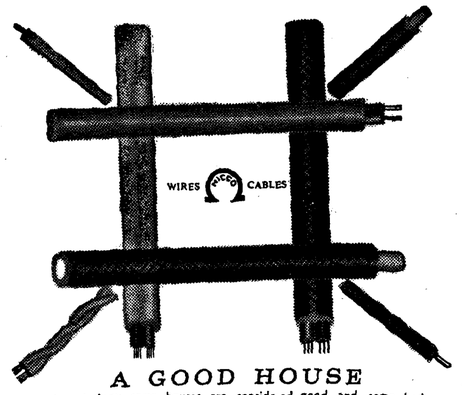
Rising Domestic Consumption

As for the licensing of additional capacity in the industry, it may be pointed out that the capacity hitherto licensed over the first, second and third plans is estimated at 8.2 million tonnes on the basis of an average recovery of 10 percent and a duration of 140 days. This means that an additional 300,000 tonnes still remains to be licensed to achieve the third plan target of 3.5 million tonnes. For the fourth plan, the Development Council has suggested a target of 4.5 million tonnes (including 500,000 tonnes for export). In doing so, it has assumed that due to improvement in the standard of living leading to a change in dietic habits, growth of population, etcetera, the increase in internal consumption a year will be of the order of 200,000 tonnes. However, it is felt that this rated increase of 200,000 tonnes a year during the fourth plan, assumed by the Development Council against the prevalent increase of about 100,000 tonnes a year, is very much on the higher side and the rate of growth in internal demand should be kept at the third plan level of 100,000 tonnes a year. Calculating on this basis, the capacity and production target would amount to 4 million tonnes. The achievement of this capacity means that 800,000 tonnes of additional capacity will have to be licensed.

In fact, with a view to boosting up sugar production, the Government plans to resume licensing in the sugar industry. The question arises in what manner this additional capacity should be licensed. The Development Council for the Sugar Industry has rightfully advocated that as far as possible additional capacity should be created by allowing the existing units to expand rather than through the setting up of new units. It has stressed that the additional capacity created by allowing the existing units to expand would cost 50 percent less than the cost of setting up new units.

India is short of foreign exchange and rupee capital, so she cannot afford to fritter away her meagre resources arbitrarily.

The Development Council has placed the economic capacity of new units during the fourth plan at 2,000 tonnes. If the existing units are to stand in competition with them, it is necessary that they should also be allowed to expand up to that size wherever feasible. It is, however, accepted that it would not be possible for all the existing units below the 2,000-tonne capacity, i.e., 175 factories to expand up to that size due to practical difficulties, such as cane availability, but even if half of them expand up to 2,000 tonnes, the additional capacity would be more than 1.2 million tonnes, which is just about the additional capacity proposed to be licensed even to achieve the fourth plan target of 4.5 million tonnes suggested by the Development Council. It may also be mentioned that the Planning Commission, in its memorandum to the National Development Council, also strongly recommended that the expansion of existing units should get priority over new ones. Sound economic and commercial interests, therefore, demand that the additional capacity in



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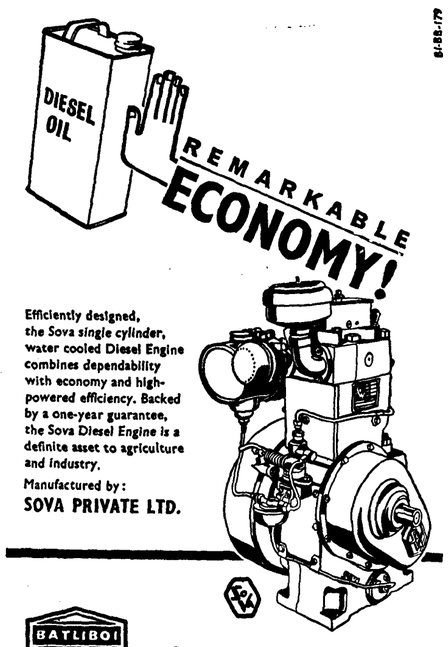
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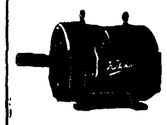
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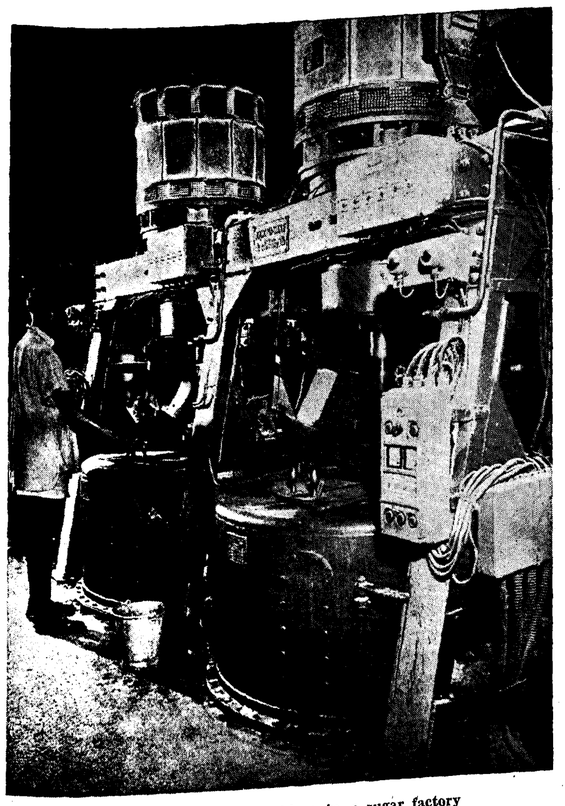
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Automatic centrifugal machines in a sugar factory

the industry should be achieved to the maximum extent by allowing the existing units to expand.

The Sen Commission

The Government also appointed a Sugar Enquiry Commission under the chairmanship of Dr. S. R. Sen of the Planning Commission on 17th July, 1964, to enquire into (1) the determination of price and system of distribution of sugar and (2) the licensing of new sugar factories and the expansion of the existing ones.

After detailed deliberations, the Sugar Enquiry Commission is reported to have submitted its interim report to the Government on the determination of price and the system of distribution of sugar. It is to submit its final report to the Government by the end of this year. The Commission seemed to have appreciated the industry's request for a minimum cane price of Rs. 2 a maund for the 1964-65 season in place of Rs. 1.85 linked to a recovery of 9.4 percent announced by the Central Food Minister in March 1964. The Government has accepted the Commission's recommendations on this matter and has notified a minimum cane price of Rs. 2 a maund linked to a recovery of 10.4 percent or less.

The Commission is also reported to be favourably inclined to grant suitable incentives to the industry for raising sugar production. It is probably on the Commission's recommendation that the Government has announced a 50-percent rebate in excise duty on additional production achieved in October-November 1964 over that for the corresponding period in 1962. In repeating the last year's incentive of excise duty rebate on excess production during the early part of the season, the Government has disregarded the industry's demand for the introduction of selective control to enable the mills to meet effectively the competition from *gur* and *khandsari*. According to reports, the Sugar Enquiry Commission is believed to have not favoured the introduction of selective control in the ensuing season. The main reason adduced by the Commission is that partial decontrol will lead to an undue increase in consumption which, in the present condition of scarcity, is undesirable. It considers it risky to make any departure from the present system of rigid control until sufficient carry-over stocks are built up first. Another reason attributed by the Commission is that the estimates of sugar output at the beginning of a season often prove wrong. So until sufficient reliable estimates of the sugarcane crop, trend of prices of *gur* and the rate of sugar production are available and sufficient stocks are built up, it would not be safe to make a major change in the present policy of control.

It needs no emphasis that the industry should maintain an adequate running stock of sugar to ensure a stable level of prices in the interest of consumers. But it may not be possible to build up such stock in the course of next one or two years, without seriously stifling internal consumption, which is neither desirable nor necessary. The stocks should be built up over a period to minimise the strain on consumers. Even for this, it is essential that the sugar output should be raised to the maximum extent possible. This is the basic issue, and the industry's demand should be considered in this context.

The Sugar Enquiry Commission has contended that the estimates of sugar output at the beginning of a season often prove wrong. At present, the problem of undue diversion of cane to *gur* and *khandsari* stands in the way of making a fair estimate of production at the beginning of the season. If the disparity between sugar and *gur* and *khandsari* industries is minimised through a policy of selective control, the factories will be able to arrest the undue diversion and a fair estimate of sugar production will be possible.

Partial Decontrol

Yet another contention of the Sen Commission that partial decontrol will lead to an undue increase in consumption does not seem to be well founded, for even during the period of decontrol, the Government has retained the mechanism of controlled releases. Under this system, the despatches from factories are governed by the monthly quotas released by the Government and thus the internal consumption remains well regulated and there should be no apprehension of sudden spurt in consumption.

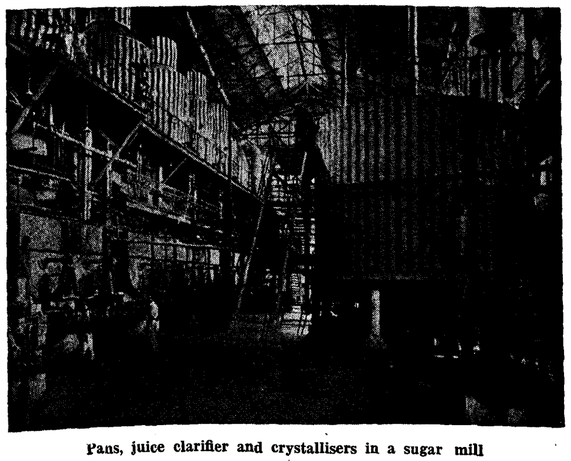
Since the Commission is expected to make its final recommendations by the end of the current year, it is hoped that it will reconsider the matter and recommend a policy of gradual decontrol for the future seasons.

In the context of the compelling need to increase sugar production, the Government order of 2nd November, 1964, imposing an immediate ban on the sale and manufacture of bolder grain sugar (sizes A and B) has come as a rude shock to the industry. The Defence of India Rules, under which this order has been promulgated, empowers the Government to regulate or prohibit the production, manufacture, supply and distribution if it is of the opinion that it is necessary or expedient to do so for ensuring the defence of India and civil defence or the maintenance or increase of supplies and services essential to the life of the community or for securing an equitable distribution and availability of any article or thing at fair prices.

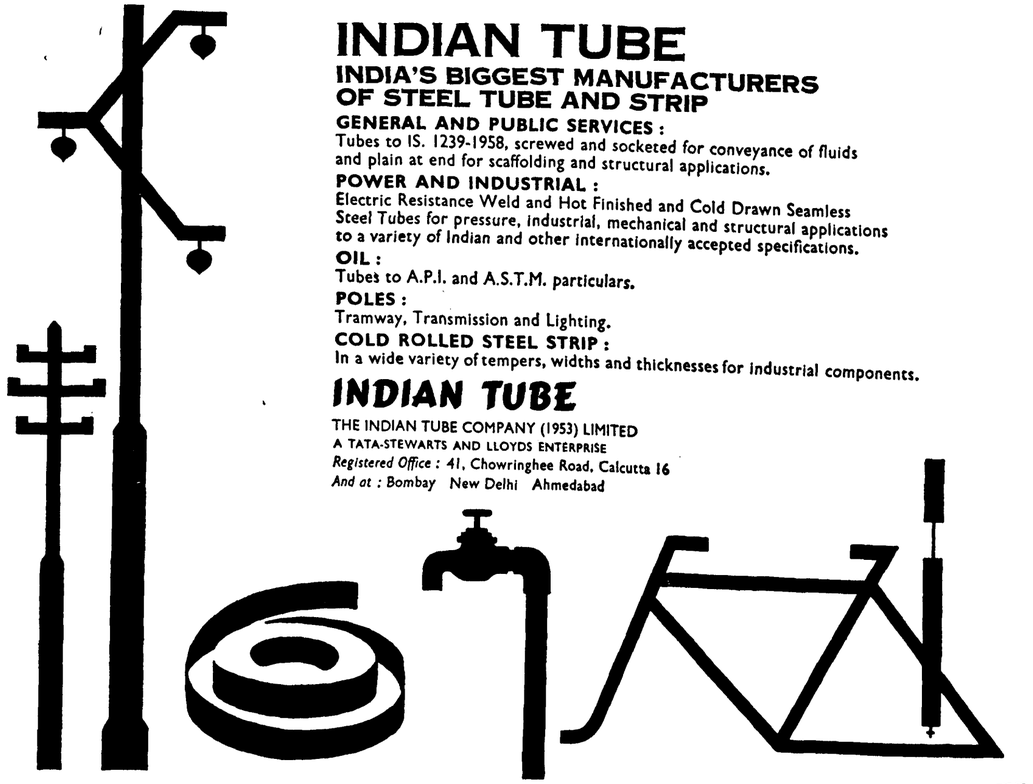
But none of the above stated objections will be realised by the Government order. In effect, the supply of sugar is likely to fall since the working of the 36 carbonation factories, whose production mainly consists of bolder grain sugars, will be thrown out of gear and their production capacity will be adversely affected. It will be appreciated that factories have commenced crushing operations and banning of A and B grain sizes of sugar with immediate effect does not give them any time to change their plants and equipment which is necessary for production of smaller grains. The carbonation factories have installed costly plant and equipment for producing bold grain sugar for which there is considerable demand in the country due to the great preference for it shown by consumers, including bulk industrial consumers.

It is hardly fair that the Government should have introduced such sudden measures of far-reaching consequences which will seriously undermine the economy of a large number of sugar factories. The industry has, therefore, rightly urged the Government to reconsider the matter. If at all it decides to prohibit the manufacture of these grain sizes, it should give adequate time, at least two years, to the factories concerned to effect necessary changes in plant and equipment so as to guard against any dislocation in their working, thereby ensuring that production of these units is not affected in any way.

In the interest of maximising sugar production which is the Government's declared policy, New Delhi would do well to defer its above decision in the interest of smooth working of a large number of sugar factories whose functioning will otherwise seriously suffer.



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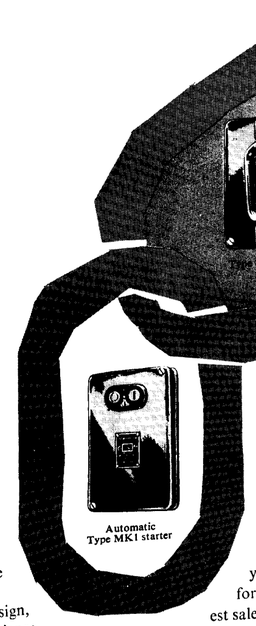
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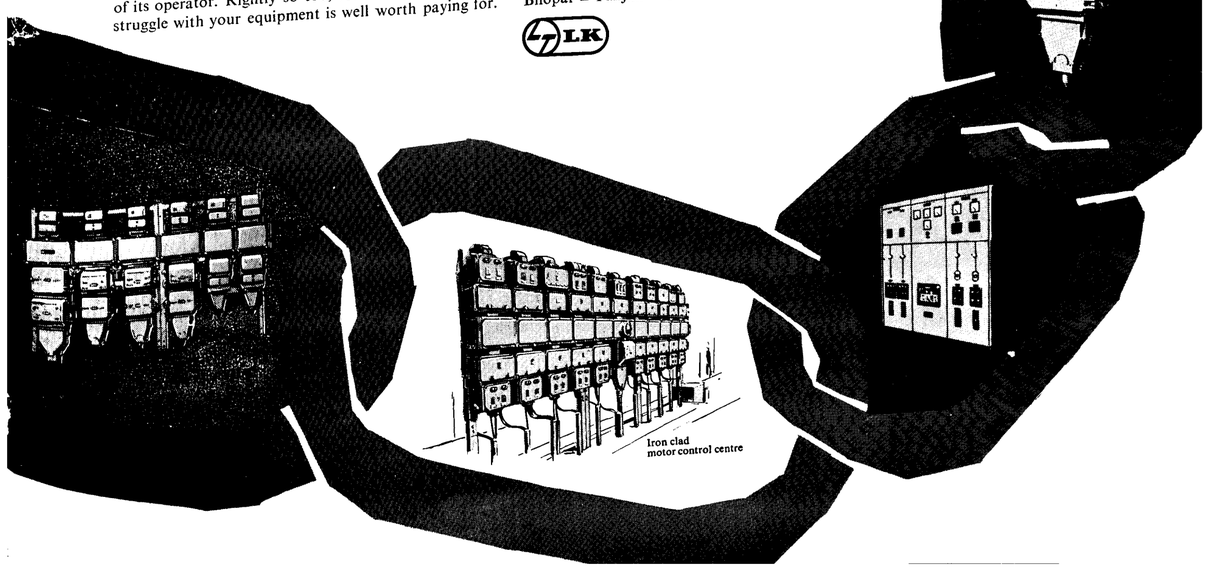
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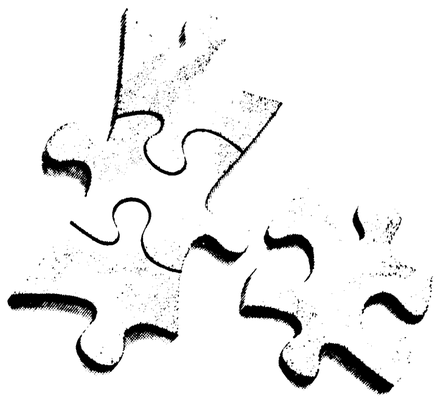
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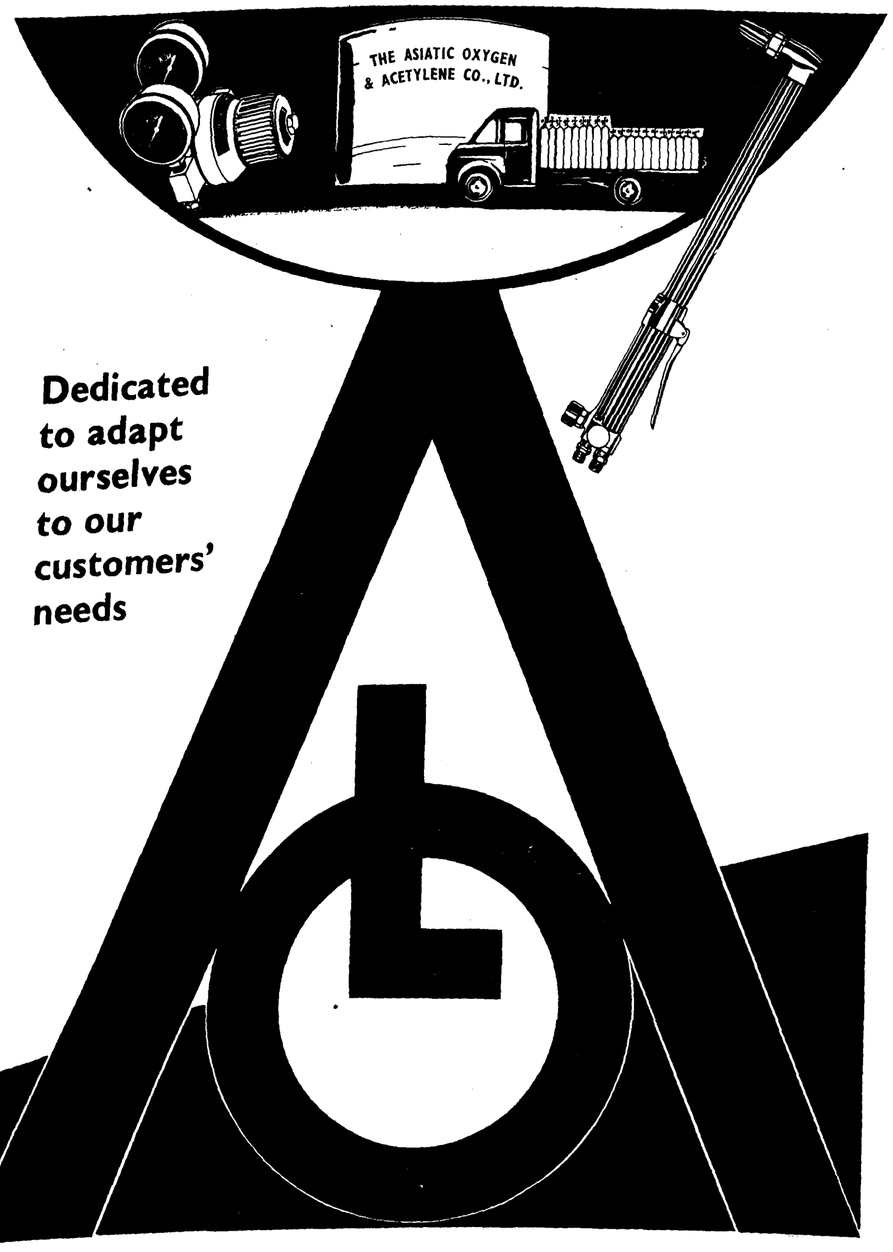
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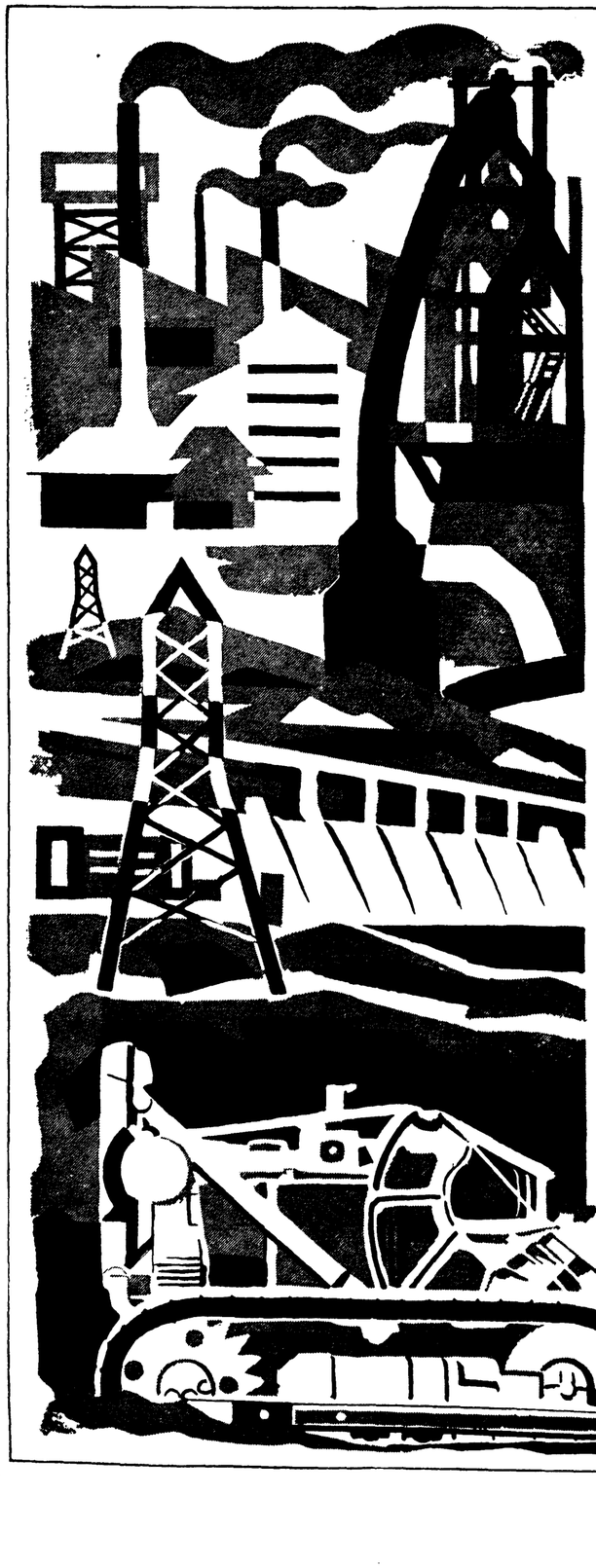
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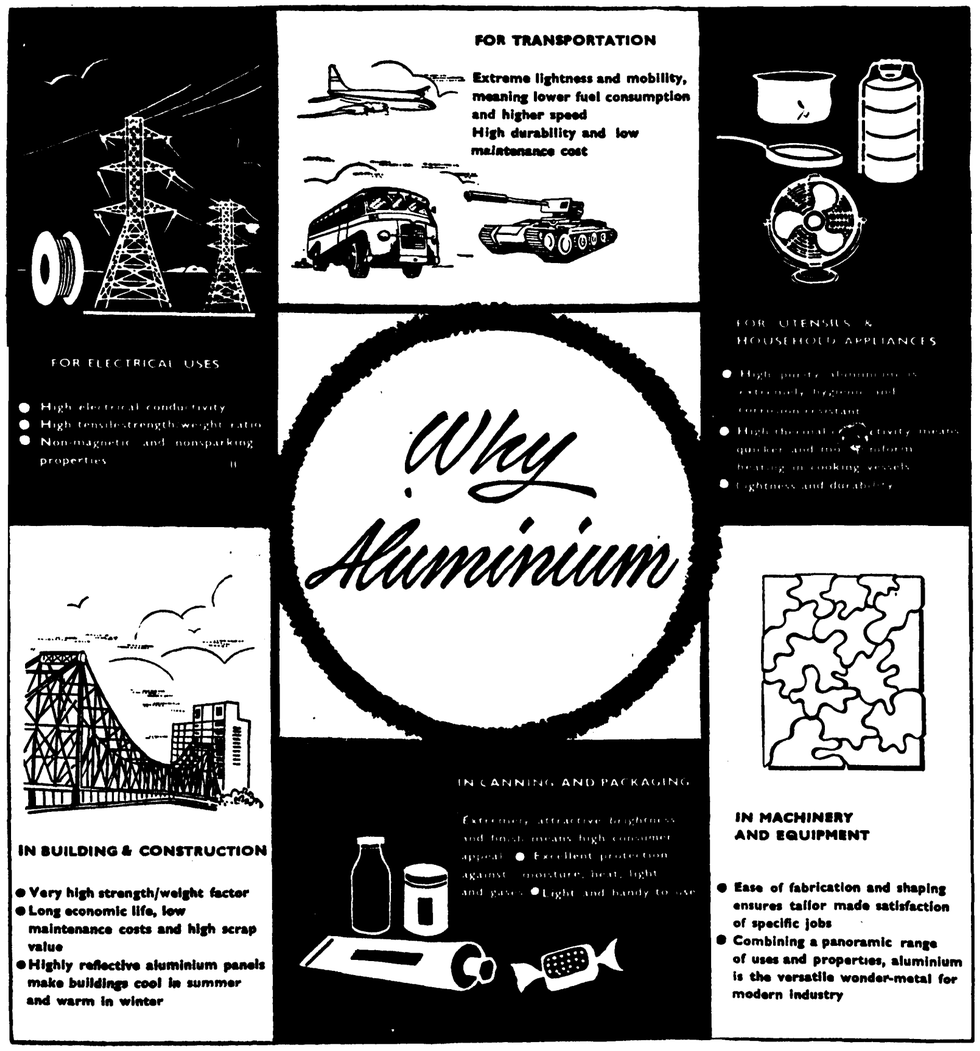
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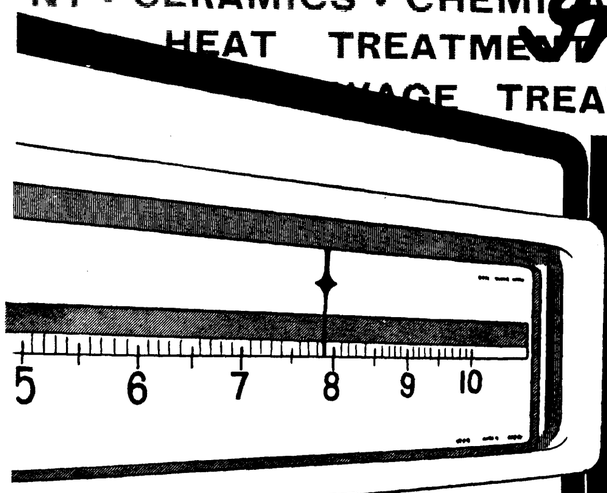
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Expanding Steel Capacity: Need for Long-range Planning

By

SIR JEHANGIR GHANDY

NEW capacity in the steel industry takes notoriously long to establish. This is less because of the time it takes to instal new plant and equipment than the much longer period needed to bring ancillary facilities like coal and ore mines, railway links and power supplies, into commission. It is for this reason that many in the industry have been advocating that the planning for steel should be for a longer period than the five-year span in terms of which New Delhi is accustomed to think.

Work should in fact be starting right now on any capacity intended to be in production at the end of the fourth plan. The Ministry sees this need for advance action, and has been endeavouring to arrange its time-table accordingly. Unfortunately, however, a start cannot often be made until the foreign exchange financing has been arranged. This implies that the time-table must allow for the time that negotiation for financing requires. Bokaro provides a telling case in point. Planning for this project may be said to have begun with the commissioning of a feasibility study at the end of 1958 but, although a good deal of preparatory work was done in between, its fate hung in the balance until the Russian aid offer was announced on 1st May this year. A third plan project that Bokaro was intended to be will now be ready only towards the end of the fourth.

One cannot, of course, provide in advance for the quite unforeseen delays that Bokaro suffered. Yet the moral may still be drawn that until India reaches the happy position of not having to worry about the foreign exchange component of new capacity, it will be prudent to allow for the uncertainties of aid-seeking. This carries two implications. First, the technical and economic feasibility of new schemes should be clearly established by adequate studies so that the aid-givers can be presented with a concrete proposition for acceptance. Secondly, alternative schemes must be kept ready so that any one falling through because of the lack of foreign support can be quickly substituted by another not open to the same objections.

All this is more readily said than done. The Ministry would no doubt like as many feasibility studies done as possible but the availability of personnel for such work is extremely limited. There are several agencies now undertaking such work in India, but not all of them are as yet equipped to do a good job. This may explain the unevenness in the quality of work which is already proving something of a handicap. But individual studies apart, there is a good deal to do on the formulation of the overall steel plan—a responsibility carried now by what is called the Steering Group. This, like most other official committees, consists of hard-pressed individuals who may be able to bring mature judgment to bear on problems but cannot be expected to draw up a plan in any detail. While it is realised that there should be a permanent nucleus of planning staff, this has remained no more than a pious wish. The lapse is once again attributable to the shortage of personnel, a situation which warrants seeking outside assistance through one of the several international institutions prepared to assist in such matters.

Reliable Demand Projections

The starting point for drawing up a plan for steel expansion is a reasonably accurate and comprehensive estimate of the demand arising at the end of the plan period. It is not open to us in India to rely on extrapolation of past trends in consumption. The character and volume of demand is changing so materially that any inference based on the past can hardly serve. It is appropriate, therefore, to make an assessment by the end-use method. This implies working backwards from production targets for steel-using industries formulated in the light of broad assumptions about the rate of economic growth expected to be achieved in a particular plan period. Obviously these targets need to be internally consistent—progress in one direction must match what is planned to be done in other related spheres. While consistency is technically verifiable, the broader issue of growth rate involves a large measure of qualitative judgment.

In relation to the fourth plan, several approximations have been made to define a steel target consistent with a given overall growth rate for the economy as a whole. Since all approximations were based on the same growth model, assuming that the economy will be expanding at a certain rate during the fourth plan, there is naturally broad agreement among the estimates which range from a little under 10 million tons of steel (in terms of ingots) to just over 11 million tons for 1965-66, and between 16 million and 18 million tons for 1970-71. That these several estimates vary within narrow limits does not necessarily enhance their reliability, as is sometimes assumed, but only underlines the fact that they start from the same premises.

One can readily agree that steel should occupy a place of importance in the strategy of development because of the crucial rôle this metal plays in economic growth. But by itself steel is just one of the many basic needs of a developing economy. As the Central Finance Minister, Mr. T. T. Krishnamachari, said in Bombay last December, India would in future years need to take up chemical industries with as much enthusiasm as marked steel development during the second and third plans. In any case steel must be transformed into engineering goods—capital or consumer—before this raw material brings any benefit to the community. Steel can, of course, be exported as steel but before this becomes a practical possibility, several major steps will have to be taken to restore to the Indian industry the cost advantage it once enjoyed. Just now the c.i.f. price of several categories of steel imported from Japan and Europe is below that of comparable Indian products. While it may be readily conceded that world export prices often bear little relation to those charged to domestic consumers or to even production costs, the current underselling highlights the difficulty of making substantial exports.

Desirable Growth Rate

It will be inappropriate at this stage of thinking about the fourth plan to arrive at any firm conclusion about a desirable rate of growth in steel. Much will depend on the larger decisions concerning the total investment contemplated and its pattern. But regardless of what the "desirable" rate should be, some judgments can be made even at this stage on what will, in fact, be practical from both the technical and financial viewpoints. My own view, which I find is endorsed by others, is that it will not be practical to plan for more than 14 million tons of production by 1970-71, 5 million tons above the capacity to be installed under the third plan.

The first constraint to keep in mind is foreign exchange. At a rough guess, 50 percent of the total cost of a new integrated plant represents the foreign component. While the endeavour must be to do as much as possible within the country, it is clear that the beginnings in equipment manufacture made in recent months cannot be expected to make any significant contribution until the early 1970's. The Ranchi heavy engineering complex represents the most ambitious bid in this direction. This plant—originally scheduled to be in production by the end of the third plan—will not have got past the construction stage until early in the fourth plan. Getting it organised for full production will take more time, at least until the end of the plan. But Ranchi cannot function in isolation—what it turns out will in many cases require completing equipment from other sources. This requires the development of subsidiary manufacturing facilities, mostly in medium-weight engineering enterprises. Some of these already exist but cannot work more than a fraction of their capacity because they are themselves dependent on yet other plants for components and starting materials. In sum, it will be some time before India can make do with a significantly smaller import component in building new steel capacity than the 50 percent assumed here.

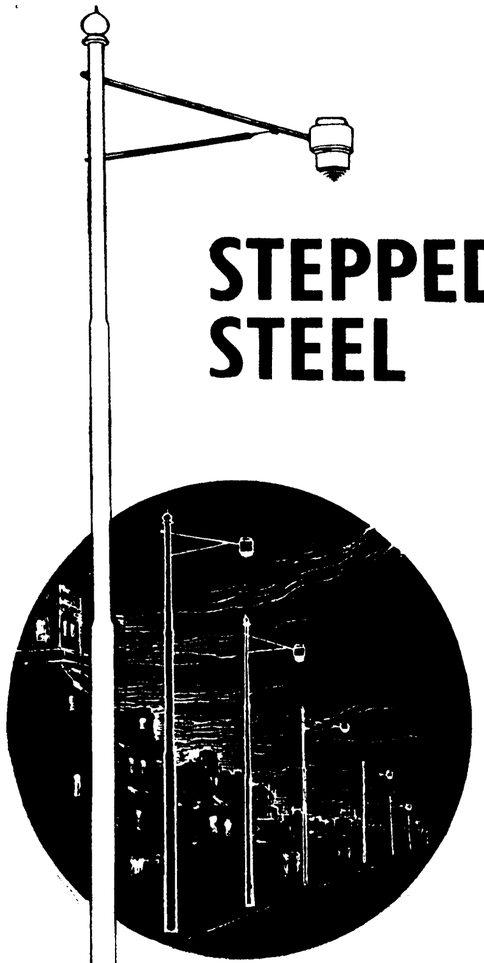
Each million ton of new capacity will need a total investment upwards of Rs. 150 crores within the plant. But neither the direct total investment, nor the foreign exchange component of Rs. 75 crores, is by any means a true measure of the requirements. Any new capacity will require ancillary facilities like water, power, mining development, washeries and other beneficiation plants—all of them demanding substantial outlays—specially for the purpose of meeting steel plant needs. From this it follows that any proposal for new capacity should explicitly take into account the financial implications of the total project, rather than of the plant itself as is being done. The final decision should be made only after such a comprehensive assessment of the resources required. To do otherwise will not only be misleading but in many ways dangerous in a situation where pressure on resources, both foreign and domestic, is likely to be extremely severe.

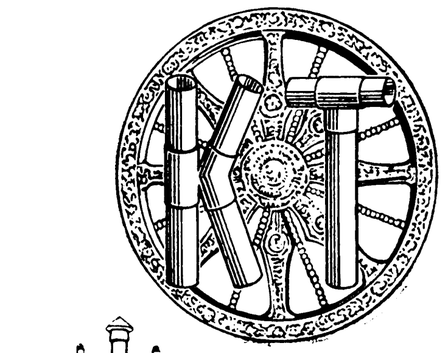
The second constraint to keep in mind is the physical feasibility of expansion. The steel plant proper presents, as mentioned, the least difficulty—it is a compact construction job which can be handled on the basis of the considerable experience that now exists. Shortages of men and materials may have to be faced—as is the case now at many work sites—but the problems should still be manageable because assistance can, in the last resort, be mobilised from abroad to get over acute bottlenecks. One must quickly add, however, that this cannot be on anything but a limited scale for obvious reasons.

Need to Raise Coal Output

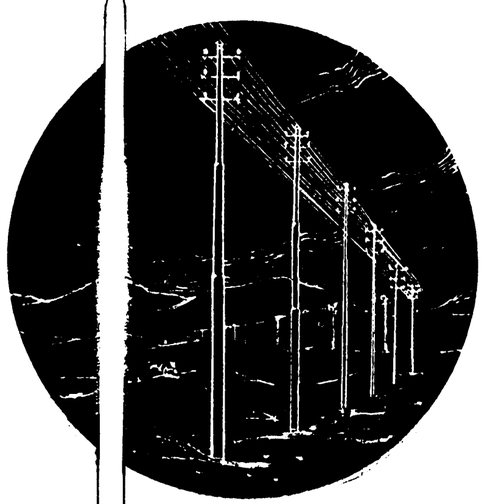
But when it comes to opening up new mines—specially deep mines for coking coal, the difficulties are far more formidable. At the present time, the output of coking coal is around 17 million tons which is somewhat in excess of the immediate requirements of the metallurgical industry. But this surplus will disappear and, in fact, a good deal more will be needed to match the new steel capacity now under construction. Any additional steel capacity established during the fourth plan will thus require a corresponding expansion in coal mining. Since coal as mined will mostly be of qualities which cannot be directly utilised for metallurgical purposes, there will have to be equivalent increase in washing capacity.

Only two of the steel plants, Jamshedpur and Burnpur, work captive collieries. Production from these mines is not at present sufficient to meet the full needs of both plants, but expansion is either under way or contemplated to make both units









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self-sufficient. Other plants are, however, entirely dependent on market collieries, mostly in the private sector. This implies that the feasibility of steel expansion will depend to a great extent on progress in the coal industry.

In India, where much of the coal that is raised has too high an ash content to permit direct metallurgical use, it is necessary to put raw coal through a washery to improve the grade. Washing may involve losses of up to 40 percent, two tons of raw coal fed into the washery yielding 1.2 tons or a little more of clean coal. There is some danger that losses may be even higher as less suitable deposits of raw coal are brought into use in order to meet increasing demand. Allowing for washing losses and a much smaller but still significant loss during coking, it has been estimated that each ton of steel production will require to be supported by 2½ tons of raw coal. This indicates the substantial expansion that will be necessary for each million tons of new steel capacity.

Quite clearly, much of the additional production of coking coal will have to come from new deep mines, such as the one National Coal Development Corporation is putting down at Sudamdih with Polish assistance. Considering that it may take up to seven years to sink a deep shaft and bring a mine into full output, the danger of steel expansion being held up by the lack of coal is at once evident. There are technological limitations to speedier progress, but that apart, there is also considerable uncertainty about financing, both domestic and foreign. In a new deep mine investment can hardly be less than Rs. 200 a ton of annual output, this being a fairly reliable norm subject to variations depending upon geological and other circumstances. Going by this yardstick the coal needed to feed a million tons of steel capacity will require an outlay of Rs. 50 crores on mining development alone. At the present time, the foreign exchange requirement works out to a little less than one-third of the total investment. This all-industry average obscures the much higher foreign component of large and deep mines. With the advance that has been made in recent months towards local manufacture of mining equipment, the foreign component should decline somewhat during the fourth plan. More substantial reduction will, however, come only towards the end of the next plan when enterprises like the Durgapur Coal Mining Machinery project come into full production.

At the time New Delhi was still thinking in terms of producing 18 million tons of steel by 1970-71, the corresponding requirement of coking coal was put at 45 million tons to meet steel plant needs and an additional 10 million tons to cater to merchant cokeries and others. Of this total of 55 million tons, N.C.D.C. claimed that it could raise 24 million tons leaving it to the private sector to provide the balance of 31 million tons. How N.C.D.C. expected to go up to 24 million tons is anybody's guess since it has not been conspicuously successful in meeting the tasks set for it in the past. In the private sector, the share allotted to it would have implied doubling production in five years with annual increases of the order of 3 million tons or more. Many in the coal industry have judged such accelerated advance not merely unlikely but impossible. As if the technological difficulties are not formidable enough, there are also very serious financial disabilities to overcome. After its experience during the third plan, the coal industry can hardly be blamed if it takes promises of future official help with a large pinch of salt.

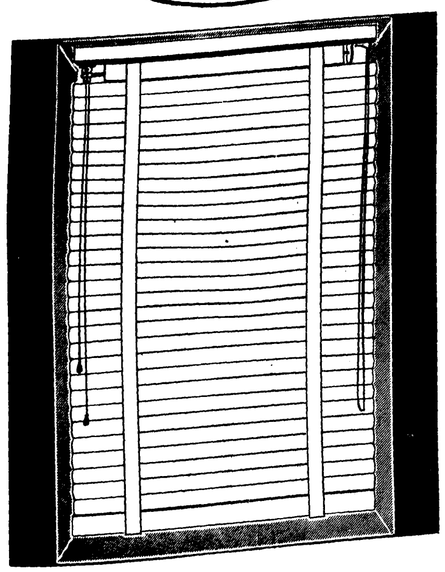
World Bank Aid to Coal Mines

In 1960, at the time the private sector was persuaded to fall in line with the official ideas about expansion, it was encouraged to negotiate for a foreign exchange loan from the World Bank. The loan came through —not to the industry but to the Government—making it possible to import equipment and spares required from abroad, provided of course the industry found the requisite rupee resources. The exceedingly slow pace of utilisation of the foreign exchange provided by the Bank in this manner convincingly proves that mining enterprises are not in the best possible financial health. Years of high taxation and rising costs, which controlled prices failed to compensate, have had a markedly debilitating effect on the industry. The incentives promised by New Delhi to facilitate expansion never fully materialised, partly because of the political difficulties inherent in allowing price increases for a basic commodity like coal and partly because good intentions got subverted along the line by legal and procedural difficulties. With this unhappy experience still fresh in their minds, the mining companies can scarcely be enthusiastic about the prospects for 1970-71.

In the light of these circumstances, technical and financial, the outlook for domestic coal production is distinctly unpromising. This makes it appropriate to consider the import of coking coal, an idea gaining increasing acceptance in many circles. The idea should be considered in two parts: one in relation to the existing plants and the other to the new plants which may for this reason have to be located along the coast. All five existing works are situated inland at distances ranging from 150 miles to 350 miles from the nearest port. The feasibility of using imported coal at these locations depends partly on the cost factor and partly on physical limitations. Ocean freight for coal coming by bulk carriers may be low, but to this will have to be added the extra cost of transhipment from ship to train plus inland freight. The higher cost will, no doubt, be offset to some extent by the productivity gains arising from use of better-grade foreign coal. Even if circumstances were so compelling that cost calculations lost much relevance, import would still be unlikely in any substantial quantities because the port of Calcutta cannot handle ships carrying more than 10,000 tons of payload. This may well be decisive in ruling out imports in relation to Jamshedpur, Burnpur and Durgapur except in marginal quantities and under special circumstances. Rourkela and Bhilai have access to Visakhapatnam which is being developed to handle bulk carriers. The availability of ore empties at Visakhapatnam through which Kiriburu and Bailadilla ores are to be shipped to Japan is also a factor to be taken into account. But even so, large-scale imports are unlikely to be feasible.

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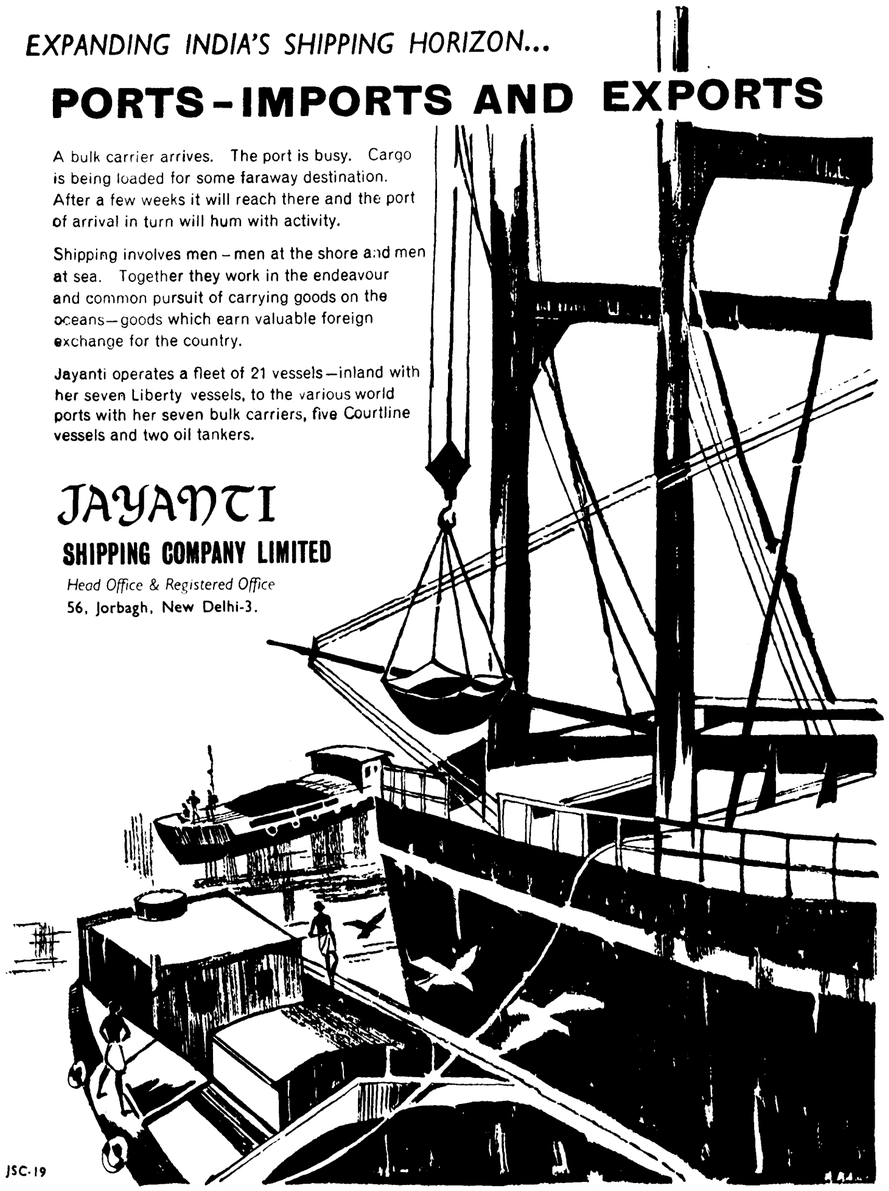
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import of coal for new coastal plants. To examine this proposition meaningfully, one has to start with an assessment of Indian reserves. This is not easy to make because of the dispute over estimates, but going by the latest seam-by-seam survey conducted by the Fuel Research Institute, the reserves up to 2,000 feet may be taken as 5,800 million tons of coking coal. This is, however, the figure for coal in the ground—*in situ*. One has to allow for mining losses to work out how much can actually be recovered. While the proportion of recovery will vary, 50 percent is a good average to go by. The validity of the average is borne out by the fact that recovery is only about 40 percent at present, but may be expected to improve with the use of better mining technology. Going by the 50 percent average, the recoverable reserves come to 2,900 million tons of raw coal. After this is washed—assuming a 40 percent yield—the supply of clean coal available to steel plants will be only 1,740 million tons. The supply can be extended by adding blendable coal to the full extent possible. In the present state of technology a 10-percent addition is possible, allowing for which the total availability rises to just over 1,900 million tons.

Need to Import Coking Coal

In making these calculations based on the estimates of the Energy Survey of India, (which recently submitted its draft report) one comes to the fairly obvious conclusion that Indian reserves should be approaching exhaustion in 50 to 60 years. There would still be the reserves of coking coal at depths beyond 2,000 feet for which the current estimate is 2,000 million tons *in situ* up to 4,000 feet, a limit set by the current state of technology. In any case the deeper one goes down, the higher will be the cost of mining and consequently greater the threat of competition from more favourably placed industry elsewhere.

Given this long-term outlook, there is every need to consider the import of coking coal to stretch out Indian reserves—a corollary of the imbalance between India's fabulous reserves of iron ore and her meagre endowment in coking coal. The import need not be considered only in relation to this long-term outlook. Dispersal of the Indian steel industry will almost certainly require imports much sooner. At new locations in the south and the west, the cost of transporting Jharia coal overland or by the sea-*cum*-rail route will be high enough to make it advantageous to use imported coal which should ideally be discharged direct from ships to steel plants' storage yards, as in the case of coastal plants elsewhere. Import implies, of course, an outgo of foreign exchange which many people find difficult to contemplate in today's balance-of-payments situation. Regardless of technological advantages in favour of relying wholly on imported coal, it may well be necessary to adopt a blend of foreign and domestic coal to reduce the exchange outgo—an alternative that has been recommended to the Government by its consultants for the Goa-Hospet plant.

No fears about the future arise either in the case of iron ore or limestone. But, as in the case of coal, time will have to be allowed for detailed prospecting, mining development and construction of transport links. A major project like Kiriburu has taken six years to complete. Although one may hope to do better in the future, there will still be a long lag between taking up a mining scheme and getting it to yield full results. It is not at all too soon to be starting work on developing ore mines for the quantities required in 1970-71. This implies taking decisions and setting aside money and personnel to start preparatory work rightaway if New Delhi is at all serious about rapid expansion of steel capacity.

Beneficiating Iron Ore

In both these minerals there has been a great deal of complacency about costs. Indian iron ore deposits lie close to the surface and can be successfully mined by open cast methods. The iron content is so high that each ton goes much further than the lower-grade deposits used in steel industries elsewhere. Even so the delivered cost to steel plants is rising (and may be expected to rise further) because all iron ore may in future have to be beneficiated to overcome high alumina. The technical problems involved in beneficiation are well on their way to solution but the fact of extra costs has to be faced. This requires special efforts to attain high productivity in mining and beneficiation operations. Large mines must be the norm where the high capital costs of modern mining can be spread over an adequate output.

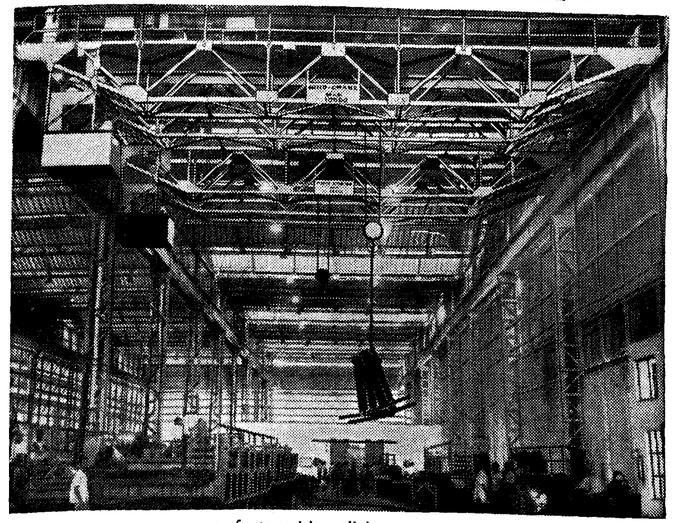
It will no longer be economic to discard ore fines arising during mining operations. The ratio between fines and lump ore which can be directly used in blast furnaces may be as high as 60 to 40. Utilisation will require sintering or some other technique of agglomeration. An additional reason for doing so is that an agglomerated burden is in some ways a better starting material than lump ore, its greater reducibility helping to improve blast furnace productivity. While this factor should offset the extra cost of beneficiation it will be important to watch production economics carefully lest the Indian industry should find its competitive ability badly impaired. In limestone there is a similar problem of quality to be overcome but only in relation to the limited quantity of material used in steel-melting operations. The lines along which a technical solution may be found are clear, and it now remains to translate laboratory ideas into production-scale facilities. Quality apart, the physical problem of raising enough limestone can be successfully tackled provided a big enough effort is made to locate suitable deposits and prove them. While this effort is under way, it may well be necessary to reserve better-grade deposits for the metallurgical industry.

Manpower Requirements

These are the physical tasks related to the steel expansion programme. They are formidable enough but even more intractable is the problem of mobilising manpower. Training facilities now available can indeed turn out the required number of engineers and artisans, but they cannot provide experience in depth. It takes five to seven years of experience on the shop floor to make a good steel man. In management cadres, this lack of experience can be a severe handicap. The gap between requirement and supply of skills may persist for ten years or more placing a limit upon India's ambitions in steel. The employment of foreigners as in Rourkela or Durgapur is, of course, a possible way out but recruitment on short-term contract is not going to be easy in conditions of full employment in western countries.

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Raising Food Output through Bigger Use of Fertilisers

By JOHN K. JOHN

A FEW years ago, Mr. Jawaharlal Nehru, speaking of conservatism and the Indian economy, said that it was not a question of a decision to change or not to change. India, he said, had to run to stay where she was. Although there is much talk, often despairingly, of the population explosion, one wonders how many in this country are aware of the stark facts of the case.

India's population is increasing at over 10 million a year. Each day she has an extra 28,000 human beings to clothe and feed. Viewed from another perspective, India is creating each year a population equal to that of, say, Belgium or the Netherlands, or Tanganyika, or the combined populations of Norway and Sweden. In two decades, the country achieves an increase equal to the present population of Africa. Awesome as this increase in itself is, a look at the other side of the coin, food production, brings into focus the rather nightmarish situation India is facing.

Food production increased from 50 million tons in 1950-51 to over 80 million tons in 1960-61. From then onwards it has declined and the estimate for the crop for 1963-64 is only 77 million tons. There seems little chance of India achieving the original third five year plan target of a 100 million tons of foodgrains and it is less than likely, following current trends, that she will even achieve the reduced target of 95 million tons by 1965-66. Such increases in production as have been made in the last decade or so, are mainly due to the extension of the acreage under the plough and by added irrigation facilities. The latter is equivalent to doubling the original acreage as it allows two crops to be grown where one grew before.

The Widening Gap

The gap between the anticipated indigenous production based on the current trends and the demand for foodgrains to feed the growing populations at the present level of consumption is illustrated by the graph on page 15.

The curve of current trends shows that the production of foodgrains at the end of the third five year plan in 1965-66 will be 80.1 million metric tonnes, while the demand at the present level of nutrition will be 92.8 million tonnes. Similarly, at the end of the fourth five year plan in 1970-71, the production of foodgrains—according to the current trends curve—is anticipated to be 83.4 million tonnes whereas the demand for foodgrains to feed the increased population will amount to 103.4 million tonnes.

The gap between the demand for foodgrains and indigenous production has been filled for some years now by imports, and these figures tell a story of their own. Foodgrain imports varied from 700,000 tonnes to 3.8 million tonnes until 1959, but since then India has been importing foodgrains to the tune of about 5 million tonnes every year. This year, the Government has announced its intention of importing 6 million tonnes of wheat alone. From the current trends curve, it appears that foodgrain imports will have to increase to 12.7 million, 20 million and 29.4 million tonnes in 1965-66, 1970-71 and 1975-76, respectively, unless some drastic steps are taken to raise the rate of growth of indigenous production and population control measures are intensified. This then is the widening gap—the growing cleavage between the increase in population and that of agricultural production.

Dependence on Imports

Seventeen and a half years after independence and after 14 years of the planned economy in a predominantly agricultural country, India has come to a sorry pass where she still has local famines as in Rajasthan this year and is more dependent than ever on the import of foodgrains to keep the wolf from the door. Agricultural productivity has barely increased. This is a matter of fundamental importance, for, while there is still scope for the extension of irrigation facilities, further reclamation of fallow land will be marginal. The proportion of arable land in India to the total land area is high as it is, and leaves little room for further extension. Substantial increases in food production can only come from enhanced agricultural productivity.

The problem will, of course, have to be tackled on both fronts and while, in parenthesis one may observe that the outlays on family planning in the second and third plans (Rs. 27 crores in the third plan for family planning, against Rs. 92.4 crores for *Ambar Charkha*) are grossly inadequate and beg the issue entirely, the main concern of this article is with food production. Population control is still a matter of controversy and whatever the allocation for it in the fourth plan, it is unlikely that there will be any significant fall in the rate

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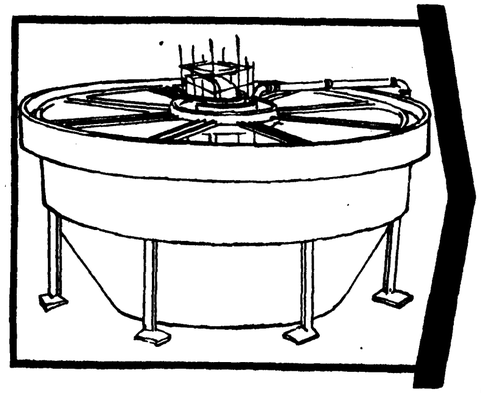
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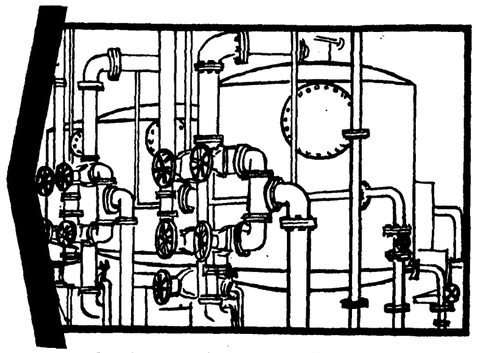
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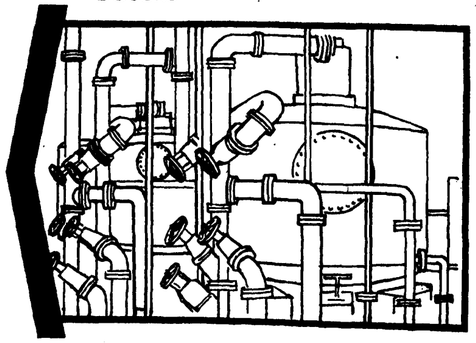
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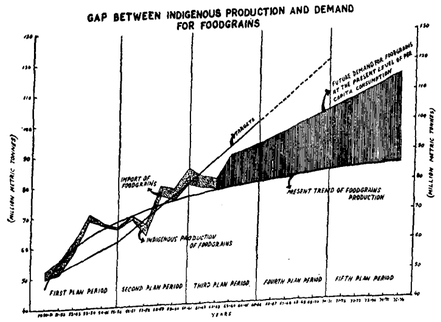


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Note:
(1) The present trend of foodgrains production conforms to the equation $Y = 46.86 + 27.6237 \log x$ where x stands for number of years counted from the base year 1950-51 and Y is the predicted production.
(2) The future demand for foodgrains at the present level of *per capita* consumption is calculated on the following bases:
(a) Rate of increase in population: 2.2 per cent a year.
(b) *Per capita* requirements of foodgrains: 365 lbs a year.
(c) Requirement for seed, feed and wastages: 12½ percent of the total production.
(3) In the first and second five year plans, the targets of production were mainly based on the production potentials due to increased irrigation, use of fertilisers, etcetera. In the third five year plan, the targets were related to the requirements of growing population and the production potentials were adjusted accordingly. The fourth five year plan targets will probably be based on similar considerations.

of population growth over the next decade or so.

Given that there will be no significant fall in the rate of growth of population, that further reclamation will be marginal, that increases in the irrigated area will be gradual and inadequate in themselves to ensure a sufficient level of food production, what should this country do to bridge this widening gap? The obvious answer lies in increasing agricultural productivity. Of the several factors that make for efficient farming, such as better seed, judicious crop rotation, use of improved implements, and the control of pests and diseases with insecticides and fungicides, nothing is of greater significance than the use of chemical fertiliser. In soils such as India's which have been cultivated from time immemorial, where the natural plant food resources have been thoroughly depleted, there is no answer but to rejuvenate them and restore their nutrient status by the massive, systematic and balanced use of chemical fertiliser.

Using Chemical Fertilisers

Although chemical fertilisers have been used in India in miniscule quantities for 40 years, the industry is still in its infancy from the point of view of both consumption and production. As the accompanying figures show, the consumption of fertiliser in India is exceedingly low and is, in fact, like the country's agricultural yields among the lowest in the world:

Country	Consumption a hectare in kilograms	Consumption a head in kilograms
India	2.7	0.9
Japan	270	17
West Germany	268	41
Netherlands	458	40
World average	22.2	12.2

The correlation between agricultural yields and the fertiliser consumption has been established in many countries. The experience in Taiwan shows that the more the fertiliser used, the higher is the yield a hectare.

The consumption of fertiliser in India has happily been rising. The country used 1.75 kilograms a hectare in terms of N, P & K in 1960-61, 2.25 kilograms a hectare in 1961-62 and 2.71 kilograms a hectare in 1962-63. How then is it that in the very years in which consumption increased by 54 percent, food production actually fell? It is necessary to take a closer look at the consumption figures. In 1962-63, the total quantity of plant food ($N : P_2O_5$ and K_2O) distributed in the shape of fertilisers was 495,000 tonnes. Of this quantity, on a liberal assumption, 25 percent was applied to foodgrain crops while the rest went to plantation and cash crops such as tea, coffee, rubber, plantain, sugarcane, and cotton. Assuming that one unit of plant food produces an additional ten units of foodgrains, the increase in yield of foodgrains accounted for by fertiliser application in 1962-63 was no more than 1¼ million tons or 1.6 percent of the total foodgrains production.

As such, the impact of the present fertiliser application on foodgrains production is so slight as to be easily offset by adverse seasonal conditions such as the country had in its various parts during the last few years. All that can be said is that had India used no fertiliser at all, there would have been a further fall in foodgrains production by about 1¼ million tons. It is interesting to note that on the above basis, to achieve a production of 100 million tonnes of foodgrains relying on the beneficial effects of fertiliser alone, India will have to use 2.65 million tons of fertiliser in terms of NPK, against the present application of less than 125,000 tonnes to feed foodgrain crops.

Apart from the very meagre consumption of fertiliser, there is the further complication of unbalanced fertilisation. As the figures for 1961-62 on page 17 show, the consumption in India of nitrogenous fertiliser is grossly disproportionate of P_2O_5 and K_2O.

In 1962-63, the position improved slightly in the sense that the ratio altered from 10. 1 : 2.1 : 1 to 8 : 2 : 1. Whereas the global tendency is increasingly to use NPK in a 1 : 1 : 1 ratio, except where special conditions prevail, India has not yet appreciated

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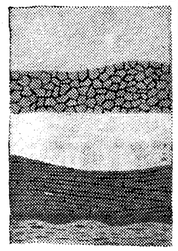
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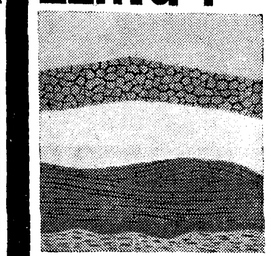
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Country	N	P_2O_5	K_2O
India	307.1 (10.1)	63.6 (2.1)	30.4 (1)
Japan	695.2 (1.4)	452.5 (0.9)	492.8 (1)
West Germany	621.4 (0.6)	624.9 (0.6)	1,036.1 (1)
Netherlands	242.9 (1.9)	100.9 (0.8)	126.3 (1)
World	10,800.0 (1.3)	10,000.0 (1.2)	8,600.0 (1)

the value of phosphate and potash. This is a matter of concern as the unbalanced use of nitrogen may, in the long run, lead to the deterioration of the nutrient status of the soil even below its original level.

Nitrogenous Fertilisers

Turning to production, the picture is no happier. The production of nitrogenous and phosphatic fertiliser fell far short of the targets set out in the second plan. In the first two years of the third plan, it was realised that nitrogenous fertiliser factories had a long gestation period and the Government wisely licensed production in excess of the targeted quantities. Nevertheless, due to a variety of reasons, it is unlikely that much more than about 50 percent of the third plan targets of 800,000 tonnes of nitrogen and 400,000 tonnes of P_2O_5 will be realised.

The obstacles to achieving production targets are the now familiar delays connected with licensing, finding finance in a crippled capital market, arranging foreign collaboration, etcetera. As far as the private sector is concerned, finding foreign collaborators is no easy task, as fertiliser projects call for large capital outlays with a substantial foreign exchange component. The fiscal policies of the Government in the last few years, the shortage of power and water, the difficulties connected with fertiliser movements, monopolistic distribution through co-operatives, the arrangements for rural credit, and the rigid control exercised on all aspects of the industry, have served as disincentives to potential investors.

Whatever the causes for the lags in production and consumption, it is becoming increasingly clear that the entire framework of the fertiliser industry requires overhauling, and a fair amount of rethinking is required as to the means to achieve the targets.

All supplies of nitrogenous fertilisers are at present being made through the Central Fertiliser Pool. It has been suggested that the pool will be needed till such time as the production approximates to the country's requirements and imports become marginal. But while it lasts, it is making a considerable amount of profits. It is, therefore, suggested that one good use of these profits would be to plough it back in favour of educational propaganda for greater consumption of fertiliser, so that the farmer is persuaded to use more fertilisers at a quicker rate, so as to result in higher agricultural production an acre.

Monopoly of Co-operatives

Another anomalous feature of the fertiliser trade is the monopoly given to co-operative societies in the marketing of nitrogenous fertiliser. Whatever the country's ideological predilections may be, it is concerned here with a matter of such importance that it must make use of every agency available to it to further its purpose, be it a co-operative society, a departmentally operated godown or a private *mandi* merchant. Giving co-operatives a monopoly not only militates against their own efficiency, but also denies the farmer millions of potential stocking points all over the country. A society run on sound co-operative principles, and there are many such in India, will never need to fear competition from private parties.

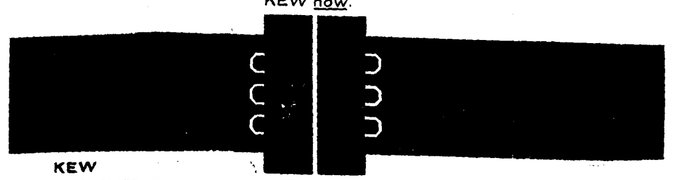
Apart from the structural framework, the two basic factors inhibiting the rapid spread of fertiliser use are the lack of credit and the lack of publicity. Although the Reserve Bank has made a start by providing some credit for fertiliser, the scale of operations so far has been small and such credit as has been made available has been channelled entirely through co-operative societies. Furthermore, the credit is used almost entirely for the sale of nitrogenous fertilisers. A scheme on a much grander scale channelling credit through both co-operative societies and private distributors and making it available for nitrogenous, phosphatic and potassic fertilisers is now urgently required.

As far back as 1960, the Fertiliser Distribution Enquiry Committee set up at the instance of the Central Government, recommended the establishment of a Central Fertiliser Marketing Corporation for distribution, storage, sales promotion, soil testing, etcetera. No action has so far been taken on this recommendation made by an expert committee. Although the present writer veers to the view that distribution and storage should be attended to by individual manufacturers, he is strongly in favour of a central organisation which would devote itself to the promotion of fertiliser use, balanced fertilisation based on soil tests and correct methods of application, an organisation which, in fact, would carry the message to India's thousands of villages, for a growing consciousness of the value of balanced fertilisation is the best hope to bridge the gap.



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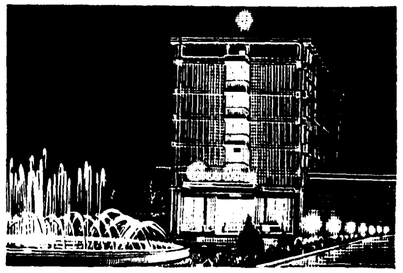
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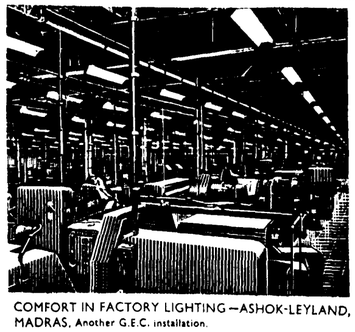


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Lamp Production Increasing, but Costs Need to be Reduced

By
W.A.C.H. Bosschaart,
Chairman and Managing Director, Philips India Ltd

THE Indian lamp industry has made remarkable progress since its inception in the 'thirties when two manufacturing units were set up in Calcutta to manufacture lamps from essentially imported components. In the three decades that have since elapsed, the industry has grown in size and increased its output and the range of products. Today, there are 18 units spread all over India, of which a few new units should be going into production shortly if the industrial licences granted to them are used in setting up the factories. Apart from complete products, the manufacture of various components used by the industry is also being increasingly undertaken in the country. Here again, a number of licences have been granted for the manufacture of basic lamp components to new entrepreneurs. If these projects are implemented, it can be said that before long the industry could be truly called self-sufficient and would be free from dependence on import.

Electric lamp is today a basic need in civilised society. It has made it possible for the working day to be extended. Recreation, production and various other kinds of human activities which one takes for granted after sunset would not have been possible but for the electric lamp. A good deal of accent is being rightly placed on power generation in the country. According to the Planning Commission, power generation must be doubled every five years so that the rate of economic growth can be sustained. The third five year plan aims at achieving a capacity of 12.50 million kilowatts by 1966. By the end of the second year of the fourth plan, this figure is expected to go up to 17 million kilowatts. Along with power generation, great emphasis is being laid on bringing power to remote villages. During the second plan, 15,000 villages were electrified, while in the third plan the target is 20,000 villages with a total outlay of Rs. 105 crores.

Power Generation

The lamp industry in India, as elsewhere in the world, bears a close link with the progress made in the field of power generation and distribution. This progress, together with the rapid urban and rural housing programme, contributed its share to the growth of the industry.

Realising this close link, the Indian planners have set targets which have so far been realistic and progressive. In 1951, the industry produced 15.51 million pieces of general lighting service lamps and a decade later, in 1961, the output sharply increased to 45 million pieces. In 1962 and 1963, the figures further improved and stood at 56 million and 62 million pieces, respectively. By the end of the third plan period, it is expected to touch the figure of 90 million. In 1952, the manufacture of fluorescent lamps was also started and three years later, in 1955, the production figure stood at 720,000 pieces which, by the end of 1963, reached the 3.8-million mark. Besides these two basic types, the manufacture of other types has also been taken up. Miniature lamps and mercury vapour lamps are today being manufactured in India.

General lighting service lamps Beginning with two units in Calcutta in the 'thirties, the industry today has 18 units having a total licensed capacity of 86 million pieces a year. The G.L.S. lamp manufacturing process has greatly benefited through the introduction of a high degree of mechanisation. This has resulted in higher output, a better and uniform quality and lower manufacturing costs. This fact has been mainly responsible for the industry's success in maintaining prices over a long period in spite of increases in costs on all fronts.

The importance of the cost of general lighting service lamps in the budget of a family should influence future developments of the industry in India. With the increased quantities visualised for the future, the cost of these lamps can be controlled or brought down through increased installation of economic high speed machines. Lamp making in more industrialised nations is today a highly automatic operation. Furthermore, the nature of the industry is such that a fledged integration involving the manufacture of all its components will only become economical and even feasible when the total production reaches a large volume, the more so as the manufacture of basic components for lamps is highly capital-intensive.

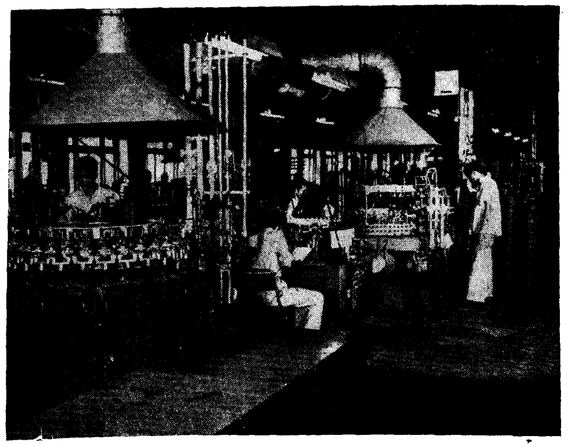
Making Fluorescent Lamps

Fluorescent lamps: Beginning with a single unit in Calcutta in the 'fifties, the industry today has three units having a total installed capacity of 3.8 million lamps. The initial capacity was 800,000 and today the production has reached the figure of 3.8 million pieces a year. It has been estimated that by the end of the present plan period, the total installed capacity of fluorescent lamps should be 8.8 million pieces whereas a target of 35 million pieces has been set for the fourth plan period.

Fluorescent lamp has found wide acceptance due to its extremely low running cost and long life. No industry today is planned without artificial lighting. When artificial lighting is being considered, the first choice is invariably a fluorescent lamp. When one considers the industrial progress of India in the future, the enormous possibilities for the fluorescent lamp industry become very obvious.

The manufacture of components for fluorescent lamps is also a complicated affair and equally capital-intensive. Unfortunately, in India, the production of fluorescent lamps has been lagging considerably behind demand with results inherent in an under-supplied market. This has led to the granting of some manufacturing licences. But it is doubtful whether all of them will be used for creating production capacity.

Other lamps: Apart from the above two main sources of light, a number of other lamps of varied applications are being manufactured in the country. The industry is making a variety of miniature lamps like torch lamps, radio panel lamps, and motor-car lamps. The demand for them is expected to rise by the end of the third plan period to the 45-mil-

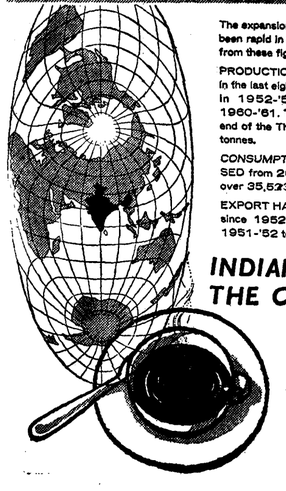


Production of glow-switches for fluorescent lamp starters

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The expansion of Indian Coffee industry has been rapid in the last decade as can be seen from these figures:-

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CONSUMPTION IN INDIA HAS INCREASED from 26,000 tonnes in 1955-'56 to over 35,523 tonnes in 1960-'61.

EXPORT HAS GONE UP FIFTEEN TIMES since 1952: from only 2,200 tonnes in 1951-'52 to 32,271 tonnes in 1960-'61.

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THE INDIAN STANDARD WAGON CO. LTD., SANTA : The oldest Indian unit started for the specific purpose of manufacturing railway rolling stock—has been mainly responsible for building up the wagon building industry. Also manufactures springs, forgings, pressings and stampings for heavy industry as well as automotive components.

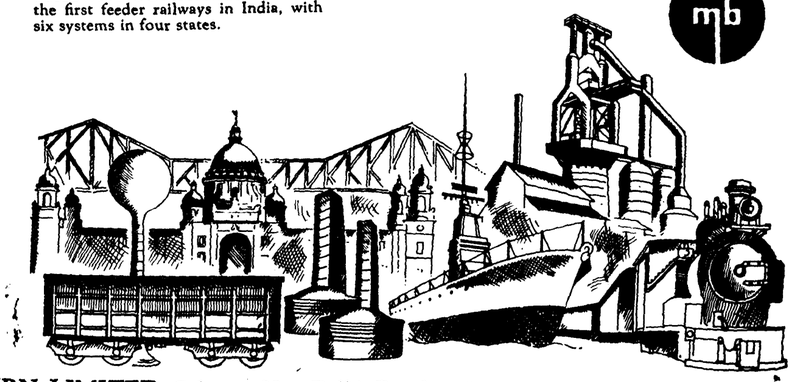
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THE VAUGHAN BURN CRANE COMPANY LTD. : A collaboration with The Vaughan Crane Company Ltd. of Manchester... Hand operated and electric overhead travelling cranes and chain pulley blocks.



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Manufacture of General Lighting Service lamps

lion mark, against 22 million in 1961. To this should be added another 5 million pieces for export purposes.

Miniature lamps are being manufactured by a number of small and big units in the country. The bigger units are mainly concentrating on a few types like torch and dial lamps. The smaller units, on the other hand, are manufacturing certain specialised types, such as motor-car lamps, largely through labour-intensive and semi-mechanised methods. Considering the fact that these motor-car lamps have a vital bearing on road safety, it is felt that a greater emphasis should be laid on their quality. Furthermore, considerable work on new types and standardisation, which is progressing apace in western countries, has to be brought to the Indian industry also.

Mercury Vapour Lamps

The process of diversification went a step forward as the industry took up the manufacture of mercury vapour lamps. The latter are generally used in public lighting and for lighting in large areas like dockyards and railway shunting yards, besides high bay industrial interiors.

Two units have been manufacturing these lamps partially with imported components. However, a third unit is now manufacturing the quartz burners—the basic element in the lamp. Here again, the volume of production has a direct bearing on the cost of manufacture and also, to a very large extent, on the quality of the product. These expensive lamps have to have consistently high quality if their use in industry and in public lighting is to be economical.

Since its very inception, the lamp industry has been constantly at pains to explore ways and means to take up locally the manufacture of the components. A number of items like glass shells, glass bulbs, brass caps, etcetera, are already being made in this country. The demand of the industry cannot, however, be met with the supplies available so far from the indigenous sources. The ultimate goal of the industry, however, is to reach the stage of maximum self-sufficiency —a stage where it will not be necessary for the industry to have recourse to large-scale imports for the supply of its components and raw materials.

Recently, a new page in the history of lamp-making in India was turned since an integrated project for the manufacture of tungsten and molybdenum wire and tungsten coils was inaugurated by a lamp manufacturing unit in Bombay. Whereas tungsten coils are already being made in this country for some years now, indigenously-made tungsten wires are most likely to be available during the second half of the current year. Plans for the manufacture of fluorescent powder are also being expedited. With the availability of these vital components from indigenous sources, the Indian lamp industry will be well on the road to self-sufficiency.

Manufacture of Components

A few references have already been made in this article to the economics of component manufacture. It must be realised that the manufacture of lamp components will be economical only when real large-scale production is undertaken. If one studies the pattern of component manufacturing activity in various countries, it will inevitably be found that this specialised work is necessarily confined among a few competent large-scale manufacturers who have extensive research and testing facilities. In the lamp industry, it is the component that determines the ultimate quality of the product to a very large extent and its importance must, therefore, be recognised. If India has to become self-sufficient in component manufacture, it should ensure that this activity is entrusted to industrialists who are fully equipped and experienced in this line. This would further save the investment made for this purpose from waste.

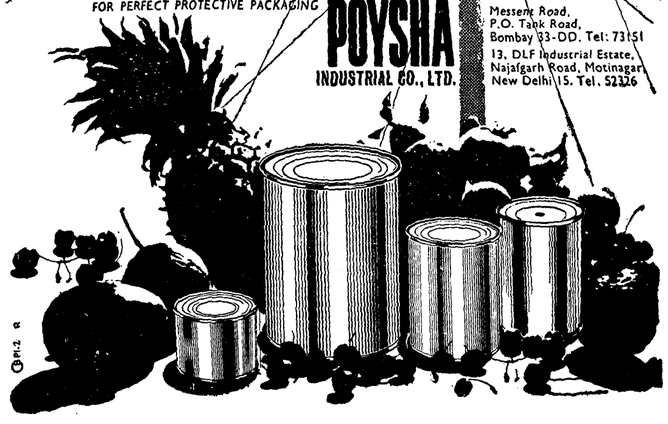
The fourth plan envisages for the Indian lamp industry a manufacturing schedule of 200 million G.L.S. lamps, 35 million fluorescent lamps, 1 million mercury vapour lamps and 90 million miniature lamps. This growth potential naturally is going to spell out a very busy time for the industry in the coming years.

Efforts are continuously being made throughout the world further to improve the performance of the industry and to offset the continuously increasing cost of production by means of better production methods and higher quality. So a constant flow of information from leading manufacturers in other countries must be ensured.

This article cannot be complete without a reference to the influence that the growth of the lamp industry has on various sectors of light electrical industry as well. Ballasts and other accessories of fluorescent lamps, lighting fittings, etcetera, have all received their due importance in the past few years and their manufacture has increased considerably. With the manufacture of a number of basic components envisaged, it can perhaps be said that the Indian lamp industry has reached today the take-off stage.

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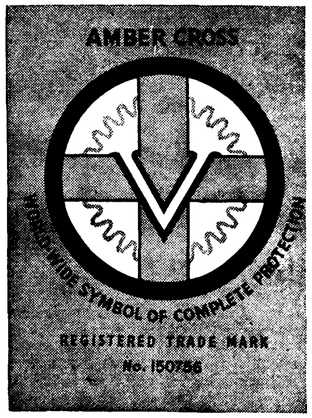
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Expansion of the Oil Industry: Problems and Prospects

By

DILIP MUKERJEE

INDIA will soon have to be making some hard choices in oil. With little hope of any major contribution from domestic sources of crude, the rising demand for oil must mean an increase in imports to close the widening gap. Will she be in a position to afford the import bills in prospect?

The draft report of the Energy Survey of India offers alternative estimates of oil demand basing on three different hypotheses of growth —6½ percent, 7½ percent and 8½ percent. At the lowest, India will need crude supplies of the order of 25 million tons in 1970-71, 43 million tons in 1975-76 and 65 million tons in 1980-81. The report, while refusing to be dogmatic about India's ultimate oil potential, assumes that domestic crude output is unlikely to be higher than 10 million tons within the foreseeable future. The gap to be met by imports may, therefore, be as high as 55 million tons by the end of the fifth plan, requiring something like Rs. 330 crores of foreign exchange each year as against Rs. 100 crores in 1963-64. Depending on how India's exports fare, oil imports may absorb up to one-fifth of exchange earnings in 1975-76. This may be too heavy a load to bear.

The cost apart, is it safe for India to allow herself to depend to this degree on imports to meet her energy requirements? If present trends continue, oil's share in the economy's total consumption of energy in all forms—commercial and non-commercial—may rise from around 16 percent in 1960-61 to 30 percent by 1970-71 and 45 percent by 1980-81. If non-commercial energy—farm wastes and the like—is excluded from the reckoning, dependence on oil will rise from about 40 percent in 1960-61 to 50 percent in 1970-71 and 55 percent in 1980-81. While this degree of dependence on imported energy supplies is not uncommon in today's world, can India with a balance of payments problem peculiar to the early stages of economic growth afford to take the risk? This is not an issue on which any judgment can be made except after a very careful consideration of alternatives from the political, economic and technical standpoints. One may venture, however, the comment that any fiscal measure which gives added impetus to substitution of oil by coal can scarcely be justified. In fact, it may well be necessary to give incentives to encourage the use of domestic coal and electricity in place of oil wherever this is technically feasible.

Crude Oil Resources

The starting point of a long-term energy policy must obviously be an assessment of India's crude oil resources. In 1960-61, the output of Indian wells was about half a million tonnes. By 1963, this had risen to about 3 million tonnes, two-thirds of it from Assam and one-third from Gujarat. This may go up to 7 million tonnes by 1966, according to recent estimates of the Ministry of Petroleum and Chemicals. India has an area of about one million square kilometres of sedimentary rock which theoretically have an oil potential. The available knowledge regarding the geology of these sedimentary basins is meagre and is, as the Energy Survey points out, of a very general nature. It is impossible, therefore, to make any reasonable guess at all about the future except to acknowledge that there are several promising areas, specially in Assam and Gujarat. The work that has been put in since the second plan on prospecting in Gujarat and Assam has so far yielded encouraging results but nothing like a real breakthrough. One hundred million tons of reserves, proved and inferred, have been established—almost half and half in the two areas.

Some authorities, Indian and foreign, see no reason, however, to be despondent. Mr. O. V. Alagesan, Minister of State for Petroleum and Chemicals, referred recently to a Russian forecast of reserves on an assumption that one square kilometre of petroleum-bearing structure should contain something like 10,000 tons of oil or natural gas. This is described as a modest estimate since similar strata in the U.S.A. may be expected to yield 15,000 tons and in Russia 26,000 tons. Basing on this assumption, Rusian experts estimate India's recoverable reserve at 4,000 million tonnes. If annual raisings came to 5 percent of this reserve, India could some day hope to produce 150 million to 200 million tonnes of oil and 1,000 million cubic metres of natural gas.

Less optimistic individuals will be disinclined to take these prognostications too seriously. They will readily grant that the last word has still to be said since detailed examination of oil strata has barely begun. But the fact remains that unless major discoveries are made which change the premises altogether, India should not lightly assume that substantial quantities of crude will be forthcoming from domestic sources. This is implicitly acknowledged in New Delhi as is evident from its recent enthusiasm for extending the Oil and Natural Gas Commission's operations beyond India's shores.

Exploration Work

It will be appropriate at this point to take a quick look at O.N.G.C.'s current plans. The first point to note is the impressive increase in the tempo of its activities. Since starting work it has drilled 210 wells, almost half of them during 1963-64. In the current year it plans to drill another 150—a target which is sure to be stepped up in the following year when more equipment and personnel are placed in position. Gujarat has been the principal, and so far the most successful, centre of O.N.G.C.'s drilling. The Commission has hopes of finding more oil here, explorations at two new sites having indicated the likelihood. Drilling is also to be undertaken at Mohan, near Dehra Dun in the U.P., a location which Professor Kabir described as promising in the Lok Sabha. The Himalayan foothills of Bihar are also being explored by O.N.G.C., working through a foreign contractor. In the Bengal delta drilling will begin this year in the vicinity of Port Canning to follow up on the Indo-Stanvac project which was abandoned after a fruitless search for oil in the lower Gangetic valley. Indo-Stanvac went down 10,000 feet but expert opinion holds that the search should be extended to strata up to 20,000 feet to obtain a conclusive verdict. In the Cauvery region in south India, seismic and gravity-magnetic surveys have indicated the presence of a deep layer of marine rock formations which are to be probed in the current year. Another major task shortly to be taken up is the drilling of a well at Jwalamukhi, which will certainly be the deepest in India and among the deepest in the world, to penetrate the thick crust of fresh water rocks below which a layer of marine rocks is known to exist. It is this layer that may hold oil.

O.N.G.C. has built up a fairly large technical team of its own but its manpower resources are proving inadequate in relation to its ambitious exploration schedules. It has, therefore, obtained foreign assistance from friendly nations, among them Russia, Rumania, West Germany and France. Over 200 overseas specialists and technicians were working with the Commission during 1963-64. Other nations, particularly Russia, have helped by providing training facilities for Indian technicians. In addition to what it can do itself, O.N.G.C. has added to its capability by engaging contractors to work in particular areas, the foreign exchange cost being met often out of the official aid provided by the respective Governments. The Italian E.N.I. is working for the Commission at Raxaul in Bihar; the French firm Compagnie Generale de Geophysique started work towards the end of 1963 on a contract of seismic study in the Jaisalmer area; SNAM S.P.A. has more recently been awarded two contracts for drilling in the Ganga valley and the Punjab. A Yugoslav company, Rudis, has been engaged to work in Assam on exploratory drilling.

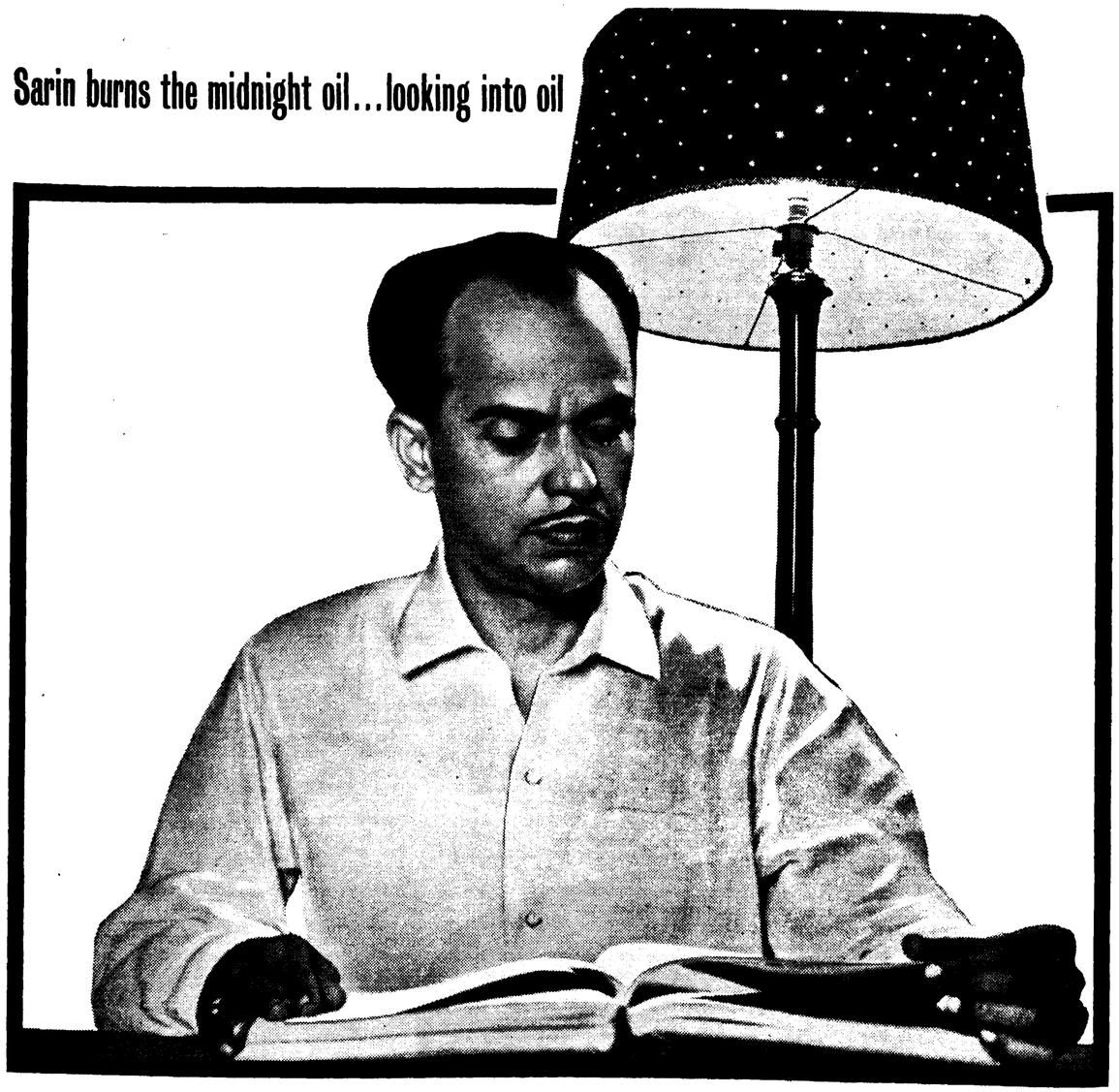
The work in Assam is supplementary to what Oil India, a joint enterprise of the Government with Burmah Oil Company, is doing within the area licensed to it. Currently, Oil India holds mining leases over an area of 1,210 square kilometres and exploration licence over an additional 4,700 square kilometres. While Oil India fields at Nahorkatiya and Moran are meeting the full requirements of the Digboi and Gauhati refineries, it is by no means certain that output will be sufficient to feed Barauni, a two-million-ton refinery now nearing completion in north Bihar which will later be expanded to three million tons. Any shortfall here will be due to the unfortunate delay which held up Oil India while New Delhi was trying to persuade Assam to arrive at a reasonable settlement on the royalty issue.

Importance of Local Refining

Whatever proportion of total demand that domestic crude meets, the endeavour must be to reduce the foreign exchange liability by local refining to the fullest extent possible. Import of crude is obviously cheaper than finished products, but more important is the stimulus that local refining gives to the development of other industries, as can be seen from the fillip to growth given by the two Bombay units. Full self-sufficiency is not possible, however, because of the divergence between the pattern of refinery production and of demand. According to the Energy Survey's draft report, the share of kerosene, a middle distillate, was as high as 29.3 percent of the total demand in 1960-61, but the share in refinery output was only 18 percent. The situation was exactly the reverse concerning motor spirit—demand was only 12.9 percent of the total but the product accounted for 20 percent of refinery output. Such disparities between the production and demand patterns are not confined to India, making it normal international practice to exchange the surplus products with others in deficit through the medium of world trade. Unfortunately for India, her surplus lighter fractions have limited export possibilities. This raises a difficult problem—should India take her capacity to the level where domestic production will meet in full the demand for middle distillates leaving her with a large surplus of lighter fractions or should she scale down output targets to keep the surplus within manageable proportions? New Delhi has yet to take an explicit decision on this issue but it seems to be thinking in terms of a policy of maximum local refining. This approach seems to be based on the hope that surplus light fractions will be absorbed by the economy in alternative uses. There is strong interest in utilising naphtha as a starting material for petro-chemical industries. Much of the new fertiliser capacity, for instance, is to be based on naphtha to find an economic outlet for the surplus and also because techno-economic advantages give naphtha-based plants an edge over those working from coal.

The pattern of refinery production is the least difficult of the problems of local refining. While the pattern can be settled by reference to technical limitations which admit of no dispute, several large policy issues arise

Sarin burns the midnight oil...looking into oil



The house is quiet. The family asleep. A neighbouring clock chimes midnight. One lone light glows in the room. The man in the chair barely stirs at the stroke of twelve. He is absorbed in a book on oil technology. His name is Jaswantrai Sarin. His job: Sales Engineering Representative with Burmah-Shell, Calcutta. His function: to provide technical service to fuel oil and lubricants customers.

THERE'S A GOOD CASE FOR FUEL OIL

...and Sarin talks about it convincingly. Actively engaged in fuel development work, he has played a part in introducing to India a major technological break-through: the use of fuel oil in blast furnaces—an advance in technique and application. Sarin advises customers on correct lubricants and fuel oil selection; the use of equipment. He investigates fuel and lubrication problems as they arise.

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Sarin frankly admits to being absorbed in his job. 'Next to my job,' he says, 'I love driving.' The call of the open road finds Sarin and his family off at weekends to picnic spots around Calcutta.

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BURMAH SHELL

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in relation to the size, ownership and siting of local refineries. The Industrial Policy Resolution of 1956 made future development in mineral oils the exclusive responsibility of the State but with a proviso that the expansion of existing private units was not precluded where national interests so required, nor was the State debarred from seeking the co-operation of private enterprise in the establishment of new units. Contrary to the impression in some quarters, this resolution has been interpreted with considerable flexibility. This is evident from the fact that the three private refineries which went on stream in the early fifties have been allowed to expand from less than four million tons before the Industrial Policy Resolution to over seven million tons in 1963.

Change in Policy

Moreover, the emphasis in New Delhi's policy on exclusive State ownership seems recently to have been reversed when co-operation with private enterprise was sought in the setting up of the Cochin refinery. Fortynine percent of the equity of the company that will run the refinery is held in the private sector, 25 percent by an American independent, Phillips Petroleum, and the remaining 24 percent by shareholders in India. Taking advantage of the escape clause in the Industrial Policy Resolution, the Government claims that the pattern adopted for Cochin does not run counter to its past professions. In fact, Professor Kabir went on to add that "the same policy" of accepting private participation "will be continued in respect of future refineries". This statement made in the course of his reply to the Lok Sabha debate on his Ministry's grants constitutes a major policy commitment suggesting that India is unlikely to seek further Soviet bloc assistance for setting up exclusively State-owned refineries.

New Delhi has been understandably anxious to play down this shift in policy. The more accommodating attitude towards private enterprise is not of a piece with the stirring declarations of socialist zeal that are made from public platforms every other day. To acknowledge the change may, therefore, be something of a political liability, a factor to be taken into account in judging New Delhi's earlier reluctance to heed western criticisms. If India was finally persuaded to change her mind, it was largely because of the World Bank which has been urging India to make maximum possible use of foreign capital available for investment in the oil industry. The team of international bankers who came to India on the Bank's behalf to make an appraisal of the third plan had firmly recommended a change of policy because exclusion of private capital was adding very considerably to the immediate pressure on India's foreign exchange resources. The view taken by the team in 1960 was endorsed by subsequent annual surveys of the Indian economy which the World Bank customarily makes in preparation for the Aid-India Club meetings.

If New Delhi was finally prevailed upon to accept the Bank's advice, it was as much because of the weight attaching to this international body's recommendations as of the change in India's situation *vis-à-vis* the international oil companies. The emergence of a surplus in world oil supplies, which still shows no signs of easing, has given great strength to large buyers. As a western observer puts it, "countries like India are well-placed to put the screws on the western oil marketer". India's realisation of her growing strength *vis-à-vis* the oil companies made her less diffident in seeking a *modus vivendi*. It was only in April 1963, however, that India tasted victory when the Cochin refinery agreement was signed. For the first time, a western oil company was persuaded to accept a minority share in the equity and to arrange in addition for loans to meet the balance of foreign exchange costs.

Offers from Oil Companies

With the intense competitive bidding now in progress for the further refineries proposed to be set up at Haldia and Madras, one may be sure that the ground gained by New Delhi at Cochin will be enlarged. The frills which some companies are offering to embellish their offers provide an interesting pointer to the changed balance of force between the buyer and the seller on the world oil scene. Changes within India have also played a part in making this rapprochement with the oil companies possible. The departure of Mr. K. D. Malaviya from the oil ministry may not have meant any change in basic policies but has certainly helped to smoothen the transition from the earlier mood of distrust. More important in some ways has been the emergence of Mr. T. T. Krishnamachari as the virtual overlord of economic ministries in Delhi. In a widely noted policy speech in Bombay at the end of last year, he said that there was no longer any justification for the "inhibitions" which made India bar foreign capital in the past from certain vital sections of the economy. It was thought at the time that he had oil and petro-chemicals particularly in mind.

Petro-chemical Industries

The growing interest in petro-chemicals is becoming a factor of importance in the evolution of India's relationship with the oil companies. The interest arises from the realisation that Indian agriculture cannot cope with the very large task of supplying food and raw materials needed for a burgeoning population without help from synthetics, among them artificial fertilisers, fibres and rubber. India is anxious to get foreign assistance for this newest of new industries from western countries because she needs not only foreign exchange for the import of plant and equipment but also technical know-how. The oil companies with their growing involvement in petro-chemicals constitute a likely source of assistance in both directions, a fact not lost upon the policy-maker in New Delhi. ESSO, for instance, is interested in setting up a steam cracker in Bombay, Shell in a solvents plant, while the independent, Phillips Petroleum, is reportedly seeking an industrial licence for petro-chemical projects involving something like $20 million in investment.

While these several factors are drawing New Delhi and the oil companies closer together, there are still a number of unresolved problems in the way. Of these, the most important is the insistence of the companies on importing crude from a source of their own choice—a feature of the refinery agreements not only of the early 'fifties but also of the latest one negotiated for Cochin. From the companies' viewpoint, their interest in refineries arises from the need to find assured outlets for their surplus crude. In the buyers' market that obtains today, this need becomes all the more acute, making it difficult for them to agree to any arrangement which limits their discretion. While this viewpoint is understood in New Delhi, misgivings persist because of the failure of the oil companies to disclose the names of the original suppliers of crude or any data on the first sale price. The Damle Committee on Oil Pricing which asked for the information, concluded from the companies' unwillingness that "the most economical use may not have been made in all cases of the foreign exchange" the Government made available for imports. An E.C.A.F.E. study was more outspoken; it held that "on account of the close links between the subsidiaries and the branches of the oil companies operating in India and abroad, the reported price of the imported crude oil may not represent the actual price paid. To that extent, the profits accruing to these enterprises, and remitted abroad, may be larger than they are shown to be. A World Bank mission, which touched upon the issue indirectly in its report, noted "the feeling in India that the pricing policies of the international oil companies have tended to be determined without reference to India's interests and it has sympathy with the Government's desire to encourage greater competition in the supply of oil."

Price Paid for Crude

The Government and the companies may yet be able to arrive at a *modus vivendi* based on a recognition of each other's difficulties. The companies may be able to retain a considerable measure of discretion in choosing crude supply sources if a more satisfactory basis is found for establishing the actual price paid by them to their original suppliers. This raises an issue which, because of its international complications, cannot be settled all at once and progress may, therefore, have to be gradual. To India it is of no consequence where the crude comes from as long as she has assurance that the pricing is fully competitive. This aspect will undoubtedly engage the attention of the new price enquiry to be undertaken by a committee headed by Mr. J. N. Talukdar.

Another outstanding issue relates to the future of the marketing companies in view of India's unwillingness to allow fresh foreign capital into purely trading operations. To the oil companies, marketing is just one part of their integrated activities extending over many fields. Their disinclination to see their rôle in marketing abridged may arise from the economics of integration, which India's reluctance may seem to disrupt. While the long-term outlook is uncertain, it is safe to assume that the existing marketing companies will evolve a pattern of co-existence with the State-owned Indian Oil Company. The agreement between Mobile Petroleum Inc. of New York and Indian Oil for setting up two blending plants for automotive and industrial lubricants is a pointer to the future. Indian Oil's share of the market is still insignificant, being largely confined to distributing imported products from Russia and the small output of the Gauhati refinery. It should, however, expand rapidly as new State refineries go on stream. In this situation, it is hard to imagine that New Delhi will be willing to allow new foreign capital entering industry to take an ancillary interest in distribution—one of the ten demands made by the team of 40 U.S. investors who were recently in India.

Russian Influence

In any equation which emerges between New Delhi and the oil companies, the alternatives offered by Russia will still have considerable influence. While India may not seek any further Soviet bloc assistance for setting up State-owned refineries, she will obviously retain a strong connection with the Russians as a counter weight to the rapprochement with the companies. One may expect that an amicable solution will be found to end the dispute that developed with Moscow over prices at which Russian products are to be imported after the expiry of current contracts. As Indian officials say in private, prices are notional where Russia is concerned and an adjustment should not be difficult to reach in a situation in which both countries are anxious to avoid a conflict in deference to their larger interests.

In conclusion, it is reasonable to foresee that India's ties with western oil will grow in coming months even though she continues to cultivate Soviet interest to strengthen her bargaining power. The Cochin deal will set the pattern although it is fairly certain that India will want better terms than she got out of this deal. The price agreed upon for the refinery has, for instance, been the subject of much criticism, as also several other financial aspects of the contract. The wrangling for more favourable terms should not obscure, however, the decisive shift that Cochin marks from exclusive State enterprise to a new policy of co-operation with the private sector.

Cochin also brings home the advantage of setting one company off against another, particularly an "independent" against the "majors". The seven international oil giants to whom the label of "majors" applies do not always act in concert yet they are always clubbed together in any discussion of the industry because their interests (and consequently their attitudes) tend to coincide. The "majors" control all the private-sector capacity in India, a fact which is adduced to support the view that New Delhi should seek to encourage independents like Phillips in the interests of promoting healthier competition. This is an issue on which a decision has still to be taken.

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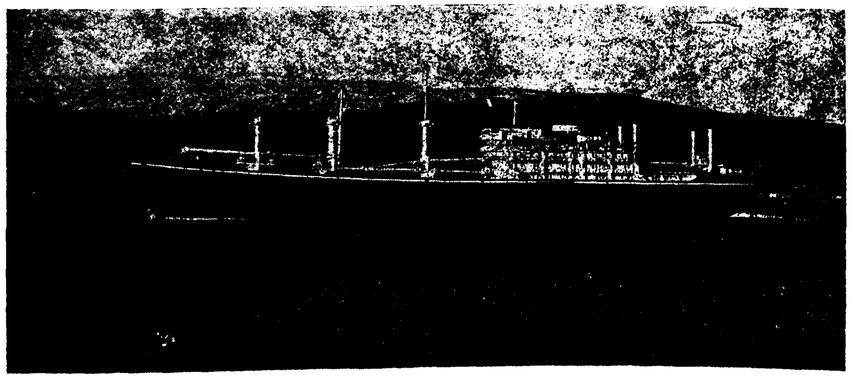
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Developing Alloy Steels Industry in India: Making Up for Past Neglect

LOOKING retrospectively at the first five year plan, one would no doubt notice the rather lukewarm approach towards the establishment of the alloy, tool, special and stainless steel industry in India. The plans for the production of these steels were hardly in the forefront. Some half-hearted measures designed to promote the special and alloy steel industry were discussed from different platforms. Indeed it was almost at the end of the first plan that the National Metallurgical Laboratory organised an international symposium on "production, properties and applications of alloy and special steels", in February 1956, which succeeded in arousing the interests of those concerned in the static state of the alloy and special steels industry in India then at the blueprint stage.

It was at the above international symposium that the author had put forth planned estimates for the alloy and special steels requirements, emphasising that the minimum demand of the special and alloy steels in relation to ten million tonnes of mild and plain carbon rolled and structural steels a year would be 500,000 tonnes at the very minimum, and could be much more in relation to the economic development programme for the second five year plan. It was then argued at the *N.M.L.* symposium that if India were to take her rightful place in the comity of nations as a modern, powerful and industrialised republic (as justified by her mineral resources), it was appropriate to plan on the higher side of the estimates.

By

Dr. B. R. NIJHAWAN

Director, National Metallurgical Laboratory

Potential Exporter

It should not be overlooked that India can be a potential exporter of alloy and special steels to south-east Asian and Far Eastern countries, where such specialised products prove valuable bargaining counters for the import of mineral resources and material products in which India is deficient. As such, an annual target of 1 million tonnes of alloy, tool, special and stainless steels at the end of the third five year plan and at the start of the fourth five year plan was then projected by the author early in 1956; the fact that those estimates were indeed realistic would be borne out by the target figures now projected and accepted by the National Council of Applied Economic Research, and other authorities engaged in planning and executing the approved projects. At the end of the fourth five year plan, a production target of 18 million to 20 million tonnes of non-alloy steels is to be attained; the corresponding annual target for alloy, tool, special and stainless steels would be 1.8 million to 2 million tonnes, and even these estimates may prove to be somewhat on the lower side for the highly specialised and indispensable requirements of the industrial era to come.

Table I gives the break-up of the alloy, tool, special and stainless steels estimates at the end of fourth five year plan. These estimates form the basis of current planning:

Table I

	Finished tonnes a year
(a) Alloy constructional steel	250,000
(b) Stainless and heat resisting steels	80,000
(c) Electrical steel sheets	180,000
(d) High speed steel, tool steel and die steel	86,000
(e) Spring steel	134,000
(f) Free cutting steel	200,000
(g) Low alloy high strength steels	200,000
	1,130,000

(or, say, 1,130,000 tonnes corresponding to an annual ingot production of 1.89 million tonnes).

If the production of low alloy high strength steels is planned on an integrated steel works, and not classified as special and alloy steels for the purpose of above estimates, the targets for alloy, tool, special and stainless steels to be achieved by the end of the fourth five year plan would be 930,000 tonnes of annual finished alloy steel output, equivalent to 1.55 million tonnes of ingot alloy steel output a year.

The Durgapur Plant

At the Durgapur alloy steel plant of Hindustan Steel Ltd, which is being put up by the Government of India, in the initial phase, 14,500 tonnes of tool steel, 25,000 tonnes of constructional steel, 18,000 tonnes of stainless and heat resisting steel and 2,500 tonnes of other alloy steels, giving a total of 60,000 tonnes of finished steel, corresponding to 100,000 tonnes of ingot alloy steels, will be annually produced. The Durgapur alloy steels plant will ultimately be expanded to 300,000 tonnes a year when the product-mix will be 25,000 tonnes of tool steel, 75,000 tonnes of constructional steels, 60,000 tonnes of stainless steels mainly in sheet form and 20,000 tonnes of other special steels, giving an annual total of 180,000 tonnes of finished alloy steel production.

The production of substitute alloy, tool and stainless steels based on indigenous alloying elements will also be taken up at some of the alloy steel plants, such as of the nickel-free austenitic stainless steels developed at the National Metallurgical Laboratory and other substitute compositions like 202 stainless series, etcetera. Likewise, research and development themes on substitute tool steels, creep resistant alloys, etcetera, are being actively pursued at the National Metallurgical Laboratory for implementation on an industrial scale in due course.

The total tonnage of alloy steels for which industrial licences have been granted by the Government of India would amount to about 470,000 tonnes of output a year at present as shown in Table II.

The Mysore Iron and Steel Works in Bhadravati now being converted into an integrated alloy steels plant, would annually produce about 77,000 tonnes of finished alloy constructional steels. It was early in 1963 that the proposal to convert the Bhadravati plant into an integrated alloy and steel plant was accepted. Messrs Demag have proposed a three-phase scheme for the conversion of the Bhadravati plant; in the first phase, the plant will annually produce 42,000 tons of alloy steels and 38,000 tons of mild and structural steels. In the second phase, the total annual output of 77,000 tons will be of alloy steels. An additional 36,000 tons of mild steel will be produced in the plant annually during the third phase of conversion and expansion projected with technical collaboration of Messrs Bohler of Austria. The main production will be of low alloy constructional steels and spring steels. The total estimated cost for this plant is about Rs. 17 crores.

The erection of the Durgapur alloy steels plant is now making good progress and with the supply of equipment from a Japanese consortium of firms, a small part is scheduled to go into production in October 1964, when a 10-ton furnace, a part of the forge shop, and some of the maintenance facilities, will be completed.

Private-sector Projects

In the case of the private sector, among the licences issued in 1959, the erection of three alloy steel plants was started in 1963, while another five had received licences for the import of equipment during 1963. Mahindra and Mahindra of Bombay (15,000 tons licensed capacity) and the Bagla Project in Kanpur (20,000 tons licensed capacity) have obtained French technical assistance. The third project of 7,000 tons annual capacity well under way is in Madras. Even so, it is evident that the output in 1965-66 will be far short of the targets, as most of the proposed plants will be in production only by 1967-68. In order to meet some of

Table II

LICENSED SCHEMES FOR ALLOY AND SPECIAL STEEL PRODUCTION

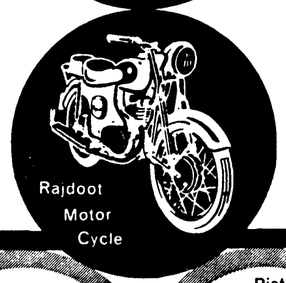
(in thousands of tons of finished alloy steels)

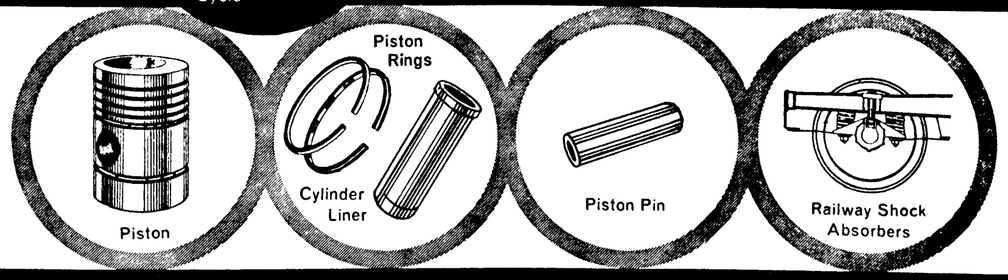
	Spring steel	Free cutting steel	High speed tool and die steel	Alloy cons. steel	Stainless steel	Electric steel	Total	Remarks
(1) T.I.S.C.O., Jamshedpur	—	—	—	—	—	80	80	Fourth plan scheme
(2) H.S.L., Rourkela	—	—	—	—	—	50	50	Under construction
(3) Globe Motors, Ballabhgarh (Punjab)	6	—	—	—	—	—	6	In production
(4) Canara Workshops, Nagpur	9.6	—	—	—	—	—	9.6	Under construction
(5) Guest, Keen, Williams, Ltd, Calcutta	45	—	—	—	—	—	45	Being extended in two stages, 30,000 tons expected by 1967-68
(6) Mahindra and Mahindra, Bombay	—	—	—	18	—	—	18	Completion by 1966-67
(7) I. N. Pal, Bombay	—	—	0.3	0.3	—	—	0.6	Completion by 1967-68
(8) V. Pandurangiah, Madras	—	1	6	—	7	—	14	Completion by 1967-68
(9) D. Balasundaram, Salem	—	—	2	8	—	—	10	Licensed for 50,000 tons including 13,000 tons of castings; to complete 10,000 tons by 1967-68
(10) Texmaco, Calcutta	—	—	—	25	—	—	25	15,000 tons expected by 1967-68
(11) S. Baijnath, Kanpur	—	—	—	19.8	—	—	19.8	Completion by 1967-68
(12) V. H. Shah, Ahmedabad	—	—	—	—	20	—	20	
(13) K. T. Rolling Mills, Bombay	—	—	3.4	5	—	—	8.4	Cleared for capital goods, completion by 1967-68
(14) Man Ind. Corpn., Jaipur	24	—	—	—	—	—	24	Completion by 1967-68
(15) M.I.S.W., Bhadravati	—	30	12.3	31.7	—	—	74	Completion by 1967-68
(16) Hindustan Alloy Steels Project, Durgapur	—	—	14.5	27.5	18	—	60	Completion by 1967-68
	84.6	31	38.5	135.3	45	130	464.4	

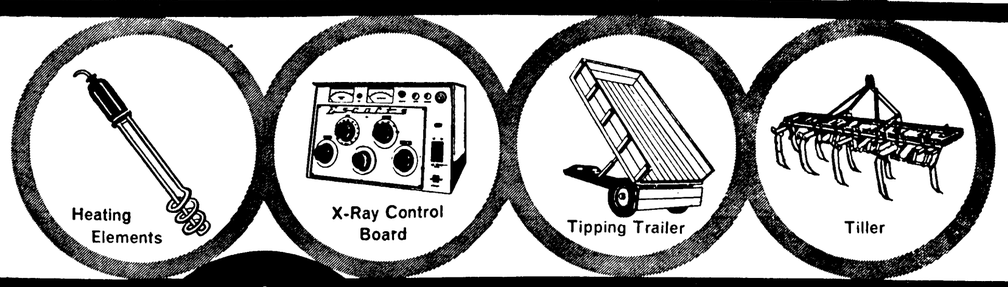


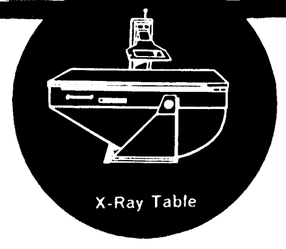
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the urgent requirements of special steels, the Bhilai steel plant of Hindustan Steel Ltd is likely to produce 150,000 to 200,000 tonnes a year of special steels covering some 41 categories of steels.

N.C.A.E.R. Estimates

The National Council of Applied Economic Research's annual estimate of demands for tool, alloy and special steels is 960,000 tonnes; the Steering Group rounded this figure to 1 million tonnes. The general plans now accepted after taking into account different estimates prepared by different bodies including the National Metallurgical Laboratory, cover the following:

(i) The annual demand for finished alloy steels, including low alloy high strength and electrical steels, was likely to be 1.03 million tonnes, against 26,000 tonnes estimated by the N.C.A.E.R. The estimates made by the N.C.A.E.R. and the Steering Group are compared in Table III.

(iii) Studying the possibilities of production in existing plants, including the Durgapur alloy steels plant, of the Government of India, the Mysore Iron and Steel Works, Bhadravati, and other units licensed in the private sector, it has been estimated that production by 1970-71 would be about 334,400 tonnes; the demand, production and deficits during the same period are indicated in Table IV.

Possibilities which suggest themselves of meeting this deficit under study by the Steering Group relate to the following:

(a) Expanding the Durgapur alloy steels plant to its optimum economic size, that is, the plant could expand from its present planned annual capacity of 60,000 tonnes to 180,000 tonnes of finished alloy steel (that is, an increase of 120,000 tonnes).

(b) Encouraging those alloy steel plants licensed in the private sector

Table III

	Finished alloy steels	
	N.C.A.E.R.'s estimate (tonnes)	Committee's estimate
(a) Alloy constructional steels	200,000	250,000
(b) Stainless and heat-resisting steels	80,000	80,000
(c) Electrical steel sheets	176,400	180,000
(d) High speed steel, tool steel and die steel	86,100	86,000
(e) Low alloy high strength steel	100,000	100,000
(f) Spring steel	132,900	133,000
(g) Free-cutting steel	116,000	200,000
	891,400	1,029,000
Stocks (one-twelfth of total)	74,300	—
	965,700	1,029,000 or say 1,03,000

(ii) Of the estimated annual demand of finished alloy steels of 1.03 million tonnes, 100,000 tonnes of low alloy high strength steel and 180,000 tonnes of electrical steel are "tonnage" steels which may well be planned for production in the larger integrated steel works; which would leave a net demand of 749,000 tonnes a year.

and which have made good progress to expand their plants to economic sizes,

(c) Additional licensing capacity in the private sector.

(d) Further expansion of the Mysore Iron and Steel Works, Bhadravati.

There could also exist some possibility of meeting some demands from the proposed steel plant in the Neyveli-Salem area.

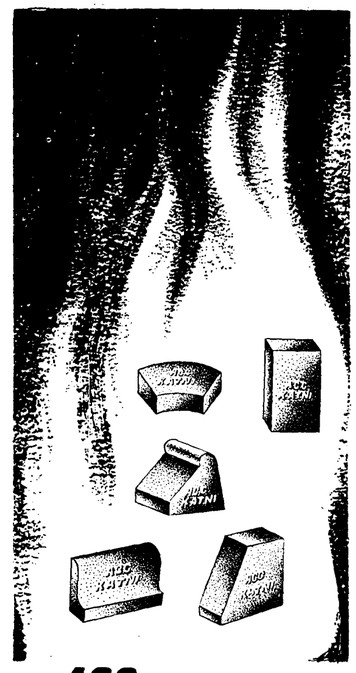
Ferro-alloy Industry

The capital requirements estimated to push the above projects for the alloy and special development projects have been put at over Rs. 210 crores, excluding the basic ferro-alloys industry's establishment. It would hardly be possible to present the current status of the ferro-alloy industry in India in relation to past needs, current requirements and future projected demands and plans, in this article. The author holds distinct views on the necessity of establishing the ferro-alloys industry in India early, without which, all plans of alloy, tool, special and stainless steel industry in this country would represent a superstructure with an alien base, or perhaps without any base at all. Attention was drawn to this important subject of ferro-alloys at the international symposium on the "ferro-alloy industry in India" organised by the National Metallurgical Laboratory in February 1961 when the author put forth some firm estimates of the ferro-alloys requirements in the country and which have now formed the basis of the projects taken up during the third five year plan and those planned for the next quinquennial period.

Table IV

(Finished alloy steels)

	Estimated demand	Production from licensed schemes	Deficit
A. Main producers, the Mysore Iron and Steelworks and some special steel plants:			
(a) Alloy and other machinery constructional steels such as En 8, En 16, En 18, En 32, etcetera	200,000	100,000	100,000
(b) High carbon and silico-manganese spring steels	103,000	60,000	43,000
(c) Free-cutting steels	200,000	31,000	169,000
	503,000	191,000	312,000
B. Special steel plants, including Durgapur alloy steels project and Mysore Iron and Steel Works:			
(a) High speed, tool and alloy steels including ball-bearing steels, high carbon high chromium steels, magnet steels, etcetera	86,000	38,500	47,500
(b) Stainless and heat-resisting steels	80,000	45,000	35,000
(c) Alloy spring steels, such as En 47, En 50	30,000	20,600	9,400
(d) High alloy constructional steels such as En 21, En 23, En 24, En 28, En 33, En 40, etc.	50,000	39,300	10,700
	246,000	143,400	102,600
Grand Total	749,000	334,400	414,600



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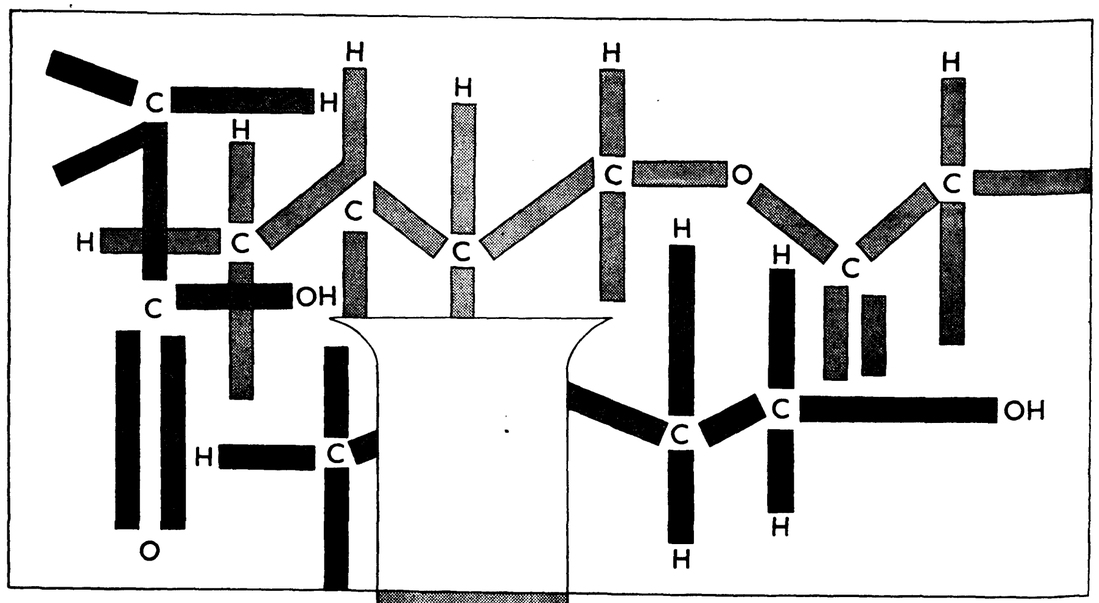
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Dyestuff Production Rising, but More Intermediates Needed

By

J. RUSHTON

IN attempting to outline the problems and prospects of dyestuffs manufacture in India as viewed from within the industry, it is doubtful whether any really useful purpose would be served by marshalling and representing statistics which are generally available to the interested parties in the Government, industry, and the public at large for the various purposes which they are required to serve. Nevertheless, a few figures may perhaps be quoted to set the stage.

It is believed that the organised sector of the industry will have installed by 1965-66 perhaps 80 percent to 85 percent of the manufacturing capacity for finished products, totalling some 14,000 tonnes a year, which has been licensed under the third plan. By that time, azo acid, basic, azoic, direct, sulphur, vat, and pigment dyestuffs together with optical whitening agents will be represented in the combined ranges of about 20 major manufacturers. National requirements in 1970-71 are unlikely to be put at a level in excess of 15,000 tonnes to 16,000 tonnes a year, and the main deficiencies in the fourth plan will probably relate to vat dyestuffs, special dyestuffs, and optical whitening agents.

Imports Reduced

Imports of dyestuffs into India during the year ended February 1964 totalled some 1,700 tonnes; these included alizarine, chrome, disperse, reactive, and vat dyestuffs. While these show a valuable reduction in comparison with the imports of about 3,000 tonnes in 1961-62, and 2,100 tonnes in 1962-63, exports have remained on a comparatively insignificant scale in the period 1961-63, for although steadily increasing, they totalled less than 100 tonnes in this three-year period.

The output from the organised sector has been running steadily at a level of about 5,000 tonnes a year during the last three years. To this may be added the output of the small-scale sector, amounting to approximately 2,000 tonnes a year. Today more than half of the 200 dyes commonly used in India are being indigenously produced, but the total output is only about one-fifth of the U.K. output, about one-sixth of the German output, or about one-tenth of the U.S. output. The production and consumption of dyestuffs a head of the population in India is clearly far below the levels obtaining in western countries, although the demand is being met and will doubtless continue to be met, with less recourse to imports in the future. The cost of production, however, is high, being two to three times that obtaining in countries with well-developed industries, largely because of the comparatively high cost of the primary chemicals in India. Many organic primary and intermediate chemicals continue to be imported, at a total c.i.f. value estimated currently to be of the order of Rs. 4 crores a year.

Against this background, some problems of the Indian dyestuffs industry may be seen to emerge more clearly. The approach to these problems may perhaps be most appropriately conceived in the light of the vital contribution the industry can make for the expansion of the country's economy.

Based as it is on organic chemistry, the dyestuffs industry is not easily defined—or rather, perhaps, the chemical bricks of which it is built are also used in the structures of allied industries, *e.g.*, organic agricultural chemicals, pharmaceuticals, plastics, rubber chemicals, and synthetic fibre. In other countries, new industries have arisen from the fruits of research carried out in the dyestuffs field. In these countries, the discovery of new dyestuffs, the development of suitable methods for their industrial application, the devising of economic manufacturing processes, and the design of plant for production purposes have entailed countless thousands of man-years of technical skills of many descriptions. While the technologies are being continuously evolved—and refinements are constantly being introduced under strong competitive pressures—it remains broadly true that, in comparison with some of the modern industries to which it has given birth, the dyestuffs industry makes comparatively simple demands on plant in engineering terms considering the chemical complexity of the processes involved. The technical know-how is of much importance; for this reason, processes are widely patented on an extensive scale, and royalties are reasonaly sought for their operation under licence by competitors.

A country such as India newly entering dyestuffs production on a national scale with the objective not only of becoming self-sufficient but also of competing in world markets requires to protect its industry during the formative years. However, the protection so afforded should be used by the industry, with Government guidance and assistance where necessary, to secure an integrated base for speedy economic development of new production. This problem—complex in itself—is accentuated by the need to take national defence considerations into account, for it has been clearly demonstrated in two world wars that the resources of a well-developed dyestuffs industry are of key importance in a national emergency, particularly in that plant can often be quickly adapted on an improvised basis for the production of other chemicals, *e.g.*, medicinal intermediates.

Simpler Processing

There has been a certain, and in a sense, logical inevitability about the shape which the industry has assumed in the last decade, in that manufactures have been mainly composed of the simpler types in terms of processing and largely based on imported intermediates. To the extent that the dyestuffs being made fulfil and will continue to fulfil genuine and basic national needs, their manufacture is justified, but it must be recognised that indigenous production of intermediates at present imported is almost necessarily implied, and, on a long-term basis, the manufacture of these intermediates and the derived dyestuffs must be economic by world standards if consumers, *e.g.*, in textiles, are not to be at a disadvantage. Here, further, the long-term intrinsic need in India for dyestuffs processing, the highest fastness properties in textile applications, should be remembered.

The economic manufacture of products of the requisite type implies, in turn, the availability of raw materials in adequate quantity at the right price. Included in the dyestuffs manufactured in India are the simpler azo, azoic, and sulphur dyestuffs, which are not possessed of the highest light and wet fastness properties and for which there is, in general, excess productive capacity in the world today. However, in so far as the plant required for the manufacture of these products can for the most part be relatively easily adapted for the manufacture of dyestuffs with superior properties, the economy is unlikely to be adversely affected.

Nevertheless, the present opportunity to give the right national shape to the industry will not recur. The ranges of products made should, in general, offer the best commercial value to the ultimate consumer, and in this connection it is to be noted that the cost of the applied dyestuff usually forms a very small proportion of the price of the finished goods. The products should be commercially viable in world trading. The plants in which they are made should be essentially versatile in the interests of both the manufacturer and the nation. The manufacture should preferably be closely integrated on a technical basis to contain capital expenditure within reasonable bounds, since spare capacity in individual units of similar nature in various locations can be costly. The scale of production should be conceived realistically in terms of both national needs and ever-changing technologies, but not to the point that they are under-sized by world standards.

Although thsee observations may be regarded as obvious, the points at issue cannot be and are not left to the manufacturers to decide in a controlled economy. The handicap imposed on the Indian industry by its late start relative to the dyestuffs industries in other countries is offset in one very important respect. The know-how can, and, at this stage of development, must indeed be purchased, and there is clearly abundant opportunity to install the most modern equipment in the world. However, to make the most of these unrivalled opportunities, not only must the right choice of the type of investment be made, as already indicated, but the scale of the manufacturing facilities installed must be correctly and perhaps courageously conceived. The estimated national requirements of 15,000 tonnes to 16,000 tonnes a year, although making allowance for the expected growth in the country's population, presuppose no improvement in living standards.

Progressive industrialisation of other countries has brought changing fashions in its train, and there is plenty of evidence to show that the world is becoming increasingly colour-conscious and demanding. In India too, there are signs of this trend, which, if accelerated, particularly in relation to men's clothing, would make for significant increases in the requirements of dyestuffs. Moreover, the growth of the plastics and synthetic fibres industries, to name but two, will diversify the demand for colouring matters. At present, the ranges of products manufactured are mainly directed to the dyeing of cellulosic and silk fibres and for various pigmentation purposes.

Domestic Market

Clearly, the domestic market in India is potentially one of the largest in the world, and very much larger on a long-term basis than past growth

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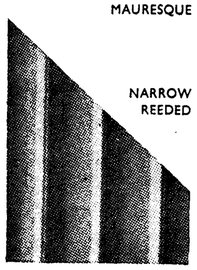
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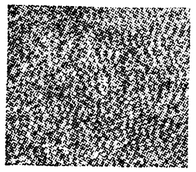


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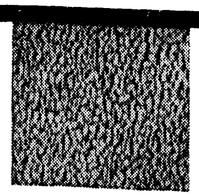
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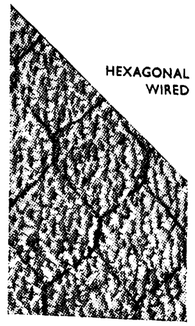
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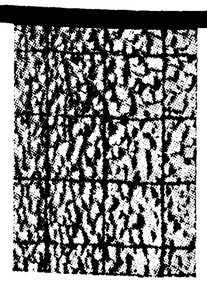
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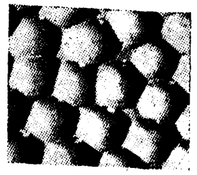
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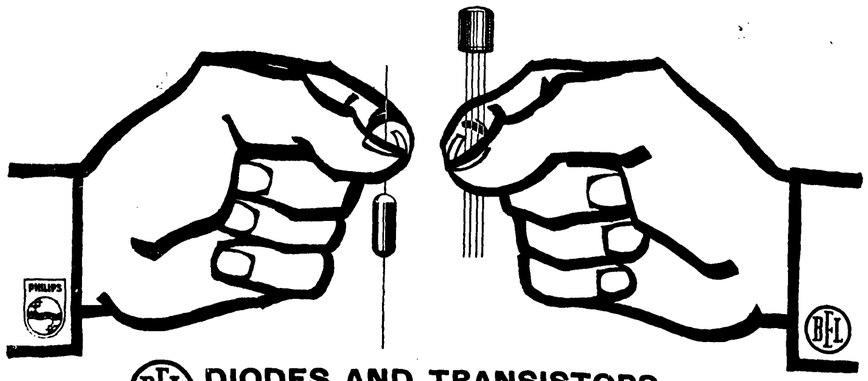
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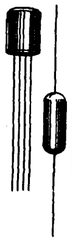
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or provisional estimates for the next five or seven years would appear to suggest. Taking the population of India as approximately one-fifth of the world's population excluding Russia and China, India's current requirements of dyestuffs are seen to be comparatively small in relation to an annual consumption of some 200,000 tonnes in all countries, except Russia and China. The disparity can only be explained by the prevailing lower standard of living. Therefore, the principal factor affecting the future growth of the industry in India is the rate at which the living standard can be raised. The Government alone can regulate the conditions for the growth of the economy, and long-range planning is required for the industry in common with other industries if the production capacity of the right type is to be available at the right time to meet the nation's needs.

In the future, it seems likely that there will be a progressive trend towards dyestuffs of better quality. The industry will doubtless become increasingly self-sufficient in relation to intermediates supplies. In these developments, there will be new opportunities for research conceived outside rather than inside the field which has been extensively explored elsewhere.

In relation to the existing output in India, and by comparison with the dyestuffs industries in other countries, there appears to be an excessively large number of individual manufacturing concerns for economic production. This condition reflects the fact that to-date the manufacture of dyestuffs has been almost wholly dependent on the use of imported intermediates. As indigenous production of intermediates is developed, the 120 small manufacturing concerns will find it increasingly difficult to compete with the larger companies except in the manufacture of the simpler dyestuffs.

The rationalisation of manufacturing facilities which has taken place in other countries in the face of world competition must, it seems, inevitably be reproduced in India. This rationalisation will doubtless take the form both of vertical integration within individual manufacturing units, and of an increasing scale of manufacture within a smaller number of units. The benefits accruing from the centralised production of the primary materials on a scale commensurate with national needs under the Hindustan Organic Chemicals (H.O.C.) scheme would undoubtedly be dissipated by multifarious conversion to the intermediates required by the industry. The basic economic considerations which underlie the H.O.C. scheme are relevant in appropriate measure to the manufacture of intermediates, although the increasing diversity and complexity of the operations involved in the manufacture of several thousand products, and other considerations, militate aganist centralised production in the case of intermediates, and also of the dyestuffs themselves.

Manufacture of Intermediates

It will be appreciated from the foregoing observations that a dyestuffs industry in a country with as huge a population as India's cannot, for reasons associated with national defence, remain dependent for long on the use of imported intermediates. Therefore, the lack of progress in the development of H.O.C. scheme must be regarded as a serious handicap. In economic terms, as in the case of any manufacturing project, the deferment of realisation of the benefits of the investment daily adds to the cost. The view has been expressed that the silver lining of this particular cloud is the opportunity now afforded to reconsider the source of raw materials, *i.e.*, to examine the possible use of petroleum instead of coal tar as the basic source.

At best, it seems that some sources of petroleum might supplement the requirements of the dyestuffs industry in a few respects after several years have elapsed. There does not appear to be any real justification for allowing this particular prospect further to delay the H.O.C. project. Much more can probably be gained by the earliest possible completion of the scheme without over-fine counting of the remaining cost in view of the mounting notional interest on the investment already made. There can be little doubt that the best routes to the scheduled products under Indian conditions will have been chosen from those operating in different parts of the world, and suitable provisions can be made in the design for extensions which may be required in the future.

However, the development of the H.O.C. scheme will not of itself solve the problem of intermediates supplies in the dyestuffs industry. On the one hand, it will remain necessary to reduce the prices of a number of heavy chemicals used in intermediates manufacture, while on the other hand, there is need for the provision of substantial capacity for processing the primaries, often through several stages, to the final intermediates consumed in the dyestuffs themselves. More progress has been made with a number of schemes of this type than with the H.O.C. scheme, a fact which serves to emphasise the seriousness of the delay in the latter. The problem of high cost of heavy chemicals may not be as easily solved, since it is closely connected with that of industrial expansion as a whole. Until such time as the H.O.C. scheme can be implemented, it will obviously be important to allow necessary imports of primaries to feed the new intermediates plants if the investment in these plants is to be most advantageously used in the development of the economy.

Foreign Collaboration

The advances made in the establishment of the industry in India during the last ten years would not have been possible without the technical collaboration of foreign manufacturers. Attempts to "go it alone" have not met with marked success, and the need for technical assistance becomes greater as vertical integration is pursued through the manufacture of intermediates. This is obviously reasonable when the needs of the industry are understood, particularly if tariff protection is not afforded. Time is being bought—the time devoted by scientists and technicians of many kinds in unfruitful as well as fruitful research, technical service, development, and design.

It cannot be over-emphasised in this connection that research does not always pay off directly, and that this would be the experience if research were to be undertaken in India to prepare the way for the manufacture of intermediates. In so far as it is desirable to speed up the vertical integration of the industry, it will be necessary to spend more foreign exchange in the purchase of know-how, but even so, as experience in the case of the dyestuffs themselves has shown, a net saving in foreign exchange would quickly be achieved by a reduction in the volume of imported intermediates. Continued close co-operation between the Government and industry is essential to achieve this important economic objective while retaining the confidence of the foreign collaborators.

A useful start has been made by the organised sector in providing facilities for dyestuffs research. It is believed that research of this type is best conducted within the industry, where all the relevant information is available for proper direction and prosecution.

Much effort has been made in research directed to the substitution of indigenous materials for imported materials. By and large, the heavy chemicals required by the dyestuffs industry are all available from Indian sources, although foreign know-how has had to be enlisted for the processing of most of the raw materials. Some raw materials will change with the development of the petrochemical industry, but the question of research on processes for the conversion of the new materials to heavy chemicals scarcely arises because even in industrially well-developed countries, there is an increasing tendency to purchase package plants, complete with process know-how, from specialist concerns operating internationally.

Competition in Export Markets

In the dyestuffs field proper, it is more rewarding to adapt processes to Indian conditions and materials, but at best it would seem that this approach will leave the Indian industry limping after the dyestuffs industries established in the rest of the world, particularly in the matter of competition in export markets. Encouragement to pioneers in new fields, which, given success, will alone ensure major advances in the face of competition may be derived from the reflection that several of the most important discoveries in the dyestuffs field in the past 50 years, including phthalocyanine pigments and reactive dyestuffs for cotton, wool, and nylon, have been made in laboratories in Britain, where the industry could scarcely have been said to exist at the beginning of the period.

First things must obviously come first, and it must not only be possible to finance research with the industry's own resources but scientists and technicians with the requisite skills and experience must be available to tackle the work. Nevertheless, a question which the industry will have to ask itself in the years which lie ahead is: "When will it be opportune to make a major investment in research aimed at the discovery of new products?"

Other problems, some within and some outside the control of the industry, exist; these include the multiple levy of excise duty at various stages in processing, the non-availability in India of many items of plant, the need to improve working conditions, especially in the small-scale sector, and the ways and means for achieving higher productivity. None of these problems is insuperable, but they should perhaps be regarded as of secondary importance pending the establishment of an integrated industry on a broader base.



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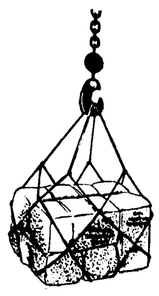
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Big Scope for Rubber Products Industry, but Not Enough Technical Personnel

By

A. T. MATHYOO

IN writing about the rubber industry, it is possible to paint a rosy picture. Such a delineation of the industry will not perhaps be quite wrong but to conclude from rubber consumption figures alone that the industry as a whole has achieved results and is on the way to achieving greater kudos for itself will not be quite correct. To say so is not to belittle the industry's efforts in the past or its plans for the future. Rubber consumption figures of the last few years are no doubt impressive :

	Tonnes
1959 ...	43,694
1960 ...	52,502
1961 ...	57,919
1962 ...	62,185
1963 ...	71,833
1964 (Est.) ...	82,000

These show an increase of roughly 100 percent in 1964 over the figure for 1959. The Association of Rubber Manufacturers in India in a recent report has stated that of the 12 motor-vehicle tyre manufacturing units visualised under the third plan, eight are at present in operation. The total production of motor-vehicle tyres and tubes by these units during 1963 has been 1.88 million and 2 million, respectively. The capacity of the 12 separate tyre manufacturing plants sanctioned under the third plan is as follows:

Region	State	No. of units	Capacity (Nos.)
Eastern	West Bengal	2	1,079,400
		2	1,450,000
Western	Maharashtra	1	510,000
		1	300,000
Northern	Punjab	1	300,000
	Uttar Pradesh	1	905,400
	Rajasthan	3	600,000
Southern	Madras	2	1,110,000
	Kerala		1,505,400
Total		12	5,144,800

But the Rubber Development Wing has estimated that the domestic requirement will be only 3,538,000 tons, and export requirement covers, another 354,000, making a total of 3,892,000.

Production of other rubber manufactures during 1963, compared with the previous year's, was as follows:

		1962	1963*
Bicycle tyres	('000 Nos.)	11,940.0	13,410.2
Bicycle tubes	('000 Nos.)	11,562.0	13,038.4
Footwear	(Lakh pairs)	498·0	483.0
Hoses (radiator and vacuum brake)	('000 Nos.)	1,318.8	2,043.6
Other types of rubber hoses	(000 metres)	5,050.8	4,843.6
Belting (fan)	('000 Nos.)	981.6	1,178.0
Waterproof fabrics	(000 metres)	4,166.4	6,029.4
Rubber-covered cables	(Lakh metres)	2,708.4	3,170.2
Latex foam	(000 kilograms)	1,683.6	1,392.2
Rubber components of railway fittings	('000 Nos.)	1,080.0	1,261.4
Dipped rubber goods	('00,000)	3,076.8	2,813.0

(* based on January-June actuals)

This production is accounted for by nearly 740 manufacturing units in operation in the country, but it must at once be stated that 535 of them consume less than 10 tonnes of rubber a year, 41 account for 100 to 500 tonnes, and only six units for 500 to 1,000 tonnes and eight for over 1,000 tonnes a year.

The tyre industry accounts for roughly 65 percent of the rubber consumption of the whole manufacturing industry. Its 1963 consumption, for a production of 1.88 million covers and 2 million tubes that year, was, therefore, 42,500 tonnes of rubber (excluding the quantity of reclaim used). When the third plan targets (as outlined in the above table) are achieved, the tyre section should account for a consumption of 125,000 tonnes, and the whole rubber industry's consumption would then be at an annual rate of 200,000 tonnes. Although these targets were expected to be achieved by the end of the third plan period, that is, by the middle of 1965, the general setback that most industrial targets of the third plan have suffered will reflect on the rubber—and tyre—manufacturing industry also.

Scope in Fourth Plan

The rubber industry's scope in the fourth plan will, however, be still more imposing, for without an adequate development of road transport, the country's entire development will stagnate. Road transport includes the tyre manufacturing industry as a most vital part, so that the fourth plan must fix such targets of tyre production as are commensurate with this increased tempo of industrial activity.

The prospects, therefore, for the rubber industry are no doubt quite good and bright, if some of the hurdles which beset it can be overcome. The days of *laissez-faire* having gone, perhaps, for ever, one has to contend with the many restrictions that are imposed in one form or another on all industries generally by the Government. What, however, can be avoided in the case of the rubber industry is the confusion resulting from the control exercised on it by various departments with no co-ordination among one another. For instance, problems relating to natural rubber as a principal raw material are handled by the Central Ministry of International Trade whereas synthetic rubber, an equally important raw material, is expected to be under the charge of the Central Ministry of Petroleum and Chemicals. The Rubber Development Wing comes under the Department of Supply, and the Central Ministry of Industry holds sway over yet another aspect of the rubber industry; other minor and major departments also have to be tackled by the industry for the redress of its problems and the net result is confusion worse confounded.

Granting, however, that this is only a passing phase of the present situation, where does the rubber industry go from here? The output of the various categories of rubber goods, enumerated above, will, like motor-vehicle tyres and of course tubes, increase because the country is progressing rapidly—socially and economically—and with it, its industrial and domestic demands are going up. Thus in general terms the scope of the rubber industry in the future—immediate and distant—can be expected to be very great indeed. Besides traditional items of rubber goods, numerous new uses are also being developed here as elsewhere. To cite an example of how these new uses may catch up in India as they have done elsewhere in the world, one may consider how rubber bands, which may be small but are big business, were produced last year to the tune of more than 16,000 million numbers in the U.S.A., that is, more than 80 bands for each person in that country.

Wide Use of Rubber Bands

No longer are the rubber bands limited to office use, but they have uses in homes and schools, in industry and in agriculture. India is on the threshold of developing in a big way the fibre-foam industry which may have a big scope, particularly because of its cheapness. The coconut growers of Kerala will be pleased at the prospect of a larger offtake of coconut fibre by this section of the rubber industry. For the first time in India, a factory to manufacture carpets by machine is being set up in Delhi which will be using back-sizing compounded latex—an entirely new field of rubber manufacture in this country. Dipped rubber goods have been hitherto made on a cottage industry basis, but a new factory has recently come up in Madras which will make a major contribution to the birth control drive. These developments connote the wider scope, hitherto unknown or untapped, presenting itself anew to the rubber industry.

The rubber-growing industry in south India has catered to the manufacturing industry's requirements of natural rubber ever since the Dixie Rubber Factory Ltd, Calcutta, as the first rubber manufacturing unit in India, was set up in 1920 to make general rubber goods. That factory has long since ceased to function, but others have come into being in its place. The production of natural rubber has not kept pace with the spurt of manufacturing activity of these later years, and today, natural rubber production proceeding at the rate of approximately 40,000 tonnes a year is far short of the country's total requirement of this raw material. A synthetic rubber plant planned and set up at a time when there was a surplus of sugar alcohol available in Madhya Pradesh—which alas! is no longer so—is now in production in Bareilly and supplements the manufacturing industry's requirement of raw rubber, although, for various reasons, which need not be dilated upon here, not to the entire satisfaction of the rubber manufacturing industry.

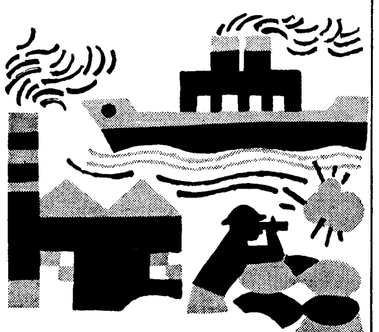
Reference, however, may be made in this context to an immediate problem by quoting from the speech of the chairman of a leading firm of mechanical rubber goods manufacturers at its recent annual general meeting. "The Central Government's Budget proposals for 1964-65", he said, "have not imposed any substantial burden so as to increase the cost of raw materials appreciably, barring a few items, namely, high carbon steel wire, cotton and rayon cord, steel sheets and plates. But the rubber manufacturing industry is seriously perturbed at the recent decision of the Government of India linking the grant of import licences for natural rubber with the use of indigenous synthetic rubber which, coupled with the abolition of the maximum controlled prices of Indian natural rubber (while the minimum prices are retained) is sure to raise the cost of the basic raw materials for the industry, that is, of natural and synthetic rubber. Besides, such a decision has been enforced at a stage when all the units of the industry are not equipped to make full use of synthetic rubber due to the varied nature of their product lines or due to the lack of technical facilities and standardisation".

Dearth of Technical Personnel

Many plans are in hand for further developing the industry, but there is a woeful lack of management and technical personnel. There is as yet no technical institution in the country which can train rubber technicians and until this state is improved, the output of perhaps the majority of the manufacturing units now in operation will not be what a quality-conscious consumer will fully approve. Japan's improvement of the quality of her industrial output, for instance, which she has achieved in a remarkable way in the postwar years, both of goods meant for the domestic market as well as export, is something which India has yet to make a start in emulating as a general rule. That it is a basic issue is no doubt apparent to those aware of the competition they meet in export markets where quality and price are the deciding factors unlike in India itself where competition from imported rubber goods is completely non-existent.

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To meet the rigorous standards of foreign buyers, to cater to the special pulls of impulse buying, India Foils provide specialised protective material to Indian exporters to package a range of products including condiments, biscuits, soap and tea packets. The value of Indian products including bulk tea packed in aluminium foil exported in 1963 was over Rs.150 crores. The markets of the world have, and will have even more, Indian products that can match the best that other countries have to offer.

EXPORTERS OF FOIL



India Foils export a range of foil to foreign markets which conform in price and quality to exacting international standards that are demanded.

PROTECTING PUBLIC HEALTH



The good health of the nation is its biggest asset and, India Foils Vial caps and Strip packs ensure absolute purity and protection against adulteration of Pharmaceutical products.

FAMILY PLANNING



India Foils play a vital role in this project by providing a safe and hygienic pack for contraceptives.

ELECTRICAL INDUSTRY



For the manufacture of capacitors that are an essential part of radios, fans and telephones that are manufactured in India and are exported, India Foils supply condenser foil by the mile. For critical electronic equipment, India Foils have produced a sturdy material against moisture and mould growth and are engaged in research of foil applications in cables and other screening applications.

FURTHER RESEARCH AND EXPANSION



In collaboration and association with the world renowned Reynolds Metals Co. of America, and Aluminium Foils Ltd., U.K., India Foils are devising new applications of foil packaging which is enabling a diverse group of industries to market their products more effectively and at lower costs for all round consumer benefit.



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Calcutta Bombay
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IFOC-60

Role of Packaging Industry in Export Promotion

THE recent announcement that the Government of India is contemplating the establishment of an institute of packaging is one of several welcome indications that this industry is being given the serious consideration which has been long overdue. But the recognition of packaging as a function vital to scientific marketing has come in the main from the national effort to diversify exports into non-traditional fields. This is evident from the fact that the proposed institute of packaging will concentrate primarily on raising the nation's export packaging standards. Already, packaged consumer goods exports have risen to some Rs. 28 crores each year: *vanaspati*, canned fish, cashewnuts, confectionery, toilet preparations, paints and varnishes and many others.

The dramatic rise in Kerala's exports of canned shrimp from Rs. 1 lakh in 1955-56 to almost Rs. 8 lakhs in 1962-63, constitutes a fine example of the type of earnings which be-

By

A SPECIAL CORRESPONDENT

comes possible when India's products are processed, packaged and presented to world standards. Major targets for India's prawns are the highly competitive markets of the United States, Canada and western Europe. Such indirect exports apart, the packaging industry has also made a significant advance in the direct export of empty containers and closures, components and related machinery: over Rs. 40 lakhs were exported in 1962-63 to markets in south Asia, west Asia, east Africa and even as far afield as the Caribbean countries.

Packaging Standards

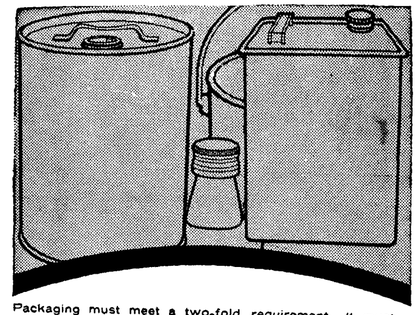
While the national situation demands that our sights be trained on export markets, the standard of export packaging is in itself directly dependent on the packaging standard maintained in the domestic market. The economics of package-making are based squarely on large-scale operation: it is virtually impossible on the same equipment to maintain a high quality for export markets and a separate utility standard at home. As newcomers in export fields, we naturally have no assurance of volume. Export markets alone cannot justify the installation of up-to-date package-making equipment nor the development of ancillary raw materials essential to an international standard of finish. These are by definition expensive propositions and only the sum total of home and export demand can warrant such investment. What we need to do, therefore, is to pitch our domestic standards high so that our products become increasingly worthy of exports.

In getting to the targets set for consumer products in the five year plans, consumer packaging today makes a significant contribution. The scientific package transports the fruits of planning—essential products, each with their set production target—to the ultimate consumer; protecting its contents through transport over long distances, climatic extremes, insect infestation, contamination, pilferage and a lot of other hazards inevitable in the marketing situation. With an output of Rs. 107 crores, the industry enabled the marketing in 1960-61 of packaged consumer goods amounting to Rs. 2,870 crores—fully 12 percent of the aggregate value of supplies in the country during that year. By one estimate, packaging media valued at Rs. 213 crores will be required to market consumer goods worth Rs. 6,620 crores. Employment in the industry at the end of the third plan totalled some 100,000 persons in 1960-61; this is estimated at 150,000 by 1965-66. The industry, its raw material suppliers and its customers participated in the collection of Rs. 250 crores of tax revenue in 1960-61 or 19 percent of the total Central revenue in that year.

Essential to Defence

The industry is also as essential to defence as to development. During the present emergency, package manufacturers have been called upon to divert a significant portion of their capacity to the manufacture of various ordnance stores: a switch made possible by the inherent diversity of package manufacture. This is apart from making continuous supplies for defence—the open top can for processed foods is, for example, very often the sole means of transporting food to frontier forces.

Perhaps the most characteristic feature of modern packaging is its specialised character. Precision, mas production methods alone can main tain a high and consistent standard c quality. To take one instance, a ca for processed foods must be manufac tured to tolerances within one-thou sandth of an inch. Manufacturin capacity must be flexible to meet suc den expansions in demand, the rul rather than the exception in India predominantly agricultural economy The customer must be serviced wit research, marketing and technic development facilities. And the indu try must offer all this—and packagin media at prices low enough to assi in the development of mass consum markets. To keep pace with the demands, and to act as a competiti advantage in the export effort, pack ging requires technology of a hi order. It is essential, therefore, th



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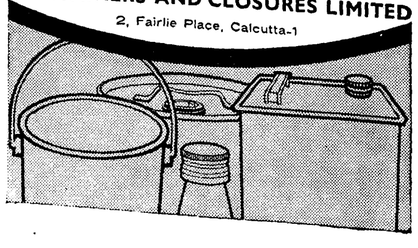
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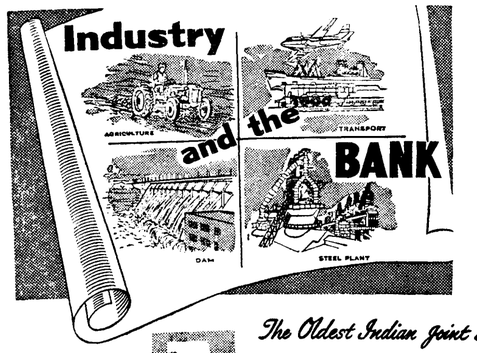
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India keep herself in the mainstream of world packaging development.

Packaging Technology

Advances in packaging technology have brought about an incredible expansion in the range of packaging materials and package types (cans, laminated flexible packages, collapsible tubes, treated cartons, etcetera). These advances overseas are reflected in the current packaging scene in India where they become highly relevant to packaging's essential contributions to consumer protection, prevention of wastage and export promotion. An interesting example is the vast field of flexible laminated packaging developments resulting from combinations of plastics, metal and paper. The laminated package, such as the strip pack for pharmaceutical tablets, has streamlined distribution methods by providing an ideal low-cost protective medium. While convenience has been the principal advantage of laminated packages overseas, here they combine convenience with a low-cost single-unit packaging and protection against contamination, atmospheric spoilage, breakage and substitution. In addition, the heat-sealed laminated pack is tamperproof, carrying indelibly printed trade names and trade marks: three essential weapons in the fight against spurious and sub-standard products.

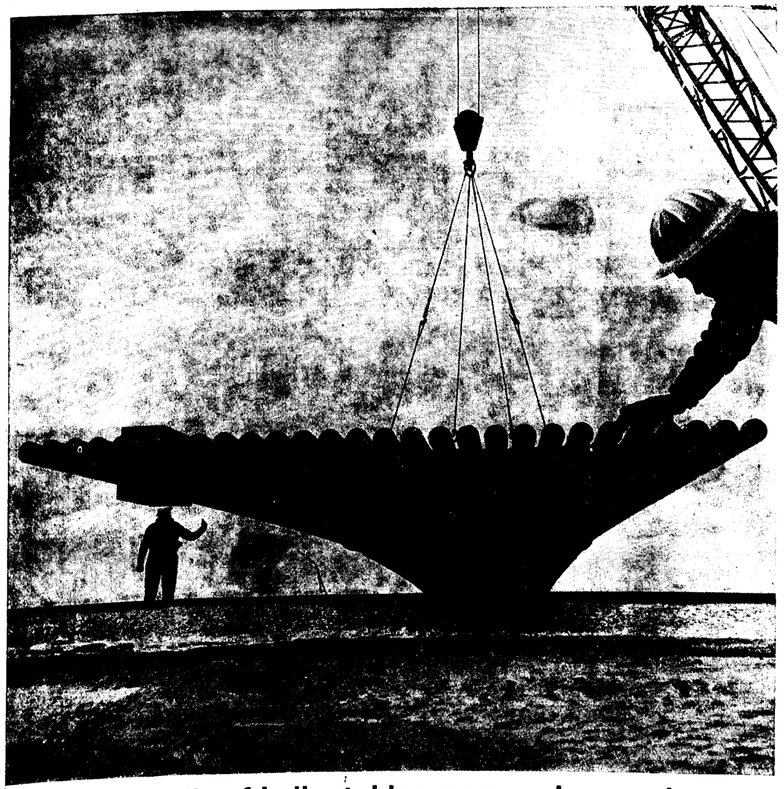
The world over, package manufacture is located in the organised sector requiring as it does large-scale investment in complex machinery, long-term research and development and close scientific collaboration among package-makers, raw material suppliers and manufacturers of consumer products. As the N.P.C. Productivity team observed: "The packaging industry in the countries we visited operated on a very large scale . . . . We were informed that small-scale units were virtually non-existent. In modern packaging, it is virtually impossible for small-scale units to cope with the multifarious requirements such as development and research, package design, quality control, service before and after sale". Economies of scale are basic to package manufacture and a high price may have to be had if these are ignored. Opportunities exist, however, for utilising small units for supplies of components to the organised sector. The largest container makers in this country annually purchase more than Rs. 60 lakhs of goods and services from small-scale suppliers. Besides, the majority of any package makers' customers are small-scale manufacturers. To them, a specialised packaging service backed with research and technical development facilities is an invaluable aid, witness once again the successful prawn export industry in Kerala.

Raw Material Problems

Every Indian industry today faces raw material problems and packaging is no exception. For its primary raw material, tinplate, the Indian industry is still heavily dependent on imports. According to estimates formulated by the National Council of Applied Economic Research, the tinplate demand in 1970 will rise to 524,400 tonnes against 261,800 tons in 1965-66, the last year of the third five year plan. Indigenous availability by 1965-66 will be some 145,000 tons rising to 338,000 tons by 1970. Demand will, therefore, remain well ahead of indigenous supplies for many years. This may well have an immediate inflationary impact for the simple reason that many essential products depend on tinplate packages for safe distribution. If tinplate is so short that packaging supplies are seriously curtailed, the distribution of cooking media, baby foods, processed foodstuffs, pharmaceuticals, lubricants, paints, etcetera, and many others will suffer with obvious repercussions on prices. The danger is aggravated by the fact that by the end of the third plan there will be a shortfall in paper, board and polyethylene powders.

While the packaging industry must, of course, operate within the framework of national priorities and the restrictive foreign exchange situation, in the short term there is no alternative to imports. Taking tinplate, the prime raw material, there is no sizable prospect of replacing the can with substitute packages. All over the world, despite the enormous growth in competitive packaging materials, tinplate has maintained its prime position. With the extremes of temperature and humidity, shelf-life and protective considerations, tinplate will remain for a long time to come the most efficient packaging material. In allocating scarce foreign exchange, one needs to keep in mind that Rs. 1 crore spent on tinplate imports serves the distribution of Rs. 17 crores of essential consumer goods (and assists in the collection of Rs. 5 crores of tax revenue). Apart from the inflationary impact (already experienced at the time of the Korean war and again in the foreign exchange crisis of 1958), the implications of a tinplate shortage are particularly serious when 40 percent of fruit and vegetable production in the country are already deteriorating for want of preservation facilities—and food imports cut heavily into the country's foreign exchange resources.

In sum, packaging is an essential industry—essential for development, for export promotion, for defence. All three activities can be severely inhibited unless the industry is fostered in a planned and comprehensive manner. The improvement in packaging standards already evident in India is a welcome reflection of rising living standards, for packaging is an integral part of modern civilised life.



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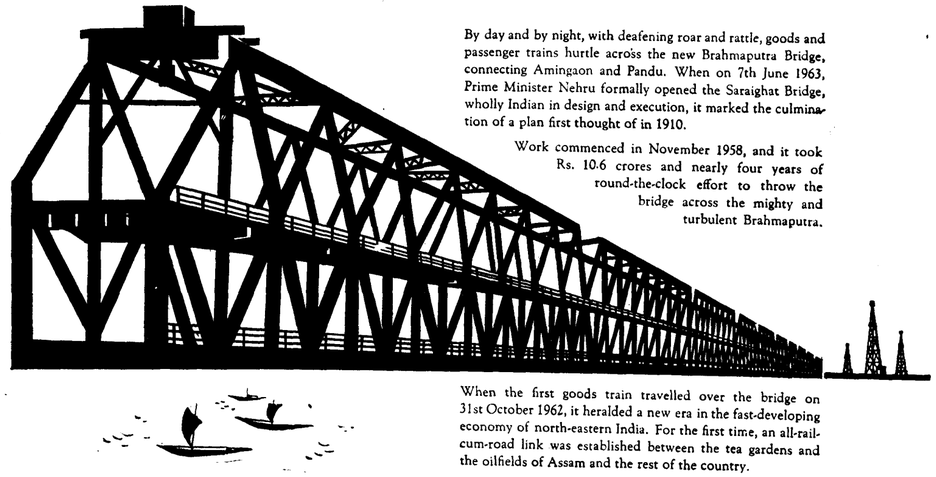
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By day and by night, with deafening roar and rattle, goods and passenger trains hurtle across the new Brahmaputra Bridge, connecting Amingaon and Pandu. When on 7th June 1963, Prime Minister Nehru formally opened the Saraighat Bridge, wholly Indian in design and execution, it marked the culmination of a plan first thought of in 1910.

Work commenced in November 1958, and it took Rs. 10.6 crores and nearly four years of round-the-clock effort to throw the bridge across the mighty and turbulent Brahmaputra.

When the first goods train travelled over the bridge on 31st October 1962, it heralded a new era in the fast-developing economy of north-eastern India. For the first time, an all-rail-cum-road link was established between the tea gardens and the oilfields of Assam and the rest of the country.

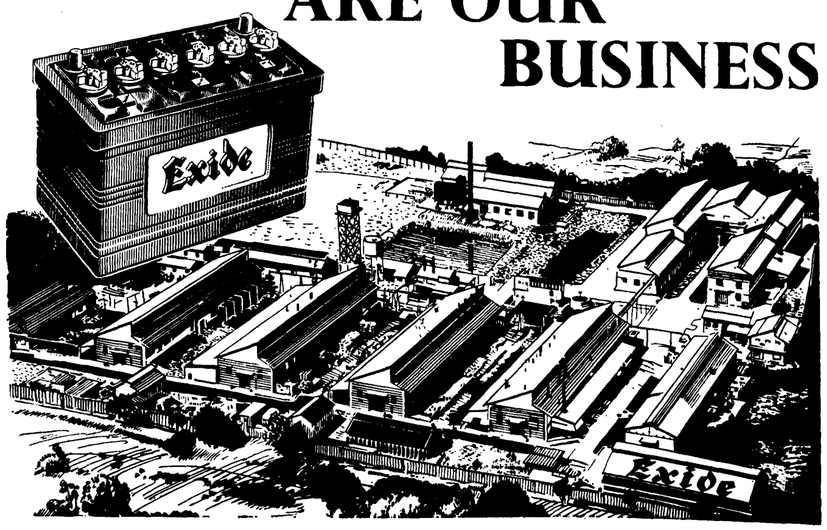
No less than 4.2 million cubic feet of concrete, 40,000 tons of cement and 14,000 tons of steel were used to build the 10-span, two-tier bridge with a roadway on top and rail tracks below. Of about 11,000 tons of vital mild and high tensile steel required to build the girders of the bridge, about 60 per cent came from the steel works at Jamshedpur. This is yet another example of Tata Steel in the service of the nation.

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RAW MATERIAL SHORTAGE HAMPERS TUBE MANUFACTURE

By A. W. F. HAMILTON

BEFORE 1955, steel tubes were not produced on any significant scale in India, except for a short period some years earlier when a small butt-weld plant was operated near Calcutta. The year 1955 saw the commencement of production by the Indian Tube Company (1953) Ltd and Kalinga Tubes Ltd. In both cases, production was initially restricted to butt-welded tubes which are now covered by the Indian Standard 1,239. These are commercial tubes with a black or galvanised finish, screwed and socketed, for the conveyance of fluids at relatively low working pressures in industrial, commercial and domestic applications.

Kalinga Tubes were initially licensed for 30,000 tonnes a year on two-shift working for the size range ½" to 2" n.b. and the Indian Tube Company for 90,000 tonnes a year in the size range from ½" to 3" n.b. Although this capacity was greatly in excess of previous imports, the output of these Companies met with a ready demand and substantial order-books were soon built up. Selling prices were generally based on the equivalent cost of imported material at the time.

Present Capacity

Since the start made in 1955, there have been a series of developments. The Indian Tube Company now makes electric resistance weld tubes up to 3" o.d. for use in boilers, superheaters, transformers, etcetera, and makes seamless tubes up to 6⅝" o.d. for high-pressure applications and for the oil industry. The size range of Kalinga Tubes now goes up to 6" n.b. A number of newcomers have entered the field, and the picture has changed from one of entire dependence on imports to one of massive indigenous production with the potential for substantial exports.

The following tube mills are already in production and have a total installed capacity of 248,700 tonnes a year for welded tubes. In addition, the Indian Tube Company (1953) Ltd has an installed capacity for seamless tubes up to 6⅝" o.d. for 30,000 tonnes a year. This list is exclusive of several units which produce limited quantities on a small-scale basis: The Indian Tube Company (1953) Ltd, Kalinga Tubes Ltd, Zenith Steel Pipes Ltd, Gujarat Steel Tubes Ltd, Shri Ambica Tubes Ltd, Tube Products of India Ltd, Premier Automobiles, and Godrej and Boyce Mfg. Co. Ltd.

Further licences are held for 486,000 tonnes of welded, and 217,000 tonnes of seamless tubes. This capacity, which excludes the capacity of the Rourkela plant of the Hindusthan Steel Ltd, has not yet been installed.

Towards Self-sufficiency

The Government has recently stated that further applications for industrial licences for welded tubes will be refused. This attitude is fully justified, if indeed the decision has not been long delayed. The small demands for steel tubes to specifications other than those covered by the existing licensed capacity do not, at this stage of development of the Indian economy, justify the diversion of funds from other more basic needs.

At the time of writing, the effective demand for screwed and socketed tubes, for boiler, superheater and flue tubes for the railways and tubes for land boilers, steel poles, bicycles, furniture, transformers, scaffolding and structural applications, for steampipe and for many other quantitatively minor demands is being met from indigenous sources. The Rourkela plant has already supplied substantial tonnages to the oil industry for its pipeline schemes with pipes above 8" diameter. For the oil industry's demand up to 6", the Indian Tube Company is already quoting deliveries which compare quite favourably at site with those offered by foreign manufacturers and is equipping itself to meet the demand for casing and tubing to A.P.I. standards, including adequate screwing and other finishing equipment. It is clear that the investment already committed puts the steel tube-making industry well ahead of the average tempo of industrial development in India.

Some Problems

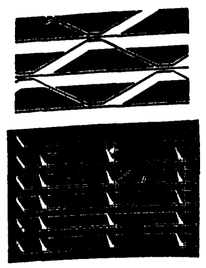
The phase of encouraging new investments being complete for some years to come, the present stage demands the efficient use of the sanctioned capacities. There are two main aspects to this problem, namely, raw materials and distribution.

No steel tube manufacturer in India has been able to obtain for the asking the quantity and quality of steel, which is his basic raw material. The pattern of production in the strip-using processes has had to be governed by the pattern and amount of supply.

The electric resistance weld and the seamless tube-making processes demand very high standards of steel specifications. To Indian steel makers, these specifications are comparatively new and a great deal of experimenting has had to be done before satisfactory standards could be achieved. The difficulties have been largely overcome, but a great deal still remains to be done before the quality



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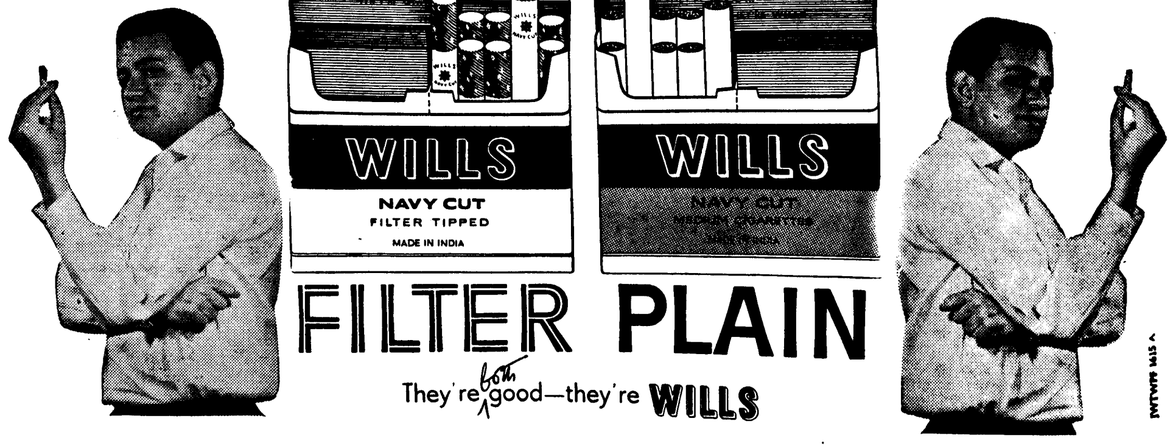
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of steel ceases to be a problem to the tube-makers.

The other major raw material is zinc for galvanising, the supply of which for some time has been acutely short. The entire requirement has to be imported; and until the foreign exchange position becomes easier, the tube industry will not be able to galvanise a higher proportion of their production to meet fully the demand for galvanised tubes for water services.

While the industry has had the co-operation of the railways during a difficult period, it has all along had to face irregular wagon supplies and vexatious restrictions. The decision to convert rolling stock to centre couplings has now led the railways to demand that at least 50 percent of the industry's output should be despatched to one destination at a time in block rakes of box wagons. This is all very well for iron ore and coal but immensely difficult to arrange in the case of steel tubes!

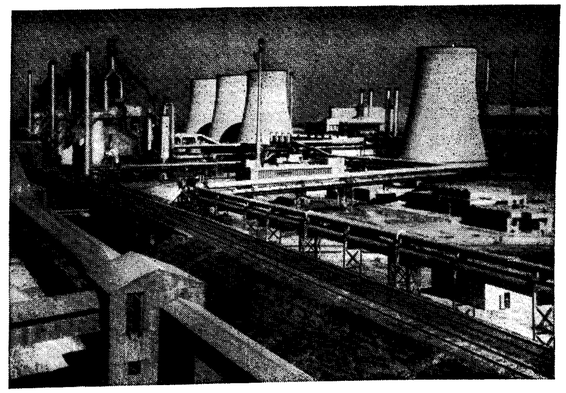
Apart from difficulties in booking their consignments, customers have often had to agree to pay repeated increases in prices resulting from the controlled price of steel going up from time to time. The controlled price of skelp (hot rolled strip) has gone up from Rs. 635 a tonne to Rs. 831 a tonne in the period of two years from April 1962.

The attitude of the Indian Tube Company towards the pricing policy has been generally followed, and the practice has been *not* to increase prices of tubes on the ground of wage increases, higher operating costs or rise in the price of raw materials other than steel, but to claim an increase in prices only to the extent of the rise in the price of steel. The industry, one must agree, has done its bit in helping to hold the price line.

Variable Costs Rise

The performance of the industry should be viewed in the context of the difficulties which it has faced from the beginning. The present level of output will then reveal the real measure of achievement of the pioneer tube-makers in India. When they started, they did so at green field sites with inexperienced labour, an acute shortage of trained supervisory staff, and with uncertain supplies of raw materials. They had to cope with shortages of transport, with railway packing conditions unsuitable for tubular products, great difficulties in obtaining maintenance supplies from abroad and with onerous obligations in the matter of labour welfare and housing.

Since 1955, practically every variable cost has risen significantly, and in many cases repeatedly, necessitating a considerable increase in the working capital employed. At the same time, manufacturers have had to contend with the tremendous pressure of demand throughout the period



A view of a steel plant

of their teething troubles, and it is a tribute to the fairness and efficiency of the distribution systems that the Government refrained from imposing any control over the distribution of steel tubes even when practically every other category of steel was distributed under Government supervision and control.

Although production costs in India are very low, the steel selling prices are among the highest in the world. Some relief has been given in the form of export incentives, but the Indian tube-making industry is still in a grossly uncompetitive position in the international market and is eagerly awaiting further and effective Government action to remedy this situation. Although the export of steel tubes is not a commercial proposition yet, about Rs. 34 lakhs worth of tubes were exported in 1963. In the years to come, more ambitious figures are likely to be achieved.

we (Stp)

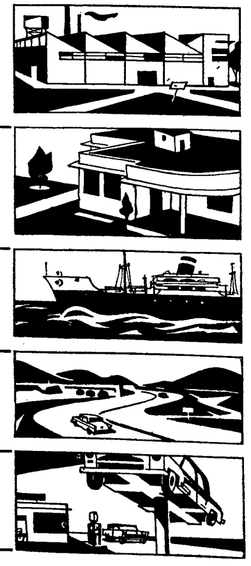
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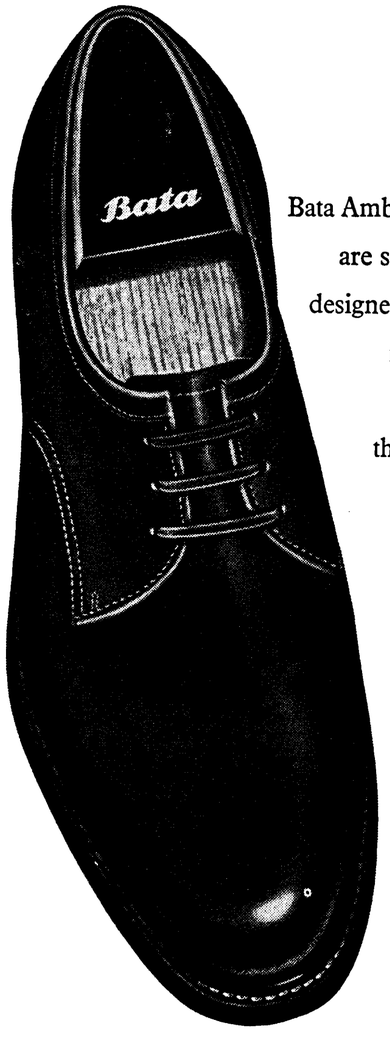
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Export Prospects for Electric Transformers Depend on Cost Reduction

By

S. K. SRIVASTAVA

THE electric transformer performs an essential function in distributing electricity by stepping up the voltage at generating stations and stepping it down at consuming points. With the accelerated pace of industrialisation and electrification, the transformer has become an indispensable equipment, and is, therefore, widely in demand in all countries, whether developed or developing. Imports of power and distribution transformers and other transformers in India were to the tune of Rs. 3.2 crores in 1961-62, compared with Rs. 3.5 crores in 1960-61. In 1962-63, the imports were a little over Rs. 2 crores. The decline in imports is significant. Demand for distribution transformers is now being met largely from indigenous production. This has been possible because of the rapid development of the domestic electric transformer industry during the successive plan periods. In fact, the recent emergence of the transformer in India's export list of engineering products is a measure of the industry's successful development.

Early Start

The foundation of the power and distribution transformer industry in India was laid as early as 1936-37, when the Government electric factory was set up in Bangalore. Between 1941 and 1943, three new units came up in Bombay, Calcutta and Lahore. The electrical machinery and equipment panel set up by the Government in 1945 had assessed the total power capacity of transformers manufactured in India at 80,000 kVA a year in 1946. After independence, the industry began to take rapid strides. According to the Tariff Commission's first enquiry, in 1951-52, there were seven factories and their total annual rated capacity was 370,000 kVA. The first plan visualised an annual rated capacity of 485,000 kVA. Additional undertakings were accordingly set up, and by the close of 1955-56, there were 13 large-scale units in production with a total capacity of 657,000 kVA. During the second plan, five new units with a total annual rated capacity of 261,000 kVA went into production. Eight of the existing units expanded their capacity by 486,000 kVA. Thus, by the end of the second plan, there were 18 factories with a total capacity of 1.4 million kVA. As capacity increased, production rose from 195,000 kVA in 1951 to 919,000 kVA in 1956 and further to 1,722,000 kVA in 1961. Last year, the production was 2,356,800 kVA. The 18 large units are located as follows: in Maharashtra (five), West Bengal (five), Madras (three), Mysore (two), and in Kerala, Bihar and Uttar Pradesh (one each).

Requirements of power and distribution transformers are expected to rise to 3.5 million kVA by the end of the third plan (1965-66). Accordingly, a capacity of 4 million kVA on a double-shift basis is visualised. Recently, one more unit has been licensed for the manufacture of transformers. Ten of the existing units have been permitted to expand their capacity. With the implementation of these schemes, capacity is expected to rise to 4.19 million kVA a year on a single-shift basis. By working on multiple shift basis, a production level of 3.5 million kVA will be achieved by the end of the third plan.

Manufacture of high-rated transformers has since been taken up by the heavy electricals equipment factory in Bhopal which went into production in July 1960. The industry is also now capable of producing special-purpose transformers such as nitrogen sealed, non-inflammable dry and silicon insulated types.

Export Performance

Having regard to the recent expansion and the large-scale development programme for the industry, a gradual reduction in the volume of electric transformer imports and a steady increase in exports in future may reasonably be visualised. The export figures for the last three years are shown below :

	Export of electric transformers (Numbers)	Value (Rs.)
		Rs.
1960-61	38	3,190
1961-62	18	6,613
1962-63	19	14,614

The Indian electric transformer has been exported to Thailand, Britain and other countries. An idea of the overseas markets for Indian engineering goods is both necessary and helpful. This country's largest market is in south-east Asia (Pakistan, Burma, Singapore, South Viet-Nam and Malaya). Exports of Indian engineering goods to these countries in 1962 were of the value of over Rs. 4 crores. Next is West Asia (Kuwait, Aden, Saudi Arabia, Iran, Iraq and Afghanistan). Exports to these countries were about Rs. 2.5 crores. African countries (Egypt, Tanganyika, Kenya and Nigeria) absorbed Indian engineering products worth Rs. 1.75 crores. European countries led by the U.K., West Germany, Italy and Russia had an intake of Rs. 1.2 crores. The U.S.A. and other American countries bought this country's engineering goods worth Rs. 1 crore. Thus, India's markets extend not only to the under-developed countries, but also to some of the highly industrialised ones.

But as already observed, the export of electric transformers from India has commenced only recently. Its present level is, therefore, not of much immediate consequence. What is really important at this stage is the prospect of export and India's ability to raise the present level, as production goes on increasing. There is a close connection between the level of export and the competitive position of industry. The lower the unit cost of production, the stronger is the competitive position, and, consequently, the larger is the export possibility. This brings one to the crux of the problem, namely, the structure of cost and prices.

Data relating to the cost of production and prices are available from the reports of enquiries conducted by the Tariff Commission in 1952, 1956 and 1960. The necessary information culled from the above reports is presented in Table 1 above. Only a few selected categories of electric transformers have been taken up for study by way of illustration. The percentage content of materials, indigenous and imported, has also been shown as it has a bearing on the cost and prices.

The following conclusions emerge from table I:

(1) Compared with 1951-52, the cost increased in 1955-56 and the fair ex-works prices were accordingly computed higher. This increase was attributed by the Tariff Commission to two factors, namely, "the increase in the prices of materials like steel and copper and the increase in wages and salaries."

(2) In 1958-59, there was a decrease in the cost and prices of two varieties

Table I

TARIFF COMMISSION'S ESTIMATE OF COST AND PRICES OF CERTAIN SELECTED CATEGORIES OF TRANSFORMERS

Transformers (1)	Year	Fair ex-works price in rupees (2)	C.I.F. price in rupees (3)	Materials as percentage of ex-works price		
				Indigenous (4)	Imported (5)	Total (6)
25 kVA	1951-52	2,364	1,830	26.02	36.47	62.49
	1955-56	2,542	—	21.10	35.77	56.87
	1958-59	2,478	1,960	29.51	26.00	55.51
50 kVA	1951-52	2,749	2,360	27.18	39.93	67.11
	1955-56	3,220	2,984	32.66	47.51	80.17
	1958-59	3,134	2,533	57.97	24.57	82.54
100 kVA	1951-52	4,127	3,340	24.15	38.99	63.14
	1955-56	4,654	3,891	34.42	46.04	80.46
	1958-59	4,938	4,360	59.62	18.67	78.29

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of electric transformers, but there was a slight increase in the third.

(3) There has been a significant increase in the indigenous content of the electric transformers manufactured in India.

(4) The ex-works price has been fairly above the c.i.f. price up to 1958-59. It is indicative of the unfavourable position of India's cost and price structure *vis-à-vis* other countries' during the above period.

Cost Structure

From the *Annual Survey of Industries (A.S.I.)*, reports of which have been compiled by the Central Statistical Organisation (Industrial Statistics Wing), Calcutta, for the years 1959 and 1960, it is possible to have some further idea of the cost structure in the electric transformer industry. The A.S.I. classification of industry is, however, broader and relates to electric equipment for generation, transmission and distribution (including transformers). Nevertheless, transformer being one of the important, allied products of the industry, the cost structure of the industry as a whole may be expected to give a reasonably correct picture of the position relating to transformers as well. In table II below, accordingly the ratio of different items of cost to every hundred rupees worth of output, is given:

Table II

MANUFACTURING COSTS AND GROSS OUTPUT IN ELECTRICAL EQUIPMENT INDUSTRY FOR GENERATION, TRANSMISSION AND DISTRIBUTION (INCLUDING TRANSFORMER)

Item	Year 1959	Year 1960
(1)	(2)	(3)
	Rs.	Rs.
A. Gross value of output	10,69,41,244	12,32,03,265
B. Manufacturing cost:		
1. Value at factory of fuels, lubricants, electricity, etcetera, consumed	(100)	(100)
(a) Amount	11,17,141	12,45,473
(b) Unit cost (percentage)	1.04	1.02
2. Value at factory of raw materials, chemicals, packing materials, etcetera, consumed		
(a) Amount	6,75,76,000	7,62,00,471
(b) Unit cost (percentage)	63.18	61.85
3. Work done by others		
(a) Amount	7,88,085	16,72,645
(b) Unit cost (percentage)	0.74	1.35
4. Depreciation		
(a) Amount	20,30,152	29,88,870
(b) Unit cost (percentage)	1.89	2.42
5. Total input		
(a) Amount	7,15,11,378	8,21,07,459
(b) Unit cost (percentage)	66.85	66.64
6. Salaries wages and benefits paid to employees		
(a) Amount	2,09,92,892	1,97,87,861
(b) Unit cost (percentage)	19.63	16.06
7. Total manufacturing cost (5+6)		
(a) Amount	9,25,04,270	10,18,95,320
(b) Unit cost (percentage)	86.48	82.70

N.B.—The unit cost has been worked out by dividing the respective amount of cost by the value of gross output and is expressed in percentage.

An examination of the data presented in Table II shows the following salient features of the cost structure:

(1) Compared with 1959, the material cost shows a decline of 1.33 percent in 1960. The labour cost, on the other hand, shows a slightly greater fall of 3.57 percent. There is, however, a minor increase in the value of work done by others and depreciation charges. The overall decrease in manufacturing cost is, therefore, 3.78 percent. This is a definite improvement over the earlier position. This process of cost reduction should continue.

(2) The extent of reduction in cost achieved by the industry in later years cannot be indicated for want of data. But it appears that the process has continued. The emergence of the export of transformers in these years and the increase in the export figure of 1962-63, lend support, indirectly of course, to this presumption.

(3) The little increases in the work done for the industry by other concerns are due to the growth of the sub-contracting activity—a recognised feature of the modern industrial complex, and in depreciation charges are due to greater mechanisation introduced in the industry. Both should be welcome.

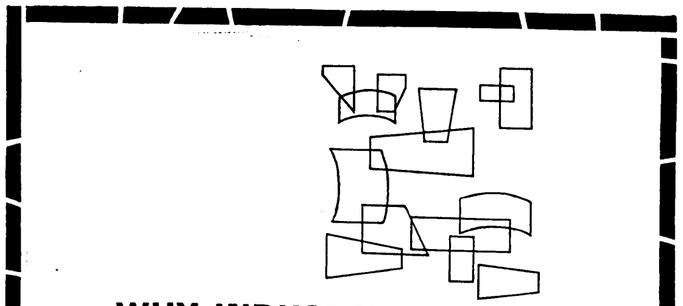
(4) There is no doubt need for further reduction in the production cost. As data for earlier years show that production cost in the past has been much higher than that of other countries and in that context, the extent of reduction in cost achieved is not likely to add much to the industry's competitive position. A continuous cost reduction programme for the industry is thus clearly indicated.

As an incentive to export, there is, of course, provision for the drawback of import duty and rebate of excise duty on raw materials used in the manufacture of electric power and distribution transformers on their export. Further export promotion measures are, however, needed and will be helpful.

More Indigenous Parts

As already seen from Table I, the indigenous content of transformers has steadily increased. Imported materials are, however, still required. At present, part of the industry's requirement of silicon steel sheets, copper wires and strips, cooling tubes, transformer oil and insulating materials are met from imports. It is, therefore, necessary to ensure their adequate supplies either by liberalised imports or by augmenting the indigenous sources so that the industry's unit cost of production does not get affected nor are its current and future plans of expansion interrupted at any stage.

The quality of product is also no less important than its competitive price for export. According to the Tariff Commission's enquiry (1960), the manufacturers "have carried out improvements in the technique of production and have arranged for rigorous tests of transformers at each stage of manufacture and before delivery". The Development Wing (now the Director-General of Technical Development) has observed that "the industry has made considerable progress and the quality of transformers manufactured in the country is generally satisfactory".



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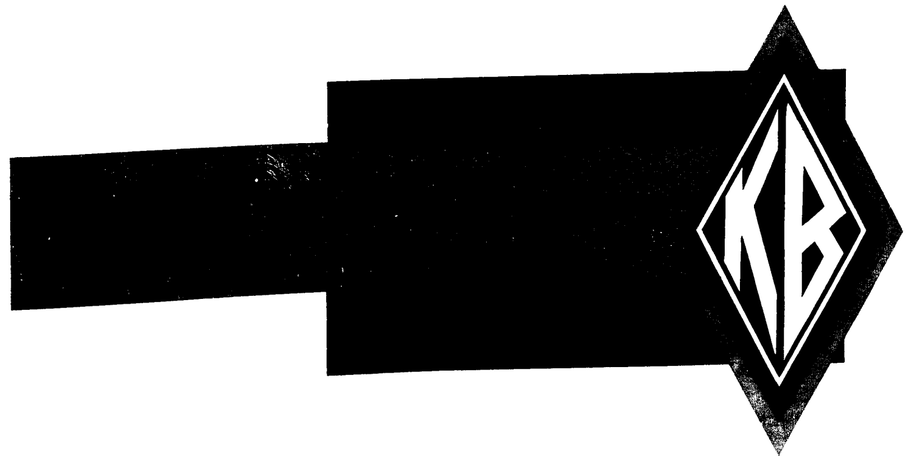
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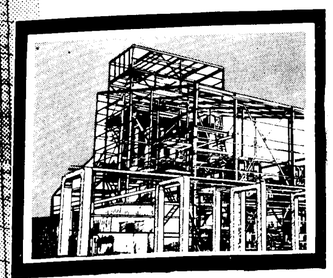


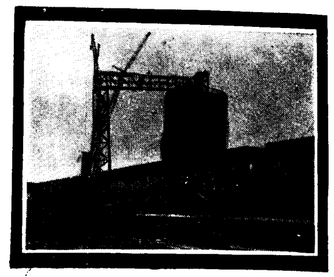
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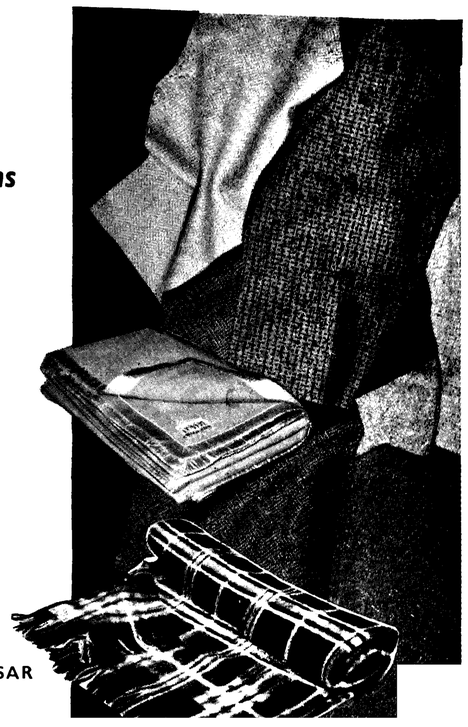
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Bicycle Production Rising: Need to Cut Manufacturing Costs

THE importance of the bicycle as a common man's conveyance cannot be overemphasised. The five year plans aim at achieving a faster rate of economic growth by linking numerous villages by a network of roads for the expansion of trading opportunities. In terms of output and consumption during the decade 1951-61, the bicycle industry experienced a continuous boom. Its performance has been consistently satisfactory right through the first ten years of planned development. High output targets were set and were exceeded. The target of 2.5 million bicycles fixed for the industry by the Planning Commission at the end of 1965-66 is yet another evidence of the importance given to it.

At present, the apparent annual consumption of bicycles made up of indigenous sales minus exports,

By

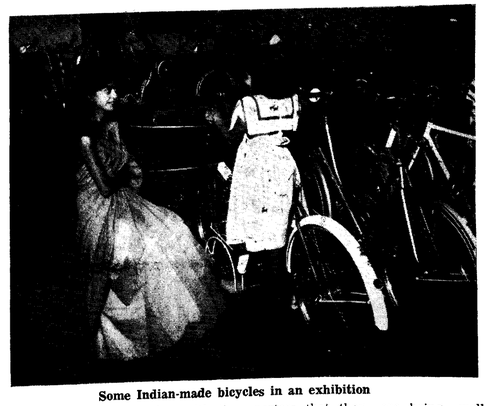
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amounts to 1.15 million. In view of further development of industrial townships and road facilities in both urban and rural areas, the use of bicycles as an economical mode of transport is expected to increase. Out of the total requirements of 2.5 million bicycles in 1965-66, 2 million are allocated to the organised sector and 500,000 to the small-scale sector. To achieve the production target of 2 million bicycles for the organised sector, an annual capacity of 2.2 million bicycles is sought to be created by the implementation of the existing schemes. But the present capacity itself would be sufficient to produce up to 3 million bicycles by working two shifts and in some cases three, if raw materials are made available without difficulties. One of the problems confronting the industry is the inadequacy of supplies of different categories of iron and steel, which constitute the basic raw materials for the industry.

Raw Material Supplies

Apart from the availability of raw materials, the question that crops up initially is whether the country would be able to produce the specific type of steel during the third five year plan period. Its availability in plenty would no doubt enable the industry to exceed the targets assigned to it. But the industry is still dependent to a large extent on the import of such materials as nickel anodes, brass wires, and chemicals for polishing, brazing, electroplating and heat treatment. This has hindered the expansion of production. The industry is optimistic that cold-rolled strips, free cutting materials and steel wire would be obtained from indigenous sources in the not-too-distant future. As a consumer article, the bicycle need not be relegated to a low priority among industries, particularly when efforts are made to improve the living standards of the people. The industry has a large employment potential and its products can be exported. In spite of the continuous increase in production costs, due to the high cost of raw materials and the increase in excise and import duties, sales tax and railway freight, the price of a bicycle has generally been kept within the range of Rs. 180 to Rs. 200. The impact of such Governmental levies is heavy on a product which is the common man's conveyance. For keeping down prices in spite of all-round increase in costs and for developing an export market, it is necessary to maintain the rising trend in production. But this cannot be achieved unless raw materials are available in adequate quantities and at reasonable prices.

This industry has proved to be a good foreign exchange earner. Exports are rising, proving that India is capable of offering bicycles of international acceptable standards as far as quality and specifications are concerned. The part played by the Indian Standards Institution in laying down standards and quality control methods have contributed a great deal to creating confidence among overseas buyers. Yet the export of bicycles from India has had to face competition from other countries. The grant of many an incentive has not helped solve the problem and the difficulty is mainly due to the high cost of raw materials in this country, compared with that in other countries. The competing countries —fully conscious of the foreign exchange difficulties encountered by India—exploit the situation by trying to bring down prices as low as possible by even putting one seller against the other. But with a fund of goodwill existing all over, India can plough the export markets more deeply only if the raw materials are available in abundance and if quality goods are sold at competitive prices.



Some Indian-made bicycles in an exhibition

It is, however, hoped that with the manufacture of more steel in India, it may be possible for Indian bicycles to be competitive in the export markets.

Promoting Exports

For a sizable increase in exports, special steps are required, since India is a newcomer in a field which has so long been ruled by industrially advanced countries. The soundest approach perhaps would be to restudy the country's claims in markets where it has already had a foothold. Bicycles have found a good market in the neighbouring countries of south-east and west Asia and Africa. A market survey in order to study the impression which Indian bicycles have already made would help in expanding the market, not only for bicycles but also for spares and offer opportunities for after-sales service. This will create a feeling among importers that they are being well cared for and that exporters have not simply dumped their goods as a means of exploiting an opportunity in the market. This would by itself help in expanding sales.

Apart from directly influencing the export markets, exporters should participate in international fairs and exhibitions which provide not only sufficient scope to show the entire range of manufactured products, but also offer an opportunity to compare their products with the competitive brands. An exhibition of this sort invites the attention of the retailer and consumer and present to the people who really matter in industry a true image of what the industry has to offer. Apart from conducting regular market surveys of this nature, it would also be worth while to study how the importing countries have assessed the Indian products.

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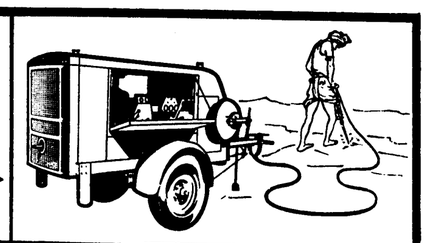
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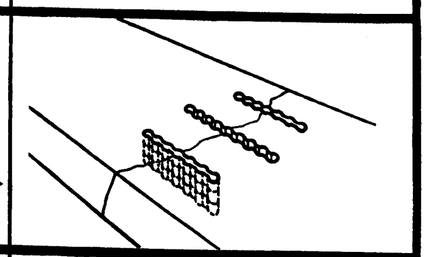
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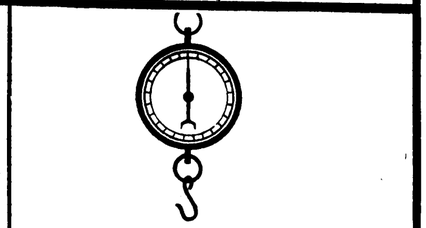
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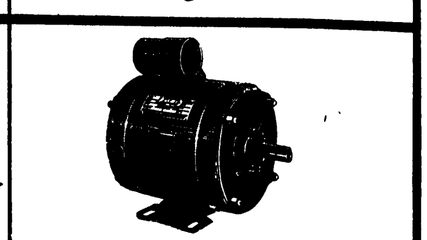
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Raw Material Shortage Hampers Growth of Machine Tool Factories

By

N. C. SUKHARAMWALA
Head of the Engineering Department, the Mysore Kirloskar Ltd

THE birth of the machine tool industry was undoubtedly induced by the needs of the early textile, mining and civil engineers, who demanded new and better means of production than those available from within their own resources. Industrial revolution was thus started in western countries which are today regarded as industrially advanced nations. Prior to the second World War, India had only a few established industries. But not only the equipment used by these industries but also the machine tools required to repair the equipment were imported.

India was forced to develop the machine tool industry during the second World War to keep her textile and sugar industries going. With most of the sea and air transport diverted to meet war requirements, there was no chance of importing the required machine tools, so arrangements had to be made to satisfy the demand for at least simple type of machine tools from indigenous sources. The House of Kirloskar started the industry in India in 1941 by establishing the first machine tool factory in Harihar.

Initial Development

The Harihar factory started with making machine tools of very simple types. Initially, the production included cone-pulley type centre lathes. To satisfy the country's requirements, the factory had later to take up the manufacture of planing and milling machines, hydraulic presses, shaping machines, etcetera. Although these machines were made to the international quality standards, production costs were high since a variety of components had to be used in small uneconomical quantities. In a short period of five years, some more units came up for the manufacture of machine tools. Thus at the starting stage, the industry had the problem of going into the manufacture of small quantities of different types of machine tools, even though it called for a great wastage of the installed capacity and national resources. The limiting factors at this stage were technical know-how, skilled labour, special types of materials, plant capacity and inadequate market.

With the advent of independence, India's industrialisation was accelerated, and the demand pattern started changing at a very fast rate. Various machine tool factories came into existence, each one of them specialising in different types of machine tools. A number of factories today specialise in the manufacture of centre lathes alone. There are others specialising in the manufacture of shaping machines, drilling and planing machines, sheet metal and plate working machinery, etcetera. These machines are the ones incorporating the presently known machining processes. Some other processes have been developed since the second World War, and they are being incorporated by foreign manufacturers in their latest designs.

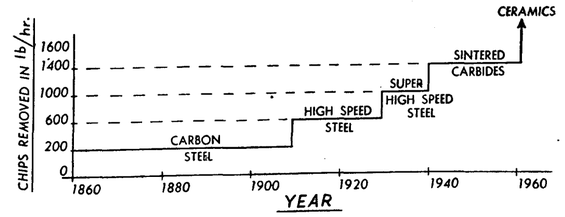
Major Problems

The major problems faced by the industry relate to the non-availability of power, skilled labour and suitable raw materials, collaboration delays, trade union activities and difficulty in getting import licences for machinery and equipment.

The Government had a big plan for increasing the power generation capacity, but along with it, the increase in domestic use as well as the real requirement of the industries was not perhaps correctly estimated. The result is idle capacity of the installed plant and machinery. If the Government is not in a position to meet the demand for power, the installation of generating stations in the private sector by individual establishments should not only be allowed, but subsidised if required.

With more and more factories coming up, the supply of skilled labour has become scarce. The increase in the wages of skilled operators has added to the cost of production. Furthermore, rights and benefits have been given to the labour unions. An increase in the wages has had to be given without any bearing on the productivity of an individual. The demand for high wages, even though it may be justified on other grounds, only adds to the direct cost of producing machine tools and makes it difficult to sell them at home and abroad.

The availability of suitable types of raw materials in sufficient quantity and at the right time is another problem facing the industry. For castings, coke as well as pig iron are in short supply and, as a result, quality castings required for producing machine tools are scarce. There is also a shortage of special steels. If the quality of Indian machine tools is to be improved, it is necessary to have an adequate supply of these materials.



It is common knowledge that to accelerate the pace of industrialisation, India requires more machine tools either indigenously manufactured or imported. The procedure of getting an import licence is so time-consuming that by the time one gets such a licence, the original factors leading to the decision to import might have changed considerably. This calls for a further increase or change in the import requirements and as a result there is further delay. The Government has to guide the industry in providing such data as are required to expedite the granting of licences.

To reduce the time for developing new types of machine tools in India, many manufacturers enter into collaboration arrangements with the leading foreign machine tool manufacturers. Here again, the Government's procedure takes a long time which deprives the nation of the added advantage of using the better types of machines at an early date. Whenever such a collaboration is necessary, delays should be avoided at all costs. The Government should also evolve a procedure by which all the requirements resulting from a collaboration agreement, such as import licence, Reserve Bank permission, and Industrial Finance Corporation loan should be granted simultaneously to avoid delays.

Making Simple Tools

India today is only engaged in the manufacture of simple types of machine tools. It is true that many other industries have also just been started. The range of machines to be produced in the future will have to take care of the requirements of such industries as sugar, textiles, paper, chemicals and plastics, boilers, mining, jute, earth-moving equipment as well as of building and construction, defence, motor-cars and the requirement of the machine tool industry itself to produce cheaper and better machines. A manufacturer of a product such as a washing machine, a turbine, a lorry, or a steam roller, wants to improve his product. At the same time, he wants to reduce production costs so that he can bring the better product within the buying reach of more people and thereby obtain a broader market. That is always his primary objective in buying better machine tools. Hence, any future development in machine tools has to overcome the limiting factors of the product utility and cost.

Machine tools available today are suitable for high speed steel or carbide tools only. The graph on this page will give the relative picture of the rate of metal removal with different tool materials. The higher cutting speeds available through the use of these

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TIMES OF INDIA

BOMBAY

By A Staff Reporter

Engel India Machines ... Tools Ltd. is likely to enter ... capital market towards the ... of the year with a public is... It is propo...

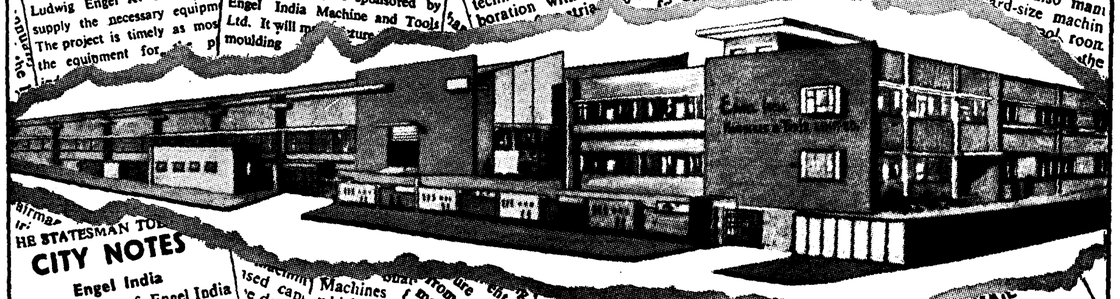
CAPITAL

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The factory, the first of its kind in the country, is sponsored by Engel India Machine and Tools Ltd. It will m...



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CITY NOTES

Engel India

The shares of Engel India Machines and Tools Ltd. which were recently offered to the public have been fully subscribed. Allotment letters have been despatched to the applicant in accordance with the scheme of allotment approved by the Calcutta Stock Exchange Association. Official permission has been granted by ... for listing and dealing in th...

Machines ... which wer... determir... after ...

THE HINDU

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(স্টাফ রিপোর্টার)

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materials will begin a revolution in machine tool design. The successive developments of tool materials have caused a remarkable increase in machining speeds and it is this speed which has offset the relationship between the machining time and the idle time within a manufacturing cycle. The demands of industry have called for increases in the rate of output. To a considerable extent, these increases will have to be met by the design of special machines with a restricted range of duties.

Improvements in Design

The basic improvement in machine tools design have to come in the direction of greater stability, greater power and greater flexibility. Stability will be ensured by paying attention to the bed structure, to power transmission systems and to the design of gears and bearings. It will not be out of place to mention here that the tendency in Britain to build robust machine tools proved an invaluable asset during the war, especially when these machines were forced to operate day and night, often in the hands of semi-skilled labour and usually with a minimum of maintenance. Power is improved by increasing the gross power available and by conserving it by a more efficient design of transmissions. Flexibility is conferred by wider special ranges, by faster traversing or indexing and by improved work handling.

The greatest promise of growth of the machine tool industry will come from defence requirements which will lead to the development of many highly sophisticated mechanisms, including electronic, hydraulic and optical equipment together with a wide range of entirely new materials. These are the techniques which do not become economical to develop without the Government's help. The availability of new materials and new processes will also have a great impact on the future of the industry. Two new machining techniques have been developed during recent years in western countries. The introduction of spark-erosion has been welcomed in various fields of production. This process makes use of the stock-removal action of electrical discharges, whereby any desired shape can be imparted to the conductive materials. The other process is ultrasonic drilling which has made possible the drilling of odd shapes and the drilling of hard materials. Ultrasonic machining is performed by a cutting tool oscillating approximately 20,000 times a second in an abrasive solution. The tool drives the abrasive grains against the work piece, chiselling away minute particles. Machine tools incorporating these and other techniques will have to be produced in India as the demand increases.

Once the basic raw material is made available by the indigenous manufacturers, real competition will come into play in the industry. Every manufacturer will be forced to increase his productivity and make the best use of his manpower, capital equipment and other resources. The Mysore Kirloskar Ltd is manufacturing the well-known Harihar lathes on a line production basis to met the ever-increasing demands for them.

It has been made possible today to export machine tools from India to various countries. The fact is that the country has already developed certain markets for machine tools in Asia, Central and Latin America, Africa and the Middle East countries. With the favourable delivery position and good quality of Indian machine tools, the country has very bright prospects of selling its machines in foreign countries.

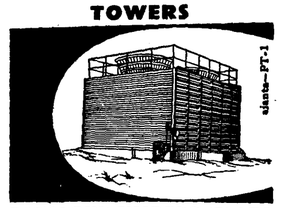
Research and Development

The greatest need of the machine tools industry is continuing research and development. It is in this field that the country has made the least progress. There is no use starting a couple of Government centres for this purpose. In England, the aircraft industry is subsidised by the Government for research and development in order to produce new types of aircraft. Similarly, after studying the progress of the Rusian machine tool industry, the English machine tool manufacturers have asked for subsidies from the Government for research and development. The Government of India has to take note of this and give subsidy to leading machine tool manufacturers in the private sector.

While India has started the programme of industrialisation, the western countries are on the verge of the second industrial revolution because of the development of automation. The linking together of individual machine tool so that work can pass progressively from machine to machine without human investigation raises a new set of problems concerned with work handling, quality control, fault detection and machine regulation. It is expected that a greater use will be made of pneumatic, electrical and electronic equipment for the control of automatic lines. If India is to come up to the standard of living of the advanced western countries, automation will have to be introduced wherever it is found economical. Similarly, other developments like numerical control, programme control, which are relatively cheaper compared with automation, will have to be incorporated by the machine tool industry in India.

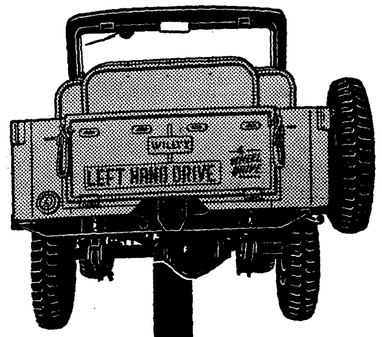
Thus, the industry in India has diversified its production lines. Today there are different units producing different types of machine tools. But this is just the beginning, and more and more types of machine tools like chucking automatics, bar automatics, bear cutting machines, jig borers, etcetera, are to be introduced in the manufacturing lines. Defence requirements will give a boost to the development of the industry. This will lead to all-round development in the field of pneumatic, electrical and electronic equipment. With a big home market that waits to be exploited, the industry has bright prospects for expansion.

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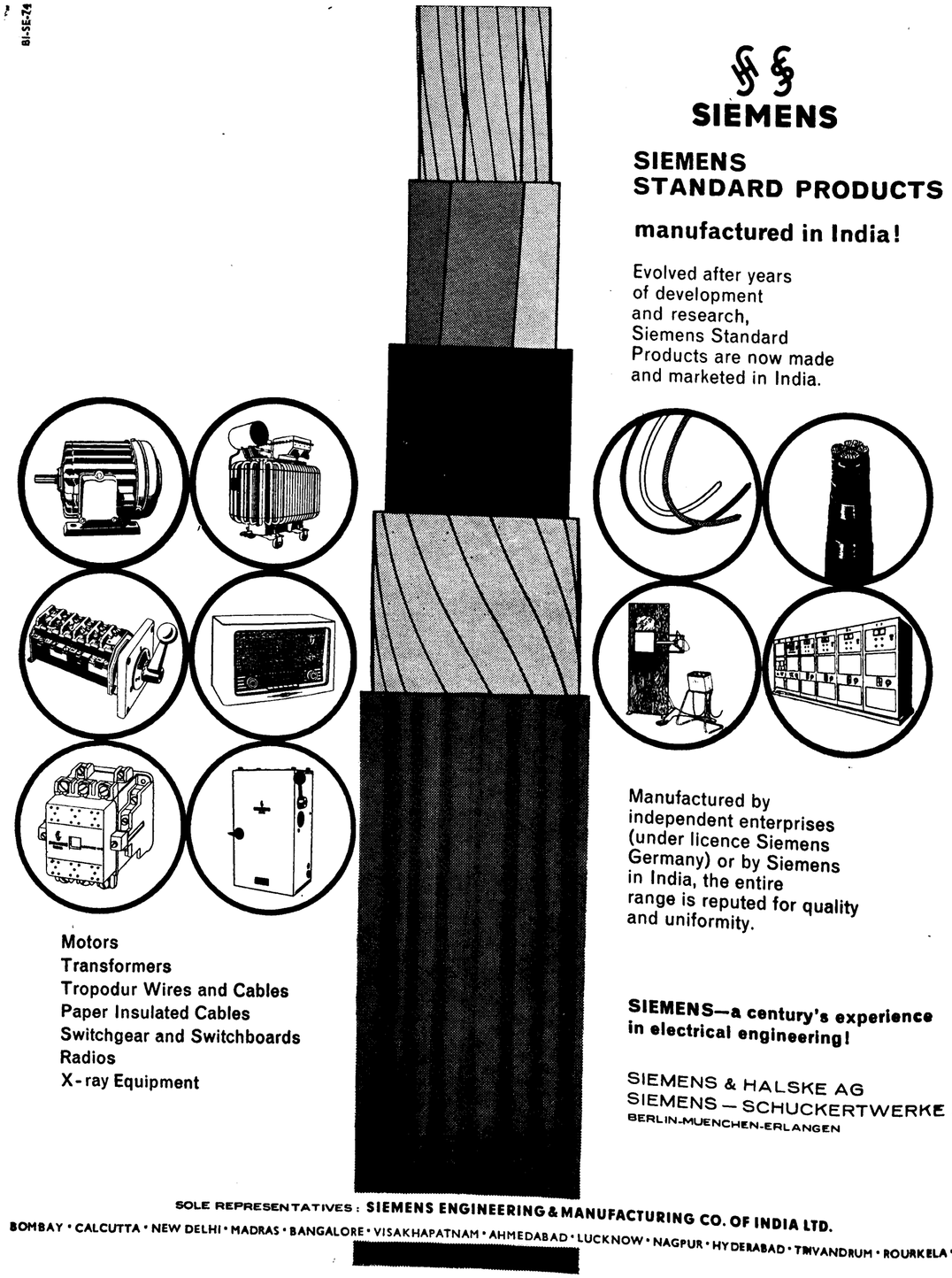
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Substantial Rise in the Output and Exports of Plastic Goods

By

K. K. MODY

PLASTICS are a big creation of science and technology. They are widely used in the infinite pursuits of science. Plastics are man-made materials which can be transformed into various shapes and forms by application of heat and pressure.

The family of plastics covers a large and still growing number of items. They differ in characteristics and properties. Although various materials are used in manufacturing plastics, they are mainly grouped under two heads, namely, thermo-plastic and thermo-setting. Thermo-plastic materials undergo only physical change during moulding. The heat causes the material to flow and the pressure from the moulds gives them shape. These can be re-used after some processing. In the case of thermo-setting materials, they undergo a chemical change and cannot be reused. Injection moulding and extrusion are most commonly used for producing thermo-plastic products. Different moulding conditions are used according to the properties of various plastic materials. For producing thermo-setting plastics, the method most generally used is compression mouldin. Transfer moulding is a variation on compression moulding in which heat and pressure are applied to the moulding material outside the mould. In injection moulding, the material is fed into the hopper of the moulding machine. The material is injected under high pressure into the mould where it takes the shape of the mould. In the extrusion process, the powder or granular material is fed through the hopper into a heater barrel where it is plasticated by heaters on the barrel. The plasticised material is forced by a moving screw through a die and continuous material comes out in various forms and shapes. Thus the material from granular or powdered form is softened and shaped by moulding or by extrusion.

Unlimited Variety

Plastic products may be moulded, extruded, pressed or cast into an unlimited variety of shapes. Three techniques—injection moulding, compression moulding and extrusion account for the major part of the plastic products. The performances of plastic products depend on many factors. They mainly depend on the basic properties of the material. Before choosing the material, the characteristics of the materials should be properly understood. Plastics, because of the wide scope in colour and pliability, are preferred to traditional materials in many fields. Nowadays in one form or the other, plastics are used in every industry. Its application in the second World War was more significant than any other. That is an indication of the tremendous potential in store for plastics in the years to come. The plastics industry is growing and changing rapidly. New plastics are discovered and old ones improved.

The present era is one of many astonishing industrial developments. Probably no industry has undergone such rapid developments as plastics. Around a modern household, one finds many applications of plastics with more to come in the future. One cannot fail to appreciate its versatility if one sees its uses in the daily life. On rising, one starts with a tooth brush. Whether it is comb, socks, modern clothing, personal accessories like belts, wrist bands, women's purses, shoes, umbrellas, rain coats, buckets, kitchen wares, bottles, containers, jewellery, buttons, steering wheel of a motor-car, pen, ball pen, spectacle frames, all made of plastics, are common features of today in the urban life, although their uses have not developed much in the rural areas.

Preference for Plastics

Plastics are preferred as against many of the traditional materials like wood, metal and glass in numerous fields, not only because they are cheaper but also because they are longer lasting and easy to maintain. It is common knowledge that plastic funnels, nylon bristles, etcetera, whether in industry or home, are better and wear much longer than those made from other materials. The increased interest of builders and architects for plastic moulding panels, exterior surfacing roofing, etcetera, and the significant trend of production of moulded reinforced plastic bath rooms, motor-car bodies, boats, tubs, one piece showers, portable T.V. sets, portable record players and other equipment, both successful in cost-saving and improved performance, are some of the recent new features. The application of plastics in the motor-vehicle industry has increased tremendously. The aviation industry, too, is making a wide use of plastic. In the world of sports and recreation, plastics has played and will continue to play an increasingly important part. Football helmets, playing cards, fishing reel seats, fishing nets, fish baits, chess-men, toys, sun glasses, radio parts and many other articles are now made from plastics.

It is reported that taxies with an overall length of 14 feet and 6 inches, with 5 feet 9 inhces width and a height off the ground of 6 feet 1½ inches in four doors—designed for easy entry and exit with entirely moulded bodies from reinforced plastics and weighing only 27 cwts—are plying in London for hire. Newspapers say an experimental all-plastics house was erected recently in Moscow. The impact of plastic fibres and other newly developed items in daily life has become so extensive that it is reported that one-third of all chemists and chemical engineers in the U.S.A. are directly or indirectly engaged in them.

Phenomenal Progress

The U.S.A. is leading other countries both in its development and application. Japan in the past few years has achieved fantastic growth in the production of plastics. In the period of 1956-61, Japan increased its production in this field by 587 percent while the increase in the U.S.A. was 86 percent, the U.K. 90 percent and West Germany 233 percent for the same period. Japan stands third among the biggest producers of the world, the first being the U.S.A., and second West Germany. Japan is also ahead of other countries in technological know-how, in the manufacture of raw materials and equipment. What is of special interest is that Japan sells a large number of plastic items in the U.S.A.

The plastics industry in India developed only in the last decade and a half, but a major growth has taken place in the last ten years. Today there is in the market a wide variety of articles in attractive colours, made from various grades of plastic raw materials. Although they are in use in household and industry, their penetration in the latter is far behind other important countries of the world. The plastic industry can be divided into two main branches—processing and fabricating. The first turns the moulding powder, etcetera, into finished articles. The second subjects the intermediate products to further fabrication.

In India, the processes generally followed in the plastic industry are injection moulding, blow moulding, vacuum forming and extrusion. Of these processes, injection moulding and extrusion are major lines. Articles like buckets, bowls, bazar baskets, toilet seats, etcetera, are made of the injection moulding process. The extrusion process is used for polyethylene films, tubes, pipes, threads, etcetera. Polyethylene and polystyrene occupy an important position in the production of plastic articles in the country. P.V.C. has been mainly used in the manufacture of leather cloth unlike in other countries. But this material is bound to make a big headway in various applications, specially in the industrial field.

Unplanned Growth

After the second World War, although plastics have shown impressive growth in India, its growth is unco-ordinated, unplanned and sporadic. As a national industry, by present standards, the growth of plastics is very modest—it is still a young industry. Good machinery is very important for any modern industry. Second in importance to machinery for the growth is the improvement of production techniques which help in not only improving the quality, but also decreasing production costs. The high rate of technical development which is essential to the plastics industry can be attained only if the Government takes keen interest in the problems of this industry. Such an attitude would help other industries immensely also, because plastics has the potentiality of freeing valuable metals and other materials to better use in the national development and defence.

India's plastics exports have shown a steady increase for the past few years. It stands at Rs. 1.95 crores for 1963-64, although it was only about Rs. 74 lakhs in 1959-60. The export of plastics goods in a few months of 1963-64, the value of which is over Rs. 75 lakhs, is a good improvement over the corresponding period in 1962-63 which was below 20 lakhs. Indian plastic goods are mainly exported to the south-east Asian and African countries and the U.K., etcetera. But exports to America or rupee-account countries have so far remained meagre. Recently, a delegation sponsored by the Plastics and Linoleum Export Promotion Council returned to India after visiting the U.S.A., the U.K., Nigeria and Iraq It is interesting to know that they have secured orders for more than Rs. 10 lakhs worth of bangles, etcetera.

Because of peculiar conditions prevailing in the country, it is true that the industry has no difficulty in finding customers within the country for the present. But this is a temporary phenomenon. India's experience in international markets has shown us that she has to make considerable improvement in a large number of her products, if she is to sell. Every customer wants good value for his money. It is not enough to win a customer, but his patronage has to be retained.

Acute Raw Material Shortage

While the output and exports are quite impressive, there is an acute shortage of raw materials in the country. The production of polyethylene does not keep pace with the demand, and few among the established organisations are in a position to run their plants to the full installed capacity. Alcohol which was said to be plentiful, it is now realised, is too scanty, and it is not available to plastic raw material manufacturers. There is also a shortage of items like phenol, benzene, and ethylene.

It is well known that many industrial units are now working much below capacity on account of raw material shortages or inadequate supply or lack of imported components. Without the full utilisation of installed capacity, the rate of growth in national income is bound to be poor and it is sure to cause inflationary tendencies due to the shortage of goods. Unless remedial steps are taken without further delay, such industries will suffer serious setbacks as a result of forced idleness. Many processing units all over the country are already on the verge of closure. The responsibility to arrest the deterioration of the situation and for the sustenance and development of such industries lies with the Government under the present conditions.

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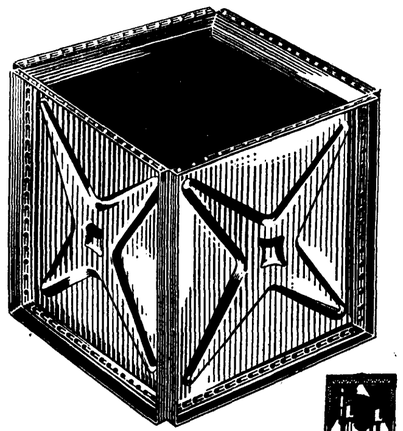
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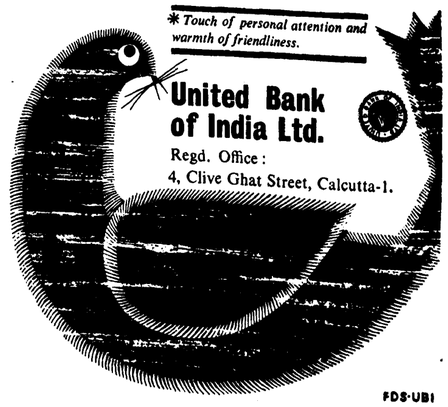
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Shortage of Equipment Hampers Growth of Dairy Industry

By C. D. DASTOOR

THE dairy movement in India received a fillip after independence, when industrialisation and public awakening precipitated the need for establishing organised city milk processing and distribution schemes. The industry's growth, however, was soon inhibited when the import of equipment raised serious problems due to the foreign exchange shortage.

A few units had already taken up the manufacture of dairy equipment within the country during the war years and had achieved considerable success in the manufacture of simple equipment like flash pasteurisers, surface coolers, hand-operated butter churns and milk cans. Although elementary in nature and scope, this presented a nucleus to build around the super-structure of dairy machinery manufacture in the country. In 1958, when the need for establishing such an industry on an organised scale became more obvious, the Government of India granted industrial licences under the Industries (Development and Regulation) Act, 1951, to Larsen and Toubro Ltd, Bombay, and A.P.V. Engineering Co. Ltd, Calcutta. Subsequently, two more units, Alfa Laval and Vulcan Trading Company of Bombay were also licensed. Today, the total licensed capacity of these four units is of the value of Rs. 2.9 crores.* In addition, there are a number of small units in the non-licensed sector which manufacture simpler types of equipment.

Basic Problems

Like all nascent industries, the dairy machinery industry had its share of basic problems. Initially, these were: negotiation of foreign collaboration agreements, obtaining trained personnel, organising adequate workshop facilities, importing specialised "mother" machines, developing ancillary service facilities and other allied problems. The crucial problems that persist are, however, largely those of policy, procedure and manufacturing limitations and call for a thorough reappraisal in the interest of the industry's progress.

(a) *Import of components:* When the organised manufacture of dairy equipment was initiated in India, considerable developments had already taken place abroad and a minimum standard of equipment was in demand. To manufacture such sophisticated equipment without foreign collaboration was not possible, so a phased programme of manufacture was taken up, involving the import of certain items from the collaborating companies. The implementation of this programme has, however, suffered as the import of even essential components was subjected to cuts. This has naturally restricted production and increased the costs of local manufacture.

In certain cases, part of the value of import licences granted is tied to imports from specific countries. This has resulted in non-utilisation of licences as components have necessarily to be imported from countries with whose manufacturers the local units have entered into collaboration.

(b) *Import of raw material and instruments:* The quality and degree of sophistication of dairy equipment is largely dependent on the availability of: (1) stainless steel material of a certain quality, finish and gauge; and (2) instrumentation and automatic controls. As these items are not manufactured in India, the industry has to import them. Import restrictions and procedures being what they are, they have hindered the industry's progress.

(c) *Import of capital goods:* The manufacture of specialised dairy equipment calls for the import of specialised "mother" machines. Here again import restrictions and procedural delays in the processing of import licences have held up the speedy expansion of the industry.

(d) *Volume and nature of demand:* The actual implementation of the dairy schemes has not kept pace with the plan targets while local manufacturers have, by and large, "keyed" the expansion of their capacity to these targets. In the second plan, only about 75 percent of the total allocation earmarked for dairy development was used, but a breakdown of the use in relation to machinery would work out to even less. In the third plan, out of a total provision of Rs. 36 crores, it is estimated that during the first three years of the plan only Rs. 17.5 crores have been used.

Secondly, the types and specifications of equipment required are individualistic and diverse with the result that manufacturing costs are high and delivery periods long. The Indian Standards Institution, however, is seized of the problem; and in close liaison with the dairy machinery committee, manufacturers and consumers, it is making a valuable contribution towards standardisation.

(e) *Procedural delays:* The inevitable delays involved in the processing of import licences for components and raw materials and the ever changing restrictions throw production and order-book schedules out of gear. This is a problem common to most industries.

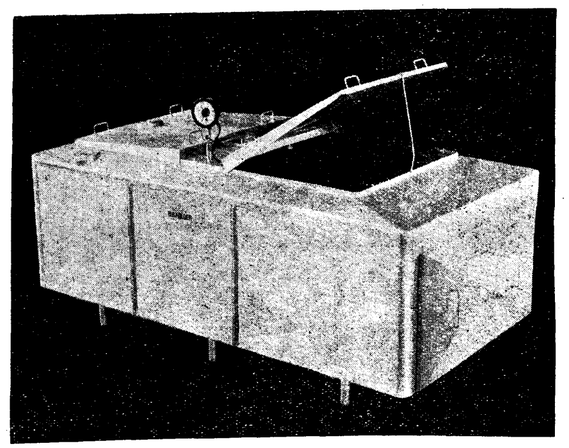
(f) *Import tariff:* Clearing equipment, components and raw materials through Customs is another hurdle. There are instances of duty being levied on items that should have been cleared duty-free. The classification of dairy equipment in the import trade schedule is unsatisfactory and lends itself to different interpretations creating additional problems.

Customs and Excise Levies

There is then the high rate of Customs and excise levies on components and raw materials imported for the local manufacture of equipment, while the import of complete items of equipment do not attract such levies. These levies increase the cost of locally manufactured equipment by about 10 percent as can be seen from the examples cited below.

Nomenclature of equipment	Indigenous price ex-godown, Bombay	Imported price ex-godown, Bombay
10,000 litres insulated tank with inner and outer shells of stainless steel with standard fittings	54,000 (5,500*)	42,000
15,000 —do—	68,500 (6,800*)	55,500
500 litres batch pasteuriser with inner and outer shells of stainless steel with standard fittings	14,815 (1,350*)	10,410
1,820 litres bulk cooler with inner and outer shells of stainless steel with standard fittings	30,200 (2,850*)	21,800

* Indicates approximately the value of Customs and excise duties on imported components and raw materials.



A Gascoigne type milk cooler



A battery of 4,500-litre insulated milk storage tanks

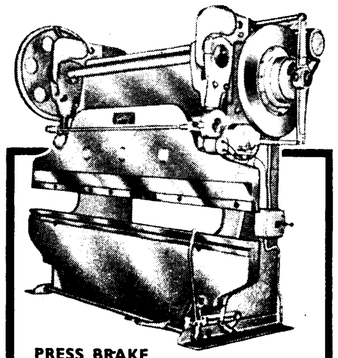
* *Programmes of Industrial Development*, 1961-66 of the Planning Commission. Page 121.

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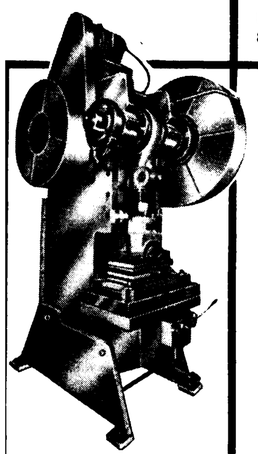
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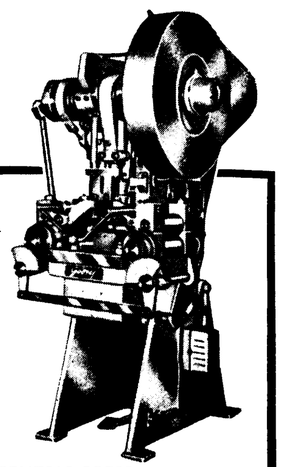


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(g) *"Aid-covered" imports:* Another factor which is impeding the progressive manufacture of indigenous dairy equipment is the import under foreign aids of substantial quantities of such items of dairy machinery for which licensed manufacturing capacity exists within the country. On a conservative estimate, equipment worth about Rs. 10 crores was imported under foreign aids during the last ten years. In the early period, when local manufacture was still in its embryonic stage, import of such equipment was necessary to set the tempo of dairy development. That this was possible under foreign aids, made it all the more welcome. Today such imports represent lost opportunities to the local industry. It is estimated that in the last three years, equipment worth about Rs. 1 crore, which could have been fabricated in the country, was imported under foreign aids. Annexure "A" details the range of equipment presently manufactured within the country.

(h) *Raw materials:* The possibility of obtaining within the country in the near future the quality, finish and gauge of stainless steel required by the industry is not entirely heartening. And stainless steel is one of the basic needs of the industry. Local output is thus inextricably linked with the availability of this raw material.

(i) *Ancillary industry:* Every major industry is supported by an ancillary complex, and the development of such a complex related to the dairy machinery industry is rather discouraging. Until the ancillary industries, particularly instrumentation, make headway, it will not be possible for the local industry to turn out sophisticated equipment without relying on imports.

Raising the Milk Yield

The total milk yield in India in 1961 was estimated at 22 million tons, or a *per capita* consumption of 4.9oz. a day, against a minimum requirement of 10oz. recommended by the Nutrition Advisory Committee. The third plan aims at achieving a 22.5-percent increase in the total milk yield to assure a consumption of at least 6oz. a day an adult as a first step towards meeting the minimum requirements recommended. To handle the planned increase in milk output, it has been decided to (a) complete the implementation of dairy projects initiated during the second plan, (b) expand existing dairy schemes, (c) establish milk schemes in 100 towns, each with a population exceeding 50,000; and (d) establish 30 rural creameries, ten milk product factories and two cheese factories to tap rural milk pockets which are not conveniently located in relation to large consuming centres.

It is estimated that the cost of dairy equipment, exclusive of auxiliary equipment (like boilers, refrigeration plant, and electricals) required for the implementation of these schemes would be of the order of Rs. 2.5 crores in 1965-66, rising progressively to Rs. 5 crores in the subsequent five years.* The present licensed capacity of the local dairy machinery industry is Rs. 2.9 crores and the planned capacity in 1970-71 is Rs. 5 crores.* It is planned to achieve this increase in capacity by expansion of the existing licensed units.* In the near future, the industry expects to cover a wider range of equipment to be manufactured within the country, the details of which are given in Annexure "B".

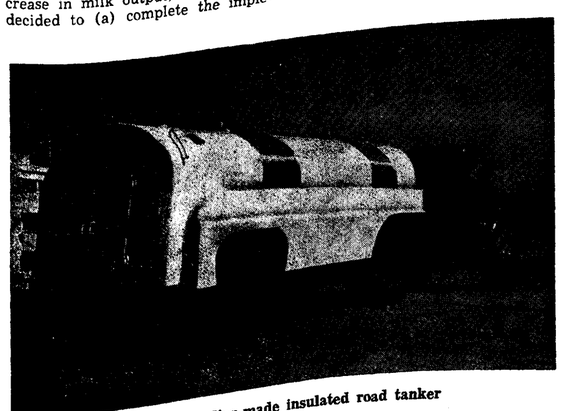
For the healthy growth of the dairy machinery manufacturing industry, it is necessary to sustain demand at least at the level of the industry's licensed capacity. Thus it is necessary to ensure that actual development of the industry keeps pace with the physical targets set out in the plans.

It also follows that the import of such equipment as can be manufactured within the country should not be allowed even under foreign aids, to make inroads into the potential market of the local industry. The non-utilisation of the industry's licensed capacity is considerable. In 1963-64, it is roughly estimated to have been as high as 65 percent. This, by any standards, is wasteful and a developing country such as India's cannot really afford it.

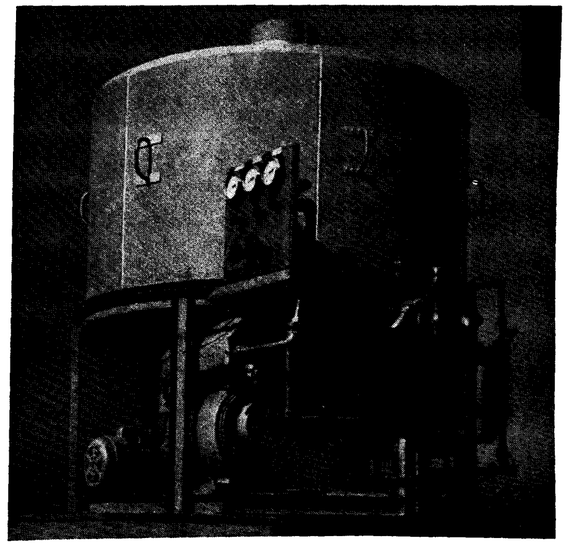
Impressive Progress

In spite of these problems, the dairy machinery manufacturing industry has made an impressive progress, influenced no doubt, by the dynamism of the country's five year plans. The industry's challenge is to provide the requirements of the various dairy schemes for the handling of the increased milk yield as indicated by the plan targets. The industry is aware of its responsibilities and is fully geared to meet the growing demand.

* *Monthly Statistical Commentary on Indian Economic Conditions* of the Indian Institute of Public Opinion. Page 23.



An Indian-made insulated road tanker



An automatic rotary can washer made in India

The various Government departments and agencies have their own problems and the problems facing the industry are not really of their creation, rather they are problems of growth. However, the solution of these problems is important to the future development of the industry. It should, therefore, be the endeavour of the manufacturers, consumers and the Government jointly to evaluate these problems and seek their solution.

Annexure "A"

Dairy equipment being presently manufactured in India

I. Milk reception, cooling and storage

Receiving tanks, drip savers, centrifugal pumps, plate and surface type coolers, uninsulated, insulated and cold walled storage tanks.

II. Can washing

Can washing troughs, steaming blocks, rotary automatic can washers.

III. Processing

Batch and plate type pasteurisers for milk and cream.

IV. Bottling

Manually operated bottle washers and fillers and automatic crate washers.

V. Butter and "ghee" making

Manually operated cream separators, power operated cream separators up to 550 litres an hour, cream ripening tanks, wooden butter churns—manually and power operated, butter-trolleys, butter handling accessories and *ghee* boilers.

VI. Cheese and casein making

Cheese and casein vats, cheese knives, curd mills, hoops, presses. (Only in certain types and sizes).

VII. Bulk milk handling

Bulk milk coolers, transportable milk tanks, insulated road and rail milk tankers.

VIII. Washing and sterilising

Milk pipe washing and sterilising chests, C.I.P. units.

IX. Milk testing

Manually and electrically driven centrifuges, lock stoppers, laboratory fittings, glassware. (Only in certain types and sizes).

Annexure "B"

Dairy equipment planned to be manufactured by the end of fourth plan.

I. Can washing

Straight trough automatic can washers.

II. Processing

Milk condensing equipment, milk spray drying equipment, sterilised milk plants.

II. Bottling

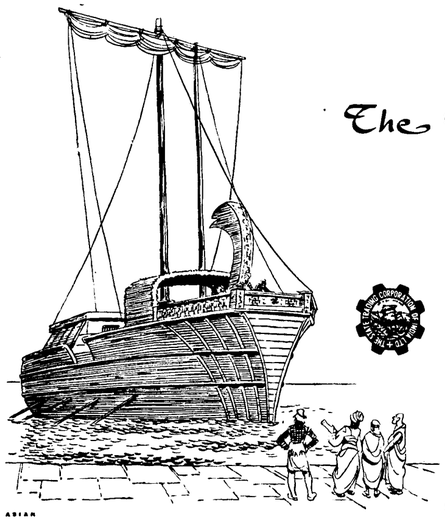
Automatic bottle washers, fillers and conveyors for bottles and crates.

IV. Butter making

Stainless steel power operated butter churns.

V. Ice-cream making

Batch and bar freezers.



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Soap Industry Makes Steady Progress, but Rising Costs Worry Producers

OVER the years, the organised sector of the soap industry in India has made steady progress. Current production is running at the rate of about 160,000 tonnes a year, compared with the 1951 output of 85,000 tonnes. Its growth has, in fact, been more rapid than the rate of increase in the *per capita* income. During the decade covering the first two five year plans, the annual growth rate of the large-scale sector of the soap industry was about 6 percent while the *per capita* income was going up by only 1.7 percent a year.

The industry has been passing through a difficult phase since 1961 when the Government began to impose drastic cuts on the actual user licences granted to soap manufacturers for the import of essential raw materials like palm oil, copra and coconut oil. The practice of issuing

By

S. SRINIVASAN

Public Relations Manager, Hindustan Lever

these licences was totally discontinued during the following year. Palm oil, copra and coconut oil are now being imported under incentive licences which have to be earned by the soap manufacturers by exporting at a loss items like groundnut oil, refined oil and *vanaspati*. There has thus been a sharp increase in the landed cost of imported raw materials. Furthermore, excise duties on washing and toilet soaps have gone up by 79 percent and 66 percent, respectively, during the last three years. Higher transport costs, an increase in the prices of chemicals like caustic soda and indirect taxation on packing materials have also had their share in pushing up the production cost of factory-made soap. Such adverse conditions notwithstanding, the large-scale sector of the industry has emerged with its head "bloody, but unbowed" with an annual growth rate of about 3 percent during the last two or three years.

The development of a fiercely competitive consumer goods industry just does not happen. It is the result of planned, unremitting effort. Soap does not belong to the category of luxury goods, but it is not an absolute necessity like rice or wheat, the demand for which is not sensitive to changes in income. It is a household article that figures in the family budgets of millions, but at the same time is way down the shopping list and might get scored out if the consumer is forced to economise. In a near-subsistence economy like India's, soap is perhaps nearer to the class of luxuries than of necessities.

Right Soap at the Right Price

No doubt, non-income factors like an increase in population, urbanisation, increase in the level of literacy and the villager's urge to emulate the habits of his cousin from the city, do provide a favourable climate for the expansion of the soap market in India. But favourable climate alone cannot push up the active demand for soap. A catalytic agent is necessary which can take advantage of the prevailing conditions to spread the soap-using habit among the millions in this country by offering a right product at the right price, at the right place, and at the right time. This precisely has been the rôle of the more aggressive units among the large-scale manufacturers in the industry.

Barely 20 years ago, the typical large-scale manufacturer's activities were confined to one of booking and executing orders from among customers in important cities and towns who cared to buy soap. In other words, the industry was just "selling" soap, not marketing it. The latter term implies the creation of active consumer demand and its eventual satisfaction. The first step towards broadening the market for soap was taken by the leading units in the industry when they decided to widen and streamline their distribution system. Instead of merely executing orders from customers, the manufacturer began by appointing recognised wholesalers in various cities, whose duty it was to stock and sell soap at reasonable prices and to redistribute supplies in appropriate quantities to retail outlets and feeder markets at regular intervals.

The manufacturer's salesman became a regular visitor to the various wholesale and retail outlets. He booked orders, saw to it that the point-of-sale advertising material was properly displayed, arranged the stocks in the shelves in such a manner as to attract attention and trained the trade strictly to observe the "first in first out" principle in the matter of storing and selling stocks.

Nor was this all. The manufacturer helped the wholesale and retail trade to establish an optimum level of stocks which would not strain the merchant's financial resources, but at the same time, avoid the risk of his running out of supplies. This was of mutual advantage. On the one hand, the manufacturer was able to make a more efficient use of his capital by reducing his pipeline stocks while, on the other, the merchant achieved a given turnover with a smaller investment. Development of road transport and establishment of depots and appointment of clearing and forwarding agents at strategic centres helped this process considerably.

Steady Expansion of Market

Then came the intensive penetration of markets. Starting from towns with a population of not less than 50,000, the manufacturer began to extend his coverage steadily until towns with a population of just 5,000 and over are among his regular markets. Opening up small town markets is not all beer and skittles. Intensive propaganda with the aid of touring vans equipped with loud-speakers, consumer sales off the van counter, practical demonstrations and selling the idea of keeping stocks to the small trader were necessary before people in the town took to buying and using soap regularly. This was an expensive, time-involving process and demanded a great deal of patience and ingenuity on the part of the manufacturer. Once this campaign began to make headway, the merchants in these places became feeders to the shops in still smaller towns and villagers who now and again came to the town for supplies. Planned distribution was supported by persuasive advertising using such diverse media as the Press, posters, point-of-sale publicity material, hand-bills, propaganda vans for the rural areas and films.

Publicity about the existing products alone was not enough. Customers, present as well as potential, had to know all about the new lines manufacturers were bringing into the field and also about the constant efforts to improve the existing products. There was also the question of breaking down the customers' prejudices. The manufacturer's answer to these problems was the introduction of sales promotion schemes including free sampling and door-to-door demonstrations in selected markets. Sales promotion schemes were more or less tailored to the specific needs of a situation. Sometimes it was the customer who needed to be offered an incentive. At other times, the trade required a certain amount of stimulation. A product was selling very well in one part of the country, but was meeting with either trade or consumer resistance in another for various reasons. As for washing demonstrations, it was the most effective way of convincing the housewife that the claims made in the advertisement were not of the tall variety.

Introduction of New Lines

It is not often that the consumer is content to use the same product for long. The industry is only too well aware of this, as can be seen from its efforts to introduce new lines and improve existing ones. It is for ever trying to offer soaps with a better

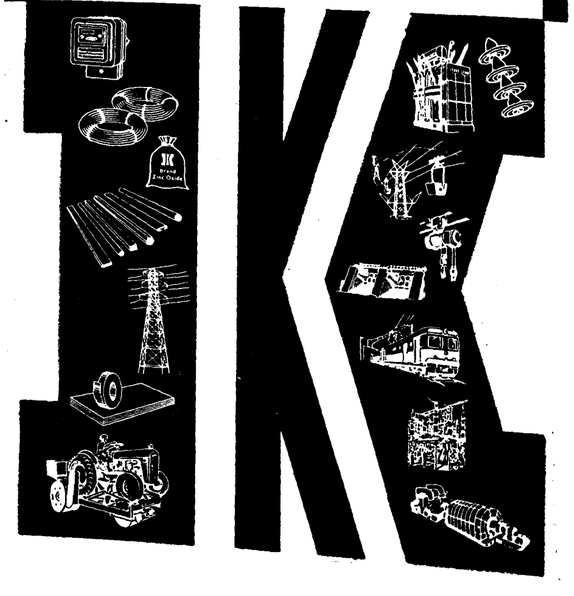
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eye appeal, quality, perfume, colour and packaging. To ensure the economical use of the soap tablets, the housewife was in the habit of slicing the cake into small flakes or chips. The manufacturer was quick to notice this and introduced soap flakes and chips. The next stage was the appearance of soap powder which, when dissolved in water, did the job as efficiently as a cake of soap which has to be rubbed vigorously on to the garment, thus involving a certain amount of physical strain.

From soap powder the industry has now advanced to the stage of offering to its sophisticated customers a synthetic detergent which is very efficient in its performance. It has the added advantage in that, unlike soap, it lathers freely in hard water. From a mere 126 tonnes in 1957 the production of synthetic detergents has risen to about 4,000 tonnes in 1963. Current production capacity for detergents approximates to 20,000 tonnes a year, which also happens to be the target fixed for the third five year plan.

The growing popularity of detergents is a matter of significance to the national economy. First, it will release supplies of edible oils, which are now used in soap manufacture, either for edible purposes or for export. Secondly, it will form a useful outlet for some of the products of the petrochemical complex, which are being planned, and thus stimulate the growth of this vital industry.

Marketing Research

Finally, the essence of marketing lies in the manufacturer's ability to anticipate what the customer is likely to want tomorrow, next year or a few years hence. To find reasonably satisfactory answers to these baffling questions, the manufacturer had to organise at intervals elaborate, expensive and time-consuming surveys of population and income trends, consumer habits, attitudes, motivations and likes and dislikes. Marketing research has thus become an indispensable weapon in the marketer's armoury.

Impressive as the soap industry's progress has been during the last decade and a half, the scope for its future expansion is immense. As can be seen from the table at the end of this article, the *per capita* consumption of detergents in India today is a mere fraction of what it is in developed countries; it is, in fact, very much lower than the consumption figures shown against many developing countries. The leeway to be made up is there for all to see.

It would seem that two sets of attitudes or beliefs are likely to impede the rapid growth of the industry. The first is the naïve but unfortunate view that regards money spent on marketing and advertising as unnecessary expenditure which only pushes up the price to the consumer. This is a dangerous fallacy. The industry owes its prseent stature to the adoption of modern marketing techniques; nor can any significant expansion of the Indian soap market be visualised without a considerable outlay on publicity, marketing research and a well-organised distribution system.

It is seldom realised that such expenditure constitutes only a small percentage of the total cost. Even if all these expenses were saved to reduce the price, the production cost will not come down by more than a naya paisa or two for each cake of soap. Expenditure devoted to marketing and advertising, on the other hand, is vitally necessary not only for retaining the existing market, but for increasing it progressively over a period of years. What is more, marketing and advertising encourage mass consumption which, in turn, makes possible economies of scale, which ultimately tend to reduce the unit cost.

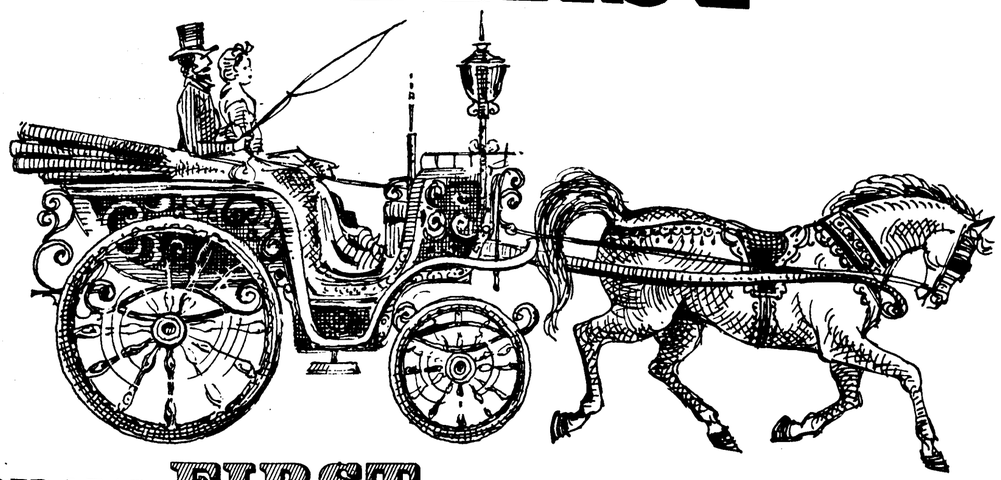
Distribution of Capacity

The second impediment relates to certain notions about the distribution of production capacity among manufacturers. As is the case with many a consumer goods industry, the rate of utilisation of capacity is by no means uniform among the various units. The more go-ahead of them have naturally lesser idle capacity than the others. The organised sector's registered capacity is arrived at by adding the capacities of individual units. On this basis, current capacity is 227,000 tonnes of soap a year. The current production is 160,000 tonnes. Taking into account past experience and current trends, the demand for soap produced by the organised industry at the end of the fourth plan, at a realistic estimate, will be around 270,000 tonnes. Therefore, it is necessary to allow substantial expansion for the industry to meet the future demand. As it takes time to build new capacity, the sooner the expansion is allowed, the easier it will be for the industry to plan economically and efficiently. Undue delay in the granting of permission for raising capacities will only harm the consumer, the industry and the national economy.

PER CAPITA CONSUMPTION OF DETERGENTS—1963

	(In lbs)
U.S.A. ...	31.73
United Kingdom ...	26.85
Australia ...	25.93
Canada ...	24.83
Switzerland ...	24.69
Netherlands ...	24.55
Belgium and Luxemberg ...	24.55
Aden ...	22.81
Argentina ...	22.23
Sweden ...	21.89
France ...	21.49
Denmark ...	21.31
West Germany ...	20.56
Italy ...	18.61
Portugal ...	18.55
Spain ...	14.71
South Africa ...	14.49
Mexico ...	14.09
Austria ...	13.99
Brazil ...	11.82
Ireland ...	11.70
Malaysia ...	7.69
Philippines ...	6.97
Turkey ...	6.69
Ghana ...	6.37
Congo ...	5.73
Iraq ...	5.52
Nigeria ...	4.07
Ceylon ...	3.92
British Guiana ...	3.48
British East Africa ...	3.18
India ...	2.88
Burma ...	1.46
Thailand ...	1.34
Pakistan ...	1.21
Indonesia ...	1.16

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Paint Output Rising: Raw Material Shortages the Main Worry

THE coming decade offers the paint industry possibly its greatest challenge and opportunity. This is because the projected demand by 1974 is of the order of some 400,000 tons, while present production is only a quarter of this figure.

Paint is an ancillary product, as something has to be made first before it can be painted. It is essential for the protection of steel and for decorative purposes. Every million tons of steel require 15,000 tons of paint and every million tons of cement use 3,000 tons. Thus the projected output of about 18 million tons of steel by the end of the fourth plan will alone require over 250,000 tons of paint, while 150,000 tons will be needed for new

By

F. H. KAPADIA

constructions and for maintenance of existing structures.

The paint industry has grown at an approximate rate of 10 percent, and the recently assessed production in both the scheduled and small-scale sectors for the years 1957 to 1960 is as under:

Year	Tons
1957	55,942
1958	61,387
1959	67,842
1960	72,470

The production for 1963 is estimated at 90,000 tons, and it is expected to exceed 100,000 tons this year.

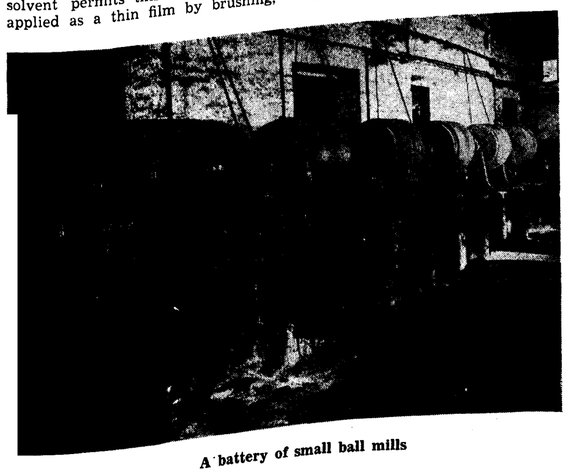
Paint may be considered to be made up of three essential components—pigments, resins and solvents. Driers constitute the fourth essential, but their use depends on the nature of the resin. The resin binds the pigment particles together and the solvent permits this mixture to be applied as a thin film by brushing, spraying, flowing, dipping, etcetera. The solvent evaporates leaving the thin film of paint which hardens into a coating that protects and beautifies the surface on which it is applied.

The manufacture of paint involves the dispersion of pigments in the combination of resins and solvents. The pigment is introduced as a finely ground powder, and the purpose of the machines is not to grind the pigment further but to put in the energy required to separate the individual particles of the pigment and to coat each particle with the combination of resin and solvent. Only surface forces are involved, and modern technology uses many additives in small quantities to assist in the wetting and suspension of the individual particle and in maintaining it in that stage until applied.

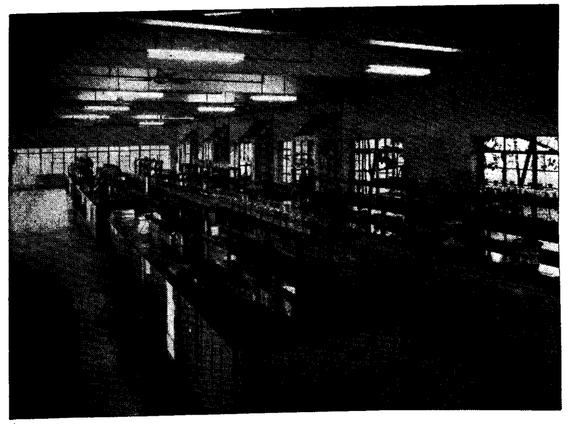
The performance of a paint thus depends on the properties of the pigments and resins used in its manufacture, and it is essential that both these meet the requirements of the end-user. Thus it is not possible to use acid resisting resins with non-acid-resisting pigments (or *vice-versa*) and expect to get an acid-resisting product. An acid-resisting resin can only give a transparent coating, without any colour, while the pigment by itself is only a powder and cannot adhere. Only raw materials of the proper quality can produce a proper paint.

Resins

The term "resin" was originally applied only to the natural exudations from trees which formed a hard mass. These resins were soluble in water or vegetable oils, and when dissolved in water gave gums and when cooked in oil gave varnishes. Casein from milk and shellac can also be termed resins, though not of plant origin. With the advance of chemistry in the latter half of the 19th century, a great number of chemical compounds were identified and attempts to reproduce the processes of nature gathered momentum. Silk was a prized product and the idea to produce it from cellulose nitrate, a modification of another natural fibre, cotton, led to the great artificial fibre industry of today.



A battery of small ball mills



Laboratory attached to a paint factory

But the manufacture of synthetic resins eluded scientists till the turn of the 20th century when Baekland found that phenol and formaldehyde reacted to give a resinous mass that set upon further heating to a hard, insoluble infusible substance. Following this, natural pine rosin was modified with phenolic resin to give products of higher melting point not affected by water. Alkyd resins, involving the combination of glycerine and phthalic anhydride, with varying ratios of vegetable oil came as an improvement over the oil alone. The combination of urea with formaldehyde to give resins similar to phenol formaldehyde, but water-white in colour was followed by the discovery that melamine gave still better products.

All these developments took place as the chemical industry developed and new chemicals became available in high purity at reasonable rates. Research led the way and found new uses and as the demand grew special plants came up offering more and more of these chemicals at progressively lower prices.

The second World War greatly accelerated the development and growth of the chemical industry in Europe and the U.S.A. and the period that followed saw the introduction of many new materials. The synthetic resins field was revolutionised by "plastic emulsions", and a variety of products such as acrylics, vinyls, epoxies, silicones and polyurethanes, made it possible for the paint technologist to formulate coatings for the most stringent requirements. It was suddenly no longer impossible to offer paints capable of standing temperature of 500°C to 600°C, or of withstanding intermittent immersion in concentrated nitric acid or chromic acid.

Developments in pigments have not perhaps been as great as in the synthetic resin field, but colours of excellent stability and very high resistance to chemicals have been made available such as the phthalo-cyanine blues and greens. The most rapid growth has been that of titanium dioxide, and in spite of a tremendous increase in production the world over, the demand still grows for this excellent white pigment which has proved most versatile in use.

Synthetic Resins and Pigments

Rosin modifications were manufactured just before the war and today there are about a dozen large manufacturers making a variety of products. The total capacity of all manufacturers is of the order of 15,000 tons and of this about 75 percent is in resins used for surface coatings. The balance is for plywood glues, special resins such as polyesters, etcetera.

Local manufacture satisfies the requirements for alkyd resins and rosin modifications, but substantial quantities of the newer resins have to be imported to meet India's growing requirements. These imports are essential until the chemical industry grows to the stage of making available the various products used in the manufacture of these products. In planning for this, it should be remembered that the usage of resins will increase rapidly and will be much more than proportionate to the increase in paint output. An example is provided in the U.S.A. where the production of resins in 1930 was of the order of 5,000 tons, but by 1955 it had exceeded 350,000 tons and is today double this figure. Similarly, on the assumption that current consumption is 8,000 tons in a total production of 90,000 tons, it would be reasonable to estimate a usage of

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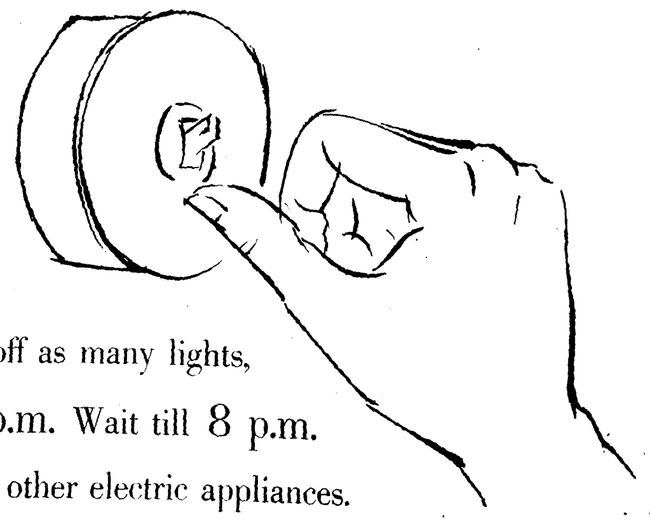
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The manufacture of pigment colours commenced very recently, and this industry has acquired a reasonable amount of know-how within the last decade. Progress has been impressive in chrome yellows and greens, and in iron blues, and a reasonable range of organic pigments has become available. Titanium dioxide demand has continued to outrun local manufacture, and the recent expansion of capacity to 18 tonnes a day does not satisfy the needs of the paint industry, which is the major customer. The reported decision to set up an extension with a capacity of 50 tonnes a day will considerably help matters if it is expedited, as very substantial imports will be needed otherwise.

Raw Materials	Production (in tons) 1953	1958	1963
Titanium dioxide	—	1,715	4,030
Aluminium paste	24	333	420
Zinc oxide	3,886	8,825	10,668
Lead oxide pigments	3,570	7,216	9,170
Synthetic resins (alkyds, phenolics maleics and P.V.A.) ...	316	2,228	7,094
Chrome colours	393	802	1,340
Prussian blue	49	172	370
Brunswick green	12	95	190
Ultramarine blue	—	902	2,312
Industrial solvents (butyl alcohol, butyl acetate and ethyl acetate) coal tar solvents (in thousand litres)	1,731	5,900	24,522
Plasticisers (in thousand litres)	—	—	1,130

The growth of the pigment colour industry is tabled below along with figures for industrial solvents and plasticisers:

Manufacture of Machinery

The manufacture of various types of machinery has progressed considerably with the establishment of various ancillary industries manufacturing components. The initial manufacture consisted of items such as simple types of horizontal and vertical mixers and ball mills and edgerunner mills. The ball mills were, however, of the unlined mild steel type, and not very satisfactory.

Recently, there appears to be considerable interest among foreign manufacturers of paint machinery to produce these items in India. A U.K. firm has already established by subcontract and assembly the manufacture of horizontal and vertical mixers, water-cooled manganese steel lined ball mills, steatite lined pebble mills, kinetic mixers, etcetera.

There has been a considerable advance in the production of paint manufacturing machinery, and equipment used in Europe and the U.S.A. consists of turbine agitators, high-speed mixers, in-line and circulating mixers, attritors, sand grinders, etcetera. All these have been designed with a view to occupying smaller space, continuing lesser power consumption and reducing the processing time. So they offer considerable economies.

As India's economy progresses, the paint industry will continue to grow and will have to keep pace. Today the industry can meet the exacting demands of its more sophisticated customers in the engineering industry, in chemical and fertiliser plants, irrigation and power projects, refineries, railways and in harbours and shipping. But to continue to meet this demand it is essential that the raw materials are available. It is amazing how readily a chain of events can be started even if some minor material is missing—for want of a nail the battle can be lost.

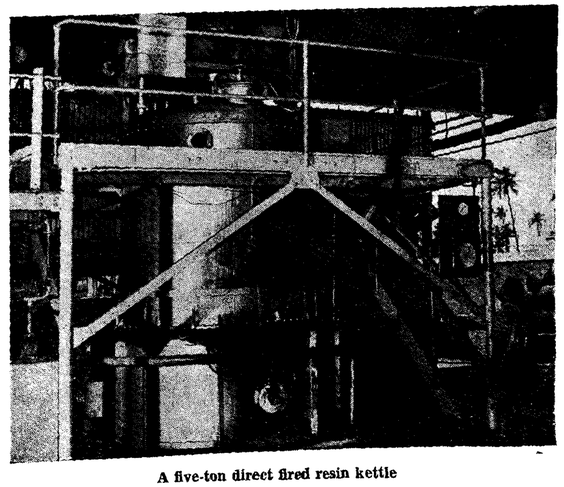


Unirolls used for manufacturing enamels

The list below shows the main consumers:

Currently the paint industry is experiencing serious shortages. Tinplate has become scarce, and container manufacturers cannot meet their commitments. The same is the case with essential lead and zinc pigments; copper pigments used in marine paints have also become unavailable. The shortage of lead and zinc is also reflected in inorganic pigments where chrome yellows and zinc chromate cannot be made due to the shortage of metals. It is to be hoped that prompt arrangements for raising the imports will be made by the authorities.

The Indian paint industry today has the necessary know-how and personnel to cater to a very wide variety of requirements. It offers over 2,000 different products and uses about 500 different materials in their manufacture. Given these materials in sufficient quantities, it can meet all the demands adequately.



A five-ton direct fired resin kettle

Name of industry	Third plan targets	Likely achievement by 1965-66
1 Cement (in million tons) ...	13.5	12
2 Steel finished (in million tons)	6.8	5.8
3 Machine tools (in Rs. crores)	30	25
4 Sugar mill machinery (in Rs. crores)	14	14
5 Cement machinery (in Rs. crores)	4.5	4.5
6 Textile machinery (in Rs. crores)	20	20
7 Paper machinery (in Rs. crores)	6.5	6.5
8 Commercial vehicles (in thousand Nos.)	60	54
9 Jeeps/station wagons (in thousand Nos.)	10	10
10 Cars (in thousand numbers)	30	25
11 Railway rolling stock		
(a) Wagons in terms of four wheelers (in thousand Nos.)	35.5	40
(b) Passenger coaches (in thousand Nos.)	2.5	1.6

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Aluminium Output Rising: Need to Increase Capacity Further

By
A SPECIAL CORRESPONDENT

ALUMINIUM has made gigantic strides in recent years. What was once a costly curiosity for emperors and scientists has now become a highly useful tool for the development of modern industry. It has lent its versatile qualities to the manufacture of a fascinating variety of capital and consumer goods. India has now definitely entered the aluminium age. So a critical assessment of the problems and prospects of the industry should merit serious attention. Although the aluminium industry in India is only about a quarter century old, it has a record of impressive progress and a promising future. The development of the industry since 1950 is indicated in Table II on this page, which shows the estimated primary production, secondary production from scrap, net imports, and apparent consumption of aluminium in India during 1950-63.

It will be observed that the progress up to 1958 was somewhat uncertain, but since then the industry has been developing steadily. In the context of the acute shortage of indigenous ore resources, for the production of other non-ferrous metals, which are largely imported (involving a continuously increasing drain of the country's chronically meagre foreign exchange reserves), it is in the national interest to encourage the growth of the aluminium industry and the replacement of other metals and materials by aluminium, for the production of which India has abundant raw materials.

It is interesting to note that the industry in India has undergone a dramatic transformation in recent years, adapting itself to the changing needs. At one time, aluminium was almost entirely a "pots and pans" industry, used for the manufacture of utensils. Today, it is a vital raw material required for the electrical industry, transportation, canning and packaging, building and construction, other industrial and engineering equipment (including food, textiles, chemicals, sewage, mining, nuclear engineering, etcetera), defence and ordnance, and miscellaneous uses, in addition to its use for utensils and household appliances. Aluminium has not only come to stay as a basic industry, on which depends the development of a host of industries producing a wide range of capital goods, consumer goods and services, but it has consolidated its position by successfully competing with and displacing numerous other metals and materials from their established markets. New uses are developing in spite of competition with a host of alternative materials, old and new. Aluminium utensils are competing very satisfactorily with cast iron, steel, stainless steel, copper, brass, enamelware and earthenware.

Aluminium roofing, panelling and structurals are competing with asbestos-cement, galvanised iron, steel and timber in building and construction, transportation and other industries. Aluminium foils, container sheets and impact extrusions are good substitutes for tin, lead, paper and plastics, in the field of canning and packaging. Aluminium coins are in the process of being substituted for small denomination cupro-nickel currency. Aluminising is being introduced in place of galvanising. And, by no means least, aluminium conductors and cables are fast replacing copper.

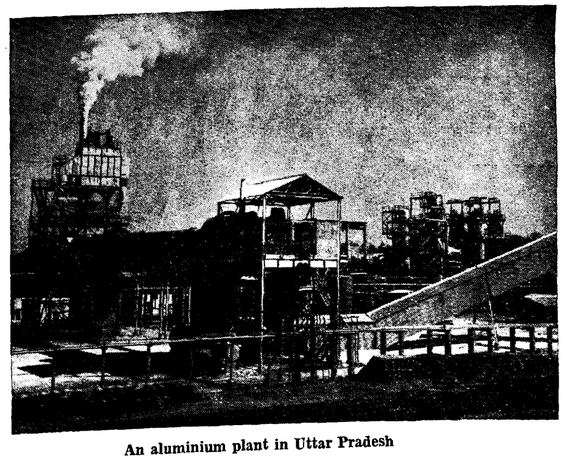
Uses of Aluminium

The uses of aluminium are determined by the following attributes (and especially their versatile combination) which explain its consumer-appeal: (i) extreme lightness and mobility: (ii) high strength, with very high specific tenacity or strength-weight ratio (There are aluminium alloys with ultimate tensile strength as high as 42 tons a square inch or 66.15 kg/mm², far exceeding that of mild structural steel which has a tensile strength of about 30 tons a square inch or 47.25 kg/mm²); (iii) high-corrosion-resistance, and hence long economic life and low maintenance cost, as also high scrap value; (iv) non-toxic, hygienic character and resistance to moisture, light and heat; (v) high thermal and electrical conductivity; (vi) high reflectivity of radiant heat and light; (vii) non-magnetic and non-sparking properties; (viii) ease of machining and fabrication (for casting, extrusion, machining, cold forming, forging, joining, surface finishing, arodic oxidation, electroplating and painting); (ix) extremely attractive brightness, finish and colour-anodising; and (x) comparative cost advantage on a long-term basis.

Table V on page 71 incorporates the 1965-66 and 1970-71 pattern of estimated demand for aluminium in India, with break-up of both industrial end-uses and product-mix requirements.

The total demand for aluminium has been estimated at 125,000 tonnes for 1965-66, and 259,000 tonnes for 1970-71. This signifies a growth rate of about 16 percent a year during the fourth plan period. The industrywise pattern of demand and the *per capita* consumption of aluminium in India are compared with those in the U.S.A., the U.K. and Italy, in Table III on the following page.

Having analysed the demand for aluminium, one should turn to the supply position. Table V gives the estimated demand for aluminium on a productwise (as also industrywise) basis. Table VI on page 71 analyses the relationship between the demand and supply of aluminium semi-fabricated items. A provision of about 10 percent for 1965-66 and about 8 percent for 1970-71 has been made for additions to stock and production reserves, on top of the estimated con-



An aluminium plant in Uttar Pradesh

Table I

PRIMARY ALUMINIUM PRODUCTION CAPACITY BY 1965-66 AND 1970-71

Producer		1965-66 (capacity) (Metric tons)	1970-71 (capacity) (Metric tons)
Aluminium Corporation of India, Ltd	..	8,000	8,000
Indian Aluminium Company, Ltd	..	35,000	35,000
Hindustan Aluminium Corporation, Ltd	..	40,000	60,000
Madras Aluminium Company, Ltd	..	10,000	10,000
		93,000	1,13,000
(Also proposed, but uncertain)			
Mysore project	..	30,000	30,000
Madhya Pradesh project	..	25,000	25,000
Maharashtra project	..	20,000	20.000
		168,000	188,000

Table II

PRODUCTION, IMPORT, AND CONSUMPTION OF ALUMINIUM IN INDIA (1950-63)

(Quantities in '000 metric tons)

	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963
Primary production ..	3.6	3.9	3.6	3.8	4.9	7.3	7.2	7.8	8.2	17.2	18.2	18.4	34.7	55.2
Net imports ..	5.6	6.6	6.5	5.4	9.6	15.6	14.0	20.5	19.0	19.0	23.0	27.0	37.5	20.8
Apparent primary consumption ..	9.2	10.5	10.1	9.2	14.5	22.9	21.2	28.3	27.2	36.2	41.2	45.4	72.2	76.0
Secondary production from scrap ..	1.8	2.0	1.9	1.8	3.0	4.1	4.3	4.7	4.8	5.8	6.3	6.6	7.8	8.0
Apparent aluminium consumption* ..	11.0	12.5	12.0	11.0	17.5	27.0	25.5	33.0	32.0	42.0	47.5	52.0	80.0	84.0

* Additions to stock and production reserves will have to be deducted from the figures of apparent aluminium consumption shown.

sumption. While estimating the installed production capacity required, a provision of about 12.5 percent has been made for unused capacity (due to power cuts, raw material shortages, mechanical faults, labour unrest, etcetera) and loss of metal during fabrication, etcetera, which has been added to the total demand for primary metal.

Installed capacities in 1965-66 and 1970-71 for the production of primary aluminium are expected to be as shown in Table I on the previous page.

Primary Output Capacity

As against the requirement of about 145,000 tonnes of installed primary production capacity in 1965-66, the expected availability is only 93,000 tonnes, leaving a shortfall of about 52,000 tonnes. The 1965-66 requirement of about 316,000 tonnes compares with a fairly certain supply of about 113,000 tonnes, which may go up to about 188,000 tonnes, if one takes into account the projects which are still in an uncertain position. In any case, the gap to be filled is huge, which calls for immediate attention to the need for licensing and installing additional manufacturing capacity, as it takes considerable time for units to go into production, even after the licences are sanctioned.

It is necessary to point out that the smelting and fabricating facilities should be properly inter-related, and the supply should conform to the market specifications. Otherwise, one will find a recurrence of the unenviable situation, where primary producers have unsold stocks (adding to their cost of production), the fabricators have idle capacity for want of the metal in the required shape and specifications (thereby increasing their manufacturing costs), and the consumers have to pay unnecessarily higher prices for whatever little material is available for supply.

The overall cost of production of aluminium in India is much higher than that of leading producers abroad, on account of the following factors: (i) Non-optimum size (small) manufacturing units, with high overheads; (ii) high cost of electric (especially thermo-electric) power and inadequacy of power supply (which constitutes nearly 25 percent of the production cost of aluminium); (iii) high cost of imported machinery and equipment, and high depreciation costs; (iv) inadequacy of transport facilities and high freight rates and (v) low productivity, due to lack of adequate technical know-how and underdeveloped techniques of management and work study.

Table III

SOME INTERNATIONAL COMPARISONS OF ALUMINIUM USE

	U.S.A. 1961	U.K. 1961	Italy 1961	India* 1960-61	1965-66	1970-71
National income (Rs./a head) figures at 1952 53 prices	12.500	6,500	2,800	325	380	450
Aluminium consumption (Kg/a head) ..	12.2	6.9	2.1	0.09	0.25	0.45
Industrial end-use of aluminium :						
Electrical ..	12.1%	10.8%	7.3%	35.6%	48.4%	48.2%
Utensils and household appliances ..	12.2%	10.8%	7.5%	24.4%	20.0%	17.3%
Transportation ..	23.6%	30.4%	42.8%	15.5%	10.4%	10.5%
Canning and packaging ..	7.7%	8.4%	10.1%	6.7%	5.6%	5.8%
Building and construction ..	26.9%	10.1%	10.8%	6.7%	4.0%	5.0%
Other ..	17.5%	29.5%	21.5%	11.1%	11.6%	13.2%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Plus exports as percentage of domestic use ..	7.1%	17.1%	5.5%	—	1.6%	12.9%

* Estimated

While setting up additional manufacturing units, account should be taken of the fact that an aluminium producing unit, in order to run economically, should have a capacity of at least 30,000 tonnes a year, if not higher. Comparative installation costs at various production levels are shown in Table IV on this page.

The position concerning the cost of electric power, supply of power, cost of machinery and equipment, transport facilities and freight rates is expected to improve gradually, with greater Government attention to the importance of the aluminium industry. Meanwhile, it is necessary to improve productivity, through more stress on product development, specialisation, standardisation of processes; market, consumer, and product research to ensure correct quality standards; process planning and research to ensure correct selection of machines and correct operation of processes; production and material control to plan the work content and raw material supply suitably; personnel policy to ensure proper selection, proper incentives and improved working conditions; organisation and method study, and management and worker-training to improve working methods; and, above all, proper co-ordination of men, machines and materials at all stages.

Table IV

COMPARATIVE INSTALLATION COSTS* OF ALUMINIUM PLANTS OF VARIOUS CAPACITIES

(Installation cost in Rs. a tonne)

	For 10,000 metric tonnes a year unit	For 20,000 metric tonnes	30,000 metric tonnes	60,000 metric tonnes	100,000 metric tonnes
Mines ..	800	500	400	300	200
Alumina ..	3,000	2,300	1,800	1,600	1,400
Smelter ..	4,500	3,700	3,300	3,200	3,100
Total ..	8,300	6,500	5,500	5,100	4,700

* Excluding cost of financing, interest on loans, technical fees, working capital, start-up requirements and establishment costs; and applies to integrated smelter and alumina facilities.

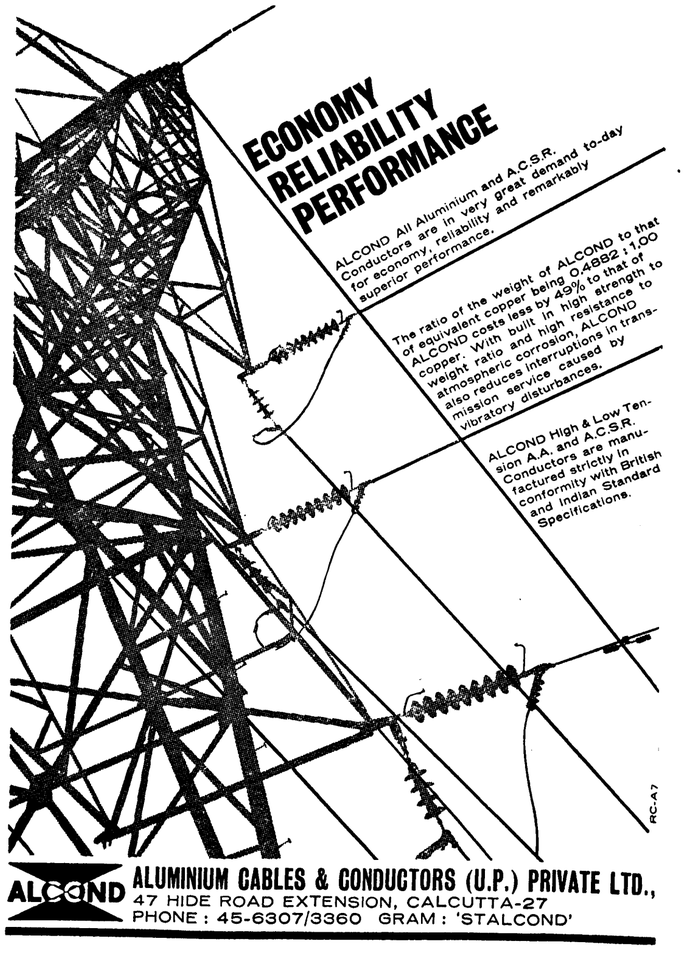


Table V

PATTERN OF ESTIMATED DEMAND FOR ALUMINIUM IN 1965-66 AND 1970-71

Product-mix Requirements (tonnes)

Industrial End-use	Share of total demand	Total demand	E.C. rods	Rolled Products: Sheets, plates, circles, coils, strips	Rolled Products: Impact extrusions (from slugs)	Rolled Products: Foils	Extrusions	Casting alloys	De-ox (shots., notched bars, pellets)	Powder and paste
1965-66										
(1) Electrical industry ..	48.4%	60,500	54,550	960	168	312	2,800	1,710	—	—
(2) Utensils and household appliances ..	20.0%	25,000	—	21,000	300	—	500	3,200	—	—
(3) Transportation ..	10.4%	13,000	—	5,250	—	—	3,180	4,570	—	—
(4) Canning and packing ..	5.6%	7,000	—	2,000	1,000	4,000	—	—	—	—
(5) Building and construction ..	4.0%	5,000	—	3,035	—	—	1,965	—	—	—
(6) Other industrial and engineering equipment (food, textile, chemical, sewage, mining, nuclear etc.) ..	2.0%	2,500	—	1,500	—	—	500	500	—	—
(7) Defence and ordnance ..	3.2%	4,000	—	2,000	—	—	800	800	—	400
(8) Miscellaneous uses ..	6.4%	8,000	50	1,250	—	50	100	250	5,200	1,100
	100.0%	125,000	54,600	36,995	1,468	4,362	9,845	11,030	5,200	1,500
1970-71										
(1) Electrical industry ..	48.2%	125,000	109,000	2,315	441	674	7,000	5,570	—	—
(2) Utensils and household appliances ..	17.3%	45,000	—	37,550	550	—	1,000	5,900	—	—
(3) Transportation ..	10.5%	27,000	—	10,880	—	—	6,530	9,590	—	—
(4) Canning and packaging ..	5.8%	15,000	—	4,000	2,500	8,500	—	—	—	—
(5) Building and construction ..	5.0%	13,000	—	8,250	—	—	4,750	—	—	—
(6) Other industrial and engineering equipment ..	2.7%	7,000	—	4,400	—	—	1,400	1,200	—	—
(7) Defence and ordnance ..	3.9%	10,000	—	5,000	—	—	2,000	2,000	—	1,000
(8) Miscellaneous uses ..	6.6%	17,000	70	1,550	—	70	140	670	11,000	3,500
	100.0%	259,000	109,070	73,945	3,491	9,244	22,820	24,930	11,000	4,500

Table VI

DEMAND FOR AND SUPPLY OF ALUMINIUM SEMIS IN INDIA BY 1965-66 AND 1970-71

(Quantities in tonnes)

Item	Consumption in India	Plus production reserves and additions to stock	Plus export possibilities	Total demand for aluminium	Less recovery of secondary aluminium from scrap	Total demand for primary aluminium	Production capacity required	Production capacity licensed or expected
1965-66	54,600	5,500	—	60,100	—	60,100	68,000	73,800
(1) E.C. Rods ..	42,825	3,750	1,500	48,075	6,500	41,575	47,000	47,500
(2) Rolled products ..	36,995	3,200	1,000	41,195	6,500	34,695	39,200	See above
(a) Sheets, plates, circles, coils, strips ..	1,468	150	—	1,618	—	1,618	1,800	N.A.
(b) Impact extrusions (from slugs) ..	4,362	400	500	5,262	—	5,262	6,000	7,400
(c) Foils ..	9,845	900	200	10,945	—	10,945	11,500	7,200
(3) Extrusions ..	11,030	1,200	—	12,230	2,000	10,230	11,500	N.A.
(4) *Castings and alloys ..	5,200	500	—	5,700	1,500	4,200	4,300	N.A.
(5) *De-ox (shots, notches, bars, pellets, etcetera) ..	1,500	150	300	1,950	—	1,950	2,200	N.A.
(6) Powder and paste and other ..	125,000	12,000	2,000	139,000	10,000	129,000	145,000	N.A.
Total								
1970-71	109,070	9,000	2,000	120,070	—	120,070	135,000	85,800
(1) E.C. rods ..	86,680	7,250	14,000	107,930	13,000	94,930	107,800	58,500
(2) Rolled products ..	73,945	6,300	12,000	92,245	13,000	79,245	90,000	See above
(a) Sheets, plates, circles, coils, strips ..	3,491	250	500	4,241	—	4,241	4,800	N.A.
(b) Impact extrusions (from slugs) ..	9,244	700	1,500	11,444	—	11,444	13,000	7,400
(c) Foils ..	22,820	1,650	1,500	25,970	—	25,970	29,200	9,200
(3) Extrusions ..	24,930	2,000	1,000	27,930	4,000	23,930	27,000	N.A.
(4) *Castings and alloys ..	11,000	800	500	12,300	3,000	9,300	10,500	N.A.
(5) *De-ox (shots, notches, bars pellets, etcetera) ..	4,500	300	1,000	5,800	—	5,800	6,500	N.A.
(6) Powder and paste and other ..	259,000	21,000	20,000	300,000	20,000	280,000	316,000	N.A.
Total								

* Not falling within "semis" category, but data have been given for convenience.



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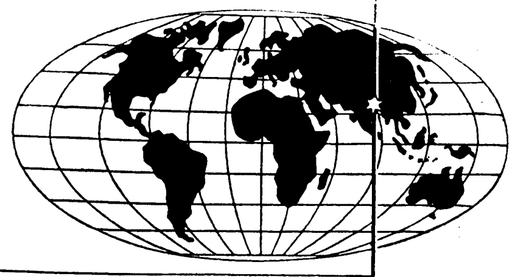
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Programme for Manufacture of Heavy Electrical Equipment

THE heavy electrical industry, by and large, caters for equipment required for the generation and transmission of power and also for power-consuming devices in large industrial establishments. These include turbines and generators, power transformers, switchgear, large industrial motors, and power rectifiers. The light electrical industry provides equipment required for the distribution and consumption of electricity and includes such items as small transformers, motors, cables, fans, and lamps. At the present time, the manufacture of heavy electrical equipment has been entrusted largely to the Heavy Electricals (India) Ltd, which is a Government-owned undertaking with factories located in Bhopal, Hardwar, Hyderabad and Tiruchy. The Bhopal factory has already started production in certain lines while the other three are still under construction.

A few factories in the private sector have also been licensed to manufacture a limited range of heavy electrical equipment mainly for transformers and switchgear. However, the whole of light electrical equipment manufacture has been entrusted to private companies, and a major part of the country's need for these items is already being met by them.

By
S. SWAYAMBU,
Director (Technical) and Chief Engineer, Heavy Electricals (India) Ltd

Power Development Plans

The demand for heavy and light electrical equipment closely follows the programme of power development in the country. The total power generation capacity which was 1.1 million kilowatts at the beginning of the first five year plan will rise to about 12 million kilowatts at the end of the third plan, that is, March 1966. This rate of growth is indeed very high from any standard and is an essential requirement for the rapid economic growth of the country. Side by side, with the increase in power generation, extensive transmission systems are also developing all over inter-connecting State grids. This has brought about the adoption of higher transmission voltages. Many power systems have commissioned 220 kV lines and it is almost certain that 400 kV lines would be constructed in the fourth plan.

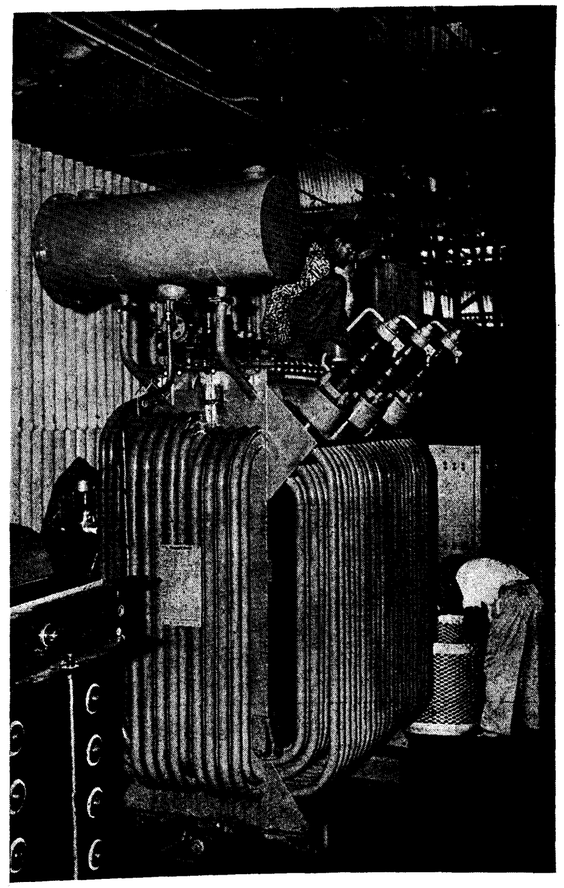
The Government of India decided towards the end of the first plan period that a heavy electrical industry should be established in Bhopal for the manufacture of large transformers, switchgear, capacitors and traction motors. The scope was then extended to cover the manufacture of large industrial motors and generators and also hydraulic and steam turbines. This factory will be capable of manufacturing annually 3 million kVA of power transformers with possibilities for further increase to 6 million kVA. The combined output of hydro and thermal turbines with associated generators is planned for a million kilowatts with scope for increase to 1.5 million kilowatts a year.

Since 1961, power transformers of varying sizes numbering over 120 with an agregate capacity of over 1,000 MVA have been produced in Bhopal and shipped to 14 electricity undertakings. Most of them have been installed and are working satisfactorily. The sizes range from 1 MVA to 75 MVA. for voltages up to 132 kV. As skill and techniques are learnt, the programme of manufacture will be restricted to larger sizes for higher voltages. Plans are being made to take up 220 H.E.L. transformers for size up to 200 kVA. An essential feature of the transformer programme consists of the manufacture of condenser bushings and on-load tap changers, which are really intricate accessories made for the first time in India. Similarly, various units of switchgear complete with instruments and relays have been supplied to several electricity systems and the range includes 11 kV metalclad gear, 33 kV and 66 kV bulk oil breakers and 132 kV air blast circuit breakers with the necessary instrument transformers and other accessories.

Capacitors manufactured in the factory for a total of 84,000 kVA at a medium voltage have been supplied to a number of industries. Preparations are being made for the manufacture of high voltage capacitors in due course. As for traction motors, the factory has recently completed over 75 numbers 1,500 volts D.C. machines for the railways in the Bombay region. The railways have already started constructing an extensive 25 kV A.C. traction system. They are also setting up a diesel electric locomotive factory in Varanasi. The electric motors, generators and controlgear for these programmes will be made in Bhopal, and the annual output for these machines would grow to about 2,000 pieces during the next five or six years. Preliminary designs and production planning for large industrial motors for sizes up to 5,000 horse-power are in hand. The manufacture of hydro-electric generating plants for two power-stations, one in U.P. and the other in Punjab has commenced already and are scheduled to be completed during 1967.

Three New Factories

The programme of production in these three factories is as follows:



A power transformer ready for use

Hardwar: (Production to commence in 1967)

(i) Hydro-turbines and Generators in unit sizes up to 100 MW ...	Capacity a year	1,200 MW
(ii) Steam-turbines and generators in unit sizes 100 and 200 MW	,,	1,500 ,,
(iii) Medium-sized and heavy A.C. and D.C. machines up to 9,000 kW in size	,,	515 ,,
The total annual output in	value = Rs. 40 crores.	

Hyderabad: Production to commence in 1965.

Steam-turbine and generators in unit sizes of 55 and 100 MW	Capacity a year	800 MW
Total annual output ...	= Rs. 14 crores	

Tiruchi: Production to commence in 1965.

Hight pressure boilers for power-stations to match the generating plant made in Hyderabad ...	... ... Rs. 20 crores.

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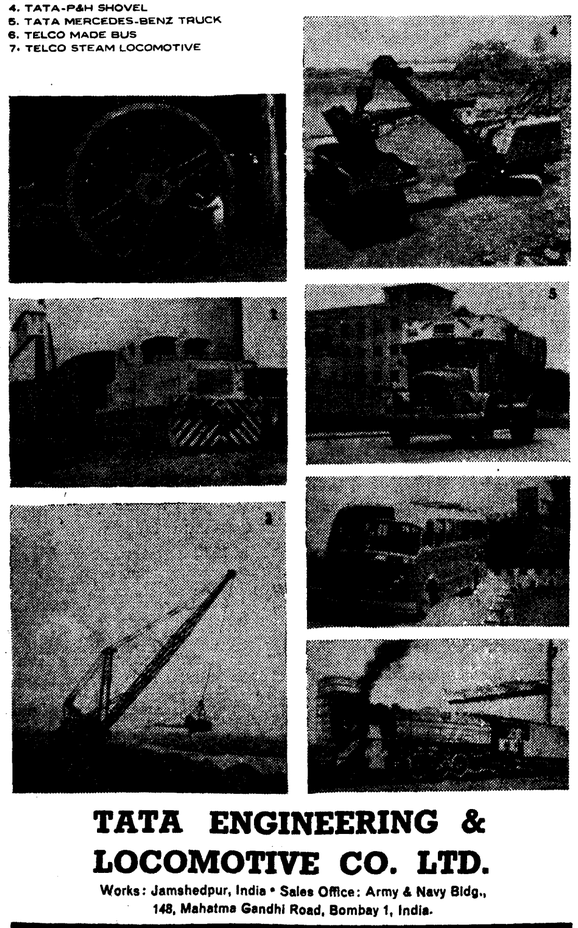
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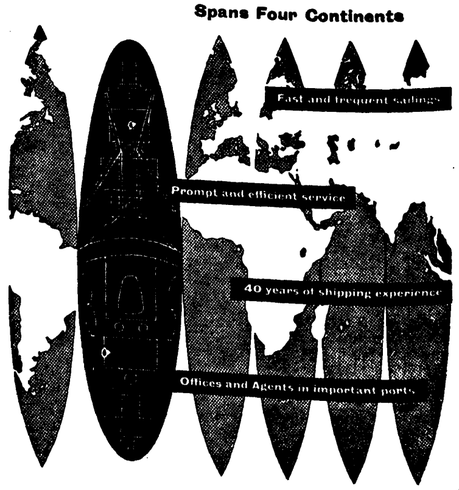


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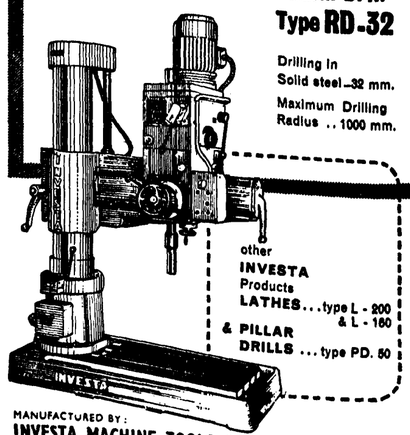
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The planned turnover annually in the boiler plant would be about 42,000 tons of material for production of complete boilers for a total output of over 750 MW.

In the private sector, a boiler plant has been set up in Durgapur for the manufacture of large-size boilers for power-stations. A number of firms have started the manufacture of medium-size power transformers. Practically the entire requirement of distribution transformers are being met by a large number of firms and actually during the period 1960 to 1963, the output of distribution transformers has risen from about 100 MVA to 2,500 MVA a year and further expansion is also foreseen. Similarly, the output of small and medium electric motors has risen from 700,000 H.P. in 1960 to 1,200,000 H.P. in 1963 in 27 units so far licensed. This rate of development is also true in a number of other light electrical industries such as electric fans, lamps, cables, and domestic appliances.

Outlook for the Future

The heavy electrical industry is by its very nature a complex one involving many materials, processes and testing procedures which call for a high standard of technology. Skills involved will have to be built up over many years. Similarly, the design and manufacturing know-how will have to be acquired over a long period of time. The establishment of large factories requires an enormous amount of capital and would require close collaboration with other countries which are advanced in their techniques. Essentially, the build-up of the industry is a slow process. Even as India begins to manufacture machines of certain sizes, the demand for larger and more sophisticated machines will arise at a rapid pace.

Similarly, research will bring about rapid changes in technology which call for change in the designs and processes. For example, during the last 20 years, the pressures and temperatures used in steam turbines have increased many times and at the present time single units of 500 MW and 750 MW at working pressures of over 3000 p.s.i.g. are being manufactured in advanced countries and such changes bring about improved economy and efficiency and hence continuous change is inevitable. This, in turn, would call for changes in the production programmes in the heavy electrical industry from time to time and would also involve large additional investment.

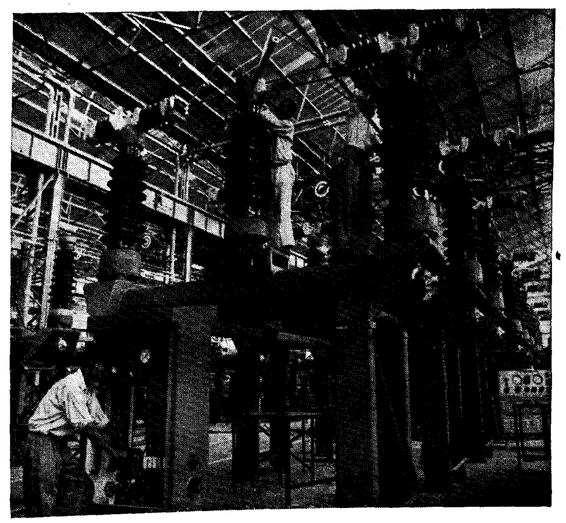
Because of all these considerations, it is difficult to foresee a condition when India could claim to be self-sufficient in this field, particularly in relation to the higher ranges of heavy equipment. However, it should be possible to become self-sufficient in small and medium ranges of equipment and possibly India can also develop to a certain extent in export of such items.

Research and Development

In order to sustain a large programme of manufacture it is most essential that research and development programmes should be well established. This would also reduce the country's dependence on the import of know-how from other countries. In fact, the extensive use of foreign licences and technical collaboration is likely to retard initiative to design and develop the indigenous machines. Even when a start is made on the basis of foreign collaboration, efforts should soon be made to develop further types and new models of equipment by Indian scientists and engineers so that the saving in royalties and fees would be substantial. Furthermore, such efforts alone would bring about the wider use of indigenous raw materials and substitutes for imported components and materials.

A heavy and light electrical industry should, therefore, pay adequate attention to this aspect and set up units in every factory for the development of research and the standardisation of work. A good deal of "back-up" research would also come from allied National Laboratories and from the Power Research Institute of the Central Water and Power Commission, who are operating two research centres, one in Bangalore and the other in Bhopal, the latter being exclusively devoted for switchgear testing and development. For the maximum benefits in the field of applied research, a close collaboration between the industry and the research institutions is most essential.

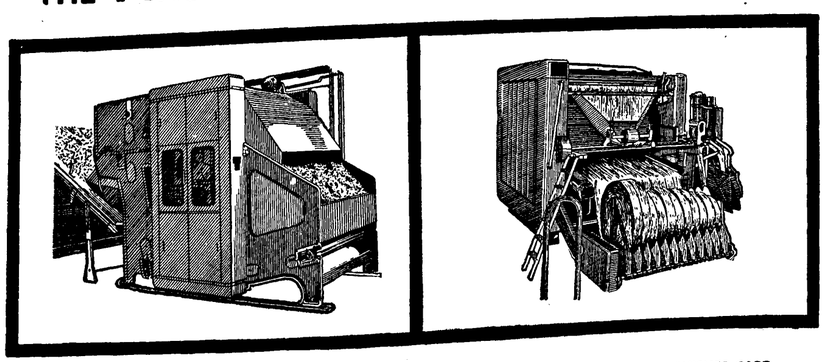
As the heavy electrical industry makes progress, it is inevitable that the country should enter new fields of activity, such as the manufacture of equipment for nuclear power-stations, electronically controlled industrial drives, and controls and many other modern fields of application which are fast developing.



An air blast circuit breaker being assembled in Bhopal

The trend of growth in the power supply industry would warrant the setting up of many more plants of the size of Bhopal during the next ten years. Not only should the volume of output from this industry be increased, but the equipment should also incorporate the latest progress in science and technology. With the growth of engineering education and the establishment of higher technological institutions, there is every hope that the country would achieve this objective.

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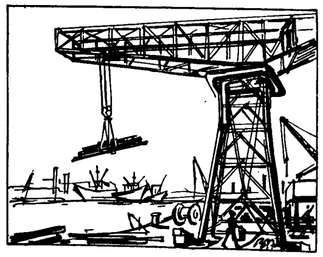
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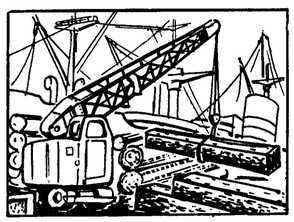




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STATE INTERFERENCE MAY HAMPER PROGRESS OF PHARMACEUTICALS

RECENT Press reports on threatened abrogation of drug patents in India have turned the spotlight on the pharmaceutical industry, and have caused people in many walks of life to ask whether the accusations are true. Is it a fact that the public are being held to ransom by unscrupulous manufacturers of medicines? Is it true that the prices of medicines in India are higher than in more developed countries? If it is, is it true that the manufacturers are making vast profits out of people's misfortunes?

If these accusations are true, is it the answer that the production of medicines should be diverted to the public sector? Will such action automatically lower prices, bring life-saving medicines within the reach of the poor people, and make India self-sufficient in this essential field? To examine these questions properly, it is necessary to clear away the heat and haze of emotion, to ignore the publicity-seeking cries of the self-interested and the well-meaning appeals of the uninformed, and to examine the history of the pharmaceutical industry, its achievements,

By

A. W. LEWIS

its present position in India and elsewhere, its future, and the vital connection between the industry and India's continuing development.

Foreign Interests

First of all, let us examine the statement frequently made that the Indian pharmaceutical industry is "dominated by foreign interests". There are, of course, many ways of putting this, depending upon the effect required. Let us try saying "the progress made by the pharmaceutical industry in India is largely due to international know-how, investment and collaboration". And then let us see if India has been "victimised" or assisted. The pharmaceutical industry is essentially international in character. It has been so since the days of the apothecaries and the spice traders. Every race and region in the world has contributed to the traditional *materia medica*.

It is the same with modern drugs. The discovery of the aniline dyes in England led to the great dyestuffs industry—and research into dyes produced chemotherapeutical agents. The Swiss chemical industry progressed from the treatment of textiles to the treatment of human beings. Prontosil—the first of the sulphonamides—was invented in Germany but "deciphered" chemically in France, with "M. and B. 693" produced in Britain as a result. Penicillin was discovered in Britain, but made widely available at the right time with the assistance of American technology. Rauwolfia was an Indian ayurvedic drug which was chemically "realised" in Switzerland. And there are many more examples of the feed-back from research to development, and from development to research, and from country to country.

Throughout the world, in very many countries, the pharmaceutical industry is of international structure, and this situation exists for a very simple reason. It is that, in a developing country, local industry starts many years behind, and cannot hope to start off at the level which has been achieved in other more advanced countries. In India, therefore, the main sources of knowledge for the production of newer drugs have been the research laboratories abroad of international companies which have established factories in this country, or have collaborated with Indian firms.

The pharmaceutical industry in India has grown at a fantastic rate in the past 25 years, and particularly in the last 15 years it has expanded from a Rs. 10-crore industry to a Rs. 100-crore one. In spite of the increase in local production, India's requirements of imported pharmaceuticals also increased considerably because of the growing use of, and demand for, modern synthetic drugs.

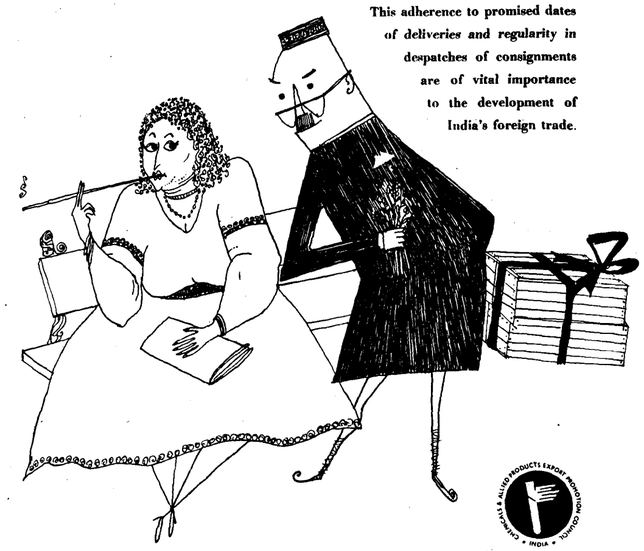
By a coincidence, the outbreak of the second World War almost coincided with the "pharmaceutical revolution" which started in 1935. Not a revolution in the industry, but a revolution in advances in medicine. In Britain, for example, the industry's output in 1935 was £19 million. By 1958—in 23 years—the output was £162 million. The discovery of the sulpha drugs, in fact, started the "pharmaceutical revolution". The breakthrough of the sulphonamides was the result of the scientific enterprise of the pharmaceutical industry. From this start, the industry found cures for pneumonia, leprosy, tuberculosis and many other killing or crippling diseases. About this time, also, the early work on antibiotics was in progress, and in 1940, the value of penicillin was first clinically demonstrated by a team in Oxford. It was, of course, the first of the antibiotics and was followed in 1943 by streptomycin. The search was really under way by this time and in 1947, chloramphenicol was found from a

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sample of soil taken from Caracas, in Venezuela; and others followed.

Great Discoveries

So, from 1935 onwards, the whole face of medicine changed and within the next 15 years, a tremendous number of world-shaking discoveries were made, which completely altered medical treatment in most areas. The point is that India's move into large-scale local production of pharmaceuticals more or less coincided with a fantastic expansion of demand for medicines arising from a series of conquests of diseases which were formerly accepted as crippling or killing.

Nearly all these conquests were the result of research and scientific work on the part of the established pharmaceutical companies in the U.K., Europe and the U.S.A. These companies have, as a result, become international in nature, since they have been in constant competition with each other and have set up manufacture wherever the demand for their products has warranted it. India has been no exception and many of the largest companies here originated elsewhere. This means, in effect, that India gets the benefit of research conducted in all nations of the free world. Some part of the price of every drug sold here is India's contribution to new research by private enterprise and to further new life-saving medicines.

Pattern of Development

The pattern in India has closely followed that in other countries. More and more local manufacturers have progressed through the stages of (1) import of packed pharmaceuticals ready for use; (2) import of the products in bulk for local packaging; (3) import of the active ingredients for local manufacturing into pharmaceutical presentations; (4) manufacture of the active ingredients from imported intermediates; (5) manufacture of the active ingredients from imported basic raw materials and (6) local manufacture of basic raw materials.

Considering the relatively short period of time referred to previously, the progress made by the pharmaceutical industry in India has been phenomenal. Very few pharmaceutical preparations are now imported as finished products, and the saving in foreign exchange has, therefore, been considerable. There are at present about 1,500 companies engaged in the pharmaceutical industry in India, but about 75 percent of the total production comes from a relatively small number. These are the 120 or so who are on the list of the Directorate-General of Technical Development and who, together, have an estimated capital investment approaching Rs. 60 crores. Incidentally, something less than Rs. 18 crores of this is foreign capital. Does this indicate that foreign interests dominate the industry?

No less than 55 of these 120 major companies produce basic pharmaceuticals which they either make available to other manufacturers or manufacture themselves into finished pharmaceutical preparations. These larger companies employ a total of about 40,000 workers, including about 4,000 technical staff. The balance of pharmaceutical production in India comes from the smaller companies whose output is mainly formulations of drugs obtained from other manufacturers.

It is, therefore, on the companies which are on the list of the Directorate-General of Technical Development that India's present advanced state of pharmaceutical development, and future progress, depend. They are the firms whose equipment, manufacturing standards and control methods are equal to those in the more advanced countries of the western world. Among the essential drugs already coming from basic manufacture, or planned for the near future, are the broad-spectrum antibiotics, analgesics, sulpha drugs, antimalarials, oral anti-diabetics, insulin, anaesthetics, vitamins, antihistamines, tranquillisers, steroids, cardiac glycosides, and a host of other products most of which have resulted from research and discovery by the pharmaceutical industry.

Expensive Research

Research in 1962 cost the international pharmaceutical industry more than Rs. 190 crores. To research and develop a new and efficacious drug normally costs, on average, around Rs. 1.3 crores. Some drugs have cost much more. Out of every 3,000 new substances examined only one, on average, is marketed. The others are discarded after up to five years' research work, because they have been found too toxic, too difficult to administer, or no better than existing therapy.

Critics say that, these days, medicines are more expensive than they used to be. It is not surprising. Modern medicines are completely different from the old therapies. They are effective. They save lives. Obviously, it is not possible to sell a modern motor-car at the same price as a bullock cart. That is a fairly exact comparison of therapeutic value.

So there is a combination of circumstances which, inevitably, thrusts the activities of the pharmaceutical industry in India into the spotlight. There are (1) a developing country in which the economy is under constant pressure; (2) a huge population, increasing at a faster rate than the national development can take care of; (3) a fairly recent revolution in medicine arising almost wholly from the research activities of the pharmaceutical industry; (4) availability, as a consequence, of medicines far superior to anything ever available previously, but naturally enough, costing more.

In a country where hundreds of millions of people have a very low level of income and are unable to buy medicines as they would wish, it is not surprising that attention turns to the cost of medicines. The per capita consumption of pharmaceuticals in the country works out to just over Rs. 2 a year. In other words, the average Indian is not able to buy even one bottle of tonic in a whole year. It is not surprising, perhaps, that there is a tendency to criticise the manufacturer, and that the public is receptive to the speaker who urges that the prices of medicines be brought down, but conveniently forgets many of the factors which contribute to the costs.

Costs of Industry

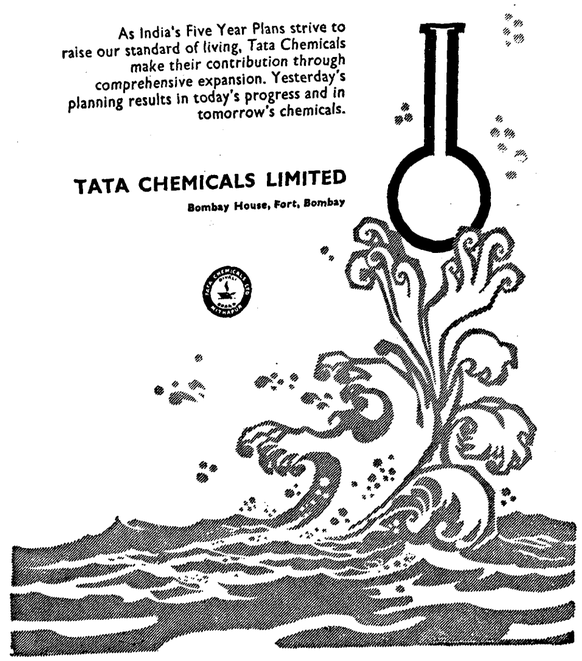
The *Report of the Development Council for Drugs and Pharmaceuticals for 1962-63*, published by the Department of Technical Development of the Government of India, includes reports by technical subcommittees on the costs of basic

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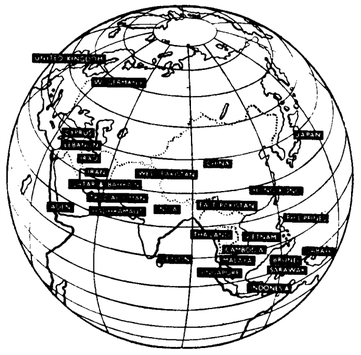
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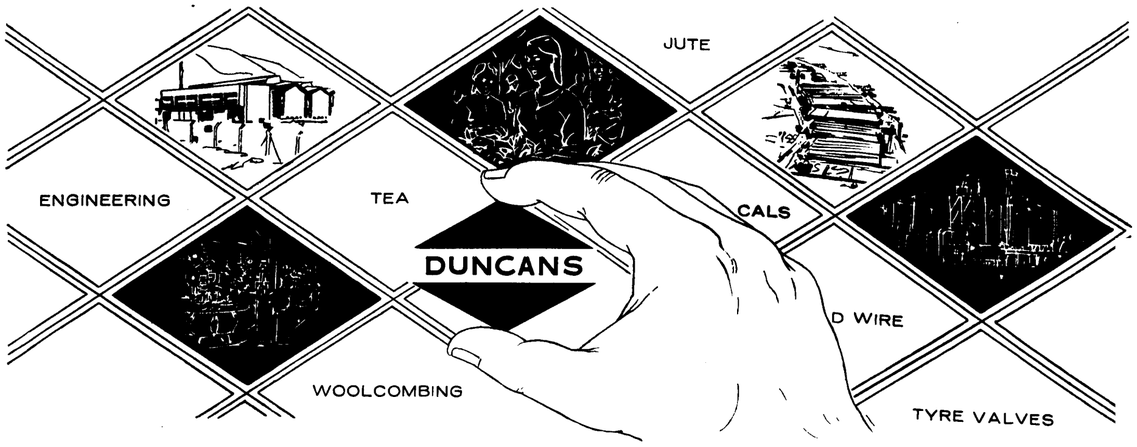
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chemicals, etcetera, and finished pharmaceutical preparations manufactured in India.

Among the factors examined were the following: (1) higher prices of imported raw materials and intermediates due to incidence of Customs duty; (2) prices of indigenously obtained raw materials are 150 percent to 200 percent of those prevailing in other countries; (3) in many cases the quality of indigenous raw materials is inferior, resulting in higher production costs; (4) solvent losses are high, due to high temperatures; (5) excise duties, and procedures insisted on by the excise authorities in handling the stores which involve special insurance premiums, bank commissions, etcetera, amounting to additional expenditure equal to the total value of the landed cost of the raw materials; and (6) not only is the cost of imported equipment 35 percent to 40 percent higher than in foreign countries, due to all the charges involved, but the cost of indigenously fabricated equipment is even higher, in many cases.

There are many other factors which apply to the finished preparations, quite apart from the raw materials. Packing materials, manufacturing and packing charges, quality control, distribution, and formulation research, all figure in the final cost of the finished medicine. The cost of these operations is often much more than the cost of the basic drug content. Yet the reports says: "Despite the fact that the cost of basic drug is usually higher in India than in other developed countries, the cost of finished preparations is in most cases much less than the domestic prices of similar products in foreign countries". This can mean only one thing—that the profit made by pharmaceutical manufacturers in India is appreciably *less* than in those foreign countries.

In fact, the same report says: "The difference between the consumer prices and the ex-factory cost of the finished preparations is much less in this country than in most of the more developed countries". How can the pharmaceutical industry in India be criticised, then, as responsible for the "high prices of medicines"?

Without any profit the pharmaceutical industry, both private and public, would cease to exist. There would be no investment, no research, no industry. Without the research which has been carried out by the industry many of the readers of this article would not be alive today. And their expectation of life is now greater than that of their fathers when they were their age—because of the fantastic advances in medicine made by the research workers of the pharmaceutical industry.

Future Prospects

And what of the future for the industry in India? Will it be encouraged to progress, as it has done throughout the free world, or will it be subjected to so many restrictions, frustrations, hobblings, disincentives and deliberate counter-actions that the companies which have done so much for India already will reluctantly reduce their operations and look elsewhere for a reasonable and legitimate return on investment? India *needs* a strong and progressive pharmaceutical industry, run by free enterprise and backed by the vast scientific resources of competitive private industry.

How else would the doctors, nurses and hospitals be waging the present successful battle against malaria, tuberculosis and leprosy? From the pharmaceutical industry, sometimes working in close collaboration with research workers in universities, have come the weapons against poliomyelitis, typhoid, cholera, smallpox, dysentery, hook-worm, vitamin deficiencies, venereal diseases and a hundred other conditions which, if not prevented or treated, could reduce the forward march of the nation to a slow, crippled shuffle. In a praiseworthy but uninformed effort to bring prices down, a number of suggestions have been made. A couple of these may be examined in the light of facts.

"Do away with drug patents": This, it is suggested, would bring down prices because all and sundry would then be able to manufacture the previously patented drug without licensing arrangements and royalties and, hey presto!, the cost would be halved. In the first place, there has been a compulsory licensing provision in India for the past ten years which would have allowed local manufacturers to take up foreign patents if they so wished. This writer knows of no instance in which advantage has been taken of this provision. A lot of noise is made about the influence of royalties on the prices of medicines. Few figures, if any, have been quoted however, and it is probable that the overall effect of royalties on drug prices in India is very small indeed—certainly, nothing like the effect of the many and varied taxes and duties which affect medicines from raw material to consumer.

Italy Introduces Patents

Italy is often quoted by the protagonists of "no-patents" as an example of what can be done. While Italy may, in fact, be exporting some drugs cheaply, domestic prices are a very different matter and are, in fact, higher than in the U.K., France, Germany, etcetera. It has been clearly shown also that, in terms of man-hours of work required to be able to purchase medicines, the Italian worker is considerably worse off than his counterparts in other European countries and the United States. Furthermore, as a result of the absence of patent protection in the pharmaceutical industry in Italy, no worthwhile new drug has come from that country since before the war.

The Italian pharmaceutical industry, far from being happy with its utopian no-patent state, is now pressing hard for the *introduction* of patents, and a Bill for this purpose is now under consideration and likely to become law.

"Nationalise the drug industry": It is competition which stimulates research. No new drug has come from Russia since 1917, when the State supplanted private enterprise, although a number of claims have been made. Only recently the Russians announced that they have evolved "a new process" for the manufacture of Vitamin B_{12}—which was isolated in industrial research laboratories in the West years ago, and has been in constant use ever since. In fact, it can be said that not a single really novel drug in any field of pharmaceutical science has come from the countries where drug research is completely State-controlled.

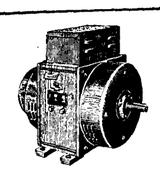
It is difficult, is it not, to imagine a civil servant who will take the risk of spendng a crore of rupees on the development of a drug which may lead to no result? This explains why Russia, with impressive advances in the field of surgery, has to rely upon the western world for advances in medicine.

Opposition to Nationalisation

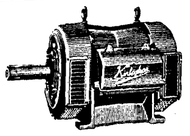
Professor Ernst Chain, F.R.S., Professor of Biochemistry (Imperial College of Science and Technology, London), Nobel Laureate, and one of the original workers on penicillin said, in the Trueman Wood Lecture to the Royal Society of Arts in June 1963, that those who wish to replace the industrial pharmaceutical research laboratory by nationalisation "must know that in taking such steps they are conjuring up a major health hazard, much more dangerous than a virulent epidemic. No pharmaceutical industry—no new drugs; this, in a nutshell, is the situation".

This from a world-renowned scientist who has spent his whole life in academic non-industrial laboratories, cannot be lightly rejected.

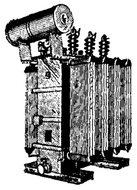
A healthy pharmaceutical industry is essential for India's development. Only the competition arising from free enterprise can stimulate research, bring down prices and encourage exports. Investment must be encouraged by all means, not discouraged by threats and destructive criticism. This country, with its natural resources, brilliant research workers and skilled technicians can develop its own pharmaceutical industry, capable of taking its place alongside any in the world. But India must not jettison the future for the sake of possible but improbable short-term benefits.


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Shortage of Molasses Main Problem of Alcohol Industry

THE alcohol industry in the country came into being as a means of providing supplementary motor-car fuel during the second World War, and this consideration held good in the establishment and organisation of the industry up to the first five year plan. The development of the alcohol industry is no longer circumscribed by the need to sell its product as gasolene. During the second and third five year plans, with the manufacture of several chemicals like drugs, dyestuffs, high polymers, and solvent insecticides in India, alcohol has become indispensable as a raw material and it is no longer used as motor-car fuel. In fact, the scheme for the production of power alcohol has already been withdrawn and distilleries are producing industrial alcohol.

The main raw material for the industry is molasses, which is a by-product of the sugar industry and,

By
A SPECIAL CORRESPONDENT

to a small extent, of *khandsari* manufacturers, although some quantities of alcohol is also produced from *mahua* flowers. The production of molasses in the sugar industry is, on average, 35 percent of the sugar produced, and approximately 53 gallons (0.193 tons) of alcohol can be obtained from a ton of molasses. Production of alcohol, therefore, primarily depends on the quantity of molasses that will be coming forth from the sugar factories during any season. The perennial cycles of surplus and shortage in sugar output have had a direct impact on the production of alcohol.

The production of alcohol between 1954 and 1962 has been as follows:

Year	Production (in million gallons)
1954	12.6
1955	15.6
1956	14.5
1957	15.2
1958	15.0
1959	15.4
1960	19.9
1961	32.2
1962	34.9

In 1955-56, the last year of the first five year plan, with sugar production exceeding the plan target of 1.8 million tonnes (output was 1.86 million tonnes), the output of alcohol increased sharply from about 12.6 million gallons in 1954 to 15.8 million gallons in 1955. Therefore, for the next four years, with sugar production fluctuating around 1.9 million tonnes, alcohol output remained practically static till 1959-60 when, with the increase in sugar output to 2.45 million tonnes, alcohol production rose to 19.9 million gallons. The record sugar production of 3.028 million tonnes in 1960-61 led to an increase of about 62 percent in the alcohol production. The increase in alcohol output has been arrested following the progressive decline in sugar production in the following years. Due to the big shortfall in sugar output in the last year and the depressing outlook in the current season, the distilleries are facing an acute shortage of molasses, particularly those in U.P. where last year they were faced with closure for a period of four to six months.

First and Second Plan Targets

During the first five year plan attention was concentrated on the production of power alcohol and the targets for capacity and production were set at 21.2 million and 18 million gallons a year, respectively. At the commencement of the second plan there were 19 power alcohol distilleries with an annual capacity of about 14.9 million gallons of power alcohol and 2.9 million gallons of industrial alcohol. In addition, there were 24 distilleries producing potable and industrial alcohol; their capacity for industrial alcohol was estimated at 9.3 million gallons a year. The total capacity for industrial alcohol in the country was thus 12.2 million gallons and that for both power and industrial alcohol was 27.1 million gallons.

In the course of the second plan, seven new distilleries came into existence. Four of the existing distilleries were regularised and ten completed their expansion schemes. The total capacity for power and industrial alcohol at the end of the second plan stood at about 40 million gallons, compared with the target of 36 million gallons initially visualised. The State-wise distribution of capacity was as follows:

State	No. of distilleries	Annual capacity (in 100 bulk gallons)
Uttar Pradesh	20	21,923
Andhra Pradesh	6	4,254
Maharashtra	6	4,258
Bihar	4	2,208
Punjab	3	1,816
West Bengal	3	1,550
Kerala	3	600
Mysore	2	1,680
Rajasthan	2	497
Madhya Pradesh	2	420
Madras	1	720
Gujarat	1	187
Total	53	40,103

Against the capacity target, as already pointed out, the target for alcohol production was 30 million gallons. This, however, could not be achieved and the output was only around 19.9 million gallons. Internal demand for alcohol also did not increase to the extent visualised in the plan. With a view to disposing of the surplus and earning much-needed foreign exchange, exports were encouraged. There was a spurt in exports from 1960 onwards, as is evident from the following:

Year	Exports (in lakhs of rupees)
1957	7.7
1958	6.2
1959	8.8
1960	28.8
1961	28.65
1962	33.61

The internal demand for alcohol has increased after 1962 following the setting up of the synthetic rubber factory in Bareilly and the styrene monomer plant in Bombay. In fact, at present supplies are not sufficient to meet the demand of alcohol-based industries, and the prospects of exporting are virtually nil.

Third Plan Programme

The target for sugar production in the third plan having been fixed at 3.5 million tonnes, it is expected that about 1.225 million tonnes of its by-product, *viz.*, molasses will be available. Assuming that the power alcohol industry will get 90 percent of the estimated molasses output, the production of alcohol will be 58.5 million gallons. Adding to it the production of another one million gallons from *mahua* flowers, the total production of alcohol during the third plan may be placed at about 60 million gallons. Of this, about 10 million gallons will be required for use in the manufacture of potable spirits and ordinary denatured spirits. Thus about 50 million gallons will remain for utilisation as raw material for alcohol-based industries. According to the present trends in demand, there should be no difficulty in using this alcohol. The Planning Commission has also estimated that the overall demand in 1965-66 will be 60 million gallons.

The Petro-chemical Committee has arrived at the following estimates of demand for industrial alcohol by 1965-66 and 1970-71:

(In tons)

Usage	1965-66 Qty. of product	1965-66 Alcohol requirement	1970-71 Qty. of product	1970-71 Alcohol requirement
1. Butadiene and styrene for S.B.R.	30,000	70,000	30,000	70,000
2. Polythylene	8,500	17,000	8,500	17,000
3. Styrene for polystyrene	14,000	10,000	21,000	15,000
4. N. butanol and N. buty-raldehyde for octanol	11,000	17,000	27,000	42,000
5. Acetic acid for cellulose acetate	17,000		25,000	
For other acetates	4,000		10,000	
Acetic anhydride for other uses	2,000	32,000	4,000	57,000
Vinyl acetate	2,000		6,000	
Chloracetic acid	1,500		3,000	
Drugs, dyes, textiles and other uses	4,500		9,000	
6. Chlorinated derivatives including chloral, D.D.T., chloroform ethychloride, ethylene dichloride and P.V.C.		10,000		16,000
Mainly D.D.T.—6,000 tons				
E.D.C.—2,400 ,,				
P.V.C.—6,000 ,,				
7. Potable spirits, drugs, liquor, ordinary denatured spirit		30,000		45,000
8. Other uses in chemicals and processing industries including acetone and others		12,000		20,000
		198,000		282,000

In considering the above demand estimates, the Planning Commission has placed the third plan alcohol production target at 60 million gallons. Taking into account the inherent difficulties in operating the alcohol industry continuously at full capacity due to the seasonal character of the supplies of its main raw material, *viz.*, molasses, and difficulties in procuring it, the capacity target has been fixed at 72 million gallons.

Licensing of Extra Capacity

In addition to the capacity of about 40 million gallons existing at the end of the second plan, a capacity of 24 million gallons has hitherto been licensed—12 expansion schemes (7,722,000 gallons) and 12 new distilleries (16,200,000 gallons). An additional capacity of 8 million gallons, therefore, remains to be licensed to achieve the third plan target of 72 million gallons. It is estimated that an investment of over Rs. 4 crores with a foreign exchange component of Rs. 40 lakhs will be required for this purpose.

Before licensing additional capacity in any area the prospects of supply of molasses should be carefully assessed so as to ensure full utilisation of capacity. At present in certain States like U.P., the capacity is not fully utilised. To some extent transport difficulties, for moving both molasses and alcohol, have prevented optimum working. Simultaneously, effective utilisation of available supplies of molasses should be ensured. While the use of molasses as raw material for alcohol is higher in U.P. being about 70 percent, the utilisation in other States is low and on an all-India basis about 58 percent of the molasses produced in 1960-61 was used by the distilleries.

As already indicated, the Petro-chemical Committee has placed the

demand for industrial alcohol by 1970-71 at 282,000 tonnes. For achieving this output, sugar production will have to be about 4.32 million tonnes, assuming that about 1 million tonnes of alcohol will be produced from *mahua* and 90 percent of the molasses output will be available to the alcohol industry. It should be possible to achieve this alcohol output in so far as the fourth plan sugar production target has been placed at 4.5 million tonnes and there are indications that this may be stepped up to 5 million tonnes. However, according to more recent estimates, the demand for alcohol by the end of the fourth plan period may be higher than that visualised by the Petro-chemical Committee, being about 356,000 tonnes. To match this revised demand for alcohol, a production of about 5.53 million tonnes of sugar will be necessary. Assuming a sugar production target of even five million tonnes, there will be a shortage of as much as 33,000 tonnes of alcohol by 1970-71. It is necessary that research should be conducted for evolving other raw materials such as *mahua* and tapioca for fermentation.

The development of the basic organic chemical industry is absolutely necessary for the industrial progress of the country as chemicals help produce essential commodities like drugs, dyes, synthetic rubber, plastics, fertilisers, etcetera. For producing organic chemicals alcohol is an essential raw material. It is true that coal carbonisation products obtained as a by-product from coke ovens in the iron and steel industry, and natural gases and surplus naptha obtained from petroleum refineries can be utilised for the production of organic chemicals. But the products obtained from coal carbonisation are mainly of the aromatic group having a limited use; though the chemicals derived from the petroleum sources can be utilised, the development of the petro-chemical industry is still in the nascent stage and it will take some time before it is established on a firm footing. However, it would be useful to assess as to what extent the demand for alcohol will be affected by chemicals derived from chemical sources.

Ensuring Supplies of Molasses

For developing the alcohol industry and the industries which consume alcohol as raw material, it is of paramount importance that adequate supplies of molasses and alcohol should be ensured. While molasses is produced during the cane crushing season only, it has to be stored throughout the year. Sufficient and good storage facilities should, therefore, be provided at the sugar factories and distilleries to avoid wastage and pollution. Provision of such facilities would require money, which the sugar factories and distilleries will not be able to provide from their meagre resources. So they should be given suitable financial assistance to put up storage tanks.

Apart from storage, the movement of molasses and alcohol also presents problems. Because of stringent excise rules, alcohol cannot be stored anywhere. The storage capacity at the distilleries being limited, when despatches of alcohol are not satisfactory either because of non-availability of tank wagons or because of slack demand, the storage accommodation at the distilleries becomes full and sometimes production has to be discontinued. Storage and movement are, therefore, interconnected and the railways can be of great help by providing sufficient number of tank wagons for speedy transport.

Transport Difficulty

At present the supply of tank wagons is inadequate and their placement is very irregular. At times, they are placed far in excess of the loading capacity of the factories and at others they are not placed for days together. To add to the problem, most of them are old and leaky. Besides, the tankers are not properly stencilled for measurement and overloading as well as underloading, compared with capacity, are common. In case of overloading, through no fault of the despatcher, the wagon is returned for draining out excess quantity leading to unnecessary delays in movement. With the development of the alcohol industry the transport problem will be aggravated. The railways should, therefore, pay urgent attention to the problem and plan sufficiently in advance so that transport bottlenecks do not arise and thwart the progress of the industry.

For achieving the desired production of alcohol during the third and fourth plan periods, not only will the capacity of the existing plants have to be raised, but some new plants will also have to be established. Recent developments in the field could be used to advantage in designing new plants. Except for a few imported plants, most of the existing distilleries have been designed and erected by Indian personnel. There is also the possibility of automation and modernisation of existing plants. The alcohol industry should be suitably assisted by the Government in view of its national importance and the vast potential which exists for expansion.



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Rapid Development of the Man-made Fibre Industry: Prospects for Further Expansion

By

T. R. RAMACHANDRAN

IN the context of today's ever-growing need for the Central Government to find more money and the inability of the private sector to contribute as much as is demanded, the man-made fibre industry has much to grumble about. The imposition in the new Budget of an excise duty on rayon and other man-made fibres, which has gained successively high incidence since 1956, has led to a stage where the levy can neither be cheerfully borne nor easily passed on. In the first place, it is difficult to be borne by the industry. The total increase in the tax incidence so far comes to as high as 627 percent in the case of fine yarn. Secondly, the levy cannot be transferred to the consumer, *i.e.*, the weaving mills, as the price of yarn shows little sign of picking up in spite of decontrol last November.

Under the circumstances, the additional tax burden, obviously, is a deterrent to the industry's growth. The question remains whether it is advisable to ignore the evil effects of the cumulative tax, especially when the industry is assuming a greater importance than ever before in satisfying a human need that ranks next to that of food.

The man-made fibre industry today serves the needs of a large number of people, especially in urban areas. An alarming population increase estimated to rise to 555 million in the next decade, clearly underscores the importance of developing this industry as a vital adjunct to cotton textiles. As the Association of Man-Made Fibre Industry has estimated, if cotton textiles alone were to meet the needs of the country in the next ten years, 2,000 million more yards of cotton fabrics will have to be produced. This would mean that the country will have to devote more acreage to cotton cultivation or, alternatively, spend valuable foreign exchange in importing fibres. Being a substitute and a blend for coton, man-made fibres can meet the nation's textile requirements without affecting its food production.

The performance of the man-made fibre industry in India already has improved the scope for saving, as well as earning, foreign exchange. In the case of fabrics alone, India's exports amounted to 90 million metres, valued at Rs. 10.4 crores in 1963, an increase 22 times over the decade at an average rate of expansion of 200 percent every year. The fibre industry, too, launching on a phased programme of production of viscose filament yarn and staple fibre, accounted for a saving in foreign exchange of nearly Rs. 15 crores in 1963. The record of progress of the industry is shown in the following table:

Year	Production of viscose filament yarn (In million kilograms)	Foreign exchange saved at Rs. 3.3 a kilogram (In lakhs of Rs.)	Production of staple fibre (In million kilograms)	Foreign exchange saved at Rs. 1.43 a kilogram (In lakhs of Rs.)
1950	0.12	4		
1951	2.45	81		
1952	3.65	1.21		
1953	4.48	1,48		
1954	5.02	1.66	3.09	44
1955	5.83	1,92	5.71	82
1956	7.57	2,50	7.92	1,13
1957	9.71	3,21	8.02	1.15
1958	13.43	4,44	13.96	2,00
1959	15.10	4,98	20.39	2,92
1960	18.98	6,27	21.82	3,12
1961	21.43	7,07	26.00	3,72
1962	26.23	8,66	32.38	4,63
1963	31.17	10,29	32.25	4,61

Taxation Curbs Incentive

This spectacular progress of the industry within a relatively short period calls for a proper assessment of the regressive tax measures imposed on it. Anticipating a yield of Rs. 4.7 crores by way of additional excise duty on rayon and synthetic fibre and yarn, the Finance Minister has justified an increase in the rate by 50 percent on filament yarn of cellulosic origin and 100 percent on other synthetic fibres and yarn of non-cellulosic origin. Relating the excise duty to the basic ex-factory selling prices of yarn, the heavy incidence under the current Budget will be evident from the following:

(In rupees a kilogram)	deniers 150	deniers 120	deniers 100
Basic ex-factory price exclusive of excise duty	8.26	7.64	6.94
Total excise duty including additional excise	6.00	4.00	4.00
Ratio (percentage) of excise duty to basic ex-factory price ...	72.6	52.4	57.6

It is unfortunate that the basic selling price of yarn has remained almost constant since 1956. Even after the decontrol in November 1963, the spinners have failed to realise higher prices, mainly because the weaving mills have refused to pay more than the controlled rates. In the circumstances, the industry, burdened with additional duty this year, hardly has the incentive to expand.

Moreover, as in previous years, the yield from the levy to the Central Exchequer has been grossly underestimated. This is shown in the table below:

(In crores of rupees)

Year	Budget estimate	Actual collection	Difference or under-estimate
1959-60	1.93	2.02	0.09
1960-61	2.30	2.82	0.52
1961-62	4.39	5.58	1.19
1962-63	7.35	9.71	2.36
1963-64	11.33	12.67	1.34
1964-65	18.50*	21.76**	3.26

* Includes Rs. 4.70 crores as estimated in the Budget.

** Estimate.

As the actual collection every year has exceeded the Budget estimates, the Association legitimately feels that the same error of under-estimate has crept in this year's calculation of the Exchequer. While the Finance Minister has reckoned the collection from basic and special excise duties this year at Rs. 4.7 crores, the Association forecasts the additional yield to be not less than Rs. 7.96 crores. Even assuming a compromise figure for additional collection at Rs. 6 crores this year, there is a strong case for reducing the duty imposed in this year's Budget.

Production Problems

Also, a comparison of the domestic prices of rayon yarn in India with those of other countries shows how much more the Indian consumer has to pay for his requirements of yarn. In the case of yarn of 100 deniers, the selling price of yarn in India is Rs. 15.50 a kilogram, compared with Rs. 5.66 a kilogram in Japan, Rs. 9.42 a kilogram in Britain, and Rs. 12.39 a kilogram in the U.S.A. This disparity is striking, particularly when it is imagined that the purchasing power of the Indian consumer is much lower than that of his counterpart. It is obviously the impact of the high level of excise duty that is the chief contributing factor to the higher prices.

Apart from tax, production costs too have gone up. Higher prices of raw materials, electricity charges, maintenance expenditure and wages and salaries have contributed not a little. Even the 1961 export promotion scheme designed to earn more foreign exchange added to the discomfiture of the spinning industry by arranging the sale of yarn to weaving units at concessional rates. Lastly, the high obsolescence of machinery in this industry is striking. The use of sulphuric acid, carbon-di-sulphide and caustic soda at different stages of production of rayon yarn shortens the life of machinery and equipment. Unlike in the coton textile industry, the manufacturing process for rayon is a continuous round-the-clock operation throughout the year, which results in greater wear and tear.

Expansion of Rayon Units

It is nevertheless interesting to recount how, in the face of besetting odds, the man-made fibre industry has forged ahead with a number of expansion plans. It was only a few months ago that commercial production commenced in a large integrated plant of the Indian Rayon Corporation in Veraval, in Gujarat State. Started with an initial capacity of 5.2 tonnes a day of viscose rayon filament yarn, the plant has been expanded and is expected to produce about 10 tonnes a day. Collaborating with a well-known U.S. firm, Von Kohorn International, the Indian Rayon industrial complex also manufactures its raw materials, such as sulphuric acid, and produces the basic raw material



Rayon and synthetic fabrics at the Indian pavilion in a Bangkok fair

for rayon yarn, namely, cellulose pulp. Also, the Company plans to install facilities with a capacity of 25 tons a day for the manufacture of staple fibre.

Another viscose rayon yarn plant put up by the Baroda Rayon Corporation is also in Gujarat (Udhna). Although the plant has a rated capacity of 6.3 tons a day, the actual production during last year has been at the average level of 9 tons, thus reflecting the efficiency of its operations and also marking an important step towards the attainment of the viscose rayon production target.

Simultaneously, with the increase in the number of rayon plants and their increased production in all varieties, including viscose, acetate and staple fibres, the rayon industry has been in constant search for local sources of basic raw materials. An important outcome is the discovery of the use of bamboo in making rayon grade pulp. This was a great economising factor, as the traditional sources of pulp, namely, spruce and beechwood, are scarce, being grown only in the heights of the Himalayas. The credit for putting up the first plant for the manufacture of rayon grade pulp with the use of bamboo, goes to Gwalior Rayon. Its new plant, with the present capacity of 150 tons a day, went into production a little over a year ago in the Kerala State—not far away from India's first rayon unit, Travancore Rayons, established in 1950. A few more industrial licences for the manufacture of wood pulp from bamboo have also been given.

Progress of Synthetic Fibres

Aside from rayon, the manufacture of non-cellulosic synthetic fibres has given a new turn to the growth of the man-made fibre industry and a large variety of synthetic and blended fabrics is being produced. The progress towards the diversification in manufacture reached a new stage with the recent establishment in Bombay of a new Company, called Chemicals and Fibres of India Ltd, for the manufacture of polyester staple fibre to be sold under the registered trade mark "Terene". The construction of the Company's plant is now going ahead in full swing in Thana, near Bombay, and it is expected, that the plant will be commissioned early in 1965. Set up in collaboration with the pioneers in synthetics, Imperial Chemical Industries Ltd, U.K., at a cost of Rs. 5.85 crores, the plant has an initial capacity of 4.5 million lbs a year of polyester staple fibre. The Company has already approached the Government for further expansion of its capacity.

In addition to this plant, schemes are under way to set up a few more plants for the manufacture of polyester fibre. The Central Government has already given licences for four such projects. Of these, the project for setting up a plant in Madras in collaboration with a leading U.S. firm, has reached an advanced stage of fruition. It is estimated that the proposed plant to be put up at a cost of Rs. 3.5 crores, will have a rated capacity of 2 million kilograms a year.

Nylon Production

The development of synthetic fibres in India is by no means confined to polyester. In fact, nylon projects have already stolen a march over those for polyester fibres. Two nylon plants, one put up by Nirlon Synthetics in Bombay and the other by J. K. Rayons in Kanpur, have already started regular production, besides one unit for nylon fishing nets of the Garwares, Bombay. These plants have come up in the short span of the last two years. Reflecting the increasing contribution of these plants, India's total production of nylon yarns in 1963 touched a peak of about 1.6 million lbs, compared with only 400,000 lbs in 1962.

Production, it is expected, will go up still further in the years ahead, because of ambitious plans for expansion and the prospects for the establishment of new plants. Among the new projects on the anvil, particular mention may be made of the plant which the Century Spinning and Manufacturing Company proposes to set up near Bombay, for the large-scale manufacture of nylon fabrics. For this purpose, a new Company is being formed in collaboration with two leading overseas textile groups from West Germany and Holland.

Expansion of Nirlon Synthetics

Among the existing nylon manufacturing units, the Nirlon Synthetics, commissioned a year ago, has already taken on hand an ambitious scheme for expansion at a total cost of Rs. 10 crores. Under the programme, the Company will increase its capacity from 2 tons a day to 5.6 tons a day, which will cover stretched yarn for hosiery industry. The Company has also been given a licence to manufacture, for the first time in India, the principal raw material for nylon, cuprolactum, in addition to nylon tyre cords. Besides these plants, the Central Government has given three industrial licences for the establishment of new nylon plants.

Admittedly, the establishment of these industries bids fair to transform the present textile position into one of plenty. This development should be welcomed not merely in the domestic front, but also for exports. While, on the one hand, dependence on the import of rayon yarn is now considerably less, the export of art silk fabrics has gone up by leaps and bounds. India's exports of rayon and synthetic fabrics today go to as many as 80 countries, and in spite of increasing foreign competition, continue to scale new heights. Encouragement to the domestic fibre and fabric industry should come from the Government both by way of reduction in taxes and by liberal provision of foreign exchange for all essential purchases like machinery. In fact, most of the machinery now being used in the weaving industry was originally intended for cotton, but was converted to process yarn. This now poses the problem of rehabilitation and modernisation. Unlike cotton, a meagre foreign exchange allocation will suffice for the production of man-made fibres. India has already imported cotton and other fibres worth about Rs. 250 crores in the past three years. As the Association claims: "A fifth of the sum will exceed the capital costs needed by the man-made fibre industry to expand and fulfil India's entire textile needs".

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EASTERN RAILWAY

Progress of Heavy Chemical Industry: Vast Scope for Development

By A. GUPTA

INDIA has already passed through two five year plan periods, during which the foundation for planned economic growth has been laid. One of the main objectives of the third plan is the expansion of basic industries like steel, chemicals, fuel and power. In a developing economy, the chemical industry plays a very important rôle. In the production of different commodities, numerous chemicals are needed, and these basic chemicals should be available at a reasonable cost so that the final product can be offered at a competitive price. Since the second World War, the population of India, in particular, and of the world in general, is increasing at a rapid rate, and there has been a steadily widening demand for improved living standards. This demand can only be met with a quick and steady growth of the chemical industry because it plays a vital rôle in the production of the commodities needed in everyday life, such as drugs, plastics, synthetic fibres, fertilisers, dyes, detergents, insecticides, etcetera.

The heavy chemical industry or the basic chemical industry can be broadly defined as one which is not a finishing industry as such, but produces chemicals from natural resources, which are in turn used by various other industries as their raw materials. In the developed countries of the West, there was no systematic planning for the development of this industry. It grew up spontaneously along with scientific discoveries and technological developments. With the advance in living standards, the demand for commodities also increased rapidly, generating an economic pressure which in turn stimulated great advances in technology. This is the natural evolutionary procedure, but India cannot afford to rely on the natural evolutionary process, but must plan a steady development programme.

Broad Divisions

The basic chemical industry can be broadly divided into two sections, inorganic and organic. The inorganic heavy chemicals are mainly acids, alkalis, fertilisers and industrial gases. On the organic side, there are basic chemicals derived from coal carbonisation, from petroleum sources and alcohol through the fermentation process. There are many other industries which could be termed as heavy chemicals, because their manufacturing processes involve chemical operations such as extraction of minerals from ores and processing of cellulosic materials for the paper and rayon industries. However, the term "heavy chemical industry" is commonly used, although perhaps not correctly, to represent the industries under the inorganic group of chemicals like acids, alkalies, fertilisers, etcetera. For the purpose of this article, it is proposed to deal with only this branch of the chemical industry.

Sulphuric acid: For many years, sulphuric acid has been considered as the yardstick of a country's industrial progress. Its production is not only considered as an index of the growth of the chemical industry, but also of the overall industrial growth of the country. The first sulphuric acid plant in India was erected by Messrs D. Waldie and Company on the banks of the Hooghly river in 1890. This was followed by a plant by the Bengal Chemical and Pharmaceutical Works in Calcutta in 1905, Perry and Company in Ranipet in 1904, and Eastern Chemicals Ltd in Bombay in 1913. The industry made considerable progress after the second World War, and more factories came into existence for the manufacture of sulphuric acid. In India, sulphuric acid was manufactured only by the Chamber process until 1935, when the Tata Iron and Steel Company established a contact process plant in Jamshedpur.

Rapid Progress

Since then this industry has made rapid progress, both in the total production as also in the size of individual units. At the beginning of the second plan period, the annual rated capacity of 39 units producing sulphuric acid was 253,888 tons expressed in terms of 100 percent acid. The figure at the end of the second plan was 525,884 tons. The total number of units working by the end of the second plan period was 43, against 39 at the beginning. Hence it can be seen that with an increase of only four new units, the production capacity has increased to about 273,000 tons. This has been achieved through the establishment of new units with bigger capacity and reassessing some of the old units. The distribution of the plants capacity-wise in 1961 is shown in the following table:

Units with a daily capacity of	Number of units	Aggregate annual capacity in 1961 (tons)
Less than ten tons	6	8,168
From ten tons to less than 25 tons	14	48,200
From 25 tons to less than 50 tons	11	125,046
50 tons and above	12	344,470
Total	43	525,884

This trend of increasing the capacity of the plants to the minimum economic unit level has not only increased the efficiency by reducing the cost of production, but also has put this industry on a sound footing. It can be rightly said that in India today the "take-off" stage for the sulphuric acid industry has been reached. Not only has the country become self-sufficient in this line of production, but also the manufacture of the catalyst and the fabrication of sulphuric acid plants is being indigenously undertaken, and not much money and foreign exchange need be spent on machinery and capital investment.

Manufacture of Sulphuric Acid

The main uses of sulphuric acid are fertilisers, pickling of finished steel, rayon yarn, fibres, petroleum refining, industrial explosives and for the manufacture of various inorganic salts, etcetera. Against the estimated requirement of 470,000 tons of acid in 1960-61, actual consumption was about 360,000 tons. The lower offtake is mainly due to the shortfall in superphosphate production. The overall demand for sulphuric acid, it is expected, will go up to about 1.5 million tons by 1965-66, representing an overall increase of more than 300 percent over the 1960-61 level. The fertiliser production will account for more than 1 million tons of this total. An industry-wise distribution of the offtake in 1960-61 and the estimate for 1965-66 according to the Planning Commission's report, is given in the following table:

Items	Consumption of sulphuric acid in 1960-61 (tons)	Estimated consumption of sulphuric acid in 1965-66 (tons)
Fertilisers (ammonium sulphate, superphosphate, ammonium phosphate, nitrophosphate, etcetera)	210,000	1,090,000
Pickling of finished steel	26,000	30,000
Rayon yarn and staple fibre	59,000	135,000
Aluminium sulphate and other inorganic salts	24,000	40,000
Petroleum refining	8,000	15,000
Miscellaneous (including industrial explosives, titanium dioxide, acid, dyestuffs and others	33,000	190,000
Total	360,000	1,500,000

The main hindrance in the smooth running of the sulphuric acid plants in the country is the absence of the indigenous raw material, which is sulphur. In this country, the manufacture of sulphuric acid is entirely based on imported sulphur. It is estimated that in 1960-61, about 120,000 tons of sulphur were used for the manufacture of sulphuric acid, amounting to about Rs. 3 crores of foreign exchange, which will rise to about Rs. 10 crores according to the estimate of production for 1965-66.

Assuming that the current international price of sulphur is stable at the present level, this is not a happy situation, because the production of many of the vitally important chemicals are dependent on sulphuric acid, such as fertilisers, and explosives for defence. It is also essential for the steel industry. Apart from the consideration of national strategy, the import of sulphur constitutes a heavy burden on the country's foreign exchange reserves, which are themselves a matter of great concern. Two alternative sources of raw materials available in the country for the production of sulphuric acid are (a) extraction of sulphur from copper and zinc smelter gases, and (b) from pyrites. The amount of sulphur which could be recovered from the smelter gases in India will not be very large, and can only provide for small units for limited local consumption. Since the beginning of the first plan period, the Government has been actively considering the exploitation of iron pyrite deposits in the country. Fortunately, it has been conclusively established that a very large deposit of iron pyrites is located in Amjore in the Shahabad district of Bihar. The initial estimate of the Geological Survey of India amounted to a total reserve of 60 million to 70 million tons, but recently, it has been found that the reserve is about 1,000 million tons, spread over an area of 48 square miles (Report of the Development Council of Heavy Chemicals, 1962).

Considering these facts, two plants have already been licensed: (1) a 100-ton a day capacity plant in Sindri in the public sector; (2) one is proposed to be set up in Dalmianagar near the pyrite deposit in the private sector. The Amjore pyrite contain about 38-40 percent of sulphur, which is suitable for the manufacture of sulphuric acid.

It is desirable that to attain self-sufficiency in the production of sulphuric acid in future, emphasis should be placed more on the pyrites process to save foreign exchange than to import virgin sulphur for the manufacture of sulphuric acid in the country.

By-product of Caustic Soda

Hydrochloric acid: The requirement of hydrochloric acid in India is not large at the present time. The main source of hydrochloric acid is as a by-product of electrolytic production of caustic soda. In the electrolytic production of caustic soda, chlorine is liberated, which when reacted with hydrogen produces hydrochloric acid. The old process of manufacture of hydrochloric acid from common salt with the help of sulphuric acid is still being used for small-scale production. The production of hydrochloric acid in recent years, according to the Tariff Commission's report, is as follows:

	(Hydrochloric acid 100 percent in tons)
1956 ...	10,584
1957 ...	11,400
1958 ...	11,064
1959 ...	10,491
1960 ...	10,082
1961 ...	15,385
1962 ...	15,400

The major industrial use of hydrochloric acid is for the production of fertilisers like ammonium chloride, bone gelatine, dyestuffs and dicalcium phosphate. The other uses are of small quantity. The demand for

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hydrochloric acid by different industries is given in the following table:

Consuming industry	(In metric tonnes) 1954	1960-61
Ammonium chloride	Nil	3,333
Ossein	Nil	2,682
Rare earth compounds	505	1,341
Dyestuffs	Nil	1,004
Caustic soda and soda ash factories	335	670
Zinc chloride	600	670
Inorganic chlorides	168	1,006
Miscellaneous	168	335
Total	1,776	11,041

Nitric acid : The main use of nitric acid is in the production of fertilisers and explosives. The demand for nitric acid for civilian consumption was low in India, and production was so long organised only on a small scale from imported sodium nitrite. In recent years, the production of nitric acid has gone up considerably due to the coming into stream of various public-sector projects. At present, Sindri, Nangal and Rourkela units of the Fertiliser Corporation of India and the Indian Explosives Ltd in Gomiah are producing nitric acid by the ammonia oxidation method. The first three are linked with the production of ammonium nitrates and nitro-chalk for fertilisers and the fourth one is linked with the production of high blasting industrial explosives. The production figures of nitric acid for different years are given in the following table:

Year	No. of units	Capacity in tons	Production in tons
1956	23	4,290	1,360
1957	22	3,790	1,370
1958	22	3,790	1,539
1959	21	3,650	1,668
1960	22	7,047	5,248
1961	23	281,278	35,980
1962	23	N.A.	40,511

As the demand for nitric acid is mainly linked with the production of fertilisers, there is going to be an appreciable increase of production as the various fertiliser projects go into operation.

Most Important Alkali Industry

Soda ash : Soda ash or sodium carbonate is the most important of the alkali industries, and like sulphuric acid, the growth of the industry has been considered as a measure of the growth of the chemical industry of the country. It is used in the process of manufacture of various important commodities, such as the production of caustic soda, sodium bicarbonate, the glass industry, textiles, paper, sodium bichromate, etcetera. India has not yet reached self-sufficiency in this sector of the industry, but according to the production estimates, India may be able to produce enough of this chemical for her domestic requirements during the next plan period.

The overall capacity of the soda ash plants in operation at the end of the second plan is rated at 230,000 tons a year. The production and import of soda ash in the third plan period is given in the following table:

(Figures in '000 tons)

Year	Estimated output in the plan	Actual production	Imports* Quantity	Imports* Value (Rs. crores)
1956-57	85	84	91	2.01
1957-58	90	92	85	1.07
1958-59	120	89	51	2.37
1959-60	175	94	127	1.95
1960-61	230	145†	109†	

* For calendar years. † Metric tonnes.

The lag in the production was due mainly to the teething trouble of the newly installed units, and the lack of production of heavy soda ash, which is mainly used by the bichromate industry and glass manufacturers. But steps are being taken in the third plan period so that this handicap is overcome. There are mainly two processes employed in the manufacture of soda ash in the country. Most of the bigger units use the standard Solvay process for their production and some new units have been licensed for the production of soda ash by the modified Solvay process, whereby ammonium chloride is obtained as a by-product, which is used as a fertiliser. The economic advantage of this process has not been fully assessed yet, but it is accepted that with the increased use of ammonium chloride as the fertiliser for paddy growing, there will be no difficulty in achieving an economic balance.

The third plan sets a capacity target of 530,000 tons a year for the industry to achieve a production target of 450,000 tons a year. Out of this, capacity for 476,000 tons has already been licensed and are in the process of being installed. The estimated consumption in the third plan period will be 450,000 tons a year, out of which, the main items are the glass industry, 140,000 tons, caustic soda and other chemical industries, 50,000 tons, laundries and other miscellaneous users, 165,000 tons, paper industry 20,000 tons, and the silicate industry 30,000 tons.

Tariff Commission Enquiry

The Tariff Commission reviewed the industry's position in August 1961, and on its recommendation, protection has been continued till 31st December, 1964. The target of investment under the third plan for this industry is Rs. 12 crores, with Rs. 6 crores as the foreign exchange component. All the raw materials needed for the industry are available in India, such as salt, limestone, ammonium sulphate, ammonia, coke and coal.

It is expected that with the installation of economic units of production and rationalisation of production methods, the price of the soda ash produced in India will be stabilised and the country will be self-sufficient in the production and utilisation of soda ash in India with some surplus for export to neighbouring countries.

Caustic soda : The capacity and production target of the caustic soda industry under the second plan was 150,000 tons, and 135,000 tons, respectively, compared with the target set for the first five year plan of 37,000 tons. The rated capacity of the 12 units in 1954, of which four were attached to paper mills, was 39,700 tons. During the second plan period, six new units have gone into production. Thus, at present, there are 18 factories, of which six are attached to paper mills and one to a rayon factory. Two units produce caustic soda from soda ash, 11 units adopted the diaphragm process and five units, the mercury amalgam process. The total production in 1960 was 118,000 tons and the total consumption was 171,000 tons. The balance of 53,000 tons was imported at a cost of Rs. 2.8 crores.

Under the third plan, the capacity target has been placed at 400,000 tons, against an estimated demand of 340,000 tons a year, which will meet the total demand of the country. The selection of the type of plant used for the production of caustic

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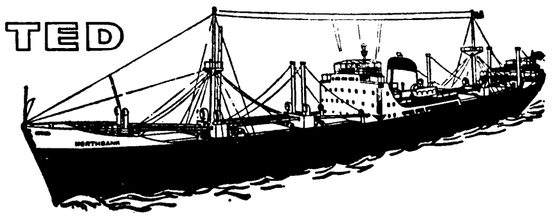


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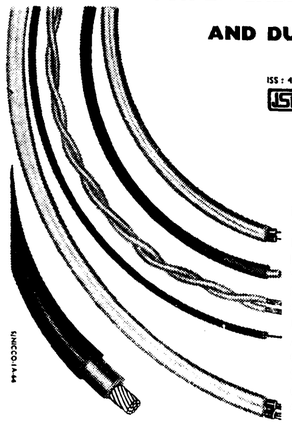
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soda depends mainly on the nature of its use and the availability of cheap power for the electrolytic process. The main problem of the electrolytic process is the ' disposal of chlorine by-product. In India, about 270,000 tons of chlorine is expected to be available by 1965-66, when the projects for making caustic soda by the electrolytic process are implemented. At the beginning of the third plan, the utilisation of chlorine improved substantially. The demands were created by the introduction of consuming industries like ammonium chloride for fertilisers, ossein and dicalcium phosphate, bleaching powder, hydrochloric acid and insecticides like D.D.T. and B.H.C. Taking all these into account, the Planning Commission has recommended that a certain amount of production of caustic soda by the chemical process should be installed, amounting to about 32,000 tons by 1965-66.

As for the different types of cells, the installation of mercury cells suffers from the disadvantage that the capital cost is very high as the mercury has to be imported from abroad. In the case of diaphragm cells, the initial expense of foreign exchange is less, but the fuel consumption is rather too high. The advantages and disadvantages seem to cancel out each other, and the choice is left to the entrepreneur's convenience.

The demand target for caustic soda in the second plan was about 140,000 tons. The estimated demand for the third plan is about 340,000 tons. The break-up of the estimated demands, industry-wise, is given in the following table:

Industry	Estimated by Tariff Commission for 1961 (in tons)	Target demand under the third plan
Soap ..	39,852	48,000
Textile ..	44,280	50,000
Paper* ..	43,886	94,000
Rayon ..	49,200	80,000
Vanaspati ..	3,149	4,000
Aluminium ..	4,920	25,000
Miscellaneous industries** ..	13,284	38,000
Total ..	198,571	339,000

* Includes 3,000 tons for newsprint;
** Includes petroleum refining 2,200 tons and chemicals including dyestuffs 4,000 tons.

Production of Fertilisers

Fertilisers : The fertiliser industry is most vital for the country's economic progress. Since 1920, India has been importing food from abroad to feed the growing millions. Since 1950, this country has been planning to increase the productivity of the soil by various means, mainly by applying fertiliser to the soil which has been starved of its nutrient matters. Over 70 percent of the population being engaged in agriculture, it is imperative that this country must increase the productivity of the soil as quickly as possible to support the annual population growth of more than 27 percent.

Two types of fertilisers, which India is planning to produce on a large scale, are nitrogenous fertilisers and phosphatic fertilisers. The current third five year plan has set up a target of consumption of fertilisers to be achieved by 1965-66 : nitrogen (N) 1 million tons, phosphorous (P_2O_5) 400,000 tons and potash (K_2O) 200,000 tons.

In the case of foodgrains in most parts of India, it has been found that 1 lb of nitrogen as fertiliser gives an yield of 10 lbs of grains. Cash crops like sugar, cotton, potatoes, tea, etcetera, give different types of responses. It is hoped that this ratio of nutrient to the production of foodgrains will be reached with the present condition of the soil ; it could go up to 1:15 with the proper knowledge of modern agricultural methods and techniques of fertiliser application. Unfortunately, the above targets for the third five year plan is unlikely to be achieved, judging from the present position of production and imports. The targets of indigenous production, import and total supply of nitrogenous fertilisers are given below:

	Indigenous production			Imports			
Nutrient years	Plan target for consumption	Plan target	Actual production	Plan target	Actual imports	Total availability (Cols. 4 & 6)	Total distributed
Nitrogen(N)		—	99,928	N.A.	121,090	221,018	212,638
1960-61	370,000	140,000	145,820	260,000	286,320	286,320	290,598
1961-62	400,000	200,000	182,258	325,000	242,855	424,855	360,944
1962-63	525,000						

At present, altogether 18 nitrogenous fertiliser plants have been licensed which have either gone into production or are being constructed. A list of the same is given below:

Government-owned plants (location)	Product and annual capacity
Sindri (Bihar State)†	Ammonium sulphate, ammonium sulphate-nitrate, urea, 70,000 tons N.
Rourkela (Orissa State)†	Calcium-ammonium nitrate, 80,000 tons N.
Nangal (Punjab)†	Calcium-ammonium nitrate, 80,000 tons N.
Alwaye (Kerala)†	Ammonium sulphate, ammonium phosphate, ammonium chloride, 30,000 tons N.
Trombay (Bombay)	Urea and nitro phosphate, 90,000 tons N.
Gorakhpur (Uttar Pradesh)	Urea, 80,000 tons N.
Katni (Madhya Pradesh)	Urea, 100,000 tons N.
Namrup (Assam)	Urea and ammonium sulphate, 45,000 tons N.
Neyveli (Madras)	Urea, 70,000 tons N.
Privately-owned plants, location and company	
Andhra Sugars Ltd, Kothagudam (Andhra Pradesh)	Urea, 66,000 tons N.
Visakhapatnam (Andhra Pradesh) Coromandel Fertilisers Co. Ltd	Ammonium phosphate, 365,000 tons : urea, 116,500 tons.
Baroda (Gujarat State)* The Gujarat State Fertilisers Co. Ltd	Urea, 90,000 tons ; ammonium phosphate, 125,000 tons ; ammonium sulphate, 200,000 tons.
Ennore (Madras State)†	Ammonium phosphate, 16,500 tons N.
E.I.D.-Parry Ltd Tuticorin (Kerala State)	Ammonium phosphate, 64,000 tons N.
Kothari and Sons Mangalore (Mysore State)	Urea, 99,000 tons ; ammonium phosphate, 123,750 tons ; ammonium sulphate, 99,000 tons.
Shaw Wallace and Company and Rallis India Ltd Varanasi (Uttar Pradesh)	Ammonium chloride, 10,000 tons N.
Sahu Jain Group Durgapur (West Bengal)*	Urea, 132,000 tons.
Durgapur Fertilisers and Chemicals Ltd. Hanumangarh (Rajasthan)	Ammonium sulphate, 80,000 tons N.
House of Jalan (B. L. Jalan)	

* To be owned jointly by the Government and private industry.
† In operation.

Main Raw Materials

The main raw materials for the production of nitrogenous fertilisers are nitrogen derived from air and hydrogen derived from either petroleum and coal, or electrolytically. The production of electrolytic hydrogen is very expensive and can be ruled out for the future expansion programmes. India has an abundant supply of coal in the country and most of the plants are designed to produce hydrogen from coal. The cost of production of nitrogenous fertilisers in a coal-based unit is much higher than one based on petroleum or natural gas sources. At present, this country has certain surplus naphtha in the petroleum refineries, the utilisation of which has become a problem. Therefore, greater emphasis for the production of ammonia in future should be placed on surplus naphtha from petroleum refineries and natural gases and associated gases available from the oilfields of Assam and Gujarat.

Phosphatic fertilisers : Application of sufficient quantities of suitable phosphatic fertilisers to the soil along with nitrogen is essential for the maintenance of soil fertility and increased crop yield. In 1960-61, the actual production was only 52,000 tons of P_2O_5, against a target of 120,000 tons. The table below shows the capacity, production and consumption of phosphatic fertilisers in the country:

(Tons P_2O_5)

	1960-51	1955-56		1960-61		1965-66
		Targets	Actuals	Targets	Actuals	Targets
Capacity	20,575	34,892	33,200	120,000	95,600	500,000
Production	9,072	33,333	12,365	120,000	52,391	500,000
Consumption	6,900 (1951)	33,000	14,218	120,000	52,816	500,000

The low target of production of P_2O_5 fertiliser has been mainly due to the lack of popularity of these fertilisers in the country, and the shortage of raw materials like phosphatic rocks and sulphur for the production of sulphuric acid used in the process. Both of these have to be imported from abroad. The end-products of the phosphatic fertilisers are mainly triple superphosphate, dicalcium phosphate, nitro-phosphate and ammonium phosphate. The major raw materials required for this industry are rock phosphate and sulphur for the production of sulphuric acid. The annual import of rock phosphates are given in the following table:

Year	Quantity (in '000 tons)	Value (in crores of rupees)
1957	115.0	1.55
1958	121.3	1.13
1959	185.9	1.10
1960	236.2	2.07

To achieve self-sufficiency in phosphatic fertilisers, new sources of raw materials have to be found in the country. As already stated, iron pyrites available will be a good raw material for the production of sulphuric acid. A certain amount of rack phosphates are available in the Deccan plateau and other parts of India. A serious and concentrated effort should be made by the Geological Survey of India to explore the availability of phosphatic rocks in the country.

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Production of Non-ferrous Metals Rising but Demand Exceeds Supply

By
P. C. JAIN

NON-ferrous metals, although known in India from early ages, have a very brief past of about two decades of development on modern lines. The fixed capital employed by the semi-manufacturing and subsidiary industries is placed at over Rs. 130 crores or Rs. 140 crores. It employs a labour force of over 50,000 and the annual production of different sections is estimated to be over Rs. 140 crores. Its wage bill comes to about Rs. 10 crores, while it pays about Rs. 15 crores a year as indirect taxes. The annual sale value of export metals and metal products has reached about Rs. 2.40 crores. These figures give, in brief, an idea of the size of the industry and the rôle it plays in the economic life of the country.

Most countries in the world are not self-sufficient in their requirements of major non-ferrous metals, namely, aluminium, copper, lead, nickel, tin and zinc. In India, the supply varies from abundance in the case of aluminium to deficiency in the case of copper, lead and zinc and the total absence in the case of nickel and tin.

Rapid Progress

The non-ferrous metals industry, like the engineering industries in India, got impetus for development during the second World War when other channels of supply were cut off. The progress was rapid and it consolidated its position in the postwar period. The development under the first and second plans suffered to a great extent due to the Government's preoccupation with the setting up of steel plants. Production and capacity in all sections of the industry have expanded continuously, while the manufacture of some new items has been undertaken indigenously since 1950. An idea of capacities in 1956 and at present and production in different sections in 1956, 1960, 1961, 1962 and 1963 can be had, respectively, from Tables I and II.

The growth has been particularly spectacular in the case of aluminium, zinc sheets and strips; aluminium extrusions; brass and copper sections; non-ferrous alloys; aluminium conductors; winding wires; electrical cables; aluminium foils, linings and container sheets. The decline in some sections is attributed to either the expansion plans on hand or the scarcity of foreign exchange enforcing economy in the metallic raw materials; the Government's policy of restricting the use of some metals and the shortages of basic metals.

With the development of indigenous production, the imports of various products declined. Although the entire requirement of finished and semi-finished items, excepting some very specialised ones, could be met from indigenous sources, imports were sometimes undertaken due mainly to the lack of co-ordination between producers and consumers and also due to lack of proper assessment of the requirements. As is the case the world over, imports of primary metals increased with the progress of industrialisation. An overall idea of imports can be had from Table III. The import bill which is placed around Rs. 60 crores now, is expected to be of the order of Rs. 340 crores by 1975-76.

Although the industry in India is, in the main, import-oriented, it is aware of the need for expanding exports. An idea of the exports, which were estimated in 1963 to be Rs. 2.40 crores, can be had from Table IV. Exports are still not sizable, but efforts are being made in this direction. The prospects of exports, however, appear to be slender. except in the case of small quantities of alloys and semi-finished products. The objective of export promotion will, therefore, have to be achieved by exporting household goods and more indirectly by exporting engineering goods all of which consume some amount of non-ferrous metals.

Rising Demand

The consumption of non-ferrous metals in India has been steadily increasing and is sizable in terms of tonnage. It is expected to rise further by the end of the third plan and will increase at a much speedier rate during the next plan period. The estimated demand during 1965-66, 1970-71 and 1975-76 is as follows:

(In '000 tonnes)

	1965-66	1970-71	1975-76
Aluminium	180	260	400
Copper	140	235	300
Lead	67	145	220
Nickel	5	25	45
Tin	8	11	15
Zinc	187	225	350

In 1975-76, therefore, the total demand would rise to 1.3 million tonnes from 900,000 tonnes in 1970-71. The total import bill in 1975-76 may amount to Rs. 340 crores, against Rs. 230 crores in 1970-71. The demand for some non-ferrous metal products is estimated as follows in 1965-66:

	(In tonnes) 1965-66
Aluminium and alloy sheets, circles and strips	40,000
Aluminium and alloy extruded products	10,500
Aluminium foils	9,000
Castings (including cable and electrical accessories)	10,000
Aluminium E. C. rods	68,000
Brass and copper sheets, circles and strips	50,000
Brass and copper rods and sections (extruded)	10,000
Brass and copper pipes and tubes (extruded)	9,000
Copper base alloys and castings	30,500
Lead sheets and strips	2,500
Lead pipes and tubes	3,000
Zinc sheets and strips	7,500

There will thus be a considerable gap between the indigenous production and demand which alone should emphasise the need for developing the primary metallurgical industry at a much more rapid rate. The question whether it should be in the public or private sector is of less importance than expanding it fast by prospecting and proving expeditiously the located deposits of minerals; by accelerating mining, smelting and refining operations; by using the resources and experience of the existing producers and by removing other difficulties. The development of mineral and metal industries in future will depend also on fiscal and other levies. The trend of growth could be speeded up by providing to these industries speeial incentives which are normally available in other countries. These include treating of prospecting and development expenditure as revenue expenditure and charging it against profits during the year or against future profits; depletion allowances of wasting assets; liberal depreciation allowances on mining and smelting plant and machinery; complete tax holiday in the initial years, etcetera.

Inadequate supply and high prices of power add to the difficulties of the industry which is highly power-intensive. While the cost itself is comparatively high, shortages are bound to create graver problems. The whole question of power for metallurgical industries, therefore, needs to be dealt with keeping in mind bulk consumption and the cost. This could, to some extent, be solved if a certain percentage of hydel power which is the most inexpensive in India, is earmarked for these and the question of using middlings for generating thermal power by making them available from coal washeries at nominal prices is favourably considered.

Simultaneously, the removal of transport bottlenecks; simplification of provisions of mineral concession rules; speedy disposal of obligations for the renewal of leases; sanction of leases taking into account the sizes of the plants instead of statutory limit of 10 square miles, etcetera, would considerably contribute to the industry's progress.

Raw Material Shortages

Yet another handicap in the production of primary metal in India has been the non-availability of raw materials as well as machine tools of required quality and in sufficient quantities at competitive prices. This, to some extent, could be removed by undertaking the production of some of the raw materials taking into account the needs of the industry. The processing section which can claim an all-round progress and which now caters not only to the daily household needs but also to various complicated industrial requirements has also experienced a number of difficulties. Main handicaps have been the excess of capacity and the shortage of raw materials.

The manufacturing capacity in some of the sectors had reached saturation points by the beginning of the second five year plan which, in the main, included sheet rolling,

Table I

INSTALLED CAPACITY

Unit: metric tons	**1956**	**1963**
A. *Virgin metals:*		
Aluminium	7,620	53,340
Antimony	710	900
Copper	7,320	9,000
Lead	6,100	6,100
B. *Semi-manufactures and alloys:*		
Aluminium sheets, strips and circles	16,660/17,680	22,200
Brass and copper sheets, strips and circles	45,720/46,740	48,000
Lead sheets	1,110	3,000
Zinc sheets and strips	3,760	5,860
Aluminium extrusions	980	3,760
Bras copper and arse, copper and bronze rods, bars, sections, etcetera	5,320	7,000
Brass and copper wires	1,990	1,990
Brass and copper pipes and tubes	3,670	5,920
Lead pipes and tubes	4,880	4,880
Non-ferrous alloys	69,090/70,100	69,090/70,100
C. *Cables and wires:*		
Aluminium conductors	13,580	27,540
Aluminium wire rods	10.970	13,060
Bare copper conductors	18,080	18,080
Rubber and plastic insulated cables and flexible (M. Yds.)	170	360
Winding wires	760	7,790
Power cables (kilometres)	Nil	1,410
D. *Others:*		
Aluminium foils and linings	1,220	4,560

Table II

Production

Unit: metric tons	1956	1960	1961	1962	1963	
A. *Virgin metals:*						
Aluminium	6,505	18,143	18,381	29,805	52,146	
Antimony	598	813	620	586	887	
Copper	7,750	8,928	8,725	9,261	9,271	
Lead	2,537	3,710	3,664	2,839	3,535	
B *Semi-manufactures and alloys:*						
Aluminium sheets, strips and circles	10,647	16,256	16,930	14,977	23,206	
Brass and copper sheets, strips and circles	16,378	41,148	28,985	26,707	25,658	
Lead sheets	39	66	504	704	815	
Zinc sheets and strips	93	3,251	3,774	4,171	3,660	
Aluminium extrusions	381,	1,312	1,589	2,955	4,004	
Brass and copper and arse, copper and bronze rods, bars, sections, etc.	1,646	2,642	2,462	3,477	6,443	
Brass and copper wires	547	1,219	804	924	1,000	(Estimated)
Brass and copper pipes and tubes	53	1,321	455	504	871	
Lead pipes and tubes	345	813	534	700	600	(Estimated)
Non-ferrous alloys	17,490	23,368	27,512	33,050	35,000	(Estimated)
C. *Cables and Wires:*						
Aluminium conductors	11,466	22,352	24,833	25,773	32,225	
Aluminium wire rods	2,404	4,978	8,289	9,852	17,095	
Bare copper conductors	10,419	9,286	7,637	5,226	3,800	
Rubber and plastic insulated cables and flexible (M. Yds.)	106	301	287	288	314	
Winding wires	773	4,064	5,662	6,610	7,579	
Power cables (kilometres)	—	—	1,654	1,934	2,431	
D. *Others:*						
Aluminium foils	584	1,868	3,210	3,517	3,200	
Aluminium linings	573	599	556	711	733	
Aluminium container sheets	—	660	852	866	880	
Aluminium paste	333	435	448	569	419	

alloying and casting, etcetera, where a good portion remained unused. The survey undertaken by the Government of India of a number of engineering industries, including some of the non-ferrous metal industries, had placed utilisation in 75 industries at below 65 percent and in some of the non-ferrous metals industry at as low as 2 percent.

The Government is aware of the situation and most of the sections have now been included in the list of industries where application for industrial licences under the Industries (Development and Regulation) Act may be rejected without even reference to the Licensing Committee. Yet licences have been sanctioned for the setting up of new units in sections where a sizable proportion of the installed capacities had remained idle. Although it is expected that the capacity should be somewhat in excess of the requirements, in order to create a spirit of healthy competition and progress, idle capacity of the order available in many cases assessed on a single-shift basis cannot be conducive to the economic production and it resulted in wastage of valuable foreign exchange as well as internal resources which could have otherwise been channelised in other directions.

Another factor which has contributed to the under-utilisation and has recently aggravated the problem is the undertaking of captive production by some of the big engineering projects without due consideration to the existing idle capacities in merchant plants and the plants set up in advance to meet the requirements that might arise in future, due to the growth of various engineering industries. The diversification of production by the existing units which could have been done at a much lower capital cost would have also resulted in the use of some proportion of the idle capacity. Yet another factor which has contributed greatly is the encouragement to the small-scale sector without paying attention to the difficulties of the organised sector. This approach not only denied the industry of the economies of mass production but also created apprehension and doubts in its minds as to the advisability of undertaking the manufacture of new items to cater to the anticipated future requirements as well as to specialise in any one particular line.

Large Overheads

The net effect of the under-utilisation is the blocking of large capital investments, particularly foreign exchange, while large overheads affected the competitive capacity of Indian goods in the international market. A detailed consumerwise survey of the big projects coming up should reveal the scope for the diversification of production as well as provide an opportunity to the processing sections of the metallurgical industry to use its resources properly.

The second problem faced for quite some time is the supply of raw materials to the existing units which, to a great extent, is linked with the problem of over-capacity. It is recognised that due to the foreign exchange shortage, the quantity imported is to be limited but if it remains constant, the supply can be increased to one sector only at the cost of the other. The basic question, however, is not only of the shortage of foreign exchange but of the principle itself, as allocations are made not on the basis of requirements of the finished or semi-finished items but on the basis of past consumption and production. It is particularly illogical in an economy like India's where attempts are being made for an all-round development and it is most so in the case of the non-ferrous metals industry which is the feeder industry to all engineering industries.

It is also well known that the prices of non-ferrous metals in the international markets have constantly been rising. The prices were, however, more unfavourable in the U.S.A. and the hesitation of the U.S. producers to offer against D.L.F. aid coupled with the scarcity now faced in that country, has added to the difficulties. These, to some extent, could be solved if scraps were allowed to be imported under the D.L.F. aid which would be of particular advantage to the alloy makers, since it was the international practice to upgrade the scraps and use them for the manufacture of alloys. Linked with the shortages is the question of issue of licences after a considerable period which gains particular importance in view of the acute shortages and non-availability of scraps in the indigenous markets.

Besides these, excise and other fiscal levies is another factor of great consequence to the production and future development of the industry. This, apart from other handicaps caused to the industry due to procedural irregularities, is not uniformly levied throughout the country. The multi-point character of the levy is possibly one of its greatest drawbacks which had pushed up the cost of production and appropriated the benefits of better efficiency achieved over the years. The variations in procedure and an interpretation of different clauses add to these difficulties.

Table III

IMPORT

Unit: metric tons	1959 Quantity	1959 Value	1960 Quantity	1960 Value	1961 Quantity	1961 Value	1962 Quantity	1962 Value	1963 Quantity	1963 Value
Aluminium unwrought ..	6,915	1,70,70,714	8,116	2,05,69,032	9,574	2,49,10,033	14,929	3,52,39,214	6,293	1,43,66,432
Aluminium wrought ..	12,401	4,22,01,467	15,370	5,13,16,025	13,728	4,64,31,970	22,202	6,81,37,423	18,715	5,05,04,111
Brass, bronze unwrought ..	1,962	44,83,850	3,698	89,19,953	2,927	73,27,592	457	13,24,066	265	6,32,169
Brass, bronze wrought ..	2,242	1,00,79,257	4,000	1,88,54,649	3,871	1,80,44,803	1,310	80,92,910	2,446	1,41,74,757
Copper unwrought ..	49,563	15,66,42,955	61,439	20,73,69,981	60,308	18,56,34,108	67,875	21,92,18,937	39,123	13,48,80,072
Copper wrought ..	1,274	64,26,004	1,639	89,67,795	1,595	83,40,296	2,728	1,35,33,914	1,855	1,10,75,428
Nickel, nickel alloy unwrought ..	912	73,74,624	1,214	96,29,945	1,329	1,08,28,341	1,303	96,85,335	71,825	11,96,77,944
Nickel, wrought ..	107	10,28,394	293	23,04,732	413	31,13,485	227	18,57,670	241	23,47,001
Lead unwrought ..	24,059	2,39,03,365	24,830	2,52,91,739	24,381	2,20,88,932	34,941	2,80,56,095	35,445	2,94,13,671
Lead wrought ..	97	1,77,141	173	2,91,158	404	6,24,944	149	3,13,100	99	1,61,336
Tin unwrought ..	4,464	4,70,38,053	3,903	3,98,88,785	4,630	4,13,88,388	4,640	5,59,71,298	4,475	5,26,64,854
Zinc unwrought ..	48,561	5,23,43,200	66,914	57,09,848	73,144	8,16,31,527	76,919	7,82,68,361	81,493	8,95,14,034
Zinc wrought ..	252	4,56,619	1,337	23,78,029	900	15,32,144	1,400	17,82,702	1,164	17,33,605
Aluminium conductors ..	4,584	1,29,00,786	3,868	1,14,70,521	2,081	63,66,073	238	5,69,415	819	21,47,447
Copper conductors ..	337	14,36,181	87	3,40,926	183	8,29,550	965	42,75,440	348	15,57,427
Winding wires ..	874	56,83,984	735	52,51,433	1	8,037	4	22,889	28	1,44,557
Insulated cables ..		5,32,08,430		5,90,31,551		5,26,39,293		7,12,46,350		12,86,25,929
Antimony ..	82	1,65,634	21	41,400	0,88	3,345	—	—	—	—
Non-ferrrous alloys unwrought ..	1,797	34,58,882	2,928	44,86,685	1,879	33,37,676	2,182	35,79,970	4,687	61,89,130

Table IV

EXPORTS

Unit: metric tons Ores and concentrates	1959 Quantity	1959 Value	1960 Quantity	1960 Value	1961 Quantity	1961 Value	1962 Quantity	1962 Value	1963 Quantity	1963 Value
Bauxite ..	23,560	9,04,065	75,641	27,99,554	99,721	40,05,530	1,75,621	69,89,371	1,35,170	47,57,500
Chrome ..	81,651	1,15,56,999	41,196	70,78,252	41,843	60,02,263	16,534	18,82,661	10,334	13,80,403
Ilmenite ..	2,81,057	2,07,86,341	2,28,916	1,56,60,152	1,25,213	92,30,875	1,03,245	99,17,489	79,555	87,92,188
Manganese ..	9,85,651	12,74,17,062	11,60,201	13,99,60,133	10,13,592	11,14,83,117	7,82,689	8,35,89,016	9,21,548	8,14,22,839
Zinc ..	12,616	47,29,921	9,301	42,93,227	10,196	35,67,312	10,751	24,82,026	11,680	29,33,767
Metals:										
Non-ferrous metal scrap ..	2,063	14,86,014	1,130	11,07,250	1,302	11,45,569	771	7,50,974	972	3,79,287
Aluminium wrought ..	11	1,11,213	9	1,20,196	18	1,91,360	20	1,73,440	40	3,31,231
Copper wrought ..	91	3,58,235	126	5,18,437	185	7,10,162	171	6,05,562	187	7,11,930
Brass wrought ..	96	4,02,514	73	3,00,485	123	4,51,085	100	3,57,895	339	11,01,552
Lead ..	0.2	1,150	5	11,800	0.03	9,750	0.58	2,394	5	8,518
Zinc ..	200	4,08,568	348	6,52,656	335	6,83,937	108	1,69,148	183	3,02,476
Alloys unwrought ..	24	74,391	19	67,883	0.11	1,874	0.36	2,121	—	—
Cables and conductors ..		54,996		2,76,460		1,78,298		4,06,764		1,26,778

MORE TRACTORS NEEDED FOR FARM MECHANISATION

By

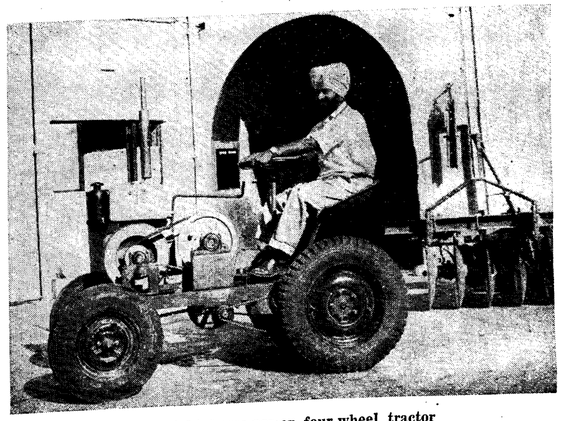
ROLAND C. HEATH

ONE of India's great problems in her desire to save foreign exchange is that she has to start where manufacturers in other countries had started, instead of beginning where they have left off. There are instances of equipment being designed and basic principles being studied and problems being faced which have already been ironed out by manufacturers in other countries. It would seem that Government policy often demands this, although it is penny-wise and pound-foolish. This does not necessarily apply to the manufacture of tractors, but it does to ancillary equipment. The slogan for India should be "mechanise or die". But in producing more tractors, manufacturers should ensure that adequate servicing facilities are provided to keep pace with the increased tractor population. It is useless, however, for farmers to complain of the shortage of tractors and blame the manufacturer because, at the moment, manufacturers, with the exception of two, exist only on paper and even these two have been unable to achieve their production targets because of their inability to secure the necessary phased components from outside to complete their manufacturing programmes. The following are some of the reasons hindering production:

(a) There is a shortage of raw materials to produce the high-grade components which are required for manufacturing a tractor.

(b) Due to the continued import of tractors from varied sources, concern has been created in the minds of manufacturers about the lack of protection for their investment by the Government.

(c) The Government has been hesitant in giving licences to private companies who are willing to proceed immediately with manufacture and who possess the knowledge of handling agricultural machinery and industrial know-how. Considerable loose thinking has been going on for a number of years on the manufacture of what is named as the power tiller. They are in fact two-wheel tractors, but because of the name given to them, a number of organisations have been or will be licensed to make them. These two-wheel tractors will be ideal for wet cultivation, but their use under dry farming conditions will be disadvantageous for two reasons. Firstly, the operator takes the whole of the torque reaction and the two-wheel units under dry conditions are harder to manipulate than a pair of bullocks. The margin available in terms of discount or commission is such that the possibilities of service to the farmer will be limited. In relation to the workload, the whole unit is unlikely to stand the rigours of dry land cultivation.



An eight horse-power four-wheel tractor

Use of Trailer

Secondly, unless this piece of equipment has a suitable arrangement for trailer and this attachment is made available, the farmer will have to keep his bullocks for transportation and will thus derive little advantage from mechanisation.

There are 40 million farms in this country, and the total number of tractors is of the order of 40,000. The progress is indeed poor. India should be absorbing approximately this figure a year. But this will mean large imports which will cause a very serious drain on foreign exchange and, therefore, some long-term policy for manufacturing tractors must be considered and implemented. Mechanisation of India's agriculture is a "must" if the country aspires to raise agricultural production.

To rely on the public sector for everything is both unnecessary and uneconomic. It is also unlikely to lead to any concrete result. Not because the people associated with it or working in it are not capable, but because the form of the organisation does not create a sense of urgency and enthusiasm. The future of mechanisation of Indian agriculture must be in the hands of private enterprise with assistance from the Government in the form of extensive loans to every farmer who applies for them, irrespective of his acreage. These loans should be long-term ones.

The total production in India of agricultural tractors last year was under 2,000 and the prospects of a large increase this year is extremely remote. The reason is that the problems of the manufacturer are not either understood or if they are, assistance required is not forthcoming.

There is no doubt a demand for two-wheel tractors for wet cultivation. There is also demand for a small tractor of 8 to 12 horse-power, a tractor of 12 to 18 horse-power, 25 horse-power, 35 horse-power and 45 horse-power, and also a 60 horse-power track-laying tractor. The present writer's estimated figures in terms of requirements are as follows:

Power tiller for wet cultivation	10,000
8 to 12 H.P. four-wheel tractor	25,000
12 to 18 H.P. four-wheel tractor	10,000
25 H.P.	5,000
35 H.P. tractor	3,500
45 H.P. tractor	1,000
60 H.P. track-laying tractor	Between 250 and 350

How is one going to get these produced? There is oniy one sensible way of doing this and that is to benefit from the experience of other countries. Why must India always carry out experiments and go through all the troubles and problems that other countries have had instead of starting basically where they have left off? One does not know.



A prototype of an eight horse-power two-wheel tractor

The right thing to do is to encourage production by any company or organisation with the right financial backing and experience in handling the import, distribution or servicing of agricultural machinery. They should be allowed to import components up to 60 percent of the value of each tractor to a figure to be agreed upon for the first two years. In the third year, they should be allowed to import 30 percent of components and raw materials and the balance of 30 percent during further two years. After this, raw material should only be allowed to be imported and nothing else.

Commercial Production

One would find that there would be quite a rush to produce some type of tractors and such men would either live and prosper or they would go out of business. One would, by this means, find a normal commercial economic level at which tractors would be produced at reasonably economic price in the quantities that they are required. Things like this always find their own level and in view of the urgency and the colossal demand for mechanised farm equipment, India should choose this way. It does not really matter at this stage whether or not the capacity in the country on paper is for a million tractors a year; nobody is going to produce them if they cannot sell them. Nobody is going to invest in a project if it is not profitable.

A lot of criticism has already been levelled at the manufacturers or part manufacturers of tractors. It should be realised that it is far more simple to produce a motor-car or a stationary engine than it is to manufacture tractors. The rolling resistance on most farming equipment is extremely high or non-existent, and the stresses that are set up on the land vary from every foot that it travels when cultivating. So design problems, steels, grades and qualities are of vital importance if the tractor is going to

stand up under normal farming conditions.

Basic Equipment

One of the most important farming operations in India is sub-soiling, particularly in Punjab. This cannot be undertaken under any circumstances by animal power. All farms should have certain basic equipment according to the size suitable for the holding, that is to say, tractor, plough, trailer and belt pulley. Pools should be established at various strategic positions throughout the States by either Government or private enterprise through contractors from which farmers might hire, on a day-to-day basis, such auxiliary equipment as threshing machines for rice and other cereals; shellers for maize; binders and mowers for harvesting; seed drills; seed cleaners and winnowers; and barn machinery such as chaff cutters, hammer mills and grass deriers.

The development of agriculture and high productivity of primary produce in such countries as Australia, America and Canada were not achieved without financial investment by the Governments of these countries. Land grants were made available to the farming community and substantial loans were given to farmers (by the Government, rural banks and finance houses) to enable them to develop their agriculture.

India must do the same, although in this country legislation, under which farmers are protected in so far as collection of any debts incurred by them are concerned, preclude the granting of loans by any bank, insurance company or finance house. Therefore, financial assistance to the farmers of India will have to be made available through a Government organisation run on commercial lines, and working in close co-operation with the Revenue Department.

It is also vitally necessary for hire-purchase facilities to be made available to the farming community as quickly as possible. This should be done through an "All-India Rural Credit Corporation". A sum not exceeding Rs. 50 crores would be sufficient to cover all expenditure and commitments. It should help to operate an adequate hire-purchase scheme on the following lines: When a rural credit corporation is set up, a recognised bank should be appointed as its all-India agent, and all financial arrangements in connection with the purchase of agricultural machinery and equipment should be made through that bank. (In the first instance, the facility or loan should be restricted to a maximum of Rs. 10,000 a farmer.)

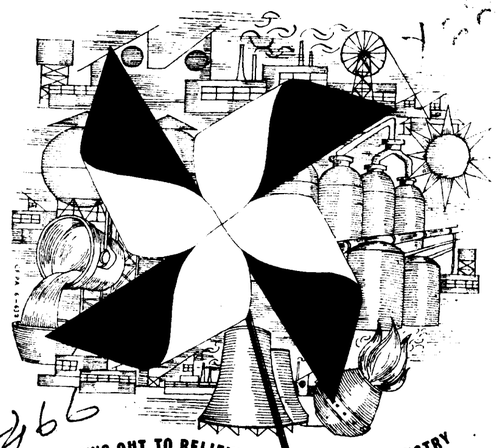
Filling in Forms

First of all, farmers would be required to fill in a form declaring the extent of their holding, their assets, situation and crops grown, etcetera, and before any further action is taken, this form should be sent to the Revenue Department which would be required to certify that the information it contains is correct. After scrutiny and acceptance, the form would be returned by the Revenue Department to the farmer concerned with instructions that he should now present it, together with a *pro forma* invoice from a dealer licensed by the Government to trade in agricultural machinery, to the bank acting as the agent of the rural credit corporation. This bank would thereupon execute an agreement as between the farmer and the corporation (such document incorporating not only the customary clauses and undertakings usual in transactions of this description, but providing also for full insurance coverage, etcetera). On completion of the formalities connected with the execution of this hire-purchase agreement, the bank would authorise the farmer to purchase the equipment specified in that agreement and would at the same time give him a voucher addressed to the dealer whose *pro forma* invoice has been accepted and from whom the equipment is to be purchased. This voucher would constitute an order to supply the equipment. On completion of delivery in accordance with the instructions given by the bank, the dealer would present the voucher—together attached documents including farmer's written acknowledgmen correct receipt—to the bank payment.

When the entire transaction been completed, that is to say, fication of the correctness of for declaration, execution of the purchase agreement, collection of initial instalment, delivery and ment of machinery, the bank w forward the hire-purchase agreem and connected documents to the credit corporation, whose respon lity it would be to collect subsequent instalments with the operation of the Revenue Departm which would have first claim o debts.

The equipment would of course main the property of the rural c corporation until full payment been effected by the hire purcha and the corporation would of co enter into a separate agreement the dealer concerning service during the hire-purchase period.

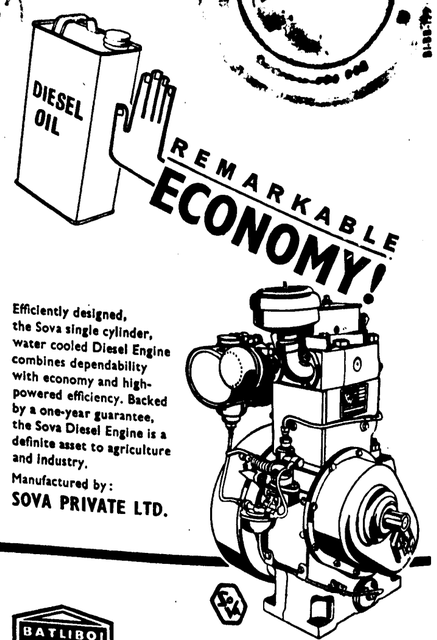
What would be achieved thr this new approach and encouragem to mechanisation? The coun agriculture would have been m nised and it would have been the opportunity of producing food at less cost and at a price all could pay.



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